

Report Q175

in the name of the Japanese Group

The role of equivalents and prosecution history in defining the scope of patent protection

Questions

1. *If your country has a doctrine of "equivalents", what is it and how are equivalents assessed? Is it provided for by statute or case law?*

In Japan, the doctrine of equivalents (DoE) is defined as a legal concept that allows a court to declare patent infringement in the event that certain requirements are satisfied, even when the accused product or process is in part different from the claimed invention. This concept was created under the rationale that patent protection should be applied against a product or process which is substantially identical to the patented invention from viewpoints of the object of the Patent Law such as protection of invention and equity between the parties.

In order for an accused product or process to be deemed as an equivalent to the patented invention, the accused product or process should satisfy the following five requirements:

- (1) the portion of the claimed invention that is different from the accused product is not a substantial part of the claimed invention;
- (2) the purpose of the invention is still performed by the accused product which replaces that portion by another thing or process, and the same operation and effect as those of the invention are attained by the accused product;
- (3) the above replacement could have been easily conceived by a person skilled in the art at the time of manufacture of the accused product;
- (4) the accused product was not part of any publicly known technology or knowledge at the time of the filing of the application, and could not have been easily conceived by a person skilled in the art based on existing knowledge of the art at the time of filing; and
- (5) there are no special circumstances, such as where the accused product was intentionally excluded from the claim by the patentee during the prosecution of the patent (file wrapper estoppel).

In Japan, there is no statutory provision regarding DoE. The above-mentioned policy and five requirements for application of DoE were set by a decision of the Japanese Supreme Court on February 24, 1998. Courts in Japan have applied DoE based on the Supreme Court's decision ever since. Although case law does not play a major role in the Japanese legal system, this Supreme Court's decision has played the role of *de facto* binding authority.

2. *Can the scope of patent protection change with time, or is it fixed at a particular date? If it is fixed, at what date (e.g. priority, application date or date of alleged infringement)?*

In Japan, it can be said that the scope of patent protection changes with time.

The aforementioned February 24, 1998 Supreme Court decision, which was handed down for a patent dispute in the field of mechanical technology, has a portion that reads, "Even if there are constituent elements described in a patented claim that differ from the accused product [i.e. when there is no literal infringement], when ...the ...replacement could have been easily conceived by a person skilled in the art *at the time of manufacture* of the accused product" (emphasis added).

This means that the state of the art at the time of manufacture of the accused product is to be made the relevant criterion for determining infringement by equivalent. Therefore, the scope of the relevant state of the art would change depending on when the accused product is manufactured. Generally, the technical level of any area of technology is expected to advance as time goes by, and therefore, the scope of patent protection is also expected to expand with time.

It should be noted that, before this Supreme Court decision, the scope of patent protection in Japan had been fixed because courts in Japan at that time had used the time of filing as the reference time for their DoE assessment.

3. *Does the prosecution history play a role in determining the scope of patent protection? If so, how does it work? In particular:*

In determining scope of patent protection in Japan, prosecution history is taken into account, among other factors.

Regarding application of DoE, the Supreme Court decision in *Ball Spline Shaft Bearing* case held that "once a patentee excludes a technology from the technical scope of a patented invention by intentionally excluding it from the scope of the claim during patent prosecution or otherwise, or a patentee commits another act that can be outwardly interpreted as doing so, the patentee cannot make assertions that would contradict such an exclusion, since such a contradiction would not be permitted in view of the legal doctrine of estoppel." Ever since this decision, prosecution history has been taken account of also in a DoE case.

- a) *Is there "file wrapper estoppel" and if so in what circumstances does it arise?*

In Japan, doctrine of estoppel has been adopted as a general principle of civil law (see Article 1(2) of the Civil Code and Article 2 of the Code of Civil Procedure). When this doctrine is applied under the Patent Law, it is called "file wrapper estoppel." So, there is file wrapper estoppel in Japan.

When a patent is granted as a result that the JPO examiner accepted an argument made by the applicant during prosecution, the file wrapper is considered when the patentee alleges differently from the applicant's statement in the prosecution.

In DoE infringement cases, file wrapper estoppel will be applied in accordance with the principle of the Supreme Court's *Ball Spline* decision. In the case that the applicant narrowed down a claim during prosecution, for example, in order to avoid the cited prior art in order to overcome the rejection made by reason of the lack of novelty or inventive step or to overcome the rejection made by reason of insufficient description, file wrapper estoppel is applied. Furthermore, from the aforementioned decision, we can also conclude that file wrapper estoppel will be also applied to a matter that the applicant had once acknowledged that it did not

belong to technical scope of the claimed invention, despite of whether or not such an acknowledgment influenced the decision to grant a patent.

- b) *Is there a difference between formal (e.g. oppositions) and informal (e.g. discussions with examiners) actions in the patent office?*

In Japan, oral discussions made between the applicant and the examiner have also been recorded in file wrapper as an interview record. As long as it is maintained in the record, an interview record will not be regarded differently from an action made in the opposition procedure and will be taken account of in the claim interpretation.

- c) *Is there a difference between actions taken by the patent office and by third parties?*

In Japan, only matters stated by the applicant in the prosecution or the court proceedings will be used as a basis for claim interpretation. Any action made by the Patent Office or a third party will not affect claim interpretation. Also, whomever the applicant made the statement has no relation to the estoppel effect, and as long as it is maintained in the record, a statement made by the applicant before the Patent Office or a court will be taken into account.

4. *Is there any way the scope of claims can be limited outside prosecution, e.g. by estoppel or admissions?*

In certain environments, an action made outside prosecution may also limit the scope of claims. For example, the following may be taken into account for the purpose of claim interpretation and may be subject to estoppel: the description of the prior art cited in the application of the disputed patent (Tokyo District Court decision, December 22, 1986); an allegation made during the prosecution of the original application in the case of a divisional application; statements made in a corresponding foreign patent application; statements made during negotiations for licensing; and statements made during actions for an injunction or actions for a declaratory judgement for no right to demand compensation for damages. There have been court decisions in Japan that adopted statements made in a lecture the inventor made fifteen years after the invention was made as a evidence for deciding technical scope of that invention (Tokyo District Court decision, June 16, 1989), and that adopted the description of the prior art cited in the application of the disputed patent as a material for deciding the technical scope of that invention (Tokyo District Court decision, December 22, 1986).

5. *Do you have recommendations for harmonisation in this area?*

We believe that the Japanese Supreme Court decision mentioned above should serve as a good starting point toward the harmonization. For your review, we are attaching an English translation of the decision in its entirety.

While this decision is probably not a perfect solution for everyone, it has so far served Japan very well. We believe that the doctrine of equivalents should not be overly used as it may harm businesses and even research and developments due to the fact that it brings in some legal unpredictability. Therefore, the doctrine should be available under courts' discretion to a limited number of cases. The statistics which have been compiled by the Institute of Intellectual Property, Tokyo, Japan show that between August 1998, after the February 1998 Supreme Court decision, and November 2002, 121 lower court decisions were rendered in which the applicability of the doctrine was considered. Of those decisions, the doctrine of equivalents infringement was found in ten (10) cases. In the face of these decisions, the committee preparing this report is unaware of any major

and specific dissatisfaction among the public and IP practitioners and academics concerning the courts' application of the doctrine thus far. Basically all lower court decisions considered the five conditions the Supreme Court set forth.

To that extent, we believe that the five conditions for the doctrine of equivalents have a good standing in Japan and give reasonably clear guidance as to the question of the scope of infringement. Also, we believe that the opinion of the Japanese Supreme Court as a whole, while it is relative short, provides a well-balanced exposition of what the doctrine should be.

As discussed above, this law set by the Supreme Court of Japan has two major characteristics: one is that the ease of replacement is considered based on technology available at the time of infringement, and the other that the prosecution history estoppel is considered by the court and, according to the fair reading of the decision, any narrowing amendments to a patent claim would preclude the use of the doctrine by the patentee for the narrowed portion of the claim.

Having noted that the Japanese law should serve a good starting point for discussions by AIPPI, the Japanese Group would like to point out some possible problems concerning the Supreme Court law discussed above.

Because the ease of replacement is considered at the time of infringement (according to the language of the Supreme Court decision, "at the time of manufacture etc."), the scope of equivalents keeps expanding in time because of continuing technological developments. This may unreasonably inhibit technological or business developments beyond the reasonable scope of an existing patent. For example, a patent was granted on a new process P to company A, and three years later, company B itself invented and used process P', which is somewhat different from P, under secrecy. The patentee A sued company B for patent infringement, but the court found no infringement because the replacement between P and P' was not easy at the time of infringement. Further three years later, however, another company C also invented and started using the same process P' without knowing what happened to company B. Company A then sued company C and the court found the same replacement easy due to technological developments which occurred in the intervening three years. This is entirely possible under the above-mentioned Supreme Court decision. What about company B, which was still using the same invention A'? If the patentee sues company B again, does it have any defense? These situations may pose some questions about the propriety of the time reference used to consider the ease of replacement.

Also, the doctrine does introduce uncertainty in claim interpretation. There should be some mechanisms to its frivolous use.

The Japanese group believes that AIPPI should consider such issues as the one discussed above in drafting a resolution.

Summary

In Japan, the Patent Law does not prescribe the doctrine of equivalents. The Supreme Court, for the first time, explicitly confirmed the existence of the doctrine of equivalents in judging patent infringement issues (THK Co. v. Tsubakimoto Seiko Co. decided 24 February, 1998, the "Ball Spline Bearing" case). The Supreme Court held that when an accused device is partly different from a patent claim, the device is deemed to be equivalent to the elements of the claim and therefore be within the scope of the claim, if the specific requirements are satisfied.

The specific requirements follow:

- 1) in a case where there exists a portion in the claim which is different from the accused device, that portion is not a substantial part of the patented invention;
- 2) even if that portion is interchanged with a part of the accused device, the object of the invention is achieved by the accused device, and the same operation and effect as those of the invention are attained (interchangeability);
- 3) the above interchange could have been easily conceived by a person skilled in the art at the time of manufacture of the accused device (ease of interchangeability);
- 4) the accused device cannot be the same as art publicly known at the time of the filing of the application, or could not have been easily conceived by a person skilled in the art based on the publicly known art at the time of filing; and
- 5) there are no special circumstances, such as where the accused device was intentionally excluded from the claim by the patentee during the prosecution of the patent application (file wrapper estoppel).

The Supreme Court held that ease of interchangeability should be determined at the time of infringement (e.g. at the time of manufacture of the accused device). As for the proper time for determining ease of interchange, the filing date of the patent application used to be used as the proper time. However, the Supreme Court instead held that the proper time for determining ease of interchange is at the time of infringement.

The exclusion of the accused device from the scope of the patent claim was also discussed. The Supreme Court stated that art which was already publicly known at the time of filing or could have been easily conceived by a person skilled in the art based on such publicly known art at the time of filing, can never be patented to anybody, and, therefore, such art cannot be said to be within the scope of a patent claim. Based on this reasoning, the Supreme Court stated that the doctrine of equivalents is not applicable under such circumstances.

The Supreme Court, again for the first time, clearly held that file wrapper estoppel applied in Japan. Up until February 1998, there had been no clear precedent in Japan as to the applicability of file wrapper estoppel. However, it was thought that this type of estoppel was certainly applicable to claim interpretation in order to restrict claim interpretation. The Supreme Court, however, stated in its Decision that if the applicant intentionally excluded the accused device from the claims during the prosecution of the patent application, or the patentee acknowledged that the accused device was not within the scope of the claims, or conducted itself as if it acquiesced in such an interpretation but then later asserted the claims in a manner contrary to what was acknowledged earlier, such a contrary assertion should not be permitted in light of file wrapper estoppel.

Since the Supreme Court decision, the doctrine of equivalents infringement was affirmed in 10 decisions out of 121 lower court decisions.

Résumé

Au Japon, la Loi sur les brevets ne prescrit pas la doctrine des équivalents. La Cour suprême, pour la première fois, a explicitement confirmé l'existence de la doctrine des équivalents en jugeant de la contrefaçon de brevet. (THK Co. contre Tsubakimoto Seiko Co., décision du 24 février 1998, affaire "Ball Spline Bearings"). La Cour suprême a considéré que lorsqu'un dispositif en accusation est en partie différent d'une revendication de brevet, ce dispositif est considéré comme équivalent aux éléments de la revendication et se trouve donc sous la portée du brevet, si des conditions spécifiques sont remplies.

Ces conditions spécifiques sont les suivantes:

- 1) s'il existe une partie de la revendication qui est différente du dispositif en accusation, cette partie n'est pas une partie substantielle de l'invention brevetée;
- 2) même si cette partie et une partie du dispositif en accusation sont interchangeées, le but de l'invention est atteint par le dispositif en accusation, et la même opération et les mêmes effets que ceux de l'invention sont atteints (interchangeabilité);
- 3) ce remplacement aurait pu aisément être conçu par un homme du métier au moment de la fabrication du dispositif en accusation (facilité d'interchangeabilité);
- 4) le dispositif en accusation ne peut pas être identique à l'art de notoriété publique au moment du dépôt de la demande, ou n'aurait pas pu être conçu aisément par un homme du métier se fondant sur l'art de notoriété publique au moment du dépôt; et
- 5) il n'existe pas de circonstances particulières comme par exemple lorsque le dispositif en accusation a été intentionnellement exclu de la revendication par le breveté durant la procédure de délivrance du brevet (*file wrapper estoppel*).

La Cour suprême a jugé que la facilité d'interchangeabilité devait être déterminée au moment de la contrefaçon (c'est-à-dire au moment de la fabrication du dispositif en accusation). En ce qui concerne le moment approprié pour déterminer la facilité d'interchangeabilité, l'usage était d'utiliser la date de dépôt de la demande de brevet. La Cour suprême, au contraire, a considéré que le moment où doit être déterminé la facilité d'interchangeabilité est celui de la contrefaçon.

L'exclusion du dispositif en accusation de la portée du brevet a également été discutée. La Cour suprême a déclaré que l'art de notoriété publique au moment du dépôt de la demande, ou ayant aisément pu être conçu par un homme du métier s'appuyant sur un tel art de notoriété publique au moment du dépôt de la demande, ne peut être attribué sous forme de brevet à personne, et que donc un tel art ne peut pas être considéré comme se trouvant sous la portée d'une revendication de brevet. Se fondant sur ce raisonnement, la Cour suprême a déclaré que la doctrine des équivalents n'était pas applicable en de telles circonstances.

La Cour suprême, pour la première fois encore, a clairement considéré que l'irrecevabilité ou empêchement tiré du dossier de délivrance (*file wrapper estoppel*) s'appliquait au Japon. Jusqu'en février 1998, il n'y avait pas eu de précédent au Japon concernant l'applicabilité de l'irrecevabilité ou empêchement tiré du dossier de délivrance. Il était cependant considéré que ce type d'irrecevabilité ou empêchement était tout à fait applicable à l'interprétation des revendications dans le but de restreindre l'interprétation des revendications. La Cour suprême a cependant stipulé dans sa décision que si le demandeur a intentionnellement exclu des revendications le dispositif en accusation durant la procédure de demande de brevet, ou que si le breveté a reconnu que le dispositif en accusation ne se trouvait pas sous la portée de la revendication, ou s'est conduit comme s'il admettait une telle interprétation, mais qu'il a ensuite soutenu sa revendication en opposition avec ce qui avait été reconnu auparavant, une telle affirmation contraire ne devait pas être acceptée dans le contexte de l'irrecevabilité ou empêchement tiré du dossier de délivrance.

Depuis la décision de la Cour suprême, la contrefaçon par la doctrine des équivalents a été affirmée dans 10 décisions parmi 121 décisions de tribunaux inférieurs.

Zusammenfassung

In Japan, das Patentgesetz vorschreibt nicht die Doktrin der Äquivalente. Das höchste Gericht hat zum ersten Mal ausdrücklich die Existenz der Doktrin der Äquivalente bei der Beurteilung der Verletzungsfrage von Patenten bestätigt (der "Ball Spline Bearing" Fall: THK Co. gegen Tsubakimoto Seiko Co., entschieden am 24.02.1998). Das höchste Gericht hat entschieden, dass wenn sich ein beschuldigtes Gerät teilweise von den Patentansprüchen unterscheidet, ist

das Gerät äquivalent als das Element der Ansprüche erachtet und daher im Anspruchsbereich, wenn die speziellen Auflagen erfüllt sind.

Diese speziellen Auflagen sind:

- 1) Im Falle, dass sich ein Teil der Ansprüche von dem beschuldigten Gerät unterscheidet, ist dieser Teil nicht ein wesentlicher Bestandteil der patentierten Erfindung.
- 2) Auch wenn dieses Teil mit dem Teil des beschuldigten Gerätes ausgetauscht wird, ist das Ziel der Erfindung bei dem beschuldigten Gerät erreicht und der gleiche Arbeitsablauf und Auswirkung bleiben erhalten (Austauschbarkeit).
- 3) Der oben beschriebene Austausch hätte der Fachmann sich zum Zeitpunkt der Fabrikation des beschuldigten Gerätes leicht ausdenken können (Leichtigkeit der Austauschbarkeit).
- 4) Das beschuldigte Gerät kann nicht dasselbe sein wie die öffentliche bekannte Kunst zum Zeitpunkt der Einreichung der Anmeldung, oder der Fachmann hätte nicht leicht, basierend auf der öffentliche bekannte Kunst zum Zeitpunkt der Einreichung der Anmeldung ausdenken können.
- 5) Es gibt keine besonderen Umstände, wie zum Beispiel wo das beschuldigte Gerät mit Absicht von der Ansprüche des Patentinhabers während des Erteilungsverfahrens bei der Patentanmeldung ausgelassen worden ist ("file wrapper estoppel").

Das höchste Gericht hat entschieden, dass die Leichtigkeit des Austausches zum Zeitpunkt der Patentverletzung (zum Beispiel zum Zeitpunkt der Fabrikation des beschuldigten Gerätes) angesetzt werden soll. Das Datum der Patentanmeldung wurde zuvor als angemessener Zeitpunkt zum Ansetzen der Leichtigkeit des Austausches benutzt. Das höchste Gericht hat allerdings entschieden, dass der angemessene Zeitpunkt zum Ansetzen der Leichtigkeit des Austausches den Zeitpunkt der Patentverletzung ist.

Die Ausscheidung des beschuldigten Gerätes von dem Schutzbereich der Patentansprüche wurde auch diskutiert. Das höchste Gericht verkündigte, dass die Kunst, die schon öffentlich bekannt zum Zeitpunkt der Bewerbung war, oder die der Fachmann basierend auf solch öffentlich bekannte Kunst zum Zeitpunkt der Bewerbung sich hätte leicht ausdenken können, kann niemals zu irgendwehm patentiert werden und daher kann solch eine Kunst nicht als innerhalb des Schutzbereiches der Patentansprüche bezeichnet werden. Aufgrund dieser Argumentation hat das höchste Gericht entschieden, dass die Doktrin der Äquivalente nicht unter diesen Umständen anwendbar ist.

Das höchste Gericht, wieder zum ersten Mal, hat klar beschlossen, dass die Einschränkung durch die Erteilungsakte in Japan anwendbar ist. Bis Februar 1998 gab es keinen klaren Präzedenzfall in Japan für die Anwendbarkeit von Einschränkung durch die Erteilungsakte. Jedoch wurde es angenommen, dass dieser Typ von Einschränkung sicherlich anwendbar für die Auslegung von Ansprüche ist, um die Auslegung von Ansprüche zu begrenzen. Das höchste Gericht hat aber mit den Entscheidungen verkündet, dass die Einschränkung durch die Erteilungsakte nicht erlaubt sein soll, wenn der Anmelder absichtlich das beschuldigte Gerät während des Erteilungsverfahrens der Patentanmeldung ausgeschlossen hat, oder wenn der Patentinhaber anerkannt hat, dass das beschuldigte Gerät nicht innerhalb des Anspruchsbereich war, oder sich so benommen hat als ob solch eine Auslegung hinnehmen würde, sich dann aber später umgekehrt verhält.

Seit dieser Entscheidung vom höchsten Gericht wurde die Verletzung der Doktrin der Äquivalente in 10 von 121 unteren Gerichtshöfe bestätigt.