

Major Judicial Precedents of Business Method-Related Inventions

In the midst of information technology development and in the wake of rulings and litigation over patents concerning business methods in the U.S., “business method-related inventions” have increased in popularity in Japan.

As a result, a large number of applications for “business method-related inventions” in various industrial fields has been filed, but the percentage of these “business method-related invention” applications being granted a patent right has been extremely low in comparison with patent applications filed in other areas, and this situation remains unchanged.

Actually, a high percentage of cases of appeal against an examiner's decision of refusal have resulted in appeal decision supporting the decision of refusal by the examiner.

In this summary, the court decisions for suits against an appeal decision corresponding to the following examination standards have been posted as a reference for appropriate responses to notification of reasons for refusal, request for examination, or appeal, in consideration of the patentability of the business method-related invention.

1. Court decision regarding judgment of inventive step
2. Court decision regarding description requirements

1. Court decision regarding judgment of inventive step

1-1 Judicial precedents related to inventions which are indicated as being “the exercise of ordinary creative activity expected of a person having ordinary skill in the art” in the examination standards of computer-software related inventions

(1) Application to other specific fields

There are numerous cases in which the procedure or means for realizing the function used in software-related inventions is often common in function or operation, regardless of the field to which the invention belongs. In such cases, it is within the ordinary creative activity expected of a person skilled in the art to apply such a procedure or means of software-related inventions used in certain fields to other fields in order to realize the same function or operation.

[Example: It is within the ordinary creative activity expected of a person skilled in the art to apply a support system for dealing in real estate to a support system for dealing in condominium buildings.]

Heisei 15 (Gyo ke) 430

“Support system for dealing in condominium buildings, apparatus for auction center, apparatus for data center, and computer-readable storage medium”

Partial excerpt from Court decision:

The cited invention is concerned with “dealing in real estate” but not limited to dealing in “property” or “buildings and property,” and, therefore, it includes dealing in condominium

buildings. As condominium buildings are considered to be typical commercial products in real estate together with “property” and “buildings and property,” the only judgment possible concerning the fact that a person skilled in the art who comes across the cited document 1 applies the technique with respect to the cited invention to dealing in condominium buildings is that it is something at which a person skilled in the art could have easily arrived, and, therefore, there is no room to accept the above claim of the plaintiff.

(2) Addition of a commonly known means or replacement by equivalent

It is within the ordinary creative activity expected of a person skilled in the art to add a commonly known means for systematization (as a constituent element thereof) or to replace a part of the constituent elements of the system with a well-known means equivalent thereof.

[Example: It is within the ordinary creative activity expected of a person skilled in the art to add means used for general data processing to a cited invention.]

Heisei 15 (Gyo ke) 300

“Message management apparatus and its means”

Partial excerpt from Court decision: These are related to a POS system. The translation table itself is used for general data processing, and it is clear that all of the systems that consist of one- or multiple-user equipment connected with host equipment through a network are not for only POS systems.

(3) Systematization of human transactions

It is within the ordinary creative activity expected of a person skilled in the art to systematize existing human transactions in an applied field so that such transactions may be conducted on a computer, if the said systematization can be realized by a routine activity of usual system analysis methods and system design methods.

[Example: It is within the ordinary creative activity expected of a person skilled in the art to systematize in order to realize on a computer ordinary human transaction done by deciding 5W1H]

Heisei 15 (Gyo ke) 268

“On-line nursing care support apparatus”

Partial excerpt from Court decision: In nursing, selecting to use 5W1H as a work process is something at which a person skilled in the art could have easily arrived, and circumstances in which 5W1H cannot be applied to nursing care are not recognized.

[Example: It is within the ordinary creative activity expected of a person skilled in the art to create a system in order to make on a computer an estimate made manually.]

Heisei 17 (Gyo ke) 10335

“Carriage estimate apparatus and estimation method”

Partial excerpt from Court decision: In systematizing the estimate work that was manually done by using an article list in a conventional carriage, there is no difficulty in arriving at the method of “inputting the number of products to relevant items in the article list displayed by the program which has been set up in advance” through the use of a communications network.

(4) Design modification on the basis of known facts or customs

When different features between the claimed invention and the cited invention are based on known facts or customs, and, as a result of considering other publicly known cited inventions and common general knowledge (including “evident facts”), the aforementioned different features are of a nature to be decided at the discretion of a person in the art, and if there is no restricting factor regarding combination and the difference is no more than a design modification decided depending on the needed of a person in the art, then, it is within the ordinary creative activity expected of a person skilled in the art.

[Example: How to make arrangement of the birth month or year (variables) correspond to the type of individual genre is an aspect of artificial arrangement; therefore, it is within the ordinary creative activity expected of a person skilled in the art.]

Hesei 15 (Gyo ke) 540

“Character diagnosis information service system, mobile character diagnosis information service system and computer-readable storage medium”

Partial excerpt from Court decision: In the case that birth date is used as a variable regarding the character elements of “nature,” month and year of birth naturally come to be used accordingly for “appearance” and “intention” which are other character elements, and, therefore it is obvious that arriving at such a method is easy. How to make the sequence of variables (month or year of birth) correspond to the type of individual genre for each character element is a matter of selection, at which a person skilled in the art can properly arrive since it is nothing but an artificial arrangement.

1 - 2 Others

[Example: It is within the ordinary creative activity expected of a person skilled in the art to transmit an order/information including credit card ID numbers through another network in a mail order system.]

Heisei 14 (Gyo ke) 598

“Product selling system and its information communications method and its terminal

apparatus”

Partial excerpt from Court decision: Both of the inventions described in the cited document 1 and the in the cited document 2 belong to the same technical field, a product selling system, and there are no factors to obstruct the combination. Both the input designated by pointing device and the input designated by switch operation are well-known technical means, and whether the switch or the pointing device is used is recognized as a matter of design that a person skilled in the art can implement accordingly. In that case, when the invention described in the cited document 2 is applied to the invention described in the cited document 1, it could have easily arrived for a person skilled in the art that, to replace the input and designated means with the input designated by pointing device, to connect the user PC to another communications network different from a wide area network, and to send the order information including credit card ID numbers through said communications network.

[Example: It is within the ordinary creative activity expected of a person skilled in the art to convert a site information network management system from a centralized management system to a distributed system.]

Heisei 15 (Gyo ke) 240

“Site control system”

Partial excerpt from Court decision: According to the statement in this specification (Ko 6, 8) and the cited document 1 (Ko 2), it is obvious that both this invention 1 and the cited invention 1 are for network management (management of information in the networked system), and according to the evidence (Otsu 3), the purpose of network management is to offer good-quality services to satisfy the network users and to improve the work efficiency of the management section. The fact that there exist two management methods which are centralized management method (unified management created by establishing a center for network management) and a distributed control method (in which a network is managed independently by each management entity) is a well-known matter prior to the application of this patent. Therefore, in the cited invention 1, adopting the so called distributed management method with which management centers for site information are established in multiple places to control each independently is something at which a person skilled in the art could have properly arrived and implemented.

Example: It is within the ordinary creative activity expected of a person skilled in the art to apply a means of searching for customers whose purchase records are not found in a set period for the cited invention which discloses a customer management system which enables a search of product purchase results.

Heisei 17 (Gyo ke) 10084

“Customer management system”

Partial excerpt from Court decision: In a customer search which has not operated in the cited invention 3, it is not possible to search customers by specifying products, while customers can be retrieved based on the purchase results of products in the invention of the cited invention 1, and therefore it is not possible to admit that the person skilled in the art found difficulty in applying a search of “customers whose purchase results have not been set in the set period” disclosed in the cited invention 3 to the invention of cited invention 1 and in realizing the configuration of “search customers whose purchase results of the advertised products are not found in a set period” relating to difference 4.

2. Court decision regarding description requirements

• In the examination standards of computer-software related inventions, in respect of the description requirements of the computer-software related inventions, the definitions of “examples of unclear claimed inventions” and “examples of violations of enablement requirements” appear below.

1. Examples of unclear claimed inventions

The invention for which a patent is sought is unclear resulting from the technical meaning of matters defining the invention being not comprehensible.

2. Examples of violation of enablement requirements

When the procedure or function corresponding to those stated in a claim is described merely in an abstract or functional manner in the detailed description of the invention, so that it is unclear how the procedure or function is implemented or realized by hardware or software..

(1) Example relevant to 1.and 2.

[Example: The features of an invention are not described in the detailed description of the invention.]

Heisei 15 (Gyo ke) 325

“Purchasing system of product relating to human body using the Internet”

Partial excerpt from the Court decision: According to a previously described claim by the plaintiff, the biggest feature of the invention is to permit customers to purchase products by selecting data from a coordinator-data file that stored coordinators' opinions, to coordinate and purchase favorite products after confirming the size, and this feature of the invention is novel and is not found in the description of any cited document. If so, the applicant or the plaintiff should, as a matter of course, clarify the configuration and disclose it in a detailed description of the invention so that a person skilled in the art can implement it.

(2) Example relevant to 2.

[Example: The detailed constituent features relating to the most important component of the

invention are not found in a detailed description of an invention]

(Gyo ke) No.513, 2002

“Process control method and apparatus”

Partial excerpt from rulings: As the purpose of the invention is, as described above, to create an accurate model of a manufacturing process including a digital data processing system with a function to simulate the model and precise schedule adjustment, expense calculation, and recording, unless it is clear how the signal to create the manufacturing model is input and the configurations of the manufacturing model created, it cannot be said that the configurations of the invention are described in the detailed description of the invention to the extent that a person skilled in the art can easily implement it.)

(Reference) URL for related materials

(1) Examination Standards (Examination Standards of Specific Fields, Chapter 1, Computer Software-Related Inventions)

http://www.jpo.go.jp/tetuzuki_e/t_tokkyo_e/Guidelines/PartVII-1.pdf