

## Trial decision

Invalidation No. 2017-800160

Tokyo, Japan

Demandant NAGAI, Yoshihisa

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Patent Attorney TOYOOKA, Shizuo

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With regard to the case of the patent invalidation trial between the above parties of Japanese Patent No. 4094047, entitled "Light emitting device", the trial decision shall be made as follows.

### Conclusion

The demand in the trial is dismissed.

The costs in connection with the trial shall be borne by the demandant.

### Reason

#### No. 1 Outline of the trial

##### 1 The Patent

The patent No. 4094047 (hereinafter referred to as the "Patent") is based on the patent application newly filed on August 13, 2007 as a partial application of Japanese Patent Application No. 2004-363534 filed on December 15, 2004 (claiming priorities with priority dates of April 27, 2004, June 21, 2004, and June 30, 2004) and registration of establishment of the Patent was made on March 14, 2008.

##### 2 Object of the demand

The demandant seeks a trial decision to the effect that the patent of the invention according to Claim 1 of the patent No. 4094047 is rendered invalid and the costs in connection with the trial are borne by the demandee.

##### 3 Object of the reply

The trial of this case is demanded by a person who does not have any interest and therefore the demandee seeks a trial decision of dismissal of the demand for trial.

## No. 2 History of the procedures

The outline of the history of procedures in connection with the Patent is as follows.

1 The outline of the procedures of the demand for trial filed by the demandant Yoshihisa Nagai on January 22, 2014 is as follows:

January 22, 2014	Demand for trial (invalidation No. 2014-800013) (hereinafter referred to as the "previous demand for invalidation trial")
April 7, 2014	Submission of written reply of the case of trial (by demandee)
May 28, 2014	Notification of the matters to be examined
July 2, 2014	Submission of oral proceedings statement brief (by demandant)
July 2, 2014	Submission of oral proceedings statement brief (by demandee)
July 10, 2014	Submission of written statement (by demandant)
July 16, 2014	Oral proceedings
July 18, 2014	Submission of written statement (by demandee)
August 1, 2014	Submission of written statement (second) (by demandant)
August 1, 2014	Submission of written statement (by demandee)
August 25, 2014	Submission of written statement (third) (by demandant)
September 24, 2014	Advance notice of trial decision
November 28, 2014	Submission of written correction request (by demandee)
November 28, 2014	Submission of written statement (by demandee)
January 7, 2015	Submission of written statement (fourth) (by demandant)
February 20, 2015	Submission of written reply of the case of trial (by demandee)
April 6, 2015	Trial decision (approval of the correction, validity of the demand, hereinafter referred to as the "first trial decision")
May 15, 2015	Access to Intellectual Property High Court (2015 (Gyo-Ke) 10097)
March 8, 2016	Decision (revocation of the trial decision, hereinafter referred to as the "first decision")
May 30, 2016	Submission of written statement (fifth) (by demandant)
August 5, 2016	Submission of written reply of the case of trial (by demandee)
January 12, 2017	Trial decision (approval of the correction, rejection of the demand, hereinafter referred to as the "second trial decision")
February 16, 2017	Access to Intellectual Property High Court (2017 (Gyo-Ke) 10047)
January 23, 2018	Decision (dismissal of the demand, hereinafter referred to as the "second decision")
February 6, 2018	The second trial decision and the second decision become final and binding.

2 The outline of the procedures of the demand for trial of this case filed by the demandant Yoshihisa Nagai on December 27, 2017 is as follows.

December 27, 2017	Demand for trial (invalidation No. 2017-800160)
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February 22, 2018	Submission of the written reply of the case of trial (by demandee)
June 12, 2018	Notification of service of the copy of the written reply
July 19, 2018	Submission of the written refutation of the case of trial (by demandant)

With regard to the "eligibility as a demandant" as alleged by the demandant in the written reply, the body requested the demandant in the above "notification of service of the copy of the written reply" to make a detailed rebuttal and provide a specific argument regarding "clarification of interest" in the written refutation.

#### No. 3 Demand in the trial of this case

With regard to the demand in the trial of this case, there is a dispute of the eligibility as a demandant falling under an interested person between the demandant and the demandee. The outline of the arguments between the two parties in connection with the eligibility as a demandant and the response by the body is as follows.

##### 1 Demandant's allegation in the written demand for trial

It is stated as follows in the written demand for trial, "No.1 History of the procedures and disputes":

"Eligibility as a demandant

In the demand for trial of this case, the present demandant has an interest and is therefore eligible as a demandant.

That is, there is a dispute of the patent right and the dispute is not yet made final so that the demandant falls under (6) "Persons concerned in the litigation of the patent right" on page 3 of "Practice regarding eligibility as a demandant in the invalidation trial" announced by the Japan patent Office on February 25, 2015 (written demand for trial, page 3).

##### 2 Outline of the demandee's allegation in the written reply and the response by the body

(1) As described in the above "No.1" "3. Object of the reply," the trial of this case involves a dispute as to whether the demandee has an interest. Because it was not clear to the panel whether the demandant has an interest, the body sent the "notification of service of the copy of the written reply" with the following details and requested the demandant to clarify any interests in the written refutation, as described in the above "No. 2" "2":

The demandee provided the written reply with the argument outlined as follows with regard to the alleged "eligibility as a demandant" according to the demandant.

The demandant is invited to make a detailed rebuttal responsive to the following argument and provides a specific argument of "clarification of interest" in the written refutation.

#### NOTES

1. The demandant falsely understands the "Persons concerned in the litigation of the patent right" in connection with the eligibility as a demandant (see the written reply, 6 (2) to (4)).

2. Even if the litigation demanding revocation of the trial decision (2017 (Gyo-Ke) 10047) falls under a litigation of "Persons concerned in the litigation of the patent right," the litigation has been completed with the final and binding decision and therefore the demandant is no longer an "interested person" (see the written reply, 6 (5), first paragraph).
3. In relation to "any one" who is allowed to file a demand for invalidation trial as the demandant, eligibility as the demandant of invalidation trial that is restricted to an "interested person" is not granted simply because a trial decision and judgment rejecting invalidation became final and binding (see the written reply, 6 (5), second paragraph).
4. The demandant is not involved in development or planning of working of a product relating to the light emitting device according to the invention of the Patent and does not fall under the person concerned in the litigation of the patent right, so that the demandant is not eligible as a demandant of invalidation trial of this case (see the written reply, 6 (6), first paragraph).
5. Even if Mr. Yoshihisa Nagai, the demandant of the trial, is commissioned by a person having an interest, the patent attorney is not allowed to become a demandant of the trial rather than serving as an agent, due to the absence of legal interest for the patent attorney to demand an invalidation trial as provided in the precedent, so that the demandant is not eligible as the demandant of invalidation trial of this case (see the written reply, 6 (6), second paragraph).

(2) Means of proof submitted by the demandee

A Means of proof attached to the written reply filed by the demandee is as follows.

Evidence B No. 1: Homepage of the office of Mr. Yoshihisa Nagai as the demandant of the trial

<http://www.intnagai.com/outline.html>

Evidence B No. 2: Trial handbook 31-01 PT Interested person

Evidence B No. 3: Trial handbook 31-02 PT Specific example of Interested person

B Description partially extracted from page 2/3 of Evidence B No. 1

"Yoshihisa Nagai (President)

(Patent Attorney, Supplementary Note of Specific Infringement Lawsuit Counsel)

... (omitted) ...

Services: Patent applications, utility model applications, design applications, and trademark applications

- Overseas filing of the above applications (USA, Europe, China, South Korea, Southeast Asia, etc.)
- Patent searches, utility model searches, design searches, and trademark searches
- Opinions and expert appraisals of patents and utility models
- Counsel for appeals against decisions of rejection, invalidation trials, trials for correction, and trials for cancellation
- Consultations and counsel for infringement litigation and suits for cancellation of appeal decisions
- Consultations and filings for oppositions
- Support in licensing negotiations and contract executions
- Support for invention creation
- Agent for executing contracts related to copyrights

- Assistance at the courts for matters involving unfair competition"

### 3 Demandant's allegation in the written refutation

The demandant's allegation in the written refutation, "7" is as follows:

"7 Reason

... (omitted) ...

Hence, it is explained first that the demandant has an interest, and then a rebuttal against the demandee's allegation is offered to the extent as needed.

#### (1) Demandant has an interest

As applicable to this case, a person who demanded an invalidation trial under Article 123 of the Patent Act after revision by the Act No. 47 of 2003 and before revision by the Act No. 36 of 2014 (hereinafter referred to as the "2003 Patent Act") falls under an "interested person" under Article 123(2) of the Patent Act after revision by Act No. 36 of 2014 (hereinafter referred to as the "2014 Patent Act").

When a person at least filed a demand for invalidation trial under Article 123 of the 2003 Patent Act and the 2014 Patent Act came into force before a decision of the trial becomes final and binding, or especially when a trial decision of invalidating a patent is reasonably expected and it is unlikely that a new demand for invalidation trial is to filed before enforcement of the 2014 Patent Act as in this case, the demandant should fall under the "interested person" under Article 123(2) of the 2014 Patent Act.

#### A. Interpretation of "interested person"

... (omitted) ...

Then, the demandant was eligible as a demandant to file a demand for invalidation trial under Article 123 of the 2003 Patent Act before enforcement of the 2014 revised Act and actually filed a demand for invalidation trial under the same Article of the same Act. Therefore, the demandant came to have an interest in the effect of the Patent and clearly falls under the "interested person."

#### B. Particularity of this case

This case relates to, as described below, the demand for invalidation trial filed under Article 123 of the 2003 Patent Act and under Article 123 of the 2014 Patent Act by the demandant of the invalidation trial subject to enforcement of the 2014 Patent Act before a decision of the trial becomes final and binding. Particularly in view of the circumstances of the invalidation trial before enforcement of the 2014 Patent Act, a new demand for invalidation trial under Article 123 of the 2003 Patent Act before enforcement of the 2014 Patent Act was not expected in this case. Considering such particularity of this case, the demandant of the invalidation trial of this case should fall under the "interested person" under Article 123(2) of the 2014 revised Act.

... (omitted) ... As such, when a person filed a demand for trial for invalidation of a patent before enforcement of the 2014 Patent Act and a decision of the trial has not yet become final and binding, it is clear that the person has at least an interest in invalidation of the patent at the time of enforcement of the 2014 Patent Act. Hence, such a demandant of the invalidation trial should be arguably recognized as the "interested person" under Article 123(2) of the 2014 Patent Act.

Particularly in the previous demand for invalidation trial, an advance notice of trial decision was issued on September 24, 2014 to the effect that the Patent is

invalidated. ... (omitted) ..., it was extremely unlikely that the advance notice of trial decision would be overturned and therefore, in view of the history of the previous demand for invalidation trial, it was not expected for the demandant of the invalidation trial to file a new demand for invalidation trial as in this case before enforcement of the 2014 Patent Act.

However, as a result, ... (omitted) ... the trial decision was revoked in the litigation of revocation of the trial decision and the demandant is trapped in a situation of being forced to file a new demand for invalidation trial as in this case.

... (omitted) ...

## (2) Rebuttal against the demandee's allegation

... (omitted) ...

Evidence B No. 3 entitled "Trial handbook 31-02PT Specific example of interested person" recites ... (omitted) ..., based on which the demandee alleges that, in relation to "any one" who is allowed to file a demand for invalidation trial as the demandant, eligibility as the demandant of invalidation trial that is restricted to an "interested person" is not granted simply because a trial decision and judgment rejecting invalidation became final and binding (see the written reply, 6 (5), second paragraph).

However, in the 2014 revised Act, two systems including patent opposition and invalidation trial coexist, ... (omitted) ... granting an interest of a patent opponent to file a demand for invalidation trial will result in losing an actual benefit of distinguished eligibility between the opponent and the demandant. Hence, it is appropriate that eligibility as a demandant to file a demand for invalidation trial is not simply granted to a patent opponent. However, it does not constitute a ground for denial of granting an interest of the demandant of the invalidation trial under Article 123 of the 2003 Patent Act in which only an invalidation trial was granted as in this case.

Evidence B No. 3 entitled "Trial handbook 31-02PT Specific example of interested person" also recites ... (omitted) ... and the demandee alleges, with reference to the precedent on which the above recitation is based, that the patent attorney is not allowed to become a demandant of the trial rather than serving as an agent, due to the absence of legal interest for the patent attorney to demand an invalidation trial, so that the demandant is not eligible as the demandant of invalidation trial of this case (see the written reply, 6 (6), second paragraph).

However, the precedent on which the above recitation is based is set in the period in which opposition to the patent and the invalidation trial are granted and therefore is not applicable to the demandant of invalidation trial under Article 123 of the 2003 Patent Act in which only the invalidation trial was granted as in this case. On the contrary, in the demand for invalidation trial under Article 123 of the 2003 Patent Act, if the patent agent is commissioned by the third party for invalidation of a patent, such a demandant of invalidation trial should be regarded as having an interest in invalidation of the patent, provided that said commission continues."

## No. 4 Body's judgment regarding eligibility as a demandant

### 1 Eligibility as a demandant

The demand for trial for patent invalidation of this case was made on December 27, 2017 as described in the above "No. 2" "2" and the provision of Article 123(2) of the

Patent Act after revision (hereinafter referred to as the "2014 Act") by Partial Amendment of Patent Act (Act No. 36 of May 14, 2014) is applicable to this case.

Then, those who are allowed to file a demand for trial for patent invalidation (eligibility as a demandant) are specified as "interested person" under the 2014 Act Article 123(2).

In addition, "the time on which judgment of an interest is based" to judge eligibility as a demandant of the demand for invalidation trial should be based on "as of the trial decision" of this case (judgment of the Second Petty Bench of the Supreme Court of December 7, 1962, (1961 (O) No. 465)).

## 2 Judgment

(1) Yoshihisa Nagai, the demandant of the trial of this case, is president/patent attorney of Nagai International Patent Bureau and, considering its service details, is restricted to provide services as the patent attorney (see Evidence B No. 1).

As described in the above "No. 3" "2 (1)", the body requested the demandant to offer a specific rebuttal against the demandee's allegation to the effect that "4. The demandant is not involved in development or planning of working of a product relating to the light emitting device according to the invention of the Patent and does not fall under the person concerned in the litigation of the patent right, so that the demandant is not eligible as a demandant of invalidation trial of this case." However, no rebuttal was offered by the demandant in the written refutation against the above allegation.

Hence, with the absence of circumstances where the demandant is involved in planning or conducting a business relating to the light emitting device according to the invention of the Patent, the demandant is not found to be a person who may suffer a disadvantage directly from the presence of the Patent.

Then, at this point or "as of the trial decision" of this case, the demandant is not found to be a person having an interest in demanding invalidation of the Patent.

## (2) Demandant's allegation

### A Allegation in the written demand for trial

As described in the above "No. 3" "1," the demandant alleges that the demandant falls under "the person concerned in the litigation of the patent right."

The demandant makes the above allegation based on the description in the Trial handbook 31-02, "Specific example of interested person" (Evidence B No. 3, page 2), "(6) Person who owns/owned the patent right or who received a warning."

The 2006 revised Patent Act allows "any one" to file an opposition to the patent due to abolishment of the patent opposition system and therefore allows in the invalidation trial not only an interested person but also those without having an interest to file a demand for invalidation trial.

The above description in the trial handbook is compiled by classifying and sorting out accumulated precedents before the 2003 revision (Evidence B No. 3, page 1) and the classification of (6) involves specific examples extracted from the "precedents 12 to 16" (Evidence B No. 3, pages 6 to 7) in which each of the precedents specifies that an interested person is a person against whom an action for infringement was filed based on the Patent, a person against whom a request for provisional disposition pertaining to

injunction against infringement was filed, a person who received a warning of infringement, etc., and persons against whom such an action or request may be filed or who may receive such a warning.

The demandant failed to argue and prove in the written refutation, against the demandee's allegation that the demandant "does not fall under the person concerned in the litigation," that the demandant falls under the person against whom an action for infringement or a request for provisional disposition pertaining to injunction against infringement may be filed or who may receive a warning of infringement, etc. based on the Patent. Hence, the action for revocation of the trial decision by the demandant who filed the previous demand for invalidation trial based on the 2003 revised Patent Act that allows those who have no interest to file a demand for invalidation trial is not found to be included in the "action" of the classification of (6) in the Trial handbook 31-02 entitled "Specific example of interested person."

With regard to the "interested person" under Article 123(2) of the 2014 Act, it was interpreted in the Patent Act before the 2003 revision such that a person must have a legitimate legal interest to demand a trial for patent invalidation as a requirement of a person who is allowed to demand the trial based on the precedents (such as the judgment of the Tokyo High Court of February 25, 1970, (1969 (Gyo-Ke) 81)). Such a requirement is stipulated with the wording of the "interested person" in the 2014 Act.

As described above, the demandant is solely involved in the services as the patent attorney and is not found to be a person against whom an action for infringement or a request for provisional disposition pertaining to injunction against infringement may be filed or who may receive a warning of infringement, etc. based on the Patent. Thus, the demandant is not found to have a legitimate legal interest in the invalidation trial of this case.

Even if the action for revocation of the trial decision filed by the demandant who filed the previous demand for invalidation trial is included in the "action" in the classification of (6) of the Trial handbook 31-02 entitled "Specific example of interested person," the case of 2017 (Gyo-Ke) 10047 demanding revocation of the trial decision in connection with the second trial decision of the patent right of this case is concluded with a decision rendered on January 23, 2018 (the above "second decision") and the second decision and the second trial decision became final and binding on February 6, 2018 as described in the above "No.2" "1." At this point or "as of the trial decision," the demandant does not fall under the "person concerned in the litigation of the patent right" and is not found to be a person having an interest in seeking invalidation of the Patent.

#### B Allegation in the written refutation

As described in the above "No. 3" "3," the demandant's allegation in the written refutation, "7 (1) Demandant has an interest," "A." "B." to the effect that the demandant has an interest is as follows.

"The demandant was eligible as a demandant to file a demand for invalidation trial under Article 123 of the 2003 Patent Act before enforcement of the 2014 revised Act



and actually filed a demand for invalidation trial under the same Article of the same Act. Therefore, the demandant came to have an interest in the effect of the Patent and clearly falls under the 'interested person'."

"Particularly in view of the circumstances of the invalidation trial before enforcement of the 2014 Patent Act, a new demand for invalidation trial under Article 123 of the 2003 Patent Act before enforcement of the 2014 Patent Act was not expected in this case. Considering such particularity of this case, the demandant of the invalidation trial of this case should fall under the 'interested person' under Article 123(2) of the 2014 revised Act."

In summary, the demandant alleges that the person who made the "previous demand for invalidation trial" under Article 123 of the 2003 Patent Act should fall under the "interested person."

However, Article 123(2) of the 2003 Patent Act specifies that "any person may file a request for a trial for patent invalidation" with no restriction on the interested person, and those who do not have an interest are also allowed to file a request. Hence, said demandant's allegation lacks basis.

Further, "the time on which judgment of an interest is based" to judge eligibility as a demandant in the demand for invalidation trial should refer to "as of the trial decision", whereas the decision of the "previous demand for invalidation trial" as alleged by the demandant already became final and binding on February 6, 2018. Thus, even if the "particularity of the case" in the "previous demand for invalidation trial" is taken into consideration, it does not affect the judgment as to whether the demandant falls under the "interested person" at this point, which is "as of the trial decision."

Additionally, as described in the above "No. 3" "3," the demandant makes the allegation in the written refutation, "7 (2) Rebuttal against the demandee's allegation" to the effect that "On the contrary, in the demand for invalidation trial under Article 123 of the 2003 Patent Act, if the patent agent is commissioned by a third party for invalidation of a patent, such a demandant of invalidation trial should be regarded as having an interest in invalidation of the patent, provided that said commission continues."

According to such demandant's allegation, it is understood that the demandant is commissioned by a third party for invalidation of the patent and alleges that the demandant is the "interested person" at this point, which is "as of the trial decision" of this case, based on the position as the agent.

However, the "interested person" under Article 123(2) of the 2014 Act has to be a person who has a legal interest to invalidation of a patent as described in the above A. A person who is commissioned for invalidation of a patent (agent) merely has an interest based on the commissioned contract and does not fall under a person having a legal interest in invalidation of the patent. Then, when the demandant tries to make the patent invalid as the agent of the third party, the third party should argue and prove that he/she is an "interested person" as a demandant in a separate demand for invalidation trial. In the demand for invalidation trial of this case, changing the demandant to a third party corresponds to changing the gist of the demand, and therefore a correction to change the demandant to the third party is not allowed. In addition, in the absence of circumstance in which the agent himself is an applicant who filed an application for patent relating to the light emitting device according to the invention of the Patent or is

involved in planning or conducting a business relating to the light emitting device according to the invention of the Patent, the agent is not found to be a person who may suffer a disadvantage directly from the presence of the Patent.

For this reason, at this point which is "as of the trial decision" of this case, the demandant who might have been commissioned for invalidation of the patent is not found to be an "interested person."

(3) Summary of the body's judgment regarding eligibility as a demandant

As described above, the demandant is not found to be a person having an interest "as of the trial decision" of this case and therefore not found to be an interested person.

There is also no other reason to conclude that the demandant is an interested person.

No. 5 Closing

As described above, the demandant does not fall under the interested person under Article 123(2) of the 2014 Act and is not eligible as the demandant in the trial of this case. Hence, the demand for the trial of this case is illegitimate and no correction of the demand is allowed. Hence, the demand for the trial of this case should be dismissed under the provision of Article 135 of the same Act.

Therefore, the trial decision shall be made as described in the conclusion.

November 28, 2018

Chief administrative judge:	MORI, Ryosuke
Administrative judge:	ONDA, Haruka
Administrative judge:	KONDO, Yukihiro