Contents & Abstracts

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With the spread of IoT, the holders of standard essential patents (SEPs) for mobile communication systems have begun to request licensing agreements not only from ICT competitors but also from manufacturers of different industries.

Standardization of technology spreads wider adoption of the technologies and creates and expands new markets. When the technology to be standardized is the subject of patent rights, it is necessary to create a mechanism for non-enforcement of SEPs, or low-cost, non-discriminatory patent licenses that can promote the use of the standard. Overly strong patent protection increases the cost of using a standard technology and thus discourages its use. On the other hand, if too much emphasis is placed on reducing the cost of using a standard, the proprietor of the technology to be standardized will not cooperate with the standardization. In addition, if the proprietor of a technology does not expect profits from the technology, there would be no incentive for research and development, commercialization, and standardization activities of the technology which should have been the next generation standard. As a result, it would be difficult to develop and disseminate technologies which would have contributed to create new markets.

Therefore, SEPs require a balance between an adequate protection of patent rights and limitation thereof. Protection encourages R&D of possible future standard technologies and participation in its standardization, while limitation promotes dissemination of the standardized technologies and its market expansion. Patent law and competition law should be construed and applied to SEP cases from the perspective of how far the patent right, which is originally an exclusive right, should be limited for the purpose of promoting dissemination of standardized technologies and expanding its markets.

From this perspective, this article discusses the following recent legal issues on SEPs and examines possible solutions: (1) the framework of the FRAND declaration, (2) global license negotiations and anti-suit injunctions (ASI), (3) the latest development of the German automobile industry and injunctions in SEP infringement cases, (4) licensing patents to supply chains and exhaustion of rights, (5) suppliers' status in case end product manufacturers obtain licenses, and (6) calculation and apportionment of FRAND royalties and damages inside the supply chain.

process invention into a direct infringement. However, there are circumstances in which a direct infringement of a use invention as an invention of a product is different from indirect infringement of a process invention. In the case of indirect infringement, the alleged infringing products are categorized into an exclusive product type or a multifunctional type, whereas claims for use inventions generally do not make such categorization. For this reason, use inventions require unique considerations.

Due to the uncertainty of future uses of use inventions, the right holder is forced to identify the defendant's product as a collection of products with the same model number (at the time of manufacture and sale, each individual product will, at a certain probability, be used for the use "for …" in the future, and ex post facto, the collection includes items having been used for "for …" at a certain percentage). The availability of injunction should depend on a comparative weighting of the patentee's protection with respect to the new use and the third party's protection of the non-infringing use. In doing so, consideration should also be given to whether it is possible to adopt measures to prevent the infringing use, and whether the alleged infringer has already taken appropriate measures. Meanwhile, the amount of damages is calculated by taking into account the percentage of actual usage in said method as a monetary settlement after the fact.

■ The Support for Waiving Intellectual Property Protections and the US Domestic Politics

NISHIMURA Momoko

On May 5, 2021, the Biden administration of the United States announced a temporary waiver of intellectual property rights related to vaccines against the new coronavirus. It is well known that the pharmaceutical industry in the U.S. has been strongly lobbying the U.S. government. This paper explores the political factors that allowed the United States to choose the policy of the temporary waiver.

Within the Biden administration, opinions on the temporary waiver are sharply divided. On the one hand, there are those who fear a backlash from the pharmaceutical industry, and on the other hand, there are those who claim that the United States has a moral mission to save the global community in this coronavirus pandemic. The later, who led the current U.S. administration to support the temporary waiver, has actually been seen since the Clinton administration. Due to the epidemic of HIV/AIDS infections, anti-patent advocacy opposing a stronger protection of intellectual property rights regarding access to medicines was gaining strength in the international society. Consequently there was a growing movement within the U.S. Democratic Party to discuss that through trade policies the problems of poor working conditions and a deterioration of the global environment should be solved. The protection of intellectual property rights was also discussed in the same context. The idea that trade policies should be promoted to secure the medicines needed to save the lives of people in developing countries became the majority view in the U.S. Congress. Under the influence of this anti-patent advocacy, the U.S. industry is not necessarily insisting on the protection of intellectual property rights related to new technologies, and there is a growing movement to open intellectual property rights free of charge among certain companies. The U.S. decision on the temporary waiver does not mean that the U.S. government suddenly changed its intellectual property policy in response to the extraordinary circumstances of the pandemict It rather means that the U.S. has changed its trade policy in intellectual property rights as a result of changes in the U.S. Congress and industry that have continued since the enactment of the TRIPs Agreement.

■ **How to Judge the Inventive Step of a Corrected Invention? - Especially under Binding Force of a Judgement Preceding the Correction**……52

KAWADA Atsushi

In this case, the first trial decision of the examiners at the Japanese Patent Office (JPO) has not admitted the lacking of the inventive step of the patented invention. After an appeal to the Japanese IP-High Court, a previous court decision has revoked this first trial decision, and has sent the case back to the examiners at the JPO. After the return of the case to the examiners at the JPO, the patentee has demanded a correction of the patent. The examiners have acknowledged the correction, and have decided again that the patented invention did not lack the inventive step. After the second appeal to the Japanese IP-High Court, a subsequent court decision has revoked the second trial decision of the examiners at the JPO.

Firstly, taking the subsequent court decision as a subject, the paper will discuss whether the binding force of a previous court decision can be blocked by a demand for correction of the patent after the previous court decision.

In this case, the subsequent court decision did not discuss especially whether the binding force of the previous court decision could be blocked or not, but simply affirmed the binding force of the previous court decision to the features which were not affected by the correction after the previous court decision. The author finds it reasonable that the subsequent court decision has affirmed the binding force of the previous decision. The author believes that the binding force of the previous decision should not be blocked regardless of whether the demand for correction becomes final and binding after the previous decision, but just loses its substantial meaning with respect to the corrected features.

Secondly, taking the subsequent court decision as a subject, the author will discuss how the inventive step should be judged, when a demand for correction has been made.

The author believes that, if a patented invention before a correction is almost the same as a prior art, the inventive step of the patented invention after the correction should be judged by accurately recognizing the technical meaning of the corrected features of the invention, while taking into account common technical knowledge and other relevant prior arts. The subsequent court decision has judged appropriately the inventive step of the corrected invention, because the decision has recognised the technical meaning of the corrected features on the basis of common technical knowledge and other relevant prior arts, even though such technical meaning were not explained in the description of the invention.

The author believes that the inventive step based on the corrected features should be examined deliberately, if the technical meaning of the features are not clear even after the efforts to clarify the technical meaning. It is normal that such features lacking clear technical meaning would be neither disclosed nor suggested in prior arts. If the technical meaning of the corrected features is not clear, the fact that such features are not disclosed or suggested in any prior arts should not be a ground to affirm the inventive step of the corrected invention.