

MHM INTELLECTUAL PROPERTY AND TECHNOLOGY NEWSLETTER

September 2015 (Vol.4)

The Supreme Court ruled that the technical scope and subject matter of a product-by-process claim invention will cover the same products, even if the products are made by a different process from the claimed process.

- I . Summary
- II . Construing Product-by-process claims
- III . JPO's "Interim Handling Procedures for Examinations and Appeals/Trials involving Product-by-process Claims"
- IV . Implications

Mori Hamada & Matsumoto
Hiroki Saito
+81 3 6266 8503
hiroki.saito@mhmjapan.com
Atsushi Okada
+81 3 5220 1821
atsushi.okada@mhmjapan.com
Kaei Ro
+81 3 6266 8995
kaei.ro@mhmjapan.com

I. Summary

On June 5, 2015, the Supreme Court decided two Product-by-process claim (“**PBP claims**”) cases. The subject patents for both were the same, but in one case the issue was of technical scope (Hei 24 (ju) No.1204; hereinafter, “**Case 1204**”), and in the other, the issue of invention subject matter (Hei 24 (ju) No. 2658; hereinafter, “**Case 2658**”). The Supreme Court rulings have set the standard for scrutiny of PBP claims in that it should cover any products with certain features such as, among others, structures and characteristics, that are the same as the ones of a product made by the claimed process; even if the products are made by different process from the claimed process.

What was also decreed was that the scope of a PBP claim will be unclear and invalid unless it is impossible or utterly impractical to directly define the product by their structures or characteristics.

II. Construing PBP claims

There are two dominant theories in construing a PBP claim upon which Japan Courts have based decisions on. One is that as long as the invention regarding a patent in issue is not an invention of process but an invention of a product, then a PBP claim will cover products that are the same, regardless of the process in which they were produced. The other theory is that PBP claims

MHM INTELLECTUAL PROPERTY AND TECHNOLOGY NEWSLETTER

cover only the products produced in the claimed process in order to clarify the scope of the patent.

Furthermore, since the PBP claim technical scope is examined to decide in a patent infringement case and on the other hand the subject matter of an invention with a PBP claim is established to decide on the validity of patents, there exists a conflict between the opinion on which the technical scope and subject matter of an invention should be the same, and the opinion on which it is possible that the technical scope and subject matter are different.

The Supreme Court in Case 1204 and Case 2658 distinctly ruled that both the technical scope of PBP claims and the subject matter of inventions with PBP claims are construed to cover products that are the same, regardless of the process in which they are produced.

In general terms the Court stated that PBP claims are invalid since the scope of these are not clear. The Court did distinguish, however, that among these types of cases, there are some where it is technically impossible at the time of the application to analyze the structures and characteristics of the invented product, and others where it is impractical for the applicant to define such structures and characteristics (i.e., the case in which such defining requires enormous cost or time). Thus it was ruled that the PBP claims were not clear and did not meet the description requirement of claims (Article 36, paragraph 6, item 2 of the Patent Law), unless it was impossible or utterly impractical to directly define the product with their structures or characteristics.

III. JPO's "Interim Handling Procedures for Examinations and Appeals/Trials involving Product-by-process Claims"

In response to the Supreme Court decision, the Japanese Patent Office ("**the JPO**") stated that it would amend its Examination Guidelines and announced "Interim Handling Procedures for Examinations and Appeals/Trials involving Product-by-process Claims" on July 6, 2015.¹ These interim handling procedures also apply to patents which have already been granted.

Even before the Supreme Court decision, the JPO had declared that the subject matter of a PBP claims invention covers the same products regardless of the

¹ The JPO's announcement can be viewed here via this link:
https://www.jpo.go.jp/tetuzuki_e/t_tokkyo_e/product_process_C150706_e.htm

MHM INTELLECTUAL PROPERTY AND TECHNOLOGY NEWSLETTER

process in which they are produced. As such the JPO's policy is correspondent to the Supreme Court decision, it is unchanged in the interim handling procedures.

On the other hand, the JPO's previous handling of decisions concerning the description requirement of claims has been changed in accordance with the Supreme Court decision. As for an application with PBP claims, the JPO previously decided on the description requirement of claims as being an advantage of patent office applicants. However, according to the interim handling procedures, the examiner will notify reasons for refusal as the invention is not clear unless the examiner can find that it is impossible or utterly impractical to directly define the product with their structures or characteristics. The applicant can make the following responses to such notice of reasons for refusal as well as submission of counterarguments:

- (i) deleting claims concerned,
- (ii) amending claims concerned into claims defined as inventions of process for producing a product,
- (iii) amending claims concerned into claims defined as inventions of a product which does not include process, and/or
- (iv) asserting and proving that it is impossible or utterly impractical to directly define the product with their structures or characteristics.

When an applicant makes an application under (iv), the examiner will normally conclude that it is impossible or utterly impractical to directly define the product with their structures or characteristics, unless the examiner has reasonable doubt that it is possible.

IV. Implications

In the wake of the Supreme Court decision, PBP claims now cover a broader scope in general terms since PBP claims cover the same products regardless of the process in which they are produced. It may be, however, still possible to limit the scope of PBP claims based on file wrapper estoppel in an infringement case.

On the other hand, the description requirement of claims with PBP claims will be decided more rigidly than before. The main issue will be under what

MHM INTELLECTUAL PROPERTY AND TECHNOLOGY NEWSLETTER

circumstances it is impossible or utterly impractical to directly define the product via structure or characteristic.

As for patents with PBP claims which have already been granted, it seems that more invalidation trials will be filed and more patent invalidity defenses will be argued in infringement cases based on the assumption that such patents do not meet the description requirement of claims.

(Contacts)
Public Relations
mhm_info@mhmjapan.com
+81-3-6212-8330
www.mhmjapan.com