Answer to the Questionnaire 1

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1. Jurisdiction over Foreign Patent Litigations and Decision of Invalidation

[Figure I] Country A = Japan:

With regard to (1):

Japan has general jurisdiction over Y Corporation based upon its principal place of business in Japan since it is a Japanese corporation. Accordingly, Japanese courts have jurisdiction over the claim based on the infringement of Japanese patent and of the patent of Country B.

There are at least two cases in Japan in which Japanese courts admitted their jurisdiction over the foreign patent infringement litigations. One was the Tokyo District Court Judgment on June 12, 1953 (*Kakyu Minji Saibanreishu*, Vol.4, No.6, p.847) where infringement of Manchurian patent allegedly done in Manchuria was in question; the other was the Tokyo District Court Judgment on April 22, 1999 (1006 *Hanrei* Times 257) and the Tokyo High Court Judgment on January 27, 2000 (1027 *Hanrei* Times 296) where infringement of the United States patent allegedly done in Japan was in question.

With regard to (2):

In Japan it is not possible for the plaintiff to file a suit for invalidation of a patent in the ordinary courts. Article 178(6) of the Patent Law provides that an action with regard to the matters on which a trial may be demanded, including the invalidation of a patent under Article 123 (1), may be instituted only against a trial decision rendered by the Patent Office. This means that until the time when such a trial decision becomes final and conclusive, the patent right shall be deemed validly existing. it was held by Supreme Court Judgment on September 15, 1904¹, Supreme Court Judgment on April 23, 1917² and so on that, where the validity of a patent was in question in the patent infringement litigation, even if it is apparent that the reason for invalidation existed, the registered patent should not loose its effect insofar as it was registered, and that the courts could not decide on the validity of the patent by themselves. Therefore, the defendant in such a case should demand the Patent Office for invalidation of the patent.

Recently, however, the Supreme Court Judgment on April 11, 2000³ held, without directly altering the precedents, as follows: "Even before the time for the trial decision by the Patent Office having become final and conclusive, the courts before which the patent

¹ Supreme Court Reporter, Criminal Cases, Vol.10, p.1679.

² Supreme Court Reporter, Civil Cases, Vol.23, p.654.

³ Supreme Court Reporter, Civil Cases, Vol.54, No.4, p.1368.

infringement case is pending may verify whether or not the reasons for invalidation exist with regard to the patent in question. Where it has become apparent as the result of such verification that the reasons for invalidation exist, it cannot be allowed to claim for injunction, damages and so on based on such a patent, as such claiming is deemed abuse of the rights unless there is no extraordinary circumstances to the contrary."

There is no court decision on whether or not the Japanese court can decide on the invalidation of the patent of Country B. In accordance with Dogauchi's paper, the act of state doctrine should be applied to the validity of foreign patents. This idea is considered consistent with the case law having been established since the beginning of twentieth century. In consideration of the recent Supreme Court Judgment which made a substantive exception to the established case law by using the doctrine of abuse of rights as stated above, it would be natural to admit such an exception to the same effect.