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Confusion Caused by "Shimpo-Sei" Requirement Which Excludes "Shimpo" Linguistically Meaning "Advancement"

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Abstract:

In June of 1993, the JPO published a unified Patent Examination Manual and in 1994 it revised the Japanese Patent Law so as to delete "Effect of Invention" from the statutory description requirement thereby to change its traditional style of assessment based on "Effect of Invention" for a claimed invention with respect to the "inventive-step" stipulated by Art. 29(2) of Japanese Patent Law (hereinafter referred to as "Art. 29(2)") to a new style based on "logical analysis of the readily conceivability in view of the prior art as a starting point while referring to a problem as a guidepost" whereby the JPO seemed to have prepared for the enactment of the Substantive Harmonization. Even though the JPO significantly changed its assessment style for the "inventive-step" as mentioned above, it has kept until now to use the Japanese expression "Shimpo-Sei" for this requirement without any change in the Japanese expression, so that there appears to be some confusion among the Japanese patent practitioners in understanding the true meaning of the "inventive-step."

It seems that the Japanese patent practitioners' image for the "inventive-step" is much different from the Euro-American patent practitioners'.

Accordingly, it seems desirable that the JPO will abolish the word

"Shimpo-Sei" in its "Examination Manual" and its publication named "Patent Law Interpretation Article by Article" so as to abolish comments appearing therein for significance of the inventive-step while referring to technological advancement in the society.

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1. Introduction

Because of the 2011's revision of the US Patent Law and recent development of the Patent Prosecution Highway (PPH), the discussions about the so-called "Substantive Harmonization" in the WIPO is likely to be reopened in the near future. In view of this, establishment of an internationally- harmonized interpretation of "inventive-step" is

required for these days.

2. Stipulation of the Japanese Patent Law

Art. 29(2) stipulates, "Where, prior to the filing of the patent application, a person ordinarily skilled in the art of the invention would have been able to easily make the invention based on an invention prescribed in any of the items of the preceding paragraph, a patent shall not be granted for such an invention notwithstanding the preceding paragraph." In other words, this means, "An invention which can be easily invented by a person skilled in the art based on the so-called publicly-known or publicly-worked is not patentable."

According to the Patent Law Interpretation Article by Article edited by the JPO, Art. 29(2) is supposed to stipulate the requirement of "Shimpo-Sei," i.e., "inventive-step." However, that stipulation does not contain a Japanese expression of "Shimpo (advancement)."

Turning to Art. 56 of the EPC, it stipulates, "An invention shall be considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art." In the practice before the EPO, the following is accepted on the premise that the terms "inventive-step" and "technical progress" are different terms having different meanings when compared with each other: "Technical progress is not a requirement for inventive-step; however, there are cases where lack of technical progress expressly indicates lack of inventive-step."

Thus, it is clear that inventive-step does not directly mean technical progress before the EPO.

However, explaining that "Art. 29(2) relates to an inventive-step of an invention," the "Patent Law Interpretation Article by Article" further states, "Protecting inventions which are readily conceivable

by one skilled in the art fails to contribute to, or rather hinders technical progress in the society."

Referring to "2. Shimpo-Sei" in the "Examination Manual for Patents and Utility Models" edited by the JPO (hereinafter referred to as "Patent Examination Manual"), it states that the purport of Art. 29(2) is "to place inventions which are readily conceivable by one skilled in the art outside the scope of patentable subject matter because granting a patent to such inventions fails to contribute to, or rather hinders technical progress in the society."

I feel that the understanding of many of the patent practitioners in our country is, due to such explanations by the "Patent Law Interpretation Article by Article" and the "Examination Manual," that the "inventive-step" is the same as "Shimpo-Sei," and that "Shimpo-Sei" means "the degree of technical progress of an invention compared with its prior art." It seems that many of the patent practitioners in our country understand "Shimpo-Sei," "technical progress of an invention," and furthermore, "inventive-step" as something with an image shown in Fig. 1. However, as explained above, "inventive-step" and "technical progress" should not be on exactly the same coordinates.

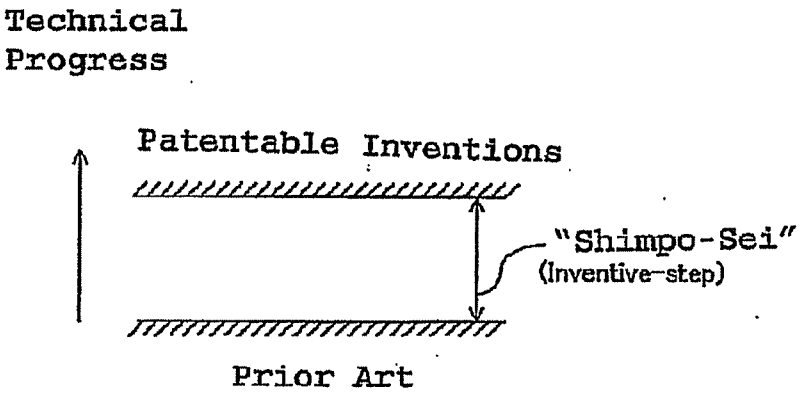

Fig. 1 The Image of the term "Shimpo-Sei"

On the other hand, neither the "Patent Law Interpretation Article by Article" nor the "Examination Manual" refers to whether the term

"Shimpo-Sei" means technical progress of a claimed invention from the prior art, or whether technical progress is a requirement of "Shimpo-Sei." Primarily, they fail to provide clear explanations about what kind of invention is an invention which involves "Shimpo-Sei."

After all, we are obliged to understand that an attribute of an invention one skilled in the art is unable to easily conceive from its prior art is referred to as "Shimpo-Sei" without special meaning even though Art. 29(2) itself does never contain an expression "Shimpo (advancement)."

However, it is considered that a Japanese with common sense can hardly understand an explanation that "novelty means an attribute of a new invention, whereas Shimpo-Sei does not necessarily mean an attribute of an advanced invention." Are those who make such explanation saying that only those who accept such strange rhetoric are patent experts?

3. Does Patentability Requirements Have Something to Do with Technical Progress in the Society?

The Patent Examination Manual and the Patent Law Interpretation Article by Article explain about the purport of Art. 29(2) as follows: "Giving protection to readily-conceivable inventions fails to contribute to, or rather hinders technical progress (in the society)." This explanation is seemingly correct but strongly doubtful. My questions are as follows:

A) Some technical progress had always been made, though might have been slow, in the society since the dawn of history before the introduction of the patent system. Primarily, is technical progress not made without the patent system? For example, various technical progress made in the Edo Period indicates that technical progress can be made without the patent system. It is also doubtful that the more strict the patentability requirements are, the more rapidly technology makes

progress. The reason is that grant of a patent is done after creation of an invention in terms of time, and thus the more strict patentability requirements do not necessarily result in improvement of the quality level of inventions. The examination level for patentability requirements would only affect the number of applications filed and patents acquired.

B) It is presumed that research and development has been motivated by instinctive creativity and inquiring mind of humans, competition among companies, or further by the purpose of arms buildup, and have resulted in countless number of inventions like stars in the universe. It is just that only part of such inventions happen to be determined as not readily conceivable through Examination in the patent system, which is artificial judgment, and granted a patent. It better reflects the reality of the situation to think that technical progress in the society is made by various factors regardless of whether or not the invention happened to be granted a patent was readily conceivable. The patent system merely gives inventors an incentive to encourage inventions. Creation of inventions and technical progress in the society are autonomously made by various factors other than the existence of the patent system. I have never heard of a researcher deserving a Nobel Prize whose motivation for work is acquisition of patents. Rather, it is well known that the number of researchers who are indifferent to acquisition of patents is greater than those who are keen thereon. In addition, the patent system should have been established for purposes different from those of the invention commendation system.

C) When the purpose stipulated in Art. 1 and the registration requirements in Art. 3(2) of the Japanese Design Law are compared with those stipulated in Art. 1 and 29(2) respectively of the Japanese Patent Law, the registration requirements of the Design Law are concerned merely with readily conceivability irrespective of design progress in the society. Does the Design Law say that a concept of

progress is inapplicable to designs? It would be wrong to think that the registration requirements of designs are based on equity between private and public interests but patentability requirements on bases different therefrom in spite of the fact that both inventions and designs are intangible creation made by humans. In the U.S., a single law (35 U.S.C.) has protected inventions and designs which meet the criteria of "non-obviousness" stipulated in Section 103 thereof.

In view of the above analysis, I think that the use of the term "Shimpo-Sei" with regard to the patentability requirements stipulated in Art. 29(2) is inappropriate.

4. Euro-American View Introduced by Dr. Kiyose

It is well known to those engaged in the patent law that famous Dr. Ichiro Kiyose introduced the Euro-American patent systems in detail to our country in his academic dissertation of 1915 and made great efforts in formulating the Patent Law of our country.

In Dr. Kiyose's dissertation, "novelty of an invention" in Europe and America is explained as follows:

4-1) The reason novelty of an invention is required as patentability requirements is to respect the benefits of others in the same business.

4-2) Furthermore, even if an invention is not publicly known or worked, if the invention can be easily conceived from publicly known or worked inventions, such invention should also belong to common benefits of those in the same business and should not be exclusively owned by a specific person. In short, inventions which are new but readily conceivable by one skilled in the art on the basis of publicly known or worked art are placed outside the scope of patentable subject matters. I understand that this is precisely a view that balances private and public interests.

In fact, the stipulation of Art. 29(2) under the current Patent Law takes the same view as that of Europe and America and is considered to "require non-readily conceivability as the patentability requirement." As long as based on the above explanations of the Kiyose dissertation, it is understood that the concept of "non-readily conceivability" does not have a direct relation with technical progress.

The Kiyose dissertation explains this as "a distance from the prior art" without using the term "Shimpo-Sei."

The scope of patentable subject matter according to the Kiyose dissertation is as illustrated in Fig. 2.

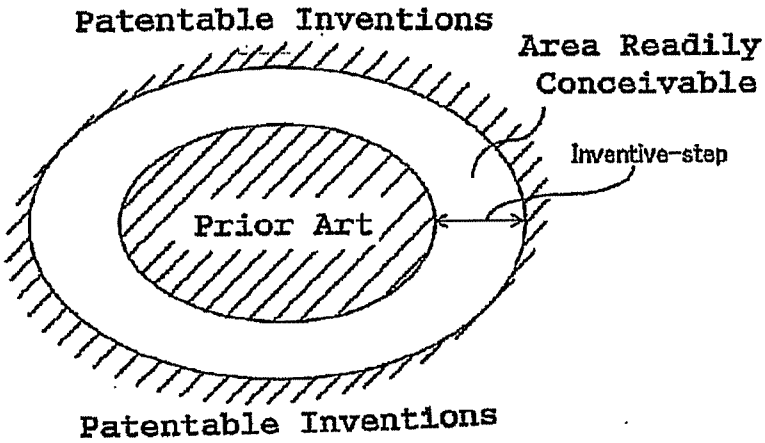

Fig. 2 The Image of "Novelty of Invention" according to Dr. Kiyose's Dissertation

5. Change the Style of Assessment by Revising the Patent Examination Manual

5-1) Adoption of the Unified Patent Examination Manual Based On "Logical Analysis"

In view of the Kiyose dissertation and the current practice carried out by the EPO, it is apparent that at least the Euro-American patent laws do not require technical progress itself as a patentability requirement. Also, the rationalization that technical progress in the society is attained through the addition of Shimpo-Sei into the

patentability requirements is clearly questionable. In addition, the stipulation of Art. 29(2) itself is in line with the Euro-American view.

On the other hand, it seems that the JPO has begun to doubt its examination practice which requires "Effect of Invention" as a statutory description requirement and has it as a main criterion for determining existence of "Shimpo-Sei." I understand this as a JPO's attempt of changing the examination practices in view of the Substantive Harmonization. Specifically, the previous industry-classified Examination Manual which places a heavier weight on "effect" was abolished in June, 1993 with the publication of the unified Patent Examination Manual placing a heavier weight on "logical analysis." In conjunction with this, Art. 36 of the Patent Law was revised in 1994 to have "Effect of Invention" removed from the statutory description requirements, thus reducing it to a matter delegated to a ministerial ordinance.

In the unified Patent Examination Manual, "Shimpo-Sei" stipulated in Art. 29(2) as a patentability requirement is explained as follows: "Shimpo-Sei of an invention relates to the level of difficulty in constituting an invention. Therefore, when assessing an inventive-step, the constitution of the invention should be the subject of assessment and whether the invention has an inventive-step should be determined (notes by the present writer: i.e. logically analyzed) based on the level of difficulty." As a concrete example of a logical analysis that a claimed invention was readily conceivable by one skilled in the art, the unified Patent Examination Manual refers to making "a logical analysis" of the level of difficulty in constituting the claimed invention assuming a problem to be solved is given.

In this manner, the current Patent Examination Manual has shifted from the Shimpo-Sei determination "based on effect" which has been

employed prior to the publication of the unified Patent Examination Manual published in June 1993 to the Shimpo-Sei determination "based on logical analysis." Readily conceivability is therefore to be established by constructing a logic of ease of arriving at the claimed invention in the context of Art. 29(2). Thus, a spell has been broken that technical progress has to be considered in the assessment of the patentability requirements stipulated in Art. 29(2).

In other words, it has been decided that, in assessing the patentability requirements stipulated in Art. 29(2), technical progress of an invention itself shall be disregarded while the term "Shimpo-Sei" is still left. However, was this decision correct? In view of today's confusion over the interpretation of "Shimpo-Sei" among the patent practitioners of our country, it has to be questioned whether having left "Shimpo-Sei which exclude Shimpo" untouched was correct.

5-2) Revision of the Patent Examination Manual for Facilitating "Logical Analysis"

Due to significant revision of the Patent Examination Manual, applicants and agents, apart from Examiners, were unable to fully understand the revised Manual. Even more, it is doubted that understanding of the close relation between the publication of the unified Examination Manual in June 1993 and the so-called "relaxation of description requirements" by the revision of Art. 36 of the Patent Law in 1994 had immediately spread through.

As a result, perhaps due to unfamiliar practice of establishing "readily conceivablity" by "logical analysis" effected by the unified Patent Examination Manual, I hear some people pointed out that the burden of "logical analysis" is too heavy for the Examiners. In December 2000, the JPO thus revised the Patent Examination Manual to allow the Examiners to make determination on whether a constitution of a claimed invention itself has been readily conceivable irrespective of its

problem (e.g. allowed "a logical analysis" that a certain feature is merely "a change of design") to make assessment of the level of difficulty of the constitution of the claimed invention in order to make determination of Shimpo-Sei, and thereby made the "logical analysis" in establishing readily conceivablity easier.

Is a finding that "a certain feature is merely a design modification irrespective of a problem" sufficient to be regarded as "logical analysis"? What arguments can be made against such finding?

The "Report on the Analysis of Shimpo-Sei" published in March 2007 by the Appeal Department of the JPO encourages appellants to assert "Effect of Invention" as a counterargument against the finding of readily-conceivability. It has to be concluded that this is a return to the Examination Manual before the unified one. Also, it is to be feared that such examination practice will incur determination of so-called "hindsight."

Referring to the 1993 Unified Patent Examination Manual, it is clear that the determination on the requirement of Art. 29(2) is to be made by establishing the easiness of the journey from the prior art as a starting point to the constitution of the claimed invention by "deductive logical analysis while referring to a problem to be solved as a guidepost." Thus, to assert non-readily conceivability of the structure, relying on an illogical presumption (precondition) that "if the effect produced by a certain constitution is remarkable, the constitution is not readily conceivable," is, as it were, "inductive presumption," and not always correct.

6. Further Question about the Current Patent Examination Manual

Where a problem to be solved by an invention itself is new, the invention has not been made unless the problem was found. Therefore, I think that the Patent Examination Manual should devote

space to "a logical analysis" for establishing readily-conceivability of an invention whose problem to be solved is new as an example of "logical analyses" for which no assessment of the level of difficulty of the constitution is required. As the saying goes, "Necessity is the mother of invention." It is not unusual that an invention is made because necessity, i.e., a problem has been found.

However, the current Patent Examination Manual determine an invention to be readily conceivable where it is possible to establish a logical analysis that one skilled in the art readily conceives the claimed invention when given the problem even if the problem is new. This is a negation of the 1993 Unified Patent Examination Manual aimed at changeover to the Shimpo-Sei determination "based on problem" relying on deductive presumption.

7. Teaching Shown by Rulings of IP High Court

The Intellectual Property High Court (IP High Court) decision of January 31, 2011 (Case No. 2011(Gyo-Ke) 100075) clearly answers the above question of mine. Recent rulings by the IP High Court, including this one, use terms "Yohi-Sohtoh (readily conceivable)" and "Yohi-Sohtoh-Sei (readily conceivability)" without using the term "Shimpo-Sei."

The above ruling teaches a method for determining Yohi-Sohtoh-Sei and rules as follows: "The constitution of the present invention which is different from those disclosed in the main reference (the constitutional feature of the present invention) is a technical constitution newly adopted or altered to solve a problem which the prior art failed to solve. Thus, it is necessary to correctly understand the problem to be solved of the present invention (operation, effect, and the like) and to subsequently determine from a comprehensive viewpoint "whether the problem was easy to set" and "whether adoption of a certain constitution for solving the problem was easy" in connection with the problem. As stated above, there are cases where "ease of setting

the problem" is required in addition to "ease of adopting a certain constitution for solving the problem" to determine that the invention was easily conceivable. More specifically, even if "adoption of a certain constitution for solving the problem was easy," if "setting or focus of attention of the problem to be solved is unique," "for example, where a problem usually inconceivable is set," the invention is not necessarily determined to be readily conceivable. (snip) " A summary of the ruling is as follows:

(a) an ingenious new constitution conceived to solve a problem to be solved constitutes a basis for non-readily conceivability;

(b) setting a problem to be solved having unique focus of attention constitutes a strong basis for non-readily conceivability; and

(c) readily conceivability should be determined in view of (a) and (b).

As discussed above, the current Patent Examination Manual, though considering a problem to be solved, ultimately give priority to "logical analysis" of non-readily conceivability of constitution of an invention, and are silent about (b) and (c). I understand that the above ruling prompts revision of the current Examination Manual on this point.

I think that the cause of the difference between the current Patent Examination Manual and the above ruling lies in the fact that the ruling, on one hand, assesses readily conceivability based on literal interpretation of Art. 29(2) while the current Examination Manual, on the other hand, first make a logical interpretation that Art. 29(2) stipulates "Shimpo-Sei" then interpret that the term "Shimpo-Sei" means the level of difficulty of the constitution of the invention, and subsequently determines whether the invention satisfies the requirement of Art. 29(2) based on the level of difficulty of the constitution of the claimed invention.

In other words, the Patent Examination Manual adopts a method of first interpreting Art. 29(2) as stipulating the requirement of "Shimpo-Sei," and subsequently determining whether the requirement of Art. 29(2) is met in terms of 'presence of "Shimpo-Sei".' I think such method, which interprets the stipulation of Art. 29(2) as '"Shimpo-Sei" as an attribute which contributes to technical progress in the society,' may be inviting examination practice under an interpretation different from "such a newness level as not readily conceivable," which is the original purport of the article.

What is now obvious is that the use of the term "Shimpo-Sei" which may be understood to suggest technical progress should have been abolished and a new term should have been introduced when the Unified Patent Examination Manual was compiled and the method for determining readily conceivability of an invention was changed from an inductive method based on "Effect of Invention" to a deductive method based on "logical analysis while referring to a problem to be solved as a guide post."

8. From "Shimpo-Sei" to "Innovativeness" - Suggestions of Revising the Current Patent Examination Manual

According to the Kiyose dissertation, whether a patent should be granted to an invention should not be determined only by novelty but also by whether the invention goes beyond a range one skilled in the art can readily conceive from the prior art, and whether the invention goes beyond the range should be a boundary between levels to be patented and levels to be rejected.

"Inventive-step" and "non-obviousness" used in Europe and America are also an additional requirement which is an extension of "novelty" against prior art, and is sometimes referred to as "Inventiveness." Non-obviousness stipulated in current 35 U.S.C. § 103 has been referred to as "inventive novelty" from the establishment thereof. This also shows

that "inventive-step" and "non-obviousness" relate to the degree of newness but not to assessment of superiority or inferiority of the claimed invention itself (this is assessment of so-called "Effect of Invention" of the invention).

The requirement of Art. 29(2) can be interpreted as meaning special novelty, i.e. not novelty one skilled in the art can conceive without effort but novelty at levels which even one skilled in the art cannot readily conceive. I think such novelty can be termed as "Innovativeness," which may be understood as "novelty distinctively different from the prior art." It is considered that "Innovativeness" applies not only to the patentability requirement but also to the requirement for design registration.

Anyhow, it can be said that the image of the "step" of "inventive-step" is a gap lying between prior art and a claimed invention (please recall the image of the step of hop, step and jump of the triple jump) and the measuring coordinates of "inventive-step" is different from that of the degree of technical progress. On this point, please once again refer to Figs. 1 and 2 and compare the image of "Shimpo-Sei" and that of "novelty of an invention" referred to in the Kiyose dissertation. Then, I feel that there is a difference in the image of a patentability requirement in our country represented by "Shimpo-Sei" and that of Europe and America represented by "inventive-step."

In view of the foregoing, I suggest replacing the term "Shimpo-Sei" with the term "Innovativeness" meaning "such a newness level as not readily conceivable," in the explanation of Art. 29(2) in "Patent Examination Manual" and "Patent Law Interpretation Article by Article." Furthermore, delete the reference to the relation of '"Shimpo-Sei" and technical progress in the society,' thereby preventing directly connecting non-readily conceivability and technical progress. In this manner, the understanding in Japan that the existence

of "Inventive-step" should be determined inductively from "Effect of Invention" should be harmonized with the understanding in Europe and America that the existence of "inventive-step" should be determined according to a deductive logic for determining readily conceivability of the journey from the prior art as a starting point to the claimed invention while referring to a problem to be solved as a guidepost, thus resolving the confusion among Japanese practitioners and getting ready for coming Substantive Harmonization. My experience shows that it is generally accepted practice in Japan to assert "Effect of Invention" for proving non-readily conceivability, whereas in Europe and America the point is logically proving the degree of difference of the claimed invention from the prior art rather than asserting "Effect of Invention."

I think that the Patent Examination Manual should provide additional examples of cases where non-readily conceivability is admitted, e.g., how non-readily conceivability is determined where the problem to be solved is new. Such addition of cases is considered to comply with the teaching of recent rulings of IPHC.

9. Do Not Forget the Aspect of Enforcement

The above discussions relate to analysis on the validity of using the term "Shimpo-Sei" and asserting "Effect of Invention" in connection with the criterion for accessing a claimed invention and implementation of the criterion from the aspect of obtaining a patent. Something that should not be forgotten is that the details of allegations and evidence in assessing the patentability of an invention during the course of obtaining registration for a patent right greatly affect the finding of the scope of the patent right in enforcement of the right at a later stage.

Concretely, it is well known that if an applicant argues against, during the examination process, the finding of "readily conceivable"

based on the "logical analysis" of "mere aggregation" by claiming so-called "Effect of Invention" produced by the constitution of the claimed invention, such argument can interfere with enforcement of the patent right.

On the other hand, many of the patent practitioners of our county have an understanding that asserting "Effect of Invention" (in plain words, that "the present invention is an outstanding invention") is effective against the finding of readily conceivablility made by an Examiner. Practical experience of mine shows, however, that such assertion is unnecessary at least against an obviousness rejection in a US application. Turning to US applicants who file a patent application in Japan, it is unusual for them to assert "Effect of Invention" against "readily conceivability" rejection. In short, many of the patent practitioners of our county receive a patent grant in exchange for assertion, for establishing non-readily conceivability, of "Effect of Invention" which involves the risk of interfering with future enforcement of the obtained patent right, whereas the practitioners in Europe and America consciously make efforts to avoid asserting "Effect of Invention." This difference, though seemingly unnoticeable, is of vital importance in the aspect of enforcement of a patent right. I feel that US applicants, in particular, are very sensitive about this point.

The reason the patentability requirements according to the Patent Examination Manual of our country includes non-readily conceivability is that the patent practitioners must assert during the examination process Effect of Invention against the finding of readily conceivability at least in the implementation of assessment of non-readily conceivability by pointing out that the claimed invention does not impede technical progress in the society but rather contribute thereto. As a result, the obtained patent right suffers a defect which interferes with enforcement thereof. Discussing the requirement of Art. 29(2) only form the administrative aspect of granting a patent right

disregarding such perspective is equal to showing ignorance of the raison d'etre of the patent system.

In addition, it is common knowledge for those who daily engage in prosecution of Japanese patent applications for foreign clients that asserting non-readily conceivability without arguing "Effect of Invention" is accepted in the patent prosecution practice in our country.

10. Summary

My suggests are as follows: Remove the explanation from the Patent Examination Manual and "Patent Law Interpretation Article by Article" that Art. 29(2) of the Patent Law of our country stipulates '"Shimpo-Sei" contributing to technical progress in the society' and replace it with an explanation that Art. 29(2) stipulates "such a newness level as not readily conceivable," e.g., "Innovativeness," thus remove the reference to the relation between the patentability requirements and technical progress in the society. Further revise the Patent Examination Manual to stipulate that a deductive assessment method may be accepted for determining non-readily conceivability of inventions conceived as a result of discovery of a new problem to be solved.

The following are now expected:

(a) To prevent the patent prosecution practice of our country from deviating from the international standards and being carried away by the times without regard to principles, and at the same time give applicants overseas better understanding of the examination process carried out by the JPO;

(b) To encourage patent practitioners of our country to abandon the former understanding that "inventive-step" is synonymous with technical progress and acquire an interpretation conforming to the international standards that "inventive-step" is synonymous with "Innovativeness," i.e. "novelty distinctively different from the prior

art," thereby furthering the contribution to the Substantive Harmonization by both the public and private sectors of our country and also producing positive effects on JPO's patent examination cooperation for Asian countries.

(c) To enable applicants of our country who file foreign applications (including applications before the USPTO and EPO) and practitioners of our country to have correct understanding of the true meaning of the patentability requirements of Europe and America such as "inventive-step" and "non-obviousness." This will prevent them from obtaining such defective domestic or foreign right as will put the right holder at a disadvantage in enforcement as a result of having made unnecessary assertion of "Effect of Invention" which is practice peculiar to our country against a notice of rejection from a domestic or foreign patent office, which is in the national interests of our country from a big perspective.

End