

Submitted to:
Patent System Subcommittee
Intellectual Property Policy Committee
Industrial Structure Council

April 7, 2009

Examination Guidance Regarding Inventive Step

First Patent Committee
Japan Intellectual Property Association

The industrial circle strongly hopes that variation in inventive step judgments will be reduced and the predictability of patent examination will be increased. We greatly appreciate that the Patent System Subcommittee has picked up and discussed this issue.

We frequently heard an argument among industries that the criteria for inventive step judgments have become more difficult to meet since the revision to the Examination Guidelines in 2000. In response to this, we started study on the inventive step issue on our own terms. We have dispatched our committee members for three years to the Inventive Step Study Group organized by the JPO Appeals Department. As a result of our review of the Examination Guidelines, we have found some provisions that are not clear enough or are difficult to understand.

We therefore would like to request that the JPO increase the accuracy of the Examination Guidelines through sufficient discussions with the industrial sector regarding the inventive step requirement and judgment criteria.

Our comments on the Examination Guidelines and relevant points, focusing on the inventive step issue, are shown below. We would appreciate it if you could take them into consideration.

(1) Discussion with the industrial sector upon the revision to the Examination Guidelines

The Examination Guidelines currently do not have any legally binding force. However, by going through the process of discussion with the industrial sector, their status could be improved as the guidelines for the implementation of the Patent Act, an industrial law, and this would lead to realize “predictable” examination (Report of the

Policy Committee on Innovation and Intellectual Property, *New Intellectual Property Policy for Pro-Innovation*). Toward this aim, we would request that the JPO hold sufficient discussions with the industries from the phase of preparing drafts for the future revision to the Examination Guidelines.

(2) Global harmonization of examination criteria

Most Japanese companies carry out business activities on an increasingly global scale for their survival. The important condition for companies' investment in their global business strategy is that the same patentability requirements are applied to their inventions and competitors' inventions in Japan and other major countries, which means that the grant of patents is predictable to them.

We would request that the JPO continue the current comparative study within the trilateral framework and further promote the harmonization of examination criteria, while encouraging other patent offices to join the movement.

(3) Publication of precedent cases in the Examination Guidelines

It is true that there is a call in the industrial circle for the publication of precedent cases in the Examination Guidelines.

However, before putting this into practice, it is necessary to clarify the purpose of publicizing precedent cases as well as the position or function of such cases in the guidelines, and then determine whether or not it is appropriate at all to publicize them.

There may be some approaches for the publication of precedent cases: (1) publicizing them as example cases relevant to the Examination Guidelines; (2) citing them to show interpretations of the Examination Guidelines; and (3) citing them in the text of the Examination Guidelines.

1) It is recommended that example cases be provided in order to help readers gain better understanding of the Examination Guidelines. In this respect, court precedents or JPO trial precedents, or even hypothetical cases will do if they are fit for this objective. Therefore, there is no need to indicate case numbers of these example cases in order to clarify their grounds or sources.

2) When citing precedent cases to show interpretations of the Examination Guidelines, in particular, marginal cases in which the court indicates the bounds of legal interpretation, we would request that careful consideration be given to the scope of the respective court judgments and whether or not they are recognized as case law. The content of the judicial precedents to be publicized should also be closely examined, because there could be a likelihood that those publicized cases would rather raise

questions about how to interpret the guidelines.

3) Citing a precedent case in the text of the Examination Guidelines means incorporating a judgment, which is based on facts of a particular case, into the text of the general provisions of the Examination Guidelines. More careful consideration is required to handle precedent cases in this approach.

Another recommendable idea is to collect precedent cases, which are not suitable as the content of the Examination Guidelines but are helpful for examiners and applicants as reference materials, and publish such collection of cases, like the Case Law Book issued by the European Patent Office (EPO). If this collection of cases is actually published, its position should be clarified.

(4) Implementation of the Examination Guidelines

The Examination Guidelines provide for the criteria for judging the involvement of an inventive step as follows: “(1) Whether or not a claimed invention involves an inventive step is determined whether the reasoning that a person skilled in the art could have easily arrived at a claimed invention based on cited inventions can be made by constantly considering what a person skilled in the art would do after precisely comprehending the state of the art in the field to which the present invention pertains at the time of the filing” (2.4 Principle of Method of Determining whether a Claimed Invention Involves an Inventive Step). In terms of the involvement of an inventive step, the “reasoning” may be the core of a notice of reasons for refusal. However, in some notices actually sent to applicants to notify them of the refusal of their applications due to the lack of an inventive step, the reasoning is not explained sufficiently. In the name of “brief drafting” for a notice of reasons for refusal, some notices indicate a simplified explanation of the reasoning and even omit the disclosure of the examiner’s determination which is the basis for the reasoning. For instance, there is a notice which refers to nothing other than the cited documents and the relevant descriptions. The applicant who has received such notice, because he/she cannot fully understand what the examiner thinks, has no choice but to make a counterargument while imagining the reasoning that the examiner might have formed. In this manner, the applicant is unable to focus the points of his/her counterargument, which would result in an undesirable consequence for both the applicant and the examiner.

We do not demand that the examiner’s explanation on the reasoning to be indicated in the notice of reasons for refusal should be increased in volume, but we place importance on the necessity to indicate the main points of the reasoning (Fifth Patent Subcommittee of the First Patent Committee, “Shinposei ga Arasowareta Tokkyo

Shinketsu Jirei no Kenkyū” (Study on patent trial cases where the involvement of an inventive step was disputed), *Chizaikanri (Intellectual Property Management)* Vol. 59, No. 1 (2009, at 37, and 48 et seq.) We hope that this practical issue—what are the key factors in drafting a notice of reasons for refusal? —will be further discussed with the industrial circle, so as to ensure the appropriate implementation of the Examination Guidelines.

We would then request the improvement of the guidelines to make them more easily comprehensible and useful for applicants, by correcting those provisions that are unclear and difficult to understand, including the abovementioned “reasoning.”

(5) Report of the Patentability and Inventive Step Study Group

Three years have passed since the Patentability and Inventive Step Study Group was first organized by the JPO Appeals Department.

The study group compiles an annual report at the end of each year. This report (especially the section entitled “Discussion Summary”) presents the highlights of the discussions among the representatives of the industrial sector, attorneys at law, patent attorneys, and appeal examiners, targeting the precedent cases in which the involvement of an inventive step was disputed. If any useful suggestions can be found in the discussion results, such as the points to note in determining the involvement of an inventive step and the lessons learned from the actual cases, we would hope that they will be generalized and reflected in the Examination Guidelines.

(6) Problems in detail

In this section, we indicate the unclear points and problems which exist in the current Examination Guidelines regarding the inventive step requirement.

We also stated our recommendations and requests for the reform of the guidelines in the reports on the inventive step issue shown below, based on the results of our case study. We would appreciate it if these reports are also taken into consideration:

- Fifth Patent Subcommittee of the First Patent Committee, “Shinketsu Torikeshi Soshō niyori Shinposei ga Arasowareta Jirei no Kenkyū: Tokkyo Jitsuyō Shin’an Shinsa Kijun ni okeru Shinposei Handan no Meikakuka heno Teigen” (Case study on lawsuits against JPO trial decisions where the involvement of an inventive step was disputed: Recommendations for clarifying the criteria for judging an inventive step in the Patent and Utility Model Examination Guidelines), *Chizaikanri (Intellectual Property Management)* Vol. 57, No. 11 (2007), at 1755 (hereinafter referred to as “First Patent Committee (2007)”)

- Fifth Patent Subcommittee of the First Patent Committee, “Shinposei ga Arasowareta Tokkyo Shinketsu Jirei no Kenkyū” (Study on patent trial cases where the involvement of an inventive step was disputed), *Chizaikanri (Intellectual Property Management)* Vol. 59, No. 1 (2009), at 37 (hereinafter referred to as “First Patent Committee (2009)”)

The statements shown below only raise the points at issue, and the details should be discussed with the industrial sector as we requested in (1) above. On such occasion, it is necessary to estimate the possible impact on the examination practices.

1. “Probable cause or motivation”

The Patent and Utility Model Examination Guidelines specifies examples of “reasoning,” which can be made from various and extensive aspects. One of such examples is whether the contents of cited inventions disclose a “probable cause or motivation” [for a person skilled in the art to arrive at the claimed invention]. The guidelines enumerate the following four factors: (i) close relation of technical fields; (ii) close similarity of a problem to be solved; (iii) close similarity of function, work or operation; and (iv) suggestions shown in the contents of cited documents (Examination Guidelines, Part II, Chapter 2, 2.5(2)).

Regarding these four factors, the Examination Guidelines explain as follows: “the reasoning for lacking an inventive step of the claimed invention is attempted on the basis of the contents of the selected invention, other cited inventions (including well-known or commonly used art) and the common general knowledge...When the reasoning can be made as a result of the above method, the claimed invention should be denied its inventive step.”; “However, regardless of the description in a cited reference such as the difference of the problem to be solved, which prima facie precludes the reasoning, the eligibility for a cited invention shall be maintained, if the reasoning could be possible in terms of other aspects such as a close relation of technical fields or close similarity of function, work or operation, etc.” (the notes for the determination of the eligibility for a cited invention). According to these provisions, the Examination Guidelines can be construed to state that if a factual basis can be found for any one of those four probable causes or motivations (i) to (iv), this immediately leads to denying the involvement of an inventive step in the claimed invention, without the need to consider other factors.

On the other hand, the guidelines also contain provisions that can be construed to mean that the four factors (i) to (iv) are nothing more than the items to be examined

when determining the involvement of an inventive step: “The reasoning [can be made from various and extensive aspects.] For example, [the examiner evaluates]... whether the contents of cited inventions disclose a cause or a motivation for a person skilled in the art to arrive at the claimed invention.”; “A close similarity of a problem to be solved can be a strong ground for the reasoning that a person skilled in the art would be led to a claimed invention by applying or combining cited inventions.”

Those provisions indicated in the second paragraph are in line with the view that each of the four factors (i) to (iv) can be an independent requirement for denying the involvement of an inventive step, whereas those in the third paragraph go along with the view that the four factors are items to be evaluated when determining the involvement of an inventive step, or more specifically, the inventive step requirement is a normative requirement (requirement which involves evaluation), and whether it is satisfied should be determined comprehensively by finding facts supporting the evaluation and facts denying the evaluation as to each item to be evaluated. Upon making such comprehensive determination, other factors such as a workshop modification of design and advantageous effects, may also be taken into consideration as items to be evaluated.

The latter view seems to be in common with judicial precedents which were also made by examining multiple items to be evaluated (First Patent Committee (2007), at 1759).

Thus, the provisions of the Examination Guidelines are not very clear, and we are not certain if they are consistent with the judicial view. It would be desired that the Examination Guidelines be reformed by clarifying and improving the content thereof.

2. Well-known art

The Examination Guidelines provide that in the course of determining the involvement of an inventive step, the relevant well-known art can be used as (i) a basis to find the cited invention or (ii) a basis to find the knowledge (the state of the art including the common general knowledge) or the ability (the ability to use ordinary technical means for research and development or the ordinary creativity) of a person skilled in the art (Part II, Chapter 2, 2.8(2)), (iii) as other cited inventions (Part II, Chapter 2, 2.4(2)), or (iv) a basis to find a modification of design (Part II, Chapter 2, 2.5(1)①, Examples 1 and 2).

We do not believe that readers can clearly understand the relevance between the respective provisions on well-known art or the function of well-known art explained in each provision.

For instance, the difference in the applicability between (i) and (ii) to (iv) (First Patent Committee (2007), 1763), and the relationship between (ii) and (iii) or (iv) (e.g. whether the former includes the latter), are not distinctively shown in these provisions.

Furthermore, provision (iii) makes us suspect that whether or not to issue the second notice of reasons for refusal would be dependent on whether well-known art is treated as the basis to find the ordinary creativity or treated in the same manner as an ordinary cited invention. There are cases in which a new component, which is added to the claimed invention in an amendment submitted upon responding to the notice of reasons for refusal or filing a request for a trial, is recognized as well-known art (First Patent Committee (2009), at 40). In such cases, although well-known art is used, in effect, as a new cited invention, no notice of reasons for refusal is issued.

Therefore, the implementation of the provisions on well-known art should be improved so as to avoid uncertainty.

3. Selection of an optimal material, workshop modification of design, etc.

The Examination Guidelines provide as follows: “Among exercises of ordinary creativity of a person skilled in the art are...a workshop modification of design in applying specific technology. When the difference of a claimed invention in comparison falls only under these categories, it is usually considered that a person skilled in the art could have easily arrived at it, unless otherwise there is another ground for inferring inventive step.” The criteria for applying this provision are not clear.

For example, the meaning of “a workshop modification of design in applying specific technology” cannot be clearly understood from the guidelines. The Report of the Inventive Step Study Group of the JPO Appeals Department (Japan Patent Office, 2007, at 22) explains that “a workshop modification of design is a modification that should necessarily be considered when applying specific technology, and this applies when the constitution of the modification itself does not have any particular technical meaning.” On the other hand, the Examination Guidelines explain, as in Example 2, that the claimed invention is recognized as a mere workshop modification of design on the grounds that it is well-known and commonly used art.

Therefore, the requirement for the application of this provision should be clarified.

4. Preventive factors

The Examination Guidelines provide for the following notes for the determination of the eligibility for a cited invention: “When there is such a description

in a cited reference that precludes the reasoning the claimed invention is easily arrived at, the cited reference is not eligible for a cited invention. However, regardless of the description in a cited reference such as the difference of the problem to be solved, which prima facie precludes the reasoning, the eligibility for a cited invention shall be maintained, if the reasoning could be possible in terms of other aspects such as a close relation of technical fields or close similarity of function, work or operation, etc.”

This provision can be construed to suggest that the examiners should give due consideration to the eligibility of a cited invention, which is the basis for the reasoning, and if the cited invention is found to be ineligible, they should find another cited invention.

However, by referring to this provision alone, it may be difficult to determine what kind of description is regarded as a “description that precludes the reasoning the claimed invention is easily arrived at,” and what kind of description is not regarded as such.

In addition, the meaning of the phrase “a description which prima facie precludes the reasoning” is unclear, although it is accompanied with an example “[such as] the difference of the problem to be solved.”

Furthermore, the difference between “a description that precludes the reasoning the claimed invention is easily arrived at” and “a description which prima facie precludes the reasoning” is also unclear. In this respect, it may be possible to explain that “a description that precludes the reasoning the claimed invention is easily arrived at” means a description which is judged to be ineligible as a cited invention regardless of whether the reasoning is possible from other aspects, whereas “a description which prima facie precludes the reasoning” means a description which can be eligible or ineligible as a cited invention depending on the possibility of the reasoning from other aspects. However, such explanation does not clarify the judgment criteria.

A part of this provision, “regardless of the description in a cited reference such as the difference of the problem to be solved, which prima facie precludes the reasoning, the eligibility for a cited invention shall be maintained,” may allow an interpretation that the failure to make the reasoning from any one of the four factors listed as probable causes or motivations, i.e. (i) close relation of technical fields; (ii) close similarity of a problem to be solved; (iii) close similarity of function, work or operation; and (iv) suggestions shown in the contents of cited documents, does not immediately deny the eligibility of a cited invention, but rather said part of the provision gives a cautionary note that in such case, the examiner should consider the possibility of the reasoning from other aspects.

Whether our interpretations shown above are valid or not, we would request that the definitions of the phrases “a description that precludes the reasoning the claimed invention is easily arrived at” and “a description which prima facie precludes the reasoning” be clarified by presenting specific examples of these descriptions.

At the same time, the guidelines should also be reformed by increasing examples in which the involvement of an inventive step is affirmed.

5. Others

In the Examination Guidelines, the usage of some terms and phrases is not strict, such as: “claimed invention,” “distributed publication,” “invention described in a distributed publication,” “(one or more) cited invention(s),” “one cited invention most suitable for the reasoning,” “other cited inventions (including well-known or commonly used art),” and “cited invention(s).” For instance, it is uncertain whether the term “cited invention(s)” should be either “*a* cited invention” or “cited inventions,” or whether it refers to “one cited invention most suitable for the reasoning” or other cited inventions (including well-known or commonly used art),” or both. In particular, such uncertainty is notable in the provisions concerning “cause or motivation.” Furthermore, the distinction between “cited invention” and “distributed publication (in which a cited invention is described)” is unclear in some provisions. We would request that such uncertainty be corrected.