

Practical Considerations regarding Application of the “on-sale” Bar of 35 U.S.C. § 102 (b)

The First Subcommittee,
The Second Patent Committee

The U.S. Patent Act, Section 102(b), 35 U.S.C. § 102 (b), sets forth a so-called “on-sale bar”, providing that no one can obtain a patent for an invention that has been on sale more than one year before filing a patent application therefor. This “on-sale bar” is usually asserted as one of the grounds for invalidation of a patent by an accused party before the court. In an actual lawsuit, the issue is often contested whether or not an invention claimed as a patent has ever been on sale, so that the standard for the application of this on-sale bar has not necessarily been clear enough.

However, the US Supreme Court made this issue clear in its decision of the Pfaff case in November 1998, ruling that the on-sale bar applies when 1) the product has been the subject of a commercial offer for sale; and 2) the invention has been ready for being patented.

This article studies standard of the application of “on-sale bar” from the CAFC decisions given prior to the Pfaff case, and then examines the key factors of the Pfaff decision and its impact in order to provide the matters to be aware of in filling patent applications in US.

The article has been published in “*CHIZAI KANRI*” (Intellectual Property Management) Vol. 50, No. 6, pp.761-773, 2000.

Patent Enforcement for Computer Systems

The Second Subcommittee,
The Second Patent Committee

With the recent progress in digitization and networking, there are an increasing number of products incorporating computers that are subsequently connected to a network. The following points are generally said to be present in the infringement issues for computer system's patents.

(1) Recent computer systems are constructed from a combination of a number of products manufactured by different makers. Under the circumstances, a patent holder of a whole computer system's patent cannot enforce his/her patent right based on a direct infringement against a part of those makers.

(2) Hardware and software products become independently available from on the market due to the widespread use of personal computers. Under the circumstances, a patent holder of a combination of hardware and software patent cannot enforce his/her patent right based on a direct infringement against hardware makers and software makers.

(3) Since there are so many combinations for constructing a system to implement a certain function, there may be a case in which, even though a function on its face is equivalent to that of the patent, it does not necessarily follow what is worded in the claims of that patents.

This article discusses patent infringement issues with more focus on the application of contributory infringement and the doctrine of equivalents. It further discusses how the patent

enforcement should be achieved from the viewpoint of the balance between the patent right holder and a third party.

This article has been published in “*CHIZAI KANRI*” (Intellectual Property Management) Vol. 50, No. 7, pp.987-1007, 2000.

Background and Present State of Business Method Patents

Multimedia & Software Committee

In this article, the background and present state of business method patents that are lately attracting much attention are discussed, and the challenges that the patent system currently faces or will face in the future are explained in both general and specific terms. As a background to the current development, there is the booming popularity of the electronic commerce and the change in the styles of businesses caused thereby. There exist problems on the patent systems that have dissimilarities as well as similarities in the trilateral countries, US, Europe and Japan. For example, while a useful, concrete and tangible result is demanded for the validity in US, the use of hardware and a technical effect are demanded in Japan. Also, there are some differences in the criteria for the inventive step, such that non-obviousness is discussed in US, but in Japan, an invention is deemed to have no inventive step when it is a diversion from another field. However, there are some commonalities in the attitudes of the trilateral patent offices that they all require a patent subject matter to have a technical aspect, and that they reject those of mere ideas.

Furthermore, there are issues relating to the examination practices (criteria for determining patentability), prior art search and accumulation of examination results etc. for business method patents in US and Japan. Since in the future, late patent applications will be handled as public known references, the determination of novelty and inventive step is expected to be facilitated. The issues of infringement in business method patents are complex, and there are many problems that must be addressed in the future, such as those issues involving the principle of territoriality. The trilateral countries are urged to establish a system to collect, share and publish prior art documents, and are expected to construct adequate patenting systems through further developing the trilateral joint search project etc.

This article has been published in “*CHIZAI KANRI*” (Intellectual Property Management) Vol. 50, No. 9, pp.1333-1341, 2000.