# Current Status and Issues Regarding Protection of Information Under the Patent Law

The Third Subcommittee,
The Second Patent Committee

The Patent Law, as revised in 2002, provides that "programs and the like" are included in "products" and also that "products similar to a program" are included in "program and the like". Creations of "data having a structure" or "data structure", which are substantially equivalent to programs, are also acknowledged to be "inventions". In addition, according to an investigation of patent applications filed in recent years, there is increasing need for information protection under the Patent Law. Now, based on the previous examples of patent registrations, this Sub-committee considered the necessity of protection of "data having a structure" and "data structure" from the standpoint of exercise of rights. It seems necessary to protect data, but it is not clear how data is examined when rights for such data are claimed. For example, there is a question to what extent the requirement of software-related inventions (under the current Examination Guidelines) that there be a relationship with some hardware is necessary in this case. This Subcommittee considered demands on the Patent Office and points to keep in mind when claims for rights are made. In fact, it is not clearly prescribed what sort of data is "products similar to a program" according to the examination practice at the Patent Office. Under these circumstances, it is important for companies to show what properly qualifies as a protected given the innovations in technology and changes in business operation modes, through the objects that it claims to be "data having structure" or "data structure". It is also important to continue considering the proper form of information protection pursuant to the Patent Law and to inform the Patent Office of companies' needs.

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# Recent Important Judgements and Practical Points to Consider Regarding "on-sale bar"

## — CAFC judgements after Pfaff —

The First International Affairs Committee

After the decision on the Pfaff case made by the supreme court in 1998, a number of CAFC decisions have been made concerning the grounds for unpatentability due to the on-sale bar under Article 102 (b) of the US Patent Law. The on-sale bar issue is still one of the most important issues for the decision on the validity of patents, and the number of specific cases exploiting the "two parts test" of the Pfaff case have been accumulated.

The purpose of this article is to introduce the important decisions made and material issues discussed at the CAFC and to review the specific cases under which the "two parts test" were applied,

and further report the practical points to be noted for making decisions on the application of the on-sale bar provision.

As the standards or criteria for determining whether the "offer for sale", this article introduces the cases where (i) whether the offer for sale was made under the contract law, (ii) whether the process invention was offered for sale, or (iii) whether the offer for sale was made for the purpose of experimental use were the major conflicting issue, and the cases under which the major conflict was whether the subject invention was in the state of "ready for patenting". Further, this article examines the practical points to be noted in respect of each issue from the perspective of patent applicants and any third party.

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## Evaluation of Research and Development by Using an Index Based on Intellectual Property

## — Application of evaluations to R&D policy and management strategy —

The First Subcommittee,
The First Intellectual Property Management Committee

As the importance of R&D increases, the needs for proper and accurate evaluation of the technological results of the R&D have increased. This article proposes the guiding measure based upon intellectual properties, by introducing the concept called "comprehensive patent power" as an index for those evaluations, that could contribute to the establishment of R&D policies and management strategies. The method is to make a guiding index, which consists of three elements; originality, strength of right and the share of the patent numbers of evaluating area.

The feature of this method is to visualize those elements as the comprehensive patent power. This article limits the scope of the evaluation to the pure technological results of the R&D, excluding the market value of such technology. Then, after the introduction of exemplar cases, this article discusses the application of the evaluation based upon the comprehensive patent power to the establishment of R&D policies and management strategies.

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