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Changes to the Civil Procedure Laws and Regulations prompted by Specialized Litigation: regarding the United States and the Japanese Patent Invalidation Procedures

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Table of Contents

I. Introduction
II. Current System
A. Patent Invalidation Procedures in the U.S.
1. Characteristics of Civil Procedure in General
2. Characteristics of Patent Invalidation Procedure
3. Remaining Issues
B. Patent Invalidation Procedures in Japan
1. Characteristics of the Civil Procedure in General
2. Characteristics of Patent Invalidation Procedure
3. Remaining Issues
III. Proposals for the future system
A. Proposals for the U.S. system
1. Administrative Invalidation Procedure
2. Concentration of Patent Litigation at the First Instance
3. Possible Future Reform: Balancing Uniformity and Decentralized Autonomy of Judiciary
B. Proposals for Japan
1. Coordination of Inconsistent Judgments and Invalidation Trial Decisions
2. Coordination of Scopes at the Appellate Level
3. Possible Future reform: Transition to Litigation-Oriented Invalidation
IV. Final Notes

I. Introduction

Since the end of the 20th century, due to the broadening of the scope of patentable subject matter, an increase in the number of patent filings, and active enforcement, there has been an increase in the number of legal disputes over patents, mainly in industrialized countries.

Disputes over patent validity are one of the typical types of patent dispute. In terms of their relationship with infringement disputes, they can be roughly divided into the following two categories: i) single forums, wherein patent validity is disputed as part of the same proceedings as infringement proceedings, and ii) separate forums wherein patent validity is disputed separately from infringement. Moreover, in terms of the determining body and the nature of the proceedings, they can be divided into the following two categories: i) judicial procedures, and ii) administrative procedures. Following the recent revisions to their systems, both Japan and the United States have been confronting the issue of how administrative and judicial patent invalidation procedures can be concurrently managed in a rational manner.

In Part II of this article, I will describe issues in the U.S. and Japanese patent invalidation procedures at present. Part III discusses immediate solutions for current issues and possible proposals for future reform in both countries. Finally, Part IV concludes the article with implications for the civil procedure and judicial system in general.

II. Current System

A. Patent Invalidation Procedures in the U.S.

1. Characteristics of Civil Procedure in General

Needless to say, the U.S. civil judicial system is fundamentally formulated by Common Law tradition. Federal district court judges are appointed from among experienced attorneys. Their appointment is designated to a particular court for life. Federal district judges are expected to be generalists who deeply commit to trial proceedings for various cases, including criminal ones. Civil procedure rules are dominated by the principle of the adversary system. In particular, pre-trial

proceedings which collect evidence from each other and seek issues to be tried have at least equal, and probably more importance than trials. Parties can choose jury trials, which entrust fact-finding to a verdict delivered by lay person jurors without any, or detailed, reasoning. These factors encourage parties' self-help and active commitment and presentation.

2. Characteristics of Patent Invalidation Procedure

(a) Litigation as predominant main route, and reexamination as small alternative route

Although the U.S now has litigation at federal courts[1] and reexamination at the United States Patent and Trademark Office (hereinafter USPTO)[2] for invalidation of patents, litigation is the predominant route[3], from the viewpoints of caseload and subject matter.

Reexamination was established as an additional administrative procedure for challenging the validity of patents. This has been the most important reform of the patent invalidation procedure in the U.S., with the USPTO obtaining jurisdiction over invalidation for the first time in the 190 years since the U.S. patent system was established. The primary purpose of the establishment was to provide a fast and cheaper alternative to litigation, for those who wish to challenge the validity of issued patents. It ultimately aimed to improve the quality of patents, by eliminating problematic patents in an efficient manner.[4] However, faced with the unpopularity of reexamination among third parties, Congress was forced to take another measure to attract more validity challenges to reexamination. In 1999, the American Inventors Protection Act Sections 4601-8[5] added a new inter partes reexamination, as an optional alternative to the original ex partes procedure. To better attract third party requestors, the 2002 amendment expanded the cause of reexamination to include references that were already cited and considered during the patent prosecution[6], and provided a third party requestor of an inter partes reexamination with the right to appeal an adverse decision by the Board of Patent Appeals and Interferences (hereinafter Board of Appeals) to the United States Court of Appeals for the Federal Circuit (hereinafter Federal Circuit).[7] It seems the amendment has succeeded in increasing requests for inter parte reexamination, but the number filed so far is still insufficient for it to be called a genuine alternative to litigation.

(b) Dispersed venues of patent litigation

With regard to infringement and declaratory judgment for invalidation cases, the venues for the first instance are dispersed among all federal district courts[8]. At the district courts, patent cases are assigned to judges without any special consideration, and adjudicated under general rules of civil procedure, just like ordinary civil cases. Patent cases at first instance are lost in an ocean of various civil and criminal cases[9], so that motivation for making practical improvements in processing patent cases does not easily arise. As a consequence, some particular districts have gained popularity as patent litigation venues because of special local rules or a judge's unique practice, resulting in forum shopping[10] by clever plaintiffs. At the appellate level, the Federal Circuit has special nationwide jurisdiction for patent cases[11], but the appellate court reviews only legal issues.

3. Remaining Issues

In patent litigation, parties have primary responsibility to provide special technical knowledge for the case under general adversary principle. It has been noted that patent litigation is especially costly and time-consuming[12]. In addition, some parties engage in forum shopping and concentrate on famous jurisdictions for patent cases. Such issues are due to a lack of expertise at federal district courts, which lack resources to deal with technical issues. The reexamination procedure was established as an alternative to litigation, but has failed to gain popularity. It is not easy to find an effective solution under strict constitutional limitations, such as jury trial, lifetime tenure of judges, etc.

B. Patent Invalidation Procedures in Japan

1. Characteristics of the Civil Procedure in General

The Japanese system is rooted in the Civil Law tradition. Under the "career system," judges are appointed mainly from new graduates of the Judicial Research and Training Institution, and basically expect to work as judges until they reach the mandatory retirement age. Judges move from one court to another every 2 or 3 years.

As a general rule, the Civil Procedure Law (hereinafter C.P.L.) adopts the party presentation principle for the presentation of facts and evidence. However, a court has strong motivation to actively lead the proceeding, as preparation for writing a judgment that shows detailed logical reasoning for both law and fact-finding. These factors encourage judges to make an active commitment to arranging issues and conducting fact-finding investigations.

2. Characteristics of the Patent Invalidation Procedure

(a) "Double track" of litigation and administrative procedure

An invalidation trial, a specially designed administrative procedure at the Japan Patent Office (hereinafter JPO), takes a role as a first instance for invalidation of patents[13]. The procedure is presided over by appeal patent examiners who have technical expertise in the subject matter, in order to deal with technical issues properly and exclusively. By virtue of traditional decisive power doctrine[14], if a party wants to have a patent invalidated, it needs to file for an invalidation trial. As a consequence of the doctrine, an accused infringer cannot maintain invalidity of the patent until it is invalidated through an invalidation trial. Courts can only review the legitimacy of invalidation trial decisions in an appeal suit for invalidation trial decision.

The Kilby case[15] was a significant change for the patent invalidation procedure .The Japanese Supreme Court decided in Kilby that if a patent apparently has a ground for invalidation, a defendant can make a defense of abuse of right in patent infringement litigation. The abuse of right theory was carefully worded so as not to step over the boundary of the decisive power doctrine. Further, the revision of the Patent Law in 2004 expressly stipulated the unenforceability defense in Art. 104-3, which in effect allowed a claim of invalidity of an unenforceable patent right. This revision eliminated the "clearly" requirement in the Kilby decision from the standard for judging invalidity in an infringement suit, but preserved both routes for judging invalidity—the administrative process and the judicial process—in a manner that takes advantage of the merits of both processes.

(b) Concentrated venues of patent litigation

The enactment of the 2003 Revision of C.P.L. gave Tokyo and Osaka District Courts exclusive jurisdiction over cases involving patents, utility models, copyright for circuit patterns and computer programs, etc.[16] At the appellate level, the Tokyo High Court has exclusive jurisdiction over appeals of cases subject to the exclusive jurisdiction of the two district courts.[17] These special venue statutes for intellectual property cases presuppose the existence of intellectual property divisions. According to lower court administration regulations[18], an all-judge administrative conference at the court shall decide the allocation of special cases to divisions. The intellectual property divisions deal with all intellectual property rights, comprising patents, copyrights, trademarks, etc.

The Intellectual Property High Court Establishment Act[19] was enacted in April 2005. The Intellectual Property High Court (hereinafter IPHC) succeeded jurisdiction over appealed cases concerning patents, and appeal suits against decisions of administrative procedure at the JPO, etc, from Tokyo High Court Intellectual Property Division. Technically speaking, the IPHC is merely an internal division of the Tokyo High Court.

3. Remaining Issues

Through the recent reforms of the litigation system for intellectual property cases, legislative measures have been taken to concentrate intellectual property suits in limited courts and enable judges to acquire technical knowledge by utilizing court-appointed neutral experts (judicial research officials[20] and expert commissioners[21]). Nevertheless since two routes for judging the invalidity of patents—invalidation trial before the JPO and infringement suit before the court—have been maintained after the reforms, the issue of how to coordinate proceedings and judgments in these processes remains unsolved.

III. Proposals for the future system

A. Proposals for the U.S. system

1. Administrative Invalidation Procedure

Taking the constitutional limitations on federal courts into consideration, a post-grant opposition, a new administrative invalidation procedure that enhances grounds for invalidation and measures for taking and presenting facts and evidence should be adopted.[22] I propose the details as follows:

(a) Opposition, as an alternative to litigation, could be based on broad and varied reasons for cancellation except derivation. Reasons for cancellation other than those based on prior art documents would be more compatible with the presentation of evidence or fact-finding lawsuits, but it might not be necessary to exclude these reasons at the opposition filing stage, and we should leave this choice to the parties to the disputes.

(b) Regarding eligibility requirements, if emphasis is placed on the function of securing patent quality, it is better not to set any time limit for a certain period after the grant and only allow persons with a legitimate interest[23], such as having received a notice of infringement, to file an opposition after the time limit expires.

(c) Rules of discovery should be entrusted to the Director, as in proposed bills[24]. Although discovery might be a beneficial means of collecting evidence from the patentee in some cases, considering that the opposition procedure is a route that focuses on economical and fast processing, it is appropriate to simplify the discovery process.

(d) A post-grant opposition system would overlap with the reexamination procedure. If a post-grant opposition system is adopted, it would be reasonable to abolish the inter-partes reexamination system[25]. However, given that the ex-parte reexamination system is being used by patentees as a means to maintain and confirm the validity of their patents, ex-parte reexamination should be maintained for the time being, exclusively for this purpose.

(e) The enhancement of the administrative invalidation procedure creates a new issue: how to organize and coordinate the double track of litigation and administrative procedure. Considering the current popularity and short history of the administrative invalidation procedure, I propose that

the new administrative procedure should set measures to attract parties to file, i.e. giving priority to processing the administrative procedure while staying any litigation.

2. Concentration of Patent Litigation at the First Instance

Considering the limitation of resources at the USPTO[26] and diversity of grounds for invalidation under U.S. patent law[27], it appears that the USPTO administrative procedure cannot completely substitute for declaratory judgment actions or defenses of invalidity in litigation. It is difficult for lawmakers and practitioners to take special measures for patent litigation reform, if patent cases continue to occupy merely a very small part of each docket. Therefore, the concentration of patent cases at the first instance will be optimal for federal judiciary, as a means to accumulate know-how to manage patent cases swiftly and efficiently.

(a) Concentrated case assignment model in ordinary district courts

I propose that several designated district courts exclusively have jurisdiction over patent cases in the circuit. At these district courts, judges in charge of patent cases should be designated, but they should also handle cases in other categories under federal courts[28]. I do not think that establishment of specialized courts only for patent cases is a desirable solution. The legislative aims of the Federal Courts Improvement Act of 1982, which established the Federal Circuit, shows that Congress considered there were problems brought about by overspecialization and added appellate jurisdiction over various areas of cases to the Federal Circuit[29]. From a Constitutional viewpoint, especially given the lifetime tenure of Article III court judges, specialized trial courts for a single area of law tends to increase the risk of narrowing perspectives and bias[30].

(b) Model procedural rules for patent litigation

The federal district court judges are constitutionally guaranteed independence by their lifetime tenure, and operations at a district court are left to the autonomy of the judicial conference of the court.[31] Therefore, it is questionable whether we may actualize the concentration assignment model by leaving the fate of the model to the voluntary intentions of

individual judges. To make the concentrated assignment model a permanent system in the US judicial system, I think that some compulsory measures should be prepared to disseminate the model.

The operational details of pre-trial procedures, including for patent litigation, are entrusted to the discretion of each district judge. Compared with the career system for Japanese judges, based on the periodic transfer of judges, the U.S. system does not seem to have a strong motivation for seeking nationwide uniformity of adjudication. However, since the establishment of the Federal Circuit, nationwide uniformity has been strengthened, so far as substantive patent law is concerned. Therefore, I suggest establishing model procedural rule for patent litigation, based on the local rules and practices of the several district courts that are well known efficiently dealing with patent cases[32].

3. Possible Future Reform: Balancing Uniformity and Decentralized Autonomy of Judiciary

My proposal for the concentration of patent litigation in the U.S. is similar to the system of intellectual property divisions in the Tokyo and Osaka District Courts. In Japan, judges are rotated every few years under planning and management by Supreme Court Administrative Office. However, U.S. federal judges at the Article III courts are appointed to the designated court for life[33]. In U.S. district courts, the judges' conference has autonomous authority with respect to administrative matters. Although the special uniformed case assignment rule for patent cases becomes effective in the future, such a rule risk's diluting respect for the locality and autonomy of judges.

B. Proposals for Japan

1. Coordination of Inconsistent Judgments and Invalidation Trial Decisions

(a) Invalidation after a prior judgment prevailing against the accused infringer.

I agree that interpretation of the current C.P.L. allows retrial when a latter trial decision invalidating the patent becomes final after a prior judgment prevailing against the infringer by

virtue of a ground for retrial set out in Art. 338, para.1, no.8 of the C.P.L.[34].

As a legislative argument, there is a proposal which limits the retroactive effect of an invalidation trial to avoid unwinding repayment caused by repetition of the same validity issue[35]. Now in Japan, both infringement litigation and invalidation trial rarely grant a stay motion for fear of slowing down the process. However, if the retroactive effect is limited, the race to finality will occur between litigation and invalidation trial[36]. In other words, time of coordination will need to shift from retrial, to consistent decisions of co-pending procedure. Because of the tradeoff between quick processing and consistency of results, I reserve the limitation of retroactive effect for careful consideration.

(b) Patent was corrected after the dismissed infringement suit

A recent Supreme Court decision suggested the possibility of retrial in the situation where the JPO decision on the trial for correction has become final and binding after the judgment dismissing the infringement based on invalidity became final and binding, and as a result, the validity of the patent is maintained and infringement may also be found based on the corrected claims[37]. As analogy to the argument in (a), I support the Court's view. However, the retroactive effect of correction is also subject to legislative argument.

(c) Art.104-3 defense after validity maintained in invalidation trial

Where a trial decision to maintain the validity of a patent has become final and binding and a registration has been made to that effect, Art. 167 of the Patent Law prescribes that no one may file a request for invalidation trial on the basis of the same facts and evidence.[38] Because there is no such non bis in idem principle against third parties in other countries' patent laws, abolishment of the preclusion against third parties has been strongly advocated[39].

Although I am aware of the Constitutional criticism based on an individual's right to their day in court and comparative law analysis, I propose that the purpose of the non bis in idem principle—to ensure the stability of a patent right by stipulating the JPO examiner's decision of grant as an incontestable disposition[40]—also need to apply to Patent Law Art. 104-3 defense in

infringement case. The reasons are as follows: i) Patent Law Art. Art 150 para.1 prescribes that JPO can present and examine evidence in invalidation trial, so that the general public's interests can be represented; ii) It can be constructed that non bis in idem will not occur if a party who conspired with a patent owner intentionally loses the invalidation trial[41]; and iii) Current Japanese law allows challenges to patent validity by anyone and at anytime, therefore, Art 167 should not be abolished without proposing other measures to stabilize validity of patents.

2. Coordination of Scopes at the Appellate Level

A judgment by the Grand Bench of the Supreme Court rendered in 1976[42] determined that the court in charge of a suit against an invalidation trial decision shall only examine the specific ground for invalidation that has actually been disputed and examined in the invalidation trial before the JPO, and no allegation or proof may be submitted to assert any other ground for invalidation with regard to comparison with a publicly known fact, which has never been examined by the JPO trial board, as a ground for illegality of the JPO trial decision. This precedent has been governing practice until recently. On the other hand, in the appeal instance of an infringement suit, if the accused party alleges a ground for invalidation that the party never alleged in the first instance, such an allegation shall not be restricted only because it is made in the appeal instance, for the appeal court may examine new evidence[43]. Because of this, before the IPHC, it is easier to claim the invalidity of a patent by filing an appeal of an infringement suit, than by filing an appeal suit against an invalidation trial decision[44].

Recently, there has been an influential view arguing that the restriction of the scope of appeal suits against an invalidation trial decision under the 1976 Supreme Court judgment is unacceptable, on the following grounds:[45]

(a) According to the general principle for the scope of trial in a suit for rescission of an administrative disposition,[46] the subject matter of the suit is the illegality of the JPO trial decision as a whole, not divided per ground for invalidation or reason for refusal; and

(b) Courts now have greater means for acquiring technical knowledge, they no longer needs

to seek a judgment on the existence or nonexistence of a ground for invalidation from the JPO.

This view ambitiously challenges the traditional 1976 doctrine, providing useful points to evaluate current invalidation procedures. However, practitioners experienced in handling appeal suits mention that current practice can successfully avoid frequent remand to JPO invalidation trial even under the 1976 judgment law, so that the judgment does not need to be overridden.[47] According to this view, it can be construed that even where correction is made to narrow the scope of claims while a suit against an invalidation trial decision is pending, the court does not necessarily remand the case to the JPO.[48]

3. Possible Future reform: Transition to Litigation-Oriented Invalidation

The improved technical specialization of courts and the demand for elimination of cumbersome "double track" issues could lead to a legislative solution that provides for the "defense of invalidity" and "counterclaim of invalidity," beyond the current statutory defense of unenforceability in Patent Law Art. 104-3. The rationale of the "decisive power" doctrine for invalidation trials is based on the technical specialization of patent invalidation. However, now that courts have successfully established well-organized systems to acquire technical knowledge, in my opinion, the need for special administrative proceedings to declare the invalidity of a patent has substantially declined. To transfer primary jurisdiction for patent invalidation to courts can be a realistic legislative solution, if the Japanese system can overcome both theoretical and manpower limitations.

In U.S. civil litigation, the theory of issue preclusion enhances the scope of preclusive power beyond the parties and the subject matter of the judgment. In Japan, however, the preclusion of the final judgment is strictly narrow. The general rule of res judicata does not give any preclusive power beyond the ultimate subject matter of the case, or third parties. Such a difference in the finality of judgments urges Japanese law to adopt a special statutory rule on the finality of judgments finding invalidity of patents, or by applying the doctrine of collateral estoppel actively,

for judgments finding invalidity of patents.

In addition, even though the invalidation trial caseload has increased since the enactment of Patent Law Art. 104-3, more than half of the cases filed are still not related to charges of infringement. This situation shows that transferring jurisdiction for patent invalidation would likely cause an overflow beyond the current processing ability of the intellectual property divisions at courts. Both the institutional and procedural framework for the new patent invalidation suits needs to be carefully considered.

IV. Final Notes

The belief is that technical specialty and complexity of subject matter moved Japan to establish invalidation trials as a special appellate procedure to an administrative decision granting a patent. However, since courts have strengthened their human resources and operation rules for IP cases, including patent infringement, the raison d'être of invalidation trials will shift to swift and low-cost processing, rather than primary invalidation procedures.

On the other hand, the U.S. resorting to creating an administrative procedure to relieve the side effects of the adversary system, such as self-serving expert witnesses, expensive costs, etc. As long as the administrative procedure cannot substantially substitute patent invalidation cases from litigation at courts, it is still necessary to improve the procedural rules for patent litigation at the first instance, which is a sanctuary protected by constitutional demands for jury trial and firm self-governance by district judges. This would entail the concentration of patent cases among designated courts and judges.

Patent cases aside, there are a variety of technically specialized legal fields, some of which have special administrative procedures for dispute resolution. Cooperation between litigation and administrative procedure is a constant issue for every specialized area of litigation. In the future, I would like to do more detailed research on the tension between the rational allocation of dispute resolution resources and traditional theories in procedural law.

Endnotes:

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[1] 28 U.S.C. §1338(a) (2008).

[2] 35 U.S.C. §§302, 311(2008).

[3] The Patent Act of 1793 Act adopted a registration system, which was preserved until the enactment of the Patent Act of 1836. Under the registration system, a patent was granted to anyone who filed an application that met the formality requirement. It was during this era that substantial grounds and procedural rules for repealing and invalidation were organized in the statute. As a consequence of the registration system, courts have jurisdiction over reviewing patentability, and repealing or infringement cases. Even after the examination of applications started in 1836, courts preserved jurisdiction for the first instance over the validity of granted patents.

[4] For the history of the efforts to adopt the reexamination system, see Donald J. Quigg, Post-Issuance Reexamination: An Inventive Attempt at Reform, Nat'l L.J., June 1, 1981, at 31, col. 1. (1981). For further discussion of the history of the reexamination proposals, see Martin Abramson, Should the U.S. Adopt a Re-Examination System?, 52 J. Pat. Off. Soc'y 407 (1970); Edward S. Irons & Mary Helen Sears, Patent "Reexamination": A Case of Administrative Arrogation, 1980 Utah L. Rev. 287, 290-91 (1980); Harold L. Marquis, Improving the Quality Control for Patents, 59 Minn. L. Rev. 67, 84-90 (1974); Thomas E. Popovich, Patent Quality: An Analysis of Proposed Court, Legislative, and PTO-Administrative Reform-Reexamination Resurrected, 61 J. Pat. & Trademark Off. Soc'y 248, 316 (1979).

[5] American Inventors Protection Act, Pub. L. No. 106-113, 113 Stat. 1501 (1999).

[6] 35 U.S.C. § 303(a) (2008).

[7] Id. § 315(c).

[8] 28 U.S.C. §§1391(b)(c), 1400(b) (2008).

[9] District judges typically undertake a patent trial only once every six to eight years. See Kimberly A. Moore, Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?, 79 N.C. L. Rev. 889, 933 (2001); John B. Pegram, Should There Be a U.S. Trial Court with a Specialization in Patent Litigation?, 82 J. Pat. & Trademark Off. Soc'y 766, 787-88 (2000).

[10] See Moore, id. at 889 (According to her study, the three most active patent jurisdictions were: the Central District of California, which resolved 870 cases (or 174 per year); the Northern District of California, which resolved 606 cases (or 121 per year); and the Northern District of Illinois, which resolved 569 cases (113 per year)). In recent years, Eastern District of Texas is the most preferred venue.

[11] 28 U.S.C. §1295(a)(1)(4), 311(2008). For historical background, see Rochelle Cooper Dreyfuss, The Federal Circuit: A Case Study in Specialized Courts, 64 N.Y.U. L. Rev. 1 (1989).

[12] American Intellectual Property Law Association, Report of Economic Survey 2007 (2007). Such expensive costs can be attributed mainly to extensive discovery and experts used for every phase, on technical, legal and damage issues. See The 1992 Advisory Commission on Patent Law Reform, A Report to the Secretary of Commerce 78 (1992); Symposium of the International Judges Conference: Problems of Complex Litigation, 9 Fed. Cir. B.J. 529 (2000); Gregg A. Paradise, Arbitration of Patent Infringement Disputes: Encouraging the Use of Arbitration through Evidence Rules Reform, 64 Fordham L. Rev. 247, 251, 275 (1995).

[13] Tokkyohō [Patent Law], Law No. 121 of 1959 [hereinafter Patent Law], art. 123, para. 1.

[14] The decisive power doctrine generally means that if a party wishes to deny the effect of an administrative action, it must file a formally designated action, such as a revocation suit, invalidation trial, etc. Scholars attribute decisive power to the exclusive jurisdiction statute of the revocation suit prescribed in Administrative Case Litigation Law. See Naohiko Harada, Gyōseihō yōron [Essence of Administrative Law] 132 (5th ed. 2004); Katsuya Uga, Gyōseihō Gairon I [Summary of Administrative Law I] 271 (2004); Hiroshi Shiono, Gyōseihō I [Administrative Law I] 130 (4th ed. 2004).

[15] Fujitsu Co. v. Texas Instruments, Inc., 54-4 Minshū 1368 (Sup. Ct., Apr. 11, 2000) [available at http://database.iip.or.jp/cases/files/1998(O)364.html].

[16] Minji soshōhō, Law No. 109 of 1996 [Civil Procedure Law], art. 6, sec. 1.

[17] Id. art. 6, para. 3.

[18] Kakyū Saibansho Jimushori Kisoku [Lower Courts Administration Regulation], Sup. Ct. Rule No. 16 of 1948, art .6, sec. 1.

[19] Chiteki zaisan kotō saibansho setchihō [Intellectual Property High Court Establishment Law], Law No. 119 of 2004.

[20] Judicial research officials are full-time court employees, prescribed in Saibanshohō, Law No. 59 of 1947 [Court Organization Law][hereinafter Court Law],at.57 para.1. The Supreme Court Judicial Assembly has authority over appointments, dismissals, and deployment. Tokyo District Court and Osaka District Courts have judicial research officials for patent cases. Most of the officials are dispatched from the JPO.

[21] Expert commissioners are part-time court employees who are appointed for individual cases and provide technical information for the particular case. C.P.L. art. 92-2.

[22] United States Patent and Trademark Office, The 21st Century Strategic Plan, Item 40 [available at http://www.uspto.gov/web/offices/com/strat21/action/sr2.htm] (last modified in 2003); Stephen A. Merrill, et.al., A Patent System for the 21st Century, 82 (2004). Patent reform bills submit to the Congress includes creation of post-grant opposition: H.R. 2795, H.R. 5096, H.R. 5418 and S. 3818 in the 109th Cong. (2006); H.R. 1908 and S. 1145 in the 110th Cong. (2007); S. 515, S. 610 and H.R. 1260 in the 111th Cong. (2009).

[23] For example, S.1145 proposes that the petition for cancellation can be filed (1) within 12 months of the patent's issue, or (2) if there is a substantial reason to believe that the continued existence of the challenged claim is likely to cause the petitioner significant economic harm, the petitioner has received notice from the patent holder alleging infringement by the petition, or the patent owner consents to the proceedings in writing.. H.R.1908 also limits the filing period within 12 months from the granting of a patent, or consent of a patent owner..

[24] For example, see S.1145 § 326.

[25] For example, S 1145 proposes to abolish the inter-partes reexamination after the establishment of the opposition, while H.R. 1908 preserves inter-partes reexamination.

[26] According to reports issued by the United States Government Accountability Office, hiring sufficient numbers of qualified examiners is difficult. Furthermore, many examiners leave the office work in the office for less than 5 years. Unless this situation changes, the opposition procedure will not be able to handle many cases due to the limitation of experienced manpower. See United States Government Accountability Office, Report to the Ranking Member, Committee on Oversight and Government Reform, House of Representatives: U.S. Patent and Trademark Office, Hiring Efforts Are Not Sufficient to Reduce the Patent Application Backlog (GAO-07-1102), at http://www.gao.gov/new.items/d071102.pdf (Sept. 4, 2007).

[27] Fact-based reasons for invalidation, on-sale and public use statutory bars in 35 U.S.C. § 102(b), are often at issue under the U.S. law. Compared with prior-art-based reasons for invalidation, factual reasons are relatively suitable to fact-finding in litigation.

[28] H.R. 628, which establishes a pilot program in certain United States district courts to encourage enhancement of expertise in patent cases among district judges, has been submitted to the Congress [available at http://thomas.loc.gov/cgi-bin/query/z?c111:H.R.628].(last visited Nov. 21, 2009).

[29] Charles W. Adams, The Court of Appeals for the Federal Circuit: More than a National Patent Court, 49 Mo. L. Rev. 43, 62 (1984); Craig Allen Nard & John F. Duffy, Rethinking Patent Laws Uniformity Principle, 101 Nw. U. L. Rev. 1619, 1642-44 (2007).

[30] See also Patent Law of 2005, Hearing on H.R. 2795 Before the Subcomm. on Courts, the Internet, and Intellectual Property, Comm. on the Judiciary, 109th Cong. 18-22 30-34 (2005); Richard Linn, The Future Role of the United States Court of Appeals for the Federal Circuit Now That It Has Turned 21, 53 Am. U. L. Rev. 731, 737 (2004).

[31] Federal district courts have the authority to prescribe local rules for the conduct of their business, including detailed parts of civil procedure. See 28 U.S.C. § 2071 (2002); Fed. R. Civ. P. 83.

[32] For example, the Northern District of California has provided local rules for patent litigation, which focus on preparation for the claim interpretation procedure. See N. D. Cal. R. 16-10. See also Alisha Kay Taylor, Forum Shopping in the Eastern District of Texas, 6 John Marshall Rev. of Intel. Prop. Law, 570, 588 (2007) (proposing the nationwide adoption of Judge Ward's patent rule in the Eastern District of Texas).

[33] The original proposal for a federal patent court in the US included a provision requiring rotation of the judges. See John F. Duffy, The Festo Case and the Return of the Supreme Court to the Bar of Patents, 2002 S.Ct. Rev. 273, 292 (2003).

[34] Makiko Takabe, Case comment, Saikōsai hanreikaisetsu minji hen [Commentaries on the Supreme Court judgments; civil cases] (FY2000, first volume) 443 (2001); Masaaki Kondō & Tomoyoshi Saitō, Chiteki zaisan kankei nihō/Rōdō shinpanhō [Two Intellectual Property Laws and Labor Dispute Determination Law] 62 (2004); Masatoshi Kasai, Tokkyo mukō shinpan no kekka to tokkyoken shingai no saishin jiyū [Result of invalidation trial and a ground for retrial of patent infringement], 54 Minji soshō zasshi 41 (2008); According to this view, a judicial decision to uphold a claim of infringement is based on the validity of the patent or the validity of the JPO decision to grant the patent.
As an opposing view, see Institute of Intellectual Property, Shinpan seido to chiteki zaisan soshō no shōraizō ni kansuru chōsa hōkokusho [Study on the Future Vision for Trial Systems and Intellectual Property Lawsuits] 86 (2002) (written by Naoki Matsumoto);. Yukyō Hishida, Chizaikōsai setchigo ni okeru chiteki zaisan soshō no rironteki kadai: minji tetsuzukihō no shiten kara [Theoretical issues on intellectual property suits after the establishment of the IPHC: from the perspective of law on civil procedure], 1293 Jurisuto 69 (2005).

35 Toshiaki Iimura, Chiteki zaisan funsō no ikkaitekina kaiketsu hōshin o saguru [Looking for a one-stop solution for IP disputes], Chizai nenpō 2008 (IP Annual Report 2008 additional volume of NBL No. 123), at 227 (2008).

36 In the U.S. , where the litigation concludes first and damages are awarded, there is little relief available for the accused infringer even if the patent is later invalidated (See Bausch & Lomb Inc. v. Alcon Labs., Inc., 914 F. Supp. 951, 952 (W.D.N.Y. 1996); In re Swanson, 540 F.3d 1368, fn5 (Fed. Cir. 2008)). Therefore, a practitioner emphasizes the importance of keeping litigation pending while a reexamination goes forward. See David McCombs, Patent Reexamination: Earning its Keep in the Litigator's Toolbox, 964 PLI/Pat 685, 696 (2009)

[37] Laserck Corp. v. Ideon LLC. (Sup. Ct. April 24, 2008).

[38] The non bis in idem principle under this provision, unlike the substantial binding force of a judicial decision in a civil case or res judicata, rejects a request for invalidation trial made on the basis of the same facts and evidence as being illegitimate.

39 Eiichi Takikawa, Ōsutoraria Tokkyohō ni okeru ichijifusairi kitei no haishi [Abolition of the non bis in idem provision under the Australian Patents Act], in Tokkyo soshō no shomondai 623 (1986); Yūko Kimijima, Tokkyo mukō to sono tetsuduki (2) [Patent Invalidation and its Procedure (2)], 69-3 Hōgaku kenkyū 61 (1996); Tomoko Takii, Case comment, 123-2 Minshōhōzasshi 246 (2000); Institute of Intellectual Property, Shinpan seido to chiteki zaisan soshō no shōraizō ni kansuru chōsa hōkokusho [Study on the Future Vision for Trial Systems and Intellectual Property Lawsuits] 49 (2002) (written by Toshiaki Makino).

[40] Nagasawa, Case comment, Saikōsai hanrei kaisetsu minji hen [Commentaries of the Supreme Court judgments; civil cases] (FY2000, first volume), 41 (2001). (pointing out that in the past, Art. 167 of the Patent Law was generally said to have two purposes—reducing the burden on patentees and the JPO and preventing inconsistent trial decisions—but the latter purpose does not conform with the existing legal system).

[41] Katsuya Tamai, Shinketsu torikeshi soshō no kōsokuryoku [Preclusion of the judgment in suits against trial decisions], 62-5 Patento 92 (2009).

[42] Speed Amiki Co. v. Okumura, 30-2 Minshū 79 (Sup. Ct., Mar. 10, 1976). [available at http://database.iip.or.jp/cases/files/1967(Gyo-Tsu)28.html]

[43] Matsushita Denki Sangyō Co. v. Justsystem Co., 1904 Hanrei jihō 47 (IP High Ct. Sept. 30, 2005) [also known as Ichitarō Case]. [available at http://database.iip.or.jp/cases/files/2005(Ne)10040.html].

[44] Ryū Takabayashi, Mukō handan ni okeru shinketsu torikeshi soshō to shingai soshō no hatasubeki yakuwari [Roles of suits against JPO trial decisions and infringement suits in determining the invalidity of patents], Chizai nenpō 2006 (IP Annual Report 2006, additional volume of NBL No. 116), at 210 (2006); Tetsuya Ōbuchi, Tokkyo shinketsu torikeshi soshō kihon kōzōron [Basic Structure of an Appeal Suit against an Administrative Trial Decision on Patents] 420 n.769 (2003).

[45] Ōbuchi, id., at 258, 407.

[46] Naohiko Harada, Gyōseihō yōron [Essence of Administrative Law] 399 (6th ed. 2007).

[47] Ryū Takabayashi, Kōsokuryoku no Han'i [Scope of Preclusion], 1236 Kin'yū shōji hanrei 120 (2006); Tomokazu Tsukahara, Shinketsu torikeshi soshō no Shinri no Han'i [Scope of an Appeal Suit Against an Administrative Trial Decision], 1236 Kin'yū shōji hanrei 108 (2006).

[48] Takabayashi, Mukō handan ni okeru shinketsu torikeshi soshō to shingai soshō no hatasubeki yakuwari [Roles of suits against JPO trial decisions and infringement suits in determining the invalidity of patents], Chizai nenpō 2006 (IP Annual Report 2006, additional volume of NBL No. 116), at 214.