

Case Information

Case	Motion requesting a Protective Order Case (Availability of a protective order in proceedings for a provisional disposition)
Court, case no.	The third petty bench of the Supreme Court, (2008 (Kyo) 36)
Date of decision	January 27, 2009
Parties	Obligee: Sharp Corporation Obligor: Samsung Japan Corporation (appellant regarding a motion requesting a protective order)

FACTS

The obligee (Sharp) who has a patent right, filed a motion for a provisional disposition to seek an injunction against the obligor's acts, asserting that the obligor's acts of importing and selling liquid crystal displays and monitors infringe the obligee's patent right.

In the said preliminary disposition case, the obligor (Samsung Japan) filed a motion requesting a protective order under Article 105-4(1) of the Patent Act against the obligee's attorney(s) or assistant(s) in court, in order to protect the obligor's trade secrets.

However, not only the Tokyo District Court but also the Intellectual Property High Court (IP High Court) made decisions to dismiss the obligor's motion requesting the protective order.

In particular, the IP High Court dismissed the obligor's motion requesting the protective order based on the reason that since "litigation concerning the infringement of a patent right or exclusive license" prescribed in Article 105-4(1) of the Patent Act does not include a provisional disposition case to seek an injunction against the infringement of a patent right.

The obligor made an immediate appeal to the Supreme Court against the IP High Court's decision dismissing the motion requesting the protective order.

ISSUE

(i) Is a provisional disposition case to seek an injunction against the infringement of a patent right included in the definition of "litigation" prescribed in Article 105-4(1) of the Patent Act to

protect trade secrets?

(ii) In conjunction with the above (i), is it allowable to file a motion requesting a protective order in the provisional disposition case?

HOLDING

(Main text of the judgment)

The original IP High Court's decision is quashed, and the initial Tokyo District Court's decision is revoked.

The case is remanded to the Tokyo District Court.

(Essential summary)

(1) In litigation concerning the infringement of a patent right or exclusive license, a party who holds trade secrets may hesitate to submit its legal brief, or evidence which includes its trade secrets, since the party is concerned about improper use of its trade secrets by other parties. This may lead to an unfavorable situation where sufficient allegations and proof will not be made by the party who holds trade secrets. In order to avoid such situation, the Patent Act provides for the protective order system (Articles 105-4 to 105-6, 200-2 and 201 of the Patent Act).

(2) A provisional disposition case to seek an injunction against the infringement of a patent right is merely different from the above litigation in view of the issue regarding the necessity of an order of provisional disposition; thus the above unfavorable situation may also occur in the provisional disposition case and should be avoided in the same manner. Even if we construe that a motion requesting a protective order may be also filed in such provisional disposition case, this cannot be contrary to the features of the provisional disposition case, such as that the case should be promptly handled. In addition, it is noted that the term "litigation" in the Patent Act is also used to include a civil preservation case (Articles 54(2) and 168(2) of the Patent Act).

(3) In light of the spirit of the protective order system described above, it is appropriate to construe that:

(i) A provisional disposition case to seek an injunction against the infringement of a patent right or exclusive license, corresponds to the "litigation concerning the infringement of a patent right or exclusive license" prescribed in the main clause of the principal part of Article 105-4(1) of the Patent Act;

(ii) It is also allowable to file a motion requesting a protective order in the said provisional disposition case.

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Original document (Japanese):

http://www.courts.go.jp/app/files/hanrei_jp/249/037249_hanrei.pdf

English translation:

http://www.courts.go.jp/app/hanrei_en/detail?id=983