19 Study on Constructing a Theory Toward Solving Diversified Indirect Infringements (*)

Research Fellow: Miyuki TSUYUKI

In the case of infringement of a patent right by two or more parties, the largest issue is whether each party can be a responsible actor. It is true that the past has seen an indirect infringement approach (application of Article 101 of the Patent Act), joint infringement approach, instrumental theory approach, doctrine of equivalents approach, and control theory approach, all with regard to the issue of infringement of a patent right in which two or more parties get involved. However, all of these approaches are solutions that still have problems with establishing each party involved as a responsible actor. Therefore, this report suggests a solution by applying "risk aversion obligation violation approach" in addition to these conventional approaches. Risk aversion obligation violation approach is the theory of assigning certain responsibility to someone who has committed an act of putting integrity interest (life, health, and property) at risk (an act of putting another person's right at risk according to the type and form of action). This theory has been matured in the world of civil law—the theory of tort by omission (theory of violation of the obligation to avoid damage and the theory of the obligation of security) under the Japanese Civil Code and the theory of Verkehrspflicht (obligation in social life) under the German Civil Code—to infringement of a patent right. As each of two or more parties can be a responsible actor through this theory, it becomes possible to realize a remedy for a patentee in the case of infringement of a patent right by two or more actors, which has been impossible under conventional theories.

I Introduction

1 Background of Study

There are two forms of acts of infringement of an industrial property right: direct infringements and acts inciting direct infringement without committing direct infringement. Under the current institutional design, the former is considered to constitute infringement of a right prescribed in Article 68 of the Patent Act (Article 16 of the Utility Model Act, Article 23 of the Design Act, and Article 25 of the Trademark Act) while the latter is deemed to be identified with the former based on the listing of certain acts as "acts deemed to constitute infringement" in Article 101 of the Patent Act (Article 28 of the Utility Model Act, Article 38 of the Design Act, and Article 37 of the Trademark Act).[1] However, as infringement of an industrial property right has come to show a wide variety of acts, it is possible that provisions in current laws cannot be said to respond to infringements of rights by all forms of acts.

For example, consider a case where a patented invention consists of constituent feature α and constituent feature β, and these constituent features form a single patent right for the patented invention in totality. If one actor works constituent feature α of the patented invention and another actor works constituent feature β of the patented invention, these acts do not fall under direct infringement as they are committed by different actors; and they do not fall under forms listed in Article 101 in some cases, even if they fall under the patented invention in totality. Such form of infringement by two or more actors can be said to be a situation that is unavoidably overlooked if it does not occur very frequently. However, in current society, there are many forms of business models that are basically established only after two or more actors are involved (in particular, in software-related businesses, realization of such a business model with involvement of two or more actors is common). Therefore, it can be said to be somewhat problematic to leave the system of law of responsibility for infringement of an intellectual property right by two or more actors as it is now. In addition, Judge Takabe states that "working of an invention by two or more actors is by no means rare in this day and age, when the ways to conduct business have become complicated, including splitting up corporate

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organizations and developing joint businesses by two or more companies."[2] As she states, in today's business models, it seems that there have been an increasing number of ways in which involvement of two or more parties leads to constituting infringement against a patentee. Therefore, such ways cannot be left as they are.

2 Study Subject and Solution to the Issue

In infringement of a patent right by two or more parties, the largest issue is whether each of the parties can be a responsible actor. It is true that the past has seen the indirect infringement approach (application of Article 101 of the Patent Act), joint infringement approach, instrumental theory approach, doctrine of equivalents approach, and control theory approach, all with regard to the issue of infringement of a patent right in which two or more parties get involved. However, all of these approaches are solutions that still have problems with establishing each party involved as a responsible actor. Therefore, this report is intended to suggest a solution based on "risk aversion obligation violation approach" in addition to these conventional approaches. Risk aversion obligation violation approach is the theory of giving certain responsibility to someone who has committed an act of putting integrity interest at risk (an act of putting another person's right at risk according to the type and form of action).

From a description in statements about the purport of Article 101 of the Patent Act,[3] "a provision that deems certain acts with a very high probability of inciting direct infringement out of preliminary or accessorial acts of infringement to be infringement of a patent right (indirect infringement)," I understand that the base of the purport of said Article is the "idea that intends to provide remedy for patentees by deeming acts of putting a patent right at risk to constitute infringement of the patent right." In the risk aversion obligation violation approach suggested in this report, an act committed by an indirect perpetrator is understood to be an act of putting a patent right at risk, and responsibility borne by the indirect perpetrator is understood to be just this responsibility for putting the patent right at risk. Therefore, the approach is understood to not be different from the purport of Article 101 of the Patent Act in the idea.

3 Utility of the Study

In terms of infringement of an intellectual property right, to what extent request for injunction is applicable as a remedy for infringement is a large issue. However, according to this study, infringement that exists in the gap of "indirect infringement" can also be imported as an act of direct infringement of a patent right. Therefore, it is possible to offer the chance of giving a useful suggestion as a ground for the occurrence of the right to seek an injunction.

4 Novelty of the Study

(1) Novelty—Redefinition of Acts of Infringement

Although many prior studies provide results concerning indirect infringement, it is said that discussions have been held without clearly defining what "indirect infringement" is. Consequently, this report first defines the types of acts listed in Article 101 of the Patent Act as "deemed infringement" and the types of infringement in which an indirect perpetrator gets involved as "infringement by an indirect perpetrator's act" irrespective of whether those types are listed in Article 101 of the Patent Act. This report then classifies types of infringement into "infringement of a patent right by a single actor" and "infringement of a patent right by two or more actors," which is a form of infringement by an indirect perpetrator's act. Furthermore, it divides the latter into the form of infringement in which an indirect perpetrator's act is an inciting or accessorial act and the form of infringement that is done by two or more indirect perpetrators. Based on these classifications, infringement of a patent right by a single actor is called "Type I," the form of infringement in which an indirect perpetrator's act is an inciting or accessorial act is called "Type II," and the form of infringement that is done by two or more indirect perpetrators is called "Type III." This report conducts analysis by dividing types of infringement into Type I to Type III. The analysis that attempts to solve infringement in consideration of the relationship between the type of indirect perpetrator's act and damages to a right holder after classifying types of infringement in such a manner and redefining acts of infringement has not been conducted very much in conventional studies. This study can be said to be novel in that point.

(2) Novelty—Risk Aversion Obligation Violation Approach

With regard to cases that can be said to be existing in the gap in the patent system, such as

infringement by two or more actors, this study develops discussions after finding commonality between types of infringement of a patent right and types of infringement in the case of applying the theory of tort by omission (theory of violation of the obligation to avoid damage and the theory of the obligation of security) under the Japanese Civil Code which can be applied as a theory for solution as infringement by an indirect perpetrator's act and the theory of Verkehrspflicht (obligation in social life) under the German Civil Code.

The theory of tort by omission is said to have been adopted in the Supreme Court judgment of January 22, 1987 (*Minshu*, Vol. 42, No. 1, at 17) as a theory that gives certain responsibility to a person who has committed an act of putting integrity interest (life, health, and property) at risk. The theory of Verkehrspflicht (obligation in social life) in Germany arose as a remedy for integrity interest (life, health, and property) in order to cover the gap in German tort law. In Germany, the theory was adopted as the theory of Verkehrspflicht (obligation in social life) in the judgment of Reichsgericht of October 30, 1902 (RGH52,373) and the judgment of Reichsgericht of February 23, 1903 (RGH54,52). In that sense, it can be said that the theory of Verkehrspflicht (obligation in social life) has the same trend as the theory of tort by omission (theory of violation of the obligation to avoid damage and the theory of the obligation of security) that appeared in the Japanese Civil Code in order to fill the gap in tort law.[4]

Furthermore, this theory of Verkehrspflicht (obligation in social life) has been applied to intellectual property infringements, such as a patent infringement (BGH GRUR 1961, 627) and a copyright infringement (BGHZ 17 266), in Germany. Therefore, it can be said that it is not paradoxical to apply the theory of tort by omission (theory of violation of the obligation to avoid damage and the theory of the obligation of security) in Japan, which can be understood as having the same trend as the theory of Verkehrspflicht, to industrial property infringement cases in Japan.

This report names a theory of assigning responsibility to a person who works a patented invention based on the fact that the person put the patent right of the patentee at risk and did not avoid damage to the patentee "risk aversion obligation violation approach," and attempts a solution through the approach. Thereby, it seeks the possibility of remedy for patentees in cases that exist in the gap in patent infringement for which no remedy could be provided based on conventional theories. This is a point at issue that has not been considered very much in the conventional academic circles of intellectual property laws, and this study is novel in that point.

Ⅱ Infringement of Right under the Intellectual Property Law System and Response Thereto

1 Typifying Forms of Infringement

The first type of infringement is a case where unauthorized third party A independently works a patent right of patentee C. For example, where there is patentee C who has a patent right consisting of constituent feature α and constituent feature β, unauthorized third party A works constituent feature α and constituent feature β. In this report, unauthorized third party A in such a case is called the "direct perpetrator." So this infringement is considered Type I. In Type I, unauthorized third party A assumes responsibility for damages to patentee C, who is a victim, as a responsible actor.

The second type of infringement is a case where unauthorized third party A independently works a patent right of patentee C and unauthorized third party B gets involved in the working. For example, where there is patentee C who has a patent right consisting of constituent feature α and constituent feature β, unauthorized third party A is working constituent feature α and constituent feature β and third party B incites the working by third party A. In this report, this type is also defined as one of the problems of infringement of a patent right by two or more actors, and third party A and third party B in such a case are called "direct perpetrator" and "indirect perpetrator," respectively. So this infringement is considered Type II. Needless to say, in Type II, unauthorized third party A is a responsible actor. However, there is some question as to whether unauthorized third party B is a victimizer. However, whether third party B, who is an indirect perpetrator, becomes a responsible actor depends on the case and the theory applied.

The third form of infringement is a case where unauthorized third party A and third party B work a patent right of patentee C. For example, where there is patentee C who has a patent right consisting of constituent feature α and constituent feature β, unauthorized third party A works constituent feature α, and unauthorized

third party B works constituent feature β. In this case, unauthorized third party A's independent act does not constitute infringement of the right of patentee C. In the same manner, unauthorized third party B's independent act does not constitute infringement of the right of patentee C. Therefore, both third parties can be said to be indirect perpetrators. Consequently, in this report, both of them are called indirect perpetrators. So this infringement is considered Type III.

In this case, do both third party A and third party B become responsible actors? Or does just one of them become a responsible actor? Or are neither of them able to become a responsible actor as their acts do not independently constitute infringement of a right? In such a case, it is impossible to determine whether third party A or third party B is a direct perpetrator or indirect perpetrator. Therefore, the case is different from Type II. In addition, the conclusion of the case will also depend on the theory applied.

The aforementioned forms of infringement are summarized by type in the table below.

<table>
<tr><td rowspan="5">Infringement of a patent right</td><td>Infringement of a patent right by a single actor</td><td colspan="2">Type I</td></tr>
<tr><td rowspan="4">Infringement of a patent right by two or more actors</td><td rowspan="2">Type II</td><td>(1) Article 719, paragraph (2) of the Civil Code is applicable.</td></tr>
<tr><td>(2) Article 719, paragraph (2) of the Civil Code is not applicable.</td></tr>
<tr><td rowspan="2">Type III</td><td>(3) Article 719, paragraph (1) of the Civil Code is applicable.</td></tr>
<tr><td>(4) Article 719, paragraph (1) of the Civil Code is not applicable.</td></tr>
</table>

Among Type II cases, those in which the requirement for applying Article 719, paragraph (2) of the Civil Code is not fulfilled ((2)) constitute an issue that becomes a problem as an act of assisting infringement of an intellectual property right. It is a type of infringement for which a solution is attempted based on the instrumental theory and joint direct infringement theory described later. If this type is understood through the risk aversion obligation violation approach (theory of tort by omission under the Civil Code), which is suggested in this report, Article 709 of the Civil Code is directly applied, and both third party A and third party B can constitute direct infringement.

Among Type III cases, those in which the requirement for applying Article 719, paragraph (1) of the Civil Code is not fulfilled ((4)) constitute an issue that is discussed as the problem with infringement of a patent right by two or more actors. It is a type of infringement for which a solution is attempted based on the control theory described later. If this type is understood through the risk aversion obligation violation approach, which is suggested in this report, Article 709 of the Civil Code is directly applied to third party B, and both third party A and third party B can be responsible actors for direct infringement.

In this manner, broadly viewing conventional intellectual property precedents concerning infringement of a patent right by two or more actors as mentioned as a type in this report, a solution is sought on a case-by-case basis. However, a unified solution has yet to be found. This report suggests a solution through the risk aversion obligation violation approach. Risk aversion obligation violation approach applies a theory to infringement of an interest protected by law, specifically, an intellectual property right. That theory is to have someone who has committed an act of putting a right at risk assume the responsibility thereof on the grounds of violation of the obligation of security for integrity interest (life, body, and property), which is an interest protected by law under the Civil Code that has also been recognized in Supreme Court precedents,.

According to the risk aversion obligation violation approach suggested in this report, the act of a person who works a patented invention is understood to be an act of putting the patent right of the patentee at risk. The ground for responsibility is then found in the fact that said person has committed an act of putting the patent right of the patentee at risk (has committed an act of putting another person's right at risk), and said person is directly imposed responsibility on the ground that he/she violates Article 709 of the Civil Code. Therefore, this approach is applicable to both Type II and Type III, which are types of cases in which a person who commits an act of

putting a right at risk exists as an indirect perpetrator.

In addition, in the risk aversion obligation violation approach suggested in this report, it is not considered a problem to assist an act of infringement, but it is considered a problem to put a right itself at risk. Consequently, the approach is a theory by which a solution can be found in cases, like Type III cases, where there is no direct perpetrator (a person who commits direct infringement) and all persons who work a patented invention are evaluated as indirect perpetrators.

Incidentally, it is not that the patent law system has not prepared at all for such acts committed by indirect perpetrators, which are taken up as problems in this report. There is an overview below of preparations for acts committed by indirect perpetrators available under the patent law system.

2 Responses to Indirect Perpetrators—Article 101 of the Patent Act

Article 101 of the Patent Act, which was established in the 1959 Act, has changed in various ways through the 1994 revision,[5] the 2002 revision[6] and the 2006 revision.[7] Among these revisions, the one in 2006 can be said to be a very important turning point when considering acts of putting an industrial property right at risk. This is because this revision is intended to include even "acts of possessing" a relevant product as indirect infringement, in addition to accessorial acts in the sense of active acts that incite direct infringement. Here, "all persons who possess the product" are not treated as infringers, and possession is considered to be a problem in the case of "possessing the said product for the purpose of assigning, etc. or exporting it as business" as a preceding act before infringement of a patent right.

With regard to the "obligation to act," which becomes a problem in the theory of tort by omission, where the obligation to act arises from a preceding act or legal obligation, a person who has caused a critical condition that is expected to bring about damage is then obligated to prevent results in terms of social ideas. The violation of this obligation to act serves as the basis for imposing responsibility. As the Patent Act is intended to make "acts of possessing the said product for the purpose of assigning, etc. or exporting it as business" subject to Article 101 of the Patent Act, it can be said that ideas for coping with acts of putting another person's right at risk and for promoting mutual respect between the right to freedom of activity of persons who work a patented invention and the rights of holders of patent rights can also be seen in the patent law system.

With regard to the handling of infringement of a patent right by two or more actors, which is a case that exists in the gap in Article 101 of the Patent Act, the court's determinations can be roughly divided into two types of holdings. The first type is holdings from the perspective of how to understand an actor. The second is holdings from the perspective of how to understand a right (technical scope). The former is through application of the instrumental theory[8] and the joint direct infringement theory[9] while the latter is through application of the doctrine of equivalents.[10]

3 Infringement of a Patent Right by Two or More Actors and Predictability

This report aims at a solution with a focus on a perpetrator's act. Therefore, this part examines not an approach for a solution based on how to interpret the technical scope but the instrumental theory and the joint direct infringement theory, which are holdings from the perspective of how to understand an actor, as a solution for cases involving two or more actors.

The holding on the electrodeposited image case, which is said to be adopting the instrumental theory, stated that "it is planned as a matter of course to be used by the aforementioned method by a dial plate manufacturer who has purchased the defendant's product as of the time of manufacturing the defendant's product." This statement shows that this holding is the same as stating that where a person who delivers a product to the final process predicts infringement of a patent right, such person's act can constitute an act of infringement. The court questions predictability from the perspective of a person who delivers a product to the final process. Thus, it is not impossible to say that this holding is based on the idea that a person should assume responsibility where he/she predicts infringement of a patent right.

The statement in the holding on the *Suchiropi-zu* (expandable polystyrol) case is said to be adopting the joint direct infringement theory that "when a person who is supplied with a material works or is likely work a patented process or a person who is supplied with an

intermediary substance manufactures or is likely to manufacture the final substance by applying the remaining steps involved in the patented process, that case is the working of another person's patented process without a change or an act that can be identified with it." This statement is understood as meaning that when a person who has received a supply of material or an intermediary substance manufactures the final substance by fulfilling other requirements of the patented process, the working can be identified with working by a single actor. This is the same as stating that both an act of a person who has supplied the intermediary substance and an act of a person who has received supply of the intermediary substance can be identified with working by a single actor in cases where the person who has received the supply of the intermediary substance predicts infringement of a patent right. The court questions predictability from the perspective of the person who processes the final substance, that is, the person who has received a supply of the intermediary substance. It is not impossible to say that this holding is based on the idea that a person should assume responsibility where he/she predicts infringement of a patent right.

Thinking so, it is possible to understand that both the electrodeposited image case and the *Suchiropi-zu* case question the idea that "a person should assume responsibility where he/she predicts infringement of a patent right," in other words, violation of the duty of care of a person who works an invention on the premise of predictability. Then, it can be understood that, as a means of explanation, the former uses the instrumental theory while the latter uses an expression: identifiable relationship (that is, joint direct infringement).

If so, where an indirect perpetrator "recognizes" his/her own act that does not fall under Article 101 of the Patent Act "as an act of putting another person's patent right at risk" (predicts that his/her own act will constitute infringement of a patent right), there seems to be room for recognizing each of the two or more actors as committing direct infringement through direct application of Article 709 by using the theory of responsibility under the Civil Code to the effect that a person who has committed an act of putting another person's right at risk should assume certain responsibility.

Ⅲ Infringement of Right under the Civil Code and Responses Thereto

1 Article 709 of the Civil Code and Tort by Omission

The current Civil Code stipulates, "A person who has intentionally or negligently infringed any right of others, or legally protected interest of others, shall be liable to compensate any damages resulting in consequence." This provision is said to be based on the guarantee of the freedom of action, which is intended to benefit the development of industry. However, with the development of business, it has led to a situation where various interests protected by law under the Civil Code are infringed. Consequently, "what interpretation should be adopted in cases where a person's failure to actively act caused damages to another person" (tort by omission) became subject to discussion.

In contemporary precedent practice, there is no objection to the idea that Article 709 of the Civil Code can include both tort by action and tort by omission. Here, the obligation to act has to exist in advance to recognize tort by omission. It becomes a problem determining the ground of this obligation to act while based on the system of law in which the freedom of action has been established as a fundamental principle. If everyone assumes the general obligation to act, the freedom of action that the provision on tort has intended to realize is undermined.

Professor Wagatsuma states, "There is room for finding a person who assumes the moral obligation to act as a member of the social communal life, and there can also be room for recognizing establishment of a tort in terms of omission by a person who does not assume any legal obligation to act if the omission unduly violates the moral obligation."[11] Thus, it can be said that he seeks the ground of the obligation to act in terms of a tort by omission in the "moral obligation," that is, the "obligation derived from social need." I consider it possible to say the ground of the obligation to act exists in the social need to prevent a legal subject from becoming a cause of risk. Professor Sawai further states, "If the ground of considering violation of penal law and violation of protection law as a breach of law is sought in violation of 'rules for protection of third parties established by law,' violation of 'rules for protection of third parties established socially' should be considered a breach of law though there

is no specific law thereon. A person who creates or maintains a risk against another person is recognized as assuming the obligation to take avoidance measures that are suited to the risk and are expected so as to prevent the risk from becoming real."[12] He thus recognizes that the obligation to act as the obligation to avoid risk arises from social need for preventing a legal subject from becoming a cause of risk.

2 Responses to an Act of Infringement by an Indirect Perpetrator That Are Permitted under Civil Laws

In terms of civil laws, Article 719 of the Civil Code is prepared for cases in which an indirect perpetrator gets involved.[13] However, Article 719 of the Civil Code only covers cases where an indirect perpetrator commits an act. What happens if an indirect perpetrator does not commit any particular act? In other words, a person who is an accessory to or incites an infringement by action can be a responsible actor pursuant to Article 719, paragraph (2) of said Act, but a person who does so by omission cannot be a responsible actor even based on the same paragraph. A defect in civil laws in terms of an act of infringement by an indirect perpetrator is exposed here.

So the theory of tort by omission, that is, the obligation of security to integrity interest, appeared as a theory to fill this gap in civil laws. The details thereof are considered below.

3 Theory in a Precedent That Fills the Gap in Civil Laws

In the judgment on the Keihan Electric Railway case, which was rendered on January 22, 1987[14], the court found establishment of tort by omission for the first time. According to the judgment on the Keihan Electric Railway case, the following requirements have to be fulfilled to find a tort by an indirect perpetrator.

(1) The indirect perpetrator actually knew the relevant act at the scene of the act and could predict the occurrence of the accident.
(2) The indirect perpetrator assumes an obligation based on a preceding act which is related to the relevant act.
(3) The indirect perpetrator can take a measure to avoid the accident.
(4) The indirect perpetrator assumes the obligation to prevent the occurrence of the accident by taking certain measures based on the obligation arising from a preceding act that is related to the relevant act.

The obligation mentioned here includes two types of obligation, specifically, "legal obligation" and "obligation based on a preceding act."[15] Although such obligation automatically arises where the perpetrator and the victim are in a contractual relationship, it is also an obligation recognized in cases where a certain social contact is conceivable between the perpetrator and the victim.

Applying the "obligation based on a preceding act" to patent right infringement-related cases, a possible understanding is that where two or more actors jointly start a business, a person who works a right pertaining to Article 68 of the Patent Act as business assumes the obligation to avoid infringement of the right of the patentee so as to prevent the working from constituting infringement of another person's patent right. Moreover, as a "legal obligation," there is the obligation to avoid infringement of a patent right that exists between a licensor and a licensee who are parties to a license agreement. Furthermore, another possible obligation is the obligation that arises from prohibition of the listed acts stipulated in Article 101 of the Patent Act as a compulsory provision.

In this manner, it is possible to solve the problem of infringement of the right of a patentee in the forms of infringement in which two or more actors get involved by applying the theory under the Civil Code, irrespective of whether the form of infringement is one in which a direct perpetrator and an indirect perpetrator exist as two or more actors or one in which indirect perpetrators exist as two or more actors. This is a theory for solving various problems concerning infringement, with a focus on two or more actors' acts of putting the patent right of a patentee at risk. Therefore, this theory for solution is named the "risk aversion obligation violation approach."

Ⅳ Conclusion

1 Solving the Problem of Infringement of a Patent Right by Two or More Actors through the Risk Aversion Obligation Violation Approach

The case above revealed that it is possible to solve the problem of infringement of the right of a patentee for types of infringement in which two or more actors get involved by applying a theory

called the “theory of tort by omission” (violation of the obligation to avoid damage and violation of the obligation of security) under the Civil Code. This can be accomplished irrespective of whether the form of infringement is one in which a direct perpetrator and an indirect perpetrator exist as two or more actors or one in which indirect perpetrators exist as two or more actors.

The patent system itself is originally intended to grant exclusive rights to patentees. Thus, it can be said that the system is not intended to weaken the rights of patentees by excessively focusing on securing freedom of action for persons who work the patented inventions (development of innovations). On the other hand, excessive focus on strengthening patentees' rights can be problematic, as it may lead to limitless expansion of the scope of infringements; and the freedom of action of persons who work patented inventions (development of innovations) may consequently be inhibited.

Therefore, just as the theory of tort by omission (violation of the obligation to avoid damage and violation of the obligation of security) imposes strict requirements for providing a remedy for integrity interest (property, life, and body) under the Civil Code, it is also necessary to fulfill the same requirements when applying the risk aversion obligation violation approach to infringement of a patent right by an indirect perpetrator's act. So, the following four requirements must be fulfilled in order to treat infringement of a patent right by an indirect perpetrator's act as a tort that is independent as a direct infringement of a right.

(1) Person B, who is one of the two or more actors, has predicted that his/her own act is an act of putting person C's patent right at risk.
(2) Person B, who is one of the two or more actors, has known, in conducting business with person A, who is another one of the two or more actors, that B's act would overlap with the technical scope of patentee C’s patent right if it is combined with A's act.
(3) Person B, who is one of the two or more actors, could take measures to avoid infringement of patentee C’s patent right.
(4) The infringement of patentee C’s patent right occurred because person B, who is one of the two or more actors, did not take any measures to prevent the occurrence of the infringement of the patent right, despite his/her obligation.

In addition, in the risk aversion obligation violation approach, an indirect perpetrator's act itself is understood to be an act of putting a right at risk, and an indirect perpetrator him/herself is seen as a responsible actor. Therefore, such matters as fulfillment of all the requirements for liability for tort by a direct perpetrator who is one of the two or more actors, control by any one of the two or more actors, and the necessity of existence of relevance and cooperation as required in Article 719 of the Civil Code between the two or more actors, do not pose a problem. Moreover, as Supreme Court precedents do not question whether a direct infringer has committed an illegal act, it is not necessary to provide unreasonable logical compositions to the effect that any one of the two or more actors committed infringement of a right and an indirect perpetrator only assisted the infringement or that acts committed by the two or more actors together constituted one act of infringement.

The infringement of a patent right by two or more actors, which is currently a problem, refers to a situation where workings of constituent features by persons together fulfill all the constituent features of the patent right of a patentee. Therefore, each of the perpetrators who commit acts that constitute working of a patented invention can also be seen as an indirect perpetrator. Consequently, this infringement becomes a problem as each of the perpetrators who commit acts that constitute working of a patented invention does not commit an illegal act that fulfills all the constituent features (an act of infringing a right). Thus, to solve this problem, it is necessary to consider the indirect perpetrator's act of putting a patent right at risk as falling under Article 709 of the Civil Code. Then, an indirect perpetrator him/herself is considered to be a responsible actor. Therefore, the risk aversion obligation violation approach, which constitutes the idea that an indirect perpetrator him/herself directly infringes the right of a patentee, is considered to be most suitable as a solution to the problem.

Based on the risk aversion obligation violation approach suggested in this report, it is possible to claim damages against an indirect perpetrator who puts a patent right at risk through direct application of Article 709 of the Civil Code. Consequently, a relevant act can serve as grounds for the right to claim damages. However, there remains a problem with regard to

a request for injunction. If the right to seek an injunction available under the patent law system is interpreted as being limited to the acts listed in Article 101 of the Patent Act, it is impossible to file a request for injunction even through application of the risk aversion obligation violation approach. However, some hold the opinion that, "In Japan, although it is possible to claim damages for a joint tort, it is not automatically possible to request an injunction. However, as a patent right, which is an absolute right, is infringed by a joint tort, a request for injunction should also be accepted on a case-by-case basis."[16] As indicated in this opinion, where an interest protected by law, e.g., a patent right, has been directly infringed, a request for injunction should be accepted, taking into account that the right to seek an injunction comes from a system that was prepared to cope with infringement of an interest protected by law, e.g., a patent right.

In my view, the right to seek an injunction is the right to seek action or omission, which is available for a right holder in cases where a person infringes an interest protected by law, that is, an industrial property right or copyright; and there is no problem in accepting a request for injunction as a remedy for the consequence of application of violation of the obligation to avoid a risk. However, this point requires further thought, including considering the relationships between grounds for the occurrence of the right to seek an injunction and the Civil Code.

2 What a Patentee Should Do

Even if the theory suggested in this study is applicable to cases of infringement of a patent right by two or more actors, in order to protect their own rights, it is vital for patentees to be proactive in immediately and positively asserting the existence of their own rights so as to facilitate the finding of fulfillment of the requirements—"(1) indirect perpetrator B had predicted that his/her own act is an act of putting the patent right of person C at risk" and "(2) in conducting a business with person involved A (who can be either a direct perpetrator or an indirect perpetrator), indirect perpetrator B had known that B's act would overlap with the technical scope of the patent right of patentee C if it is combined with A's act." This is because if a person continues to work a patent right despite the patentee's assertion to third parties that the patent right is his/her own right, it is easy to find that said person has clearly committed a violation of the obligation to avoid infringement of a patent right.

3 Flexible Responses to Changing Forms of Infringement

Just like in the expression "a law starts eroding from the moment it is enacted," the scope of protection can expand in a manner that is not predetermined by law with the development of technology. It is especially so for interests protected by law that develop at a high speed, such as intellectual property rights.

Is it appropriate to maintain a style of listing types of acts in liability law, for which infringement cases are assumed to expand with the development of technology? Acts of infringement in which an indirect perpetrator gets involved are now expected to increase. Therefore, isn't it time to review liability law as it concerns indirect perpetrators? The obligation to avoid damages to integrity interest (obligation of security), which has been developed in the world of the Civil Code, is considered to be one path toward a solution.

I believe that the maximum guarantee of the freedom of action, for which provisions on tort in the Civil Code aim, should now be granted to the extent that integrity interest (property, life, and body) is not infringed. This means mutual respect between rights and is a conclusion that is naturally drawn by looking at the trends of precedents in Japan. In the same manner, I think that, not just in relation to integrity interest (property, life, and body), which is protected by law, the freedom of action of a person who works an intellectual property right should also be granted to the extent that the rights of a patentee are not infringed.

If there is any intention to maximize the scope of rights of a patentee, then expansion of the scope of responsible actors for indirect infringement should be encouraged. However, even based on this idea, unnecessary expansion of the scope of indirect infringement can also be said to be leading to loss of the speed of occurrence of new business models. On the other hand, if there is any intention to maximize the scope of freedom of action of a person who works a patented invention, then expansion of the scope of indirect infringement should not be encouraged. However, inhibition of the rights of a patentee on the pretext of respect for innovation is not what is predetermined by law. Consequently, as a future

interpretation, a solution should be sought on the basis of the idea of mutual respect between rights without placing a disproportionate emphasis on either right.

[1] Professor Obuchi states, "Besides the concept of indirect infringement, there is the concept of constructive infringement (deemed infringement). However, these concepts essentially differ from each other. Therefore, it is necessary to clearly distinguish them. Constructive infringement (deemed infringement) means a statutory act (not direct infringement) in certain scope that is construed (deemed) to be infringement by law, and this is a concept of which point exists as constructive itself. Acts construed to be infringement are not necessarily limited to acts that fall under indirect infringement. Therefore, there are some cases where indirect infringement is considered to be constructive infringement (Article 101, items (i) and (ii) [(iv) and (v)] of the Patent Act) and other cases where an act other than indirect infringement is also considered to be constructive infringement (Article 113, paragraphs (1), (2), (3), (5), and (6) of the Copyright Act). In this report, an indirect infringement that is not considered to be constructive infringement is called an "indirect infringement." It is the first step to correct analysis in discussing while exactly distinguishing three concepts: direct infringement, indirect infringement, and constructive infringement." (Obuchi, Tetsuya, "*Chosakuken shingai ni taisuru kyusai* (10)" (Remedy for copyright infringement (10)), *Hogaku Kyoshitsu*, no. 356; 142). As he states, it seems that the concept expressed by term "indirect infringement" can differ depending on a person who is discussing it.

[2] Takabe, Makiko. "*Kokusaika to fukusuushutai ni yoru chitekizaisanken no shingai*" (Internationalization and infringement of an intellectual property right by two or more actors), *Chitekizaisanken: sonokeisei to hogo* (Intellectual property rights: their formation and protection) (Shinnippon-Hoki, 2002), 161.

[3] The purport of Article 101 of the Patent Act is explained as follows: "Working of a patented invention by a third party without authority as a business constitutes infringement of a patent right. The technical scope of a patented invention is to be determined based upon the statements in the scope of claims (Article 70). In principle, working of all matters to define the invention described in the claims as a business constitutes infringement of a patent right (direct infringement). However, even if an act is not considered to be constituting direct infringement of a patent right as it does not fall under working of all matters to define a patented invention, for example, an act of supplying dedicated parts that are used for infringement of a patent right has a very high probability of inciting direct infringement; and leaving such an act leads to eliminating the effectiveness of a patent right. This Article was established in order to cope with such a problem, and it is a provision that deems certain acts with a very high probability of inciting direct infringement out of preliminary or accessorial acts of infringement to constitute infringement of a patent right (indirect infringement)" (Japan Patent Office, ed., *Kogyoshoyukenho (sangyozaisankenho) chikujokaisetsu* (Article-by-article explanation of industrial property law) (Japan Institute for Promoting Invention and Innovation, 2012), 293.

[4] For details, see Tsuyuki, Miyuki. "*Fusakuifuhokoi no seisei tenkai to anzenhairyogimu—doitsuhanreihori* Verkehrspflicht *tono kyotsuchoryu no tankyu*" (Generation and development of tort by omission and obligation of security—quest for a common trend with a German precedents-based theory, Verkehrspflicht), *Senshuhokenronshu*, no. 49: 1.

[5] In 1994, Article 28 of the TRIPS Agreement came to stipulate "offering for sale" as an exclusive right that is granted by a patent. In response to this, "offering for assignment or lease" was added to acts of working an invention stipulated in Article 2, paragraph (3) of the Patent Act. Consequently, "offering" was also added to Article 101 of the Patent Act.

[6] While precedents over a general-purpose product were increasing, the text, "product …indispensable for the resolution of the problem by the said invention …, knowing that the said invention is a patented invention and the said product is used for the working of the invention," in items (ii) and (iv) were added during the 2002 revision, in addition to the text, "product to be used exclusively for," in items (i) and (iii). Consequently, only objective requirement is required under Article 101, items (i) and (iii) of the Patent Act while not only objective requirement but also subjective requirement are required under items (ii) and (iv) of said Article.

[7] Through the 2006 revision, items (iii) and (vi) were added to the 2002 Act, and "acts of possessing" a relevant product have also come to be deemed acts of infringement.

[8] Judgment of the Tokyo District Court, September 20, 2001 (*Hanji*, No. 1764, at 112).

[9] Judgment of the Osaka District Court, May 4, 1961 (*Hanta*, No. 119, at 41).

[10] Judgment of the Tokyo District Court, December 14, 2007.

[11] Wagatsuma, Sakae. *Jimukanri, futoritoku, fuhokoi* (Office work management, unjust enrichment, tort) (Nippon Hyoron Sha, 1937), 110.

[12] Sawai, Yutaka., *Tekisutobukku jimukanri, futoritoku, fuhokoi* (Textbook: office work management, unjust enrichment, tort) (Yuhikaku, 2001), 161.

[13] Article 719, paragraph (1) of the Civil Code provides, "If more than one person has inflicted damages on others by their joint tortious acts, each of them shall be jointly and severally liable to compensate for those damages. The same shall apply if it cannot be ascertained which of the joint tortfeasors inflicted the damages." This is a provision that is applicable to Type I mentioned above. On the other hand, Article 719, paragraph (2) of the Civil Code provides, "The provisions of the preceding paragraph shall apply to any person who incited or was an accessory to the perpetrator, by deeming him/her to be one of the joint tortfeasors." This is a provision that is applicable to Type II mentioned above.

[14] In Hirakata-shi, Osaka, there were the double tracks of Keihan Electric Railway, and there is an ordinary road next to the premises of the rails. An about 1.2-meter high

wired fence is installed between the premises and the road, and the rail closer to this road is for trains bound for Kyoto while the rail farther from the road is for trains bound for Osaka. On February 20, 1980, Y was standing and talking with A, B, C, and D, who are Y's friends at junior high school, on the ordinary road, and they talked about their experiences while attending elementary school, including what happened when placing things on the railroad. Then, C climbed over the boundary wired fence and entered the premises of the rails where the accident in question occurred. C held his ear to the rail. After that, B and D entered the premises of the rails one after another. B formed gum into a ball and put it on the rail for trains bound for Kyoto. D picked up fist-sized stones around the premises of the rails and put them on the rails for trains bound for Kyoto and Osaka one-by-one. During that time, defendant Y and A, etc. kept an eye on their surroundings and called to those who were on the other side of the fence while standing on the road beside the boundary wired fence, for example, by saying "Here comes someone on a car." Y did not enter the premises of the rails and was on the road with A, but Y was watching C, B, and D on the premises of the rails, and D put a stone on the rail for trains bound for Osaka. Y was not aware of the placement of a stone on the rail for trains bound for Kyoto. D was told by Y and A to stop putting stones on the rails, but he still left them on the rails. Therefore, C worried about safety when seeing a stone put on the rail for trains bound for Osaka, and removed it. However, C was not aware of a stone put on the rail for trains bound for Kyoto and did not remove it. Immediately after that, a fast train bound for Sanjo Station in Kyoto, which came onto this part of the track, encountered a fist-sized stone put on the rail, and two front-end cars were derailed and overturned. Thereby, a private house and other property were damaged, and 104 passengers were also injured. Railroad company X also claimed damages against Y (and Y's parents for the reason of violation of the obligation of supervision), asserting that Y is liable for the tort. In response to this, the Supreme Court found Y responsible, ruling as follows: "Where an act of putting a stone on the rail, which has a very high probability of causing such a serious accident, was committed, even a person who neither has common recognition nor conspires with the perpetrator in terms of committing said act should be considered as assuming the obligation to prevent the occurrence of the accident. As long as it is possible to do so, they are obligated to check and confirm the existence of the stone and take measures to avoid the accident, including removing the stone, if there is one. This obligation is based on the person's said preceding act that is related to the relevant act, when it can be said that the person not only had a conversation, which became the motivation for said act, in advance with the perpetrator who is said to be the person's peer, but also actually knew of said act at the scene of said act, which was successively committed, and could predict the occurrence of the accident. If an accident occurs because of said person's failure to fulfill this obligation, said person should be considered as being liable for damages caused by said accident."

[15] Professor Suehiro states "A person who has incited a critical condition that can cause damages by a certain action assumes the obligation to act to prevent the occurrence of the damages due to the act of inciting it" (Suehiro, Izutaro. *Saiken kakuron* (Specifics of receivables) (Yuhikaku, 1919), 1061.

[16] Matsumoto, Shigetoshi. *Tokkyo hatsumei no hogohani* (Scope of protection of a patented invention) (Yuhikaku, 2000), 252.