

Patent Litigation in Korea

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I. Concept of Patent Litigation and Issues

In Korea, patent litigation in the broad sense includes all the litigations related to industrial property rights such as patent, utility model, trademark and design rights. Under this concept following suits are included¹; (i) suits that are under the exclusive jurisdiction of the Patent Court of Korea according to the prescription of Court Organization Act § 28-4 and (suits prescribed by Korean Patent Act § 186, Utility Model Act § 56, Design Protection Act § 75, Trademark Act § 86² and other laws³); (ii) suits to demand prohibition of alleged infringement activity prescribed in Patent Act § 126, suits for damages prescribed in Civil Code § 750 and Patent Act § 128, and suits to demand measures for recovery of good will prescribed in Patent Act § 131 and other laws (These are usually called “patent infringement suits.”); (iii) suits related to Korea Intellectual Property Office’s administrative dispositions; (vi) suits related to the ownership of patent rights (mainly related to the confirmation of inventor, transfer of rights by inheritance, assignment and other means).

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¹ Patent Court Intellectual Property Litigation Practice Study Group, Jijeokjaesansongsilmu-Teukheo, Silyongsinan, Design, Sangpyo-[Intellectual Property Litigation Practice – Patent, Utility, Design and Trademark –] 1 (2006).

² These are suits against the decisions of the Intellectual Property Tribunal at Korea Intellectual Property Office as explained below.

³ The main example of these suits is the suit against the decisions of the Plant Seed Protection Tribunal at Ministry of Agriculture and Forestry. This suit is prescribed in the Plant Seed Industry Act § 105①.

Among them, suits that fit into above category (i), which are asking for the cancellation of decisions by Intellectual Property Tribunal(hereinafter “IPT”)⁴ at Korea Intellectual Property Office(“KIPO”) as prescribed by Patent Law § 186⁵ and are under the exclusive jurisdiction of the Patent Court, are called “patent litigation in the narrow sense” or “cancellation suits of IPT decisions (hereinafter “cancellation suits”)(On the other hand, infringement suits enumerated in supra (iii) are under the jurisdiction of other regular courts).⁶

Cancellation suits are divided into ex parte cases and inter parte cases. Ex parte cases are those in which the Chief Administrator of KIPO is the defendant, such as suits against examiner’s refusal of patent registration (Patent Act § 62), suits against the decisions to revoke patent registration (Patent Act § 74), suits against the decisions related to correction of specification (Patent Act § 136). Inter parte cases are those in which patent right holders or interested parties are defendants, such as suits against decisions related to patent invalidation, invalidation of patent term extension, confirmation of the scope of patent rights, invalidation of correction (Patent Act §§ 133 through 135, 137 and 138).

In this article, patent litigation means cancellation suits which are under the exclusive jurisdiction of the Patent Court. But when discussing some issues such as the issues regarding patent attorney’s representation of parties (infra III. 6), the integration of the jurisdiction of patent litigation (infra III. 7) and court’s power to decide about the invalidity of a patent in an infringement suit (infra III. 8), patent litigation means

⁴ IPT is a branch of KIPO which is similar to the Board of Patent Appeals and Interferences in the United States. It was established through a consolidation of the former Trial Board and Appellate Trial Board on March 1, 1998 when the Patent Court was first established. Introduction to the IPT, available at <http://www.kipo.go.kr/kpo2/user.tdf?a=user.english.html.HtmlApp&c=30300&catmenu=ek30300>.

⁵ Provisions about cancellation suits in Patent Law are applied correspondingly to Utility Model Law, Trademarks Law, and Design Protection Law. Because there is almost no suit related to Plant Seed Industry Act, cancellation suit usually means suits against IPT decisions.

⁶ This shows that Korea adopted a ‘bifurcated system’ or ‘double track system’ regarding the jurisdiction of patent litigations.

the patent litigation in the broad sense.

2. Issues

The Patent Court of Korea is a specialized court established on March 1, 1998 to meet the new demands of the era of information and technology.⁷ Since its establishment, the Patent Court has been trying for the consistent translation of industrial property laws, enhancement of predictability, fair and speedy disposition of patent litigations through the technical examiner system and active use of preliminary hearings.⁸

But, despite all those efforts, in line with some contradictory statistical data such as the high appeals rate reaching up to 50%, recent discussions about judicial reform and the movement to resuscitate science and engineering community which is suffering from lack of social appreciation,⁹ some people are expressing concerns about the expertise of the Patent Court arguing for the new measures to enhance the expertise of the court.

Hereinafter, efforts of the Patent Court to acquire technical expertise, the result of those efforts and asserted or suggested measures to enhance the expertise will be discussed.

⁷ Establishment (of the Patent Court),
available at http://patent.scourt.go.kr/patent_e/intro/intro_02/index.html.

⁸ In patent and utility model cases where technical issues are involved, one or more preliminary hearings are held for each case. Preliminary hearings are held in rooms (not in courtrooms) specifically prepared for them and are usually presided by a designated judge of a panel. During those hearings, parties submit claims and evidence and explain related technologies sometimes using real objects or models. Through this, more thorough and in-depth understanding of relevant technologies is possible. At hearings, parties summarize the results of the preliminary hearings, submit some more documentary evidence or examine witnesses. Characteristics of the Patent Litigation Procedure, available at http://patent.scourt.go.kr/patent_e/character/index.html.

⁹ Raising this issue is more or less political and related to the power struggle among interest groups. This issue is specially related to the introduction of technical judge system, representation by patent attorneys, and integration of the jurisdiction of patent litigation.

II. Current situation of Patent Litigation in the Patent Court

To know the current situation of patent litigation, general introduction about the Patent Court is required. So, its organization and statistics of case disposal will be concisely discussed here.

1. Organization of the Patent Court

The Patent Court is an appellate level court¹⁰ and is consisted of 1 chief judge, 4 trial divisions (composed of 1 presiding judge and 3 associate judges),¹¹ 17 technical examiners¹² and other staffs.

2. Disposal of cases

A. Efforts and achievement for speedy trial

Cases filed to the Patent Court are increasing every year, like 1,115 cases in 2005, 1,192 cases in 2006 and 1,429 cases in 2007. Among them, most of the cases are related to patents and utility models, like 60.7% in 2006 and 58.4% in 2007, increasing the burden of judges in resolving cases¹³.

¹⁰ The Patent Court is an appellate level court in its organization and function. But it handles cases as a court of first instance examining factual issues as well as matters of law. There is no hierarchical relation between the cancellation proceedings of the Patent Court and the proceedings of the IPT. About the court, available at http://patent.scourt.go.kr/patent_e/intro/intro_01/index.html.

¹¹ Each division constitutes 2 three-judge panels. About the Court, available at http://patent.scourt.go.kr/patent_e/intro/intro_01/index.html.

¹² Technical Examiner System will be discussed in detail below.

¹³ Patent Court of Korea, *Teukheobeobwon Gawon 10juneon Ginyeom NonmunJib* [A

Since its establishment, the Patent Court has been applying the concentrated trial model.¹⁴ As the result of it, the average disposition period during the last three years was about 9.6 months(8.7 months in year 2005, 9.8 months in 2006, 10.3 months in 2007) for patent and utility model cases and 4.5 months for trademark and design cases(4.3 months in year 2005, 4.6 months in 2006, 4.4 months in 2007).¹⁵ This result is 5-6 months shorter than the average disposition period of 14 months of the abolished Appellate Trial Board of KIPO(14 months in year 1995, 15.2 months in year 1996, 12.7 months in year 1997).¹⁶

B. Efforts and establishment for proper disposition of cases

Since its establishment, the Patent Court has been trying to present a consistent standard for disposing cases related to validity of patents (utility models, trademarks and designs) and to the scope of those rights. But despite its effort, the average appeals rate against the decisions of the Patent Court is about 52.7% from year 2005 through 2007(53.5% in 2005, 47.6% in 2006, 57.1% in 2007), and the reversal rate is 12.6% showing a substantially high rate.¹⁷ But the appeals and reversal rate will be expected

Collection of Learned Papers in celebration of the 10th Anniversary of the Establishment of the Patent Court], 2008, 12-13. Since 2006, the Patent Court has resolved more than 1, 000 cases(1,191 cases in 2006 and 1,248 cases in 2007) a year. *Id.*, at 20.

¹⁴ It's a system to submit and examine all the possible claims and evidence during preliminary hearings, and summarize the results of preliminary hearings in the following courtroom hearings that are held usually only once or twice. *See supra* note 8.

¹⁵ Statistics, available at http://patent.scourt.go.kr/patent_e/judicial/judicial_02/index.html; Patent Court of Korea, *A Collection of Learned Papers in celebration of the 10th Anniversary of the Establishment of the Patent Court*, 30.

¹⁶ Kiyoun Kim, *Teukheobeobwonui Gukjehwareul Uihan Jeonmunseong Jego Bangan [The Method of Enhancing the Expertise of The Patent Court in the Globalized World]*, in *Patent Litigation Study Vol. 3* 413, 415 (The Patent Court eds., 2005).

¹⁷ *Id.* at 415-416. In Korea, there is no certiorari system as in the United States. The Supreme Court of Korea basically reviews every single case that is appealed from appellate courts. So, unlike in the U.S. where the Supreme Court needs to review more aggressively the CAFC decisions, the Supreme Court of Korea needs to defer to appellate courts at least in factual issues. Regarding the reform of the U.S. system, *see* Arti K. Rai, *Engaging Facts and Policy: A Multi-Institutional Approach to Patent System Reform*, *Columbia Law Review* Vol.103,

to decrease with the accumulation of precedents that function as standards to solve cases.

III. Participation of Technical Experts in Patent Litigation

1. The Importance of Technical Experts' Participation

Patent cases, especially patent and utility model cases, include technical elements. So, to handle those cases, expertise to understand those technical elements as well as legal knowledge is crucial.

Therefore, not only judges but also attorneys to represent parties should have some knowledge to understand technologies, or there should be a way to make up for the lack of expertise when they don't have relevant knowledge to dispose cases.

In view of these premises, current measures to enhance the expertise of people who are involved in patent litigation and ways to give them necessary knowledge will be examined.

2. Current system and efforts to enhance expertise

A. Efforts to enhance the expertise of judges¹⁸

Patent Court judges are appointed among judges who have some knowledge about intellectual property law by studying it during their overseas training courses¹⁹, or by finishing graduate courses for intellectual property law at some universities inside

1035, 1125 (June 2003).

¹⁸ See generally, Kiyoun Kim, *Teukheobeobwonui Gukjehwareul Uihan Jeonmunseong Jego Bangan*[*The Method of Enhancing the Expertise of The Patent Court in the Globalized World*], at 417-418.

Korea. In addition, the working period of Patent Court judges is at least 3 years, which is a little longer than other judges in other courts enabling the Patent Court judges to acquire some expertise through the process of handling actual cases²⁰.

On the other hand, since the establishment of the court, judges have been trying to acquire necessary knowledge in technical areas. For example, every year they invite famous professors from Korea Advanced Institute of Science and Technology (KAIST) or Seoul National University and listen to their lectures about the basic theories and latest trend of mechanical, electronic, chemical engineering, semiconductor, biotechnology and etc. They also visit every year famous research centers or entrepreneurs such as Electronics and Telecommunications Research Institute (ETRI) or Samsung Electronics to learn about the state of the art technologies.

There is also an Internet community around the country through which judges interested in intellectual property law can share knowledge about new legal theories or technologies, and there are research groups among judges and technical examiners inside the Patent Court to study patent law and technology. As a result of these efforts, the Patent Court has been collecting and publishing papers written by judges, technical examiners or other outside scholars since 2002.

But, in spite of these system and efforts, some people are continuously arguing that more efforts should be put into to enhance the expertise of judges who are handling patent cases. They even argue that we should introduce the technical judge system in which some judges of the Patent Court will be appointed from people who have technical backgrounds regardless whether they are lawyers.

B. Participation of Technical Experts in Patent Litigation

Technical examiners who have long time experience of working at KIPO or other technical sectors are giving technical consultation to judges, attending hearings asking questions to parties and expressing their opinions about the technical aspects of cases

¹⁹ Every year, more than 80 judges are going abroad to study various areas of laws.

to the court guaranteeing the in-depth analysis and judgment of patent cases.²¹

3. Comparative study about the systems of Technical Experts' Participation in Patent Litigation

A. Backdrop of the discussion

Before the establishment of the Patent Court, there was a heated debate regarding the introduction of technical judge system in the Patent Court. The discussion came to halt by introducing the incumbent technical examiner system. But in line with the overall wave of social and judicial reform in Korean society, occasional discussions about the instruction of the system are being made again.

So, even under the current system, an overview about the technical experts' participation system is appropriate.

B. Participation system in some countries

(1) Technical Judge (Technische Richter) system in Germany²²

History: The German Administrative Court decided on June 13, 1959 that a decision by the German PTO Appellate Body could not be tantamount to a court decision, and the decision should be subjected to judicial review²³. Following the

²⁰ Judges in Korea rotates from one court to another every 2 or 3 years.

²¹ Characteristics of the Patent Litigation System, available at http://patent.scourt.go.kr/patent_e/character/index.html. A detailed discussion about technical examiners will be made below.

²² See generally, Hoigeun Gu, *Dokilui Sabeobjedo: Beobwoneul Jungsimeuro – Dokilbeobwon Bangmungi- [German Judicial System: Focusing on the Court – Record of German Court Visit-I]*, 50 Beobjo 282, 282-295 (2001).

²³ The establishment history of German Patent Court is similar to that of Korean Patent Court. There was also a discussion of constitutionality before the establishment of Korean Patent Court. Appeals from the Appellate Trial Board went directly to the Supreme Court excluding the fact-finding process by trial courts and raising the question of whether the system deprived people the right to get judgments by judges. To solve this problem, the Patent Court that deals with factual issues was established. See, ESTABLISHMENT, available at http://patent.scourt.go.kr/patent_e/intro/intro_02/index.html.

court's decision, the Federal Patent Court of Germany was established on July 1, 1961 with the amendment of the Grundgesetz (Basic Law).

The Federal Patent Court has jurisdiction over complaints against decisions by Patent · Trademark Examination Department and Utility Model · Design Registration Department which were formerly under the jurisdiction of the Appellate or Invalidation Suit Division in German Patent Office. The court has also jurisdiction over suits related to invalidation of German or European (inside Germany) patents and over grants of compulsory licenses (Zwangslizenz).

The German technical judge system was launched by embracing former Appellate Body members with the establishment of the Federal Patent Court and its taking over the jurisdiction of it. This system was also adopted by Austria, Sweden and the European Patent Office.

Position: Technical judges have the same status as other regular judges, but they can work only in the Federal Patent Court and cannot work at other courts.

Qualification: To be a technical judge, one should have a technology related degree and have worked in the same technical area for more than 5 years. But currently, technical judges are appointed among people who have more than 7 years' working experience at the Patent Office. As of the end of 2000, there are 125 judges in the Federal Patent Court including the Chief Judge (Präsident) and the vice Chief Judge (Vize-Präsident). Among them, 66 judges are regular judges, and 59 are technical judges.

Composition of Trial Divisions: Divisions are composed according to what they are in charge of. Among them, except the Appellate Division for Legal Matters and Appellate Division for Trademark, Technology Appellate Division, Invalidation Division, Utility Model Appellate Division and Plant Species Division have technical judges.

Role: A technical judge is the main reviewer of a case being the first member to read documents before hearings, making and submitting a report (Votum) containing

the main points of the dispute, attacks and defenses of parties, his own opinion about the case. Legal matters are mainly examined by other regular judges. With this procedure, every member of a division has enough knowledge about cases before hearings, and judges have even some discussions about a case before a hearing if it's deemed necessary.

Advantage: Technical judges can grasp the critical point of cases very easily by using their specialized knowledge and experience handling cases efficiently. So the court need not depend on other outside experts saving time and cost. In addition, with high status and reputation, it's easy to acquire superior manpower verified already in the Patent Office.

Criticism: Technical judges' knowledge is localized according to their specialized areas, and due to the fast development of technology, it's not easy for even technical judges to catch up with it. Parties can be deprived of the chances to use other outside experts and to express their opinions, making it almost impossible to reexamine self-righteous opinions of technical judges.

b. Judicial Research Official System in Japan²⁴

Meaning, assignment and qualification: In Japan before April 1, 2004, suits against the decisions of Japanese Patent Office ("JPO") were under the exclusive jurisdiction of Tokyo High Court, while patent infringement suits were handled by district courts of each district.²⁵ But with the amendment of the Code of Civil Procedure that has been enacted from April 1, 2005, infringement suits are handled at first instance by Tokyo (for cases in eastern part of Japan) or Osaka (for cases in western part of Japan) District Courts only according to their regions (Code of Civil

²⁴ See generally, Intellectual Property High Court, available at <http://www.ip.courts.go.jp/eng/index.html>.

²⁵ Beomsik Seol, *Ilbon Jijeokjasankwon Sosongjedoui Gaehyeok Donghyang [Reform Movement of Japanese Intellectual Property Rights Litigation System]*, in Patent Litigation Study Vol. 3 349, 356-357 (The Patent Court eds., 2005).

Procedure § 6).²⁶ And all the appeals from the judgments of those district courts and from the decisions of JPO are handled by Intellectual Property High Court that is a part of Tokyo High Court(Code of Civil Procedure § 6).²⁷

The Intellectual Property High Court, Tokyo and Osaka District Courts have Judicial Research Officials.²⁸ The officers are appointed from former JPO officers or patent attorneys.²⁹

Duty and function: In the past, before the amendment of the Code of Civil Procedure, Judicial Research Officials could not participate in hearings or submit their opinions to the court regarding the decisions of cases (But they had the same power as technical examiners in Korea in other points). But, with the amendment of the Code(§ 92-8, 9) enacted from April 1, 2005, they can now participate in hearings and ask necessary questions to parties, like technical examiners in Korea.³⁰

c. Law Clerk System and Amicus Curiae in the U.S.³¹

In the United States, the Court of Appeals for the Federal Circuit (“ CAFC”) is the court to handle patent cases³². There are 12 judges, and decisions are made by a panel of 3 or 5. Each judge can have up to 3 law clerks who are science or engineering majors. Law clerks cannot participate in the hearings but they analyze cases and draft opinions for judges.

On the other hand, to hear outside opinions about cutting edge technologies, the

²⁶ *See id.*, at 357-358.

²⁷ *See id.*, at 363-364.

²⁸ *See id.*, at 371.

²⁹ *See id.*

³⁰ *See id.*, at 373-375.

³¹ *See generally*, United States Court of Appeals for the Federal Circuit, available at <http://fedcir.gov/about.html>.

³² But unlike Patent Court or Korea, CAFC handle other cases such as cases related to international trade, government contracts, certain money claims against the United States government, federal personnel, and veterans' benefits as well as patent cases. *See*, About the Court, available at <http://fedcir.gov/about.html>.

CAFC is using Amicus Curiae (Friend of the court) in which people or groups who have no direct relations to the case but have strong interests or specialized knowledge in issues can submit their opinions to the court. This can be used when the court decides it's necessary, when both parties agree or when the court accepts the request of a party's petition.³³

d. Technical Examiners in Korea³⁴

Status: Technical Examiner System in Korea can be said to stand in the middle of German Technical Judge System and Japanese Judicial Research Official System.³⁵ It is similar to German system in that technical examiners can participate in hearings and decision making processes, but it's also similar to Japanese system in that technical examiners don't have the power to make final decisions.

Qualifications: With the delegation of the Court Organization Act § 54-2, Regulations for Technical Examiners § 2 provides about the qualifications for technical examiners as follows:

“who satisfies one of the following categories: (i) more than 5 years experience as an examiner at KIPO; (ii) more than 7 years experience as a government official dealing with matters related to industrial or scientific technology, and more than 5 years experience in Level 5 or above positions; (iii) a master's degree and 10 years experience in the relevant field; (iv) a doctorate degree in the relevant field; (v) a National Engineering Certificate obtained in accordance with the National Engineering Certificate Law.”

Current Technical Examiners: There are 17 technical examiners in the Patent Court. All of them have long-term experience in various scientific areas by working at

³³ See Youngsun Cho, *Migukui Teukheosongjeolchaedaehan Gochal*[Study about U.S. Patent Litigation Procedure], in Patent Litigation Study Vol. 3 289, 303-304 (The Patent Court eds., 2005).

³⁴ See generally, Organization (of The Patent Court of Korea), available at http://patent.scourt.go.kr/patent_e/intro/intro_04/index.html.

KIPO, research institutes or as a patent attorney. Among them, there are 5 from mechanical engineering department, 5 from electric engineering department, 4 from chemical or textile engineering majors, 1 each from pharmaceutical, architectural engineering and agricultural departments. Three to four technical examiners are assigned to each trial division.

Function: According to the Court Organization Act § 54-2, 5 and Regulations for Technical Examiners § 4, technical examiners can do following activities: (i) reviewing court documents and delivering consultation related to technical matters to the trial panel, (ii) expressing their own opinions to the panel.

As a procedural matter, technical examiners' opinions submitted to the panel should not be disclosed to the public. On the other hand, according to the Regulations for Technical Examiners § 5, when a technical examiner participates in a hearing or preliminary hearing, his name should be recorded in the court document. In addition, when the technical examiner asks questions in hearings with the permission from the presiding or delegated judge, the main points of the procedure should also be recorded in the court document.

4. Disputes about the introduction of Technical Judge System

A. Those who argue for the adoption of technical judge system assert the reasons as follows:³⁶

Technical examiners can submit their opinions to the court during their deliberation process, but it's not clear whether their opinions will be adopted by the court or not. In addition, the content of the technical examiners' opinion is neither open

³⁵ Sangjo Jeong, Jijeokjaesankweonbeob[Intellectual Property Law] 186-187 (2004).

³⁶ See, e.g., Unhwan Sin, *Kwahakgisul Baljeonul Uihan Teukheososongjedoui Gaseonbanghyang [Reform of Patent Litigation System for the Development of Science and Technology]*, Industrial Property Right Vol 13, Korea Industrial Property Right Law Study Group, May 2003, at 148-151.

to the parties nor appended to the court recordings. So, the responsibility and power of technical examiners is not clear.

Judges and technical examiners cannot exchange opinions or cooperate with each other smoothly because their status and roles are very different.

Regular judges cannot understand technical matters completely even with the help of technical examiners. If technical judges handle cases, they can understand technical matters without any other help while saving time and energy in handling cases.

Under the Constitution, every citizen has the right to a trial by a judge qualified under the Constitution and relevant laws.³⁷ But the right to trial by qualified judges does not mean to get judgments from only those who are lawyers. On the other hand, if crucial technical matters are decided by technical examiners, resulting judgments cannot be regarded as judgments by judges.

Unlike civil cases related to medicine or architecture, there is no problem to guarantee fairness in patent cases where both parties are technical experts.

In Germany, technical judge system is regarded as the crucial factor to guarantee the high quality of the Federal Patent Court.

In some countries where graduate level law schools exist, it's possible to appoint judges who have both legal and technical expertise. But in Korea which has no graduate level law schools, it's not easy to find a judge who has both legal and technical expertise.

By introducing the technical judge system, It will be much easier to find qualified judges because the social status and recognition are much higher for judges than technical examiners.

B. Those who are against the adoption of technical judge system argue as

³⁷ Constitution of Korea § 27 .

follows:³⁸

The Court Organization Act is prescribing the responsibility and power of technical examiners explicitly. In addition, the contents of technical examiner's opinion should not be revealed because contents of deliberations of trial panels should not be revealed.

Currently, judges and technical examiners are exchanging opinions frequently and freely. So, there is no problem among judges and technical examiners in exchanging information or cooperating with each other.

The possibility that technical judges would contradict with regular judges in making decisions causing confusion or disharmony cannot be excluded.

The basic duty to explain technology and persuade judges lies in the parties themselves. In addition, technical matters are already examined and decided by the IPT before cases come to the Patent Court. So, it's not so hard for regular judges to understand technical matters. Furthermore, the decision regarding novelty and non-obviousness is a matter of normative legal determination that cannot be solved with technical knowledge only.

With the rapid development of technology, even technical judges cannot understand all the technical matters. They still need help from other experts specialized in specific technical areas. In contrast to that, the replacement of technical examiners of the Patent Court by every two or three years has an effect of introducing new experts who are specialized in newly-developed technical areas.

There is no proof that people want the technical judge system. In addition, patent litigation system should be decided after considering overall policies about science and technology, intra and international trade, especially the whole judicial system. It should not be decided just to expand the leverage of specific interest group or people.

If technical judge system is to be introduced for patent cases, other technical

³⁸ See, e.g., Youngbo No, *SabeobJedo Gaehyeog Gwanryeon Beobryului Juyonaeyong* [Main Contents of Judicial System Reform], Gosigye, Vol 39 Book 10, National Judicial Exam

experts should be appointed as judges for other areas such as medicine, architecture, car, aviation, vessels etc. Technical judges can be technically biased or have tunnel vision making decisions by only their own knowledge without considering other policy issues.

The technical judge system was adopted only in countries where courts have the power to declare whether a patent itself is valid or not. So, it cannot be introduced to Korea where the Patent Court decides only about whether IPT decisions are correct or not without the power to declare about the validity of a patent. To introduce the system to Korea, the court should have the power to declare about the validity of a patent, abolishing or decreasing the power of IPT which would handle the same issues as the Patent Court. In addition, the technical judge system was adopted only in some European countries, and in common law countries regular generalist judges are handling patent cases. In Japan, after considering the introduction of the system, they decided not to introduce the system. Basically, who will be the judge is the crucial factor of every judicial system and should be decided depending on the customs and other circumstances not by the only fact that other countries have adopted a specific system.

With the increase of the number of people who pass the Korean Bar Exam, the number of lawyers who have technical backgrounds is also increasing. This trend will be more fortified with the implementation of the law school system in 2009. So there will be no problem to find judges who have both legal and technical backgrounds in the future. The introduction of the technical judge system is in fact tantamount to the reestablishment of the already abolished Appellate Board in the KIPO.

Currently, technical examiners are appointed from experts who have been working for more than 10 years at KIPO or technology related areas. So, there is no problem to find qualified technical examiners.

Association, at 100-127.

C. Personal Opinion

All the judges, even who have science or technical knowledge, cannot be experts in every technology area because there are so many different and fast developing technology areas. So, the lack of specialty in handling patent cases cannot be solved by only introducing the technical judge system. In addition, the purpose of fortifying the expertise of judges is to improve the unified and precise interpretation and application of laws. So, the required expertise for a specialized court judge is the legal mind based on basic knowledge of a relevant field, not the scientist-level knowledge. The proper basic knowledge to dissolve disputes can be acquired through handling cases in some years. So, it's not seem so necessary to introduce the technical judge system

In addition, a reform of a system should be made after proper evaluation of the incumbent system. But the current assertion for the introduction of the technical system does not seem to have been made after proper examination and evaluation of the incumbent technical examiner system. Furthermore, the Patent Court and incumbent technical examiner system have been very successful without causing many problems.

So, it'll be too hasty to adopt the technical judge system without proper evaluation of the current system and confidence for the success of a new system. It would be better to assess the merits and demerits of the current system first, and appoint the Patent Court judges from people who have technical and legal backgrounds. That method is quite practical considering the fact that there are already some judges or attorneys who have both legal and technical backgrounds and the number of them will be more increased with the adoption of the law school system.

Furthermore, with the increase of lawyers who want to work at administrative departments including KIPO, it'll be possible in the near future to find a judge who would have both legal and technical knowledge.³⁹

³⁹ Until now, there have been three judges who were appointed to be associate judges of the Patent Court considering their experience of working as an attorney or a KIPO officer. But there has been no presiding judge who was appointed to that position from outside of the court for their working experience in intellectual property law, especially patent law area. All

Nevertheless, if the people cannot trust the incumbent judges of the Patent Court and cannot wait until law school graduates who have legal and technical backgrounds become judges of the court, it's possible to establish the 'Patent District Court' and introduce technical judge system to that specific court. In that case, with the technical judges like those at the Federal Patent Court of Germany, Patent District Court itself can even decide whether a patent is valid or not. In addition, the incumbent IPT at KIPO might be abolished or shrunk to a much smaller institute as it happened in Germany with the establishment of the Federal Patent Court. Because Patent District Court would act as a trial court for patent cases, the incumbent Patent Court could be changed into 'Patent High Court' which would review only matters of law.

5. Other Methods of Expert Participation

A. Introduction of Expert Trial Commissioner System⁴⁰

In most patent cases, the court can understand the issues with the explanation from technical examiners. But there are times when it's not easy to handle cases without some outside help because they are related to new areas of technology.

In those cases, judges cannot expect more than general and basic knowledge about the technology from technical examiners. To handle these cases without outside help will be time consuming and ineffective. Especially when limited numbers of technical examiners cover all the technical areas as in the current situation, this kind of problem

the presiding judges of the Patent Court are promoted and appointed to that position among presiding judges of district courts regardless of their experience with intellectual property law. But, one of the ways to improve the expertise of the Patent Court will be to appoint some or all presiding judges of the Patent Court for the term of 10 years directly from among attorneys who have expertise in patent law by working in that field for a long time. It's even so considering the facts that the Patent Court stands out to be a specialized court in contrast to other regular courts, the presiding judge of a three-judge panel is the representative figure and he is regarded as the most experienced in that field.

⁴⁰ See generally, National Court Administration, Teukheosongsilmu [Patent Litigation Practice] 14-15.

can happen occasionally. One of the ways to solve this problem is to introduce a system where judges can get help from technical experts outside the court.

With the amendment of the Code for Civil Procedure on July 13, 2007 (enacted on August 14, 2007), experts from outside the court (“Expert Trial Commissioners”) can participate in civil procedures.⁴¹ They have almost the same powers as technical examiners. For patent cases, courts seem to be able to use this system to get some outside help about new technologies.

B. Making use of Expert Witnesses

Until now, expert witnesses have rarely been used because the Patent Court judges can get technical consultation from technical examiners. But with the advent and fast development of new technologies, the court needs to make use of expert witnesses.

The problem of making use of expert witnesses is the time and money spent on selecting the proper witness and bringing him to the court. To handle this problem, it’s desirable to compose a pool of experts and appoint an expert out of the pool, as courts select a witness out of a pool in civil damages suits.

6. Fortifying the expertise of the representatives – representation by technical experts

The success or failure of a patent litigation is dependent on the capability and quality of representatives. So, representatives of a patent litigation should have expert level knowledge about related cases.

With the increase of the number of attorneys at law, more attorneys are becoming interested in intellectual property law. But, in view of the characteristics of patent litigation in which both technical and legal knowledge is required, representatives should be expert in both areas. Therefore, attorneys who have no technical background should take some basic education about natural science or engineering or should have

some experience of handling patent cases. On the other hand, patent attorneys⁴² who don't have enough legal knowledge should receive some legal education especially about civil procedure.

Currently in Korea, there is no debate regarding the representation by patent attorneys for cancellation suits in the Patent Court. Main dispute is related to the possibility of representation by patent attorneys for infringement suits at regular courts. Regular attorneys at law have the opinion that patent attorneys cannot represent parties for infringement suits. But patent attorneys argue that they should be able to represent parties for infringement suits. With regard to the representation by patent attorneys, Patent Attorney's Act § 2 provides that "patent attorneys' business is to represent matters that are related to patent, utility model, design or trademark and that would be rendered at KIPO or the court and to do evaluation of those matters," and § 8 of the Act provides that "patent attorneys can be representatives for matters related to patent, utility model, design or trademarks." Regular attorneys and patent attorneys interpret these provisions so differently according to their own interests.

In regard to the representation by patent attorneys, in the United States and Germany, patent agents cannot represent parties in the infringement suits (in the United States, attorneys at law cannot represent parties in the PTO without passing the patent bar). But, in Japan, according to the amended Patent Attorneys Act (amended on Apr. 17, 2002) §§ 6-2, 15-2, patent attorneys who passed the 'special infringement suit representation exam' can be representatives for infringement suits with attorneys at law.⁴³

Patent infringement suits also include legal and technical issues. So, it's best if people who have both technical and legal knowledge represent parties in those suits.

⁴¹ Code of Civil Procedure § 164-2.

⁴² Korean patent attorneys are the same as U.S. patent agents in that they should pass the patent bar to practice. But Korean patent attorneys can not only prosecute for patent registration at KIPO but also represent parties at the Patent Court.

⁴³ See Beomsik Seol, *Ilbon Jijeokjasankwon Sosongjedoui Gaehyeok Donghyang [Reform Movement of Japanese Intellectual Property Rights Litigation System]*, in Patent Litigation

But, in view of the current situation where it's hard to find people who have both legal and technical knowledge, it's desirable for patent attorneys and regular attorneys cooperate with each other in representing parties.

7. Integration of Patent Litigation – From the point of utilization of the Patent Court's expertise and participation of technical experts

As shown above, the Patent Court is handling only the narrow sense patent litigation that are prescribed by Court Organization Act § 28-4. That means the Patent Court can handle the cancellation suits against IPT decisions related to the establishment and validity of a patent, utility model, design and trademark. It cannot handle patent infringement suits.

But, many patent attorneys and some scholars have been asserting that the jurisdiction of the Patent Court should be extended to patent infringement suits. Actually bills to include the patent infringement suits under the jurisdiction of the Patent Court was submitted to the 16th and 17th National Assembly but were abrogated automatically with the expiration of the term of the assembly, even without an active discussion due to the conflicting interests of various interest groups⁴⁴.

If the Patent Court has the jurisdiction over patent infringement suits, patent disputes can be handled more efficiently by making use of its expertise enabling the unified interpretation of the industrial property rights and avoiding the meaningless repetition of the almost the same procedures. So, it's basically a desirable amendment.

Study Vol. 3 349, 409-411 (The Patent Court eds., 2005).

⁴⁴ The most serious conflict is related to the representation by patent attorneys. Opponents against the integration are afraid of the possibility that patent attorneys would have the power to represent parties even for infringement suits. This is because it will look very odd if patent attorneys can represent only for cancellation suits even though cancellation suits and infringement suits would be handled at the same court, giving more power to the argument that patent attorneys should be able to represent parties for infringement suits.

On the other hand, people who oppose the bill assert as follows⁴⁵: (i) The Patent Court is located about 150 kilo meters away from Seoul where most of the disputes arise and related people are located; (ii) there will be a confusion regarding the power of representation by patent attorneys because they have that power only for cancellation suits against IPT decisions that have been under the exclusive jurisdiction of the Patent Court and not for patent infringement suits; (iii) the Patent Court is an appellate level court. So the effect of integration of jurisdiction will not be so effective because in the trial level court there still will be a split of jurisdictions. They argue that this issue cannot be decided hastily because it's an issue related to the whole organization of the court. So, it should be decided after listening to the overall opinions from various learned circles.

In relation to this issue, it's helpful to see the examples of other countries.⁴⁶ (i) In the United States, CAFC has the jurisdiction for both cancellation suits against the decisions of the Board of Patent Appeals and Interferences and patent infringement suits, even though cancellation suits are going directly to CAFC while patent infringement suits are handled by Federal District Courts at first instance. (ii) In Britain, the Court of Appeals has the jurisdiction for all appellate cases, while cancellation suits are handled by Patent Court at first instance that is an affiliate of High Court, and patent infringement suits are handled by either Patent Court or Patent County Court according to the amount of dispute or complexity of cases (they are not handled by regular courts). (iii) In France, there is no Patent Court and cancellation suits are handled by 10 High Courts while patent infringement suits are handled by 10 District Courts and 10 High Courts that are designated to handle those cases. (iv) In Germany, infringement suits are handled by regular civil courts of each state while cancellation suits are handled by the Federal Patent Court. (v) In Japan, appeals from the decisions

⁴⁵ See generally, Seongdeuk Park, *Beobwonjojikbeobjung Gaejeongbeobryulan Geomtobogo* [An Examination Report for the Court Organization Act Amendment Bill], available at http://search.assembly.go.kr/bill/doc_30/16/pdf/161767_30.HWP.PDF.

⁴⁶ See *id.*

of Board of Patent Appeals and the decisions of Tokyo or Osaka District courts in regard to patent infringement suits are handled by Intellectual Property High Court that is an affiliate of Toyko High Court.

So, it can be said that in the United States, Britain, France and Japan, cancellation suits and patent infringement suits are handled by the same court at least in the appellate court level. But in Germany, with the influence of Federalism, cancellation suits are handled by the Federal Patent Court, while patent infringement suits are handled by district courts of each state. So, in view of the examples of other countries, it's desirable that the jurisdiction for patent litigation should be integrated at least in the appellate court level.

8. Defenses about Patent Invalidity in Patent Infringement Suits – The Possibility of the Decision of Invalidity without the Participation of Technical Experts

Until recently, courts handling patent infringement suits could not decide about the invalidity of patents whose rights are exercised against the alleged infringers. It came from a theory that patent grant is the administrative action of the Patent Office and its revocation should be made through the decision of the Appeals Board or IPT at KIPO⁴⁷. Under this theory, Patent Act § 133 provides about the IPT procedure to invalidate the patent grant, and the Supreme Court had decided that “the Patent Act provides that a patent can be invalidated when it fits into specified conditions through the specifically prescribed invalidation process. So, if a patent is granted, it'll be regarded valid until the decision of invalidation though the process is confirmed and courts dealing with injunction or infringement suits cannot decide that a patent is invalid even though specified conditions to invalidate the patent are met. If some or all of the patented invention was publicly known or used when it was filed, exclusive rights of the patent cannot be recognized. But it's because it lacks novelty, not because it lacks non-

obviousness.”⁴⁸

By the way, the Supreme Court stated as dicta on Oct. 28, 2004 that “a court that hears infringement suits can decide whether there is an outright reason to invalidate a patent even before a decision to invalidate that patent is made by the specified procedure. If there is an outright reason to invalidate the patent as a result of hearing, claims for injunction or damages are not allowed without exceptional circumstances because they are an abuse of patent rights.”⁴⁹ This decision means that a court dealing with infringement suits can decide on the invalidity of a patent even when the invention lacks non-obviousness causing a conflict with former Supreme Court decisions that a court cannot deny patent rights when the patent lacks non-obviousness. But the decision was not made by the en banc Court but a panel of three justices. So, the current situation is where two kinds of Supreme Court decisions related to the same issue exist.

By the way, in Japan, the Supreme Court of Japan decided in the Kilby(キルビ) case on April 11, 2002 as follows.⁵⁰ “As the result of hearing, if it’s outright that there is a reason for invalidity of a patent, claims for injunction or damages based on that patent is an abuse of patent rights and cannot be allowed without any exceptional circumstances.” It opened the possibility of asserting a defense of patent invalidity in patent infringement suits. This decision was also made by a panel of justices not by the en banc Court.⁵¹ But unlike in Korea, there had been no decision regarding this issue prior to this decision even though there were many different opinions among scholars and some decisions from lower courts.⁵²

After the Kilby decision, many problems have arisen such as the conflict between

⁴⁷ It is based on the deference to the administrative decisions.

⁴⁸ See, e.g., F. Hoffman – Ra Rosu Age v. CJ Ltd., 91ma540 (Sup. Ct., June 2, 1992).

⁴⁹ Meminger A.R.O. GMBH v. Jangbeongin & et al., 2000da69194 (Sup. Ct., Oct. 28, 2004).

⁵⁰ Fujitz Ltd. v. Texas Instruments inc., 2000(オ)364, (Sup. Ct., April 11, 2002).

⁵¹ See Beomsik Seol, *Ilbon Jijeokjasankwon Sosongjedoui Gaehyeok Donghyang [Reform Movement of Japanese Intellectual Property Rights Litigation System]*, in Patent Litigation Study Vol. 3 349, 376-383 (The Patent Court eds., 2005).

the invalidity decisions (cancellation suits) and infringement suits decisions, the difficulty of deciding whether a reason to invalidate a patent is outright or not.⁵³ The confusion was dissolved by the legislative effort as follows⁵⁴: (i) the appellate court for the cancellation suits and infringement suits was consolidated to the Intellectual Property High Court getting rid of the possibility of conflict between the decisions of two different courts (The Law related to the Establishment of Intellectual Property Court § 2); (ii) “if the infringement suit court decides that the related patent would be invalidated through the decision by the Patent Board decisions, the patent holder cannot exercise his rights against the opponent.”(Patent Act § 104-3) and “The court can dismiss the assertion of the defense of invalidity by its own decision or motion when it decides that the defense was asserted to delay the proceeding without reasons.” (Patent Act § 104-3); (iii) if the invalidation suit for the patent that is the basis of infringement suit is being handled by the Board, and in the infringement suit the written assertion for the invalidity of the patent according to Patent Act § 104-3 was made, the court should give a notice of the assertion to the minister of the Patent Office(Patent Law § 168), and the minister can require the court to send a copy of the document that a Board member decides it’s necessary(Patent Law § 168). Above new provisions have been enforced since April 1, 2005.

Unlike in Japan, in Korea the jurisdiction for patent invalidation suits and infringement suits has not been consolidated. So, the possibility of the conflict between decisions of different courts in regard to the same issue still exists. Even though it’s desirable for a court to decide about all the matters related to a specific patent, this problem should be considered when infringement suit courts decide on the invalidity of the patent. It’s also worrisome that a court without the help of technical expert would decide on the issue of patent invalidity.

⁵² *See id.*

⁵³ *See id.*

⁵⁴ *See id.*

IV. Conclusion

Patent litigations including both cancellation suits and patent infringement suits have both legal and technical issues. So, to handle those cases, it is desirable that decision makers (judges or tribunal members) and representatives of parties be experts in both law and technology. If that is not possible, it is necessary to establish a system where relevant expert advice can be provided.

From this viewpoint, the Patent Court of Korea has been quite successful despite its short history in handling patent cases fairly and efficiently with the technical examiner system. But there still is a room for improvement in regard to its expertise.

In connection with this, there has been an assertion to introduce the technical judge system to enhance the expertise of judges. But whether to introduce the system should be decided after evaluating the current system and considering the possibility of establishment of law school system through which lawyers with both legal and technical expertise can be brought up.

With the rapid development of cutting-edge technology as in semiconductor or biotechnology industries, there are areas that even technical examiners or technical judges cannot easily figure out the contents of the technology. To tackle this problem, it's necessary to get outside help by making more use of expert expert witnesses.

Furthermore, for the proper handling of patent litigations, representatives of litigants should be experts of both law and technology. So, it would be better if an expert with legal and technical expertise participates in litigations or both attorneys at law and patent attorneys cooperate with each other.

On the other hand, it's highly necessary to get the help of technical experts not only for cancellation suits in the Patent Court but also for patent infringement suits in regular courts. In addition, it's not appropriate that cases with the same issues be handled at different courts. So, it's desirable that both cancellation suits and patent infringement suits be handled at the same court. In that case, it's also possible to assert

the invalidity of a patent even in the infringement suits getting rid of the possible confusion coming from the situation where two different courts handle cases related to the same technology issues.

The ultimate purpose of a patent litigation system is also to resolve patent cases fairly and efficiently as in other cases. To achieve that goal, it's necessary that all the interested parties including attorneys at law and patent attorneys leave their private interest behind and discuss related issues sincerely and cooperatively and come to a conclusion to achieve a fair and efficient system.