

**PATENT COURT
THE THIRD DEPARTMENT
DECISION**

Case No. 2005Heo11094 Final Rejection(Patent)

Plaintiff: SK Communications Co., Ltd. (Cyworld Co., Ltd.
before merger)
Counsel for the Plaintiff: Eunku KIM, patent attorney

Defendant: Commissioner of the Korean Intellectual Property
Office (“KIPO”)
KIPO Litigator: Sungjoong JEONG

Closure of Hearing: November 9, 2006

Date of Decision: December 21, 2006

Order

1. The plaintiff's claim is dismissed.
2. The trial costs shall be borne by the plaintiff.

Tenor of Claim

Cancellation of trial decision on Case No. 2004Won5696 issued on December 1, 2005 by the Industrial Property Tribunal and Appeal Board(IPTAB).

Reasoning

1. History of dismissal decision of the trial on the appeal against rejection by patent examiner

[Evidence] Plaintiff's Exhibit Nos. 1 and 2 and Defendant's Exhibit Nos. 1 to 5

A. Plaintiff's filed application

Cyworld Co., Ltd. filed Korean Patent Application No. 10-2002-21391 on April 18, 2002, entitled "Method for Managing Mini-rooms for Use in Internet Community". The claims and drawings of the application are attached as Annex 1. Cyworld Co., Ltd. was merged into the Plaintiff on August 2, 2003.

B. Plaintiff's Appeal against the Examiner's rejection and the Trial's dismissal decision thereof

1) The KIPO Examiner rendered a decision of rejection of the filed application on November 5, 2004, for ineligibility of the invention for a patent since the application did not specifically describe because a method embodying the steps of creating and managing mini-rooms on a computer.

2) The Plaintiff filed an Appeal against the Examiner's decision of the rejection on December 3, 2004, and submitted an Amendment on December 30, 2004. However, the Examiner dismissed the amendment and maintained the original rejection on the grounds that the claim 3 as amended of the filed application (hereinafter, referred to as the amended claim 3 invention) was not patentable at the time of filing and violated Article 47 (4) (2) of the Korean Patent Act. The Plaintiff filed an Appeal against the decision of rejection.

3) The Intellectual Property Tribunal and Appeal Board (IPTAB) review the case under case number 2004Won5696 and issued dismissal decision of the Plaintiff's appeal on the grounds that the Plaintiff's amendment of December 1, 2005 is unlawful because the amended claim 3 invention does not meet the patent requirements stipulated in Article 47 (4) (2) of the Korean Patent Act, and that the claim 1 invention before the amendment (the date "April 18, 2002" written as the submission date of Defendant's Exhibit No. 4 seems to be an error of "May 27, 2004"; hereinafter, the claim is referred to as "the claim 1 invention before the amendment") violates the main text of Article 29 (1) of the Korean Patent Act because it does not utilize the laws of nature and that the whole application with multiple claims shall be rejected when even a claim out of the claims has reason to be rejected.

2. Plaintiff's assertion regarding cancellation of the trial decision and related issues

The issues of the present case are whether the decision of dismissal to the amendment of claim 3 invention is appropriate, and whether the claim 1 invention before the amendment (or the amended claim 3 invention) falls into an invention stipulated in the main text of Article 29 (1) of the Korean Patent Act. In this regard, the gist of the Plaintiff's assertion of cancellation of the trial decision is shown below.

A. The amended claim 3 invention falls into the invention industrially applicable as stipulated in the main text of Article 29 (1) of the Korean Patent Act since the processes of creating and managing mini-rooms, which correspond to information processing of software, are particularly embodied by using a computer, which is hardware.

B. Therefore, the rejection of the amended claim 3 invention is unlawful and the amended claim 3 invention should be granted.

3. Determination of appropriateness of the decision on dismissal of amendment

A. Legal principle applied in determining eligibility of a business method invention

1) Article 2 (1) of the Korean Patent Act stipulates that the term “invention” means the highly advanced creation of technical ideas utilizing the laws of nature. Accordingly, when an invention does not utilize the laws of nature, it should not be granted on the grounds of not satisfying the requirement for “an invention having industrial applicability” according to Article 29 (1) of the Korean Patent Act. Since whether the invention of a filed application utilizes the laws of nature or not should be determined based on the entirety of a claim, even when a part of the invention defined in the claim utilizes the laws of nature, the filed application as a whole does not fall into an eligible invention as defined by the Korean Patent Act if the entirety of a claim is determined not to utilize the laws of nature.

2) In particular, for a business method invention that embodies a new business method using information technology, information processing by software on a computer should be particularly embodied using hardware (see Supreme Court Decision 2001Hu3149 rendered on May 16, 2003). In this regard, “information processing by software on a computer should be particularly embodied using hardware” does not signify that software is merely read out by a computer, but further signifies the constitution of a particular information processing apparatus or operating process for the purposed utility via a specific inter-cooperative means.

Also, in order for a business method invention (hereinafter, referred to as a BM invention) to be a complete invention, the claims should be more than a mere suggestion of simple ideas, and all elements indispensable to achieve the purpose of an invention should be particularly

and clearly included.

B. Determination

1) The amended claim 3 invention falls into a BM invention that expresses one's identity in an online community and secures a new revenue model (see page 6, line 14 to page 7, line 1 and page 8, lines 11 to 13 of Defendant's Exhibit No. 4).

Accordingly, it is first analyzed whether each processing step by a software is particularly embodied using hardware in the amended claim 3 invention.

The purpose of the method of creating and managing mini-rooms of the amended claim 3 invention is to satisfy people's desire to express their identity by creating personal space in an online community, displaying personal things in the space and decorating the space (see page 6, lines 5 to 16 of Defendant's Exhibit No. 4).

A software means to achieve the above purpose comprises a mini-room creating system to facilitate creation of a mini-room, a system to deliver a created mini-room to other members through a community bulletin board or a member's homepage, and a mini-room display system to decorate a mini-room (see page 6, line 17 to page 7, line 1 of Defendant's Exhibit No. 4).

In addition, A hardware means used for information processing by the software includes a mini-room storing space 10, a furniture storing space 30, and a mini-room furniture storing space 20, in a service provider's server, a member's terminal and internet as presumed from the expression "online community".

Thus, in a literal sense, it is possible to say that the amended claim 3 invention includes a software processing steps for creating, delivering and displaying a mini-room as well as a hardware means for the mini-room storing space, the furniture storing space, and the mini-room furniture storing space.

PATENT COURT DECISIONS

2) However, as shown below, the amended claim 3 invention fails to particularly and clearly describe how the software and hardware cooperate to achieve the purpose of the invention.

① In the first step, a mini-room is only automatically created in the mini-room storing space 10 on a service provider's server simultaneously with member's joining a community as a member. However, it is not clearly described how a member confirms the creation of the mini-room through a computer. ② In the second step, the term "display" should be premised on the status that a member can see, but it is not particularly and clearly described how furniture is displayed in a database (the furniture storing space 30) that is a memory means and how a member accesses a list of furniture stored in the database to select and purchase furniture in the list. ③ In the third step, it is not clearly described how a member accesses a database (the mini-room furniture storing space 20) and specifies a position of furniture. ④ In the fourth step, it is not clearly described how to access a database (a member's mini-room) and read out an article stored on an online bulletin board.

Consequently, the scope of the amended claim 3 invention not only fails to include a specific means using combination of software and hardware in each step that is an element but it also does not particularly and clearly describe how the calculation or processing of information for each step is realized according to the purpose of use.

Therefore, it cannot be said that the amended claim 3 invention, as a whole, falls into an invention according to the Korean Patent Act since the information processing by software on a computer is not particularly embodied using hardware.

3) The Plaintiff asserts that, in the claim 3 invention before amendment, it is not an essential element to provide a member with information of each step related to a mini-room for the member to choose, and that an invention can be established without description of hardware which is of general use or information processing which is

obvious.

However, a BM invention, unlike a computer program having a purpose of obtaining a particular result by simply being read out on a computer, can be admitted as an invention only when a characteristic process corresponding to the purpose of an invention is embodied by a mutual organic combination or cooperative relationship between software and hardware and when an additional synergetic effect is obtained. Thus, how steps of processing information use hardware to achieve the purpose of an invention should be particularly and clearly described in the claims. As a result, the Plaintiff's assertion is groundless.

C. Sub-conclusion

As a result, the amended claim 3 invention is not an invention having industrial applicability as stipulated in the main text of Article 29 (1) of the Korean Patent Act and thus the amended claim 3 invention was not patentable at the time of filing according to Article 47 (4) (2) of the Korean Patent Act. Therefore, the decision of dismissal to the Plaintiff's amendment is appropriate.

4. Whether the claim 1 invention before the amendment falls into an invention according to the Korean Patent Act

A. Characteristics of the claim 1 invention before the amendment

The claim 1 invention before the amendment falls into a BM invention that includes an automatic mini-room creating step, a mini-room furniture storing step, and a furniture arranging step to express people's own identity in an online community and secure a new revenue model (see page 8, lines 11 to 13 of Defendant's Exhibit No. 4).

B. Determination

1) It is analyzed in the claim 1 invention, whether each processing step by a software is particularly embodied by utilizing hardware.

In the claim 1 invention before the amendment, the processing steps by software to realize the purpose of an invention are steps of automatically creating a mini-room and storing and arranging selected furniture.

In addition, a hardware means used for information processing by software includes the mini-room storing space 10, the furniture storing space 30, and the mini-room furniture storing space 20, in addition to the service provider's server, the member's terminal, and the iInternet, which is assumed from the expression "online community".

Thus, in a literal sense, it is possible to say that the claim 1 invention before the amendment includes a software processing step of creating a mini-room and storing and arranging selected furniture and a hardware means of the mini-room storing space, the furniture storing space, and the mini-room furniture storing space.

2) However, as shown below, the claim 1 invention before the amendment fails to particularly and clearly describe how the software and hardware cooperate to achieve the purpose of the invention.

① A mini-room is merely created automatically in the mini-room storing space 10 on a service provider's server, but it is not clearly described how a member checks creation of a mini-room through a computer. ② In the step of storing mini-room furniture, the term "displayed" furniture should be premised on the status that a member can see, but it is not particularly and clearly described how furniture is displayed in a database (the furniture storing space 30) that is a memory means and how a member accesses a list of furniture stored in a database to select furniture in the list to purchase. ③ It is not clearly described how a member accesses a database (the mini-room furniture storing space 20) and specifies the position of furniture.

“Therefore, since the information processing by software on a computer is not particularly embodied using hardware, it cannot be said that the claim 1 invention before amendment, as a whole, falls into an invention according to the Korean Patent Act.

C. Sub-conclusion

4. Whether the claim 1 invention before the amendment falls into an invention according to the Korean Patent Act

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PATENT COURT DECISIONS

creating a mini-room and storing and arranging selected furniture and a hardware means of the mini-room storing space, the furniture storing space, and the mini-room furniture storing space.

2) However, as shown below, the claim 1 invention before the amendment fails to particularly and clearly describe how the software and hardware cooperate to achieve the purpose of the invention.

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Therefore, since the information processing by software on a computer is not particularly embodied using hardware, it cannot be said that the claim 1 invention before amendment, as a whole, falls into an invention according to the Korean Patent Act.

C. Sub-conclusion

As a result, the claim 1 invention before the amendment is not patentable because it is not an invention having industrial applicability as stipulated in the main text of Article 29 (1) of the Korean Patent Act. Also, the whole application shall be rejected when a rejection reason exists for any one of the claims of an application with multiple claims.

5. Conclusion

In light of the above, the Plaintiff's filed application is rejected as a whole without further reviewing the other claims. Accordingly, it is deemed that the trial decision having the same conclusion is appropriate.

Therefore, the plaintiff's request for cancelling the trial decision is dismissed for being groundless. Accordingly, it is ruled as the judgment above.

Presiding Judge	Yongho MOON	_____
Judge	Yeongchul SEO	_____
Judge	Taesik YOON	_____

[Annex 1]

Filed Application

1. Claims

A. Claims when the rejection decision was made (as amended on May 27, 2004)

Claim 1: A method of creating and managing a mini-room in a form of a private room in an internet community, the method comprising:
an automatic mini-room creating step for automatically creating a mini-room identifying a member in an online community as a private room in a mini-room storing space 10;

a mini-room furniture storing step for storing a furniture in a mini-room furniture storing space 20, when the furniture displayed in a furniture storing space 30 is selected and purchased by the member for decorating the mini-room as per the member's characteristics;; and

a furniture arranging step for placing the furniture stored in the mini-room furniture storing space 20 when the member assigns a desired position in the mini-room for the furniture.

Claim 2: The method of claim 1, further comprising a mini-room exposing step for exposing the member's mini-room by registering the mini-room stored in the mini-room storing space 10 on the bulletin board when an article written by the member is stored on the bulletin board in the online community

Claim 3: The method of claim 1 or 2, wherein the automatic mini-room creating step the mini-room is automatically created in the mini-room storing space 10 simultaneously with the member's joining.

B. Claims amended on December 30, 2004

Claim 1: Canceled

Claim 2: Canceled

Claim 3: A method of creating and managing a mini-room in a form of a private room in an Internet community, the method comprising:

an automatic mini-room creating step for automatically creating a mini-room identifying a member in an online community as a private room in a mini-room storing space 10 simultaneously with the member's joining (hereinafter, referred to as "a first step");

a mini-room furniture storing step for storing a furniture in a mini-room furniture storing space 20, when the furniture displayed in a furniture storing space 30 is selected and purchased by the member for decorating the mini-room as per the member's characteristics (hereinafter, referred to as "a second step");

a furniture arranging step for placing the furniture in the mini-room storing space 10 when the member assigns stored in the mini-room furniture storing space 20 when the member assigns a desired position in the mini-room for the furniture stored in the mini-room furniture storing space (hereinafter, referred to as "a third step"); and

a mini-room exposing step for exposing the member's mini-room by registering the mini-room stored in the mini-room storing space 10 on the bulletin board when an article written by the member is stored on the bulletin board in the online community (hereinafter, referred to as "a fourth step").

2. Drawings

Figure 1: Conceptual diagram of a mini-room service model using a mini-room of the filed application

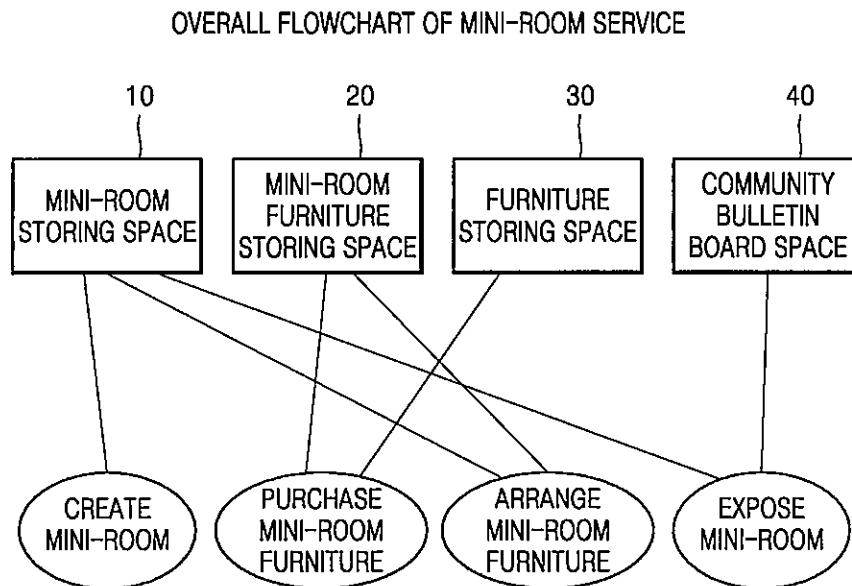


Figure 2: Diagram of a system for creating a mini-room of the filed application

FLOWCHART OF CREATING MINI-ROOM

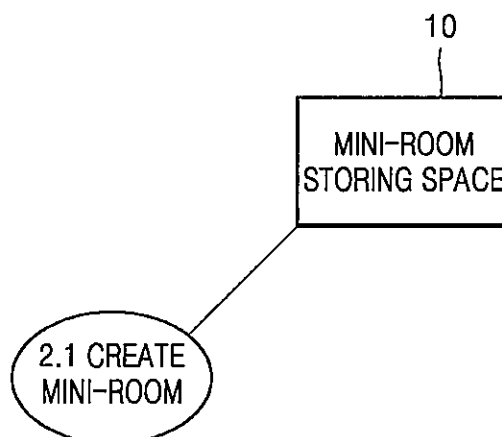


Figure 3: Diagram of a purchase system for purchasing furniture needed for a mini-room in the filed application

FLOWCHART OF PURCHASING FURNITURE

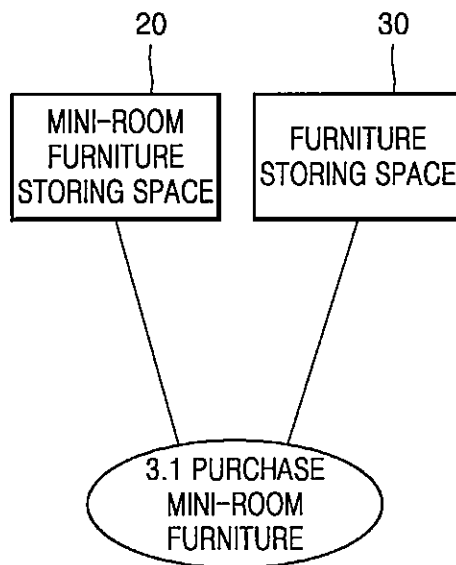
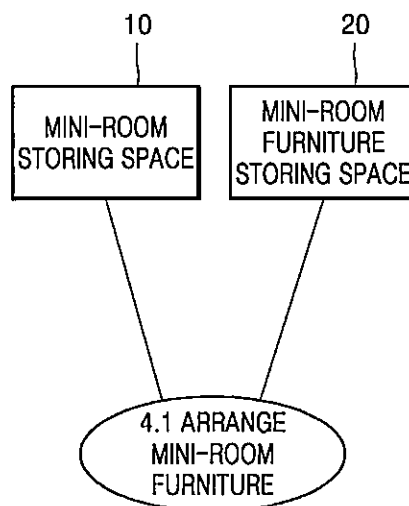


Figure 4: Diagram of an arrangement system for arranging purchased furniture in a mini-room

FLOWCHART OF ARRANGING MINI-ROOM FURNITURE



PATENT COURT DECISIONS

Figure 5: Diagram of an exposure system for exposing a decorated mini-room to other members

FLOWCHART OF EXPOSING MINI-ROOM

