

발 간 등 록 번 호

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【Case Study Association of IP High Court】

2024

Leading Case Summaries of IP High Court of Korea



IP HIGH COURT
OF KOREA

International IP Law Research Center

❖ Please note: This case collection contains judgments that are not yet final (pending appeal to the Supreme Court). Caution is advised when citing these cases for litigation, research, or other purposes.

PROLOGUE

The Hunminjeongeum Haerye, a UNESCO Memory of the World document that meticulously records the innovative principles behind the creation of the Korean alphabet, reflects a deep-seated historical spirit of respecting and protecting intellectual creation. As we face challenges in an era of fierce international technological competition and IP disputes, having weathered the vicissitudes of the modern era, we must evolve this tradition to navigate the rapidly changing IP ecosystem. I extend my deepest respect to all academics and practitioners who continue to grapple with these challenges.

Since its establishment in March 1998, the Intellectual Property High Court of Korea has strived to live up to its slogan: “Where Creative Technology Meets Fair Law.” We have endeavored to be a guiding light in resolving IP disputes and a steadfast protector of technological rights. Serving as a judge at this court, I am filled with pride in its 26-year history and with profound respect for the dedication of my predecessors who built this legacy.

The Case Study Association of the IP High Court now presents *2024 Leading Case Summaries of IP High Court of Korea*, following last year’s edition, building on this tradition. This annual publication aims to support the academic community by providing refined summaries of significant rulings and to serve as a key resource for introducing Korean IP jurisprudence internationally. The collection is structured for ease of use: readers can scan the ‘Subject Matter(s) of

Judgment’ and ‘Case Overview and Issues’ to identify relevant cases, then refer to the ‘Summary of Decision’ to quickly grasp the court’s conclusions.

It is my sincere hope that this collection becomes a stepping stone for continued, in-depth research into the decisions of the IP High Court of Korea, allowing this body of scholarship to grow and strengthen over the years. Finally, I would like to express my gratitude to the research committee members—High Court Judge Lee Hyejin and High Court Judge Kim Kisu, and Judge Kwon Bowon, Judge Yun Jaepil, and Judge Han Jiyun—as well as all the IP High Court judges who contributed case materials. My deepest personal thanks go to Judge Noh Ji-hwan, whose practical efforts were essential in bringing this book to completion.

Taeksoo Jung

Chairperson, Case Study Association of the IP High Court of Korea

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I

Litigation Requirements, etc.






01

Standing

SOLPYO Case

(Third Division) Decision 2023Heo29, Decided Dec. 21, 2023

Subject Matter	[Trademark Right] 
Administrative Decision	IPTAB Decision 2022Dang2233, Decided Jan. 4, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provisions	Former Trademark Act (prior to the full amendment by Act No. 14033 on Feb. 29, 2016), Articles 73(1)3, 73(4), and 85-3; Decree on Registration of Patent Rights, Article 27
Relevant Decisions	Supreme Court Decision 93Hu1414 (Jan. 12, 1995); Supreme Court Decision 97Hu3371 (Jan. 26, 1999); Supreme Court Decision 2012Da68279 (Aug. 22, 2013); Supreme Court Decision 2013Hu2309 (Jan. 16, 2014), et al.

Subject Matters of Judgment

- [1] Whether a trademark owner who has been declared bankrupt can be the respondent in a trial seeking the cancellation of a trademark registration (Negative), and the effect of a trial decision by the Intellectual Property Trial and Appeal Board (IPTAB) canceling a trademark registration without knowing that the trial was requested against a bankrupt company that cannot

be a respondent (Null and void)

- [2] Whether a bankruptcy trustee can bring a lawsuit challenging the judgment in a case where the IPTAB made a ruling on a case regarding the bankrupt company, which did not have standing to be a respondent, not knowing the company's status (Negative)
- [3] Even if a trial decision against a bankrupt company lacking standing as a respondent is null and void, a lawsuit filed by the pledgee of the trademark right, which names the bankruptcy trustee who was not the respondent in the trial decision as the 'plaintiff' in the complaint, is unlawful as a suit filed by a person lacking standing to sue. An application for supplementary intervention made in conjunction with it is also unlawful. However, if the registered trademark's cancellation registration was made based on the void trial decision, restoration of registration can be applied for through the procedure stipulated in Article 27 of the Decree on the Registration of Patent Rights, etc.

Case Overview and Issues

1. Company A, the trademark holder, was declared bankrupt, and B is the bankruptcy trustee. Company C, as a creditor of A, holds the right of pledge over the registered trademark.
2. The defendant filed a petition for trial to cancel the registration of the trademark at issue, listing company A as the respondent in the party section of the trial request form. The IPTAB, being unaware of Company A's bankruptcy and without service to B or a substantive hearing, issued a trial

decision granting the defendant's trial request.

3. Immediately after the trial decision, Company C became aware of it and filed a lawsuit for cancellation of the trial decision, naming B as the plaintiff, and on the same day, also filed an application for supplementary intervention. In response, the defendant argued that B and Company C were not the parties to the trial, intervenors, or persons who applied to intervene in the trial but whose application was rejected, as stipulated in Article 85-3(2) of the former Trademark Act, and therefore, they do not have standing to file a lawsuit regarding the trial decision.

Summary of Decision

The suit was dismissed; the request for supplementary intervention dismissed.

In a trial seeking the cancellation of a trademark registration where the trademark owner is a bankrupt company, the bankrupt company cannot be the respondent; only the bankruptcy trustee has standing as the respondent. The defendant requested a trial by indicating Company A as the respondent in the trial request form, but as A was in a state of bankruptcy at the time, it lacked standing as a respondent, and only the bankruptcy trustee had such standing. The prior decision in this case was based on a trial brought against a party lacking standing as a respondent and is therefore null and void.

Previously, the Supreme Court has ruled that when a trademark cancellation trial is initiated against a third party, not the trademark holder, as the respondent, in a trademark registration cancellation trial and the trial decision was issued with that party designation, even the trademark owner cannot dispute the trial

decision unless the trademark owner fall under the category of person who can file a suit against the trial decision as stipulated in Article 85-3(2) of the former Trademark Act (before the full amendment by Act No. 14033 on Feb. 29, 2016). This legal principle should be seen as applicable to a case like this one, where the trademark owner went bankrupt and the trial decision was made without naming the bankruptcy trustee with standing as the respondent and without service being made to the bankruptcy trustee.

Therefore, the suit filed by C is unlawful. C was neither an intervenor nor an entity that sought the court's permission to intervene in the trial proceedings, whose request was later rejected. Moreover, the complaint designated B—who was not identified as the respondent in the trial decision—as the “plaintiff.” Accordingly, C's application for supplementary intervention, which presupposes that the suit is lawful, is also unlawful.

However, the Commissioner of the Korean Intellectual Property Office should not record a cancellation registration based on the said trial decision. Even if the registered trademark was cancelled based on the said trial decision, B or C can have their rights restored by applying for a restoration registration for the trademark in accordance with the procedure stipulated in Article 27 of the Decree on Registration of Patent Rights.

02

Period for Filing Lawsuit

Additional Period Case

(Fourth-One Division) Decision 2023Heo11791, Decided Jan. 10, 2024

Subject Matter	[Patent right] Self-locking and Release Mechanism for Gas Mask Canister
Administrative Decision	IPTAB Decision 2022Dang2087, Decided Mar. 30, 2023
Category	Scope of Right Confirmation (Patent)
Relevant Provision	Patent Act, Article 186(5)
Relevant Decisions	Supreme Court Decision 2004Ma181 (Apr. 28, 2004); Constitutional Court, En Banc Decision 90HunBa2, 92HunBa2, and 92HunBa25 (Jul. 23, 1992), et al.

Subject Matter of Judgment

Legal Nature of Additional Period for Filing Lawsuit

Case Overview and Issues

The plaintiff was served with a copy of the trial decision for this case on April 5, 2023. Subsequently, on May 3, 2023, the plaintiff applied to the IPTAB for the designation of an additional period. On the same day, the chief administrative patent judge of the IPTAB designated an additional period of 20 days. The plaintiff filed the lawsuit in the IP High Court on May 30, 2023, seeking the

cancellation of the trial decision. The issue is whether the plaintiff's filing period has expired.

Summary of Decision

The suit was dismissed.

1. The additional period stipulated in Article 186(5) of the Patent Act forms a single entity with the 30-day statutory filing period stipulated in paragraphs (4) and (3) of the same article. Therefore, the additional period becomes one with the original filing period, and consequently, the entire period, including the extended period, should be regarded as a single, non-extendable period. The reasons are as follows: ① Article 186(5) of the Patent Act stipulates that an 'additional' period can be set 'for' the non-extendable period in paragraph (4) and (3) of the same article. From these statutory terms alone, it is clear that the additional period stipulated in Article 186(5) forms a single entity with the 30-day statutory filing period, which is a non-extendable period under paragraphs (4) and (3) of the same article. ② If the filing period, which is clearly defined as a non-extendable period, is interpreted in a way that extends or shortens the period itself for the benefit of one party, this cannot be considered a way to substantively guarantee the right to a trial. Rather, this could severely harm legal stability by contravening the principle of clarifying non-extendable periods. ③ If the additional period were to be considered as a separate, independent period from the non-extendable period, it would be difficult to find fault with setting an additional period again after one has already been set, or setting an additional period after the non-extendable period has already passed. This would contravene the purpose of Article

173(2) of the Civil Procedure Act, as this provision expressly prohibits setting the 'additional period' stipulated in Article 173(1) for the 'period of subsequent completion'. ④ The provisions stating that when the last day of a period falls on a public holiday, the period expires on the next day (Article 14[4] of the Patent Act, Article 161 of the Civil Act) are intended to prevent disadvantages arising from the expiration date of a period falling on a public holiday, and they only apply to the first expiration point when the last day of the period is a public holiday as prescribed. It should not be considered that the original period itself is extended by these provisions; a distinction must be made between determining the start and end points of a period according to its calculation and determining the length of the original period. Therefore, it should not be considered that two separate periods exist—the original 30-day filing period and the additional period—and that each period starts and expires separately.

2. Based on the legal principles above, the court rejected the plaintiff's argument that the final expiration date for the filing period was May 30, 2023 (the argument being: ① the 30-day filing period ends on May 5, 2023, which is Children's Day, the next day, May 6, is a Saturday, and the day after that, May 7, is a Sunday, all of which are public holidays, so the 30-day filing period expires on May 8, 2023, and ② the additional period of 20 days, separate from the 30-day period, ends on May 28, 2023, which is a Sunday, and the next day, May 29, is a substitute holiday (for Buddha's Birthday), both of which are public holidays, so the 20-day additional period expires on May 30, 2023). The court found that the present suit, filed after May 25, 2023—the day when the 50-day period (30 days as stipulated in Article 186(3) of the Patent

Act plus the 20-day additional period) expired—was ultimately filed after the filing period had passed and was therefore unlawful.

CRETA Case

(Fourth Division) Decision 2024 Heo10344, Decided Sep. 12, 2024

Subject Matter	[Trademark Right] 크레타 [Designated Good] Photography Instruction; Management of Photography Academies
Administrative Decision	IPTAB Decision 2023Dang2322, Decided Nov. 22, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provisions	Trademark Act, Article 218; Enforcement Decree of the Trademark Act, Articles 18(1), 18(3), 18(8); Postal Service Act, Article 15(3); Enforcement Rules of the Postal Service Act, Article 25(1)6 (Special Service); Trademark Act, Article 119(1)3
Relevant Decisions	Supreme Court Decision 2010Hu3080 (Jul. 28, 2011); Supreme Court Decision 2012Hu3077 (Jul. 12, 2013); Supreme Court Decision 80Hu70 (Feb. 23, 1982); Supreme Court Decision 2001 Hu188 (Apr. 24, 2001)

Subject Matters of Judgment

1. Whether supplementary service applies to a trademark registration cancellation trial decision document (Negative)

2. Whether the case falls under Article 119(1)3 of the Trademark Act (Affirmative)

Case Overview and Issues

The defendant filed for a cancellation trial for non-use against the registered service mark at issue. While related documents were sent to the plaintiff via service by mail, the plaintiff failed to take any action, and a registration cancellation trial decision was made. A certified copy of the trial decision was served on the plaintiff's employee, but the plaintiff filed an action to cancel the decision more than 30 days after the date of service.

Summary of Decision

The claim was dismissed.

1. Judgment on Lawfulness of Lawsuit

The plaintiff argues that the suit was lawfully filed because the filing period did not expire, as they never received any documents related to the trial decision from the IPTAB. In contrast, the defendant argues that the filing period expired because the certified copy of the trial decision was lawfully served to an employee through a proper service procedure.

Article 218 of the Trademark Act¹⁾ provides a basis for delegation, stipulating that matters necessary for the procedures for the service of documents prescribed in this Act shall be prescribed by the Enforcement Decree of the Trademark Act. Unlike the Administrative Appeals Act, which

1) Article 218 of the Trademark Act (Service of Documents) Matters necessary for the procedure for service of documents, etc., specified in this Act shall be prescribed by Presidential Decree.

applies the provisions on service in the Civil Procedure Act to the service of documents (Article 57 of the Administrative Appeals Act), the Trademark Act regulates the service procedure on its own terms. This is intended to ensure that documents are surely served to the person who is to receive them when a disposition regarding a trademark may significantly affect the rights and obligations of the parties concerned or when it is necessary to inform the parties of certain matters. The Enforcement Decree of the Trademark Act specifies methods of service such as service by direct receipt, service using an information and communications network, postal service, special service under postal laws, and dispatch service (Article 18(1), (3), and (8) of the Enforcement Decree of the Trademark Act). In particular, a copy of a trial decision or ruling regarding an opposition to a trademark registration, a trial, or a retrial must be served by a method prescribed by the Enforcement Rules of the Postal Service Act among the optional postal services under Article 15(3) of the Postal Service Act, except when served via an information and communications network to a person who has filed a report on the use of electronic documents under Article 31(1) of the Trademark Act (Article 18(3) of the Enforcement Decree of the Trademark Act²); Article 15(3) of the Postal Service Act³),

2) Article 18 (Service of Documents) of the Enforcement Decree of the Trademark Act

(1) Documents under Article 218 of the Trademark Act shall be served by one of the following methods:

1. Whereby the relevant person or his or her agent receives documents directly from the Korean Intellectual Property Office or the Intellectual Property Trial and Appeal Board;
2. Whereby the relevant person or his or her agent receives documents using an information and communication network;
3. By registered mail.

(2) Where the Commissioner of the Korean Intellectual Property Office or the President of the IPTAB serves a document pursuant to paragraph (1), he or she shall keep a receipt, etc., according to the following classification:

1. In cases falling under paragraph (1) 1: A receipt stating the date of receipt and the name of the recipient;
2. In cases falling under paragraph (1) 2: Content recorded in a file of a computer information processing

Article 25(1)6 of the Enforcement Rules of the Postal Service Act [Special

system for transmitting operated by the Korean Intellectual Property Office or the Intellectual Property Trial and Appeal Board;

3. In cases falling under paragraph (1) 3: A receipt of registered mail.
 - (3) Notwithstanding paragraph (1), a certified copy of a trial decision or decision on a formal objection to, trial or retrial on the trademark registration shall be served by the format prescribed by the Ministerial Decree of Trade, Industry and Energy among the extra postal services under Article 15 (3) of the Postal Service Act: Provided, That a certified copy thereof may be served on a person who has reported in electronic format under Article 31 (1) of the Act through the use of an information and communication network.
 - (4) Where the Commissioner of the Korean Intellectual Property Office or the President of the IPTAB serves a document, he or she shall serve a certified copy of the document on the person on whom the document is to be served, unless otherwise provided in the Act or this Decree, and where he or she has prepared a protocol in lieu of the submission of the document to be served, he or she shall serve a certified copy or extract of such protocol.
 - (5) Where a person falls under any of the following, the Commissioner of the Korean Intellectual Property Office or the President of the IPTAB shall serve a document on the relevant person in lieu thereof:
 1. Where he or she is a minor, person under limited guardianship (limited to cases where he or she has his or her legal representative related to trademark rights or rights to the trademark), or person under adult guardianship: His or her legal representative;
 2. Where he or she is a person detained in a correctional facility, such as a penitentiary or detention center: The warden of a correctional facility;
 3. Where he or she reports his or her representative to the Commissioner of the Korean Intellectual Property Office or the President of the IPTAB after appointing one representative who is to receive documents in cases where there are at least two relevant persons or agents: The representative;
 4. Where at least two persons jointly exercise their agency authority: One of them.
 - (6) The place at which a document is to be served shall be the address or the place of business of a person on whom a document is to be served: Provided, That where a person who intends to receive a document has reported the place to which a document is to be served in the Republic of Korea to the Commissioner of the Korean Intellectual Property Office or the President of the IPTAB in advance, the place shall be the place at which a document is to be served.
 - (7) Where a person on whom a document is to be served changes the place to which a document is to be served, he or she shall immediately report such fact to the Commissioner of the Korean Intellectual Property Office.
 - (8) Where the Commissioner of the Korean Intellectual Property Office or the President of the IPTAB is unable to serve a document because a person on whom a document is to be served refuses to accept service of the document without just cause, the document shall be deemed duly served on the date it is sent.
 - (9) Matters necessary to serve documents other than those to be served pursuant to the Act shall be prescribed by the Commissioner of the Korean Intellectual Property Office.
- 3) Article 15 (Provision of Extra Postal Services) of the Postal Service Act.
- (3) The kind and conditions of use of extra postal services shall be determined by Ministerial Decree of Science and ICT.

Service]⁴⁾). The reason for this is to clarify the fact and date of service, as these documents have a significant impact on the interests of the parties. Meanwhile, unlike Article 186 of the Civil Procedure Act, the Trademark Act does not have a provision for supplementary service, nor does it separately have a provision that applies the Civil Procedure Act regarding supplementary service.

A certified copy of a trial decision or ruling regarding an opposition to a trademark registration, a trial, or a retrial must be served by a method prescribed by the Enforcement Rules of the Postal Service Act, among the optional postal services under Article 15(3) of the Postal Service Act, such as special service. In this case, all documents regarding the trial procedure were sent by the dispatch service, and the trial decision was made. While it is a fact that the copy of the trial decision was also sent by the dispatch service and received by the plaintiff's employee, it cannot be considered that the plaintiff was lawfully served unless the supplementary service provision of Article 186 of the Civil Procedure Act applies. Also, there is no other evidence to acknowledge that the plaintiff was served with a copy of the trial decision in accordance with Article 218 of the Trademark Act. It appears that the plaintiff

4) Article 25 (Types, Conditions of Use, etc., for Optional Postal Services) of the Enforcement Rules of the Postal Service Act

(1) The types of optional postal services, pursuant to Article 15(3) of the Act, are classified as follows:

6. Special Service

This refers to a special handling system for postal items which presuppose registered mail handling. The item is served in accordance with the method prescribed in Article 176 of the Civil Procedure Act, and the post office of delivery notifies the sender of the outcome of the service.

Article 176 (Service Agency) of Civil Procedure Act

(1) Service shall be carried out by mail or an execution officer, or in such a manner as prescribed by the Supreme Court Regulations.

(2) Service by mail shall be carried out by a mailman.

(3) A service agency may, if required for a service, request a police official to render assistance.

became aware that the trial decision had been made around January 8, 2024, and since they filed this suit on January 10, 2024, immediately thereafter, this suit is deemed to have been lawfully filed within the filing period.

2. Whether the Case Falls under Article 119(1)3 of the Trademark Act

It is acknowledged that the plaintiff opened a community named ‘All Materials on Photography’ on Facebook, a type of social networking service. The introduction section of this community states, “This is a place where educational materials related to photography operated by Creta are collected. You can see the latest issues in photography.” Photographs that appear to have been taken or collected by the plaintiff are posted. It is also acknowledged that the plaintiff, while working as a part-time lecturer at OO University for subjects like Understanding and Appreciation of Photography, opened an internet community for the students, uploaded class materials, received students’ assignments, and was indicated 크레타 as the manager of this internet community.

However, engaging in a service business under the Trademark Act means providing services that are independently the subject of commercial transactions for the benefit of others as a business (Supreme Court Decision 2012Hu3077, delivered on July 12, 2013). The plaintiff’s act of posting photography materials through the Facebook community was merely providing a complimentary benefit out of simple goodwill to the general public interested in photography, which is an act of providing a service that is not independently the subject of commercial transactions. Furthermore, the subjects the plaintiff lectured on as a part-time lecturer are merely part of the curriculum managed by OO University, and the internet community was opened merely to supplement

these lectures. Even if the plaintiff provided materials related to photography and posted their knowledge or opinions in the cafe, it is difficult to see this as providing a service that is an independent subject of commercial transactions separate from their lectures as a part-time lecturer at OO University.

3. Whether There is Justifiable Reason for Non-Use

The plaintiff argues that the trademark was unable to be used for the designated service business due to COVID-19. However, even if the period of social distancing enforcement overlaps the period at issue, it is difficult to conclude that the plaintiff was entirely unable to conduct business due to force majeure for the entire period in question in this trial. A justifiable reason is not recognized, as services could have been sufficiently provided online.

03

Principle of Party–Presentation

YUMIN ST Case

(Third Division) Decision 2022Na1449, Decided Jan. 25, 2024

Category	Claim for Injunction against Patent Infringement, etc.
Relevant Provisions	Civil Procedure Act, Articles 150(1), 288
Relevant Decisions	Supreme Court Decision 2018Da267900 (Jul. 29, 2021); Supreme Court Decision 2021Da280781 (Apr. 14, 2022)

Subject Matter of Judgment

The defendants did not clearly disclose the configuration of the accused products in the first instance. After the first instance court found that all accused products infringed, the defendants, on appeal, only contested the infringement of some of those products. The court held that a judicial admission could not be established merely based on the defendants' silence or ambiguous statements regarding the product configuration during the first instance.

Case Overview and Issues

At the time of filing the suit, the plaintiffs filed a suit against the defendants alleging that the F22 product infringed their patent rights. During the first instance proceedings, they amended their claim and cause of action to allege that the F21 product, which has the same configuration as the F22 product, was also an infringing product. In the first instance, the defendants did not make specific

statements regarding the detailed configuration of the F21 product or its identity in configuration with the F22 product. After the first instance court found that both the F21 and F22 products infringed the patent right, the defendants, during the appellate trial, argued that the F21 product had a different configuration from the F22 product.

Judgment of the First Instance

Seoul Central District Court Decision 2019GaHap514752, decided on May 20, 2022

On the premise that the F21 and F22 products have the same configuration, the court accepted the plaintiffs' argument that the F21 and F22 products infringed the patent right and partially granted the plaintiffs' claim.

Summary of Decision

Appeal and expanded claim was partially granted.

The plaintiffs argue that the defendants never disputed the fact that the F21 product and the F22 product had the same configuration in the first instance, and accordingly, the first instance court also determined that the defendants' act of practicing the F21 product infringed the patent right at issue under the premise that the F21 and F22 products have the same configuration. Therefore, they argue that the defendants' judicial admission was established regarding the fact that the F21 product has the same configuration as the F22 product.

Let us examine the proceedings of the first instance. At the time of filing this suit, the plaintiffs claimed patent infringement only for the F22 product. In

their brief dated August 17, 2021, they first raised the possibility of patent infringement by the F21 product based on a quotation that Defendant 1's agent provided to another company. At the 4th hearing of the first instance held on August 18, 2021, the defendants stated that they would check whether the structure of the F21 product was similar to that of the F22 product and organize their arguments. However, in their subsequent brief dated December 6, 2021, they only stated that it was difficult to determine whether the F21 product had a structure similar to the F22 product because they manufacture products in a custom-made manner based on information provided by client companies. In their application to amend the claim and cause of action dated December 7, 2021, the plaintiffs amended their claim and cause of action to add, in addition to the F22 product, the F21 product and four products with model names starting with LST and LSC as infringing products, and on the same day, they applied for an order to produce documents regarding all six of these products. In their opinion on the application for an order to produce documents dated December 27, 2021, the defendants submitted an opinion to the effect that the LST-type and LSC-type products do not exist and are products with completely different structures and forms from the F21 and F22 products. Subsequently, in their brief dated January 18, 2022, the defendants only made statements to the effect that all of their accused products, without specific mention of the F21 and F22 products, did not infringe the plaintiffs' patent right. Accordingly, the first instance court accepted the defendants' opinion and, on February 11, 2022, dismissed the part of the plaintiffs' application for an order to produce documents concerning the LST-type and LSC-type products, and issued an order to produce documents for the F21 and F22 products. In response, on March 28, 2022, the defendants

submitted a quotation for the F21 product with the redactions removed. On March 31, 2022, the plaintiffs amended their claim and cause of action to change the infringing products from the existing six products to the F21 and F22 products, excluding the LST-type and LSC-type products.

We examine the proceedings of the first instance as described above in light of the legal principles previously discussed. Considering the litigation process from when the plaintiffs initially claimed patent infringement only for the F22 product at the time of filing the suit until they finally included the F21 product in the claim as an infringing product through the application to amend the claim and cause of action dated March 31, 2022, after going through an order to produce documents, and concluded the hearings, and the content of the parties' arguments; especially considering that although the defendants remained silent or made ambiguous statements in response to the plaintiffs' requests for clarification or arguments regarding the configuration of the F21 product during the first instance proceedings, they never explicitly defined the configuration of the F21 product or stated that it was the same as the configuration of the patented invention at issue; and considering that the main thrust of the defendants' consistent arguments in the first instance appears to be that their accused products as a whole, including the F22 product, do not fall within the scope of rights of the patented invention at issue; taken together, it is difficult to find that there was an act from which the defendants' intent to admit the fact that the F21 product has the same configuration as the F22 product can be inferred. There is no other evidence to acknowledge that the F21 product has the same configuration as the F22 product, or to otherwise specify the configuration of the F21 product.

As long as it is difficult to specify the configuration of the F21 product, it cannot be acknowledged that the said product falls within the scope of rights of the patented invention at issue. Therefore, this part of the plaintiffs' argument is not accepted.

TOTO Case

(Third Division) Decision 2022Na1074, Decided Jun. 20, 2024

Category	Claim for Injunction against Patent Infringement
Relevant Provisions	Civil Procedure Act, Articles 150(1), 288
Relevant Decisions	Supreme Court Decision 62Da922 (Feb. 21, 1963); Supreme Court Decision 2019Da177751 (Jan. 27, 2022)

Subject Matter of Judgment

Although an expert appraisal, conducted at the defendant's request after remand, produced a result contradicting the defendant's prior admission regarding the product's constituent elements, the court found it highly probable that the defendant had altered its manufacturing method during the litigation to circumvent the patented invention. Therefore, the court held that the admission could not be deemed contrary to the truth based solely on this appraisal result.

Case Overview and Issues

The plaintiff filed a suit alleging that the defendant's window for a semiconductor etching process infringed the plaintiff's 395 and 486 patents. In the first instance, the defendant admitted to possessing constituent elements 1 and 3 of the patent no. 486's elements 1, 2, and 3, and focused on whether it possessed element 2 and on the abuse of rights defense regarding the claims based on the 395 and 486 patents. However, when the invalidity grounds for the

395 and 486 patents were rejected in a related suit for cancellation of a trial decision (2016Heo4931, 4948) during the pendency of the first instance, the defendant contested the establishment of the admission and argued for its withdrawal. The first instance court upheld the invalidity grounds of the 486 patent but did not rule on the admission of element 3. The pre-remand appellate court also accepted the invalidity grounds of the 486 patent, but found that the defendant's admission regarding the possession of constituent element 3 had not been established. The court further held that even if an admission had been established, it was contrary to the truth and based on a mistake. However, the Supreme Court issued a judgment of reversal and remand, stating that the part of the pre-remand judgment that dismissed the claim based on the 486 patent infringement had an error of misunderstanding the law or insufficient examination regarding the establishment and withdrawal of an admission.

Judgment of the First Instance

Seoul Central District Court Decision 2015GaHap568829, Decided February 7, 2018

Claim was dismissed on the grounds that “The defendant's product does not possess some of the constituent elements of the 395 patent. The 486 patent's inventive step is negated, so the plaintiff's claim based on the 486 patent constitutes an abuse of rights.”

Pre-Remand Appellate Judgment

IP High Court Decision 2018Na1381, Decided September 6, 2019

Appeal was dismissed on the grounds that “The defendant's product does not possess some of the respective constituent elements of the 395 patent and the

486 patent. The 486 patent has grounds for registration invalidation that violate the principle of clarity of claims, so the plaintiff's claim based on the 486 patent constitutes an abuse of rights."

Remand Judgment

Supreme Court Decision 2019Da277751, Decided January 27, 2022

Reversed and remanded on the grounds of misunderstanding the law or insufficient examination regarding the establishment and withdrawal of an admission

Summary of Decision

Claim was partially granted (claim amended after remand).

Whether Admission Should Be Withdrawn (Negative)

First, we examine whether the admission has been proven to be contrary to the truth. According to the defendant's appraisal in this court, it is acknowledged that the average film thickness of the defendant's product delivered on July 7, 2023 (hereinafter referred to as "defendant's July 7, 2023 product ") is $9.979\mu\text{m}$, and that all 40 of the magnification ratios at issue, measured from five directions for each of the 8 end portions, are less than 10x. However, for the following reasons, the defendant's appraisal result in this court alone is insufficient to prove that the defendant's admission is contrary to the truth, and there is no other evidence to acknowledge it. Rather, according to the defendant's appraisal result in this court, it only appears that the defendant intended to avoid the Claim 1 invention by changing the manufacturing method during the pendency of this lawsuit. Therefore, without needing to further determine whether the defendant's admission was based on a mistake, the defendant's argument for withdrawing the

admission is not accepted.

- a. The respective film shape profiles shown in the inspection conducted by the plaintiff on the defendant's product delivered on June 16, 2014 (hereinafter mentioned as "defendant's June 16, 2014 product") and in the defendant's appraisal result in this court on the defendant's July 7, 2023 product are as follows (figures omitted).

The film-shaped structure of the defendant's June 16, 2014 product shows a form where the film thickness is maintained almost constantly at about $10\mu\text{m}$ in the second section, gradually thins within the first section, and then thins rapidly from about $100\mu\text{m}$ just before the outermost edge. In contrast, the film-shaped structure of the defendant's July 7, 2023 product gradually thickens from about $10\mu\text{m}$ to a maximum of about $18\mu\text{m}$ in the second section, maintains a constant thickness throughout the first section, and only thins rapidly upon reaching about $100\mu\text{m}$ before the outermost edge. Furthermore, the defendant's June 16, 2014 product shows a smooth shape without unevenness throughout the second section, whereas the defendant's July 7, 2023 product shows a smooth shape up to the middle of the second section but a rough shape with severe unevenness toward the end portion.

- b. The magnification ratio at issue for an arbitrary end portion of the defendant's June 16, 2014 product is 38.45x, which is 10x or more. In contrast, the 40 magnification ratios at issue for the defendant's July 7, 2023 product, measured from five directions for each of the 8 end portions as shown below, range from 1.72x to 4.47x, all of which are less than 10x. Synthesizing the defendant's appraisal result in this court and the defendant's litigation arguments as described above, circumstances can be confirmed that the

defendant's June 16, 2014 product and the defendant's July 7, 2023 product were manufactured by different methods.

① The defendant is a company specializing in coatings for windows with numerous patents, and it would have possessed the equipment and capability to measure the average film thickness, film shape profile, and the magnification ratio at issue, at least to inspect the quality of its own manufactured products. ② It is consistent with the rule of thumb to believe that the defendant, at least around the time this lawsuit was filed, would have conducted its own verification of Exhibit A No. 8, which the plaintiff submitted as key evidence in the lawsuit. As a result, after confirming that the magnification ratio at issue was 10x or more by measuring the film thickness at about 100 points in a straight line toward the center from an arbitrary end portion according to the measurement method described in Exhibit A No. 8, it would have decided not to dispute claim element 3. ③ Assuming that the defendant's product manufacturing method did not change during this lawsuit, it would have to be confirmed that at least one or two of the 40 magnification ratios at issue, measured from five directions for each of the 8 end portions of the defendant's July 7, 2023 product in this court's appraisal, are 10x or more to be consistent with the defendant's claim of mistake. However, not a single one of the 40 magnification ratios measured for the defendant's July 7, 2023 product exceeded 10x, and even the maximum value was only 4.47x, far short of 10x.

- c. The defendant provided inspection reports containing the magnification ratio at issue of the defendant's product to ○○ Electronics, etc., from around October 2022. This was about 7 years after October 27, 2015, when this

lawsuit was filed. Therefore, it appears that the defendant had sufficient time during the pendency of this lawsuit to find a manufacturing method that avoids the invention in Claim 1.

- d. The defendant also argues that since the first instance appraisal result for defendant's June 16, 2014 product showed that the film thickness was measured variously as $9.5\sim 12\mu\text{m}$, while the plaintiff's experiment result for the same product, Exhibit A No. 8, shows a flat film shape without unevenness, the defendant's experiment result in Exhibit A No. 8 (the experiment result by which the plaintiff initially confirmed the defendant's infringement through its own experiment) is false. However, the film thickness measurement locations in the first instance appraisal and Exhibit A No. 8 are different. Also, the first instance appraisal report does not clearly state how the film thickness was measured. The second page of the first instance appraisal report only states, "In the case of the sample submitted by the plaintiff, Y_2O_3 was coated with a thickness of $9.5\sim 12\mu\text{m}$ on a ceramic (Al_2O_3) substrate." From this description alone, it is not possible to know whether it means that the thickness variation was large, ranging from $9.5\sim 12\mu\text{m}$ over about 6mm. It is difficult to consider Exhibit A No. 8 to be false based solely on the first instance appraisal result.

04

Non Bis In Idem

Leak Detection Device Case

(First Division) Decision 2023Heo13360, Decided May 23, 2024

Subject Matter	[Patent] Device for Detecting Acidic Solution Leakage
Administrative Decision	IPTAB Decision 2022Dang3132, Decided Jul. 24, 2023
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 163
Relevant Decision	Supreme Court Decision 2004Hu42 (Mar. 11 2005)

Subject Matter of Judgment

After positing that “same evidence” in the context of res judicata under Article 163 of the Patent Act includes not only evidence identical to that in a previously confirmed trial decision but also evidence that is not potent enough to overturn that confirmed decision, and therefore, to determine whether newly submitted evidence is potent enough to overturn a confirmed invalidity trial dismissal decision, a review of whether the patented invention can be easily derived by combining the newly submitted evidence with the existing prior art, i.e., a review of whether the inventive step of the patented invention is negated, is necessary, the court held that even with the addition of newly submitted evidence, the inventive step of the patented invention is still not negated. Therefore, the newly submitted evidence cannot be said to be potent evidence capable of overturning

the conclusion of the previously confirmed dismissal decision. Consequently, the trial request in this case corresponds to a trial request based on evidence that is substantially the same as the previous evidence and thus violates the principle of non bis in idem.

Case Overview and Issues

Oh ○○ filed a petition for trial to seek invalidation of a patent, arguing that the inventive step of the patented invention at issue was negated. The IPTAB dismissed this trial request and the judgment dismissing the claim in the suit for cancellation of the trial decision filed by Oh ○○ was rendered and became final and binding, thereby making the said dismissal decision also final and binding (hereinafter “the first final and binding dismissal decision”). Subsequently, the plaintiff and Oh ○○ each filed a request for an invalidity trial, arguing that the inventive step of the patented invention at issue was negated. The IPTAB consolidated and heard the said trial requests and then issued a dismissal decision on the grounds that ‘the said trial requests are based on the same facts and the same evidence as the first final and binding dismissal decision and are therefore unlawful as they violate the principle of res judicata.’ A judgment dismissing the claim in the suit for cancellation of the trial decision filed by Oh ○○ was rendered and became final and binding, thereby making the said dismissal decision also final and binding (hereinafter “the final and binding dismissal decision on procedural grounds”).

The plaintiff again filed a request for an invalidity of registration trial, arguing that the inventive step of the patented invention at issue was negated.

The IPTAB granted this trial request. In the suit for cancellation of the trial decision filed by the defendant, the IP High Court rendered a judgment canceling the said grant decision on the grounds that ‘the said trial request is unlawful as it violates the principle of res judicata due to the final and binding dismissal decision on procedural grounds, and therefore the said trial decision, which ruled otherwise without dismissing it, is illegal.’ The plaintiff appealed, and the Supreme Court rendered a judgment reversing the said judgment and remanding the case to the IP High Court on the grounds that ‘when the confirmed trial decision is a dismissal on procedural grounds, it has no res judicata effect according to the proviso of Article 163 of the Patent Act, and therefore the original judgment, which found the said trial decision unlawful by treating the preceding final and binding dismissal decision on procedural grounds as a final and binding decision with res judicata effect, has an error of misunderstanding the law.’ Accordingly, the IP High Court rendered a judgment canceling the said grant decision on the grounds that the inventive step of the patented invention at issue is not negated. The plaintiff appealed, but a judgment of dismissal without deliberation was issued, and the said judgment canceling the trial decision became final and binding as is. Consequently, the IPTAB re-examined the plaintiff’s trial request and issued a dismissal decision, which became final and binding as is (hereinafter “the second final and binding dismissal decision”).

The plaintiff again filed the present invalidity of registration trial request, arguing that ‘if the evidence regarding new prior art is also considered, the inventive step of the patented invention at issue is negated.’ The IPTAB issued the present trial decision, dismissing the said trial request on the grounds that

‘the said trial request is based on the same facts and the same evidence as the second final and binding dismissal decision and is therefore unlawful as it violates the principle of res judicata.’

Summary of Decision

The claim was dismissed.

1. Relevant Legal Principle

Article 163 of the Patent Act provides that ‘[I]f a trial ruling rendered under this Act becomes final and conclusive, no person may demand re-trial, based on the same facts and evidence.’ Here, ‘same facts’ means that the specific facts requiring finality in relation to the patent right in question are identical, and ‘same evidence’ includes not only evidence identical to the evidence in the previously confirmed trial decision but also evidence that is not potent enough to overturn that confirmed trial decision (see Supreme Court Decision 2004Hu42, delivered on March 11, 2005, etc.).

2. Whether It Corresponds to ‘Same Facts’

The cause of action in the trial of this case and the cause of action judged in the second final and binding dismissal decision are both that the registration of the patented invention at issue should be invalidated because its inventive step is negated. Therefore, the trial request in this case is based on the same cause of action for the same right as in the second final and binding dismissal decision, and thus corresponds to a request based on ‘same facts.’

3. Whether It Corresponds to ‘Same Evidence’

The plaintiff submitted Exhibits A Nos. 7, 8, 9, 15 (Prior Arts 2 to 5) and

Exhibits A Nos. 10, 12, 13 (well-known and commonly used art) as evidence to negate the inventive step of the patented invention at issue. Prior Art 3 (Exhibit A No. 7), which the plaintiff cites as the primary prior art for negating inventive step in this case, is substantially identical in its constituent elements and technical content to Cited Invention 1 in the second final and binding dismissal decision. Prior Art 2 (Exhibit A No. 9) is evidence that was presented as Cited Invention 2 during the trial process of the second final and binding dismissal decision. Prior Art 4 (Exhibit A No. 8), Prior Art 5 (Exhibit A No. 15), and the well-known and commonly used art (Exhibits A Nos. 10, 12, 13) are pieces of evidence that were not submitted during the trial process of the second final and binding dismissal decision. To determine whether this evidence is potent enough to overturn the second final and binding dismissal decision, it is ultimately necessary to examine whether the patented invention at issue can be easily derived by combining Prior Art 4 or Prior Art 5 or the well-known and commonly used art with Prior Arts 3 and 2, i.e., a review of whether the inventive step of the patented invention at issue is negated.

The patented invention at issue is an acidic solution leak detection device that detects leakage by plugging only the sensing hole with a substance soluble in an acidic solution, so that when the acidic solution leaks, it dissolves the substance plugging the sensing hole and makes a pair of conductive lines conduct. In contrast, the primary prior art, Prior Art 3, is a physical property sensing leak sensor device where the hole is not plugged, and the leaked solution, regardless of its properties, flows into the hole and makes the conductive line layer conduct, thereby detecting the leak. There is a difference, and it is also difficult to see that a person skilled in the art could

easily overcome this difference by combining Prior Arts 2 and 4 with Prior Art 3, or by combining Prior Arts 2 and 5 with Prior Art 3, or by combining the well-known and commonly used art with each of the above.

Ultimately, it is difficult to see that the patented invention at issue could be easily derived by a person skilled in the art even by combining Prior Arts 2 and 4 with Prior Art 3, or by combining Prior Arts 2 and 5 with Prior Art 3, or by combining the well-known and commonly used arts with each of the above. Therefore, the newly submitted evidence in this trial or this lawsuit cannot be said to be potent evidence capable of overturning the conclusion of the second final and binding dismissal decision, and thus corresponds to evidence that is substantially the same as the evidence in the second final and binding dismissal decision. In that case, the trial request in this case corresponds to a trial request based on the same facts and the same evidence as the trial of the second final and binding dismissal decision, and is therefore unlawful as it violates the principle of *res judicata* under Article 163 of the Patent Act. The present trial decision, which reached the same conclusion, does not have the illegality asserted by the plaintiff.

II

2024 Leading Case Summaries of IP High Court of Korea

Patent Act (Utility Model Act)



01

Identity of Invention (Novelty, etc.)

LCD Identity Case

(Second Division) Decision 2023Heo12053, Decided Dec. 22, 2023

Subject Matter	[Patent] Liquid Crystal Display (LCD) device
Administrative Decision	IPTAB Decision 2022Jeong99, Decided Apr. 27, 2023
Category	Correction of Registration (Patent)
Relevant Provisions	Patent Act, Articles 136(1), 136(5), 29(1)
Relevant Decisions	Supreme Court Decision 93Hu1940 (Jun. 9, 1995); Supreme Court Decision 2003Hu472 (Oct. 15, 2004); Supreme Court Decision 2017Hu1304 (Dec. 30, 2021)

Subject Matter of Judgment

Determination of Identity of Invention

Case Overview and Issues

The plaintiff filed a request for a trial for correction with the IPTAB to correct the claims of the patented invention at issue. The Board issued a trial decision rejecting the plaintiff's correction request on the grounds that although the Claim 1 corrected invention satisfied the other requirements for correction, it lacked novelty because all of its constituent elements were identically disclosed in a prior art reference, thus violating the correction requirement of Article 136(5) of

the Patent Act. Accordingly, the plaintiff filed this suit seeking the cancellation of the trial decision. The issue in this case is whether the prior art discloses all the constituent elements and their organic combination of the Claim 1 corrected invention, thereby negating its novelty.

Summary of Decision

The claim was granted.

The Claim 1 corrected invention has a difference from the prior art in constituent element 7. That is, constituent element 7 is ‘a liquid crystal display device wherein the liquid crystal layer is uniformly filled due to the difference in the planar size of the first and second spacers.’ The prior art is different in that it obtains a panel with a uniform gap over the entire display area by arranging spacers of different diameters inside and outside the display area (hereinafter “the difference”).

Synthesizing the points below, it cannot be said that the prior art is an ‘identical invention’ that discloses all the constituent elements and their organic combination of the Claim 1 corrected invention due to the aforementioned difference.

- a. The Claim 1 corrected invention relates to a liquid crystal display device applying the one-drop filling (ODF) method. It is an invention aimed at enabling the uniform filling of the liquid crystal layer during one-drop filling by solving problems such as non-filling phenomena occurring in the corner portions farthest from the center of the substrate, which cause defects when applying the ODF method. To achieve this objective, it adopts a configuration

where the planar sizes of the first and second spacers are different.

- b. The part where the Claim 1 corrected invention differs from the prior art in relation to this means of solving the problem is the configuration wherein ‘the liquid crystal layer is uniformly filled due to the difference in the planar size of the spacers.’ However, as seen in the specification, the Claim 1 corrected invention distinguishes between the display area where the first spacers are formed and the area outside the display area where the second spacers are formed, and it is described that the ‘liquid crystal layer’ is uniformly filled due to the difference in the planar sizes of the first and second spacers. From this, it can be understood that the technical meaning of the aforementioned constituent element 7 is that ‘the liquid crystal layer is uniformly filled in the display area where the first spacers are formed and the display area where the second spacers are formed’ by increasing the planar size of the second spacers.
- c. The prior art also relates to a liquid crystal display device and does adopt spacers with a larger particle diameter outside the display area compared to inside the display area. However, the reason the prior art places spacers with a larger diameter outside the display area than inside is because of problems in the preceding technology of the prior art, where the use of one type of diameter spacer resulted in the substrate warping and the cell gap being smaller around the display area than in the center, making uniform display difficult due to the difference in the gap between the electrode surfaces inside and outside the display area. To solve this problem, the prior art places ball spacers of different diameters (heights) in different areas, and it is merely for

preventing 'substrate warping' or 'step difference' and 'resolving non-uniform heat distribution caused by the backlight.' The technical idea of enabling the uniform filling of the liquid crystal layer by reducing the space for liquid crystal filling outside the display area through such a configuration cannot be found.

- d. The configuration shown in the prior art reference, as seen in Figures 1-a, 2-a, 3-a, and 4-a, is one where the spacer diameter outside the display area is larger than the spacer diameter inside the display area. Due to this, the volume of the spacer increases, but at the same time, the substrate gap outside the display area also increases. Whether increasing the spacer diameter will increase or decrease the area to be filled with liquid crystal outside the display area depends on the number, shape, and density of the spacers.
- e. Furthermore, looking at Figures 1 and 2 of the corrected invention, the method by which the amended invention uniformly fills the liquid crystal layer is by making the space occupied by the liquid crystal the same for each area (Figures 1, A, B, C) in the outer corner portion of the display area or by 'reducing the space occupied by the liquid crystal' as the distance from the liquid crystal drop point (Figures 2, A, B, C, D) increases to ensure the liquid crystal layer is filled uniformly. In contrast, in the prior art reference, as seen in Figures 1-a, 2-a, 3-a, and 4-a, it is merely maintaining the substrate gap by arranging spacers of different diameters inside and outside the display area, and it is difficult to see that it makes the space occupied by the liquid crystal the same for each corner area outside the display area or reduces the space occupied by the liquid crystal toward the corner portions.

- f. The defendant (Commissioner of the Korean Intellectual Property Office) and the supplementary intervenor argue that the corrected invention and the prior art presuppose spacers of the same position, density, and number before and after the change in spacer size, so the number of spacers is not a consideration. However, not only is it not stated in the specifications of the prior art or the corrected invention that they presuppose such facts as argued by the defendant and the defendant's supplementary intervenor, but as seen earlier, the liquid crystal filling volume can vary depending on not only the planar size of the spacers but also the number and shape of the spacers. Moreover, the prior art does not presuppose the idea itself that the liquid crystal is uniformly filled due to the difference in spacer size, so this argument is also difficult to accept.
- g. Therefore, it is difficult to see that the configuration of 'enabling the uniform filling of the liquid crystal layer due to the difference in the planar size of the spacers' as in constituent element 7 is necessarily inherent in the prior art. In light of the objective of the prior art in arranging spacers of different sizes and the problem it sought to solve, it is also difficult to see that a person skilled in the art to which the corrected invention pertains could have clearly grasped a configuration like constituent element 7 from such a configuration.

02

Inventive Step

Multi-Pane Glass Manufacturing Method Patent Rejection Case

(First Division) Decision 2023Heo10583, Decided Dec. 7, 2023

Subject Matter	[Patent (Application)] Method for Manufacturing Multi-Pane Glass with Transparent Border
Administrative Decision	IPTAB Decision 2022Won2266, Decided Jan. 31, 2023
Category	Decision of Rejection (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decisions	Supreme Court Decision 2005Hu3284 (Sep. 6, 2007); Supreme Court Decision 2007Hu3820 (Dec. 10, 2009)

Subject Matter of Judgment

A case where the plaintiff's (applicant's) argument that the inventive step of the claimed invention is not negated by the combination of prior arts was not accepted, based on common technical knowledge, well-known and commonly used arts, etc.

Case Overview and Issues

The plaintiff filed an appeal against a patent rejection decision based on the lack of inventive step of the claimed invention, but the IPTAB dismissed it. The plaintiff argued that a double-glazed glass unit with a transparent periphery or a PMMA [poly(methyl methacrylate)] spacer could not be derived from the prior

art references.

Summary of Decision

The claim was dismissed.

1. The spacer of the claimed invention is made of PMMA material, whereas the spacer of the primary prior art, Prior Art 1, is a silicone foam spacer. In the claimed invention, a PMMA spacer is made by cutting a PMMA panel and then polishing the cut area, but such a configuration is not disclosed in Prior Art 1. However, Prior Art 2 discloses a configuration where transparent acrylic is placed on the periphery between two glass sheets to seal the space between them and simultaneously make the object inside more visible and improve the external aesthetic appeal. The term ‘acrylic’ is a general term for polymers and resins based on acrylic acid or acrylate, and it is common technical knowledge in the technical field to which glass products belong that ‘transparent acrylic’ refers to PMMA. Therefore, the PMMA spacer of the claimed invention and the transparent acrylic of Prior Art 2 are substantially the same. Polishing the cut surface to prevent a decrease in transparency when making a spacer by cutting a PMMA panel is also a common process for a skilled person in the art. A person skilled in the art could easily overcome these differences by combining Prior Art 1 with Prior Art 2.
2. The double-sided tape of the claimed invention is specified as ‘a transparent tape with a polyethylene film covering both sides of a 1mm acrylic foam tape,’ whereas Prior Art 1 does not specifically describe whether the adhesive tape is transparent or the type of adhesive tape. However, it is obvious to a person skilled in the art that when introducing a transparent spacer so that the

periphery of the double-glazed glass does not obstruct the view, the tape used to attach it to the glass must also be transparent. Furthermore, the tape of the claimed invention is a product that was being sold on the market, and the plaintiff also stated that they inquired with the manufacturer and received a recommendation for that product. Therefore, it cannot be said that there is difficulty for a person skilled in the art to select the optimal double-sided tape from among various products on the market through ordinary, repetitive experiments. It also cannot be said that there is any technical or critical significance in limiting the tape thickness to 1mm in the claimed invention.

3. The claimed invention includes a step of curing the double-glazed glass for 6 to 20 hours after pressing, but such a configuration is not disclosed in Prior Art 1. However, curing is a process of leaving an adhesive for a certain period at a suitable temperature after application to allow it to age and exhibit optimal adhesive performance. Improving adhesive strength by adjusting the curing time is common technical knowledge, and using auxiliary tools like clamps to fix the adhesive surface during that time is merely a widely known and commonly used technical practice. According to the product description of the tape of the claimed invention, its final bonding strength reaches 50% after 20 minutes, 90% after 24 hours, and 100% after 72 hours at room temperature. The limitation of the curing time in the claimed invention is merely the selection of a suitable range reflecting the product's characteristics, and there is no data to show that a heterogeneous or remarkable difference in effect occurs inside and outside this numerical range.
4. In the claimed invention, the double-glazed glass is pressed twice continuously for 40 seconds each at $12\sim13\text{N/m}^2$, but Prior Art 1 does not specify the

pressing conditions. It cannot be said that there is any special technical significance in pressing the joint at as high a pressure as possible for a certain period within a range that does not break the glass in order to bond the glass and the spacer firmly. A person skilled in the art can select a pressing method, including an appropriate pressure range, through ordinary, repetitive experiments. However, converting the $12\sim13\text{N/m}^2$ specified in the claimed invention gives $1.224\sim1.326\text{kgf/m}^2$ or $0.00174\sim0.00189\text{psi}$, which is excessively lower than the 15psi recommended by the tape manufacturer. A person skilled in the art would not adopt a pressure in this range based on common technical knowledge, and there is no description or basis to confirm what difference in effect occurs when pressing is divided into two 40-second intervals compared to pressing at the same pressure for 80 seconds at once (The plaintiff, after being pointed out by the court, submitted a supplementary brief after the close of arguments to the effect that the said range was a typo for “ $120\sim130\text{N/m}^2$,” but it is doubtful whether the new value is accurate, and there is no basis to consider that such a numerical limitation has critical significance).

5. It cannot be said that combining Prior Art 1 with Prior Art 2 is difficult. The plaintiff argues that ‘since black butyl rubber, silicone, and Thiokol are used for the first and second sealant parts of Prior Art 1, it hinders the periphery from becoming transparent when combined with Prior Art 2.’ However, the butyl used as the first sealant in Prior Art 1 is polyisobutylene, which is generally a colorless or pale yellow material, and there is no statement in the specification that black butyl must be used. For the second sealant, if colorless and transparent or slightly cloudy white silicone is used instead of Thiokol, it cannot be said to hinder the production of a double-glazed glass

unit with a transparent periphery. A person skilled in the art who has encountered the specification of Prior Art 2 would also have the technical motivation to attempt a configuration that removes the sealing structure of Prior Art 1 and replaces its silicone foam spacer with a PMMA spacer.

6. The claimed invention's inventive step is negated, and it cannot be patented.

Optical Material for Display Case

(Fourth Division) Decision 2023Heo10194, Decided May 23, 2024

Subject Matter	[Patent] Zirconia Nanoparticle Dispersion and Curable Resin Composition Containing the Same
Administrative Decision	IPTAB Decision 2022Dang1172, Decided Dec. 15, 2022
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decision	Supreme Court Decision 2017Hu1298 (Dec. 30, 2021)

Subject Matters of Judgment

1. Whether a parameter concerning visible light transmittance, described by a mathematical formula in the claim, has significance as a technical means for solving a problem different from that of the prior art (Negative)
2. Whether a significant or heterogeneous effect occurs in the limit defined by the said mathematical formula (Negative)

Case Overview and Issues

The plaintiff's patented invention (No. 2168970) relates to a zirconia nanoparticle dispersion with excellent transmittance in the visible light wavelength range and a curable resin composition containing the same, which is used as an optical

material for displays. The difference between the constituent elements of the plaintiff’s patented invention and the constituent elements of the prior art is as follows.

The Plaintiff’s Patented Invention	The Prior Art
<p>Satisfies the condition of the following mathematical formula:</p> $50 \leq (n-1) / (n+1) \times M + 25N \leq T$ <p>n: refractive index of the curable resin composition</p> <p>M: solid content (wt%) of the zirconia nanoparticle dispersion</p> <p>N: refractive index of the optical monomer</p> <p>T: visible light transmittance (%) of the curable resin composition</p>	<p>○The liquid-phase transmittance of the metal oxide organic nanodispersion may be 50% or more. The liquid-phase transmittance may be measured in the wavelength range of 400nm to 750nm.</p> <p>○The liquid-phase transmittance of the metal oxide organic nanodispersions of Examples 3 to 5 also satisfies 50% or more.</p>

The defendant filed a request for an invalidity of registration trial against the plaintiff’s patented invention, and the IPTAB granted the defendant’s trial request, negating the inventive step of the mathematical formula.

Summary of Decision

The claim was dismissed.

- Whether the mathematical formula has significance as a technical means for solving a problem different from that of the prior art

The technical problem of the plaintiff’s patented invention is to provide a zirconia nanoparticle dispersion with excellent transmittance in the visible light wavelength range and a curable resin composition containing the same. The prior art also provides a metal oxide organic nanodispersion having high

light transmittance characteristics of 50% or more in the visible light range of 400nm to 750nm. In the plaintiff's patented invention, the substantial technical means for increasing the visible light transmittance even when the solid content (M) of the zirconia nanoparticle dispersion increases lies in increasing the content of the dispersant and the surface-treated silane to ultimately increase the content of additives relative to the optical monomer, but this substantial technical means is not reflected in the mathematical formula. Therefore, it cannot be said that the mathematical formula has significance as a technical means for solving a problem different from that of the prior art.

2. Whether a significant or heterogeneous effect occurs in the limit defined by the mathematical formula

Since the composition of the prior art also exhibits a liquid-phase transmittance of 50% or more in the visible light range of 400nm to 750nm, it is difficult to see that the part of the mathematical formula where the transmittance is 50% or more has a remarkable or heterogeneous effect. The prior art also uses the technical means of adjusting the content of organic additives and monomer content to improve liquid-phase transmittance, so it is predicted that a degree of visible light transmittance similar to that of the plaintiff's patented invention can be achieved. Furthermore, since the content of additives is not included in the zirconia solid content (M) in the mathematical formula, it cannot be said that the mathematical formula represents the increase in the content of additives relative to the monomer content, which is the substantial technical means for increasing visible light transmittance.

Therefore, it cannot be said that the numerical limit defined by the mathematical formula yields a remarkable or heterogeneous effect.

Bubbler Faucet Case

(Fifth Division) Decision 2023Heo11272, Decided Aug. 29, 2024

Subject Matter	[Patent (Application)] Electric Water Cooler/Heater with Sterilizing Bubbler Faucet and Its Driving Method
Administrative Decision	IPTAB Decision 2022Won2067, Decided Feb. 23, 2023
Category	Decision of Rejection (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decision	Supreme Court Decision 2013Hu2620 (Jul. 23, 2015)

Subject Matter of Judgment

Although there is room to consider that the ‘first sterilizing lamp,’ which is a key component of Dissimilarity 1, was publicly known through the ‘ultraviolet lamp’ of Prior Art 2, and that the ‘extension support part,’ a key component of Dissimilarity 2, was publicly known through the ‘guide plate’ of Prior Art 1, it is difficult to see that a person skilled in the art could have easily conceived of combining the ‘ultraviolet lamp’ of Prior Art 2 with the ‘guide plate’ of Prior Art 1.

Case Overview and Issues

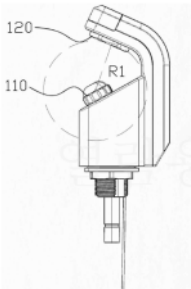
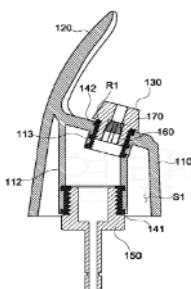
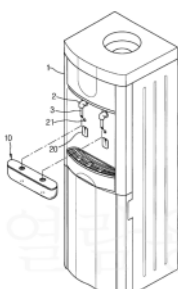
The plaintiff filed a patent application for the invention at issue, but received a

decision of rejection. The plaintiff appealed this decision, but the IPTAB dismissed the plaintiff's appeal on the grounds that 'claimed inventions 1 and 14 could have been easily invented by a person skilled in the art based on Prior Arts 1 and 2, and therefore are not patentable.'

Summary of Decision

The administrative decision was revoked.

1. Representative Drawings of the claimed invention and Prior Arts 1 and 2

Claimed Invention Figure 6	Prior Art 1 Figure 5	Prior Art 2 Figure 1
		

2. Ease of Combination

It is judged that it would not have been easy for a person skilled in the art to conceive of combining the 'ultraviolet lamp' of Prior Art 2 with the 'guide plate' of Prior Art 1. The reasons are as follows:

- a. Prior Art 1 is an invention related to a configuration aimed at preventing tooth damage that may occur when using a bubbler faucet. Prior Art 2 is an invention related to a configuration for sterilizing the water outlet of a water supply faucet, which is susceptible to contamination by external air, using an

ultraviolet lamp. Although both Prior Arts 1 and 2 relate to faucets of drinking water dispensers, their technical ideas, objectives, and effects are entirely different. There is no suggestion or motivation in their respective specifications that combining Prior Arts 1 and 2 could lead to the patented invention in this case.

b. Prior Art 2 relates to a spigot-type faucet where water is discharged from top to bottom, and the user uses a cup or the like to receive and drink the water. The patented invention relates to a bubbler faucet where water is discharged from bottom to top, and the user drinks by bringing their mouth close to the faucet. The configuration, shape, and installation method of an ultraviolet lamp with a function to sterilize a bubbler faucet can be conceived in various ways. It is difficult to see that a skilled person in the art, beyond the mere idea of combining a sterilizing component like an ultraviolet lamp with the water outlet of a drinking water dispenser that uses a bubbler faucet, could have easily exercised ordinary creative ability to conceive of arranging the ultraviolet lamp, like the first sterilizing lamp of the present application invention, to face the water outlet nozzle on an extension support within a predetermined radius from the outlet nozzle.

c. Furthermore, Prior Art 1 includes a component called a ‘guide plate formed of a soft synthetic resin’ to achieve its objective. If the ultraviolet lamp of Prior Art 2 is combined with the guide plate of Prior Art 1, a result contrary to the objective of Prior Art 1 would occur. The reasons are as follows:

- 1) The guide plate of Prior Art 1 is formed of a soft synthetic resin, allowing it to bend flexibly in the front-to-back direction around its lower end. It is characterized by absorbing impact as the guide plate

bends even if a user's teeth strike it during the process of drinking water. Therefore, it can be understood that the guide plate is composed of a soft material with enough flexibility to bend when teeth hit it during drinking.

2) To derive Component 2 by combining Prior Arts 1 and 2, the ultraviolet lamp of Prior Art 2 must be installed on the guide plate of Prior Art 1. However, if an ultraviolet lamp of a certain size and weight is installed on such a soft guide plate, there is a possibility that the guide plate may not maintain its shape. If the guide plate with the installed ultraviolet lamp bends forward, it may not only fail to properly perform its basic function of blocking and guiding the water stream from going backward, but there is also a concern that the ultraviolet lamp may not face the outlet nozzle, thus failing to properly perform the outlet sterilization function.

3) To prevent this situation, if the strength of the guide plate is reinforced, the possibility that the guide plate will not bend when struck by teeth increases, which would also be a result that undermines the objective of Prior Art 1. Moreover, the ultraviolet lamp is inevitably composed of a harder material than the soft material of the guide plate. If a user's teeth collide with the guide plate where the ultraviolet lamp is installed, there is a possibility of increasing the impact on the teeth.

d. It should also be considered that applying the ultraviolet lamp of Prior Art 2 to the guide plate of Prior Art 1 as is could damage the function or durability of the ultraviolet lamp. The guide plate of Prior Art 1 is intended to prevent

water from splashing onto the user's face during drinking and is expected to get wet frequently, whereas the electrically operated ultraviolet lamp includes components that are vulnerable to water.

3. Conclusion

Therefore, the inventive step of the claim 1 and 14 is not negated by Prior Art 1 and 2, and the IPTAB's decision, which concluded otherwise, is unlawful.

SiC Structure Case

(Third Division) Decision 2023Heo11937, Decided May 2, 2024

Subject Matter	[Patent] SiC Structure Formed by CVD Method
Administrative Decision	IPTAB Decision 2022Dang1239, Decided Apr. 13, 2023
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decisions	Supreme Court Decision 2014Hu2873 & 2880 (Jan. 14, 2016)

Subject Matter of Judgment

A case where it was held that although the key physical properties defined by the patented invention were disclosed in Prior Arts 1 and 2 respectively, there is no motivation to combine Prior Arts 1 and 2, and the combination is not easy; therefore, the inventive step is not negated by Prior Arts 1 and 2

Case Overview and Issues

The plaintiff registered a patent for a SiC structure formed by the CVD (chemical vapor deposition) method (registered on Aug. 26, 2020, as Patent No. 10-2150506). The defendants filed a request for a registration invalidation trial against the claims of inventions 1, 2, 3, and 5. The IPTAB issued a decision accepting the request, stating that “the inventive step of the claimed inventions 1

and 2 is negated by the combination of Prior Arts 1 and 2, the Invention Claim 3 by Prior Art 1, and the Invention Claim 5 by the combination of Prior Arts 1 and 3 (Article 29[2] of the Patent Act).”

In the lawsuit for cancellation of the IPTAB decision filed by the plaintiff, the defendants argued that although the Invention Claim 1 and Prior Art 1 differ in manufacturing method (CVD vs. sintering), the Invention Claim 1 and Prior Art 1 have the same directionality of thermal conductivity, and the difference in the directionality of crystal grains is disclosed in Prior Art 2 manufactured by the CVD method. Therefore, they argued that the inventive step of the Invention Claim 1 is negated by Prior Arts 1 and 2.

Summary of Decision

The administrative decision was revoked.

1. Dissimilarities (Other surmountable differences are omitted)

The Invention Claim 1 in this case and Prior Art 1 differ in that Prior Art 1 does not disclose the technical feature regarding the orientation of the second crystal grains (Dissimilarity 1), and the Invention Claim 1 in this case consists of β -SiC formed by the CVD method, whereas Prior Art 1 is a SiC sintered body that includes both a plurality of first crystal grains having an α -SiC crystal structure and a plurality of second crystal grains having a β -SiC crystal structure (Dissimilarity 2).

2. Review of the Dissimilarities

For the following reasons, Dissimilarities 1 and 2 cannot be easily overcome by combining Prior Arts 1 and 2.

① The patented invention of this case is an invention related to an edge ring that has the effect of increasing process productivity and reducing costs while maintaining relatively excellent plasma resistance by adjusting various physical properties such as thermal conductivity, strength, hardness, crystal grain shape, and preferred growth direction of crystal planes based on β -SiC crystals formed by the CVD method. The Invention Claim 1, among these, relates to the shape of the crystal grains, and the core of its technical idea is to achieve an advantageous effect for product design, such as less dust generation even if the edge ring is etched by plasma, by making the length of the crystal grains in the direction perpendicular to the surface most exposed to the plasma (first direction) longer than the length of the crystal grains in the direction parallel to the surface most exposed to the plasma (second direction).

② However, the CVD method generally costs more than the sintering method, and β -SiC formed by the CVD method is weaker to plasma that uses fluorine-based gas and oxygen gas as a source compared to α -SiC. The technical significance of Prior Art 1 lies in obtaining a focus ring with excellent plasma resistance at a low cost by sintering a mixture of α -SiC powder and β -SiC powder to solve the above problems. Accordingly, Prior Art 1 states that the SiC structure must contain 70% or more of α -SiC crystals to improve its plasma resistance, and that β -SiC crystals should be included in as small an amount as possible to suppress the deterioration of plasma resistance. That is, Prior Art 1 discloses negative content regarding β -SiC crystals formed by the CVD method.

③ Prior Art 2 describes that in a SiC structure manufactured by the CVD method, the SiC structure consists of a self-supporting body formed by depositing SiC crystals on a substrate and then removing the substrate, and it forms a fine columnar structure where the average major axis (length in the crystal growth direction) of the SiC crystals grown in the direction perpendicular to the deposition surface of the substrate is 100 μm or less, and the average minor axis (length of the cross-section perpendicular to the crystal growth direction) is 5 μm or less. It cannot be said that there is no difference between constituent element 1-3 and the corresponding constituent of Prior Art 2 in that they have a crystal grain structure where the length of the crystal grains in the direction perpendicular to the surface most exposed to the plasma (thickness direction of the SiC material) is longer than the length of the crystal grains in the direction parallel to the surface most exposed to the plasma (diameter direction of the SiC material). However, since Prior Art 1 discloses negative content about β -SiC formed by the CVD method, there is no motivation to combine Prior Art 1 with Prior Art 2, which relates to a SiC structure made of β -SiC formed by the CVD method. Furthermore, changing the manufacturing method in Prior Art 1 so that the SiC structure is made of β -SiC formed by the CVD method, which has weaker plasma resistance than α -SiC, would negate the technical significance of Prior Art 1.

④ Moreover, Prior Art 1, which adopts the sintering method, has no recognition whatsoever that the SiC crystals constituting the focus ring should have a certain crystal grain shape in a specific direction. This is

natural as long as Prior Art 1 adopts the sintering method. This is because, in the sintering method of manufacturing a SiC structure by mixing α -SiC and β -SiC and then sintering them, it is practically impossible to manufacture a SiC structure in which the constituent crystals have a uniform grain shape in a specific direction.

Plasma Etching Chamber Case

(Second Division) Decision 2022Heo6587, Decided Nov. 8, 2023

Subject Matter	[Patent] Plasma Etching Chamber
Administrative Decision	IPTAB Decision 2022Dang204, Decided Oct. 31 2022
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decisions	Supreme Court Decision 2014Hu2184 (Nov. 25, 2016); Supreme Court Decision 2005Hu3284 (Sep. 6, 2007); Supreme Court Decision 2013Hu 2620 (Jul. 23, 2015); Supreme Court Decision 2015Hu2341 (Oct. 31, 2019)

Subject Matter of Judgment

Determination of Inventive Step of Invention

Case Overview and Issues

The plaintiff filed a request for a registration invalidation trial against the patented invention in this case, arguing that the Invention Claims 1 to 9 could be easily invented by combining Cited Inventions 1 to 4. However, the IPTAB issued a decision dismissing the trial request on the grounds that the inventive step of the Invention Claims 1 to 9 is not negated by the combination of Cited

Inventions 1 to 4. The plaintiff then filed this lawsuit seeking cancellation of the IPTAB decision, submitting new Prior Arts 1 and 2, which are different from the Cited Inventions, and arguing that the inventive step of the Invention Claims 1 to 9 of the patented invention is negated by the combination of Prior Arts 1 and 2.

Summary of Decision

The claim was dismissed.

1. Fields of Art of the Invention Claim 1 and the Prior Arts

Both of the Invention Claim 1 and Prior Art 1 in this case relate to a plasma etching chamber for removing particles deposited on the edge of a wafer, so their field of art is the same. Prior Art 2 relates to a plasma etching chamber for processing a semiconductor wafer. Although the etching area is different from the Invention Claim 1 and Prior Art 1, it can be said that the basic mechanism is the same. Therefore, Prior Art 2 is also substantially in the same field of art as prior art 1.

2. The Level of Skill of a Skilled Person in the Field of Art

The specification of the patented invention in this case discloses a technology for cleaning the wafer edge by plasma etching as a prior art. Since a plasma etching chamber for cleaning the wafer edge, which was disclosed before the priority date of the patented invention, is disclosed, it can be fully understood that in the field of art of the patented invention, a method of dry cleaning by generating plasma only on the edge portion of the wafer to prevent the accumulation of unintended impurities in the wafer edge area was already in use.

3. Whether the Difference Between the Invention Claim 1 and Prior Art 1 Can Be Easily Overcome

Considering the following points comprehensively, the Invention Claim 1 cannot be easily invented by a person skilled in the art by combining Prior Arts 1 and 2, so its inventive step is not negated.

- a. According to the specification of the patent in this case, it can be seen that as a configuration for limiting the plasma generation area, an inert gas is injected into the central part of the upper electrode to prevent the generated plasma from penetrating to the inside of the wafer. However, according to Prior Art 1, it is disclosed that plasma is not generated inside the wafer only when the distance between the wafer and the upper gas distribution plate is narrow, between 0.3 mm and 0.5 mm. Thus, a person skilled in the art would also understand that it is necessary to set the distance between the wafer and the lower surface of the GDP narrowly in order to prevent etching toward the center of the wafer by plasma. It can also be understood that it is known to a person skilled in the art that the inner ring provided at the edge of the lower surface of the upper electrode can limit the position of plasma generation by restricting the behavior of the plasma.
- b. Constituent element 4 of the Invention Claim 1 is characterized by ‘including a panel ring detachably installed at the edge of the insulating panel,’ and there is a difference in that a corresponding configuration is not explicitly shown in Prior Art 1. The ‘panel ring’ of the Invention Claim 1 and the ‘shielding ring’ of Prior Art 2 are different in their installation purpose, ‘adsorption of polymer generated during etching’ for the former and

'protection of the electrode' for the latter as well as their installation location, 'insulating panel' for the former and 'electrode' for the latter. In addition, 'panel ring' is coated or formed with a material to which polymer adheres well, whereas the 'shielding ring' is formed of a material to which deposits do not adhere well in order to extend the cleaning or replacement period. That is, the 'panel ring' and the 'shielding ring' are entirely different in their installation purpose, installation location, forming material, and their operational effects. Therefore, it is difficult to reckon that a person skilled in the art would have a motivation to combine the 'shielding ring' of Prior Art 2 with Prior Art 1 to produce the Invention Claim 1, and furthermore, it is difficult to expect that combining them would produce the same effect as the 'panel ring' of the Invention Claim 1.

- c. It can be understood that the 'panel ring' of the patented invention in this case must presuppose not only ease of maintenance and management but also the function of being able to adsorb the polymer dispersed during cleaning. In contrast, the 'shielding ring' of Prior Art 2 has the purpose of extending the cleaning or replacement cycle by making it difficult for deposits to attach. Therefore, even if the 'panel ring' and the 'shielding ring' share some common problems to be solved and effects, such as reducing maintenance and management costs, the basic purpose and effect of the 'panel ring'—to adsorb the dispersed polymer during cleaning to prevent it from spreading toward the center of the wafer—is not shown in prior art 2.
- d. The 'panel ring' of the patented invention is installed at the edge of the 'insulating panel' located 'inside' the electrode, so its installation position is different. In terms of function, the 'panel ring,' whose main purpose is to

adsorb dispersed polymer, and the ‘shielding ring,’ which functions to protect the periphery of the upper electrode by efficiently generating plasma while preventing deposits from attaching to the periphery of the electrode or preventing the periphery from sputtering (damaged by ions, etc.) by etching solution ions, have significantly different main functions.

- e. The specification of the patented invention explicitly states as a technical problem ‘to enable replacement of only the yttrium oxide layer that adsorbs the polymer dispersed during cleaning.’ Since it is described throughout the specification that the ‘panel ring’ is ‘a configuration for adsorbing the polymer dispersed during cleaning,’ it is reasonable to interpret the ‘panel ring’ of the Invention Claim 1 as a configuration that incorporates the function to achieve the technical problem of adsorbing the polymer dispersed during cleaning. Therefore, it can be fully predicted that the ‘panel ring’ of the Invention Claim 1 will be formed of a material that easily adsorbs polymer among known insulating materials, whereas the ‘shielding ring’ of Prior Art 2 will be formed of a material to which deposits are difficult to attach among insulating materials. Even if some of the engineering plastic materials, such as Ultem, given as examples of known insulating materials, overlap, it is difficult to view the ‘panel ring’ and the ‘shielding ring’ as configurations formed of the same material because their main purposes and functions are different, and there is also a difference in their functions.
- f. Even if there is no difficulty in combining Prior Arts 1 and 2, considering the purpose of the ‘shielding ring’ of Prior Art 2 to confine the plasma and protect the periphery of the electrode, even when the ‘shielding ring’ of

Prior Art 2 were applied to Prior Art 1, it could only be installed at the edge of the upper electrode to confine the plasma and protect the periphery of the upper electrode of Prior Art 1. Furthermore, since the prior arts do not acknowledge the purpose and effect of adsorbing by-products such as polymers generated during the cleaning of the wafer edge, it cannot be said that a person skilled in the art could easily overcome the difference of the ‘panel ring’ by combining Prior Art 1 and prior art 2, without presupposing knowledge of the patented invention.

4. Whether the Inventive Step of the Remaining Inventions is Negated

The Invention Claim 7 excludes the limitation that the panel ring is detachably installed from the Invention Claim 1, while adding the feature that the insulating panel and the panel ring have different dielectric constants. Therefore, the Invention Claim 7 retains the technical feature of the Invention Claim 1, where the panel ring is installed at the edge of the insulating panel to adsorb by-products such as polymers that may be generated during wafer etching. For the same reasons as examined above, it cannot be said that a person skilled in the art could easily invent it based on Prior Arts 1 and 2, so its inventive step is not negated.

The Invention Claims 2 to 6, 8, and 9 are dependent claims that directly or indirectly cite the Invention Claims 1 and 7 and include the characteristic features of the Invention Claims 1 and 7 as they are. Therefore, a person skilled in the art cannot easily invent these inventions by combining Prior Arts 1 and 2, so their inventive step is not negated.

03

Numerical Limitation Invention

Wood Fiber Recovery Method Patent Rejection Case

(First Division) Decision 2023Heo11234, Decided Dec. 7, 2023

Subject Matter	[Patent (Application)] Method for Recovering Wood Fiber from Poly-Coated and Laminated Waste Paper
Administrative Decision	IPTAB Decision 2022Won944, Decided Mar. 22, 2023
Category	Decision of Rejection (Patent)
Relevant Provisions	Patent Act, Article 29(2), Article 51(1)
Relevant Decisions	Supreme Court Decision 2007Hu1299 (Nov. 16, 2007); Supreme Court Decision 2015Hu499 (Aug. 1, 2018); Supreme Court Decision 2007 Hu3820 (Dec. 10, 2009)

Subject Matter of Judgment

A case where the court did not accept the plaintiff's (applicant's) argument that the problem to be solved, the configuration, and the operational effects of the claimed invention are different from the prior art

Case Overview and Issues

The plaintiff disputed the IPTAB decision upholding the rejection of the patent application, arguing that the problem the claimed invention seeks to solve is not

the same as that of the prior art, and its configuration and operational effects are also different.

Summary of Decision

The claim was dismissed.

1. The specification of the claimed invention states, ‘The objective is to provide a method for recovering wood fibers that can separate and remove contaminants without causing environmental pollution by using chemicals and without wasting thermal energy.’

However, the direct objective of the claimed invention, like the prior art, is to efficiently separate and remove contaminants [film scraps] mixed in wood fibers [pulp powder]. To this end, both inventions use mechanical shearing force and not a method using chemicals with heat during the pulping process. Consequently, they are the same in that they can prevent environmental pollution due to chemical use and reduce thermal energy consumption. What the plaintiff calls the objective of the claimed invention, ‘cost reduction in harmful chemicals and thermal energy,’ is not a problem directly solved by the claimed invention, but rather a coincidence that can be easily predicted by a skilled person in the art, resulting from the fact that the use of chemicals became unnecessary because contaminants were separated and removed by mechanical shearing force.

2. The claimed invention and the prior art include a step of applying a mechanical shearing force with a kneader to cut poly-coated and laminated waste paper [trimmed laminated waste paper]. However, there is a difference in that the

claimed invention limits the shear impact amount to 20-60 kWh/t, while the prior art has no such numerical limitation.

However, for the following reasons, this difference is merely a simple numerical limitation that a person skilled in the art can appropriately select through routine and repetitive experiments. First, there is no description or suggestion that indicates any heterogeneous or remarkable difference in effect occurs inside or outside the limited range. Next, the ‘stock throughput,’ specified as a factor influencing the shear impact amount in the claimed invention’s specification, can be seen to vary depending on the concentration of the waste paper concentrate. The preferred concentrations of the waste paper in the claimed invention and the prior art are presented as 25-40% by weight and 20-40% by weight, respectively, which cannot be seen as a substantial difference. If so, it can be expected that the range of desirable shear impact amount would also be similar if other conditions are the same. Moreover, since the specification of the prior art shows the results of experiments measuring the effect of pulp slurry concentration and kneading temperature on film removal efficiency, limiting the range of shear impact amount instead of adjusting the pulp slurry concentration and temperature also falls under a matter that a person skilled in the art can appropriately select through routine and repetitive experiments.

3. The plaintiff also argues to the effect that ‘in the claimed invention, a concentration process to adjust the waste paper content by raising the temperature, as in the prior art, is unnecessary.’ However, the specification of the claimed invention contains the sentence, ‘water and poly-coated and laminated waste paper can be in a 95:5 ratio,’ which is interpreted to mean

that the ratio of water to poly-coated and laminated waste paper, i.e., the waste paper content of the concentrate, is 5% by weight. There is also the description, ‘the content of the poly-coated and laminated waste paper concentrate is to be 25-40% by weight.’ Therefore, it must be seen that a concentration process, where the waste paper content of the “concentrate” increases from 5% by weight to 25-40% by weight, is implied before entering the kneading stage after the impregnation process.

4. The inventive step of the claimed invention is negated, and it cannot be patented.

04

Crystal Form Invention

Selexipag Form II Case

(Fourth Division) Decision 2019Heo4420, Decided Jun. 27, 2024

Subject Matter	[Patent (Application)] Crystals
Administrative Decision	IPTAB Decision 2017Won4469, Decided Mar. 28, 2019
Category	Decision of Rejection (Patent)
Relevant Provision	Patent Act, Article 29(2)

Subject Matter of Judgment

A case in which the inventive step of a crystalline form invention was denied after a review based on the criteria for determining the inventive step of such inventions, concluding that a person ordinarily skilled in the art could easily select Selexipag from a “Markush-type” prior art invention, that there was no particular difficulty in configuration in deriving Selexipag Form II crystal therefrom, and that no remarkable effects were recognized

Case Overview and Issues

1. Case Summary

The claimed invention pertains to a novel Form II crystal of Compound A (Selexipag Form II), with its technical configuration being a crystalline form defined by specific peak values in a powder X-ray diffraction spectrum (crystalline form invention as a type of parameter invention). In response to

the plaintiff's patent application, the patent office examiner issued a decision of rejection, finding that the inventive step was negated. Although the plaintiff filed an appeal against the decision of rejection, the IPTAB, on March 28, 2019, rendered a decision dismissing the plaintiff's appeal, on the grounds that the inventive step of the Invention Claim 1 was negated by the prior art invention.

2. Plaintiff's Arguments

The inventive step of the claimed invention is not negated for the following reasons: ① The claimed invention is a Selexipag Form II crystal, whereas the prior art invention includes a myriad of compounds in a Markush format, so Selexipag cannot be easily selected from it. ② Even if Selexipag were selected, its crystalline form is not disclosed, and numerous experiments and trial-and-error would be required to find the specific crystallization conditions or manufacturing method, so Form II crystal cannot be easily found (difficulty of configuration). ③ Selexipag Form II has quantitatively remarkable effects compared to the prior art invention in terms of large particle diameter, low residual solvent concentration, low impurity concentration upon recrystallization, and high stability, which are unforeseeable from the prior art invention (remarkableness of effect).

Summary of Decision

The claim was dismissed.

1. Premise for Judging the Difficulty of Configuration of a Crystalline Form Invention

a. Technical Significance, Unique Effects, Structure, and Manufacturing Method of the Claimed Invention

The claimed invention aims to provide a novel crystal of Selexipag in a form that is easy to handle industrially and from which consistent effects can always be expected, and it presents Forms I to III as its polymorphs. It exhibits platelet aggregation inhibitory action, etc., through its PGI₂ receptor agonistic action, and is manufactured through a process of dissolution, cooling, crystal collection, and drying.

b. Content and Characteristics of Prior Art

The prior art is also a PGI₂ receptor agonist compound and presents Selexipag as a preferred compound. However, it does not specify whether its form is crystalline or amorphous.

c. Commonly Known Facts Regarding Polymorphism, Conventional Polymorph Screening Methods, etc. at Time of Filing

① Polymorphism refers to the case where a substance with the same chemical structure has various crystallographic structures. It was widely known in the technical field of medicinal compounds that pharmaceutical properties such as solubility and stability can differ depending on the crystalline form.

② The examination of the existence of polymorphism for the formulation design of medicinal compounds had been conventionally performed since before the filing date of this case. Known methods for polymorph screening in the pharmaceutical field include sublimation, crystallization from a single solvent, evaporation from a solvent mixture, vapor diffusion, heat treatment, crystallization from a melt, rapid pH change of

a solution to precipitate acidic or basic substances, thermal desolvation of crystalline solvates, growth in the presence of additives, and grinding. Most Active Pharmaceutical Ingredients (APIs) are purified and isolated through crystallization from an appropriate solvent in the final stage of the synthesis process.

- ③ Polymorph screening proceeds in the order of initial screening followed by focused screening. The initial screening is a process to identify whether a compound exhibits crystallinity or polymorphism to estimate its polymorphic tendency, which affects future formulation. ‘Solvent-based crystallization methods’ such as cooling or evaporation, anti-solvent addition, and slurry conversion are primarily used. In particular, cooling crystallization and evaporation crystallization, which make it easy to induce or ensure supersaturation, are widely known, used alone or in combination. Focused screening confirms whether the crystals selected through the initial screening can be used as raw materials for pharmaceuticals.

2. Whether Configuration is Difficult

a. Whether Selexipag Could Be Easily Selected from the Prior Art

For the following reasons, a person skilled in the art would have no difficulty in selecting Selexipag from the prior art invention. The prior art theoretically discloses numerous compounds in a Markush format. However, only 101 compounds have their physical properties, such as preparation method, solid state, crystallinity, melting point, or elemental analysis values, specifically disclosed through examples. Selexipag corresponds to the compound of Example 84 and is produced by the condensation reaction of the compound of

Example 42. Furthermore, it is described in the specification of the prior art that tests on the medicinal effect of inhibiting platelet aggregation and acute toxicity tests were conducted on the compounds of Examples 42 and 84, and favorable results were obtained. Therefore, a person skilled in the art would have no particular difficulty in selecting Selexipag, which is explicitly disclosed as the compound of Example 84 in the prior art, as a candidate substance in the drug development stage.

b. Whether Polymorphism of Selexipag Was Known or Expected

Considering that solid compounds exist in various forms such as polymorphs (in the narrow sense), solvates, hydrates, amorphous forms, and co-crystals, and that investigating polymorphism is an essential consideration as a premise for designing medicinal compound formulations and is conventionally done through a polymorph screening process, it is easier to determine the existence of ‘polymorphism’ through a polymorph screening process if there is a high probability that the compound included in the prior art invention is a ‘Crystalline Solid.’ Based on the description of the preparation example and experimental example of Selexipag in the prior art specification, the physical properties of the materials used to prepare Selexipag, and the fact that numerous examples with the same core structure but different functional groups are disclosed as crystalline solids in the specification, it is presumed that Selexipag (from the prior art) is a crystalline solid.

c. Whether There Was Any Teaching, Suggestion, or Motivation in Prior Art or Prior Art Documents to Obtain Specific Crystalline Form

Since Selexipag had been recognized as a promising drug candidate through the prior art even before the priority date of the claimed invention, a person skilled in the art has sufficient motivation to confirm its polymorphism to see if Selexipag is in a solid form suitable for formulation. As long as there is a significant possibility that Selexipag is a crystalline solid, the motivation to conduct polymorph screening is sufficient.

d. Whether the Specific Crystalline Form of Claimed Invention is Included Within the Scope of Polymorphisms that Could Be Examined Through Routine Polymorph Screening of Prior Art Compound

The fact that a compound is likely to be in a crystalline form and the fact that a specific crystalline form can be easily obtained through polymorph screening are separate issues. Whether Selexipag Form II can be easily secured from the prior art through that process depends on whether the variables of the crystallization process, such as the solvent, temperature, and cooling conditions selected during the polymorph screening process, are within a conventional range, thereby allowing Selexipag Form II to be easily gained.

1) Crystallization Method of Claimed Invention

- ① Although there are some differences in detailed aspects such as the specific heating temperature, cooling rate, and amount of solvent used, the polymorph screening method used in the claimed invention is based on the same fundamental principle and method: dissolving Selexipag in various solvents with heating, then inducing crystallization through evaporation and cooling to create a supersaturated state.

② However, even if the principles and detection methods of polymorph screening are the same, if the selection and combination of process variables such as the amount of solvent used in individual steps, the ratio to the solute, temperature, and cooling time are not easy, the difficulty of configuration cannot be readily dismissed. Whether the polymorph screening method is considered merely a conventional technique for a skilled person in the art ultimately comes down to how easy it is to select the process conditions.

2) Number of Polymorph Screening Samples in Claimed Invention

The 52 polymorph screening samples (32 single solvent samples in Table 4, 16 mixed solvent samples in Table 5, and 8 in Table 6) are of a number that a person skilled in the art could routinely and easily perform.

3) Solvents and Combinations for Polymorph Screening in Claimed Invention

① Types and combinations of solvents: The solvents used for polymorph screening were well-known at the time of the filing of this application. Furthermore, the types of solvents that a person skilled in the art can choose are relatively limited, as solvents with low toxicity to the human body are primarily used for subsequent manufacturing processes. Most of the solvents used in the claimed invention are widely known and classified as having low toxicity.

② Amount of solvent, ratio to solute, etc.: In the claimed invention, a solvent amount ranging from 6.95 to 13.62 times that of Compound A was used, which falls within the 5-200 mg/mL range widely known as a preferable usage ratio at the time of filing.

4) Heating Temperature Conditions, Cooling Conditions, Crystallization

Tendency, etc., of Claimed Invention

It was widely known technical knowledge at the time of filing that solvent-based crystallization is a method where a solute is dissolved by heating a solvent to its boiling point or a lower temperature and then cooled; the solvent should not dissolve the solute well at room temperature but should be able to dissolve it well near its boiling point; a solvent with a boiling point exceeding 60°C is preferable; and to prevent oiling out, the boiling point of the solvent should be about 10 degrees lower than the melting point of the solute. The method selected in the claimed invention satisfies all of these conditions. Furthermore, the cooling temperature, conditions, etc., do not deviate from the scope of common technical knowledge. Unlike Selexipag Form I, for which inventive step was recognized, Selexipag Form II was identified at a considerably high rate in screenings using a very wide variety of crystallization solvents.

3. Whether the Effects are Remarkable

a. The Subject of Comparison for the Effects of Claimed Invention

Both the prior art and the claimed invention in this case are Selexipag compounds, which are useful new drug substances. The effects claimed by the plaintiff, such as particle size, residual solvent concentration, purity, and stability, are all characteristics required for pharmaceutical formulation. The effects of the claimed invention must align with the invention's objective related to pharmaceutical formulation. Since the claimed invention is a crystalline form invention identified through polymorph screening, its remarkableness needs to be judged based on whether it exceeds the 'effects generally expected from a crystalline form,' considering the particularity that

it is achieved subsequent to the creation of the initial compound. However, despite the lack of explicit description of effects related to particle size, residual solvent concentration, purity, and stability in the prior art, since the plaintiff has specified the prior art as Selexipag Form III and is asserting a comparison of effects with the claimed invention, Selexipag Form II, the comparison will be made with Selexipag Form III, taking into account the aforementioned particularity of crystalline form inventions.

b. Particle Size, Residual Solvent Amount, and Purity

The evidence submitted by the plaintiff is insufficient to conclude that the particle size of the claimed invention originates from the inherent properties of the crystalline form rather than from crystallization process variables such as solvent, heating temperature, and cooling time, and there is no other evidence to acknowledge this. Therefore, without needing to further examine the improvement in flowability and dust suppression due to particle size and the degree of difference from the prior art, the remarkableness of the effect is denied. For the same reason, it is difficult to recognize remarkable effects for the residual solvent amount and purity (to confirm the influence of the inherent properties of the crystalline form, as the plaintiff claims, Selexipag Form II and Form III should be compared under identical process conditions, but the data in the specification are from different process conditions).

c. Stability

- ① The plaintiff submitted additional test data regarding stability under harsh conditions, photostability, and thermodynamic stability, arguing

that the inventive step is not negated because Selexipag Form II is more stable than the prior art (Selexipag Form III). The specification states that the objective is “to provide a novel crystal of Selexipag in a high-quality, easy-to-handle industrial form from which consistent effects can always be expected,” and among these, “consistent effects” corresponds to stability. Therefore, the negation of inventive step will be judged based on the additional test data.

- ② Stability under harsh (high temperature/high humidity) conditions and photostability: Since the claimed invention is a drug substance, tests on these stabilities should be conducted on the drug substance (Form II and Form III crystals) itself. The additionally submitted data confirmed stability using a finished drug product made with excipients, not the drug substance crystal form itself. Considering that a finished drug product is manufactured to include excipients to meet required standards such as stability, and thus its basic composition is different from the drug substance, and for this reason, drug-related examination guidelines also separately require stability data of the drug substance itself, the remarkableness of the effect cannot be recognized based solely on the results of the additional test data.
- ③ Thermodynamic stability: The thermodynamic stability of a polymorph is very important in the series of processes related to pharmaceutical formulation, including API production, drug product manufacturing, storage, and use. However, given the purpose of being used as a stable drug substance, a specific crystalline form is not required to be thermodynamically stable over all temperature ranges. Nevertheless,

thermodynamic stability is necessary in the temperature range relevant to the conventional formulation, storage, and use processes. If a specific crystalline form is enantiotropic and its phase transition temperature is within the temperature range of the drug's manufacturing process and use, there is a possibility of phase transition due to temperature changes during formulation or use. Therefore, the enantiotropic nature and thermodynamic stability according to the temperature range must be better established.

Thermodynamic stability can be simply confirmed by a competitive slurry experiment. The test results show that at 10°C and 40°C, Selexipag Form II crystal appears to be the thermodynamically stable form. However, considering the conventional pharmaceutical formulation process of a crystalline substance, if the enantiotropic nature of a crystalline form is confirmed, the next logical step would be to confirm the phase transition temperature range of the crystalline form and review its thermodynamic stability within that temperature range (Exhibit B No. 2). However, even according to the evidence submitted by the plaintiff, the phase transition temperature of the Selexipag Form II crystal cannot be confirmed. Thus, unless it is shown that 10°C and 40°C are closely related to the phase transition temperature range, it cannot be concluded that the Selexipag Form II crystal is thermodynamically stable as a drug substance based solely on the thermodynamic stability results at these temperatures. The processes involving heat during drug manufacturing are mostly at higher temperatures than the 10°C and 40°C tested in Exhibit A No. 29. As there is no basis to consider Selexipag Form II

crystal as the most stable polymorph in the untested range of 40°C to 80°C, its existence as a stable form in some temperature ranges due to enantiotropy cannot be seen as having special technical significance in formulation design. Therefore, it cannot be concluded that Invention Claim 1 has a remarkable effect in terms of thermodynamic stability.

Even if the thermodynamic stability at 0°C and 40°C were considered a significant effect given the specific nature of the crystalline form, considering the aforementioned lack of difficulty in configuration and the fact that the various effects claimed by the plaintiff are not recognized as remarkable effects inherent to the crystalline form, such stability alone is insufficient to establish the ‘remarkableness’ of the effect, and there is no other evidence to support such a finding.

05

Use Invention

Deoxynucleoside Therapy Case

(Fourth-One Division) Decision 2022Heo4741, Decided Jan. 10, 2024

Subject Matter	[Patent] Deoxynucleoside Therapy for Diseases Caused by Imbalanced Nucleotide Pools, Including Mitochondrial DNA Depletion Syndrome
Administrative Decision	IPTAB Decision 2021Won3311, Decided Jun. 30, 2022
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decisions	Supreme Court Decision 2007Hu3660 (Nov. 12, 2009); Supreme Court Decision 2014Hu2184 (Nov. 25, 2016)

Subject Matter of Judgment

A case where it was held that the present claimed invention, which directly administers dC/dT for the treatment of TK2 deficiency, could be easily derived by a person skilled in the art from the prior art, which treats by bypassing TK2 through the administration of its products, dCMP/dTMP, in light of the technical common knowledge at the time of filing.

Case Overview and Issues

The defendant rejected the plaintiffs' claimed invention on the grounds of a lack

of inventive step. The plaintiffs filed this lawsuit, arguing that the active ingredients of the prior art, dCMP/dTMP, are different substances from the dC/dT of the Claimed Invention 1, that the prior art is a method that bypasses TK2, which is a difference from directly utilizing TK2, and that the treatment target of the prior art is animals, differing from the present claimed invention which targets humans for treatment, and thus the inventive step is not negated.

Element	Claimed Invention 1	Prior Art (Exhibit A No. 5 & Exhibit B No. 1)
1	A composition for use in a method for treating Thymidine Kinase 2 (TK2) deficiency syndrome in a human subject in need thereof	– In conclusion, dCMP/dTMP supplementation is the first effective drug therapy for TK2 deficiency (Abstract).
2	Comprising a mixture of a therapeutically effective amount of deoxycytidine (dC) and deoxythymidine (dT).	– To bypass TK2 deficiency, dCMP/dTMP was administered to a Tk2 knock-in mouse model at 200 mg/kg/day and 400 mg/kg/day, respectively (Abstract).

Summary of Decision

The claim was dismissed.

1. Whether the Target Disease is Different

The plaintiffs argue that there is a difference since the prior art is ‘on the treatment of TK2 deficiency including animals subject,’ whereas the Invention Claim 1 limits the subject to TK2 deficiency in humans. However, experiments using animals such as mice are ultimately for predicting the therapeutic effect in humans. The plaintiffs themselves admit that the prior art is not research for developing a therapeutic agent for mice. In light of the description in the prior art (‘it is the first effective and safe in vivo treatment option that can be easily

applied to patients affected by TK2 mutations’ [p. 1024, left column, second paragraph, etc.]), the prior art also surely presupposes its application to humans. Therefore, the argument that the target disease is different is without reason.

2. Whether the Difference Can Be Easily Overcome

Given that dCMP/dTMP and dC/dT differ only in the presence or absence of a phosphate group, their chemical structures are similar; dCMP/dTMP and dC/dT, produced through reversible phosphorylation/dephosphorylation reactions in vivo, are biochemically closely related in terms of regulating physiological activity; even in Tk2 gene mutant mice, TK2 activity is not completely absent but relatively low, so they can phosphorylate dC/dT, making it likely that administering its substrate dC/dT to TK2 deficient patients would produce a therapeutic effect; a considerable portion of administered dCMP/dTMP is converted to dC/dT in the small intestine by 5'-nucleotidase. In light of the technical common knowledge at the time of filing, a person skilled in the art could easily recognize that even if dCMP/dTMP is administered for therapeutic purposes, the substance that substantially exerts a pharmacological effect is dC/dT converted in the body. Therefore, a person skilled in the art who encounters the prior art can easily predict that administering dC/dT into the body can lead to the supplementation of dTMP into the mitochondrial matrix through various pathways, thereby manifesting a therapeutic effect for TK2 deficiency.

Furthermore, the pharmacological effect of the Invention Claim 1, inferred from the claims and specification of the present claimed invention, is the treatment of TK2 deficiency. The prior art also discloses the content and

experimental results that administering dCMP/dTMP to a TK2^{-/-} mouse model extended lifespan and alleviated clinical symptoms, so the remarkableness of the effect is not recognized.

06

Claim Construction

FLEX Stud/Socket Assembly Case

(Twenty-fourth-One Division) Decision 2023Na10204, Decided Feb. 15, 2024

Category	Claim for Injunction against Patent Infringement, etc.
Relevant Provisions	Patent Act, Articles 97, 42(4)1
Relevant Decisions	Supreme Court Decision 2019Da222782 & 222799 (Oct. 17, 2019); Supreme Court Decision 2017Hu2864 (Aug. 27, 2020); Supreme Court Decision 2007Hu4977 (Jul. 23, 2009); Supreme Court Decision 2014Hu2061 (May 26, 2016)

Subject Matters of Judgment

1. Construction of Claims
2. Patent Exhaustion

Case Overview and Issues

1. The plaintiff is an American company that manufactures etching equipment for the ‘FLEX’ product line for semiconductor production and sells it to domestic semiconductor manufacturers. Since February 14, 2017, the defendant has been manufacturing and selling ‘stud/socket assembly’ products (hereinafter “defendant’s products”) to these manufacturers, stating on its internet homepage that they are for use in the plaintiff’s ‘FLEX’ product line.



Defendant's
Product

2. The plaintiff filed a suit against the defendant seeking an injunction, disposal of infringing products, and damages, arguing as follows: The defendant's product, although not including the patented invention's camshaft, is a product that has the same configuration as the disc spring stack, stud, and socket of the plaintiff's patented invention, and is a product used only for the production of the patented invention's 'cam-locking electrode clamp.' Therefore, it is a product that indirectly infringes the patent.
3. The main issues of the case are ① the interpretation of Constituent Element A, which states that "the disc spring stack and stud are arranged to be in firm contact with the socket at the base portion of the socket," and ② whether the patent right is exhausted.

Judgment of the First Instance

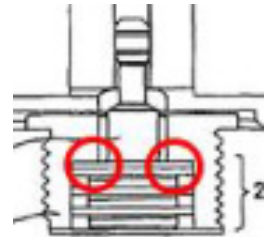
Seoul Central District Court, Decision 2020GaHap593102, Decided Feb. 15, 2023

Constituent element A was interpreted as the entire outer circumferential surface of the disc spring stack being in firm contact with the entire lower inner circumferential surface of the socket. The court judged that the defendant's product, which has a space between the said outer circumferential surface and the inner circumferential surface, cannot be considered an indirect infringement product, and thus dismissed the plaintiff's claim (plaintiff appealed).

Summary of Decision

The first instance judgment was modified (ordering payment of 3.4 billion KRW in damages, etc.).

1. The expression that the stud is arranged to be in ‘firm contact’ with the socket in Constituent Element A corresponds to a functional expression, so it needs to be interpreted objectively and rationally by examining its technical significance. It is understood that the patented invention ensures good thermal contact between the electrode and the backing plate through Constituent Element A. Considering the structure in the patented invention where the compressed disc spring stack comes into firm contact with the socket at the bottom of the upper member of the socket due to its elastic restoring force, it is reasonable to view the ‘base portion of the socket’ in Constituent Element A as pointing to the lower surface of the upper member of the socket, which is the part where the disc spring stack specifically contacts the socket, in light of the technical significance identified from the entire description and drawings of the specification. Based on this premise, it is appropriate to understand that the claim description of Constituent Element A, which includes the functional expression that the stud is arranged to be in ‘firm contact’ with the socket, has as its technical content the arrangement where the top surface of the disc spring stack is in contact with and presses against the lower surface of the upper member of the socket. The defendant’s argument that its product lacks Constituent Element A because there is a clearance space between the disc spring stack and the ‘inner circumferential surface of the lower member of the socket,’ which is the base portion of the



socket, seems to be the result of an arbitrary interpretation regarding the base portion of the socket and is therefore not accepted.

2. The defendant argues that the act of domestic semiconductor manufacturers replacing a simple consumable part, which is the defendant's product, in the plaintiff's FLEX product line equipment does not constitute direct infringement under the doctrine of patent exhaustion, therefore, the defendant's act of manufacturing and selling the defendant's product to said companies does not constitute an act of indirect infringement. However, the stud/socket assembly in the cam-locking clamp of the patented invention is an essential component, which is not used for any other purpose, and it is not a widely and easily available article. Its replacement was already anticipated at the time of purchase, and in fact, the plaintiff manufactured and sold the stud/socket assembly separately for the convenience of customers. In light of these circumstances, the replacement act claimed by the defendant goes beyond the scope of repair permitted as part of use and substantially constitutes a new production act. Therefore, the defendant's argument, premised on the application of the patent exhaustion doctrine to the said replacement act, is unacceptable.

Gynostemma Extract with Increased Damulin Content Registration Invalidation Case (Third Case¹⁾)

(First Division) Decision 2022Heo4796, Decided Nov. 23, 2023²⁾

Subject Matter	[Patent] Method for Preparing New Gynostemma Extract with Increased Damulin A and Damulin B Content, and Pharmaceutical Composition for Treating Metabolic Diseases Using the Same.
Administrative Decision	IPTAB Decision 2021Dang1647A Decided Aug. 1, 2022
Category	Invalidation of Registration (Patent)
Relevant Provisions	Patent Act, Articles 29(1), 29(2), 42(3), 42(4)1, 42(4)2, 163
Relevant Decisions	Supreme Court en banc Decision 2013Hu37 (Jan. 19, 2017); Supreme Court Decision 2012Hu1057 (Sep. 13, 2013); Supreme Court en banc Decision 2011Hu927 (Jan. 22, 2015); Supreme Court Decision 2017Hu1304 (Dec. 30, 2021); Supreme Court

1) 1st: IPTAB Decision 2013Dang3241, decided December 30, 2014; IP High Court Decision 2015Heo741, decided September 24, 2015; Supreme Court Decision 2015Hu1874, decided June 15, 2018;

2nd: IPTAB Decision 2017Dang2462, decided August 6, 2018; IP High Court Decision 2018Heo7668, decided November 22, 2019; Supreme Court Decision 2019Hu12087, decided March 26, 2020 [dismissed without a full hearing].

2) Furthermore, in IP High Court Decision 2022Heo4666, rendered on the same day, the court upheld the conclusion of IPTAB Decision 2021Dang1654 (August 1, 2022), in which IPTAB determined that ‘the invention, subject to confirmation, does not fall within the scope of rights of the patented invention in this case.’

Decision 2003Hu472 (Oct. 15, 2004); Supreme Court Decision 2012Hu3664 (May 16, 2014); Supreme Court Decision 2014Hu2184 (Nov. 25, 2016); Supreme Court Decision 2014Hu1563 (Apr. 7, 2017); Supreme Court Decision 2003Hu1550 (Dec. 23, 2004); Supreme Court Decision 2014Hu 2061 (May 26, 2016), Supreme Court Decision 2017Hu2864 (Aug. 27, 2020); Supreme Court Decision 2012Hu3312 (Feb. 14, 2013), Supreme Court Decision 2017Hu 523 (Jan. 17, 2019)

Subject Matters of Judgment

- [1] A case where the court judged on the premise that the decision in question did not violate the principle of res judicata, considering that although some of the plaintiff's arguments were not deemed sufficient to overturn the conclusion of the finalized decision, new grounds for invalidity, such as lack of written description, were added.
- [2] Interpretation of the claims of an extract invention
- [3] A case where it was judged that the novelty of Invention Claims 2 to 8 and the inventive step of the Invention Claims 1 to 8 are not negated, that the Invention Claims 2 to 8 are clearly described, and that the requirements for establishment, enablement, and support for the Invention Claims 7 and 8 are satisfied

Case Overview and Issues

On December 10, 2013, the plaintiff filed a request for a patent registration invalidation trial with the IPTAB, arguing that ‘the patented invention in this case lacks an inventive step for the invention claims 1 to 6 and does not meet the enablement requirement.’ However, the decision dismissing this request was finalized by the IP High Court and the Supreme Court on June 15, 2018. The plaintiff’s internal director established a separate company and, on April 5, 2017, filed a request for a patent registration invalidation trial, arguing that ‘the Invention Claims 2 to 6 lack novelty and the Invention Claims 1 to 8 lack an inventive step.’ The decision dismissing that request was finalized by the IP High Court and the Supreme Court on March 26, 2020. The plaintiff filed another request for a patent registration invalidation trial on May 28, 2021, and the IPTAB dismissed the request on August 1, 2022. The plaintiff argues that ‘the Invention Claims 2 to 8 lack novelty and are unclearly described. The Invention Claims 1 to 8 lack an inventive step. The Invention Claims 7 and 8 lack establishment, and their pharmacological effects are not clearly described.’

Summary of Decision

The claim was dismissed.

1. Whether Decision in This Case Violates the Principle of Non Bis In Idem

Although some of the plaintiff’s arguments are not deemed sufficient to overturn the conclusion of the finalized decision, this court will judge on the premise that the decision in this case does not violate the principle of non bis in idem, considering that new grounds for invalidity, such as deficiency of

description, were added in this case.

2. Interpretation of the Claims of an Extract Invention

In crude drugs or natural product extracts, it is often not possible to identify the structure and characteristics of all contained compounds because they contain various components, and the correlation between each component and its activity is often unclear. Accordingly, a chemically identified component that serves as a standard for distinguishing it from other substances is designated as a ‘marker compound,’ and the substance(s) that are the main components expected to directly or indirectly express the efficacy and effect of a drug are called ‘active ingredients.’ However, in the case of crude drugs, it is sometimes unclear what the active ingredient is. Rather, it is reasonable to interpret that the medicinal effect of a crude drug is not expressed by any one specific component contained therein or by several components having a common pharmacological activity, but by the sum of interactions such as addition (相加), synergism (上乘), and antagonism (相殺) among all active ingredients, which may have different pharmacological activities.

The Invention Claim 2, as an ‘invention of a product,’ namely “*Gynostemma pentaphyllum* extract,” includes the description of a ‘manufacturing method’ of “subjecting the ethanol extract concentrate of *Gynostemma pentaphyllum* leaves to high-temperature and high-pressure reaction treatment at 100-125°C, 1.2-690 atm for 0.5-24 hours, or at 45-100°C, 690-1100 atm for 12-24 hours,” a ‘composition’ of “containing Damulin A at 0.7-7%(w/w) and Damulin B at 0.5-6%(w/w) as active ingredients,” and a ‘use’ for “improving and treating obesity, diabetes, or hyperlipidemia.” It is

common technical knowledge that the components and content of an extract vary depending on the manufacturing method. Therefore, the ‘manufacturing method’ is an element that specifies the structure and properties of the Invention Claim 2, and the ‘composition’ is also an element that specifies the configuration of the Invention Claim 2. However, if the *Gynostemma pentaphyllum* extract is prepared according to the said ‘manufacturing method,’ the structure and properties of various unknown compounds present in the extract will also change compared to before the high-temperature and high-pressure reaction treatment. Among them, it is reasonable to view that the (increased) content of Damulin A and B, in particular, has been singled out as a compositional feature. However, the composition and content of the *Gynostemma pentaphyllum* extract do not change due to the ‘use’ limitation. Therefore, Invention Claim 2 should be viewed as an invention of a product limited by its ‘manufacturing method’ and ‘composition’ and compared with the prior art.

3. Novelty of the Invention Claims 2 to 8, and Inventive Step of the Invention Claims 1 to 8

Prior Arts 1 and 6 do not include the ‘high-temperature and high-pressure reaction treatment of the concentrate’ as in the Invention Claim 2. Since it cannot be acknowledged that the *Gynostemma pentaphyllum* extract prepared by that manufacturing method necessarily has the same composition as the Invention Claim 2, the novelty of the Invention Claim 2 is not negated by these prior arts. The same applies to the Invention Claims 3 to 6. The Invention Claims 7 and 8, which limit the active ingredient of the medical use invention to “one or more of the compounds Damulin A or Damulin B,” also

cannot be considered substantially the same as Prior Art 1 or Prior Art 6, so their novelty is not negated.

In the prior arts, no motivation can be found to subject the concentrate itself, after extracting *Gynostemma pentaphyllum* leaves with ethanol, to high-temperature and high-pressure reaction treatment. Since they do not recognize Damulin A and B as active ingredients, it is also difficult to see that the differences from the Invention Claims 1 to 8 can be easily overcome by combining them. Therefore, the inventive step of the Invention Claims 1 to 8 is not negated.

4. Judgment on Specification Description Requirements, etc.

The components and content of a natural product extract can vary depending on the collection method, post-harvest drying method, extraction method, etc. Therefore, it is usually specified by ① physical, qualitative, and quantitative properties, ② a specific production method for separating the extract, ③ limiting the specific compositional components, or ④ a combination of two or more of the above formats. The Invention Claim 2 satisfies the clarity requirement by limiting the manufacturing method and compositional components of the *Gynostemma pentaphyllum* extract, and the same applies to the Invention Claims 3 to 6. The specific substance and medical use of the Invention Claims 7 and 8, which are medical use inventions, are also clearly described.

Meanwhile, at the time of filing the patented invention in this case, the pharmacological mechanism showing anti-obesity and anti-diabetic effects due to AMPK activation was clearly established. Therefore, a person skilled in the

art can accurately understand and simultaneously reproduce the Invention Claims 7 and 8 with only the description in the specification without adding special knowledge, and it is reasonable to believe that the pharmacological effects disclosed in the description of the invention can be extended or generalized to the medical use of Invention Claims 7 and 8. The Invention Claims 7 and 8 satisfy the requirements for enablement and support in the specification.

The plaintiff also argues that the establishment of the Invention Claims 7 and 8 is negated because Damulin A and B are natural products existing in natural *Gynostemma pentaphyllum* leaves. However, since the Invention Claims 7 and 8 are medical use inventions and do not seek protection for the compounds Damulin A and B themselves, this argument is without reason, regardless of whether Damulin A and B are natural products. Furthermore, the specification of the patented invention in this case clearly presents the structures of Damulin A and B as active ingredients, and the pharmacological effects exhibited by these compounds are also described.

5. Conclusion

There are no grounds for invalidating the registration of the patented invention in this case, so the decision of the IPTAB is lawful.

Light Stick Wireless Control System Patent Infringement

(Twenty-first Division) Decision 2021Na2087, Decided Feb. 1, 2024

Category	Claim for Injunction against Patent Infringement, etc.
Relevant Provision	Patent Act, Article 97
Relevant Decisions	Supreme Court Decision 2017Da209761 (Jul. 10, 2019); Supreme Court Decision 2017Da231829 (Jan. 14, 2021); Supreme Court Decision 2014 Hu638 (Apr. 26, 2017); Supreme Court Decision 2015Da244517 (Aug. 1, 2018); Supreme Court Decision 2022Hu10210 (Feb. 2, 2023)

Subject Matters of Judgment

1. Construction of Claim 1 of the Corrected Invention concerning a light stick (specifically, the “preset group”)
2. A case where the plaintiff’s appeal was dismissed, similar to the first instance judgment that dismissed the plaintiff’s claim, on the grounds that the defendant’s implemented service does not fall within the scope of the corrected Claim 1

Case Overview and Issues

The plaintiff is the patentee of Patent No. 1932527 for an invention titled ‘Wireless Lighting Control System,’ registered on December 19, 2018. The

defendant, established on November 4, 2011, provided services controlling the lighting of audience light sticks at concerts for artists such as NU'EST, EXO, Super Junior, NCT, and Taeyeon (Girls' Generation) in 2019. In a patent registration cancellation proceeding against all claims of the said invention, the plaintiff filed a request to correct Claim 1, and the correction was published on November 16, 2020. On December 4, 2020, the defendant filed a trial to invalidate the said correction, and on May 24, 2021, the IPTAB issued a decision invalidating the correction. However, on November 25, 2021, the IP High Court rendered a judgment canceling the said invalidation decision, which became final. The plaintiff filed a lawsuit seeking an injunction against infringement, disposal of infringing products, and damages of over 450 million KRW, alleging that the defendant's implemented service infringes the corrected invention of Claim 1.

Judgment of the First Instance

Seoul Central District Court, Decision 2020GaHap508241, Decided December 9, 2021

The plaintiff's claim was dismissed on the premise that 'the corrected invention of Claim 1 presupposes that the slave lighting device pre-stores information about the group to which it belongs, whereas the defendant's implemented service does not presuppose such a configuration.'

Summary of Decision

The appeal and expanded claim were dismissed.

1. Interpretation of Claims of Corrected Invention of Claim 1

According to the wording of the claims, the term “group” in the corrected invention of Claim 1 means ‘a set of a plurality of slave lighting devices grouped together based on mapped seat information, at least prior to sending group-specific control information, in order to display the same color for each group.’ Supplementing this with the description of the invention and the drawings, the “group” is set by the master device user, a ‘professional staff member’ (director), by methods such as dragging and drawing boundaries on a seating chart, and the slave lighting devices grouped together display lighting colors, etc., uniformly. During the application process, the plaintiff consciously and explicitly excluded from the scope of rights configurations such as controlling sub-groups by writing separate pattern information within a specific area once set as a single group, or re-setting or changing a group preset before the start of a performance during the performance.

2. Specification of the Defendant’s Implemented Service

The plaintiff, based on a UART communication data analysis from an IU concert in September 2022 where the light stick lighting was directed by the service provided by the defendant, argues that in the defendant’s implemented service, a single light stick stores 32 types of mapping information, and this corresponds to the preset group’ which is the unit controlled by the 10-byte control information. However, it is recognized that in the defendant’s implemented service, the said mapping information is ‘coordinate information’ on 16 virtual planes, where two pieces of information are paired together. The defendant’s claim that the 10-byte control information draws and moves shapes using functions based on that coordinate information is also

supported by evidence. With the method claimed by the plaintiff, it would be difficult to simultaneously and naturally perform various effects beyond horizontal and vertical divisions, such as creating and moving complex sections like hearts as implemented by the defendant, or creating an effect like fireflies flying by having circles move irregularly throughout the audience seating area.

3. Comparison of Configurations of Corrected Invention of Claim 1 and Defendant's Implemented Service

The defendant's implemented service differs from the corrected invention of Claim 1 in its method of controlling the operation of the slave lighting devices (lighting devices) by distinguishing them based on seat information, and it does not include the constituent element related to a "preset group." Therefore, it does not fall within the scope of rights of the corrected invention of Claim 1.

Specifically, in the corrected invention of Claim 1, the slave lighting devices that will emit the same color are grouped together to set a "group," so the visual boundary that appears in the performance is the boundary of the group. For 'performance stability,' the group is preset before the performance begins, so devices belonging to one group operate together throughout the performance. In contrast, the defendant's implemented service relies on a method of mapping the lighting devices to several virtual coordinate planes and then selecting one plane to control them based on coordinate values. Here, the coordinates are for specifying a location rather than being intended for a specific action, and they are basically coordinates on a 2D plane. The configuration that the plaintiff consciously and explicitly excluded, which is 'a

method of controlling a group according to separately set pattern information within a specific area set as a group,' can also be easily implemented. In response, the plaintiff argues to the effect that "in the defendant's implemented service, there are cases where multiple lighting devices (seats) are grouped into a single coordinate, and this corresponds to the 'group' of the corrected invention of Claim 1, and if even a part of the defendant's implemented service falls within the scope of rights of the corrected invention of Claim 1, the defendant has infringed the plaintiff's patent right." However, as seen from the application history, the corrected invention of Claim 1 is not a patent granted for 'a system that groups together and controls multiple lighting devices in a concert venue' in its entirety.

JEONG EUN Tungsten Carbide Case

(Third Division) Decision 2023Heo14066, Decided Sep. 26, 2024

Subject Matter	[Patent] Sintered Hard Alloy Sliding Part for Concrete Pumps
Administrative Decision	IPTAB Decision 2023Dang2451, Decided Nov. 2, 2023
Category	Invalidation of Registration (Patent)
Relevant Decision	Supreme Court Decision 2004Hu486 (Sep. 29, 2005)

Subject Matter of Judgment

A case where it was held that in the description “a segmented super hard alloy protective ring that is divided into multiple segments and implanted in a seating groove on the inner side of the edge of an integral super hard alloy horizontal friction ring” in the disputed claim, the term “on the inner side” is a clerical error for “on the outer side,” considering the general meaning of the term, the technical significance of the related configuration, and the description in the specification that supports the claim

Case Overview and Issues

The defendant obtained a patent for an invention titled ‘Super Hard Alloy Sliding Parts for Concrete Pumps’ (registered on March 16, 2015, as Patent No. 10-1573425). The claims of the patent includes a description to the effect that the

protective ring is located “on the inner side of the edge” of the horizontal friction ring. A product of the plaintiff, a competitor, included a configuration where the protective ring is located “on the lower part of the edge” of the horizontal friction ring. The plaintiff argued that in Claim 1 of the invention in this case, “on the inner side” in the phrase “on the inner side of the edge” is a clerical error for “on the outer side,” and that if “on the inner side” is not a clerical error but is interpreted according to its literal, general meaning, or as a term including “the lower part” as the defendant claims, then it is not supported by the description of the invention.

Summary of Decision

The claim was dismissed (with the plaintiff’s argument on clerical error accepted).

For the following reasons, it is reasonable to consider that the part “on the inner side” in the phrase “on the inner side of the edge” in Claim 1 of the invention in this case is a clerical error for “on the outer side.”

- a. The description “on the inner side of the edge of the horizontal friction ring” is a description expressing the installation position of the protective ring. Since the protective ring has a ring shape, it is necessary to specify its radial (horizontal) position and its up-down (vertical) position to specify its installation location. ① However, the term “inner side,” in its ordinary or dictionary sense, generally means ‘the part facing inward or the part inside’ in the radial direction, not the vertical direction. ② Terms used in a specification should be used with their general meaning and used consistently throughout the entire specification. However, if there is an intention to use a term with a

specific meaning, it is permissible to define and use that term with such a specific meaning in the specification (see Supreme Court Decision 2004Hu486, decided September 29, 2005, etc.). However, in the specification of the patent in this case, there is no definition that “on the inner side” means a vertical position rather than a radial one, contrary to its general meaning, nor is there any description that would allow such an interpretation. Rather, the specification of the patent in this case confirms that “inner side” is used as a term indicating a radial position, as in its general meaning, by stating, “further comprising a step of installing a separable carbon core on the inner side of the forming ring.” ③ Moreover, since the vertical position of the protective ring is sufficiently specified in Claim 1 of the invention in this case by the separate description “is implanted and installed in the seating groove, and includes a groove formed to allow the protective ring to be inserted and installed,” it does not seem that there are any special circumstances that would require using “on the inner side” as a term to specify the vertical position. Therefore, it is reasonable to view that “on the inner side of the edge” of the horizontal friction ring means that the protective ring is implanted and installed in a seating groove formed on the part of the horizontal friction ring facing the inner circumference, in accordance with the general meaning of the words.

- b. In order to see that the protective ring is implanted and installed on the inner side of the horizontal friction ring in accordance with its general meaning, the protective ring must be located on the inner lower side of the edge of the horizontal friction ring, which has a certain width. However, according to the specification of the patent in this case, the protective ring is formed of a wear-resistant super hard alloy, and its technical significance lies in

preventing the deterioration of the bonding force due to wear on the joint between the horizontal friction ring and the connecting pipe by concrete during the reciprocating movement of the moving wear ring. Therefore, the protective ring must be installed in a form that surrounds the joint between the horizontal friction ring and the connecting pipe to conform to its technical significance. However, if the protective ring is installed at a position on the inner side of the edge of the horizontal friction ring, i.e., the inner lower part, the protective ring cannot surround the joint between the horizontal friction ring and the connecting pipe, thus losing its technical significance.

- c. Meanwhile, in the description of the invention in the specification of the patent in this case, it is only described that the protective ring “is divided into multiple segments on the edge of the super hard alloy horizontal friction ring and is implanted and installed in the seating groove.” There is no description that it is installed “on the inner side of the edge” or any description that would allow such an interpretation. Rather, the drawings in the said specification only show a form where the protective ring is located at a position surrounding the joint between the horizontal friction ring and the connecting pipe, i.e., “on the outer side” adjacent to the horizontal friction ring, not the inner side. Considering that the protective ring must surround the horizontal friction ring and the connecting pipe from the outer side to protect the joint from wear, it is reasonable to view that the protective ring should be located on the outer side of the edge (where it can contact and surround the horizontal friction ring) in the radial direction of the horizontal friction ring.

Shape-Memory Spring Actuator Dependent on Outdoor Unit Air Temperature Case

(Fifth-Two Division) Decision 2023Heo11593, Decided Nov. 30, 2023

Subject Matter	[Patent] Actuator Device with Shape-Memory Spring Dependent on Outdoor Unit Air Temperature in Automatic Opening/Closing Ventilation Window with Interlocked Louvers
Administrative Decision	IPTAB Decision 2022Dang3652, Decided Mar. 23, 2023
Category	Scope of Right Confirmation (Patent)
Relevant Provisions	Civil Procedure Act, Article 1(2); Administrative Litigation Act, Article 8
Relevant Decision	Supreme Court Decision 2014Hu638 (Apr. 26, 2017)

Subject Matter of Judgment

Regarding the scope of protection of a patent right, whether making an argument in a right scope confirmation case that is different from an argument made in a patent invalidation case violates the principle of estoppel (Limited Negative)

Case Overview and Issues

The decision in this case determined that the invention in question does not fall within the scope of the rights of the Invention Claims 1 and 2 of this case. The plaintiff, the patentee, filed this lawsuit seeking the cancellation of the decision.

During the registration invalidation trial for the patent in this case, the plaintiff had explained the meaning of the configuration ‘the link is movably coupled to the connection part’ in Claim 1 of this case as ‘a configuration where the link moves back and forth inside the connection part, which is in the form of a long hole,’ thereby intentionally excluding a circular connection part from the interpretation. Furthermore, during the lawsuit to cancel the decision of the said invalidation trial, the plaintiff had emphasized as a technical feature of the patent in this case that ‘the spring force is transmitted only in the direction perpendicular to the driver during the linear reciprocating motion of the link,’ and had clearly argued that a circular connection part is not included in the scope of the claims of the patent in this case. Nevertheless, the plaintiff is now arguing in this case that even such a circular connection part is included in the scope of rights of the patent in this case. The issue was whether such an argument violates the principle of estoppel and the principle of good faith and is thus impermissible.

Summary of Decision

The administrative decision was revoked.

Judgment on the Defendant’s Claim of Estoppel or Violation of the Principle of Good Faith

a. Relevant Legal Principles

Article 1(2) of the Civil Procedure Act stipulates that ‘The parties and participants of litigation shall perform the litigation in good faith and sincerity.’ Thus, the principle of good faith must also be applied in civil procedure. In a litigation process, if one party performs a procedural act, such

as presenting a certain argument, and the opposing party relies on such an act and determines his or her procedural legal status based on it, and then the party who conferred reliance behaves in a manner inconsistent with the previous attitude, if such behavior were to be tolerated, the opposing party's procedural status could be unfairly disadvantaged. In such a litigation process, when a party's contradictory argument is judged to harm the stability of the procedure and to be an abuse of the litigation process, the principle of good faith may be applied.

However, in civil litigation, it is a principle that a party may present all possible legal arguments to protect his or her interests. In particular, the need to change statements and arguments to match the results of the evidence examination may arise. Therefore, it is necessary to allow a party to later cancel or change a procedural act he or she has made. Unless it falls under the binding force of an admission (Article 288 of the Civil Procedure Act) or a belated means of offense or defense (Ibid, Article 149), a party can change his or her position on an issue until the close of pleadings. Therefore, to harmonize with the goal of civil litigation, which is the discovery of substantive truth, the application of the principle of good faith to contradictory arguments in litigation needs to be as cautious as possible.

Therefore, in order to disallow a party's procedural argument on the grounds that it violates the principle of good faith and fair dealing, it must be that the party has conferred reliance on the opposing party regarding that argument, or that, viewed objectively, the opposing party is in a state where it is justifiable to have reliance. It must also be that making a contradictory argument in opposition to this reliance of

the opposing party has reached a state that cannot be tolerated in light of the concept of justice. These legal principles apply equally to administrative litigation procedures, which apply the Civil Procedure Act *mutatis mutandis*.

b. Review

Based on the above legal principles, the fact that the plaintiff made a claim interpretation argument in a subsequent right scope confirmation case that differs in content and scope from the claim interpretation argument made in a prior invalidation case concerning the same patent cannot be seen as an act that violates the principle of estoppel or the principle of good faith. The specific reasons are as follows:

- 1) In the prior invalidation case, each party merely made legal arguments favorable to themselves regarding the interpretation of the claims from their respective positions. There are no circumstances to suggest that the plaintiff's argument related to the claim interpretation in the invalidation case conferred reliance on the opposing party to the effect that the plaintiff would not exercise rights regarding a scope that exceeds that claim interpretation in the future. There is also no basis to believe that the defendant trusted that the plaintiff's argument related to the claim interpretation was legitimate, or that the defendant came to have a justifiable reliance that the plaintiff would not change its position on the claim interpretation.
- 2) It is clear that it is not appropriate for the same party to argue for different interpretations of the claims in an invalidation case and a right scope case

regarding the same patent. However, the court is not bound by a party's argument regarding the interpretation of the claims in a lawsuit. If it were held that a patentee's different arguments on claim interpretation in an invalidation case and an infringement case are impermissible for violating the principle of good faith, it could result in effectively recognizing a binding force on the plaintiff's argument in the prior lawsuit, which is not reasonable.

- 3) There are cases where a patentee's assertion of a broad scope of rights in an infringement lawsuit, etc., which is inconsistent with what was consciously excluded through amendments to the claims or statements of opinion during the application process or through correction procedures after patent registration, is not permitted by the principle of estoppel (prosecution history estoppel, see Supreme Court Decision 2014Hu638 decided April 26, 2017, Supreme Court Decision 2015Da244517 decided August 1, 2018, etc.). However, it cannot be concluded that a party's specific claim interpretation argument during a lawsuit is a declaration of intent with effect erga omnes to consciously exclude the part that exceeds his or her claim interpretation argument from the scope of the patent right. Furthermore, one of the important theoretical grounds for prosecution history estoppel is that since the examination process and correction procedures publicly announce the scope of protection of the patent, the reliance of a person who trusted the prosecution history, etc., to avoid patent infringement must be protected. There is no basis to believe that such reliance is conferred on the patentee's argument during a lawsuit, or that the patentee's argument during a lawsuit serves to publicly announce

the scope of protection of the patent. Therefore, the principle of file-wrapper estoppel cannot be applied as is to a party's argument in a litigation procedure.

Candle-Type Lamp Case

(Second-Two Division) Decision 2023Heo14578, Decided Aug. 28, 2024

Subject Matter	[Utility Model Right] Candle-Type Lamp
Administrative Decision	IPTAB Decision 2022Dang3605, Decided Nov. 22, 2023
Category	Scope of Right Confirmation (Utility Model Right)
Relevant Provisions	Utility Model Act Article 28, Patent Act Article 97, et al.
Relevant Decision	Supreme Court Decision 2015Da244517 (Aug. 1, 2018), et al.

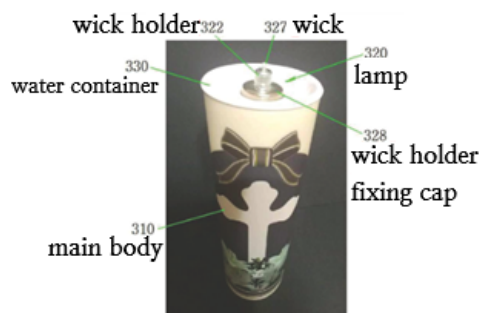
Subject Matters of Judgment

1. Method of interpreting a utility model's claim when it additionally includes a description of the article's material
2. Method of determining whether an article being compared with a registered utility model was consciously excluded from the claims of the registered utility model based solely on the description in the specification

Case Overview and Issues

In response to the plaintiff's request for an affirmative scope confirmation trial, the IPTAB issued a decision not to accept the plaintiff's trial request. The reason was that the subject device for confirmation differs in some components from the

registered utility model in this case, so it cannot be said to be literally or equivalently included in its technical configuration, and the differing component was consciously excluded from the scope of rights of the registered utility model.



The water container of the registered utility model in this case is made of ceramic material, whereas the water container of the subject device for confirmation is made of metal material. The main issues are whether the plaintiff's argument—that the limitation regarding the water container's material stated in the claims should not be considered in determining the scope of rights—is valid, and whether the defendant's argument—that the metal material of the subject device's water container was consciously excluded from the scope of rights of the registered utility model—is valid.

Summary of Decision

The claim was dismissed.

1. The claims of a device for which a utility model registration is sought must be described in such a way as to specify the shape, structure, or a combination thereof of the article that is the subject of the device (hereinafter 'shape, structure, etc.'). If the claims as a whole are described as the shape, structure, etc., of the article, even if the claims additionally include a description of the article's material, the subject of the device is not the material but the finally derived shape, structure, etc., of the article. The description of the article's

material in the claims can be seen as having meaning as one means for specifying the shape, structure, etc., of the final article. Therefore, in the case of a registered utility model where the claims as a whole describe the shape, structure, etc., of an article and additionally include a description of the article's material, when determining whether it falls within the scope of rights, its technical configuration should not be understood as being limited to the material of the article itself. Instead, it should be understood as an article having the shape, structure, etc., specified by all the descriptions in the claims, including the description of the article's material, and compared with the subject device for confirmation. To do otherwise, by ignoring some descriptions in the claims of the registered utility model at the stage of exercising rights simply because they are descriptions of the article's material, would be to retroactively approve an expansion of the claims, which cannot be permitted.

The claims of the registered utility model in this case contain a general description of the shape, structure, etc., of the water container, stating that 'a lamp (320) passes through its center, and it is hooked and fixed to the upper end of the main body (310).' The water container is located near a flame and is continuously exposed to heat, which can cause thermal deformation or transfer heat, causing thermal deformation of surrounding components. It can be easily understood from the descriptions in the specification that the material or composition of the water container can be a technical means having an organic connection within the entire device to prevent deformation due to heat or to maintain its shape. Therefore, the description 'ceramic material' in the claims of the registered utility model should not be completely excluded from the

interpretation of its scope of rights simply because it is a description of the water container's material. Instead, it should be understood as an article whose technical content includes the prevention of thermal deformation of the main body's opening and the maintenance of its shape, in accordance with the limitation on the material of the article, as specified by all the descriptions in the claims, and compared with the subject device for confirmation.

2. It can be said that, even based solely on the description in the specification, considering the inventor's intention revealed therein, the subject article can be seen as having been consciously excluded from the claims during the application of the registered utility model. If the description of the device contains a statement pointing out the problems of a modified configuration of a subject article that could replace the technical configuration of the registered utility model, and discloses the said technical configuration of the registered utility-model as a technical means to solve them, and if the said modified configuration of the subject article is excluded from the scope of the literal wording of the claims of the registered utility model, then it is reasonable to view that the applicant or the utility model right holder consciously excluded the subject article of the said modified configuration from the claims of the registered utility model during its application process.

In the description of the device in the specification of the registered utility model, there are descriptions to the effect that a modified configuration of the subject device for confirmation, which could replace the technical configuration of the registered utility model—that is, the technical configuration where the water container of the subject device is made of 'metal

material'—has the problem of causing the opening of the main body, formed of plastic material, to undergo thermal deformation due to heat transferred from the flame. There are also descriptions to the effect that the technical configuration where the water container of the registered utility model is made of 'ceramic material' can solve the problem of causing the opening of the main body to undergo thermal deformation by preventing heat generated from the flame from being transferred to the main body through the water container. Considering these circumstances, along with the fact that the claims of the registered utility model are described in a way that excludes the modified configurations of the subject device from the scope of their literal wording, it can be seen that the plaintiff, who is the applicant and the utility model right holder of the registered utility model, consciously excluded the modified configuration of the subject device—that is, the technical configuration where the water container is made of 'metal material'—from the claims of the registered utility model during its application process. Therefore, the plaintiff's argument that the subject device for confirmation, which has the said modified configuration, falls within the scope of rights of the registered utility model violates the principle of estoppel and is not permitted.

07

Enablement Description Requirements

Supramolecular Complex Case

(First Division) Decision 2023Heo12695, Decided May 30, 2024

Subject Matter	[Patent] Pharmaceutical Combination of Angiotensin Receptor Antagonist and NEP Inhibitor
Administrative Decision	IPTAB Decision 2022Dang790, Decided Jun. 14, 2023
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 42(3)1
Relevant Decision	Supreme Court Decision 2001Hu65 (Nov. 30, 2001)

Subject Matters of Judgment

1. Article 42(3)1 of the Patent Act provides that the description of the invention must be stated clearly and in detail so that a person skilled in the art can easily carry it out. In the case of a chemical invention, even if a working example of the compound is not directly described in the specification, can the said specification description requirement be considered met if a person skilled in the art can easily recognize the existence of the corresponding compound and can easily prepare it, based on the time of the invention's filing (Affirmative)
2. A case where it was held that a chemical invention did not meet the specification description requirement of Article 42(3)1 of the Patent Act because a working example of the corresponding compound was not directly described in the specification, and it was difficult for a person skilled in the art

to easily recognize the existence of the compound and to easily prepare it based solely on the contents of the specification

Case Overview and Issues

The defendant filed a request for a registration invalidation trial against the invention in this case, arguing, among other things, that the specification of the invention is not described in a way that a person skilled in the art can easily carry out the invention, thus violating Article 42(3)1 of the Patent Act. The IPTAB accepted the defendant's trial request on the grounds that the invention in this case violates Article 42(3)1 of the Patent Act.

Summary of Decision

The claim was dismissed.

1. Configuration of Invention in this Case

The claim of the invention in this case is 'a compound having the general chemical formula $[(S)-N\text{-valeryl-N}\{2'-(1H\text{-tetrazol-5-yl})\text{-biphenyl-4-yl}\}\text{-methyl}\}\text{-valine}) ((2R,4S)\text{-5-biphenyl-4-yl-4-(3-carboxy-propionylamino)-2-methyl-pentanoic acid ethyl ester}]Na_3 \cdot xH_2O$ (where x is 0 to 3), in solid form, but not the crystalline form of trisodium $[3-((1S,3R)\text{-1-biphenyl-4-ylmethyl-3-ethoxycarbonyl-1-butylcarbamoyl})\text{propionate-(S)-3'-methyl-2'-(pentanoyl}\{2''\text{-(tetrazol-5-ylate)biphenyl-4'-ylmethyl}\}\text{amino})\text{butyrate}]\text{hemipentahydrate}$ (hereinafter '2.5-hydrate').' Synthesizing the contents of the specification of the invention in this case and theories regarding crystal engineering and supramolecular complexes, it is reasonable to view the invention in this case as 'various solid forms of supramolecular complexes in

which two pharmaceutically active agents, valsartan and sacubitril, are associated through non-covalent interactions with sodium cations and water molecules, behaving like a single chemical substance *ex vivo* but separating into individual components—valsartan, sacubitril, sodium cations, and water molecules—in *vivo* to exhibit the individual effects of valsartan and sacubitril, from which only the crystalline form of the 2.5-hydrate is excluded,’ and that it includes a plurality of chemical substances and various solid forms within its scope of rights.

2. Whether Article 42(3)1 of the Patent Act is Violated

In the case of chemical inventions, which are so-called experimental sciences, there may be differences depending on the content and technical level of the invention. If experimental data from a working example is not provided for this type of invention when predictability or feasibility is significantly lacking, it is difficult to consider that a person skilled in the art can clearly understand the effect of the invention and easily reproduce it. Then it is difficult to view it as a completed invention (see Supreme Court Decision 2001Hu65 decided November 30, 2001, etc.). Although sufficient details about the invention in this case, such as working examples, are not described in its specification, if a skilled person in the art, based on the time of filing of this invention, can accurately understand and reproduce this invention—that is, if they can easily recognize the existence of and easily prepare an amorphous form of the 2.5-hydrate or crystalline or amorphous forms of supramolecular complexes with a degree of hydration from 0 to 3 (excluding 2.5), based on the information about the crystalline form of the 2.5-hydrate supramolecular complex whose substance is confirmed in the specification of this invention—

then it can be seen as meeting the specification description requirement of Article 42(3)1 of the Patent Act.

However, the specification of the invention in this case only describes the 2.5-hydrate supramolecular complex, in which valsartan, sacubitril, sodium cations, and water molecules are associated in a 1:1:3:2.5 ratio and have a specific crystal structure. It does not particularly specify the manufacturing method, efficacy, crystal form, etc., of the supramolecular complexes that actually fall under Claim 1 of this invention.

It is difficult to see that a skilled person in the art, based on the specification of this invention and the technical level at the time of filing, could easily recognize that even if the number of water molecules increases or decreases compared to the 2.5-hydrate, or even if it contains no water molecules at all, the non-covalent interactions among the chemical species of ‘valsartan,’ ‘sacubitril,’ ‘sodium cations,’ and ‘water molecules’ would still successfully balance to form a supramolecular complex in a crystalline or amorphous form. Furthermore, it is judged that it would be very difficult to expect the preparation of such supramolecular complexes.

Therefore, the invention in this case violates Article 42(3)1 of the Patent Act, and the decision of the IPTAB is lawful.

Plant Extracts Combination Case

(Fifth Division) Decision 2023Heo11852, Decided Jun. 13, 2024

Subject Matter	[Patent (Application)] Combination of Plant Extracts for Improving Skin Tone
Administrative Decision	IPTAB Decision 2022Won1564, Decided Apr. 25, 2023
Category	Decision of Rejection (Patent)
Relevant Provisions	Former Patent Act (prior to amendment by Act 11690 on Mar. 23, 2013), Articles 42(3)1 and 42(4)1
Relevant Decisions	Supreme Court Decision 2014Hu2061 (May 26 2016); Supreme Court Decision 2017Hu1298 (Dec. 30, 2021)

Subject Matters of Judgment

1. In a functional cosmetic invention, even if the experimental results are described qualitatively without presenting quantitative experimental data, whether the description requirements of the invention as stipulated in former Patent Act Article 42(3)1 (To clearly detail the invention in such manner that any person with ordinary knowledge in the technical field of the relevant invention can easily practice the invention) can be considered to have been met (Affirmative)

2. In such a case, whether the claim description requirements stipulated in former Patent Act Article 42(4)1 (The invention shall be supported by the description) can be considered to have been met (Affirmative)

Case Overview and Issues

On April 20, 2021, the plaintiff filed a patent application for a composition of plant extracts for whitening skin tone (a divisional application from the original application [international application] decided December 19, 2012). The plaintiff appealed the decision of patent rejection, but the IPTAB dismissed the plaintiff's appeal on the grounds that 'the description of the invention lacks specific data on the inhibition of melanogenesis activity, etc., by azuki bean or its extract, and from that description, excessive effort is required for a person skilled in the art to confirm the inhibition of melanogenesis activity and the whitening or skin tone unifying effect of the azuki bean of the Invention Claim 1, thus not meeting the specification description requirements.'

Summary of Decision

The administrative decision was revoked.

1. Whether the Requirement of former Patent Act Article 42(3)1 is Met
 - a. The portion of the description at issue regarding the effect at issue only states the conclusion that both the aqueous extract of navy bean and the aqueous extract of azuki bean are effective in reducing melanogenesis activity and only presents the B16 melanogenesis analysis method, without specifying concrete and quantitative experimental data. However, it is reasonable to believe that a

person skilled in the art can sufficiently predict from the description at issue alone that the composition at issue can reduce the activity of melanogenesis.

The reasons are as follows:

- 1) The target analysis method appears to be a method widely known in the relevant technical field since before the priority date of the claimed invention.
- 2) The target analysis method using cell culture and spectrophotometric measurement appears to be an experimental method that a person with basic experimental skills in the relevant technical field can easily carry out. Since the ‘aqueous extract of navy bean’ or ‘aqueous extract of azuki bean’ are water-soluble extracts obtained from white kidney bean powder or red bean powder, it does not seem that a person skilled in the art would have difficulty in their production or cell treatment. Furthermore, considering the technical level at the time of the priority date, it does not seem that a person skilled in the art would have any particular difficulty in determining whether the effect of the experimental group is remarkable through comparison with a control group during the analysis method process. Thus, it appears that a person skilled in the art can, without excessive experimentation or adding special knowledge, reproduce the target analysis method on the ‘aqueous extract of navy bean’ and ‘aqueous extract of azuki bean’ to confirm the effect of reducing melanogenesis activity.
- 3) The plaintiff conducted the target analysis method on the aqueous extract of azuki bean, etc., before the priority date, and actually confirmed the effect of reducing melanogenesis activity. As long as a person skilled in the

art has no particular difficulty in reproducing the target analysis method to confirm the effect, it cannot be held that experimental data regarding the aqueous extract of navy bean and the aqueous extract of azuki bean must be described in specific numerical values in the specification to meet the description requirements stipulated in former Patent Act Article 42(3)1.

- b. Therefore, it is reasonable to believe that the description of the claimed invention meets the requirements of former Patent Act Article 42(3)1.

2. Whether the Requirement of former Patent Act Article 42(4)1 is Met

- a. In light of the following circumstances, since matters corresponding to the composition at issue are described in the description of the invention, it is reasonable to believe that the part of the Invention Claim 1 concerning the composition at issue is supported by the description of the invention, and this view should not be altered solely because concrete and quantitative experimental data showing the whitening or skin tone unifying effect are not described in the specification.

1) The composition at issue is for skin whitening or skin tone unification, containing the aqueous extract of azuki bean or the aqueous extract of navy bean and the aqueous extract of azuki bean as active ingredients. Its principle of action is to reduce melanogenesis activity in the skin through topical application to the skin.

2) The description of the invention specifies, as concrete details for carrying out the invention, the manufacturer or acquisition method of the active ingredients, azuki bean extract or navy bean extract, and describes the concentration of the azuki composition or combined composition, as well as

the components or means included other than each of the said extracts.

3) The description of the invention states, ‘In some embodiments, the compositions of the present invention can be used to reduce tyrosinase activity and the effective reduction of melanogenesis activity, which can be obtained from relatively low concentrations of azuki bean and/or navy bean and/or their extracts.’ Therefore, it can be seen that the description of the invention contains explanations corresponding to the ‘skin whitening or skin tone unification’ or ‘reduction of melanogenesis activity in the skin’ described in the Invention Claim 1.

b. Therefore, it is reasonable to believe that the Invention Claim 1 meets the requirements of former Patent Act Article 42(4)1.

3. Conclusion

It cannot be held that there is a deficiency of description in the description of the invention of the claimed invention or in the Invention Claim 1 that violates former Patent Act Articles 42(3)1 or 42(4)1. Therefore, the decision in this case, which concluded otherwise, is unlawful.

Optical Filter Case

(Third Division) Decision 2023Heo11494, Decided May 21, 2024

Subject Matter	[Patent] Optical Filter and Sensor System
Administrative Decision	IPTAB Decision 2021Dang879, Decided Feb. 28, 2023
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 42(3)1

Subject Matter of Judgment

A case where it was judged that if a person skilled in the art can recognize an inherent lower limit of an invention from the specification and technical common sense, and can carry out the invention within the range of the defined upper limit and the recognizable inherent lower limit, the invention cannot be deemed not to meet the enablement requirement solely on the grounds that the lower limit of the center wavelength shift is not explicitly described

Case Overview and Issues

The defendant filed a request for a registration invalidation trial against the patented invention in this case with the IPTAB, alleging violations of provisions regarding inventive step, enablement, clarity, and divisional application. The IPTAB issued a decision accepting the defendant's trial request for the claims that only defined an upper limit. The reasoning was that 'there are no invalidity grounds in the patented invention in this case that violate provisions regarding

inventive step, clarity, and divisional application requirements. A person skilled in the art can easily carry out the claims of the patented invention in this case that limit the numerical range of the center wavelength shift to 12.2 nm or more and less than 13 nm, based on the description of the invention and the technical level at the time of filing. However, the entire defined numerical range for the claims that only define an upper limit is deemed not to be easily carried out.’

Summary of Decision

The administrative decision was revoked.

For the following reasons, it is difficult to view that the description of the invention of the patented invention in this case does not meet the enablement requirement solely on the grounds that the lower limit of the center wavelength shift is not explicitly described in the invention at issue.

- a. A 3D image sensor used for facial recognition, etc., recognizes the shape of a three-dimensional object, such as a face, by analyzing light that is emitted from a light source, reflected off the object, and returned. However, since not only the light emitted from the light source but also ambient light inevitably enters the 3D image sensor, the 3D image sensor uses an optical filter whose passband is the frequency band of the corresponding light source to minimize the influence of ambient light and selectively receive only the light emitted from the light source.
- b. There is an inevitable difference in the angle of incidence between the light reflected from the center part of the three-dimensional object and the light reflected from the left and right ends of the object. The larger the angle of

incidence, the larger the center wavelength shift becomes compared to when passing through perpendicularly. However, if the light that needs to pass falls outside the passband of the optical filter due to the center wavelength shift, the 3D image sensor using that optical filter cannot perform its function. Therefore, the optical filter used in a 3D image sensor needs to make the degree of center wavelength shift small enough so that at least a part of the frequency band of the light that needs to pass can pass through the designed passband. Therefore, the core technical significance of the patented invention in this case is to lower the center wavelength shift to a certain value or less within a certain range of incidence angles, that is, to lower the upper limit of the center wavelength shift. As such, since it is better for the center wavelength shift to be as low as possible, a lower limit, i.e., that the center wavelength shift should be higher than a certain value, cannot be seen as having any particular technical significance. However, as long as even a part of the light emitted from the light source and reflected can pass through the passband within a certain range of incidence angles, the 3D image sensor can operate. Thus, there is less incentive to spend excessive cost and effort to significantly lower the center wavelength shift beyond lowering it to a certain standard value or less within a certain range of incidence angles.

- c. As the effective refractive index of the medium increases, the center wavelength shift of the light decreases, and the performance of the optical filter improves. The relationship between this refractive index and the center wavelength shift is well-known technical common sense in the relevant technical field. However, the hydrogenated silicon produced by the process disclosed in the patented invention in this case inevitably has a refractive

index below a certain value. A person skilled in the art can easily recognize that in the patented invention in this case, the refractive index can be increased to reduce the center wavelength shift, but at the same time, there is a certain limit to increasing the refractive index.

- d. It can be seen that in the technical field to which the invention belongs, it is a commonly used and widespread description practice to state only the upper or lower limit of a specific parameter when defining technical features with numerical values of various variables representing optical properties.

Patent Registration No.	Claim Description	Applicant
10-2187048	An infrared band-pass filter, wherein the angle of incidence varies between 0° and 30°, <u>the center wavelength of the passband is shifted by less than 12 nm</u> , and in the wavelength range between 800 nm and 1,100 nm, the transmittance of the passband is greater than 90% (See Claim 1)	Defendant's parent company

The rest is omitted

- e. If a person skilled in the art can recognize the existence and approximate value of the lower limit of the center wavelength shift of the patented invention in this case from its specification and technical common sense, and if such a specification description method is common in the relevant technical field, it is reasonable to view that the lower limit is inherent in the patented invention in this case, even if it is not clearly specified. Therefore, it is unreasonable to invalidate the entire claim by assuming a lower limit of a numerical range that cannot be reached by ordinary methods due to

limitations in the refractive index, etc., and that does not have great technical significance, and then concluding that the invention cannot be carried out up to that point, thereby finding a defective description in the enablement requirement of the patented invention in this case.

- f. In cases where some parts that are interpreted literally as being included in the claims are not supported by the description in the detailed description of the invention, or where the applicant is seen as having consciously excluded some of them from the scope of the patent right, etc., and thus interpreting the claims literally is clearly unreasonable in light of other descriptions in the specification, it is possible to interpret the scope of the patent right restrictively by taking into comprehensive consideration the content of the filed technical idea, other descriptions in the specification, the applicant's intention, and the legal stability for third parties (see Supreme Court Decision 2001Hu2856 decided July 11, 2003, etc.). In the future, if a new technology is invented that achieves a technical improvement by lowering the center wavelength shift to below the inherent lower limit of the patented invention in this case while satisfying all other optical properties disclosed by the patented invention, through the development of innovative processes, materials, or laminated structures, etc., it seems that there will be room to reasonably adjust the relationship of rights between the new technology and the patented invention in this case by limiting the scope of rights of the patented invention in this case to the inherent lower limit range predicted from the technical content disclosed in its specification.

08

Amendment and Correction

Block Mining Method and Apparatus Case

(Fourth-Two Division) Decision 2023Heo10118, Decided Dec. 20, 2023

Subject Matter	[Patent] Block Mining Method and Apparatus
Administrative Decision	IPTAB Decision 2021Dang2682, Decided Oct. 31, 2022
Category	Invalidation of Registration (Patent)
Relevant Provisions	Patent Act, Articles 47(2), 133-2(1), 136(1), 136(3), 29(2)
Relevant Decisions	Supreme Court Decision 2010Hu2698 (Feb. 10, 2011); Supreme Court Decision 2012Hu627 (Feb. 13, 2014); Supreme Court Decision 2014Hu2184 (Nov. 25, 2016); Supreme Court Decision 2012Hu3404 (Feb. 27, 2014); Supreme Court Decision 2008Hu1081 (Apr. 29, 2010); Supreme Court Decision 2007Hu21860 (Oct. 23, 2008); Supreme Court Decision 2005Hu3130 (Feb. 8, 2007)

Subject Matter of Judgment

A statement in the claims cannot be deemed an incorrect or unclear description and thus be unconditionally permitted for correction solely on the grounds that it is not present in the specification. If corrections were to be easily allowed even in such cases, it would amount to allowing corrections even for

claims that are invalid for violating the support requirement stipulated in Article 42(4)1 of the Patent Act, which would greatly risk rendering the specification description requirements as a patent requirement meaningless. Furthermore, an applicant deleting, through a correction request, a matter that was added during the examination stage can, depending on the case, constitute the ‘addition of new matter’ not described in the specification, etc., at the time of the original filing, which is prohibited by the Patent Act. Allowing this to be subsequently deleted using the correction system is even more impermissible.

Case Overview and Issues

The plaintiff filed a request for a registration invalidation trial against the patent in this case, alleging, among other things, a violation of the support requirement. The defendant filed a request for correction during the invalidation trial procedure. The plaintiff argued that this ‘is a case where new matter was added by amendment during the examination stage, thus violating Article 47(2) of the Patent Act, and the correction request in this case is improper as it does not meet the correction requirements of Article 136(1) and (4) of the same Act, as applied *mutatis mutandis* by Article 133-2(1) and (4), and the pre-correction patent in this case cannot be industrially applied.’ The IPTAB dismissed the plaintiff’s trial request on the grounds that the correction request was lawful and that there were no invalidity grounds in the corrected invention.

In this lawsuit, the plaintiff argued that the correction in this case is improper as it does not meet the correction requirements, and that the

pre-correction patent in this case has invalidity grounds under Article 47(2) of the Patent Act because new matter was added by amendment during the examination process.

Summary of Decision

The administrative decision was revoked.

1. Whether Correction is Lawful

The plaintiff argues that since ‘Correction 1-2’ deleted a limiting feature, it is not a reduction of the scope of the claims, nor is it a correction of an error or mistake, but corresponds to a substantial expansion or alteration of the scope of the claims, and thus the correction is improper (violation of Article 136(4) of the Patent Act). The plaintiff also argues that ‘Correction 1-3’ goes beyond the scope described in the specification or drawings originally attached to the application, thus violating Article 136(3) of the Patent Act.

Claim	Patent in this Case	Corrected Invention
Claim 1	(Omitted above)	(Same as left)
	[1] A step of calculating each of a plurality of multiple (m) intermediate –states with a function that varies a selected first portion of said block header, <i>starting from each unique intermediate-state of the plurality of intermediate –states</i> ; (Constituent 2 at the time of registration) (The rest is omitted)	[1] a step of calculating each of a plurality of multiple (m) unique (Correction 1-3) intermediate-states with a function that varies said (Correction 1-2) selected first portion of the block header; <i>starting from each unique intermediate-state of the plurality of intermediate-states</i> ; (Corrected Constituent 2) (Same as left)

There is no obviously incorrect or unclear description in Constituent

Element 2. Therefore, Correction 1-2, which deletes the starting value of the calculation, does not fall under ‘correcting an incorrectly described matter’ or ‘clarifying an unclearly described matter.’ Rather, due to Correction 1-2, a limitation was deleted, and as a result, the Invention Claim 1 no longer has a limitation on the start of the calculation, thus expanding the scope of the claims, which may cause unpredictable harm to third parties who relied on the contents of the registration gazette or infringe upon the rights of third parties. In response, the defendant argues that this was a part incorrectly added to Constituent Element 1 at the time of patent registration and that there is no corresponding description in the specification. However, a statement in the claims cannot be deemed an incorrect or unclear description and thus be unconditionally permitted for correction solely on the grounds that it is not present in the specification. If corrections were to be easily allowed even in such cases, it would amount to allowing corrections even for claims that are invalid for violating the support requirement stipulated in Article 42(4)1 of the Patent Act, which would greatly risk rendering the specification description requirements as a patent requirement meaningless. Furthermore, even according to the defendant’s own argument, a matter added by the applicant during the examination stage was deleted through the correction request in this case. As will be judged below, “starting from each unique intermediate-state of the plurality of intermediate-states,” constitutes an ‘addition of new matter’ that was not described in the specification, etc., at the time of the original filing, which is prohibited by the Patent Act. Therefore, subsequently deleting it using the correction system is even more impermissible.

2. Whether there are Grounds for Invalidation due to Addition of New Matter

During the examination process of the patent in this case, in response to the examiner's office action, the applicant made an amendment (hereinafter 'Amendment 1') to add "starting from each unique intermediate-state of the plurality of intermediate-states," to the beginning of Element 2 of the Claim 1, which was then registered as is. The element before and after the amendment is compared in the table below.

Claim 1	Original Claim 1 (Element 2 before amendment)	Amended Claim 1 (Element 2 after amendment on Sep. 27, 2019)
Element 2	[1] A step of developing each of a plurality of, m, intermediate-states, as a function that selectively varies a selected first portion of said block header;	[1] A step of developing each of a plurality of multiple (m) intermediate-states with a function that varies a selected first portion of said block header, starting from each unique intermediate-state of the plurality of intermediate-states (Amendment 1)

Considering that nowhere in the original specification, etc., of the invention is it explicitly stated, as in Amendment 1, that 'the calculation of each of the intermediate-states' starts from 'each unique intermediate-state of the plurality of intermediate-states' that even considering the technical common sense at the time of filing, it does not seem that a person skilled in the art who has seen the specification would easily recognize that 'a plurality of unique intermediate-states' could be used as the starting value when calculating an arbitrary 'intermediate-state' and that whether it constitutes new matter should be determined solely by whether it is 'a matter explicitly described in the original specification, etc.' or 'whether the amended matter

can be understood as being the same as what was described in the original specification, etc., in light of the technical common sense at the time of filing, even if not explicitly described,' and should not be judged differently based on a review of its relationship with other constituent elements, whether the claim becomes unclear, or whether the applicant added it by mistake or with active intent during the amendment; Amendment 1 is beyond the scope of the matters described in the original specification, etc., and thus constitutes an addition of new matter, violating Article 47(2) of the Patent Act.

Process Chamber Defining Ring Case

(Fifth Division) Decision 2023Heo11067, Decided Aug. 22, 2024

Subject Matter	[Patent] Apparatus for Defining Process Exclusion and Process Execution Zones in Process Chamber
Administrative Decision	IPTAB Decision 2022Dang199, Decided Feb. 20, 2023
Category	Invalidation of Registration (Patent)
Relevant Provisions	Former Patent Act (prior to amendment by Act No. 9381 on Jan. 30, 2009), Articles 47(3), 133(1)6, 133-2, 136(2)
Relevant Decisions	Supreme Court Decision 2012Hu3404 (Feb. 27, 2014); Supreme Court Decision 2005Hu3130 (Feb. 8, 2007)

Subject Matters of Judgment

1. A case where it was judged that Corrections 4 to 7 correspond to corrections that reduce the scope of the claims, but cannot be seen as corrections made within the scope of the matters described in the specification or drawings of the patent in this case
2. A case where it was judged that Amendment 2 corresponds to an addition of new matter as it goes beyond the scope of the matters described in the original specification, etc., of the patent in this case

Case Overview and Issues

1. The applicant, the defendant, through an amendment dated February 4, 2014, added to the independent claims, Claim 4 and Claim 16 of the patent invention, a description that ‘the bottom etch definition ring separates the lower edge section of the lower electrode from the central portion of the lower electrode’ (Amendment 2-1), and a description that ‘the top etch definition ring separates the top edge section of the top electrode from the central region of the top electrode’ (Amendment 2-2, combined with Amendment 2-1 as Amendment 2). The patent invention was registered on November 26, 2014.
2. On January 21, 2022, the plaintiff filed a request for an invalidation trial against the registration with the IPTAB, and the defendant filed a request for correction during that procedure. The plaintiff argued that ‘the correction request did not meet the requirements, the claims of the patent invention are not only unsupported but also have unclear meaning, and the patent Invention Claims 4 to 23 could have been easily invented by the Prior Art 1 or the combination of Prior Arts 1 and 2.’
3. The IPTAB dismissed the trial request on the grounds that ‘the correction request is lawful, the corrected invention is supported, its meaning is clear, and its inventive step is not negated by Prior Arts 1 and 2.’

Summary of Decision

The administrative decision was revoked.

1. Order of Judgment

When there is a request for correction in a patent registration invalidation trial procedure, whether to allow the correction is deliberated and judged together

in the invalidation trial procedure. Since the plaintiff and the defendant are disputing the lawfulness of the correction request and the invalidity of the pre-correction patent invention or the corrected invention, this court will first judge whether the correction request is lawful by meeting the requirements. If the correction request is lawful, the judgment will be based on the corrected invention. If the correction request is unlawful, the judgment will be based on the pre-correction patent invention to determine if there are grounds for registration invalidity, such as the addition of new matter.

2. Lawfulness of Correction Request

Based on the circumstances below, it is judged that Corrections 4 to 7 correspond to corrections that reduce the scope of the claims, but since they cannot be seen as corrections made within the scope of the matters described in the specification or drawings, they correspond to unlawful corrections in violation of former Patent Act Article 136(2).

- a. Corrections 4 and 6 added to the patent inventions of Claim 4 and Claim 16 the configuration that ‘the inner diameter (=e) of the lower edge section of the lower electrode’ is larger than ‘the diameter of the wafer (=f).’ Corrections 5 and 7 added to the same invention the configuration that ‘the inner diameter (=g) of the top edge section of the top electrode’ is larger than f. These correspond to a reduction of the scope of the claims.
- b. Nowhere in the specification and drawings is there any part that explicitly describes or indicates the size relationship between the inner diameter (内徑, the diameter measured from the inside of a pipe, etc.) of the lower edge section or the top edge section and the diameter (直徑, the length of a line

segment connecting two points on the circumference passing through the center of a circle or sphere, etc.) of the wafer, i.e., the size relationship between 'e and f' or 'g and f.'

c. It is also difficult to conclude that a person skilled in the art could clearly understand from the specification and drawings that there is a description to the effect that 'e is larger than f' and 'g is larger than f.' The reasons are as follows:

- 1) The term 'section' is used in various parts of the specification and drawings, and although the 'edge' or 'section' parts are indicated in the drawings, there is no description or indication clear enough for a person skilled in the art to know exactly where the 'lower edge section of the lower electrode' or the 'top edge section of the top electrode' refers to.
- 2) Although a person skilled in the art might understand the 'top edge section of the top electrode' to mean 'a certain area located at the edge among the areas other than the central region that does not provide power in the top electrode that provides power,' and the 'lower edge section' to mean 'a certain area near the edge of the lower electrode corresponding to the area other than the central region of the top electrode,' it is difficult to see that they could go further and clearly specify the exact location of that area on the drawings. Since the reference position for measuring e and g is not clearly specified, it is judged that the size relationship between e and f or g and f cannot be known.

3. Whether there are Grounds for Invalidation of Patent due to Addition of New Matter

Based on the circumstances below, it is reasonable to view that Amendment 2, which added the content that ‘the bottom etch definition ring separates the lower edge section of the lower electrode from the central portion of the lower electrode’ and ‘the top etch definition ring separates the top edge section of the top electrode from the central region of the top electrode,’ goes beyond the scope of the matters described in the original specification, etc., of the patent invention and thus corresponds to an addition of new matter.

- a. In the patent invention, the periphery of the wafer is divided into an ‘inactive etch zone’ where etching is not performed and an ‘active etch zone’ where etching is performed. Specifically, the control of the range of the ‘active etch zone’ is implemented through the ‘top etch definition ring (110)’ and the ‘bottom etch definition ring (120).’ However, since the area where a physical phenomenon occurs and the part of the member that causes such a phenomenon are distinct, the fact that the ‘top etch definition ring’ and the ‘bottom etch definition ring’ play a role in controlling the range of the ‘active etch zone’ does not mean that they play a role in ‘separating the top edge section from the central region of the top electrode’ or ‘separating the lower edge section from the central portion of the lower electrode,’ nor is it easy to see that the two correspond to a substantially identical configuration. There is also no clear evidence to suggest that this would be self-evident to a skilled person in the art.
- b. The defendant also argues to the effect that since the etch definition ring ‘separating the active etch zone and the inactive etch zone’ is technically closely connected to ‘separating the edge section and the central region (or

central portion),’ a person skilled in the art can self-evidently understand Amendment 2 from the description that the etch definition ring ‘separates the active etch zone and the inactive etch zone.’ However, considering the following circumstances, the defendant’s argument is difficult to accept.

- 1) The separation of the ‘etch zone’ is achieved by supplying power through the part of the top electrode other than its central region, adjusting the gap between the top electrode and the wafer, and placing an etch definition ring with a certain shape or structure. Although the etch definition ring is involved in ‘separating the active etch zone and the inactive etch zone,’ it is difficult to immediately conclude based on such circumstances that the etch definition ring performs the function of ‘separating the edge section and the central region (or central portion)’ of the electrode.
- 2) Although the ‘separation of the etch zone’ and the ‘separation of the electrode part’ are not technically unrelated, the two are distinct technical features or matters. It cannot be concluded that the part of the electrode is separated at the exact point corresponding to the area where the etch zone is separated. As seen above, the separation of the etch zone can occur even when the part of the electrode is not separated by the etch definition ring. In that case, it is difficult to see that a person skilled in the art who has encountered the original specification, etc., could self-evidently recognize that the etch definition ring ‘separates the edge section and the central region (or central portion)’ of the electrode from the fact that it ‘separates the active etch zone and the inactive etch zone.’

4. Conclusion

The correction request is unlawful, and the pre-correction patent invention has had new matter added, violating former Patent Act Article 47(2), so its registration must be invalidated. Therefore, without the need to further examine the remaining arguments for patent registration invalidity, the trial decision is unlawful and must be canceled.

09

Trials to Confirm Scope of Rights

Macitentan Case

(Fourth Division) Decision 2023Heo12169, Decided Jul. 25, 2024

Subject Matter	[Patent] Stable Pharmaceutical Composition Containing Pyrimidine-Sulfamide
Administrative Decision	IPTAB Decision 2022Dang1498, Decided Apr. 19, 2023
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 135(2)
Relevant Decision	Supreme Court Decision 2017Hu424 (Jan. 31, 2019)

Subject Matter of Judgment

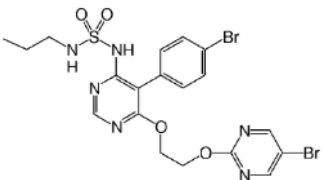
In equivalent infringement, whether there was conscious exclusion is judged by comprehensively considering various circumstances revealed during the application process, including the applicant's intentions and reasons for amendment as shown in the amendment and opinion statements submitted during application. It is difficult to say that voluntary amendments do not apply. Since the international search report informs the applicant in advance of the existence of prior art, etc., allowing the applicant to acknowledge the possibility of obtaining a patent in the designated country and use it as a reference for preparation, the fact that the international search report does not have a binding effect on the examination in the designated country is not a reason to exclude it from the judgment of whether there was conscious exclusion. This case serves as an example.

Case Overview and Issues

The defendant filed a request for a negative scope confirmation trial against the plaintiff. The IPTAB accepted the defendant's trial request, reasoning that 'the confirmation subject invention is not literally identical to the Invention Claim 1 in this case due to differences in the disintegrant and surfactant components, and it is not in an equivalent relationship because of clear differences, such as not including the specific excipient combination of components b), c), d), and f) [hereinafter 'b) to f)'] of the Invention Claim 1, and therefore does not fall within the scope of rights.'

The plaintiff argued as follows in this lawsuit:

The problem-solving principle of the invention is, primarily, to stabilize a macitentan-containing formulation by including a specific weight percentage of the entire class of surfactants represented by polysorbate, and secondarily, to stabilize a macitentan-containing formulation by including a specific weight percentage of non-ionic surfactants represented by polysorbate. The confirmation subject invention achieves the stability of a macitentan-containing formulation by using the same weight percentage of 'poloxamer,' which is the most common substitute for polysorbate and is classified as the same non-ionic surfactant. Therefore, the problem-solving principle is the same. During the patent application process, the plaintiff had no reason to limit the scope of rights of the patented invention in this case to only the specific excipient combination of b) to f), nor was it consciously excluded.

Element	Invention Claim 1 of this Case	Confirmation Subject Invention	Comparison
1	A stable pharmaceutical composition used for the treatment of pulmonary arterial hypertension and containing the following components	A tablet for the treatment of pulmonary arterial hypertension	Same
2	a) A compound of formula I, or a pharmaceutically acceptable salt, solvate, or hydrate thereof, [Formula I] 	Macitentan, or a pharmaceutically acceptable salt, solvate, or hydrate thereof	Same
3	b) A filler composed of microcrystalline cellulose and lactose monohydrate	Microcrystalline cellulose and lactose monohydrate (purpose of combination: filler)	Same
4	c) A disintegrant composed of sodium starch glycolate or a combination of sodium starch glycolate and polyvinylpyrrolidone	Croscarmellose sodium (purpose of combination: disintegrant)	Different
5	d) A surfactant composed of polysorbate in an amount of up to 0.1 to 3% by weight based on the total weight of the pharmaceutical composition	0.1 to 3% by weight of poloxamer (purpose of combination: surfactant)	Different
6	f) A lubricant composed of magnesium stearate	Magnesium stearate (purpose of combination: lubricant)	Same

Summary of Decision

The claim was dismissed.

1. Core of Technical Idea

Based on the facts and circumstances recognized by synthesizing the description in the invention's specification, subsequent experimental result data, and technical common sense, the Invention Claim 1 in this case is based on the confirmation that in the formulation process of a stable pharmaceutical composition containing macitentan as the main component, the stability of macitentan can be improved when using the specific combination of excipients b) to f) among the widely used fillers, disintegrants, surfactants, and lubricants, and when the content of the surfactant, polysorbate, is 0.1 to 3% by weight. It is difficult to see that the stability improvement effect was confirmed when including a specific weight percentage of the entire class of surfactants or a specific weight percentage of non-ionic surfactants. Therefore, it is reasonable to view that the problem-solving principle of the patented invention in this case lies in 'achieving a stability effect by the specific excipient combination of b) to f) in the manufacture of a pharmaceutical composition containing the main component macitentan, especially the technical configuration that limits the content of polysorbate as the surfactant to 0.1 to 3% by weight.'

The confirmation subject invention includes croscarmellose sodium as a disintegrant corresponding to constituent Element 4 of the Invention Claim 1, and includes poloxamer as a surfactant corresponding to constituent Element 5. It has the difference of not including the specific excipient combination of b) to f) of the Invention Claim 1, especially the technical configuration that limits the content of polysorbate as the surfactant to 0.1 to 3%. The confirmation subject invention lacks the 'configuration that achieves a

stability effect by the specific excipient combination of b) to f) in the manufacture of a pharmaceutical composition containing the main component macitentan, especially limiting the content of polysorbate as the surfactant to 0.1 to 3% by weight,' which is the core of the technical idea on which the unique solution of the patented invention is based. Therefore, the problem-solving principle is not the same.

2. Whether there was Conscious Exclusion (Hypothetical Judgment)

In determining whether a confirmation subject invention, which is being compared with a patented invention, falls within the scope of protection of the patented invention as being in an equivalent relationship, if it can be seen that the patent applicant or patentee consciously excluded the confirmation subject invention from the scope of the claims during the patent application process, etc., then arguing that the confirmation subject invention falls within the scope of protection of the patented invention violates the principle of estoppel and is not permitted. Whether the confirmation subject invention was consciously excluded from the scope of the claims during the application process of the patented invention should be judged by considering not only the specification but also the examiner's opinion presented from the filing to the patenting, and the applicant's intentions as shown in the amendment and opinion statements submitted during the examination process. Therefore, the mere fact that a reduction of the scope of the claims occurred during the application process is not enough to conclude that all configurations existing between the pre-reduction and post-reduction configurations were consciously excluded from the scope of the claims. This can be recognized only when, after comprehensively considering various circumstances revealed during the

application process, including the reason for amendment, such as a reduction made with the intention of avoiding prior art presented in a notice of reasons for refusal by excluding the configuration shown in that prior art, it can be seen that the applicant had an intention to exclude a certain configuration from the scope of rights. And these legal principles apply equally to cases where an opinion statement was submitted through the submission of an opinion, etc., without a reduction of the scope of the claims (see Supreme Court Decision 2014Hu638 decided April 26, 2017, etc.).

Considering that the plaintiff, at the time of filing the patent in this case, described Claim 1 with macitentan and excipients with four types of functions, and then limited each excipient to a specific component through a voluntary amendment; that this amendment limited the substances to a certain range where the stability effect of the formulation was confirmed; that the plaintiff, after the voluntary amendment, consistently argued to the effect that ‘the specific excipient combination of b) to f) of the Invention Claim 1 promotes the stability of the macitentan-containing formulation’ to avoid a negation of inventive step; and that when the patent office examiner notified a reason for refusal to the effect that the inventive step of the amended Claim 1 was negated by the combination of comparative inventions 1 and 2, the plaintiff made an amendment limiting the types of filler and disintegrant, deleting the content description, and limiting the weight percentage of the surfactant to 0.1 to 3%; it is reasonable to view that the excipient combination of the confirmation subject invention was consciously excluded by the plaintiff during the application process of the patented invention in this case.

Reading Stand Case

(First Division) Decision 2023Heo14042, Decided Sep. 5, 2024

Subject Matter	[Patent] Reading Stand Support
Administrative Decision	IPTAB Decision 2023Dang2008, Decided Sep. 25, 2023
Category	Confirmation of the Scope of Rights (Patent)
Relevant Provision	Patent Act, Article 135(1)
Relevant Decision	Supreme Court Decision 2011Hu2626 (Oct. 25, 2012)

Subject Matter of Judgment

In an affirmative scope confirmation trial, the identity between the invention, subject to confirmation, and the invention being practiced by the respondent is a matter of factual determination regarding whether the respondent is practicing the invention, subject to confirmation. Therefore, if these inventions do not appear to be the same from a factual perspective, the request for an affirmative scope confirmation trial is unlawful for lack of interest. This case is an example where the court deemed the trial request unlawful because the invention, subject to confirmation, specified by the trial requester (defendant) was clearly different from the invention being practiced by the respondent (plaintiff) from a factual perspective.

Case Overview and Issues

The defendant filed for an affirmative scope confirmation trial, seeking confirmation by asserting that the invention, subject to confirmation,, which was being practiced by the plaintiff, falls within the scope of the defendant's patented invention. The IPTAB issued a decision accepting the trial request on the grounds that the invention, subject to confirmation, includes all the constituent elements of the defendant's patented invention and therefore falls within its scope of rights.

Summary of Decision

The administrative decision was revoked.

The invention, subject to confirmation, specified by the defendant includes the description, 'the elastic hinge coupling part (330a) formed on one side of the said bottom plate (320) is fitted into the bottom plate fastening protrusion (332a) protruding from the support block (341) mounted on the reading stand rear plate (12).' For the reasons below, it cannot be said that the plaintiff's practiced invention has a configuration identical to the 'support block (341) mounted on the reading stand rear plate (12).' Consequently, the trial request in this case was filed against an invention that the plaintiff is not practicing, making it unlawful due to a lack of interest. The decision in this case, which proceeded to a judgment on the merits without dismissing the trial request, is therefore unlawful.

- a. By lexical definition, 'mounting' means 'to attach a device to clothing, an instrument, equipment, etc.,' and 'attachment' means 'to stick so as not to fall off, or to affix or be affixed in such a way.' Therefore, the 'support block

(341) mounted on the reading stand rear plate (12)’ of the invention, subject to confirmation, must be seen as ‘a state where the support block (341) is attached to the reading stand rear plate (12) so as not to fall off.’ However, in the plaintiff’s practiced invention, the bottom plate fastening protrusion (332a) protrudes directly from the reading stand rear plate (12), and there is no support block (341) attached to the reading stand rear plate (12) so as not to fall off. Even if the area around the reading stand rear plate (12) from which the bottom plate fastening protrusion (332a) of the plaintiff’s practiced invention protrudes is considered the ‘support block (341),’ that support block (341) is merely formed ‘integrally’ with the reading stand rear plate (12) by a method such as injection molding. Therefore, it cannot be seen that a ‘support block (341),’ which is a separate component distinct from the reading stand rear plate (12), is ‘mounted’ on the reading stand rear plate (12).

- b. The defendant argues to the effect that since the technology of integrating the ‘support block (341)’ and the ‘rear plate (12)’ into one piece is commonly used in the relevant technical field and there is no special technology or effect in ‘integration,’ there is no significant difference between the plaintiff’s practiced invention and the invention, subject to confirmation,. However, whether identity is recognized between the invention is subject to confirmation and the plaintiff’s practiced invention is judged by whether they are identical from a factual perspective. Since it is clear that the invention, subject to confirmation, and the plaintiff’s practiced invention are different from a factual perspective, whether that difference can be easily overcome technically is not a matter for consideration. Therefore, the defendant’s above argument is unacceptable.

Wall Mount Fastening Device Case

(Fifth Division) Decision 2023Heo11012, Decided Sep. 12, 2024

Subject Matter	[Patent] Wall Mount Fastening Device
Administrative Decision	IPTAB Decision 2021Dang3200, Decided Feb. 28, 2023
Category	Confirmation of the Scope of Rights (Patent)
Relevant Provision	Patent Act, Article 135(1)
Relevant Decision	Supreme Court Decision 98Hu522 (Aug. 21, 2001)

Subject Matter of Judgment

Whether a scope confirmation trial is permissible when a senior patented invention describes a genus concept, and the invention, subject to confirmation, is a later-filed registered invention that includes only a species concept falling within said genus concept as all or part of its constituent elements (Limited Affirmative)

Case Overview and Issues

The defendant, the patentee of a ‘wall mount fixing device,’ filed a lawsuit to confirm the scope of rights, challenging the invention in question, which is the plaintiff’s later-filed registered patent. The IPTAB accepted the defendant’s request and issued a decision that the invention, subject to confirmation, falls within the scope of protection of the defendant’s patent in this case. The plaintiff,

dissatisfied with this, filed a lawsuit to cancel the decision. The issue in this case was ‘whether a scope confirmation trial is permissible when a senior patented invention describes a genus concept, and the invention, subject to confirmation, is a later-filed registered invention that includes only a species concept falling within said genus concept as all or part of its constituent elements.’

Summary of Decision

The claim was dismissed.

1. Main Content and Disputed Constituent Elements of the Patent

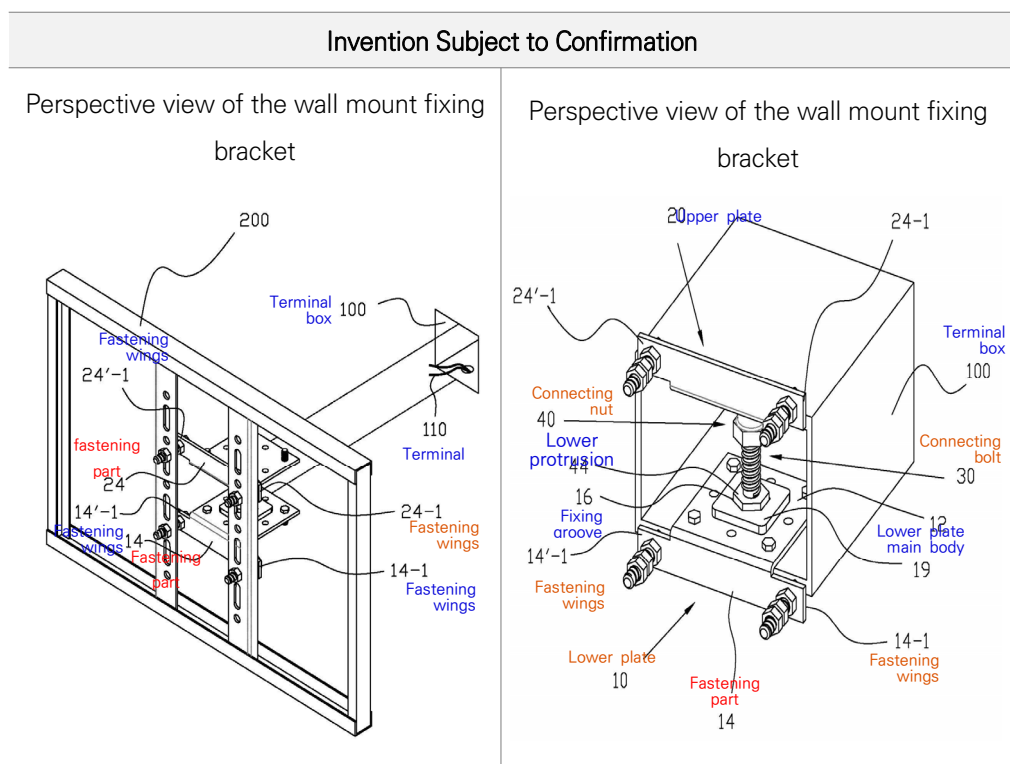
According to the prior art of the patent in this case, mounting electronic devices such as TVs and air conditioners on a wall required drilling holes for fixing bolts, a construction method that damaged the wall, was difficult, and generated noise. To solve these problems, the patent in this case aims to provide a wall mount fixing device with a structure that can fix the wall mount of an electronic device to the wall via the terminal box of an outlet or switch formed on the wall, without damaging the wall.

Claim 1 of this invention includes, as a component, ‘a support part that is fixed in a state of being embedded in the terminal box of an outlet or switch formed on the wall of a building, and provides support while accommodating the terminals’ (Component 1). This means that the said ‘support part’ must be capable of being fixed while embedded in ‘the terminal box of an outlet or switch formed on the wall of a building’ to accommodate terminals and provide support. In other words, this support part is a component that is embedded and fixed in the terminal box formed on the building wall to

provide support without damaging the wall. Through this configuration, Claim 1 of this invention has the effect of allowing the mount to be fixed to the wall without damaging it, and of easily connecting power to external devices through the terminals housed in the support part.

2. Corresponding Configuration of Invention Subject to Confirmation

The configuration of the invention, subject to confirmation that corresponds to the support part of Claim 1 of this case, is ‘a structure in which the upper and lower plates of the fixing bracket are connected by an upper-lower plate connecting bolt and an upper-lower plate connecting nut.’



3. Whether Invention Subject to Confirmation is in a Relationship of Use with Claim 1 of this Case

a. Relevant Legal Principles

An affirmative scope confirmation trial seeking confirmation that a later-filed registered invention falls within the scope of rights of an earlier-filed registered invention is, in principle, not permissible because it would result in negating the effect of the later-registered right before the finalization of a registration invalidation trial for that right. However, as an exception, if the two inventions are in a relationship of use as stipulated in Article 98 of the Patent Act, where confirmation of the scope of rights can be sought without negating the effect of the registered invention subject to confirmation, a request for an affirmative scope confirmation trial between rights is permissible (see Supreme Court Decision 99Hu2433 decided June 28, 2002).

Meanwhile, if a senior patented invention and a later invention are in a relationship of use, the later invention falls within the scope of the rights of the senior patented invention. Here, a case where two inventions are in a relationship of use refers to a case where the later invention adds a new technical element to the technical configuration of the senior patented invention, such that the later invention includes the entire gist of the senior patented invention and uses it as is, while the senior patented invention maintains its integrity as an invention within the later invention (see Supreme Court Decision 98Hu522 decided August 21, 2001).

b. Judgment

Component 1 of Claim 1 of this case, being ‘a support part that is fixed in a

state of being embedded in the terminal box of an outlet or switch formed on the wall of a building and provides support while accommodating the terminals,' specifies the support part with a broad, abstract concept centered on its function, instead of specifically limiting the concrete structure of the support part. However, the corresponding configuration of the invention, subject to confirmation, which is a later-filed registered patent, is a structure formed by the upper and lower plates of the fixing bracket, connecting bolts, and connecting nuts. This can be seen as a species concept that satisfies all the abstract conceptual elements of the support part as defined in the claims of Claim 1 of this case, while having new structural features not disclosed in the description or drawings of the patent in this case.

Thus, when a senior patented invention describes a genus concept, and the invention, subject to confirmation, is a later-filed registered invention that includes only a species concept falling within said genus concept as all or part of its constituent elements, unless the species concept is specifically disclosed in the senior patented invention or a person skilled in the art could directly recognize the species concept from the senior patented invention based on its description and the technical common sense at the time of filing, confirming that the invention, subject to confirmation, falls within the scope of rights of the senior patented invention does not immediately result in negating the effect of the right of the invention subject to confirmation, which is a later-filed registered patent. Therefore, in this case, a request for an affirmative scope confirmation trial between rights should be considered permissible.

That is, the invention, subject to confirmation, produces new effects due to its unique structure (a structure connecting the upper and lower plates with connecting bolts and nuts), making it easy to insert the fixing device into the terminal box formed in the building's interior wall with the upper and lower plates separated for complete adhesion or installation on the wall, and allowing for arbitrary adjustment of the vertical spacing, thus enabling installation in various terminal boxes with different vertical widths. This can be seen as the result of the later invention, the invention subject to confirmation, internally adding a new technical element to the technical configuration of the senior patented invention, Claim 1 of this case. In this case, even if it is judged that the invention, subject to confirmation, falls within the scope of rights of Claim 1 of this case, such a judgment does not immediately lead to the conclusion that the invention, subject to confirmation, is identical to the Invention Claim 1 and thus has grounds for registration invalidity, i.e., it does not lead to the conclusion of negating the effect of the registration of the invention, subject to confirmation, before the finalization of an invalidation decision.

Meanwhile, the invention, subject to confirmation, can be said to include the entire gist of the Claim 1 and use it as is, in that it is a wall mount fixing device with a structure that can fix the wall mount of an electronic device to the wall via the terminal box of an outlet or switch formed on the wall without damaging the wall, and can easily connect power to external devices through the terminals within the said outlet or switch terminal box, while the Invention Claim 1 maintains its integrity as an invention within the invention, subject to confirmation.

Therefore, it is reasonable to view that the invention, subject to confirmation, is in a relationship of use with the Invention Claim 1 as stipulated in Article 98 of the Patent Act, and in such a case, a request for an affirmative scope confirmation trial targeting the later-registered patent, the invention subject to confirmation, is lawful.

Piping Penetration Sleeve Case

(Second Division) Decision 2022Heo6549, Decided Oct. 11, 2023

Subject Matter	[Patent] Piping Penetration Sleeve and Its Construction Method
Administrative Decision	IPTAB Decision 2021Dang2684, Decided Dec. 1, 2022
Category	Confirmation of Scope of Rights (Patent)
Relevant Provision	Patent Act, Article 135(1)
Relevant Decisions	Supreme Court Decision 2017Hu424 (January 31, 2019); Supreme Court Decision 2014Hu638 (April 26, 2017); Supreme Court Decision 99Hu710 (October 30, 2001); Supreme Court Decision 2008Hu64 (July 10, 2008)

Subject Matter of Judgment

Judgment on whether the invention subject to confirmation falls within the scope of rights

Case Overview and Issues

The plaintiff filed an affirmative scope confirmation trial with the IPTAB against the defendant, asserting that the “One Touch” sleeve for piping described in the description and drawings of the invention, subject to confirmation, falls within

the scope of rights of Claim 2 of the invention in this case. The IPTAB issued a decision dismissing the plaintiff's trial request, stating that the invention, subject to confirmation, does not fall within the scope of the rights of the invention described in Claim 2 of this case. The plaintiff then filed this lawsuit seeking the cancellation of the decision. The issues in this case are whether the invention, subject to confirmation, literally falls within the scope of rights of Claim 2, whether it falls within the scope of rights of Claim 2 by the doctrine of equivalents, whether the differing configuration was consciously excluded from the claims, and whether the invention, subject to confirmation, is a freely practicable technology.

Summary of Decision

The administrative decision was revoked.

1. Whether the Invention, Subject to Confirmation, Literally Falls within the Scope of Rights of Claim 2 of this Case.

The fastening part of Constituent Element 2 of Claim 2 of this case consists of a nut housing integrated with or coupled to the bottom plate and a fastening nut embedded or inserted inside the nut housing. In contrast, the fastening part of the invention, subject to confirmation, is a simple through-hole in the center of the bottom plate with no protrusions above or below. Due to this difference, the invention subject to confirmation does not literally fall within the scope of the rights of Claim 2 of this case.

2. Whether the Invention, Subject to Confirmation, Falls within the Scope of Rights of Claim 2 by the Doctrine of Equivalents

It is reasonable to view that the core of the technical idea on which the unique solution of Claim 2 of this case is based is ‘the bottom plate and the sleeve body are integrally formed by a weak part, and the soft part is designed to be breakable from the sleeve body when the aluminum formwork panel is removed, thereby enabling rapid and easy coupling and removal of the sleeve.’ The corresponding invention, subject to confirmation, also has an internal support part integrally formed with the sleeve body, and the internal support part and the bottom plate are integrally formed by a weak part. It is fixed to the formwork panel by a fixing pin, so when the formwork panel is removed, the soft part is breakable from the sleeve body. This has the effect of reducing the number of parts while shortening the time required to install and dismantle the through-sleeve on the formwork panel. In this respect, there is no difference in the core technical idea between the two inventions, so their problem-solving principles are the same.

Regarding the Element 1, the ‘internal support part’ in the invention, subject to confirmation, can be considered substantially the same configuration as the ‘internal cylindrical part’ included in the Invention Claim 2 of this case. Even if this is viewed as a differing configuration, the ‘bottom plate’ of the Invention Claim 2 is directly connected to the bottom of the sleeve body, whereas the ‘bottom plate’ of the invention, subject to confirmation, is indirectly connected through the internal support part coupled to the sleeve body, which is the only difference. The fact that the ‘bottom plate’ of the invention, subject to confirmation, is integrally formed with the sleeve body is no different from the structure where the ‘bottom plate’ of the Invention Claim 2 is connected. In light of this, it is reasonable to view that

the differing part can be easily substituted or changed by a person of ordinary skill, and there is no difference in terms of operational effects.

Regarding the Constituent Element 2, the fastening part of Claim 2 consists of ‘a fastening nut that is fastened with a fixing pin while being embedded or inserted inside a nut housing that is integrated with or coupled to the bottom plate.’ In contrast, the fastening part of the invention, subject to confirmation, is ‘a fixing pin fastened in a simple through-hole with no protrusions above or below the bottom plate.’ The fastening part of the invention, subject to confirmation, lacks the fastening nut of the Invention Claim 2, which is a difference. However, the ‘fastening part’ of the Invention Claim 2 is for fixing the sleeve body, which is integrally formed with the bottom plate, using a fixing pin and a finishing bolt after fixing the pin to the aluminum formwork panel, and then allowing the bottom plate to be removed with the formwork after the concrete pouring and curing process is complete. The fastening part of the invention, subject to confirmation, is also for fixing the sleeve body, which is integrally formed with the bottom plate, using a fixing pin and a finishing bolt after fixing the pin to the aluminum formwork panel, and then allowing the bottom plate to be removed with the aluminum formwork panel after the concrete pouring and curing process is complete. In this respect, there is no difference in the function and operational effect of this part of the configuration between the two inventions. In terms of the coupling method, the Invention Claim 2 adds a fastening nut to the center of the bottom plate, but the outer periphery of the fixing pin shown below the center part has no threads and is simply inserted into the fastening nut and then fixed to the bottom plate through screw-coupling with a finishing bolt. The invention,

subject to confirmation, also involves inserting a fixing pin into a through-hole formed in the center of the bottom plate. Thus, there is no difference in the coupling structure of fixing the bottom plate by screw-coupling with a finishing bolt. Considering these points, the difference in the above configuration between the two inventions can be easily substituted or changed by a person of ordinary skill, and there is no difference in operational effects.

The defendant argues that the ‘internal cylindrical part’ of the Invention Claim 2, which corresponds to the ‘internal support part’ of the invention subject to confirmation, was consciously excluded with the intention of avoiding prior art during the application process at the patent office. However, the amendment of the part ‘the bottom plate is integrally formed with the internal cylindrical part’ in the claim of the Invention Claim 2 to ‘the bottom plate is integrally formed on the bottom of the sleeve body’ was an amendment to the same configuration as that described in the Invention Claim 1. For this Claim 1, the examiner had already presented reasons for refusal citing Prior Arts 1 and 2 in the decision of patent rejection before the said amendment. Therefore, it cannot be concluded that changing the configuration ‘the bottom plate is integrally formed on the bottom of the internal cylindrical part’ to ‘the bottom plate is integrally formed on the bottom of the sleeve body’ as in the Claim 1, by deleting the ‘internal cylindrical part’ configuration in the Invention Claim 2 of the patented invention, was intended to avoid the prior art presented in the notice of reasons for refusal. Furthermore, the amendment made by the plaintiff during the application of the patented invention externally deleted the ‘internal

cylindrical part' configuration and instead had the bottom plate integrally formed with the 'cylindrical sleeve body,' which expanded the scope of the claims and is, in principle, an impermissible amendment under the Patent Act. However, it corresponds to an amendment that reduces the scope of the claims as a whole by specifically limiting the fastening part while maintaining the technical feature of 'integrating the bottom plate on the bottom of the sleeve body.' Therefore, the reason the patented invention was registered is not because the 'internal cylindrical part' configuration was deleted, but because the subject to which the bottom plate with the weak part is integrally coupled was changed from the 'internal cylindrical part' to the 'cylindrical sleeve body,' while simultaneously combining and specifically limiting the dependent claims related to the fastening part. Considering these points, the defendant's above argument is unacceptable.

Also, considering that there was no change in the shape or structure of the 'fastening part' for fixing the bottom plate through the amendment to Claims 2, 3, and 5 during the application of the invention patent, and that the reasons for refusal pointed out by the patent office examiner did not contain any content related to this 'through-hole,' it cannot be seen that the structure of the 'fastening part' of the Invention Claim 2 consciously excluded a 'simple through-hole with no protrusions above or below.' Therefore, it cannot be seen that the configuration of a 'simple through-hole with no protrusions above or below' was consciously excluded from the structure of the 'fastening part' of the Invention Claim 2.

3. Whether the Invention Subject to Confirmation is Freely Practicable Technology

The core technical idea of the invention, subject to confirmation, is that the internal support part is integrally connected to the sleeve body, and the bottom plate is connected to the internal support part by a soft part, thereby being indirectly connected to the sleeve body, which reduces the number of parts. By fixing the bottom plate to the aluminum formwork panel, the time for installing and dismantling the through-sleeve is shortened. However, the prior registered utility model is for simple installation by enabling bolt coupling using only one sleeve deformation prevention tool, allowing for fixing with a single tightening. It presents a configuration of an inner pipe corresponding to the internal support part of the invention subject to confirmation, but the sleeve and the inner pipe are separate, making its core technical idea different from that of the invention, subject to confirmation. The prior published utility model is also for accurately fixing a fixture in one go when installing a through-sleeve on formwork. It shows an inner pipe corresponding to the internal support part of the invention subject to confirmation, but the through-sleeve and the fixing plate are separate, making its core technical idea different from that of the invention subject to confirmation. Considering these circumstances, it cannot be said that the core technical idea of the invention, subject to confirmation, is present in the prior arts, and therefore, the invention, subject to confirmation, cannot be considered a freely practicable technology that a skilled person could easily practice based on the prior arts.

Automatic Coffee Vending Machine Case

(Second-One Division) Decision 2024Heo10955, Decided Jul. 26, 2024

Subject Matter	[Patent] Automatic Coffee Vending Machine
Administrative Decision	IPTAB Decision 2023Dang1382, Decided Jan. 25, 2024
Category	Scope of Right Confirmation (Patent)
Relevant Provision	Patent Act, Article 135 (2)

Subject Matter of Judgment

Judgment on whether the invention subject to confirmation falls within the scope of rights.

Case Overview and Issues

The defendant filed a negative scope confirmation trial with the IPTAB against the plaintiff, asserting that the invention, subject to confirmation, does not fall within the scope of rights of the patent in this case. The IPTAB issued a decision that the invention, subject to confirmation, does not fall within the scope of rights of the patent in this case.

Summary of Decision

The claim was dismissed.

1. Whether the Invention, Subject to Confirmation, is Literally Identical to Claim

1 of the Patent in this Case

The invention, subject to confirmation, has the following differences from Invention Claim 1 of the patent in this case and therefore does not fall within the literal scope of rights of Claim 1.

- a. Constituent element 1 and the corresponding constituent element of the invention, subject to confirmation, are identical in that they comprise a capsule loading part [loading part]¹⁾. However, they differ in that the capsule loading part of Constituent Element 1 is provided in a grid-like form, whereas the loading part of the invention, subject to confirmation, is installed in parallel in a separated state.
- b. Constituent Element 2 and the corresponding constituent element of the invention, subject to confirmation, are identical in that they are a capsule supply unit [capsule discharge module] that supplies capsules from below the capsule loading part [loading part]. However, they differ in that the capsule supply unit of constituent element 2 is installed at the lower center of the grid-like capsule loading part, whereas the capsule discharge module of the invention, subject to confirmation, is installed at the lower end of each unit loading part.
- c. Constituent Element 6 and the corresponding constituent element of the invention, subject to confirmation, are identical in that the capsule transferred from the capsule supply unit [capsule discharge module] is seated in a seating groove [groove formed by an arc-shaped seating end]

1) The corresponding constituent element of the invention, subject to confirmation, is described in square brackets ([]), and this applies hereinafter.

and is discharged downward when the first and second partial seating parts [upper and lower seating platforms of the capsule seating module] are separated. However, they differ in that the capsule of Constituent Element 6 is selectively dropped from the capsule supply unit installed at the lower center of the grid-like capsule loading part, whereas the capsule of the invention, subject to confirmation, is dropped from the capsule discharge module installed at the lower end of each unit loading part.

2. Whether the Invention Subject to Confirmation is in Equivalent Relationship with Claim 1 of Patent in this Case

Considering the following circumstances, the invention, subject to confirmation, is not equivalent to Claim 1 of the patent in this case and therefore does not fall within its scope of rights.

- a. Considering the description in the specification of the patent in this case, it is reasonable to view that the core technical idea of Claim 1 lies in ‘installing a capsule supply unit at the lower center of a grid-like capsule loading part to selectively drop a desired capsule, as a solution to the technical problem of optimizing the structure and layout and minimizing the installation area for preparing and selling various brands of coffee on-site.’ Upon review, Claim 1 of the patent in this case allows for the selection of a capsule that suits one’s preference while reducing the number of installed capsule supply units by installing a capsule supply unit at the lower center of a grid-like capsule loading part. In contrast, the invention, subject to confirmation, has a capsule discharge module installed at the lower end of each unit loading part, so the number of installed units cannot be reduced.

Thus, it cannot be said that the core technical idea of Claim 1 is implemented here. Therefore, it is reasonable to view that the problem-solving principle of the invention, subject to confirmation, is not the same as that of Claim 1.

- b. Claim 1 of the patent in this case, through its unique constituent element of installing a capsule supply unit at the lower center of a grid-like capsule loading part, allows for the optimization of structure and layout and the minimization of installation area while still allowing for the selection of a capsule that suits one's preference. However, since the invention, subject to confirmation, has a capsule discharge module installed at the lower end of each unit loading part, this operational effect cannot be expected. Thus, there is a difference in the operational effects between the two inventions.
- c. The specification of the patent in this case does not contain any description suggesting a design change in the arrangement or structure of the capsule loading part and the capsule discharge module, and there is no reason or circumstance to acknowledge that such a substitution or change would be easy for a person of ordinary skill. Therefore, it is reasonable to view that the differing constituent elements of the two inventions cannot be easily substituted by a person of ordinary skill.
- d. The plaintiff argues that the invention, subject to confirmation, is the same as Claim 1 of the patent in this case in that its core technical idea is to minimize the installation area of a vending machine and optimize the structure and layout by installing a capsule discharge module at the lower end of a unit loading part. However, Claim 1 of the patent in this case can

optimize the structure and layout and minimize the installation area by reducing the number of installed units by installing a capsule supply unit at the lower center of a grid-like capsule loading part. In contrast, since the invention, subject to confirmation, has a capsule discharge module installed at the lower end of each unit loading part, the number of installed units cannot be reduced. Thus, it cannot be considered to have the same core technical idea as Claim 1.

- e. The plaintiff argues that the difference in operational effects between the Invention Claim 1 of the patent and the invention, subject to confirmation, is merely a minor difference arising from the difference in the number of capsule supply units [capsule discharge modules]. However, due to the difference in the constituent elements examined above, the two inventions have differences in their overall structure and operation, as seen earlier, and it would be difficult to view this as merely a minor difference.

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Patent Infringement

JIL GYUNG YI Case

(Twenty-first Division) Decision 2023Na11009, Decided Sep. 5, 2024

Category	Patent Infringement Injunction, etc.
Relevant Provision	Patent Act, Article 126-2(4)
Relevant Decision	Supreme Court, En Banc Decision 2014Hu768 (May 21, 2015)

Subject Matters of Judgment

1. Whether an invention falls under the case of ‘a party fails to present a specific type of behavior without any good reason’ as stipulated in Article 126-2(4) of the Patent Act if the patentee, etc., cannot be seen as having specifically identified the embodiment of the infringing act (Negative)
2. The Standard for Judging Infringement of Patent for Medical Use Invention.
3. A case where, in accordance with Article 126-2(4) of the Patent Act, the specific embodiment of the infringing act as claimed by the plaintiffs was acknowledged as true for some of the products produced and sold by the defendant, and it was judged that the plaintiffs' patent rights were infringed only for those products that have the specific use of the plaintiffs' patented medical use invention, thereby recognizing an injunction against infringement and damages.

Case Overview and Issues

1. The plaintiffs are the patentees of an invention related to ‘a composition for

preventing and treating vaginitis containing salt and sugar as active ingredients and its use' (hereinafter 'the first patented invention') and an invention related to 'a pharmaceutical composition for preventing and treating vaginal relaxation or vaginal dryness containing a combination of salt and sugar as active ingredients and its use' (hereinafter 'the second patented invention'). The defendant is a person who produces and sells feminine cleansers.

2. The plaintiffs filed a lawsuit against the defendant, claiming that the products produced and sold by the defendant (hereinafter 'defendant's products') infringe the patent rights of the first and second patented inventions, seeking an injunction against product production, etc., disposal of products, and 800 million KRW each as partial damages.

Judgment of the First Instance

Seoul Central District Court Decision 2020GaHap548324, Decided August 25, 2023

The court judged that the defendant's products do not have the use of preventing and treating vaginitis, vaginal relaxation, or vaginal dryness, and therefore, the act of producing and selling them does not constitute infringement of the patent rights of the first and second patented inventions, dismissing all of the plaintiffs' claims (plaintiffs appealed).

Summary of Decision

The first instance judgment was partially revoked (partial acceptance of appeal).

1. In the first instance, the plaintiffs, based on test reports analyzing the components of the defendant's products INNER美 and APOLY INNERSHINE (Exhibit A No. 9), etc., claimed that INNER美 contains sodium chloride (NaCl) and glucose in a 1:14 weight ratio, and APOLY INNERSHINE contains sodium chloride and glucose in a 1:17 weight ratio. The first instance court ordered the defendant to 'present its specific embodiment in relation to Exhibit A No. 9.' Nevertheless, the defendant, apart from stating at the hearing that 'it is not disputed that the defendant's products contain a salt component,' did not present its specific embodiment regarding what kind of salt is included in the defendant's products or what its weight ratio is. The situation was not significantly different in this appellate court, and there are no circumstances to suggest that there was a justifiable reason for not presenting the specific embodiment. Therefore, in accordance with Article 126-2(4) of the Patent Act, it can be acknowledged that INNER美 and APOLY INNERSHINE contain refined salt in the weight ratio claimed by the plaintiffs, that is, the weight ratio of refined salt to glucose is 1:14 for INNER美 and 1:17 for APOLY INNERSHINE.
2. On the other hand, the plaintiffs, through an amendment of their claims and grounds for claim, added Efolli NEWCLEAN to the infringing products, merely claiming that 'APOLY NEWCLEAN is identical to APOLY INNERSHINE in its main components (glucose, salt) and use (prevention and treatment of vaginal inflammation, etc.).' They did not specifically present the composition of APOLY NEWCLEAN, such as the weight ratio of refined salt and glucose contained therein. Article 126-2 of the Patent Act is a provision to alleviate the patentee's burden of proof by requiring the opposing party, who

denies the specific embodiment of the infringing act claimed by the patentee, etc., to provide an active or reasoned denial rather than a simple denial. Therefore, it is reasonable to view that the opposing party's duty to present a specific embodiment under this provision is recognized when the patentee, etc., has specifically identified the embodiment of the infringing act after making considerable efforts. In that case, regarding APOLY NEWCLEAN, it cannot be said that the plaintiffs have specifically claimed the embodiment of the infringing act. Therefore, the said provision cannot be applied, and the evidence submitted by the plaintiffs is insufficient to find that APOLY NEWCLEAN contains molten salt or refined salt in the weight ratio of the patented invention 1 of this case.

3. Whether the defendant's products have the use of 'preventing and treating vaginal inflammation' should be judged by comprehensively considering the use put forward by the defendant in the process of producing and selling the defendant's products, whether the components included in the defendant's products can achieve the said use, etc. Considering various circumstances, such as the fact that the defendant directly or indirectly indicated in the process of producing and selling the products that INNER美 and APOLY INNERSHINE can be used for the prevention and treatment of vaginal inflammation, and that consumers would have recognized the use of each product as such, and that INNER美 and APOLY INNERSHINE can actually achieve the use of preventing and treating vaginal inflammation, it is reasonable to view that Inami and Efolli Innershine have the use of 'preventing and treating vaginal inflammation.' Therefore, they constitute an infringement of the patent right of the first patented invention. On the other

hand, since the defendant's products cannot be seen as having the use of preventing and treating vaginal relaxation or vaginal dryness, infringement of the patent right of the second patented invention is not recognized.

Power Supply for Mobile Device Patent Infringement Case

(Twenty-first Division) Decision 2022Na2350, Decided Jan. 16, 2024

Category	Claim for Injunction against Patent Infringement
Relevant Provision	Patent Act, Article 126
Relevant Decisions	Supreme Court Decision 2004Hu1564 (Jan. 12, 2006); Supreme Court Decision 2014Da27425 (Sep. 26, 2017)

Subject Matters of Judgment

1. Whether the terms in the claim, ‘winding (권선; 捲線)’ in “wound” (“권선되 고”) and “being wound” (“권선되는”), can only mean ‘the state of already being wound’ in the form of a passive verb, unlike ‘winding’ in ‘the act of winding (捲取; 권취)’ (Negative)
2. A case where the plaintiff’s appeal was dismissed, similar to the first instance judgment that dismissed the plaintiff’s request for an injunction, on the grounds that the defendant’s product does not fall within the literal or equivalent scope of the Corrected Invention Claim 16

Case Overview and Issues

The plaintiff acquired the patent rights to Patent No. 1452827 for an invention titled ‘Transformer and Adapter,’ registered on October 14, 2014, and Patent No. 1475677 for an invention titled ‘Coil Component and Power Supply Including

the Same,’ registered on December 23, 2014, on March 9, 2016. When the plaintiff filed a lawsuit for an injunction against patent infringement against the defendant on April 19, 2018, the defendant and others filed a trial for invalidation of the plaintiff’s patents. On November 30, 2020, in the invalidation trial of Patent No. 1475677, the IPTAB issued a decision invalidating the patent of the corrected Claim 16 (the remaining claims were confirmed invalid), while acknowledging the plaintiff’s correction, on the grounds that the inventive step of the corrected invention of Claim 16 was negated. The plaintiff filed a lawsuit to cancel the decision and, through a request for a correction trial, had the invention corrected to the ‘corrected invention of Claim 16’ on April 28, 2021. On July 2, 2021, the IP High Court rendered judgment 2021Heo1325, canceling the trial decision. The plaintiff argued that the defendant’s product infringes the plaintiff’s patent right because it includes all the constituent elements of the corrected invention of Claim 16, and that even if it is not a literal infringement, it falls within the scope of equivalents or constitutes an improvement patent.

Judgment of the First Instance

Seoul Central District Court, Decision 2018GaHap527096, Decided November 11, 2022

The plaintiff’s claim was dismissed on the grounds that it is difficult to see that the defendant’s product literally or equivalently infringes the corrected invention of Claim 16, and the remaining patent was confirmed invalid and thus deemed nonexistent from the beginning (plaintiff appealed).

Summary of Decision

The appeal was dismissed.

1. The [wire winding] in the defendant's product, which corresponds to constituent element ③, the second coil part (40) of the corrected invention of Claim 16, differs from the corrected invention of Claim 16 in that it is wound not on the core but on the protrusion of the [cap], which is a constituent element corresponding to the pressing member (70). In response, the plaintiff argues, "'Winding (捲線)' is a word that means 'the state of already being wound,' and is distinguished from 'winding (捲取),' which means 'the act of winding.' The [wire winding] of the defendant's product is wound around the core, so it is not different from constituent element ③." However, in Korean usage, '-되다' is a suffix commonly attached to some nouns to add a 'passive' meaning and create a verb. There is insufficient basis to view that "wound" (권선되고) and "being wound" (권선되는) in constituent element ③ only mean 'the state of already being wound.' The plaintiff claims that the corrected invention of Claim 16 presupposes the omission of the coil winding process, but the specification description cited by the plaintiff merely means that it is not necessary to have a separate bobbin and wind the coil directly on it as in the conventional method, not that the process of winding the coil is omitted altogether. The fact that the defendant's product does not have the [wire winding] directly touching the core but intervenes with the [cap protrusion] between them will have a different effect in terms of insulation compared to the corrected invention of Claim 16. In light of these points, the plaintiff's above argument is unacceptable.
2. Next, the defendant's product differs from the corrected invention of Claim 16

in that, due to the conductive via, some of the conductor patterns of the [multilayer PCB] are formed at a distance from the center leg of the core (中足), while the coils corresponding to the remaining turns (42b, 42c) are wound sequentially around the [cap protrusion] without being spaced apart and do not necessarily follow the conductor patterns. The plaintiff argues to the effect that, “In the corrected invention of Claim 16, it is sufficient for the first coil part and the second coil part to be wound in close correspondence with each other without needing to have exactly the same contour, and the defendant’s product is no different.” However, the corrected invention of Claim 16 is an invention that has the effect of increasing the coupling coefficient between the two coil parts and minimizing leakage inductance. To exert such an effect, it is reasonable to interpret that the winding part (42) is located on a line as close as possible to the conductor pattern. Therefore, the plaintiff’s above argument is unacceptable.

3. Constituent Element ⑦ of the corrected invention of Claim 16 is a configuration where the core (10) includes at least one extraction groove (127) placed under the inner lead wire. The defendant’s product differs in that the inner lead wire extraction groove is formed not in the core but in the [cap] corresponding to the pressing member (70). The plaintiff argues, “The defendant’s product core also has a groove, and even if other components such as a cap are added or interposed between that groove and the inner lead wire, it falls within the scope of rights of the corrected invention of Claim 16.” However, the groove formed in the defendant’s product core is not for inner lead wire extraction but for placing and fixing a cap on it. Therefore, the plaintiff’s above argument is also not accepted.

4. Since the defendant's product has a different configuration from the corrected invention of Claim 16, it does not fall within the literal scope of the rights of the corrected invention of Claim 16. The defendant's product cannot be seen as having the same problem-solving principle as the corrected invention of Claim 16, and its operational effects are also different in terms of insulation, etc., so it does not fall within the scope of equivalents of the corrected invention of Claim 16 either. It also cannot be seen that the defendant's product constitutes an improvement patent of the corrected invention of Claim 16. Therefore, the defendant's product does not infringe the patent right related to the corrected invention of Claim 16.

Hall Effect Measurement Device, etc.¹⁾ Patent Infringement Case

(Twenty-fourth-Two Division) Decision 2022Na1654, Decided Dec. 6, 2023

Category	Injunction against Patent Infringement, etc.
Relevant Provisions	Patent Act, Article 128(1), 128(4), 128(5), 128(7), 132(5)
Relevant Decisions	Supreme Court Decision 2014Da27425 (September 26, 2017); Supreme Court Decision 2006Da9446 (September 21, 2007); Supreme Court Decision 96Da43119 (September 12, 1997); Supreme Court Decision 2006Da1831 (October 12, 2006); Supreme Court Decision 96Da14616 (July 26, 1996)

Subject Matters of Judgment

1. Whether the termination of the patent license agreement on this ground is lawful, and patent infringement occurs after the contract termination, if there is a dispute between the parties to a patent license agreement regarding whether an improved product falls within the scope of rights, and royalties are not paid
2. Whether it constitutes patent infringement, and Article 132(5) of the Patent Act applies if the defendant fails to comply with a document production order

1) The title of the invention in this case is 'Hall Effect Measurement Device and Measurement Method' (Filing date/Registration date/Registration number: Sep. 10, 2001/Feb. 3, 2004/No. 419005). The plaintiff only claimed infringement of Claims 4 and 5 of the said patent, and the patent expired on September 10, 2021.

when a product being compared with a patented invention has only some of the essential constituent elements described in the claims of the patented invention

3. The requirements for applying Article 128(4) and 128(5) of the Patent Act when calculating the amount of damages for patent infringement

Case Overview and Issues

1. When the defendant, the licensee of a patent license agreement, disputed whether a first improved product fell within the scope of rights and did not pay royalties, the plaintiff, the patentee, expressed its intention to terminate the contract and filed a scope confirmation trial, receiving a final and conclusive judgment that the first improved product falls within the scope of rights of the patent in this case. In the first instance, the plaintiff claimed damages for patent infringement due to the production and sale of the defendant's second improved product after the finalization of the said related judgment (second period). In the appellate court, the plaintiff added a claim for damages for patent infringement due to the production and sale of the first improved product from the time of contract termination until around the finalization of the related judgment (first period) and expanded the scope of the claim (explicit partial claim).
2. The issues are whether the first improved product falls within the scope of rights of the patent in this case; whether the failure to pay royalties due to a dispute over this constitutes a breach of contract attributable to the defendant and is a ground for terminating the contract in this case; the requirements for

applying Article 128(4) and 128(5) of the Patent Act when calculating the amount of damages for patent infringement; whether the second improved product includes the essential constituent element (heat exchange material supply hole) of the patent in this case or is easily modifiable; if it does not include the said constituent element, whether it constitutes equivalent infringement; and whether Article 132(5) of the Patent Act can be applied to the defendant's non-compliance with a document production order.

Judgment of the First Instance

Seoul Central District Court Decision 2020GaHap520159, Decided July 22, 2022

The plaintiff's claim was dismissed on the grounds that the second improved product cannot be seen as falling within the scope of the rights of the patent in this case (plaintiff appealed).

Summary of Decision

The first instance judgment, including the expanded claim in this court was modified (plaintiff partially wins).

1. Even if there is a dispute between the parties to a patent license agreement regarding whether an improved product falls within the scope of the patent right, as long as it is judged by a court to fall within the scope of the patent right (acknowledging equivalent infringement), the failure to pay royalties must be seen as negligent. Therefore, the patent license agreement is lawfully terminated upon the arrival of the plaintiff's (Patentee's) declaration of intent to terminate the contract on this ground, and the act of the former licensee

practicing the patent after termination constitutes patent infringement.

2. If a product being compared with a patented invention has only some of the essential constituent elements described in the claims of the patented invention and lacks the remaining constituent elements, in principle, the compared product does not fall within the scope of rights of the patented invention. The second improved product was designed to avoid infringement by removing the heat exchange material supply hole and thus lacks some constituent elements of the patented invention, and cannot be seen as infringing the patent.
3. (Although the defendant failed to comply with the first instance court's document production order, in light of the factual relationship acknowledged by some descriptions in the subject documents submitted to this court, etc.) It is difficult to acknowledge patent infringement solely based on the fact that the defendant did not comply with the document production order in the first instance. The defendant failed to comply with the said document production order on the grounds that it was not 'material necessary for the proof of infringement.' Since it is judged by other evidence that the defendant's avoidance design product does not infringe the plaintiff's patent right, there is room to see that the defendant had a justifiable reason for non-compliance with the document production order. This case rejected the plaintiff's argument for the application of Article 132(5) of the Patent Act.
4. To be subject to the application of Article 128(4) of the Patent Act, ① the patentee or exclusive licensee must assert and prove the fact that they themselves manufactured and sold the patented product (or a substitute product) or at least possessed the capacity to manufacture and sell it, and

② the fact that they actually suffered business losses due to the infringer's patent infringement. There is insufficient evidence to acknowledge that the plaintiff itself possessed the capacity to produce and sell. The circumstance that the plaintiff licensed the patent to the defendant and only received income equivalent to royalties is different from a case where the plaintiff subcontracts the production to a third party to sell the product under its own name and on its own account. Therefore, this cannot be considered as the plaintiff's production and sales capacity. This case did not apply Article 128(4) of the Patent Act.

FLEX Stud/Socket Assembly Case

(Twenty-fourth-One Division) Decision 2023Na10204, Decided Feb. 15, 2024

Category	Claim for Injunction against Patent Infringement, etc.
Relevant Provisions	Patent Act Article 97, Article 42(4)1
Relevant Decisions	Supreme Court Decision 2019Da222782, 222799 (October 17, 2019); Supreme Court Decision 2017Hu 2864 (August 27, 2020); Supreme Court Decision 2007Hu4977 (July 23, 2009)); Supreme Court Decision 2014Hu2061 (May 26, 2016)

Subject Matters of Judgment

1. Construction of Claims
2. Patent Exhaustion

Case Overview and Issues

1. The plaintiff is an American company that manufactures etching equipment for the ‘FLEX’ product line for semiconductor production and sells it to domestic semiconductor manufacturers. Since February 14, 2017, the defendant has been manufacturing and selling ‘stud/socket assembly’ products (hereinafter ‘defendant’s products’) to these manufacturers, stating on its internet homepage that they are for use in the plaintiff’s ‘FLEX’



Defendant's
Product

product line.

2. The plaintiff filed a suit against the defendant seeking an injunction, disposal of infringing products, and damages, arguing as follows: The defendant's product, although not including the patented invention's camshaft, is a product that has the same configuration as the disc spring stack, stud, and socket of the plaintiff's patented invention, and is a product used only for the production of the patented invention's 'cam-locking electrode clamp.' Therefore, it is a product that indirectly infringes the patent.
3. The main issues of the case are ① the interpretation of Constituent Element A, which states that "the disc spring stack and stud are arranged to be in firm contact with the socket at the base portion of the socket," and ② whether the patent right is exhausted.

Judgment of the First Instance

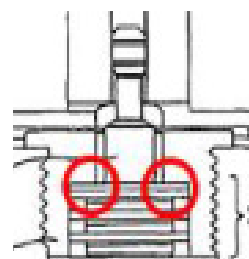
Seoul Central District Court Decision 2020GaHap593102, Decided February 15, 2023

1. Constituent Element A was interpreted as the entire outer circumferential surface of the disc spring stack being in firm contact with the entire lower inner circumferential surface of the socket. The court judged that the defendant's product, which has a space between the said outer circumferential surface and the inner circumferential surface, cannot be considered an indirect infringement product, and thus dismissed the plaintiff's claim (plaintiff appealed).

Summary of Decision

The first instance judgment was modified (ordered payment of 3.4 billion KRW in damages, etc.).

1. The expression that the stud is arranged to be in ‘firm contact’ with the socket in Constituent Element A corresponds to a functional expression, so it needs to be interpreted objectively and rationally by examining its technical significance. It is understood that the patented invention ensures good thermal contact between the electrode and the backing plate through Constituent Element A. Considering the structure in the patented invention where the compressed disc spring stack comes into firm contact with the socket at the bottom of the upper member of the socket due to its elastic restoring force, it is reasonable to view the ‘base portion of the socket’ in Constituent Element A as pointing to the lower surface (下面) of the upper member of the socket, which is the part where the disc spring stack specifically contacts the socket, in light of the technical significance identified from the entire description and drawings of the specification. Based on this premise, it is appropriate to consider that the claim description of Constituent Element A, which includes the functional expression that the stud is arranged to be in ‘firm contact’ with the socket, has as its technical content the arrangement where the top surface of the disc spring stack is in contact with and presses against the lower surface of the upper member of the socket. The defendant’s argument that its product lacks Constituent Element A because there is a clearance space between the disc spring stack and the ‘inner circumferential surface of the lower member of the socket,’ which is the base



portion of the socket, seems to be the result of an arbitrary interpretation regarding the base portion of the socket and is therefore not accepted.

2. The defendant argues that the act of domestic semiconductor manufacturers replacing a simple consumable part, the defendant's product, in the plaintiff's FLEX product line equipment does not constitute direct infringement under the doctrine of patent exhaustion. Therefore, the defendant's act of manufacturing and selling the defendant's product to said companies does not constitute an act of indirect infringement. However, the stud/socket assembly in the cam-locking clamp of the patented invention is an essential component, is not used for any other purpose, and is not a generally widely and easily available article. Its replacement was already anticipated at the time of purchase, and in fact, the plaintiff manufactured and sold only the stud/socket assembly separately for the convenience of customers. In light of these circumstances, the replacement act claimed by the defendant goes beyond the scope of repair permitted as part of use and substantially constitutes a new production act. Therefore, the defendant's argument, premised on the application of the patent exhaustion doctrine to the said replacement act, is unacceptable.

Candle-Type Lamp Case

(Second-Two Division) Decision 2023Heo14578, Decided Aug. 28, 2024

Subject Matter	[Utility Model Right] Candle-Type Lamp
Administrative Decision	IPTAB Decision 2022Dang3605, decided Nov. 22, 2023
Category	Scope of Right Confirmation (Utility Model Right)
Relevant Provisions	Utility Model Act, Article 28; Patent Act, Article 97, et al.
Relevant Decisions	Supreme Court Decision 2015Da244517 (Aug. 1, 2018), et al.

Subject Matters of Judgment

1. Method of interpreting a utility model's claim when it additionally includes a description of the article's material.
2. Method of determining whether an article being compared with a registered utility model was consciously excluded from the claims of the registered utility model based solely on the description in the specification.

Case Overview and Issues

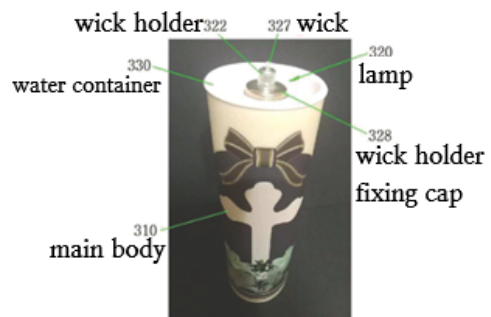
In response to the plaintiff's request for an affirmative scope confirmation trial, the IPTAB issued a decision not to accept the plaintiff's trial request. The reason was that the subject device for confirmation differs in some components from the

registered utility model in this case, so it cannot be said to be literally or equivalently included in its technical configuration, and the differing component was consciously excluded from the scope of rights of the registered utility model. The water container of the registered utility model in this case is made of ceramic material (材質), whereas the water container of the subject device for confirmation is made of metal material. The main issues are whether the plaintiff's argument that the limitation regarding the water container's material stated in the claims should not be considered in determining the scope of rights is valid, and whether the defendant's argument that the metal material of the subject device's water container was consciously excluded from the scope of rights of the registered utility model is valid.

Summary of Decision

The claim was dismissed.

1. The claims of a device for which a utility model registration is sought must be described in such a way as to specify the shape, structure, or a combination thereof of the article that is the subject of the device (hereinafter 'shape, structure, etc.'). If the claims as a whole are described as the shape, structure, etc. of the article, even if the claims additionally include a description of the article's material, the subject of the device is not the material but the finally derived shape, structure, etc., of the article. The description of the article's



material in the claims can be seen as having meaning as one means for specifying the shape, structure, etc. of the final article. Therefore, in the case of a registered utility model where the claims as a whole describe the shape, structure, etc. of an article and additionally include a description of the article's material, when determining whether it falls within the scope of rights, its technical configuration should not be understood as being limited to the material of the article itself. Instead, it should be understood as an article having the shape, structure, etc., specified by all the descriptions in the claims, including the description of the article's material, and compared with the subject device for confirmation. To do otherwise, by ignoring some descriptions in the claims of the registered utility model at the stage of exercising rights simply because they are descriptions of the article's material, would be to retroactively approve an expansion of the claims, which cannot be permitted.

The claims of the registered utility model in this case contain a general description of the shape, structure, etc. of the water container, stating that 'a lamp (320) passes through its center, and it is hooked and fixed to the upper end of the main body (310).' The water container is located near a flame and is continuously exposed to heat, which can cause thermal deformation or transfer heat, causing thermal deformation of surrounding components. It can be easily understood from the descriptions in the specification that the material or composition of the water container can be a technical means having an organic connection within the entire device to prevent deformation due to heat or to maintain its shape. Therefore, the description 'ceramic material' in the claims of the registered utility model should not be completely excluded from the

interpretation of its scope of rights simply because it is a description of the water container's material. Instead, it should be understood as an article whose technical content includes the prevention of thermal deformation of the main body's opening and the maintenance of its shape, in accordance with the limitation on the material of the article, as specified by all the descriptions in the claims, and compared with the subject device for confirmation.

2. It can be said that even based solely on the description in the specification, considering the inventor's intention revealed therein, the subject article can be seen as having been consciously excluded from the claims during the application of the registered utility model. If the description of the device contains a statement pointing out the problems of a modified configuration of a subject article that could replace the technical configuration of the registered utility model, and discloses the said technical configuration of the registered utility model as a technical means to solve them, and if the said modified configuration of the subject article is excluded from the scope of the literal wording of the claims of the registered utility model, then it is reasonable to view that the applicant or the utility model right holder consciously excluded the subject article of the said modified configuration from the claims of the registered utility model during its application process.

In the description of the device in the specification of the registered utility model, there are descriptions to the effect that a modified configuration of the subject device for confirmation, which could replace the technical configuration of the registered utility model—that is, the technical configuration where the water container of the subject device is made of 'metal material'—has the problem of causing the opening of the main body,

formed of plastic material, to undergo thermal deformation due to heat transferred from the flame. There are also descriptions to the effect that the technical configuration where the water container of the registered utility model is made of 'ceramic material' can solve the problem of causing the opening of the main body to undergo thermal deformation by preventing heat generated from the flame from being transferred to the main body through the water container. Considering these circumstances, along with the fact that the claims of the registered utility model are described in a way that excludes the modified configurations of the subject device from the scope of their literal wording, it can be seen that the plaintiff, who is the applicant and the utility model right holder of the registered utility model, consciously excluded the modified configuration of the subject device—that is, the technical configuration where the water container is made of 'metal material'—from the claims of the registered utility model during its application process. Therefore, the plaintiff's argument that the subject device for confirmation, which has the said modified configuration, falls within the scope of rights of the registered utility model violates the principle of estoppel and is not permitted.

11

Claim for Injunction against Patent Infringement

TOTO Case

(Third Division) Decision 2022Na1074, Decided Jun. 20, 2024

Category	Claim for Injunction against Patent Infringement
Relevant Provision	Patent Act, Article 126
Relevant Decisions	Supreme Court Decision 2011Da17090 (Sep. 8, 2011); Supreme Court Decision 96Da16605 (Dec. 23, 1996)

Subject Matters of Judgment

1. A case where some of the goods for which the plaintiff sought an injunction and disposal were deemed improperly specified because they were not concretely and individually identified, rendering the request unlawful
2. In a case where the defendant changed the design of a product to avoid a patent, a case where the pre-change product that infringes the patent was identified through the presence or absence of a product inspection certificate issued with the delivery of the product
3. A case where the court granted a request for an injunction against the plaintiff's acts of implementation, such as goods production, but dismissed the request for disposal because it was not recognized that the defendant owned the products produced by such acts

Case Overview and Issues

The defendant was engaged in the coating service business, etc., where it

received windows owned by companies like ○○ Electronics, stripped the remaining coating from their surfaces, and delivered the said windows back after recoating them with Yttria [Y_2O_3 (yttrium oxide)] (hereinafter ‘defendant’s products’). The plaintiff filed a lawsuit on the grounds that the said windows manufactured by the defendant infringed the plaintiff’s patent. While this lawsuit was pending, from around the end of October 2022, the defendant began providing an inspection sheet (INSPECTION SHEET) when delivering the defendant’s products, which included details such as the average film thickness, film shape profile, and the ratio of the distance between the end and the outermost part to the average film thickness (hereinafter ‘the ratio at issue’), which could be used to confirm whether the product infringes the patent.

Judgment of the First Instance

Seoul Central District Court Decision 2015GaHap568829 (February 7, 2018)

The claim was dismissed.

Pre-remand Appellate Judgment

IP High Court Decision 2018Na1381 (September 6, 2019)

The appeal was dismissed.

Remand Judgment

Supreme Court Decision 2019Da277751 (January 27, 2022)

Summary of Decision

The claim was partially granted (claim changed after remand on appeal).¹⁾

1. Lawfulness of the Claim Regarding the Goods Described in Appendix 1, Items 1-3, 2-3, and Appendix 2, Items 1, 2

First, looking at Appendix 1, items 1-3, and Appendix 2, item 1. The description in these items is effectively no different from stating that they are the defendant's products manufactured by implementing the Invention Claim 1 of this case. Ultimately, for the bailiff or the execution court to determine whether the defendant's products correspond to the goods described in Appendix 1, item 1-3, and Appendix 2, item 1, they would have to judge whether the said products fall within the scope of rights of the Invention Claim 1, which is identical to the matter to be tried on the merits in a patent infringement lawsuit.

Next, looking at Appendix 1, items 2-3, and Appendix 2, item 2. It not only seems impossible for the bailiff or the execution court to directly confirm at the scene of execution whether the defendant's products correspond to the goods described in Appendix 1, item 2-3, and Appendix 2, item 2, but the limiting phrases also contain content requiring judgment, such as "generally constant" and "gradually thinning."

Ultimately, it seems practically impossible for the bailiff or the execution court to confirm whether the goods described in Appendix 1, items 1-3, 2-3, and Appendix 2, items 1, 2, are subject to execution without a separate judgment. Therefore, the parts of the primary claim of this lawsuit

1) For the judgment on the establishment and withdrawal of admission, which became the core issue of the merits, see I. 2. TOTO Case.

concerning the goods described in Appendix 1, items 1-3, 2-3, and the goods described in Appendix 2, items 1, 2, are unlawful because the objects of the prohibited act and the objects of disposal are not concretely and individually specified.

2. Judgment on the Injunction Claim for the goods described in Appendix 1, item 3-3

Considering that the inspection certificate provided by the defendant contains information that allows the bailiff or the execution court to confirm whether the patent right of Claim 1 is infringed without a separate judgment; that products with an inspection certificate as specified in Appendix 1, item 3-3 are clearly goods that infringe the patent right of Claim 1, and that a “window for which the ratio (D/T) is not stated, or for which the ‘INSPECTION SHEET’ document is not provided together” is a product designed to evade execution and is highly likely to be a product that infringes the patent right of Claim 1 unless there are special circumstances; and that there are no particular model names, etc., in the transaction documents between the defendant and its main delivery destinations, so there is no other suitable means to identify the products that infringe the patent right other than the inspection certificate provided with the delivery; it appears that the goods described in Appendix 1, item 3-3 are lawfully specified as the object of the injunction against infringement of the patent right of Claim 1.

3. Judgment on Disposal Claim

Disposal of goods that contributed to the infringing act must be ordered to the owner or a person with the authority to dispose of them after confirming their existence (Supreme Court Decision 96Da16605 decided December 23, 1996).

Also, if movables are combined in such a way that they cannot be separated without damage or if the separation requires excessive costs, the ownership of the composite object belongs to the owner of the principal movable (see Article 257 of the Civil Act). However, the evidence submitted by the plaintiff is insufficient to acknowledge that the defendant has ownership or disposal rights over the defendant's products subject to disposal, and there is no other evidence to acknowledge it. Rather, in light of the nature of the defendant's product production activities, it appears that the ownership of the base material, which constitutes almost all of the defendant's products subject to disposal, remains with companies like ○○ Electronics even after they commissioned the coating to the defendant. Considering the defendant's manufacturing method and the state of the film-like structure formed on the window base material being bonded to it, the film-like structure formed on the window base material has acceded to the window base material, and it would seem to cost a considerable amount to separate only the film-like structure from the window base material. Therefore, it is reasonable to view that the ownership of not only the window base material but also the film-like structure formed on it belongs to the owners of the principal movable, the window base material, i.e., ○○ Electronics, etc. In light of these points, it is reasonable to view that the ownership or disposal right for the defendant's products belongs not to the defendant but to ○○ Electronics, etc. Therefore, the plaintiff's disposal claim is not accepted.

12

Damages

Rivastigmine Transdermal Use Invention Patent Infringement Case

(Twenty-fifth-One Division) Decision 2021Na1787, Decided Jan. 18, 2024

Category	Claim for Injunction against Patent Infringement, etc
Relevant Provisions	Former Patent Act (prior to the full amendment by Act 4207 on Jan. 13, 1990), Article 53; Patent Act, Article 128(4)
Relevant Decision	Supreme Court Decision 2006Da1831 (Oct. 12, 2006)

Subject Matters of Judgment

1. Whether the retroactive effect of a patent term extension approval under the former Patent Act Article 53 is recognized (Affirmative)
2. The legality of practicing a patent before a patent term extension approval is granted (Affirmative)
3. Whether negligence is recognized for practicing a patent before a patent term extension approval is granted (Limited Affirmative)
4. Whether the amount of damages can be calculated based on statistical data under Article 128(4) of the Patent Act (Affirmative)
5. Whether overseas sales of a patent-infringing product can be considered when calculating the amount of damages under Article 128(4) of the Patent Act (Limited Affirmative)
6. Whether it should be considered that no lost profits occurred simply because the parent company, the patentee, practiced the patent through a subsidiary

(Negative)

7. Whether contributory negligence is applicable in awarding damages for patent infringement (Affirmative)
8. Whether an obligation for the return of unjust enrichment is recognized for the period during which negligence in patent infringement is not recognized (Affirmative)

Case Overview and Issues

1. The plaintiff filed an application for approval of a patent term extension for the patent in this case concerning the transdermal administration use of Rivastigmine with the Commissioner of the Korean Intellectual Property Office based on Article 53 of the former Patent Act, but the Commissioner issued a non-approval disposition. The plaintiff then filed a lawsuit to cancel the non-approval disposition and received a judgment in its favor (Supreme Court Decision 2014Du37702, decided October 4, 2018). Subsequently, on February 15, 2019, the Commissioner of KIPO issued a patent term extension approval (873 days) in accordance with the said judgment.
2. Before the patent term extension approval was granted, the defendant produced a generic drug of rivastigmine patch (hereinafter ‘defendant’s product’) that infringes the patented invention in this case and exported it to various parts of Europe. The plaintiff then filed a lawsuit against the defendant seeking damages for patent infringement.
3. The defendant argued that its act of practicing the patent before the patent term extension approval was granted was not unlawful, or that there was no

intent or negligence in the patent infringement, and that the revenue from European exports should not be considered in the calculation of damages for patent infringement.

Judgment of the First Instance

Seoul Central District Court Decision 2016GaHap511134 (August 20, 2021)

It recognized 2.5 billion KRW in damages for patent infringement, etc. (did not recognize a significant causal relationship between the defendant's overseas sales and the plaintiff's damages) (both parties appealed)

Summary of Decision

The first instance judgment was modified to award approximately 12 billion KRW in damages, among other things.

1. The patent term extension approval under Article 53 of the former Patent Act has a retroactive effect to the expiration date of the original term. Therefore, it should be considered that the term of the patent in this case was extended from the original expiration date of April 21, 2012, to September 11, 2014, by the extension approval in this case.
2. The defendant's act of producing the defendant's product in Korea before the expiration date of the extended term as mentioned above constitutes a patent-infringing act. Article 94(1) of the Patent Act stipulates that the patentee has the exclusive right to practice the patented invention as a business. An act by a third party that infringes another's patent right is recognized as unlawful unless there are special circumstances. Even if the

defendant's infringing act occurred before February 15, 2019, when the extension approval was granted, this is a matter to be considered in relation to the recognition of intent and negligence and cannot be seen as a circumstance that negates the unlawfulness of the patent infringement (if the retroactive effect of the extension approval did not extend to the defendant or if the defendant's act of implementation within the extended term were not considered unlawful, it would result in rendering the Supreme Court's judgment of October 4, 2018, case No. 2014Du37702, which confirmed the cancellation of the non-approval disposition, effectively useless).

3. However, the former Patent Act did not have a separate provision on the method of publicizing an application for patent term extension. The fact that the plaintiff had applied for a patent term extension was not publicly disclosed in the patent gazette or the patent register for the patent in this case. Therefore, the defendant could only know from the records in the patent gazette or the patent register that the original term had expired and could not have ascertained the fact that an application for a patent term extension had been filed. Considering these circumstances, it should be considered that the presumption of negligence under Article 130 of the Patent Act was rebutted for the period until the defendant received the certified mail from the plaintiff.

Meanwhile, the duty of care, which is a premise for recognizing negligence, can vary depending on the specific circumstances, such as the facts that the actor was aware of at the time of the act and the facts that could have been foreseen. When a warning about the possibility of patent infringement has been received, the duty of care to avoid the result of patent infringement can be seen as being further strengthened. The plaintiff, through

the certified mail in this case, informed the defendant that an application for a patent term extension for the patent in this case had been filed, and therefore, rights based on the patent could be exercised for the extended period even after the expiration of the original term. Therefore, it is reasonable to view that the defendant had a duty of care to review the possibility that the patent term could be extended by the patent term extension approval and the possibility that the defendant's act of implementation could infringe the patent right with the extended term. That is, it appears that after receiving the certified mail in this case, the defendant could have sufficiently foreseen that if the non-approval disposition were to be canceled, the term of the patent in this case could be extended, and the act of producing the defendant's product could result in infringing the plaintiff's patent right, and could have avoided it. Nevertheless, the defendant neglected this duty of care and continued to produce the defendant's product, either by casually trusting that the patent term extension approval would not be granted or by accepting the risk of patent infringement if the extension approval were granted, thereby infringing the plaintiff's patent right. Therefore, the defendant's negligence can be recognized in relation to the infringing act after the delivery of the certified mail.

4. Article 128(4) of the Patent Act stipulates that when claiming damages under paragraph (1), the amount of profit that the person who infringed the patent right or exclusive license gained from that infringing act is presumed to be the amount of damage suffered by the patentee, etc. If the infringer produces and then sells the infringing product to gain a profit, the 'amount of profit that the infringer gained from that infringing act' can be calculated by the contribution

margin, which is the total sales revenue of the infringing product minus the additional costs incurred for the manufacture and sale of the infringing product, unless there are special circumstances. To calculate the contribution margin, it is a principle to first recognize the ‘total sales revenue of the infringing product’ and the ‘additional costs incurred for the manufacture and sale of the infringing product (variable costs)’ through evidence, and then subtract the latter from the former. However, one should not hastily conclude that the application of Article 128(4) is impossible simply because it is difficult to calculate the ‘additional costs incurred for the manufacture and sale of the infringing product’ through direct evidence. If it is recognized through other evidence and the overall purport of the pleadings that the marginal profit actually gained by the infringer is similar to or exceeds that calculated by applying the contribution margin rate from reliable statistics of the same industry, the marginal profit gained by the infringer can also be calculated by multiplying the sales revenue of the infringing product by the contribution margin rate from statistics.

5. Since the plaintiff cannot exclusively produce and sell the Rivastigmine patch based on the patent right in this case in Europe, it is difficult to view that the quantity of the defendant’s product produced in Korea and exported to Europe is entirely the quantity that the plaintiff could have sold in Europe. However, that fact alone cannot lead to the conclusion that the European sales of the defendant’s product produced in Korea had no effect on the European sales of the plaintiff’s product. This is because the entry of the defendant’s product, a clear competitor to the plaintiff’s product, into the European market can be seen as having contributed to some extent to the decrease in the plaintiff’s

European sales. And since the said defendant's product is a product produced in infringement of the patent in this case, and could not have existed if there had been no patent infringement by the defendant, it can be seen that there is a significant causal relationship between the patent infringement in this case and the decrease in the plaintiff's European sales. In other words, as long as there is a patent-infringing act in Korea, the patentee can be compensated for the damages that have a significant causal relationship with that patent infringement, and those damages do not necessarily have to be limited to damages that occurred in Korea. The principle of territoriality of patent rights means that the effect of a patent right, which is an exclusive right concerning the practice of a patent, extends only within the territory of the country where the patent right is registered (see Supreme Court Decision 2019Da222782, 222799, decided October 17, 2019), and it does not mean that the damages must be limited to those that occurred in Korea (see Supreme Court Decision 2006Da1831, decided October 12, 2006).

6. Since the parent company, the plaintiff, and the subsidiary sales corporations are separate legal entities, the decrease in the subsidiary's sales volume itself cannot be seen as the plaintiff's damage. However, when the parent company, the patentee, directs the overall sales strategy of the patented product and produces and sells the patented product through a 100% subsidiary, it is highly likely that some of the success or failure of the sales strategy of the patented product executed by the subsidiary, and the resulting profits and losses, will ultimately be attributed to the patentee in some way. That is, the subsidiary's loss due to a decrease in sales affects the parent company in the form of a decrease in dividends to the parent company or a decline in the value of the

subsidiary's stock held by the parent company. The parent company's loss resulting from this can not only be seen as a loss from an economic perspective, but some of that economic loss (especially the decrease in dividends) is also sufficient to be evaluated as legal damage. Therefore, it cannot be said that no damage from patent infringement occurred simply because the patentee is not directly producing and selling the patented product.

7. If the victim is also at fault for the occurrence or expansion of damage caused by a tort, this should naturally be taken into account when determining the scope of the perpetrator's liability for damages. In balancing the fault ratio of both parties, all circumstances related to the tort should be fully considered in light of the purpose of the system, which is the fair sharing of damages. Even if the finding of facts regarding the grounds for comparative negligence or determining its ratio is a matter for the exclusive authority of the fact-finding court, it must not be markedly unreasonable in light of the principle of equity (see Supreme Court Decision 2007Da76733, decided March 11, 2010, etc.). This legal principle applies equally when calculating the amount of damages for patent infringement under Article 128 of the Patent Act (see Supreme Court Decision 2013Da21666, decided July 25, 2013).
8. A person who has practiced a patented invention without the permission of the patentee must be deemed to have gained a profit equivalent to the royalty amount without a legal cause and to have thereby caused damage to the patentee in that amount, unless there are special circumstances. Therefore, the patentee can demand the return of an objectively reasonable amount that the implementer would have paid as a royalty if they had received permission to

practice the patent, as unjust enrichment. When calculating the amount of unjust enrichment, various circumstances revealed during the pleading process can be comprehensively considered (see Supreme Court Decision 2014Da82385 decided July 14, 2016).

Premature Ejaculation Treatment Case

(Twenty-second-One Division) Decision 2023Na10174, Decided Apr. 17, 2024

Category	Claim for Damages
Relevant Decisions	Supreme Court Decision 2019Da293098 (Dec. 24, 2020); Supreme Court Decision 2018Da301336 (Mar. 26, 2020)

Subject Matter of Judgment

The scope of liability for damages due to the defendant's breach of the contractual duty to maintain a patent.

Case Overview and Issues

The plaintiff entered into a joint research and technology transfer agreement (hereinafter 'the Agreement') with the defendant to develop a new combination drug for the treatment of premature ejaculation (hereinafter 'the Combination Drug'). The defendant, as a joint patentee with the plaintiff, registered patents in Korea and foreign countries such as the US, China, and Japan. The defendant conducted Phase I and Exploratory Phase II clinical trials for the Combination Drug, but later decided internally to discontinue the development of the Combination Drug and did not proceed with further clinical trials. Meanwhile, from around October 2016, the defendant stopped paying the annuities for the foreign patents in this case, causing all rights to the foreign patents to be extinguished. The plaintiff then filed this lawsuit seeking compensation for the damages suffered due to the defendant's breach of the commercialization

obligation and the patent maintenance obligation stipulated in the Agreement.

Judgment of the First Instance

Seoul Central District Court Decision 2019GaHap591155 (February 3, 2023)

The court dismissed all of the plaintiff's claims, judging that it is difficult to see that the defendant had an obligation to commercialize the Combination Drug at the time it discontinued its development, and that although the defendant had an obligation to maintain the patent registrations, it was not recognized that the plaintiff suffered damages due to the defendant's breach of this obligation (plaintiff appealed).

Summary of Decision

The appeal was partially granted.

1. Whether there was Breach of Commercialization Obligation by Defendant

Synthesizing the facts and circumstances below, it is difficult to see that the defendant had an obligation to commercialize the Combination Drug at the time it discontinued its development. Therefore, the plaintiff's argument on this point, which is premised on the occurrence of a commercialization obligation, is without reason and does not require further examination.

- a. Article 4(4) of the Agreement stipulates 'if the contract technology is judged to be commercially valuable' as a prerequisite for the commercialization obligation, and Article 7(1) divides the fixed royalty that the defendant must pay to the plaintiff according to each stage of new drug development. Adding to this the fact that typically only 1 out of 5,000 to 10,000 new drug candidates actually leads to new drug approval, and that the development

cost for clinical trials for one candidate in the new drug development process is at least 100 to 200 billion KRW, it is difficult to see that the Agreement was originally premised on the definite commercialization of the Combination Drug.

- b. Also, the purpose of a pharmaceutical company developing a new drug by investing enormous costs and time can be said to be to generate profits by selling the new drug on the market. Therefore, as part of the new drug development, a pharmaceutical company conducts clinical trials and decides whether to continue or terminate them early while reviewing and confirming not only the safety and efficacy of the new drug but also the future marketability of the drug to be developed and the business viability of the product.
- c. In that case, the defendant, a pharmaceutical company, could decide whether to discontinue the development of the Combination Drug by judging its commercial value during the clinical trial process, and such a decision by the defendant should be considered a matter of business judgment. According to the defendant's internal memorandum dated August 20, 2012, the factors considered by the defendant at the time of its decision to discontinue development around August 20, 2012, appear to be the market situation for premature ejaculation treatments at the time and the results of the Exploratory Phase II clinical trial. Synthesizing the following circumstances, it is difficult to see that the defendant's judgment on the commercial value of the Combination Drug was arbitrary or had a serious flaw.

- 1) Not only did the market situation for premature ejaculation treatments

change between the time the Agreement was signed and the time the defendant discontinued the development of the Combination Drug, but as seen earlier, if the defendant had proceeded with Late Phase II clinical trials and large-scale Phase III clinical trials for the development of the Combination Drug, it would have required a much larger cost than the approximately 1.6 billion KRW already invested in new drug development. Therefore, it seems that it would have been expected that even if the defendant succeeded in launching the Combination Drug, the losses would be greater than the profits, considering the market size. In addition, it appears that the defendant also evaluated the marketability of the Combination Drug as non-existent after investigating the status of competing products and consulting experts' opinions.

- 2) Unless there are special circumstances, the defendant would decide whether to proceed with additional clinical trials or to commercialize the Combination Drug based on the results of the Exploratory Phase II clinical trial approved by the MFDS. The results of the Exploratory Phase II clinical trial did not prove the efficacy of the Combination Drug, as the change in the efficacy evaluation variable was observed to be lower in the investigational drug group compared to the active control drug group and the placebo group. Therefore, it is reasonable to believe that the results of the Exploratory Phase II clinical trial were also considered as a reason for discontinuation when the defendant decided whether to discontinue the development of the Combination Drug.
- 3) The plaintiff points out that there were errors in the clinical trial design and

statistical analysis of the Exploratory Phase II clinical trial. However, it is difficult to see that there were serious errors in the Exploratory Phase II clinical trial, as the plaintiff points out. Even if there were flaws in the design of the Exploratory Phase II clinical trial, it appears that the defendant judged the commercial value of the Combination Drug to be low based on the external factors mentioned above rather than the results of the clinical trial. Therefore, it cannot be said that the presence or absence of flaws in the design of the Exploratory Phase II clinical trial had a decisive influence on the judgment of the commercial value of the Combination Drug.

2. Whether there was a Breach of Patent Maintenance Obligation by Defendant
 Article 5(2) of the Agreement stipulates that ‘the costs incurred in applying for the registration of industrial property rights such as patent rights in Korea and abroad, or in registering, maintaining, and managing industrial property rights such as patent rights that have been applied for registration in Korea and abroad, shall be borne by the defendant.’ Although this clause states that the defendant bears the patent maintenance costs, considering that, unless there are special circumstances, no particular effort is required to maintain a patent other than paying annuities, the defendant’s obligation to bear the patent maintenance costs seems to mean an obligation to maintain the patent itself. Article 5(1) of the Agreement grants the defendant the exclusive right to exercise the patent in this case. In light of the system and content of these Articles 5(1) and 5(2), it is interpreted that despite both being joint patentees, the plaintiff and the defendant agreed that the defendant would exclusively have all rights related to the exercise of the patent, such as practicing the patent, setting up an exclusive license, and setting up a pledge, and in return,

the corresponding obligation to maintain and manage the patent would also fall within the defendant's domain. Synthesizing the above circumstances, it is reasonable to view that the defendant bears the obligation to maintain the patent registration under the Agreement.

Nevertheless, since the defendant stopped paying the annuities for the foreign patents from around October 2016 without any notice to the plaintiff, causing all of the plaintiff's rights (1/2 share) to the foreign patents to be extinguished, it is reasonable to believe that the defendant has incurred liability for damages for breach of the patent maintenance obligation related to the foreign patents.

3. Scope of Liability for Damages for Breach of Patent Maintenance Obligation

The technological value of the patent in this case, as calculated by the first instance court's appraiser, was calculated by multiplying the sales revenue, assuming that the technology related to the Combination Drug was successfully transferred to a global pharmaceutical company and that the Phase II and Phase III procedures were successfully completed, by the royalty rate, discount rate, and new drug approval probability (20%), etc. However, as seen earlier, it was uncertain whether the clinical trials for the Combination Drug would be successfully completed and marketed around the time the foreign patents were extinguished. Even if it had been commercialized, since its commercial value was judged to be extremely minimal, the method of calculating damages by multiplying the sales revenue calculated on the assumption of successful commercialization by the new drug approval probability, etc., as the plaintiff claims, is not reasonable from its premise. Also, since the first instance court's appraiser calculated the value of the

patent in this case by including patents from Brazil, Russia, South Africa, Colombia, etc., even though the plaintiff had limited the patent registration countries to Korea, Japan, the US, China, and India, the appraisal result is difficult to adopt.

The value of the patent in this case should be the cost incurred for technology development, etc., up to the registration of the patent. ① This includes the effort and cost incurred by the plaintiff to prepare medical records, the preclinical trial costs of 792,244,374 KRW spent by the defendant, and the fixed royalty of 250,000,000 KRW. ② And the defendant spent a total of about 1.05 billion KRW on preclinical trials and fixed royalties and acquired a 1/2 share of the patent in this case and an exclusive license. ③ Synthesizing the degree of contribution of the plaintiff and the defendant to the registration of the patent in this case, and the fact that the plaintiff is seeking damages for the extinguished patents in the US, China, and Japan among the registered patents, it is reasonable to view the amount of damages suffered by the plaintiff due to the defendant's breach of the patent maintenance obligation as 270,000,000 KRW.

13

Joint Ownership of Patents

Ground Improvement Material Case

(Third Division) Decision 2023Heo13322, Decided Jun. 13, 2024

Subject Matter	[Patent] Ground Improvement Material, Aggregate for Asphalt Concrete, and Its Manufacturing Method
Administrative Decision	IPTAB Decision 2022Dang1499, Decided Aug. 7, 2023
Category	Invalidation of Registration (Patent)
Relevant Provisions	Patent Act, Articles 139(2), 139(3)
Relevant Decisions	Supreme Court Decision 87Hu111 (Dec. 8, 1987); Supreme Court Decision 2011Da1323 (Jun. 24, 2011)

Subject Matter of Judgment

The legality of an invalidation decision where some of the co-owners of a patented invention were omitted as respondents (Negative).

Case Overview and Issues

The plaintiff filed a request for a registration invalidation trial of the patent in this case against the defendants, who are the patentees. While the trial procedure was in progress, a partial share of the patent right was registered in the name of a non-party company, changing the co-owners of the patented invention to the defendants and the non-party company. Nevertheless, the IPTAB issued the

decision in this case, with only the defendants as respondents, dismissing the plaintiff's request for an invalidation trial. The plaintiff, dissatisfied with this, filed a lawsuit to cancel the decision.

Summary of Decision

The claim was granted.

1. Relevant Legal Principles

Article 139(2) of the Patent Act stipulates that 'when a petition is filed for trial against patentees who jointly hold a patent, all such co-owners of a patent shall be made defendants.' Article 139(3) of the same Act stipulates that 'when co-owners of a patent or an entitlement to a patent file a petition for trial on the jointly-held right, all co-owners of a patent shall file the petition jointly.' A trial procedure concerning a co-owned patent right is a mandatorily necessary joint trial, arising from the need for it to be conclusively and uniformly determined for all co-owners (see Supreme Court Decision 87Hu111, decided December 8, 1987). When rendering a judgment on the merits for a mandatorily necessary joint lawsuit, a single final judgment must be pronounced for all joint litigants. It is not permissible to render a judgment against only some of the joint litigants or to render an additional judgment against the remaining joint litigants (see Supreme Court Decision 2011Da1323, decided June 24, 2011). This legal principle should be applied equally to a decision in a mandatorily necessary joint trial.

2. Judgment

Looking at this case, as seen earlier, while the invalidation trial procedure was

in progress following the trial request, a partial share of the patent right was registered in the name of a non-party company, changing the co-owners of the patented invention to the defendants and the non-party company. Nevertheless, the IPTAB rendered the decision in this case with only the defendants as respondents.

In light of the legal principles seen earlier, the decision in this case is unlawful because, in a mandatorily necessary joint trial procedure, a single decision was not made with all co-owners as respondents; instead, the non-party company, which is one of the co-owners of the patented invention, was omitted as a respondent, and a decision was rendered only against the defendants, who are some of the co-owners. Therefore, the decision in this case is unlawful and must be canceled without need to further examine the existence of the grounds for cancellation of the decision claimed by the plaintiff.

14

Employee Invention

Mobile Communication UI Employee Invention Compensation Case

(Twenty-second-Two Division) Decision 2023Na10327, Decided Jun. 12, 2024

Category	Claim for Employee Invention Compensation
Relevant Provisions	Former Patent Act (before amendment by Act No. 7871 of Mar. 3, 2006) Articles 39(1), 40; Former Invention Promotion Act (before full amendment by Act 8357 of Apr. 11, 2007) Articles 2(2), 8(1), 13
Relevant Decisions	Supreme Court Decision 2009Da75178 (July 28, 2011); Supreme Court Decision 2014Da220347 (January 25, 2017); Supreme Court Decision 2003Da34045 (March 26, 2004); Supreme Court Decision 2009Da44839 (October 15, 2009); IP High Court Decision 2020 Na1155 (February 3, 2021)

Subject Matters of Judgment

1. The Legal Nature of the Right to Claim Compensation for Employee Invention
2. Criteria for Judging the Calculation of Fair Compensation
3. Method of Converting Results of Using Employee Invention That Occurred in Foreign Currency to KRW
4. The Time When Liability for Delay in Paying Employee Invention Compensation Arises

Case Overview and Issues

The plaintiff joined the defendant company on April 18, 2002, and worked as a principal researcher until February 7, 2011. While performing duties such as developing user interfaces at the defendant's mobile communication research institute, the plaintiff made six inventions. The plaintiff claimed 300 million KRW from the defendant, the employer who succeeded to the right to obtain patents for employee inventions 1-6, as compensation for disposal and implementation. The contents of the above holdings became the legal issues.

Judgment of the First Instance

Seoul Central District Court Decision 2018GaHap580714 (February 15, 2023)

It partially granted the plaintiff's claim (plaintiff appealed and expanded the claim) (defendant appealed).

Summary of Decision

The first instance judgment was modified (plaintiff's appeal partially granted).

1. Article 40(1) of the former Patent Act and Article 13(1) of the former Invention Promotion Act stipulate that an employee shall be entitled to fair compensation where the employer 'succeeds' to the right to acquire patent, etc., or a patent, right, etc., for an employee's invention.¹⁾ Article 40(2) of the former Patent Act and Article 13(3) of the former Invention Promotion Act stipulate that when determining the fair compensation amount, the amount of

1) The succession of the right to obtain a patent for an employee invention or the patent right, or the establishment of an exclusive license, and the payment of fair compensation are not in a relationship of simultaneous performance [see Supreme Court Decision 2011Da77313, 77320 decided November 13, 2014; Supreme Court Decision 2012Do6676 decided November 15, 2012, etc.]

profit that the employer ‘will obtain’ from the invention and the degree of contribution of the employer and the employee to the ‘completion’ of the invention must be considered. In light of these express provisions, the employee’s right to claim compensation for an employee invention under Article 40 of the former Patent Act and Article 13 of the former Invention Promotion Act should be seen as a statutory monetary claim that arises at the time of the said succession. The amount is to be calculated as a single sum, taking into consideration the amount of profit the employer is reasonably expected to gain from the employee invention and the respective degrees of contribution by the employer and the employee to the completion of the invention, all assessed as of the time of the aforementioned succession (see IP High Court Decision 2020Na1155, decided February 3, 2021). This is also supported by the fact that the right to claim compensation for an employee invention, like a general claim, is subject to a 10-year statute of limitations if not exercised, and its starting point is generally the time when the employer succeeded to the right to obtain a patent for the employee invention from the employee (see Supreme Court Decision 2009Da75178 decided July 28, 2011), and that the profit the employer will obtain means the profit obtained from the employee invention itself and does not mean an accounting profit such as operating profit remaining after the settlement of revenues and expenses (see Supreme Court Decision 2014Da220347 decided January 25, 2017; Supreme Court Decision 2009Da75178 decided July 28, 2011, etc.). As such, the right to claim compensation for an employee invention should be seen as being established as a single monetary claim as a whole at the time of succession for each employee invention. It cannot be seen as being

established separately based on the employer's form of use, such as implementation, transfer, or licensing, or the period of use after succession.²⁾

2. In a lawsuit where an employee seeks payment of compensation on the grounds that they had the employer succeed to the right to an employee invention, when the court determines the scope of fair compensation, it should consider the amount of profit the employer will obtain from the employee invention and the degree of contribution of the employer and the employee to the completion of the employee invention, based on the time of succession. However, since it is difficult to objectively calculate the future profit the employer will obtain with only the data at the time of succession, the court can rationally estimate the employer's exclusive profit by comprehensively considering indirect facts such as the objective value (economic usability) of the employee invention and the existence of alternative technology, which are revealed through the results of the evidence investigation and the overall purport of the pleadings, as well as the employer's specific use of the employee invention after succession, such as implementation, transfer, and licensing, and the circumstances of commercialization. The court should also judge the degree of contribution of the employer and the employee to the completion of the employee invention by considering indirect facts such as the employer's provision of human and material resources leading up to the employee invention, the employee's job content and research experience, and,

2) The plaintiff had broken down the calculation of compensation into items for each of the defendant's forms of use, such as compensation for disposal, compensation for self-implementation, compensation for implementation by others, and compensation for non-implementation. However, the subject judgment calculated the compensation for each employee invention, not by such forms of use, but showed a judgment structure that took into account the evaluation amount for each form of use as data for calculating the compensation.

in the case of a jointly invented employee invention, the degree of contribution of the said employee.

3. A statutory claim is established in the currency of the country to which the statute belongs. Since the right to claim compensation for an employee invention is a statutory claim that arises at the time the employer succeeds to the right to the employee invention, it should be seen as a monetary claim in Korean won to be paid in the currency of our country. Also, as seen earlier, the right to claim compensation for an employee invention is established as a single monetary claim as a whole for each employee invention at the time of succession, and it cannot be seen as being established separately for each form of use, such as implementation, transfer, or licensing, by the employer after succession. The form of use or the period of use is merely taken into account as data for calculation because it is difficult to objectively calculate the profit the employer will obtain with only the data at the time of succession. Therefore, when the court takes into account the results of using an employee invention that occurred in foreign currency as data for calculating fair compensation, it is reasonable to view that it can be converted to and considered as a profit based on Korean won by a reasonable method, such as applying the exchange rate at the time the profit was generated or the exchange rate at the time of the closing of the pleadings.
4. ① The employee's claim for compensation for an employee invention under Article 40 of the former Patent Act and Article 13 of the former Invention Promotion Act is a statutory claim that arises at the time the employer succeeds to the right to the employee invention, and the former Patent Act and the former Invention Promotion Act do not separately stipulate the due

date for the employee invention compensation claim. The defendant's employee invention compensation regulations and employee invention compensation deliberation rules also do not separately set a due date. Therefore, the defendant is liable for delay from the time it receives the demand for performance from the plaintiff, in accordance with Article 387(2) of the Civil Act. ② The commercial statutory interest rate of Article 54 of the Commercial Act applies to debts arising from commercial acts or debts having the same identity (see Supreme Court Decision 2003Da34045, decided March 26, 2004; Supreme Court Decision 2009Da44839, decided October 15, 2009, etc.). The plaintiff seeks payment of damages for delay calculated at a rate of 6% per annum, the commercial statutory interest rate. However, the defendant's obligation to pay the employee invention compensation in this case to the plaintiff is a statutory debt under Article 40 of the former Patent Act and Article 13 of the former Invention Promotion Act and cannot be seen as a debt arising from a commercial act as stipulated in Article 54 of the Commercial Act.³⁾

3) The right to claim compensation for an employee invention, like a general claim, is subject to a 10-year statute of limitations if not exercised (see Supreme Court Decision 2009Da75178 decided July 28, 2011). In other words, the commercial statute of limitations stipulated in Article 64 of the Commercial Act does not apply to the right to claim compensation for an employee invention.

2024 Leading Case Summaries of IP High Court of Korea

III

Design Protection Act



01

Novelty

Center High Mount Stop Lamp Case

(Fifth Division) Decision 2023Heo12831, Decided Mar. 28, 2024

Subject Matter	[Design Right] Center High Mount Stop Lamp Case
Administrative Decision	IPTAB Decision 2022Dang1989, Decided Jun. 15, 2023
Category	Invalidation of Registration (Design)
Relevant Provision	Design Protection Act, Article 33(1)3
Relevant Decision	Supreme Court Decision 2016Da219150 (Sep. 28, 2018)

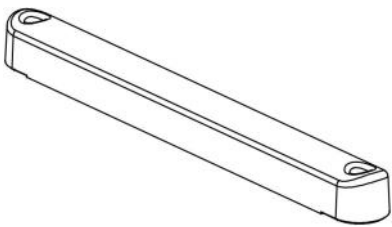


Subject Matters of Judgment

1. Whether a registration invalidation trial filed by a previously registered design right holder against a junior registered design right holder constitutes an abuse of rights when the senior design right is clearly subject to invalidation (Negative).
2. Whether the transparency of an item can be a factor in determining the similarity of a design (Limited affirmative).

Case Summary and Issues

The defendant, who is the patentee of the prior design, filed a request for a registration invalidation trial, asserting that the novelty of the plaintiff's patented invention in this case is negated by the prior design. The IPTAB accepted the

defendant's request and issued the decision in this case, invalidating the patented invention. The plaintiff, dissatisfied with this, filed a lawsuit to cancel the decision. The issues in this case are (1) whether a registration invalidation trial filed by a senior registered design right holder against a junior registered design right holder constitutes an abuse of rights when the senior design right is clearly subject to invalidation, and (2) whether the patented invention in this case and the prior design are similar.

Patented Invention in this Case	Prior Design
	
Reference Drawing (Use State View)	
<p data-bbox="594 1069 815 1097">The product at issue</p> 	

Summary of Decision

The claim was dismissed.

1. Judgment on the Abuse of Rights Claim Based on the Clear Invalidity of the Prior Design

The plaintiff's argument is premised on the applicability of the legal principle from the Supreme Court Decision 2016Da219150 of September 28, 2018—that a claim for an injunction or damages based on a patent right that is clearly subject to invalidation constitutes an abuse of rights—to a design registration invalidation trial request. However, considering the differences between a claim for an injunction or damages and a request for a registration invalidation trial, it is difficult to see that the legal principle of Supreme Court Decision 2016Da219150 can be applied as is to a request for a registration invalidation trial. Therefore, without the need to further examine whether the defendant's prior design is clearly subject to invalidation, the plaintiff's above argument is unacceptable. The specific reasons are as follows.

- a. The legal principle of Supreme Court Decision 2016Da219150, which the plaintiff cites, is based on Supreme Court en banc Decision 2010Da95390 of January 19, 2012, which states, 'Even before an invalidation decision for a patented invention is finalized, if it is clear that the patent will be invalidated by a patent invalidation trial because the inventive step of the patented invention is negated, a claim for an injunction or damages based on that patent right constitutes an abuse of rights and is not permitted unless there are special circumstances.' The basis for this abuse of rights principle is that 'to condone a claim for an injunction or damages against a person practicing an invention that is not worthy of protection because it lacks inventive step, seizing on the fact that it is formally registered as a patent, only gives an unjust benefit to the patentee and imposes unreasonable hardship or damage on the person practicing the invention, which is contrary to substantive

justice and equity between the parties.’

- b. However, the abuse of rights defense in a patent infringement lawsuit cannot be applied as is to other procedures where the exercise of a patent right is at issue. The Supreme Court has judged negatively regarding the permissibility of such an abuse of rights defense in a trial to confirm the scope of rights (Supreme Court en banc Decision 2012Hu4162, decided March 20, 2014). This is because the trial to confirm the scope of rights stipulated in the Patent Act is a procedure with the purpose of confirming whether the subject invention for confirmation, which the requester has made the subject of the trial, falls within the objective scope of the patent right’s effect. Therefore, judging the inventive step of the patented invention in that procedure was seen as departing from the purpose of the trial to confirm the scope of the rights system and not fitting its essence. Denying patent infringement by accepting the abuse of rights defense in a patent infringement lawsuit is a judgment on the relationship of rights between the disputing parties based on a reason for restricting the exercise of rights, not the non-existence or invalidity of the right, and the effect of that judgment applies only between the parties to the lawsuit. On the other hand, a trial to confirm the scope of rights has only the limited meaning of confirming the objective scope of the patent right’s effect with erga omnes effect and does not finally confirm the relationship of rights between the parties in a dispute over patent infringement. It differs from a patent infringement lawsuit in that once its decision is finalized, the effect of res judicata extends

not only to the parties of the trial but also to third parties, having an erga omnes effect. Therefore, even if the conclusions in a trial to confirm the scope of rights and a patent infringement lawsuit seem contradictory, they cannot be said to be mutually inconsistent.

- c. The plaintiff argues that the said abuse of rights principle should also be applied in the invalidation trial procedure for the patented invention in this case. However, the difference between a registration invalidation trial and an infringement lawsuit is even greater than the difference between a trial to confirm the scope of rights and an infringement lawsuit as examined above. Above all, a design right infringement lawsuit is premised on the plaintiff being the patentee or exclusive licensee of the patented invention in this case, whereas a design registration invalidation trial does not premise that the trial requester is the patentee or exclusive licensee. That is, a design registration invalidation trial can be requested by an interested party or an examiner (Design Protection Act Article 121(1)). Here, an interested party means ‘a person who is currently suffering business damage or is likely to suffer damage in the future because they are at risk of being opposed by the right, as the patented invention subject to the request continues to exist validly’ (See Supreme Court Decision 99Hu 1331 decided June 29, 2001, etc.). Therefore, to be recognized as an interested party who can request a registration invalidation trial, one does not necessarily need to be the design right holder or exclusive licensee of a design similar to the patented invention subject to the request. Therefore, a design registration invalidation trial cannot be

seen as an exercise of the patent right of this case, so the said abuse of rights principle, which becomes an issue when the exercise of the patent right is an abuse of rights, cannot be extended and applied to the invalidation trial procedure.

- d. Furthermore, in judging whether the patented invention in this case falls under Article 33(1)3 of the Design Protection Act as a ground for invalidation of a design registration stipulated in Article 121(1)2 of the same Act, the design that can be used as a comparison target with the patented invention need only be a design that was publicly known or publicly practiced in Korea or abroad before the design registration application of the patented invention (Design Protection Act Article 33(1)1) or a design that was published in a distributed publication in Korea or abroad or made available to the public through telecommunication media (Subparagraph 2 of the same paragraph). That is, for the applicability of Article 33(1)3, the prior design to be compared with the patented invention need only be in a publicly known state before the design registration application, as ‘an article’s shape, pattern, color, or a combination thereof, which produces an aesthetic impression through the sense of sight’ (Design Protection Act Article 2[1]). It cannot be seen as requiring it to go further and be eligible for design registration (Subparagraph 3 of the same article). Therefore, even in a case as presumed by the plaintiff, where the invalidation trial requester filed the invalidation trial on the basis that their status as a senior registered design right holder is substantially restricted by a similar junior registered design, and there is a clear ground for invalidation of registration in the invalidation trial requester’s senior registered design, it is difficult to see that requesting a


registration invalidation trial using such a senior registered design as a prior design imposes unreasonable hardship or damage on the respondent of the registration invalidation trial. In this respect as well, the abuse of rights principle from infringement lawsuits cannot be extended and applied to the invalidation trial procedure.

2. Similarity of Patented Invention in this Case and Prior Design

The common parts of the patented invention in this case and the prior design are parts that catch the eye and attract the attention of general consumers or traders, not only during the use of the design but also during trade, and correspond to the dominant features of both designs. On the other hand, the difference between the two designs (whether the material is semi-transparent) is, in light of the circumstances below, reasonably considered not to be a difference that would affect the overall aesthetic impression felt from the patented invention in this case and the prior design. Therefore, the patented invention in this case is a design similar to the prior design.

- a. Strictly speaking, the transparency or opacity of an article is not included in the article's shape, pattern, or color, but in some cases, it may be a factor in judging the similarity of a design.¹⁾ However, the description of the design of the patented invention in this case only states that the material is a synthetic resin and does not place any limitation on the transparency or degree of transparency of the material, so it is difficult to see that it excludes an article made of a semi-transparent material from the scope of its rights.

1) If it is recognized that an explanation is necessary because all or part of the article is transparent, Article 35(4) and Attached Table 2, item 5 of the Enforcement Rules of the Design Protection Act require a description to that effect in the description section of the design.

- b. Rather, since the article subject to the patented invention in this case, a center high mount stop lamp, is an article used to indicate the braking state through the emission of light from the lighting part, a semi-transparent synthetic resin material that can transmit some light seems more suitable for the purpose of the subject article than an opaque material that cannot transmit light. Considering the function and use of this subject article, it is reasonable to view that a design embodied in a semi-transparent material that allows the internal shape and pattern to be somewhat visible when light enters the lens can also be included in the scope of similarity of the patented invention in this case. Also, considering the number and arrangement of the lenses shown in the reference drawing (longitudinal sectional view) of the patented invention in this case, the internal shape of the patented invention that can be confirmed when light enters the lens has no significant difference in aesthetic impression from the internal shape of the prior design.
- c. Furthermore, the plaintiff itself has also argued that the patented invention in this case is the same design as a separate known design ‘’, where the internal shape and pattern are visible from the outside because the material is a semi-transparent synthetic resin. That is, during the examination process for the design registration application of the patented invention in this case, when the KIPO issued a notice of grounds for rejection to the plaintiff, the applicant of the patented invention, to the effect that the patented invention falls under Article 33(1)3 of the Design Protection Act in relation to the separate known design that was publicly known before its application, the plaintiff argued that the said separate known design falls

under Article 36(1) of the Design Protection Act and claimed that ‘both the patented invention in this case and the separate known design were created by the plaintiff and are the same design.’

02

Trials to Confirm Scope of Rights

Guardrail Post Case

(Third Division) Decision 2023Heo13162 Decided May 30, 2024

Subject Matter	[Design Right] Guardrail Post
Administrative Decision	IPTAB Decision 2022Dang170, Decided Jul. 24, 2023
Category	Scope of Right Confirmation (Design)
Relevant Provision	Design Protection Act, Article 122
Relevant Decisions	Supreme Court Decision 2002Hu2419 (Jun. 10, 2003); Supreme Court Decision 2011Hu2626 (Oct. 25, 2012)

Subject Matters of Judgment

1. In an affirmative trial to confirm the scope of rights, if identity is not recognized between the design specified by the trial requester and the design claimed to be practiced by the respondent, whether there is an interest in confirmation (Negative)
2. The meaning of the identity of the design in this case (Identity from a factual perspective)

Case Summary and Issues

The defendant, the design right holder in this case, filed a request for an affirmative trial to confirm the scope of rights regarding the design practiced by

the plaintiff. The IPTAB accepted the defendant's trial request and issued the decision in this case, stating that the challenged design practiced by the plaintiff is similar to the defendant's registered design and thus falls within its scope of rights. The plaintiff, dissatisfied with this, filed a lawsuit to revoke the decision.

Summary of Decision



The claim was granted.

1. Relevant Law

When the design right holder requests an affirmative trial to confirm the scope of rights, claiming that a certain article falls within the scope of rights of their design right, if identity is not recognized between the article specified by the trial requester and the article being practiced by the respondent, then even if a decision is finalized stating that the article the respondent is not practicing falls within the scope of rights of the patented invention, that decision will only have an effect on the article specified by the trial requester and will have no effect on the article actually being practiced by the respondent. Therefore, a request for an affirmative scope of rights confirmation trial targeting an article that the respondent is not practicing is unlawful for lack of interest and must be dismissed. In this case, the identity of the challenged design and the design being practiced by the respondent is a matter of factual determination of whether the respondent is practicing the challenged design. Therefore, their identity should be recognized only when these designs appear to be the same from a factual perspective (see Supreme Court Decision 2002Hu2419 decided June 10, 2003; Supreme Court Decision 2011Hu2626 decided October 25, 2012, etc.).

2. Judgment

a. Since the plaintiff has admitted to practicing the design below (hereinafter ‘claimed practiced design’), this court will examine whether the plaintiff can be seen as practicing the challenged design because the plaintiff’s claimed practiced design is identical to the challenged design from a factual perspective. In light of the circumstances below, it is difficult to broaden the scope of recognition of design identity by considering the differences between the two designs as extremely minor. Therefore, the two designs are not identical from a factual perspective, and ultimately, it cannot be said that the plaintiff practiced the challenged design.

Challenged Design	Design Asserted by Plaintiff
	

1) The challenged design and the claimed practiced design are common in that they have an overall cylindrical shape and both comprise a body part corresponding to the post, a base part for fixing the body part to the road surface, an oblong-shaped connection part for connecting the posts with

three horizontal bars, a reflective tape attachment surface on the body part, and a three-line vertical stripe configuration at the bottom of the body part. The hole locations on the body part and the number and location of the fastening holes on the connection part are also identical in both designs.

- 2) On the other hand, they differ in that ① the claimed practiced design has band-shaped protrusions of a certain width on the upper and lower borders of the two reflective tape attachment surfaces located between each



connection part of the body (), whereas the border of the reflective tape attachment surface of the challenged design has no configuration and



has a smooth shape (), and ② the connection part of the claimed practiced design has U-shaped protrusions formed around the fastening



holes for coupling the horizontal bars (), whereas the challenged



design lacks such a configuration (). These differences are visually distinguishable in the overall design, and the shape of the guardrail post's body, the connection form between the body and the horizontal bars, and the shape of the reflective tape attachment surface, where the differences exist, occupy a large portion of the overall appearance of both designs.

- 3) Looking at known guardrail post designs for the subject article of the challenged design and the claimed practiced design, it can be seen that the shape of the guardrail post's body, the connection form between the body and the horizontal bars, and the shape or structure of the reflective tape

attachment surface are generally common or have similar dominant features.

- b. Therefore, the defendant's request for an affirmative scope of rights confirmation trial in this case targets a design that cannot be said to be practiced by the plaintiff, and thus is unlawful for lack of interest and must be dismissed. The decision in this case, which reached a different conclusion, is unlawful.

03

Design Right Infringement and Damages

Kkochiddeok Case

(Twenty-fifth Division) Decision 2022Na2305 (Principal claim),
2022Na2312 (Counterclaim), Decided Aug. 29, 2024

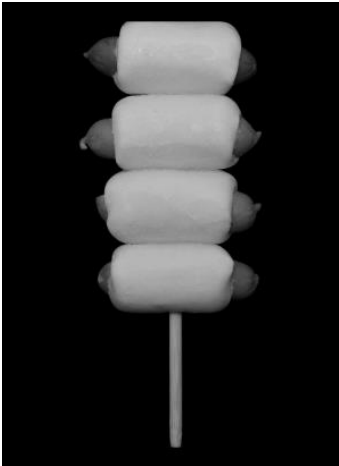

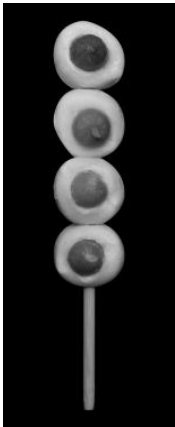
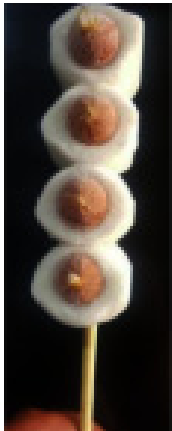
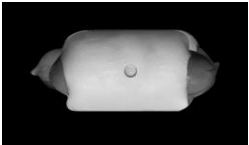

Subject Matter	Claim for Injunction against Design Right Infringement
Relevant Provisions	Design Protection Act, Articles 113, 115
Relevant Decision	Supreme Court Decision 2013Da202939 (Dec. 26, 2013)

Subject Matters of Judgment

1. Whether the design right is infringed
2. An injunction and damages were granted as the court found the defendants' products to be similar to the plaintiff's registered design, thus constituting an infringement of the plaintiff's design right.

Case Summary and Issues

1. The plaintiff is the design right holder of the registered design at issue, and the defendants produced and sold products with the design as shown below.

Registered Design at Issue	Defendants' Product
	
[Front]	[Front]
	
[Side]	[Side]
	
[Top]	[Top]

2. The plaintiff filed a lawsuit against the defendants seeking an injunction and damages for reasons including design right infringement.

Judgment of the First Instance

Seoul Central District Court Decision 2019GaHap543101 (Main Action),
2019GaHap586894 (Counterclaim), decided November 17, 2022

The court judged that the defendants' act constitutes design right infringement and partially granted the plaintiff's claim (Both parties appealed).

Summary of Decision

The first instance judgment was modified.

The appellate court, like the first instance, recognized the design right infringement. However, it modified the order regarding the amount of damages, considering that rehabilitation proceedings against the defendants had been initiated while the appeal was pending, and the part of this lawsuit seeking monetary payment was changed to one seeking confirmation of a rehabilitation claim.

Cutting Board Case

(Twenty-fourth-One Division) Decision 2022Na2060, Decided Jan. 10, 2024

Category	Claim for Injunction against Design Right Infringement
Relevant Provisions	Design Protection Act, Articles 92, 93
Relevant Decisions	Supreme Court Decision 2013Da202939 (Dec. 26, 2013); Supreme Court Decision 97Hu1900 (Jul. 24, 1998); Supreme Court Decision 2005Hu2922 (Jul. 28, 2006), et al.

Subject Matters of Judgment

1. When elements constituting the registered design are publicly known in a plurality of separate prior designs, whether the importance of the combined form of those elements should be undervalued when determining the scope of rights of the registered design at issue, simply because of the individual public knowledge (Negative)
2. How to judge whether a design being compared with the registered design could have been easily created by combining publicly known designs.

Case Summary and Issues

1. The defendant sold Product 1 (a cutting board) from around June 2019 to December 2019, and has been manufacturing and selling Product 2 (a cutting board) since around December 2020. The plaintiff claimed that the

defendant's products infringed the plaintiff's design right and sought an injunction, disposal, and damages.

2. The issues are whether the defendant's products infringe the plaintiff's design right and whether the defendant's products correspond to a freely practiced design.

Judgment of the First Instance

Seoul Central District Court Decision 2020GaHap526584 (decided September 2, 2022)

The court dismissed all of the plaintiff's claims on the grounds that they cannot be seen as falling within the scope of rights of the registered design at issue (plaintiff appealed).

Summary of Decision

The first instance judgment was revoked (appeal granted in part).

1. Even if the elements constituting the registered design are publicly known in a plurality of separate prior designs, not only can the novelty of that design not be denied, but also when determining the scope of the design right, the importance of the combined form of those elements should not be undervalued simply because the elements were individually publicly known.

Based on this legal principle, the court judged that even if the common features that best represent the design characteristics of the registered design in this case and the defendant's products—namely, ① the shape of the U-shaped groove and ② the shape of the reverse C-shaped hook on the upper

part—were publicly known separately in Prior Arts 1 and 2, the importance of the shape of the upper part of the main body that combines these common features cannot be undervalued. This is a case where the court rejected the defendant's argument disputing this and recognized design right infringement.

2. When judging whether a design being compared with the registered design could have been easily created by a designer of ordinary skill by combining known designs before the filing of the registered design, one must also examine whether a designer of ordinary skill could have easily arrived at such a combination, in light of the subject articles of the known designs, the relevance of the visual features of the known designs, and the general trends in the relevant design field.

Based on this legal principle, this is a case where the court rejected the defendant's claim of a freely practiced design on the grounds that the combination of the prior designs that the defendant claimed was easy (prior arts 1, 2, etc.) could not be considered easy for a designer of ordinary skill, due to the significant lack of relevance of their visual features.

IV

2024 Leading Case Summaries of IP High Court of Korea

Trademark Act



01

Trademark Act Articles 33(1)3 and 33(1)7

BAYCLUB Case

(Fourth Division) Decision 2024Heo10092 Decided Aug. 29, 2024

Subject Matter	[Trademark Right] BAYCLUB
Administrative Decision	IPTAB Decision 2022Dang3209, Decided Nov. 16, 2023
Category	Invalidation of Registration (Trademark)
Relevant Provisions	Trademark Act, Article 144(5), Former Trademark Act (before amendment by Act No. 14033 of Feb. 29, 2016, hereinafter the same), Article 6(1)3, Article 6(1)7, Article 7(1)11 (former part)
Relevant Decisions	IP High Court Decision 2023Heo12459 (Dec 15, 2023); Supreme Court Decision 88Hu1137 (Sep. 26, 1989); Supreme Court Decision 2004Do4420 (Jul. 28, 2006); Supreme Court Decision 2012Hu2951 (Dec. 27, 2012); Supreme Court Decision 2016Hu2447 (Mar. 15, 2017); Supreme Court En Banc Decision 2010Da103000 (Oct. 18, 2012)

Subject Matters of Judgment

1. Judgment on the claim of procedural violation (Negative)
2. Applicability of former Trademark Act Article 6(1)3 (Negative)
3. Applicability of former Trademark Act Article 6(1)7 (Negative)

4. Applicability of former Trademark Act Article 7(1)11 (former part) (Negative)

Case Summary and Issues

On November 22, 2022, the plaintiff filed the trial request in this case with the IPTAB against the defendant, asserting that ‘the registered service mark in this case falls under Trademark Act Article 33(1)7 and Article 34(1)12 (former part).’ The IPTAB deliberated the said case as 2022Dang3209 and on November 16, 2023, issued the decision in this case dismissing the plaintiff’s trial request on the grounds that ‘① the registered service mark can be recognized as having distinctiveness for its designated services, so it does not fall under Trademark Act Article 33(1)7, and ② it is difficult to see that it is directly perceived as a “hotel located by the water” in relation to its designated services, so it does not fall under Trademark Act Article 34(1)12 (former part).’¹⁾

Summary of Decision

The claim was dismissed.

1. Meaning of Trademark Act Article 144(5)

Trademark Act Article 144(1) stipulates that in a trial, an evidence investigation or preservation of evidence can be conducted upon the request of

1) The registered trademark in this case was granted registration on April 5, 2016, and the Trademark Act applicable at that time was the former Trademark Act. Therefore, the trial request in this case and the decision in this case should apply the former Trademark Act. It is an error that the decision in this case applied the provisions of the current Trademark Act, but since Trademark Act Article 33(1)3, 33(1)7, and Article 34(1)12 (former part) are substantially the same as former Trademark Act Article 6(1)3, 6(1)7 and Article 7(1)11 (former part), it cannot be said that the said error in the decision affected the outcome of the decision. This case will be judged by applying the former Trademark Act.

a party, etc., or ex officio. Paragraph 5 of the same article stipulates that if the presiding trial examiner has conducted an evidence investigation or preservation of evidence ex officio in accordance with the said Paragraph 1, he/she must serve the results to the parties, etc., and give them an opportunity to submit a written opinion within a specified period. This Article 144(5) of the Trademark Act is a so-called mandatory provision based on the public interest requirement that it must be complied with to ensure the appropriateness of the trial and maintain the credibility of the trial system (see Supreme Court Decision 96Hu2104, etc., decided August 29, 1997). Therefore, a trial decision made without giving the parties or participants an opportunity to state their opinion on evidence investigated ex officio by the IPTAB is, in principle, unlawful and cannot be maintained. An evidence investigation or preservation of evidence conducted ex officio without such an opportunity to submit a written opinion being given is unlawful and not permitted unless there are special circumstances where it can be seen that such an opportunity was substantially given even if it was not formally given (see IP High Court Decision 2023Heo12459, etc., decided December 15, 2023).

2. Judgment on Claim of Procedural Violation (Negative)

The plaintiff argues that the basis described in the footnote of the decision in this case is the result of an evidence investigation conducted ex officio by the IPTAB, yet the plaintiff was not given an opportunity to submit an opinion, thus constituting a procedural violation of Article 144(5) of the Trademark Act.

However, considering that ① the footnote of the decision in this case appears to have added the search results of an internet portal site to support the

main text persuasively, and ② the plaintiff and the defendant fully made arguments related to the footnote through the trial procedure and subsequent submission of written opinions, submitted materials to support their arguments, and appear to have been provided with an opportunity to submit opinions on each other's arguments, it is reasonable to view that the plaintiff was substantially provided with an opportunity to submit a written opinion on the said internet search materials cited as examples in the footnote. Therefore, the plaintiff's argument is without reason.

3. Applicability of former Trademark Act Article 6(1)3 (Negative)

Considering that ① given the English education level of general consumers in our country, combining 'BAY' and 'CLUB' may suggest 'a meeting or club related to the sea or a bay, or a place for such meetings,' but it is difficult to conclude that it goes beyond that to directly perceive the meaning of 'a hotel or other lodging facility located in a bay,' and ② there is no data to show that 'BAY CLUB' was recognized by general consumers or traders as a lodging facility by the sea in relation to its designated services at the time of the registration decision of the registered service mark in this case, the registered service mark in this case does not fall under former Trademark Act Article 6(1)3.

4. Applicability of Former Trademark Act, Article 6(1)7 (Negative)

Considering that ① the registered service mark in this case is an English mark composed of the English words 'BAY' and 'CLUB' without a space and in the same font and size, and ② the registered service mark is composed of English words whose meaning is easy to understand and whose pronunciation is not difficult given the general English level of general consumers or traders


in our country, and the syllables of each word are not long, so it can be recognized at a glance as ‘BAY CLUB,’ it is difficult to see that the registered service mark falls under the former Trademark Act Article 6(1)7.

5. Applicability of the former Trademark Act Article 7(1)11 (former part) (Negative)

Considering all factors such as the dictionary meaning of each English word constituting ‘BAY CLUB,’ its form of use, its relationship with the designated services such as the lodging industry, and the actual conditions of the trading society, it cannot be said that the registered service mark directly indicates a specific quality of its designated services. It is also difficult to see that general consumers would recognize it as a ‘hotel or other lodging facility located in a bay or on a beach’ if ‘BAY CLUB’ were used in relation to its designated services. Therefore, the registered service mark does not fall under the invalidation of registration grounds of the former Trademark Act Article 7(1)11 (former part).

Politician's ID Photo Trademark Registration Rejection Case

(Second Division) Decision 2023Heo10361, Decided Oct. 27, 2023

Subject Matter	[Trademark (Application)]  (Class 16: Stationery, etc.; Class 35: Retail Services for Stationery, etc.)
Administrative Decision	IPTAB Decision 2021Won2107, Decided Dec. 28, 2022
Category	Rejection (Trademark)
Relevant Provisions	Trademark Act, Article 2(1)2, Article 33(1)7, Article 34(1)6, Article 38(1); Unfair Competition Prevention and Trade Secret Protection Act, Subparagraph 1(h) of Article 2; Former Trademark Act (before amendment by Act No. 18817 of Feb. 3, 2022), Article 54
Relevant Decisions	Supreme Court Decision 91Hu455 (Dec. 24, 1991); Supreme Court Decision 2012Hu2951 (Dec. 27, 2012); Supreme Court Decision 93Hu1360 (Dec. 21, 1993); Supreme Court Decision 2011Hu1142 (Apr. 13, 2012); Supreme Court Decision 93Hu1018 (Dec. 28, 1993); Supreme Court Decision 2000Hu1696 (Dec. 12, 2000); Supreme Court Decision

97Hu310 (Feb. 27, 1998); Supreme Court Decision 2001Hu2863 (July 11, 2003); Supreme Court Decision 2005Hu339 (May 12, 2006); Supreme Court Decision 2005Hu2977 (May 15, 2008)

Relevant Decisions

Supreme Court Decision 91Hu455 (Dec. 35, 1991); Supreme Court Decision 2012Hu2951 (Dec. 37, 2012); Supreme Court Decision 93Hu1360 (Dec. 21, 1993); Supreme Court Decision 2011Hu1142 (Apr. 13, 2012); Supreme Court Decision 93Hu1018 (Dec. 28, 1993); Supreme Court Decision 2000Hu1696 (Dec. 12, 2000); Supreme Court Decision 97Hu310 (Feb. 27, 1998); Supreme Court Decision 2001Hu2863 (Jul. 11, 2003); Supreme Court Decision 2005Hu339 (May 12, 2006); Supreme Court Decision 2005Hu 2977 (May 15, 2008)

Subject Matter of Judgment

A case where it was judged that a specific person's ID photo does not have distinctiveness to distinguish one's product from another's in the common understanding of society with respect to some designated goods, and it could not be seen as having acquired distinctiveness through use.

Case Summary and Issues

On February 3, 2021, the plaintiff applied to register his own ID photo as a trademark for designated goods in Class 16 (stationery, etc.) and Class 35 (retail

services for stationery, etc.). On June 15, 2021, the KIPO issued a registration rejection based on Article 33(1)7 of the Trademark Act. On December 28, 2022, the IPTAB also dismissed the plaintiff's trial request. The plaintiff argued that since he is a well-known and famous politician and celebrity, his portrait itself has inherent distinctiveness, and the applied-for trademark should be registered.

Summary of Decision

The claim was dismissed.

It is reasonable to view that the Trademark Act presupposes that a person's photo can also be used as a mark (Article 2(1)2; Article 34(1)6, proviso). Therefore, it cannot be said that a person's photo is immediately ineligible as a mark that can be used as a trademark. However, a case where it does not have 'distinctiveness to distinguish one's goods from another's' corresponds to a ground for non-registration (Article 33(1)). Therefore, whether a person's photo has distinctiveness as a trademark must be judged by comprehensively considering not only the appearance, name, and concept of the composition itself, but also its relationship with the designated goods, the actual conditions of the trading society, and the degree of recognition by general consumers or traders, just like any other mark. A human face has a basically similar composition and shape, so it cannot be concluded that a person's photo has distinctiveness uniformly for all designated goods. It must be examined individually whether the said photo can have distinctiveness when used in relation to a specific designated good. A specific person's photo may have distinctiveness as a trademark if it has a very characteristic shape, or if the person is

well-known and famous in a certain field and the designated goods are those for which people related to that field are the main consumers. However, if general consumers require education or another additional indication to recognize the said mark as an indication of a specific person for reference, the mark cannot be said to have inherent distinctiveness. Furthermore, adding the fact that under our legal system, a trademark is registered for all designated goods specified by the applicant at the time of application, regardless of the applicant's facts of use or form of use for specific designated goods, unless it is a case of acquiring distinctiveness through use, it is proper to refuse trademark registration for the said designated good if it is difficult to recognize distinctiveness in other general forms of use, even if the possibility that the mark may be recognized by consumers as an indication of source according to some special forms of use cannot be denied.

The applied-for trademark in this case has the shape of a general personal ID photo and does not have a characteristic shape in the photo itself. Therefore, consumers who cannot distinguish that the subject is the plaintiff will perceive and conceptualize the said trademark simply as a 'photo consisting only of the upper body of a middle-aged man wearing a black suit and a red tie.' Although adults cannot be excluded as consumers of stationery, school supplies, and retail services for stationery, it can be said that minors form the main consumer base, and it is difficult to see that the plaintiff is widely known even to minor students who are not voters.

Even if the subject of the applied-for trademark, the plaintiff, is considered widely known, when used for designated goods such as books and posters,

general consumers are highly likely to perceive that the person in the photo wrote the content related to the said product, or that the person's photo is used as an image to explain, promote, or represent the content of the article. Thus, it is difficult to see that the applied-for trademark has distinctiveness in relation to the said designated goods.

The plaintiff argues, citing the results of a 'survey on trademark-related recognition,' that general consumers also recognize a person's photo as an indication of the source of a product. However, the questions in the said survey are inappropriate and lead to the conclusion by making respondents think that a person's photo is being used as a trademark. There are cases where a person's photo is used on signboards, packaging, and advertisements, but the photos submitted by the plaintiff are used in combination with letters indicating a registration number or the name of the person in the photo, and are not used alone as a person's photo, like the applied-for trademark. Therefore, based on the said photos, it cannot be said that the applied-for trademark also has distinctiveness. The fact that the applied-for trademark was used on insulated water bottles, etc., is acknowledged, but it is insufficient to acknowledge that the plaintiff used the applied-for trademark on all of the designated goods for which it was reasoned to be difficult to recognize distinctiveness, to the point that consumers came to recognize it as an indication of source.

Since the applied-for trademark cannot be recognized as having distinctiveness with respect to some of its designated goods, it cannot be registered as a trademark for all designated goods.

GREENBOXES Case

(Third Division) Decision 2023Heo13001, Decided Jul. 4, 2024

Subject Matter	[Trademark (Application)] GreenBoxes
Administrative Decision	IPTAB Decision 2021Won2068, Decided Jun. 21, 2023
Category	Rejection (Trademark)
Relevant Provisions	Trademark Act, Articles 33(1)3, 33(2)
Relevant Decisions	Supreme Court Decision 2002Hu1140 (Aug. 16, 2004); Supreme Court Decision 2012Hu2951 (Dec. 27, 2012); Supreme Court Decision 2011Hu1142 (Apr. 13, 2012); Supreme Court Decision 2012Hu3800 (Oct. 15, 2014); Supreme Court Decision 2007Hu3318 (May 28, 2009)

Subject Matters of Judgment

1. Whether the applied-for trademark at issue corresponds to a descriptive mark in relation to the designated goods (Affirmative)
2. Whether the applied-for trademark at issue has acquired distinctiveness through use (Negative)

Case Summary and Issues



The KIPO decided to refuse registration of the applied-for trademark in this case on the grounds that, in relation to the designated goods (kitchen containers, food storage containers, plastic food storage containers, etc.), “Green” is a description of the properties (shape, quality) of the designated goods and lacks distinctiveness, “Boxes” is a generic name for the designated goods and lacks distinctiveness, and as a whole, it does not form a new distinctive concept other than the meaning of ‘green or eco-friendly containers, boxes,’ thus falling under Article 33(1)3 and 7 of the Trademark Act, and it is also difficult to see that it has acquired distinctiveness through use. The plaintiff filed a trial to appeal this Rejection, but the IPTAB issued a decision dismissing the plaintiff’s trial request for the same reason as the Rejection. The plaintiff, dissatisfied with this, filed a lawsuit to cancel the decision, and the plaintiff’s Successor-in-Interest, who acquired the rights to the applied-for trademark from the plaintiff, intervened in this lawsuit.

Summary of Decision

The claim was dismissed.

1. Applicability of Trademark Act Article 33(1)3 (Affirmative)

a. Relevant Law

The reason that Article 33(1)3 of the Trademark Act prevents the registration of a trademark consisting only of a mark indicating the origin, quality, efficacy, use, etc., of goods in a common manner is due to the public interest requirement that such descriptive trademarks are necessary indications in the course of trade of the goods, so anyone needs to use them and wishes to use them, and therefore they cannot be allowed to be used exclusively by a specific person. It is also because if such trademarks are allowed, it is difficult to distinguish them from other people's goods of the same kind. Therefore, whether a trademark falls under this provision should be judged objectively, taking into account the concept of the trademark, its relationship with the designated goods, and the actual conditions of the trading society (see Supreme Court Decision 2002Hu 1140 decided Aug. 16, 2004, etc.).

b. Judgment

For the following reasons, when the applied-for trademark "GreenBoxes" is used on its designated goods, it will be perceived by general consumers or traders as meaning 'green food storage containers' or 'environmentally friendly food storage containers,' and will strongly suggest or directly indicate the shape (color), quality, efficacy, etc., of the goods. Therefore, it is reasonable to view it as corresponding to a descriptive mark as stipulated in Article 33(1)3 of the Trademark Act in relation to the designated goods.

- 1) The mark of the applied-for trademark, "GreenBoxes," is a coined word with no dictionary meaning. However, since the English word "Green" has the meaning of 'green,' etc., and the English word "Boxes" is the plural

form of the English word 'box,' which has the meaning of 'a container, chest' or 'to put in a box,' "GreenBoxes" is likely to be easily perceived by people primarily as meaning 'green containers,' which directly indicates the shape and color of the designated goods, such as food storage containers.

2) In the mark of the applied-for trademark, "GreenBoxes," the English word "Green" also has the meaning of 'eco-friendly' or 'environmentally friendly.' Since "Green" is commonly used in Korea with meanings such as 'environmentally friendly,' 'green environment,' and 'ecosystem protection,' it appears that general consumers or traders can also easily perceive "GreenBoxes" as meaning 'environmentally friendly containers,' etc., which directly indicates the efficacy, etc., of the designated goods, such as food storage containers.

3) The plaintiff's products appear to mostly have the feature of green containers, and the plaintiff also promoted its products as 'eco-friendly storage containers' and 'a good product that protects the global environment as well as saving living expenses by reducing food waste.' However, in the trade of the designated goods of the applied-for trademark, the mark "Green," which has the meaning of 'green' or 'environmentally friendly,' is a mark that indicates the appearance (color) or quality, efficacy, etc., of the designated goods, so anyone may wish to use it. The mark "Boxes" corresponds to the generic name of the designated goods, as it means 'container.' Therefore, it is difficult to see that allowing a specific person to exclusively use the combined mark "GreenBoxes" is appropriate in the public interest.

- 4) The plaintiff has already obtained trademark registration for a mark with the sign “Debbie Meyer GreenBoxes” for goods identical or similar to the designated goods of the applied-for trademark.

2. Applicability of Trademark Act Article 33(2) (Negative)

a. Relevant Law

The purpose of Article 33(2) of the Trademark Act is to grant an erga omnes right to a mark that originally cannot be exclusively used by a specific person, so its criteria should be strictly interpreted and applied (see Supreme Court Decision 99Hu1645 decided Sep. 17, 1999, etc.). The fact that the trademark has acquired distinctiveness through use must be clearly recognized by evidence (see Supreme Court Decision 2002Hu1768 decided May 16, 2003). To recognize this, one must comprehensively consider the period of use, frequency of use, and continuity of use of the trademark; the production and sales volume and market share of the goods to which the trademark is attached; the method, frequency, content, period, and amount of advertising and promotion; the reputation and credit of the trademark user; and the degree and mode of competitive use of the trademark (see Supreme Court Decision 2012Hu 3800 decided Oct. 15, 2014, etc.).

b. Judgment

With only the evidence submitted by the plaintiff’s successor, it is difficult to see that among the components of the Actually Used Marks

 “*Debbie Meyer*”, “*Debbie Meyer*
GreenBags/GreenBoxes”, “Debbie Meyer Green Bag & Green Box,” “Debbie Meyer,” and “Debbie Meyer Green Box,” for which

acquisition of distinctiveness through use is claimed, only the “GreenBoxes” would be separately perceived by general consumers or traders as an indication of the source of the goods in relation to the goods of use, or that the applied-for trademark has acquired distinctiveness for its goods of use.

Therefore, the applied-for trademark does not fall under Article 33(2) of the Trademark Act.

02

Trademark Act Article 33(1)4

GOMBAERYUNG Trademark Invalidation of Registration Case

(Fifth Division) Decision 2023Heo13520, Decided Jul. 11, 2024

Subject Matter	[Trademark Right 곰 배 령 (Class 43: Snack Bar Services, etc.)]
Administrative Decision	IPTAB Decision 2021Dang3089, Decided Aug. 17, 2023
Category	Rejection (Trademark)
Relevant Provisions	Former Trademark Act (before amendment by Act No. 14033 of Feb. 29, 2016, hereinafter the same), Article 6(1)4
Relevant Decisions	Supreme Court Decision 2007Hu3301 (May 28, 2009); Supreme Court Decision 2017Hu1342 (Feb. 13, 2018)

Subject Matters of Judgment

1. A case where it was judged that the defendant (Inje County), a local government that received a business registration for the restaurant industry and operates a cafe, has a direct interest in the extinguishment of the disputed trademark, which uses a place name within its administrative district as a mark
2. A case where it was judged that the disputed trademark cannot be seen as corresponding to a ‘trademark consisting only of a conspicuous geographical

name’ as stipulated in the former Trademark Act Article 6(1)4, as of the registration decision date of February 12, 2013, or the trial decision date of August 17, 2023

Case Summary and Issues

1. The plaintiff filed an application for the disputed trademark (곰 배 령) on November 3, 2009, but the KIPO issued a rejection on the grounds that it falls under former Trademark Act Article 6(1)4. Subsequently, following the IP High Court’s judgment that ‘Gombaeryeong cannot be seen as having reached a conspicuous level of being widely known as a place name at the time of the previous trial decision (Feb. 23, 2012),’ the disputed trademark was registered on February 12, 2013, and its registration was renewed on November 8, 2022.
2. On October 20, 2021, the defendant filed a request for a registration invalidation trial of the disputed trademark, and the IPTAB issued an invalidation decision, viewing that as of the trial decision date (Aug. 17, 2023), the name ‘Gombaeryeong’ has reached a conspicuous level where it immediately evokes a geographical sense of a ‘famous tourist destination located on Mt. Jeombong.’
3. The issues are whether the defendant is an interested party who can seek the invalidation of registration of the disputed trademark and whether the disputed trademark corresponds to a conspicuous geographical name at the time of the registration decision or the trial decision.

Summary of Decision

The administrative decision was revoked.

1. Judgment on whether defendant is an Interested Party

The defendant has a direct interest in the extinguishment of the disputed trademark. The reasons are as follows:

- a. The defendant received a business registration for the ‘business type: real estate, restaurant business.’
- b. The defendant was operating the ‘Inje County Multicultural Cafe’ at the time of the trial decision.
- c. The defendant is a local government, and ‘Gombaeryeong’ is the name of a place located on the ridge descending south from the summit of Mt. Jeombong, a mountain within the defendant’s administrative district.

2. Judgment on whether it falls under former Trademark Act Article 6(1)4

- a. It is insufficient to acknowledge that Gombaeryeong was widely known to the extent that it would be immediately perceived as a real geographical name by the nation’s people, who can be seen as the general consumers of the designated goods, as of the registration decision date (Jan. 28, 2013).

The reasons are as follows:

- 1) The area of Mt. Jeombong, where Gombaeryeong is located, is in a remote region, and public access was restricted from 1987, only being partially opened around July 2009.
- 2) Unlike Daegwallyeong, Chupungnyeong, and Hangyeryeong, Gombaeryeong is not listed as a place name in the Standard Korean Language Dictionary of the National Institute of Korean Language.

- 3) The fact that programs featuring or set in Gombaeryeong were broadcast or articles were reported does not allow for the conclusion that the nationwide recognition of Gombaeryeong had increased.
 - 4) For literary works such as essays on Gombaeryeong, there is no data to ascertain the sales volume or public interest of the books published at the time.
 - 5) The ‘2012 Inje County Social Survey’ conducted by the defendant was limited to residents of Inje County, so the degree of recognition by general consumers cannot be gauged.
- b. It is insufficient to acknowledge that Gombaeryeong was widely known to the extent that it would be immediately perceived as a real geographical name by the nation’s people, even by the time of the trial decision (Aug. 17, 2023). The reasons are as follows:
- 1) The Gangwon Province press release is about attracting visitors using Yangyang International Airport, and there is no description from which the specific content or scale of the project can be ascertained. The Inje County Gazette is mainly written by people active in the Inje County area, so it is difficult to see it as representing the perception of general consumers in the country.
 - 2) It is likely that Lim Young-woong’s ‘Gombaeryeong’ has been repeatedly watched by some fans, and it is difficult to conclude that the viewers represent a representative sample of the nation’s people.
 - 3) From the fact that the Korea Forest Service manages or studies Gombaeryeong, it is difficult to immediately acknowledge that Gombaeryeong

is a geographical name widely known to the nation's people.

- 4) Since all respondents of the '2021 Inje County Social Survey' conducted by the defendant reside in Inje County, the perception of the nation's people cannot be estimated based on the results of that survey.
- 5) The number of reservation holders or visitors to Gombaeryeong is not judged to be a sufficient figure to consider that a significant number of the nation's people know Gombaeryeong as a real geographical name.
- 6) Due to the nature of search engines, there is a likelihood that past data is not deleted and accumulates. Moreover, with only the search results provided by the defendant, it is difficult to see that general consumers have become well-acquainted with Gombaeryeong.

3. Conclusion


The registered trademark cannot be seen as corresponding to a 'trademark consisting only of a conspicuous geographical name' as stipulated in the former Trademark Act Article 6(1)4, as of the registration decision date of February 12, 2013, or the trial decision date of August 17, 2023. The decision in this case, which reached a different conclusion, is unlawful.

03

Acquired Distinctiveness (Based on Use)

BIRKENSTOCK Case

(Third Division) Decision 2023Heo13148, Decided Apr. 25, 2024

Subject Matter	[Trademark (Application)  [Class 25: Footwear, etc.]
Administrative Decision	IPTAB Decision 2021Won1123, Decided Jun. 22, 2023
Category	Rejection (Trademark)
Relevant Provision	Trademark Act, Article33(2)
Relevant Decisions	Supreme Court Decision 2006Hu2288 (Sep. 25, 2008); Supreme Court Decision 2005Hu346 (May 12, 2006); IP High Court Decision 2016Heo2508 (Aug. 19, 2016); Supreme Court Decision 2002Hu1768 (May 16, 2003); Supreme Court Decision 2013Hu1146 (Oct. 15, 2014)

Subject Matter of Judgment

A case denying the acquisition of distinctiveness based on use for a three-dimensional mark

Case Summary and Issues

The plaintiff filed a trademark application for a mark consisting of the three-dimensional shape of its most widely known product worldwide. On

February 4, 2021, the KIPO issued a registration rejection on the grounds that ‘the applied-for trademark violates Article 33(1)3 and Article 33(1)7 of the Trademark Act, and it is difficult to see that it has acquired distinctiveness through use under Article 33(2) of the Trademark Act.’ On June 22, 2023, the IPTAB also dismissed the plaintiff’s trial request for the same reason.

Summary of Decision

The claim was dismissed.

For the following reasons, the evidence submitted by the plaintiff is insufficient to acknowledge that the applied-for trademark has acquired distinctiveness through use for all of its designated goods, and there is no other evidence to acknowledge it. Therefore, the plaintiff’s argument is not accepted.

- a. The applied-for trademark appears to be a shape generally used for slippers, a specific type of its designated good, footwear, in the trading society, or a variation of such a general shape for the purpose of enhancing functionality, such as comfort and stability. It does not appear to have characteristics of an unusual or unique shape. For a mark that follows a general three-dimensional shape in the designated goods to acquire distinctiveness through use, it would typically require more advertising activities and sales volume or market share compared to a mark with a unique shape.
- b. The applied-for trademark is the basic shape of the plaintiff’s product, and the said product seems to have been continuously sold since its first launch in Korea around 2004. However, there is no evidence to acknowledge what level of market share the product in this case occupies, not only in the

designated good of footwear but also in the detailed item of slippers. Rather, it is only acknowledged that the plaintiff's brand, 'Birkenstock,' is not included among the representative brands in the sandal or slipper categories of major domestic internet shopping malls.

- c. Around the time of the decision in this case, various companies had launched a number of slippers similar to the applied-for trademark. It is difficult to conclude that when consumers or traders encounter the applied-for trademark, they would recognize the said three-dimensional mark as a product mark of a specific person. Meanwhile, it appears that the said companies promoted their products with phrases such as "Birkenstock Style," "Birken Style," and "Birken st." It is likely that when market consumers saw these phrases, they would recognize that the said products were inspired by the design of the product in this case, while at the same time easily recognizing that the source of the said products was not the plaintiff.
- d. There is no objective data, such as advertising expenditure details, from which one can know the extent of advertising activities the plaintiff conducted for the product in this case. The plaintiff's advertising activities seem to have had little exposure or low attention to the product, so the impact of the said advertising activities on the recognition of the product in this case is likely not very significant. Furthermore, there is no evidence to suggest that the plaintiff conducted intensive advertising and promotion for the product around the time of the decision in this case, leading to a rapid increase in recognition in a short period.

e. The survey results submitted by the plaintiff are difficult to view as sufficient evidence to acknowledge that the applied-for trademark has acquired distinctiveness through use. The reasons are as follows:

- 1) As seen earlier, when registrability is determined by a trial appealing a rejection, the critical date for judging the acquisition of distinctiveness is the date of the trial decision. However, the survey in this case was conducted about 3 years and 8 months before the date of the decision. It is difficult to see that the survey reflects whether the applied-for trademark had acquired distinctiveness around the time of the decision.
- 2) The sales performance of the product in this case peaked in 2016 and then showed a decreasing trend, followed by a sharp decline from 2020, after the survey.
- 3) The Trademark Manual of Examination Procedure (TMEP) stipulates that the population size should be at least 1,000, whereas the number of samples who responded in the survey in this case is 500.
- 4) The survey in this case was conducted on a sample extracted from the respondent pool of Gallup Korea, a public opinion research institution, not on the general public. Therefore, it is difficult to see that the said sample represents the entire consumer base. The survey was limited to men and women aged 20-49 with experience purchasing footwear within the last 2 years, and the survey area was limited to Seoul and the four major metropolitan cities. Considering that the designated good, footwear, is a daily necessity, it is difficult to see that such a population restriction is appropriate.

- 5) It is likely that among the people who responded that they recognized the shape of the product as a specific brand's product, a significant number were those who recognized it as a "specific brand style" product, not as a product from the source itself.

Olive Chicken Case

(Twenty-fourth Division) Decision 2023Na10181, Decided Apr. 18, 2024

Category	Claim for Injunction against Trademark Right Infringement
Relevant Provision	Commercial Act, Article 33(2)
Relevant Decision	Supreme Court Decision 2016Hu1918, Decided Dec. 1, 2016

Subject Matter of Judgment

Whether the plaintiff, who operates a chicken franchise restaurant business, etc., has acquired distinctiveness through use for the marks ‘Olive Chicken’ and ‘OLIVE CHICKEN’ (Negative).

Summary of Issue

1. The plaintiff registered the following marks as service marks and trademarks and operated a chicken franchise restaurant business, etc.

Registration Date	Jan. 27, 2006	Jan. 20, 2017	Jan. 6, 2011
Mark			
Designated Services/Goods	Class 43 Chicken specialty restaurant services, etc.	Class 43 Home delivery restaurant services, etc.	Class 29 Processed chicken, etc.

2. The plaintiff, claiming to have acquired distinctiveness through use for ‘Olive Chicken’ and ‘OLIVE CHICKEN,’ argued that this part corresponds to the

essential part of the plaintiff's service marks and trademarks, and that the following marks used by the defendant are similar to the plaintiff's service marks and trademarks. The plaintiff sought an injunction against the use and disposal of the following marks and 100 million KRW in damages from the defendant.



Judgment of the First Instance

Seoul Central District Court Decision 2020GaHap604651, decided January 13, 2023

The court judged that 'Olive Chicken' and 'OLIVE CHICKEN' in the plaintiff's service marks and trademarks lack distinctiveness and do not correspond to the essential part, and that the plaintiff's service marks and trademarks are not similar to the marks used by the defendant, so there is no possibility of confusion. It dismissed all of the plaintiff's claims (plaintiff appealed).

Summary of Decision

The appeal was dismissed.

This judgment did not accept the plaintiff's claim of having acquired distinctiveness through use for 'Olive Chicken' and 'OLIVE CHICKEN' for the following reasons.

- a. 'Olive Chicken' and 'OLIVE CHICKEN' directly indicate a chicken dish using olives.


- b. The plaintiff did not use ‘Olive Chicken’ or ‘OLIVE CHICKEN’ alone but used it in combination with or alongside a part of its trade name, ‘BBQ’ or ‘Golden,’ as in the plaintiff’s service marks and trademarks.
- c. In the market, chicken dishes using olives are sold under the product name ‘Olive Chicken’ or names containing ‘Olive’ and ‘Chicken.’ There is a book that classifies olive chicken as a type of chicken dish, along with soy sauce chicken, seasoned chicken, etc.
- d. According to a survey report submitted by the defendant, in response to the question, “When you hear ‘olive chicken,’ how do you perceive it from the following options?”, 59% chose “I think it’s chicken that uses olive as an ingredient.”

04

Trademark Act Article 34(1)7

VICTORIA Sparkling Water Trademark Registration Rejection Case

(First Division) Decision 2022Heo6471, Decided Aug. 31, 2023

Subject Matter	[Trademark (Application)] VICTORIA  (Class 32: Sparkling Water)
Administrative Decision	IIPTAB Decision 2021Won990, Decided Nov. 4, 2022
Category	Rejection (Trademark)
Relevant Provision	Trademark Act, Article 34(1)7
Relevant Decisions	Supreme Court Decision 95Hu1395 (Dec. 22, 1995); Supreme Court Decision 2003Hu1871 (Oct. 15, 2004); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017); Supreme Court Decision 2017 Hu981 (Aug. 30, 2018); Supreme Court Decision 2004Hu3454 (Apr. 27, 2006); Supreme Court Decision 96Hu1682 (Aug. 22, 1997); Supreme Court Decision 2002Hu1058 (Sep. 6, 2002); Supreme Court Decision 95Hu1623 (Jul. 12, 1996); Supreme Court Decision 2002Hu765 (Jul. 26, 2002); Supreme Court Decision 97Hu3050 (Feb. 25, 2000); Supreme Court Decision 2004Hu2628 (Sep. 30, 2005); IP High Court Decision 2021Heo5099 (Jun. 9, 2022)

Subject Matter of Judgment

A case where, on the premise that ‘Victoria’ cannot be seen as a conspicuous geographical name in relation to sparkling water, the court judged that the applied-for trademark is similar to prior registered trademarks and denied the reliability of a survey submitted by the plaintiff as evidence for the claim that ‘there is no fear of confusion of source’

Case Summary and Issues

On August 5, 2019, the plaintiff applied for a trademark for the designated goods of sparkling water in Class 32. On March 22, 2021, the KIPO issued a registration rejection on the grounds that ‘the applied-for trademark is identical or similar to a prior registered trademark in its mark and designated goods, and therefore falls under Article 34(1)7 (hereinafter only ‘Subparagraph 7’) of the Trademark Act and cannot be registered.’ The plaintiff filed a trial to appeal that decision, but the IPTAB dismissed it on November 4, 2022. The plaintiff argued that the textual parts of the applied-for trademark, ‘VICTORIA’ and ‘Victoria,’ correspond to a conspicuous geographical name and thus lack distinctiveness, and on this premise, when comparing with a focus on the remaining parts, the applied-for trademark is different from the prior registered trademarks and there are no grounds to judge it from ‘Subparagraph 7.’

Summary of Decision

The claim was dismissed.

The applied-for trademark will be called ‘Victoria’ by its textual part, and in that case, it is likely that domestic general consumers or traders will first think of the

British ‘Queen Victoria.’ The plaintiff argues to the effect that because ‘Victoria’ is a conspicuous geographical name and thus lacks or has weak distinctiveness, the applied-for trademark cannot be simply called or conceptualized by its textual part alone. However, ‘Victoria’ is commonly used as a person’s name. The fact that ‘Victoria Falls’ is famous among the world’s various waterfalls does not allow for the conclusion that when only ‘Victoria’ is used, even without ‘Falls,’ domestic general consumers will immediately think of ‘Victoria Falls’ rather than the person’s name ‘Victoria.’ Victoria Falls was also named after the queen. It is doubtful whether Victoria Falls would immediately remind domestic general consumers of drinking water or sparkling water, or suggest the origin, quality, raw materials, or efficacy by giving a refreshing and cool feeling of sparkling water. It also cannot be concluded that anyone who sees the design part of the applied-for trademark without any explanation will recognize that it depicts a waterfall and, connecting it with the textual part, easily think of Victoria Falls. In light of these points, the evidence submitted by the plaintiff is insufficient to see ‘Victoria’ as a conspicuous geographical name that can convey an immediate geographical sense to general consumers in relation to sparkling water. It is reasonable to see it as an arbitrarily chosen mark or, at best, a suggestive mark.

The name of the applied-for trademark, ‘Victoria,’ sounds similar to the names of the prior registered trademarks, “Vitoria” or “Vittoria,” if not listened to with careful attention, and is therefore similar. Its designated goods are also identical or similar to those of prior registered trademarks 1 (**VITTORIA**) and 4 (**비토리아**) under prevailing commercial standards. Therefore, the applied-for trademark corresponds to a similar mark that is likely to cause confusion of

source to general consumers when used on designated goods identical or similar to those of the prior registered trademarks.

The plaintiff, based on the results of two surveys, argues that there is no fear of confusion of source between the applied-for trademark and the prior registered trademarks. However, by juxtaposing marks with significant visual differences and then asking whether each trademark is distinguishable, one cannot obtain meaningful survey results on ‘whether there is a fear of confusion of source even when the names of each trademark are observed separately (heard separately),’ which is the issue in this case. It is difficult to evaluate that the wording of the choices in the said survey was fairly selected, and its structure induces or suggests a specific answer within the frame of the survey designer (priming effect, order effect, framing effect, etc.). There are also doubts about the selection of the survey subjects, so its reliability is low. Also, the plaintiff argues to the effect that since the sparkling water product on which the applied-for trademark was used ranked first in the online sparkling water market share in 2022, the appearance should be given more weight than the name when comparing the applied-for trademark with the prior registered trademarks. However, according to the report submitted by the plaintiff as the basis for selecting the survey subjects, more than 70% of sparkling water was sold at convenience stores and discount stores at that time. There is no basis to see that such a market structure was reorganized around the online market around the time of the application of the applied-for trademark, and there is also insufficient basis to see that the applied-for trademark has acquired distinctiveness through use.

The applied-for trademark corresponds to Subparagraph 7 because its mark and designated goods are identical or similar to those of prior registered

trademarks 1 and 4, so its registration should be refused. Therefore, the decision in this case, which dismissed the plaintiff's trial request, is lawful.

TIMES Case

(Fourth-Second Division) Decision 2022Heo5324, Decided Dec. 13, 2023

Subject Matter	[Trademark Right] TIMES
Administrative Decision	IPTAB Decision 2021Dang1830, Decided Sep. 15, 2022
Category	Invalidation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 34(1)7
Relevant Decisions	Supreme Court Decision 2005Hu2908 (Aug. 25, 2006); Supreme Court Decision 2014Hu1679 (Nov. 25, 2016); Supreme Court Decision 2017Hu2208 (July 24, 2018); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017), et al.

Subject Matter of Judgment

Similarity of marks (Affirmative)

Case Summary and Issues

The plaintiff filed a request for a registration invalidation trial against the defendant (trademark owner), asserting that the internationally registered trademark in this case falls under Article 34(1)7 of the Trademark Act. The IPTAB dismissed the plaintiff's trial request on the grounds that the internationally registered trademark in this case is not similar to the prior

registered trademark (service mark) in its mark, and therefore does not fall under Article 34(1)7 of the Trademark Act.

Summary of Decision

The claim was dismissed.

Internationally Registered Trademark at Issue	Prior Registered Trademark (Service Mark)
TIMES	Times Square

1. Method of Observing the Prior Registered Trademark (Service Mark)

Considering that ① the prior registered trademark (service mark) ‘**Times Square**’ is an English mark combining the English word ‘Times,’ which means ‘era, multiplied by, times (as in 倍), number of repetitions,’ etc., and ‘Square,’ which means ‘a square, a small garden,’ and they are in the same size and font, so it is difficult to see that a specific word has a high weight; ② ‘**Times Square**’ does not appear to be newly listed in the dictionary as a word with a special meaning other than referring to ‘the area where Seventh Avenue and Broadway intersect in the central part of New York City,’ and given the education and common sense level of general consumers and traders in our country, it appears that a new concept of ‘a specific area in New York City’ has been formed in ‘**Times Square**,’ beyond the simple combination of the two words; ③ ‘**Times Square**’ is pronounced with 5 to 6 syllables in Korean such as ‘타-임-스-퀘-어’ [taim ‘skwer] or ‘타-임-즈 스-퀘-어 [taimz ‘skwer] and since it is merely

pronouncing the two relatively easy-to-pronounce words ‘Times’ and ‘Square’ consecutively, it is likely to be easily pronounced at once given the English education level of general consumers and traders in our country, and there are no other circumstances to see that the two words would be separated and called only ‘Times’; and ④ the evidence submitted by the plaintiff is insufficient to acknowledge that general consumers or traders would separate and call or conceptualize the constituent parts ‘Times’ and ‘Square’ of the prior registered trademark (service mark), or that the two parts are perceived separately, and there is no other evidence to acknowledge it; it is reasonable to view that the prior registered trademark (service mark) ‘Times Square’ is perceived as ‘Times Square’ as a whole by general consumers and traders in our country, rather than being separated into ‘Times’ and ‘Square,’ and recognized as ‘Times.’

2. Similarity of Marks (Negative)

Observing the internationally registered trademark and the prior registered trademark (service mark) as a whole, ① the internationally registered trademark ‘TIMES’ and the prior registered trademark (service mark) ‘Times Square’ are clearly distinguishable in their appearance due to the difference in the number of words and the font. Also, ② the internationally registered trademark is called with 3 syllables in Korean as ‘타-임-스 [taims]’ or ‘타-임-즈 [taimz],’ whereas the prior registered trademark (service mark) will be called ‘타-임 스-퀘-어 [taim'skwɐr]’ or ‘타-임-즈 스-퀘-어 [taimz 'skwɐr],’ so their names are also not similar. ③ The internationally registered trademark has the concept of ‘era, multiplied by, times (as in 倍), number of

repetitions,’ but the prior registered trademark (service mark) is likely to be perceived by general consumers or traders as ‘the area where Seventh Avenue and Broadway intersect in the central part of New York City,’ so their concepts are also different.

BANG Case

(Fourth Division) Decision 2024Heo10818, Decided Sep.12, 2024

Subject Matter	[Trademark (Application) BANG
Administrative Decision	IPTAB Decision 2022Won1695, Decided Jan. 17, 2024
Category	Rejection (Trademark)
Relevant Provision	Trademark Act, Article34(1)7
Relevant Decision	Supreme Court Decision 99Hu2532 (Jan. 21, 2000)

Subject Matters of Judgment

- 1. Method of Observing the Prior Registered Service Marks
- 2. Similarity of Marks (Negative)
- 3. Likelihood of Confusion (Negative)

Case Summary and Issues

On March 2, 2020, the plaintiffs filed a trademark registration application for the applied-for trademark in this case. On August 8, 2022, the KIPO issued a registration rejection on the grounds that ‘the applied-for trademark is similar to the cited trademark and its designated goods are also similar.’ The plaintiffs filed a trial to appeal the rejection with the IPTAB. The IPTAB, after deliberating this as 2022Won1695, on January 17, 2024, issued a decision dismissing the said trial request on the grounds that ‘the applied-for trademark is similar in its mark to

prior registered service marks 1 and 2, and its designated goods are similar to the designated services of prior registered service marks 1 and 2, which are sales agency services for sporting goods, so it cannot be registered as a trademark under Article 34(1)7 of the Trademark Act.’

Summary of Decision

The administrative decision was revoked.

Applied-for Trademark	Prior Registered Service Mark 1	Prior Registered Service Mark 2
BANG	<i>BANGBANG</i>	뱅뱅

1. It is judged that the prior registered service mark 1 ‘*BANGBANG*’ and prior registered service mark 2 ‘뱅뱅’ are called or perceived as a whole by general consumers or traders, rather than by their parts ‘*BANG*’ and ‘뱅’.

2. Similarity of Marks (Negative)

a. Observing the applied-for trademark and prior registered service marks 1 and 2, the applied-for trademark consists of four English letters in a Gothic font. Prior registered service mark 1 consists of eight English alphabet letters in a soft, curved form slanted to the right, and prior registered service mark 2 consists only of a Hangeul mark, so there is a difference in their appearance from the applied-for trademark.

b. The applied-for trademark is called [bæŋ]. As seen earlier, prior registered service marks 1 and 2 are called [bæŋbæŋ] as a whole, and the plosive sound ‘b,’ which is produced with a strong puff of breath, is repeated,

giving it an overall different auditory impression from the applied-for trademark.

- c. The applied-for trademark is an English word meaning ‘to hit with a loud bang,’ ‘to shut with a loud bang,’ ‘to put down with a bang (sound).’ On the other hand, prior registered service mark 1 is a combination of the English word ‘bang-bang,’ which means ‘a noisy gunfight’ or ‘(sports play, etc.) in succession,’ without a space. Prior registered service mark 2 is a word meaning ‘the shape of repeatedly circling a certain narrow area,’ etc. Also, as seen earlier, prior registered service marks 1 and 2 are perceived as a whole and not as their parts ‘*BANG*’ or ‘*뱅*.’ Therefore, the applied-for trademark and prior registered service marks 1 and 2 also differ in their concepts.


3. Likelihood of Confusion (Negative)

Considering that the applied-for trademark and prior registered service marks 1 and 2 differ in appearance, name, and concept; that the applied-for trademark appears to be somewhat known to general consumers or traders in relation to its designated goods such as golf clubs; and that BANGBANG Apparel, the owner of the prior registered service marks, had registered trademarks identical or similar to the applied-for trademark for designated goods or services identical or similar to those of the applied-for trademark, but the registrations were canceled due to non-use; it is reasonable to view that even if the applied-for trademark is used on designated goods identical or similar to those of prior registered service marks 1 and 2, there is no fear of causing confusion of source to general consumers or traders.



Therefore, since the applied-for trademark is not similar as a whole to prior registered service marks 1 and 2 in its mark, it cannot be seen as falling under Article 34(1)7 of the Trademark Act, without need to further examine the identity or similarity between the designated goods and the designated services.

WOLGAN MAEKJU (Monthly Beer) Trademark Registration Rejection Case

(Fifth Division) Decision 2023Heo13483, Decided Apr. 4, 2024

Subject Matter	[Trademark (Application)]  (Class 43: Pojangmacha [Street Food Stall] Services, etc.)
Administrative Decision	IPTAB Decision 2022Won589, Decided Jul. 26, 2023
Category	Rejection (Trademark)
Relevant Provision	Trademark Act, Article 34(1)7
Relevant Decisions	Supreme Court Decision 2005Hu2908 (Aug. 25, 2006); Supreme Court Decision 2012Hu351 (Apr. 12, 2012); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017); Supreme Court Decision 2017Hu 981 (Aug. 30, 2018)

Subject Matter of Judgment

A case where it was judged that the applied-for trademark () is not similar as a whole to the prior registered service mark () because they differ in appearance, name, and concept

Case Summary and Issues

On September 8, 2020, the plaintiff applied for the applied-for trademark, designating Pojangmacha services, etc., in Class 43 as the designated goods. On February 14, 2022, the KIPO issued a rejection on the grounds that ‘the applied-for trademark falls under Article 34(1)7 of the Trademark Act in relation to the prior registered service mark.’ The plaintiff filed a trial to appeal this, but the IPTAB dismissed it on July 26, 2023. The plaintiff filed this lawsuit seeking the cancellation of the trial decision.

Summary of Decision

The administrative decision was revoked.

1. It is difficult to see that ‘Wolgan’ or ‘月刊’ in the applied-for trademark




(월간 맥주) corresponds to the essential part. The main reasons are as follows:

- a. The Hangeul part of the applied-for trademark is a relatively short and simple text mark composed of 4 syllables in Korean, so there is no particular difficulty in pronouncing it as a whole. Even if ‘maekju/beer’ corresponds to the generic name of the product or an indication of the business type and is not recognized as having distinctiveness in relation to the designated goods (services) of the applied-for trademark, considering the meaning of ‘Wolgan’ and the actual state of use of trade names, etc., containing that morpheme, it is difficult to see that general consumers or traders can know the source of the designated goods (services) from ‘Wolgan’ alone.
- b. Marks that use the letters ‘Wolgan’ as a morpheme at the beginning of a word

to form a coined word are widely used. A considerable number of cases are found where restaurants, pubs, cafes, etc., use ‘Wolgan Suljip (Monthly Pub),’ ‘Wolgan Gukbap (Monthly Gukbap),’ ‘Wolgan Misik (Monthly Gastronomy),’ ‘Wolgan Bansang (Monthly Table),’ etc., as their trade names by adding letters such as ‘Suljip,’ ‘Gukbap,’ ‘Misik,’ ‘Bansang’ after the letters ‘Wolgan.’ Among them, ‘월간국밥’ applied for on April 26, 2021, with designated goods (services) such as snack bar services in Class 43, was registered as a trademark.



- c. It is not common for coined words that did not previously exist, such as ‘Wolgan Maekju,’ ‘Wolgan Suljip,’ ‘Wolgan Gukbap,’ ‘Wolgan Misik,’ ‘Wolgan Bansang,’ etc., to be separated into ‘Wolgan’ and the following morpheme and recognized and called only by ‘Wolgan.’ It is common for them to be integrated and recognized and called as a whole as a single word. Considering the circumstance that ‘월간윤,’ ‘月刊尹,’ ‘月刊食堂尹,’ and ‘월간국밥’ were registered as trademarks in Class 43, it does not seem that the applied-for trademark would be separately recognized or called only by ‘Wolgan.’

2. It is difficult to see that ‘Wolgan’ in the prior registered service mark

() corresponds to the essential part. The reasons are as follows:

The Hangeul part of the prior registered service mark is also a relatively short and simple text mark composed of 4 syllables in Korean, and there is no difficulty in pronouncing it as a whole. As with ‘Wolgan Maekju,’ even if the ‘Pizza’ part of ‘Wolgan Pizza’ corresponds to the generic name of the product or an indication of the business type and is not recognized as having

distinctiveness, it is difficult to see that the ‘Wolgan’ part itself performs a source indication function in relation to the designated goods (services). Also, even considering the state of use of coined word trademarks using the letters ‘Wolgan’ as a morpheme and the designated goods (services), etc., it does not seem that ‘Wolgan’ and ‘Pizza’ in ‘Wolgan Pizza’ would be separated and recognized or called only by ‘Wolgan.’

3. The applied-for trademark () and the prior registered service mark () are not similar in appearance. The applied-for trademark will be called ‘Wolgan Maekju’ by its Hangeul part, whereas the prior registered service mark will be called ‘Wolgan Pizza,’ so their names are also not similar. Regardless of whether the Hanja for ‘Wolgan’ is seen as ‘月間’ or ‘月刊,’ the two marks do not seem to be identical in concept either.
4. Therefore, the applied-for trademark and the prior registered service mark differ in appearance, name, and concept, so the two marks cannot be seen as similar as a whole.

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Trademark Act Articles 34(1)12 and 34(1)13

MERCI Case

(Third Division) Decision 2023Heo13742, Decided May 2, 2024

Subject Matter

[Trademark Right]



Administrative Decision

IPTAB Decision 2022Dang2201, Decided Aug. 23, 2023

Category

Invalidation of Registration (Trademark

Relevant Provisions

Trademark Act, Article 34(1)7, Article 34(1)12 (Latter part), Article 34(1)13

Relevant Decisions

Supreme Court Decision 98Hu874 (Apr. 23, 1999); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017); Supreme Court Decision 2015Hu932 (Mar. 9, 2017); Supreme Court Decision 2004Hu1304 (Jul. 28, 2006); Supreme Court Decision 2014Hu1921 (Jan. 12, 2017); Supreme Court Decision 2011Hu3896 (May 9, 2013); Supreme Court Decision 2013Hu1108 (Aug. 20, 2014)

Subject Matters of Judgment

1. Criteria for Judging Trademark Similarity (overall observation, observation of essential parts, distinctiveness of the constituent parts of the trademark)
2. Similarity of Marks (Negative)

3. Applicability as a Consumer-deceiving Trademark (Negative)

4. Applicability as a Bad-faith Imitation Trademark (Negative)

Case Summary and Issues

Registered Trademark	Prior Registered/Used Trademark 1	Prior Registered/Used Trademark 2	Prior Registered/Used Trademark 3
	Merci	merci	메르씨
Western-style restaurant services, Korean restaurant services, pub services, bakery services, cafe services, etc.	Designated) Cocoa, chocolate, etc. Used) Chocolate	Designated) Confectionery, chocolate, etc. Used) Chocolate	Chocolate, etc.

The plaintiff filed a request for a registration invalidation trial, asserting that the registered trademark in this case falls under Article 34(1)7, 34(1)12, and 34(1)13 of the Trademark Act in relation to the prior registered/used trademarks and its registration should be invalidated. The IPTAB issued a decision dismissing the plaintiff's trial request on the grounds that the registered trademark is not similar to the prior registered/used trademarks in its mark and therefore does not fall under Article 34(1)7, 12, and 13. The plaintiff, dissatisfied with this, filed a lawsuit to cancel the decision.

Summary of Decision

The claim was dismissed.

1. Applicability of Trademark Act Article 34(1)7 (Negative)

a. Method of Observing the Registered Trademark and Prior Registered Trademarks

Considering the following circumstances, it is difficult to see that the ‘MERCI’ or ‘merci’ textual parts of the registered trademark in this case perform a source indication function independently of the other constituent parts. Since the individual constituent parts of the registered trademark lack or have weak distinctiveness, and none of them can be seen as the essential part, the similarity should be judged based on the trademark as a whole, according to the legal principle seen earlier.

1) Distinctiveness of the ‘MERCI’ or ‘merci’ textual parts

- a) The ‘MERCI’ or ‘merci’ part, which means ‘thank you,’ a greeting commonly used in most service industries, cannot be seen as having high distinctiveness in relation to the designated goods of the registered trademark. Granting a monopoly on it to a specific person is also not desirable in the public interest.
- b) Even if it is difficult to see that general consumers or traders would easily recognize the words ‘MERCI’ or ‘merci’ as a daily greeting meaning ‘thank you,’ considering that numerous trademarks including ‘MERCI’ or ‘merci’ were published for application or registered for services identical or similar to the designated goods of the registered trademark before its registration decision date, it is difficult to see that the ‘MERCI’

or ‘merci’ textual parts of the registered trademark have high distinctiveness in relation to their designated goods, nor does it seem appropriate to grant a monopoly on them to a specific person.

- c) At the time of the application and registration decision of the registered trademark, it is difficult to see that the mark ‘MERCI’ or ‘merci’ was well-known and famous to domestic general consumers or traders as a source indicator of the prior used trademarks, and thus had strong distinctiveness on its own (Other circumstances omitted).

2) Distinctiveness of the other constituent parts of the registered trademark

Among the textual parts of the registered trademark, ‘CASA’ means ‘house, home’ in English, Spanish, Italian, etc., the design part is an image that evokes a ‘house, home,’ and ‘CASA’ corresponds to the Hangeul transliteration of ‘CASA.’ However, since each of these constituent parts contains a locational concept and evokes the space or place where the said designated service is provided, they lack or have weak distinctiveness. Also, before the registration decision of the registered trademark, numerous trademarks including ‘CASA’ or ‘casa’ were published for application or registered for goods identical or similar to its designated goods and coexisted.

b. Comparison of Marks (Dissimilar)

Observing and comparing the marks of the registered trademark and the prior registered trademarks, their appearances are clearly distinguishable, and they are also different in the name and concept of their textual parts. Therefore, the registered trademark is not similar to the prior registered

trademarks in its mark.

2. Applicability of Trademark Act Article 34(1)12 (latter part) (Negative)

a. Relevant Law

For a trademark to fall under a trademark that is likely to deceive consumers as stipulated in the latter part of Article 34(1)12 of the Trademark Act, the prior used trademark or its goods of use, which are to be compared with the registered trademark or its designated goods, do not necessarily have to be famous, but they must be known to domestic consumers to the extent that the trademark or goods would be recognized as the trademark or goods of a specific person. This judgment should be based on the time of the registration decision of the registered trademark (see Supreme Court Decision 2004Hu1304, decided July 28, 2006, etc.). In such a case, there must be a special circumstance where a trademark identical or similar to the prior used trademark is used on goods identical or similar to its goods of use, or where a trademark is identical or similar to the prior used trademark, and in light of the specific state of use of the prior used trademark, the degree of economic connection between the goods on which both trademarks are used, and other general trading conditions, the trademark is likely to be mistaken as being used by the right holder of the prior used trademark to a degree comparable to when it is used on goods identical or similar to the goods of use of the prior used trademark, thereby causing confusion of source and deceiving consumers (see Supreme Court Decision 96Hu412 decided March 14, 1997; Supreme Court Decision 2014Hu1921 decided January 12, 2017, etc.).

b. Judgment

There is no objective data to confirm the domestic sales volume, sales ranking, advertising scale and period, scope, method, etc., of the plaintiff's chocolate products. Even considering the period during which the plaintiff's chocolate products have been sold in Korea, it is insufficient to acknowledge that the prior used trademarks were known to the extent that they could be recognized as the trademark of a specific person in Korea around the time of the registration decision of the registered trademark.

Even if we assume, as the plaintiff claims, that the prior used trademarks were recognized as the trademark of a specific person in Korea at the time of the registration decision of the registered trademark, it is insufficient to acknowledge a close economic connection between the designated goods of the registered trademark and the goods of use of the prior used trademarks.¹⁾ The specific state of use, such as the transaction form and distribution/sales method of the goods and services of both trademarks, are also distinct. Therefore, it cannot be said that there are special circumstances where the registered trademark, when used on its

1) ① The plaintiff's chocolate products, the goods of use of the prior used trademarks, appear to have been mainly sold in large malls, department stores, and online shopping malls in Korea while the proportion sold in bakeries, etc., does not seem very high; ② There is insufficient data to see that at the time of the registration decision of the registered trademark, the manufacture and sale of goods such as chocolate, confectionery, and biscuits and the provision of services such as bakery services, cafe services, and coffee shop services (hereinafter 'bakery services, etc.') were generally conducted by the same business operator, or that general consumers would naturally think so. The use of the goods and services, and the place of sale of the goods and the place of provision of the services do not coincide; ③ Among the designated goods of the registered trademark, the places where services other than bakery services, etc., are provided do not coincide with the places where goods such as chocolate are sold, and the use and content of the goods and services, and the scope of consumers are also different.

designated goods, would be mistaken as being used by the plaintiff, the right holder of the prior used trademarks, to a degree comparable to when it is used on goods identical or similar to the plaintiff's chocolate products, causing confusion.

3. Applicability of Trademark Act Article 34(1)13 (Negative)

a. Relevant Law

Article 34(1)13 of the Trademark Act aims to preclude the registration of a trademark used for the purpose of obtaining an unfair advantage by taking advantage of the fact that a trademark recognized among domestic or foreign consumers as indicating the goods of a specific person (hereinafter 'the trademark to be imitated') is not registered in Korea, and a third party registers and uses an imitation of it, thereby free-riding on the business credit embodied in the trademark to be imitated, or Trademark Act, for the purpose of harming the right holder of the trademark to be imitated by damaging the value of the trademark to be imitated or interfering with the domestic business of the right holder of the trademark to be imitated. Therefore, for a registered trademark to fall under this provision, the trademark to be imitated must be recognized by domestic or foreign consumers as the trademark of a specific party, and the applicant of the registered trademark must have used a trademark identical or similar to the trademark to be imitated with a fraudulent purpose (see Supreme Court Decision 2011Hu3896 decided May 9, 2013, etc.).

b. Judgment

It is not disputed between the parties that the prior used trademarks were

widely known in Germany and other European regions in relation to their goods of use, the plaintiff's chocolate products, and were recognized as the trademark of a specific party at the time of the application of the registered trademark. However, the evidence submitted by the plaintiff is insufficient to acknowledge that the defendant had a fraudulent purpose, such as imitating the prior used trademarks to free-ride on their established reputation or business credit, when applying for and using the registered trademark, and there is no other evidence to acknowledge it.

RAMADA Case

(Fourth Division) Decision 2024Heo11606, Decided Jul. 25, 2024

Subject Matter	[Trademark (Application) 라마다]
Administrative Decision	IPTAB Decision 2023Won94, Decided Mar. 13, 2024
Category	Rejection (Trademark)
Relevant Provision	Trademark Act, Article 34(1)12
Relevant Decisions	Supreme Court Decision 98Hu2870 (Sep. 3, 1999); Supreme Court Decision 2001Hu1884, 1891 (Apr. 8, 2003)

Subject Matter of Judgment

Whether the goods of use of the prior used trademark, ‘hotel services, resort services, etc.’ have an economic connection with the designated good of the applied-for trademark, ‘golf course reservation services,’ such that if the mark of the applied-for trademark (라마다) is used on the designated good, it would cause confusion of source and is likely to deceive consumers (affirmative)

Case Summary and Issues

On November 10, 2020, the plaintiff applied for the applied-for trademark. On October 19, 2022, the KIPO decided to refuse registration of the applied-for trademark, viewing that it falls under Article 34(1)12 of the Trademark Act. On

January 16, 2023, the plaintiff filed a trial to appeal the said Rejection, but the IPTAB, after deliberating this as 2023Won94, on March 13, 2024, issued the decision dismissing the plaintiff's trial request on the grounds that 'the applied-for trademark is a trademark that is likely to cause confusion of source and deceive consumers, and therefore falls under Article 34(1)12.'

Summary of Decision

The claim was dismissed.

Applied-for Trademark	Prior Used Trademark
라마다	라마다, RAMADA
Golf course reservation services in Class 41	Hotel services, resort services, etc.

1. The designated good of the applied-for trademark²⁾ in this case is 'golf course reservation services,' which is difficult to see as identical or similar to the goods of use of the prior used trademark, 'hotel services, resort services,' etc. However, RAMADA is a hotel brand operated by the prior used trademark owner, an affiliate of Wyndham Hotels and Resorts, which ranked 5th among hotel companies with the most rooms in the world as of December 2022. There are about 30 directly operated RAMADA hotels in Korea. And around 2020, the prior used trademark owner was providing a golf membership service at 'RAMADA HOTEL & SUITES' located in Pyeongchang,

2) ① It is not disputed between the parties that the marks of the applied-for trademark and the prior used trademark are identical or similar; ② the prior used trademark is known to domestic consumers to the extent that it can be recognized as the trademark of a specific person in relation to its goods of use, 'hotel services, resort services, etc.'

Gangwon-do, and was promoting a golf course reservation service using the advertising slogan ‘Guaranteed weekday/weekend golden time booking at prestigious golf courses.’

In light of this, it appears that the prior used trademark owner, using the prior used trademark which is known to the extent that it can be recognized as the trademark of a specific person, is not only providing services related to hotels, resorts, etc., to general consumers or traders, but is also providing services related to golf course use and reservation.

2. It is confirmed that with the recent popularization of golf, a number of hotels and resorts are operating golf courses as auxiliary facilities, and travel agencies are selling ‘golf package’ tour products that combine golf course usage rights and hotel accommodation vouchers. Also, ‘Golftel (Golf Hotel),’ meaning ‘a hotel equipped with golf course facilities,’ is listed in the Korean dictionary, and searching for ‘Golftel’ on the internet portal site NAVER reveals a number of blog posts reviewing golftels and advertisements for golftel tour products.

Considering these points, it is reasonable to view that the main consumer base of the designated good of the applied-for trademark, ‘golf course reservation services,’ significantly overlaps with the consumer base of the goods of use of the prior used trademark, ‘hotel services, resort services,’ etc.

3. The applicant, the plaintiff, directly operates ‘Ramada Golf and Hotel’ and provides not only golf course reservation services but also hotel-related services. Thus, if the applied-for trademark is used in relation to its designated good, there is sufficient room for general consumers or traders to be mistaken

that the golf course reservation-related service is provided by a person who has a certain personal or capital relationship with the prior used trademark owner.

4. Therefore, it is judged that at the time of the decision in this case on March 13, 2024, ‘golf course reservation services’ and ‘hotel services, resort services,’ etc., have a very close economic connection. Thus, if the applied-for trademark is used for ‘golf course reservation services,’ there is sufficient potential for it to be mistaken as being used by the prior used trademark owner, thereby causing confusion of source and being likely to deceive consumers.

Angel Figure Trademark Invalidation of Registration Case

(Fourth-Two Division) Decision 2022Heo5447, 5454, Decided Oct. 18, 2023


Category	Invalidation of Registration (Trademark)
Relevant Provisions	Trademark Act, Articles 34(1)13, 34(1)20
Relevant Decisions	Supreme Court Decision 2017Hu752 (Aug. 14, 2019); Supreme Court Decision 2013Hu2460 (Feb. 13, 2014); Supreme Court Decision 2011Hu3896 (May 9, 2013); Supreme Court Decision 2013Hu1986 (Jan. 23, 2014); Supreme Court Decision 2019Hu10739 (Sep. 3, 2020); Supreme Court Decision 2020Hu10827 (Nov. 5, 2020); Supreme Court Decision 2011Hu1159 (Mar. 14, 2013)

Subject Matters of Judgment

1. Requirements of Trademark Act Article 34(1)13 – the meaning of ‘specific person’ in ‘a trademark recognized as indicating the goods of a specific person,’ who is the subject of the product indication in a collaborative combined trademark, and the judgment of the trademark applicant’s ‘unlawful purpose.’
2. Requirements of Trademark Act Article 34(1)20 – the existence of a relationship of trust, such as a contractual relationship or business transaction relationship, and the judgment of whether the applicant knew that the trademark was being used or being prepared for use by ‘another person.’

Case Summary and Issues

1. This is a case where the plaintiff, who is substantially the same as company A, which had an exclusive license agreement with M, a world-famous skateboarder and artist, to use his name, image, and designs created by him on clothing, etc., had B apply for and register the ‘angel figure’ created by M as a trademark in the Republic of Korea three years before the expiration of the said license agreement, and had the trademark right transferred after the license agreement ended. The defendant (a company established by M) filed a request for a registration invalidation trial on the grounds of Article 34(1)13 of the Trademark Act, which was granted. The plaintiff then sought cancellation of the trial decision (the defendant added Article 34(1)20 as a ground for invalidity in the lawsuit).
2. Applicability of Trademark Act Article 34(1)13 – Whether the prior used trademarks displayed on products released in collaboration with other brands were recognized by domestic or foreign consumers as a trademark of a specific person (whether they were recognized as a consistent source indicating M’s goods, the subject to whom the effect of the trademark use is attributed), and the presence or absence of a fraudulent purpose in the trademark application by the plaintiff through B
3. Applicability of Trademark Act Article 34(1)20 – The existence of a relationship of trust, such as a contractual relationship or business transaction relationship, and whether the plaintiff, etc., knew that the trademark was being used or being prepared for use by ‘another person’

Plaintiff's Registered Trademark	Prior Used Trademarks	Collaborative Combined Trademark
		

Summary of Decision

The claim was dismissed.

1. A person who ‘uses’ a trademark ‘to indicate that goods are their own,’ i.e., ‘the subject of trademark use,’ is not limited to ‘a person engaged in the business of producing, processing, or selling goods’ or ‘a merchant under the Commercial Act,’ nor do they need to be ‘the owner’ or ‘possessor’ of the goods. Therefore, for ‘the goods of a specific person’ in Trademark Act Article 34(1)13, it is sufficient that the source of the goods is recognized as a specific person, and it is not required that the specific person be the producer, processor, seller, or owner/possessor of the goods. It is also possible for multiple subjects to combine their respective trademarks to indicate that the said goods are their own.
2. When a celebrity, based on the customer appeal derived from their fame and popularity, the public’s expectation and trust in the quality of the product, and the consumer’s hope that the celebrity’s positive image will be transferred to the user of the product, collaborates with the manufacturer/seller of a product to plan a product displaying their name or an image they created, reserves control over the specifications or quality of the said product, and receives a distribution of the profits from the sale of the said product, that celebrity can

be seen as a person who has used their name or the image they created as a source indicator of their product. If such a name, image, etc., is recognized among consumers as a mark indicating that celebrity, that name, image, etc., corresponds to 'a trademark recognized as indicating the goods of a specific person by consumers in the Republic of Korea or overseas' as stipulated in Article 34(1)13 of the Trademark Act.

3. In light of the period of use, mode of use of the prior used trademarks and the collaborative combined trademark, and the content of the license agreement, the right holder of the prior used trademarks is M. Even if the plaintiff or a third party who signed a sublicense agreement with them uses the prior used trademarks, the effect of that trademark use is attributed not to the licensee (the plaintiff and the third party) but to the licensor, M. Adding to this the wide range of goods on which they were used and media reports, etc., it appears that around the time of the application of the trademark in this case, domestic and foreign consumers would have recognized M as the consistent source for the goods on which the prior used trademarks were displayed. Therefore, M corresponds to the 'specific person' of Article 34(1)13 of the Trademark Act.
4. The plaintiff, who was not a party to the license agreement and thus did not bear the contractual obligation of return, had B apply for the trademark in this case. From this, it can be sufficiently inferred that there was an 'unlawful purpose' of obtaining an unfair advantage by imitating the prior used trademarks, which were known as a source indicator of a specific person among foreign and domestic consumers at the time of application, thereby

free-riding on their established business credit, etc. Therefore, the plaintiff's argument that they lawfully possessed the right to be protected because they acquired the copyright for the 'angel figure' through a separate music production service contract, branded it, and pioneered the market, causing domestic and foreign consumers to recognize the prior used trademarks as indicating the plaintiff's goods, is unacceptable.

5. The prior used trademarks displayed on the goods by the licensee company A (or the plaintiff) and the sublicensees should be seen as having been used by the licensor, M. Even if viewed differently, the license agreement was scheduled to expire on December 31, 2020, and it could be easily expected that M would use the prior used trademarks directly or through a third party upon the termination of the license agreement. The plaintiff, as well as B who was commissioned by them, knew well through the contractual relationship and business transaction relationship that M was using or preparing to use the prior used trademarks, that company A, etc., were granted the right to register the trademark temporarily based on the license agreement but had to return it to M upon the termination of the contract, and that ultimately, B, the plaintiff, and company A were all not the right holders who could obtain trademark registration for the prior used trademarks. Yet, they applied for registration of a trademark identical or similar to the prior used trademarks on identical or similar goods in violation of the principle of good faith and trust in relation to M. Therefore, the trademark in this case also falls under Article 34(1)20 of the Trademark Act.

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Trademark Act Article 34(1)20

Kässbohrer Case



(Fifth-One Division) Decision 2022Heo5744, Decided Oct. 5, 2023

Subject Matter	[Trademark (Application) Kässbohrer]
Administrative Decision	IPTAB Decision 2021Won63, Decided Sep. 8, 2022
Category	Rejection (Trademark)
Relevant Provisions	Former Trademark Act (before amendment by Act No. 14033 of Feb. 29, 2016), Article 7(1)18 [current Trademark Act 34(1)20]
Relevant Decisions	Supreme Court Decision 2019Hu10739 (Sep. 3, 2020); Supreme Court Decision 2022Hu10289 (Mar. 9, 2023)

Subject Matters of Judgment

1. The criteria for judging who is the right holder entitled to obtain trademark registration for a prior used trademark regarding the former Trademark Act Article 7(1)18
2. Whether the application of former Trademark Act Article 7(1)18 is possible even if the right holder of a prior used trademark has displayed the prior used trademark on goods in a foreign country but has not performed any act of using the trademark in Korea directly or through an agent (Limited affirmative)

Case Summary and Issues

The plaintiff, who had acquired all rights to the prior registered service mark ‘’ (designated services: trailer sales agency services) from Jinsung Special Equipment, a former exclusive importer and seller of Kässbohrer trailers, and Korea Kässbohrer Co., Ltd. (hereinafter ‘Korea Kässbohrer’), applied for the applied-for service mark in this case, ‘,’ designating trailer wholesale business, etc., as the designated services. ‘Kässbohrer Fahrzeugwerke GmbH’ (hereinafter ‘Kässbohrer’ or ‘the prior user’), which had been using the prior used trademark ‘**Kässbohrer**’ in relation to trailers, etc., filed an opposition, asserting that the applied-for service mark corresponds to former Trademark Act Articles 7(1)12 and 7(1)18.

The KIPO issued a rejection on the grounds that ‘the applied-for service mark corresponds to former Trademark Act Article 7(1)18.’ The IPTAB also dismissed the plaintiff’s appeal the rejection for the same reason in the decision in this case. The plaintiff, dissatisfied with this, filed a lawsuit to cancel the decision.

The plaintiff argued that since it has lawfully acquired the prior registered service mark and has accumulated business credit by using it for a long time in Korea, it is the right holder entitled to obtain trademark registration for the prior used trademark, and therefore the registration application for the applied-for service mark cannot be seen as contrary to the principle of good faith and trust in relation to the prior users (hereinafter ‘plaintiff’s first argument’). The plaintiff

also argued that the prior users, such as Kässbohrer, were not using or preparing to use the prior used trademark in Korea at the time of the registration application of the registered trademark (hereinafter ‘plaintiff’s second argument’), and therefore, the applied-for service mark does not correspond to former Trademark Act Article 7(1)18.

Summary of Decision

The claim was dismissed.

1. Judgment on Plaintiff’s First Argument

a. Relevant Law

Former Trademark Act Article 7(1)18 stipulates that a trademark for which a registration application is filed for identical or similar goods with a trademark identical or similar to one that another person is using or preparing to use, with knowledge of it through a partnership, employment, or other contractual or business transaction relationship, cannot be registered. The intent of this provision is to preclude the registration of a trademark by a person who is not the rightful owner of the registration rights, but who has merely become aware of a trademark that is being used or is in preparation for use by another party (hereinafter “the prior user’s trademark”) through a contractual relationship or other similar engagement with said party, and subsequently files an application for an identical or similar trademark for use on identical or similar goods in violation of the principle of good faith and fair dealing with respect to that party. Who between the other person and the applicant is the right holder entitled to

obtain trademark registration for the subject prior used trademark should be judged by comprehensively considering the internal relationship between the other person and the applicant, the circumstances of the development, selection, and use of the subject prior used trademark, and who has controlled the use or managed the nature or quality of the goods using the subject prior used trademark if it is in use (Supreme Court Decision 2019Hu10739 decided Sep. 3, 2020).

b. Judgment

Looking at the internal relationship between the prior users, such as Kässbohrer, and the plaintiff, the prior user Kässbohrer is in the position of a manufacturer and supplier of Kässbohrer trailers, the goods on which the prior used trademark is used, and Jinsung Special Equipment, Korea Kässbohrer, and the plaintiff (hereinafter ‘plaintiff, etc.’) are in the position of sellers who receive Kässbohrer trailers from the prior users and sell them in Korea.

Also, regarding the circumstances of the development and selection of the prior used trademark, since **Kässbohrer** is part of the name of the founder of the prior user Kässbohrer, Karl Heinrich Kässbohrer, as well as part of the trade name of Kässbohrer, it appears that the prior users led its development and selection process, and there is no data to suggest that the plaintiff, etc., played any role or made any contribution.

Even in light of the trading conditions for trailers and their related service industry and the perception of general consumers and traders, it appears that the subject who has managed the nature or quality of

Kässbohrer trailers, the goods on which the prior used trademark is used, is the manufacturer, the prior users, not the distributors, the plaintiff, etc., who receive Kässbohrer trailers from them and sell them as is.

Considering these points, it is reasonable to view that the plaintiff, having become aware that the prior users were using the prior used trademark through a contractual relationship such as an import contract or a business transaction relationship or other relationship, applied for the applied-for service mark, which is similar to the prior used trademark, for similar designated services in violation of the principle of good faith. It is difficult to acknowledge otherwise that the plaintiff is the legitimate right holder entitled to obtain trademark registration for the applied-for service mark. Therefore, the plaintiff's first argument is unacceptable.

2. Judgment on Plaintiff's Second Argument

a. Relevant Law

The prior used trademark of former Trademark Act Article 7(1)¹⁸ should, in principle, be a trademark being used or prepared for use in Korea. However, even if the right holder of the prior used trademark has displayed the prior used trademark on goods in a foreign country but has not performed any act of using the trademark in Korea directly or through an agent as stipulated in former Trademark Act Article 2(1)¹¹, if they have exported goods with the premise that they will be distributed in Korea and have had the goods distributed in normal trade in Korea with the prior used trademark displayed as is, by means such as transfer or exhibition, then in the relationship with the third party who imported and distributed them, the prior used trademark

corresponds to ‘a trademark used by another person’ of former Trademark Act Article 7(1)18 (see Supreme Court Decision 2022Hu10289 decided March 9, 2023).

b. Judgment


The prior user Kässbohrer displayed the prior used trademark on semi-trailer goods and exported them to Korea through the plaintiff, etc., and had them distributed by means such as transfer in Korea. That is, it appears that Kässbohrer trailers have been distributed in normal trade in Korea, with the prior used trademark displayed by the prior users as is. Therefore, it is reasonable to view that the prior users, the right holders of the prior used trademark, were using and preparing to use the prior used trademark in Korea. Thus, the plaintiff’s second argument, which is contrary to this, is unacceptable.

07


Similarities in Trademarks






MONCLER Case

(Fifth Division) Decision 2023Heo13551, Decided Jun. 13, 2024

Subject Matter	[Trademark Right]  Lee. D. S
Administrative Decision	IPTAB Decision 2022Dang773, Decided Aug. 22, 2023
Category	Invalidation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 34(1)7
Relevant Decisions	Supreme Court Decision 2005Hu2908 (Aug. 25, 2006); Supreme Court Decision 2012Hu351 (Apr. 12, 2012)

Subject Matters of Judgment


- Standard for judging the similarity of trademarks.
- Similarity between the registered trademark in this case “ Lee. D. S” and the

prior registered trademarks “”, “”, “”,
 “”, and “” (Negative).

Case Summary and Issues

The plaintiff filed a request for a registration invalidation trial for the registered trademark in this case against the defendant, the trademark owner of the



registered trademark “” (designated goods: men’s suits, etc.), asserting to the effect that ‘the registered trademark falls under Article 34(1)7 of the Trademark Act in relation to the prior registered trademarks, and also falls under Article 34(1)11 and 34(1)13, and therefore its registration should be invalidated.’

The IPTAB issued the decision dismissing the plaintiff’s trial request, reasoning that ‘although the registered trademark and the prior registered trademarks commonly include a design of a bell (鐘) or bird shape, the registered trademark has another design with a dominant impression placed within the bell or bird-shaped inner area, and at the same time, English letters are arranged in two lines below it. Due to these characteristics, there is a significant difference between the marks, and thus the registered trademark and the prior registered trademarks are dissimilar marks as their appearance, name, and concept are different. Therefore, the registered trademark does not fall under Article 34(1)7, 11, and 13 of the Trademark Act.’ The plaintiff, dissatisfied with this, filed this lawsuit seeking the cancellation of the trial decision.

Summary of Decision

The claim was dismissed.

1. Relevant Law

- a. Whether trademarks are similar should be judged based on whether there is a risk of causing confusion of source for the goods by objectively, holistically, and separately observing their appearance, name, and concept from the perspective of the intuitive perception that general consumers or traders have of the trademarks in the trade of the designated goods. Therefore, even if there are similar parts between the compared trademarks, if the possibility of those parts being separately perceived is slim or if confusion of source can be clearly avoided when observed as a whole, they cannot be called similar trademarks (see Supreme Court Decision 2005Hu2908 decided Aug. 25, 2006; Supreme Court Decision 2012Hu351 decided Apr. 12, 2012, etc.).
- b. In a combined trademark consisting of a combination of two or more letters or designs, if there is a part that impresses upon general consumers or causes them to remember or associate the trademark, thereby performing a source indication function independently, i.e., an essential part, it is necessary to compare and judge the similarity of the trademarks based on that essential part to derive a proper conclusion of the overall observation. However, if there is no part in the trademark that can be called an essential part, the similarity should be judged by comparing the trademarks as a whole according to the principle of overall observation. And whether a component of a trademark is an essential part should be judged by considering factors such as whether that part is well-known or famous, or gives a strong impression to general consumers, and whether it occupies a


high proportion of the entire trademark. In addition, one must comprehensively consider the relative level of distinctiveness compared to other components, the state and degree of combination with them, the relationship with the designated goods, and the trading conditions (see Supreme Court Decision 2015Hu1690 decided Feb. 9, 2017; Supreme Court Decision 2017Hu981, decided Aug. 30, 2018, etc.).

2. Judgment

- a. Whether the design part, similar to the shape of a bell or a bird, is a distinctive essential part



The plaintiff argues to the effect that the design part, similar to the shape of a bell or a bird, which is commonly included in the registered trademark and the prior registered trademarks, should be seen as a distinctive essential part.


It is common that the registered trademark in this case has a design similar


to the shape of a bell or a bird, “,” and the prior registered trademarks also include a design of a similar shape.


However, considering the circumstances below, it is difficult to see that the design part similar to the shape of a bell or a bird, or other components of the registered trademark, corresponds to an essential part that independently performs the function of indicating the source of the goods. Therefore, the similarity of the registered trademark should be judged based on the mark as a whole. Thus, this part of the plaintiff’s argument is without reason.

- 1) The registered trademark “” is a combined trademark of letters
Lee. D. S


and a design, where a design similar to the shape of a bell or a bird with a thick border, “”, is placed at the top, and another design, “”, is configured inside it, and the English letters “Lee. D. S” are placed at the bottom. It does not appear that any particular component gives a stronger impression than the other components or occupies a higher proportion of the entire trademark.

- 2) Examining whether the design similar to the shape of a bell or a bird has acquired distinctiveness in relation to the designated goods of the registered trademark through the plaintiff’s use, even according to the descriptions in the internet news or blog posts submitted by the plaintiff, when referring to the plaintiff or the plaintiff’s products, it is mainly prior registered trademark 2 “” or prior registered trademark 3

“” or another mark similar to the internal design and letter parts of


the said prior registered trademarks 2 and 3, “ MONCLER”, that is posted together. The design part similar to the shape of a bell or a bird is not posted independently, and there is no other evidence to acknowledge that the design similar to the shape of a bell or a bird was well-known or famous to general consumers or performed a source indication function independently as of the registration Filing date of application of the




registered trademark, December 6, 2019, or the registration decision date, December 24, 2021.

- 3) There is also no data to see that the other design “” or the English letter part “Lee, D. S” constituting the registered trademark was well-known or famous or performed a source indication function independently in relation to its designated goods as of the registration filing date of the application or registration decision date of the registered trademark.

b. Comparison of the registered trademark and the prior registered trademarks

1) Comparison of Appearance



Comparing the registered trademark and the prior registered trademarks, there is a similar aspect in that they commonly include a design similar to a bell or a bird shape. However, the registered trademark does not stop at simply placing a design similar to a bell or bird shape, but places another design “” inside it and simultaneously arranges the letters “Lee, D. S”, which appear to be the initials of a person’s surname and given name, in two lines below it. This is a significant difference from the prior registered trademarks, which either have nothing placed inside the design similar to a

bell or bird shape or have other designs ‘’, ‘’, ‘’ that give a different impression, and have no letters arranged below. Due to this difference, the dominant impression given by the appearance of the registered trademark and the prior registered trademarks will be different

even when observed separately.

2) Comparison of Name

A trademark that combines letters and a design is generally called and conceptualized by its letter part, unless the design part is unique and can derive a certain name or concept on its own (see Supreme Court Decision 95Hu1623 decided July 12, 1996, etc.).

The registered trademark is a trademark combining letters and a design, and it is difficult to see that any name is derived from the design part itself. Therefore, it will be called by the Korean transliteration of the letter part (**Lee. D. S**), “Lee. D. S” (Ri Di Es), or by transliterating the symbol “.” between the English letters “Lee,” “D,” and “S” as “Jeom ([dzʌm]),” as “Lee Jeom D Jeom S.” Prior registered trademarks 1, 4, and 5 consist only of a design part, and it is difficult to see that any name is derived from them. Prior registered trademarks 2 and 3 also do not seem to derive any name from their design parts, so they will be called by the Hangeul transliteration of their letter parts (, , “[mɔ̃ñ klər] ([mɔ̃ŋklər]),” “[mɔ̃ñ'kləru] ([mɔ̃ŋ'kləru]),” or “[mɔ̃ñ'kləər] ([mɔ̃ŋ'kləər]).” Therefore, the names of the registered trademark and the prior registered trademarks are not similar, nor is it appropriate to compare them.

3) Comparison of Concept





The registered trademark is a trademark combining letters and a design, and it is difficult to see that any name is derived from the design part itself, and no concept can be derived from the letter part (**Lee. D. S**), which appears to be the initials of a person’s surname and given name. It is difficult to think

of a special concept from the design parts of prior registered trademarks 1, 4, and 5. Prior registered trademarks 2 and 3 are likely to be conceptualized as ‘a rooster located behind an M-shape.’ Therefore, the concepts of the registered trademark and the prior registered trademarks are not similar, or it is not appropriate to compare them.

In response, the plaintiff argues that the registered trademark and the prior registered trademarks will all be conceptualized as a bell (鐘), so their concepts are identical. Although the common parts in the design parts of the registered trademark and the prior registered trademarks—that is, the design combining an arc at the top and a fan shape at the bottom—are close to the shape of a bell, their form is simple and abstract, so it does not seem that general consumers will conceptualize them as a bell. From the descriptions and videos in Exhibit A Nos. 7, 8, 10, 11, and 13 submitted by the plaintiff, only the fact that prior registered trademarks 2 and 3 are conceptualized as ‘the Gallic rooster, the national bird of France’ can be acknowledged. Therefore, the plaintiff’s above argument is without reason.

4) Comprehensive Result of Comparison

Therefore, the registered trademark and the prior registered trademarks differ in appearance, name, and concept, so their marks are not similar [Meanwhile, in the case of prior registered trademarks 2 and 3, there is room to see the part combining the design and letters placed inside the

design similar to a bell or bird shape (‘’, ‘’) or the letter part among them (‘’, ‘’) as the essential part of each of the

said registered trademarks. However, even if seen that way, in light of the facts acknowledged earlier, the registered trademark and prior registered trademarks 2 and 3 differ in their appearance, name, and concept, or it is not appropriate to compare them, so the marks are still not similar].

08

Registration Cancellation Owing to Trademark Abuse

KWANG CHEON KIM Case

(Fourth-Two Division) Decision 2022Heo5690, Decided No. 8, 2023

Subject Matter	[Registered Geographical Indication Collective Mark] 광천김
Administrative Decision	IPTAB Decision 2020Dang3393, Decided Oct. 12, 2022
Category	Cancellation of Registration (Trademark)
Relevant Provisions	Trademark Act, Article 119(1)2, Article 119(1)7(a), Article 119(1)7(c), Article 119(1)8 (a)
Relevant Decisions	Supreme Court Decision 2017Hu2178 (Feb. 13, 2020); Supreme Court Decision 2002Hu2457 (July 11, 2003); Supreme Court Decision 2009Hu3329 (Apr. 15, 2010)

Subject Matters of Judgment

1. Applicability of Trademark Act, Article 119¹(1)2 (Affirmative)

1) Trademark Act, Article 119(1)2 (Trial to Revoke Trademark Registration)

(1) Where a registered trademark falls under any of the following, a trial to revoke the trademark registration may be requested: <Amended on Oct. 31, 2023>

1. Where a trademark right holder causes the misunderstanding of the quality of goods or confusion with goods related to another person's business among consumers by willfully using a trademark similar to the registered trademark on the designated goods, or using the registered trademark or a similar trademark on goods similar to the designated goods;
2. Where an exclusive licensee or a non-exclusive licensee causes the misunderstanding of the quality of goods or confusion with goods related to another person's business by using a registered trademark or a

2. Applicability of Trademark Act, Article 119(1)7(a) (Affirmative)

3. Applicability of Trademark Act, Article 119(1)7(c) (Affirmative)

Case Summary and Issues

The plaintiff filed a request for a trademark cancellation trial against the defendant, asserting that ① members of the group violated the provisions of the group's articles of association by not using the raw materials for seasoned roasted seaweed as specified in the defendant's articles of association, thereby causing consumers to be misled about the quality or the geographical origin of

trademark similar to the registered trademark on the designated goods, or goods similar to the designated goods: Provided, That the foregoing shall not apply where the trademark right holder pays considerable attention;

7. Where a collective mark falls under any of the following:

- (a) Where a member of the organization allows another person to use its collective mark in violation of its articles of incorporation, or causes the misunderstanding of the quality of goods or the source of a geographical indication, or confusion with goods related to another person's business among consumers by using its collective mark in violation of its articles of incorporation: Provided, That the foregoing shall not apply where the holder of the collective mark right pays due attention to supervise its members;
- (c) Even where a third party causes the misunderstanding of the quality of goods or the source of a geographical indication, or confusion with goods related to another person's business among consumers by using its collective mark, the holder of the collective mark right willfully fails to take appropriate measures;

8. Where a collective mark with geographical indication falls under any of the following:

- (a) In cases of an application for registration of a collective mark with geographical indication, where the articles of incorporation of the organization actually prevent its members from joining the organization, such as prohibiting them from joining the organization or stipulating impracticable conditions for joining the organization, or allowing a person ineligible to use such geographical indication to join the organization;
- (b) Where the holder of a collective mark right with geographical indication or a member of the organization causes the misunderstanding of the quality of goods or confusion on the source of the geographical indication by using the collective mark in violation of Article 223;

the goods; ② By permitting a party, whose principal place of business or main factory is not situated in Gwangcheon-eup, to join the cooperative, the Defendant's conduct falls under the provision of “a case where membership was granted to a person not entitled to use the geographical indication”; ③ the registered trademark was used improperly by using it on similar ‘seaweed for gimbap,’ which is not a designated good; and ④ it corresponds to a case where ‘a non-exclusive licensee uses the registered trademark or a similar one on the designated goods or similar goods, thereby causing consumers to be misled about the quality of the goods,’ and therefore its registration should be canceled. The IPTAB dismissed the plaintiff’s trial request.

Summary of Decision

The administrative decision was revoked.

1. Applicability of Trademark Act Article 119(1)2 (Affirmative)

The members of the defendant’s cooperative, who correspond to non-exclusive licensees of the collective registered trademark in this case, used the collective registered trademark on ‘seaweed flakes, seaweed powder, seaweed for gimbap, roasted gamtae, and roasted seaweed,’ which are similar to its designated good, ‘seasoned roasted seaweed,’ thereby causing consumers to be misled about the quality of the goods. Therefore, it falls under Article 119(1)2 of the Trademark Act.

In response, the defendant argues that since seasoned roasted seaweed and roasted gamtae are clearly distinguishable in appearance, even if the collective registered trademark was used on the ‘roasted gamtae’ product, there is no risk

of misleading consumers about the quality of the product. It is not disputed between the parties that seasoned roasted seaweed and roasted gamtae are clearly distinguishable in appearance. However, a geographical collective mark is a system that exceptionally allows trademark registration for a conspicuous geographical name, which would otherwise be unregistrable, in consideration of the unique production methods, materials, etc., of that region. Accordingly, while use is permitted only to the members of the group, those members must strictly comply with the unique production methods, etc., described in the group's articles of association. As a result, general consumers and traders come to have trust that a product on which a geographical collective mark is used is a product made based on the group's unique production methods and material selection. Therefore, whether a consumer is misled about the quality of a product in relation to the use of a geographical collective mark does not depend on the identity or similarity of the appearance. If the collective registered trademark 'Gwangcheon Kim' is used on a roasted gamtae product, consumers will have no choice but to think that roasted gamtae is also a product on which the collective registered trademark can be used, so there is sufficient risk of being misled into believing it is a product made with the defendant's own raw materials and production methods as specified in the articles of association.

2. Applicability of Trademark Act Article 119(1)7(a) (Affirmative)

A collective mark is a mark where the group holds the right to the mark, but allows its members to use it, indicating that the user is a member of that group. However, due to the nature of a collective mark, where the subject to

whom the right belongs and the user are inevitably separated, it should be managed more strictly to ensure that it is used legitimately within the scope of rights represented by the collective mark. The Trademark Act also has several provisions regarding the legitimate use of collective marks for this purpose. In particular, Article 119(1)7(a) regulates the legitimate use of a collective mark by a member of the group, prohibiting ㊦ a member from having another person use the collective mark in violation of the group's articles of association, or ㊧ from causing the misunderstanding of the quality of goods or the source of a geographical indication, or confusion with goods related to another person's business among consumers by using its collective mark in violation of its articles of incorporation, but it excludes cases where the holder of the collective mark right pays due attention to supervise its members. Therefore, whether it falls under ㊧ of Article 119(1)7(a) depends on the use of the collective mark in violation of the articles of association, confusion of quality or geographical origin, etc., and whether the collective mark right holder supervised.

Meanwhile, it is reasonable to view the degree of the collective mark right holder's due attention in the proviso of Article 119(1)7(a) as being the same as the degree of the trademark owner's duty of care in the proviso of Paragraph 2 of the same article (cancellation for improper use of a trademark). Therefore, to see that the collective mark right holder has exercised considerable care regarding the use in violation of the articles of association by a member, it is insufficient to have merely given a warning or caution to the member not to commit acts of confusion. It must be to the extent that it can be

evaluated that the member is substantially under its control regarding the use of the collective mark, such as by regularly supervising the state of use, and the burden of proof for that should be seen as being on the collective mark right holder.

Also, a geographical collective mark is a mark intended for direct use by a corporation jointly established by those who produce, manufacture, or process goods for which the geographical indication can be used, or for use by its members. Although the right to the geographical collective mark belongs to the corporation, since not only the corporation but also its members can use the mark, the right-holding corporation has a duty to manage and supervise its members so that they do not use it without authorization beyond the scope of rights. The members must also comply with the provisions of the articles of association, which detail the target area, designated goods, and the materials and manufacturing methods of the geographical collective mark.

The defendant's articles of association include a provision that considers the appendix to the articles as part of the articles. The said appendix stipulates that the collective registered trademark is to be used for seasoned roasted seaweed made with domestic sea salt and directly pressed sesame oil as materials. Nevertheless, some of the defendant's cooperative members used seasoned salt (refined salt) or foreign sea salt instead of domestic sea salt, or used foreign sesame oil to make seasoned roasted seaweed, and then used the collective registered trademark on the product packaging. This is a violation of the provisions of the articles of association of the collective registered trademark. Since general consumers and traders are likely to believe that a

product on which the collective registered trademark is used was produced in accordance with the quality control standards stipulated in the defendant's articles of association, it is judged that general consumers and traders who encounter the seasoned roasted seaweed using the collective registered trademark will be misled into believing that all of the said products meet the quality stipulated in the articles of association.

3. Applicability of Trademark Act Article 119(1)7(c)(Affirmative)


Knowing that A, who is not a member of the cooperative, was using the collective registered trademark on the packaging of seasoned roasted seaweed, the defendant intentionally took no action. Therefore, the registration of the collective registered trademark should be canceled in accordance with Article 119(1)7(c).

09




Registration Cancellation Owing to Trademark Non-Use

SIMPAC Trademark Case

(First Division) Decision 2024Heo10542, Decided Sep. 5, 2024

Subject Matter	[Trademark Right] 
Administrative Decision	IPTAB Decision 2023Dang1708, Decided Dec. 6, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 119(1)3
Relevant Decision	Supreme Court Decision 2012Hu2685 (Dec. 26, 2012)

Subject Matters of Judgment

1. Whether it can be seen that SIMPAC Co., Ltd., as a subsidiary of the plaintiff (SIMPAC Holdings Co., Ltd.), was implicitly granted a non-exclusive license for the registered trademark in this case from the plaintiff (affirmative).
2. A case where the court affirmed the use of the trademark, viewing that although the quotation submitted by the plaintiff as a specimen of use of the registered trademark displays the mark “ SIMPAC,” which combines the design part “” and the letter part “SIMPAC,” the said parts can be separately perceived, and the said letter part is used while maintaining its identity and independence from the said design part, and thus the “ SIMPAC” displayed on the said quotation is recognized as having identity with the registered trademark in this case in the common

understanding of trade.

Case Summary and Issues







The defendant filed a trial seeking the cancellation of registration of the trademark in this case, asserting that ‘the registered trademark was not used in Korea for 3 consecutive years or more before the date of the trial request for its designated goods of mechanical conveyors, pneumatic tube conveyors, and screw conveyors.’ The IPTAB granted the defendant’s trial request on the grounds that the use of the registered trademark was not recognized.

Summary of Decision

The administrative decision was revoked.

1. The issue in this case is whether ‘the use of a mark similar to the registered trademark on a quotation for its designated good, mechanical conveyors, by SIMPAC Co., Ltd.’ can be seen as ‘use of the registered trademark.’
2. A non-exclusive license for a trademark, unlike an exclusive license, arises simply by an agreement between the trademark owner and the user (see Supreme Court Decision 94Hu1602 decided Sep. 5, 1995, etc.). The said agreement does not necessarily have to be in writing or conform to any specific format, and it can also be made by implicit acts (see Supreme Court Decision 2003Hu1468 decided Sep. 23, 2004). According to the record, it is acknowledged that SIMPAC Co., Ltd. is a company engaged in the manufacture, assembly, and sale of various industrial machinery and equipment, and that the plaintiff holds a majority of the shares of SIMPAC Co., Ltd. Synthesizing the above established facts, it is reasonable to view

that SIMPAC Co., Ltd., as a subsidiary of the plaintiff, was at least implicitly granted a non-exclusive license for the registered trademark, which designates ‘mechanical conveyors,’ etc., a type of industrial machinery, as its goods.

3. The quotation submitted by the plaintiff as a specimen of use of the registered trademark displays the mark “ **SIMPAC**,” which combines the design “” and the letters “**SIMPAC**.” Since the said design part and letter part are arranged side-by-side horizontally, they cannot be said to be inseparably combined, nor do they form a new concept due to their combination, so each of the said parts can be separately perceived. The said letter part is identical to the registered trademark, “**SIMPAC**,” and is used as is while being distinguished from the said design part and maintaining its identity and independence. Therefore, the “ **SIMPAC**” displayed on the said quotation is recognized as having identity with the registered trademark in this case, in the common understanding of trade.
4. The defendant argues that since the “ **SIMPAC**” displayed on the quotation is the CI (Corporate Identity) of the plaintiff, which is a corporate logo or symbol mark, it cannot be seen as a display of the registered trademark. According to the record, it is acknowledged that the said “ **SIMPAC**” is identical to the CI of the plaintiff and its affiliates, such as SIMPAC Co., Ltd. However, as seen earlier, the “ **SIMPAC**” displayed on the quotation is recognized as having identity with the registered trademark in this case, in the common understanding of trade. The fact that it is identical to the CI does not mean that its display act was solely as a CI and not as a use of the registered trademark. Therefore, the defendant’s argument is unacceptable.

5. In that case, since SIMPAC Co., Ltd., the non-exclusive licensee of the registered trademark, used the registered trademark in Korea for some of its designated goods, ‘mechanical conveyors,’ within 3 years before the date of the trial request in this case, the registered trademark does not fall under Article 119(1)3 of the Trademark Act. Meanwhile, when a trademark cancellation of registration trial is requested for several designated goods at the same time, the designated goods that are the subject of the trial request are treated as an indivisible whole, and the entire request is considered as one. If use is proven for one of the designated goods, the trial request cannot be granted as a whole. It is not the case that only the trial request for the designated good for which use is proven should be dismissed and the request for the rest should be granted (see Supreme Court Decision 2012 Hu3220 decided Feb. 15, 2013, etc.). Therefore, since the plaintiff’s use is recognized as above, the defendant’s trial request in this case should be dismissed in its entirety. The decision in this case is unreasonable as it reached a different conclusion.

Puppy Character (Dal-Li) Case

(Second-One Division) Decision 2024Heo10177, Decided Apr. 24, 2024

Subject Matter	[Trademark Right]  (Class 9: Downloadable Application Software for Smartphones, etc.)
Administrative Decision	IPTAB Decision 2023Dang1980, Decided Nov. 16, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 119(1)3
Relevant Decision	Supreme Court En Banc Decision 2012Hu2463 (Sep. 26, 2013)

Subject Matter of Judgment

A ruling where the court determined that the use of modified versions of a registered trademark—specifically, those omitting the literal component or altering the expression and posture of the canine figure—did not constitute legally recognizable use of the registered mark itself.

Case Summary and Issues

The defendant filed a trial with the IPTAB against the plaintiff, seeking the cancellation of registration of the registered trademark on the grounds that there is no evidence to acknowledge that the registered trademark was legitimately

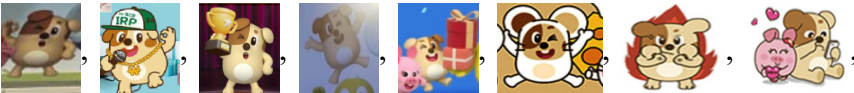

used in Korea within three years before the date of the cancellation trial request for some of its designated goods, such as downloadable computer programs and computer software. As the plaintiff did not provide any response, the IPTAB granted the defendant's trial request on the grounds that the plaintiff did not prove that it had legitimately used the registered trademark for one or more of the designated goods subject to cancellation or that there was a justifiable reason for not using it.

Summary of Decision

The claim was dismissed.


The registered trademark is a mark combining a puppy design and the English letters 'Dal-Li.' It is the shape of a brown-spotted puppy running with both hands raised, and it wears a name tag with the name 'Dal-Li' on its chest. Among these, the English letters 'Dal-Li' indicate the name of the puppy design, and the registered trademark is pronounced [talli] ([^ㄷ_ㄹ^리]). Therefore, it is a part that has distinctiveness and cannot be seen as merely a supplementary part.


However, among the Actually Used Marks used within 3 years before the date of the


trial request, , , have the English letters 'Dal-Li' part omitted, and the



appearance, such as the expression and posture of the puppy design, is different from the registered trademark. Therefore, it is difficult to see that a trademark identical to the registered trademark was used.

And among the said Actually Used Marks, ‘’ does have the addition of

letters, “,” which is the Hangeul notation of Dal-Li, but the appearance, such as the expression, posture, and clothing of the puppy design, and the presence or absence of a name tag, is different, and the location and form of the letter notation are also different from the registered trademark. Therefore, it is difficult to see that a trademark identical to the registered trademark was used.

Also, among the said Actually Used Marks, ‘’ has a shape that can be seen as identical to the puppy design of the registered trademark, but the English letters ‘Dal-Li’ part is omitted, and it was used on a paper bankbook. Therefore, it is difficult to see that a trademark identical to the registered trademark was used on the designated goods subject to cancellation. Furthermore, since the

plaintiff has registered a trademark () consisting only of the puppy design part, excluding the English letters ‘Dal-Li’ part of the registered trademark, there is also room to see that the mark consisting only of the puppy design as above is a use of the said design trademark.

The Actually Used Marks (, ) in Exhibit A Nos. 9 and 11, which the plaintiff submitted while claiming to have used the registered trademark combining a design and letters, appear to have been used on promotional freebies for marketing. However, there is no data to know for which product among the designated goods subject to cancellation they were used as promotional freebies, nor is there any data to see that they were used within 3 years before the date of the trial request. The appearance, such as the expression and posture of the

puppy design and the presence or absence of a name tag, is also different from the registered trademark. In that case, it cannot be seen that a mark having identity with the registered trademark was used on the designated goods subject to cancellation within 3 years before the date of the trial request.

WENXI Case

(Second-One Division) Decision 2023Heo14035, Decided May 29, 2024

Subject Matter	[Trademark Right] 원시 (Class 43: Tourist Restaurant Services, etc.)
Administrative Decision	IPTAB Decision 2021Dang3596, Decided Oct. 6, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 119(1)3
Relevant Decisions	Supreme Court Decision 2010Hu3080 (Jul. 28, 2011); Supreme Court Decision 89Hu759 (Dec. 12, 1989); Supreme Court Decision 2000Ma4424 (Nov. 13, 2002); Supreme Court Decision 95Hu19 (Jun. 14, 1996); Supreme Court Decision 92Hu377 (Oct. 27, 1992)

Subject Matter of Judgment

A case where it was judged that it is difficult to see that the registered trademark in this case was normally providing or scheduled to provide services in Korea with respect to its designated goods, ‘tourist restaurant services’

Case Summary and Issues

The plaintiff filed a trial with the IPTAB against the defendant, seeking the

cancellation of registration of the trademark on the grounds that the registered trademark had not been legitimately used in Korea within 3 years before the date of the cancellation trial request for its designated good, ‘tourist restaurant services.’ However, the IPTAB dismissed the plaintiff’s trial request on the grounds that the defendant’s production of a business card displaying the registered trademark in relation to ‘tourist restaurant services’ should be seen as an act of publicizing the registered trademark, and that the defendant, having completed corporate registration as ‘Wenxi Co., Ltd.,’ sold local Jeju dishes such as gogi-guksu (pork noodle soup) and Udo peanut makgeolli at the defendant’s store, thus using the registered trademark for its designated good, ‘tourist restaurant services.’

Summary of Decision

The administrative decision was revoked.

1. Considering the circumstances below, it is difficult to see that the defendant used the registered trademark for its designated good, ‘tourist restaurant services,’ within 3 years before the date of the cancellation trial request.
 - a. ‘Tourist restaurant services’ is a ‘business that mainly provides food and meal services to visitors at tourist or travel destinations,’ and at a minimum, it should have food service facilities and provide food to visitors. However, according to photos of the defendant’s store that appeared in blog posts before the date of the cancellation trial request, it appears to have mainly sold Jeju specialty products and small items. Although there is a cafe next to the checkout counter, it does not appear to have cooking facilities to the extent that it could be called a ‘restaurant,’ nor does it seem to be equipped

with customer service facilities such as tables and chairs for visitors to eat food.

- b. Although Jeju specialty products such as ‘gogi-guksu’ and ‘Udo peanut makgeolli’ were sold at the defendant’s store, among them, ‘gogi-guksu’ was a meal kit-type product processed from gogi-guksu, which the purchasing consumer had to cook separately to eat, and ‘Udo peanut makgeolli’ was a product sold in the form of a gift or souvenir. Therefore, it is difficult to see them as food provided in a tourist restaurant service.
- c. The signs of the defendant’s store are marked ‘Seonmulgopang (Gift storage)’ and ‘Gamseongsopum Jeju-teuksanpum (Sentimental props Jeju specialty products).’ In light of the titles and content of blog posts introducing the defendant’s store, such as ‘Seonmulgopang Hamdeok Branch Jeju Souvenir Shop, this is the place!’ and ‘Today, I’m going to introduce the Seonmulgopang Hamdeok Branch, a Jeju souvenir shop,’ it appears that consumers also perceive the defendant’s store as a souvenir shop or a prop shop, not a restaurant.
- d. Although the defendant did produce a business card around October 8, 2021, which displayed the registered trademark ‘Wenxi’ together with the description ‘Jeju Traditional Food Specialty Restaurant,’ there is no evidence to acknowledge that the defendant distributed it. Therefore, it is difficult to see that the registered trademark was used for ‘tourist restaurant services’ by being advertised, displayed, or distributed. Even if the fact of the said business card distribution is acknowledged, as seen earlier, there is no objective data to see that the defendant has operated a ‘tourist restaurant service’ to date, so such an act cannot be seen as an act of using the


registered trademark.

2. The defendant also argues, as a preliminary matter, that in light of the business registration certificate, business report certificate, photos of the exterior sign and entrance door of the establishment, and photos of the cafe kitchen and interior, the use of the registered trademark for ‘tourist restaurant services’ was scheduled before the date of the cancellation trial request, and therefore corresponds to a legitimate use of the registered trademark. However, considering the circumstances below, it is difficult to see that it was normally providing or scheduled to provide services in Korea with respect to its designated good, ‘tourist restaurant services.’
 - a. Although it is acknowledged that the defendant completed business registration and a business report about one month before the date of the trial request and produced a business card displaying the registered trademark, this cannot be seen as an act of displaying and distributing the registered trademark in an advertisement for tourist restaurant services.
 - b. The evidence submitted by the defendant, while claiming to have displayed the registered trademark on the store sign and entrance door and to have equipped customer service facilities. was, even according to the defendant’s claim, taken on August 18, 2022, after the date of the trial request. There is no data to suggest that the defendant operated its store in such a form before that. Rather, in Naver blog posts written after August 18, 2022, it is difficult to find tables and chairs like those shown in the photos of the interior of the defendant’s store.
 - c. In that case, the defendant’s completion of business registration and a business report just before the date of the trial request, and the display of

‘Wenxi Co., Ltd.’ on the store sign and entrance door and the placement of tables and chairs after the date of the trial request appear to be nominal acts to avoid the cancellation of the registered trademark for non-use.

010PAY Case


(Fifth Division) Decision 2023Heo13346, Decided Apr. 25, 2024

Subject Matter	[Trademark Right]  010PAY
Administrative Decision	IPTAB Decision 2021Dang2337, Decided Jul. 12, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 119(1)3
Relevant Decision	Supreme Court Decision 2021Do2180 (Mar. 17, 2022)

Subject Matters of Judgment

1. The meaning of ‘goods’ in ‘use of a trademark’ under the Trademark Act.
2. Whether the mobile application (hereinafter ‘the app in this case’) that operates on the Android operating system (OS) of smart devices in relation to the ‘010PAY’ service corresponds to goods under the Trademark Act (Affirmative).

Case Summary and Issues

The plaintiff filed a trial for cancellation of trademark registration against the defendant, the trademark owner of the registered trademark “  **010PAY** ” (designated goods: downloadable computer programs, etc.), asserting that ‘the registered trademark should be canceled under Article 119(1)3 of the Trademark

Act because it has not been used in Korea for 3 consecutive years or more before the date of the cancellation trial request for all of its designated goods by any of the trademark owner, exclusive licensee, or non-exclusive licensee (hereinafter 'trademark owner, etc.')

 without a justifiable reason.'

The IPTAB issued the decision dismissing the plaintiff's trial request on the grounds that 'the registered trademark was legitimately used in Korea by the defendant within 3 years before the date of the trial request for its designated good, "computer application software for mobile phones," and therefore does not fall under Article 119(1)3.' The plaintiff then filed this lawsuit seeking the cancellation of the trial decision.

The plaintiff argued that 'the app in this case,' which the defendant claims is the goods of use, is not an object of an independent commercial transaction with exchange value but merely a means for providing the service business operated by the defendant. Therefore, its use cannot be seen as use for 'computer application software for mobile phones,' one of the designated goods of the registered trademark.

Summary of Decision

The claim was dismissed.

1. Whether the App in this Case Corresponds to Goods under the Trademark Act

a. Relevant Law

The 'goods' referred to in 'use of a trademark' under the Trademark Act should mean an article that itself has exchange value and is an object of an independent commercial transaction. Therefore, 'an article that serves as an advertising medium,' which is distributed free of charge to customers along

with or separate from the goods for the purpose of advertising, sales promotion, or providing services to customers, and has no possibility of being distributed in the trading market, cannot be seen as an article that itself has exchange value and is an object of independent commercial transaction, even if a trademark is displayed on that article, unless there are special circumstances such as being able to recognize that it is used as a source indicator of the advertised goods by other letters or designs, etc., other than the trademark displayed on the article. Therefore, displaying a trademark on such an article cannot be said to be a use of the trademark (see Supreme Court Decision 98Hu58, decided June 25, 1999; Supreme Court Decision 2021Do2180, decided March 17, 2022).

b. Judgment

It is reasonable to view that the app in this case is an article that itself has exchange value and is an object of independent commercial transaction, and thus corresponds to 'goods' under the Trademark Act. The reasons are as follows:

- 1) The app in this case is a mobile app developed and launched targeting prepaid phone charging service providers (hereinafter 'retailers')¹⁾ The defendant developed the app so that retailers could easily provide prepaid phone charging services regardless of the customer's telecommunication company. Specifically, since the operators providing telecommunication services for prepaid phones (hereinafter 'telecommunication companies') each have their own charging methods, retailers had difficulty in

1) 'Retailers,' for convenience, as it is common for prepaid phone sellers to open a communication line for the customer when selling a prepaid phone and to provide the initial charging service for calls, texts, or data.

understanding all of them and providing the prepaid phone charging service by figuring out the appropriate charging method for the customer's telecommunication company. In particular, the defendant developed the app, taking note of the difficulties retailers were facing in providing prepaid phone charging services through an app, as some telecommunication companies launched their own apps while others did not launch any at all.

2) Looking at the usage method and cost flow of the app, a retailer can use the functions provided by the app only after downloading the app, going through the membership registration process, and depositing a deposit of 50,000 KRW or more into the virtual account assigned to that account. That is, after depositing the deposit as above, the retailer enters the customer's mobile phone number and the amount requested for charging by the customer (e.g., 10,000 KRW) into the app, selects the customer's telecommunication company, and then presses the "charge" button. The customer's prepaid phone is then charged with data, etc., equivalent to that amount provided by the telecommunications company. The retailer earns a profit (e.g., 10,000 KRW – 8,800 KRW = 1,200 KRW) as only a discounted amount (e.g., 8,800 KRW) is deducted from the deposit, and on the other hand, the defendant earns a profit (e.g., 8,800 - 8,300 KRW = 500 KRW) by paying the telecommunications company an even more discounted amount (e.g., 8,300 KRW).

In that case, although the app does not require any payment for downloading it, since the deposit is essential for the user to substantially enjoy the functions provided by the app, and the defendant earns a certain profit from this, this series of processes can be evaluated as the user having

paid a price for the app.

- 3) As seen earlier, the app enables the provision of a prepaid phone charging service regardless of the telecommunications company, and in that respect, it can be seen as an independent article with a certain value in itself, being provided in trade. In fact, as seen earlier, the app appears to be actively downloaded from app markets such as Google Play.
- 4) In response, the plaintiff argues to the effect that the defendant's revenue structure for the app does not correspond to any of the five models presented in Google's guide to app monetization strategies, namely ① the paid app model, ② the free app with in-app purchases model, ③ the free app with a subscription model, ④ the partnership model (advertising revenue model), and ⑤ the model of providing both a free and a paid version of the app, and is completely different from the general app monetization method. Therefore, the app is not an object of independent commercial transaction with exchange value.

However, since the five app monetization models presented by Google are merely examples, even if the app does not correspond to one of the five app monetization models presented by Google, as long as the user pays a certain price in the process of using the app and the defendant can earn a certain profit from this, it is reasonable to view that the app corresponds to an object of commercial transaction with an independent exchange value. Therefore, the plaintiff's above argument is unacceptable.

2. Whether the app was used for the designated goods of the registered trademark
 - a. Plaintiff's Argument

The defendant is a facilities-based telecommunications business operator registered as a ‘non-facilities-based telecommunications business operator’ under the Telecommunications Business Act and has been providing ‘concentration of lines, re-billing, and mobile virtual network’ communication services through the app. That is, the app and the webpage are merely items provided for the use of the intangible services provided by the defendant and advertisements for them. Therefore, even if the registered trademark was displayed on the app and the webpage, this should be seen not as use for ‘computer application software for mobile phones’ in Class 9, one of the designated goods of the registered trademark, but as use for ‘data communication brokerage services, telephone brokerage services’ in Class 38 (services). Therefore, the registered trademark was not used for its designated goods.

b. Judgment

For the reasons below, it is reasonable to view that the registered trademark was used for its designated good, ‘computer application software for mobile phones.’ Even if there is room to see the display of the registered trademark on the app as a use related to service businesses such as ‘data communication brokerage,’ that circumstance alone does not negate the use for ‘computer application software for mobile phones,’ the designated good of the registered trademark. Therefore, the plaintiff’s above argument is unacceptable.

- 1) The defendant is a company established on November 17, 2000, for the purpose of developing and manufacturing computer software, hardware, etc. The defendant developed and distributed the app, and after registering

the app on Google Play, performed several updates. It appears that the defendant is the source of the app as a product, as well as the subject of the production and quality control of the app.

- 2) Google Play is an app market where mobile applications based on Android, like the app in this case, can be registered. An app market is a digital platform that allows developers to register and sell the apps they have developed, and consumers to purchase apps. It is likely that consumers who download apps through an app market, including the app in this case, will perceive the downloadable app registered in the app market itself as the object of the transaction.
- 3) The app provides a function that automatically processes the charging just by the user entering the customer's phone number, the telecommunication company, and the amount to be charged. It is likely that the user who downloads the app will perceive the functions provided by the app as above as the function or utility of the app itself.

CANTEEN Case

(Fifth-One Division) Decision 2023Heo11005, Decided Oct. 12, 2023

Subject Matter	[Trademark] CANTEEN
Administrative Decision	IPTAB Decision 2021Dang919, Decided Feb. 23, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provisions	Trademark Act, Article 119(1)3, 119(3)
Relevant Decisions	Supreme Court Decision 2002Do3445 (Apr. 11, 2003); Supreme Court Decision 2011Do13441 (Feb. 14, 2013)

Subject Matter of Judgment

Whether a shape or pattern, which can be a design, can also be seen as having been used as a trademark (Affirmative)

Case Summary and Issues

The plaintiff filed a trial for cancellation of registration of the registered service mark against the defendant, the service mark owner, asserting to the effect that ‘the registered service mark should be canceled under Articles 119(1)3 and 119(3) of the Trademark Act because it has not been used in Korea for 3 consecutive years or more before the date of the cancellation trial request for all of its designated services by any of the service mark owner, etc., without a

justifiable reason.’ However, the IPTAB issued the decision in this case dismissing the plaintiff’s trial request on the grounds that ‘the registered service mark was legitimately used in Korea by the defendant within 3 years before the date of the cancellation trial request for its designated services of self-service restaurants, restaurants, and rest lounges.’

The plaintiff then filed this lawsuit seeking the cancellation of the trial decision, arguing that the facts of use presented by the defendant, while claiming to have used the registered service mark on its designated goods, were merely used decoratively or descriptively without the intention of the service mark owner to use it as an identification mark for their services versus others. Although they may formally appear to be the use of a service mark, they were used in an employee-only cafeteria, which is not an object of an independent commercial transaction and is not normally distributed, and this is merely a nominal use to avoid cancellation for non-use. Therefore, the plaintiff argued that the registered service mark falls under Article 119(1)3 of the Trademark Act.

Summary of Decision

The claim was dismissed.

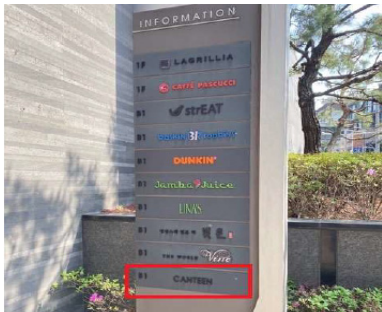

1. Relevant Law

Design and trademark are not in an exclusive or selective relationship. Therefore, even if a shape or pattern can be a design, if it can be seen as a mark used to distinguish one’s own goods from those of others, i.e., for the purpose of indicating the source of the goods, which is the essential function of a trademark, the use of such a mark should be seen as use as a trademark (see Supreme Court Decision 2000Hu68, decided Dec. 22, 2000; Supreme

Court Decision 2010Da58261, decided Mar. 28, 2013, etc.). Whether the said mark was used as a trademark should be judged based on whether the displayed mark is being used as an identification mark for the goods in the actual trading process, by comprehensively considering the relationship between the mark and the goods, the location and size of the display on the goods, etc., the state of use of the said mark, the notoriety and fame of the registered trademark, and the user's intention and circumstances of use (see Supreme Court Decision 2002Do3445 decided Apr. 11, 2003; Supreme Court Decision 2011Do13441 decided Feb. 14, 2013, etc.).


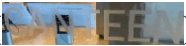
2. Established Facts

The defendant displayed the actually used trademark 1, 'CANTEEN', on a structure (hereinafter 'the structure in this case') installed outside a building located in Yangjae-dong, Seocho-gu, Seoul, which is used as the headquarters building of the SPC Group (hereinafter 'the building in this case') (hereinafter 'use 1'), and displayed the actually used trademark 2, 'CANTEEN', on the glass entrance door of a store located inside the said building (hereinafter 'the store in this case') (hereinafter 'use 2').


Division	Use 1	Use 2
Image		

3. Judgment

The defendant, the service mark owner of the registered service mark, should be seen as having used the Actually Used Marks 1 and 2, which are recognized as having identity with the registered service mark, for ‘self-service restaurant services,’ one of its designated goods, within 3 years before the date of the cancellation trial request. Therefore, it is judged that the registered service mark was legitimately used in Korea by its service mark owner within 3 years before the date of the cancellation trial request. The specific reasons are as follows:

- a. The Actually Used Mark 1 () is completely identical in composition to the registered service mark (**CANTEEN**), and the Actually Used Mark 2 () is a trademark that only differs in color from the registered service mark (**CANTEEN**). By Article 225(1) of the Trademark Act, both are recognized as the same trademark as the registered service mark.
- b. The defendant has been operating a business that can be seen as identical to ‘self-service restaurant services’ under prevailing commercial standards by operating a cafeteria at the store in this case. The Actually Used Marks 1 and 2 appear to have been used around 2020, which is within 3 years before the date of the cancellation trial request (March 24, 2021).
- c. Considering that the distance from the structure in this case to the building in this case is very short, that the structure in this case visually conveys certain information about the stores located in the building, that buildings typically have notice boards, etc., at their entrance or lobby wall to guide

what services the stores located in the building provide, and that the place where the structure is installed is a place that can be easily witnessed by an unspecified number of people passing by on the street, it can be seen that the structure in this case corresponds to an ‘advertisement (sign)’ for the designated service by visually conveying the information that the store providing the self-service restaurant service is located on the first basement floor of the building. Displaying the Actually Used Mark 1 on the structure is recognized as use of the registered service mark for its designated service, ‘self-service restaurant services.’

- d. While the registered service mark is colored in black (**CANTEEN**), the Actually Used Mark 2 is in a grayish achromatic color () , so it appears that there was also a design consideration to convey a subtle aesthetic feeling in Use 2. However, considering that design and service mark are not in an exclusive or selective relationship, that circumstance alone cannot be used to acknowledge that there was only an intention to use the Actually Used Mark 2 as a design in Use 2.
- e. It is acknowledged that ‘CANTEEN’ has the dictionary meaning of ‘cafeteria (in a factory, school, etc.).’ However, in light of the English education level of the general public in our country, there is no data to see that the said English word would directly indicate the designated service of the registered service mark, ‘self-service restaurant services.’ Adding to this the state of use of the Actually Used Mark 2 as examined earlier and the state of use of the other marks displayed alongside the Actually Used Mark 1 on the structure (each is colorfully designed with different fonts and

colors), it is difficult to acknowledge with that fact alone that the Actually Used Marks 1 and 2 were used solely for the purpose of objectively conveying the meaning of ‘canteen.’

- f. According to Use 1, it is difficult to see that the business target of the store is limited to the employees employed by the companies located in the building. Rather, it appears to also target the unspecified number of people passing by the building. With only the evidence submitted by the plaintiff, it cannot be concluded that the store is completely blocked from public access. Furthermore, even if the store provided self-service restaurant services only to the employees employed by the companies located in the building, as the plaintiff claims, that circumstance alone cannot be seen as making the use of the service mark in relation to the services provided at the store a nominal use to avoid cancellation for non-use.

KASTKING Case

(Fourth-One Division) Decision 2021Heo2731, Decided Nov. 15, 2023

Subject Matter	[Trademark Right] KASTKING
Administrative Decision	IPTAB Decision 2020Dang2542, Decided Mar. 18, 2021
Category	Cancellation of Registration (Trademark)
Relevant Provisions	Trademark Act, Article 119(1)3, Article 119(5), Article 119(6); Former Trademark Act (before amendment by Act No. 14033 of Feb. 29, 2016), Article 2
Relevant Decisions	Supreme Court En Banc Decision 2012Hu2463 (Sep. 26, 2013); IP High Court Decision 2022Heo114 (Aug. 23, 2023); IP High Court Decision 2020Heo3997 (Dec. 18, 2020)

Subject Matters of Judgment

1. For a case where the trial was requested after the enforcement of the amended Trademark Act by Act No. 14033 (September 1, 2016), amended provisions regarding the trial request, such as Article 119(1)3 of the same Act, must be applied
2. A customs declaration of a trademark cannot be seen as an act of using the trademark in an advertisement to indicate the source of one's own goods.

Case Summary and Issues

The defendant filed a trial for cancellation of trademark registration against the plaintiff with the IPTAB on August 24, 2020. The IPTAB granted the defendant's trial request in the decision in this case on the grounds that the evidence submitted by the plaintiff was insufficient to acknowledge the trademark use claimed by the plaintiff. The plaintiff then filed a lawsuit seeking the cancellation of the decision, claiming the customs declaration of the trademark, etc., as an act of trademark use.

The decision in this case cited the former Trademark Act (before full amendment by Act No. 14033 of Feb. 29, 2016, hereinafter the same) Article 73(1)3 as the applicable law, and the appropriateness of this application of the law became an issue to be examined *ex officio*.

Summary of Decision

The claim was dismissed.

1. Although the decision in this case cites former Trademark Act (before full amendment by Act No. 14033 of Feb. 29, 2016, hereinafter the same) Article 73(1)3 as the applicable law, for the cancellation trial request in this case made by the defendant after the enforcement of the said amended Trademark Act, Act No. 14033 (September 1, 2016), the amended provisions regarding the trial request, such as Article 119(1)3 of the same Act, must be applied.
 - a. The main text of Addenda Article 2(2) of the said amended Trademark Act provides that 'the amended provisions concerning a request for a trial of this Act shall begin to apply from the cases where a request for a trial is made after this Act enters into force.' Also, Article 119(1)3 of the said

amended Trademark Act stipulates that ‘a trial to revoke the trademark registration may be requested,’ making it clear that it is an amended provision concerning trial requests.

- b. The main provisions concerning trial requests before and after the said amended Trademark Act have the following differences. That is, ① former Trademark Act Article 73(6) (main text) and 73(1)3 stipulated that if ‘Where a trademark rights holder, an exclusive or non-exclusive licensee fails to use the registered trademark on the designated goods in the Republic of Korea without justifiable grounds, for three or more years consecutively before a trial for revocation is requested,’ ‘an interested party only’ may request a trial for revocation of trademark registration and 73(7) stipulated that when ‘a trial decision’ that trademark registration be revoked ‘becomes final and conclusive,’ trademark rights shall be extinguished from that time onward. When a ‘decision’ to cancel a trademark registration ‘becomes final and conclusive,’ the trademark right is extinguished from that time onward. ② In contrast, the said amended Trademark Act Articles 119(5) (main text) and 119(1)3 stipulate that in the same case, ‘any person’ may request a trial for cancellation of that trademark registration, and the proviso of Paragraph 6 of the same article stipulates that if a decision to cancel on the grounds of falling under the said case becomes final and conclusive, the right is deemed to have been extinguished on ‘the date the trial is requested.’
- c. The purpose of the trademark registration cancellation trial system is to rectify the potential adverse effects that can arise from adopting a registration system that allows a trademark to be registered regardless of use

as long as it meets certain requirements, and to expand the opportunity for others to choose trademarks, by imposing an obligation on the trademark owner or licensee to use the registered trademark on the designated goods and allowing the trademark registration to be canceled as a sanction for not using the trademark for a certain period (see Supreme Court en banc Decision 2012Hu2463 decided Sep. 26, 2013, etc.). Since the obligation to use a trademark is imposed for a specific period, with cancellation of the registration serving as a sanction for its violation, the amended provision concerning requests for a trademark registration cancellation trial must also be applied to trademarks that were filed and registered prior to the amendment to ensure that such sanctions for non-use can be appropriately enforced.¹⁾

[It should be additionally noted that a clear distinction must be made between applying the amended provision concerning trial requests, namely Article 119(1)3 of the amended Trademark Act, and applying the definition of ‘use’ from the former Trademark Act (former Trademark Act Article 2(1)7) to the term ‘use’ contained within the text of that same subparagraph, based on provisions such as Article 9 (General Transitional Measures) of the Addenda to the amended Trademark Act, which presupposes the application of the amended trial provisions. The applicability of the amended provisions for

1) IP Hight Court Decision 2022Heo114 decided Aug. 23, 2023 also ruled that it is reasonable to apply the provisions of the current Trademark Act that were in effect at the time of the cancellation trial request, considering that ① the reason for a trademark registration cancellation trial is a subsequent reason of ‘non-use’ after trademark registration, and ② the main text of Addenda Article 2(2) of the said amended Trademark Act stipulates that ‘the amended provisions concerning a request for a trial of this Act shall begin to apply from the cases where a request for a trial is made after this Act enters into force.’

trial requests should not be conflated with and determined by the transitional measures governing the amendment of the definition of ‘use’ (see IP High Court Decision 2020Heo3997, rendered on December 18, 2020)].

2. A customs declaration of a trademark, as stipulated in Article 235(2) of the Customs Act, is intended to facilitate efficient enforcement against goods that infringe trademark rights at the customs clearance stage of import/export goods. The act of such customs declaration is also aimed at preemptively preventing the unauthorized use of the registered trademark by others. In short, absent special circumstances, the act of filing such a customs declaration cannot be deemed an act of advertising, whereby the trademark right holder or its licensee uses the trademark to indicate the source of their goods. Rather, it is proper to view it as merely a preparatory measure for the exercise of the right to enjoin infringement. In response, the Plaintiff argues that because the details of the customs declaration of the trademark right can be freely searched through the Korea Customs Service’s electronic clearance system, this constitutes an act of advertising. However, this reason alone is insufficient to consider the act of filing the customs declaration as an act of use—whereby the trademark right holder or its licensee uses the trademark to indicate the source of their goods—as one of the forms of advertising stipulated in former Article 2(1)7(c) of the Trademark Act.

TIRR LIRR Case

(Fifth Division) Decision 2023Heo13971, Decided May 9, 2024




Subject Matter	[Trademark Right] Tirr Lirr
Administrative Decision	IPTAB Decision 2022Dang2403, Decided Sep. 1, 2023
Category	Cancellation of Registration (Trademark)
Relevant Provision	Proviso of Article 119(3) of Trademark Act
Relevant Decision	Supreme Court Decision 2001Hu188 (Apr. 24, 2001)

Subject Matter of Judgment

Whether a trademark right holder's non-use of a registered trademark constitutes 'justifiable reason' for non-use when said holder was concurrently engaged in invalidation trial proceedings against a senior registered trademark that is identical or similar to their own (Affirmative)

Case Summary and Issues

The defendant filed a trial for cancellation due to non-use against the plaintiff's registered trademark ( Tirr Lirr). The IPTAB issued a decision canceling the registered trademark under Article 119(1)3 of the Trademark Act, judging that the plaintiff had not used the registered trademark for its designated goods,

cosmetics, for 3 years before the date of the trial request, and there was no justifiable reason for the non-use. The plaintiff then filed a lawsuit to cancel the decision, arguing that there was a justifiable reason for the non-use of the trademark.

The issue in this case is whether there is a justifiable reason for the plaintiff not using the registered trademark, thus falling under the proviso of Article 119(3) of the Trademark Act.

Summary of Decision

The administrative decision was revoked.


1. Relevant Law

Articles 119(1)3 and 119(3) of the Trademark Act stipulate the trial for cancellation of registration of a trademark due to non-use, serving to promote the use of trademarks and to act as a sanction against non-use. A ‘justifiable reason’ for non-use of a trademark includes not only cases where business cannot be conducted due to force majeure such as illness or other natural disasters, but also cases where the non-use is not attributable to the trademark right holder, such as legal regulations, sales prohibitions, or state-imposed import restrictions that prevent the designated goods of the registered trademark from being traded generally and normally in the domestic market (see, e.g., Supreme Court Decisions 80Hu70, rendered February 23, 1982, and 2001Hu188, rendered April 24, 2001).

2. Specific Judgment

It is reasonable to conclude that the plaintiff, the trademark owner of the

registered trademark, had a justifiable reason for not having used the registered trademark for the designated goods subject to cancellation within three years before the date of the cancellation trial request. The specific reasons are as follows:

- a. If a trademark owner obtains registration for a trademark (hereinafter ‘junior-filed registered trademark’) that is identical or similar to another person’s prior-filed registered trademark and uses it on goods identical or similar to the designated goods of the prior-filed registered trademark without the consent of the prior-filed registered trademark owner, the affirmative effect of the junior-filed registered trademark is limited, and infringement of the prior-filed registered trademark is established regardless of whether the invalidation decision for the junior-filed registered trademark is finalized (see Supreme Court en banc Decision 2018Da253444 decided March 18, 2021).
- b. The plaintiff’s registered trademark “” corresponds to a junior-filed registered trademark in relation to the defendant’s trademarks “Tirr Lirr” and “티르리르.” Since the registered trademark and the defendant’s trademarks are similar in their marks, if the plaintiff uses the registered trademark on its designated goods subject to cancellation, cosmetics, this corresponds to using a trademark similar to the defendant’s trademarks on designated goods identical or similar to the designated goods of the defendant’s trademarks. Unless the registration of the defendant’s trademarks is invalidated, it is highly likely to constitute an infringement of the defendant’s trademarks. Trademark infringement is a criminal offense

(Trademark Act, Article 230), and it is not complaint-based, meaning prosecution can occur without a complaint from the victim.

- c. The plaintiff obtained trademark registration for the registered trademark on August 26, 2019, and less than two months later, on October 8, 2019, filed a request for a registration invalidation trial against the defendant's trademarks. The IPTAB dismissed the part of the invalidation trial for the designated goods identical or similar to the designated goods subject to cancellation, cosmetics, among the designated goods of the defendant's trademarks. The said decision was later canceled by the IP High Court, and on January 27, 2022, the said decision of cancellation was finalized by a judgment of the Supreme Court. In the trial procedure following the said cancellation judgment and the lawsuit to cancel that decision, the defendant submitted new evidence and argued that the judgment of the finalized decision of cancellation should be overturned. The final invalidation decision for the defendant's trademarks was finalized on July 27, 2023, nearly four years after the date of the initial registration invalidation trial request.
- d. It cannot be seen that the plaintiff's use of the registered trademark during the period when the invalidation trial against the defendant's trademarks was in progress was an act absolutely prohibited by law. This is because if the defendant were to file a civil lawsuit alleging trademark infringement or be prosecuted for violating the Trademark Act for the plaintiff's act of using the registered trademark on cosmetics, there is also a possibility that the plaintiff could avoid liability for trademark infringement by submitting a

defense of abuse of rights based on the grounds for invalidation of registration of the defendant's trademarks.

However, the 'case where the registered trademark's designated goods cannot be generally and normally traded in Korea due to legal regulations, etc.,' which the Supreme Court has exemplified as one of the 'justifiable reasons' for trademark non-use in the proviso of Article 119(3) of the Trademark Act (see Supreme Court Decision 2001Hu188 decided April 24, 2001, etc.), should not necessarily be limited to cases absolutely prohibited by law. If a trademark owner uses a junior-filed registered trademark before the invalidation decision for a senior registered trademark identical or similar to their own junior-filed registered trademark is finalized, there is a risk of being held liable for civil and criminal infringement for the infringement of the junior-filed registered trademark. Forcing the trademark owner to use the junior-filed registered trademark in a situation where such a risk exists exceeds the degree necessary to achieve the purpose of the non-use cancellation trial system, which is the promotion of the use of registered trademarks and sanctions for non-use, and does not conform to the purpose of the Trademark Act, which is the protection of consumer interests (Trademark Act, Article 1). That is, forcing the trademark owner of a junior-filed registered trademark to use it while knowing that its use constitutes an infringing act of another's trademark right because its mark and goods are identical or similar to the other's senior registered trademark is not only forcing a choice between the extinguishment of the registered trademark for non-use or risking criminal

punishment, but if the trademark owner chose to use the registered trademark, this would result in causing confusion of source to general consumers and traders, and ultimately be contrary to the public interest of protecting consumers.

- e. Furthermore, in this case, the plaintiff did not casually postpone the use of the registered trademark, considering only the abstract and potential possibility that its use could be an infringement of the defendant's trademarks. Rather, the plaintiff sought a fundamental solution promptly and affirmatively by filing a request for a registration invalidation trial against the defendant's trademarks less than two months after the registration of the registered trademark. This can be seen as a more aggressive and preemptive expression of the intention to use the trademark than simply using the registered trademark on cosmetics first and then waiting for the defendant to file a civil lawsuit for infringement of the defendant's trademarks to raise a defense of abuse of rights that the defendant's trademarks are invalid. Moreover, after the Supreme Court judgment of January 27, 2022, when the possibility of invalidation of registration of the defendant's trademarks increased, the plaintiff clearly expressed its intention to use the registered trademark within three years before the date of the cancellation trial request by sequentially proceeding with concrete preparations to use the registered trademark for cosmetics, such as commissioning a cosmetic product packaging design related to the registered trademark, registering as a responsible cosmetics seller, and searching for a cosmetics manufacturing consignment company.

10

Trials to Confirm Scope of Rights

010PAY Case


(Fifth-Two Division) Decision 2023Heo12862, Decided Feb. 1, 2024



Subject Matter	[Trademark Right] 
Administrative Decision	IPTAB Decision 2021Dang2672, Decided Jul. 12, 2023
Category	Scope of Right Confirmation (Trademark)
Relevant Provision	Trademark Act, Article 121
Relevant Decisions	Supreme Court Decision 2018Hu11698 (Apr. 3, 2019); Supreme Court Decision 2010Hu3622 (Jul. 28, 2011)

Subject Matters of Judgment

1. Whether an affirmative scope confirmation trial between two rights is permissible (Negative)
2. Criteria for determining the identity between a mark subject to confirmation and a registered trademark to qualify as a scope confirmation trial between two rights

Case Summary and Issues

The plaintiff, the trademark owner of the registered trademark “ 010PAY” (designated goods: computer application software for mobile phones, etc.), filed a request for an affirmative trial to confirm the scope of rights against the defendant,

who uses the mark for confirmation “” on ‘applications for electronic financial business,’ etc. Meanwhile, the defendant is the trademark owner of the registered trademark “” (designated goods: electronic financial business, etc.).

The IPTAB dismissed the plaintiff’s trial request on the grounds that the plaintiff’s trial request is unlawful as it takes a registered trademark as the mark for confirmation. The plaintiff then filed this lawsuit seeking the cancellation of the trial decision.

Summary of Decision

The claim was dismissed.

1. Relevant Law

A scope confirmation trial is intended to confirm that an unregistered mark for confirmation affirmatively falls within the scope of rights of the registered trademark or negatively does not fall within it, centering on the registered trademark. Therefore, an affirmative trial to confirm the scope of rights regarding another person’s ‘registered trademark as the mark for confirmation’ is unlawful because it would result in negating the effect of the registered right outside of an invalidation of registration procedure, even if the mark for confirmation is identical or similar to the trial requester’s registered trademark. At this time, ‘the registered trademark as the mark for confirmation’ includes not only a trademark identical to the registered trademark but also a case where it is modified to the extent that it does not harm the identity of the trademark as an identification mark in the common

understanding of trade (see Supreme Court Decision 92Hu605, decided Oct. 27, 1992; Supreme Court Decision 2013Hu2316, decided March 27, 2014; Supreme Court Decision 2018Hu11698, decided April 3, 2019, etc.).

Even if the goods on which the mark for confirmation is used are not the designated goods of another person's registered trademark themselves, if they correspond to goods that can be seen as identical under prevailing commercial standards, this should also be seen as corresponding to 'the registered trademark as the mark for confirmation.' Whether goods have identity under prevailing commercial standards should be judged objectively by comprehensively considering the attributes of the goods, such as the quality, use, shape, method of use, distribution channels, and suppliers and consumers of both goods, and the actual conditions of the trade (see Supreme Court Decision 2006Hu2967 decided May 29, 2008; Supreme Court Decision 2010Hu3622 decided July 28, 2011¹⁾).



2. Judgment

For the reasons below, the mark subject to confirmation and its associated product are deemed to be within the scope of identity of the Defendant's registered trademark and its designated goods under prevailing commercial standards. Therefore, it is correct to view that the plaintiff's trial request in this case corresponds to an affirmative trial to confirm the scope of rights regarding the defendant's registered trademark as the mark for confirmation, i.e., a "right vs. right" trial to confirm the scope of rights, and is thus

1) Although the rulings of the Supreme Court, such as Decision 2010Hu3622 decided July 28, 2011, on goods having identity under prevailing commercial standards for judging the identity of goods, are about trademark cancellation of registration cases due to non-use, they can also be applied to the judgment of the identity of the goods of use of the mark for confirmation and the designated goods of the registered goods.

unlawful.


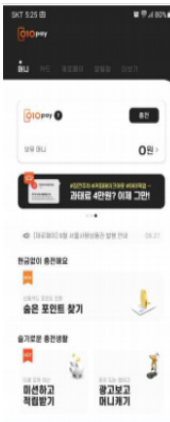


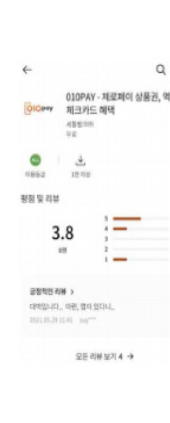
a. Identity of Marks

Mark for Confirmation	Defendant's Registered Trademark
	

Both the mark for confirmation and the defendant's registered trademark are marks combining a design overlapping the first digit '0' of the Arabic numerals and the letters '010pay,' and the composition of the letters and design is identical. However, although the '010' part of the two marks differs in color, red and black, this is within the extent that does not harm the identity of the trademark as an identification mark in the common understanding of trade.

b. Identity between the goods of use of the mark for confirmation and the designated goods of the defendant's registered trademark

Using the mark for confirmation on an application for electronic financial business or a check card, its goods of use, in the manner of use as below, is reasonably seen as corresponding to use for 'electronic financial business' among the designated goods of the defendant's registered trademark. The specific reasons are as follows:


Google Play	Google Play (sub-menu)	Google Play (sub-menu)	App Store	ONE Store
				

- 1) If the designated good of a registered trademark corresponds to a service, unlike a case where a tangible good is the designated good, the trademark cannot be directly used on the service itself since the subject of the mark is the intangible service provided to the consumer. Considering this difference between goods and services, using a trademark that designates a service includes not only displaying the trademark on advertisements, price lists, transaction documents, signboards, or labels related to the service business and exhibiting or distributing them, but also displaying the trademark on items provided for the use of the consumer when the service is provided or on the consumer's items related to the provision of the said service, providing the service using an item on which the trademark is displayed, or exhibiting an item on which the trademark is displayed, which is used for providing the service, for the purpose of providing the service (see Supreme Court Decision 2010Hu3080 decided July 28, 2011).

- 2) Among the designated goods of the defendant's registered trademark, 'electronic financial business' means the business where an electronic financial business operator provides financial products and services to users through electronic devices.²⁾
- 3) Meanwhile, the service related to the charging and use of "010PAY Money" provided by the defendant (hereinafter 'the service at issue')³⁾

-
- 2) According to the Electronic Financial Transactions Act, "electronic financial business entity" means a person who has registered in accordance with the provisions of Article 28 (see Article 2, Subparagraph 4), "electronic financial transaction" means any transaction whereby a financial company or an electronic financial business entity provides financial products and services through electronic apparatus (hereinafter referred to as "electronic financial business") and users use them in a non-facing and automated manner without any direct contact with employees of the financial company or electronic financial business entity (see Article 2, Subparagraph 1). "User" means any person who conducts an electronic financial transaction under a contract concluded with a financial company or an electronic financial business entity for facilitating electronic financial transactions (hereinafter referred to as "electronic financial transaction contract") (see Article 2, Subparagraph 7), and "electronic apparatus" means any apparatus used to transmit or process electronic financial transaction information by electronic means, such as a cash dispenser, automatic teller machine, debit terminal, computer, telephone, or other devices that transmit or process information by electronic means (see Article 2, Subparagraph 8).
- 3) The defendant, on September 18, 2007, registered with the Financial Supervisory Commission for the electronic payment settlement agency business under former Electronic Financial Transactions Act (before amendment by Act No. 8863 of Feb. 29, 2008) Article 28. Since then, it registered with the Financial Services Commission for the payment escrow business on April 8, 2015, and for the prepaid electronic payment means issuance and management business on May 29, 2019, under Electronic Financial Transactions Act (before partial amendment by Act No. 19734 of Sep. 14, 2023, hereinafter the same) Article 28 (Exhibit B No. 3-1, 2). The defendant introduces "010PAY Money" as "a prepaid electronic payment means used when using a check card on/offline, purchasing Zero Pay gift certificates online, or making payments at affiliated merchants. In particular, if you charge it in advance when purchasing Zero Pay gift certificates, you can make a gift certificate payment in two seconds regardless of bank inspection times." (Exhibit B No. 2). It appears that a person who has downloaded the defendant's application can, after going through procedures such as membership registration, charge "010PAY Money" through the application, and use "010PAY Money" as a means of payment for the purchase price when purchasing local love gift certificates, etc., at the regular price or a discounted price within the application, or use "010PAY Money" as a means of payment for the price after receiving goods or services from a third party who has a separate contract with the defendant offline.

appears to be a prepaid electronic payment transaction, a financial service, conducted in a non-face-to-face and automated manner using a smartphone, an electronic device, to the user.

- 4) Displaying the mark for confirmation ‘’, on the defendant’s application related to the service at issue (hereinafter ‘the application in this case’), i.e., an ‘application for electronic financial business,’ registered on Google’s Google Play, Apple’s App store, ONE store, etc., as in the manner of use above, corresponds to an ‘act of displaying the trademark on an advertisement for the service business of electronic financial entity’ or an ‘act of providing the service using an item on which the trademark is displayed, which is provided for the use of the consumer when the electronic financial service is provided.’
- 5) Also, using the mark for confirmation on a check card corresponds to an ‘act of displaying the trademark on an item provided for the use of the consumer when the service is provided or on the consumer’s item related to the provision of the said service.’
- 6) Synthesizing these points, using the mark for confirmation on an application for electronic financial business or a check card as in the manner of use above is reasonably seen as using the mark for confirmation for ‘electronic financial business’ among the designated goods of the defendant’s registered trademark.

T1 COLLAGEN 100 Case

(Fourth Division) Decision 2023Heo13049, Decided Aug. 22, 2024

Subject Matter	[Trademark Right] 티원콜라겐100
Administrative Decision	IPTAB Decision 2022Dang1126, Decided Jul. 20, 2023
Category	Scope of Right Confirmation (Trademark)
Relevant Provision	Trademark Act, Article121
Relevant Decisions	Supreme Court Decision 2010Hu1268 (Sep. 9, 2010); Supreme Court Decision 2006Hu2295 (Jul. 10, 2008); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017)

Subject Matters of Judgment

1. Whether the mark subject to confirmation and the mark in actual use are identical (Affirmative)
2. Whether the mark subject to confirmation was used as a trademark (Affirmative)
3. Whether the registered trademark at issue and the mark subject to confirmation are similar (Affirmative)

Case Summary and Issues

On March 14, 2023, the plaintiffs filed a request for an affirmative trial to confirm the scope of rights with the IPTAB against the defendant, asserting that

‘the mark for confirmation falls within the scope of rights of the registered trademark in this case.’ The IPTAB deliberated this trial request as 2023Dang1126 and then, on July 20, 2023, issued a decision dismissing the plaintiffs’ trial request on the grounds that ‘the mark for confirmation cannot be said to have been used as a trademark, and therefore does not fall within the scope of rights of the registered trademark in this case.’

Summary of Decision

The administrative decision was revoked.

Registered Trademark in This Case	Defendant’s Mark for Confirmation	Actually Used Mark
	티원	

1. Whether the Mark for Confirmation and the Actually Used Mark are Identical (Affirmative)

The differing parts between the mark for confirmation and the Actually Used Mark indicate the properties of the goods of use, cosmetics and collagen masks, and lack distinctiveness. It is difficult to see that they form a new concept or distinctiveness when combined with the mark for confirmation, so it is reasonable to view them as supplementary parts. Therefore, the mark for confirmation is within the scope of identity with the Actually Used Mark.

2. Whether the Mark for Confirmation was Used as a Trademark (Affirmative)

In the trading society of cosmetics, skincare cosmetics, and collagen masks, which are the goods of use for the mark for confirmation, it is difficult to see that ‘Type 1 Collagen’ was abbreviated and written as ‘티원 Collagen.’ Therefore, it cannot be said that the mark for confirmation is directly perceived as meaning ‘Type 1.’ The defendant argues to the effect that the mark for confirmation, which corresponds to the Hangeul transliteration of ‘T1,’ a simple and common mark, lacks distinctiveness. However, even if ‘T1’ corresponds to a simple and common mark, ‘티원’ cannot be seen as a simple and common mark, and it is also difficult to see that ‘T1’ is directly perceived from ‘티원.’ Therefore, the defendant’s argument is without reason.

In light of the position and size where the mark for confirmation is displayed, it is reasonable to view that the defendant is using the mark for confirmation to indicate the source of its goods versus others.

3. Whether the Registered Trademark and the Mark for Confirmation are Similar (Affirmative)

The registered trademark “**티원콜라겐100**” is composed in the same size and font without a space. ‘Collagen’ is used as an ingredient in cosmetics, and ‘100’ can mean that the content of a certain ingredient is 100%. Therefore, the ‘Collagen 100’ part of the registered trademark suggests the raw materials and quality of its designated goods and thus lacks or has weak distinctiveness. On the other hand, ‘티원’ is a coined word and cannot be seen as a simple and common mark, so its distinctiveness is recognized in relation to the designated goods. Therefore, it is reasonable to view that the ‘티원’ part of the registered trademark corresponds to the essential part.

The mark for confirmation is identical in appearance and name to the essential part of the registered trademark, ‘티원,’ and therefore falls within the scope of rights of the registered trademark.

11

Damages

GLASS STORY Case

(Twenty-third Division) Decision 2023Na10471, Decided Nov. 23, 2023

Category	Claim for Injunction against Trademark Right Infringement
Relevant Provisions	Trademark Act, Article 109, Article 110; Fair Transactions in Franchise Business Act, Article 6-2
Relevant Decisions	Supreme Court Decision 2013Da21666 (July 25, 2013); Supreme Court Decision 2006Da6713 (Feb. 1, 2008); Supreme Court Decision 2014Da59712, 59729 (Sep. 30, 2016)

Subject Matter of Judgment

A case where the court judged that even if a preliminary injunction was issued prohibiting the plaintiff from using its trademark, etc., directly or through its franchisees, it cannot be concluded that there was no damage from the trademark infringement during the period from the date of the said preliminary injunction decision until the date the said preliminary injunction decision was canceled

Case Summary and Issues

Both the plaintiff and a non-party company operate eyeglass franchise businesses. The non-party company operated a franchise business using the trademark in this case, which was applied for by its founder, ParkOO, as its business sign. The defendant entered into a franchise agreement with the non-party company on May 22, 2017, and then operated an eyeglass retail

business, etc., using the trademark. The non-party company entered into a transfer agreement for the trademark with ParkOO on April 11, 2018, just before ParkOO stepped down as CEO after a management dispute, but later terminated the said contract. Subsequently, the plaintiff acquired the trademark from ParkOO on January 15, 2019, and on September 22, 2020, registered an information disclosure statement displaying the trademark with the Fair Trade Commission to operate a franchise business and recruit franchisees using the trademark.

The non-party company filed for a preliminary injunction to prohibit the use of the mark of the trademark against the plaintiff. On December 9, 2019, the Seoul Central District Court issued the preliminary injunction decision in this case, granting the non-party company's request. However, on August 26, 2020, after a registration invalidation trial and a lawsuit to cancel the trial decision regarding the trademark between the plaintiff and the non-party company were finalized in the plaintiff's favor, the said preliminary injunction decision was canceled.

Judgment of the First Instance

Seoul Central District Court Decision 2021GaHap515963, decided April 7, 2023,
Partially Granted (both parties appealed)

Summary of Decision

The first instance judgment was partially revoked (defendant's appeal partially granted, amount of damages partially reduced).

The defendant argues that since it did not use the trademark in its business

during the period for which the plaintiff is seeking damages, the plaintiff suffered no damages from trademark infringement. In particular, the defendant argues that since the plaintiff voluntarily canceled the information disclosure statement registered with the Fair Trade Commission on December 9, 2019, immediately after the preliminary injunction decision was issued, and only re-registered the information disclosure statement on September 22, 2020, after the said preliminary injunction was canceled, at least the period from December 9, 2019, to September 22, 2020, during which the plaintiff could not use the trademark for its franchise business, should be excluded from the period for calculating damages. However, for the following reasons, the defendant's argument is not accepted.

- a. The plaintiff, as the franchisor operating a franchise business using the trademark, registered an information disclosure statement to be provided to prospective franchisees in accordance with Article 6-2 of the Franchise Business Act on February 25, 2019.
- b. After acquiring the trademark right, the plaintiff conducted promotional activities to recruit franchisees using the trademark and actually entered into franchise agreements with several franchisees (there is no evidence to support the defendant's claim that the said contracts were merely nominal).
- c. Immediately after the preliminary injunction decision was canceled, on September 22, 2020, the plaintiff again registered an information disclosure statement to operate a franchise business and recruit franchisees using the trademark, and entered into franchise agreements with franchisees.
- d. It is true that there were restrictions on the plaintiff operating a franchise

business using the trademark, etc., from December 9, 2019, when the preliminary injunction decision was issued ordering the plaintiff not to use the trademark, etc., directly or through franchisees, until August 26, 2020, when the said preliminary injunction decision was canceled in the injunction objection case. However, with the above circumstances alone, it cannot be said that no damage occurred to the plaintiff despite the infringing act against the trademark during the period the said preliminary injunction decision was maintained. The reasons are as follows:

- 1) Whether a trademark right has a property value sufficient to be the subject of damages should not be viewed as limited to the period after the successor acquired the said trademark right, but the overall course of use after the said trademark right was registered should be examined. This is because the mere fact that a trademark right has been transferred does not mean that there is an essential change in the distinctiveness or customer appeal that forms the property value of the trademark right.
- 2) The plaintiff's intention to use the trademark was continuously maintained before and after the preliminary injunction decision, and the plaintiff was only unable to use the trademark due to the preliminary injunction decision. However, since the preliminary injunction decision is a preservative measure that establishes a temporary status, and its purpose is merely to form a minimal relationship of rights to facilitate the execution of a judgment obtained later and to avoid damages until then, it is reasonable to view that a trademark right that had property value before the preliminary injunction decision cannot be evaluated as having its property value extinguished solely by the preliminary injunction

decision.

- 3) Meanwhile, if it is viewed that the owner of a trademark, the debtor, suffers no damage from an infringing act while a preliminary injunction prohibiting trademark use is in effect simply because of the injunction, this would lead to the unjust result that anyone could use the said trademark without permission during the period the preliminary injunction is maintained without being held responsible for the infringing act.



V

2024 Leading Case Summaries of IP High Court of Korea

Unfair Competition Prevention and Trade Secret Protection Act



Body Massager Case

(Twenty-fifth Division) Decision 2023Na10082, Decided Aug. 22, 2024

Category	Claim for Damages (Intellectual Property), etc.
Relevant Provisions	Unfair Competition Prevention and Trade Secret Protection Act, Subparagraph 1(j) of Article 2
Relevant Decision	Supreme Court Decision 2005Hu3284 (Sep. 6, 2007)

Subject Matters of Judgment

1. Whether the conduct constitutes misappropriation of information containing an idea as prescribed in Subparagraph 1(j) of Article 2 of the Unfair Competition Prevention and Trade Secret Protection Act (Affirmative)
2. The relationship of liability for damages owed to the plaintiff where Defendant A caused damages by producing and selling the product, and Defendants B and C caused damages by promoting the product, thereby engaging in unfair competition and infringing upon the plaintiff's business interests (Joint and several liability).

Case Summary and Issues

1. From around October 2018, Defendant A received and sold some massagers developed and manufactured by the plaintiff. Defendant A, saying that customer response was good, requested the plaintiff to develop and deliver a new massager. After about two months of research, the plaintiff developed a massager that improved on a design previously registered by the plaintiff and

sent the product's draft and sample to Defendant A via Kakao Talk.

2. The plaintiff and Defendant A discussed the development of a body massager from around January 2019. Defendant A negotiated an exclusive contract with the plaintiff around April 26, 2019, but a contract was not concluded. Shortly thereafter, Defendant A produced, sold, or promoted a product with a shape, pattern, size, and spacing of protrusions identical to the plaintiff's product containing the idea at issue. Meanwhile, Defendants B and C received the product from Defendant A and promoted it for the purpose of selling it.
3. The plaintiff filed a lawsuit seeking damages, etc., asserting that the defendants, after receiving a prototype and drawings from the plaintiff in the course of their transaction, manufactured and sold a product that imitated its shape, and that this constitutes an act of unfair competition under Subparagraph 1(j) of Article 2, etc., of the Unfair Competition Prevention and Trade Secret Protection Act.


First Instance Judgment

Seoul Central District Court Decision 2020GaHap593652, Decided November 24, 2022

The court judged that the defendants' acts correspond to Subparagraph 1(j) of Article 2 of the Unfair Competition Prevention and Trade Secret Protection Act, partially granted the claim for an injunction against production, etc., against the defendants, and partially granted the claim for damages against Defendant A. However, the court dismissed the claim for damages against Defendants B and C (Both parties appealed).

Summary of Decision

Modification of the Judgment of the First Instance

1. Defendant A was provided with the plaintiff's idea at issue, which has economic value, in the course of negotiations regarding the supply of the massager, and produced and sold a product to which the idea was applied in violation of the purpose for which it was provided. Defendants B and C engaged in the act of promoting the product. It is judged that the defendants' acts are conduct of unfair competition corresponding to Subparagraph 1(j) of Article 2 of the Unfair Competition Prevention Act.
2. The defendants argue to the effect that the plaintiff's product was developed under the lead of Defendant A or at least jointly developed by the plaintiff and Defendant A, and therefore, even if Defendant A used the idea at issue, it cannot be seen as an act of unfair competition. However, in light of the following circumstances, the above argument is without reason.
 - a. The plaintiff and Defendant A discussed the development of a body massager from around January 2019. Around February 16, 2019, the plaintiff sent Defendant A a shape of a body massager similar in basic structure and form to the plaintiff's product (, hereinafter referred to as 'the basic model'), urging, 'You must not show this to anyone,' and Defendant A promised this by replying, 'Absolutely.'
 - b. After receiving the photo of the basic model, Defendant A's input consisted of abstract and vague feedback to the plaintiff regarding the plaintiff's idea or, the basic model photo or prototype provided by the plaintiff. The work of designing and shaping it into a concrete product form was handled by the

plaintiff. Considering the Kakao Talk messages exchanged between the plaintiff and Defendant A, the overall shape of the plaintiff's product, the concrete shape or function of the individual parts, the development process of the plaintiff's product, and the role of Defendant A, it is reasonable to evaluate that the plaintiff's product is based on the plaintiff's existing research results accumulated over many years of experience and consists of the plaintiff's idea.

- c. The plaintiff, not Defendant A, designed the plaintiff's product into a manufacturable form, signed a contract with or contacted the actual product manufacturing company, and produced a model. Defendant A negotiated a contract with the plaintiff around April 26, 2019, to exclusively receive the plaintiff's product from the plaintiff, but a contract was not concluded. Less than a month after that, on May 21, 2019, Defendant A applied for a related design registration and received a registration decision on August 21, 2019. From around that time, Defendant A has been producing, selling, or promoting a product with a shape, pattern, size, and spacing of protrusions identical to the plaintiff's product containing the idea at issue.
3. Defendant A, by producing and selling the defendants' products directly or through a third party, and Defendants B and C, by promoting the defendants' products, infringed the design right and committed an act of unfair competition, thereby infringing on the plaintiff's business interests and causing damage. Therefore, the defendants are liable to compensate the plaintiff for the full amount of damages inflicted by infringing on the plaintiff's business interests, under a relationship of joint and several liability.

UIRYEONG County Golf Course Case

(Twenty-fourth-One Division) Decision 2022Na1487 Decided Oct. 18, 2023

Category	Claim for Restitution of Unjust Enrichment, etc.
Relevant Provisions	Patent Act, Article 128(1); Unfair Competition Prevention and Trade Secret Protection Act, Subparagraph 1(m) of Article 2, Subparagraph 1(j) of Article 2; Patent Act, Article 12(2)
Relevant Decisions	Supreme Court Decision 2014Hu2788 (May 14, 2015); Supreme Court Decision 2018Da267252 (Jan. 31, 2019); Supreme Court Decision 2017Hu424 (Jan. 31, 2019); Supreme Court Decision 2018Da267252 (Jan. 31, 2019); Supreme Court Decision 2016Da276467 (Mar. 26, 2020); Supreme Court Decision 2020Da 220607 (Jul. 23, 2020); Supreme Court Decision 98Da 60590 (Nov. 10, 2000)

Subject Matters of Judgment

1. Whether the golf course at issue infringes the patent right for Claim 1 of the invention at issue (Negative)
2. Whether it corresponds to ‘the outcomes, etc. achieved by them through substantial investment or efforts’ as stipulated in Subparagraph 1(m) of Article 2 of the Unfair Competition Prevention and Trade Secret Protection Act (Negative)
3. Applicability of the proviso of Subparagraph 1(j) of Article 2 of the

Unfair Competition Prevention and Trade Secret Protection Act (Affirmative)

4. Judgment on the claim for indication of the copyright holder, etc.
(Negative)

Case Summary and Issues

1. The plaintiff is the patentee of the registered design in this case, related to a golf course system. defendant Uiryeong County developed the golf course in this case on an area of 238,838m², including the site in this case, and has been operating the golf course from July 16, 2008, to the present.
2. ① The plaintiff claimed, against defendant Uiryeong County, an injunction against the infringement of the patented invention, disposal of the golf course, and damages of 300 million KRW, etc., asserting that the defendant constructed the golf course by the method in accordance with the patented invention without obtaining the plaintiff's license to practice, and has been continuously operating it to date, thereby infringing the plaintiff's patent right related to the patented invention. Also, ② the plaintiff claimed, against defendants Arahan Construction and two others, damages of 200 million KRW, etc., as a tort by a third party against a claim, asserting that they excluded the plaintiff, purchased the site, constructed the golf course clubhouse, and then leased it to defendant Uiryeong County, taking enormous rental income.

Judgment of the First Instance

Busan District Court Decision 2020GaHap42565, dated June 8, 2022

The court dismissed all of the plaintiff's claims on the grounds that ① it is

difficult to see that the golf course constructed by defendant, Uiryeong County, includes each element described in the claims of the patented invention and the organic connection relationship between those elements, and ② it is difficult to see that the plaintiff's right was infringed by defendants Arahan Construction and two others through an unlawful method contrary to social order (plaintiff appealed).

Summary of Decision

The appeal was dismissed. / Additional claim was dismissed.

1. Whether there is Infringement of the Patent Right related to Claim 1 of this Case (Negative)

The golf course of defendant Uiryeong County differs from the elements of Claim 1 of this case and therefore does not literally infringe Claim 1. Also, its problem-solving principle cannot be seen as identical to that of Claim 1, and as a result, the effect of Claim 1, which is to install and change various golf courses while preventing forest damage and water pollution, cannot be expected, so it does not fall within the scope of equivalents either.

Therefore, the plaintiff's claim, which is premised on the golf course infringing the plaintiff's patent right related to the patented invention, is without reason and does not require further examination.

2. Whether It Corresponds to 'the Outcomes, etc. Achieved by Them through Substantial Investment or Efforts' as Stipulated in Subparagraph 1(m) of Article 2 of the Unfair Competition Prevention and Trade

Secret Protection Act' (Negative)

- a. Plaintiff's Argument: Defendant Uiryeong County misappropriated the following achievements created by the plaintiff with considerable cost and effort. The plaintiff's achievements are as follows: ① The name 'eco-friendly golf course' was created for the first time in our country by the plaintiff with considerable cost and effort. ② Since 'the golf course in this case' was created by modeling the initial golf course (a golf driving range) made by the plaintiff with considerable cost and effort, the golf course itself also corresponds to an achievement. ③ The 'comprehensive image that the currently constructed golf course has' is also the result of the plaintiff's considerable cost and effort. ④ In addition, being designated as a special zone for regional specialized development and the service results, such as the documents prepared and written by the plaintiff for the designation of the special zone for regional specialized development, also correspond to achievements.
- b. Judgment: Considering that ① the term 'eco-friendly golf course' is merely a name that briefly describes a golf course created by utilizing the natural environment and had been used before, ② it is difficult to acknowledge that the golf course in this case was created by following the initial golf course or that the plaintiff has maintained, repaired, and managed the golf course to build the current image, ③ an administrative act itself cannot be seen as a personal achievement protected by the Unfair Competition Prevention and Trade Secret Protection Act, and ④ it is difficult to see documents submitted to an administrative agency as having independent economic value, the

achievements claimed by the plaintiff cannot be seen as corresponding to achievements protected by Subparagraph 1(m) of Article 2 of the Unfair Competition Prevention and Trade Secret Protection Act, which were created by the plaintiff investing considerable cost or effort.

3. Applicability of the proviso of Subparagraph 1(j) of Article 2 of the Unfair Competition Prevention and Trade Secret Protection Act (Affirmative)

- a. Plaintiff's Argument: The plaintiff 'planned and proposed an eco-friendly golf course construction project' by practicing the patent and utilizing the natural topography as is, and also personally created the 'title of eco-friendly golf course'⁴⁾ for the first time in our country. The said business proposal and name are all ideas with economic value protected by the Unfair Competition Prevention and Trade Secret Protection Prevention and Trade Secret Protection Act. Defendant Uiryeong County obtained a benefit by misappropriating the plaintiff's idea and is therefore liable for damages.
- b. Judgment: Although the plan or business proposal to construct an eco-friendly golf course by utilizing the patent may have room to correspond to an idea with economic value, in light of the fact that at the time the plaintiff delivered the documents for the designation of the special regional zone to defendant Uiryeong County, a number of articles containing content related to eco-friendly golf courses had been published, and research related to eco-friendly golf courses was being actively conducted, it is reasonable to view that the said business plan and proposal claimed by the plaintiff are 'an idea that the person who

4) Page 4 of the Application to Change the Purport and Grounds of Claim decided May 30, 2023.

was provided with the idea already knew at the time of provision or was widely known in the same industry,’ and are thus excluded from protection under the proviso of Subparagraph 1(j) of Article 2 of the Unfair Competition Prevention Act.

4. Judgment on the Claim for Indication of the Copyright Holder, etc. (Negative)

- a. Plaintiff’s Argument: ① The initial golf course planned by the plaintiff can be seen as equivalent to the plaintiff’s work made for hire, and since the golf course in this case used the design drawings and the initial golf course provided by the plaintiff, it corresponds to an extension, renovation, or other modification of the initial golf course or a derivative work. ② Even if the initial golf course is not the plaintiff’s work made for hire, since the co-authors designated the plaintiff as the one to exercise the moral rights, the plaintiff can exercise moral rights over the golf course in this case.
- b. Judgment: However, with only the evidence submitted by the plaintiff, it is difficult to acknowledge the substantial similarity between the initial golf course and the golf course in this case, which is a premise of the ① argument.

Also, the provisions regarding works made for hire are, in principle, not applicable to contracts for work, etc., concerning the creation of works. However, in exceptional cases, such as where the ordering party entirely plans the program and invests the funds, borrowing only the manpower of the developer to entrust the development to them, and the developer who received the entrustment develops and delivers the said program solely for the ordering party, and it is eventually published under the name of the ordering party, it can

be seen as equivalent to a work made for hire, and the ordering party can be seen as the author (see Supreme Court Decision 98Da60590 decided Nov. 10, 2000; Supreme Court Decision 2011Da69725 decided May 9, 2013, etc.). This is interpreted to mean that if the ordering party entirely led the conception, planning, and design of the functions for the program development and invested the funds, while the developer simply developed and delivered the program as requested by the ordering party with their manpower, the ordering party should be seen as the copyright holder of the program by applying Article 7 of the Copyright Act *mutatis mutandis*.

To see the initial golf course as equivalent to a work made for hire, at a minimum, the plaintiff should have entirely led the conception, planning, and design of the initial golf course, and the design company should have provided only the practical manpower according to the plaintiff's request to complete the initial golf course. However, the fact that defendant Uiryeong County provided the design drawings received from the plaintiff to A, and the fact that the plaintiff commissioned the design services to B, are insufficient to see that the plaintiff entirely led the design of the golf course, and there is no other evidence to acknowledge it. Therefore, it is also difficult to see the initial golf course as equivalent to the plaintiff's work made for hire.

VI

2024 Leading Case Summaries of IP High Court of Korea

Copyright Act



CHI SELLERS Case

(Twenty-third Division) Decision 2024Na10010, Decided Sep. 12, 2024

Category	Damages (Intellectual Property)
Relevant Provisions	Trademark Act, Article 109; Copyright Act, Article 125
Relevant Decisions	Supreme Court Decision 99Da41749 (April 11, 2000); Supreme Court Decision 2005Da21821 (July 13, 2007); Supreme Court Decision 2015Da234985 (May 12, 2016)

Subject Matter of Judgment



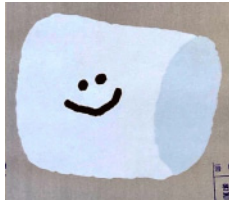

In the course of operating a business that advertises and sells the same products on a domestic open market by collecting product information from Chinese internet shopping malls using an automated drop-shipping program, a post infringing another's intellectual property rights was posted on the site of a domestic open market seller, whether the defendants, who were in charge of the sales agency master distributor tasks (recruitment and management of domestic sellers, etc.) for the said purchasing agency business, bear liability for a joint tort by concert or aiding and abetting (Negative)

Case Summary and Issues

1. Case Summary



- a. The plaintiff sells accessories such as earphone cases and keyrings under the trade name 'Dinotaeng' and is the trademark owner of the 1st and 2nd trademarks, and has created the 1st and 2nd copyrighted works and

completed copyright registration for them with the Korea Copyright Commission.

1st Trademark	2nd Trademark	1st Copyrighted Work	2nd Copyrighted Work
			
Cases for Digital Music Players, etc.	Leather Key Cases, etc.	Work of Fine Art > Applied Art > Character	

- b. Company A (hereinafter ‘A’) operated an automated purchasing agency business named ‘Chi Sellers’ (hereinafter ‘the Business’), which involved in selling products by collecting information on products being sold on Chinese online malls, advertising the same products on open markets such as Coupang under the name of a domestic seller, and upon receiving a purchase order, placing an order on the Chinese internet shopping mall to have it delivered to the buyer. All procedures, including the collection of sales product information, creation of sales pages, setting of sales prices, receipt of purchase orders, and placing of orders using the buyer’s information, were automated using a computer program.
- c. Around July 6, 2021, A entered into a sales agency master distributor contract (hereinafter ‘the Master Distributor Contract’) regarding the Business with Defendant B Research Institute Co., Ltd. (hereinafter ‘Defendant Company’). Defendant D is the CEO of Defendant Company.
- d. In accordance with the Master Distributor Contract, Defendant Company

promoted the Business, recruited sellers for ‘Chi Sellers,’ acquired the accounts of Coupang sellers Lee ○○ and Jo ○○ (hereinafter ‘the domestic sellers’), and provided them to Defendant Company.

- e. A, having received the Coupang accounts of the domestic sellers from Defendant Company, used ‘Chi Sellers’ to post and sell information on a number of products being sold on Chinese internet shopping malls on Coupang. Around August 2021, sales posts for counterfeit goods (hereinafter ‘the products in this case,’ being earphone cases in the shape of “” and keyrings in the shape of “”) were posted on the Coupang accounts of the domestic sellers, where marks identical or similar to the plaintiff’s 1st and 2nd trademarks were used on their designated goods or characters identical or similar to the 1st and 2nd copyrighted works were used.

2. Issues

The issue in this case is whether the defendants bear liability for a joint tort by concert or aiding and abetting when a post infringing the plaintiff’s intellectual property rights was posted on an online mall in the course of the Business being operated by an automated purchasing agency program.

Judgment of the First Instance

Seoul Central District Court Decision 2022GaHap252400, Decided December 7, 2023

The court dismissed all of the plaintiff’s claims on the grounds that even if Defendant Company aided and abetted A’s trademark and copyright

infringement, it is difficult to see a significant causal relationship between this aiding and abetting act and the occurrence of the plaintiff's damages [Plaintiff appealed / The part against the first instance co-defendants A and C (A's CEO) was won by the plaintiff by admission by default, separated and finalized].

Summary of Decision

The appeal was dismissed.

1. Liability for Joint Tort by Concert (Negative)

Even if the defendants recruited and managed the domestic sellers while promoting the Business in accordance with the Master Distributor Contract, and the sales posts for the products that infringed the plaintiff's trademark rights, etc., were uploaded to the Coupang accounts of the domestic sellers, the person primarily responsible for the posts infringing the plaintiff's trademark or copyright rights should be the person who directly posted the said posts. With the above circumstances alone, it cannot be said that the defendants immediately bear liability for a joint tort for the posts infringing the trademark rights, etc., against the plaintiff.

2. Liability for Joint Tort by Aiding and Abetting (Negative)

a. Whether there was intentional aiding and abetting (Negative)

Even if it is seen that there is a possibility that a post infringing another's intellectual property rights could be uploaded to the accounts of the domestic sellers recruited and managed by Defendant Company, given the nature of the Business (the Master Distributor Contract Article 6(5) also anticipates the possibility of disputes), unless the business model of the Business itself

is one that naturally anticipates the infringement of another's intellectual property rights, the act of Defendant Company recruiting domestic sellers and providing seller information to A in accordance with the Master Distributor Contract cannot be seen as having facilitated the execution of the act that infringed the plaintiff's intellectual property rights itself.

b. Whether there was aiding and abetting by omission or negligence (Negative)

For the defendants to bear liability for a joint tort due to aiding and abetting by negligence, it must be acknowledged that they violated a duty of action to not assist in the said illegal act, which is a premise. However, for the following reasons, it cannot be seen that Defendant Company and its CEO, Defendant D, bear the duty of action as claimed by the plaintiff. Therefore, it is difficult to see that the defendants bear liability for a joint tort due to aiding and abetting by omission or negligence.

- 1) The Master Distributor Contract stipulates that A is in charge of all acts of registering products on the seller's account using the automated purchasing agency program, customer service, etc., and only stipulates that Defendant Company bears the obligation to recruit and manage sellers who will use the services provided by A. Although the Master Distributor Contract stipulates that "Defendant Company shall perform all duties to ensure that smooth sales activities can be carried out on the seller's account for the account created by the seller," it is difficult to see that a concrete and individual duty of action to proactively and retroactively manage and supervise acts of infringing another's intellectual property rights such as trademark rights and to prevent or stop infringing acts is derived from the said general and comprehensive provision as claimed by the plaintiff.

- 2) Even if it is seen that there is a possibility that another's intellectual property rights such as trademark rights could be infringed given the nature of the Business, unless the business model of the Business itself is one that naturally anticipates the infringement of another's intellectual property rights, even if the defendants recruited and managed sellers while promoting the Business, it is difficult to see that they bear a duty of action under common sense to proactively and retroactively examine whether the product images posted by A on the online mall accounts of the domestic sellers infringe another's intellectual property rights, or that they bear an obligation to manage the accounts of the domestic sellers while checking for infringement even intermittently.
- 3) It is also insufficient to acknowledge the fact that Defendant Company could have immediately recognized such circumstances when the domestic sellers received a request to cease infringement of another's intellectual property rights from the right holder, or that it was technically possible to manage and control the said posts and could have taken appropriate measures to stop the infringement, such as deleting the said posts.

VII

2024 Leading Case Summaries of IP High Court of Korea

License Agreement for Intellectual Property



Cooperation Agreement Case

(Twenty-fifth Division) Decision 2022Na1975, Decided Jun. 27, 2024

Category	Damages (Technology)
Relevant Provisions	Patent Act, Articles 102, 133; Civil Act, Article 390; Civil Execution Act, Article 229(2); former Unfair Competition Prevention and Trade Secret Protection Act (before amendment by Act No. 10810 of June 30, 2011), Article 14-2
Relevant Decisions	Supreme Court Decision 2021Da234146 (Oct. 28, 2021); Supreme Court Decision 2021Da204466 (May 27, 2021); Supreme Court Decision 2006Da1831 (Oct. 12, 2006)

Subject Matters of Judgment

1. Whether the debtor loses standing to sue for performance on the seized claim when a seizure and collection order is issued for a claim (Affirmative) and whether the debtor regains standing while the debtor's suit is pending if the collecting creditor loses the right to collect (Affirmative)
2. Whether the patent holder can claim damages for breach of post-termination non-infringement and non-production-of-similar-products clauses for the period after the agreement expired but before the patent was invalidated when a patent is invalidated after the expiration of a cooperation agreement concerning a non-exclusive license for that patent (Affirmative)

3. The meaning of ‘similar products’ (products with a similar structure and effect that could substitute for the patented product in the relevant market) when a cooperation agreement contains a separate provision prohibiting the production of similar products in addition to a patent non-infringement clause after the expiration of the contract period
4. Whether the free-to-practice technology defense is permissible against a claim for damages for breach of contract clauses prohibiting patent infringement and production of similar products (Negative)
5. The method for calculating the amount of profit under former Article 14-2(2) of the Act (the infringer’s revenue from the infringing act minus the additional costs incurred due to the infringement) when a cooperation agreement stipulates that damages may be calculated according to the method for presuming damages in the former Unfair Competition Prevention and Trade Secret Protection Prevention and Trade Secret Protection Act

Case Summary

1. The plaintiff, etc., entered into a cooperation agreement with the defendant for the sale and production of a composite sheet for LCD-TV backlights made with the patent at issue on February 27, 2009. The said agreement, including the conditions for granting a non-exclusive license for the patent, stipulates the defendant’s exclusive sales rights, the plaintiff’s cooperation obligations, such as technical support, the allocation of quantities between the plaintiff and the defendant, and the defendant’s obligation to refrain from production. The prohibition clauses among them are as follows:

Article 6 (Prohibition Clauses)

2. Even if the contract expires or is terminated by mutual agreement mid-term, the defendant may not independently use the composite sheet patent technology learned from the plaintiff without permission, nor may it transfer it to others for their use. It shall not commit any act that infringes the patent rights, and shall compensate for damages in case of violation.
3. The defendant shall not produce similar products during the contract period and even after the expiration of the contract period or the occurrence of other reasons for termination, and shall compensate for damages in case of violation.

2. In accordance with the cooperation agreement, the plaintiff and the defendant entered into a non-exclusive license agreement for the patent at issue and completed the registration of the non-exclusive license in the defendant's name on February 3, 2012. The cooperation agreement between the plaintiff and the defendant expired on February 27, 2014, five years after the contract date of February 27, 2009.
3. On February 27, 2014, the defendant filed a request for a registration invalidation trial for the patent at issue with the IPTAB against the plaintiff, etc. After the subsequent trial and litigation procedures, the patent at issue was confirmed invalid on June 9, 2017.
4. After the cooperation agreement expired, the defendant practiced the patent at issue or produced and sold products similar to the product of practicing the patent. The plaintiff then filed a lawsuit against the defendant seeking damages for the violation of Articles 6(2) and 6(3) of the cooperation

agreement contract.

5. The defendant argued that since the cooperation agreement expired on February 27, 2014, due to the retroactive effect of the invalidation of registration of the patent, Articles 6(2) and 6(3) of the cooperation agreement contract lost their effect at least from the contract expiration date of February 27, 2014. It also argued that the ‘similar products’ of Article 6(3) cannot be interpreted beyond the scope of equivalents of the patent, and if it goes beyond that, the said clause is void for abuse of patent rights and violation of public order and good morals.
6. Meanwhile, the plaintiff’s Successor-in-Interest received a collection order for about 3.4 billion KRW of the claim in this case, but in the appellate court, waived the collection right for the collection claim exceeding the amount won in the first instance.

Judgment of the First Instance

Seoul Central District Court Decition 2019GaHap509637, Decided August 19, 2022

The court recognized the plaintiff’s damages for breach of the cooperation agreement as 3.96 billion KRW, and after deducting the amount of a prior judgment and a collection order, found that damages of 563,116,832 KRW remained. Accordingly, it dismissed the plaintiff’s lawsuit corresponding to the collection order part, granted the claim of the plaintiff’s Successor-in-Interest for the said amount, and dismissed the remaining claims of the plaintiff and the plaintiff’s successive intervention request (Both parties appealed).

Summary of Decision

The first instance judgment was modified.

1. If a seizure and collection order has been issued for a claim, only the collection creditor can file a performance lawsuit against the third-party debtor, and the debtor loses standing to file a performance lawsuit for the seized claim. However, if the collecting creditor's collection right is extinguished while the debtor's performance lawsuit is pending, the debtor regains standing (see Supreme Court Decision 2021Da234146, decided Oct. 28, 2021; Supreme Court Decision 2021Da204466, decided May 27, 2021, etc.).
2. For the following reasons, even if the patent at issue was confirmed invalid on June 9, 2017, it is reasonable to view that the prohibition agreement stipulated in Articles 6(2) and 6(3) of the cooperation agreement contract did not lose its effect and remained valid at least until June 9, 2017, when the invalidity of the patent was confirmed.
 - a. Just as whether a patent license agreement becomes void from the time of its conclusion when the patent right that is the subject of the contract is confirmed invalid after the agreement was concluded must be judged separately from the validity of the patent right (see Supreme Court Decision 2018Da287362 decided April 25, 2019, etc.), even if the cooperation agreement anticipates a non-exclusive license for the patent right, the invalidity or loss of effect of the cooperation agreement and the validity of the patent right must be judged separately.
 - b. The defendant, a company that has been supplying goods to ○○ Electronics

for a long time, entered into the cooperation agreement with the plaintiff after a considerable negotiation process. For the plaintiff, if the former contracting party, the defendant, could produce and sell products to which the plaintiff's patent was applied or similar products without any restrictions upon the termination of the cooperation agreement, the plaintiff's business could be disrupted, so it appears that there was a need to stipulate Article 6 of the cooperation agreement. Meanwhile, the defendant was granted exclusive sales rights for the composite sheet to which the patent was applied, in accordance with the cooperation agreement. It is reasonable to view that the defendant entered into the cooperation agreement with the intention that the contract content was in line with the defendant's interests, comprehensively considering even the obligation to refrain from production after the expiration of the contract period as stipulated in Article 6 of the cooperation agreement contract, which the defendant bears.

- c. At the time the cooperation agreement was concluded, it was uncertain whether the patent would be judged invalid in the future or not. In such a situation, it is a principle that the plaintiff and the defendant each bear the responsibility to sufficiently collect, investigate, and review necessary information within the available scope when concluding the cooperation agreement. Therefore, unless there are special circumstances, such as the plaintiff having guaranteed the validity of the patent at the time of concluding the cooperation agreement, it cannot be said that the validity of the agreement to refrain from production after the expiration of the contract period, as stipulated in Article 6 of the cooperation agreement, is naturally lost just because the patent became invalid.

- d. The Defendant did not raise any particular objection regarding the production prohibition agreement stipulated in Article 6 until the cooperation agreement expired. Even if the usefulness of the patent that the defendant had expected at the time of concluding the cooperation agreement or the level or practicality of the technology to be transferred from the plaintiff did not meet expectations, if that becomes a reason to invalidate the cooperation agreement through cancellation or termination of the contract, it is a separate matter for the defendant to escape from the obligation to refrain from production after the expiration of the contract period by resolving the contractual relationship in accordance with the cooperation agreement or the law. It is difficult to see that the validity of the cooperation agreement naturally becomes ineffective from the expiration date of the contract period based on such circumstances.
- e. Although the end date of the period for which the obligation to refrain from production is imposed after the end of the contract period is not specified in Articles 6(2) and 6(3) of the cooperation agreement, in light of the circumstances of the conclusion and the purpose of the cooperation agreement as seen earlier, the said clauses cannot be seen as imposing an ‘indefinite production prohibition obligation’ on the defendant, a competitor in the relevant market (therefore, based on this interpretation, the said clauses cannot be seen as corresponding to an act against public policy, etc.). However, it is judged that the validity of the production prohibition obligation under the said clauses is maintained at least until June 9, 2017, which is less than three years and four months from February 27, 2014, the expiration of the five-year contract period stipulated in the cooperation

agreement from February 27, 2009.

3. For the following reasons, it is reasonable to view that ‘similar products’ means products whose structure and operational effects are similar to the product of practicing the patent, and which have the possibility of replacing that product in the relevant market.
 - a. A breach of a cooperation agreement and the resulting liability are distinct from a patent infringement under the Patent Act and the resulting liability for damages, which are a type of unlawful act and the resulting legal liability recognized regardless of the contractual relationship. Since the parties to a contract can freely decide whether to enter into a contract and what content to include, according to the principle of freedom of contract, the content of the cooperation agreement does not necessarily have to be regulated in the same way as the rights and obligations under the Patent Act, unless there are special circumstances.
 - b. The cooperation agreement, while having a prohibition provision for patent infringement acts in Article 6(2), simultaneously has a separate provision for a production prohibition for similar products in Paragraph 3. This is reasonably seen as being intended to prevent damage to the plaintiff from the defendant’s production and sale of a product that practices the prism sheet manufacturing method of Patent No. 664 or a product whose structure and operational effects are similar to the prism product of the Patent No. 752 and has the possibility of replacing that product in the relevant market, in violation of the duty of good faith based on the purpose of the cooperation agreement, even if it is unclear whether it constitutes a patent

infringement.

As long as the term of the prohibition on the production of ‘similar products,’ as stipulated in the cooperation agreement contract, can be reasonably inferred, it is insufficient to deem Article 6(3) of the said cooperation agreement to be invalid as an abuse of rights or an act contrary to public policy.

4. If the defendant practiced some of the patent at issue, this would constitute a violation of Article 6 of the cooperation agreement, regardless of whether the said product corresponds to a product of free-to-practice technology. Even if the defendant’s product corresponds to a product of free-to-practice technology, the defendant’s argument based on that cannot be seen as a valid defense, such as abuse of rights, that can block the plaintiff’s claim for damages for breach of the cooperation agreement.
5. The amount of profit stipulated in Article 14-2(2) of the former Unfair Competition Prevention and Trade Secret Protection Prevention and Trade Secret Protection Act can be calculated by deducting the additional costs incurred due to the infringement from the revenue gained from the infringing act.

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