발 간 등 록 번 호
32-9740146-002005-10

【Case Study Association of IP High Court】

2025
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 some decisions that are not yet final (pending appeal to the Supreme Court). Caution is advised when citing these cases in litigation, research, or other purposes.

FOREWORD

In today's global landscape, where knowledge and technological innovation serve as the primary engines of national competitiveness, intellectual property rulings across the globe transcend mere dispute resolution. Rather, they function as vital public forums that interpret the complex intersection of intellectual creation and legal jurisprudence. Furthermore, the accumulation and rigorous analysis of these precedents hold profound significance, providing an essential foundation upon which future standards for dispute resolution and legal doctrines can be meticulously constructed.

The Intellectual Property High Court of Korea, while faithfully executing its fundamental mandate to legally establish the protective value of technology and creative works, has sought to provide an academic cornerstone for expanding and deepening research into IP jurisprudence by publishing *Leading Case Summaries of IP High Court of Korea* annually since 2023. In the 2025 edition, we have introduced several new initiatives designed to further solidify this foundation.

Beginning with this year's edition, the "International Intellectual Property Law Research Center under the IP High Court" has been put in dedicated charge of compiling and editing the manuscripts, thereby significantly enhancing the systemic organization and professional quality of the publication. Moreover, by taking a leading role in translating and disseminating these precedents, the Center is expected to provide a crucial catalyst for improving international accessibility to Korean intellectual property rulings and fostering mutual understanding on a global scale.

Additionally, the 2025 edition inaugurates a new section entitled "Significance of Decision," where the presiding judge clearly and concisely summarizes the core meaning of the decision. This addition is intended to assist readers in readily understanding the jurisprudential position and implications of each decision within the broader trends of domestic and international intellectual property law. Recognizing that the implications of a single judgment can be interpreted through multiple lenses depending on one's perspective, the "Significance of Decision" section will serve as a point of departure for such multifaceted approaches and in-depth analyses.

The process of distilling and refining the essence of a judgment after its pronouncement requires an effort commensurate with that of drafting the decision itself. Nevertheless, driven by a profound commitment to advancing Korea's intellectual property jurisprudence, the judges of the IP High Court have dedicated themselves to the authorship of this publication year after year. It is my sincere hope that the voice of the Court, as captured in these pages, will resonate widely across academia and legal practice, culminating in rich intellectual fruits that harmonize a diverse array of subsequent discussions. In closing, I would like to express my deepest respect and profound gratitude to the honorable judges of the IP High Court Precedent Study Society and the researchers at the International Intellectual Property Law Research Center for their tireless devotion to the publication of this volume.

Taeksoo Jung

Chairperson, Case Study Association of IP High Court of Korea

Ⅰ **Procedural Requirements and Related Issues** ····· 1

Case on Invalidation of Registration for FinFET Device and Its Manufacturing Method ··· 3

Ⅱ **Patent Act (Utility Model Act)** ····· 11

1. Statutory Invention ····· 13

Case on Whether the Neurological Treatment Method and System for Children and Adolescents with Level 3 Intellectual, Speech, and Physical Disabilities Constitute an "Industrially Applicable Invention" ····· 15

2. Identity of Inventions ····· 21

Case on Patent Invalidation for Augmented Reality Method ····· 22

3. Inventive Step ····· 27

Case on Blood Collection Tube Alignment Device ····· 28

Case on Determination of Inventive Step regarding the Use Invention of DPP-IV Inhibitor ····· 33

Case on the Inventive Step of a Low-Profile Filter ····· 38

Case on Second Medical Use Invention of Ustekinumab ····· 43

Case on Patent Registration Invalidation for Building Construction Method ····· 47

Case on Detergent Product ····· 52

4. Inventions with Numerical Limitations ····· 57

Case on Inventive Step of High-Purity Quinoline Derivatives and Its Manufacturing Method ····· 58

5. Medical Use Invention ····· 63

Case on Treatment for Neoplastic Diseases ····· 64

CONTENTS

6. Claim Construction ····· 69

Case on Lam Research Carrier Ring ····· 70

Case on Hanon Compressor ····· 74

Case on VEGF Antagonist Formulation Suitable for Intravitreal Administration ····· 81

7. Specification Requirements ····· 91

Case on Manufacturing Method of Polymer Microparticles ····· 92

Case on Treatment for Neoplastic Diseases ····· 98

8. Amendments and Corrections ····· 103

Case on Registration Invalidation of One-Piece Implant ····· 104

Case on Correction of Concrete Floating Body ····· 109

Case on Scope of Revocation of a Patent Cancellation Decision Involving a Petition for Correction ····· 116

Case on Atience Conductive Sheet ····· 119

9. Trials to Confirm the Scope of Rights ····· 131

Case on Confirmation of Scope of Rights for Pharmaceutical Composition for Treating Diabetes ····· 132

Case on Tegoprazan Crystalline Form A ····· 140

Case on Freshwater Tank ····· 150

Case on Annular Wound Metal-Resin Composite Pipe ····· 153

10. Patent Infringement ····· 157

Case on Joint Kit (Infringing Product), Bus Duct (Collateral Product), and Installation Construction (Collateral Service) ····· 158

Case on Confirmation of Scope of Rights for Water Leisure Boat ····· 170

Case on Confirmation of Scope of Rights for Exciting Cycle ····· 174

Case on Confirmation of Scope of Rights for Detachable Automatic Revolving Door for Showcase ····· 179

11. Defense of Practicing Prior Art ····· 185

Case on Actuator Device of Shape Memory Spring Dependent on Outdoor Unit Wind Temperature in Multiple Louver Interlocking Automatic Opening/Closing Ventilation Window ····· 187

12. Damages ····· 197

Case on Lid for Cooking Vessel ····· 199

Case on Request for Suspension of Customs Clearance and Sending of Warning Letters ····· 206

Willful Patent Infringement (Dish Rack) Case ····· 211

13. Joint Ownership of Patents ····· 219

Case Concerning the Scope of Self-Implementation by a Joint Owner of a Patent Right ····· 221

14. Patent Term Extension ····· 229

Case on Scope of Rights of Tegoprazan with Extended Patent Term ····· 230

15. Employee Inventions ····· 239

Claim for Employee Invention Compensation following Assumption of Employment Contract Accompanying Business Contribution ····· 240

Claim for Employee Invention Compensation by Representative Director ····· 251

Claim for Employee Invention Compensation under Patent Pool and Cross-License Agreement ····· 256

Extinctive Prescription of the Right to Claim Employee Invention Compensation ·· 266

Employee Invention Compensation Case ····· 280

CONTENTS

Ⅲ **Trademark Act** ····· 297

1. Positive Requirements for Trademark Registration (Distinctiveness) ·· 299

Case on Registration Invalidation of Simpleat ····· 300

Case on Danmato Coffee & Brunch ····· 304

Case on Decision to Reject Trademark of Incorporated Association Woobong Lee Mae-Bang Dance Preservation Society ····· 308

2. Distinctiveness Acquired Through Use ····· 313

Case on MU ····· 314

3. Negative Requirements for Trademark Registration ····· 321

Case on Decision to Reject GOAT Trademark ····· 322

Case on COCINA ····· 326

4. Article 34(1)7 of the Trademark Act (Identical or Similar to Prior Registered Trademark, etc.) ····· 331

Case on PANDA ····· 332

5. Article 34(1)13 of the Trademark Act (Trademark with Unlawful Purposes) ····· 339

Case on LES BOURGEOIS ····· 340

Case on Jean-Baptiste Golf Club ····· 345

6. Article 34(1)20 of the Trademark Act (Trademark Application in Violation of the Principle of Good Faith) ····· 349

Case on Registration Invalidation of NK365 Trademark ····· 350

7. Limitations on Trademark Rights ····· 355

Case on Deoksan Makgeolli ····· 356

8. Cancellation for Improper Use ····· 361

Case on Registration Cancellation of Metal Link Inc. Trademark ····· 362

9. Cancellation for Nonuse ····· 369

Case on Registration Cancellation of Go Baksa Naengmyeon Trademark ····· 370

10. Use on Goods Identical to the Designated Goods ····· 373

Case on Wonkiso ····· 374

11. Three Consecutive Years of Nonuse Without Justifiable Grounds ····· 381

Case on DoctorsNow ····· 382

12. Identity or Similarity of Trademarks ····· 387

Case on Confirmation of Scope of Rights for Haribo ····· 388

13. Exhaustion of Trademark Rights ····· 393

Case on Modification of Luxury Bags ····· 394

Ⅳ Design Protection Law ····· 405

1. Qualification as a Prior Art Design ····· 407

Date First Available on Amazon Website and Public Disclosure of Prior Design ···· 408

2. Article 33(1)3 of the Design Protection Act (Novelty) ····· 413

Case on Smart Shade ····· 414

Case on Handrail Pipe ····· 421

CONTENTS

3. Article 33(2) of the Design Protection Act (Non-Obviousness) ····· 429

Case on Tile ····· 430

Case on Registration Invalidation for Sink Splash Guard (Design) ····· 434

Case on Registration Invalidation for Women's Dress (Design) ····· 437

4. Essential Features and Similarity of Designs ····· 445

Case on Track Lighting Fixture ····· 446

5. Infringement of Design Rights and Damages ····· 453

Case on Indirect Infringement of Design Right and Presumption of Negligence ···· 454

V **Copyright Act** ····· 459

Case on Smart Owl ····· 461

I

Procedural Requirements and Related Issues

Case on Invalidation of Registration for FinFET Device and Its Manufacturing Method

(Fifth Division) Decision 2023Heo12633, Decided Dec. 12, 2024

Subject Matter	[Patent] Double-Gate FinFET Device and Its Manufacturing Method (No. 458288)
Administrative Decision	IPTAB Decision of May 15, 2023, Case No. 2021Dang2511
Category	Invalidation (Patent)
Relevant Provisions	Patent Act, Articles 29(1), 29(2), and 163
Relevant Decisions	Supreme Court Decision 89Hu1509 (Jul. 10, 1990); Supreme Court Decision 2004Hu42 (Mar. 11, 2005); Supreme Court Decision 2012Hu1057 (Sep. 13, 2013); Supreme Court en banc Decision 2013Hu37 (Jan. 19, 2017); Supreme Court Decision 2018Hu11360 (Apr. 9, 2020)

Main Issues and Holdings

1. In a case where new evidence, which was not submitted during the prior IPTAB proceedings that resulted in a final and conclusive administrative decision, is submitted as an independent prior art to challenge novelty or inventive step, whether such evidence must be deemed new evidence regardless of its capability to revoke the prior administrative decision, provided that its content is not substantially identical to the evidence

submitted in the prior proceedings (Negative)

2. Even if a petition for an administrative trial does not violate the principle of res judicata as of the time of the administrative decision, in a case where part of the petitioner's arguments shares the same cause of action determined in the prior final and conclusive administrative decision (identical facts and identical evidence), whether it is permissible to interpret evidence in the prior administrative proceedings differently regarding arguments that share the same cause of action already determined in the prior administrative decision (Negative)
3. A case in which Claims 1 and 8 of the patented invention at issue concerning a double-gate FinFET device and its manufacturing method were determined invalid for lack of novelty or inventive step, while Claim 14 was determined valid as its inventive step was not negated by the combination of prior art references.

Case Overview

Following the final IPTAB decision to dismiss the prior petition to invalidate the patented invention at issue concerning a double-gate FinFET device and its manufacturing method (hereinafter "Prior Final Decision"), the plaintiff filed the petition for invalidation again, challenging Claims 1, 8, and 14 of the patented invention at issue (hereinafter "Claims 1, 8, and 14 at Issue"). The IPTAB rendered an administrative decision to dismiss the petition, holding that Claims 1, 8, and 14 at Issue lacked grounds for invalidation based on lack of novelty or inventive step. Consequently, the plaintiff filed this action to revoke the administrative decision. The issues involved the violation of res judicata and the

negation of novelty or inventive step for Claims 1, 8, and 14 at Issue. It was argued that there is no standing to challenge the IPTAB decision.

Summary of Decision IPTAB Decision revoked in Part (Revocation Regarding Claims 1 and 8 at Issue)

1. Whether the Principle of Res Judicata is Violated

   The primary prior art references, prior arts 1, 2, and 3, submitted in the petition for invalidation as grounds for negating the novelty or inventive step of Claims 1, 8, and 14 at Issue constitute new evidence that was not submitted as grounds for negating novelty or inventive step in the Prior Final Decision. Unlike cases where supplementary evidence is added to evidence already submitted in the proceedings leading to the Prior Final Decision (hereinafter "Prior Proceedings"), where new evidence not previously submitted in the Prior Proceedings is presented as an independent prior art regarding the negation of novelty or inventive step, such evidence must be regarded as the submission of new evidence, provided that its content is not substantially identical to the evidence submitted in the Prior Proceedings—regardless of its capability to revoke the prior administrative decision. Therefore, in this case, the principle of res judicata under Article 163 of the former Patent Act does not apply.

2. Determination on Certain Arguments Added in This Lawsuit from the Perspective of Res Judicata

   Some of the plaintiff's arguments newly added in this lawsuit overlap with the causes of action with those decided in the Prior Proceedings, as examined

below. In such cases, from the perspective of whether the principle of res judicata is violated, it must be determined whether to reach a conclusion different for the prior decision by assessing whether the newly submitted evidence is compelling enough to revoke the prior administrative decision. In light of the purpose of the principle of res judicata set forth in Article 163 of the former Patent Act, it is impermissible to make a determination that substantially conflicts with the fundamental reasoning of the Prior Final Decision regarding the arguments that share identical causes of action with those decided in the Prior Proceedings.

3. Claim Construction of "Fence-shaped Fin Active Region (Element 2)"

The "Fin Active Region" refers to a silicon structure that serves as a channel for current flow in a double-gate FinFET device. Claim 1 at issue limits the configuration of the "Fin Active Region" to a "fence shape," which is a configuration that is narrow in width, and tall in height, extending along the longitudinal direction of current flow on a bulk silicon substrate (2b). While such a "fence shape" does not restrict the cross-sectional configuration to a specific shape as noted above, it should be understood as limiting, to some extent, the ratio of width to height (the aspect ratio).

In practice, the width and height of a fence are determined in consideration of factors such as structural stability, and the height generally designed to be significantly greater than the width. Although it is difficult to set a numerical standard for the aspect ratio required to qualify as a "fence-shaped Fin Active Region," considering the technical significance of the "fence shape" limitation, it is proper to construe that it requires, at the very least, an aspect

ratio sufficiently high such that both sidewalls of the protruding structure of the Fin Active Region serve as the primary channel region to dynamically modulate the threshold voltage of the device in a FinFET structure.

4. Determination on Whether Novelty or an Inventive Step of Claim 1 at Issue is Negated

   The novelty or inventive step of Claim 1 at issue is negated by Prior Arts 1, 3, and 8, respectively. In comparing the elements of Prior Arts 1, 3, and 8 with those of Claim 1 at issue, the primary issue lies in "Element 2 (fence-shaped Fin Active Region)." Based on the above claim construction regarding the fence-shaped Fin Active Region, it is reasonable to conclude that Prior Arts 1, 3, and 8 all encompass the features of Element 2.

5. Determination on Negation of Inventive Step of Claim 8 at Issue

   The inventive step of Claim 1 at issue is negated by the combination of Prior Art 1 and Prior Art 4.

   Claim 8 at issue is a dependent claim of Claim 1 at issue, characterized by "growing a selective epitaxial layer (18) formed in a self-aligned manner with the gate on both sides of the Fin Active Region to reduce parasitic resistance." However, Selective Epitaxial Growth (SEG) technology—a method of selectively growing a crystal lattice configuration on a seed layer such as silicon, and was already widely used in the semiconductor industry prior to the filing date of the present patented invention. Growing a selective epitaxial layer in the source/drain regions was also a commonly used method prior to the filing date of the patented invention at issue. While providing a new function or technical effect by growing an epitaxial layer on a novel structure

not previously known may be difficult for a person of ordinary skill in the art, Claim 8 at issue features forming a selective epitaxial layer on both sides of the Fin active region of a bulk FinFET device to reduce parasitic resistance. Since the feasibility to form a selective epitaxial layer on both sides of the Fin active region of a bulk FinFET device to reduce parasitic resistance was already disclosed in Prior Art 4, it is reasonable to view that there would be no particular difficulty for a person of ordinary skill in the art to apply the selective epitaxial layer disclosed in Prior Art 4 to a bulk FinFET such as Prior Art 1 to form a selective epitaxial layer on both sides of the Fin active region for the purpose of reducing parasitic resistance.

6. Determination on Negation of Inventive Step of Claim 14 at Issue

The novelty or inventive step of Claim 14 at issue is not negated.

Claim 14 at issue is a dependent claim of Claim 1 at issue, characterized in that "the width of the Fin Active Region widens within the oxide film as it approaches the bulk silicon substrate, thereby reducing the resistance of said Fin Active Region." Given the differences in technical principles between Prior Arts 1, 3, and 8 and Prior Arts 2 and 9, and in the absence of clear teaching or obvious motivation from other prior arts in this case, it is deemed difficult to isolate only the portion widening within the oxide film from Prior Arts 2 and 9 and combine it with Prior Art 1 without hindsight.

Significance of Decision

1. A case holding that, unlike instances where supplementary evidence is added to evidence already submitted, when new evidence—not previously submitted

during the prior IPTAB proceedings leading to a final and conclusive administrative decision—is submitted as an independent prior art regarding novelty or an inventive step, the principle of res judicata is not violated, regardless of whether the newly submitted evidence can overturn the final and conclusive IPTAB decision, provided that such evidence is not substantially identical to the evidence submitted during the prior IPTAB proceedings

2. A case involving a determination on the novelty and inventive step of a patented invention regarding a double-gate FinFET device and its manufacturing method, following the claim construction of the "fence-shaped Fin Active Region."

II

Patent Act (Utility Model Act)

01 Statutory Invention

Case on Whether the Neurological Treatment Method and System for Children and Adolescents with Level 3 Intellectual, Speech, and Physical Disabilities Constitute an "Industrially Applicable Invention"

(Fourth Division) Decision 2024Heo15066, Decided Sep. 18, 2025

Subject Matter	[Registered Patent] Neurological Treatment Method and System for Children with Level 3 Intellectual, Speech, and Physical Disabilities / Non-Drug Treatment Method and System for Children with Autism
Administrative Decision	IPTAB Decisions of Aug. 27, 2024, Case No. 2023Dang3355 and 2023Dang3356
Category	Invalidation (Patent)
Relevant Decisions	Supreme Court Decision 2007Hu265 (Dec. 24, 2008); Supreme Court Decision 93Hu1810 (Dec. 27, 1994)

Main Issues and Holdings

(1) Legality of petitions for invalidation by a KIPO examiner (Affirmative)

Petitions for invalidation by an examiner of the Korean Intellectual Property Office (KIPO), based on Article 133(1) of the Patent Act, satisfies the requirements for the petitioner's standing. The respondent in the petition for invalidation is the patentee. The purpose behind the Article 133(1) of the

Patent Act prescribing an examiner who is not an interested party as a petitioner for an invalidation trial is to reflect the public interest aspect of actively preventing defective rights; thus, each petition for invalidation in this case is lawful.

(2) Whether each of the patented inventions at issue constitutes industrially applicable invention (Negative)

Even if a portion of the invention described in the claims utilizes the laws of nature, when viewing the claim as a whole, if it utilizes human mental activity as an essential and core element, it cannot be deemed to utilize the laws of nature. Furthermore, if a person of ordinary skill in the art cannot obtain the intended technical effect through repeated implementation, the invention is an incomplete invention and does not fall under an "industrially applicable invention" as prescribed in the main text of Articles 2(1) and 29(1) of the Patent Act.

Case Overview

(1) The first patented invention at issue concerns a neurological treatment method and system for children and adolescents with Level 3 intellectual, speech, and physical disabilities, and the second patented invention at issue concerns a non-drug treatment method and system for children and adolescents with autism. The first and second patented inventions at issue both include components where a management server determines whether a subject has a target disability, presents behavioral guidelines for interacting with the treatment subject as a mission, and subsequently determines whether the treatment is effective.

(2) A KIPO examiner filed a petition for invalidation on the grounds that each of the patented inventions at issue was not industrially applicable inventions. The IPTAB rendered the decision at issue upholding the examiner's petition, holding that each of the patented inventions at issue was not industrially applicable inventions utilizing the laws of nature.

(3) The plaintiff, who is the patentee, argued that the petitions for invalidation against each of the already registered patented inventions at issue were unlawful as they should have been conducted internally among KIPO examiners themselves. Furthermore, the plaintiff sought the revocation of the IPTAB decision at issue arguing that the first and second patented inventions at issue were groundbreaking inventions capable of returning children with speech-intellectual disabilities or autism to normal state simply by changing child-rearing methods without the use of medication.

Summary of Decision Claim Dismissed

(1) Petitions for invalidation by an examiner of the KIPO, based on Article 133(1) of the Patent Act, satisfies the requirements for the petitioner's standing, and the respondent is the patentee; thus, each of the petitions in this case is lawful.

(2) In the first and second patented inventions at issue, the determination by the Target Determination Unit as to whether a subject is a target for treatment and the determination by the Effect Determination Unit as to whether the treatment is effective, are performed through surveys of guardians or guardians and experienced researchers. Since the results may vary depending on human experience and subjective judgment, these inventions do not utilize

laws of nature. Furthermore, even if a guardian performs specific missions prescribed by the first and second inventions, there is insufficient evidence to establish that such actions treat disabilities, or that a mental illness can be treated by restoring a damaged brain and stimulating the generation of neurotransmitters. Furthermore, the inventions lack reproducibility, and therefore are not industrially applicable.

A. The first and second patented inventions at issue both include a configuration where the management server presents a "behavioral list for determining whether a subject corresponds to a target disorder for treatment" to a guardians and then determines whether a subject corresponds to a target disorder for treatment based on the survey results completed by the guardian. Similarly, the server also determines whether the treatment is effective based on survey results completed by the guardian regarding a "list of expected treatment progress by mission or by period." Based on the guardian's survey results, the management server's Target Determination Unit and Effect Determination Unit analyze the data and use these results as criteria for presenting missions to treat the target disability. Ultimately, it is reasonable to conclude that the first and second patented inventions at issue, when viewed as a whole, utilize human mental activity as an essential and core element for implementation; thus, they can hardly be regarded as utilizing laws of nature.

B. Although the first and second patented inventions at issue present behavioral rules for interacting with subjects, no evidence has been provided to suggest that physical damage to neural networks can be cured solely by following such rules. Even the description in the specification

lacks grounds to support such effects, and it was difficult to find any medical or clinical cases that could prove them at the time the application for the first patented invention at issue was filed. Even if a subject were to show such effects, it would be difficult to conclude that the effects resulted from the behavioral rules nor is it likely that the same effect would be achieved when repeatedly implemented on other subjects. Therefore, Claim 1 of the first patented invention at issue cannot be regarded as a completed invention that a person of ordinary skill in the art could obtain the intended technical effect through repeated implementation.

(3) Even if the first and second patented inventions at issue were deemed industrially applicable, an inventive step would still be negated as they could have been easily conceived by combining Prior Art 1 (Platform system for improving autism spectrum tendencies and mild cognitive impairment, Korean Patent Publication No. 2019-0060438) with other prior art references (10 Ways Parents Deal with Children with Autism and Doctors' Opinions).

Significance of Decision

A case reaffirming that, when viewing the claims as a whole, if an invention utilizes human mental activity as an essential and core element, it cannot be deemed to utilize the laws of nature; and if a person of ordinary skill in the art cannot obtain the intended technical effect through repeated implementation, it is an incomplete invention, and thus does not constitute an "industrially applicable invention" under Article 2(1) and 29(1) of the Patent Act.

02 Identity of Inventions

Case on Patent Invalidation for Augmented Reality Method

(First Division) Decision 2024Heo12692, Decided Jan. 16, 2025

Subject Matter	[Patent] Apparatus and Method for Providing Augmented Reality Using Supplementary Data
Administrative Decision	IPTAB Decision of May 14, 2024, Case no. 2023Dang3443
Category	Invalidation (Patent)
Relevant Provision	Patent Act, Article 29(3)
Relevant Decisions	Supreme Court Decision 2017Hu2369, 2376 (Sep. 16, 2021); Supreme Court Decision 2010Hu2179 (Apr. 28, 2011)

Main Issues and Holdings

The case where the court determined that if the difference between a patented invention and a prior art consists merely of the addition, deletion, or modification of well-known and commonly used art in the specific means for solving the problem—resulting in only minor differences with no new effects—the two inventions are substantially identical; thus, the patented invention was held to violate the extended first-to-file rule by the prior art.

Case Overview

The defendant filed a petition for invalidation of Claim 28 at issue, against the plaintiff, with the IPTAB, arguing that Claim 28 at issue could not be patented

under Article 29(3) of the Patent Act and that its inventive step was negated as it could be easily invented from prior art by a person of ordinary skill in the art. The Board rendered a decision granting the petition on the grounds that it violated Article 29(3) of the Patent Act. The plaintiff subsequently filed an action to revoke the decision.

Summary of Decision Claim Dismissed

1. Comparison of Configuration between Claim 28 at Issue and Prior Art 1

In Claim 28 at issue, the step of generating a representative image defined as an image related to the first data corresponds to collecting information on topography or point of interest (POI) of Prior Art 1 and displaying it on a screen. Comparing both configurations, Prior Art 1 only discloses displaying collected POI information on the screen, and differs in that it does not directly disclose a configuration for generating a representative image defined as an image related to the first data as in Claim 28 at issue. (Difference 1).

Similarly, In Claim 28 at issue, the step of generating a representative image defined as an image related to the first data corresponds to collecting information on topography or point of interest (POI) of Prior Art 1 and displaying it on a screen. Comparing both configurations, Prior Art 1 only discloses displaying collected POI information on the screen, and differs in that it does not directly disclose a configuration for generating a additional image defined as an image related to the second data as in Claim 28 at issue (Difference 2).

2. Analysis of Differences

A. Difference 1

Difference 1 corresponds to a minor difference that does not generate a new effect, being merely an addition, deletion, or modification of well-known or commonly used technology in the specific means for solving the problem.

In Claim 28 at issue, the step of generating a representative image defined as an image associated with the first data is not substantially different from generating a representative image by either extracting an image (such as a logo) as it is as a representative image without separate processing when the first data, which is information regarding an object, or selecting an image related to that information when the first data includes information such as a trade name.

Furthermore, Prior Art 1 discloses a configuration that includes related image information as the information on a topography or POI, and displays detailed information related thereto when a single POI is selected. This configuration means further displaying image information selected as POI information on the screen, which is virtually the same operation or function as extracting or generating the representative image of Claim 28 at issue. Thus, the two are substantially identical in their specific means for solving the problem.

The effect of Claim 28 at issue, namely, that "information regarding the object is displayed as an image so the user can easily recognize the information," is substantially identical to the effect of Prior Art 1 when selecting and displaying image information as POI information. Therefore, no new effect different from Prior Art 1 is generated.

B. Difference 2

Difference 2 also corresponds to a minor difference that does not generate a new effect, being merely an addition, deletion, or modification of well-known or commonly used technology in the specific means for solving the problem.

The effect of Claim 28 at issue, namely, that "information regarding the object is displayed as an image so the user can easily recognize the information," is substantially identical to the effect of Prior Art 1 when image information is selected and displayed as POI information. Such a method of generating an additional image corresponds to overlaying information regarding travel time of Prior Art 1 onto the video as a simple image "." and in terms of function, both configurations are identical in that they both provide related information, such as travel time, to a user.

Additionally, the effect of generating an additional image of Claim 28 at issue is that "additional information regarding the object can be intuitively understood through a simple image such as an icon," which is difficult to view as a new effect different from that of the image display method of Prior Art 1.

3. Conclusion

Claim 28 at issue includes a configuration for generating additional images to allow intuitive understanding of additional information regarding the object via simple "images" like icons. However, a prior art filed before the patented invention and disclosed thereafter includes "text image technology" displaying information of an object such as address, trade name, name, and travel time,

raising the issue of violation of the first-to-file rule. Although the plaintiff, who is the patentee, argues that simple "text images" do not fall under "images" as defined in the patented invention, such an argument cannot be accepted. This is because: ① even when taking into account the specification and claims of the patented invention, there is no basis to narrowly construe the meaning of "image" as a form that excludes text or information; ② in the field of information technology (IT), particularly augmented reality (AR) technology, it is difficult to readily conceive of a scenario where information implemented on an electronic device's screen is expressed solely through pure text with images entirely excluded; and ③ the "" and "" of Prior Art 1 also express text in a specific font, color, etc., place the text within a colored rectangle to enhance its visibility, and even add a building image thereto, which can hardly be viewed as anything other than an "image" under the general common sense of society. Furthermore, since the difference asserted by the plaintiff is nothing more than the addition or modification of well-known and commonly used art concerning icons, the two inventions are substantially identical; thus, the patented invention violates the extended first-to-file rule.

Significance of Decision

A case in which, in connection with a violation of the extended first-to-file rule, the court determined that the two inventions were substantially identical because there is only a minor difference between the prior art invention and the patented invention, which is nothing more than the addition, deletion, or modification, etc., of well-known or commonly used technology and does not produce any new effect

03 Inventive Step

Case on Blood Collection Tube Alignment Device

(Third Division) Decision 2023Heo13599, Decided Jan. 16, 2025

Subject Matter	[Patent] Tube Alignment Device for Manufacturing Blood Collection Tubes
Administrative Decision	IPTAB Decision of Aug. 23, 2023, Case Nos. 2022Dang2993, 2022Dang793 (Consolidated)
Category	Invalidation (Patent)
Relevant Decisions	Supreme Court En Banc Decision 2016Hu2522 (Jan. 22, 2020); Supreme Court Decision 2020Hu10285 (Aug. 31, 2023); Supreme Court Decision 2009Hu3886 (Mar. 24, 2011)

Main Issues and Holdings

1. A method for determining whether a person having ordinary skill in the art could easily invent the claimed invention based on a primary prior art that does not belong to the technical field of the claimed invention or by combining another prior art therewith
2. A case in which the court determined that it is difficult for a person having ordinary skill in the art to use Prior Art 5 as a starting point to derive the invention of Claim 1 at issue, as the technical fields are completely different, the technical configuration of Prior Art 5 cannot be considered general-purpose, and the technical problems of Prior Art 5 and Claim 1 at issue are difficult to find as closely related.

Case Overview

The plaintiffs argued that the patented invention at issue (hereinafter "Patented Invention") and Prior Art 5 both relate to alignment devices for automating the process of supplying cylindrical containers and thus belong to the same technical field of factory automation equipment. They further argued that even if the technical fields differed, Prior Art 5 is related to the Patented Invention regarding the technical task of automating the alignment process of tube-shaped containers and could be easily adapted to the Patented Invention; thus, the inventive step of the Patented Invention should be negated by Prior Art 5.

Summary of Decision Claim Dismissed

⊙ Legal Principles Serving as the Basis for Determination

In light of the facts that a person having ordinary skill in the art is an average technician possessing an ordinary degree of technical comprehension in the technical field to which the relevant invention pertains (see Supreme Court Decision 97Hu2477 [July 23, 1999]; Supreme Court Decision 2004Hu3362 [November 25, 2005], etc.), and that the primary prior art, selected as the prior art closest to the relevant invention, serves as a starting point from which a person having ordinary skill in the art exercises his or her technical creative ability, when determining whether a person having ordinary skill in the art could have easily invented the relevant invention based on a primary prior art that does not belong to the technical field of the relevant invention or by combining it with other prior art, one must examine whether the technical configuration of the primary prior art is of a general-purpose nature for solving the above technical

problem, and along with this, must also examine whether the above technical objective of the primary prior art is sufficiently close to the technical objective intended to be solved by the relevant invention to the extent that the organic combination relationship of the technical configurations—which contributes to solving the technical objective of the entire invention encompassing the above technical problem in the primary prior art—can be deemed adaptable to the technical field to which the relevant invention pertains; and contrary to this, one must not make a determination through hindsight as to whether a person having ordinary skill in the art could have easily invented the invention based on the premise of already knowing the technology disclosed in the specification of the relevant invention.

❹ Determination on Argument regarding Negation of Inventive Step by Prior Art 5

The Patented Invention relates to a method for manufacturing medical blood collection tubes, whereas Prior Art 5 relates to construction sealants; thus, their technical fields are completely different. Furthermore, for the following reasons, it is difficult to find the technical configuration of Prior Art 5, which serves as an object to be utilized by a person having ordinary skill in the art to solve the technical problem at hand, is general-purpose or that the technical problems of Prior Art 5 and the Patented Invention are close to each other to the extent that the organic combination relationship of the technical configuration can be adapted to the technical field to which the patented invention in this case belongs. Therefore, it is determined that it would be difficult for a person having ordinary skill in the art to have relied on Prior Art 5 as a starting point to derive the Patented Invention at issue.

① Prior Art 5 introduces a delivery box with a lattice-shaped partition to stably fix containers to solve the problem of deformation of soft containers made of soft materials during transport. It also provides a technical disclosure that the depth of the receiving part should preferably be set to be longer than the length of the container to prevent breakage. ② In designing a device that pushes and inserts items into a box for transport, the specific configuration and organic combination of technical elements may vary depending on the characteristics of the item and the purpose of insertion. Prior Art 5 relates to a tubular member transport system suitable for preventing deformation of soft members, which is difficult to find as a general-purpose configuration applicable to inserting any item into a box. ③ Specifically, the Patented Invention concerns a blood collection tube alignment device. Due to the typical use and manufacturing necessities, blood collection tubes are generally made of glass or hard plastic to maintain their shape. It is reasonable to find that soft materials easily compressible like the soft containers in Prior Art 5 are unsuitable for blood collection tubes. Moreover, while Prior Art 5 aims to prevent breakage during transport by making the receiving part longer than the container, the Patented Invention aims to improve productivity by automating the manual task of inserting tubes into cartridge holes for the manufacturing process. Adopting soft tube materials or inserting tubes up to their openings into cartridge holes as disclosed in Prior Art 5 would not be efficient for performing rubber packing and cap assembly processes while the tubes are aligned in the cartridge. ④ Although the specification of Prior Art 5 mentions it can be used for filling high-viscosity liquids other than construction materials or transporting hard tubular members, assuming that a

person skilled in the medical device field would use Prior Art 5—which differs in field and technical problem—as a starting point and adapting it for manufacturing blood collection tube method is difficult to conceive unless it is premised on prior knowledge of the Patented Invention, and this must be deemed a typical case of hindsight analysis.

Significance of Decision

A case in which the court presented specific legal principles serving as standard for determining whether the inventive step of a patented invention can be negated by using, as a primary prior art, a prior art belonging to a technical field different from that of the patented invention at issue

Case on Determination of Inventive Step regarding the Use Invention of DPP-IV Inhibitor

(Second Division) Decision 2024Heo11125, Decided Jan. 24, 2025

Subject Matter	[Patent] Use of DPP-IV Inhibitor (No. 1558938)
Administrative Decision	IPTAB Decision of Jan 10, 2024, Case Nos. 2022Dang2800, 2022Dang2822, 2022Dang2827, 2022Dang2834, 2022Dang3004, 2023Dang2486 (Consolidated)
Category	Invalidation (Patent)
Relevant Provision	Former Patent Act, Article 42(3)
Relevant Decision	IP High Court Decision 2015Heo7889 (Feb. 3, 2017)

Main Issues and Holdings

A case holding that an inventive step of the corrected invention at issue (hereinafter "Corrected Invention") is denied, as the invention is a medical use invention characterized by limitations on its dosage regimen and dose, and a person having ordinary skill in the art could easily derive the features limiting the dosage regimen and dose from the prior art invention; furthermore, it does not possess any advantageous or remarkable effects unpredictable from the prior art based on the description in the specification, and no remarkable or heterogeneous effects can be recognized even when taking into account the additional experimental data submitted by the plaintiff

Case Overview

The defendant filed a petition for invalidation of the plaintiff's patent with the IPTAB, and the plaintiff filed a petition for correction regarding the patented invention. The Board, after consolidating and examining the petitions in this case, rendered an administrative decision granting the invalidation in part and dismissing it in part, on the grounds that the Corrected Invention does not satisfy the requirements for description in the specification as prescribed in Article 42(3) of the former Patent Act and lacks an inventive step. The plaintiff subsequently filed a lawsuit seeking the revocation of said decision.

Summary of Decision Claim Dismissed

1. The Nature of the Corrected Invention

   Comprehensively combining the specification of the Corrected Invention and the disclosures in the prior art, the Corrected Invention corresponds to a medical use invention with an additional limitation on a dosage regimen and dose, featuring the administration of linagliptin alone or in combination with metformin as its technical characteristic, by additionally limiting a specific dosage regimen and dose with respect to the publicly known use of linagliptin for treating Type 2 diabetes.

2. Whether Inventive Step of the Corrected Invention is Recognized

   A. Comparison of Elements

      Comparing the Corrected Invention with the prior art, there is a commonality in that it is used in combination with metformin. Additionally, the Corrected Invention and the prior art are identical in that they use a

linagliptin compound as a DPP-IV inhibitor and have the treatment of type 2 diabetes as a medical use.

However, the Corrected Invention relates to dose per oral administration of 2.5 mg of linagliptin, specifying that the daily oral dose is 5 mg. In contrast, the prior art differs in that it does not specifically disclose the dose per oral administration or the daily oral dose of linagliptin (Difference 1).

Furthermore, the Corrected Invention limits the total daily dose of metformin to 500 mg to 2850 mg, whereas the prior art does not limit the dosage of metformin (Difference 2).

B. Difficulty in Conceiving the Configuration

Difference 1 pertains to the limitation of the dose per oral administration of linagliptin to 2.5 mg, specifically limiting the daily oral dose to 5 mg. According to the language of the claim and the description in the specification of the Corrected Invention, the "dose per oral administration of 2.5 mg" is construed as the dose of linagliptin provided per unit administration. However, the technical significance thereof is not explained in the specification of the Corrected Invention, and a special technical significance regarding the configuration adjusting the unit dose to 2.5 mg cannot be found. Meanwhile, a person having ordinary skill in the art could easily overcome Difference 1 based on the Prior Art and derive the configuration limiting the dosage regimen and administration dose of linagliptin to a daily oral dose of 5 mg. Difference 2 pertains to the limitation of the daily dose of metformin used in combination with linagliptin. The specification of the Corrected Invention lacks an objective

and quantitative description to support the effect or technical significance resulting from the daily dose of metformin limited in the constituent element. Furthermore, the Prior Art published before the priority date of the Corrected Invention discloses that metformin is "usually administered in 2-3 divided doses within the range of 1-2.5 g (1000 to 2500 mg) per day," which partially overlaps with the dose of metformin limited in the constituent element. In addition, considering that establishing the administration dose to optimize the therapeutic effect of a publicly known drug falls within the scope of ordinary creative ability for a person having ordinary skill in the art, it is determined that a person having ordinary skill in the art could easily overcome Difference 2 by combining the Prior Arts and derive the configuration limiting the total daily dose of metformin to a range of 500 mg to 2850 mg.

C. Whether the Effect is Remarkable or Unpredictable from the Prior Art

Since the specification of the Corrected Invention does not objectively and quantitatively describe that a therapeutic effect on Type 2 diabetes is exhibited when linagliptin is administered at a low dose (5 mg per day) and used in combination with a total daily dose of 500 mg to 2850 mg of metformin, it is difficult to conclude from the description in the specification of the Corrected Invention that such a pharmacological effect is actually manifested.

Moreover, the specification of the Corrected Invention states that DPP-IV inhibitors including linagliptin, possess superior efficacy, long-term durability of effect, receptor selectivity, and advantageous characteristics

regarding side effects compared to other structurally similar DPP-IV inhibitors. However, such qualitative descriptions alone cannot clearly confirm whether the Corrected Invention actually exhibits the said effects, and even if such effects are recognized, they are merely the inherent effects of linagliptin itself. Therefore, this is merely at the same level as the effects of linagliptin disclosed in the Prior Art, and it is difficult to find it as a remarkable effect unpredictable from the Prior Art.

In addition, the specification of the Corrected Invention describes to the effect that the combination of a DPP-IV inhibitor and metformin results in a greater reduction in fasting and/or non-fasting glucose and HbA1c levels compared to administration alone, and exhibits unexpected therapeutic benefits or improvements upon combination. However, this is also merely a qualitative description, and it is not confirmed whether such effects are actually exhibited.

Therefore, based on the description in the specification of the Corrected Invention, it cannot be concluded that the Corrected Invention possesses advantageous or remarkable effects unpredictable from the Prior Art or a combination of the Prior Arts.

Significance of Decision

A case providing clear guidance when applying the criteria for determining the inventive step of medical use invention involving additional limitation on dosage regimens and dose to specific cases.

Case on the Inventive Step of a Low-Profile Filter

(Second Division) Decision 2023Heo13865, Decided Jul. 9, 2025

Subject Matter	[Patent] Low Profile Surface Mount Filter (No. 1357415)
Administrative Decision	IPTAB Decision of Sep. 18, 2023, Case No. 2022Dang2992
Category	Invalidation (Patent)

Main Issues and Holdings

Although there are some differences between the patented invention and the prior art, in light of circumstances such as the configuration related to said differences being widely used and adopted as a standard prior to the priority date of the patented invention, there is sufficient motivation to modify the configuration of Prior Art 1 to that of the patented invention at issue (hereinafter "Patented Invention") and a person having ordinary skill in the art could easily attempt such design modification. Therefore, it is found that the inventive step of the patented invention is denied.

Case Overview

The plaintiff filed a petition for invalidation, asserting that the inventive step of the Patented Invention is to be denied as a person having ordinary skill in the art in the technical field to which the invention pertains could have easily invented it from the prior art, but the IPTAB dismissed the plaintiff's petition on the grounds

that the inventive step of the Patented Invention is not denied. Subsequently, the plaintiff filed a lawsuit seeking revocation of the IPTAB decision.

Summary of Decision IPTAB Decision Revoked

❶ Whether Difference 1 Can Be Easily Overcome

Difference 1 between the Patented Invention and Prior Art 1 is that the inlet/outlet ports of the Patented Invention are disposed at the center, whereas the inlet/outlet ports of Prior Art 1 are disposed at the side rather than the center. A person having ordinary skill in the art could easily overcome Difference 1 based on Prior Art 1 for the following reasons.

The core technical idea of Prior Art 1 is replacing a "filter occupying a single column" with a "filter block installed between another fluid control device and a flow path block, including a configuration in which a filter is mounted in a flow path communicating the fluid control device and the flow path block." This is to solve problems such as the need for installation space and consequently increasing volume and number of parts caused by the filter (104), which is one of the fluid control devices, occupying a single column. To achieve this, it is inevitably required that the each port on the bottom surface of the fluid control device where the filter is installed and the top surface of the flow path block be configured to be connectable to each other.

The specification of the Patented Invention discloses that "the low-profile filter may be configured to fit various substrate blocks" and that it "may be formed to conform to other substrate blocks publicly known or developed in the art." Furthermore, the technical significance of the "configuration of disposing

the inlet/outlet ports of the filter housing at the center" of the Patented Invention lies in that the inlet/outlet ports are formed to be connectable to the ports of the gas apparatus and the substrate block installed on the top and bottom surfaces of the low-profile filter, thereby interfacing with them.

Even prior to the priority date of the Patented Invention, both the configuration in which the inlet/outlet ports are disposed on both sides of the mounting surface of the gas distribution apparatus and the configuration in which one of the ports is disposed at the center had already been standardized and widely used. Moreover, Elements installed in a gas supply apparatus have been manufactured and supplied in accordance with the standard specifications regarding the mounting surface adopted by the gas supply apparatus in which they are to be installed, ensuring connectability with the inlet/outlet ports defined by such standard specifications.

A person having ordinary skill in the art would recognize from Prior Art 1 that its inlet/outlet ports must be formed to be connectable to the ports of the fluid control device and the flow path block installed on the top and bottom surfaces thereof, and since both gas supply apparatuses in which inlet/outlet ports are disposed at the side and those in which they are disposed at the center had already been widely used at the time, there is sufficient motivation to modify the design of the filter block of Prior Art 1, which is used for a gas supply apparatus in which inlet/outlet ports are disposed at the side, to be applicable to a gas supply apparatus in which inlet/outlet ports are disposed at the center, and a person having ordinary skill in the art could easily attempt to modify the design to dispose the position of the "inlet/outlet ports disposed at the side" at the center

for this purpose. Furthermore, changing the position of the inlet/outlet ports to the center does not entail any significant modification of other structures and can be achieved through a relatively simple design modification.

Whether Difference 2 Can Be Easily Overcome

Difference 2 between the Patented Invention and Prior Art 1 is that the adapter of the Patented Invention is disposed between the sealable open end of the filter cavity and the filter, whereas the ring plate of Prior Art 1 is disposed between the side opposite to the sealable open end of the filter cavity and the filter element. For the following reasons, a person having ordinary skill in the art could easily overcome Difference 2 by combining Prior Arts 1 and 2.

Prior Art 1 and 2 share a common technical field and technical objective, and the configurations adopted as means for solving the objective are also similar in that, in order to solve the technical objective, Prior Art 1 adopts a means of interposing a filter block, which adopts a configuration wherein "a filter is inserted laterally into a filter cavity, the filter is fitted into the filter cavity through an annular plate (ring plate), and the opening of the filter cavity is closed by a cover," between a gas apparatus and a flow path block. Meanwhile, the Prior Art 2 adopts a means of disposing the configuration wherein "a filter is inserted laterally into a filter cavity, the filter is fitted into the filter cavity through an annular plate (ring plate), and the opening of the filter cavity is closed by a cover" within a flow path block.

Prior Art 2 discloses two embodiments with different arrangement sequences of the ring plate, namely: a "structure in which the ring plate (gasket) is disposed between the side opposite to the sealable open end of the filter cavity

and the filter," identical to Prior Art 1 (FIG. 16 of Prior Art 2); and a "structure in which the ring plate (gasket) is disposed between the sealable open end of the filter cavity and the filter," identical to the Patented Invention (FIG. 7 of Prior Art 2). Therefore, a person having ordinary skill in the art, with reference to the above two embodiments disclosed in Prior Art 2, could easily conceive of modifying the "structure in which the ring plate is disposed between the side opposite to the sealable open end of the filter cavity and the filter" of Prior Art 1 into the identical structure as the "structure in which the ring plate (gasket) is disposed between the sealable open end of the filter cavity and the filter" disclosed in FIG. 7 of Prior Art 2.

Changing the arrangement structure of FIG. 16 to that of FIG. 7 among the two embodiments of Prior Art 2 is merely a minor modification entailing a change in the position where the filter element is inserted, and the resulting difference in effects does not yield any remarkable difference beyond the effect of altering the insertion position of the filter.

Significance of Decision

A case specifically determining whether the difference could be easily overcome, in a matter where the configuration related to the difference between the patented invention and the prior art had been adopted as a technical standard at the time of the priority date the patented invention.

Case on Second Medical Use Invention of Ustekinumab

(Fourth Division) Decision 2024Heo14162, Decided Jun. 19, 2025

Subject Matter	[Patent Application] Safe and Effective Method for Treating Ulcerative Colitis with Anti-IL-12/IL-23 Antibody
Category	Decision of Rejection
Relevant Decisions	Supreme Court Decision 2005Hu3284 (Sep. 6, 2007); Supreme Court Decision 2016Hu502 (Jan. 31, 2019); Supreme Court Decision 2014Hu2702 (Aug. 29, 2017)

Main Issues and Holdings

1. A case holding that, in determining whether the inventive step of a second medical use invention is denied, it is not necessary to require the confirmation of therapeutic effects through clinical trials or the like derived from the prior art
2. A case holding that, however, it is insufficient for the prior art to merely present simple declarative statement or vague expectation and possibility, and they must reach a level where the effects regarding a specific disease and therapeutic use can be reasonably predicted in light of their disclosures therein
3. A case holding that the inventive step of the claimed invention, which is a use invention using ustekinumab for the treatment of ulcerative colitis, is denied by the prior art

Case Overview

Claimed Invention	Invention in Question
A second medical use invention using ustekinumab, an anti-IL-12/IL-23p40 antibody, at a specific dose and dosage regimen for the purpose of treating moderately to severely active ulcerative colitis (UC)	A specific dosage regimen and administration dose of ustekinumab for the purpose of treating Crohn's disease, and a partial amino acid sequence (portions of the heavy and light chains) of ustekinumab

⭘ Issues

Claim 1 at issue is a medical use invention for treating ulcerative colitis by administering a pharmaceutical composition comprising ustekinumab, technically characterized by additionally limiting the dosage regimen and administration dose of the drug. The issues are whether a person having ordinary skill in the art could easily predict the occurrence of the clinical effects set forth in Element 4 upon the administration of ustekinumab (Difference 1), and whether the configuration of the dosage regimen and administration dose disclosed in Element 3 could be easily derived from Prior Art 1 to achieve such effects (Difference 2).

⭘ Holdings

Regarding a medical use invention, if a person having ordinary skill in the art can merely predict the therapeutic effect of a specific substance on a specific disease from the prior arts easily, its inventive step is denied. In such cases, it is not deemed necessary that the therapeutic effects be verified through clinical trials and the like in the prior arts (Supreme Court Decision 2016Hu502 [January

31, 2019]). However, it is insufficient for the prior arts to be merely declarative statements or to present vague expectations or possibilities. The prior arts must include the pathogenic mechanism of a specific disease and the corresponding principles of prevention and treatment, the scientific, technical, and functional characteristics of a specific substance, and the correlation between the characteristics of such substance and the pathogenic and therapeutic principles of the disease, reaching a level where the therapeutic effect of the specific substance on the specific disease can be rationally predicted.

❹ Determination

Difference 1 – Therapeutic Effect of Ustekinumab on Ulcerative Colitis

Prior Art Invention 1 does not specifically disclose pharmacological data or other data that can directly confirm the therapeutic effects when ustekinumab is administered to patients with moderately to severely active ulcerative colitis. However, in light of the facts and circumstances recognized by comprehensively taking into account the descriptions of Prior Art Invention 1 and common technical knowledge. (detailed description omitted), it is determined that a person having ordinary skill in the art could easily predict the therapeutic effects of ustekinumab on ulcerative colitis.

① At the time of the priority date of the Claimed Invention of this case, there were clinical studies verifying the therapeutic effect of ustekinumab on ulcerative colitis, and the potential for treating the disease using ustekinumab appears to have already been suggested.

② At the time of the priority date of the Claimed Invention of this case, it was

widely known that "IL-23" is commonly involved in the pathogenesis of IL-23-mediated inflammatory bowel diseases, including ulcerative colitis and Crohn's disease, and that there is a therapeutic mechanism by which the disease can be treated by administering an "anti-IL-23 antibody" to inhibit IL-23.

③ Given that anti-IL-23 antibodies targeting the same inflammatory pathway demonstrated clinical efficacy in Crohn's disease at the time of the priority date of the Claimed Invention of this case, it is determined that the therapeutic effect of ustekinumab on ulcerative colitis could have been easily predicted.

Difference 2 – Ease of Deriving the Dosage Regimen and Administration Dose

It is determined that a person having ordinary skill in the art could easily derive the dosage regimen and administration dose of ustekinumab limited in Element 3 from Prior Art 1 and common technical knowledge.

Significance of Decision

A case that supplements and clarifies the meaning of the statement, "it is not deemed necessary that the therapeutic effects be verified," presented in the Supreme Court Decision 2016Hu502 (January 31, 2019, the Imatinib Case), regarding the criteria for determining the inventive step of a second medical use invention.

Case on Patent Registration Invalidation for Building Construction Method

(Fifth Division) Decision 2024Heo14865, Decided Sep. 11, 2025

Subject Matter	[Patent] Construction Method for High-Rise Structures with Steel-Reinforced Concrete Structure (No. 0454478)
Administrative Decision	IPTAB Decision of Aug. 21, 2024, Case No. 2024Dang851
Category	Invalidation (Patent)
Relevant Provision	Patent Act, Article 29(2)
Relevant Decisions	Supreme Court Decision 2006Hu3052 (May 29, 2008); Supreme Court Decision 2013Hu2873, 2880 (Jan. 14, 2016); Supreme Court Decision 2021Hu10398 (Feb. 2, 2023)

Main Issues and Holdings

A case where an inventive step of a patented invention was negated under the premise that Element 6 and the corresponding configuration of Prior Art 8 are substantially identical, based on a comparison conducted on the basis of matters that a person having ordinary skill in the art can reasonably recognize from the entire description of Prior Art 8 and other technical references.

Case Overview

The IPTAB determined that the inventive step of the patented invention is denied because a person having ordinary skill in the art could easily invent it based on the cited invention. The plaintiffs filed a lawsuit seeking the revocation of the administrative decision, and the defendant newly submitted Prior Art 8 during the litigation proceedings. The plaintiffs argued to the effect that the First City Tower of Prior Art 8 should be understood according to the construction method described in the prior art document asserted by the plaintiffs, according to which Element 6 is not disclosed in Prior Art 8. Accordingly, how to understand the technical contents of Prior Art 8 became a particular issue.

Summary of Decision Claim Dismissed

1. Comparison with Element 6

When comparing them based on matters that a person having ordinary skill in the art can reasonably recognize from the entire description of Prior Art 8 and the prior art reference asserted by the plaintiffs, Element 6 and the corresponding configuration of Prior Art 8 are substantially identical in that they both include the steps of first pouring the slab [floor concrete] and subsequently pouring the core [shear wall of the core]. The reasons therefor are as follows:

A. Element 6 relates to a concrete pouring step, comprising the steps of first pouring the slab and subsequently pouring the core. Prior Art 8 discloses the construction sequence of a building with a composite frame structure combining structural steel (steel frame) and reinforced concrete, as shown in the drawings, describing that "A finished concrete floor is required before pouring the composite columns and shear wall concrete. This is to

provide a surface on which reinforcing bars can be stacked and tied, and column forms can be installed." (hereinafter referred to as the "Description at Issue"). When the construction method disclosed in Prior Art 8 is chronologically understood based on a certain range of floors, it can be found to proceed in the sequence from ① to ⑥.

B. A person having ordinary skill in the art would understand the "shear wall" in the Description at Issue as the "shear wall of the core." This is because Prior Art 8 describes, regarding the First City Tower, that "most of the lateral load resistance is provided by the composite shear walls located in the central core," and [FIG. 5] of Prior Art 8 related thereto indicates the structure in the central part as "SHEAR WALLS."

C. A person having ordinary skill in the art would understand the "concrete floor" in the Description at Issue as meaning a "slab," which refers to a floor of a reinforced concrete structure. This is because, in light of [FIG. 6] of Prior Art 8 and the explanation thereof, it can be recognized that a metal deck is installed on the peripheral steel beams and that the floor concrete is poured on the metal deck.

D. [FIG. 6] of Prior Art 8 also illustrates a concrete pouring process that takes place in the sequence of first pouring and finishing the concrete floor (or slab), and subsequently pouring the composite columns and the shear wall (or shear wall of the core) (this can be seen from the fact that, on the drawing around the 1st to 4th floors, the composite columns to be poured after the floor has been poured are indicated by dashed lines).

E. The plaintiffs argue that Prior Art 8 must be understood according to the

construction method described in the prior art reference asserted by the plaintiffs, which discloses the specific construction method of the First City Tower using "gang forms," and according to this, the step of first pouring the slab and subsequently pouring the core, which constitute Element 6, is not disclosed in Prior Art 8. However, the above argument is without merit for the following reasons:

1) The prior art document asserted by the plaintiffs is a document published around October 1982, about four years prior to the 2nd quarter of 1986, which is the time when Prior Art 8 was published, and both technical documents were written by different authors. The author of Prior Art 8, through construction experiences of the "Houston Center Gulf Tower Building," the "First City Tower," and other buildings, confirmed that optimal construction sequences and progressions exist in various construction activities, and disclosed [FIG. 6] schematically showing the various stages of construction work along with explanations thereof. Thus, when a person having ordinary skill in the art who encounters Prior Art 8 understands therefrom the construction method of a high-rise building structure having a steel frame and reinforced concrete structure, it is difficult to find that such a person would limit their understanding solely to the technical matters of the prior art reference asserted by the plaintiffs, which describes the individual construction method of the First City Tower.

2) It is true that Prior Art 8 describes, regarding the "First City Tower," that "the concrete pouring of the core walls was carried out using a gang

form method used in general concrete buildings, and the columns and beams within the core are encased in shear wall concrete." However, it merely states a "gang form method used in general concrete buildings" and does not present it by limiting specifically what kind of "gang form method" it means, nor does it specify or explain the "gang form method" regarding the "Houston Center Gulf Tower Building," which is another example of a composite frame structure building, or the construction experiences of other projects.

3) Even taking into consideration the above description that the concrete pouring method of the core walls is a "gang form method," it is acknowledged that a person having ordinary skill in the art can reasonably understand the process of first pouring and finishing the concrete floor (or slab) and then subsequently pouring the shear wall (or shear wall of the core) later from Prior Art 8.

2. Whether Inventive Step is Denied

Under the premise of the above determination, a review of the differences reveals that it should be concluded that the patented invention could be easily derived by a person having ordinary skill in the art by combining Prior Art 8 with well-known and commonly used art.

Significance of Decision

A case that compared and determined elements based on matters that a person having ordinary skill in the art could reasonably recognize from the prior art reference as a whole, rather than based solely on a partial description therein.

Case on Detergent Product

(Fifth Division) Decision 2024Heo10115, Decided Feb. 6, 2025

Subject Matter	[Patent] Detergent Product
Category	Decision of Cancellation (Patent)
Relevant Provision	Patent Act, Article 132-2
Relevant Decision	Supreme Court Decision 2019Hu12094 (Jan. 13, 2022)

Main Issues and Holdings

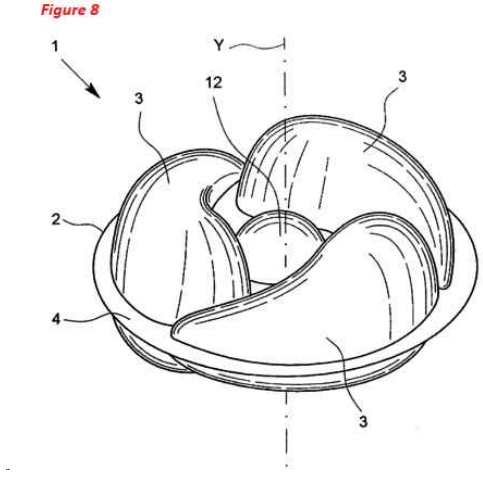
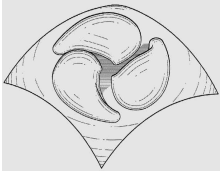
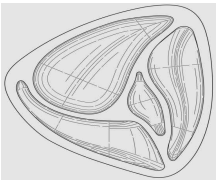
1. Whether a design disclosed in a Registered Design Gazette can serve as prior art for negating the inventive step of a patented invention. (Affirmative)

Case Overview

The IPTAB issued a decision to cancel the patent, determining that the patented invention at issue regarding a detergent product lacks an inventive step because it could be easily derived from the Prior Arts (designs described in Registered Design Gazette), thereby . Accordingly, the plaintiff, who is the patentee, filed this lawsuit seeking the revocation of the IPTAB decision on patent cancellation at issue. The gist of the patented invention at issue and the Prior Arts are as follows.

The patented invention at issue relates to a detergent product (1) in the form of a single-use, single-dose package, having a film pouch (2) comprising a plurality of pouch chambers (3) surrounded by a water-soluble film, as shown in

the figure below, and is characterized by having high inherent shape stability and improved dissolution behavior. Meanwhile, the Prior Arts are designs described in the Registered Design Gazette regarding detergent pouch products.

The patented invention at issue	Prior Arts
	 Figure 1  Figure 1.2

Summary of Decision Claim Dismissed

The IP High Court dismissed the plaintiff's claim, determining that the decision to cancel the patent of this case, which found the inventive step of the patented invention denied for the same reason, is lawful, as the patented invention at issue could be easily derived by a combination of the Prior Arts.

In this case, the plaintiff argued to the effect that the Prior Arts are all merely designs described in Registered Design Gazette and do not exhibit the technical features such as inherent shape stability or improved dissolution behavior, which are the objectives of the patented invention at issue, are not shown, and they cannot be compared because it is not explicitly described that the chambers are separated by sealing sections or sealing planes. However, the IP

High Court rejected the plaintiff's argument for the following reasons.

"As the plaintiff argues, since the Prior Arts are designs, there are not many explicit explanations other than the drawings that can be compared with the corrected invention of Claim 1 at issue. However, since the shape stability or dissolution behavior, which are said to be the objectives of the corrected invention of Claim 1 at issue, are general characteristics that must be considered together when used as actual products in the common technical field of the corrected invention at issue and Prior Arts 1 and 4—namely, cleaning compositions or laundry detergent containers—regardless of whether they are inventions or designs, and therefore, it is not the case that a person having ordinary skill in the art cannot recognize the corresponding technical features from the prior art designs.

Furthermore, since the shape stability or dissolution behavior of a detergent product is manifested by the structure of a container such as a detergent pouch, a person having ordinary skill in the art would be able to easily understand the relevant technical content from Prior Arts 1 and 4, which are designs, based on widely known common technical knowledge or empirical rules such as general physical laws, regarding the dissolution behavior effect resulting from structural characteristics rather than material properties or shape stability which is a physical property, from the drawings disclosed in the Prior Arts, which are designs."

Significance of Decision

To determine whether the inventive step of a certain invention is denied based on presented prior art document, a comparison and determination must be made

based on matters that a person having ordinary skill in the art can reasonably recognize from the prior art document as a whole, not just a partial description that could serve as a basis for denying the inventive step (see, e.g., Supreme Court Decision 2019Hu12094 [January 13, 2022]). The subject decision is significant in that it clearly clarified that even when a prior art document is a design published in a Registered Design Gazette rather than technical data, a determination on inventive step can be made based on the technical matters that a person having ordinary skill in the art can reasonably recognize therefrom.

04 Inventions with Numerical Limitations

Case on Inventive Step of High-Purity Quinoline Derivatives and Its Manufacturing Method

(Fourth Division) Decision 2024Heo12425, Decided Aug. 28, 2025

Subject Matter	[Registered Patent] High Purity Quinoline Derivative and Method for Preparing the Same
Administrative Decision	IPTAB Decision of Mar. 28, 2024, Case No. 2023Dang2854
Category	Invalidation (Patent)
Relevant Decisions	Supreme Court Decision 2011Hu2015 (May 24, 2013);, Supreme Court Decision 92Da40563 (Feb. 12, 1993); Supreme Court Decision 2007Hu1299 (Nov. 16, 2007)

Main Issues and Holdings

In the patented invention at issue (hereinafter "Patented Invention"), which numerically limited a pharmaceutical composition for tumor treatment (methanesulfonic acid salt of Compound [IV]) that was already publicly known prior to the filing, if the limited numerical range is specifically shown in the prior arts, or if such a numerical limitation is merely a well-known and commonly used means that a person having ordinary skill in the art can appropriately select and no new effects arises therefrom, novelty is denied. Furthermore, if the limited numerical range lies on the extension of the problems and effects of the publicly known invention, and differs only in the presence or absence of the

numerical limitation, thus having no critical significance in the numerical limitation and producing no remarkable difference in effects, to the extent that it can be achieved by a person having ordinary skill in the art through routine and repeated experiments, its inventive step is also denied.

Case Overview

The Patented Invention is an invention that limits the purity of the methanesulfonic acid salt of Compound (IV), a pharmaceutical composition for tumor treatment, to 98.0 mass % or more, and limits the content of Compound (I) to 183 mass ppm or less, and the content of Compound (A-1) to 60 mass ppm or less, which correspond to impurities generated during the synthesis process of the above pharmaceutical composition.

Both Prior Art 1 and Prior Art 2 disclose a composition for tumor treatment comprising the methanesulfonic acid salt of Compound (IV) and Compound (I) and Compound (A-1), and the IPTAB issued the administrative decision at issue upholding the defendant's petition for invalidation on the grounds that the novelty and inventive step of the Patented Invention are denied by Prior Arts 1 and 2.

The plaintiff, who is the patentee, sought the revocation of the IPTAB decision at issue, arguing that although the same active ingredient as the Patented Invention is disclosed in Prior Arts 1 and 2, a purity such as that of the patent at issue is not inherently disclosed, and since the methanesulfonic acid salt of Compound (IV) having the aforementioned content levels cannot be obtained by the manufacturing methods disclosed in Prior Arts 1 and 2 or general purification means, novelty should be recognized. Furthermore, an inventive step should be

recognized because such purity provides a safe drug with reduced risk of genotoxic substances, thereby exhibiting remarkable effects that cannot be easily predicted from Prior Arts 1 and 2.

Summary of Decision Claim Dismissed

(1) It is reasonable to find that the levels of purity and content limited in the Patented Invention are at a level that can be realized even by Prior Art 1 or 2 and publicly known purification technologies, and it cannot be deemed that the technology capable of realizing them was disclosed for the first time in the Patented Invention. Therefore, it is difficult to find that novelty is recognized for Claim 3 at issue in comparison with Prior Art 1 or 2.

(2) A person having ordinary skill in the art can easily invent a composition comprising the compound with the level of purity and content limited by the Claim 3 at issue by appropriately applying purification technology or manufacturing conditions publicly known at the time of the priority date of the patent at issue through routine and repetitive experimentation. Moreover, the purity and impurity contents limited by the Patented Invention are at a level that can be sufficiently achieved by a person having ordinary skill in the art using the configurations of Prior Arts 1 and 2 and publicly known purification technology, and it cannot be said that such numerical limitations have unpredictable remarkable effect; thus, its inventive step is denied.

A) Prior Arts 1 and 2 disclose a multi-step synthesis process in which Compound (A-1) and Compound (I) are used as a starting material and an intermediate, respectively, and the methanesulfonic acid salt of Compound (IV) can be obtained as a final product. The methods argued

by the plaintiff—namely, the one-pot synthesis method, increasing the amount of reactants used, or recrystallizing the final product—are all methods widely used in the field of organic chemistry.

B) According to the specification of the Patented Invention and the approval data submitted by the plaintiff, experimental results are confirmed where the methanesulfonic acid salt of Compound (IV) within the content range set by the Patented Invention was obtained even without applying the manufacturing method argued by the plaintiff. In addition, considering that the Patented Invention only limits the content range but does not limit the reproducibility or yield, it cannot be found that achieving the content range set forth in the Patented Invention is difficult through general purification methods alone.

C) In the pharmaceutical field, attempts to secure active ingredients of higher purity and to lower the content of impurities that have the potential to cause side effects or toxicity correspond to technical problems commonly required in the relevant technical field. Regarding Compound (I) and Compound (A-1), which are the impurities whose content numerical values are limited in the Patented Invention, the Ministry of Health, Labour and Welfare of Japan and the European Medicines Agency had already publicized respective safety standards prior to the filing date. Therefore, the effect resulting from the content range limited by the Patented Invention cannot be found to have an unpredictable remarkable effect from the prior arts.

Significance of Decision

For an invention limiting a numerical range of an already publicly known pharmaceutical composition, this case reaffirmed the legal principle that, in order to recognize the novelty and inventive step of the invention, it must be difficult for a person having ordinary skill in the art to achieve the numerical value by synthesizing the prior arts and well-known and commonly used arts and such a numerical limitation must possess a critical significance or remarkable effect that does not merely remain on the extension of a general problem.

05 Medical Use Invention

Case on Treatment for Neoplastic Diseases

(Fourth Division) Decision 2024Heo14469, Decided Jul. 17, 2025

Subject Matter	[Patent Application] Treatment for Neoplastic Diseases
Administrative Decision	IPTAB Decision of Jun. 28, 2024, Case No. 2023Won649
Category	Decision of Rejection (Patent)
Relevant Decisions	Supreme Court Decision 2005Hu3284 (Sep. 6, 2007); Supreme Court Decision 2016Hu502 (Jan. 31, 2019); Supreme Court Decision 2014Hu2702 (Aug. 29, 2017)

Main Issues and Holdings

A case holding that in a medical use invention of a pharmaceutical composition, if it is merely at a level where a person having ordinary skill in the art can easily predict the therapeutic effect of a specific substance on a specific disease, its inventive step is denied.

Case Overview

Claim 1 at issue are directed to a pharmaceutical composition for treating a neoplastic disease in a human subject, comprising an anti-IL-1α antibody, wherein the anti-IL-1α antibody is a monoclonal antibody (mAb) that binds to human IL-1α with a Ka[1)] of at least 1x10^9 M^-1 (active ingredient), and

wherein the neoplastic disease is associated with a metastatic tumor and characterized by a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells, and wherein the size of the metastasized tumor is reduced as a result of administering the composition (medical use).

Prior Art 1 discloses the same active ingredient as Claim 1 at issue, namely a human IgG1 mAb that specifically binds to human IL-1α, and that the Ka of the Ab is at least 1×10^9 M^-1 or more. The IPTAB rejected the patent registration on the grounds that Claim 1 at issue could be easily invented based on other prior arts including the above prior art and well-known and commonly used arts, and therefore lacks an inventive step, and rendered the administrative decision at issue dismissing the plaintiff's petition seeking revocation of the above rejection.

The plaintiff sought the revocation of the IPTAB decision at issue, arguing that although the same active ingredient as Claim 1 at issue is disclosed in Prior Art 1, the inventive step of Claim 1 at issue is recognized because the well-known and commonly used arts and prior arts at the time of the priority date did not limit the same medical use as Claim 1 at issue, namely that the target neoplastic disease for treatment is ① associated with a metastatic tumor, ② a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells, and ③ the size of the metastasized tumor is reduced as its therapeutic effect.

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1) "Ka" is a unit indicating the affinity of an antibody to an antigen; "Ka" refers to the amount of antibody-antigen complex present at equilibrium, defined as Ka = [Ab-Ag]/[Ab][Ag], where [Ab-Ag] is the molar concentration of the antibody-antigen complex, [Ab] is the molar concentration of the vacant binding sites of the antibody (i.e., binding sites not bound to the antigen), and [Ag] is the molar concentration of the vacant binding sites of the antigen)

Summary of Decision Claim Dismissed

The limitations of Claim 1 at issue—that the target neoplastic disease for treatment is ① associated with a metastatic tumor, ② a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells, and ③ the size of the metastasized tumor is reduced as its therapeutic effect—are easily predictable by a person having ordinary skill in the art when taking into account all of the following circumstances, and thus an inventive step is denied.

A) At the time of the priority date of the claimed invention at issue (hereinafter "Claimed Invention"), there were several research results confirming the fact that when IL-1α is secreted from tumor cells, it plays an important role in tumor invasion or cancer cell metastasis, and Prior Arts 1 and 2 had already disclosed the effect of reducing cancer cell metastasis using an anti-IL-1α antibody that targets and binds to IL-1α.

Under normal conditions, IL-1α is known to have anti-tumor effects such as cell-mediated immune responses. However, the facts that IL-1α, the most potent pro-inflammatory cytokine, is secreted from cancer cells in many cases, and that IL-1α secreted from malignant cells induces the expression of cell adhesion molecules (ICAM-1, VCAM, E-selectin), thereby playing an important role in tumor cell invasion and cancer cell metastasis, and that an increase in the concentration of cell adhesion molecules in the serum of cancer patients is highly correlated with cancer metastasis, were widely researched in the relevant technical field and published through various papers at the time of the priority date of the Claimed Invention, and corresponding contents are also disclosed in Prior Arts 1 and 2.

B) In light of the common technical knowledge at the time of the priority date, a person having ordinary skill in the art could easily predict that the "neoplastic disease" which is the treatment target of the anti-IL-1α antibody disclosed in Prior Art 1 is a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells.

In light of the specifications of Prior Arts 1 and 2 and the common technical knowledge in the relevant field at the time of the priority date, since the anti-IL-1α antibody targets IL-1α and acts on cells expressing IL-1α, a person having ordinary skill in the art could sufficiently expect that the target of cancer treatment using the anti-IL-1α antibody—namely, the target of tumor treatment—could be a tumor expressing IL-1α or a tumor infiltrated with inflammatory cells expressing IL-1α.

C) In light of the common technical knowledge at the time of the priority date, a person having ordinary skill in the art could also easily predict that the therapeutic effect of the neoplastic disease disclosed in Prior Art 1 is "the size of the metastasized tumor is reduced."

At the time of the priority date of the Claimed Invention, it was widely known common technical knowledge that neoplastic diseases such as cancer involve metastasis, and that the treatment of neoplastic diseases is to reduce the size of the tumor, and it can be seen that tumor size reduction is an evaluation index generally confirmed in clinical trials of anti-cancer drugs. Considering that clinical trials are conducted to prove safety and efficacy in humans after performing in vitro and animal tests, since Prior Art 1 describes the effects on "in vitro killing of blood cancer cells," such effects could be easily predicted

by a person having ordinary skill in the art.

Significance of Decision

A case reaffirming the legal principle that, in an invention limiting a medical use of an already publicly known pharmaceutical composition, in order to recognize the inventive step of an invention, a person having ordinary skill in the art must not be able to easily predict its therapeutic effect by combining the prior arts and well-known and commonly used arts at the time of filing (as of the priority date).

06 Claim Construction

Case on Lam Research Carrier Ring

(Third Division) Decision 2023Heo14660, Decided Jan. 23, 2025

Subject Matter	[Patent Application] Carrier Ring Designs for Controlling Deposition on Wafer Bevel/Edge
Administrative Decision	IPTAB Decision of Jun. 29, 2023, Case No. 2023Won1389
Category	Decision of Rejection(Patent)
Relevant Decisions	Supreme Court Decision 2007Hu4977 (Jul. 23, 2009); Supreme Court Decision 2007Hu3820 (Dec. 10, 2009)

Main Issues and Holdings

A case in which the court held that, based on claim construction regarding functional expressions in the claimed invention, the technical configuration limited by said functional expressions does not limit the claimed invention beyond the limitation on the configuration of the specific object described elsewhere in the claims.

Case Overview

Claim 1 at issue defines the function, effect, and technical task of the invention through functional expressions stating that the carrier ring ① supports the substrate "during deposition on a bottom surface of the substrate" (hereinafter "Issue Phrase 1") and ② "controls flows of process gases, a flow of a front-side

purge gas, and plasma effects to reduce or eliminate deposition at a front side and a bevel edge of the substrate" (hereinafter "Issue Phrase 2"). Meanwhile, the remaining parts of the claim limit the specific form of the carrier ring structure as a means to achieve such functions and effects and solve the technical task.

The plaintiff argued that unlike Claim 1 at issue, ① the prior art does not disclose a carrier ring supporting a substrate during deposition on the bottom surface, and ② it lacks the operational effect of reducing or eliminating deposition at the front side and bevel edge of the substrate; thus, the inventive step of Claim 1 is not negated.

Summary of Decision Claim Dismissed

In cases where the claims of a claimed invention include descriptions specifying the invention by a function, effect, property, or the like, the principle is to construe the claims as meaning all inventions having such function, effect, property, or the like based on the matters recited in the claims. However, since the precise technical meaning of the matters stated in the claims can only be understood by taking into consideration the detailed description of the invention and drawings, if there are other circumstances, such as a specific meaning of a term used in the claims being defined or explained in the detailed description or drawings of the specification, the content of the invention must be determined by objectively and reasonably construing the meaning of the term, based on the general meaning of the term while also examining the technical significance intended to be expressed by the term (See Supreme Court Decision 2007Hu4977, decided on July 23, 2009, etc.).

Considering the description and drawings of the claimed invention, ①

Issue Phrase 1 cannot be seen as excluding the use of the carrier ring for deposition on the top surface; and ② it is reasonable to find the technical configuration determined by Issue Phrase 2 as substantially identical to Element 3 of Claim 1, "the third portion is at an acute angle relative to the top surface." The reasons are as follows:

1) While the carrier ring of Claim 1 is applied to a chamber structured for depositing process gases and vaporized chemicals introduced through a substrate support assembly onto the bottom surface of the substrate, deposition on the bottom surface is applied in a post-process to resolve warping and/or bowing occurring during deposition on the top surface. Thus, the carrier ring cannot be construed as excluding use during general substrate transfer and deposition on the "top" surface.

2) The system to which the carrier ring is applied appears structurally capable of being used during top surface deposition by merely changing the top and rear gas sources. There is no significant difference from the top surface deposition process drawings described in Prior Art 1. That is, Issue Phrase 1 merely adds a function enabling use in the bottom surface deposition process to a carrier ring that can also be used for top surface deposition; it does not limit the carrier ring to use only during bottom surface deposition.

3) The specification of the claimed invention at issue (hereinafter "Claimed Invention") describes specific technical configurations for reducing or eliminating deposition at the front side and bevel edge relative to the top surface, as described in Issue Phrase 2. According to this description, the technical configuration enabling such reduction/elimination is the structure of

the carrier ring of the Claimed Invention, specifically: ⓐ "an optimized gap between the wafer edge and the carrier ring inner diameter," and ⓑ "a profile angle of the inner portion of the carrier ring being 15 to 45 degrees." There is no other description in the specification of the Claimed Invention supporting other technical configurations for the function described in Issue Phrase 2.

4) However, the specification of the Claimed Invention only describes that the gap between the wafer edge and the inner diameter of the carrier ring must be an optimal value and lacks even a minimum description to limit the range of the optimized gap. Thus, it is not found that the gap has the meaning of substantially limiting the technical configuration of the carrier ring of the Claimed Invention. Ultimately, the only meaningful technical configuration in relation to Issue Phrase 2 is "the profile angle of the inner portion of the carrier ring being 15 to 45 degrees," which is substantially identical configuration to the description "the third portion is at an acute angle relative to the top surface" in Claim 1.

Significance of Decision

A case finding that, through claim construction of a functional expression recited in the claims as if it were superficially a separate element in a specific case, the functional expression is in reality merely a functionally alternative expression of another element of the claims

Case on Hanon Compressor

(Twenty-Third Division) Decision 2022Na1456, Decided Feb. 13, 2025

Subject Matter	[Patent] Variable Displacement Swash Plate Type Compressor
Category	Lawsuit for Prohibition of Patent Infringement, etc.
Relevant Decisions	Supreme Court Decision 2007Hu883 (Jun. 14, 2007); Supreme Court Decision 2005Da77350, 77367 (Feb. 28, 2008)

Main Issues and Holdings

A case where the court: ① determined the technical configuration from the functional expression of the disputed invention through claim construction and found that the defendant's product did not possess such configuration; and ② held that interpreting the claims literally as argued by the plaintiff would be manifestly unreasonable in light of other descriptions in the specification.

Case Overview

1. The main issue was whether the defendant's implemented product possessed Element 10 of the disputed invention, specifically the feature that "oil that has flowed to the third oil supply passage through the second oil supply passage is capable of being supplied to the first oil supply passage" (hereinafter "Disputed Language").

2. In response to this, the plaintiff argued that the Disputed Language of Element

10 merely requires it to be possible for the oil that has flowed into the third oil supply passage through the second oil supply passage to be supplied to the first oil supply passage, and should not be construed to mean that the oil must always be supplied in all cases. On the other hand, the defendant argued that the defendant's implemented product cannot be deemed to comprise the technical configuration of Element 10, which is determined by taking into consideration the description of the invention and drawings, etc., of the Patented Invention at issue.

Judgment of the First Instance Seoul Central District Court Decision 2019GaHap566500 (May 20, 2022)

The court of first instance dismissed the plaintiff's claim on the ground that the defendant's implemented product does not comprise Element 10 of the Patented Invention at issue.

Summary of Decision Appeal Dismissed

- **Determination of the Technical Configuration of the Disputed Language in Element 10**

It is reasonable to view that the technical configuration of the Disputed Language, which is determined by taking into consideration the detailed description of the invention and the drawings in the specification of the Patented Invention of this case, is "that the pressure of the oil is continuously maintained in the direction of the first oil supply passage within the flow path of the oil where the oil that has flowed into the third oil supply passage through the second oil supply passage is provided to the first oil supply passage." The reasons are as follows.

① Based on the general meaning of the claim language and taking into consideration the detailed description of the invention in the specification of the Patented Invention of this case, the Disputed Language can be construed as "oil that has flowed to the third oil supply passage through the second oil supply passage can be smoothly and continuously provided to the first oil supply passage." ② Furthermore, from the perspective of a person having ordinary skill in the art, the Disputed Language is specified as having the following functions and operational effects: even if the amount of oil flowing from the crankcase into the third oil supply passage through any one or a plurality of second oil supply passages temporarily changes due to variations in oil flow caused by direct or indirect impacts surrounding the compressor during vehicle operation, such as the acceleration/deceleration and turning of the vehicle, changes in the climbing angle, and whether and to what extent the air conditioning system is operated, the oil is smoothly and continuously provided to the first oil supply passage as the oil that has flowed into the third oil supply passage through another second oil supply passage, or the oil that was temporarily stored in the third oil supply passage beforehand, is supplied to the first oil supply passage. ③ In addition to this, comprehensively taking into account that the first, second, and third oil supply passages of the disputed invention have a structure that is all in fluid communication, and that the sole mechanism determining the flow direction and amount of the oil that has flowed into the third oil supply passage through the second oil supply passage is the pressure of the oil within that flow path, the minimum specific technical configuration determined as "that the oil that has flowed into the third oil supply passage through the second oil supply passage can be smoothly and continuously provided to the first oil supply passage" is

established as "that the pressure of the oil is continuously maintained in the direction of the first oil supply passage within the oil path where the oil that has flowed into the third oil supply passage through the second oil supply passage is provided to the first oil supply passage."

Whether the defendant's Implemented Product Comprises Element 10

- The disputed groove of the defendant's implemented product is "formed in the shape of a circular groove on the inner wall of the front housing part based on the rotational axis." In the defendant's implemented product, it does not appear that the pressure of the oil could be continuously maintained in the direction of the first oil supply passage within the path where the oil that has flowed into the disputed groove through the second oil supply passage reaches the first oil supply passage. The reasons are as follows.

  ① Excluding the oil directly supplied from the 12 o'clock direction second oil supply passage that is directly connected to the first oil supply passage regardless of the disputed groove, the oil pressure that must be continuously maintained in the direction of the first oil supply passage within the flow path of the oil where the oil that has flowed into the disputed groove through the 10 o'clock, 12 o'clock, and 2 o'clock direction second oil supply passages is provided to the first oil supply passage ultimately means an upward pressure reaching from the second oil supply passages located at 10 o'clock and 2 o'clock to the first oil supply passage located at 12 o'clock within the disputed groove. Only when this upward pressure is maintained can the oil that has flowed into the disputed groove through the 2 o'clock and 10 o'clock direction second oil supply passages,

as well as the oil that has flowed into the disputed groove through the 12 o'clock direction second oil supply passage, be supplied again to the first oil supply passage. ② However, given the structure of the Defendant's implemented product, within the path where the oil that has flowed through the second oil supply path to the disputed groove reaches the first oil supply path in the defendant's implemented product, it appears not only difficult itself for the oil pressure to be formed in the direction of the first oil supply path, i.e., upward, but even if such pressure is temporarily formed, it also appears difficult for such pressure to be continuously maintained.

- Even if the plaintiff intended that merely having the possibility of the oil that has flowed into the third oil supply passage through the second oil supply passage being supplied to the first oil supply passage constitutes comprising the technical configuration of the Disputed Language in the disputed invention, a functional configuration premised on such a construction cannot be deemed to be included within the scope of rights of the disputed invention. The reasons are as follows.

  ① Since all remaining configurations except for Element 10 in the disputed invention are either publicly known or can be easily derived by a person having ordinary skill in the art, whether a person having ordinary skill in the art can practice the disputed invention ultimately comes down to the issue of whether they can practice the technical configuration determined by the Disputed Language of Element 10. Nevertheless, the meaning of the Disputed Language of Element 10 of the disputed invention, particularly

"capable of being supplied," is not separately defined or limited in the specification of the Patented Invention of this case, nor is the technical configuration that makes it possible disclosed. Therefore, it is difficult for a person having ordinary skill in the art to easily practice the disputed invention solely based on the description in the specification of the Patented Invention of this case, or to even predict what kind of configuration would infringe upon the disputed invention. ② In addition, as seen above, merely having the possibility that the oil that has flowed into the third oil supply passage through the second oil supply passage may be provided to the first oil supply passage does not appear to produce the same functions and operational effects as the technical idea of the Patented Invention of this case. ③ Nevertheless, construing the Disputed Language literally as any configuration having the possibility of the oil that has flowed into the third oil supply passage through the second oil supply passage being supplied to the first oil supply passage, as the plaintiff argues, and viewing an article having such a configuration as being included within the scope of rights of the disputed invention, is not only clearly unreasonable in light of other descriptions in the specification of the Patented Invention of this case, but is also reasonably deemed to run counter to the principles of justice and equity by destabilizing the legal certainty for third parties.

Significance of Decision

A case in which the court, regarding a functional expression in a claim in a specific case, first determined the specific technical configuration of the

corresponding functional expression through claim construction, and then presented the conclusion that such a configuration is not comprised in the defendant's implemented product.

Case on VEGF Antagonist Formulation Suitable for Intravitreal Administration

(First Division) Decision 2024Heo15257, Decided Oct. 30, 2025

Subject Matter	[Patent] VEGF Antagonist Formulations Suitable for Intravitreal Administration
Administrative Decision	IPTAB Decision of Oct. 31, 2024, Case No. 2022Dang3445
Category	Invalidation (Patent)
Relevant Provision	Patent Act, Article 42(3)1
Relevant Decisions	Supreme Court Decision 2024Hu10115 (Jun. 26, 2025); Supreme Court Decision 2020Hu10292 (Jan. 11, 2024)

Main Issues and Holdings

1. A case determining that the active ingredient in the claims must be construed literally as "a VEGF antagonist comprising the amino acid sequence of SEQ ID NO: 4" based on the specification and description, and cannot be construed as "a protein comprising amino acids 27-457 of SEQ ID NO: 4"
2. A case determining that the patent violates Article 42(3)1 of the Patent Act because the description does not specifically disclose methods for producing the active ingredient or combining it with additives to provide a stable formulation, failing to enable a person having ordinary skill in the art to accurately understand and reproduce the invention

Case Overview

The plaintiff filed a petition for an invalidation trial against the defendant before the IPTAB, asserting, "the patented invention at issue (hereinafter "Patented Invention") fails to meet the specification description requirements, and the inventive step of Claims 1 to 4 and 10 of the Patented Invention is denied by the combination of Prior Arts 1 to 4." During the invalidation trial proceedings, the defendant filed a petition for correction to amend the claims of the Patented Invention on June 20, 2024. The IPTAB examined the aforementioned petition for trial under case number 2022Dang3445, and rendered an administrative decision on October 31, 2024, dismissing the petition on the grounds that "the defendant's correction is allowed. The Patented Invention satisfies the specification description requirements, and its inventive step is not denied by the combination of Prior Arts 1 to 4." While this litigation was pending, the defendant filed a petition for correction with the IPTAB to amend the claims of the Patented Invention on July 7, 2025. The IPTAB examined the petition under case number 2025Jeong66, and rendered an administrative decision accepting it on August 29, 2025, and the administrative decision became final and conclusive as is.

Summary of Decision Claim Granted (IPTAB Decision Revoked)

1. Claim Construction of the Patented Invention

A. Specific Determination

The Patented Invention relates to a pharmaceutical formulation suitable for intravitreal administration comprising an agent capable of inhibiting

vascular endothelial growth factor (VEGF), and methods for producing and using such a formulation. Claims 1 and 5 describe the active ingredient as "a VEGF antagonist comprising the amino acid sequence of SEQ ID NO:4, produced in a mammalian cell line." Comprehensively taking into account the following facts and circumstances, the "VEGF antagonist comprising the amino acid sequence of SEQ ID NO:4" in Claims 1 and 5 of the Patented Invention is construed literally as the "VEGF antagonist comprising the amino acid sequence of SEQ ID NO:4."

1) The specification of the Patented Invention describes a compound comprising an amino acid sequence arranged in a specific order as the active ingredient. The most fundamental criteria that distinguishes a protein from other proteins is its amino acid sequence.

2) The claims of the Patented Invention describe the "amino acid sequence of SEQ ID NO:4" as the active ingredient, and the sequence listing in the specification of the Patented Invention describes SEQ ID NO:4 as a "protein having an artificially synthesized sequence of 458 amino acids," allowing for the confirmation of both the types and binding order of each amino acid constituting positions 1 to 458. From such descriptions, the protein that the patent applicant seeks to protect through the patent is clearly specified.

3) The detailed description of the invention in the Patented Invention also describes the "amino acid sequence of SEQ ID NO:4" as a specific embodiment of the "VEGF-specific fusion protein antagonist." Therefore, the description in the claims of the Patented Invention

comprising the "VEGF antagonist comprising the amino acid sequence of SEQ ID NO:4" cannot be considered an obvious error.

4) The detailed description of the invention in the Patented Invention premises that "the terminology used herein is for the purpose of describing specific embodiments only, and is not intended to be limiting, and it is to be understood that the scope of the present invention will be limited only by the appended claims," and mentions the "protein comprising amino acids 27-457 of SEQ ID NO:4" as a "specific embodiment." Given such descriptions, the active ingredient of the Patented Invention cannot be limited to a "protein comprising amino acids 27-457 of SEQ ID NO:4" contrary to the wording of the claims.

B. Determination on the Defendant's Arguments

1) The defendant asserts that, taking into consideration the detailed description of the invention of the Patented Invention, the "VEGF antagonist of SEQ ID NO:4" should be construed as a "protein comprising amino acids 27-457 of SEQ ID NO:4" from which the "amino acid sequence 1-26 of SEQ ID NO:4" and the "amino acid sequence 458" have been removed by a "signal sequence" and a "clipping phenomenon." However, the claims of the Patented Invention describe the amino acid sequence of the active ingredient protein in a clearly understandable manner, and therefore must be interpreted literally. Even looking at the descriptions in the detailed description of the invention of the Patented Invention, in light of the fact that a person

having ordinary skill in the art can clearly understand that the VEGF antagonist comprising the amino acids of SEQ ID NO:4 is one of the proteins included in the pharmaceutical formulation the Patented Invention seeks to provide, the fact that the Patented Invention specifies the VEGF antagonist protein by its amino acid sequence itself, and the fact that there is no description in the specification of the Patented Invention that allows for the recognition of the existence of a "signal sequence," the defendant's above argument cannot be accepted.

2) The defendant argues to the effect that, since the Patented Invention is an invention of a "formulation," it should be interpreted as comprising a known protein in a mature form capable of achieving the clinically intended pharmacological effect as the active ingredient. While there are many formulation inventions that improve the pharmaceutical properties of a known substance to make it suitable for administration, a formulation invention can certainly be included in the claims of a patent application that seeks to disclose a novel substance or provide a medical use. Comprehensively taking into account the meaning of "pharmaceutically acceptable" described in the detailed description of the invention of the Patented Invention means that it must be capable of being safely administered to the human body, but does not mean that the intended pharmacological efficacy of the Patented Invention must actually be achieved, the defendant's above argument cannot be accepted.

3) The defendant also asserts that, considering the substance patent of

"Aflibercept" was already publicly available prior to the priority date of the Corrected Invention of this case, and the substance patent explicitly states that amino acids 1-26 of SEQ ID NO:4 correspond to a signal sequence, and that documents cited in the Corrected Invention of this case also contain descriptions to the same effect, if the level of technology at the time is taken into account, a person having ordinary skill in the art could clearly recognize that the protein comprising the amino acids of SEQ ID NO:4 of the Corrected Invention of this case corresponds to a pharmaceutically identical protein to the protein comprising amino acids 27-457 of SEQ ID NO:4. However, there is no need to consider separate materials as argued by the defendant for the construction of the claims of the Patented Invention, and even if they could be considered, comprehensively taking into account the following facts and circumstances, the defendant's above argument cannot be accepted.

A) ① Unlike the claims of the Patented Invention, which is specified solely by the amino acid sequence, the above substance patent simultaneously describes the nucleic acid sequence encoding that protein, leaving room for the technical meaning of the wording to be interpreted differently from the Patented Invention; ② While the protein of SEQ ID NO:4 and the Flt1 protein of the above substance patent share some amino acid sequences, the total length and composition of the amino acids differ; ③ It was already known prior to the priority date of the Patented Invention that variations in the amino acid sequence attached after the signal sequence during

the protein production process could affect various signal receptor interactions, thereby impacting the function of the signal sequence; ④ When the entire sequence of SEQ ID NO:4 is inputted into Uniprot, unlike Flt1, no protein with a 100% matching sequence is retrieved, making it impossible to know whether amino acids 1-26 are a signal sequence; ⑤ Even if amino acids 1-26 are regarded as a signal sequence, it is still possible to produce a protein from which that sequence has not been removed. Comprehensively taking into account these points, it cannot be concluded that a person having ordinary skill in the art, at the time of the priority date of the Patented Invention, would have recognized that amino acids 1-26 function as a signal sequence in the protein of SEQ ID NO:4 of the Patented Invention and are ultimately removed.

B) ① The term VEGF-Trap in the literature cited in the detailed description of the invention of the Patented Invention is an expression encompassing various VEGF-Trap variants, making it difficult to find that the "VEGF trap antagonist" in the detailed description of the invention of the Patented Invention refers only to one specific fusion protein; ② Since the above literature does not directly present the sequence information of the protein, nor does it make any particular mention of a signal sequence, it is difficult to conclude that the protein of SEQ ID NO:4 exclusively means the protein comprising amino acids 27-457 of SEQ ID NO:4 among the VEGF trap antagonists known at the time of filing the Patented Invention.

2. Whether the Requirements for the Detailed Description of the Invention are Met

Comprehensively taking into account the following circumstances, the detailed description of the invention of the Patented Invention does not specifically describe a method for producing the active ingredient of the Patented Invention, or a method for providing a stable formulation by combining the active ingredient with additives, etc. Because the detailed description of the invention of the Patented Invention cannot be said to be clearly and comprehensively described so that a person having ordinary skill in the art can easily practice the invention, the Patented Invention violates Article 42(3)1 of the Patent Act.

A. The detailed description of the invention of the Patented Invention states, "The VEGF antagonist can be expressed in mammalian cell lines such as CHO cells and post-translationally modified," and "The VEGF antagonist of the methods and formulations of the present invention can be produced by any suitable method known or to be known in the art." However, it is recognized that producing a protein having the amino acid sequence of SEQ ID NO:4 in mammalian cell lines is practically impossible or extremely difficult. Therefore, it is difficult to conclude that a person having ordinary skill in the art can produce a protein having the amino acid sequence of SEQ ID NO:4 based on the matters described in the detailed description of the invention without excessive experimentation or adding specialized knowledge.

B. All examples of the method for preparing a protein having the amino acid

sequence of SEQ ID NO:4 presented in the detailed description of the invention of the Patented Invention relate to "Aflibercept comprising a protein having amino acids 27-457 of SEQ ID NO:4 as a component." If applied to a protein having the amino acid sequence of SEQ ID NO:4, it is difficult to expect identical storage stability due to differences in its characteristics. Therefore, it is difficult to find that a person having ordinary skill in the art can clearly understand and easily reproduce the stability effects of the pharmaceutical formulation sought to be achieved through the Patented Invention based solely on the above description of the invention.

Significance of Decision

A case where the court construed the claims literally in consideration of the descriptions in the specification and the detailed description of the invention, and based on this, concluded that the detailed description of the invention of the Patented Invention could not be said to be clearly and comprehensively described such that a person having ordinary skill in the art could easily practice the invention.

07 Specification Requirements

Case on Manufacturing Method of Polymer Microparticles

(Second Division) Decision 2023Heo13896, Decided Jan. 22, 2025

Subject Matter	[Patent] Method for Preparing Polymer Microparticles Having Network Structure (No. 1725279)
Administrative Decision	IPTAB Decision of Aug. 14, 2023, Case No. 2021Dang2382
Category	Invalidation (Patent)
Relevant Provisions	Patent Act, Article 42(4)2, Article 42(3)1
Relevant Decisions	Supreme Court Decision 2023Hu2072 (Nov. 24, 2006); Supreme Court Decision 2012Hu2586 (Nov. 29, 2012)

Main Issues and Holdings

A case holding that the claims of the patented invention relating to a method for producing polymer microparticles failed to meet description requirements because the claims were not clear and concise, and the invention could not be easily practiced by a person having ordinary skill in the art based on the matters described in the specification.

Case Overview

The plaintiff filed a petition for invalidation with the IPTAB against the defendant regarding the patented invention (hereinafter "Patented Invention"). While the IPTAB was examining the case, the defendant filed a petition for

correction regarding the Patented Invention. In response, the plaintiff argued that the invention corrected by the petition for correction lacks an inventive step and fails to satisfy the description requirements of the specification, and therefore its registration should be invalidated. However, the IPTAB rendered an administrative decision dismissing the plaintiff's petition.

Summary of Decision Claim Granted

1. Whether the "Claims" of the Corrected Invention are Clearly Described

The corrected invention at issue (hereinafter "Corrected Invention") relates to a method for manufacturing polymer microparticles, and its claims are limited to "polymer microparticles having a network structure have a diameter of 20 to 150 ㎛ and are manufactured with a yield of 80% or more." Therefore, to determine the technical scope of the Corrected Invention, what the yield of this case means must be clear. However, in the Corrected Invention, the meaning of "polymer microparticles having a network structure" described in the claims and the "yield of this case" premised thereon cannot be said to be described clearly and concisely, thereby violating the written description requirement prescribed in Article 42(4)2 of the Patent Act.

A. The specification of the Corrected Invention states, "according to the present invention, polymer microparticles having a network structure can be manufactured with a yield of 80% or more," indicating that the Corrected Invention considers the network structure when calculating the yield. Additionally, the specification of the Corrected Invention also describes a method for calculating the yield, according to which the yield is calculated as "the amount of finally obtained microparticles relative to

the amount of inputted polymer." Taking into consideration such descriptions in the specification, the yield of this case described in the claims of the Corrected Invention is understood to mean "the amount of polymer microparticles having a network structure with a diameter of 20 to 150 ㎛ being 80% or more relative to the amount of inputted polymer."

B. Therefore, to calculate the yield of this case in the Corrected Invention, one must first measure the amount of polymer inputted to manufacture the polymer microparticles, and then, a process is required to select "polymer microparticles having a network structure with a diameter of 20 to 150 ㎛" from the finally manufactured microparticles and measure their amount.

C. However, comprehensively taking into account the descriptions in the specification, the general meaning of terms, and usage in related technical fields, it can be understood that the Corrected Invention claims polymer particles comprising a "network structure," unlike conventional microparticles having a simple "porous structure." While the term "network structure" itself can be inferred to mean a shape in which a net-like structure or a three-dimensional skeletal structure is included inside the particle, its concept is not clearly defined.

2. Whether the Corrected Invention Meets the "Detailed Description of the Invention" Requirement

As for the Corrected Invention, it cannot be said that a person having ordinary skill in the art can easily practice the Corrected Invention of manufacturing polymer microparticles having a network structure and a diameter of 20 to 150 ㎛ with a yield of 80% or more based on the matters described in the

specification. Therefore, the Corrected Invention does not meet the requirement for the detailed description of the invention prescribed in Article 42(3)1 of the Patent Act.

A. For the Corrected Invention to meet the description requirement under Article 42(3)1 of the Patent Act, a person having ordinary skill in the art must be able to easily understand the meaning of "polymer microparticles having a network structure and a diameter of 20 to 150 ㎛" through the detailed description of the invention and manufacture them with a "yield of 80% or more." And to manufacture polymer microparticles meeting such a yield, one must first measure the amount of polymer inputted to manufacture the polymer microparticles, and then, a process is required to select "polymer microparticles having a network structure with a diameter of 20 to 150 ㎛" from the finally manufactured microparticles and measure their amount.

B. However, the specification of the Corrected Invention not only fails to indicate standards for selecting "polymer microparticles having a network structure" limited in the claims, but also lacks descriptions of a "method for confirming the internal structure of the manufactured polymer microparticles" and a "method for separating polymer microparticles confirmed to have a network structure to measure their mass." Therefore, a person having ordinary skill in the art cannot calculate the yield of this case for polymer microparticles having a network structure manufactured based on the specification of the Corrected Invention.

C. Furthermore, examining the manufacturing method of polymer

microparticles of the Corrected Invention, the specification of the Corrected Invention specifically describes the process of manufacturing polymer microparticles up to the starting materials and their usage amounts, reactants and their usage amounts, and reaction conditions. It is true that Examples 1 to 5, which underwent such a manufacturing process, are summarized in Table 1 as having produced "polymer microparticles having a network structure with a diameter of 20 to 150 ㎛" with a yield of 81 to 85%.

However, it can be found that the inventor of the Corrected Invention did not confirm the internal structure of all microparticles manufactured in the Examples before calculating the yield; rather, after only confirming that particles whose interiors were naturally exposed had "mostly" or "almost all" had a network structure, the inventor assumed that particles whose interiors were not exposed would also "mostly" have a network structure. Under the premise that "all" manufactured particles would have a network structure, they separated microparticles of 20 to 150 ㎛ through a sieving process, measured their amount, and calculated the yield. If so, the above "yield of 81 to 85%" described in Table 1 of the Experimental Examples of the Corrected Invention might be the yield of "polymer microparticles with a size of 20 to 150 ㎛," but it cannot be concluded to be the yield of "polymer microparticles having a network structure with a size of 20 to 150 ㎛."

D. Moreover, according to the defendant's argument that polymer microparticles manufactured according to conventional methods have a

thick polymer layer formed only on the surface and do not have a network structure inside, whereas polymer microparticles manufactured according to the Corrected Invention have a thin surface and a network structure inside; if so, unexposed particles among the microparticles prepared in the examples of the Corrected Invention have a thick surface and may have an internal structure different from that of the exposed particles. Therefore, the above assumption that all other particles whose interiors were not exposed would also have a network structure simply because some particles whose interiors were naturally exposed had a network structure does not appear reasonable.

Significance of Decision

A case significant in that it provides clear guidelines regarding the specification description requirements of a patented invention.

Case on Treatment for Neoplastic Diseases

(Fourth Division) Decision 2024Heo14469, Decided Jul. 17, 2025

Subject Matter	[Patent Application] Treatment for Neoplastic Diseases
Administrative Decision	IPTAB Decision of June 28, 2024, Case No. 2023Won649
Category	Decision of Rejection (Patent)
Relevant Decisions	Supreme Court Decision 2005Hu3284 (Sep. 6, 2007); Supreme Court Decision 2016Hu502 (Jan. 31, 2019); Supreme Court Decision 2014Hu2702 (Aug. 29, 2017)

Main Issues and Holdings

A case holding that in a medical use invention of a pharmaceutical composition, if it is merely at a level where a person having ordinary skill in the art can easily predict the therapeutic effect of a specific substance on a specific disease, its inventive step is denied.

Case Overview

Claim 1 at issue directed to a pharmaceutical composition for treating a neoplastic disease in a human subject, comprising an anti-IL-1α antibody, wherein the anti-IL-1α antibody is a monoclonal antibody (mAb) that binds to human IL-1α with a Ka[1)] of at least 1x10^9 M^-1 (active ingredient), and

wherein the neoplastic disease is associated with a metastatic tumor and characterized by a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells, and wherein the size of the metastasized tumor is reduced as a result of administering the composition (medical use).

Prior Art 1 discloses the same active ingredient as Claim 1 at issue, namely a human IgG1 mAb that specifically binds to human IL-1α, and that the Ka of the Ab is at least 1×10^9 M^-1 or more. The IPTAB rejected the patent registration on the grounds that the Claim 1 at issue could be easily invented based on other prior arts including the above prior art and well-known and commonly used arts, and therefore lacks an inventive step, and rendered the administrative decision at issue dismissing the plaintiff's petition seeking revocation of the above rejection.

The plaintiff sought the revocation of the IPTAB decision at issue, arguing that although the same active ingredient as Claim 1 at issue is disclosed in Prior Art 1, the inventive step of Claim 1 at issue is recognized because the well-known and commonly used arts and prior arts at the time of the priority date did not limit the same medical use as Claim 1 at issue, namely that the target neoplastic disease for treatment is ① associated with a metastatic tumor, ② a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells, and ③ the size of the metastasized tumor is reduced as its therapeutic effect.

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1) "Ka" is a unit indicating the affinity of an antibody to an antigen; "Ka" refers to the amount of antibody-antigen complex present at equilibrium, defined as Ka = [Ab-Ag]/[Ab][Ag], where [Ab-Ag] is the molar concentration of the antibody-antigen complex, [Ab] is the molar concentration of the vacant binding sites of the antibody (i.e., binding sites not bound to the antigen), and [Ag] is the molar concentration of the vacant binding sites of the antigen)

Summary of Decision Claim Dismissed

The limitations of Claim 1 at issue—that the target neoplastic disease for treatment is ① associated with a metastatic tumor, ② a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells, and ③ the size of the metastasized tumor is reduced as its therapeutic effect—are easily predictable by a person having ordinary skill in the art when taking into account all of the following circumstances, and thus an inventive step is denied.

A) At the time of the priority date of the claimed invention at issue (hereinafter "Claimed Invention"), there were several research results confirming the fact that when IL-1α is secreted from tumor cells, it plays an important role in tumor invasion or cancer cell metastasis, and Prior Arts 1 and 2 had already disclosed the effect of reducing cancer cell metastasis using an anti-IL-1α antibody that targets and binds to IL-1α.

Under normal conditions, IL-1α is known to have anti-tumor effects such as cell-mediated immune responses. However, the facts that IL-1α, the most potent pro-inflammatory cytokine, is secreted from cancer cells in many cases, and that IL-1α secreted from malignant cells induces the expression of cell adhesion molecules (ICAM-1, VCAM, E-selectin), thereby playing an important role in tumor cell invasion and cancer cell metastasis, and that an increase in the concentration of cell adhesion molecules in the serum of cancer patients is highly correlated with cancer metastasis, were widely researched in the relevant technical field and published through various papers at the time of the priority date of the Claimed Invention, and corresponding contents are also disclosed in Prior Arts 1 and 2.

B) In light of the common technical knowledge at the time of the priority date, a person having ordinary skill in the art could easily predict that the "neoplastic disease" which is the treatment target of the anti-IL-1α antibody disclosed in Prior Art 1 is a tumor expressing IL-1α or infiltrated with IL-1α-expressing inflammatory cells.

In light of the specifications of Prior Arts 1 and 2 and the common technical knowledge in the relevant field at the time of the priority date, since the anti-IL-1α antibody targets IL-1α and acts on cells expressing IL-1α, a person having ordinary skill in the art could sufficiently expect that the target of cancer treatment using the anti-IL-1α antibody—namely, the target of tumor treatment—could be a tumor expressing IL-1α or a tumor infiltrated with inflammatory cells expressing IL-1α.

C) In light of the common technical knowledge at the time of the priority date, a person having ordinary skill in the art could also easily predict that the therapeutic effect of the neoplastic disease disclosed in Prior Art 1 is "the size of the metastasized tumor is reduced."

At the time of the priority date of the Claimed Invention, it was widely known common technical knowledge that neoplastic diseases such as cancer involve metastasis, and that the treatment of neoplastic diseases is to reduce the size of the tumor, and it can be seen that tumor size reduction is an evaluation index generally confirmed in clinical trials of anti-cancer drugs. Considering that clinical trials are conducted to prove safety and efficacy in humans after performing in vitro and animal tests, since Prior Art 1 describes the effects on "in vitro killing of blood cancer cells," such effects could be easily predicted

by a person having ordinary skill in the art.

Significance of Decision

A case reaffirming legal principle that, in an invention limiting a medical use of an already publicly known pharmaceutical composition, in order to recognize the inventive step of an invention, a person having ordinary skill in the art must not be able to easily predict its therapeutic effect by combining the prior arts and well-known and commonly used arts at the time of filing (as of the priority date).

08 Amendments and Corrections

Case on Registration Invalidation of One-Piece Implant

(Fifth Division) Decision 2023Heo10736, Decided Jan. 16, 2025

Subject Matter	**[**Patent Right] One-piece Implant (No. 1388846)
Administrative Decision	IPTAB Decision 2022Dang870 dated February 14, 2023
Category	Invalidation of Registration (Patent)
Relevant Provision	Patent Act, Article 136(5)
Relevant Decision	Supreme Court En Banc Decision 2016Hu2522 (Jan. 22, 2020)

Main Issues and Holdings

The standard for determining whether to stay the proceedings of an action to revoke an administrative decision when the patentee files a petition for correction prior to oral hearings in the fact-finding instance of the action to revoke an administrative decision of patent invalidation and requests that the judgment be rendered based on the corrected specification, etc.

Case Overview

The defendant filed a petition for invalidation against the plaintiff, who is the patentee of the patented invention at issue (hereinafter "Patented Invention"), regarding Claims 1 and 2 of this case, and the IPTAB rendered an administrative decision at issue invalidating Claims 1 and 2 of the Patented Invention on February 14, 2023. On March 8, 2023, the plaintiff filed a lawsuit seeking

revocation of the administrative decision to revoke the IPTAB decision at issue, and during the action for revocation of the IPTAB decision, filed a petition for a correction trial to overcome Prior Art 4, which was newly submitted. The plaintiff argued that in order to guarantee the patentee an opportunity to make corrections, this case should be examined and determined based on the corrected invention after the conclusion of the aforementioned correction trial case, and thus asserted that the proceedings of the aforementioned action seeking revocation of the IPTAB decision should be stayed until the conclusion of the correction trial case.

Summary of Decision Claim Dismissed

1. In light of the progress and circumstances of the case as follows, the plaintiff's argument that this case should be examined and determined after the conclusion of the related correction trial case is rejected.

   A. The defendant filed a petition for invalidation regarding Claims 1 and 2 at issue on March 28, 2022, and the IPTAB rendered the administrative decision at issue invalidating Claims 1 and 2 at issue on February 14, 2023.

   B. On March 8, 2023, the plaintiff filed a lawsuit seeking revocation of the administrative decision to revoke the IPTAB decision at issue, and the Court held the first trial date on July 6, 2023, and the second trial date on September 14, 2023. Thereafter, on October 5, 2023, the plaintiff submitted an opinion regarding procedural progress to the effect that, as the plaintiff plans to file a petition for a correction trial regarding the Patented Invention, the next trial date should be designated at a later date until the outcome of the correction trial is issued. This Court procedurally

guaranteed the patentee an opportunity to make corrections by designating the trial date at a later date to confirm the outcome of the correction trial.

C. On October 31, 2023, the plaintiff filed a petition for a correction trial (IPTAB Case No. 2023Jeong110) regarding the Patented Invention, including correcting Claim 1 at issue as follows (underlined portions), but the IPTAB rendered an administrative decision dismissing the above petition on April 23, 2024.

> 【Claim 1】A one-piece implant comprising: an intraosseous implant part (100) integrally provided at a lower portion and implanted into an alveolar bone; a gum-penetrating part (310) integrally provided on an upper portion of the intraosseous implant part (100) and embedded within a gum (800) covering the alveolar bone; a prosthesis attachment part (330) integrally provided on an upper portion of the gum-penetrating part (310) to which a final prosthesis (700) cast in a dental laboratory or manufactured by CAD/CAM can be attached; and a central hole for prosthesis attachment (500) formed as a through-hole from a top end surface of the prosthesis attachment part (330) in a direction of the intraosseous implant part so that the final prosthesis (700) can be attached to an inner surface of the through-hole, wherein the central hole for prosthesis attachment (500) is formed such that the number of installed holes is 4 or less, and is formed to a depth of 1.5 to 15 mm, a linear distance from an entrance of the central hole for prosthesis attachment to the prosthesis attachment part is formed within

a range of "" 0.2 to 3 mm, the height of the prosthesis attachment part (330) is formed in a range of 0.5 to 3.5 mm, its diameter decreases from a lower diameter of the prosthesis attachment part toward an upper portion thereof, an outer circumferential surface of the prosthesis attachment part forms an inclination based on a longitudinal axis of the one-piece implant, the inclination is formed to be greater than 5° based on the longitudinal axis, the gum-penetrating part (310) decreases in diameter toward the intraosseous implant part (100) up to a lower end surface thereof, and screw threads are formed at equal intervals on an outer circumferential surface of the intraosseous implant part (100) (hereinafter referred to as the "Corrected Invention of Claim 1 at Issue").

D. Although the plaintiff filed a lawsuit seeking revocation of the IPTAB decision that dismissed the petition for a correction trial, the Corrected Invention of Claim 1 at Issue could easily be derived by a person having ordinary skill in the art by combining Prior Art 1 with Prior Art 4, thus the inventive step is denied; therefore, it does not appear to satisfy the requirements for correction under Article 136(5) of the Patent Act. Accordingly, there appears to be no obvious illegality in the above IPTAB decision that dismissed the plaintiff's petition for a correction trial on the same grounds.

E. Furthermore, even if the administrative decision at issue invalidating Claims 1 and 2 of the Patented Invention becomes final and conclusive, it

does not mean that all claims of the Patented Invention are invalidated, so the plaintiff's opportunity to make corrections on the basis of the remaining claims, including Claim 3 at issue, is not deprived.

2. Since the inventive step of Claims 1 and 2 at issue is denied by Prior Art 4, the administrative decision at issue sharing this conclusion is lawful.

Significance of Decision

A case where a patentee filed a petition for a correction trial prior to oral hearings in the fact-finding instance of an action to revoke an administrative decision of patent invalidation and requested that the judgment be rendered based on the corrected specification, etc., but the court rejected such assertion and proceeded to determination, holding that the inventive step of the patented invention was denied by the prior art.

Case on Correction of Concrete Floating Body

(Third Division) Decision 2024Heo15103, Decided Jul. 24, 2025

Subject Matter	[Patent Right] Highly Safe Concrete Floating Structure (No. 1227185)
Administrative Decision	IPTAB Decision of September 26, Case Code 2024Dang (Revocation Decision) 41
Category	Invalidation of Registration (Patent)
Relevant Provisions	Patent Act, Articles 133-2, 136, 147, 157, 159, 189
Relevant Decisions	Supreme Court En Banc Decision 2016Hu2522 (Jan. 22, 2020); Supreme Court Decision 2001Hu96 (Dec. 26, 2002); Supreme Court Decision 2001Hu713 (Aug. 23, 2002)

Main Issues and Holdings

1. In a patent invalidation trial proceeding re-examined in accordance with a court decision revoking a prior administrative decision, if the IPTAB sua sponte investigates evidence first submitted during the litigation proceedings of that decision, and sua sponte examines a new ground for invalidation based on that evidence, whether it is unlawful to render an administrative decision granting the petition for invalidation without granting the respondent of the invalidation trial an opportunity to state opinions on the ground for invalidation and without providing an opportunity to file a petition for correction (Affirmative)

2. In the patent invalidation trial proceeding re-examined as in the preceding paragraph, whether it should be viewed differently if the IPTAB conducted the examination based not sua sponte, but on newly submitted evidence by the petitioner of the trial and a newly asserted ground of invalidation based thereon (Negative)

Case Overview

In the patent invalidation trial proceeding re-examined in accordance with a court decision revoking a prior administrative decision, the IPTAB rendered the administrative decision at issue in accordance with the purport of the revoking administrative decision without granting the plaintiff an opportunity to file a petition for correction, on the grounds that Prior Art 6, newly submitted as evidence by the defendant, was identical to the evidentiary materials submitted in the lawsuit seeking revocation of the prior IPTAB decision, and the defendant did not assert any new invalidation ground different from what was submitted in the aforementioned revocation litigation, and therefore the latter part of Article 133-2(1) of the Patent Act cannot be deemed applicable in this case.

Summary of Decision IPTAB Decision Revoked

- When the IPTAB re-examines a case in accordance with a decision revoking a prior administrative decision, it is unlawful to sua sponte investigate evidence that was not submitted in the prior administrative trial proceedings but was first submitted in the litigation proceedings of the court that rendered the revoking decision, and to sua sponte examine grounds for patent invalidation based thereon, without giving the patentee an opportunity to state

opinions, thereby rendering an administrative decision granting the petition based on the aforementioned grounds for patent invalidation without granting an opportunity to file a petition for correction accordingly. The reasons are as follows.

① An administrative trial is an administrative procedure conducted before the IPTAB, and an administrative decision constitutes an administrative disposition. a lawsuit seeking the revocation of an administrative decision is a separate legal proceeding corresponding to an administrative appeal litigation. Therefore, the two procedures are not linked in an instance-level judicial structure and must be strictly distinguished. Arguments or evidence from administrative trial proceedings cannot be invoked as-is in litigation proceedings, and conversely, the course of oral arguments in litigation proceedings cannot replace the opportunity to state opinions that must be guaranteed in administrative trial proceedings. Therefore, simply because the patentee already had sufficient opportunity to argue in the court's litigation proceedings regarding the evidence investigated sua sponte or the grounds for invalidation examined sua sponte by the IPTAB, it cannot be deemed that the guarantee of rights under the administrative trial proceedings prescribed by the Patent Act was substantially fulfilled. ② The law stipulates that when a decision revoking an administrative decision becomes final and conclusive, the IPTAB is bound by the decisions that served as the reasons for the revocation in the decision; however, this is a matter of binding force and cannot exclude the guarantee of procedural rights. Binding force is intended to prevent the repetition of substantive decisions of unlawful administrative decisions, and unless new evidence is submitted causing a substantial change

in the evidentiary relationships, the IPTAB cannot repeat an administrative decision with the same conclusion. However, if an opportunity for the patentee to state opinions and file a petition for correction is not granted regarding evidence investigated sua sponte or grounds for invalidation examined sua sponte on the grounds of such binding effect, it results in confusing the realm of procedural guarantee obligations with the realm of substantive binding decisions, which is an erroneous premise that undermines the propriety of administrative trial proceedings. ③ A patentee cannot file a petition for a correction trial during the period when a patent invalidation trial is pending, but can file a petition for a correction trial while an action challenging an IPTAB decision is pending. This statutory framework is designed to promote the speed and efficiency of proceedings while seamlessly guaranteeing a petition for correction as a defense measure for the patentee within the proceedings when an invalidation trial is initiated. Nevertheless, finding that an opportunity to file a petition for correction need not be granted in invalidation trial proceedings re-examined pursuant to a judgment revoking an administrative decision, merely because the evidence investigated sua sponte was debated in the litigation proceedings and the patentee had an opportunity to file a petition for a correction trial during the litigation, results in an outcome contrary to the framework of the patent correction system. ④ Failure to grant an opportunity to file a petition for correction forces the patentee to file an action seeking the revocation of the IPTAB decision or separately file a petition for correction, which may lead to duplicated and delayed legal disputes.

- Meanwhile, in a patent invalidation trial proceeding, if the presiding

administrative judge recognizes the necessity to allow a petition for correction due to the petitioner submitting evidence or asserting a new ground of invalidation even after the deadline for submitting a written reply designated pursuant to Article 147(1) of the Patent Act, they may set a period and allow a petition for correction (the latter part of Article 133-2(1) of the Patent Act). Whether it is necessary to allow a petition for correction according to the petitioner's submission of evidence or assertion of a new ground of invalidation can be said to belong, in principle, to the realm of discretionary decision of the IPTAB, which is an administrative agency. However, in a patent invalidation trial proceeding re-examined by the IPTAB pursuant to a decision revoking a prior administrative decision, even if the petitioner of the administrative trial newly submits evidence, which was not submitted in the prior administrative trial proceedings but was first submitted in the litigation proceedings of the court that rendered the judgment of revocation and served as the basis for the ground for invalidation forming the reason for that judgment of revocation, and newly asserts the aforementioned grounds for patent invalidation that were not asserted in the prior patent invalidation trial proceedings, rendering an administrative decision granting the petition based on the aforementioned grounds for patent invalidation without granting the patentee, who is the respondent of the administrative trial, a period to file a petition for correction is unlawful, just as in the preceding paragraph. The reasons are as follows.

① In a patent invalidation trial proceeding re-examined pursuant to a judgment revoking a prior IPTAB decision, regarding whether the IPTAB should grant the patentee, who is the respondent of the administrative trial, an

opportunity to submit opinions and file a petition for correction while examining the aforementioned grounds for patent invalidation not asserted in the prior administrative trial proceedings based on the aforementioned evidence not submitted in the prior administrative trial proceedings, treating the case where the petitioner itself submits such evidence or asserts a ground for invalidation differently from the case in the preceding paragraph where the IPTAB sua sponte proceeded with the examination lacks consistency and rationality in terms of the public interest requirements of the mandatory procedural provisions provided by the Patent Act as seen above. ② As described above, where the evidence newly submitted by the petitioner was submitted for the first time in the litigation proceedings of the court that rendered the judgment revoking the administrative decision and served as the basis for the ground for patent invalidation forming the reason for that revocation judgment, and the petitioner resubmits it to the administrative trial proceedings to assert the ground for patent invalidation, the IPTAB, which must render an administrative decision pursuant to the binding effect of the revocation judgment, is placed in a position where it cannot render an administrative decision with a conclusion different from the judgment revoking the administrative decision. Under such circumstances, the patentee has no substantial means to defend against the ground for patent invalidation other than a petition for correction in the patent invalidation trial proceedings, and accordingly, the necessity of granting an opportunity for the respondent (the patentee) to file a petition for correction has become objectively obvious. Therefore, irrespective of whether the petition for correction is ultimately allowed, there is no longer room for the presiding administrative judge to

exercise discretion in finding that the "necessity to allow a petition for correction under the latter part of Article 133-2(1) of the Patent Act is not recognized; thus, it is reasonable to find that, absent special circumstances, a period to file a petition for correction must be granted to the respondent (the patentee).

Significance of Decision

A significant case setting forth legal principles on whether an opportunity for correction must be granted to the patentee where evidence newly submitted in the litigation proceedings of a court judgment revoking a prior IPTAB decision (which had not negated inventive step) serves as material for re-examination in patent invalidation trial proceedings reheard pursuant to that judgment.

Case on Scope of Revocation of a Patent Cancellation Decision Involving a Petition for Correction

(Fifth Division) Decision 2024Heo13442, Decided Jul. 24, 2025

Category	Decision of Cancellation (Patent)
Administrative Decision	IPTAB Decision of Jun. 17, 2024, Case No. 2023So25
Relevant Provisions	Patent Act, Articles 132-3 and 132-14

Main Issues and Holdings

Where a petition for correction is filed in patent cancellation proceedings, whether the portions of the cancellation decision that cannot be deemed unlawful—namely, the portion allowing the correction and the portion concerning the corrected Claim 1 invention—must be revoked together with the portion concerning the corrected Claim 2 invention that is determined to be unlawful (Negative)

Case Overview

1. The plaintiff is the patentee of a patented invention consisting of Claim 1, an independent claim, and Claim 2, a dependent claim. On February 24, 2023, A filed a petition for patent cancellation with the IPTAB, asserting that "the patented invention at issue prior to correction lacks an inventive step."
2. The IPTAB notified the plaintiff of grounds for cancellation stating that "Claims 1 and 2 prior to correction lack an inventive step" and provided an opportunity to submit opinions. In response, on January 30, 2024, the plaintiff

filed a petition for correction to amend Claim 1 of the invention prior to correction.

3. The IPTAB rendered the decision of cancellation at issue, allowing the correction and revoking the patented invention on the grounds that "the petition for correction is lawful, but the corrected inventions of Claims 1 and 2 lack an inventive step over prior art."
4. The plaintiff filed an action against the Commissioner of the Korean Intellectual Property Office seeking the revocation of the cancellation decision at issue, wherein the parties did not dispute the portion allowing the petition for correction.

Summary of Decision Claim Granted in Part

1. Decision of the IP High Court

   After examination, the IP High Court determined that the corrected Claim 1 invention lacks an inventive step, but the corrected Claim 2 invention does not lack an inventive step. Setting forth the reasons below, the IP High Court revoked the portion of the cancellation decision at issue concerning the corrected Claim 2 invention, and dismissed the remainder of the plaintiff's claims.

2. Holdings on the Issue

   Where a petition for correction is filed in patent cancellation proceedings, whether to allow the correction is examined together in the patent cancellation proceedings; thus, unlike an independent petition for a correction trial, the portion regarding the petition for correction does not become final and binding

separately, but becomes final and binding together when the decision on the petition for patent cancellation becomes final and binding, and a petition for correction in patent cancellation proceedings is indivisible absent special circumstances, requiring its allowability to be determined as an integrated whole. However, such circumstances alone do not provide a logically necessary reason to hold that the portions of the cancellation decision at issue that cannot be deemed unlawful—namely, the portion allowing the correction and the portion concerning the corrected Claim 1 invention—must be revoked together with the portion concerning the corrected Claim 2 invention that is determined to be unlawful. This remains the case even considering that the petition for correction spans across all the claims of the patented invention prior to correction. Accordingly, only the portion of the cancellation decision at issue concerning the corrected Claim 2 invention is revoked.

Significance of Decision

A case clarifying the scope of revocation where the IPTAB rendered a decision revoking a patent across multiple claims while allowing a petition for correction, and the IP High Court reached a different determination with respect to only a portion of the claims.

Case on Atience Conductive Sheet

(Third Division) Decision 2023Heo14219, Decided Aug. 28, 2025

Subject Matter	[Patent Right] Conductive sheet and manufacturing method thereof, and electronic components
Administrative Decision	IPTAB Decision of Sep. 12, 2023, Case No. 2022Dang2225
Category	Registration Invalidation (Patent)
Relevant Decisions	Supreme Court En Banc Decision 2016Hu2522 (Jan. 22, 2020); Supreme Court Decision 2010Hu2698 (Feb. 10, 2011); Supreme Court Decision 2007Hu1053 (Jan. 15, 2009); Supreme Court Decision 2000Hu1290 (Jun. 25, 2002); Supreme Court Decision 2007Hu4472 (Jul. 9, 2009)
Relevant Provisions	Patent Act, Articles 133(3), 133(4), 133-2(1-4), 133-2(6), 136(1), 136(2)2, 136(5), 136(6), 136(8), 136(10-12), 137(1-5), 139(3), 140(1), 140(2), 140(5), 147(1), 159(1), 161(1), 186

Main Issues and Holdings

In patent invalidation proceedings, where a petition for correction is examined together with a petition for invalidation and an administrative decision is

rendered, whether the administrative decision on the petition for correction can become final and binding separately from the administrative decision on the petition for invalidation (Affirmative)

Case Overview

The defendant filed a petition for invalidation against the plaintiffs regarding Claims 1, 2, and 10 of the patented invention at issue, and the plaintiffs filed a petition for correction in the aforementioned invalidation proceedings. The IPTAB rendered the administrative decision at issue, allowing the plaintiffs' petition for correction while granting the defendant's petition for invalidation as to Claims 1 and 10 on the grounds that the patented invention at issue lacked an inventive step. However, the IPTAB dismissed the portion of the petition regarding Claim 2, which was deleted by the correction based on the plaintiffs' petition for correction. The plaintiffs filed an action seeking the revocation of the administrative decision at issue, and while the litigation was pending, filed a separate petition for correction proceedings to further limit the invention compared to the previous petition for correction, which the IPTAB accepted. At the first hearing date, the plaintiffs withdrew the portion of their claim seeking the revocation of the administrative decision regarding the petition for correction.

Summary of Decision Claim Dismissed as to Claim 2, Granted as to Claims 1 and 10

❶ Underlying Legal Principles

Merely because a petition for correction is examined together with a petition for

invalidation in patent invalidation proceedings, it cannot be deemed that the administrative decision on the petition for correction must necessarily become final and binding together with the administrative decision on the petition for invalidation. It must be viewed that the administrative decision on the petition for correction can become final and binding separately from the administrative decision on the petition for invalidation. The reasons are as follows:

▸ **A petition for correction constitutes an independent petition and is a separate subject of adjudication.**

- After the establishment of registration, a patentee may file a petition for correction proceedings if there is a defect in the specification or drawings (Article 136(1) of the Patent Act), which is a system intended to prevent grounds for invalidation where the claims are excessively broad or unclear, and to clarify the legal relations of the right. However, while invalidation proceedings are pending, an independent petition for correction proceedings by the patentee is not allowed, and the patentee may defend themselves through a petition for correction within the relevant invalidation proceedings (Articles 136(2) and 133-2 of the Patent Act). This is a mechanism designed to prevent procedural delays while guaranteeing the right of defense of the right holder.
- Furthermore, general provisions for proceedings (submission of a written petition, service, opportunity for response, prohibition of amendment, etc.) and special provisions for correction proceedings (consent of the exclusive licensee, notice of grounds for non-acceptance, binding effect upon finalization, etc.) apply mutatis mutandis to a petition for correction. In

particular, the provision stipulating that in the event of multiple petitions for correction, only the final petition remains valid (Article 133-2(2) of the Patent Act) can only be explained if a petition for correction is understood as a separate petition rather than a mere defense.

- Therefore, although a petition for correction within invalidation proceedings is consolidated and examined with the petition for invalidation, it is clear that it is an independent subject of adjudication in itself. If a patentee, who could seek a patent correction through a petition for correction proceedings constituting a single subject of adjudication in a situation where patent invalidation proceedings are anticipated, is reduced to merely being in a position to defend against the invalidation proceedings through a patent correction only to the extent that it does not constitute a single subject of adjudication once a petition for invalidation is actually filed, this presents an issue in terms of the protection of the patentee's rights, and there is no reasonable necessity to interpret the patentee's status in patent invalidation proceedings so restrictively. The Supreme Court has also ruled that a petition for correction is a petition examined together within invalidation proceedings (En Banc Decision 2016Hu2522).

▶ **Because a petition for correction is distinct from a petition for invalidation in the nature and effect of the subject of adjudication, the administrative decision on the petition for correction does not necessarily have to become final and binding together with the administrative decision on the petition for invalidation.**

- A petition for correction is not a mere defense but an independent petition

consolidated with invalidation proceedings, thereby constituting a separate subject of adjudication. Alterations to the specification resulting from a correction may be subject to proceedings for invalidation of a correction, and if the proceedings for invalidation of a correction are granted and become final and binding, the correction is deemed never to have existed from the beginning (Article 137 of the Patent Act). Furthermore, the Patent Act provisions regarding the finalization of an administrative decision (Article 186 of the Patent Act) contain no stipulation that the administrative decisions on the invalidation proceedings and the petition for correction must necessarily become final and binding simultaneously. Therefore, as long as a petition for correction is a subject of adjudication separate from the petition for invalidation, the administrative decision on the petition for correction can, in principle, become final and binding separately from the administrative decision on the petition for invalidation once it reaches a state where it can no longer be revoked by an appeal from the parties, etc., pursuant to the aforementioned general provisions.

- In response to this, there is also a view asserting simultaneous finalization on the grounds that a petition for correction is examined together with invalidation proceedings and constitutes a prerequisite for determining whether the patent is invalid. However, based solely on such a prerequisite relationship, it is difficult to view both as an integrated and indivisible subject of adjudication. For instance, in invalidation proceedings involving multiple claims, whether an independent claim is invalid may serve as a premise for determining a dependent claim; however, the invalidation proceedings regarding the two claims are not deemed an integrated and indivisible subject

of adjudication for such a reason. In addition, because the Patent Act also permits a petition for correction with respect to other claims or matters described in the specification beyond the claims subject to the invalidation proceedings, it cannot be concluded that a petition for correction is always integrated and indivisible from the claims subject to the invalidation proceedings. Above all, an action seeking the revocation of an administrative decision is an appeal litigation disputing the unlawfulness of an administrative disposition, in which the parties may also assert grounds of unlawfulness not adjudicated in the administrative decision, and the court may examine them and use them as the basis of its judgment. Furthermore, a patentee may file a separate petition for correction proceedings even while litigation regarding the invalidation proceedings is pending, and if the administrative decision of those correction proceedings becomes final and binding, the parties may additionally assert and prove grounds of unlawfulness regarding the claims corrected by that administrative correction decision. Without a comprehensive consideration of these legal principles, restricting the point in time when the administrative decision on a petition for correction becomes final and binding merely because the proceedings and litigation possess a prerequisite determination structure in certain phases is unreasonable.

- Meanwhile, it is the Supreme Court's doctrine that when a petition for correction is deemed lawful in patent invalidation proceedings, whether it corresponds to grounds for patent invalidation must be determined based on the contents of the corrected invention, and whether the patent is invalid should not be determined based on the patented invention prior to the petition

for correction. However, it is not appropriate to view that a petition for correction in patent invalidation proceedings is not a subject of adjudication distinct from the petition for invalidation based on the aforementioned Supreme Court doctrine. That is, the above Supreme Court doctrine allows the determination of patent invalidity without waiting for the finalization of the administrative decision on the petition for correction in those proceedings when the judgment on the petition for correction becomes a prerequisite for determining patent invalidity as the petition aims to correct matters regarding the claims subject to the petition for invalidation; this reflects the statutory purpose of preventing delays in the patent invalidation proceedings caused by the filing of a separate petition for correction proceedings. The fact that the binding effect does not arise before the administrative decision on the petition for correction becomes final and binding is merely a natural consequence of viewing the petition for correction in patent invalidation proceedings as an independent petition and thus a subject of adjudication, and is irrelevant to whether the petition for correction is viewed as a separate subject of adjudication from the invalidation proceedings.

▶ **The "individual finalization principle," which dictates that an administrative decision on a petition for correction can become final and binding independently from the administrative decision on a petition for invalidation, is reasonable under the framework of the Patent Act. Conversely, the "simultaneous finalization principle," which argues that both must necessarily become final simultaneously, causes several problems.**

- **First, at the appeal stage, under the simultaneous finalization principle,**

neither the petitioner for invalidation nor the patentee would be able to independently challenge the administrative decision on the petition for correction. This restricts the fundamental defense measure of correction and ultimately leads to the unreasonable result of forcing the patentee to re-file a separate petition for correction proceedings. In addition, even if there is no dispute between the parties regarding the administrative decision allowing the petition for correction, the administrative decision on the petition for correction cannot become final until the administrative decision on the invalidation proceedings becomes final, creating a contradiction where the claims prior to correction still remain the subject of judgment in infringement lawsuits, etc.

- **Second, at the stage of an action seeking the revocation of an administrative decision**, under the simultaneous finalization principle, since the administrative decision on the petition for correction must become final indivisibly with the administrative decision on the invalidation proceedings even if it is not disputed in the lawsuit, the court's scope of examination and judgment structure become unclear. In particular, even when the plaintiff has no standing/interest to dispute the administrative decision on the petition for correction, the court must treat the entire administrative decision as a single entity, which unnecessarily delays the finalization of the administrative decision on the petition for correction. In contrast, under the individual finalization principle, the administrative decision on correction becomes final independently, and the court simply needs to determine the invalidity on the premise of the finalized corrected matters, making it straightforward.

- **Third, if a separate petition for correction proceedings is filed and finalized while an action seeking the revocation of an administrative decision is pending,** under the simultaneous finalization principle, the relationship between the initial petition for correction and the separate petition for correction proceedings becomes unclear, causing confusion regarding the IPTAB's subject of judgment and the court's scope of examination. Moreover, there is no basis for the initial petition for correction to be automatically withdrawn upon the filing of a separate petition for correction proceedings, which exacerbates the confusion. Furthermore, if, as a result of examining the matter based on the finalized administrative decision of the separate correction proceedings, the plaintiff's claim is dismissed, it leads to the unreasonable outcome that the initial administrative decision on the petition for correction, rather than the administrative decision on the correction proceedings that was the subject of examination by the IP High Court, becomes ultimately final and binding.

❶ Separate Finalization of the Portion of the Administrative Decision on the Petition for Correction At Issue

Certified copies of the administrative decision at issue were served to the plaintiffs respectively on Sep. 25, 2023, and the plaintiffs were granted an additional 30-day period by the IPTAB on Oct. 16, 2023, and subsequently withdrew the claim seeking the revocation of the portion of the administrative decision regarding the petition for correction at issue at the first hearing date of this court. Viewing these circumstances in light of the aforementioned individual finalization principle, the portion of the administrative decision allowing the

petition for correction at issue became final and binding separately from the portion of the administrative decision on the petition for invalidation at issue on Nov. 25, 2023, the day following the expiration of the statutory period for filing a lawsuit. Adding the fact that the portion of the administrative decision on the petition for correction at issue became final separately as above to the circumstance that the IPTAB rendered the administrative correction decision at issue granting the plaintiffs' petition for correction proceedings on Aug. 27, 2024, and that decision became final and binding, the subject of examination by this court is the claims as corrected according to the administrative correction decision at issue by which the patent correction was ultimately finalized.

- **Unlawfulness of the Claim Regarding the Portion of the Administrative Decision on the Claim 2 Invention At Issue**

  - The portion of the administrative decision dismissing the petition regarding the Claim 2 invention at issue, which was deleted by the petition for correction during the petition for invalidation at issue, relates to a claim that was also deleted in the administrative correction decision at issue, and is thus justifiable in conclusion; however, since this causes no disadvantage to the plaintiffs, who are the respondents in the proceedings, the plaintiffs have no standing/interest to seek the revocation of the aforementioned portion of the administrative decision. Therefore, the plaintiffs' claim seeking the revocation of this portion must ultimately be viewed as unlawful.
  - Meanwhile, if the simultaneous finalization principle were applied, ① the portion of the administrative decision on the plaintiffs' petition for

correction at issue would still remain in an unfinalized state despite its withdrawal. ② Accordingly, the portion of the administrative decision dismissing the defendant's petition regarding the Claim 2 invention at issue, which must become final simultaneously with the portion of the administrative decision on the petition for correction at issue, must ultimately share its outcome of whether it is revoked together with the portion of the administrative decision regarding the petition on the Claims 1 and 10 inventions at issue. In this case, unlike the above, it would be impossible to render a judgment that the claim for revocation of the portion of the administrative decision regarding the petition on the Claim 2 invention at issue is unlawful independently from the claim for revocation of the portion of the administrative decision regarding the petition on the Claims 1 and 10 inventions at issue. However, this cannot be the conclusion of this court, which bases its judgment on the individual finalization principle.

Significance of Decision

A significant case setting forth the legal principle that in patent invalidation proceedings, where a petition for correction is examined together with a petition for invalidation and an administrative decision is rendered, the administrative decision on the petition for correction can become final and binding separately and individually from the administrative decision on the petition for invalidation.

09 Trials to Confirm the Scope of Rights

Case on Confirmation of Scope of Rights for Pharmaceutical Composition for Treating Diabetes

(Fifth Division) Decision 2024Heo12548, Decided Dec. 19, 2024

Subject Matter	[Patent Right] Pharmaceutical Composition for Treating Type 2 Diabetes (No. 2372408)
Category	Confirmation of Scope of Rights (Patent)
Relevant Provisions	Patent Act, Article 135; Pharmaceutical Affairs Act, Articles 50-5, 50-6 and 50-7
Relevant Decisions	**S**upreme Court Decision 2004Hu1663 (Oct. 14, 2005); Supreme Court Decision 90Hu373 (Mar. 27, 1991); Supreme Court Decision 2014Hu2849 (Sep. 30, 2016)

Main Issues and Holdings

1. Whether a petition for a negative confirmation trial for the scope of rights filed by specifying a Gemigliptin pharmaceutical product "not used in combination with insulin" as the invention under confirmation, is unlawful on the ground that it was filed by taking an invention with no possibility of future practice as an invention subject to confirmation (Negative)
2. Where there is no dispute that the invention subject to confirmation (hereinafter "Subject Invention") does not fall within the scope of rights, whether the interest in a petition for a negative confirmation trial for the scope

of rights targeting such Subject Invention is recognized solely based on the likelihood that the relevant administrative decision may be necessary to obtain an exclusive marketing approval (Negative)

Case Overview

The defendant specified a Gemigliptin pharmaceutical product "not used in combination with insulin" as the Subject Invention, and filed a petition for a negative confirmation trial for the scope of rights that the Subject Invention is not included in the scope of rights of the patented invention at issue (hereinafter "Patented Invention"), which is a medical use invention characterized by "combined administration with insulin." The IPTAB rendered an administrative decision stating that the Subject Invention is not included in the scope of rights of the Patented Invention. Accordingly, the plaintiff filed a lawsuit seeking the revocation of the above IPTAB decision, and whether there is an interest in such a petition became the point at issue.

Summary of Decision IPTAB Decision Revoked

1. Determination on the Pre-Merits Defense Based on the Implementability of the Subject Invention

   The plaintiff's argument to the effect that the Subject Invention cannot be implemented is based on the premise that, after the defendant obtains a favorable IPTAB decision during the stage of the petition for trial at issue by specifying a Gemigliptin pharmaceutical product "not used in combination with insulin"—which clearly does not fall within the scope of the Patented Invention—as an invention subject to confirmation, it is clear that during the

actual stage of practice, the defendant will not implement the Subject Invention but will implement a Gemigliptin generic pharmaceutical product administered in combination with insulin (an infringing product of the Patented Invention).

However, in the current state where the specific manner in which the defendant will implement the Gemigliptin generic pharmaceutical product is not determined, whether the defendant's future product to be implemented is a product for use in combination with insulin or a product not used in combination with insulin cannot be definitively determined. Whether the defendant's future implementation product infringes the Patented Invention, which is a medical use invention characterized by the administration regimen of "combined use with insulin," must be determined by comprehensively taking into account information related to the administration regimen stated on the product label or attached document, the content of the item permission of the defendant's actual implementation product, information provided by the manufacturer/seller in relation to the product, and other actual prescription practices, or the like. Therefore, at the current stage where the above specific circumstances have not been determined, it is difficult to conclude that there is no possibility that the defendant will implement the Subject Invention, which is a Gemigliptin pharmaceutical product not used in combination with insulin.

2. Determination on the pre-merits defense based on the lack of dispute over the inclusion in the scope of rights

As long as there is no dispute between the parties regarding the fact that the Subject Invention specified by the defendant as the subject of the trial does not

fall within the scope of rights of the Patented Invention, the trial petition at issue targeting Subject Invention is unlawful due to a lack of legal interest (As discussed above, the plaintiff merely disputes based on the high possibility that the defendant will actually implement a generic Gemigliptin pharmaceutical product used in combination with insulin in the future, unlike what the defendant specified as the Subject Invention in this case, while there is no dispute that the Subject Invention does not fall within the scope of rights of the Patented Invention).

In response to this, the defendant asserts that even when there is no dispute over whether the invention falls within the scope of rights, if the defendant obtains an administrative decision holding that the invention under confirmation does not fall within the scope of the patent right, the defendant can obtain an exclusive marketing approval under Article 50-8 of the Pharmaceutical Affairs Act, and thus an interest in a trial petition must be recognized in this aspect. However, the defendant's above argument is difficult to accept for the following reasons.

A. Even if the defendant receives an administrative decision that the Subject Invention does not fall within the scope of rights of the Patented Invention, it is difficult to conclude that they would be able to obtain an exclusive marketing approval regarding the Subject Invention. The specific reasons are as follows.

1) The exclusive marketing approval system is a system under which— where a person who, upon filing an application for marketing authorization of a pharmaceutical product, has notified the registered

patentee of such application obtains an administrative decision or a trial decision to the effect of invalidation of the patent relating to the listed pharmaceutical product, invalidation of registration for extension of the term, or that the corresponding pharmaceutical product does not fall within the scope of patent rights, the sale of pharmaceutical products identical to the corresponding pharmaceutical product and having identical active ingredients to the listed pharmaceutical product is prohibited for a certain period (nine months, which may be extended within a limit of two months) upon application. This is a system designed to encourage challenges against pharmaceutical patents and thereby revitalize the generic drug market by granting exclusive marketing rights for the identical pharmaceutical product for a specified period specifically to the first party who successfully neutralizes or designs around a pharmaceutical patent.

2) Article 50-7(1) of the Pharmaceutical Affairs Act provides that "Where a person who is required to give notice pursuant to Article 50-4 may apply for exclusive marketing approval to the Minister of Food and Drug Safety when applying for marketing authorization or modified marketing authorization of a pharmaceutical product," thereby requiring as a prerequisite that the pharmaceutical product for which marketing authorization is applied must be the subject of notification under the Article 50-4 of the Pharmaceutical Affairs Act. However, according to Article 50-4(1)4 of the Pharmaceutical Affairs Act and Article 32-5 of the Enforcement Decree of the Pharmaceutical Affairs Act, it is provided that "Where the registered patent information regarding

medical usage is not relevant to the efficacy nor effectiveness of the pharmaceutical product for which an application for item permission is filed," are excluded from the scope of notification. This is intended to ensure that, where the listed patent right is a medicinal use invention, the authorization process for a generic drug for another use unrelated to said medicinal use can proceed regardless of the existence of the listed patent right, without requiring notification to the patent registerer or the listed patentee, etc. In such cases, because it is difficult to deem that a patent challenge has been made against the medicinal use invention, the legislative intent is to preclude applying for exclusive marketing approval as well.

3) While all the Patented Invention in this case are medical use inventions characterized by "combined administration with insulin," the Subject Invention is a pharmaceutical product not used in combination with insulin. Thus, even if the defendant applies for item permission for the Subject Invention, the efficacy and effect related to the administration regimen of the Subject Invention are not related to the medical use of the Patented Invention in this case. Therefore, it does not become a subject of notification as prescribed in Article 50-4 of the Pharmaceutical Affairs Act, so there is a high possibility that they do not qualify to apply for an exclusive marketing approval.

B. Even if a slim possibility exists that an exclusive marketing approval can be obtained regarding the Subject Invention, it is difficult to find that the interest of expecting such an unclear possibility constitutes a legal interest

that justifies a confirmation trial decision of the merits regarding this case where there is no dispute between the parties concerning the inclusion in the scope of rights. This is because, in principle, to claim a negative confirmation trial for the scope of rights to specifically confirm that the Subject Invention does not fall within the scope of rights of a patent right, as in the petition at issue, the interest in the petition is recognized only when there is legal insecurity, such as facing an assertion of rights by the patentee regarding the technology one is currently implementing or intends to implement in the future, and only when undergoing negative proceedings to confirm the scope of rights is an effective means to eliminate such legal uncertainty.

C. Furthermore, in a case where the patentee does not even dispute that the Subject Invention does not fall within the scope of rights, meaning that no legal uncertainty exists regarding the relevant patent right, is difficult to accept the argument that the potential use of an administrative decision (including a determination on the merits) as evidentiary material for obtaining exclusive marketing approval constitutes an independent legal interest in the petition for negative proceedings to confirm the scope of rights involving pharmaceutical patents. Such an argument does not align with the legislative intent of the exclusive marketing approval system, which aims to encourage challenges against pharmaceutical patents and thereby revitalize the generic drug market by granting exclusive marketing rights for the identical pharmaceutical product for a specified period specifically to the first party who successfully neutralizes or designs around a pharmaceutical patent.

Significance of Decision

A case finding that, in a petition for a negative confirmation of the scope of rights claimed by specifying a Gemigliptin pharmaceutical product "not used in combination with insulin" as the Subject Invention, where it is difficult to conclude that there is no possibility of practicing the invention subject to confirmation and there is no dispute that the invention subject to confirmation does not fall within the scope of rights, merely because of the possibility that the relevant administrative decision may be needed to obtain exclusive marketing approval, the petition for negative proceedings to confirm the scope of rights having such invention subject to confirmation as the subject of adjudication lacks an interest in the petition and is therefore unlawful.

Case on Tegoprazan Crystalline Form A

(Fourth Division) Decision 2024Heo13077, 13381, 14018, Decided Feb. 13, 2025

Subject Matter	[Patent] Novel Crystalline Form of Benzimidazole Derivative and Manufacturing Method Thereof (Tegoprazan Crystalline Form A)
Category	Negative Confirmation of Scope of Rights
Relevant Decisions	Supreme Court Decision 2012Hu85 (Apr. 25, 2013); Supreme Court Decision 2007Hu2735 (Aug. 19, 2010); Supreme Court Decision 2014Hu2849 (Sep. 30, 2016); IP High Court Decision 2016Heo4818 (Apr. 14, 2017)

Main Issues and Holdings

1. A case finding that there is no problem of specification in an invention subject to the confirmation (hereinafter "Subject Invention") specified as a drug comprising amorphous tegoprazan as the main component, and that future implementability is also recognized because there is no need to view the possibility of future implementation differently even if the Subject Invention is specified as a drug
2. A case finding that the Subject Invention does not fall within the scope of the Patented Invention, as the patented crystalline form A is literally different from the amorphous form and lacks an equivalent relationship, and furthermore, the invention under confirmation was consciously excluded from

the scope in right of the Patented Invention even when taking into account the application prosecution process

3. A case finding that the Subject Invention, an amorphous tegoprazan solid dispersion, does not fall within the scope of rights because it is not in a utilization relationship with the Patented Invention in this case, tegoprazan crystalline form A (2024Heo14018)

Case Overview and Issues 2024Heo13077, 13381 (Final Appeal Dismissed)

Patented Invention	Subject Invention
Tegoprazan Crystalline Form A	Amorphous Tegoprazan Pharmaceutical Product

⊙ Specification of the Subject Invention

Since it can be seen that the Subject Invention is a drug comprising an amorphous solid form distinct from the crystalline form A of the inventions of Claims 1 to 3 in this case as the main component, it is clearly specified so that the differences can be judged in comparison with the inventions of Claims 1 to 3 in this case.

Plaintiff's Argument: Since it has been confirmed that amorphous tegoprazan, the main component of the Subject Invention, changes to crystalline form A, the Subject Invention described as comprising amorphous tegoprazan is not properly specified. Since the Subject Invention is a drug, it would only be specified if data such as XRD and DSC confirming whether the amorphous form of tegoprazan is stably maintained within the manufactured drug were additionally submitted. Also, since it is confirmed that crystalline form A exists

when the amorphous form is formulated, the Subject Invention is not properly specified unless it is made clear that crystalline form A does not exist in the finished drug product.

Determination: Since each subject of adjudication in this case is the Subject Invention specified by the petitioner in the written petition, it is sufficient to decide whether it falls within the scope of rights by comparing the "drug comprising amorphous tegoprazan as the main component" specified by the defendants with descriptions and drawings against the inventions of Claims 1 to 3 in this case.

Just because the Subject Invention is a drug comprising amorphous tegoprazan as the main component, it does not mean that all components included in the drug or data capable of confirming whether the main component undergoes a phase transition to a crystalline form during the manufacturing, distribution, and storage processes of the drug are required to be stated. As long as the amorphous tegoprazan, which is the main component of the invention under confirmation, shows an XRD pattern that does not exhibit characteristic peaks compared to the invention of Claim 1 in this case (crystalline form A), there is no problem of un-specification as argued by the plaintiff.

Furthermore, even in light of the common technical knowledge regarding polymorphism as follows, no issue of specificity arises.

Drug polymorphism refers to cases where there are two or more solid forms (polymorphs) showing different properties depending on the molecular arrangement structure. Polymorphs with such different molecular arrangement structures also have different thermodynamic energies. Among them, the

amorphous form is a relatively high-energy form because the drug molecules are not arranged regularly and the solid does not structurally exhibit crystallinity, whereas the crystalline form is a solid form in which drug molecules are arranged regularly and exhibits crystallinity, and is relatively low in energy. Meanwhile, even crystalline materials composed of the same drug molecules may exhibit different crystal structures depending on their arrangement forms, so it is not the case that only one crystalline form exists. Among them, the one with a higher energy level is called a metastable crystalline form, and the form with the lowest energy level is called a stable crystalline form. Under specific conditions, it is a natural phenomenon for a metastable polymorph with a high energy level to undergo a phase transition into a stable polymorph between polymorphs with different stabilities.

In addition to the phase transition phenomenon, polymorphs have different physical properties such as solubility, dissolution rate, chemical stability, melting point, and density depending on the crystal structure. For this reason, exploring and selecting suitable polymorphs in formulation is essentially performed during the development process of a drug, and in particular, it is common to preferentially select a thermodynamically stable form to maximally block the possibility of problems such as changes in physical properties due to phase transition after formulation. However, if the stable crystalline form has low solubility and fails to achieve effective efficacy, amorphous or salt forms are sometimes selected as alternative solid forms, and if a stable polymorph is registered as a patent first, a third party cannot manufacture a product with the same polymorph, so the method of selecting a suitable metastable polymorph as the next best option and commercializing it has also been widely utilized in the

relevant technical field.

In light of the above common technical knowledge, the phase transition of amorphous tegoprazan into a thermodynamically stable crystalline form appears to be technically expected, with only a temporal difference depending on the environment. And the data submitted by the plaintiff testing whether amorphous tegoprazan converts to tegoprazan of crystalline form A merely confirmed a naturally occurring phenomenon through an accelerated test. Moreover, since stable crystalline forms and amorphous forms in polymorphs have different physical properties, the optimal formulation design to obtain a drug comprising each polymorph as a main component can be implemented differently, so it should not be deemed that the Subject Invention is specified only when it is proven that the amorphous form does not undergo phase transition in the final production of the drug. According to the same logic as above, it is also unreasonable in that a drug comprising a compound exhibiting polymorphism as a main component would have to be deemed as only being able to specify the "most stable crystalline form."

❹ Implementability

The Subject Invention is a drug comprising amorphous tegoprazan as a main component. Even if there is a phenomenon where a thermodynamically unstable amorphous form undergoes a phase transition to a stable polymorph, it is common that polymorphs exhibit different physicochemical properties, requiring a suitable formulation design for each polymorph, and the possibility of manufacturing a drug by applying formulation technology that enhances the stability of the amorphous substance cannot be excluded. As examined in the

specification of the Subject Invention, it should not be deemed that implementation is possible only when the defendants reveal that the amorphous state is stably maintained within the finished drug product.

- **Whether the interest in confirmation for a subject invention in the pharmaceutical field should be strictly reviewed (Negative)**

Plaintiff's Argument : Since the claim was made targeting a drug as the Subject Invention under the pharmaceutical approval-patent linkage system, the interest in the petition should be determined more strictly from the perspectives of the possibility of item permission from the regulatory agency, the identicalness between the invention under confirmation and the drug applied for item permission, and the likelihood of securing exclusive marketing approval rights, among other factors.

Determination: A negative confirmation trial for the scope of rights is to prevent disputes between parties in advance by judging whether the invention under confirmation is included within the objective scope of effect of the patent right. Therefore, since an invention intended to be implemented in the future can be the subject, obtaining or having the possibility of obtaining item permission is not necessarily required.

Implementation of a product invention stipulated in Article 2, Subparagraph 3 (A) of the Patent Act means the act of producing, using, assigning, lending, or importing the product, or offering to assign or lend the product (including displaying for assignment or lending; the same applies hereinafter). These acts of implementation are independent of each other, so even if only an act of production is performed, it is an implementation of the

invention, and even if only use or assignment is performed, it is an act of implementation. Therefore, there is no basis to view that only in the case of medical inventions, implementation of the invention is possible only when an "item permission" is additionally obtained beyond the above provisions of the Patent Act. Since a patented invention is governed by the Patent Act and item permission is a separate system operated by the Pharmaceutical Affairs Act, whether an invention is implemented under the Patent Act cannot be judged based on the item permission under the Pharmaceutical Affairs Act.

The pharmaceutical approval-patent linkage system was introduced with the intent to protect patent rights by making sure whether a follow-on drug infringes a patent right listed in relation to a previously approved drug when the safety and efficacy data of the previously approved drug are invoked in the item permission procedure for the follow-on drug. A trial for confirmation of the scope of rights is meaningful in that it simply and swiftly judges whether a invention under confirmation is included in the objective scope of effect of a patent right, thereby preventing disputes between parties in advance or terminating them promptly. Although the intent and purpose of the two systems share some commonalities, they are different in that the former targets only pharmaceuticals and is a procedure incidental to an advantageous administrative act, whereas the latter is a part of dispute resolution procedures applied to inventions in general. There is also no basis to limit the subject of claiming a negative confirmation trial for the scope of rights to cases where item permission can be obtained for the implementation of an invention related to a follow-on drug, solely because of the pharmaceutical approval-patent linkage system.

Even if one receives an administrative decision that the Subject Invention does not fall within the scope of rights of the patent right, in order to receive a priority sales item permission right by the pharmaceutical approval-patent linkage system, the invention under confirmation made the subject of adjudication must be identical to the drug applied for item permission. However, the identicalness is a matter to be judged by the Ministry of Food and Drug Safety, the competent ministry for approval screening for the relevant drug, and for a drug item permission, a modified permission is possible after the initial permission. Therefore, even if the invention under confirmation is not currently being implemented or item permission has not been obtained, item permission can be obtained in the future, or after item permission, a modified permission can be obtained to be identical to the invention under confirmation in this case.

Whether there is an interest in confirmation should not be determined by judging the identicalness between the invention under confirmation and the drug applied for item permission at the stage of a negative confirmation trial for the scope of rights intended to specifically determine the scope to which the effect of the patent right extends in relation to the invention under confirmation.

Case Overview and Issues 2024Heo14018 (Action withdrawn after pronouncement of judgment)

- **Whether the invention under confirmation is in a utilization relationship with the Patented Invention**

Patented Invention	Subject Invention
Tegoprazan Crystalline Form A	Amorphous Tegoprazan Solid Dispersion

Plaintiff's Argument: The amorphous tegoprazan used as a raw material for the invention under confirmation is identical to the XRD of the "amorphous tegoprazan obtained by spray-drying Tegoprazan Crystalline Form A." According to this, since the invention under confirmation was made using the subject Patented Invention, it constitutes a utilizing invention. Even if it is considered that an amorphous solid dispersion was manufactured using amorphous tegoprazan, it is a utilizing invention in any respect because the amorphous solid dispersion was made after converting Crystalline Form A into an amorphous state.

Determination: The Patented Invention relates to Crystalline Form A, in which tegoprazan drug molecules are regularly arranged and exhibit unique peaks by XRD spectrum. The Amorphous Tegoprazan Solid Dispersion, which is the invention under confirmation, is one in which drug molecules are uniformly dispersed in a polymer at a molecular level; it lacks the unique XRD peaks seen in Crystalline Form A and thus appears to have a different molecular arrangement structure. Therefore, since the invention under confirmation does not possess the claim elements limited by the unique XRD peaks of the subject Claim 1 invention (Crystalline Form A), it is difficult to consider that it utilizes the internal structure of the tegoprazan constituting Crystalline Form A as it is.

Crystalline polymorphs are obtained by differences in molecular arrangement in the solid state, but when they are made into a homogeneous solution state using a solvent, the regular and unique molecular arrangements all disappear. Therefore, even if a specific crystalline form is used as a raw material to make the invention under confirmation, the specific crystalline form no longer

exists during the process of becoming a homogeneous solution to create the solid dispersion. A utilization relationship is established "when the invention under confirmation includes the elements of the subject Patented Invention as they are while having additional new configurations." Even if Crystalline Form A is used as a raw material to make the invention under confirmation as the plaintiff argues, Crystalline Form A is entirely decomposed through the solution-solid dispersion manufacturing process. Thus, it cannot be seen that Crystalline Form A, which is an element of the subject Patented Invention, is included as it is within the invention under confirmation, which is a solid dispersion.

Significance of Decision

A case that presented the criteria for determining the specificity and implementability in a trial for a negative confirmation of the scope of a right regarding an amorphous form (invention under confirmation) limited to a "pharmaceutical product"

Case on Freshwater Tank

(Fourth Division) Decision 2025Heo10277, Decided Jul. 17, 2025

Subject Matter	[Patent] Water Tank for Freshwater and Sewer Bypass Method Using the Same
Category	Affirmative Confirmation of Scope of Rights
Relevant Decisions	Supreme Court Decision 2010Hu3356 (Sep. 8, 2011); Supreme Court Decision 2010Hu296 (May 27, 2010); Supreme Court Decision 2017Hu2291 (May 28, 2020); Supreme Court Decision 2003Hu656 (Apr. 29, 2005)

Main Issues and Holdings

1. A case finding that there is no issue in the specification because the open protrusion of the patented invention at issue is an "open protrusion of the coupling body part" based on the upper surface of the coupling body part, but the "open extension part" of the challenged invention(hereinafter "Subject Invention") is a configuration that extends openly in the upward direction from the opened coupling body part. Since it means an "extended coupling body part" based on the coupling body part, the protrusion and the extension part are distinguishable.
2. A case finding that even if a water flow test was conducted to check the safety of the Subject Invention and it was then discarded, it is difficult to find that the petition is one targeting an article that is no longer being implemented.

Case Overview

❶ Whether the Subject Invention is specified

According to the description and drawings of the patented invention at issue and the description and drawings of the Subject Invention, the open protrusion of the invention of Claim 1 at issue and the open extension part of the Subject Invention have shapes extending by a certain height from the coupling body part. The open protrusion of the invention of Claim 1 at issue includes all shapes partially or wholly protruding in the upward direction compared to the unopened upper surface of the coupling body part, which is the reference point, whereas the open extension part of the Subject Invention entirely extends in the upward direction based on the upper part of the coupling body part. Therefore, the corresponding configurations of the two inventions are specified to the extent that it can be compared whether it is a structure partially protruding based on the upper surface or upper part of the coupling body part.

❶ Whether the Subject Invention is implemented

The defendant asserts that they only used the Subject Invention on a test basis for the purpose of checking safety before actually using it for its intended purpose and have never "implemented" it, and even that was immediately discarded, so the Subject Invention to judge whether it falls within the scope of rights no longer exists, and thus the petition at issue lacks an interest in confirmation in any respect.

The Subject Invention is an invention related to an article named a freshwater tank. "Implementation" under the Patent Act for an article invention means "Manufacturing, using, assigning, leasing, or importing the product or

offering to assign or lease the product (including displaying the product for the purpose of assigning or leasing; hereinafter the same shall apply)" (see Article 2, Subparagraph 3 (A) of the Patent Act). These acts of implementation are independent of one another, Therefore, performing only production still constitutes implementation of the invention, and so does performing only use or assignment. The defendant concluded a contract for the "Sectional Repair Work of the Collecting Pipe (Right Bank)" project with Seoul City, installed a freshwater tank and its bypass pipe, or the like, and conducted a water flow test to confirm safety. The act of manufacturing and installing the freshwater tank and its bypass pipe, or the like. of the Subject Invention among these corresponds to "production" under the Patent Act. The water flow test was conducted for economic purposes after the contract was concluded. Therefore, even though the tank was discarded afterward, the test cannot be treated as the kind of research or testing that falls outside the patent rights's effect under Article 96(1) of the Patent Act. Moreover, since the possibility of future implementation cannot be ruled out, the interest in confirmation is not denied.

Significance of Decision

A case determining whether it should be viewed as research or testing to which the effect of the patent right does not extend, in relation to the implementability of the Subject Invention.

Case on Annular Wound Metal-Resin Composite Pipe

(Fourth Division) Decision 2025Heo10260, Decided Jul. 17, 2025

Subject Matter	[Patent] Metal-resin Composite Pipe Easily Wound into an Annular Shape and Manufacturing Method Thereof
Category	Affirmative Confirmation of Scope of Rights
Relevant Decisions	Supreme Court Decision 2003Hu656 (Apr. 29, 2005); Supreme Court Decision 2004Hu486 (Sep. 29, 2005); Supreme Court Decision 2010Hu296 (May 27, 2010)

Main Issues and Holdings

As the IPTAB decision of the related invalidation trial regarding the patented invention at issue (hereinafter "Patented Invention") was finalized, the correction of the Claim 5 of the Patented Invention was finalized, so the subject of determination in this case became the Claim 5 of the corrected invention at issue (hereinafter "Corrected Claim 5"). However, since it is unclear whether the subject invention (hereinafter "Challenged Invention") includes configurations corresponding to elements 4 to 6 of the Corrected Claim 5, it was found that as a result of the finalization of the related request for correction, the Challenged Invention was not specified to the extent that it could be compared with the Corrected Claim 5.

Case Overview

⊙ Comparison of Configurations with the Challenged Invention (Underlined parts are added by correction)

Configuration	Corrected Claim 5	Challenged Invention
1	Formed by coating a resin layer on the outer surface of a metal pipe,	Formed by coating a resin layer (5) on the outer surface of a metal pipe (3),
2	An adhesive layer is formed between the metal pipe and the resin layer to bond the resin layer and the metal pipe,	An adhesive layer (4) is formed between the metal pipe (3) and the resin layer (5) to bond the resin layer (5) and the metal pipe (3),
3	The thickness (p) of the metal pipe is 5% to 20% of the thickness (q) of the resin layer,	The thickness of the metal pipe (3) is 0.3mm, the thickness of the resin layer (5) is 2mm, so the thickness of the metal pipe (3) is 15% of the thickness of the resin layer (5)
4	The metal pipe is a pipe made of thin stainless steel,	No corresponding configuration
5	The resin is polyethylene,	No corresponding configuration
6	As a composite pipe manufactured as a straight pipe wound in an annular shape for convenience of transportation, wound in an annular shape such that the perfect circle of the metal pipe is maintained and deformation of the metal pipe is prevented	No corresponding configuration
Subject	Metal-resin composite pipe	Metal-resin composite pipe

⊙ Whether the Challenged Invention Is Specified

In the description of the Challenged Invention, there is no statement whatsoever regarding what materials the metal pipe (3) and the resin layer (5) are made of, whether the composite pipe is manufactured as a straight pipe, whether the

manufactured composite pipe is wound in an annular shape, and whether the perfect circle of the metal pipe is maintained. Due to this, it is difficult to grasp whether the Challenged Invention has configurations corresponding to features ① to ⑤ of the Corrected Claim 5. If the metal pipe (3), the resin layer (5), and the composite pipe of the Challenged Invention have identical configurations to features ① to ⑤ of elements 4 to 6, the Challenged Invention falls within the scope of rights of the Corrected Claim 5 in this case. However, if features ① to ⑤ of Elements 4 to 6 differ from the corresponding configurations of the Challenged Invention, then whether the Challenged Invention falls within the scope of rights of the Corrected Claim 5 turns on whether the two are equivalents.

For these reasons, since it cannot be judged whether the Challenged Invention has differences compared to Elements 4 to 6 of the Corrected Claim 5 in this case, it is difficult to view the Challenged Invention as specified.

Significance of Decision

A case holding that, due to a subsequent related request for correction, the Subject Invention could not ultimately be deemed specified with sufficient concrete detail to allow a determination of its differences in comparison to the elements of the Patented Invention.

10 Patent Infringement

Case on Joint Kit (Infringing Product), Bus Duct (Collateral Product), and Installation Construction (Collateral Service)

(Fourth Division) Decision 2022Na2206, Decided Mar. 13, 2025

Subject Matter	[Patent] Joint kit for Connecting Bus Duct Applying Plate-Type Anti-Rotation Tool (2nd Patent) and Joint Kit for Bus Duct Capable of Compaction (3rd Patent)
First Instance	Seoul Central District Court Decision of Sep. 23, 2022, Case No. 2019Gahap556411
Category	Prohibition of Patent Infringement, etc.
Relevant Decisions	Supreme Court Decision 2014Hu638 (Apr. 26, 2017); Supreme Court Decision 2005Da36830 (Oct. 13, 2006); Supreme Court Decision 2006Da67602, 67619 (Jul. 9, 2009); Supreme Court Decision 2005Da36830 (Oct. 13, 2006); Supreme Court Decision 2005Da75002 (Mar. 27, 2008), etc.

Main Issues and Holdings

1. A case acknowledging damages under Article 128(4) of the former Patent Act for collateral goods accompanying or derived from the sale of the patent product and collateral services accompanying or provided after its sale, such as the installation of the patent product
2. A case utilizing the accounting appraisal result through the "sticky behavior of

cost" analysis when calculating the profit gained by the defendant due to the patent infringement pursuant to Article 128(4) of the former Patent Act.

Case Overview

A case where the plaintiff asserted against the defendant that the defendant's product (joint kit) infringed the plaintiff's 2nd and 3rd Patents, seeking prohibition and destruction, and claimed damages for lost profits regarding the bus duct (collateral goods) sold together for its function in addition to the defendant's product and their installation (collateral services) (Partial claim of KRW 4 billion).

1. Patent Infringement: Acknowledged

   The defendant's product equivalently infringed the plaintiff's 2nd Patent and literally infringed the 3rd Patent (equivalent infringement was also acknowledged). The defendant's defense of freely practiced invention was rejected.

2. Claim for Prohibition and Destruction: Acknowledged

3. Claim for Damages: Alternative claim / Explicit partial claim

   ① Infringement period: The plaintiff claimed from November 30, 2012, to September 30, 2023.

   The Court recognized the end date as December 31, 2022. (The defendant claims to have made an evasion design around September 20, 2022, but lack of proof & there is no evidence to acknowledge the end date claimed by the plaintiff, so it is recognized only until the end of 2022 as acknowledged by the defendant).

② Recognition of collateral damages: Bus duct (collateral goods) and installation service (collateral services)

To exert the function of the defendant's product (joint kit), it must be sold and installed together, and both the plaintiff and defendant, who are in a competitive relationship within the same market, have sold and installed them in the same way. There are no cases of individual sales or installation by a third party other than the seller.

There is a proximate causal relationship between the patent infringement and the collateral damages, and the loss of profit is reasonably foreseeable. Joint kit (infringing product) + bus duct (collateral goods) + installation work (collateral services): All recognized as subjects of compensation for damages.

③ Primary Claim: Denied

The plaintiff claimed the application of Articles 128(2) and 128(3) of the former Patent Act (currently Article 128(2) of the Patent Act) for goods (infringing products and collateral goods), and the application of Article 128(4) of the former Patent Act for collateral services.

The court denied the application on the grounds that, although the plaintiff asserted that for product sales, the plaintiff's marginal profit rate could be applied to the defendant's sales amount under the premise that the plaintiff's and defendant's unit sales prices are the same, there is no basis to acknowledge that the unit prices are identical, and from the text of Article 128(2) of the former Patent Act, it is difficult to interpret that "the article that caused the act of infringement" includes "collateral goods" in addition

to the "patented product or its substitute."

④ Preliminary Claim: Application of Article 128(4) of the former Patent Act for the infringing product, collateral goods (bus duct), and collateral services (installation work) entirely. In the profit gained "due to" the infringing act, "due to" only requires profit with a proximate causal relationship to the infringement and is not limited to the infringing article itself, so collateral goods and collateral services are also included.

Calculated comprehensively based on the appraisal result in this case and the reply to fact-finding regarding the appraiser, along with the entire purport of pleadings. = Total sales of defendant x defendant's marginal profit rate. Total damages amount: KRW 7,581,406,454

⑤ The method of calculating the marginal profit rate adopted during the appraisal process in this case is a fixed cost/variable cost separation method based on the "sticky behavior of cost," and even compared with the previous method (separating only by items), that method cannot be seen as unreasonable.

⑥ The defendant's argument to overturn the presumption lacks basis (assertion of distribution according to market share within the same market).

⑦ Contribution rate: Comprehensively taking into account the importance of each patent, price ratio, indispensability, and other technical features, 10% is recognized for each patent + For ancillary products and ancillary services, the same contribution rate for each patent applies as is.

⑧ Final awarded damages amount: KRW 1,516,281,290

The damages amount based on the 2nd Patent is KRW 758,140,645 , as this amount alone does not exceed the partial claim of KRW 4 billion, damages based on the 3rd Patent were also aggregated.

Summary of Decision Claim Dismissed

❶ Recognition of Damages Related to Collateral Goods and Collateral Services

When there is an article that exists and is traded independently from a patented product rather than being a component constituting a single product in which a patent is implemented, or an incidental product accompanying or derived from the sale of a patented product (hereinafter referred to as "Collateral Goods"), or a paid service accompanying its sale or provided afterward, such as the installation of a patented product (hereinafter referred to as "Collateral Services"), it becomes a question whether the patentee's loss of profit due to the sale of Collateral Goods and Collateral Services in addition to the patent infringing product (hereinafter referred to as "Collateral Damages") can be viewed as damages caused by patent infringement.

While compensating for the actual damages suffered by the right holder due to patent infringement, to prevent an unreasonable expansion of damages caused by patent infringement, Collateral Damages cannot always be concluded as damages caused by patent infringement and there is a need to restrict it according to appropriate requirements. Even if they are sold or installed together with the patented product, if it is merely for transactional convenience or the management strategy of the seller, such as it being convenient to purchase or install from the same seller or helpful for after-sales repair, it is difficult to recognize Collateral

Damages merely based on the simple fact that the sales and installation are performed by the same entity. It should be limited to cases where it is an article necessary to exert the function of the patented product or achieve the purpose of the Patented Invention, being Collateral Goods sold together with the patented product like "several parts constituting a single product," or where installation, construction, and related services must essentially be performed by the seller of the patented product to exert the function and achieve the purpose of the patented product as above. In light of the relevant market share, the status of competitors, the existence of substitute products, trade forms, among other factors, it must be reasonably foreseeable that if there had been no patent infringement, the sale of Collateral Goods or Collateral Services would have occurred.

Taking into consideration the following facts and circumstances recognized by synthesizing the overall purport of the pleadings with the evidence mentioned above, joint kits and bus ducts are treated factually as a single product forming a set for the purpose of safely supplying power to buildings, and other structures, are installed by the seller, and both the plaintiff and defendant, who are in a competitive relationship in the same industry, have sold and installed them in the same way. In this regard, if there had been no patent infringement by the defendant, the plaintiff would have been able to gain profit from the sale and installation services of bus ducts, and this is reasonably sufficiently foreseeable. Therefore, the plaintiff's damages regarding the sale and installation services of bus ducts have a proximate causal relationship with the defendant's acts of infringing each patent right (the rest omitted).

Whether Articles 128(2) and 128(3) of the former Patent Act Can Be Applied to Subordinate Articles (Negative)

The plaintiff asserts that under the assumption that the defendant's unit sales price and the plaintiff's unit sales price are identical, it can be calculated by multiplying the plaintiff's marginal profit rate by the defendant's total sales amount of joint kit-type bus ducts.

However, the plaintiff's assertion that "the defendant's unit sales price and the plaintiff's unit sales price are identical" is based on the assumption that "if the defendant wins a competitive bid but is unable to sell due to patent infringement and the plaintiff delivers it instead, the plaintiff would deliver at least at the defendant's unit sales price." However, since there are other companies besides the plaintiff and defendant in the bus duct market, it cannot be concluded that the plaintiff would deliver at the defendant's unit sales price during a competitive bid, and moreover, since no materials to confirm the unit sales prices of the plaintiff/defendant have been submitted, it is difficult to believe it as is.

Furthermore, the provisions of Articles 128(2) and 128(3) of the former Patent Act are special rules that enable the calculation of lost profit damages based on the infringer's sales volume instead of the volume the right holder could have sold, considering the difficulty of calculating the damages amount. Therefore, as per the text of the law, it is proper to apply them when "the article that caused the act of infringement" is assigned. Even if the article is not viewed only as the "patent-implemented product," the article subject to the calculation of the damages amount under the above provision is limited to the "infringing product" and products substitutable with it. Therefore, leaving aside the

calculation of damages for Collateral Goods that do not even correspond to a patent-infringing product or its substitute by applying other paragraphs of Article 128 of the former Patent Act or provisions on torts under civil law without the restriction of that text, damages cannot be calculated by applying Articles 128(2) and 128(3) of the former Patent Act.

Furthermore, according to the appraisal result in this case and the reply to fact-finding regarding the appraiser Cho Young-ju, only the sales amount obtained by selling "the defendant's product and the bus duct" together is confirmed, and there are no accounting data organizing the sales amount of only the defendant's product separately or any data to determine the proportion the defendant's product takes up in the defendant's total sales amount. Thus, it is very difficult to calculate damages by applying Articles 128(2) and 128(3) of the former Patent Act even for the defendant's product excluding Collateral Goods.

- **Whether Article 128(4) of the Former Patent Act Can Be Applied to Subordinate Articles and Collateral Services (Affirmative)**

Article 128(4) of the former Patent Act stipulates that when a patentee claims compensation for damages suffered by them due to an infringement against a person who has infringed their patent right intentionally or by negligence, the amount of profit gained by the infringer through the infringing act is presumed as the amount of damages suffered by the patentee, and the "amount of profit gained by the infringer through the infringing act" can be viewed as calculable as the marginal profit deducting the additionally invested cost (variable cost) for manufacturing and selling the infringing product from the total sales revenue of the infringing product. However, unlike "the article that caused the act of

infringement" in Article 128(2) of the former Patent Act, 128(4) presumes "the amount of profit gained by the infringer through the infringing act" as the amount of damages suffered by the patentee. In this regard, it can be seen as including not only the profit obtained by the infringing act itself but also the profit amount having a proximate causal relationship with the infringing act.

The profit gained by the defendant due to not only the defendant's product but also the sale and installation services of the bus duct has a proximate causal relationship with the infringing act in light of the relationship between the defendant's product and the Collateral Goods examined earlier. Therefore, it is proper to calculate the damages suffered by the plaintiff due to the Collateral Goods (sale and installation services of the bus duct) as well as the patent infringing product (defendant's product) according to Article 128(4) of the former Patent Act. Therefore, in this case, the profit gained by the defendant due to the defendant's product and Collateral Goods is presumed as the damages suffered by the plaintiff due to the defendant's patent infringement according to Article 128(4) of the former Patent Act.

❹ Sticky Behavior of Cost Analysis

Marginal profit, etc.: Marginal profit is sales revenue minus marginal cost. Marginal cost consists of variable costs and direct fixed costs (individual fixed costs). Among these, direct fixed costs (individual fixed costs) are recognized as marginal costs only when strict conditions[1] are met; therefore, marginal costs

1) To be recognized under strict conditions as direct (individual) fixed costs and deducted when calculating marginal profit, they must meet all conditions of being "directly attributed to the manufacture/sale of the infringing product, exclusively used for the manufacture/sale of the infringing product, and impossible to be diverted for the purpose of manufacturing/selling other products besides the infringing product" among fixed

predominantly consist of variable costs.

Costs are classified into variable costs and fixed costs according to "cost behavior," and into direct costs (individual costs) and indirect costs (common costs) according to "traceability."

Classification	Variable Cost	Fixed Cost
Direct Cost	Direct Variable Cost	Direct Fixed Cost (Individual Fixed Cost)
Indirect Cost	Indirect Variable Cost	Indirect Fixed Cost

Among them, variable cost is a cost that varies according to the volume or level of activity. That is, it is a cost proportional to the volume, having a direct causal relationship with the sale of the infringing product, including raw material costs, sales commissions, among others. fall under this. The volume mentioned here is production quantity, sales volume, sales amount (sales revenue), among others. Fixed cost is a cost generated regardless of volume, and salaries, depreciation expenses, intangible asset amortization expenses, bad debt expenses, and the like, which do not have a direct causal relationship with the sale of the infringing product, fall under this.

Sticky behavior of cost analysis: Variable costs and fixed costs can be classified by qualitative/quantitative analysis. "Qualitative analysis" is a method where cost items are themselves classified into variable costs/fixed costs.[2)]

costs. For example, for depreciation expenses on facility equipment, building rent, labor costs, etc. to be recognized as individual fixed costs, these machinery/equipment (physical facilities) and manpower (human facilities) must be exclusively used only for the manufacture/sale of the infringing product, and must not be used for the production and sale of other products besides the infringing product.

2) Material costs, sales commissions, etc. are discriminated as variable costs proportional to volume without separate quantitative analysis, and depreciation expenses, intangible asset amortization expenses, bad debt expenses, etc. are discriminated as fixed costs, which are costs unrelated to volume, without separate

"Quantitative analysis" classifies whether it falls under a variable cost by analyzing cost behavior utilizing quantitative techniques. The "sticky behavior of cost"[3] used in the appraisal procedure in this case is one of them.

"Sticky behavior of cost" means a phenomenon where when volume (sales revenue) decreases (enters a downward phase), the analysis target cost does not decrease but rather increases or remains unchanged (rigid). The fact that a cost shows downward stickiness means it shows stickiness without decreasing in the section where volume (sales revenue) decreases. In this regard, costs showing sticky behavior of cost are identified as fixed costs, and analysis targets that do not show such behavior are identified as variable costs. When sales increase, it is common to increase costs to enjoy the effect of the sales increase, but when sales decrease, costs input fixedly do not decrease. That is, when sales decrease, fixed costs do not decrease but remain unchanged or rather increase, while variable costs decrease when sales decrease. Specifically, a method using covariance is utilized. That is, regarding the fluctuation rate of the analysis target cost (dependent variable) corresponding to the section where the fluctuation rate of the volume (sales revenue, independent variable) decreases, if the covariance value for the fluctuation rates of the independent variable and the dependent variable is zero (0) or a negative (-) value, it can be viewed that when the volume (sales revenue, independent variable) decreases, the analysis target cost (dependent variable) is invariable or increasing. This is identified as a fixed cost

quantitative analysis.

3) Sticky behavior of cost refers to the phenomenon where the rate at which an analysis target cost decreases when volume decreases is relatively smaller than the rate at which the analysis target cost increases when volume increases. Relaxing this, it can be calculated that the cost does not decrease but increases or remains unchanged when volume decreases (method adopted in the appraisal procedure in this case).

(acknowledgment of sticky behavior of cost) from the point that the direction of change in the fluctuation rates of the independent variable and the dependent variable in the decreasing section of the independent variable shows an "asynchronous characteristic."

Significance of Decision

The first case recognizing collateral damages in patent infringement (utilizing an accounting appraisal result that reflected an analysis of the sticky behavior of cost in calculating damages)

Case on Confirmation of Scope of Rights for Water Leisure Boat

(Second Division) Decision 2024Heo14643, Decided Apr. 16, 2025

Subject Matter	[Patent Right] Water Leisure Boat (No. 1802944)
Administrative Decision	IPTAB Decision of Aug. 23, 2024, Case No. 2023Dang4029
Category	Confirmation of Scope of Rights (Patent)
Relevant Provision	Patent Act, Article 136(5)
Relevant Decisions	Supreme Court Decision 2021Da217011 (Jun. 30, 2021); Supreme Court Decision 2015Hu2327 (Feb. 14, 2019); Supreme Court Decision 2021Da280835 (Sep. 7, 2022)

Main Issues and Holdings

A case finding that in determining equivalent infringement, the core technical idea of the patented invention was identified contrary to the plaintiff's argument, and such core technical idea was substantially publicly known

Case Overview

The defendant filed a petition for a trial to confirm the scope of rights based on the patented invention at issue (hereinafter "Patented Invention") against the plaintiff, who is the patentee of the Patented Invention, and the IPTAB granted the defendant's petition on August 23, 2024, on the grounds that it lacked certain elements. Dissatisfied with this, the plaintiff filed the instant lawsuit seeking

revocation of the above administrative decision, and asserted that the subject invention (hereinafter "Challenged Invention") falls within the literal scope of rights of the Claims 1 and 2 at issue or is in an equivalent relationship with them. Regarding infringement by equivalents, the plaintiff asserted that the core technical idea of Claims 1 and 2 at issue lies in "placing an outer structure outside the lower surface of the base tube, coupling this with an inner plate, inserting a rotating part, which relatively rotates with the shaft and base tube (part of the outer structure), into the above outer structure, and allowing the rotating part to be towed by a motorboat."

Summary of Decision Claim Dismissed

1. Whether Infringement by Equivalents Exists

   The Challenged Invention lacks certain elements and does not fall within the literal scope of rights of Claim 1 at issue.

2. The core technical idea of Claim 1 at issue

   The core technical idea of Claim 1 at issue lies in "placing a structure protruding downward and a structure transmitting the movement of the motorboat to the water leisure boat at the lower part of the boat, and coupling the two structures so that they can rotate relative to each other, so that when external forces caused by the change of direction of the motorboat, waves generated by the operation of the motorboat, and the resulting rolling of the water leisure boat, or the like, are transmitted to the water leisure tube, the tube is made to rotate."

   The plaintiff asserts that the core technical idea of Claim 1 at issue is "placing an outer structure outside the lower surface of the base tube, coupling this with an

inner plate, inserting a rotating part, which relatively rotates with the shaft and base tube, into the above outer structure, and allowing the rotating part to be towed by a motorboat." Such an assertion presupposes that the specific solution of Claim 1 at issue includes not only the coupling relationship of the towing part, shaft, and rotating part seen above, but also a configuration where an inner plate and an outer plate face each other across the lower surface of the base tube and connect those plates to the shaft. However, in the specification of the Patented Invention, there is no content whatsoever regarding what technical problem the configuration providing facing inner and outer plates is meant to solve, what the effect obtainable by adopting such a configuration is, etc. (The plaintiff also merely asserts that the effect of this part of the configuration is "something a person skilled in the art can infer"). Therefore, this part of the configuration cannot be regarded as a solution specific to Claim 1 at issue, and the core technical idea of Claim 1 at issue cannot be identified as asserted by the plaintiff.

3. Whether the Technical Idea Was Publicly Known

In light of the following circumstances, the core technical idea of Claim 1 at issue was publicly known as of the priority claim date.

A. Prior to the priority date of the Patented Invention, a video showing a water leisure boat being towed by a motorboat, moving in that direction while simultaneously rotating, was posted on YouTube.

B. A water leisure boat sold through Alibaba from around 2014 has a configuration outwardly similar to the rotating part and shaft of Claim 1 at issue. In addition to such outward similarity, in light of factors including ① the water leisure boat sold by Super Inflatable was referred to as a "Disco

Boat," and "Disco Boat" is a term referring to a water leisure boat that is towed by a motorboat, moving in that direction while simultaneously rotating (all prior boats were also referred to as "Disco Boats"), ② there are no confirmed circumstances suggesting that the principle of a revolute pair was applied to said water leisure boat by means of another configuration, or the like, the rotating part and shaft-like configuration of said water leisure boat also appear to rotate relative to each other.

C. The technical idea premised in the combination of the tow line, movable connector, and kingpin of the Japanese Laid-Open Patent Publication disclosed before the priority claim date is also substantially identical to the core technical idea of Claim 1 at issue.

4. Whether There Is Infringement by Equivalents

"Identity of operational effect" must be determined by individually comparing the differences between the elements of Claim 1 at issue and the corresponding elements of the Challenged Invention—specifically, the functions, among other aspects, of the internal plate and external plate of Claim 1 of the Patented Invention versus the back plate, extension plate, and base plate of the Challenged Invention. As it is proper to deem that there are differences between the two in terms of function, effect, design considerations, among other factors, the operational effect of Claim 1 at issue and the Challenged Invention are not identical.

Significance of Decision

A case appropriately applying the doctrine of equivalents to a specific case by identifying the core technical idea without being bound by the arguments of the parties and then determining whether it was publicly known.

Case on Confirmation of Scope of Rights for Exciting Cycle

(Fifth Division) Decision 2024Heo12586, Decided Jan. 23, 2025

Subject Matter	[Patent Right] Exciting cycle (No. 1942017)
Administrative Decision	IPTAB Decision of Apr. 19, 2024, Case No. 2023Dang2128
Category	Confirmation of Scope of Rights (Patent)
Relevant Provisions	Patent Act, Articles 97 and 135
Relevant Decisions	Supreme Court Decision 2021Hu10589 (Jan. 14, 2022); Supreme Court Decision 2019Da237302 (Mar. 11, 2021)

Main Issues and Holdings

A case determining that it is difficult to find that the subject invention (hereinafter "Challenged Invention") contains, as they are, elements identical or equivalent to those set forth in the claims of the invention at issue and the organic coupling relationship among such elements.

Case Overview

The IPTAB determined that the Challenged Invention cannot be deemed identical or equivalent in configuration to the invention at issue and thus does not fall within the scope of rights of the invention at issue. The plaintiff filed a lawsuit seeking revocation of said IPTAB decision.

Summary of Decision Claim Dismissed

1. Comparison of Elements

The fastener of the invention at issue adopts a configuration in which: ① the fastening body is "directly coupled" to the running main body by a fastening piece, ② the movable bar, which is the connecting means between the locking lever and the gap adjusting bolt, "penetrates the fastening body" and the locking lever is hinge-coupled to "its other end portion," ③ the gap adjusting bolt connected to the rope of the second trolley is "screw-engaged to the insertion groove on one side" of the movable bar, and ④ a "supporting bracket" is placed so that the rope maintains a certain gap with the running main body. In contrast, the fastener of the Challenged Invention adopts a configuration in which: ❶ the fastening body is "indirectly coupled" to the running main body by a fastening plate, ❷ the movable bar, which is the connecting means between the locking lever and the gap adjusting bolt, "does not go through the fastening body" but is "coupled by cross-penetrating the locking lever," and the hinge-coupling portion of the locking lever is the "fastening body" and not the movable bar, ❸ the gap adjusting bolt connected to the rope of the second trolley is formed in a "U-shape," so the two screw fastening parts are "each screwed (with a nut) to both ends" of the movable bar, and ❹ there is no separate configuration (supporting bracket) placed to make the rope maintain a certain gap with the running main body. Thus, the two inventions have differences in the coupling method among the detailed elements of the "fastener."

2. Whether There Is an Equivalent Relationship

A. Examination on problem-solving principle:

The "technical idea of connecting a running wire and a supporting wire between support structures, and connecting a running body equipped with a grooved wheel to the running wire and the supporting wire with connectors such as a safety bar, fastener, and first and second trolleys" and the "technical idea that the fastener is a means connecting the running body to the second trolley on the running wire and adjusts the adhesion and relaxation of the running body and the running wire through the locking and unlocking of the locking lever," which are identified in the description of the invention of the patented invention, appear to be merely what was already known prior to the filing of the patented invention. Therefore, such technical ideas cannot be deemed unique to the invention at issue, and it cannot be said that the invention at issue solved a technical problem that remained unsolved in prior inventions. Thus, whether the operational effects are substantially identical cannot be based on whether the above technical ideas are implemented, but must be determined by comparing the individual functions or roles, or the like of each corresponding element constituting the difference.

B. Examination on the operational effect

It is proper to deem that the invention at issue and the Challenged Invention have differences in the individual functions or roles of the detailed configurations relating to the fastener (Element 19), and consequently, there are differences in specific operational effects as well. The main reasons are as follows.

First, looking at the "fastening body," in the invention at issue, the movable bar penetrates the fastening body, and the fastening body is used as a means to guide the movement of the movable bar. In contrast, in the Challenged Invention, it can be seen that the fastening body in the fastener does not have a function to guide the movement of the movable bar, and is used as a means to hinge-couple the locking lever.

Next, looking at the gap adjusting method of the "gap-adjusting bolt" or "gap-adjusting U-bolt," the invention at issue allows fine adjustment of the gap between the running body and the running wire simply by the relative rotation of the movable bar and the gap adjusting bolt, whereas the Challenged Invention can finely adjust the gap between the running body and the running wire only when the two nuts coupled to both ends of the U-shaped gap adjusting U-bolt are adjusted in balance. Thus, the two inventions have differences in the method and convenience of finely adjusting the gap between the running body and the running wire.

C. Examination of Modification of Configurations

In light of points such as that if the moving direction of the movable bar is changed to vertical, it appears necessary to substantially modify or eliminate not only the coupling relationship between the running main body and the fastener of the invention at issue but also the arrangement relationship of connecting configurations, it is difficult to find that a person of ordinary skill in the art could easily modify the detailed elements regarding the fastener of the invention at issue (Element 19) into the elements constituting the fastener of the Challenged Invention.

Significance of Decision

A case significant in that, although the core technical idea could not be deemed unique to the patented invention in light of prior inventions or the like, it was determined that the subject invention does not fall within the equivalent scope based on the examination of the operational effect or modification of the elements constituting the differences

Case on Confirmation of Scope of Rights for Detachable Automatic Revolving Door for Showcase

(Fifth Division) Decision 2024Heo12685, Decided Apr. 10, 2025

Subject Matter	[Patent Right] Detachable Automatic Revolving Door for Showcase (No. 1299479)
Administrative Decision	IPTAB Decision of May 14, 2024, Case No. 2023Dang3968
Category	Confirmation of Scope of Rights (Patent)
Relevant Provisions	Patent Act, Articles 97 and 135
Relevant Decisions	Supreme Court Decision 2010Hu67 (Jul. 28, 2011); Supreme Court Decision 2012Hu1132 (Jul. 24, 2014); Supreme Court Decision 2015Hu2327 (Feb. 14, 2019)

Main Issues and Holdings

A case holding that the invention at issue and the subject invention (hereinafter "Challenged Invention") are in an equivalent relationship, on the premise that the Challenged Invention implements the core technical idea of the invention at issue as it is, on the grounds that the problem-solving principle and operational effect are identical, the alteration of the differences is easy, and it is difficult to find that the Challenged Invention constitutes a freely practiced invention

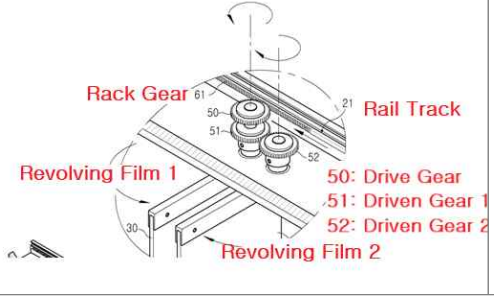
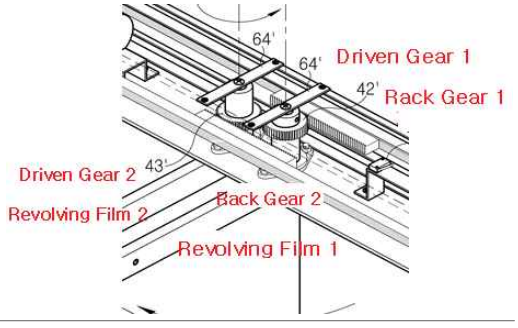
Case Overview

The IPTAB determined that the Challenged Invention does not fall within the scope of rights of the invention at issue because it cannot be viewed as identical in configuration or in an equivalent relationship with the invention at issue. The plaintiff filed a lawsuit seeking the revocation of the said IPTAB decision.

Summary of Decision Claim Granted

1. Comparison of Elements

The invention at issue and the Challenged Invention are identical in that the rotation of the first revolving film is operated by a rack gear and a driven gear. However, in rotating the second revolving film adjacent to the first revolving film, the invention at issue uses a structure that connects the rotating shaft that rotates the first revolving film and the rotating shaft that rotates the second revolving film with a driven gear, whereas the Challenged Invention has a difference in independently using a structure like the rack gear and pinion used for the rotation of the first revolving film in the opposite direction.

Invention at Issue	Challenged Invention
	

2. Whether There Is an Equivalent Relationship

A. Whether the problem-solving principles are identical

The core technical idea of a patented invention should not be grasped by limiting it only to the parts described as the "problem to be solved" or "effect of the invention" in the description of the invention in the specification of the patented invention, but must be determined by taking into consideration the entirety of the description in the specification and the publicly known technology at the time of filing, among other factors. It is proper to deem that the core technical idea upon which the unique solution of the invention at issue is based lies in "causing adjacent revolving films to rotate in opposite directions to be opened and closed from the front." The Challenged Invention appears to implement the core technical idea of the invention at issue—namely, "causing adjacent revolving films to rotate in opposite directions to open forward"—as it is.

B. Whether the operational effects are identical

The invention at issue and the Challenged Invention have the identical operational effect in that by making "adjacent revolving films rotate in opposite directions to open forward," no interference occurs with the display shelves installed inside the showcase during the process of the revolving film rotating, and a wide opening width can be secured.

C. Whether the alteration is easy

A rack and pinion structure is a power conversion mechanism that converts linear motion to rotary motion or vice versa, which is not only a widely used technology in the field of mechanical device manufacturing, but is also disclosed in prior inventions and the patented invention as a device for rotating a revolving film. Furthermore, even in light of the structure of the

invention at issue, it does not appear that alteration of elements would affect other elements or requires many structural alterations, nor does it appear that the effect or purpose of the invention at issue is undermined. Therefore, it is proper to deem that a person of ordinary skill in the art could easily alter the configuration of rotating adjacent revolving films with combined driven gears of the invention at issue to a configuration of rotating each adjacent revolving film with an independent rack and gear (driven gear).

D. Whether it constitutes a freely practiced invention

To achieve Challenged Invention from a prior invention, the insertion protrusion connected with a gear at the upper center of the revolving film must be moved to one side, and the rack and pinion structure must be changed so that adjacent revolving films can rotate in opposite directions. Even taking into account the well-known nature of the rack and pinion structure, this not only appears to involve a substantial degree of structural or design alteration, but its resulting operational effect (the effect of eliminating interference with internal display shelves during the rotation process of the revolving film and securing a wide opening width) also seems difficult to predict from the prior invention. Therefore, it is difficult to recognize that the Challenged Invention constitutes a freely practiced invention.

E. Summary of examination results

The elements of the invention at issue and the corresponding elements of the Challenged Invention are in an equivalent relationship.

Significance of Decision

A case finding that it falls within the equivalent scope on the premise that the Challenged Invention implements the core technical idea of the invention at issue as it is, based on identifying the core technical idea by taking into consideration the entire description in the specification and publicly known technology at the time of filing, among other factors.

11 Defense of Practicing Prior Art

Case on Actuator Device of Shape Memory Spring Dependent on Outdoor Unit Wind Temperature in Multiple Louver Interlocking Automatic Opening/Closing Ventilation Window

(Fifth Division) Decision 2024Heo15011, Decided Jul. 24, 2025

Subject Matter	[Patent Right] Actuator Device of Shape Memory Spring Dependent on Outdoor Unit Wind Temperature in Multiple Louver Interlocking Automatic Opening/Closing Ventilation Window
Category	Confirmation of Scope of Rights (Patent)
Relevant Provision	Patent Act, Article 135(1)
Relevant Decisions	Supreme Court En Banc Decision 2012Hu4162 (Mar. 20, 2014); Supreme Court Decision 2016Hu366 (Nov. 14, 2017)

Main Issues and Holdings

Whether a defense of freely practiced invention is allowed after a binding determination has been made in a confirmation of scope of rights trial that the subject invention (hereinafter "Challenged Invention") literally infringes the patented invention (Negative)

Case Overview

1. Original IPTAB Decision and the Revocation Judgment at Issue

On December 30, 2022, the plaintiff filed a petition for an affirmative

confirmation of scope of rights trial against the defendant, but on March 23, 2023, the IPTAB rendered an administrative decision dismissing the plaintiff's said petition (hereinafter the "Original IPTAB Decision"). The plaintiff filed a lawsuit seeking revocation of the administrative decision on May 2, 2023, and the IP High Court rendered a judgment on November 30, 2023, revoking the Original IPTAB Decision on the grounds that "the Challenged Invention literally includes all elements of the patented invention at issue (hereinafter "Patented Invention"), and thus falls within the scope of rights of the said invention, and does not constitute a freely practiced invention" (hereinafter the "Revocation Judgment at Issue"). Dissatisfied with this, the defendant appealed to the Supreme Court on December 18, 2023, but the appeal was dismissed on April 4, 2024, and the Revocation Judgment at Issue became final and binding.

2. IPTAB Decision at Issue

When the Revocation Judgment at Issue became final and binding, the IPTAB heard the remanded case under No. 2024Dang23(Revocation Judgment), and then rendered the administrative decision at issue on September 23, 2024, dismissing the plaintiff's petition once again on the grounds that "the Challenged Invention constitutes freely practiced invention that can be easily implemented by the combination of Prior Inventions 1 and 2." Accordingly, the plaintiff filed the lawsuit at issue seeking revocation of the administrative decision.

3. Issue of this Case

Whether the defense of freely practiced invention is allowed after a binding determination has been made in a confirmation of scope of rights trial that the

Challenged Invention literally infringes the Patented Invention.

Summary of Decision IPTAB Decision Revoked

The IP High Court ruled, for the reasons set forth below, that a defense of freely practiced invention is not allowed after a binding determination has been rendered in a confirmation of scope of rights trial that the Challenged Invention literally infringes the Patented Invention, thereby rendering a judgment revoking the IPTAB decision at issue, which had determined to the contrary.

1) Purpose of Procedure for Confirmation of Scope of Rights Trial and Limitations on Examination

   A) A confirmation of scope of rights trial for a patent right is merely a procedure with the limited purpose of confirming whether a Challenged Invention falls within the objective scope to which the effect of the patent right extends, and is not a procedure confirming or determining legal relationships such as the existence or non-existence of a right to claim prohibition of infringement or a right to claim compensation for damages (see Supreme Court En Banc Decision 2012Hu4162 [March 20, 2014, etc.]). That is, a confirmation of scope of rights trial is not so much a procedure determining the rights between disputing parties through dynamic processes such as asserting affirmative defenses and rebuttals regarding specific legal relationships like in a patent infringement lawsuit, but rather a procedure whose essence lies in principle in comparing two subjects: a patented invention and a subject invention. Determination made in such confirmation of scope of rights trials may

serve as a reference in relation to certain issues in a patent infringement lawsuit (Determination of whether the subject invention falls within the scope of rights), but it does not have binding effect with respect to the determination of patent infringement (see Supreme Court Decision 99Da59320 [January 11, 2002]; Supreme Court En Banc Decision 2012Hu4162 [March 20, 2014, etc.]).

B) The Patent Act separately provides for a trial for confirmation of the scope of rights and a trial for patent invalidation. Even if a patent lacks an inventive step and has grounds for invalidation, unless an invalidation trial decision becomes final and binding in a patent invalidation trial, one cannot decide on the premise that the patent is invalid in other procedures, barring special circumstances. Determining whether a patent involves an inventive step in a confirmation of scope of rights trial provided as a procedure for defining the protection scope of a patented invention not only exceeds the scope of examination in a confirmation of scope of rights trial, but also accords to a trial for confirmation of the scope of rights a role that inherently belongs to the function of a trial for patent invalidation, thereby failing to conform to the allocation of functions between the two trials. Therefore, according to the principle of functional distribution between trials, examination of assertions resulting in the denial of the effect of registered rights in a confirmation of scope of rights trial is in principle restricted (see Supreme Court Decision 2015Hu161 [April 28, 2016, etc.]), and even if the inventive step of the patented invention is denied, the effect of the registered patent right cannot be denied in a confirmation of scope of rights trial (see Supreme

Court En Banc Decision of 2012Hu4162 [March 20, 2014]; Supreme Court Decision 2016Hu366 [November 14, 2017, etc.]).

2) Defense of Freely Practiced Invention and Its Grounds

A) The Supreme Court recognizes the defense of a freely practiced invention by stating, "In a confirmation of scope of rights trial, when a subject invention compared with a patented invention is not only composed entirely of publicly known technology but also can be easily implemented from publicly known technology by a person of ordinary skill in the art, it should be deemed that it does not fall within the scope of rights of the patented invention as so-called freely practiced invention, without the need to compare it with the patented invention" (see Supreme Court Decision 99Hu710 [October 30, 2001], etc.).

B) A freely practiced invention is a theory originally introduced as a negative requirement for equivalent infringement. Even when expanding the protection scope of a patent right by the doctrine of equivalents, it is unreasonable to allow the protection scope of the patent right to be expanded to areas where the patentee could not have received a patent from the beginning, that is, the area of technology already publicly known at the time of filing the relevant patented invention or technology easily derivable therefrom by a person having ordinary skill in the art (so-called freely practiced invention). Thus, the Supreme Court introduced "a subject invention must not be technology already publicly known at the time of filing the relevant patented invention or technology easily derivable therefrom by a person of ordinary skill in the art" as a

negative requirement for equivalent infringement (see Supreme Court Decision 97Hu2200 [July 28, 2000]). A freely practiced invention as a negative requirement for equivalent infringement like this is an issue to be examined to determine whether a subject invention equivalently infringes the patented invention. Even if it is determined that a subject invention does not fall within the equivalent scope by corresponding to a freely practiced invention, this is completely unrelated to whether the patented invention has a reason for registration invalidation.

C) Meanwhile, the defense of a freely practiced invention in the phase of literal infringement has a fundamental difference in its underlying rationale from a freely practiced invention as a negative requirement for equivalent infringement. Because in a situation where a subject invention literally infringes a patented invention by including the individual elements described in the claims of the patented invention and their organic coupling relationship exactly as they are, finding that the subject invention constitutes freely practiced invention easily derivable from publicly known technology has the identical meaning as stating that the patented invention has a reason for invalidity due to a lack of inventive step. Therefore, where a subject invention literally infringes a patented invention, even if the invention is one that a person skilled in the art could easily practice based on publicly known technology or a combination thereof, the effect of that patent right cannot be denied in other procedures until that patent is rendered invalid and becomes final and binding through an invalidation trial procedure. Strictly speaking, it is difficult to assert that such an invention within the scope of rights of

that patent right is in the public domain or an invention that anyone can freely utilize until that patent right is finalized as invalid. However, since a patent right including an invention easily implementable according to publicly known technologies or a combination thereof is clear to eventually become retrospectively invalid in the future through a registration invalidation trial procedure, taking this into consideration in any way even in the phase of determining infringement can be helpful for swift and reasonable dispute resolution. Thus, the Supreme Court recognized the legal doctrine of a freely practiced invention not only in equivalent infringement but also in cases of literal infringement (see Supreme Court Decision 2016Hu366 [November 14, 2017]). Meanwhile, regarding the defense of freely practiced invention, the Supreme Court explains that if a subject invention constitutes freely practiced invention, a conclusion can be reached that it does not fall within the scope of rights of the patented invention "without the need to compare it with the patented invention" (see Supreme Court Decision 99Hu710 (October 30, 2001; Supreme Court Decision 2016Hu366 (November 14, 2017, etc.). Although this is a legal doctrine somewhat different from the general determination structure of causes of action and affirmative defenses, if a determination that an invention constitutes freely practiced invention is rendered after clearly determining literal infringement through comparison with a patented invention, it would lead to a result of denying the effect of a registered right before the decision in a trial for invalidation of that right becomes final and binding. Thus, by first determining whether it constitutes freely practiced invention comparison

with a patented invention through the above legal doctrine, it allows drawing a conclusion that aligns with substantial justice and litigation economy while formally avoiding the result of conflicting with such principle of functional distribution between trials.

3) Binding Effect of Revocation Judgment and Admissibility of Defense of Freely Practiced Invention when Binding Decision has been rendered that Subject Invention literally infringes Patented Invention

A) Where a judgment revoking an administrative decision becomes final and binding, the rationale forming the basis of such revocation binds the IPTAB concerning that case. The binding effect in this case arises from the point that the factual and legal determinations of the administrative decision that formed the grounds for revocation were improper (see Supreme Court Decision 99Hu2860 [January 11, 2002]; Supreme Court Decision 2001Hu96 [December 26, 2002]; Supreme Court Decision 2017Hu1830 [January 14, 2021], etc.). In a lawsuit seeking revocation of an IPTAB decision to the effect that a subject invention does not literally infringe a patented invention, where a judgment revoking the IPTAB decision on the grounds that the subject invention literally infringes the patented invention becomes final and binding, a binding determination has been made regarding the point that the subject invention literally infringes the patented invention; thus, in the proceedings following revocation, the IPTAB must render a determination in accordance therewith.

B) Allowing the defense of freely practiced invention in a proceeding

following revocation of a case in which a binding determination has been rendered regarding the point that a subject invention literally infringes a patented invention has the problem of leading to the same result of denying the registered right by formally or substantially, in fact, declaring the patent invalid. In this case, unlike the case of first determining whether an invention constitutes freely practiced invention without comparing it with a patented invention, it is difficult to formally avoid results conflicting with the principle of functional distribution between administrative trials or results contradicting and conflicting with Supreme Court En Banc Decision 2012Hu4162 (March 20, 2014), which states that a determination denying inventive step is not allowed in a confirmation of scope of rights trial. Furthermore, in a situation where a binding determination that the subject invention constitutes literal infringement has already been rendered, newly examining whether it constitutes freely practiced invention separately from this has no particularly advantageous part from the perspective of litigation economy as well. In particular, the logic of Supreme Court En Banc Decision 2012Hu4162 (March 20, 2014)—to the effect that allowing the determination on inventive step even in a confirmation of scope of rights trial is undesirable in that it risks considerably weakening the function of a patent invalidation trial by granting what originally belongs to the function of a patent invalidation trial to a confirmation of scope of rights trial—can be applied as is to the issue in this case regarding whether the defense of freely practiced invention can be determined in a situation where a binding determination that a subject invention constitutes literal

infringement has already been rendered. Considering these points, it is proper to deem that a defense of freely practiced invention is not allowed after a binding determination has been rendered in a confirmation of scope of rights trial that a subject invention literally infringes a patented invention.

Significance of Decision

A case explicitly clarifying, in connection with the scope of application of Supreme Court Decision 2016Hu366 (November 14, 2017), that after a binding determination has been made in a confirmation of scope of rights trial that a subject invention literally infringes a patented invention, the defense of freely practiced invention is not permissible

12 Damages

Case on Lid for Cooking Vessel

(Twenty-Fifth Division) Decision 2023Na11276, Decided Oct. 31, 2024

Subject Matter	[Patent Right] Lid for Cooking Vessel (No. 1117219)
Category	Damages (Other)

Main Issues and Holdings

1. The meaning of Article 3 of the Addenda to the Patent Act, which states, "the amended provisions of Article 128(8) and (9) shall begin to apply to a violation committed after the Act enters into force," and whether, where the infringing acts took place both prior to and after the enforcement of the enhanced damages provisions, the enhanced damages provisions apply starting from the first infringing act that occurred after the enforcement (Affirmative).
2. The meaning of a willful infringing act under Article 128 (8) of the former Patent Act.
3. A case where the court acknowledged the infringer's willful infringing act and set the amount of damages at twice the assessed damages for the period to which the enhanced damages provisions apply, after comprehensively taking into account: ① whether the person committing the infringing act held a superior position; ② the degree of intent or awareness of the risk of causing damage; ③ the scale of damage suffered by the patentee and exclusive licensee

due to the infringing act; ④ the economic benefits obtained by the infringer due to the infringing act; ⑤ the duration and frequency of the infringing act; ⑥ criminal fines resulting from the infringing act; ⑦ the financial condition of the person committing the infringing act; and ⑧ the degree of effort made by the person committing the infringing act to remedy the damage.

Case Overview

1. The plaintiff is the patentee of the patented invention at issue (hereinafter "Patented Invention") relating to a "Lid for Cooking Vessel," and the defendant manufactured and sold vacuum pot products (hereinafter "defendant's Products") to which the Patented Invention was applied.
2. The plaintiff sought damages against the defendant for patent infringement, asserting that the defendant's infringing act at issue was willful, and therefore the provisions on enhanced damages under Article 128(8) of the former Patent Act should apply.

Judgment of the First Instance Busan District Court Decision 2023Gahap42160 (Oct. 4, 2023)

The court of first instance acknowledged that the defendant willfully infringed the patent right of this case by manufacturing and selling the defendant's Products. In calculating the amount of damages pursuant to Article 128(4) of the Patent Act, the court evaluated the degree to which the Patented Invention contributed to the infringer's profits at 25%, and awarded 1.5 times the amount of assessed damages as enhanced damages in connection with the infringement during the period to which the enhanced damages provisions of Article 128(8) of

the former Patent Act apply (recognizing approximately KRW 1 billion in damages).

Summary of Decision First Instance Judgment Modified (Recognizing Approximately KRW 850 Million in Damages)

Like the court of first instance, this court acknowledged willful patent infringement and applied the enhanced damages provisions, awarding double the amount of assessed damages in connection with the infringement during the period to which the enhanced damages provisions apply. However, the court evaluated the degree to which the Patented Invention contributed to the infringer's profits at 20%, resulting in an overall amount of damages slightly reduced compared to the first instance. The legal reasoning regarding the key issues of this decision is as follows.

1. Meaning of Article 3 of the Addenda to the Patent Act, Which States, "The Amended Provisions of Article 128(8) And (9) Shall Begin to Apply to a Violation Committed after the Act Enters Into Force“

   Article 3 of the Addenda provides that "The amended provisions of Article 128(8) and (9) shall begin to apply to violation committed after the Act enters into force." Looking solely at its text, the above provision of the Addenda may be interpreted to mean that: ① the enhanced damages provisions apply only where the first infringing act took place after July 9, 2019, the enforcement date of Article 128(8) and (9) of the former Patent Act, meaning that if an infringing act took place prior to July 9, 2019, the enhanced damages provisions would not apply even if the infringing act continued after the said

enforcement date; or ② contrary to the above, in cases where infringing acts took place both prior to and after the enforcement of the enhanced damages provisions, the enhanced damages provisions do not apply to infringing acts prior to enforcement, but apply starting from the first infringing act that occurred after enforcement. However, the view that construes the Addenda provision as Interpretation ① above—holding that where if there was an infringing act prior to enforcement, the enhanced damages provisions cannot be applied to infringing acts after enforcement—not only contradicts the legal principles regarding the scope of punishment for a comprehensive single crime upon the enactment of a penalty provision, but also contradicts the legislative intent and balance of legal interests. This is because the unlawfulness of a person who has continuously committed infringing acts spanning before and after the enforcement of the enhanced damages provisions must be deemed greater than the unlawfulness of a person who commenced an infringing act for the first time after the enforcement of the enhanced damages provisions. Therefore, applying the enhanced damages provisions to a person who commenced an infringing act for the first time after the enforcement, while exempting a person who has continued the infringing act from before enforcement from the application of the above provisions, is an interpretation that does not accord with the legislative intent of the enhanced damages provisions, which is to deter infringing acts and strengthen victim relief by imposing punitive damages for willful infringing acts of high unlawfulness. Comprehensively taking into account the legislative intent of Article 128(8) and (9) of the former Patent Act, the intent of the Addenda provision, and the textual content of the Addenda provision, it is

proper to construe the Addenda provision not as a provision limiting the nature of the infringing act (must be the very first infringing act) for the enhanced damages provisions to apply as in Interpretation ①, but rather as limiting the scope of the infringing acts to which the enhanced damages provisions apply (applicable starting from the first infringing act occurring after enforcement) as in Interpretation ②.

2. The Meaning of a Willful Infringing Act

Where an act infringing on another person's patent right or exclusive license is recognized as willful, the court may, notwithstanding Article 128(1) of the Patent Act, determine the amount of damages within a scope not exceeding three times the amount assessed as damages in accordance with the provisions of paragraphs (2) through (7) (Article 128(8) of the former Patent Act). Here, "where an act infringing on a patent right or exclusive license is recognized as willful" refers to cases where the infringer commits the infringing act while knowing that their act will result in the infringement of a patent right or exclusive license, and this includes not only definitive intent but also conditional intent. In the absence of direct evidence to prove such inner intention, it inevitably must be proven by a method of proving indirect facts that, by the nature of things, have a substantial relevance to intent. What constitutes indirect facts with substantial relevance must be reasonably determined by examining the connection of factual relations according to logic and rules of experience (see Supreme Court Decision 2000Da67020 [March 9, 2001], etc.).

3. Regarding the Evaluation of the Consideration Factors under Article 128(9) of

the Former Patent Act

In determining the degree of enhanced damages, Article 128(9) of the Patent Act requires comprehensive consideration of: ① whether the person committing the infringing act held a superior position; ② the degree of intent or awareness of the risk of causing damage; ③ the scale of damage suffered by the patentee and exclusive licensee due to the infringing act; ④ the economic benefits obtained by the infringer due to the infringing act; ⑤ the duration and frequency of the infringing act; ⑥ criminal fines resulting from the infringing act; ⑦ the financial condition of the person committing the infringing act; and ⑧ the degree of effort made by the person committing the infringing act to remedy the damage. These factors to be considered under Article 128(9) above may comprehensively take into account all circumstances prior to and after the infringement, and do not necessarily have to be based solely on facts occurring during the said period (for example, among the consideration factors under Article 128(9) of the former Patent Act, it is clear that "criminal fines resulting from the infringing act" or "the degree of effort made by the person committing the infringing act to remedy the damage" pertain to circumstances subsequent to the infringement, and in determining "whether the person committing the infringing act held a superior position," the relationship between both parties prior to the occurrence of the infringement can also be an important factor to consider).

Significance of Decision

A case holding that the amended provisions apply to acts occurring after the enforcement of the enhanced damages provisions, finding an infringer's willful

infringing act, and awarding double the amount of assessed damages for the period of infringement to which the enhanced damages provisions apply, after comprehensively taking into account: ① whether the person committing the infringing act held a superior position; ② the degree of intent or awareness of the risk of causing damage; ③ the scale of damage suffered by the patentee and exclusive licensee due to the infringing act; ④ the economic benefits obtained by the infringer due to the infringing act; ⑤ the duration and frequency of the infringing act; ⑥ criminal fines resulting from the infringing act; ⑦ the financial condition of the person committing the infringing act; and ⑧ the degree of effort made by the person committing the infringing act to remedy the damage.

Case on Request for Suspension of Customs Clearance and Sending of Warning Letters

(Twenty-Fifth Division) Decision 2024Na10881, Decided May 22, 2025

Category	Claim for Damages (Other)
Relevant Provisions	Civil Act, Article 35(1) and 750; Commercial Act, Article 389 (3) and 210

Main Issues and Holdings

1. A case determining that, even if a request for suspension of customs clearance was made to the head of a customs office on the grounds of patent infringement following an IPTAB decision sustaining the petition in an affirmative trial to confirm the scope of rights, resulting in a customs hold, and the decision sustaining the petition was subsequently revoked in litigation procedures, it is difficult to acknowledge that the director's request for suspension of customs clearance was an unlawful act committed willfully or negligently

2. A case determining that, even though the defendant sent warning letters to business counterparts, filed an affirmative trial to confirm the scope of rights, filed criminal complaints with investigative agencies, and filed an application for the investigation of unfair trade practices with the Korea Trade Commission on the grounds of patent infringement, it is difficult to acknowledge that such actions deviated from the scope of the legitimate exercise of rights and unlawfully obstructed the plaintiff's business

Case Overview

1. A, the Representative Director of the defendant, is the patentee of Patents 1 and 2.
2. A filed an affirmative trial to confirm the scope of rights on the grounds that the subject invention (hereinafter "Challenged Invention") practiced by the plaintiff fell within the scope of rights of Patent 1, and the IPTAB accepted this on September 30, 2019 (hereinafter "Decision 1"). Around May 12, 2020, the defendant requested the Head of Incheon Customs to suspend customs clearance on the grounds of patent infringement, and accordingly, the customs clearance procedures were suspended until around October 26, 2020.
3. A filed an affirmative trial to confirm the scope of rights on the grounds that the Challenged Invention practiced by the plaintiff fell within the scope of rights of Patent 2, and the IPTAB accepted this on June 7, 2021 (hereinafter "Decision 2"). Around May 11, 2022, the defendant and A sent warning letters to the plaintiff's business counterparts, filed a criminal complaint against the plaintiff and its Representative Director B, and filed an application for the investigation of unfair trade practices.
4. The IP High Court rendered decisions reversing each of the above acceptance decisions, and the decisions became final and conclusive. Other claims for affirmative trials to confirm the scope of rights were also all dismissed on the merits or dismissed without prejudice, all criminal complaints resulted in non-suspicion dispositions, and the investigation application was withdrawn.
5. The plaintiff filed a lawsuit for damages against the defendant, claiming that acts such as the request for suspension of customs clearance and the sending of warning letters constitute tortious acts.

Judgment of the First Instance Seoul Central District Court Decision 2022Gahap548397 (Jun. 20, 2024)

Both the claim for damages caused by the request for suspension of customs clearance and the claim for damages caused by the obstruction of business were dismissed due to insufficient evidence. The plaintiff appealed.

Summary of Decision Appeal Dismissed

1. Establishment of Liability for Damages under Article 750 of the Civil Act

   In principle, damages based on Article 750 of the Civil Act cannot be claimed against the defendant, which is a stock company under the Commercial Act, and since the plaintiff does not appear to be asserting unlawful acts by employees other than A, the Representative Director of the defendant, the decision below proceeds under the premise that the plaintiff is seeking liability for damages against the defendant, a stock company, caused by the execution of duties by the representative director pursuant to Articles 389(3) and 210 of the Commercial Act.

2. Determination on the Claim for Damages Caused by the defendant's Request for Suspension of Customs Clearance

   It is difficult to acknowledge that the request for suspension of customs clearance by A, the Representative Director of the defendant, was an unlawful act committed willfully or negligently. The reasons are as follows:

   A. On September 30, 2019, the IPTAB rendered an administrative decision that the Challenged Invention fell within the scope of rights of Patent 1. Therefore, it appears there were reasonable grounds for A to believe that

the items declared for import containing the Challenged Invention practiced by the plaintiff infringed Patent 1.

B. The time A requested the suspending of customs clearance was around May 12, 2020, which was when Decision 1 had been rendered and validly existed. Although a decision revoking Decision 1 was rendered on September 4, 2020, through litigation proceedings at the IP High Court (Case No. 2019Heo220), the time when the said decision became final and conclusive was around November 12, 2020, which was after the customs hold on the items declared for import had already been lifted.

C. The IPTAB rendered Decision 2 on May 7, 2021, holding that the Challenged Invention practiced by the plaintiff fell within the scope of rights of Patent 2. Even if A made an additional request for suspension of customs clearance based on Patent 2 prior to October 22, 2020, when the customs hold on the items declared for import was lifted, it is difficult to view it as an unlawful act committed willfully or negligently.

3. Determination on the Claim for Damages Caused by the defendant's Obstruction of Business

There is insufficient evidence to acknowledge that A, the Representative Director of the defendant, deviated from the scope of the legitimate exercise of rights and unlawfully obstructed the plaintiff's business. The reasons are as follows:

A. Each warning letter merely stated the progress of the administrative decisions, along with legal provisions and the possibility of ordinary exercise of rights. There are no other contents stated that could be seen as

false information or the exertion of undue pressure exceeding ordinary procedures.

B. It is fundamentally a legitimate act for A and others to file an affirmative trial to confirm the scope of rights against a person who is practicing, or is likely to practice, a product that infringes a patent right as a means to protect the patent right. Even in light of the fact that A's claims were initially accepted in Decisions 1 and 2, it is difficult to view the affirmative trial to confirm the scope of rights filed by A and others against the plaintiff as lacking any factual or legal basis, or to conclude that A and others blindly proceeded with the petition for a trial despite knowing or being easily able to know such lack of basis.

Significance of Decision

A case that rendered a specific factual application on whether acts such as requesting the suspension of customs clearance and sending warning letters on the grounds of patent infringement exceed the scope of the legitimate exercise of rights and constitute tortious acts

Willful Patent Infringement (Dish Rack) Case

(Twenty-Fourth Division) Decision 2022Na2183, Decided Oct. 23, 2025

Category	Injunction against Patent Infringement, Etc.
Relevant Provisions	Former Patent Act (prior to partial amendment by Act No. 20322 on Feb. 20, 2024; hereinafter the same) Article 128(7), (8) and (9); Addenda to the Former Patent Act (partially amended by Act No. 16208 on Jan. 8, 2019; hereinafter the same) Article 3
Relevant Decisions	Supreme Court Decision 2000Da67020 (Mar. 9, 2001); Supreme Court Decision 2012Da6035 (Aug. 20, 2014); Supreme Court Decision 2023Da264462 (Mar. 13, 2025)

Main Issues and Holdings

1. A case where, in the event that acts of manufacturing and selling infringing products containing all constituent elements of each patent claim existed prior to July 9, 2019, the enforcement date of the former Patent Act that newly established the enhanced damages provision, the court recognized willful infringement and applied enhanced damages pursuant to Article 3 of the Addenda to the former Patent Act regarding acts of manufacturing and selling infringing products conducted thereafter
2. A case where the plaintiff sought enhanced damages for each act of

manufacturing and selling the infringing products after the enforcement date of the former Patent Act, and the court ruled that if such acts were conducted with a certain temporal interval from the infringing acts asserted by the defendant as occurring prior to the enforcement date, involved different specific items and different business counterparts, then each act of manufacturing and selling the infringing products constitutes an independent act of patent infringement; the court recognized each of the defendant's infringing acts as willful infringement based on facts and circumstances confirmed through the mode and frequency of the infringing acts and the progress of related cases up to the filing of this lawsuit (criminal case, trial to confirm the scope of rights, invalidation trial); and, subsequently, taking into account various circumstances revealed in the records—namely, the degree of intent or recognition of the risk of causing damages, the scale of damages suffered by the trademark right holder or exclusive licensee, the economic benefits obtained by the infringer, the duration and frequency of the infringing acts, criminal fines, and the degree of efforts to remedy the infringement—the court ordered enhanced damages of three times the recognized damages during the relevant infringement period

Case Overview

The plaintiff filed a claim for an injunction against patent infringement, disposal, and damages against the defendant's acts of selling and manufacturing infringing products that contained all the constituent elements of patented inventions 1 and 2 at issue related to a dish rack.

Judgment of the First Instance Seoul Central District Court Decision 2020Gahap511254 (Sep. 30, 2022)

The court of first instance recognized the defendant's infringing acts, accepted the claim for an injunction and disposal, and recognized a damages amount of KRW 20 million (The plaintiff did not claim enhanced damages for willful infringement under Article 128(8) of the Patent Act in the first instance).

Summary of Decision Enhanced Damages Awarded Based on Willful Infringement (Plaintiff's Claims Granted in Part, Including Claims Modified or Expanded on Appeal)

1. The Meaning of Article 3 of the Addenda to the Former Patent Act and the Availability of Enhanced Damages

   The meaning of Article 3 of the Addenda to the former Patent Act should reasonably be interpreted as meaning that, in cases where infringing acts continued across the period before and after the enforcement of the enhanced damages provision, the enhanced damages provision does not apply to infringing acts prior to enforcement, but applies starting from the first infringing act occurring after enforcement. It is difficult to consider that, even when continuous infringing acts are being committed before and after enforcement, if the very first act of violation was prior to the enforcement date, liability for enhanced damages cannot be questioned for infringing acts after the enforcement date, thereby exempting the infringer from such liability. The reasons are as follows:

① Patent infringement is a type of tort under civil law. When a tort is committed continuously, resulting in damages also occurring continuously, absent special circumstances, such damages correspond to damages arising daily from a new tort. Therefore, the right to claim damages for patent infringement is established each day the act of patent infringement occurs, and since the patentee or exclusive licensee can exercise the right upon its establishment, the extinctive prescription also runs independently for each (see Supreme Court Decision 2012Da6035 [August 20, 2014]; Supreme Court Decision 2023Da264462 [March 13, 2025], etc.). In this case, considering that the defendant's acts of manufacturing and selling each of the defendant's products were conducted with certain temporal intervals, the target products of the individual manufacturing and selling acts were not identical (e.g., cases where defendant's Product 1 and defendant's Product 2 were mixed vs. cases where only defendant's Product 2 was manufactured/sold), and the business counterparts were divided into Haatz and Ways, it is reasonable to find that the 30 instances of manufacturing and selling each of the defendant's products between March 17, 2020, and around November 14, 2024, are independent acts of patent infringement. The act of manufacturing and selling defendant's Product 1, which began around June 2019, cannot be recognized as a single continuous act of patent infringement maintaining identicality.

② Article 128(8) and (9) of the former Patent Act are provisions intended to deter the occurrence of infringing acts and strengthen victim relief against the infringement of a patent right or exclusive license by allowing the imposition of damages of a punitive nature exceeding the scope of

compensatory damages when the infringing act is recognized as willful. Therefore, interpreting that these provisions cannot be applied to a person who commenced the first infringing act before the enforcement of the enhanced damages provision and has continued the infringing acts goes against the legislative intent and the balance of legal interests of the enhanced damages provision, which seeks to deter infringing acts and strengthen victim relief by imposing punitive damages on highly unlawful willful infringing acts.

③ Meanwhile, the subsequently amended Patent Act (partially amended by Act No. 20322 on Feb. 20, 2024) further clarified in its Addenda (Feb. 20, 2024) that "This Act shall enter into force six months after the date of its promulgation" (Article 1) and "The amended provisions of Article 128(8) shall begin to apply to a violation committed after the Act enters into force" (Article 2), confirming that the new law's enhanced damages apply to violating acts after enforcement. The reason for the amendment clarifies that the target of punitive damages remains the same, and only its limit was raised from 3 times to 5 times.[1] Furthermore, the respective amended acts and addenda of the Trademark Act and the Design Protection Act, where enhanced damages provisions were newly established on October 20, 2020, all stipulate that they "shall apply starting from acts of violation occurring after the enforcement of this Act," making it clear that if the first act of violation occurred after enforcement, it is subject to enhanced

1) Reason for Amendment of the Patent Act partially amended by Act No. 20322 on Feb. 20, 2024: "To raise the limit of punitive damages imposed when an act infringing a patent right or exclusive license of another person is recognized as willful, from 3 times to 5 times the damages amount"

damages.[2)]

④ Furthermore, examining the text of Article 3 of the Addenda, it states "The amended provisions of Article 128(8) and (9) shall begin to apply to a violation committed after the Act enters into force" rather than "The amended provisions of Article 128(8) and (9) shall apply to the first act of violation committed after the Act enters into force." It is more natural to interpret this as restricting the scope of infringing acts to which the enhanced damages provision applies (applicable starting from the first infringing act occurring after enforcement) rather than interpreting it as restricting the nature of the infringing act required for the application of such enhanced damages provision (must be the very first infringing act).

⑤ The view that the enhanced damages provision cannot be applied to infringing acts following enforcement if there were infringing acts prior to enforcement is inconsistent with the general legal principles regarding the scope of punishment for a comprehensive single crime. Under those principles, when individual criminal acts constituting a comprehensive single crime are committed before and after a law revision, the new law, which is the law at the time the execution of the crime ends, must be

2) The Trademark Act (partially amended by Act No. 17531, Oct. 20, 2020) and Article 2 of the Addenda to the Trademark Act (Oct. 20, 2020), as well as the Design Protection Act (partially amended by Act No. 17526, Oct. 20, 2020) and Article 2 of the Addenda to the Design Protection Act (Oct. 20, 2020), in which the respective provisions for enhanced damages were newly established on October 20, 2020, following the establishment of the enhanced damages provision in the former Patent Act on January 8, 2019, all stipulate that the respective amended provisions for enhanced damages (Article 110 of the Trademark Act and Article 115 of the Design Protection Act) "shall apply starting from acts of violation occurring after the enforcement of the Act," thereby clarifying that enhanced damages may be awarded for infringing acts where the initial act of infringement occurred after the enforcement of the Acts.

applied to punish it entirely as a comprehensive single crime, without even needing to compare the severity of statutory penalties between the old and new laws (see Supreme Court Decision 2009Do321 [April 9, 2009], etc.).

2. Calculation of Damages under Article 128(7) and (8) of the Patent Act

A. Damages under Article 128(7) of the Patent Act

The plaintiff asserted damages pursuant to Article 128(2) of the Patent Act, but the court found insufficient proof regarding the profit amount per unit quantity of the plaintiff's product asserted by the plaintiff. Therefore, taking into account: ① the sum of sales quantities and sales proceeds of each of the defendant's infringing products; ② the amount of profits obtained by the defendant through the sale of each infringing product; and ③ the profit margin the plaintiff would likely have obtained when applying the standard expense ratio of the relevant metal furniture manufacturing industry in the manufacturing cost margin table calculated by the plaintiff, the court recognized the plaintiff's damages for each infringement period as follows: KRW 15,500,000 for damages from infringing acts from March 17, 2020 to June 28, 2022; KRW 4,000,000 for damages from infringing acts from December 5, 2022 to May 23, 2024; and KRW 500,000 for damages from the infringing act on November 14, 2024.

B. Damages under Article 128(8) and (9) of the Patent Act

The defendant argued that the infringement was not willful relying on the administrative decision confirming non-inclusion within the scope of rights rendered in a trial to confirm the scope of rights. However, from facts and circumstances confirmed through the manufacturing and sales quantities of

each of the defendant's infringing products, the mode and frequency of the infringing acts (the fact that infringing acts continued after the filing of this lawsuit and even after the pronouncement of the first instance judgment), and the progress of related cases up to the filing of this lawsuit (the final conviction in the criminal case and the defendant's defense contents therein, the reasoning of the trial to confirm the scope of rights, and three consecutive dismissal decisions in invalidation trials regarding the patent at issue), the court recognized the defendant's willful infringing acts and acknowledged liability for enhanced damages equivalent to 3 times the damages recognized for each period of infringing acts as described above.

Significance of Decision

A case that, after comprehensively examining the legislative intent behind the revision of the enhanced damages system under Article 128(8) of the Patent Act, the legislative progress post-revision, and the mode of the defendant's patent infringing acts, determined the meaning and applicability of Article 3 of the Addenda to the former Patent Act; The court then confirmed that each manufacturing and selling act during the defendant's infringement period was an individual tort distinct from the initial infringing act asserted by the defendant; The court specifically affirmed the intent of the enhanced damages system by recognizing willful infringement based on facts and circumstances confirmed through the manufacturing and selling quantities of each infringing product, the mode and frequency of infringing acts, and the progress of related cases (criminal case, trial to confirm scope of rights, invalidation trial), thereby granting enhanced damages at 3 times the assessed damages for the relevant periods.

13 Joint Ownership of Patents

Case Concerning the Scope of Self-Implementation by a Joint Owner of a Patent Right

(Twenty-Second Division) Decision 2023Na11078, Decided May 28, 2025

Category Damages (Intellectual Property)

Relevant Provisions Patent Act, Article 99 (3) and 99(4)

Main Issues and Holdings

A case ruling that, in a case where a joint owner of a patent right does not directly work the patented invention but has a third party work it, if the entire process of the act of working is conducted under the calculation of the joint owner and under their direction and supervision, it can be deemed as self-implementation by the joint owner

Case Overview

1. The plaintiff is a company established for the purpose of development, manufacturing, and wholesale/retail of mobile phone cases and mobile phone skins, and jointly owns a patent right to a "Mobile Phone Skin" with Non-party 1 (the invention described in Claim 1 of the relevant patent right is referred to as "Invention 1 of this case," and the inventions described in the remaining claims are referred to in the same manner).

2. The defendant is a company established for the purpose of manufacturing and distributing mobile phone accessories, and it exports various lighting case product or sells domestically through online shopping malls, etc., mobile

phone case[1] products (hereinafter "defendant's Implemented Products") or sells them domestically through online shopping malls and similar channels .

3. The lighting cases, which are the defendant's Implemented Products, were manufactured using an "embedded film sheet" (hereinafter "Film at Issue") that includes all constituent elements of Inventions 4 and 6 of this case. The Film at Issue was produced exclusively by Non-party 1, and the lighting cases were assembled and produced exclusively by Non-party 2 after receiving supply of the Film at Issue.
4. The lighting cases produced by Non-party 2 were sold not only by the defendant but also by Non-party 4, where Non-party 2 and Non-party 3 serve as representative directors. Furthermore, Non-party 3 established a private business enterprise on January 5, 2019, and sold them directly.

Summary of Decision Appeal Allowed in Part

- Requirements for constituting self-implementation by a joint owner when the joint owner of a patent right has a third party work the patented invention

A) defendant's Assertion

The defendant asserts that it received delivery of the defendant's Implemented Products from Non-party 3, and since Non-party 3 is a joint owner of the patent right regarding Inventions 4 and 6 of this case and is capable of self-implementation without the plaintiff's consent, the act of receiving delivery of the defendant's Implemented Products from Non-party 3 and selling them does not infringe upon the plaintiff's patent right.

1) It refers to a mobile phone case with a character, mascot, or similar design printed on the exterior.

B) Relevant Legal Principles

In the case where a patent right is jointly owned, each joint owner may work the patented invention themselves without obtaining the consent of the other joint owners, except as otherwise specifically agreed upon by contract (Article 99(3) of the Patent Act). However, to establish an exclusive license or grant a non-exclusive license regarding the patent right, the consent of all other joint owners must be obtained (Article 99(4) of the Patent Act). Consequently, if the scope of self-implementation by a joint owner is interpreted too broadly, the distinction between paragraphs (3) and (4) of Article 99 of the Patent Act would disappear, and there is a risk of harming the rights of other joint owners. Therefore, where a joint owner does not work the patented invention directly but has a third party do so, the working may be deemed self-implementation by that joint owner only if the entire process is carried out on the joint owner's account and under the joint owner's direction and supervision.

C) Specific Determination

(1) The following facts are recognized.

① The parties involved in the production and sale of the defendant's Implemented Products are Non-party 1, who produced the Film at Issue; Non-party 2, who manufactured the lighting cases using the said film; and the defendant, Non-party 3, and Non-party 4, who sold the said lighting cases.

② According to data such as the National Tax Service's purchase/sales taxation information and tax invoices for the parties involved in the

production and sale of the defendant's Implemented Products, it is confirmed that from January 2019 to May 2019, Non-party 3 received supply of the Film at Issue from Non-party 1 and lighting cases from Non-party 2, and sold them to the defendant.

(2) However, in light of the following circumstances, the recognized facts above alone are insufficient to acknowledge that the entire process of producing and selling the lighting cases was conducted under the calculation of Non-party 3 and under his direction and supervision.

① The transaction structure of the defendant's Implemented Products was such that the defendant commissioned Non-party 1 to produce the Film at Issue and received delivery, and when the defendant supplied the said film to Non-party 2, Non-party 2 used it to produce lighting cases and delivered them to the defendant. Moreover, Non-party 2 did not merely deliver the lighting cases to the defendant but also sold them directly. If so, it appears that the defendant and Non-party 2 proactively produced and sold the defendant's Implemented Products.

② In a separate provisional injunction proceeding, the defendant argued to the effect that: "Because transactions had been conducted through Non-party 4, in which Non-party 3 holds a 100% stake, it was deemed that no patent infringement occurred due to self-implementation by Non-party 3. However, since issues might remain regarding goods traded under the name of Non-party 4 rather than Non-party 3, it was decided to retroactively correct them to the

name of Non-party 3. Thus, the defendant returned the defendant's Implemented Products that had been delivered under the name of Non-party 4 back to Non-party 4, and received them again under the name of Non-party 3. Accordingly, the named party on various documents such as purchase orders, tax invoices, and transaction statements was modified from Non-party 4 to Non-party 3." If so, it appears that the existing transaction records between the defendant and Non-party 4 were merely altered to transaction records between the defendant and Non-party 3.

③ According to the transaction structure asserted by the defendant, the method should be that Non-party 3 commissions Non-party 1 to produce the Film at Issue and receives delivery, supplies the said film to Non-party 2, Non-party 2 uses it to produce lighting cases and delivers them to Non-party 3, and Non-party 3 then sells them to the defendant. According to the tax invoices submitted as evidence, it does appear that from around January 2019 to around May 2019, the defendant's Implemented Products manufactured by Non-party 2 were delivered to the defendant via Non-party 3.

However, the transaction dated February 22, 2019, between Non-party 2 and Non-party 3 occurred during the process of altering the records so that the defendant appeared to return the defendant's Implemented Products previously delivered from Non-party 4 and receive them again under the name of Non-party 3; Non-party 2 also newly issued a tax invoice for the relevant portion. Furthermore, on

April 3, 2020, Non-party 2 appears to have canceled the transaction for the above sales portion by issuing a negative tax invoice for an amount identical to the sum of the transaction amounts of the tax invoices for the remaining transaction portions. If so, it is difficult to conclude that Non-party 3 received delivery of the defendant's Implemented Products from Non-party 2 and supplied them to the defendant.

④ The defendant submitted emails sent by Non-party 3 as evidence to confirm that Non-party 3 directed and supervised Non-party 2 and the defendant. However, all such emails were written after the provisional injunction decision was rendered, and even according to their contents, they represent only a tiny fraction of the transactions related to the lighting cases. Therefore, the above evidence alone is insufficient to conclude that Non-party 3 directed and supervised the defendant, Non-party 1, Non-party 2, etc., throughout the entire process of manufacturing and selling the lighting cases. Furthermore, there is no material to suggest that the profits generated from the entire process of producing and selling the defendant's Implemented Products reverted to Non-party 3.

⑤ In light of the foregoing details, it appears that while the basic transaction relationship wherein the defendant and Non-party 2 proactively produced the defendant's Implemented Products remained unchanged, Non-party 3 merely received royalties in exchange for granting the defendant and Non-party 2 permission to

implement the Patented Invention in this case, by receiving the transaction margins generated at the intermediate stage of transactions between Non-party 2 and the defendant, as seen in the table in item ③ above.

Significance of Decision

A case presenting the criteria for determining whether, when a joint owner of a patent right has a third party implement the patented invention, it can be permitted as self-implementation without obtaining the consent of the other joint owners pursuant to Article 99(3) of the Patent Act

14 Patent Term Extension

Case on Scope of Rights of Tegoprazan with Extended Patent Term

(Fourth Division) Decision 2024Heo13541, 13695, Decided Jan. 13, 2025

Subject Matter	[Patent] Chromane-Substituted Benzimidazoles and Their Use as Acid Pump Inhibitors (Tegoprazan)
Category	Negative Trial to Confirm the Scope of Rights
Relevant Decision	Supreme Court Decision 2017Da245798 (Jan. 17, 2019)

Main Issues and Holdings

A case holding that because both the patented invention at issue (hereinafter "Patented Invention") and the subject invention at issue (hereinafter "Challenged Invention") are novel compounds such as Tegoprazan, and the therapeutic effect and use of the Challenged Invention are identical to Indication ❹, which was added among the efficacies and effects of "K-CAB Tablet 50mg"; Therefore, the pharmaceutical product that served as the basis for the extension of the term of the Patented Invention and the Challenged Invention share identical active ingredients, therapeutic effects, and uses, and therefore, Challenged Invention falls within the scope of rights of the Patented Invention.

Case Overview

Patented Invention		Challenged Invention
Tegoprazan		Tegoprazan for use in concomitant antibiotic therapy for the eradication of Helicobacter pylori in patients with peptic ulcer and/or chronic atrophic gastritis (❹)
Initial Pharmaceutical Product Approval & Registration of Extended Term	❶ Treatment of erosive gastroesophageal reflux disease ❷ Treatment of non-erosive gastroesophageal reflux disease	
Modified Approval	❹ Concomitant antibiotic therapy for the eradication of Helicobacter pylori in patients with peptic ulcer and/or chronic atrophic gastritis	

Summary of Decision

1. Order of Determination

   Whether the effect of the patent right of this case, whose term has been extended, reaches the Challenged Invention should be determined by focusing on whether the specific active ingredient, therapeutic effect, and use expected to exhibit a therapeutic effect are identical between the target product of the approval, etc., which was the reason for the extension registration, and the Challenged Invention. Therefore, whether the active ingredient expected to exhibit a therapeutic effect is identical should be examined first, followed by a determination of whether the therapeutic effect and use are identical.

2. Identity of Active Ingredient: Tegoprazan

3. Whether Therapeutic Effect and Use are Identical

❶ Issues

The issue is whether "use" under Article 95 of the former Patent Act must be limited only to the "indication" initially approved under the Pharmaceutical Affairs Act, or whether it can be determined specifically and individually by considering the technical significance of the Patented Invention (hereinafter "Issue 1"). If the latter applies, the subsequent issue is whether the therapeutic effect and use in the implementation of the patent regarding Indications ❶ and ❷ are identical to the therapeutic effect and use in the implementation of the patent regarding Indication ❹, which received additional approval, and whether the effect of the patent right of this case, whose term was extended because of this, consequently extends to the implementation of the Patented Invention regarding Indication ❹ (hereinafter "Issue 2").

❶ Determination on Issue 1

The "identity of therapeutic effect and use" should not be limited to the "efficacy and effect" initially approved under the Pharmaceutical Affairs Act; rather, it must be judged by whether the "therapeutic effect and medical use under the Patent Act" of the target product of approval are substantially identical, taking into account the specifications, etc., of the patented invention.

① Even if the extension of the term is determined based on the "initial product approval," the object being extended is not the "pharmaceutical product that received initial product approval" but the "patented invention" itself, and the scope of effect of the patent right whose term has been extended is merely narrowed to the "implementation" of the patented invention concerning the target product of the approval, etc., compared to the patent right prior to the extension.

② The Patent Act aims to contribute to industrial development by protecting and encouraging inventions and promoting their utilization to accelerate technological advancement. On the other hand, the Pharmaceutical Affairs Act has a different purpose, aiming to contribute to the improvement of public health by stipulating necessary matters to ensure that affairs relating to pharmaceuticals are conducted smoothly.

The "medical use" under the Patent Act shares some commonality with the "efficacy and effect" of pharmaceutical approval matters under the Pharmaceutical Affairs Act, in that it is an indication that can be treated with a pharmaceutical product. In a medical use invention, the use itself constitutes the invention in addition to the specific substance, and among these, medical use other than widely known pharmacological mechanisms is expressed as effects corresponding to the diagnosis, treatment, alleviation, processing, or prevention of diseases or as target diseases. However, the "efficacy and effect" in a pharmaceutical product approval under the Pharmaceutical Affairs Act must express disease names or symptom names for which efficacy can be clearly demonstrated as specifically as possible within a medically and pharmaceutically recognized scope, and must define target diseases or symptoms by categorizing them into treatment, prevention, and diagnosis. This appears to be because the degree of substantiation of efficacy is evaluated differently depending on the medical history or severity of the recruited subjects.

Furthermore, there is also a difference in that while a medical use invention as a specific therapeutic effect protected by a single invention can receive

approval as a pharmaceutical product having multiple efficacies and effects, the "efficacy and effect" in product approval under the Pharmaceutical Affairs Act must be clearly indicated as specific diseases or symptoms for which safety and efficacy have been confirmed through clinical trials due to the purpose of the system.

In light of the respective purposes of the Patent Act and the Pharmaceutical Affairs Act, as well as the differences in purpose and operational framework of the term extension system and the product approval system, it is not only difficult to find any special reason to equate "use" under the Patent Act with "efficacy and effect" under the Pharmaceutical Affairs Act, but there is also no legal basis to conclude that the "use" for determining the scope of effect of a patent right with an extended term must be interpreted as the "efficacy and effect" of a pharmaceutical product approved under the Pharmaceutical Affairs Act.

③ Even if a patented invention has multiple efficacies and effects and the patentee concurrently conducts relevant clinical trials to obtain product approval for each efficacy and effect, it is virtually impossible to simultaneously secure efficacy and safety test data for all efficacies and effects due to differences such as therapeutic confirmatory guidelines required for each indication and the ease of recruiting subjects. Moreover, there is no reason or need to compel the patentee to wait until test result data related to all efficacies and effects are obtained to simultaneously apply for product approval. In addition, depending on market conditions or sales policies, a patentee may employ strategies such as applying for product

approval differently for each efficacy and effect, or obtaining an additional product approval after applying for product approval for some indications even if they share the same efficacy and effect. Given the operational realities of the product approval system, it is difficult to say that the "use" under the Patent Act as a standard for determining the scope of effect of an extended patent right necessarily coincides with the "efficacy and effect" of a product approval under the Pharmaceutical Affairs Act.

④ Product approvals under the Pharmaceutical Affairs Act are classified according to the timing of the application. If this is used as the standard for determining the therapeutic effect or use, the identity of the "therapeutic effect and use" will inevitably be determined by "product approval," which is a type of administrative act, rather than by the technical significance of the patented invention. When comparing a case where multiple indications were simultaneously applied for and approved during the initial product approval application, with a case where they were approved sequentially, an unreasonable result arises where the scope of effect of the extended patent term for the former becomes broader than that for the latter, despite involving the exact same patented invention.

⑤ Conversely, if Article 95 of the Patent Act were interpreted to extend the scope of the extended patent right to all efficacies and effects approved before the expiration of the patent term, regardless of the identity of the technical idea of the patented invention, an issue could arise where it is protected excessively beyond the technical idea contributed by the patented invention. Even if the active ingredient is identical, the therapeutic effect or its use

cannot necessarily be deemed identical. This is because, even when drugs of the identical active ingredient exert efficacy by the same mechanism, the expressed effects and therapeutic uses may differ depending on the organ, tissue, disease type, or symptom upon which the drug acts. Also, simply because the therapeutic effect or use is identical does not necessarily mean the active ingredient and mechanism of action are identical.

⑥ Ultimately, taking into account the overall purposes of the Patent Act and the Pharmaceutical Affairs Act, the respective intents of the patent term extension system and the pharmaceutical product approval system, and their specific operational frameworks, it is reasonable to find that the "use" under the Patent Act as a standard for determining the scope of effect of an extended patent right includes not only the "indication that received initial product approval" in the pharmaceutical approval but also all indications of pharmaceutical products used for the prevention and treatment of substantially identical diseases. And whether the "use" is identical must be determined concretely and individually by comprehensively taking into account the technical significance or the core of the technical idea of the patented invention identified through the specification descriptions, etc., whether the pharmacological mechanisms are identical, specific application sites such as target organs or tissues, target symptoms, and usage status such as prescriptions.

❶ Determination on Issue 2: Identity of Indications ❶, ❷ and Indication ❹

Indications ❶, ❷, and ❹ substantially implemented the medical use of "treatment of acid-related diseases through the suppression of gastric acid

secretion by acid-pump antagonism," which is the unique technical idea disclosed by the Patented Invention. They belong to "acid-related diseases" that can be treated based on the therapeutic effect of "suppression of gastric acid secretion through a potassium-competitive acid blocker (P-CAB) with a mechanism that inhibits the proton pump" disclosed in the Patented Invention, and therefore, their uses are identical.

Significance of Decision

A case holding that "use" under Article 95 of the former Patent Act should not be strictly limited to the "indication" initially approved under the Pharmaceutical Affairs Act, but must be determined specifically and individually by considering the technical significance of the patented invention.

15 Employee Inventions

Claim for Employee Invention Compensation following Assumption of Employment Contract Accompanying Business Contribution

(Twenty-Third Division) Decision 2022Na2176, Decided Dec. 19, 2024

Category	Employee Invention Compensation
Relevant Provisions	Former Patent Act (prior to amendment by Act No. 7869, Mar. 3, 2006) Articles 39 and 40; former Design Act (prior to amendment by Act No. 7289, Dec. 31, 2004, to the Design Protection Act) Article 24
Relevant Decisions	Supreme Court Decision 2012Do6676 (Nov. 15, 2012); Supreme Court Decision 2012Da4763 (Jan. 15, 2015); Supreme Court Decision 2012Da15336 (Jul. 23, 2015); Supreme Court Decision 2020Da245958 (Dec. 10, 2020)

Main Issues and Holdings

1. Whether the obligation to pay employee invention compensation is transferred upon the assumption of an employment contract accompanying an in-kind contribution of a business
2. Whether the obligation to pay employee invention compensation is transferred by a comprehensive in-kind contribution of a business
3. Whether a newly established corporation formed through an in-kind contribution of a business bears liability under Article 42(1) of the

Commercial Act

4. The starting point of the extinctive prescription for the right to claim compensation for the disposition of an employee invention: A case holding that, in light of Defendant 2's regulations on employee invention compensation, etc., the time for payment regarding the Plaintiff's right to claim compensation for the disposition of the employee invention against Defendant 2 had arrived at the time of the in-kind contribution of the business, thus the extinctive prescription commenced running, and the 10-year prescription period had already elapsed at the time of filing this lawsuit, thereby extinguishing the aforementioned right to claim compensation for disposition by prescription

Case Overview

1. While working in the LED business department of Defendant 2, the Plaintiff made a joint employee invention regarding light-emitting diode designs and patents (hereinafter the "Employee Invention at Issue"). Defendant 2 succeeded to the right to obtain patents, etc., for the Employee Invention at Issue from the joint inventors including the Plaintiff, filed applications for design registration and patents, and completed the registration of establishment for the design rights (hereinafter the "Design Rights at Issue") and patent rights (hereinafter the "Patent Rights at Issue").
2. During the process of establishing a non-party company by entering into a joint venture agreement with Defendant 1, Defendant 2 made an in-kind contribution of the LED business (hereinafter the "In-kind Contribution of Business at Issue"). Accordingly, the Design Rights and Patent Rights at Issue,

along with the employment relationship of the Plaintiff, were comprehensively assumed and succeeded by the non-party company, and the non-party company completed the respective transfer registrations for the Design Rights and Patent Rights at Issue.

3. The Plaintiff resigned from the non-party company. The non-party company was absorbed and merged into Defendant 1, and Defendant 1 completed the respective transfer registrations for the Design Rights and Patent Rights at Issue.

4. Primarily, under the premise that the obligation to pay employee invention compensation was assumed by Defendant 1, the Plaintiff claimed against Defendant 1 for compensation for the working of the Patent Rights at Issue. Preliminarily, under the premise that if the obligation to pay employee invention compensation was not assumed by Defendant 1 and thus remained with Defendant 2, the Plaintiff claimed against Defendant 2 for compensation for the disposition of the Employee Invention at Issue.

Judgment of the First Instance Suwon District Court Decision 2019Gahap30566 (Oct. 12, 2022)

Claim Dismissed (Appealed by the Plaintiff)

Summary of Decision Appeal Dismissed

1. Determination on the Claim against Defendant 1 (Primary Defendant)

A. Occurrence of the Right to Claim Employee Invention Compensation

The Employee Invention at Issue constitutes an employee invention as

specified under Article 39(1) of the former Patent Act, and since Defendant 2 succeeded to the right to obtain a patent, etc. from the Plaintiff and completed the application and registration in the name of Defendant 2, the Plaintiff's right to claim the compensation for Employee Invention at Issue arose no later than around May 2005, which is around the filing date thereof. Therefore, unless there are special circumstances, Defendant 2 has an obligation to pay just compensation to the Plaintiff, who is one of the joint inventors of the Employee Invention at Issue, pursuant to Article 40(1) of the former Patent Act and Article 24 of the former Design Act.

B. Whether the Obligation to Pay Employee Invention Compensation was Transferred

First, examining the focal issue that serves as the premise of the Plaintiff's cause of action against Defendant 1, namely, whether the aforementioned compensation obligation was transferred from Defendant 2 to the non-party company or whether the non-party company came to bear the obligation, all of the Plaintiff's assertions are difficult to accept for the following reasons. Therefore, the Plaintiff's claim against Defendant 1, which stands on a contrary premise, cannot be accepted.

1) Whether the obligation to pay employee invention compensation is transferred upon the assumption of an employment contract accompanying an in-kind contribution of a business

By the In-kind Contribution of Business at Issue, the status of the employer under the employment contract regarding the Plaintiff is transferred to the non-party company, and unless there are special

circumstances such as a special agreement to exclude rights and obligations that have already arisen within the employment relationship from the scope of assumption, they are comprehensively transferred to the non-party company. However, it is difficult to recognize that the obligation to pay employee invention compensation provided under the former Patent Act and the former Design Act arises from the employment contractual relationship and corresponds to an obligation transferred to the assignee upon the assumption of the employment contract. The reasons are as follows.

A) Matters concerning the attribution and succession of the right to obtain a patent in an employee invention, the acquisition of a non-exclusive license by the employer, and the employee's right to claim compensation correspond to a relationship of rights and obligations based on the employment relationship between the employer and the employee (see Supreme Court Decision 2012Da4763 [Jan. 15, 2015]). In addition, Article 39(1) of the former Patent Act defines an employee invention where "an employee has obtained a patent for an invention which, by reason of its nature, falls within the scope of the business of the employer and an act or acts resulting in the invention were part of the present or past duties of the employee." Thus, it is conceptually clear that an employee invention by an employee occurs within the employment relationship between the employer and the employee.

B) However, under the inventor principle, where the right to an

employee invention originally attributes to the inventor, such as an employee, as in Article 33(1) of the former Patent Act, the employee's employee invention is merely something that occurs within a social fact based on the employment relationship with the employer, and it cannot be deemed otherwise as an obligation under the employment contract from which the employment relationship arises or as the result of fulfilling such an obligation. For an employer to succeed to the right to obtain a patent or the patent right for the invention, the employer must succeed to such right from the employee.

C) The right to claim employee invention compensation goes beyond the nature of a counter-performance for the succession of the right to obtain a patent or the patent right, or the establishment of an exclusive license. It is a statutory claim provided under the former Patent Act to encourage employee inventions, adjust the interests between the employee and the employer, and simultaneously ensure that just compensation is provided to the employee who is the inventor. Therefore, it is distinguished from a wage claim, which is a counter-performance for labor, and the right is not extinguished even when the employee retires and is subject to inheritance or assignment.

D) When the status as a contracting party is transferred to a third party by the assignment of contractual status, it is a principle that only the legal relations premised on the contractual status are transferred (see Supreme Court Decision 2012Da15336 [Jul. 23, 2015]). Even if the right to claim

employee invention compensation arises based on the employment relationship between the employer and the employee, the fact that the right to claim employee invention compensation is a statutory claim recognized by law and is distinguished from a legal relation premised on the status under an employment contract is as seen above.

E) Although Subparagraph 3 of Article 12 of the Income Tax Act prescribes the employee invention compensation set forth in the Invention Promotion Act as a type of earned income, in light of the progress of amendments and the legislative intent of the Income Tax Act, including the fact that such compensation was classified as other income under the former Income Tax Act from 1980 to 2016, the mere classification of income under the Income Tax Act for taxation purposes cannot lead to the evaluation that the rights and obligations of employee invention compensation are identical to the rights and obligations arising from an employment contractual relationship.

2) Whether the Obligation to Pay Employee Invention Compensation Is Transferred by a Comprehensive In-Kind Contribution of a Business

Even if an agreement for the transfer of a business or an in-kind contribution of a business is made comprehensively, whether individual obligations are assumed must be determined by comprehensively assessing the contents of the contract and the intent of the parties. There is no evidence to acknowledge that the obligation to pay the compensation for the Employee Invention at Issue was included in the objects of assumption by the non-party company at the time the Defendants

entered into the joint venture agreement and established the non-party company. Rather, the facts only reveal that the obligation to pay compensation for the Employee Invention at Issue was not included in the liability details of the target assets contributed by Defendant 2 at the time of the establishment of the non-party company.

3) Whether a Business Transferee Who Continues to Use the Trade Name Bears the Obligation

Regarding whether the non-party company bears the subject obligation to pay the employee invention compensation as a business transferee who continues to use the trade name under Article 42(1) of the Commercial Act, in light of general commercial understanding, it is difficult to recognize that the main parts of the trade names of Defendant 2, which is a group affiliate, and the non-party company are identical to the extent that it would cause confusion regarding the business entity. From the time the non-party company was established pursuant to the joint venture agreement between the Defendants until it was absorbed and merged into Defendant 1, Defendant 2 and the non-party company each continued to exist as group affiliates. In particular, since the Plaintiff, who is the creditor of the compensation for the Employee Invention at Issue, was well aware of the circumstance that the employer in the employment relationship changed from Defendant 2 to the non-party company, it cannot be deemed that the non-party company bears the obligation to pay compensation for the Employee Invention at Issue as a business transferee who continues to use the trade name under

Article 42(1) of the Commercial Act.

C. Sub-Conclusion

The Plaintiff's claim against Defendant 1, which is premised on the assertion that the obligation to pay the compensation for the Employee Invention at Issue to the Plaintiff was transferred from Defendant 2 to the non-party company or that the non-party company came to bear such obligation, cannot be accepted without the need for further examination.

2. Determination on the Claim against Defendant 2 (Preliminary Defendant)

A. Occurrence of the Right to Claim Employee Invention Compensation

The Plaintiff's right to claim the compensation for the Employee Invention at Issue arose when Defendant 2 succeeded to the right to obtain a patent, etc. for the Employee Invention at Issue from the Plaintiff, and that point in time is no later than around May 2005 when Defendant 2 filed the application for the Patent Rights at Issue. Therefore, unless extraordinary circumstances exist, Defendant 2 is obligated to pay the Plaintiff reasonable compensation for the Employee Invention at Issue within the scope of the compensation for disposition preliminarily sought by the Plaintiff.

B. Determination on Defendant 2's Defense of Extinctive Prescription

1) Under Defendant 2's regulations on employee invention compensation (hereinafter the "Compensation Regulations at Issue"), Defendant 2 designated the time for paying the compensation for disposition as "when revenue is generated by the company assigning the patent right, etc. for the employee invention to a third party." Thus, the Plaintiff was able to exercise the right to claim compensation for disposition when

Defendant 2 made an in-kind contribution of the patent right, etc. for the Employee Invention at Issue to the non-party company through the In-kind Contribution of Business at Issue on April 1, 2009. Therefore, the extinctive prescription for the Plaintiff's right to claim compensation for the disposition of the Employee Invention at Issue must be deemed to have begun to run from April 1, 2009. As it is clear from the records that this lawsuit was filed on December 18, 2019, which is after 10 years had elapsed since then, the aforementioned right to claim compensation for disposition was extinguished by prescription unless extraordinary circumstances exist.

2) In response, the Plaintiff asserts that the extinctive prescription did not run because there was a legal impediment to exercising the right to claim compensation for the disposition of the Employee Invention at Issue. However, taking into consideration the following factors comprehensively, the Plaintiff's assertion is difficult to accept: ① Even if "specified in contracts such as assignment agreements" under the Compensation Regulations at Issue is viewed as a condition for the payment of the compensation for disposition, whether the condition was unfulfilled could have been known at the time of the disposition act, so a legal impediment cannot be deemed to have continued; ② The Compensation Regulations at Issue state that "compensation for disposition shall be compensated by deciding a weight for each target patent right," which is merely interpreted as a purport to consider the profit that has a substantial causal relationship with the employee invention from the profit obtained by the employer by identifying the

technical value of the relevant employee invention when calculating the just amount of employee invention compensation, and it cannot be interpreted that the exercise of the employee's right to claim compensation for disposition is restricted until the weight of the target patent right is determined; ③ Merely because the Compensation Regulations at Issue stipulate that "the scope of compensation shall be compensated at 10% of the revenue," it is difficult to conclude that the deliberation and resolution procedures of the board of directors for the disposition of shares are necessary for the payment of the compensation for disposition, as asserted by the Plaintiff.

C. Sub-conclusion

Since the Plaintiff's right to claim compensation for the disposition of the Employee Invention at Issue against Defendant 2 has been extinguished by prescription, the Plaintiff's claim against Defendant 2 seeking payment thereof ultimately cannot be accepted.

Significance of Decision

A case holding that it is difficult to recognize that the obligation to pay employee invention compensation provided under the former Patent Act and the former Design Act constitutes an obligation arising from an employment relationship that is transferred to the transferee pursuant to the assumption of employment contracts; and that even if an agreement for the transfer of a business or an in-kind contribution of a business is made comprehensively, whether individual obligations are assumed must be determined by comprehensively assessing the contents of the contract and the intent of the parties.

Claim for Employee Invention Compensation by Representative Director

(Twenty-Second Division) Decision 2024Na10379, Decided Apr. 30, 2025

Category	Lawsuit for Claim of Employee Invention Compensation
Relevant Provisions	Invention Promotion Act, Subparagraph 2 of Article 2, and Article 15(1)
Relevant Decisions	Supreme Court Decision 2009Da75178 (Jul. 28, 2011); Supreme Court Decision 2014Da220347 (Jan. 25, 2017)

Main Issues and Holdings

1. Whether a representative director falls under "an employee, etc." under Subparagraph 2 of Article 2 of the Invention Promotion Act
2. A case concluding that where an inventor, who is an executive officer of Defendant 1, transferred shares of the right to obtain a patent regarding an employee invention to Defendant 2, a company acquired by Defendant 1 for the purpose of expanding its business scope, an implied agreement existed for the inventor to receive a transfer price equivalent to employee invention compensation from Defendant 2

Case Overview

1. The Plaintiff completed a total of 7 inventions (hereinafter, the relevant inventions are referred to in the format of "the Invention No. ○ at Issue," and

collectively as "Each Invention at Issue") while serving as the representative director of Defendant 1. The Defendants succeeded to the rights to obtain patents for Each Invention at Issue from the Plaintiff, who was a sole inventor or joint inventor, filed patent applications, and completed the registration of the patent rights.

2. The Defendants were designated and notified by the Minister of Trade, Industry and Energy that Each Invention at Issue was a New Technology (hereinafter "Each New Technology at Issue") pursuant to the former Electric Technology Management Act (prior to amendment by Act No. 13741, Jan. 6, 2016).

3. Companies were selected through general competitive bidding for construction projects applying Each New Technology at Issue. The Defendants received equipment rental fees and new technology fees from the selected companies, and construction payments from KEPCO E&C.

4. The Defendants entered into a contract with KEPCO to grant a non-exclusive license for the Invention No. 6 at Issue, and received royalties from KEPCO pursuant to the relevant contract.

5. Based on the fact that the Defendants obtained profits pursuant to the aforementioned items 3. and 4. due to Each Invention at Issue, the Plaintiff claimed employee invention compensation against Defendant 1, and claimed a transfer price equivalent to employee invention compensation against Defendant 2.

Summary of Decision Appeal Allowed in Part

❶ Whether the Representative Director Holds the Status of "An Employee, etc." under Subparagraph 2 of Article 2 of the Invention Promotion Act (Affirmative)

1) As seen above, the Plaintiff completed Each Invention at Issue while serving as the representative director of Defendant 1 and subsequently succeeded to the respective rights to obtain patents to the Defendants.

2) The Plaintiff is under the inventor of Each Invention at Issue, and the inventions are made by the Plaintiff, who was employed by Defendant 1, in connection with his duties by nature. The acts resulting in the inventions fall within the scope of the Defendant's business, and the act by which the Plaintiff came to invent the aforementioned inventions also falls within the Plaintiff's duties during his tenure. Therefore, Each Invention at Issue constitutes an employee invention subject to the payment of compensation under the Invention Promotion Act, and Defendant 1, as the party who succeeded to the rights to obtain patents for Each Invention at Issue, has an obligation to pay employee invention compensation under the Invention Promotion Act to the Plaintiff within a just scope.

3) In response to this, the Defendants assert that because the Plaintiff served as the representative director of Defendant 1 and, as the nephew of Non-party 1 who was the de facto manager, can be deemed as having entered into a mandate agreement rather than an employment contract with Defendant 1 or Non-party 1, the Plaintiff was effectively in the status of an employer in Defendant 1, and therefore cannot be deemed to have been in the status of "an employee, etc." entitled to claim employee invention compensation.

However, according to Subparagraph 2 of Article 2 of the Invention Promotion Act, the subjects of employee inventions are stipulated as employees, executive officers of a corporation, or public officials. Thus, even

looking at the wording of the provision, executive officers of a corporation are included, and since an executive officer generally refers to a person holding a rank of "director" or higher, which includes a representative director, this part of the Defendants' assertion is not accepted.

❶ A Case Concluding That Where an Inventor, Who Is an Executive Officer of Defendant 1, Transferred Shares of the Right to Obtain a Patent Regarding an Employee Invention to Defendant 2, a Company Acquired by Defendant 1 for the Purpose of Expanding Its Business Scope, an Implied Agreement Existed for the Inventor to Receive a Transfer Price Equivalent to Employee Invention Compensation from Defendant 2

Considering the overall purport of the pleadings with the facts seen above, when comprehensively considering the following circumstances, it is reasonable to find that there was an implied agreement for the Plaintiff to transfer a 1/2 share of Each Invention at Issue to Defendant 2 and receive a transfer price equivalent to employee invention compensation. Therefore, unless there are special circumstances, Defendant 2 is obligated to pay an amount equivalent to the employee invention compensation to the Plaintiff.

1) Defendant 1 applied for and received designation for new electric technology, and to expand its business scope through this, acquired Defendant 2 under the judgment that it would be more advantageous to establish a new corporation and have two companies participate in KEPCO's bidding rather than participating as a single corporation.

2) The Plaintiff completed Each Invention at Issue while working as an executive officer of Defendant 1, and transferred the rights to obtain patents regarding

Each Invention at Issue to the Defendants. Normally, an agreement to transfer rights without any counter-performance is highly unusual, and there are no circumstances deemed to constitute special circumstances or reasonable grounds to have entered into such an agreement.

3) Since all Defendants are companies effectively operated by Non-party 1, who is the Plaintiff's uncle, it appears the Plaintiff also believed that the profits the Defendants would obtain through Each Invention at Issue would in fact be profits operated by a single entity.

4) If the Plaintiff had assigned Each Invention at Issue entirely to Defendant 1, the Plaintiff would have been able to receive employee invention compensation for all of the profits Defendant 1 obtained from Each Invention at Issue. Nevertheless, the applications were filed with Defendant 2 as a joint patent holder for the same reasons as in 1) above. It appears that the Plaintiff transferred a 1/2 share of Each Invention at Issue to Defendant 2 in order to maximize the profits utilizing Each Invention at Issue, believing that he could receive an amount of employee invention compensation equivalent to what he would have been able to receive if he had assigned them entirely to Defendant 1.

Significance of Decision

A case holding significance in acknowledging that a representative director holds the status to claim employee invention compensation under the Invention Promotion Act, and recognizing an implied agreement to receive a transfer price equivalent to employee invention compensation under the circumstances as ruled

Claim for Employee Invention Compensation under Patent Pool and Cross-License Agreement

(Twenty-First Division) Decision 2024Na10157, Decided Jul. 24, 2025

Category	Lawsuit for Claim of Employee Invention Compensation
Relevant Provision	Former Patent Act (prior to amendment by Act No. 7869, Mar. 3, 2006), Article 40
Relevant Decisions	Supreme Court Decision 2023Da237514 (Nov. 20, 2024); Supreme Court Decision 2023Da287168 (Nov. 14, 2024)

Main Issues and Holdings

1. A case determining that the employer's exemption from royalty obligations equal to the deducted amount of each patent pool was caused by each cross-license agreement at issue, which in itself constitutes the employer's profit
2. A case concluding that the profit the employer will obtain is the profit within the scope that has a proximate causal relationship with the inventions at issue, and by considering the degree of the Defendant's contribution until the inventions at Issue became standard essential patents, the Defendant's efforts regarding the filing and registration of the inventions at issue, the purpose of entering into each cross-license agreement at issue, and the influence exerted by the Defendant during the conclusion process, determined that 80% of the royalty income received or to be received from each patent pool and 75% of

the profit from each cross-license agreement at issue are profits within the scope having a proximate causal relationship with each invention at issue

3. A case determining the inventor's degree of contribution by considering the degree to which the employer and the employee contributed to the completion of the employee invention.

Case Overview

1. While working as an employee of the Defendant, the Plaintiff, together with other employees of the Defendant (hereinafter the "Plaintiff, etc."), made inventions regarding DVDs and BCs (hereinafter the "Inventions at Issue"). The Defendant succeeded to the right to obtain patents, etc. for the Inventions at Issue from the Plaintiff, etc., filed multiple patent applications in various countries, and obtained registration for the patents (hereinafter the "Patented Inventions at Issue"). Among the Patented Inventions at Issue, 226 patents were adopted as standard essential patents for the DVD standard specifications, and 1,087 patents were adopted as standard essential patents for the BC standard specifications.
2. From around 2003, the Defendant entered into cross-license agreement with Hitachi, Panasonic, Toshiba, etc., respectively (hereinafter "Each Cross-License Agreement at Issue"), the main content of which was to comprehensively cross-license the patent rights, etc. related to DVD and Blu-ray discs, including the Patented Inventions at Issue, owned or to be owned in the future by the Defendant and the counterpart companies. The aforementioned agreements entered into by the Defendant with Hitachi in

2006 and 2013, Lite-On in 2009, Philips in 2010, and Panasonic in 2014 each included provisions that the counterparties would pay additional royalties to the Defendant, and the Defendant received additional royalties accordingly.

3. The Defendant joined the DVD 6C Patent Pool around Nov. 21, 2006, and the One-Blue Patent Pool around Jan. 2012, and received distributions of royalties for standard essential patents from DVD 6C starting in 2007 and from One-Blue starting in 2012. Furthermore, each patent pool notified the Defendant by indicating the portion of the royalties the Defendant was obligated to pay that was deducted due to Each Cross-License Agreement at Issue as a "Credit Amount" for DVD 6C, and as "Prenet" for One-Blue (hereinafter all referred to as "Deducted Amounts").
4. The Plaintiff asserts that the employer's profit must be calculated based on the entire amount of royalties the Defendant received or will receive from each patent pool, the additional royalties received through Each Cross-License Agreement at Issue, and the amount equivalent to the royalties for which payment was exempted through Each Cross-License Agreement at Issue (hereinafter "Profit from Royalty Exemption"), and that the inventor's degree of contribution is 10% or more.

Judgment of the First Instance Seoul Central District Court Decision 2020Gahap551030 (Dec. 14, 2023)

The court deemed that the entirety of the royalties received or to be received from each patent pool and the additional royalties received through Each Cross-License Agreement at Issue, but that the Profit from Royalty Exemption

cannot be deemed equal to the royalty amounts of each patent pool and the implicit royalty rates assumed in Each Cross-License Agreement at Issue. Thus, it viewed 50% of the Deducted Amounts as the profit constituting the basis for calculating each employer's profit, determined the inventor's degree of contribution to be 3%, and partially accepted the Plaintiff's claim (Appealed by both Plaintiff and Defendant).

Summary of Decision Appeal Allowed in Part

1. Calculation of Employer's Profit

The profit the employer will obtain from an employee invention means the profit having a proximate causal relationship with the employee invention. In principle, the reasonable compensation amount shall be determined by taking as the basis for the compensation calculation the profit that the employer is reasonably expected to obtain in the future from the employee invention, as of the time when the employer succeeded to the employee invention from the employee.

When determining the reasonable compensation amount the employee will receive based on the calculation of the profit the employer will obtain from the employee invention by taking into consideration the profit actually obtained after the employer succeeded to the employee invention, it is necessary to consider not only the degree to which the employer and the employee contributed to the completion of the employee invention but also all circumstances post-completion of the employee invention, such as the process of obtaining rights to or commercializing the employee invention in

connection with the profit the employer will obtain (see Supreme Court Decision 2023Da237514 [Nov. 20, 2024]).

A. Whether the Deducted Amount of Each Patent Pool Constitutes the Defendant's Profit Obtained due to Each Cross-License Agreement at Issue (Affirmative)

① Pursuant to the sublicense agreements entered into with the administrators, the Defendant bears the obligation to pay royalties for all patents of patent pool member companies implemented by the Defendant, and this is calculated according to the royalty distribution rules in each patent pool; ② For the Defendant to receive deductions from each patent pool for the royalties regarding the standard essential patents held by the counterparts of Each Cross-License Agreement at Issue, the Defendant must notify each patent pool of the existence of the aforementioned agreements and request adjustments to the already calculated royalties; ③ The royalties calculated by the patent pools can be deemed as reasonable royalties derived through objective method. Considering these points, it is reasonable to find that the Defendant obtained the profit of being exempted from royalty obligations equivalent to the Deducted Amounts of each patent pool due to Each Cross-License Agreement at Issue.

B. The Portion of Royalty Income Received or to be Received from Each Patent Pool Recognized as Having a Proximate Causal Relationship with the Employee Invention at Issue: 80%

Considering the following circumstances, namely the degree of the

Defendant's contribution until the Inventions at Issue became standard essential patents, and the Defendant's efforts regarding the filing and registration of the Inventions at Issue, it is reasonable to find that the portion of the royalty income received or to be received by the Defendant from each patent pool that has a proximate causal relationship with the Employee Invention at Issue corresponds to 80% of each income.

1) In order to secure standard essential patents, one must become a member of a standardization organization and attend its meetings, collect and analyze information in real-time during the standardization process to timely develop and file applications for technologies likely to be adopted as standards, and be able to assert one's position during the discussion process at the standardization organization. This mostly stems from the status or capabilities of the Defendant, and it appears the Defendant invested extensive human and material resources to attain such status or capabilities.

2) Around the time the Defendant joined as a member company, most of the core standard technologies for DVD had already been adopted, tailored to the technologies of the aforementioned Japanese companies, and the situation was similar for BDA. The Defendant had to secure standard essential patents through strategic technology development. Accordingly, the Defendant invested organizational resources and substantial efforts to secure standard essential patents, such as identifying internal trends and setting technology development directions accordingly. Furthermore, it appears the Defendant guided

its technologies, including the Inventions at Issue, to be selected as standard technologies through negotiations with member companies, such as exerting influence or coordinating related interests during the standardization voting process.

3) As a result of these efforts, the Inventions at Issue, comprising 56 inventions, were registered as a total of 1,133 standard essential patents. By securing such a massive number of standard essential patents, the Defendant was able to increase royalty income and strengthen its position in the industry.

C. The Portion of Profit from Each Cross-License Agreement at Issue Recognized as Having a Proximate Causal Relationship with the Employee Invention at Issue: 75%

By comprehensively considering the degree of the Defendant's contribution until the Inventions at Issue became standard essential patents, the Defendant's efforts regarding the filing and registration of the Inventions at Issue, as seen above, as well as the following circumstances, namely the purpose of entering into Each Cross-License Agreement at Issue and the influence exerted by the Defendant during the conclusion process, it is reasonable to conclude that the portion of the profit the Defendant obtained through the aforementioned agreements that has a causal relationship with the Inventions at Issue corresponds to 75%.

1) Cross-license agreements are executed for various or complex purposes under diverse situations, such as when technologies are in a conflicting relationship or a complementary relationship, and one wishes to

implement the technology owned by the counterpart; when one wishes to block the possibility of disputes arising from patent infringements; or when one wishes to build an ongoing cooperative relationship with the counterpart. In light of the timing of the conclusion of Each Cross-License Agreement at Issue, and the subject matters and contents of the agreements, the aforementioned agreements can be deemed as having been concluded by taking into account various circumstances, such as the purpose of lowering the risk of damages due to patent infringements by making all patent rights, etc. owned by relevant competitor companies subjects to free implementation during the period when the DVD and BD markets were growing and expanding. It is difficult to conclude solely with the evidence submitted by the Plaintiff that the primary purposes were "securing additional royalty income for the patents owned by the Defendant" or "free use of the patents owned by the counterparts."

2) It appears that the Defendant's competitiveness or status among industry peers, coupled with the tangible and intangible assets, among other factors. possessed by the Defendant at the time, carried substantial weight in the conclusion of Each Cross-License Agreement at Issue. Considering that: ① As of Mar. 24, 2022, the optical device-related patents owned by the Defendant totaled 12,438 patents, the vast majority of which were filed and registered between the late 1990s and early 2000s; ② Around 2010, the Defendant's Blu-ray players accounted for a market share of 24% or more not only in Korea but in all major global markets such as North America, Europe, and Latin

America; ③ The counterparties to Each Cross-License Agreement at Issue are global corporations globally renowned in the electronics industry, such as Hitachi, Panasonic, Toshiba, Mitsubishi, Sharp, Philips, Sony, JVC, Lite-On, and Pioneer; ④ The Defendant entered into agreements repeatedly over long periods—mostly ranging from 10 to 18 years—with such a small number of companies; ⑤ The Defendant even established "TSST," a joint venture company exclusively responsible for the development and marketing of optical devices such as DVDs for both companies, with Toshiba around 2004, it can be deemed that the Defendant was able to enter into Each Cross-License Agreement at Issue because it held substantial status and influence in the relevant industry at the time.

2. Calculation of Inventor's Degree of Contribution

Since the employee's (inventor's) degree of contribution refers to the extent to which the inventor creatively contributed to completing the relevant invention, all circumstances related to the degree to which the employer and the employee contributed to the completion of the relevant employee invention must be comprehensively considered in calculating such degree.

Comprehensively considering that: since the Plaintiff joined the Defendant company before completing a bachelor's degree and performed research and development and standardization duties regarding technologies such as DVDs and BDs at the Defendant from about 9 years thereafter, it is difficult to conclude that the degree to which the Plaintiff's personal capabilities, such as knowledge and educational background, contributed to the completion of the Inventions at Issue is significant; and that it appears the Defendant formed a

substantial scale of research teams and invested massive development costs to develop DVD and BD technologies and products, the Plaintiff's degree of contribution to the Inventions at Issue is set at 3%.

Significance of Decision

A case holding that, in calculating the profit the employer will obtain from the employee invention by taking into consideration the profit actually obtained by the employer, only the portion having a proximate causal relationship with the employee invention was recognized as the profits serving as the basis for calculating the employer's profits, by considering circumstances subsequent to the completion of the employee invention, including the process of securing rights to or commercializing the employee invention in connection with the profits to be obtained by the employer; and that the inventor's degree of contribution was determined by considering the respective degrees of contribution by the employer and the employee to the completion of the employee invention.

Extinctive Prescription of the Right to Claim Employee Invention Compensation

(Twenty-Third Division) Decision 2022Na1784, Decided Aug. 21, 2025

Category	Employee Invention Compensation
Relevant Provisions	Former Invention Promotion Act (prior to amendment by Act No. 11960, Jul. 30, 2013), Article 15; Civil Act, Article 166(1)
Relevant Decisions	Supreme Court Decision 2009Da75178 (Jul. 28 2011); Supreme Court Decision 2021Da258463 (May 30, 2024); Supreme Court Decision 2003Da24215 (Aug. 19, 2003); Supreme Court Decision 2023Da287168 (Nov. 14, 2024); Supreme Court En Banc Decision 91Da32053 (Mar. 31, 1992); Supreme Court Decision 2001Da24051 (Oct. 30, 2001); Supreme Court Decision 2008Da15865 (Sep. 9, 2010); Supreme Court Decision 2023Da302920 (Jun. 27, 2024); Supreme Court Decision 2023Da237514 (Nov. 20, 2024)

Main Issues and Holdings

1. Even if employment regulations, etc., stipulate standards for determining the form and amount of compensation regarding employee invention compensation, unless they go beyond the scope anticipated by the former

Invention Promotion Act, that is, the scope of determining the form of compensation and standards for determining the compensation amount by reflecting the circumstances of consultation conducted between an employer or equivalent entity ("employer") and an employee or equivalent personnel ("employee"), and rise to the level of stipulating the payment conditions or payment time of the employee invention compensation, whether the mere fact that there are such stipulations in the employment regulations, etc., can be deemed to constitute a legal impediment to the exercise of the right to claim employee invention compensation (Negative)

2. A case concluding that since the Defendant's employee invention compensation regulations can hardly be deemed as stipulating the payment time of the compensation, and no other legal impediment could be found to the Plaintiff's exercise of the right to claim employee invention compensation, the extinctive prescription commences running from the time the Defendant succeeded to the right to obtain a patent regarding the employee invention from the Plaintiff.

Case Overview

The Defendant is the person who succeeded to the employee invention from the Plaintiff. The Plaintiff claimed against the Defendant, primarily, the payment of employee invention compensation pursuant to Article 15 of the former Invention Promotion Act, and preliminarily, the payment of compensation pursuant to the Defendant's employee invention compensation regulations and compensation deliberation rules (hereinafter collectively referred to as "the Defendant's Compensation Regulations, etc."). In response, the Defendant raised a defense of

extinctive prescription, and in this case, the main issue was whether a legal impediment existed in the Plaintiff's exercise of rights due to the stipulations on the payment time of compensation, among other factors, in the Defendant's Compensation Regulations, etc. The main contents of the Defendant's Compensation Regulations, etc. relevant to this case are as follows.

⊙ 2006 Compensation Regulations Article 16 (Royalty Revenue Compensation)

1. When a registered right registered in the name of the company is transferred for consideration or granted the authority for the exploitation thereof, or when the company obtains a tangible profit through the exercise of the right, the company may pay a certain percentage of the revenue resulting from the transfer, implementation, or exercise of rights of the registered invention (hereinafter referred to as "Royalty Revenue") to the inventor as Royalty Revenue compensation.

⊙ 2006 Compensation Deliberation Rules Article 6 (Standards for Royalty Revenue Compensation)

1. Royalty Revenue compensation may be paid based on the inventor's degree of contribution from the Royalty Revenue stipulated in Article 16, Paragraph 1 of the Employee Invention Compensation Regulations. However, the actually paid Royalty revenue compensation shall be the amount obtained by multiplying the aforementioned Royalty Revenue by the percentage according to the degree of contribution, minus the previously paid product application compensation, strategic patent compensation, and Royalty savings compensation.

2. When the Royalty Revenue is deposited in installments over a certain period, the compensation amount to be paid to the inventor at the end of each year shall be calculated according to the standards stipulated in Paragraph 1 above.

Judgment of the First Instance Seoul Central District Court Decision 2019Gahap506386 (Jul. 22, 2022)

Partial acceptance of the Plaintiff's primary claim (The Plaintiff did not make a preliminary claim in the first instance, and the Defendant did not raise a defense of extinctive prescription)

Summary of Decision First Instance Judgment Reversed as to the Portion Against the Defendant; Plaintiff's Claims Dismissed in Their Entirety

1. Determination on the Primary Claim

A. Occurrence of the Right to Claim Employee Invention Compensation (☞ Article 15(1) of the former Invention Promotion Act, description omitted)

B. Determination on the Defense of Extinctive Prescription (☞ Completion of prescription; the Plaintiff's right to claim employee invention compensation is a claim with no fixed time for performance, and the prescription commenced running from the time of succession to the right to obtain a patent regarding the employee invention, which is when the claim was established. Hereinafter, only the determination on the existence of a legal impediment to the exercise of rights is summarized)

For the following reasons, it is difficult to find that the Defendant's Compensation Regulations, etc. stipulate the payment time of the employee invention compensation, and otherwise, it cannot be deemed that there was a legal impediment to the Plaintiff exercising the right to claim employee invention compensation against the Defendant.

1) The Plaintiff's assertion contesting the Defendant's defense of prescription is understood to the effect that the Defendant's Compensation Regulations, etc. stipulate the payment time of the compensation as an indefinite time limit; however, the Plaintiff's above assertion cannot be accepted for the following reasons.

   A) When there is an indefinite time limit regarding the performance of an obligation, the debtor's performance becomes due when the uncertain fact that forms the content of the time limit occurs and the time limit arrives. An indefinite time limit refers to a time limit where it is certain that the stipulated fact will occur in the future, but the time of its occurrence is undetermined. Accordingly, as a matter of principle, in cases where the occurrence itself of the factual event of the time limit is opaque or uncertain, it cannot be deemed an indefinite time limit. The Defendant's Compensation Regulations, etc. list specific forms of compensation, and the compensation deliberation rules stipulate the deliberation procedures, payment standards, payment procedures, and methods for each compensation. However, even looking at the specific contents of the compensation standards, it is not interpreted that the compensation standards were

set because facts regarding payment requirements such as registration, application of registered rights to products, and disposition are "certain to occur in the future but their time of occurrence is unknown."

B) When it is reasonable to find that the obligation must be performed not only when the fact indicated in the ancillary provisions of a legal act occurs but also conversely when it is confirmed that it will not occur, the confirmation of whether or not the indicated fact occurs must be deemed as being stipulated as an indefinite time limit (see Supreme Court Decision 2003Da24215 [Aug. 19, 2003], etc.). That is, only when it is interpreted that the relevant obligation must be performed even when it is confirmed that the uncertain future fact will not occur, the time when the occurrence or non-occurrence of the uncertain fact is confirmed can be deemed as a time limit. However, the contents concerning the forms of compensation and compensation standards stipulated in the Defendant's Compensation Regulations, etc. are not interpreted as stipulating that each relevant compensation must be paid even though it is confirmed that facts such as patent registration or disposition will not occur, or that each relevant compensation must be paid even when they do not occur within a considerable period even if the occurrence of the facts has not been confirmed as impossible.

C) In light of the legal nature of the right to claim employee invention compensation under Article 15(1) of the former Invention

Promotion Act, the calculation method of the "profit to be obtained by the employer," and the content and format of the Defendant's Compensation Regulations, etc., as examined in Item 2) below, the provisions setting criteria for determining the compensation amount under the Defendant's Compensation Regulations, etc. cannot be deemed to establish the payment time through an installment payment method for each form of compensation.

2) Even if a contract or employment regulations (hereinafter "employment regulations, etc.") stipulate standards for determining the form and amount of compensation regarding the employee invention compensation under Article 15(1) of the former Invention Promotion Act, such a circumstance alone cannot be deemed to stipulate the payment conditions or payment time of the employee invention compensation or that there is a legal impediment to the exercise of the right to claim employee invention compensation. The same applies even if the employment regulations, etc. stipulate the form of compensation or standards for determining the compensation amount based on the individual utilization forms of the employee invention.

A) According to Article 166(1) of the Civil Act, extinctive prescription begins to run from the time when a right objectively arises and can be exercised, and does not run while the right cannot be exercised. Here, "cannot exercise the right" means cases involving legal impediments to the exercise of a right, such as the non-arrival of a time limit or the non-fulfillment of a condition. Even if one was de

facto unaware of the existence of the right or the possibility of exercising it and there was no negligence in not knowing, such reasons do not constitute a legal impediment (see Supreme Court En Banc Decision 91Da32053 [Mar. 31, 1992], etc.).

The right to claim employee invention compensation prescribed in Article 15(1) of the former Invention Promotion Act is a statutory claim that arises at the time the employer succeeds to the right to obtain a patent, etc., or the patent right, etc., to the employee invention from the employee. Even if the employee was de facto unaware of the existence of the statutory claim known as the right to claim employee invention compensation as above, or of the possibility of exercising the right, and there was no negligence in not knowing, such reasons cannot be deemed to constitute a legal impediment.

B) Article 15(2) of the former Invention Promotion Act stipulates that where employment regulations, etc. stipulate the compensation under Paragraph 1, the compensation according to such regulations shall be deemed just compensation if it is recognized as reasonable in consideration of the circumstances of consultation conducted between the employer and the employee when determining the standards for the form and amount of compensation, the circumstances of presenting the compensation standards to the employee, such as the publication and posting of the established compensation standards, and the circumstances of listening to the

opinions of the employee when determining the form and amount of compensation. In addition, Article 15(3) of the former Invention Promotion Act stipulates that if the compensation under Paragraph 1 is not stipulated in employment regulations, etc., or if it cannot be deemed just compensation under Paragraph 2, the profit the employer will obtain from the employee invention and the degree to which the employer and the employee contributed to the completion of the invention must be considered when determining the compensation amount. These mandatory provisions of the former Invention Promotion Act must necessarily be considered when examining the starting point of the extinctive prescription for the right to claim employee invention compensation.

C) As such, the former Invention Promotion Act stipulates employee invention compensation in employment regulations, etc., and by deeming it just compensation if the compensation pursuant thereto is recognized as reasonable considering the circumstances of consultation on the form of compensation and the standards for determining the compensation amount, etc., it ensures that the contents of employee invention compensation are stipulated in employment regulations, etc., and through this, just compensation for the employee invention is promptly paid to the employee, who is the inventor (creator). This is in accordance with the purpose of the former Invention Promotion Act (Article 1) to encourage inventions and promote the prompt and efficient acquisition of rights and commercialization of inventions. Nevertheless, if the mere

circumstance that employment regulations, etc. stipulate standards for determining the form and amount of compensation for employee inventions is deemed to constitute a legal impediment to the exercise of the right to claim employee invention compensation, or if it is deemed that the extinctive prescription for the right to claim employee invention compensation does not run based on this premise, it would cause employers to avoid stipulating contents reflecting the circumstances of consultation between the parties regarding the standards for determining the form and amount of employee invention compensation in employment regulations, etc. This could ultimately lead to the result of making it difficult for employees to promptly receive fair compensation recognized as a reasonable amount.

Therefore, even if employment regulations, etc. stipulate standards for determining the form and amount of compensation regarding employee invention compensation, unless they go beyond the scope anticipated by the former Invention Promotion Act for the prompt payment of fair compensation—that is, the scope of determining the form of compensation and standards for determining the compensation amount by reflecting the circumstances of consultation conducted between the employer and the employee—and rise to a level that can be deemed to establish conditions or timing for the payment of the employee invention compensation, it is proper to find that the mere circumstance that such provisions exist in the employment regulations, etc. does not constitute a legal impediment to exercising

a claim for employee invention compensation.

D) The right to claim employee invention compensation prescribed by the former Invention Promotion Act must be deemed as a statutory claim arising at the time of succession, which is a monetary claim estimated as a single amount in its entirety by considering the amount of profit reasonably expected to be obtained by the employer from the employee invention and the degree to which the employer and the employee contributed to the completion of the employee invention, based on the time the employer succeeded to the right to obtain a patent, etc. or the patent right, etc. for the employee invention. Contrary to this, it cannot be construed as being established separately by dividing it based on the utilization form, such as implementation or assignment regarding the employee invention by the employer after the succession, or its utilization period. However, since there is difficulty in determining the compensation amount by estimating the profit the employer will obtain in the future based on the time of succeeding to the employee invention, if there is actually generated profit according to utilization forms such as implementation or assignment after the succession, it can only be taken into consideration when calculating the profit the employer will obtain.

Therefore, even if employment regulations, etc. stipulate individual forms of compensation or standards for determining the compensation amount based on the utilization forms or utilization period regarding

the employee invention, it is difficult to find that raising this constitutes any legal impediment to the exercise of the right to claim employee invention compensation itself, which is a monetary claim estimated as a single amount in its entirety by considering the amount of profit reasonably expected to be obtained by the employer from the employee invention based on the time the employer succeeded to the employee invention. Furthermore, even if the employee was unaware of the form of compensation and the occurrence of the compensation amount according to the stipulations of the employment regulations, etc. based on the individual utilization forms regarding the employee invention, or if there was no negligence in not knowing, setting aside that such reasons could be de facto impediments, they cannot be deemed to constitute legal impediments.

E) In light of the legal nature of the right to claim employee invention compensation as above, even if employment regulations, etc. stipulate standards for determining specific forms of compensation and compensation amounts based on individual utilization forms regarding employee invention compensation, such a circumstance alone cannot be construed as objectively rendering the occurrence of the right to claim employee invention compensation unclear, nor can it be deemed, based on such premise, that the employee could not have known of the occurrence of the right to claim employee invention compensation without negligence. Therefore, where such circumstances exist, finding that the extinctive prescription for the

right to claim employee invention compensation commences running from the time the employer succeeded to the employee invention cannot be said to be unduly harsh to the employee or contrary to the principles of social justice and equity.

2. Determination on the Preliminary Claim

In light of their contents, format, and system, the Defendant's Compensation Regulations, etc. merely appear to have stipulated standards, payment methods, and payment procedures for determining the form and amount of compensation for the purpose of reasonably performing the right to claim employee invention compensation recognized by the provisions of the former Invention Promotion Act, and they are not interpreted as generating a separate new monetary claim for the employee by those compensation regulations. Therefore, the Plaintiff's preliminary claim, which stands on a different premise from this, is not accepted without the need to examine it further.

Significance of Decision

This decision is a case that determined whether a legal impediment can be found to the employee's exercise of the right to claim employee invention compensation when employment regulations, etc. stipulate standards for determining the form and amount of compensation for employee inventions pursuant to Article 15(2) of the former Invention Promotion Act, and whether a separate contractual claim distinguishable from the right to claim employee invention compensation under the former Invention Promotion Act can be seen as arising by the compensation regulations containing such standard stipulations.

To the same effect as this decision, the IP High Court Decision 2023Na10839,

etc., determined that since the Defendant's compensation regulations, etc., lacked stipulations on the payment time of the compensation, the Defendant (employer) bears liability for delay regarding the employee invention compensation obligation from the day following the receipt of the claim for performance from the Plaintiff (employee).

Employee Invention Compensation Case

(Twenty-Fourth Division) Decision 2023Na10358, Decided Oct. 30, 2025

Category	Employee Invention Compensation
Relevant Provisions	Former Invention Promotion Act (prior to amendment by Act No. 8357 [Apr. 11, 2007]; the same applies hereinafter), Article 13; Civil Act, Article 166(1); Civil Act, Article 387(1)
Relevant Decisions	Supreme Court Decision 2009Da75178 (Jul. 28, 2011); Supreme Court Decision 2021Da258463 (May 30, 2024); Supreme Court Decision 2011Da5134 (Dec. 27, 2011); Supreme Court Decision 2019Da293098 (Dec. 24, 2020); Supreme Court Decision 2005Da40754 (Dec. 21, 2006); Supreme Court Decision 2001Da78577 (Jun. 24, 2003); Supreme Court Decision 2023Da237514 (Nov. 20, 2024)

Main Issues and Holdings

1. A case recognizing that if a company sets specific standards for determining payment procedures and compensation amounts for each type of profit when the company obtains a certain type of profit regarding employee invention compensation in employment regulations, etc., and has operated the employee invention compensation payment procedures accordingly, this constitutes a

case where the payment time of the employee invention compensation is stipulated in the company's employment regulations, etc., corresponding to a case where there is a legal impediment to the exercise of the right to claim compensation until the time for payment becomes due

2. A case concluding that when comprehensively considering the purport of the employee invention compensation system, the purpose of the defendant's employee invention compensation regulations and compensation deliberation rules, and the instances and modes of paying compensation to the defendant's employees, the defendant's employee invention compensation regulations and compensation deliberation rules correspond to a case specifically stipulating the payment time of the employee invention compensation, and the time limit is an indefinite time limit, where it is reasonable to deem that the time limit becomes due not only "when the procedures of the Compensation Deliberation Committee stipulated in the defendant's employee invention compensation regulations have been completed" but also "when a considerable period has elapsed and the defendant can no longer be expected to go through the Compensation Deliberation Committee procedures"

Case Overview

The defendant is the person who succeeded to the employee invention from the plaintiff. The plaintiff claimed against the defendant the payment of employee invention compensation pursuant to Article 13 of the former Invention Promotion Act.[1] In response, the defendant raised a defense of extinctive

1) Article 3 of the Addenda to the former Invention Promotion Act (wholly amended by Act No. 8357, Apr. 11, 2007; the same applies hereinafter) stipulates, "Compensation concerning the succession to the right to obtain a patent, etc. or a patent right, etc., or the establishment of an exclusive license, which was made prior to

prescription, and in this case, the main issue was whether a legal impediment existed in the plaintiff's exercise of rights due to the stipulations on the payment time of compensation, etc., in the defendant's compensation regulations, etc. The main contents of the defendant's compensation regulations, etc. related to this case are as follows.

⊙ 2006 Compensation Regulations

Article 16 (Royalty Revenue Compensation)

1. When a registered right registered in the name of the company is transferred for consideration or granted the authority for the exploitation thereof, or when the company obtains a tangible profit through the exercise of the right, the company may pay a certain percentage of the revenue resulting from the transfer, implementation, or exercise of rights of the registered invention (hereinafter referred to as "Royalty Revenue") to the inventor as Royalty Revenue compensation.
2. The Royalty Revenue under Paragraph 1 shall be the amount obtained by deducting various direct and indirect costs in the application and registration process, all expenses resulting from the exercise of rights, taxes and public charges, etc. from the amount actually received by the company.

⊙ 2006 Compensation Deliberation Rules

Article 6 (Standards for Royalty Revenue Compensation)

September 4, 2006, shall be governed by the provisions of the former Patent Act." If the right to obtain a patent, etc. concerning an employee invention was assigned prior to September 4, 2006, the former Patent Act (prior to amendment by Act No. 7869, Mar. 3, 2006) applies.

1. Royalty Revenue compensation may be paid based on the inventor's degree of contribution from the Royalty Revenue stipulated in Article 16, Paragraph 1 of the Employee Invention Compensation Regulations. However, the actually paid Royalty Revenue compensation shall be the amount obtained by multiplying the aforementioned Royalty Revenue by the percentage according to the degree of contribution, minus the previously paid product application compensation, strategic patent compensation, and Royalty savings compensation.
2. When the Royalty Revenue is deposited in installments over a certain period, the compensation amount to be paid to the inventor at the end of each year shall be calculated according to the standards stipulated in Paragraph 1 above.

Article 9 (Procedures and Methods for the Payment of Compensation)

1. For Royalty Revenue compensation pursuant to Article 6 (Standards for Royalty Revenue Compensation), after the relevant revenue is deposited into the company, and for Royalty savings compensation pursuant to Article 7 (Standards for Royalty Savings Compensation), after the execution date of the Cross License agreement, the head of the workplace requests deliberation to the Company-wide Employee Invention Deliberation Committee. However, if the compensation amount exceeds 10 million won, it shall be submitted to the Company-wide Technology Management Meeting for final decision.
2. The payment of the compensation under Paragraph 1 above shall be made

from the budget of the relevant workplace where the revenue was generated. (Omitted below)

Judgment of the First Instance Seoul Central District Court Decision 2018Gahap592960 (Feb. 9, 2023)

The plaintiff's claim was granted in part. (The defendant did not raise a defense of extinctive prescription in the first instance)

Summary of Decision First Instance Judgment Modified with Respect to the Start Date for Delay Damages, the Specific Compensation Amount, and Other Matters

1. Occurrence of the Right to Claim Employee Invention Compensation (Article 13(1) of the former Invention Promotion Act, description omitted)
2. Determination on the Defense of Extinctive Prescription (Rejection of the defense of completion of extinctive prescription; a case holding that the time limit for performance of the defendant's obligation to pay the employee invention compensation is an indefinite time limit, which is reasonable to be deemed as ① "when the procedures pursuant to the Compensation Regulations and Compensation Deliberation Rules in this case are completed" regarding the assignment of the employee invention, or ② "the last day of the fiscal year to which the relevant agreement belongs, after a considerable period has passed from the date of the relevant assignment" if no procedures have been taken regarding the relevant assignment. Therefore, the extinctive prescription commences running not from the time of succession to the

employee invention but from the time each time limit for performance becomes due, and the starting point of damages for delay for the obligation to pay the employee invention compensation is the time the defendant became aware of the arrival of each time limit for performance pursuant to the latter part of Article 387(1) of the Civil Act

A. Relevant Legal Principles

1) Generally, claim for employee invention compensation held by an employee or other personnel arises at the time an employer or other entity succeeds to the right to obtain a patent, etc. or the patent right, etc. for the employee invention from the employee, etc. However, if a contract or employment regulations, etc. regarding the employee invention stipulate the payment time of the employee invention compensation, the employee or other personnel can exercise the right to claim employee invention compensation at the payment time so stipulated (see Supreme Court Decision 2021Da258463 [May 30, 2024], etc.). Therefore, like a general claim, the extinctive prescription for the right to claim employee invention compensation is completed if not exercised for 10 years, and its starting point must generally be deemed as the time the employer succeeded to the right to obtain a patent for the employee invention from the employee. However, if the company's employment regulations, etc. stipulate the payment time of the employee invention compensation, since there is a legal impediment to the exercise of the right to claim compensation until the arrival of the time limit, the payment time stipulated in the employment

regulations, etc. becomes the starting point of the extinctive prescription (see Supreme Court Decision 2009Da75178 [Jul. 28, 2011], etc.).

2) The interpretation of a legal act is to clearly determine the objective meaning the parties assigned to their manifestation act. When there is a disagreement between the parties concerning the interpretation of a legal act and the interpretation of the parties' intent becomes an issue, it must be reasonably interpreted in accordance with logic and empirical rules by comprehensively considering the content of the legal act, the motives and circumstances under which such legal act was performed, the purpose sought to be achieved by the legal act, and the true intent of the parties (see Supreme Court Decision 2011Da5134 [Dec. 27, 2011]; Supreme Court Decision 2019Da293098 [Dec. 24, 2020], etc.).

3) Whether the ancillary provisions of a legal act constitute a condition or an indefinite time limit is a matter of interpretation of the legal act. When the objective meaning is not clearly revealed by the text manifested by the parties, it must be reasonably interpreted according to the content of the text, the motives and circumstances under which the legal act was performed, the purpose the parties seek to achieve through the legal act, their true intent, and general social common sense and the common understanding in transactions. If the parties stipulate the time when an uncertain fact occurs as the time limit for performance, the time limit for performance must be deemed to have arrived not only when the fact occurs but also when the occurrence of

the fact becomes impossible. In this case, when specifically determining whether the occurrence of the uncertain fact has become impossible, one must not only consider the intent of the parties, the types and characteristics of the indefinite time limit fact, and the degree of the period that has elapsed, but also, if the indefinite time limit fact is affected by socioeconomic situations, one must broadly take this point into consideration and cautiously determine such impossibility according to social norms (see Supreme Court Decision 2005Da40754[2] [Dec. 21, 2006]; Supreme Court Decision 2001Da78577 [Jun. 24, 2003], etc.). Furthermore, if the realization of the fact stipulated as an ancillary provision is mainly dependent on the good faith or effort of the person repaying the obligation, and the creditor cannot influence the realization of the fact, the time limit for performance of the obligation must be deemed to have arrived not only when the fact occurs but also when the fact does not occur within a reasonable period, even if it is not confirmed that the occurrence of the fact is impossible (see Supreme Court Decision 2009Da16643 [May 14, 2009]).

2) A case recognizing that when the plaintiff and defendants entered into a sales contract and made a special agreement for the payment of the balance, wherein 100 million KRW was paid as a down payment and the balance, without any interim payment, was to be paid after the defendants obtained business plan approval for an apartment on the land in this case, the approval or disapproval of a large-scale apartment construction business plan itself is an uncertain fact, so there is room to deem it a condition; however, in this case, it was recognized that at the time of concluding the sales contract, the plaintiff and defendants made the aforementioned special agreement for the payment of the balance under the natural premise that they would be able to obtain the business approval soon, believing that obtaining the business approval was certain but only its timing was uncertain.

B. Determination

1) In light of the above legal principles and considering the following facts or circumstances that can be seen by the respective evidence and the overall purport of the pleadings, it is reasonable to find that the Compensation Regulations and Compensation Deliberation Rules in this case correspond to a case specifically stipulating the payment time of the employee invention compensation, and that the time limit is an indefinite time limit.

① The purport of the provisions of Article 13 of the former Invention Promotion Act is to "encourage inventions and promote the prompt and efficient acquisition of rights and commercialization of inventions" (see Article 1 of the former Invention Promotion Act) by having the employer pay just compensation for the employee's employee invention, which corresponds to mandatory provisions to protect employees.[3)]

② In addition, "the profit the employer will obtain from the employee invention" under Article 13(3) of the former Invention Promotion Act means, in principle, the profit reasonably expected to be obtained by the employer from the employee invention in the future based on the time the employer succeeded to the employee invention from the employee. Since there is difficulty in determining the compensation amount by estimating the profit the employer will obtain from the employee invention in the future, if there is profit actually obtained by the employee invention after the employer succeeded to the employee invention, it can be taken into consideration when calculating the profit

3) Patent Court Decision 2019Na1258 (Jul. 19, 2019; Finalized by dismissal without deliberation on the merits on Oct. 31, 2019, Supreme Court 2019Da18631).

the employer will obtain from the employee invention (see the purport of Supreme Court Decision 2023Da237514 [Nov. 20, 2024]).

③ An employee's right to claim employee invention compensation under the former Invention Promotion Act must be deemed a statutory claim arising at the time of the succession, which is a monetary claim estimated as a single amount in its entirety by considering the amount of profit reasonably expected to be obtained by the employer from the employee invention and the degree to which the employer contributed to the completion of the employee invention based on the time the employer succeeded to the right to the employee invention. However, even if it is a monetary claim arising by being estimated as a single amount at the time of succession, it is permissible to determine the payment time and payment procedures tailored to individual cases for certain types of amounts among the total amount, and it is difficult to find statutory grounds or policy as reasons to prohibit this.[4)]

④ Article 16(1) of the Compensation Regulations in this case stipulates, "When a registered right registered in the name of the company is transferred for consideration or granted the authority for the exploitation thereof, or when the company obtains a tangible profit through the exercise of the right, the company may pay a certain percentage of the revenue resulting from the transfer, implementation, or exercise of

4) For example, when entering into a sales contract, a certain sales price is determined and the right to claim the sales price arises at the time of the conclusion of the contract; however, just like how the payment time, payment conditions, and payment procedures of the down payment, interim payment, and balance among the sales price can be diversely determined by mutual agreement of the parties considering the specific circumstances or progress of the sales contract, the same logic applies here.

rights of the registered invention (hereinafter referred to as "Royalty Revenue") to the inventor as Royalty Revenue compensation." Also, Article 6(1) of the Compensation Deliberation Rules in this case stipulates, "Royalty Revenue compensation may be paid based on the inventor's degree of contribution from the Royalty Revenue stipulated in Article 16(1) of the Employee Invention Compensation Regulations" while Paragraph 2 of the same Article stipulates, "When the Royalty Revenue is deposited in installments over a certain period, the compensation amount to be paid to the inventor at the end of each year shall be calculated according to the standards stipulated in Paragraph 1 above." Article 9 stipulates, "For Royalty revenue compensation pursuant to Article 6, after the relevant revenue is deposited into the company, the head of the workplace requests deliberation to the Company-wide Employee Invention Deliberation Committee."

In this regard, the Supreme Court has had cases where it determined that employee invention compensation regulations stipulating payment times and payment procedures of a similar nature stipulated the payment time of the employee invention compensation (see Supreme Court Decision 2009Da75178 [Jul. 28, 2011]; Supreme Court Decision 2021Da258463 [May 30, 2024], etc.).

⑤ On the other hand, if a profit accrued to the employer due to the assignment of the subject invention, the defendant provided notice the fact of assignment and the decision to pay compensation even in cases where 10 years had elapsed from the time of succession to the employee

invention of a retired employee. Considering all aspects such as the regulatory purpose and specific text of the Compensation Regulations and Compensation Deliberation Rules in this case as above, and the actual operation status of the employee invention compensation system based on the defendant's Compensation Regulations and Compensation Deliberation Rules in this case, etc., it is reasonable to find that the defendant also recognized that the payment time and payment procedures were stipulated in the above regulations for the employee invention compensation related to "Royalty Revenue" determined in the Compensation Regulations and Compensation Deliberation Rules in this case, and has operated the employee invention compensation system based thereon.

⑥ Ultimately, when comprehensively considering the purport of the employee invention compensation system, the purpose of the Compensation Regulations and Compensation Deliberation Rules in this case, and the instances and modes of paying compensation to the defendant's employees or other personnel, it is reasonable to find that the Compensation Regulations and Compensation Deliberation Rules in this case stipulated an indefinite time limit whereby the employee invention compensation must be paid not only "when the procedures of the Compensation Deliberation Committee stipulated in the above regulations have been completed" but also "when a considerable period has elapsed and the defendant can no longer be expected to go through the Compensation Deliberation Committee procedures" in cases where profit accrued to the defendant, who is the employer, due to the

employee invention of the employee.[5)]

⑦ In response to this, the defendant asserts to the effect that since the Compensation Regulations in this case stipulate "the company may pay [...] compensation" regarding the payment of compensation, unlike a case stipulated as "the company shall pay compensation," the defendant's regulations are merely discretionary regulations, thus there is no legal impediment to the plaintiff's exercise of the right to claim employee invention compensation. However, as seen above, since the Compensation Regulations and Compensation Deliberation Rules in this case stipulate the procedures and standards for calculating the fair compensation amount determined by the former Invention Promotion Act, the mere circumstance that some text of the Compensation Regulations in this case is written in the form of "the company may pay [...] compensation" cannot lead to the conclusion that there is no legal impediment to exercising the right to claim employee invention compensation immediately after the succession to the invention (The Compensation Deliberation Rules in this case, which set the payment

5) The plaintiff primarily seeks damages for delay from after the assignment date in this case as stated in the object of the claim, while also asserting preliminarily to the effect that the stipulations for the cause of payment in the Compensation Regulations and Compensation Deliberation Rules in this case act as suspensive conditions (see page 19 of the plaintiff's Preparatory Document dated Aug. 27, 2025). However, since this assertion means that the right to claim employee invention compensation arises only when the suspensive condition of "the occurrence of the defendant's specific profit" is fulfilled, it is contrary to the nature of the right to claim employee invention compensation being a statutory claim arising, in principle, at the time of succession to the invention as seen above. Moreover, if the right to claim employee invention compensation in this case is viewed as a claim subject to a suspensive condition rather than a claim subject to an indefinite time limit as asserted by the plaintiff, since the defendant has never held a Compensation Deliberation Committee regarding the plaintiff, the plaintiff's very claim for employee invention compensation becomes impossible, which results in a disadvantageous outcome for the plaintiff.

standards and procedures for each type of employee invention compensation, also use the expression "shall pay" [Articles 2 and 3]).

If the specific stipulations of the payment time and procedures, etc., of usage compensation in the Compensation Regulations and Compensation Deliberation Rules in this case as above are not deemed a legal impediment, an employee, despite having special payment regulations such as the "Royalty Revenue" compensation provisions of the Compensation Regulations in this case, would effectively be unable to exercise the claim for employee invention compensation even if they become aware that a profit accrued to the employer after 10 years have passed since letting the employer succeed to their employee invention. Furthermore, around the time 10 years have elapsed while the monetization business by the employer has not yet properly progressed after the succession of the employee invention, it would result in an unreasonable consequence of forcing the employee to temporarily file a futile lawsuit claiming employee invention compensation to prevent the completion of the extinctive prescription.

2) It is not disputed that the defendant did not hold a Compensation Deliberation Committee regarding the assignment of the employee invention of this case; and in light of the following facts or circumstances shown by considering the overall purport of the pleadings together with the aforementioned evidence, the time limit for performance regarding the right to claim employee invention compensation of this case must be deemed to have arrived on Dec. 31, 2015.

① As previously examined, Article 16(1) of the Compensation Regulations in the instant case, and Articles 6 and 9, etc, of the Compensation Review Rules in the instant case stipulate the time and procedures for the payment of the compensation for the disposition of the Employee Invention in this case, and thereby fix an indefinite time limit; and pursuant to the latter part of Article 387(1) of the Civil Act,[6] when an indefinite time limit is fixed for the performance of an obligation, the debtor bears liability for delay from the time he/she "becomes aware that the time limit has become due."

② According to the above regulations, if royalty revenue compensation arises, the defendant must calculate the compensation amount by holding a Compensation Deliberation Committee at the end of each year at the latest. However, although the defendant assigned the US employee invention in this case, etc., to Centegra pursuant to the assignment contract in this case and also completed the accounting treatment for this (Defendant's Exhibit 24), it has never held a Compensation Deliberation Committee for the plaintiff or notified the plaintiff of such.

③ Therefore, since this case corresponds to a case where the realization of the payment of the employee invention compensation is dependent on the good faith or effort of the defendant, who is the debtor, and the plaintiff, who is the creditor, cannot influence the realization of that fact, it is reasonable to find that the time limit for performance thereof arrived

6) Article 387 (Time for Performance and Delay of Performance) ① Where a definite time for the performance of a claim is fixed, the obligor shall be responsible for delay as from the commencement of such time. If an indefinite time for the performance of a claim is fixed, the obligor shall be responsible for any delay as from the time when the obligor has become aware of the arrival of the time for performance.

on Dec. 31, 2015, which is the last day of the 2015 fiscal year to which the above assignment contract belongs, after a considerable period had passed from the date of the assignment contract in this case, and that the defendant became aware of this.

3) The plaintiff seeks damages for delay from Nov. 13, 2015, the date the defendant assigned the US employee invention in this case to Centigra, regarding the compensation for disposition in this case, and asserts to the effect that, at the latest, the defendant's liability for delay is recognized from the day following the last day of the fiscal year in which the assignment took place, as the deliberation committee was not convened despite such assignment.[7] Regarding the right to claim compensation for disposition in this case, as seen above, it is reasonable to find it as a case where an uncertain time limit for the performance of the obligation is established in the Compensation Regulations and Compensation Deliberation Rules of this case, in which case the debtor must be deemed liable for delay from the time he/she "becomes aware of the arrival of the time limit" pursuant to the latter part of Article 387 (1) of the Civil Act. In this case, the time limit become due on Dec. 31, 2015, the last day of the fiscal year to which the assignment contract in this case belongs at the latest, and since it is reasonable to find that the defendant became aware of the arrival of the above time limit on that day, the defendant bears liability for delay from Jan. 1, 2016, the following day.[8]

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7) As stated in the object of the claim, the plaintiff primarily seeks damages for delay from after the assignment date, but preliminarily asserts the day following the last day of the fiscal year as the starting point of damages for delay as above (see page 6 of the plaintiff's Preparatory Document dated Sep. 15, 2025).

8) See the legal principles of Supreme Court Decision 72Da1066 (Aug. 22, 1972) and Supreme Court Decision

Significance of Decision

A case holding that, upon comprehensive consideration of the purport of the employee invention compensation system, the purpose and text contents of the defendant's employee invention compensation regulations and compensation deliberation rules, the instances of paying compensation to the defendant's employees, and the mode of operating the compensation regulations, etc., the defendant's employee invention compensation regulations and compensation deliberation rules constitute a case stipulating procedures and standards for determining the compensation amount for employee invention compensation pursuant to Article 13 of the former Invention Promotion Act, and stipulating a specific time limit for performance concerning the claim for payment of employee invention compensation; and deeming such time limit to be an uncertain time limit, thereby finding that a legal impediment exists to exercising the right to claim compensation until such time limit arrives.

88Da3253 (Nov. 8, 1988), etc., regarding the starting point of damages for delay.

III

Trademark Act

01 Positive Requirements for Trademark Registration (Distinctiveness)

Case on Registration Invalidation of Simpleat

(Fifth Division) Decision 2024Heo11507, Decided Oct. 17, 2024

Subject Matter	[Trademark Right]  (No. 1665940: Class 30 Grain-based snack food, etc.)
Administrative Decision	IPTAB Decision 2023Dang2735 (Mar. 8, 2024)
Category	Invalidation of Registration (Trademark)
Relevant Provisions	Trademark Act, Articles 33(1)3 and 33(1)7
Relevant Decisions	Supreme Court Decision 2019Hu11794 (May 14, 2020); Supreme Court Decision 2022Hu10128 (Jun. 30, 2022)

Main Issues and Holdings

A case finding that the registered trademark does not fall under a trademark, etc., consisting solely of a mark that indicates the quality, use, shape, and method of use of the designated goods in a common way

Case Overview

The defendant filed a petition for invalidation of registration, asserting that the registered trademark constitutes a descriptive mark, etc. The IPTAB rendered an administrative decision invalidating the registration on the grounds that the registered trademark is intuitively perceived to mean "eat simply," thus falling under Article 33(1)3 of the Trademark Act, and that it is also inappropriate from the standpoint of public interest to allow a specific person to exclusively use the

registered trademark, thus falling under Article 33(1)7 of the Trademark Act. The plaintiff filed a lawsuit seeking the revocation of the administrative decision.

Summary of Decision Claim Granted

1. In light of the following circumstances, it is difficult to find that the registered trademark constitutes a trademark consisting solely of a mark indicating the quality, use, shape, and method of use of its designated goods in a common way.

   A. When the registered trademark Simpleat is pronounced in Korean, it becomes three syllables "sim-ple-eat," which is a relatively short number of syllables, and "simple" and "eat," which appear as individual words prior to combination, are deemed to have weak independent distinctiveness in relation to the designated goods of the registered trademark; therefore, it is reasonable to find that the registered trademark will be called and conceived by general consumers only as a whole as " Simpleat (sim-ple-eat)."

   B. The registered trademark is a coined word with no dictionary meaning, created by combining "simple" and "eat" and then omitting one "e" in the middle. In light of the level of English education in Korea, while ordinary consumers, upon encountering the registered trademark—which is grammatically improper and not commonly seen—might indirectly associate it with "convenience food" meaning "food made to be eaten simply" or "food eaten after simple cooking" through a process of association or inference after mechanically combining the dictionary meanings of "simple" and "eat" as seen above, it does not appear that

general consumers encountering the registered trademark Simpleeat can go beyond that to intuitively perceive "convenience food" or "simple-to-eat food."

C. It is difficult to conclude that the registered trademark causes ordinary consumers to intuitively perceive "convenience food" or "simple-to-eat food" in relation to the designated goods merely because the plaintiff inscribed phrases emphasizing "simple-to-eat food" or "simple-to-eat food" on the packaging containers, etc., of the actual products sold by the plaintiff using the mark of the registered trademark (hereinafter "Plaintiff's Products"). Rather, there is sufficient room to find that the plaintiff conducted business using the above phrases to clearly convey the implied content of the registered trademark to consumers. Furthermore, even if consumers who actually purchased Plaintiff's Products understood the characteristics of the relevant products as simple-to-eat food, since this is based on the purchasing experience of specifically consuming the actual products that are "convenience food", it is also difficult to conclude solely based on such circumstances that ordinary consumers encountering the registered trademark would intuitively perceive "convenience food" or "simple-to-eat food" in relation to the designated goods.

2. In light of the following circumstances, it is difficult to conclude that the registered trademark constitutes a trademark by which consumers cannot recognize whose business the goods are connected with.

A. The term "Simple eat" is a grammatically improper expression and is a word not listed in dictionaries. Furthermore, the registered trademark

Simpleat has formed a new word by omitting the middle letter "e" without spacing. In this regard, the word or phrase "simpleat" itself is found to possess uniqueness and inherent creativity that go beyond not only "simple" or "eat" but also a mere combination thereof.

B. "Simple" and "eat" are English words with multiple meanings, and as examined above, when used as "simpleat" like the registered trademark, it is difficult to conclude that it is intuitively perceived by ordinary consumers as a whole as "convenience food" or "simple-to-eat food."

C. There is no evidence to find that the words "simpleat," "simple eat," or "심플잇(/'sɪm.pliːt/)" are widely recognized and used among ordinary consumers in relation to the designated goods of the registered trademark as referring to "convenience food" or "simple-to-eat food."

Significance of Decision

A case holding that, in a matter concerning whether a trademark constitutes a descriptive mark, even if ordinary consumers may indirectly bring to mind "convenience food," etc., through a process of association or inference after mechanically combining the dictionary meanings of English words, it is difficult to find that ordinary consumers encountering the registered trademark can intuitively perceive "convenience food," etc.

Case on Danmato Coffee & Brunch

(Fifth Division) Decision 2024Heo12647, Decided Jan. 23, 2025

Subject Matter	[Applied-for Trademark] 단마토 커피&브런치 (Class 30: Flour and preparations made from cereals, fermented tea, etc.)
Category	Decision of Rejection (Trademark)
Relevant Provisions	Former Trademark Act (prior to amendment by Act No. 19809, Oct. 31, 2023), Articles 33(1)3 and 33(1)7
Relevant Decisions	Supreme Court Decision 2022Hu10128 (Jun. 30, 2022); Supreme Court Decision 2019Hu11794 (May 14, 2020)

Main Issues and Holdings

1. Whether the trademark constitutes a trademark consisting solely of a mark indicating the quality, raw materials, etc. of the designated goods in a common way (Negative)
2. Whether the trademark constitutes a trademark incapable of allowing consumers to identify whose business the goods are related to (Negative)

Case Overview

The IPTAB rendered an administrative decision to the effect that the filed trademark cannot be registered under Articles 33(1)3 and 33(1)7 of the former

Trademark Act because the filed trademark not only constitutes a descriptive mark it is also difficult to recognize distinctiveness in the mark. The plaintiff filed a lawsuit seeking the revocation of the above administrative decision.

Summary of Decision Claim Granted

1. Whether It Falls Under Article 33(1)3 of the Former Trademark Act

In light of the following circumstances, it is difficult to find that the filed trademark constitutes a trademark consisting solely of a mark indicating the quality, raw materials, etc. of its designated goods in a common way.

A. The **커피&브런치** part is easily separated from the **단마토** part and will be perceived by ordinary consumers as meaning "coffee and a morning meal eaten as breakfast combined with lunch," but it is difficult to find that it indicates the quality, raw materials, or efficacy, etc. of "flour and preparations made from cereals, etc.," which are the designated goods of the filed trademark; therefore, it is difficult to conclude that the relevant part lacks distinctiveness in relation to its designated goods.

B. Even if the **커피&브런치** part is deemed to lack distinctiveness as indicating the quality or raw materials, etc. of the designated goods in relation to "fermented tea, etc." among the designated goods, the **단마토** part is recognized as possessing distinctiveness in relation to the designated goods. The reasons are as follows.

1) "Danmato"is found to be a coined word recognized as possessing uniqueness and intrinsic creativity that go beyond the mere combination and omission of characters, making it difficult to readily

deny its distinctiveness.

2) The fact that news articles reveal the true identity of "Danmato" and elaborate its meaning as "sweet tomato" provides sufficient room to presume that the explanation was added to clearly convey the implied content of "Danmato" on the premise that "Danmato" is not intuitively perceived by readers to mean "sweet-tasting tomato" or "stevia tomato."

3) A considerable portion of Naver search results introduce or promote sales products using the words "cherry tomato," "shine cherry tomato," and "tomato" together in addition to the word Danmato; thus, based solely on such search results, it is difficult to conclude that ordinary consumers intuitively perceived "Danmato" as "sweet-tasting tomato" or "stevia tomato" at the time of the administrative decision at issue.

4) Furthermore, the designated goods of the filed trademark are fermented tea, etc., which do not appear to be recognized as having a direct connection with "tomato". Therefore, even if ordinary consumers can associate "sweet-tasting tomato" or "stevia tomato" from the word "Danmato," it is difficult to find that they can intuitively bring to mind the designated goods of the filed trademark therefrom.

5) Although it is recognized that the KIPO rejected trademark applications for marks such as "Dan-jjan-mato" (sweet and salty tomato), "Jjan-mato" (salty tomato) designating goods under Classes 29 and 31 on grounds including a lack of distinctiveness, it cannot be considered that the court is bound by KIPO's aforementioned determination in

such rejections.

C. There are no discovered circumstances indicating that the 단마토 part constitutes an indication necessary for anyone in relation to designated goods such as fermented tea, etc., or that allowing a specific person to exclusively use it is improper from the perspective of public interest.

2. Whether the Trademark Falls Under Article 33(1)7 of the Former Trademark Act

In light of all circumstances, including the fact that the 단마토 part is recognized as possessing distinctiveness in relation to its designated goods, it is difficult to conclude that the filed trademark corresponds to a trademark incapable of enabling consumers to distinguish whose business the goods are related to.

Significance of Decision

A case recognizing the distinctiveness of 단마토, and specifically determined whether the applied-for trademark is a mark indicating quality, etc. or a mark lacking distinctiveness in relation to the designated goods

Case on Decision to Reject Trademark of Incorporated Association Woobong Lee Mae-Bang Dance Preservation Society

(First Division) Decision 2024Heo125, Decided Jul. 24, 2025

Subject Matter	[Trademark Right] 사단법인 우봉이매방춤보존회 (Designated business: Business concerning the operation of the training center for Woobong Lee Mae-Bang Dance, etc.)
Administrative Decision	IPTAB Decision 2023Won1151 (Nov. 14, 2024)
Category	Decision of Rejection (Trademark)
Relevant Provision	Trademark Act, Article 33(1)3
Relevant Decisions	Supreme Court Decision 2002Hu1140 (Aug. 16, 2004); Supreme Court Decision 2007Hu555 (Jun. 1, 2007)

Main Issues and Holdings

A case holding that because the requirements of adaptability for exclusive use and distinctiveness also apply to a business emblem—which is a mark used to indicate a business—a business emblem consisting solely of a mark that indicates, in a common way, the nature, use, etc., of its designated business falls under Article 33(1)3 of the Trademark Act

Case Overview

The plaintiff filed an application for the business emblem at issue on Oct. 1, 2021.

In response, the examiner of the KIPO decided to reject the registration of the business emblem at issue on Mar. 29, 2023, finding that the business emblem at issue falls under Article 33(1)3 of the Trademark Act, etc. The plaintiff filed an appeal from the examiner's rejection on May 30, 2023, but the IPTAB, having heard the matter under Case No. 2023Won1151, rendered the administrative decision at issue dismissing the plaintiff's appeal on Nov. 14, 2024, on the grounds that "the business emblem at issue is a trademark indicating the nature of its designated business in a common way and falls under Article 33(1)3 of the Trademark Act.“

Summary of Decision Claim Dismissed

1. Comprehensively considering the following circumstances, the business emblem at issue directly indicates the nature or use of its designated business, creating a need for anyone to be allowed to use it, and moreover, the external composition of the mark does not rise to the level of attracting the special attention of an ordinary person exercising ordinary care; thus, it constitutes a descriptive mark indicating the use, etc. concerning its designated business in a common way.

   A. The business emblem at issue **사단법인 우봉이매방춤보존회** (Incorporated Association Woobong Lee Mae-Bang Dance Preservation Society) is a mark combining "Incorporated Association," "Woobong Lee Mae-Bang Dance," and "Preservation Society." Among them, "Incorporated Association" refers to "an organization formed by individuals for a specific purpose that has been recognized with legal personality"; "Woobong Lee Mae-Bang Dance" means "the dance of Woobong Lee Mae-bang," combining the art name (Woobong), name (Lee Mae-bang),

and "dance" to designate the dance of the deceased Lee Mae-bang, a widely recognized traditional dancer, and a designated skill holder of Important Intangible Cultural Heritage No. 27 Seungmu and No. 97 Salpuri Dance; and "Preservation Society" means "an association formed to properly preserve, maintain, and carry on something." Therefore, the business emblem at issue is conceived as "an organization with legal personality formed by individuals conducting operations to preserve the dance of Woobong Lee Mae-bang." Furthermore, the business emblem at issue is composed solely of Hangeul written in a plain typeface without any special stylization, allowing ordinary consumers or traders to intuitively perceive the above concept upon seeing the business emblem at issue.

B. The designated businesses of the business emblem at issue are ① operations concerning the operation of a training center for Woobong Lee Mae-Bang Dance, ② business concerning academic conferences / compilation of dance notation / publishing and education business of Woobong Lee Mae-Bang Dance, ③ business concerning performances / contests / seminars and international cultural exchange solidarity business regarding Woobong Lee Mae-Bang Dance, ④ business concerning the preservation and transmission business of Woobong Lee Mae-Bang Dance. The above businesses involve educating on Woobong Lee Mae-Bang Dance (Business ① and the publishing and education business of ② above), holding performances and domestic/international events related to Woobong Lee Mae-Bang Dance (academic conference business of ② and Business ③ above), recording and researching Woobong Lee Mae-Bang Dance (compilation of dance notation and publishing business

of ② above), or preserving and transmitting Woobong Lee Mae-Bang Dance (Business ④ above), all of which constitute "businesses for preserving and transmitting Woobong Lee Mae-Bang Dance."

C. Therefore, ordinary consumers or traders can intuitively perceive upon seeing the business emblem at issue, that it indicates its designated business, namely, the business of preserving Woobong Lee Mae-Bang Dance, etc. If so, the business emblem at issue constitutes a mark directly indicating the use, etc. of its designated business.

D. It is recognized that the bereaved family of Lee Mae-bang has registered copyrights with the Korea Copyright Commission regarding Samgomu, Ogomu, Janggeommu, and Daegamnori among Lee Mae-bang's dances and is promoting preservation projects for the above dances. In this way, because any person or organization performing business concerning the preservation of Woobong Lee Mae-Bang Dance other than the plaintiff needs to use a mark similar to the business emblem at issue to indicate their business; therefore, it is improper to grant exclusive rights over it to a specific person.

2. The business emblem at issue falls under Article 33(1)3 of the Trademark Act and therefore cannot be registered. The administrative decision at issue is lawful, as it reached the same conclusion.

Significance of Decision

A case holding that Article 33(1)3 of the Trademark Act can apply to a business emblem, which is a mark used to indicate a business, pursuant to the requirement for adaptability for exclusive use and distinctiveness

02 Distinctiveness Acquired Through Use

Case on MU

(Fourth Division) Decision 2024Heo14117, Decided Jan. 23, 2025

Subject Matter	[Trademark (Application)] MU
Administrative Decision	IPTAB Decision 2022Won1181 (Jun. 27, 2024)
Category	Decision of Rejection (Trademark)
Relevant Provision	Trademark Act, Article 33(1)6
Relevant Decisions	Supreme Court Decision 2006Hu3632 (Mar. 16, 2007); Supreme Court Decision 2012Hu2074 (Nov. 29, 2012); Supreme Court Decision 2012Hu2951 (Dec. 27, 2012); Supreme Court Decision 2015Hu2174 (Sep. 12, 2017); Supreme Court Decision 2002Hu1768 (May 16, 2003); Supreme Court Decision 2013Hu1146 (Oct. 15, 2014), etc.

Main Issues and Holdings

A case holding that although the filed trademark MU is composed solely of a simple and commonplace mark and thus falls under Article 33(1)6 of the Trademark Act, in light of the types, usage history, etc., of each actually used trademark, it had acquired distinctiveness among consumers of the designated goods as a trademark indicating the source of the plaintiff's online game around the date of the administrative decision at issue

Case Overview

The trademark registration of the filed trademark was rejected because it constitutes a simple and common mark. The plaintiff filed an appeal from the examiner's rejection, but the IPTAB rendered the administrative decision at issue dismissing the appeal on the grounds that it falls under Article 33(1)6 of the Trademark Act and cannot be recognized as a trademark registrable under Article 33(2) of the Trademark Act, as it cannot be found that the mark had become recognized among domestic consumers as plaintiff's trademark as a result of its use prior to the filing of the application.

Summary of Decision IPTAB Decision Revoked

The Filed Trademark	Trademark in Actual Use 1	Trademark in Actual Use 2	Trademark in Actual Use 3
MU	MU, , ,	뮤, 	MU Online, , 뮤 온라인, 뮤 오리전, 뮤 레전드

1. Whether the Filed Trademark Falls Under Article 33(1)6 of the Trademark Act (Affirmative)

   The filed trademark at issue, MU, is a mark simply combining the uppercase alphabet letters "M" and "U" without any particular stylization, and these are English letters that anyone can frequently encounter in the ordinary course of trade, and their composition or arrangement cannot be presumed as reaching a

level that attracts special attention or forming a new meaning or concept. Therefore, the filed trademark at issue, MU, is composed solely of a simple and commonplace mark, and thus falls under Article 33(1)6 of the Trademark Act.

2. Whether the Filed Trademark at Issue Falls Under Article 33 (2) of the Trademark Act (Whether it acquired distinctiveness through use: Affirmative)

1) Whether the Filed Trademark at Issue Is Identical to the Marks of the Trademarks in Actual Use

Trademark in Actual Use 1 is identical to the filed trademark itself, Trademark in Actual Use 2 is recognized as substantially identical to the filed trademark at issue under common business conceptions, and the "MU" or "뮤(Myu)" part, which has relatively strong distinctiveness among Trademark in Actual Use 3, is recognized as substantially identical to the filed trademark under common business conceptions; therefore, the record of use of Trademarks in Actual Use 2 and 3 can be used as data to determine whether the filed trademark at issue has acquired distinctiveness through use.

2) Whether the Filed Trademark at Issue Acquired Distinctiveness Through Use

A) The plaintiff is a company established on Apr. 28, 2000, for business purposes including online game development and Internet businesses, and has operated the above businesses since adding game software development, distribution, and consulting services to its corporate purposes on Apr. 3, 2017. After initiating the open beta testing of the Massively Multiplayer Online Role Playing Game (MMORPG) "MU Online (hereinafter referred to as the "Game at issue")" on May 24,

2001, the plaintiff officially released the Game at issue on Nov. 19, 2001. Since then, the plaintiff has continuously released 'MU series' games such as "MU Origin," "MU Origin2," and "MU Legend" sharing a common fictional universe with the Game at issue.

B) Just one month after the release of the Game at issue, more than 200,000 people registered as members on the internet homepage (www.muonline.co.kr) operated by the plaintiff for the Game at issue, and the cumulative number of members reached 9,112,420 by Dec. 15, 2024. The plaintiff won the Excellence Award (Online Category) and Special Award (Graphics Category) at the "2001 Korea Game Awards" around Dec. 2001, won the Grand Prize at the "2nd Digital Innovation Awards" hosted by the Hankook Ilbo around Dec. 2002, and was ranked 1st in the Game MMORPG category of the National Customer Satisfaction Index (NCSI) for two consecutive years around Mar. 2005 and Jan. 2006.

C) The annual sales revenue from 2001, when the Game at issue was released, through the 3rd quarter of 2024 is considerably large (detailed amounts omitted), and the plaintiff has continuously promoted the Game at issue through various media such as newspapers, magazines, and online platforms from 2001 through around 2024, and launched campaigns to promote the "MU series" games by selecting famous celebrities as promotional models. The plaintiff has widely used the marks in actual use for such promotional activities. The advertising expenditures incurred by the plaintiff from 2010 through the 3rd

quarter of 2024 amount to a total of 4.4 billion KRW, and numerous press reports were made regarding the "MU series" from around Apr. 2001 to Aug. 8, 2024. A search for "Webzen MU" on Naver, an Internet portal website, confirms many online posts and other materials displaying the trademarks in actual use prior to the decision of rejection at issue.

D) The Game at issue is Korea's first 3D online game and was introduced to various media outlets with contents such as securing 200,000 members just one month after being disclosed on May 24, 2001, and it can be seen that it had considerable popularity in Korea immediately after disclosure, enough to win the Excellence Award and Special Award respectively at the "2001 Korea Game Awards" in the first year of its release. The Game at issue is operated on a membership basis where participation is possible only by completing the member registration process on the website (www.muonline.co.kr). Considering that the number of registered members reached 9 million by Dec. 15, 2024, it is recognized that the plaintiff has continuously updated the Game at issue and provided online game services to a large number of members for about 23 years. In particular, the plaintiff generated revenue of approximately 2.3 billion KRW in 2001, the first year the Game at issue was released, and recorded total sales revenue of approximately 377.6 billion KRW from 2001 through the 3rd quarter of 2024. Following the success of the Game at issue, 12 games sharing a common fictional universe were continuously released under the "MU series," and the total sales revenue generated by the plaintiff not only

through the Game at issue but also through the "MU series" up reached approximately 1 trillion 360.5 billion KRW through the 3rd quarter of 2024. Comprehensively considering these circumstances, the plaintiff and the Game at issue appear to have built considerable trust in the online game sector.

E) Accordingly, because the plaintiff, over an extended period of time, used the applied-for trademark itself and marks in actual use recognized as substantially identical thereto under common business conceptions in connection with the Game at issue in related advertisements, press articles, and online postings, it is concluded that ordinary consumers and trading parties would have perceived the "MU" or "뮤(Myu)" part—the portion that is relatively more distinctive among Trademark in Actual Use 1, which is the applied-for trademark in this case itself, and Trademarks in Actual Use 2 and 3 that are recognized as substantially identical to the applied-for trademark—as source identifiers indicating the plaintiff.

Significance of Decision

A case recognizing the acquired distinctiveness of a trademark through use based on factors including the usage history and current status of the trademark and consumer perception

03 Negative Requirements for Trademark Registration

Case on Decision to Reject GOAT Trademark

(First Division) Decision 2024Heo13046, Decided May 22, 2025

Subject Matter	[Trademark Right] GOAT (Class 25: Sweatshirts, etc.)
Administrative Decision	IPTAB Decision 2023Won80 (May 1, 2024)
Category	Decision of Rejection (Trademark)
Relevant Provision	**F**ormer Trademark Act (prior to amendment by Act No. 19809 on Oct. 31, 2023), Article 34(1)7
Relevant Decisions	Supreme Court Decision 2011Hu1876 (Jan. 26, 2012); Supreme Court Decision 2004Hu2093 (Nov. 10, 2005); Supreme Court Decision 2004Hu936 (Jun. 2, 2006), etc.

Main Issues and Holdings

A case determining that the filed trademark at issue falls under Article 34(1)7 of the former Trademark Act as the mark is similar to the prior registered trademark, creating a risk of causing misconception and confusion among ordinary consumers or traders as to the source of goods when used on the designated goods, and the designated goods are also identical or similar

Case Overview

The plaintiff filed an application for the filed trademark at issue on Jun. 18, 2021. In response, the examiner of the KIPO rendered a decision rejecting the

registration of the business emblem at issue on Oct. 11, 2022, concluding that the filed trademark at issue falls under Article 34(1)7 of the former Trademark Act. The plaintiff filed an appeal from the above decision of rejection on Jan. 12, 2023, but the IPTAB, having heard the matter under Case No. 2023Won80, rendered the administrative decision at issue dismissing the plaintiff's appeal on May 1, 2024, on the grounds that "the filed trademark at issue and the prior registered trademark are pronounced as "Go-teu" by Korean speakers and are thus similar to each other, and their designated goods are also identical or similar, thereby falling under Article 34(1)7 of the former Trademark Act."

Summary of Decision Claim Dismissed

Filed Trademark	Prior Registered Trademark
GOAT	GORT
Sweatshirts, vests, jackets, pants, shorts, etc.	Clothing, shoes, hats, winter masks (clothing), socks, underwear, scarves, neckties, leather belts, etc.

1. The filed trademark at issue and the prior registered trademark have a difference in their overall visual appearance, as their third letters are different ("A" and "R") and their typefaces are also different. In addition, the meaning of the filed trademark at issue is "goat," and it has recently also been used among some consumers as an abbreviation for "greatest of all time" to refer to the greatest player in history in a particular sport, whereas the prior registered trademark is a coined word with no dictionary meaning; thus, the two trademarks cannot be said to be similar in concept.
2. The filed trademark at issue and the prior registered trademark are both

pronounced as "Go-teu" by Korean speakers, making their pronunciations similar.

A. The plaintiff asserts that the filed trademark at issue can also be pronounced as "Go-u-teu." However, taking into account the following circumstances as a whole: ① considering the general level of English education in Korea, it is difficult to expect domestic ordinary consumers or traders to distinguish even the difference between long and short vowels; and ② other English words ending in ⁻OAT are also generally pronounced in the same way by Korean speakers (for example, "BOAT" is pronounced as "Bo-teu" and "COAT" as "Ko-teu"), it is reasonable to find that the pronunciation of the filed trademark at issue is "Go-teu."

B. The plaintiff asserts that the prior registered trademark is pronounced as "Go-reu-teu." However, taking into account the following circumstances as a whole: ① considering the general level of English education in Korea, it is not very easy for domestic ordinary consumers or traders to properly pronounce the "R" occurring between the alphabet vowel "O" and the consonant "T"; ② other English words ending in -ORT are also generally pronounced in the same way (for example, "PORT" is pronounced as "Po-teu" and "SORT" as "So-teu"); and ③ when searching for "GORT" on internet portal websites, the prior registered trademark with the Korean word "고트(Go-teu)" written alongside appears as a search result, whereas there is no recognized specific usage reality of showing "GORT" transcribed as "고르트(Go-reu-teu)," it is reasonable to find that the pronunciation of the registered trademark at issue is also "고트(Go-teu)."

3. Although there are some differences in appearance and concept between the filed trademark and the prior registered trademark at issue, those differences do not appear prominently, whereas they are pronounced identically as "Go-teu"; thus, if both trademarks are used together on identical or similar goods, there is a risk of causing misconception and confusion among ordinary consumers or traders as to the source of the goods, so it is proper to deem the marks similar to each other.

Significance of Decision

A case determining whether the marks are identical or similar in light of the general level of English education among ordinary consumers and traders and the conventional pronunciations of other similar English words.

Case on COCINA

(First Division) Decision 2025Heo10296, Decided Oct. 30, 2025

Subject Matter	[Trademark Right] COCINA 코시나 (Designated goods: Water-saving showers, showerheads, etc.)
Administrative Decision	IPTAB Decision 2023Won1977 (Feb. 4, 2025)
Category	Decision of Rejection (Trademark)
Relevant Provision	Trademark Act, Article 34(1)13
Relevant Decisions	Supreme Court Decision 2017Hu752 (Aug. 14, 2019); Supreme Court Decision 2013Hu1986 (Jan. 23, 2014); Supreme Court Decision 2020Hu11431 (Dec. 30, 2021)

Main Issues and Holdings

1. A case holding that the prior used trademarks were recognized among domestic consumers as trademarks of a specific person, taking into account factors as a whole including the duration of use, advertising history, and the number of product reviews of the prior used trademarks as of the application for the filed trademark at issue
2. A case holding that, where demographic details such as the age, gender, regional distribution of the participants in a trademark awareness survey are unknown, it is difficult to accord credibility to its results; and even if

otherwise, the fact that 30% of the respondents answered that they had heard or seen the prior used trademarks rather serves as grounds to presume that the prior used trademarks had become recognized as the trademarks of a specific person.

3. A case holding that the plaintiff filed the application for the filed trademark at issue for an unfair purpose, taking into account circumstances as a whole including that the marks and goods of the filed trademark at issue and the prior used trademarks are each identical or similar, and that the plaintiff had previously experienced rejections of trademark applications due to prior applications filed by third parties.

Case Overview

After an examiner of the Korean Intellectual Property Office (KIPO) published the application for the filed trademark at issue, BAROWA Co., Ltd. (hereinafter "Non-party Company") filed an opposition to the trademark registration. The examiner of the KIPO rendered decision rejecting the registration of the filed trademark at issue on the ground that it falls under Article 34(1)13 of the Trademark Act. In response, the plaintiff filed an appeal from the examiner's decision of rejection, but the IPTAB rendered an administrative decision dismissing the plaintiff's appeal on the same ground as the above decision of rejection.

Summary of Decision Claim Dismissed (IPTAB Decision Lawful)

1. Whether the Prior Used Trademarks Were Recognized Among Domestic Consumers as Trademarks of a Specific Person

Taking into account circumstances as a whole—such as that the Non-party

Company appears to have sold products and continuously conducted advertising and promotional events bearing the marks in actual use on product names, packaging, etc., since 2016; that there are a large number of product reviews for the goods; that the Non-party Company entered into an advertising contract with Coupang Co., Ltd.; that a large number of purchase reviews regarding the Non-party Company's products were posted on Naver blogs; and that the marks in actual use and the prior used marks are similar in appearance and appellation, and thus the history of using the marks in actual use can be considered in determining the recognition of the prior used trademarks—it is reasonable to find that the prior used trademarks were recognized among domestic consumers as the trademarks of a specific person as of the filing date of the filed trademark at issue.

Regarding the trademark awareness survey conducted by the plaintiff, as no data was submitted to identify the age, gender, and regional distribution of the subjects, it is difficult to accept the objective evidentiary value of the statistical data as presented. Even if credibility were accorded to the above survey results, the fact that approximately 30% of the respondents in the above awareness survey answered that they had heard or seen the prior used trademarks can rather serve as grounds to find that the prior used trademarks were recognized as trademarks indicating the goods of a specific person.

2. Whether the Plaintiff Filed the Application for the Trademark with an Unlawful Purpose

Taking into account the circumstances as a whole—such as that the marks of the filed trademark at issue and the prior used trademarks are identical or similar; that the prior used trademarks were known among domestic

consumers as the trademarks of a specific person with respect to goods such as "showers, showerheads," while the filed trademark at issue was filed designating goods identical to those on which the prior used trademarks were used, namely "water-saving showers, showerheads," etc., in Class 11 of the Classification of Goods; and that the plaintiff has applied for a total of 24 trademarks from 2012 to date and, in the course thereof, had experienced rejections on the grounds of Article 34(1)12 of the Trademark Act—it can be recognized that the plaintiff filed the application for the filed trademark at issue for an unlawful purpose, such as imitating the prior used trademarks to free-ride on the reputation or commercial goodwill embodied therein.

Significance of Decision

A case determining that, taking into account the usage period, advertising history, number of product reviews, and trademark awareness survey results of the prior used trademarks as a whole, the filed trademark at issue can be deemed to have become recognized among domestic consumers as the trademark of a specific person, and that an unlawful purpose is also recognized in light of circumstances including the identity or similarity of the marks and goods and plaintiff's prior trademark application history.

04 Article 34(1)7 of the Trademark Act (Identical or Similar to Prior Registered Trademark, etc.)

Case on PANDA

(Fifth Division) Decision 2024Heo11422, Decided May 22, 2025

Subject Matter	[Trademark (Registration)] 
Administrative Decision	IPTAB Decision 2022Dang2792 (Mar. 25, 2024)
Category	Invalidation of Registration (Trademark)
Relevant Provisions	Trademark Act, Articles 34(1)7 and 34(1)13
Relevant Decisions	Supreme Court Decision 99Hu1096 (Apr. 25, 2000); Supreme Court Decision 98Hu850 (Jul. 28, 2000); Supreme Court Decision 2000Hu2804 (Oct. 11, 2002); Supreme Court Decision 2000Hu3401 (Dec. 10, 2002); Supreme Court Decision 2002Hu1256 (May 14, 2004); Supreme Court Decision 2003Hu1192 (May 12, 2005); Supreme Court Decision 2003Do3906 (Jan. 26, 2006); Supreme Court Decision 2006Hu1964 (Nov. 9, 2006); Supreme Court Decision 2010Do7352 (Jan. 27, 2011); Supreme Court Decision 2012Da12849 (Jun. 26, 2014); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017); Supreme Court Decision 2017Hu752 (Aug. 14, 2019)

Main Issues and Holdings

1. Whether there is a likelihood of causing misconception or confusion as to the source of the goods if the registered trademark at issue is used on identical types of goods, as its mark and designated goods are identical or similar to those of the prior registered trademark, with respect to cafe services, restaurant services, snack bar services, self-service restaurant services, rental of chairs/tables/table linen and glassware, coffee/juice bar services, bar services, mobile catering services, and pub services (hereinafter referred to as the "Disputed Goods") among the designated goods of the registered trademark at issue (Affirmative)
2. Whether the designated goods of the registered trademark at issue are identical or similar to the prior registered trademark or prior registered service mark, with respect to hotel reservation services, accommodation facility guidance services, boarding house services, boarding house agency services, hotel services, campground facility provision services, conference room provision services, animal boarding services, and motel services (hereinafter referred to as the "Remaining Designated Goods"), excluding the Disputed Goods (Negative).
3. Whether the registered trademark at issue constitutes a trademark filed with an unfair purpose as a mark similar to the Prior Used Trademarks that had become recognized among foreign consumers as source identifiers indicating the goods of a specific person as of its filing date (Negative).

Case Overview

The IPTAB rendered an administrative decision to the effect that the registered trademark at issue does not fall under Articles 34(1)7 and 34(1)13 of the former Trademark Act (prior to amendment by Act No. 19089 on Oct. 31, 2023; hereinafter referred to as the "Former Trademark Act") because its mark is not similar to any of the prior registered trademark, the prior registered service mark, and the Prior Used Trademarks 1 and 2, and the plaintiff filed a lawsuit seeking the revocation of the above administrative decision.

Registered Trademark at Issue	
Prior Registered Trademark	PANDA
Prior Registered Service Mark, Prior-Used Trademark 1	PANDA EXPRESS
Prior-Used Trademark 2	
Prior-Used Trademark 3	

Summary of Decision Claim Granted in Part (IPTAB Decision Revoked in Part)

The IP High Court determined that the registered trademark at issue falls under Article 34(1)7 of the Former Trademark Act with respect to the Disputed Goods among its designated goods as the mark and designated goods are similar to those of the prior registered trademark; does not fall under Article 34(1)7 of the

Former Trademark Act with respect to the Remaining Designated Goods as the designated goods are not similar to those of the prior registered trademark or prior registered service mark; and does not fall under Article 34(1)13 of the Former Trademark Act, as an unfair purpose is not recognized in relation to the Prior Used Trademarks recognized as the marks of a specific person at the time of the filing. Therefore, the portion of the administrative decision at issue concerning the Disputed Goods was revoked, while concluding that the remaining portion was justified in its conclusion despite some deficiencies in its reasoning. The specific reasons are as follows.

1. Whether the Registered Trademark at Issue and the Prior Registered Trademark Are Identical or Similar in Mark and Designated Goods with Respect to the Disputed Goods

   A. Similarity of Marks

   The registered trademark at issue  is a combined mark in which the figurative part , which depicts the face of a "giant panda," a rare animal from China, is positioned at the top, and a word part composed of the FAIT and PANDA is positioned at the bottom. Taking into account the circumstances as a whole—such as that ordinary consumers, upon seeing the above figurative part and the PANDA among the word part of the registered trademark at issue, will likely remember or associate the registered trademark at issue with the pronunciation and concept of "Panda," that PANDA is recognized for its intrinsic distinctiveness with respect to the Disputed Goods among the designated goods of the registered trademark at issue and can serve as an independent part

performing the source-identifying function for the goods; and that it is difficult for ordinary consumers to recall a specific concept or pronunciation for FAT of the registered trademark at issue, so the registered trademark at issue can be abbreviated in pronunciation and concept to solely the figurative part or PANDA—the essential part of the registered trademark at issue can be determined to be the or PANDA. When comparing the essential part or PANDA of the registered trademark at issue with the prior registered trademark PANDA, their pronunciation and concept are identical, giving rise to a likelihood of causing misconception or confusion as to the source of the goods when ordinary consumers and traders encounter them at different times and places.

B. Similarity of Designated Goods

The Disputed Goods among the designated goods of the registered trademark at issue constitute goods identical or similar to the designated goods of the prior registered trademark, such as restaurant services, in that they provide services such as selling food and beverages.

2. Whether the Designated Goods of the Registered Trademark at Issue Are Identical or Similar to Those of the Prior Registered Trademark or Prior Registered Service Mark with Respect to the Remaining Designated Goods

It is difficult to conclude that the Remaining Designated Goods among the designated goods of the registered trademark at issue are identical or similar to those of the designated goods of the prior registered trademark or prior registered service mark (such as restaurant services in Class 42 of the

Classification of Service Marks) in light of commercial realities, such as the nature, content, and method of provision of the goods and services provided, as well as the scope of consumers.

3. Whether the Registered Trademark at Issue Constitutes a Trademark Filed for an Unfair Purpose as a Mark Similar to the Prior Used Marks That Had Become Recognized Among Foreign Consumers as Source Identifiers Indicating the Goods of a Specific Person as of Its Filing Date

A. Degree of Recognition of the Prior Used Marks

Taking into account factors as a whole—including the duration for which plaintiff used the Prior Used Marks, plaintiff's number of stores, sales revenue, trademark application and registration history, advertising expenditures, media coverage, and records of blog postings—it must be found that the Prior Used Marks had become recognized as trademarks of a specific person as of the filing date of the registered trademark at issue.

B. Whether an Unfair Purpose Is Recognized

Taking into account the circumstances as a whole—such as that the awareness of the Prior Used Marks appears to have been acquired based on the distinctiveness as the whole rather than solely on the "PANDA" part; the differences in appearance, among others, between the marks of the registered trademark at issue and the Prior Used Marks; that the defendant, the applicant of the registered trademark at issue, is a Chinese corporation located in China and thus has a legitimate reason to include "PANDA," an animal symbolizing its own country, into its mark; and that there is no data showing that negotiations took place between the plaintiff and the

defendant concerning the trademark, or that the defendant specifically prepared a business using the registered trademark at issue—it is not recognized that the defendant had an unfair purpose in connection with the application for the registered trademark at issue.

Significance of Decision

A case that specifically determining the similarity of marks and designated goods, whether a trademark has become known as a source identifier of a specific person, and whether an unfair purpose is recognized

05 Article 34(1)13 of the Trademark Act (Trademark with Unlawful Purposes)

Case on LES BOURGEOIS

(Fourth Division) Decision 2024Heo14322, 14339, Decided Mar. 20, 2025

Subject Matter	[Trademark (Registration)] 레 부르주아, LES BOURGEOIS
Administrative Decision	IPTAB Decision of Jul. 26, 2024, Case No. 2022Dang3163, 3164
Category	Invalidation of Registration (Trademark)
Relevant Provisions	Trademark Act, Articles 34(1)7 and 34(1)13
Relevant Decisions	Supreme Court Decision 2005Hu2908 (Aug. 25, 2006); Supreme Court Decision 2010Da20778 (Dec. 27, 2011); Supreme Court Decision 2014Hu1679 (Nov. 25, 2016); Supreme Court Decision 2015Hu1690 (Feb. 9, 2017); Supreme Court Decision 2017Hu752 (Aug. 14, 2019), etc.

Main Issues and Holdings

Whether there is a likelihood of causing misconception or confusion as to the source of the goods when the registered trademark is used on its designated goods, due to the mark being identical or similar to the prior registered trademark; and whether the registered trademark constitutes a trademark filed for an unfair purpose because the prior used trademark is similar to the registered trademark and had become recognized by foreign consumers as a source identifier indicating the goods of a specific person as of the filing date of the

registered trademark (Negative, Observation as a Whole)

Case Overview

The IPTAB rendered the administrative decision at issue dismissing the plaintiff's petition for an invalidation trial, finding that each of the Registered Trademark at issue does not fall under Article 34(1)7 of the Trademark Act as they are remarkably different in visual appearance from that of the Prior Registered Trademarks and their pronunciation and concept are not similar to each other.

Summary of Decision Claim Dismissed

Each Registered Trademark at Issue	Prior Registered Trademark	Prior-Used Trademark
14322 :레 부르주아 14339: LES BOURGEOIS	1. MOULINS BOURGEOIS 2. CRU BOURGEOIS	Les Bourgeois Vineyards
Sommelier advisory services relating to wine and food pairing, wine bar services, Western-style restaurant services, restaurant services, etc.	1: Flour and cereal preparations, bread, flour mixtures intended for baking, etc. 2: Wines protected by the appellations of origin "MEDOC," etc.	Winery services, retail services for wine, restaurant services, bar services.

1. Whether the Trademark Falls Under Article 34(1)7 of the Trademark Act (Negative)

   1) It is reasonable to determine that Prior Registered Trademark 1 is recognized by domestic ordinary consumers or traders as MOULINS BOURGEOIS

as a whole rather than as solely as BOURGEOIS portion, and Prior Registered Trademark 2 is recognized by domestic ordinary consumers or traders as  as a whole, in which the figurative and word parts are combined.

2) Each of the Registered Trademark at issue is a word mark consisting of either "Les bourgeois"—a combination of the French definite article "Les" and "bourgeois," meaning "middle-class, materialistic, snobbish, capitalistic"—or its Korean transliteration. In the Registered Trademark at issue, distinctiveness lies in the mark as a whole rather than in the individual constituent portions of "레, Les" or "부르주아, bourgeois," and the scope of rights is recognized with respect to the entire mark.

As examined above, the Prior Registered Trademarks are recognized among ordinary consumers and traders as a whole rather than solely as "bourgeois." Therefore, when compared and observed with the Registered Trademark at issue, the Registered Trademark at issue and the prior Registered Trademarks are clearly different in appearance as there are differences in the composition and typeface of the characters, the presence or absence of figures, and other features.

No data has been submitted to show that each of the Registered Trademark at issue and the Prior Registered Trademarks can be easily pronounced in French in light of the level of French education or the degree of enjoyment of wine culture among domestic ordinary consumers and traders. However, even if they are pronounced in the manner asserted by the plaintiff, their pronunciations are also different from one another in that each Registered

Trademark at issue would be called "레 부르주아 [Les Bourgeois]," Prior Registered Trademark 1 as "물랭 부르주아 [Moulin Bourgeois]," and Prior Registered Trademark 2 as "크뤼 부르주아 [Cru Bourgeois]." In addition, while each of the Registered Trademark at issue has the concept of "middle class, wealthy person," Prior Registered Trademark 1 further includes the regional name "Moulin" or the meaning of a mill, and Prior Registered Trademark 2 further includes the concept of a "vineyard"; thus, it is difficult to find their concepts as similar.

2. Whether the Trademark Falls Under Article 34(1)13 of the Trademark Act (Negative)

According to the submitted evidence, it is recognized that the prior users continuously used the Prior Used Trademark for winery services, retail services for wine, restaurant services, bar services overseas, including in the United States, from around 1985 to around 2024. In particular, it is recognized that they have used the Prior Used Trademark as the name of a winery located in Missouri, USA, and provided tourism programs offering lodging and wine experiences by establishing an internet website; that the winery using the Prior Used Trademark was introduced as the third-largest winery in Missouri on the English version of Wikipedia, an internet encyclopedia; and that wines produced by the winery using the Prior Used Trademark have won awards at wine competitions in the US. However, the above established facts alone are insufficient to conclude that the Prior Used Trademark was recognized as the trademark of a specific person among "domestic or foreign consumers" as a trademark indicating the goods of a specific person in connection with its used

goods around May 26, 2020, when the application for the Registered Trademark at issue was filed, and there is no other evidence to establish this.

Furthermore, the evidence submitted by the plaintiff alone does not reveal at all whether negotiations over the trademark took place between the defendant and the prior users or the substance thereof, the relationship between the defendant and the prior users, or commercial realities, etc.; therefore, it is insufficient to find that the defendant had an unfair purpose, and there is no other evidence to establish otherwise.

Significance of Decision

A case determining the identity or similarity of marks based on observation as a whole rather than essential portions, in light of the level of language education and the degree of cultural enjoyment among ordinary consumers and traders.

Case on Jean-Baptiste Golf Club

(Fourth Division) Decision 2025Heo10280, Decided Sep. 25, 2025

Subject Matter	[Trademark] Trademark Designating Golf Clubs, Golf Bags, Etc.
Category	Invalidation of Registration
Relevant Decisions	Supreme Court Decision 2013Hu2460 (Feb. 13, 2014); Supreme Court Decision 2012Hu672 (Jun. 28, 2012); Supreme Court Decision 2017Hu752 (Aug. 14, 2019)

Main Issues and Holdings

1. According to Article 4 of the Addenda of the Trademark Act, wholly amended by Act No. 14033 on February 29, 2016, the amended provisions of Article 34(1) (excluding the amended provisions of subparagraph 21 of the same paragraph) shall also apply to cases where a decision to register a trademark is made after the enforcement of this Act (Sep. 1, 2016) regarding an application for trademark registration filed before the enforcement of this Act. A case determining that the provisions of the wholly amended current Trademark Act apply because the registered trademark at issue was filed on December 7, 2015, prior to the amendment of the Trademark Act, but the decision to register the trademark was made on April 9, 2019, after the amendment
2. In a situation where the mark of the prior used trademark and the registered trademark at issue are identical, the trademark owner has a history of filing

multiple applications for unregistered foreign trademarks in Korea and having them rejected, and failed to submit any records regarding the conception of the mark of the registered trademark at issue, a case determining that the prior used trademark was recognized by consumers in a foreign country (Japan) as the trademark of a specific person at the time of the filing of the registered trademark at issue, considering the advertisement details, sales volume, sales revenue, and business clientele of the prior used trademark in Japan,

Case Overview

⭘ Comparison between the Registered Trademark at Issue and the Prior Used Trademark

Registered Trademark at Issue	Prior Used Trademark
	
Registered trademark at issue: Golf bags, golf bag carts, golf clubs, bags for golf, gloves for golf, golf gloves, golf club heads, golf club head covers, golf club shafts, golf club grips, bags for golf clubs, covers for golf clubs, golf tags, covers for golf clubs, golf putters, golf shoe bags, caddie bags, half bags, putting practice mats, golf drivers in Class 28 of the Classification of Goods	Golf clubs, etc.

⭘ Whether the Trademark Falls under Article 34(1)13 of the Trademark Act

(1) Whether the Prior Used Trademark Was Recognized by Foreign Consumers as a Trademark of a Specific Person

Taking into account the circumstances as a whole—such as that numerous

instances of advertising and promoting products using the prior used trademark in Japan were posted on the plaintiff's website before and after the filing date of the registered trademark at issue; that advertising articles were published several times in Japanese specialized golf magazines with an annual circulation of approximately 100,000 copies; that Japanese professional golfers sponsored by the plaintiff participated in various golf tournaments using the prior used trademark or achieved excellent results; that the plaintiff directly hosted golf tournaments twice, in which some of the participating players used golf clubs bearing the prior used trademark; and that products marked with the prior used trademark have been publicly introduced on various social media platforms—it is reasonable to conclude that at the time of the filing of the registered trademark at issue, the prior used trademark had become known to the extent that it could be recognized among consumers at least in Japan as the trademark of a specific person in connection with the used goods.

(2) Identity of the Marks and Whether an Unfair Purpose Exists

The two marks are identical in visual appearance, pronunciation, and meaning, and this is undisputed. While the two marks and the goods are completely identical, there are no materials to establish the background of how the defendant came to create the registered trademark at issue, or that defendant conceived and developed it on its own or through a third party. Considering that the defendant has filed and registered multiple trademarks identical or similar to other trademarks owned by the plaintiff, the defendant's unfair purpose is sufficiently recognized.

Significance of Decision

A case determining that the prior used trademark was found to have become recognized among consumers in a foreign country (Japan) as the trademark of a specific person, taking into account the advertisement details, sales volume, sales revenue, and business clientele of the prior used trademark in Japan at the time of the filing of the registered trademark at issue

06 Article 34(1)20 of the Trademark Act (Trademark Application in Violation of the Principle of Good Faith)

Case on Registration Invalidation of NK365 Trademark

(First Division) Decision 2024Heo12272, Decided Mar. 20, 2025

Subject Matter	[Trademark Right] NK365 (Class 29: Health functional foods primarily composed of zinc extracted from plants, etc.)
Administrative Decision	IPTAB Decision of Apr. 17, 2024, Case No. 2022Dang2270
Category	Invalidation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 34(1)20
Relevant Decisions	Supreme Court Decision 2019Hu10739 (Sep. 3, 2020); Supreme Court Decision 2020Hu10827 (Nov. 5, 2020)

Main Issues and Holdings

A case determining that the registered trademark falls under Article 34(1)20 of the Trademark Act because the plaintiff's subsidiary applied for the registration of a trademark identical to the mark used by the defendant for identical goods, despite knowing that it was a trademark used by the defendant through a contractual relationship or business relations

Case Overview

The plaintiff, through its subsidiary, filed an application for and obtained registration of the trademark that had been used while jointly developing,

manufacturing, and selling products after entering into a business alliance agreement and a product supply agreement with the defendant. The defendant filed a petition for an invalidation trial, arguing that the registered trademark falls under Article 34(1)20 of the Trademark Act. The IPTAB granted the defendant's claim, and in response, the plaintiff filed a lawsuit seeking the revocation of the administrative decision.

Summary of Decision Claim Dismissed

1. Taking into account the following circumstances as a whole, it is reasonable to determine that the plaintiff was well aware of the fact that the defendant was using the prior used trademark through the business alliance agreement and product supply agreement at issue, and the like; nevertheless, the plaintiff filed an application for the trademark identical to the prior used trademark for identical goods through its subsidiary and obtained registration of the registered trademark, which violates the Principle of Good Faith in its relation to the defendant.

   A. Under the business alliance agreement and product supply agreement at issue, the plaintiff and the defendant were in a cooperative relationship to jointly develop and sell the product at issue. Specifically, the defendant was to plan and manufacture the product and supply it to the plaintiff; the plaintiff was to retain ownership of the manufactured product while paying royalties to the defendant; and both the plaintiff and the defendant were permitted to advertise and sell the product through their respective platforms at their own expense and use each other's trademarks for joint marketing. Therefore, the defendant was in a position not merely to manufacture and

supply the product to plaintiff under a manufacturing consignment from plaintiff or sell a portion of the product in the capacity of plaintiff's distributor, but to directly advertise and sell the product under its own name.

B. Article 1 of the product supply agreement at issue explicitly states that "the plaintiff shall place orders for products planned and developed by the defendant, and the defendant shall manufacture and supply it." Furthermore, the plaintiff actively advertised that the defendant had developed the product at issue. Considering these circumstances, the defendant, who was in charge of the planning, development, and manufacturing of the product, cannot be deemed to be merely a contract manufacturer or distributor as asserted by the plaintiff.

C. Article 8(1) of the business alliance agreement at issue states, "The costs related to the registration of intellectual property rights (including rights to individual certifications) for the product at issue jointly developed by the plaintiff and the defendant shall be borne jointly, and the rights to such intellectual property rights shall be jointly owned by the plaintiff and the defendant." The said contractual provision is construed as providing that intellectual property rights related to the development and sale of the product in this case or rights concerning certifications by the Ministry of Food and Drug Safety, among others, jointly vest in the plaintiff and the defendant; while it is not explicitly specified that this joint ownership agreement includes trademark rights to the product in this case, the terms of the said agreement at least demonstrate that the plaintiff and the defendant conducted business jointly on an equal footing.

D. The plaintiff and the defendant fully reflected each other's opinions to select "NK365" as the mark to be used on the product at issue. Considering that the plaintiff at the time asked the defendant to "consider using NK365 as the product name without separate trademark registration because the likelihood of trademark registration for NK365 is low," it cannot be deemed that the intention of the plaintiff and the defendant at the time was to cause the rights to the registered trademark at issue (NK365) to vest solely in the plaintiff.

2. Since the registered trademark falls under Article 34(1)20 of the Trademark Act, its registration must be invalidated. The administrative decision at issue, which reached the same conclusion, is lawful.

Significance of Decision

A case that reached a well-reasoned conclusion through a more persuasive subsumption process by conducting a detailed review of specific facts and circumstances in determining whether the trademark falls under the grounds for invalidation under Article 34(1)20 of the Trademark Act

07 Limitations on Trademark Rights

Case on Deoksan Makgeolli

(Twenty-Second Division) Decision 2024Na10805, 10812, Decided Jun. 18, 2025

Subject Matter	[Trademark Right] DEOKSAN
Category	Claim for Agreed Amount (Principal Lawsuit), Claim for Performance of Trademark Right Transfer Registration Procedures (Counterclaim)
Relevant Decisions	Supreme Court Decision 88Hu1137 (Sep. 26, 1989); Supreme Court Decision 2004Do4420 (Jul. 28, 2006); Supreme Court Decision 99Do3997 (Dec. 7, 1999)

Main Issues and Holdings

A case determining that the defendant's marks in actual use constitute trademarks indicating a place of origin in a common manner, and thus the effect of the registered trademark at issue does not extend to them

Case Overview

The plaintiff, as the trademark right holder of the registered trademark at issue (mark 덕산, designated goods: Makgeolli, Yakju, etc.), asserted that the defendant's Actually Used Mark 1  and Actually Used Mark 2  infringe upon the plaintiff's trademark right. The defendant argued that the marks in actual use constitute trademarks indicating a place of origin in a common manner, meaning the effect of the trademark right does not extend to them, and

thus they do not infringe the trademark right.

Judgment of the First Instance Daejeon District Court Decision 2019GaDan128924 (Principal Lawsuit), 2020GaDan124492 (Counterclaim) (Feb. 15, 2024)

In the first instance, the plaintiff merely made a claim for the payment of agreed money without asserting trademark infringement; therefore, whether the registered trademark at issue was infringed was not an issue.

Summary of Decision Appeal Dismissed

❶ Relevant Legal Principles

Since Article 90(1)2 of the Trademark Act stipulates that the effect of a trademark right does not extend to a trademark indicating, in a common manner, the place of origin of goods identical or similar to the designated goods of a registered trademark, even if a trademark identical or similar to a registered trademark is used, it does not fall within the scope of rights of the registered trademark if the used trademark constitutes a "trademark indicating a place of origin in a common manner."

The "place of origin" of goods referred to in the above provision means the geographical name of the region where the goods are produced, and it does not necessarily mean only a place of origin widely known to general consumers or traders (see Supreme Court Decision 88Hu1137 [Sep. 26, 1989]). A "trademark indicated in a common manner" means that not only the external mode and

composition of the trademark but also the method of use applied to the goods are commonly used as an indication of the place of origin in light of conventions (see Supreme Court Decision 2004Do4420 [Jul. 28, 2006], etc.).

⊙ Whether the Defendant's Marks in Actual Use Constitute "Trademarks Indicating a Place of Origin in a Common Manner"

- Since the defendant's products, on which the defendant's marks in actual use were used, were manufactured at the Jincheon Deoksan Brewery located at 712, Chogeum-ro, Deoksan-eup, Jincheon-gun, Chungcheongbuk-do, "Deoksan" is the geographical name of the region where the defendant's products are produced. The defendant's Actually Used Mark 1  combines the Korean words "Deoksan" and "Yakju" in a plain font written together vertically, and a mark  where the small-sized Korean word "Gold" is written vertically at the bottom right of "Deoksan Yakju." Here, "Deoksan" is the place of origin of the defendant's goods bearing Actually Used Mark 1, "Yakju" is the common noun for goods bearing Actually Used Mark 1, and  is a descriptive mark intuitively giving the meaning of high quality, which is frequently used in marks or product names for beverages, health foods, alcoholic beverages, etc., in the same manner as in Actually Used Mark 1.

- The defendant's Actually Used Mark 2  combines the Korean words "Deoksan" and "Makgeolli" in a plain font written together vertically, and a Korean mark  for "Saeng" (Raw/Draft) of a smaller size is placed at the middle-left portion of "Deoksan Makgeolli." Here, "Deoksan" is the place of origin of the defendant's product, "Makgeolli" is the common noun for the

defendant's product, and  is a descriptive mark that allows one to intuitively perceive that the defendant's product is Saeng-makgeolli, that is, makgeolli as brewed without undergoing heat treatment for sterilization.

- The marks in actual use do not possess distinctiveness such as having their respective constituent parts rendered in unique fonts, colors, or stylization, and the modes or indication methods of such colors, fonts, etc., cannot be deemed to deviate from the generally selectable range; therefore, they constitute cases where a place of origin is indicated in a common manner.

Whether the Application of Article 90(1)2 of the Trademark Act Is Excluded Because "Deoksan" Is not Intuitively Perceived as the Place of Origin of the Product

The "place of origin" of goods under Article 90(1)2 of the Trademark Act refers to the geographical name of the region where the goods are produced, and it does not mean only those places of origin widely known to general consumers or traders. If the geographical name of the region where the goods are produced is used in a manner indicating it commonly, the application of Article 90(1)2 of the Trademark Act cannot be deemed excluded even if it is used as a trademark in a mode that indicates the source of the goods (see Supreme Court Decision 99Do3997 [Dec. 7, 1999]).

Significance of Decision

A case that specifically determined whether a mark constitutes a trademark indicating a place of origin in a common manner under Article 90(1)2 of the Trademark Act

08 Cancellation for Improper Use

Case on Registration Cancellation of Metal Link Inc. Trademark

(First Division) Decision 2024Heo12456, Decided Jun. 26, 2025

Subject Matter	[Trademark Right]  (Class 9 materials for power transmission lines, etc.)
Administrative Decision	IPTAB Decision of Mar. 26, 2024, Case No. 2022Dang1406
Category	Cancellation of Registration (Trademark)
Relevant Provision	Article 119(1)2 of the Trademark Act
Relevant Decisions	Supreme Court Decision 2013Hu1214 (Oct. 15, 2015); Supreme Court Decision 2004Hu813 (Nov. 10, 2005); Supreme Court Decision 2017Hu2178 (Feb. 13, 2020), etc.

Main Issues and Holdings

A case holding that the trademark at issue does not fall under Article 119(1)2 of the Trademark Act because it was not known to domestic consumers or traders to the extent that it could be recognized as the trademark of a specific person, meaning there is objectively no likelihood of causing misconception or confusion as to the source of goods, and in cases where licensees use an identical trademark on its designated goods, the specific mode of trademark use by the licensee did

not reach a level that could be evaluated as an act of unfair use of a registered trademark under socially accepted notions

Case Overview

After registering the registered trademark at issue on September 13, 2013, Shin In-hwa assigned the trademark right at issue to the defendant on February 20, 2018. On the same day, the Intervenor succeeding the defendant concluded a non-exclusive license agreement with the defendant and began using the registered trademark at issue. On May 13, 2022, the plaintiff filed a petition with the IPTAB for cancellation of the registered trademark at issue, and the IPTAB rendered an administrative decision dismissing the plaintiff's aforementioned petition on the grounds that, "During the period when the plaintiff held the status of a non-exclusive licensee of the registered trademark at issue, the trademark could not be recognized as a trademark of a specific source, meaning there was no risk of causing misconception regarding the quality of the goods or confusion with goods related to another person's business; therefore, the registered trademark at issue cannot be deemed to fall under Article 119(1)2 of the Trademark Act."

Summary of Decision Claim Dismissed

1. Whether the Plaintiff Held the Status of a Non-Exclusive Licensee (=Affirmative)

   A. Koo Jae-gwan used the subject mark while operating a sole proprietorship named "Metal Link." Koo subsequently established and operated the plaintiff and used the subject mark on the plaintiff's price estimates, etc.

Shin filed an application for the registered trademark at issue, which is identical to the subject mark, and the plaintiff, where Koo was the representative director, bore the costs related to the filing and registration of the registered trademark at issue while knowing that the registered trademark at issue was being filed and registered under the name of Shin. In light of this, it is evident that Koo had no intention of transferring the rights to the subject mark to the plaintiff, but rather intended to assign the rights to the subject mark to Shin instead of the plaintiff.

B. In light of the facts that internal approval for the payment of the aforementioned costs was made in accordance with the normal procedures within the plaintiff; that the plaintiff filed a petition for cancellation due to non-use concerning the registered trademark at issue after the plaintiff's management was changed; and that a provision stating "Trademarks filed or held by third parties including Shin In-hwa are excluded" was added to the settlement agreement executed on March 3, 2021, between the plaintiff and Koo, it is reasonable to deem that the plaintiff itself was also well aware that the rights to the registered trademark at issue did not belong to the plaintiff.

C. Considering that the defendant sent a warning letter to the plaintiff regarding the prohibition of trademark right infringement on February 26, 2021, which is approximately three years after acquiring the trademark right at issue from Shin on February 20, 2018, it can be reasoned that the plaintiff's non-exclusive license continued even after the defendant's acquisition of the trademark right at issue, until its establishment was implicitly terminated on February 26, 2021.

2. Whether the Plaintiff's Subject Mark Was Known to Consumers, Etc., As the Trademark of a Specific Person (=Negative)

In light of the following circumstances, the evidence submitted by the plaintiff alone is insufficient to find that the subject mark had become known to consumers or traders in general domestic transactions to the extent that it could be recognized as the trademark or goods of a specific person around the period when the Intervenor succeeding the defendant used the registered trademark at issue as a non-exclusive licensee. Therefore, there objectively exists no likelihood that the use of the trademark by the Intervenor Succeeding the defendant of the trademark would cause misconception or confusion regarding the source of goods between it and the goods of the subject mark.

A. Although the plaintiff's annual sales revenue consistently exceeded 20 billion KRW from 2010 to 2023, and in particular, the sales revenue in 2012, 2014, 2015, and 2016 exceeded 60 billion KRW, it is unknown whether all of the aforementioned sales revenue occurred in connection with the subject mark, such as from the sales of goods on which the subject mark was used. Even if all of the aforementioned sales revenue occurred in connection with the use of the subject mark, considering that the plaintiff's 2012 sales revenue accounts for merely about 0.49% compared to the total 2012 sales revenue (13,678,994,000,000 KRW) of the 66 companies registered with the Korea Electric Wire Industry Cooperative; that it is difficult to ascertain the significance of such sales figures in the relevant industry because no materials indicating the market

share of the plaintiff's goods other than for the year 2012 were submitted; and that the plaintiff's aforementioned sales revenue appears to include overseas sales revenue as well, it cannot be concluded that the subject mark had become known to domestic consumers or traders to a considerable extent.

B. Although the plaintiff spent a total of over 300 million KRW on advertising and promotion expenses from 2010 to 2023, there are no materials to verify the content, frequency, and method of the advertisements conducted by the plaintiff, making it difficult to determine the extent to which the subject mark was exposed in the domestic market through those advertisements.

C. Although the fact that the plaintiff attended overseas fairs or exhibitions several times is recognized, the use of the subject mark was confirmed in only a few of them, and even if the subject mark was advertised at overseas fairs or exhibitions, it cannot be concluded that it has a significant impact on domestic consumers or traders.

D. The majority of the press releases about the plaintiff concern the Bronze Tower Order of Industrial Service Merit received by Koo individually, and the remaining press releases are also about the plaintiff's exports, technological prowess, investments, etc. Thus, the subject mark was never directly revealed aside from the Hansan Shinmun article dated February 28, 2014 (and even then, only a part of it was displayed with the bottom of the subject mark cut off) and the Asia Economy News dated April 13, 2020.

3. Whether the Intervenor Succeeding the Defendant's Specific Mode of

Using the Trademark Reached a Level That Can Be Evaluated as an Act of Unlawful Use of a Registered Trademark under Commonly Accepted Notions of Use (=Negative)

A. Considering that in cases where licensees "use an identical trademark on its designated goods," it is anticipated from the beginning that confusion as to the source concerning the licensed trademark will occur among the licensees, and that Article 119(1)2 of the Trademark Act is aimed at promoting the safety of goods transactions by regulating licensees from unfairly using a registered trademark "beyond the scope of that license" contrary to the original purpose of the trademark system (see Supreme Court Decision 2009Hu3329 [Apr. 15, 2010]; Supreme Court Decision 2017Hu2178 [Feb, 13, 2020], etc.), in order to apply Article 119(1)2 of the Trademark Act, the specific mode of using the trademark by the Intervenor succeeding the defendant must reach a level that can be evaluated as an act of unfair use of a registered trademark under socially accepted notions, going beyond the scope of confusion that can generally arise due to the identity of the marks and designated goods in its relationship with the subject mark.

B. Only the fact that the Intervenor succeeding the defendant has used the registered trademark at issue on its designated goods without modification is recognized, and it is difficult to evaluate such a mode of trademark use as an act of unfair use of the registered trademark at issue under socially accepted notions.

Significance of Decision

A case determining that in order for an objective likelihood of causing misconception or confusion as to the source of goods to exist, the subject mark must have been known to the extent that it could be recognized as the trademark or goods of a specific person; that in cases where licensees use an identical trademark on its designated goods, the occurrence of confusion regarding the source of the trademark is anticipated from the beginning; and considering the intent of Article 119(1)2 of the Trademark Act, it can only fall under Article 119(1)2 of the Trademark Act when the licensee's specific mode of trademark use reaches a level that can be evaluated as an act of unfair use of a registered trademark under socially accepted notions

09 Cancellation for Nonuse

Case on Registration Cancellation of Go Baksa Naengmyeon Trademark

(First Division) Decision 2024Heo13916, Decided Jun. 5, 2025

Subject Matter	[Trademark Right] 고박사냉면(Class 43 snack bar services, etc.)
Administrative Decision	IPTAB Decision of Jun. 27, 2024, Case No. 2022Dang30850
Category	Cancellation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 119(1)3
Relevant Decisions	Supreme Court Decision 2012Hu2685 (Dec. 26, 2012); Supreme Court Decision 2009Hu3916 (Jun. 24, 2010)

Main Issues and Holdings

A case determining that the plaintiff's act of displaying a mark containing the registered trademark on a restaurant signboard constitutes the "use of a registered trademark," thereby avoiding cancellation for non-use under Article 119(1)3 of the Trademark Act

Case Overview

The defendant filed a petition for cancellation of registration, arguing that the registered trademark at issue falls under Article 119(1)3 of the Trademark Act because it had not been used in Korea continuously for three years or more prior

to the filing date of the petition with respect to all of its designated goods. The IPTAB upheld the defendant's claim, and in response, the plaintiff filed a lawsuit seeking the revocation of the administrative decision.

Summary of Decision Claim Granted (IPTAB Decision Revoked)

1. Constructive Confession Facts

The plaintiff asserts to the effect that the registered trademark was used by the trademark right holder within three years prior to the filing date of the petition because the plaintiff operated a Korean restaurant displaying the mark, "Pyeongtaek Go Baksa Naengmyeon ()" (hereinafter referred to as the "Trade Mark in Actual Use") on its signboard.

In response to this, the defendant failed to submit an answer or a pretrial brief and failed to appear on the trial date, even after receiving lawful service of process other than by service by public notice. Therefore, in accordance with Article 8(2) of the Administrative Litigation Act and Article 150(3) and (1) of the Civil Procedure Act, the defendant is deemed to have confessed the plaintiff's aforementioned asserted facts.

2. Identity between the Petition and the Registered Trademark

The Trade Mark in Actual Use combines "Pyeongtaek" in front of the registered trademark 고박사냉면 and modifies its font and color.

In general, it is common for marks containing the names of foods to indicate regional names together (see Supreme Court Decision 2009Hu3916 [Jun. 24, 2010]; according to the records, it can be deemed that there is also a restaurant

with the trade name "Yong-in Go Baksa Naengmyeon" in Yong-in-si), and even if "Pyeongtaek," the name of the region where the restaurant is located, was combined and used in front of "Go Baksa Naengmyeon," it cannot be found that "Pyeongtaek" itself possesses independent distinctiveness or that the mark as a whole combined with "Pyeongtaek" has come to possess a separate distinctiveness distinct from the registered trademark. In addition, the Trade Mark in Actual Use, like the registered trademark, is displayed in a relatively plain font and color, so it visually lacks any peculiarity to attract the attention of the general public. Therefore, even if there are some modifications, the identity between the Trade Mark in Actual Use and the registered trademark is recognized under the socially accepted notions of trade.

3. Conclusion

Since the plaintiff, the trademark owner of the registered trademark, used the registered trademark in Korea within three years prior to the filing date of the petition for "Korean restaurant services," which is a part of its designated goods, the registered trademark does not fall under Article 119(1)3 of the Trademark Act.

Significance of Decision

A case determining that, in a petition for cancellation of a registered trademark due to non-use, even if the trademark in actual use is not completely identical to the registered trademark, considering that the modified (added) part is merely a regional name and that the expressed font and color are relatively plain, identity with the registered trademark is recognized under the socially accepted notions of trade

10 Use on Goods Identical to the Designated Goods

Case on Wonkiso

(First Division) Decision 2025Heo10297, Decided Sep. 11, 2025

Subject Matter	[Trademark Right] 원기소 Wonkiso (Designated goods: excretion promoters, pharmaceuticals for alleviating constipation, etc.)
Administrative Decision	IPTAB Decision of Feb. 6, 2025, Case No. 2023Dang4078
Category	Cancellation of Registration (Trademark)
Relevant Provision	Trademark Act, Article 119(1)3
Relevant Decisions	Supreme Court Decision 2006Hu2967 (May 29, 2008); Supreme Court Decision 2005Hu1905 (Jun. 14, 2007)

Main Issues and Holdings

A case holding that the meaning (scope of inclusion) of "designated goods" must be interpreted and determined in accordance with socially accepted notions of trade as of the time of the decision to register the registered trademark, and determining based thereon that the designated goods and the goods on which the registered trademark was used constitute goods that can be deemed identical under socially accepted notions of trade

Case Overview

The defendant filed a petition for cancellation of the registered trademark at issue

against the plaintiff, claiming that the trademark falls under Article 119(1)3 of the Trademark Act. The IPTAB rendered an administrative decision upholding the defendant's claim on the grounds that the registered trademark at issue cannot be said to have been used in connection with any of the designated goods for which the plaintiff claims use within three years prior to the filing date of the petition for cancellation, and therefore its registration must be canceled as it falls under Article 119(1)3 of the Trademark Act.

Summary of Decision Claim Granted (IPTAB Decision Revoked)

1. Issue in This Case

Since there is no dispute between the parties regarding the fact that Wonki House, the exclusive licensee of the registered trademark at issue, used a trademark identical to the registered trademark at issue on "Wonkiso Intestinal Health Plus Multibiotics" (hereinafter referred to as the "Product in This Case"), the issue is whether the Product in This Case constitutes goods that can be deemed identical under socially accepted notions of trade to "excretion promoters" or "pharmaceuticals for alleviating constipation" (hereinafter collectively referred to as the "Designated Goods in this Case").

2. Determination on the Issue

A. The Product in This Case constitute a health functional food containing probiotics as its main ingredient, which can help increase lactic acid bacteria, suppress harmful bacteria, facilitate smooth bowel movements, and aid intestinal health.

① Subparagraph 1 of Article 3 of the Health Functional Foods Act defines

"health functional foods" as "foods manufactured using raw materials or ingredients possessing functionality useful for the human body." ② "Probiotics," the main ingredient of the Product in This Case, is a raw material with possessing functionalities that help increase lactic acid bacteria, suppress harmful bacteria, facilitate smooth bowel movements, and aid intestinal health. ③ The packaging of the Product in This Case states, "This product is a health functional food, not a pharmaceutical product for the prevention and treatment of diseases."

B. It is reasonable to conclude that the Designated Goods in this Case include both "pharmaceutical products" having the function of alleviating constipation and "health functional foods" that do not fall under pharmaceuticals.

1) Under the Pharmaceutical Affairs Act, a "pharmaceutical product" refers to an article falling under any of the following: "Those, other than quasi-drugs, among the articles listed in the Korean Pharmacopoeia," "Articles, other than appliances, machinery or equipment, used for the purposes of diagnosing, treating, mitigating, treating, or preventing diseases of human beings or animals;," or "Articles, other than appliances, machinery or equipment, used for the purpose of exerting a pharmacological effect on the structure or functions of human beings or animals" (Pharmaceutical Affairs Act. Art. 2(4)).

2) Among the Designated Goods in this Case, "excretion promoters" means "substances that promote or facilitate the excretion of the human body," and pharmaceutical preparations for alleviating constipation" means

medicinal agents used to alleviate constipation symptoms of the human body." Considering that ① the Designated Goods in this Case are not articles listed in the Korean Pharmacopoeia; ② the concept of "medicinal agent(yakje)" is not defined under the current Pharmaceutical Affairs Act, and even by its dictionary definition, is merely similar to, but not identical with, "pharmaceutical product," and "constipation" is not classified as a disease by the Ministry of Food and Drug Safety; and ③ there are numerous instances in trade where products formerly sold as pharmaceutical products have transitioned to and been sold as health functional foods, it cannot be found that the Designated Goods in this Case are strictly limited only to "pharmaceutical products" under the Pharmaceutical Affairs Act.

3) As above, the aspects of the conceptual definitions of "health functional foods" and "pharmaceutical products" differ, but for articles containing the same ingredients or content, the Ministry of Food and Drug Safety allows an applicant to receive approval by choosing either as a pharmaceutical product or a health functional food depending on the purpose of use. Therefore, even if they are articles containing identical ingredients and content under the Pharmaceutical Affairs Act, the Designated Goods in this Case—excretion promoters and pharmaceuticals for alleviating constipation—can be classified as either pharmaceutical products or health functional foods depending on the purpose of use.

4) Furthermore, taking all of the following into account: ① in the Notification on the Names and Classification of Goods and Services

(KIPO Notification No. 2011-28), which was in effect at the time of the decision to grant registration for the registered trademark at issue specifically listed "food supplements for general dietary or health purposes" as an example of goods included in "Class 5," the classification of the Designated Goods in this Case; ② the subsequently enforced Notification on the Names and Classification of Goods (KIPO Notification No. 2017-14) and Notification on the Names and Classification of Goods (KIPO Notification No. 2020-35) added the classifications of "laxatives," "dietary fiber for treating constipation," and "probiotic supplements" to Class 5; and ③ the former Enforcement Rule of the Trademark Act (amended by Ordinance of the Ministry of Trade, Industry and Energy No. 405 on Dec. 30, 2020), which came into effect on Feb. 1, 2021, added "dietary supplements, health functional foods" as corresponding goods (examples) to Class 5 in [Attached Table 1] Article 28(1) for the first time, it is reasonable to conclude that at the time of the decision to grant registration for the registered trademark at issue, the Designated Goods in this Case included all of pharmaceutical products, health functional foods having the function of alleviating constipation, and dietary supplements.

5) Furthermore, taking all of the following into account: ① constipation means "a symptom where feces remain in the large intestine for a long time and are not normally evacuated" and is not classified as a disease by the Ministry of Food and Drug Safety; ② when constipation occurs, dietary therapy and exercise therapy are primarily used for treatment, and in severe cases, the method of concurrently administering

pharmacotherapy is commonly used; and ③ other registered trademarks applied for and registered designating "excretion promoters" or "pharmaceuticals for alleviating constipation" are also being used on health functional foods, it is reasonable to find that, in light of trade reality, the Designated Goods in this Case are perceived as a generic term for substances having the function to relieve constipation, rather than being recognized as limited strictly to pharmaceutical products.

C. The Designated Goods in this Case and the Product in This Case are substances that help facilitate smooth bowel movements, are produced by manufacturers that have obtained relevant production facility approvals, are mainly sold on the internet or in pharmacies, and the consumers of both goods are persons seeking to relieve constipation symptoms. Thus, their purpose, quality, distribution channels, suppliers, and consumers are identical or similar, making them goods that possess identity under socially accepted notions of trade.

Significance of Decision

A case interpreting the meaning (scope of inclusion) of the designated goods at the time of the decision to grant registration for the registered trademark by considering the definition of designated goods, the definition of health functional foods under the Health Functional Foods Act, the definition of pharmaceutical products under the Pharmaceutical Affairs Act, KIPO Notifications, and specific trade realities, and based on this, determining that the designated goods and the goods on which the registered trademark was used are goods that can be deemed identical under socially accepted notions of trade.

11 Three Consecutive Years of Nonuse Without Justifiable Grounds

Case on DoctorsNow

(Fourth Division) Decision 2024Heo15431, Decided Apr. 17, 2025

Subject Matter	[Trademark (Registration)] DoctorsNow
Administrative Decision	IPTAB Decision of Oct. 18, 2024, Case No. 2022Dang3319
Category	Cancellation of Registration (Trademark)
Relevant Provisions	Trademark Act, Articles 119(1)3 and 119(3)
Relevant Decisions	Supreme Court Decision 80Hu70 (Feb. 23, 1982); Supreme Court Decision 2001Hu188 (Apr. 24, 2001); Supreme Court en banc Decision 2012Hu2463 (Sep. 26, 2013); Supreme Court Decision 2011Hu354 (Jun. 30, 2011), etc.

Main Issues and Holdings

A case in which it was held that, even if the registered trademark at issue could not be used for "telemedicine services" and "remote dental services" among the designated goods/services at issue during the period from Nov. 28, 2019 to Nov. 27, 2022, which falls within the three years prior to the filing date of the petition, due to legal regulations concerning non-face-to-face medical treatment, there was no justifiable reason for the non-use

Case Overview

The IPTAB cancelled the registration of the trademark on the ground that the plaintiff's registered trademark at issue had not been used in Korea for a continuous period of three or more years prior to the filing date of the petition at issue without justifiable reason. The IP High Court determined that it could be established, either as undisputed between the parties or in light of the overall purport of the entire pleadings, that the registered trademark at issue had not been used in Korea within the three years prior to the filing date of the petition at issue. In response, the plaintiff argued that there was a justifiable reason for the non-use because non-face-to-face medical treatment had not been legally permitted during part of the above three-year period.

Summary of Decision Claim Dismissed

1. Whether There Is a Justifiable Reason for Non-Use Because Non-Face-to-Face Medical Treatment Was Not Permitted Prior to Dec. 15, 2020, during the 3-Year Period (Negative)

   1) From Dec. 15, 2020, the enforcement date of Article 49-3 of the Infectious Disease Control and Prevention Act, the Ministry of Health and Welfare temporarily permitted non-face-to-face medical treatment without patients having to physically visit medical institutions if safety could be secured according to a doctor's decision, targeting medical institutions nationwide wishing to participate in non-face-to-face medical treatment during the issuance period of the severe crisis alert for the COVID-19 infectious disease. Therefore, at least from Dec. 15, 2020, when the legal regulations

on non-face-to-face medical treatment temporarily began to be lifted, it is difficult to find that there were any particular legal impediments to using the registered trademark at issue for "telemedicine services, teledentistry services" or that there were circumstances of non-use of the trademark not attributable to the fault of the trademark right holder.

2) Rather, in light of a newspaper article around Mar. 14, 2022 (Defendant's Exhibit No. 3) to the effect that "the number of patients who received non-face-to-face medical services steadily increased from February 2020 to January 2022, and the applications providing non-face-to-face medical services reached about 20," it appears that services related to "telemedicine services, teledentistry services" could have been sufficiently provided within 3 years prior to the filing date of the petition at issue.

3) The Plaintiff stated at the first oral argument date on Apr. 2, 2025, "Although non-face-to-face medical treatment was temporarily permitted triggered by COVID-19 around 2020, which is within 3 years prior to the filing date of the petition at issue, the Plaintiff, as a medical professional, was frantic with the COVID-19 response and did not prepare to use or actually use the registered trademark at issue at that time with the intention to use the registered trademark at issue after the system regarding non-face-to-face medical treatment was fully established" (refer to the 1st Protocol for Oral Argument dated Apr. 2, 2025). However, this is merely the Plaintiff's subjective circumstance, and as examined above, in light of the situation at the time when legal restrictions on non-face-to-face medical treatment were lifted and the use of non-face-to-face medical services

increased accordingly, it cannot be found that there is a justifiable reason for the non-use of the trademark citing the Plaintiff's personal circumstances as above.

2. Argument that the requirements for cancellation due to non-use are not met because the period from when non-face-to-face medical treatment was permitted to the filing date of the petition falls short of "3 years" (Negative):

1) Article 119(1)1 of the Trademark Act prescribes a case where a registered trademark has not been used on designated goods without justifiable reasons for 3 years retroactively from the filing date of the petition as one of the grounds for cancellation of trademark registration, and paragraph 3 of the same Article recognizes an exception only when there is a justifiable reason for non-use. The registration cancellation system due to non-use of a trademark is intended to rectify the harmful effects that may arise by adopting the registration principle, which allows a trademark to be registered regardless of its use as long as certain requirements are met, and to expand the opportunities for others to select trademarks (see Supreme Court Decision 2012Hu2463 En Banc [Sep. 26, 2013]; Supreme Court Decision 2011Hu354 [Jun. 30, 2011], etc.). Thus, it imposes a duty on the trademark right holder or licensee to use the registered trademark on the designated goods and allows the trademark registration to be canceled as a sanction against non-use of the trademark for a certain period.

In light of the content and structure of the provisions of Article 119 of the Trademark Act and the purpose of the registration cancellation system for unused trademarks as such, it should be deemed that a justifiable reason

exists only when it can be objectively deemed that there existed force majeure circumstances making it impossible to use the trademark over the entirety or a substantially significant period of the entire 3-year period. If the use of the trademark was restricted only for a partial period but was possible for the remaining significant period and yet was not used, it cannot be concluded that there was a justifiable reason for non-use during the entire 3-year period.

Significance of Decision

A case determining that, in light of the purpose of the non-use cancellation system, a justifiable reason for non-use of a trademark can only be recognized when it can be objectively deemed that there existed force majeure circumstances making it impossible to use the trademark over the entirety or a significant period based on the entire 3-year period

12 Identity or Similarity of Trademarks

Case on Confirmation of Scope of Rights for Haribo

(Second Division) Decision 2024Heo12388, Decided Feb. 14, 2025

Subject Matter	[Trademark Right] Three-Dimensional Trademark, Bear-Shaped Jelly (No. 1183780)
Administrative Decision	IPTAB Decision of Apr. 9, 2024, Case No. 2023Dang831
Category	Confirmation of Scope of Rights (Trademark)
Relevant Decisions	Supreme Court Decision 2006Hu2295 (Jul. 10, 2008); Supreme Court Decision 2004Do5034 (Oct. 15, 2004); Supreme Court Decision 2011Da18802 (Jan. 24, 2013)

Main Issues and Holdings

1. A case determining that in a trial for confirmation of the scope of rights of a bear-shaped three-dimensional trademark, the subject mark for confirmation, which is one of the bear-shaped jelly forms sold at the plaintiff's store, was used solely in a design sense and cannot be found to have been used as a distinguishing mark of goods, i.e., as a trademark
2. A case determining that various bear-shaped jellies are distributed and sold in the market, and these will all be referred to and conceptualized by generic terms such as "bear-shaped jelly"; thus, even if both the registered trademark at issue and the subject mark for confirmation can be referred to and conceptualized as "bear-shaped jelly," etc., it cannot be concluded that the two marks are similar to each other

Case Overview

The defendant is the trademark owner of the following three-dimensional trademark (hereinafter referred to as the "Registered Trademark at Issue").



The plaintiff filed a petition for a negative confirmation of the scope of rights claiming that the subject mark for confirmation below does not fall within the scope of rights of the registered trademark at issue, but the IPTAB dismissed the petition on the grounds that "the subject mark for confirmation was used as a trademark functioning as a source indicator, and its mark and designated goods are similar to those of the registered trademark at issue."



Summary of Decision IPTAB Decision Revoked (Outside the Scope of Rights)

1. Trademark Use

A. The following facts are established:

1) The plaintiff sells jellies of various shapes, including cola bottles, worms, turtles, fruits, alphabets, and hearts, as well as bear-shaped jellies identical to the subject mark for confirmation, putting them in

packaging bearing the Weeny Beeny or 

.

2) Meanwhile, the Haribo side rebranded the "Dancing Bear" in 1960 and launched "GOLD-Bären," meaning "golden bear," and the shape of the "GOLDBÄREN, Goldbären" (bear-shaped jelly) finalized in 1978 has been maintained to this day.

B. In light of the following circumstances, the subject mark for confirmation was used solely in a design sense, and cannot be deemed to have been used as a distinguishing mark of goods, i.e., as a trademark.

1) Even before the filing of the registered trademark at issue, various bear-shaped jellies from multiple companies including the plaintiff and "Haribo" had been launched in Korea, and they are distributed and sold displaying their respective word marks to enable the distinction of one's own goods from those of others.

2) Although "Haribo" bear-shaped jelly goods appear to have been known to general domestic consumers to some extent at the time of the administrative decision at issue, "Haribo" sells jellies of various shapes, and the word mark "HARIBO" was used together on all these products, and various bear-shaped jelly goods from multiple companies were already being distributed in the commercial market.

2. Similarity

A. Comparison of Appearances of Marks

Both the registered trademark at issue and the subject mark for confirmation feature a bear shape, sharing the same motif. However, the scope of rights

of the registered trademark at issue cannot be extended to the general motif of "bear-shaped jelly," but is strictly limited to the specific manner of expression of the three-dimensional trademark. Comparing their appearances, there are some commonalities, but there are differences in the ears, nose, limbs, whether it is a smiling face, whether it appears to be standing, and whether there is an outline outside the bear shape.

B. Comparison of Appellations and Concepts

Both the registered trademark at issue and the subject mark for confirmation are jellies shaped like bears, and will be referred to and conceptualized as "bear-shaped jelly," "bear jelly," "teddy bear jelly," "jelly bear," "gummy bear," or "bear," "teddy bear." However, various bear-shaped jellies are being distributed and sold in the domestic market, and these will all be referred to and conceptualized by generic terms such as "bear-shaped jelly." Thus, even if both the registered trademark at issue and the subject mark for confirmation can be referred to and conceptualized as "bear-shaped jelly," etc., it cannot be concluded that the two marks are similar to each other merely because such generic appellations and concepts are similar.

Significance of Decision

A case that specifically determining whether they are identical or similar and whether there was trademark use regarding a three-dimensional trademark

13 Exhaustion of Trademark Rights

Case on Modification of Luxury Bags

(Thirty-First Division) Decision 2023Na11283, Decided Oct. 28, 2024

Subject Matter	[Trademark Right]  (No. 330235: Class 18 Shoulder Bags, Handbags, Non-Precious Metal Wallets, etc.). (No. 109060: Class 25 Wallets, Handbags, Etc.)
Category	Prohibition of Trademark Infringement, etc.
Relevant Decisions	Supreme Court Decision 2006Hu2295 (Jul. 10, 2008); Supreme Court Decision 2004Do5034 (Oct. 15, 2004); Supreme Court Decision 2011Da18802 (Jan. 24, 2013)

Main Issues and Holdings

1. Qualification as "goods" of the products manufactured by Defendant through modification (hereinafter referred to as the "Modified Products") (Affirmative)
2. Whether the defendant used the plaintiff's trademarks (Affirmative)
3. Whether the defendant used the plaintiff's trademarks in the course of business (Affirmative)
4. Whether the plaintiff's trademarks displayed on the Modified Products function as an indicator of source (Affirmative)

5. Whether the modified Products were processed to the extent of impairing their identity with the pre-modification products (Affirmative)

6. Whether the modification in this case constitutes a justifiable act lacking unlawfulness in light of the rights of consumers who purchased the pre-modification products, etc. (Negative)

Case Overview

1. The defendant modified the pre-modification products in this case to manufacture different shapes of bags or wallets through the following processes:

Receive Used Bag from Consumer	Disassemble Used Bag and Cut Fabric	Manufacture New Bag, Etc. Using the Fabric
		

Receive Used Bag from Consumer	Disassemble Used Bag and Cut Fabric	Manufacture New Wallet Using the Fabric
		

2. The plaintiff, Louis Vuitton Company, filed a lawsuit seeking an injunction

against trademark infringement and damages against the defendant, who operates a bag repair business under the trade name "Gangnamsa." The gist of the plaintiff's cause of action and claims is that the defendant produced new bags and wallets displaying the plaintiff's trademarks from around 2017 to around 2021, thereby engaging in the "act of displaying a trademark on goods" under Article 2(1)(xi)(a) of the Trademark Act, and delivered the products to modification-ordering customers, thereby engaging in the "act of delivering goods on which a trademark is displayed" under Article 2(1)(xi)(b) of the Trademark Act. Since such acts of the defendant constitute a violation of Article 89 and an act of trademark infringement under Article 108(1) of the Trademark Act, the plaintiff sought an injunction against the acts of trademark infringement and damages of KRW 30,000,000 against the defendant.

Judgment of the First Instance Seoul Central District Court Decision 2022Gahap513476 (Oct. 12, 2023)

The court of first instance held that the defendant's acts of producing each of the modified products in this case (hereinafter referred to as the "Modified Products") by modifying the plaintiff's bags and returning them to the bag owners constituted an infringement of the plaintiff's trademark rights, thereby granting the claim for an injunction and partially granting the claim for damages in the amount of KRW 15,000,000 (the defendant appealed).

Summary of Decision Appeal Dismissed

Since the defendant infringed the plaintiff's trademark rights regarding the trademarks at issue by displaying the trademarks at issue on the Modified

Products and delivering them to modification-ordering customers, the defendant has a duty to refrain from manufacturing the Modified Products in this case using bag fabric on which the trademarks at issue are displayed. The defendant has a duty to compensate the plaintiff for damages arising from trademark infringement, and it is reasonable to set the plaintiff's damages at KRW 15,000,000.

The arguments and determinations on each issue in this case are as follows:

1. Qualification of Modified Products as "Goods" (Affirmative)

The plaintiff argues that the Modified Products qualify as "goods" under Article 2 of the Trademark Act and that the Trademark Act applies, whereas the defendant argues that the Modified Products do not qualify as "goods" under Article 2 of the Trademark Act and that the Trademark Act does not apply.

Pursuant to Article 2(1)(xi) of the Trademark Act, the "use of a trademark" refers to acts such as displaying a trademark on goods; thus, for the Trademark Act to apply to the Modified Products, they must qualify as "goods." Comprehensively considering that high-priced goods bearing well-known trademarks are traded in the secondhand market even after being modified, the Modified Products possess exchange value and constitute independent articles of commerce, thereby qualifying as "goods" under Article 2 of the Trademark Act.

2. Whether the Defendant Used the Plaintiff's Trademarks (Affirmative)

The plaintiff argues that the defendant's act of displaying the plaintiff's trademarks on the Modified Products constitutes the "act of displaying a trademark on goods" under Article 2(1)(xi)(a) of the Trademark Act, and the

defendant's act of delivering the Modified Products to modification-ordering customers constitutes the "act of delivering goods on which a trademark is displayed" under Article 2(1)(xi)(b) of the Trademark Act, whereas the defendant argues otherwise.

Pursuant to Article 2(1)(xi) of the Trademark Act, "use of a trademark" refers to an act falling under any of the following: (a) Displaying a trademark on goods or packages of goods; (b) Transferring or delivering goods or packages of goods on which a trademark is displayed, providing them through telecommunications lines, or exhibiting, exporting, or importing them for such purposes; (c) Displaying a trademark on advertisements, price lists, transaction documents, or other means regarding goods, and exhibiting or widely publicizing it.

The defendant disassembled the pre-modification products, recycled their fabric, accessories, etc. as raw materials, and went through processes such as cutting, physical/chemical treatments, stitching, assembling parts, and attaching trademarks, thereby producing new products that significantly differ in quantity (in some cases, two or more new products were manufactured from a single pre-modification product), size, volume, shape, form, and function. By causing the plaintiff's trademarks previously displayed on the fabric of the pre-modification products to remain displayed on the Modified Products as they were without taking measures to prevent source confusion, the defendant engaged in the "act of displaying a trademark on goods" under Article 2(1)(xi)(a) of the Trademark Act. Furthermore, by delivering the Modified Products bearing the plaintiff's trademarks to modification-ordering customers,

the defendant engaged in the "act of delivering goods on which a trademark is displayed" under Article 2(1)(xi)(b) of the Trademark Act.

Ultimately, the defendant engaged in the unauthorized display and delivery of the plaintiff's trademarks under Article 2(1)(xi) of the Trademark Act without the plaintiff's permission. Therefore, the plaintiff's argument is with merit, and the defendant's argument is without merit.

3. Whether the Defendant Used the Plaintiff's Trademarks in the Course of Business (Affirmative)

The plaintiff argues that the defendant used the plaintiff's trademarks in the course of business, thereby engaging in the act of trademark use under Article 2(1)(xi) of the Trademark Act, whereas the defendant argues otherwise. Taking into account that Article 2(1)(i) of the Trademark Act defines a "trademark" as "a mark used to distinguish goods (including services or goods related to the provision of services) of one's own business from those of others" and that Article 33(1)(vii) of the Trademark Act provides that a trademark cannot be registered if consumers cannot identify which business it indicates, "trademark" under Article 2(1)(i) of the Trademark Act means a mark used to distinguish goods related to one's own business from goods related to the business of others. Here, "business" is interpreted to mean commercial activities—such as sale, lease, manufacture, processing or repair, and transportation—conducted independently as an enterprise.

Since the defendant engages in the repair and processing of bags as a business and provided the service of producing the Modified Products to modification-ordering customers as an independent enterprise, the defendant

used the plaintiff's trademarks "in connection with the defendant's own business."

4. Whether the Plaintiff's Trademarks Displayed on Modified Products Function as an Indicator of Source (Affirmative)

The plaintiff argues that the plaintiff's trademarks displayed on the Modified Products perform a source-indicating function by making it appear as though the source of the Modified Products is the plaintiff, thereby constituting trademark infringement, whereas the defendant argues otherwise.

According to Supreme Court precedents, even where another person's registered trademark is utilized, it can be found to constitute trademark infringement only when it performs a source-indicating function, and whether it performs a source-indicating function must be determined based on whether there is a likelihood of confusion as to the source of the Modified Products among general consumers.

Because the defendant delivered the Modified Products only to modification-ordering customers, and the modification-ordering customers would have known that the source of the Modified Products was not the plaintiff, there is no likelihood of source confusion from the perspective of the modification-ordering customers. However, where the Modified Products become the object of transactions involving transfer, delivery, or exhibition, general consumers as counterparties are likely to mistakenly believe that the source of the Modified Products is the plaintiff (post-sale confusion); therefore, from the perspective of general consumers, the plaintiff's trademarks displayed on the Modified Products function as an indicator of source.

5. Whether Modified Products Were Processed to the Extent of Impairing Identity with Pre-Modification Products (Affirmative)

The defendant argues that the plaintiff's trademark rights over the pre-modification products were exhausted upon their sale, and because the Modified Products remain within the scope of identity with the pre-modification products, the plaintiff cannot assert trademark rights against the Modified Products. The plaintiff argues that because the Modified Products are completely new products distinct from the pre-modification products, the plaintiff can assert trademark rights against the Modified Products.

According to the Supreme Court precedent regarding the exhaustion of trademark rights (Supreme Court Decision 2002Do3445 [Apr. 11, 2003]), when a trademark owner transfers goods on which its trademark is displayed, the trademark rights in the goods are exhausted, and the trademark owner cannot assert trademark rights against the goods; however, where the goods are processed to the extent of impairing their identity, substantially producing new goods, the trademark owner may assert trademark rights against the new goods.

Comparing the pre-modification products with the Modified Products, their quantity (in some cases, two or more new products were manufactured from a single pre-modification product), size, volume, shape, form, and function are completely different, making it practically impossible to restore them to the state prior to modification. Therefore, the defendant processed the pre-modification products to the extent of impairing their identity, thereby producing new goods, and the plaintiff may assert trademark rights against the Modified Products.

6. Whether the Modification at Issue Is a Justifiable Act Lacking Unlawfulness in Light of Consumer Rights, etc. (Negative)

The defendant argues that because consumers who purchased the pre-modification products find it difficult to modify them themselves, they have no choice but to commission a business operator like the defendant to modify them. Contending that the defendant's modification pursuant to consumer orders constitutes trademark infringement results in infringing upon consumer freedom, and thus the defendant's modification cannot be found to be trademark infringement. The plaintiff argues otherwise.

Under the interpretation of the Civil Act, an act permissible under accepted social norms constitutes a justifiable act and is therefore not unlawful. A consumer who purchased a pre-modification product from the plaintiff may need to modify the pre-modification product to personalize it to suit their body, taste, preferences, etc., and may need the assistance of an expert like the defendant for such modification.

However, considering that: (1) the Modified Products are completely new products distinct from the pre-modification products; (2) no one may use another person's trademark without permission in connection with their own business; and (3) the defendant could have prevented source confusion by placing indications such as "Modified," "Remanufactured," or "Recycled" on the Modified Products but failed to do so, the defendant's act of using the plaintiff's trademarks cannot be found to be a justifiable act permissible under accepted social norms.

Significance of Decision

A case affirming that the Modified Products qualify as "goods" under the Trademark Act; that the defendant's act of displaying the plaintiff's trademarks on the Modified Products constitutes the "act of displaying a trademark on goods" under Article 2(1)(xi)(a) of the Trademark Act; and that because the Modified Products were processed to the extent of impairing their identity with the pre-modification products, the plaintiff is entitled to assert trademark rights against the Modified Products.

Ⅳ

Design Protection Law

01 Qualification as a Prior Art Design

Date First Available on Amazon Website and Public Disclosure of Prior Design

(Fifth Division) Decision 2024Heo16021, Decided Jul. 24, 2025

Category Decision of Rejection (Design)

Relevant Provisions Article 33(1) and (2) of the Design Protection Act

Main Issues and Holdings

A case holding that merely the indication of "Date First Available" on the Amazon website is difficult to recognize as proving that the prior design was publicly known on or after the first available date but before the filing date of the design application, and therefore it cannot be deemed to fall under a prior design that can serve as the basis for determining the ease of creation pursuant to Article 33(2) of the Design Protection Act.

Case Overview

1. The plaintiff applied for a golf ball design on Oct. 27, 2022.
2. The KIPO examiner rendered a decision to reject registration on Nov. 27, 2023, on the grounds that "the ground for rejection that the applied design could have been easily created from Prior Design 1-1 was not resolved." In response, the plaintiff filed an appeal from the decision of rejection.
3. The IPTAB dismissed the appeal on Oct. 23, 2024, on the grounds that "the applied design is a design that could have been easily created from Prior Design 1-1, falling under Article 33(2) of the Design Protection Act."

Summary of Decision Claim Granted

Eligibility of Prior Design

The evidence submitted by the defendant alone is insufficient to establish that the prior designs claimed by the defendant were publicly known prior to the filing date of the applied design at issue, and there is no other evidence sufficient to recognize this. The reasons are as follows.

1. The IPTAB determined that "Prior Design 1-1 was posted on the internet website Amazon on Mar. 14, 2014, constituting a design publicly known prior to Oct. 27, 2022, the filing date of the applied design at issue." This was because it was indicated as "Date First Available 14 March 2014" (hereinafter referred to as the "Disputed Indication ①").
2. In the KIPO examiner's notice of submission of opinion dated Nov. 27, 2023, the 1st URL is stated as the source of Prior Design 1-1. When Prior Design 1-1 could not be searched during the litigation stage of this case, the defendant argued that Prior Design 1-2, which is searched at the 2nd URL, is identical to Prior Design 1-1, submitted defendant's Exhibit No. 1, and argued that the initial public disclosure date is confirmed as "May 26, 2013." This was because it was indicated as "Date First Available 26 May 2013" (hereinafter referred to as the "Disputed Indication ②," and collectively with Disputed Indication ①, the "Disputed Indications").
3. However, based on the Disputed Indications alone, it is difficult to find that the prior designs claimed by the defendant were publicly known on Mar. 14, 2014, or May 26, 2013. The specific reasons are as follows.

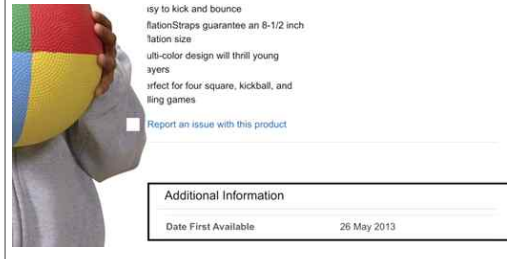
   A. In order to establish that the prior designs claimed by the defendant were

publicly known on that date based on the indication of the above "Date First Available", it must be guaranteed that ① a photo of identical subject goods for sale was posted online on the Date First Available and not changed thereafter, and ② the Date First Available does not change.

B. In the proceedings of this lawsuit, the defendant submitted Prior Design 1-2, which is a different photo from Prior Design 1-1, and the two are not identical in the photographs of the goods offered for sale and the Date First Available. Furthermore, the actual search results of the 1st URL appear to differ at each specific point in time a search is conducted. In light of this, it is deemed that a person with management authority over a specific URL on the Amazon website can change the photo or Date First Available on the URL where the subject goods for sale are introduced. Therefore, even based on the premise that a design identical to the search results of a different point in time would be searched online at the date and time specified as the Date First Available, it cannot be concluded that the design perceivable at the actual time of search would have been identically searched on the Date First Available and placed in a state where an unspecified multitude of people could perceive its content.

C. Even if the plaintiff did not raise any particular objection regarding the time of public disclosure of the prior design based on the Disputed Indications prior to the litigation procedures of this case, as long as the plaintiff is disputing the eligibility of the prior design by raising the possibility of changes to the photos, etc. after the Date First Available in the litigation procedures at issue, it cannot be found merely on such

grounds that Prior Designs 1-1 and 1-2 were publicly known prior to the filing date of the applied trademark at issue based on the Disputed Indications.

Disputed Indication ①	Disputed Indication ②
	

Significance of Decision

A case determining that, based on the premise that a product photo searched on a specific date on the Amazon website would have been identically posted on the Date First Available, it cannot be concluded that the design included in that product photo have been made publicly known on the Date First Available

02 Article 33(1)3 of the Design Protection Act (Novelty)

Case on Smart Shade

(Fifth Division) Decision 2024Heo15578, Decided May 22, 2025

Subject Matter	[Design Right] Shade
Administrative Decision	IPTAB Decision of Oct. 28, 2024, Case No. 2024Dang842
Category	Confirmation of Scope of Rights (Design)
Relevant Provision	Design Protection Act, Article 33(1)3
Relevant Decisions	Supreme Court Decision 2005Hu2274 (Sep. 8, 2006); Supreme Court Decision 2010Hu265 (May 13, 2010); Supreme Court Decision 2013Da202939 (Dec. 26, 2013)

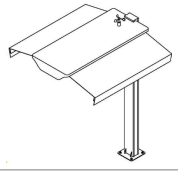
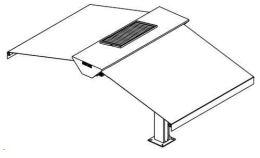
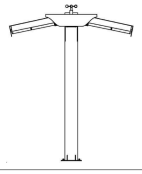
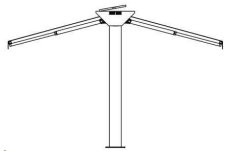
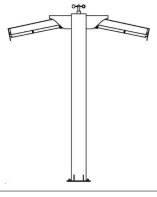
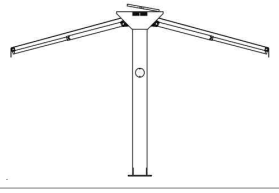
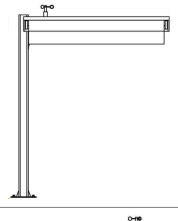
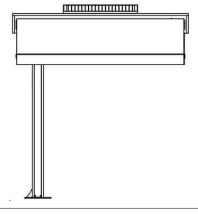
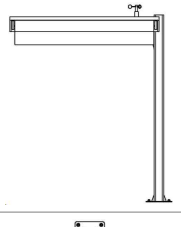
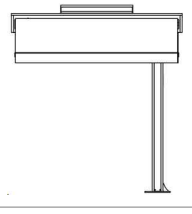
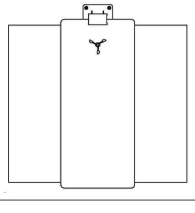
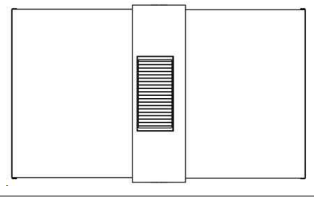
Main Issues and Holdings

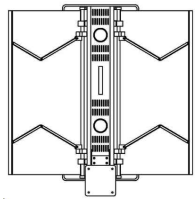
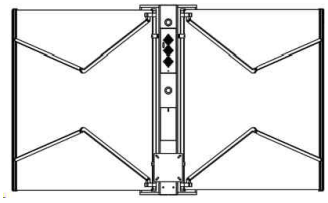
Whether the subject design for confirmation and the registered design at issue regarding a smart sunshade are identical or similar (Negative)

Case Overview

The IPTAB rendered an administrative decision to the effect that the subject design for confirmation falls within the scope of rights of the registered design at issue, determining that although there are some differences in the shapes of detailed constituent elements between the subject design for confirmation for a smart shade and the registered design at issue, it is difficult to conclude that such differences reach the extent of overwhelming the similar aesthetic impression

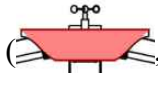
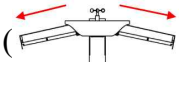
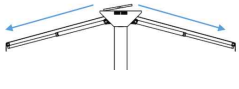
originating from the essential features of their commonalities, and thus they constitute designs that are similar overall. Accordingly, the plaintiff filed a lawsuit seeking the revocation of the said administrative decision.

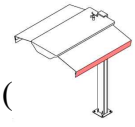
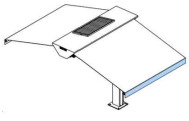
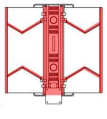
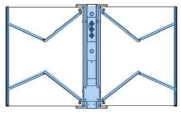
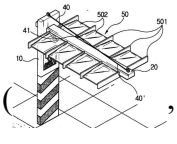
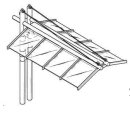
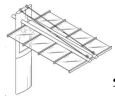
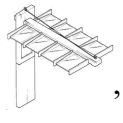
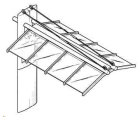
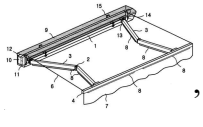
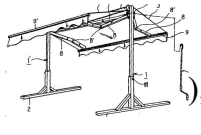
	Registered Design at Issue	Subject Design for Confirmation
Perspective View		
Front View		
Rear View		
Left Side View		
Right Side View		
Top view		

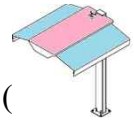
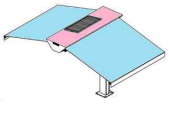
	Registered Design at Issue	Subject Design for Confirmation
Bottom view		

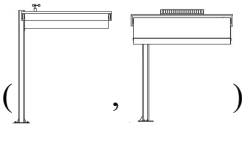
Summary of Decision Claim Granted (IPTAB Decision Revoked)

The IP High Court rendered a decision upholding the plaintiff's claim, determining that despite several commonalities, the registered design at issue and the subject design for confirmation evoke an entirely different overall aesthetic impression to the observer due to several important differences. Thus, the subject design for confirmation does not fall within the scope of rights of the registered design at issue, rendering the administrative decision at issue, which concluded differently, unlawful. The specific reasons are as follows.

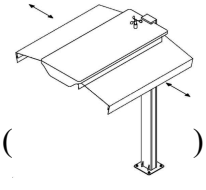
1. Both designs share commonalities in that ① they overall consist of a support part in the shape of a square pillar, a central support in the shape of a cantilever fixed only at one end to the top of the support part, and a shade membrane formed on both sides of the central support; ② when viewed from the front, the shape of the central support is generally an inverted trapezoid with a longer upper side and a shorter lower side (, ); ③ the shade membranes on both sides of the central support spread downwards at an incline, resembling the shape of an opened umbrella (, ) when viewed from the front; ④ at the boundary of the

outer circumferential surface of the shade membrane, a guide plate is formed to induce rainwater to drop or to attach banner advertisements ( , ); ⑤ when viewed from the bottom, a two-stage folding awning is formed at the bottom of the central support and the shade membrane ( , ). However, comprehensively considering that the overall shape of both designs was already publicly known in various forms in Prior Designs 1 to 5 ( ,  ,  ,  , ), and commonalities ③, ④, and ⑤ were also publicly known in Prior Designs 2 and 5 or Prior Designs 7 and 8 ( , ), making it difficult to consider each individual design element related to the above commonalities itself as an essential part of the design that attracts the eyes and attention of consumers, whether the two designs are similar must be determined by contrasting them overall and evaluating whether the aesthetic impression felt is similar, comprehensively taking into account the specific shape of the support part and central support, the connection position and structure between the support part and central support, the specific shape of the shade membrane, and the proportional relationship of relative sizes among the support part, central support, and shade membrane.

2. Examining the aesthetic impression of both designs focusing on the perspective views that well represent the features and allow confirmation of the overall structure, the registered design at issue features a central support with a relatively wide width and area, and a shade membrane with a width similar to that of the central support protruding on both sides, conveying a soft, stable, and neat aesthetic impression, and exhibiting a design feature centered on the sense of form of the central support (). On the other hand, the subject design for confirmation features long, wide shade membranes protruding on both sides centered around a central support with a relatively narrow width and area, creating a somewhat sleeker aesthetic and exhibiting a design feature centered on the wide-area shade membrane (). Furthermore, in the subject design for confirmation, the angular shape of the central support and the solar panel structure at the top give the central support a complex and rigid aesthetic impression rather than the neat and soft one of the central support of the registered design at issue, and such an aesthetic difference is also clearly revealed in the front view, top view, and bottom view of both designs.

3. Observing both designs with these differences in mind, it can be seen that the difference in the connection form between the support part and the central support confirmable in the side views of both designs () also further accentuates the difference in the overall aesthetic impression perceived

by general consumers when comparing the two designs. That is, while the registered design at issue has a form where the rear surface of the central support is coupled to the side surface of the support part, the subject design for confirmation has a form where the upper surface of the support part is coupled to the lower side of the central support, showing a difference in the coupling position. Due to such a difference in the coupling form, in the subject design for confirmation, the lower side of the central support does not continue in an intact form but feels interrupted in the middle due to the coupling part with the support, whereas the lower side of the central support of the registered design at issue has the feature of continuing in an intact form to the end without being interrupted by the support in the middle, which can be said to be a factor that strengthens the design feature of the registered design at issue centered on the central support.

4. Looking at Reference Drawing 1.1 () of the registered design at issue, there is room to view it as a design that inherently assumes its shape will change by operating in a manner where the shade of the registered design at issue unfolds and folds. If considered in this way, one might question whether the importance of the difference between the two designs related to the width of the shade should be accorded less importance. However, even bearing in mind that the shade of the registered design at issue operates by unfolding and folding, it is reasonable to view that the overall shape of the registered design and the sense of proportion among each constituent element

in the state where the shade is fully unfolded remain factors that have a significant impact on the aesthetic impression of consumers. That is, it is difficult to view that the difference in aesthetic impression between the two designs perceived in the state where the shade is unfolded is offset merely by the fact that the shade can be folded.

5. Meanwhile, the defendant also argues that the two designs are similar in aesthetic impression by contrasting a photograph claimed to be a real-object photograph of the registered design at issue and a photograph claimed to be a practiced article photograph of the subject design for confirmation. However, since a trial for a negative confirmation of the scope of rights determines similarity by having the petitioner compare the specific subject design for confirmation with the design stated in the drawings of the registered design, the defendant's argument based on a real-object photograph not specified as the subject design for confirmation cannot be accepted regardless of its merits.

Significance of Decision

A case that specifically determined the similarity of designs

Case on Handrail Pipe

(First Division) Decision 2025Heo10295, Decided Aug. 14, 2025

Subject Matter	[Design Right] Handrail Pipe
Administrative Decision	IPTAB Decision of Feb. 20, 2025, Case No. 2023Dang3587
Category	Confirmation of Scope of Rights (Design)
Relevant Provision	Design Protection Act, Article 33(1)3
Relevant Decisions	Supreme Court Decision 2024Hu11026 (Jan. 23, 2025); Supreme Court Decision 2010Hu265 (May 13, 2010); Supreme Court Decision 2012Hu3794 (Apr. 11, 2013)

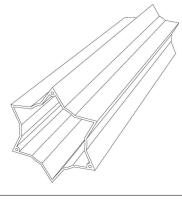
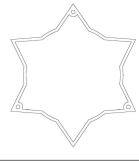
Main Issues and Holdings

A case determining that the registered design at issue was not sufficiently novel to warrant a broad scope of similarity, and that the subject design for confirmation relating to a railing pipe was neither identical nor similar to the registered design at issue

Case Overview

The defendant filed a petition for an affirmative confirmation trial for the scope of rights, asserting that the plaintiff's subject design for confirmation is similar to the registered design at issue and therefore falls within its scope of rights. The IPTAB rendered an administrative decision granting the defendant's claim on the

grounds that, although not all constituent elements of the registered design at issue and the subject design for confirmation are similar, the registered design at issue is a novel design whose scope of similarity should be viewed broadly, and since their main creative motifs are identical and both designs share common essential features, the subject design for confirmation falls within the scope of rights of the registered design at issue.

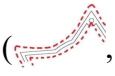
Category	Registered Design at Issue	Subject Design for Confirmation
Perspective view		
Front view / Rear view		
Left side view / Right side view		

Summary of Decision Claim Granted (IPTAB Decision Revoked)

1. Issue in This Case

The respective subject articles of the registered design at issue and the subject design for confirmation are identical as "handrail pipes," and there is no dispute between the parties regarding this. Accordingly, the issue in this case is whether the registered design at issue and the subject design for confirmation are identical or similar.

2. Determination - Whether the Designs Are Identical or Similar (Negative)

A. The registered design at issue and the subject design for confirmation share commonalities in that ① overall, they are in the form of a horizontally long polygonal rod; ② in the side view, a plurality of protrusions are formed at regular intervals on the outer circumferential surface of the pipe, with the spaces between the protrusions formed as concave curved surfaces or close to curved surfaces at similar angles (, ); ③ in the side view, the protrusions formed on the outer circumferential surface have a height corresponding to about half the radius of the basic circle; ④ in the side view, the shape of the protruding parts on the outer circumferential surface is triangular (, ); ⑤ in the front view, the protrusions formed on the outer circumferential surface appear in the form of horizontal straight lines (, ).

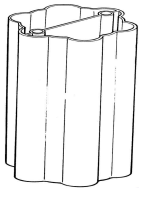
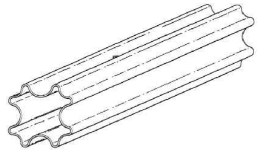
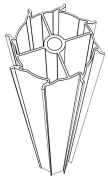
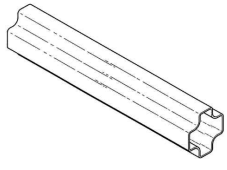
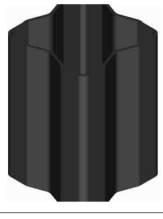
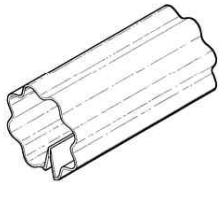
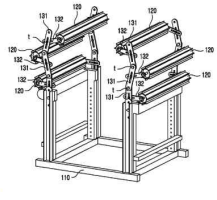
B. On the other hand, there are differences between the registered design at issue and the subject design for confirmation in that ① in the side view, the registered design at issue has six protrusions formed on its outer circumferential surface (), whereas the subject design for confirmation has eight (); ② in the side view, the tips of the protrusions in the registered design at issue are pointed and holes are formed at some ends (), whereas the tips in the subject design for confirmation are not pointed but rather angular like a "ㄷ" shape (channel shape) and have no holes at the ends (); ③ in the side view, the registered design at issue

has a "central part" between the protrusions on the outer circumferential surface, making it angled in two steps (), whereas the subject design for confirmation is smoothly curved inward (); ④ in the side view, the subject design for confirmation has an arrangement where four bars (fixing pins) cross perpendicularly with an empty space formed in the center (), whereas the registered design at issue has no such shape; ⑤ in the front view, due to the protrusions on the outer circumferential surface, the registered design at issue is formed with 2 very narrow lines and also 2 slightly wider lines due to the two-step angled parts between the protrusions (), whereas the subject design for confirmation only shows horizontal straight lines resulting from the protrusions on the outer circumferential surface ().

C. In light of the nature, purpose, and form of transaction and use of the subject articles of the registered design at issue and the subject design for confirmation, the shapes in the side view and front view of both designs are the parts most likely to attract the viewer's eyes and attention. Comparing the appearances of both designs overall centering on this, the essential shapes of both designs are different, giving the viewer a different aesthetic impression, and thus they cannot be found to be similar to each other.

1) Among the above commonalities, commonality ① is expressed in a similar shape and pattern in Prior Designs 3, 7, 10, 12; commonality ② in Prior Designs 3, 7, 8, 9, 10, 11; commonality ④ in Prior Design 3; and commonality ⑤ in Prior Designs 3, 6, 12, 13, etc., as shown in the

table below. Since commonalities ①, ②, ④, and ⑤ are already publicly known parts, they should therefore be accorded less importance.

Prior Design 1	Prior Design 2	Prior Design 3	Prior Design 4
			
Prior Design 6	**Prior Design 7**	**Prior Design 8**	**Prior Design 9**
			
Prior Design 10	**Prior Design 11**	**Prior Design 12**	**Prior Design 13**
			

2) By contrast, the shape in the subject design for confirmation in which the four rods (fixing pins) appear to intersect perpendicularly is, unlike the curved outer circumferential surface, formed in thick straight lines, with the inner rods continuing inward so as to form planar surfaces within the hollow interior; thus, it is the part most likely to draw the viewer's eye and attention. In the registered design at issue, however, no such shape can be found (Difference ④); the registered design at issue has six protrusions, and the spaces between the protrusions on the outer circumferential surface are slightly angled in two steps, giving a gently bending feeling, whereas the subject design for confirmation has eight protrusions making

it denser, and the spaces between the protrusions smoothly connect in a single deep curve, giving a feeling of repeated embossing and engraving (Differences ①, ③); and the registered design at issue repeats horizontal straight lines at narrow and wide intervals between the protrusions, whereas the subject design for confirmation only shows horizontal straight lines equal to the number of protrusions, giving a simple and monotonous impression (Difference ⑤); in this respect, the two designs produce different aesthetic impressions on the viewer.

D. The defendant argues that the essential feature of the registered design at issue—namely, "a basic circular hollow form in which unit shapes having multiple concave curved surfaces are repeatedly provided by portions protruding in nearly triangular vertex-like shapes when viewed from the side, with the height of the protruding portions being close to one-half of the radius of the basic circular form"—constitutes an original and novel design not found in prior designs, such that the scope of similarity should be construed relatively broadly; and that, on that premise, the two designs should be evaluated as similar notwithstanding the above differences.

However, as discussed above, Prior Designs 3, 7, 10, and 11, among others, disclose forms identical or similar to the above characteristic shape, namely, "a basic circular hollow form in which unit shapes having multiple concave curved surfaces are repeatedly provided by portions protruding in vertex-like shapes when viewed from the side." Although the registered design at issue, in addition to such publicly known shape, has "a form in which the height of the protruding portions is close to one-half of the

radius of the basic circular form," this amounts to nothing more than a modification of the height of the protruding portions in a publicly known shape. Accordingly, it is difficult to find such a form as a novel and original design not previously existing. The defendant's above argument is therefore rejected.

Significance of Decision

A case holding that, in determining similarity between designs, although the importance of publicly known portions should be assessed as low, the determination must nevertheless be made based on the aesthetic impression perceived from the designs as a whole, including the publicly known shape portions, and accordingly concluding that the two designs could not be deemed similar to each other

03 Article 33(2) of the Design Protection Act (Non-Obviousness)

Case on Tile

(Fifth Division) Decision 2024Heo71, Decided Apr. 17, 2025

Subject Matter	[Design Right] Tile
Category	Decision of Rejection (Design)
Relevant Provisions	Design Protection Act, Article 33(1)3 and (2)
Relevant Decisions	Supreme Court Decision 2000Hu129 (May 15, 2001); Supreme Court Decision 2002Hu1218 (Dec. 26, 2003); Supreme Court Decision 2013Hu2613 (Mar. 10, 2016)

Main Issues and Holdings

1. Whether the applied design regarding a tile and the prior design are identical or similar (Negative)
2. Whether the applied design is a design that could have been easily created from the prior design (Affirmative)

Case Overview

The IPTAB rendered an administrative decision to the effect that the applied design at issue regarding a tile and the prior design are identical or similar, and that it also constitutes a design that could have been easily created from the prior design, meaning the applied design at issue should be rejected; accordingly, the plaintiff filed a lawsuit seeking the revocation of the administrative decision.

Category	Applied Design at Issue	Prior Design
Front View		
Perspective View		

Summary of Decision Claim Dismissed

The IP High Court dismissed the plaintiff's claim, holding that since the applied design at issue is not identical or similar to the prior design, the administrative decision at issue contains some inappropriate parts in its reasoning; however, since the applied design at issue constitutes a design that could have been easily created and ultimately ineligible for design registration, the administrative decision at issue is justifiable in its conclusion. The specific reasons are as follows.

1. Identity or Similarity of Designs

Among the patterns of the designs formed on the front of both designs, the part where the creative features of the design appear most prominently would be the pattern part at issue (), and both the applied design at issue and the prior design commonly include the pattern part at issue, which is a highly important part in relation to the aesthetic impression.

However, while the prior design has only one pattern at issue, the applied

design at issue has twelve patterns at issue of 1/4 size combined around the pattern at issue in the center. Due to such differences in arrangement, the applied design at issue evokes a more complex and splendid aesthetic impression compared to the prior design. Furthermore, when the tiles of the applied design at issue are repeatedly used by connecting them in a grid pattern, the overall aesthetic impression felt is significantly different from the case where the tiles of the prior design are used in the same manner. As such, how the design is arranged overall within the front part of the tile in a tile design is a factor that affects the aesthetic impression during the transaction or use of the tile, and the difference in aesthetic impression due to the difference in such an arrangement method of the design constitutes one of the essential parts of both designs as a part easy to attract consumers' attention. Therefore, despite the identity or similarity of the pattern at issue seen earlier, when comparing and observing both designs as a whole, they give the viewer a different aesthetic impression.

2. Whether the Design Could Have Been Easily Created

In relation to the above differences between the applied design at issue and the prior design, the method of arranging the border part consisting of the pattern at issue and the text pattern at issue of the prior design to appear repeatedly within a single tile by reducing it at a constant ratio appears to be merely a creation technique that an ordinary designer in the tile field can easily attempt; and the method of arranging twelve patterns at issue of 1/4 size around the pattern at issue in the center like the applied design at issue also cannot be deemed to be a specially creative arrangement method.

Significance of Decision

A case specifically determining whether tile designs commonly including a creative drawing are identical or similar, and whether they could have been easily created

Case on Registration Invalidation for Sink Splash Guard (Design)

(Fourth Division) Decision 2024Heo14728, Decided May 22, 2025

Subject Matter	[Design Right] Sink splash guard No. 1223393
Administrative Decision	IPTAB Decision of Aug. 26, 2024, Case No. 2024Dang417 (Decision Granting Claims)
Category	Action to Revoke Administrative Decision on Registration Invalidation (Design)
Relevant Decisions	Supreme Court Decision 2016Da219150 (Sep. 28, 2018); Supreme Court Decision 2013Hu2613 (Mar. 10, 2016), etc.

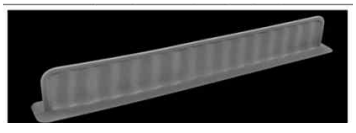
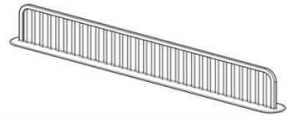
Main Issues and Holdings

A case determining that the registered design at issue constitutes a design that could have been easily created by an ordinary designer by commercially or functionally modifying the prior design, or by partially modifying it using common creative techniques or expression methods.

Case Overview

The plaintiff sought the revocation of the administrative decision, arguing that the registered design, as shown below, could not have been easily created by an ordinary designer even after modifying the prior design commercially or functionally or altering and combining it using common creative techniques or

expression methods, and thus does not fall under Article 33(2) of the Design Protection Act.

Category	Registered Design at Issue	Prior Design
Perspective View		
Front View		
Side View		
Top View		

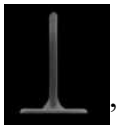
Summary of Decision Plaintiff's Claim Dismissed (IPTAB Decision Justifiable)

Analysis of Differences between the Registered Design at Issue and the Prior Design

Difference ①: In the front view, the registered design at issue has relatively wide stripe intervals and about 15 stripes, whereas the prior design has narrow stripe intervals and about 30 stripes.

Difference ②: In the top view, the bottom corners on both sides of the registered design at issue have a rounded shape shown in , whereas the prior design is closer to a semicircle shown in .

Difference ③: In the side view, the registered design at issue has triangular reinforcing ribs attached to the left and right around the pillar as shown in

, whereas the prior design has no reinforcing ribs, resulting in a shape where the upper pillar and the base form a perpendicular angle as shown in .

Determination on Ease of Creation Regarding Differences

Regarding Differences ① and ②, in a design featuring vertical stripes at regular intervals to create alternating ridges and valleys, modifying the number and area of stripes by narrowing or widening stripe intervals, or rounding angular edges and modifying their curvature, merely constitutes common creative techniques or methods of expression that an ordinary designer could attempt without particular difficulty.

Regarding Difference ③, the shape of the reinforcing ribs constitutes a functional feature designed to support the upper portion in a sink splash guard made of silicone material; thus, where an ordinary designer seeks to secure such supporting function in the prior design, it constitutes a commercial and functional modification that could be easily combined.

Significance of Decision

A case holding that a design—which makes minor modifications to an already publicly known prior design, such as altering the number of stripes and rounding angular corners, and merely adds functional shapes that do not create any distinct aesthetic value—constitutes a design that could have been easily created from the prior design under Article 33(2) of the Design Protection Act, and therefore its registration must be invalidated.

Case on Registration Invalidation for Women's Dress (Design)

(Fourth Division) Decision 2024Heo13978, Decided Apr. 10, 2025

Subject Matter	[Design Right] Dress (No. 1194176)
Administrative Decision	IPTAB Decision of Jun. 18, 2024, Case No. 2023Dang2402 (Decision Dismissing Claims)
Category	Action to Revoke Administrative Decision on Registration Invalidation (Design)
Relevant Decisions	Supreme Court Decision 2012Hu3794 (Apr. 11, 2013); Supreme Court Decision 2013Hu2613 (Mar. 10, 2016)

Main Issues and Holdings

1. A case recognizing that the registered design was novel and could not have been easily created, holding that, because a wide variety of designs for the subject article had long been developed, the scope of similarity of the design must be determined relatively narrowly, thus the overall aesthetic impression must be compared by considering detailed constituent parts as essential parts; and further holding that, when taking into account the comprehensive harmony of detailed constituent parts, the special aesthetic impression possessed by the registered design could not have been created solely by commercial modifications or common creative techniques
2. A case where the plaintiff (a competitor) claimed invalidation of the

registration, asserting that when comparing the registered design at issue and Prior Design 1, both are combinations of a white long-sleeved shirt and a black tube top skirt emphasizing a narrow waist, showing no difference in the essential features of aesthetic impression, thus being similar overall, and that detailed differences such as some collars or sleeves are merely common creative techniques of combining or modifying publicly known designs, making its creation easy; however, the court rejected such assertion.

Case Overview

The plaintiff filed a petition for invalidation, asserting that the registered design is similar to Prior Design 1, as shown below, and could have been easily created by modifying publicly known designs. However, the IPTAB dismissed the plaintiff's petition on the grounds that the registered design and the subject design for confirmation are dissimilar in overall aesthetic impression and that the registered design could not have been easily created from the publicly known designs.

	Registered Design at Issue	Prior Design 1
Perspective view		

Summary of Decision Claim Dismissed

1. Similarity (Negative)

It is a shape commonly used in women's dresses before the filing of the registered design at issue, and for the subject article of the registered design at issue and Prior Design 1, the women's dress, various designs have been created since before the filing of the registered design at issue, and there are certain limits to changes in trends or main structures. Since designs have been created in a way that gives slight variations in detailed differences (neckline, sleeves, waistline, pleats) and additional decorative elements (buttons, lace, ribbons, zippers, slits, ruffles, etc.), pattern differences, silhouettes, fits, etc., according to trend changes, the scope of similarity of the design must be viewed narrowly even if there is a common publicly known design part. In light of such nature and usage form of the subject article, sensitivity to trends of the consumer class, etc., detailed parts such as the specific shape of the neckline, the specific shape of the upper line of the tube top chest, the sleeve cap, the volume of the sleeves, and the finishing form of the lower end of the sleeves are frequently observed by general consumers not only when looking at the dress but also when wearing it; thus, it is reasonable to deem them "essential parts" that readily draw the viewer's eye and attention.

Upon examination, the registered design at issue and Prior Design 1 share commonalities in that ① both are in the form of a white long-sleeved shirt (blouse) and a tube top skirt combined at the upper part of the chest; ② it is a silhouette that emphasizes a narrow waistline; ③ the neckline of the white long-sleeved shirt is configured with an open collar shape. However, these

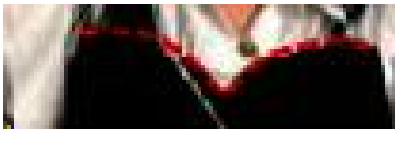
common features were forms commonly seen before the filing of the application for the registered design at issue, and, in light of Differences A through C below, when compared as a whole with Prior Design 1, the registered design at issue forms a distinct aesthetic impression and produces a completely different overall aesthetic impression on the viewer. Accordingly, it cannot be found to be identical or similar to Prior Design 1.

A. Neckline part: In the registered design at issue, the width of the shirt collar is relatively narrow, the front part of the collar is combined in an open form without a button down to the part connecting to the tube top skirt, and the rear part of the collar is in a form split on both sides of the central zipper line on the back. On the other hand, Prior Design 1 differs in that it has a wider shirt collar compared to the above registered design, the front part of the collar descends to allow fastening of one button at the upper chest before connecting to the tube top skirt, and the rear part of the collar continues without a zipper line or split on the back.

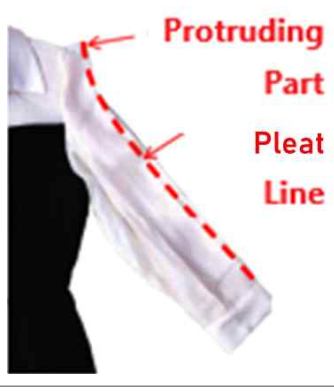
Registered Design at Issue	Prior Design 1
	
	

B. Tube top upper chest line part: In the registered design at issue, the part

connecting the shirt and the tube top skirt forms a relatively shallow and gentle valley at the center of the chest, then shows a gentle curve close to a straight line up to the left and right armpit areas. On the other hand, Prior Design 1 differs in that it forms a shape like "⌒," creating a deep valley at the center of the chest, ascending with relatively steep curves to the left and right, and then taking a circular arc shape descending with steep curves at both left and right ends.

Registered Design at Issue	Prior Design 1
	

C. Sleeve part: In the registered design at issue, the center part of the sleeve cap folds to form a protruding part projecting outward, and from the protruding part down to the wrist part, it descends while forming pleat lines inward, and then at the sleeve hem, the pleat lines gather in a " Y " shape to be sewn and finished, and the length of the sleeve hem is relatively short, configured to be fastened with one button. On the other hand, Prior Design 1 differs in that multiple pleat lines are formed on the sleeve cap part, making the sleeve bulky overall outward from the shoulder line to form a ") " shaped outer line, then multiple pleat lines gather to be sewn and finished, and the length of the sleeve hem is relatively long, configured to be fastened with three buttons.

Registered Design at Issue	Prior Design 1
	

2. Whether the Design Could Have Been Easily Created (Negative)

The plaintiff asserts that the above differences could have been easily created by applying common creative techniques or commercial modifications to substitute, modify, and combine various other publicly known designs with Prior Design 1. However, even if Prior Design 1 is partially modified and then parts of other publicly known designs asserted by the plaintiff are selectively chosen, modified, and combined, it is difficult to find that it can create a special aesthetic impression like that of the registered design at issue. Furthermore, it is difficult to regard that going through such a process is a common creative technique easily performable by an ordinary designer, and since creating the unique aesthetic impression like that of the registered design at issue appears to require comprehensive consideration of various elements of detailed constituent parts (e.g., number of pleats, intervals, methods of folding pleats), it is also difficult to deem its level of creativity to be low.

Significance of Decision

A case determining the validity of a design registration by examining the overall

aesthetic impression and whether the design could have been easily created, considering detailed constituent parts as essential parts beyond the common parts, considering that the scope of similarity should be construed relatively narrowly given the nature of the designs of women's dresses for which various designs have long been contrived.

04 Essential Features and Similarity of Designs

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Case on Track Lighting Fixture

(Third Division) Decision 2023Heo14486, Decided Jan. 17, 2025

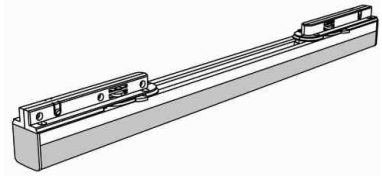
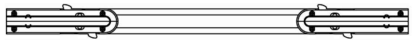
Subject Matter	[Design Right] Rail Lighting Fixture (No. 1015208)
Administrative Decision	IPTAB Decision of Nov. 28, 2023, Case No. 2023Dang42 (Revocation Decision)
Category	Action to Revoke Administrative Decision in a Negative Scope-of-Rights Confirmation Trial
Relevant Decisions	Supreme Court Decision 2013Da202939 (Dec. 26, 2013); Supreme Court Decision 2010Hu265 (May 13, 2010), etc.

Main Issues and Holdings

1. A case identifying essential parts in light of the nature, purpose, mode of use, etc., of the subject article in a registered design, and comparing the aesthetic impression by conducting an overall comparative observation centering on such essential parts
2. A case rejecting the argument of the defendant—who asserted that parts not visible during the use of a rail lighting fixture cannot constitute an essential part—on the grounds that the aesthetic impression created by the appearance not only at the time of use of the article but also at the time of transaction must also be taken into consideration

Case Overview

The plaintiff filed a petition for a negative scope-of-rights confirmation trial, contending that the subject design for confirmation did not fall within the scope of rights of the registered design; however, the IPTAB dismissed the plaintiff's petition on the grounds that the registered design and the subject design for confirmation were similar in their overall aesthetic impression.

	Registered Design	Subject Design for Confirmation
Perspective View		
Front View		
Top View		

Summary of Decision IPTAB Decision Revoked (Outside the Scope of Rights)

1. Overall Comparative Observation

The subject articles of both the registered design and the subject design for confirmation are rail lighting fixtures used by inserting rail connecting parts into a rail. In light of the nature, purpose, mode of use, etc., of such subject articles, it is reasonable to find that in both designs, the specific shapes including the positions of the rail connecting parts and connecting main bodies related to connecting the rail lighting fixture to the rail, the specific shapes including the arrangement of components related to the method of insertion

into the rail, and the shapes such as the guide grooves related to adjusting the position of the rail connecting part, constitute design elements most likely to attract the eye and attention of the observer, i.e., the essential parts, and thus their importance as design elements should be assessed highly.

Upon examination, both designs share similarities in that: Commonality ① they have a bilaterally symmetrical shape where one rail connecting part is formed at the top of each end of the lighting fixture part, which has a left-to-right elongated rectangular parallelepiped shape, and the space between each rail connecting part is empty; Commonality ② the ratio of the height of the lighting fixture compared to the height of the rail connecting part, and the ratio of the width of the rail connecting part compared to the overall height of the product are similar; Commonality ③ the ratio of the width of the rail insertion part compared to the width of the connecting main body is similar; Commonality ④ the connection terminals and the coupling protrusion pieces are integrally formed by being positioned vertically while sharing an axis of rotation within the two terminal through-holes.

However, due to Differences ⓐ (difference in the shape of the ends depending on whether the rail connecting part is spaced apart) and ⓑ (difference in the arrangement of internal components of the rail connecting part), the rail connecting part of the registered design gives the impression that the components are overall arranged symmetrically and in a balanced manner, and its outer ends, which are neatly aligned in a straight line, also give a neat impression; whereas the rail connecting part of the subject design for confirmation gives the impression that the components are crowded to one

side, and gives a three-dimensional and complex impression due to its shape being spaced apart from the ends; thus, there is a major difference in aesthetic impression. In particular, due to Difference ⓒ (difference in the presence or absence of a guide groove, etc.), when consumers use the subject article by inserting the rail connecting parts into the rail, it is expected that they will pay attention to the guide groove formed as a shape depressed continuously overall in the center of the planar part of the lighting fixture part in the registered design, and thereby, they will likely receive a distinctly different three-dimensional impression compared to the use of the subject design for confirmation where the planar part of the lighting fixture part is a flat shape without any grooves. In short, the subject design for confirmation emphasizes a three-dimensional impression from the front view, while the registered design emphasizes a three-dimensional impression from the top view. Furthermore, due to Differences ⓓ and ⓔ (differences in the specific shape of the connecting main body), the connecting main body of the registered design gives the impression that the screw coupling holes and the rotating lever are arranged symmetrically and in a balanced manner, and gives a dynamic impression as the right-angled surface of the outer edge of the connecting main body and the curved surface of the inner edge of the connecting main body form a sharp contrast; whereas the connecting main body of the subject design for confirmation gives a simple, static, and soft impression overall as the rotating lever is located only on one side and curved surfaces with a similar curvature are formed at the four outer and inner corners.

Meanwhile, Commonalities ①, ②, and ③ appear to be parts capable of drawing the eye and attention of the observer, and through these

commonalities, there is an aspect where both designs give a somewhat similar impression in terms of a thin and sleek impression, a sense of balance, and a sense of proportion. However, as Commonalities ① and ② from the front view are offset by Differences ⓐ and ⓑ, and Commonality ③ from the top view is offset by Difference ⓒ and Differences ⓓ and ⓔ, they do not appear to reach the extent of drawing a relatively great attention from consumers to provide an overall similar impression. Also, Difference ⓑ concerning the overall arrangement of the components within the rail connecting part seems more likely to draw consumers' attention than Commonality ④ concerning individual components.

Comprehensively taking the above into account, both designs, as a whole, cause the observer to feel different aesthetic impressions, and thus cannot be deemed similar to each other.

2. Determination on the Defendant's Argument

The defendant argues that rail lighting fixtures are used by connecting them to a rail, and when a rail lighting fixture is connected to a rail, the shape and position of the rail connecting parts and the connecting main bodies, the guide grooves, etc. are obscured by the rail and become invisible; thus, the corresponding parts cannot constitute essential parts forming the dominant features of the registered design. However, in commercial transactions involving track lighting fixtures, consumers are likely to decide whether to purchase it by taking into account not only the lighting fixture part but also the portions connected to the rail, even if the lighting fixture part is more conspicuous than the shape and position of the rail connecting parts,

connecting main bodies, and guide grooves when used as a lighting fixture after being inserted into and connected to the rail, it is difficult to deem that only the shape of the lighting fixture part can constitute an essential part. Therefore, the defendant's argument in this regard, which is rests on a different premise, is rejected.

Significance of Decision

A lower court case that explained in detail the reasons for identifying specific parts as essential parts, and the reasons for holding the designs to be dissimilar overall despite the similarities in certain design elements, when determining the similarity between a registered design and a subject design for confirmation focusing on essential parts according to the standards established by Supreme Court precedents

05 Infringement of Design Rights and Damages

Case on Indirect Infringement of Design Right and Presumption of Negligence

(Twenty-Fifth Division) Decision 2024Na11051, Decided May 22, 2025

Category	Lawsuit for Claim of Damages (Intellectual Property Rights)
Relevant Provisions	Article 114, Article 116(1) of the Design Protection Act

Main Issues and Holdings

1. Whether negligence regarding an act of infringement is presumed under the first sentence of Article 116(1) of the Design Protection Act even when indirect infringement under Article 114 of the Design Protection Act is established (Affirmative)
2. Matters that a person who committed indirect infringement must plead and prove in order to rebut the presumption of negligence

Case Overview

1. The plaintiff is the registered design right holder of a packaging ampoule container, the defendant is manufacturer specializing in mold fabrication and injection molding, and the joint defendant A of the first instance is a food manufacturing and processing business operator.
2. A requested the defendant to manufacture a mold capable of producing containers while transmitting modeling files and drawings, and the defendant

accordingly manufactured and delivered the container mold to A. A sold health functional foods using the containers produced through the mold, which infringed the plaintiff's design right.

3. The plaintiff filed a lawsuit seeking damages against A and the defendant based on design right infringement, etc.

Judgment of the First Instance Seoul Central District Court Decision 2022Gahap506157 (Jul. 5, 2024)

The court of the first instance held that the defendant, as a joint tortfeasor under Article 760(3) of the Civil Act, was jointly and severally liable with A to compensate the plaintiff for the damage caused by the infringement. Accordingly, the defendant appealed.

Summary of Decision Appeal Dismissed

1. Establishment of Indirect Infringement

A. Article 114 of the Design Protection Act stipulates regarding so-called indirect infringement that "engaging in producing, transferring, leasing, exporting, or importing any product used only for producing a product associated with a registered design or any similar design or engaging in offering the sale or rental of such product shall be deemed infringement of the relevant design right or exclusive license."

B. It is reasonable to determine that the defendant's act of manufacturing of the mold at issue and delivering it to A constitutes an act of producing as a business an article used exclusively for the production of the container at

issue, which is an article related to a design similar to the registered design at issue, and thus constitutes an act deemed to have infringed the plaintiff's registered design right at issue pursuant to Article 114 of the Design Protection Act.

2. Intent or Negligence of the Defendant

A. The first sentence of Article 116(1) of the Design Protection Act stipulates that "A person who has infringed upon a design right or an exclusive license of a third person shall be presumed to have been negligent by committing the infringement." Even when indirect infringement under Article 114 of the Design Protection Act is established, negligence regarding the act of infringement is presumed according to the first sentence of Article 116(1) of the Design Protection Act. In order for a person who committed indirect infringement to rebut the aforementioned presumption of negligence, he/she must plead and prove circumstances that can justify the fact that he/she was unaware of the existence of the design right, or circumstances that can justify the fact that he/she believed the design of the article produced by the article he/she produces does not fall within the scope of rights of the registered design.

B. Upon examination, comprehensively considering the following circumstances, even if taking into account all the circumstances asserted and the evidence submitted by the defendant in this court, it is difficult to find that the presumption of negligence regarding the defendant's act, which is deemed to have infringed the registered design right at issue, is rebutted. The defendant's argument to the contrary is not accepted.

1) The content-certified mail sent by the patent attorney retained by the defendant to the plaintiff's attorney contains the statement that "a modification process was carried out during the process of delivering the mold to A, and at this time, A's side brought and showed a container sample, and I mentioned to A's side the similarity between the mold to be delivered to A's side and the container sample brought by A's side."

2) Even if the defendant was unaware of the existence of the plaintiff's registered design right until the time he manufactured and delivered the mold, it cannot be determined that the presumption of negligence is rebutted unless circumstances sufficient to justify this are acknowledged. Furthermore, as long as A showed the container sample to the defendant and requested that a dot be added to the mold because the container produced according to the mold is similar to the aforementioned container sample, it is reasonable to find that the defendant could have at least foreseen that the mold could be used to infringe another person's design right.

3) The defendant, as a mold injection molding business operator for the production of disposable filling airtight containers and a business operator practicing designs, bears a duty of care regarding design right infringement in the relevant article field; however, no circumstances are found to indicate that the defendant made efforts to identify the existence of registered design rights or to produce a mold capable of manufacturing a container that does not fall within the scope of rights thereof.

Significance of Decision

A case that explicitly applied the provision on the presumption of negligence to a person who indirectly infringed a design right, expounded the legal principles on cases where the presumption of negligence can be rebutted, and then through legal subsumption, affirmed the establishment of liability for a joint tort

V

Copyright Act

Case on Smart Owl

(Twenty-Third Division) Decision 2024Na10249, Decided Jan. 23, 2025

Subject Matter	[Copyright] Economic Rights of the Author Regarding a Book
Category	Claim for Damages (Others)
Relevant Provisions	Article 35-5 of the Copyright Act, Article 35-3(2)1 of the former Copyright Act (prior to its amendment by Act No. 14083 on Mar. 22, 2016)
Relevant Decision	Supreme Court Decision 2021Da272001 (Jul. 11, 2024)

Main Issues and Holdings

A case holding that the act of a person who operates a children's book rental business through a website posting covers and portions of inner pages on the website for the purpose of book description constitutes fair use of copyrighted works

Case Overview

The plaintiff's representative director received the transfer of the author's economic rights concerning the books from the original authors, and the plaintiff received the transfer of the right to claim damages due to the infringement of the author's economic rights from the representative director. The defendant is a person who rents out and sells the plaintiff's books through a website. The

plaintiff argued that the defendant infringed the right of reproduction among the plaintiff's author's economic rights by reproducing without authorization posting on the website the covers and portions of inner pages of the plaintiff's books as shown in the picture below. The defendant admitted to the fact of posting them on the website but raised a defense that the act constitutes the fair use of the copyrighted works.

Judgment of the First Instance Seoul Central District Court Decision 2021Gahap588060 (Dec. 15, 2023)

The court of the first instance dismissed the plaintiff's claims on the grounds that the defendant's act of posting on the website constitutes fair use.

Summary of Decision Appeal Dismissed

It is reasonable to find that the defendant's act of posting the copyrighted works at issue included in the plaintiff's books on the website at issue in the course of operating a book rental business constitutes fair use of copyrighted works pursuant to Article 35-5 of the Copyright Act. The reasons are as follows.

1. Purpose and Character of the Use

A. The plaintiff's books rented by the defendant are books primarily targeted at children. For such books, not only the title, theme, and plot of the book, but also colors, textures, design atmosphere, typeface, and font size serve as important considerations in making a selection. With respect to the latter elements, there is an inevitable limitation in describing them without using the copyrighted works of the book at all. Therefore, there was a necessity

for the defendant to use the copyrighted works at issue, and in light of the aforementioned purpose for which the defendant used the copyrighted works at issue, it is reasonable to find that there was also an inevitable aspect to the defendant using the copyrighted works at issue without specific modifications.

B. The primary commercial activity through which the defendant earns revenue lies in book rental, and the defendant's act of using the copyrighted works at issue was conducted incidental to the book rental business, which is the main business; therefore, the commercial nature of the defendant's act of using the copyrighted works at issue itself must be deemed weak. Furthermore, Article 35-3(2)1 of the former Copyright Act originally prescribed "the purpose and character of the use, including whether such use is of a commercial nature or of a non-commercial nature" as a matter to be considered in the fair use of copyrighted works, but in light of the fact that the portion "whether such use is of a commercial nature or of a non-commercial nature" was deleted from the provision of the same effect when amended into the current Copyright Act, the commercial nature of the act of using the copyrighted works at issue should be assessed with lower importance.

2. Nature and Purpose of the Copyrighted Work

A. The copyrighted works at issue are contained in the plaintiff's books published by the plaintiff and thus constitute published works; therefore, the defendant's act of making the copyrighted works at issue public through their use cannot be found to run contrary to the intent of the author

of the works in this case.

B. Although the plaintiff's books contain fictional and creative elements, a substantial portion thereof consists of adaptations designed to introduce great historical figures, widely known fairy tales, works of visual art, scientific facts, etc., to children in an easily understandable manner, and thus appears to possess strong factual and informational elements as well.

3. Amount and Substantiality of the Portion Used in Relation to the Copyrighted Works as a Whole

A. Among the plaintiff's books, the books for which the defendant used the inner pages consist of about 30 to 40 pages, and the defendant appears to have used only 1 to 2 pages of those inner pages. Furthermore, since the contents of the inner pages used by the defendant do not appear to strike at the heart of the relevant book, or allow one to discern the entire content; thus, it is difficult to find that one could comprehend the entirety of the literary work of the book in which the inner pages are included solely through the inner page contents used by the defendant.

B. In artistic works, resolution is an important qualitative element since the value of the work inevitably varies significantly depending on the displayed resolution; however, the defendant appears to have posted the covers of the plaintiff's books on the website at issue after drastically lowering the resolution rather than posting them in their original resolution. Therefore, it is difficult to find that the defendant used the entire cover as it is in qualitative terms.

4. Effect of the Use on the Existing or Potential Market for the Copyrighted

Works or Their Current or Potential Value

The defendant's act of using the copyrighted work at issue does not appear to have a negative impact on the sales market, which is the primary current market associated with the plaintiff's books. Rather, it cannot be ruled out that the defendant's use of the copyrighted works at issue serves to introduce and promote the plaintiff's books, thereby exerting a positive effect, at least in part, on the sales of the plaintiff's books. Most of the circumstances under which the plaintiff claims to have suffered damages due to the defendant's acts merely appear to be related to the shrinkage of the sales market resulting from the defendant's act of renting the plaintiff's books, rather than from the defendant's act of using the copyrighted work at issue.

Significance of Decision

A lower court case upholding the fair use defense by citing the Supreme Court Decision 2021Da272001 (Jul. 11, 2024)—which first set forth specific criteria regarding the fair use defense—and applying those standards.

2025 Leading Case Summaries of IP High Court of Korea

Printing	October 2026
Publication	October 2026
Publisher	International Intellectual Property Law Research Center, IP High Court of Korea Address: 69 Dunsan-jungro, Seo-gu, Daejeon Telephone: (82) 042-480-1559
Printing Office	Seongmun (82) 02-2272-7553