

Study on Supreme Court en banc Decision 2016Hu2522

1. Indication of the Case

Case No.: 2016Hu2522 invalidation of registration (patent)

Subject patent: Korean Patent No. 10-1234527, titled "LOCKING STRUCTURE FOR ROLL TYPE SCREEN"

Decision issued on: January 22, 2020

2. Gist of the Decision

[Grounds for retrial] Even if a correction trial decision is made conclusive and final after the closing of substantive review proceedings in a petition for cancellation of a trial decision regarding a patent invalidation trial, the decision is not recognized to have the grounds for retrial pursuant to Article 451(1)(viii) of the Civil Procedure Act because it does not constitute the case where the administrative disposition that the decision was based on has been altered by another administrative disposition. **All of the previous Supreme Court decisions that a conclusive correction trial decision represents grounds for retrial shall be reversed.**

[Inventive step] The invention of claim 1 of the present case is not denied its inventive step since it cannot be easily derived from the cited inventions.

3. Case History

The plaintiff (demandant) filed an invalidation trial against the defendant (patentee).

→ The Intellectual Property Trial and Appeal Board (IPTAB) rejected the trial demand (in recognition of the inventive step).

→ The plaintiff filed a petition for cancellation of the trial decision, and the Patent Court revoked the trial decision (in denial of the inventive step).

→ The defendant filed an appeal and a correction trial with the IPTAB immediately after filing the appeal.

→ The IPTAB issued a trial decision granting the correction, which was made conclusive and final while the appeal was pending.

→ The defendant argues that there are the grounds for retrial pursuant to Article 451(1)(viii) of the Civil Procedure Act because the administrative disposition that the decision was based on has been altered by another administrative disposition on the grounds that the correction trial decision was

made conclusive and final.

4. Issues in the appeal and relevant legal principles

A. Issues

[Grounds for retrial] Whether a correction trial decision on a patent that is made conclusive and final after the closing of substantive review proceedings in a petition for cancellation of a trial decision regarding a patent invalidation trial represents grounds for retrial pursuant to Article 451(1)(viii) of the Civil Procedure Act (whether the decisions including Supreme Court Decision 99Hu598 that recognize the so-called 'reversal by correction' should be altered)

[Inventive step] (In the case where the precedents are to be altered) Whether the inventive step of the subject patented invention is denied

B. Relevant provisions and precedents

■ Article 451 of the Civil Procedure Act (grounds for retrial)

(1) A petition for a retrial against a decision which became conclusive and final may be filed when falling under any one of the following subparagraphs: Provided, That the same shall not apply when a party has alleged such grounds by an appeal, or has not alleged them even while he/she became aware thereof: ...

(viii) Where a civil or criminal decision or other trials or administrative dispositions on which the decision was based is altered by a different trial or administrative disposition

■ Article 136 of the Patent Law (trial for correction)

(10) Where a trial decision that the specification or drawings of a patented invention are to be corrected has been made conclusive and final, it shall be deemed that filing and laying open the relevant patent application, a decision or trial decision to grant a patent, and the registration of the grant of the patent have been made according to the corrected specification or drawings.

■ Supreme Court Decision 99Hu598 of October 12, 2001

It can be said that the original decision that determines whether the subject patented invention should be invalidated or not based on the invention before the correction has the grounds for retrial prescribed in Article 422(1)(viii) of the Civil Procedure Act and thus is in violation of a legal provision that affected the decision. Accordingly, the reason for the appeal pointing it out is legitimate;

as such, this court accepts the argument.

5. Supreme Court's judgment

[Ground for retrial]

Even if a patentee files a correction trial and the trial decision is made conclusive and final after the closing of substantive review proceedings in a petition for cancellation of a trial decision regarding a patent invalidation trial, it cannot be deemed that the original decision based on the specification and the like before the correction has the grounds for retrial pursuant to Article 451(1)(viii) of the Civil Procedure Act.

The above-mentioned legal principle should also be applied to cases such as a petition for cancellation of a trial decision regarding the scope of a patent, a civil lawsuit over patent infringement, and a conclusive and final trial decision regarding a request for correction.

■ Reason

① Even when a correction trial decision is made conclusive and final in a petition for cancellation of a trial decision regarding a patent invalidation trial, which adopts the principle of the exhaustion of administrative remedies and the principle of adjudication priority, the decision on patentability that can be deemed to be the original disposition in relation to the trial decision is a subject to be examined and judged in the petition for cancellation of a trial decision and cannot be deemed to be the administrative disposition that the decision is based on; thus, it cannot be said that even if the correction trial decision is made conclusive and final, 'the administrative disposition that the decision was based on has been altered.'

② Since an invalidation trial against a correction can be filed by an interested party or an examiner even after the correction decision is made conclusive and final, the validity of the patent according to the specification and the like before the correction still is a subject for dispute between the patentee and a third party. Accordingly, it cannot be said for certain that a trial decision granting a correction that has been made conclusive and final has 'definitively' altered the contents of the patented invention according to the specification and the like before the correction.

③ The intent of Article 136(10) of the Patent Law is that, even if an ex post correction is made to a specification or the like, the contents and effect of the patent examination and trial processes that precede the correction of the specification or the like are passed on the corrected specification or the like as a unity so that practical effectiveness of the correction system is ensured

while being in harmony with the patent examination and trial processes and the patentee is not adversely affected by the correction. The article could hardly be deemed to retroactively alter all public and judiciary relations brought about by the specification and the like before the correction.

④ Considering that a patentee has an opportunity to respond to an argument that its patent should be invalidated via a request for correction in a patent invalidation trial or filing a correction trial in substantive examination proceedings of a petition for cancellation of a trial decision, the patentee shall not be allowed to challenge the patent court decision on the grounds that the reason for the trial has been altered by the correction trial decision that was made conclusive and final after the closing of the substantive examination proceedings because it significantly delays not only the lawsuit procedures but also resolution of the dispute.

[Inventive step]

The inventive step of the subject patent is not denied over D1, D2 and D3.

6. Our comments

According to the precedents and conventional practices that consider a conclusive correction trial decision represents the grounds for retrial prescribed in Article 451(1)(viii) of the Civil Procedure Act, patent lawsuits have sometimes been delayed due to repetition of procedures caused by the so-called 'catchball phenomenon' where a patentee whose patent was invalidated by a patent court decision files a correction trial with the IPTAB when an appeal against the decision is pending in the Supreme Court and, if the IPTAB grants the correction, the patentee nullifies the case by demanding the grounds for retrial.

The subject decision provides a legal principle that a correction trial decision that is made conclusive and final after the closing of substantive examination proceedings in a petition for cancellation of a trial decision regarding a patent invalidation trial does not represent the grounds for retrial prescribed in the Civil Procedure Act, and reversed the precedents recognizing 'reversal by correction' in light of the requirements and intent of grounds for retrial, the subject for judgment in a petition for cancellation of a trial decision, which adopts the principle of the exhaustion of administrative remedies and the principle of adjudication priority, the effect of a correction trial decision, the intent of the correction system, the need for expedited resolution of a patent lawsuit, etc.

In view of the subject decision, the Supreme Court will not recognize, from now on, a correction trial decision made conclusive and final after the closing of the substantive examination proceedings as grounds for retrial. Accordingly, more in-depth examination will be conducted in the substantive examination proceedings of a patent lawsuit, thereby facilitating quick resolution of the patent dispute.

From the perspective of a patentee, however, it is now not allowed to appeal a patent court decision on the basis of a correction trial decision made conclusive and final after losing in the substantive examination proceedings in the patent court. Given this, a patentee planning to correct its patented invention via a correction trial during a patent lawsuit would need to build a strategy such that the correction is made before the closing of the substantive examination proceedings of the patent lawsuit.