

Study on *en banc* Supreme Court Decision 2013HU37

1. The Subject Case

Decision No.: 2013HU37

Case No.: Registered Utility Model No. 20-0129369
titled "APPARATUS FOR PROTECTING RAKES OF WASTE WATER FILTER"

Date of Decision: January 19, 2017

2. Gist of the Decision

(1) A constituent of a claimed invention is not deemed as publicly known art on the mere fact that the constituent is recited in a preamble of a claim of an application or mentioned in the specification as background art or conventional art. In practice, it can be presumed that a constituent recited in a preamble had been known publicly before the filing of the application in consideration of the overall description in the specification and the file history, but the presumption may be withdrawn in special circumstances. This principle also applies to utility models. **(Previous decision overturned)**

(2) In the case where there has been a finalized trial decision on a patent or utility model in an invalidation trial but then other new grounds for invalidation are raised that have not been in the previous trial, filing a request for another invalidation trial is not barred by estoppel. To this end, the party filing the request must produce new evidence convincing enough to overturn the finalized trial decision on the issue decided in the previous trial.

3. Details of the Case

A. History

(1) The application for the present registered utility model was filed on May 31, 1994. During its prosecution, a rejection ground was issued that its inventive step was not recognized. In response, some features were amended to be recited in preambles while an argument was submitted that conventionally known features were recognized as being publicly known and were recited in the preambles. The application was finally rejected, but an appeal against the final rejection was accepted and the case was remanded, and then the utility model was registered on August 18, 1998. A trial decision rejecting a request for an invalidation of the utility model was confirmed in an invalidation trial (2000Dang148) on March 29, 2001. The utility model subsequently expired on June 1, 2009.

(2) The plaintiff that filed an invalidation trial (2011DANG2672) against the utility model on October 24, 2011 argued as follows: the feature in the preamble of claim 1 of the utility model was a limitation of publicly known art and thus should be excluded from the subjects for invalidation; the other features were disclosed in the cited references and thus were subject to the invalidation ground of lack of novelty and inventive step; and claim 1 was subject to the invalidation ground under the first-to-file rule over the cited utility model filed before it. In response, the respondent asserted that the invalidation trial (2011DANG2672)

should be rejected by estoppel due to the invalidation trial decision (2000DANG148 (decision of cancellation)), and thus, the utility model is not subject to the invalidation ground of lack of novelty and inventive step or the invalidation ground under the first-to-file rule.

Regarding the invalidation trial (2011DANG2672), the Intellectual Property Trial and Appeal Board (IPTAB) issued on July 24, 2012 a trial decision of rejection stating the following: the trial request was legitimate because the previous invalidation trial had not made any judgment on the newly submitted cited references and a new invalidation ground had arisen and thus estoppel did not apply; timing of disclosure was a factual issue and was not determined by the format of the claim; and the offered invalidation grounds were not accepted.

(3) In response, a petition for cancellation of the trial decision was filed on August 2, 2012. The patent court rejected the petition on December 13, 2012 on the following grounds: the newly submitted cited references did not represent evidence based on which the confirmed trial decision could be overturned, and thus, the request for the invalidation trial regarding inventive step was not barred by estoppel, and the trial decision of rejection not recognizing the invalidation ground of lack of inventive step was legitimate; and it could not be concluded that the feature in question had been publicly known because the feature was recited in the preamble or because an Argument stating that it was publicly known art was submitted at the examination stage, and no evidence in this regard was found.

B. Issue 1: Whether the Feature Recited in the Preamble of the Claim Is Recognized as Publicly Known Art

(1) Prior Supreme Court Decision

Supreme Court Decision 2004HU2031 of December 23, 2005 found that it could be said that conventional art mentioned in a specification attached to a utility model application was intended to indicate that the utility model for which the application was filed has novelty and inventive step over the art in the pertinent technical field known before its filing, and that, given this, the conventional art should be considered one of the utility models listed in each subparagraph of Article 5(1) of the Utility Model Act when determining on novelty or inventive step of the utility model for which the application was filed, unless special circumstances apply. Given this, this decision recognizes conventional art mentioned in a specification as publicly known art.

(2) *En banc* Supreme Court Decision

A) Whether a constituent of a patented invention was publicly known before filing of an application is a matter of fact and the burden of proof on whether it has been known lies with the party claiming that novelty or inventiveness should be denied. Accordingly, the fact that it has been publicly known should be proven by evidence in principle, unless the right holder confesses or the facts are so obvious for the court that no proof is necessary.

B) Since descriptions in a preamble of a claim vary depending on the purpose and content, a constituent described in a preamble is not a sufficient ground based on which it is recognized that it has been publicly known. Although a constituent stated in a preamble can be described as background art or conventional art in the specification, it does not

mean that it is necessarily publicly known before the filing of the application. In this light, a constituent is not considered publicly known art just because it is described as background art or conventional art in a specification.

C) However, In the process of patent examination, if it is revealed, by way of the specification, an Amendment, an Argument or the like, that some constituents of the invention for which the application was filed were publicly known before the filing of the application, it is necessary to have the subsequent examination process proceed based on the finding. Accordingly, it is reasonable to practically presume that a constituent stated in a preamble was publicly known only when it can be recognized, in consideration of the general description in the specification and the prosecution history, that the applicant included the constituent in the preamble of the claim because it was publicly known art. However, the presumption can be withdrawn in special circumstances including where it is found that the applicant erroneously described it as being publicly known.

D) The decisions including Supreme Court Decision 2004HU2031 of December 23, 2005 that find that a constituent stated by the applicant in a preamble of a claim or a matter stated in a specification as conventional art is deemed as being publicly known before the filing of the application are overturned within the scope that goes against the present decision.

E) For the present registered utility model, it is understood that, during the examination process, features 1 to 4 were amended to be recited in a preamble and an Argument was submitted that conventionally known features were deemed as being publicly known and thus were included in the preamble. Given this, it can be practically presumed that the features 1 to 4 recited in the preamble correspond to publicly known art. However, it is also understood that the Argument erroneously stated that the prior-filed utility model was published before the filing of the present utility model application when, in fact, the prior-filed utility model was published before the submission of the Argument, but not before the filing of the present utility model application. Accordingly, the presumption above should be deemed to have been withdrawn.

C. Issue 2: Violation of the Prohibition Against Double Jeopardy

(1) Even where a trial decision for an invalidation trial of a registered patent or utility model was confirmed, a request for another trial against it would not be barred by estoppel if another ground for invalidation has arisen in addition to the one based on which the previous trial, since the request for another trial does not concern the same facts. However, when the purpose of collateral estoppel is considered to prevent a plurality of trial decisions contradicting one another, it should be determined in view of collateral estoppel even in the case above whether convincing evidence has been presented sufficient enough to overturn the confirmed trial decision on the already decided issues in the previous trial.

(2) Among the plaintiff's arguments regarding the present case, the argument that the inventive step of the present registered utility model should be denied is the same as the invalidation ground in the previous invalidation trial. The decision not accepting the argument that the inventive step of the present registered utility model should be denied on the grounds that the cited utility model 7 submitted in regard to this case was also examined in the previous invalidation trial and the cited utility models 1 to 6 and 8 to 12, which were newly submitted, were not convincing evidence strong enough to overturn the

confirmed trial decision are in line with the legal principle mentioned above, and the decision does not err in interpreting the legal principle of collateral estoppel.

4. Comments

(1) Regarding Issue 1

A claim typically consists of a preamble, a transitional phrase and a body. A Jepson-type claim, which has a preamble and a characterizing portion, is effective in explaining its novelty to the examiner. Meanwhile, 'background art' is supposed to be stated in a specification and, if it is not stated, the application is subject to the rejection ground pursuant to Article 42(3)(ii) of the Patent Law. The background art stated in a specification helps the examiner and the public understand the invention's distinguishing characteristics over conventional art.

However, a preamble can be used in a variety of ways like limiting the structure of a claimed invention, in addition to describing the subject matter of the invention, its purpose or use without limiting the claimed invention. Conventional art described in the specification of an application is only to describe the art that was present before the filing of the application but it does not necessarily mean that it has been publicly known.

That is, deeming a feature as publicly known art based on where it is described, such as in a preamble or in the background art section of the specification, is denying the invention inventiveness without confirming the objective fact on whether it has been publicly known, and can lead to a result contradicting the objective fact. On the other hand, however, demanding that the examiner find evidence of public knowledge of the feature even when the applicant has admitted to it being public knowledge may hinder the efficiency of the examination.

Accordingly, Article 288 of the Civil Procedure Act provides that a confession of a person of interest at court or an obvious fact requires no attestation, but a confession contrary to the truth may be revoked when it is attested that it has been made by any mistake. In light of this, the Supreme Court decisions are reasonable that it is presumed that a feature is deemed to have been publicly known if the applicant themselves admits to it in the specification or during the prosecution, except that the presumption may be withdrawn in special circumstances. However, in making the presumption on publicly known art, it should not be deemed that the applicant has admitted that a feature is publicly known art based merely on the fact that it is stated in a preamble of a claim or as background art in the specification.

(2) Regarding Issue 2

In applying collateral estoppel that prevents a person from re-litigating an issue based on the same facts and evidence, the Court deemed the present case where a further invalidation ground is added to the previously litigated invalidation ground as concerning the same facts, and the decision seems reasonable, considering that the whole trial request cannot be rejected because the argument for the invalidation ground of lack inventive step is barred by collateral estoppel. In addition, the decision stating that, even if the trial request is not rejected under the principle of collateral estoppel, it should be noted whether new convincing evidence has been presented on the previously litigated issue seems reasonable for prevention of decisions contradicting one another.