

INTELLECTUAL PROPERTY TRIAL AND APPEAL BOARD

2017



특허심판원
Intellectual Property Trial and Appeal Board

About IPTAB?

Establishment

The **Intellectual Property Trial and Appeal Board (IPTAB)** is an administrative law body of the **Korean Intellectual Property Office (KIPO)**, established through the merger of the previous Trial Board and the Appellate Trial Board. In concurrence with that of the Patent Court, the Board started its operation in March 1998.

Organization

In its early days, the IPTAB had a Trial Policy Division and 13 Boards with 13 presiding administrative patent judges and 26 administrative patent judges. After years of constant efforts to increase a skilled workforce and restructure the organization, the IPTAB now has **11 Boards with 11 presiding administrative judges and 95 administrative judges, Trial Policy Division and Litigation Team**.

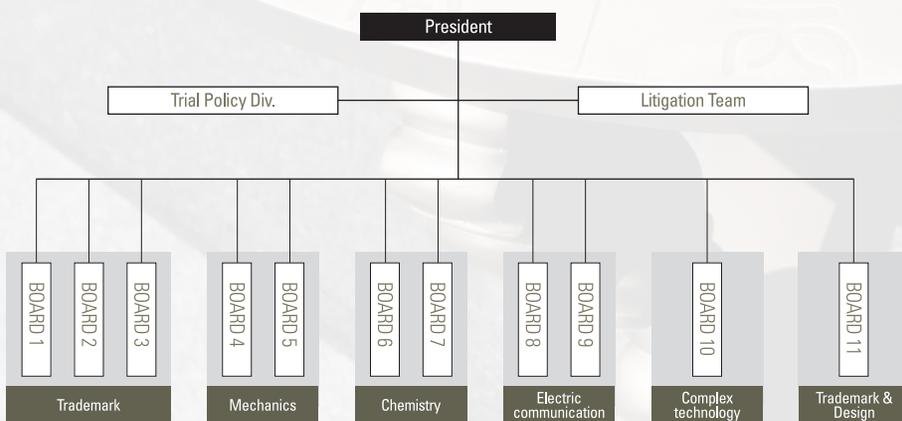
Functions

The President of IPTAB oversees and directs management plans and affairs and also supervises and leads the Board's officials and employees. He also may act as the presiding administrative judge for the cases acknowledged as being very important.

Each board hears trials and appeals to address the issues at stake in disputes over such as rejection and allowance of application, invalidation, cancellation, correction, and confirmation of scope of right of granted rights, that require highly technical judgment and expertise.

The Trial Policy Division conducts formality examination and trial quality evaluation, and is also responsible for trial and appeal policies. The Litigation Team deals with the litigation cases under the jurisdiction of the Patent Court, in which the KIPO Commissioner is the defendant.

Organization of IPTAB



Overview of Trial and Appeal in IPTAB

Panel for Trial

A panel of three or five administrative judges hears a trial and they make an agreement by majority vote before rendering a final decision. Of them, one can be appointed to the IPTAB President as a presiding administrative judge to manage the specific case.

Trial Proceedings

At trial hearings may be held orally or in writing. Normally the latter is more prevalent, and the former is held when a party makes a request for it or the presiding administrative judge admits the necessity of having an oral hearing. An examination of evidence is conducted pursuant to the Civil Procedure Act.

Types of Trial

There are two types of trial: an ex parte and an inter partes case. An ex parte case is an appeal against examiner's decision, that involves only a petitioner. In inter partes cases, a petitioner and defendant make their own arguments over a granted right to settle the dispute. From March 2017, the IPTAB starts hearing "patent opposition" challenge in conformity with the ex parte trial procedure.

Ex Parte Trial	Inter Partes Trial
<ul style="list-style-type: none">• Appeal against a decision to reject application• Trial for correction (patent, utility model)• Appeal against a decision to reject amendment (design, trademark)	<ul style="list-style-type: none">• Invalidation trial• Trial to confirm the scope of a right• Trial for trademark registration cancellation

Appeal against a decision to reject application : When an applicant receives a decision of rejection from an examiner he or she may pursue an appeal within 30 days of the date of receipt of the certified copy of the decision.

Trial for correction : A patent holder may pursue a petition for correction of the granted patent or utility model for the reasons of narrowing a claim, correcting a clerical error, and/or clarifying an ambiguous description.

Appeal against a decision to reject amendment : When an applicant makes an amendment before the delivery of the copy of publication (trademark) or during examination (design patent), and an examiner makes a decision of rejecting the amendment based on the presumption that the amendment has changed the subject matter, the applicant may pursue an appeal within 30 days from the date of receipt of the certified copy of the decision.

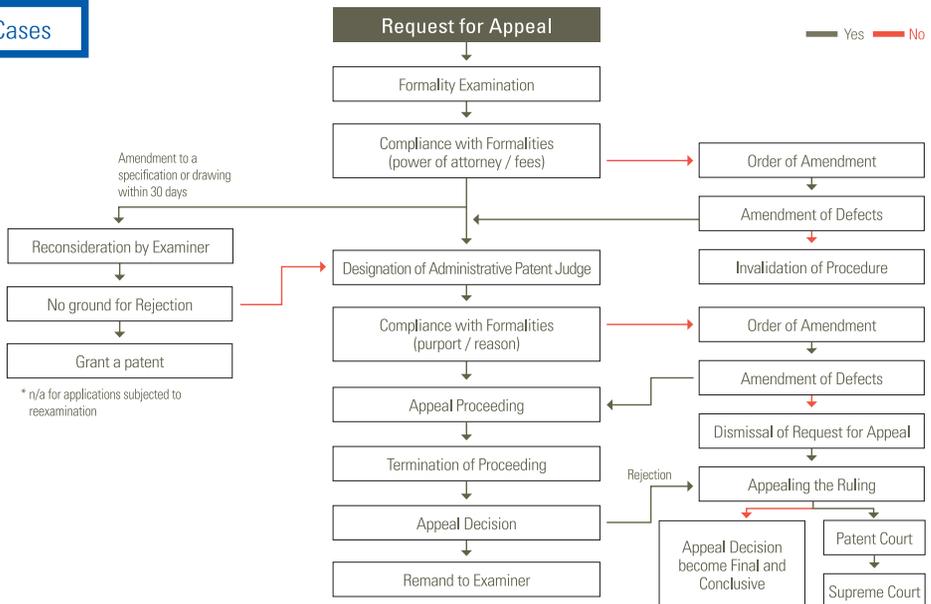
Invalidation trial : An interested party may seek a trial to retroactively invalidate the granted patent (design, trademark) right based on statutory invalidation grounds.

Trial to confirm the scope of a right : An interested party may seek a trial to confirm whether a technology or trademark practiced or will be practiced by a third party falls within the scope of a granted patent, design or registered trademark.

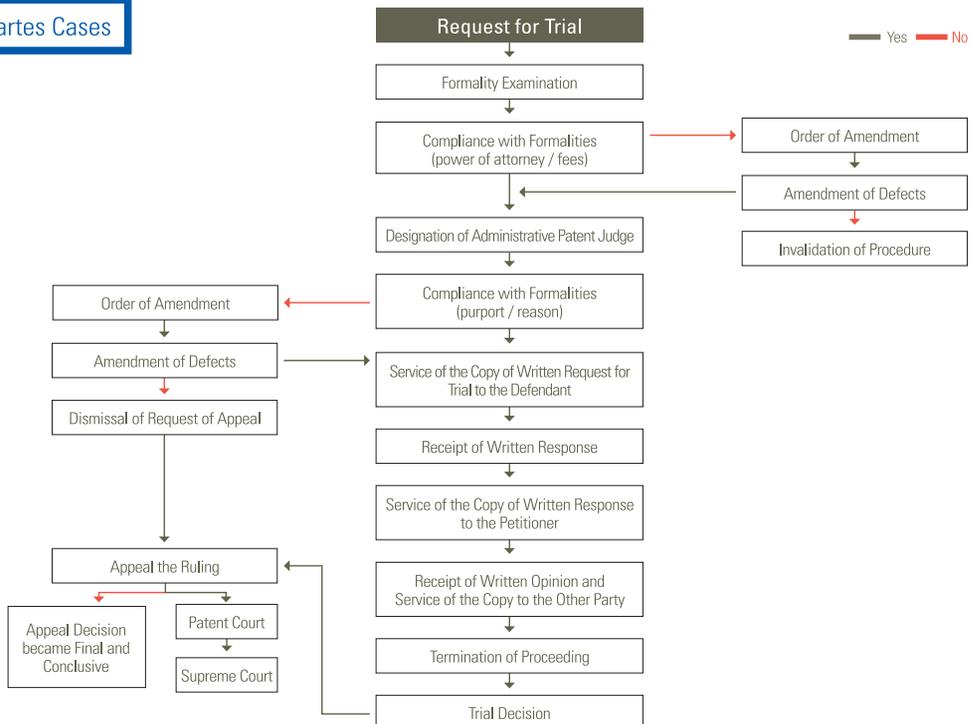
Trial for trademark registration cancellation : A party may seek to remove the existing registration of a trademark from the register, based on a ground raised after the registration. (For the petitions filed from September 2016, if determined to be cancelled, the registration of a trademark will be invalidated with retroactive effect from the date of filing the petition.)

Procedural Flow of Trial and Appeal in IPTAB

Ex Parte Cases



Inter Partes Cases



Patent Litigation System

Trial proceedings

A party may file a petition to appeal a decision of the IPTAB to the Patent Court which is an IP specialized high court in Korea. An appeal against a decision of the Patent Court then shall be made to the Supreme Court. It therefore can be construed that in practice, **the IPTAB acts as the court of first instance for IP cases.**

Concentration of jurisdiction over infringement cases

For long the jurisdiction for patent litigations were dispersed under a bifurcated system: Damages and infringement cases were heard by one of the general district courts, while appeals against the PTAB's decision were heard before the Patent Court. Taking into account the criticism that such bifurcated system would have adversely affected expertise in courts and resulted in less-effective proceedings, **the Patent Court has been granted since 2016 the exclusive jurisdiction over all appeals not only from the IPTAB but also the district courts.**

With the new jurisdiction, the first instance of infringement litigation over the rights of patent, utility model, design, trademark, and plant variety will be heard by one of the five district courts across the nation-exceptionally, the Seoul Central District Court may have a dual jurisdiction. And any appeals of the infringement litigation will be reviewed before the Patent Court.

Flowchart of the Patent Litigation System

Until 2015



Revised from 2016



Exception: Seoul Central District Court has a dual jurisdiction



Recent Trial and Appeal Policies in IPTAB

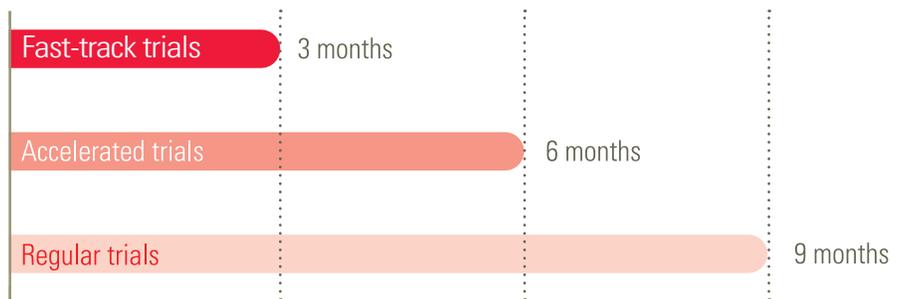
Management of trial pendency period

The IPTAB runs a **three-track trial system** - fast-track, accelerated, and regular – for the purpose of more efficient management of trials. Such system enables the IPTAB to hear the trials that require expedited proceeding first, while ensure the parties of regular trials have enough time to make a full argument over the course of the trials.

Regular trials are handled on a first-come, first-served basis. **Accelerated trials** are for the cases that should have priority over regular trials, such as, for example, the cases that are remanded to the IPTAB by the Patent Court.

Under **fast-track trials**, normally an oral hearing is held within one month from an expiry date of written opinion submission and a trial decision is made within two weeks after the oral hearing. Thus, petitioners/defendants on this track are able to receive their trial decision within three months. It is the fastest trial option, but certain cases are eligible for the track.

Customer-tailored patent trial system



No. of trial decision in 2016

	Patent / Utility Model	Trademark / Design	Total
Fast-track trials	250	120	370
Accelerated trials	851	258	1,109
Regular trials	3,922	3,592	7,514
Total	5,023	3,970	8,993

Fast-track trials

- Trials with pending infringement lawsuits
- Trials relating to the KTC's investigation into unfair trade practice
- Trials agreed to be treated as accelerated trials by both parties
- Trials with a (one-person) start-up as a party
- Trials requested by an SME in a dispute between SME vs. large company dispute

Accelerated trials

- Re-trials after the revocation of trial decision from Patent Court
- Trials with notice of infringement as measures to prevent patent disputes, etc.

Activities to Improve Trial Quality

Trials are conducted by panels of three or five administrative judges. Administrative judges are selected from among a pool of qualified patent/trademark/design examiners, who have more than ten years of examination experience on average.

In order to help them refine their expertise, various training programs are provided, including customized OJT training, regular refresher courses, and legal courses. The judges also engage themselves in regular self-study programs through which they can converse with incumbent court judges and professors from relevant fields. Providing feedbacks from a quality evaluation committee of IPTAB on the trial decisions which are reversed by the Patent Court also functions as an integral part of trial quality improvement activities.

Video Conference Oral Hearing Trial Service

In April 2014, as part of the efforts to make the IPTAB services more convenient and accessible, a video conferencing system was set up for oral hearings. The video conference allows trial parties to take part in an oral hearing remotely at KIPO's Seoul branch office, without having to make a trip to KIPO's Daejeon headquarters office.

A survey conducted among video conference users reported a 95% satisfaction rate, with 98% of the respondents stating they would use it again down the road.

Since 2016, video conferences has been expanded for presentations on technology and judge interviews. And video conferencing system was additionally set up for "Grand Hearing Room" which was opened on Nov. 2016. Grand Hearing Room is only for cases which require a panel of five administrative judges.

Video Conference Oral Hearing Room



① Daejeon Hearing Room



② Seoul Hearing Room



Amendments to the Patent, Trademark and Design Protection Act

In KIPO's Acts, it is required that the fee for an appeal against an examiner's decision of rejection must be paid in full by the trial petitioner. There, however, had been any rule or regulation stating that the petitioner would be refunded when the result of the appeal finds the examiner's decision of rejection to be revoked and this was what the petitioners had complained of. To address it, the IPTAB made an amendment to the Patent, Trademark and Design Protection Act to allow petitioners to be paid back if the examiner's rejection decision is found to be revoked through no fault of the petitioner.

There are other cases where a petitioner now can make a refund claim for the fee paid: a) When a trial request or a petition to participate is dropped by the petitioner him/herself prior to the notification of the closing of hearing, and/or b) when a trial request is dismissed by the IPTAB or when the petitioner as a trial party is denied eligibility for participation, half of the paid trial request fee will be refunded in view of the failure of providing corresponding administrative services. Such changes have been in force since June 2016.

The March 2017 Patent Act amendment introduces the patent opposition system, as well as new regulations governing the timing of withdrawal of a request for correction in invalidation trial and request of suspension of a litigation proceeding, by the parties.

In the September 2016 Trademark Act amendment, the possible petitioner of a trial to cancel trademark registration not in use has been changed from 'person concerned' to 'anyone'. If the trial is affirmed, the trademark right is now terminated from the filing date of trial petition, no longer from the date the trial decision being finalized. Regulations have also been added so that a trial to confirm the scope of a right can be requested for a partial class of goods, not necessarily for the entire.



Recent Trial and Appeal Trends in IPTAB

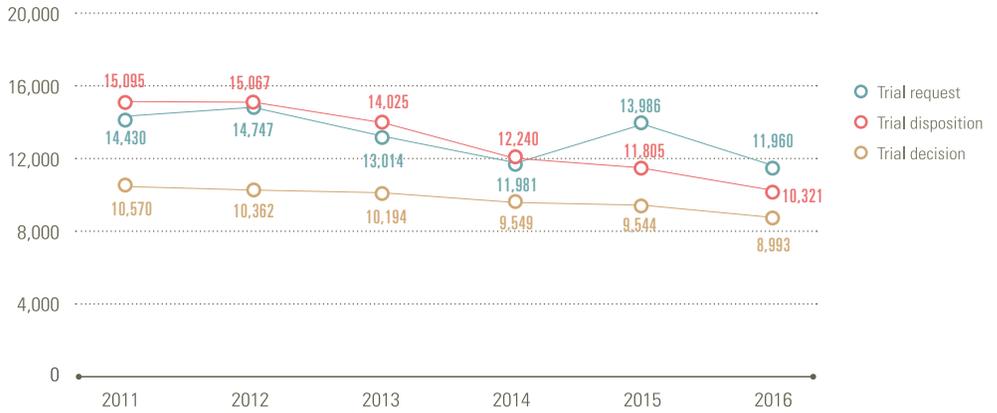
Number of trial request, disposition and decision in 2016

	Ex parte cases			Inter partes cases			Total
	Patent / Utility models	Trademarks / Industrial designs	Subtotal	Patent / Utility models	Trademarks / Industrial designs	Subtotal	
Number of request	5,825	1,747	7,572	1,277	3,111	4,388	11,960
Number of disposition	4,914	1,490	6,404	1,359	2,558	3,917	10,321
Number of decision	3,675	1,470	5,145	1,348	2,500	3,848	8,993

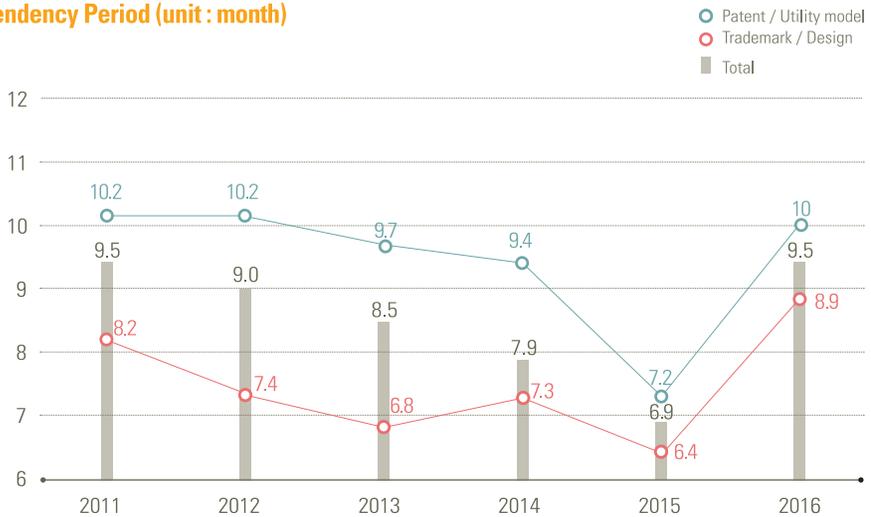
Footnote) 1. As of document dispositions

2. The number of dispositions includes trial decisions (acceptance, rejection, dismissal, withdrawal) by administrative judges, invalidations of the procedure and cases whose registrations were decided by an examiner's reconsideration before trial

Number of trial request, disposition and decision



Trial Pendency Period (unit : month)



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특허심판원
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Gov. Complex Daejeon Building.2, 189, Cheongsa-ro,
Seogu, Daejeon, 35208, Republic of Korea
Tel. +82-1544-8080