

# **OBSERVATIONS ON ATTENDANCE ON THE KOREAN INTELLECTUAL PROPERTY OFFICE (KIPO) OF VALIDITY CHALLENGES HEARD BY THE INTELLECTUAL PROPERTY TRIBUNAL (IPT) 15 April 2014.**

**D.G. Eliades**

## **INTRODUCTION**

With the assistance of the President of the Queensland Law Society through our liaison Raylene D’Cruz, as a member of the Technology and Intellectual Property Committee (TIPS), I was accepted as a suitable emissary by KIPO, to sit in on an afternoon session of the IPT on two related patent validity challenges.

My particular focus was always going to be and was, on procedure rather than substance of the validity hearing however, as well as identifying a number of matters which were of utility in practice, the subject matter of the two hearings was reflective of many trade mark and patent oppositions where competitors are both stakeholders of rights with respective challenges.

My report has now been vetted and approved by KIPO as to accuracy, and I now report.

## **KIPO**

KIPO’s head office is in Daejeon, approximately an hour south from Seoul on the KTX fast train, which travelled at approximately 300km per hour.

The fares were \$20 economy and \$30 first class. On the return I travelled first class, principally because there aren’t many places you can upgrade to First Class for \$10.

KIPO is the largest of many government departments in the Government Sector with some 1500 staff. The Government Sector which has its dedicated train station, is contained in a secure area and a further screening process is undertaken at the entrance of each wing of KIPO. Passport identification is necessary to access the offices. The sector has sports facilities and as you would expect eating facilities within its bounds.

## **IPT**

### *The Tribunal*

The IPT consists of three (3) administrative judges, who are senior examiners of KIPO. The IPT operates within KIPO but separately. It generally entertains:

- patent validity applications;
- applications to determine the scope of a patent or its claims where they exceed 2 claims;
- applications to clarify terms which might be ambiguous.

It can also provide opinions on validity for the Patent Court, the dedicated court which also acts as the appellant court for the IPT.

The bulk of the IPT work is *ex parte*, being cases, where a patent applicant challenges the decision of KIPO not to grant a patent. Yesterday's hearings were *inter partes* hearings between competitors in the field of transporting substances such as concrete, via existing manholes and underground tunnels to reach a desired destination and surface through another manhole exit point.

### *The IPT hearing room*

The IPT hearing room (facing the judge's bench) comprised:

- a slightly elevated front section where the bench accommodating the three administrative judges was located;
- a short distance (approx. 3-4 m) to two modest desks side by side, where 2 people could sit at each table. These were utilised by the patent attorney or lawyer and their aide or client.
- the legal representatives each had a court computer integrated into a big screen located to the right of the room easily visible to the judges and to the parties and their counsel.
- to the left of the room were two court officers. One was dedicated to transcription, the other operated as a facilitator assisting with technical issues during the presentations as well as following the argument and locating power point slides when the parties had any difficulty.
- the legal representatives were separated by a rail from the gallery consisting of a dozen chairs in two rows. A party could easily give instructions from a point in the gallery nearest their parties' patent attorney or lawyer.

On the whole it was a relatively small area configured cleverly to permit the proper and efficient presentation of a case in comfort but at the same time, create a very approachable and personal atmosphere.

### *The Administrative Judges*

There were three judges. In this hearing, and I have assumed this to be the general procedure, the judge in the center generally directed the proceedings. In these two challenges before the IPT, the directions included:

- Requiring the parties to announce appearances and nominating a spokesperson;
- Calling the challenger of the patent (proceeding 1) to open their case; calling the patentee to resist; calling for final submissions, drawings or power points from the parties;
- Asking the other judges for any comments;
- Closing proceeding 1 and requesting the parties to indicate when they required the decision;
- Opening the opposition to the patent application (proceeding 2);
- Maintaining the order of presentation to the opponent followed by the applicant;
- Offering an opportunity from either side for final submissions;

- Asking the other judges for comments.

My impression was that the judges had already read the material and were familiar with the key issues. The judge directing the proceeding asked both parties particular questions which indicated a familiarity with the key issues of the challenge in proceeding 1 and key aspects of the claimed inventiveness of the application in proceeding 2.

#### *The proceedings*

Two proceedings were before the IPT and commenced at 2pm.

In proceeding 1, a patentee was resisting an attack on the validity of their patent, as to novelty and inventive step. At approximately half way through the afternoon session by 3pm, a last opportunity for final submissions was given and thereafter the files were closed on proceeding 1 and new files, new power point presentations and new handouts were opened for proceeding 2. Proceeding 2 was a challenge by the patentee in proceeding 1, opposing an application for a patent by the party challenging the validity of the patent in proceeding 1 (proceeding 2).

Both the patent and the claimed invention in the patent application related to the transportation of material such as concrete, through flexible tubes made of an industrial material, which passed through one manhole, travelling through underground tunneling and resurfacing at another manhole close to the destination of the transported substance. Further technology was involved in preventing the transportable substance from hardening along its journey.

A submission of the patentee in proceeding 2, was that the subject of the patent application was simply a difference in materials being used, but adding no new inventive element. In response the applicant claimed that the chosen materials added to the transportation and reduced substantially, difficulties experienced while threading the tube down manhole 1, along the manhole and up to the destination site.

#### *The representatives*

In the hearings, each party had their own patent attorney who acted as the main spokesperson for the party. The patent challenger had its 2IC seated next to its patent attorney giving instructions and the company CEO seated immediately behind them in the gallery section but proximate to the 2IC and the company's patent attorney.

The patentee was represented by a patent attorney, whilst his client was not present at the hearings. Seated with the patent attorney for the patentee, was an IT specialist computer operator acting on the direction of the patent attorney. It was made clear to the IT specialist at the commencement of the hearings when appearances were announced, that he had no right to speak in the proceeding.

### *The conduct of the proceedings*

I have indicated that the direction required the challengers in each proceeding to put their cases followed by the defenders of the particular challenge.

There was no reply but both parties were given an opportunity to make further and final submissions. The cases for both parties were conducted immediately through power point presentations. The judges had already printouts of the power points. The power points contained:

- The relevant claims;
- Drawings showing the invention in operation and the key points of contention.

The patent attorney's used pointers in their presentation as did the judges who used the pointers to identify the locations of contention, the relevant phrases in the claims relating to the points of contention. Some questions were asked by one of the other judges, but only in proceeding 2.

In the call for any final submissions, the CEO from the gallery sought permission to make a submission, going to the inventiveness of the patent application in proceeding 2. The center judge directing the proceeding allowed the submission which seemed to be made in a pointed fashion.

Very impressive in this exchange, was the demeanor of the Tribunal in allowing some submissions of clarification by the 2IC and the CEO. The parties were given every opportunity to present their cases.

### *The result*

Proceeding 1 took very close to 1 hour, from 2 to 3pm. The judges were apparently aware of the issues and parties appeared to present efficiently, although some of the power points were not fully read out in the proceeding. It did appear that the IPT had sufficient information to make a decision and invited the parties to indicate when decision was required.

Proceeding 2 resulted in a decision that the photographs in the slide show did not adequately show what the inventive element was at the entry point of the tube in manhole 1. The IPT fixed a date with the parties, by which time the party claiming the patent application disclosed an inventive element, might provide the IPT and the other party with further photographs and/or a DVD giving greater clarification and insight into the claimed inventive process which the patent applicant used to thread the tube into the manhole at the entry point and its passage to its ultimate destination.

The hearings were concluded at 4pm. As the judges were leaving the Tribunal, the center judge directing the proceedings, kindly acknowledged my attendance.

### *Conclusion*

The most impressive and instructional observations I made were:

- The judges made clear the order of presentations and the parties authorised to make submissions.
- The judges conducted the proceedings in a manner which was orderly and permitted the parties to fully ventilate their cases, even allowing the CEO of one party to make several submissions himself.
- The hearing was conducted in a formal ‘court like’ atmosphere, yet with a more personal, approachable and direct level of exchanges between the legal representatives and the judges.
- The proceedings were very interactive with the judges, with judges adopting the practice of using a power point pointer to make observations on any key issues and asking questions and inviting submissions on that issue.
- Each judge was able to follow the issues arising by the claims through the power point printouts as well as the screen presentation.
- The use of power points were central to the presentation of the cases.
- The power point presentations were given to the judges before the hearings.
- Both related oppositions were conducted within 2 hours. In my opinion this was possible because:
  - The judges were familiar with the key issues before the hearings;
  - The manner of presentation, power point, enabled them to get to the heart of the issues directly, and focus on the claimed similarities and differences.

The experience was instructional from both a wider administrative perspective and from a practice management perspective, in the conduct of cases in which I am briefed to act. The reason for this higher level of utility, is that as lawyers, we are always looking for the best way to put a client’s case in a succinct and understandable manner for the decision maker.

*Use in practice*

On my return I did utilize my recently acquired knowledge. In a copyright mediation in the Federal Court, I asked my instructing solicitors to approach the Court as to whether we might use a power point for the mediation. The Registrar agreed, noting that there had not been such a request for some 10 years. Although I had prepared a position paper of reasonable depth, I found that the power point was a far more effective way of summarizing the position paper than the usual summary. As it was copyright, I could put side by side the competing artistic works and literary works and use the pointer to highlight the differences and similarities.

Dimitrios Eliades

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