

# ***HANSUNG International News***

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## From the Corner Office

Even as the world suffers from an economic crisis, the intellectual property field has hardly slowed down. On the contrary, it continues to gain speed to meet the needs of inventors and companies seeking patent and trademark protection. Therefore, it is most desirable to have a timely updating of recent IP developments and to share this information with our clients and colleagues.



**Kyu-Pal Choi,  
Senior Partner**

We at Hansung International have issued newsletters intermittently in the past, as dictated by important IP matters. Now we have decided to publish a quarterly newsletter. It contains news briefs about our firm, changes in Korean patent laws and significant court cases, as well as overseas news for our clients—who are based in more than 30 countries.

Because of limited space and our readers' widely different interests, the contents are necessarily summarized. But if you would like to have more detailed information about any item in the newsletter, please do not hesitate to ask. I or one of my attorneys will be happy to answer.

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## News from Our Firm

### ***Mr. Choi's Sons Now in Training***

In-Jae Choi, the oldest son of Hansung International founder Kyu-Pal Choi, is a patent attorney specializing in chemistry. He left Seoul for Osaka, Japan in March 2009 for the purpose of gaining a better grasp of the Japanese legal system. Mr. Choi is expected to return to the firm in 2012. His brother, In-Ho Choi, a patent attorney

specializing in electronics, has entered law school at Yonsei University. After graduation, he is expected to earn a lawyer's license and rejoin the firm better equipped to serve clients with the dual licenses of patent attorney and lawyer.

### ***New Attorneys and Editor at Hansung International***

**K**young-Ah Kim became part of the firm in April 2009. She has a bachelor's degree from Seoul National University and spent time at two other law offices before coming to Hansung International. Ms. Kim, whose foreign languages are English and Japanese, specializes in organic chemistry, biochemistry and polymers.

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**T**wo attorneys who recently joined Hansung International—Rak-Gyu Sung and Eun-Joo Han—took part in a four-week seminar run by the Korean Intellectual Property Office in Seoul and Daejeon in February and March 2009. Mr. Sung specializes in chemistry, chemical engineering, biotechnology and polymers, whereas Ms. Han specializes in molecular biology, organic chemistry and natural products.

\* \* \*

**R**ichard Pennington joined the firm in February 2009. A graduate of the University of Texas, the author of 14 nonfiction books and a certified paralegal, Mr. Pennington edits all of Hansung International's English-language documents, along with its web site ([hsip.co.kr](http://hsip.co.kr)) and this newsletter. He has been in Korea since mid-November 2007, having taught English in Daegu before his move to Seoul.

## News from Korea

### ***Plavix Issue Divides Courts in U.S. and Korea***

**T**he Korean Patent Court and the United States Court of Appeals for the Federal Circuit (CAFC) are on opposite sides regarding the drug Plavix, which is intended to prevent blood clots. It appears that Korea has more stringent standards in approving the novelty of an enantiomer, since the Korean Patent Court ruled on January 18, 2008 that if the racemate is known, the novelty of the enantiomer separated from the known racemate cannot be recognized. Thus, the patent for clopidogrel (the active ingredient in Plavix) was rendered invalid.

On the other hand, the U.S. CAFC recently rejected an appeal by Apotex in a patent lawsuit against Sanofi-Aventis over Plavix. On December 11, 2008, it upheld a decision by the U.S. district court, validating US Patent No. 4847265 regarding clopidogrel, due to its novelty and non-obviousness. As a result of this ruling, US Patent No. 4847265 will be maintained in the United States until November 2011.

This Plavix case was appealed to the Korean Supreme Court and is pending. Legal observers will be waiting to see whether or not the Supreme Court is influenced by the recent U.S. CAFC decision and possibly annuls the ruling by the Korean Patent Court.

– Rak-Gyu Sung, Patent Attorney

## ***Recent Developments in Korean Patent Law***

The following amendments to the Korean Patent Law were promulgated on January 30, 2009 and will become effective on July 1, 2009:

### **a) Alleviation of restriction to an amendment after a final rejection**

The provisions that had prohibited an amendment from substantially expanding or modifying the claims after a final rejection have been deleted. Therefore, a modification of the claims by adding a new element within the specification as originally filed shall be allowed only if such an addition is to narrow the claims. Furthermore, an expansion of the claims by deleting a new matter that was added by the previous amendment shall be allowed.

### **b) Re-examination can be requested after a final rejection without filing an appeal**

Under the old law, in order to proceed with re-examination after a final rejection, an applicant had to file an appeal with the Intellectual Property Tribunal (IPT). Under the new law, after receiving a final rejection, an applicant may now choose either to request a re-examination along with an amendment or to file an appeal directly with the IPT without the amendment.

### **c) A divisional application can be filed even after receiving a re-examination report**

Under the old law, an applicant could not file a divisional application after receiving a re-examination report that maintained a final rejection. The new law allows filing of the divisional application in response to a new final rejection after re-examination.

### **d) An examiner may correct an obvious error in an application**

An examiner may correct an obvious error in an application by his/her authority when issuing a notice of allowance. The examiner must inform an applicant of such a correction. If the applicant does not accept the correction, he/she may file a response.

Proposed amendments to KPL according to the Korea-US Free Trade Agreement are still pending but are expected to pass in the National Assembly once the treaty is ratified by the U.S. Congress. The main contents of the proposed KPL amendments are as follows:

- The patent term can be adjusted (extended) to compensate for the delay in granting a patent.
- The grace period is extended from the current six months to 12 months.
- Arbitrary revocation of a patent—that is, cancellation of a patent due to non-working—will be abolished.
- The patent court may order parties to keep confidential any secret business information that has been disclosed during infringement litigation of a patent.

– Kee-Young Kwak, Patent Attorney

## ***KIPO Publishes Series of English-Language Books***

In recent years, the Korean Intellectual Property Office has put out three books in English. The first was *Industrial Property Laws of the Republic of Korea*. It detailed the country's Patent Act, the Utility Model Act, the Trademark Act, the Industrial Design Protection Act, the Unfair Competition Prevention and Trade Secret Protection Act, and the Semiconductor Integrated

Circuits Layout Design Act. The book has been updated to include the latest legislative revisions.

Second was *Understanding the Trademark Act of the Republic of Korea*, which details the trademark system with pertinent regulations, processes and institutions. Finally, the KIPO published *Understanding the Patent Act of the Republic of Korea*. These three books are helpful to anyone who seeks to do business in the IP field in South Korea.

### ***Patent Attorneys May Soon Handle Infringement Litigation Alongside Lawyers***

A pending bill in the National Assembly involves the changing relationship between lawyers and patent attorneys. On April 20, 2009, the Knowledge and Economy Committee passed a bill wherein patent attorneys may handle litigation of patent infringement jointly with lawyers. This had previously been the exclusive domain of lawyers. But if the bill becomes law, Korea will join Japan in allowing patent attorneys and lawyers to work together in this legal arena.

Under the current practice, infringement litigation can be formally represented by lawyers, with informal but substantial involvement of patent attorneys. That is, patent attorneys have been limited to advocating in the KIPO's Intellectual Property Tribunal, the Patent Court and the Supreme Court for clients in cases such as the rejection of application, validity of patent, scope of patent protection and patent correction.

The bill has made it to the last and hardest step in the process. It will require the approval of the Legislation Judiciary Committee. Strong objections can be anticipated from the Korean Bar

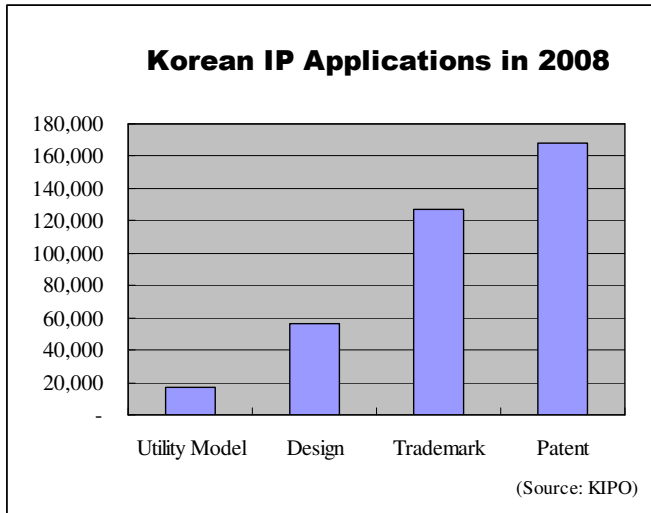
Association, whose members consider themselves uniquely equipped to handle litigation cases before any court. The patent attorneys, on the other hand, contend that their understanding of technological issues is far deeper than that of lawyers and thus they should be allowed to be part of joint efforts with lawyers in patent infringement cases.

The Legislation Judiciary Committee is expected to consider the bill in the summer of 2009. If it is enacted, intellectual property clients will benefit from having the combined efforts of lawyers and patent attorneys. Such a system has been quite successful in Japan, and there is no reason to think it would be otherwise in Korea.

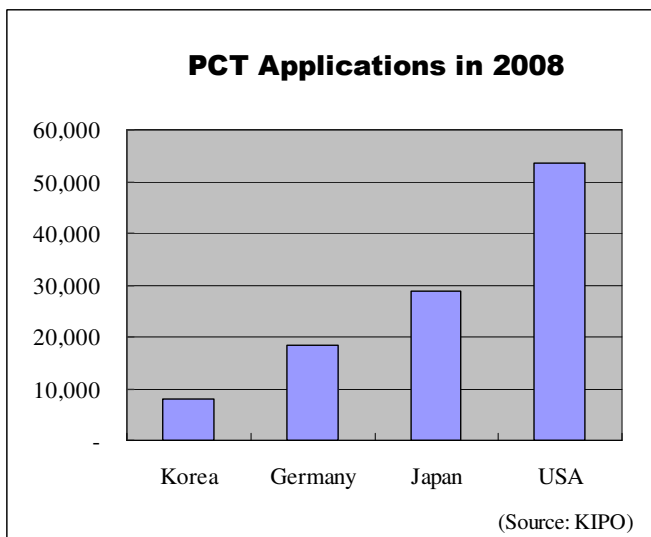
### ***Korean Recognized as One of PCT's Official Languages***

Member states of the World Intellectual Property Organization met in Switzerland in late 2007, and they voted to designate Korean as one of the official languages of publication. Now, Patent Cooperation Treaty applications can be published in Korean, English, French, German, Japanese, Russian, Spanish, Chinese, Arabic or Portuguese. This designation reflects the status of Korea as the country with the fourth most PCT applications.

The decision, the WIPO stated, was a reasonable response to the requests of Korean speakers. Furthermore, the move was deemed likely to encourage more applicants from the Republic of Korea to use the PCT system. That should ultimately enhance the PCT and the intellectual property infrastructure for developing countries and the least developed countries.



*Nearly 370,000 intellectual property applications were filed in Korea last year, and patents made up nearly half of those.*



*Korean individuals and companies filed 7,908 PCT applications in 2008, the fourth largest amount behind the USA, Japan and Germany.*

### **300 IP Experts Gather in Seoul**

The Westin Chosun Hotel was the site of the Eighth Seoul Intellectual Property International Conference for three days in October 2008. Nearly 300 experts from 37 countries gathered for the confab under the banner “Intellectual Assets Management and Commercialization.” Seoul, which calls itself the hub of the IP field in Asia, is due to host the AIPPI World Intellectual Property Congress in 2012

### News from Around the World

#### **International Trademark Registrations Top 42K in 2008**

The World Intellectual Property Organization reports that a record 42,075 applications were made for the international registration of trademarks last year. That represents a growth rate of 5.3%. For the 16th straight year, Germany had the most applicants, followed by France, the USA, the European Community, Switzerland, Italy, Benelux, China, Japan and Austria. The companies making the most international trademark applications in 2008 under the Madrid system were Lidl, Nestlé, Henkel, Boehringer Ingelheim, Novartis, Janssen Pharmaceutica, BSH Bosch and Siemens, Zhejiang Medicine Company, L’Oréal and Deutsche Telekom. According to WIPO director general Francis Gurry, the growth in the international trademark system is indicative of the importance of trademarks to business, especially in tough economic times. “Trademarks play a key role in engendering consumer confidence, an important factor for businesses facing the challenges of the current economic slowdown,” he said. Gurry further stated that a

trademark is a wise investment in the reputation and long-term sustainability of any company.

(Source: WIPO)

### ***Conference of Patent Information***

#### ***Libraries Held in Bulgaria***

**K**orea and Russia joined 26 member states of the European Patent Office in Sofia, Bulgaria from May 20 to 22 for the PATLIB Conference. Many of the speakers agreed that requests for patent information products and services had declined since the last half of 2008. With that in mind, delegates from across the continent discussed ways to find the right mix to appeal to small- and medium-sized companies. Library directors and users alike agreed on the need for better tools to analyze and map patents. The business perspective was emphasized by educational institutions, who indicated that intellectual property law is now often part of their curricula. Specialist courses are offered as well as those that show how to conduct academic research on IP.

(Source: European Patent Office)

### ***Growing Awareness of Trademark Rights in China's Zhejiang Province***

**M**ore and more Chinese businesses seeking to expand overseas have come to learn the value of intellectual property rights. That is abundantly clear in the country's Zhejiang Province, home to many small- and medium-sized enterprises. Zhejiang, one of China's leading textile-export centers, has seen many of its companies flourish in the international trade market in recent years due in part to the large number of international trademarks registered there. Five years ago, just 3,400 international trademarks were held by Zhejiang-based companies, but that number is now more than

29,000 and covers some 200 countries. The challenges posed by foreign competitors helps explain the fast development of businessmen's awareness of IP issues. For example, a leading Chinese shoemaker that wanted to grow its business in Canada was surprised to learn that its trademark had already been registered by a Canadian company. That lack of trademark protection knowledge led the PRC government to begin educating companies that sought to do business overseas, as well as strengthening cross-country cooperation on IP protection issues. Firms in Zhejiang Province now routinely protect their trademarks by building partnerships with international anti-piracy organizations like the Madrid Trademark System.

(Source: China Daily)

### ***World Intellectual Property Day Observed on April 26***

**I**n 1999, the Algerian and Chinese delegations to the WIPO proposed the adoption of World Intellectual Property Day. It was approved and became an annual event two years later. World IP Day seeks to raise awareness of the importance of patents, copyrights, trademarks and designs on daily life; increase understanding of how the protection of IP rights enhances creativity and innovation; celebrate creativity, and the contributions of creators and innovators to the development of societies around the world; and to encourage respect for the intellectual property rights of others. The event has a different topic or theme each year, and in 2009 it was "Green Innovation."

(Source: Wikipedia)

## ***Patent Offices Streamlining by Use of PPH***

The Patent Prosecution Highway (PPH) is a set of initiatives, meant to accelerate patent prosecution procedures, in which patent offices share information. It also allows each participating patent office to benefit from the work previously done by its counterparts, the twin goals being to reduce examination workload and improve patent quality. The first PPH was enacted between the U.S. Patent and Trademark Office and the Japanese Patent Office. It began as a pilot program in July 2006 and was fully implemented 18 months later. Other PPH programs have been agreed upon among this group: the Canadian Intellectual Property Office, the European Patent Office, the Korean Intellectual Property Office, the UK Intellectual Property Office, IP Australia, the Danish Patent and Trademark Office, and the National Board of Patents and Registration of Finland. It is a major cooperative effort between agencies and one that sometimes requires patience and adjustments during the trial period.

(Sources: USPTO, Wikipedia)

## ***IP Australia Now Using KIPO for International Patent Examinations***

The Korean Intellectual Property Office now serves as the international patent examination agency for IP Australia. Announcement of this decision was made by KIPO commissioner Jung-Sik Koh in August of last year, and the agency's services became available to Australian patent applicants on March 1, 2009. KIPO has provided international patent examination services for a decade now, and Australia is the tenth country to avail itself thereof. In 2008, more than 12,000 international patent examination requests (a 400% jump from 2007) came into the Seoul-based office. Foreign enterprises evidently value the work done by KIPO's examiners in terms of quality and pendency. As a result of the growing demand for international patent examinations, KIPO is planning to expand its pool of examiners.

(Source: KIPO)

This newsletter contains general information and should not be regarded as either legal advice or opinion. It is intended to inform clients and friends of Hansung International Patent & Law Office about current issues in the field of patents and intellectual property. We welcome readers' ideas, contributions, suggestions and queries. Please send them to:

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