



Amended regulations simplify transfer of employee inventions

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On January 19, 2024, the Invention Promotion Act was amended simplifying the process of transferring employee invention rights to their employing companies. Previously, even if a company's employee invention compensation rules provide for a succession clause, the rights to employee inventions were transferred to the company upon notification to the employees. Under the amended Invention Promotion Act, if a company's employee invention compensation rules provide for a succession clause, the rights to employee inventions will be automatically transferred to the company upon the completion of the invention, without the need for separate notification, reducing the burden on companies and minimizing the risk of disputes.

In addition, under the amended Invention Promotion Act, courts are now empowered to order the submission of necessary data for calculating compensation for employee inventions, while protecting trade secrets through the "Confidentiality Order System." By the introduction of the "Confidentiality Order System", the employees are expected to actively request the production of documents for the calculation of compensation amount, while the companies may now be compelled to disclose data considered trade secrets to the court.

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