

Message from the Commissioner

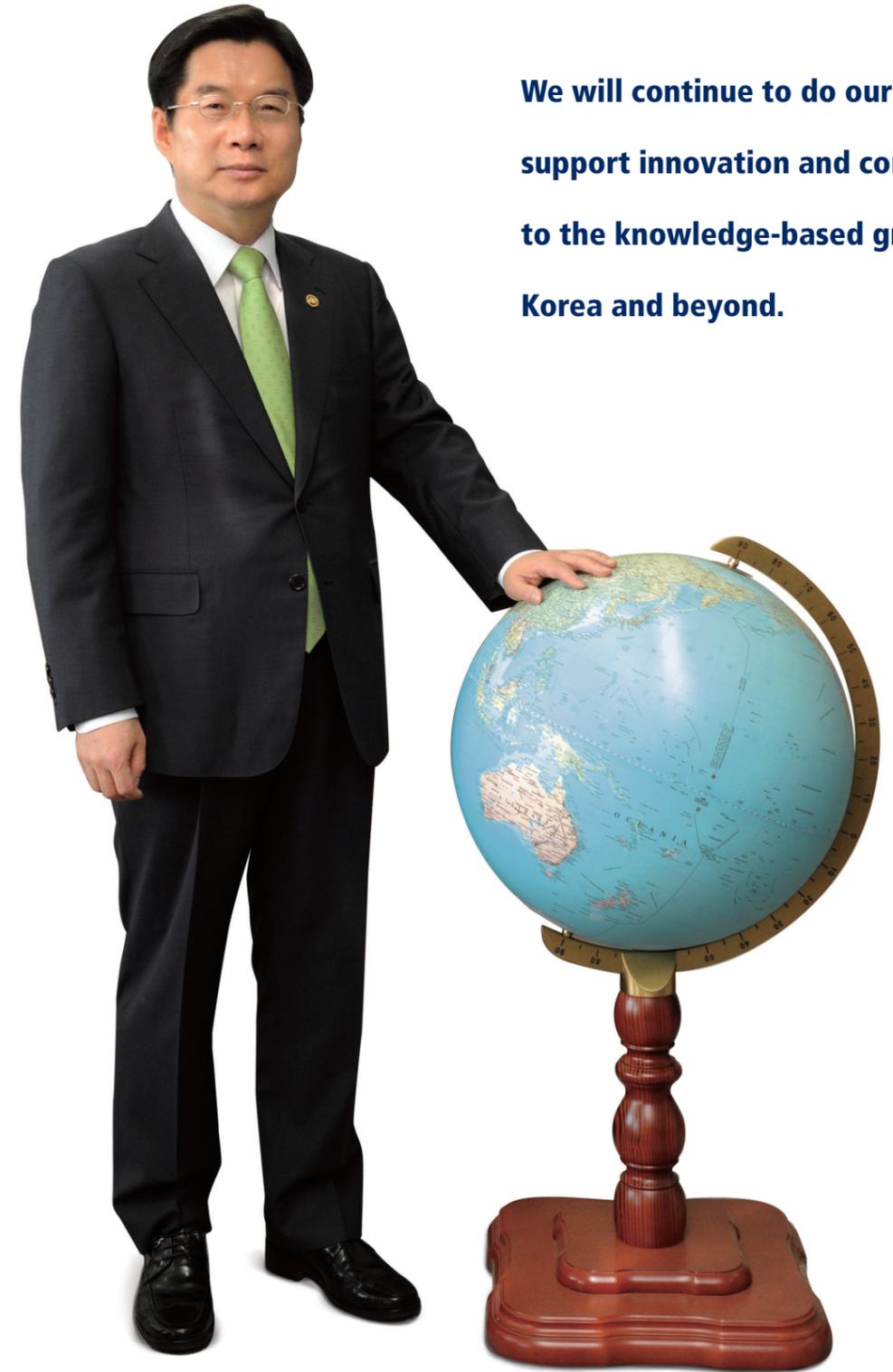
The past year has provided us with numerous occasions stressing the importance of intellectual property in strengthening the global competitiveness of companies. The fierce intellectual property dispute that broke out between Apple and Samsung Electronics in 2011 proves that intellectual property has become a core business strategy for determining the success or failure of a company. Google's USD 12.5 billion offer to acquire Motorola's intellectual property further demonstrates the eagerness of companies to secure innovative intellectual property and thereby reinforce their global competitiveness. In response to this global transformation, we have been making efforts to provide competitive IP-related services. Most importantly, with the aim of protecting the outcomes of innovative activities, we undertook various measures to enhance the quality and timeliness of our examination for the growing number of IP applications. Over the past year, we hired 93 new examiners; we increased support for examiners by expanding the range and quality of investigatory services performed by outside agencies; and we managed the quality of their work. In addition, we have been developing a third-generation KIPOnet system since 2010 to reinforce the

computer system for examinations. Due to those measures, we were able to reach our targets set at the beginning of the year. The average time it took to process a patent examination in 2011 was 16.8 months. It took 10 months for trademarks and 8.8 months for industrial design examinations. The quality of our examinations has also been recognized internationally, with a 13 percent increase in the number of PCT international searches requested by foreign companies over the past year. Furthermore, we have expanded international cooperation to eliminate unnecessary duplication of tasks and to build an effective global IP system. We are now executing Patent Prosecution Highways (PPH) with nine countries after the addition of Spain in 2011. We also held a PCT-PPH trial project with the U.S. Patent and Trademark Office. Moreover, we are involved in global, sustainable efforts to improve the efficiency and quality of patent examinations through our participation in the IP5, a partnership of the five major patent offices around the world. In the area of trademarks and designs, Korea joined the United States, Japan, and Europe to form the G4 partnership system. At the same time, we have been working with

our special judicial police squad to enforce intellectual property rights and ultimately create an environment where creativity and innovation are fairly rewarded and protected. By revising and amending the Patent Act and the Trademark Act to reflect the Korea-U.S. FTA, we have ensured that Korea's intellectual property rights system will not be an obstacle in international trade arrangements. I am convinced that we were able to accomplish all of this due to the passion and hard work of all KIPO employees as well as the continued support and interest from our customers and stakeholders. I hope this Annual Report provides insight regarding the purpose and activities of KIPO, thereby ensuring a successful partnership with our foreign customers. We will continue to do our utmost to support innovation and contribute to the knowledge-based growth of Korea and beyond.

Kim Ho-won

Kim Ho-won | Commissioner



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