

# Message from the Commissioner



We will continue to take an active role in creating an ecosystem where IP is highly evaluated and IP commercialization is vitalized.



Due to the COVID-19 pandemic, we are experiencing an acceleration of digital transformation and a disruption of supply chains which causes greater uncertainty for the global economy. In such environment, it is important for governments and industries to promote innovation as a means for sustainable development and economic growth especially centered in the field of science and technology. As intellectual property (IP) plays a key role in encouraging innovation, the Korean Intellectual Property Office (KIPO) has been continually improving the quality of examination and trial services, supporting the creation and use of valuable IP, and strengthening IP protection. In result of KIPO's efforts, the Republic of Korea (ROK) reached its highest number of overall IP applications, most being filed by small and medium-sized enterprises (SMEs) and venture companies.

First of all, KIPO has worked to provide reliable examination and trial services that support the transition into a digital economy and responds to COVID-19. On a legislative level, amendments were made to allow protection of new types of graphic image designs using digital technology, such as those expressed through AR and VR, and to broaden the scope of "working of a design" for both offline and online channels. Also, a policy was enacted to ex officio designate patent application for accelerated examination in order to facilitate response to emergency situations, such as COVID-19 vaccine development. On an administrative level, we developed an AI-based trademark and design image search system which greatly reduces time and improves accuracy of examination, and we began involving third-party technical experts of cutting-edge technical fields to supplement the patent trial and appeal process.

In terms of creating and utilizing IP, KIPO has been supporting SMEs to find financing opportunities based on the value of their IP assets, also known as "IP-finance." Amidst the global crisis, the total cumulative transactions of IP-finance in the ROK grew to surpassed 6 trillion South Korean Won for the first time. Furthermore, we published a patent analysis report on non-mRNA vaccines to help companies, universities, and research institutes set the direction of their COVID-19 vaccine research and development. Meanwhile, the ROK's ranking advanced to be the No.1 country with the largest standard-essential patents (SEPs) reported to the world's top three international standard-setting organizations as of 2021.

One of KIPO's consistent pursuits is to strengthen protection of IP. The *Unfair Competition Prevention Act* was revised in 2021 to provide legal basis against the misappropriation of data, which is a key asset in a digital economy, and to prohibit products with unauthorized use of portraits and names of famous persons. Also, more reasonable compensation and punitive damages for infringement will be applied to all intellectual property rights (except copyright) through amendment of the *Trademark Act*, *Design Protection Act*, and *Unfair Competition Prevention Act*. For more effective enforcement, the "Tech Police" was newly organized to be a dedicated division of KIPO's special judicial police for investigation of illegal activities related to technology and trade secrets. And, the "Trademark Police" has been producing significant results of counterfeit enforcement to protect the interest of trademark owners and consumers.

On an international stage, the ROK was able to make remarkable achievements in 2021 being ranked 5th worldwide (1st in Asia) in the "Global Innovation Index" by the World Intellectual Property Organization (WIPO) and 4th in international applications under the Patent Cooperation Treaty (PCT) for the second consecutive year. Furthermore, KIPO reached 1st in the "IP Office Innovation Ranking" by the international publication World Trademark Review. Based on KIPO's background and experiences, we took the lead to create a cooperative roadmap for utilization of new emerging technologies among the five largest IP offices (IP5) and to share our insights in WIPO's global conversations on AI and IP.

Particularly in 2021, we encountered many changes in the environment surrounding IP and within the IP system. Despite this situation, KIPO was able to sufficiently respond and even achieve good outcomes. This would not have been possible without the interest and support of our domestic and foreign stakeholders. We will continue to take an active role in creating an ecosystem where IP is highly evaluated and IP commercialization is vitalized.

We are pleased to present to you the 2021 Annual Report. I hope our publication serves to help you understand the recent activities and future vision of KIPO.

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