

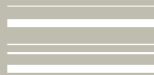
Korean Intellectual Property Office



2007



ANNUAL REPORT 2007



Korean Intellectual Property Office



Your Invention Partner

Korean Intellectual Property Office

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Message from the Commissioner



Today intellectual property is recognized not only as a driving force in the creation of national wealth but also as a key factor in coping with global issues, such as climate change and food shortage. Intellectual property is therefore essential for securing the welfare and prosperity of humankind.

The Korean Intellectual Property Office upholds the value of intellectual property rights and pursues a vision of being a world-class intellectual property office for the sustainable growth of the knowledge-based economy. We are endeavoring to realize that vision through diverse activities in the intellectual property field.



Domestically, we have hired highly qualified examiners and implemented a world-renowned automation system of intellectual property administration to provide high-quality examination services. In addition, for the commercialization of

intellectual property rights, we encourage the creation and utilization of excellent intellectual property and strengthen the protection of intellectual property rights at home and abroad.

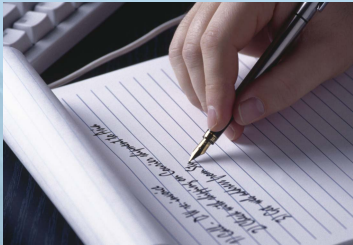
Internationally, we have actively engaged in efforts to raise the efficiency of examinations and to harmonize the world's various systems of intellectual property rights. We do that by collaborating closely with other patent offices and with international organizations such as the World Intellectual Property Organization and APEC.

To facilitate the industrial innovation and growth of the national economy in the future, we will promote the intellectual property cycle by embodying the pragmatism and down-to-earth approach of the new government that came into office in February 2008.

Furthermore, multilateral cooperation will remain at the forefront of our efforts to develop a global system of intellectual property. At present we are committed to sharing our intellectual property experience with developing countries; we are also pursuing efforts to raise the quality of examinations and to reduce the examination workload by sharing examination results with other intellectual property offices.

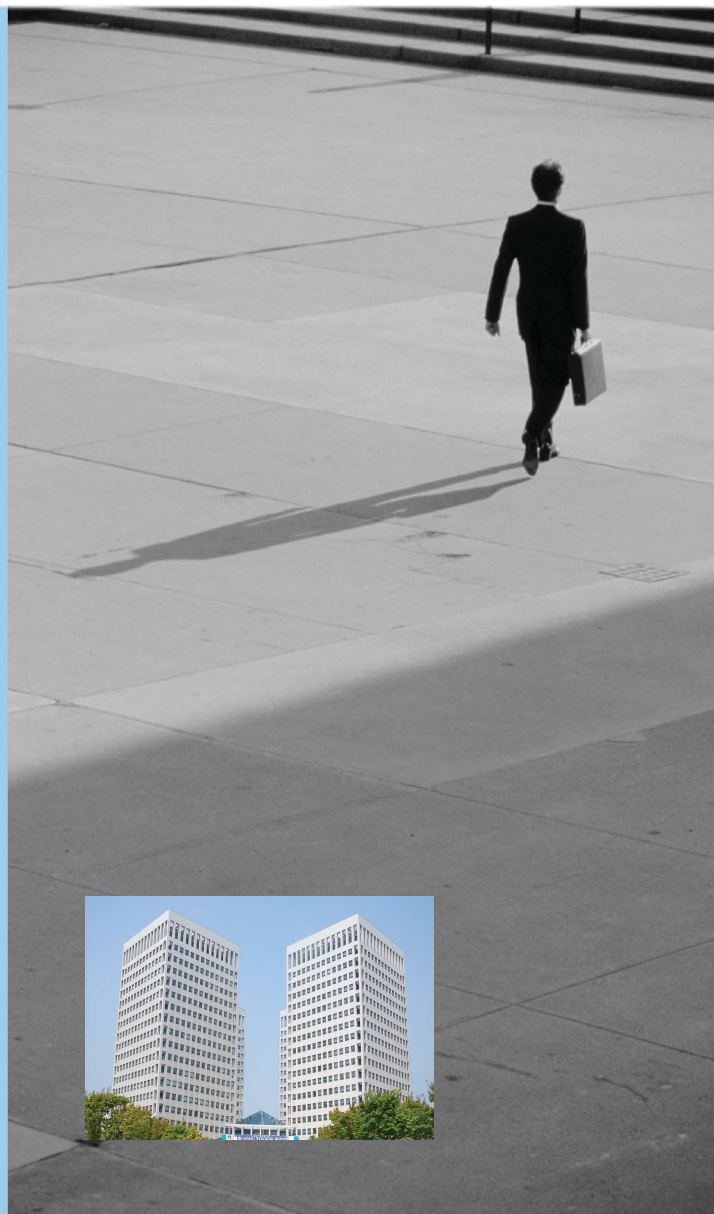
Finally, I hope this annual report gives you a better understanding of our aims and activities as well as insight into our intellectual property systems, policies, and future direction.


Jung-Sik Koh
Commissioner



Overview and highlights of 2007

- Overview of 2007
- Applications
- Examinations
- Registrations
- Improvements in the registration procedure
- Trials and appeals
- Improvements in application procedures



Overview of 2007

At the Korean Intellectual Property Office (KIPO), we received 377,496 applications for intellectual property rights (IPRs) in 2007. This figure represents a 1.3 percent increase over the previous year. Applications for patents, which are directly associated with technological innovation and knowledge creation, reached 163,000, representing a 1.1 percent increase over the previous year.



Ceremony for the 30th year of KIPO's foundation

The proliferation of intellectual property (IP) applications has put the Republic of Korea on a par with other advanced countries. In 2007, our international patent applications under the Patent Cooperation Treaty (PCT) numbered 7,066, the fourth largest number in the world.

In 2007, while celebrating the 30th year of our foundation, KIPO launched many projects and activities in various fields, with astonishing results.

To swiftly and accurately grant rights for the ever-growing number of IP applications, we undertook various measures to drastically improve the efficiency of our examination process. For instance, we adopted the Six Sigma method of management; we expanded our outsourcing of certain examination tasks; and we promoted online and at-home examinations. As a result, by the end of 2007, we succeeded in shortening the first action pendency period for patent examinations to a mere 9.8 months, which means we now have the fastest patent examination service in the world. Moreover, the examination periods were shortened to 5.7 months for trademarks and 5.5 months for designs.

To ensure that our examination service is of the highest quality, we implemented various measures. For instance, we diversified the educational

and training programs for examiners and strengthened the examination infrastructure by improving the quality of outsourced projects and the standards of examination reviews. We also developed a new system of managing examination records. The system involves the use of booklets on examination know-how as well as note cards that facilitate the handing over or transfer of examination duties. Through this system, examiners can easily share their examination experience and know-how.

Thanks to our efforts at improving the examination quality, international corporations such as Microsoft and 3M are showing greater confidence in our search capabilities, as indicated by the surge in requests for PCT international searches.

Since becoming Korea's first self-financing executive agency in 2006, KIPO has introduced various techniques, such as Six Sigma management and other techniques of knowledge management, to optimize customer-oriented services and performance-based management. These techniques have led to improvements in work processes and policy and earned our office official recognition as a government agency with outstanding managerial performance.

The laws on employee inventions were revised in September 2006 to stimulate the invention of innovative national technologies. The revised laws provide a standard by which employers and employees can cooperate with each other to ensure that employees receive appropriate compensation for their inventions. In 2007, we standardized and distributed a model of compensation for employee inventions at universities and enterprises.



The 2007 Trademark and Design Exhibition

Overview of 2007



Inaugural meeting of the heads of the five major IP offices in 2007

We also collaborated with nine local governments through a matching fund to launch consulting projects on general patent information. These projects provide a one-stop service on a range of patent issues, such as the development of technologies and the acquisition and commercialization of patents. Using a focusing strategy, we selected and now support 51 promising local Small and medium-sized enterprises(SMEs) as star patent companies. We also provide customized product management services to companies that specialize in local industries.

Our Intellectual Property Management Support Division was created to provide the chief executive officers of SMEs with consultations on how to use, commercialize, and trade patent information. Through this service, together with on-site consultations from examiners and judges, SMEs can identify management themes and diagnose their management of IP. In 2007, consultations were given to 101 SMEs on the management of patents, brands, and designs, at an average of 4.1 consultation themes per company.

International cooperation has been another key strategy of IP administration. For instance, since April 2007 we have been operating a program called the Patent Prosecution Highway with the Japan Patent Office. Based on mutual trust of each other's examination results, the highway system is a way of fast-tracking applications lodged in both countries. Our free trade agreement with the United States is another means of promoting mutual recognition and cooperation with regard to IPRs. The agreement provides a framework whereby both countries can protect each other's IPRs.

In a new multilateral development, the heads of the five major patent offices held the inaugural Meeting of the Heads of Patent Offices in May 2007. Korea and China joined the triumvirate of the United States, Japan, and the EU. The inaugural meeting has led to a more concerted effort to improve the efficiency and quality of examinations and to harmonize the systems of each office.

We also remain highly appreciative of the international support we received at the Assemblies of the Member States of the World Intellectual Property Organization(WIPO) in October 2007, at which the time Member States agreed to formally include the Korean language as an official language of publication in the Regulations under the PCT. That decision is expected to trigger an influx of Korean PCT applications in the future.

By drawing upon our advanced capabilities in the area of information technology, we have also relished the opportunity to collaborate closely with WIPO and APEC on the development and distribution of two major e-learning modules, namely IP Panorama and IP Xpedite.

In December 2007, the number of cases in our database of domestic and international IPRs reached 159,044 (32,242 domestic cases and 126,802 international cases). The database was established for the purpose of strengthening the protection standards for international IPRs and promoting national technological innovation through the creation, utilization and protection of IPRs. Currently, the database is used as a basis of support for government-funded R&D and R&D-related industries, and as a means of promoting IP creation among SMEs, universities, women and students.



The Korea Student Invention Exhibition

Highlights of 2007

Applications

Domestic applications

The overall IPR applications filed at KIPO in 2007 numbered 377,496, an increase of 1.3 percent over the 372,520 applications of the previous year.

A breakdown of that figure shows that patent applications rose slightly, by 2.7 percent, from 166,189 to 170,711. Utility model applications dropped by 36.2 percent, from 32,908 to 20,998. Industrial design applications numbered 54,138, which represents an increase of 6.1 percent over the previous year's figure of 51,039. Trademark applications rose by 7.6 percent, from 122,384 in 2006 to 131,649 in 2007.

Of the 377,496 IPR applications filed in 2007, residents of Korea filed 311,030 (or 82.4 percent), which is 0.1 percent less than in the previous year; and residents of foreign countries filed 66,466 (or 17.6 percent), which is 12 percent more than in 2006.

Looking at the IPR applications filed by residents of foreign countries, the vast majority, 42,568, were for patents, though this figure exceeds the previous year's figure by 7.1 percent; of the rest, 452 were for utility models, 3,475 were for industrial designs, and 19,971 were for trademarks.

Most of the applications of foreign applicants came from three countries: 24,103 (or 36.3 percent) came from Japan, 19,743 (or 29.7 percent) came from the USA, and 5,015 (or 7.5 percent) came from Germany.

A breakdown of patent applications by technological field shows that 31.7 percent of domestic applications and 29.0 percent of foreign applications pertained to the electrical and communications fields. Domestic applications in the fields of agriculture and fisheries, non-metal processing, and nuclear power increased by 23.5%, 23.5% and 63.6%, respectively, over the previous year. Foreign applications in the fields of metal and non-metal processing, weapons and blasting, and machine parts increased by 23.5%, 17.2% and 17.2%, respectively, over the previous year.

Applications by IPR type

IPR type	2003	2004	2005	2006	2007	Percentage change for 2007
Patents	118,652	140,115	160,921	166,189	170,711	2.7
Utility models	40,825	37,753	37,175	32,908	20,998	-36.2
Subtotal	159,477	177,868	198,096	199,097	191,709	-3.7
Industrial designs	37,607 (39,346)	41,184 (42,879)	45,222 (46,615)	51,039 (52,879)	54,138 (55,460)	6.1 (4.9)
Trademarks	108,917 (148,691)	108,464 (147,319)	115,889 (156,270)	122,384 (164,432)	131,649 (179,387)	7.6 (9.1)
Total	306,001 (347,514)	327,516 (368,066)	359,207 (400,981)	372,520 (416,408)	377,496 (426,556)	1.3 (2.4)

Note: 1. Figures in parentheses include multiple applications.

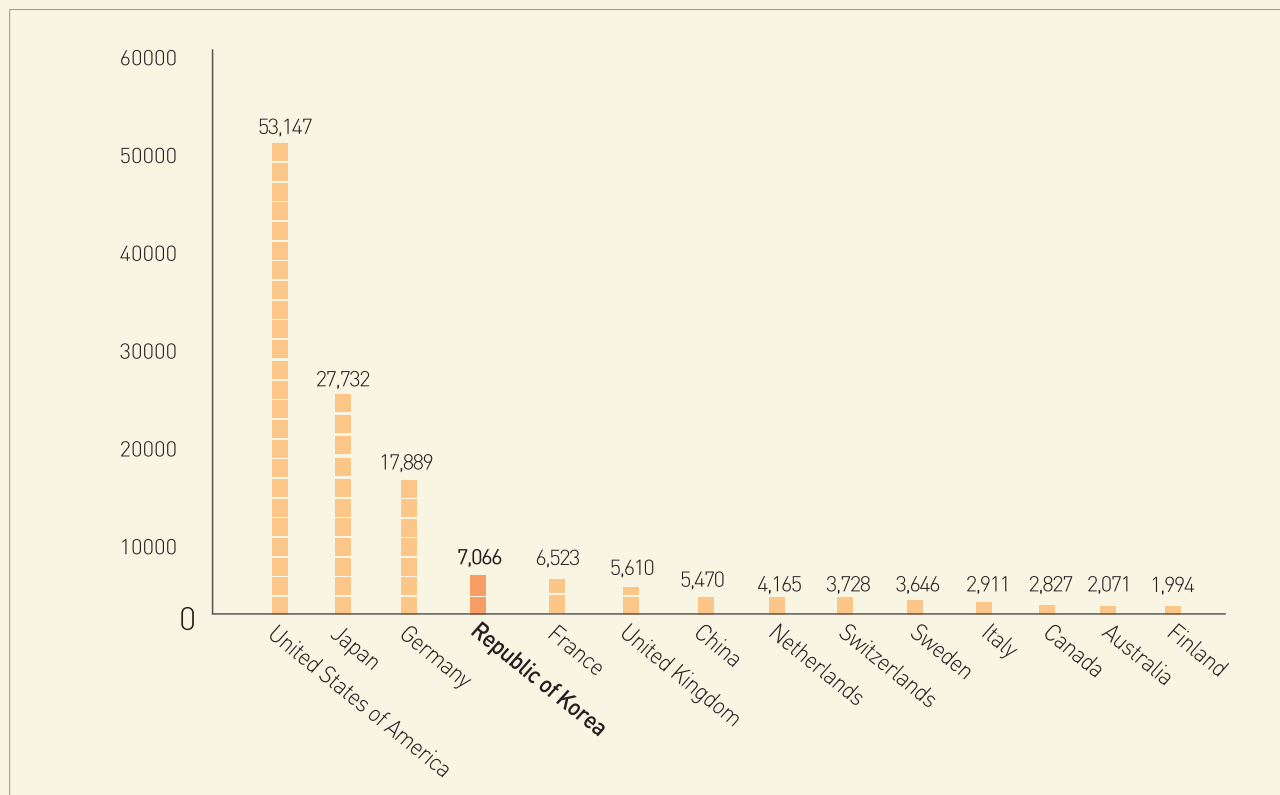
2. The figures for 2007 are preliminary.

PCT applications

Overall status

The overall number of PCT applications filed in 2007 was 158,400, an increase of 8,818 (or 5.9 percent) over the previous year. Of these applications, residents of Korea filed 7,066. Although that figure is only 4.5 percent of all PCT applications filed in 2007, it represents a significant increase of 18.9 percent over the 5,945 of the previous year and it elevated Korea's world ranking from fifth (out of 136 member countries) in 2006 to fourth in 2007.

Ranking for PCT applications (2007)

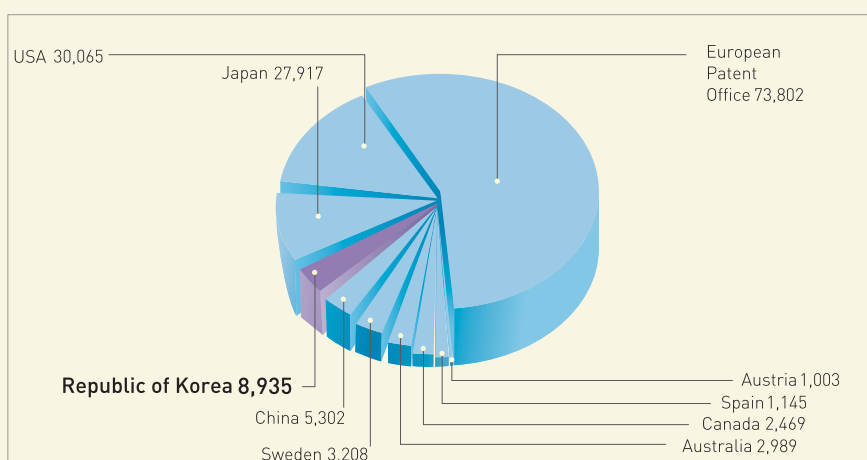


Note: Based on PCT Yearly Review 2007

Highlights of 2007

Status of international searches and international preliminary examinations

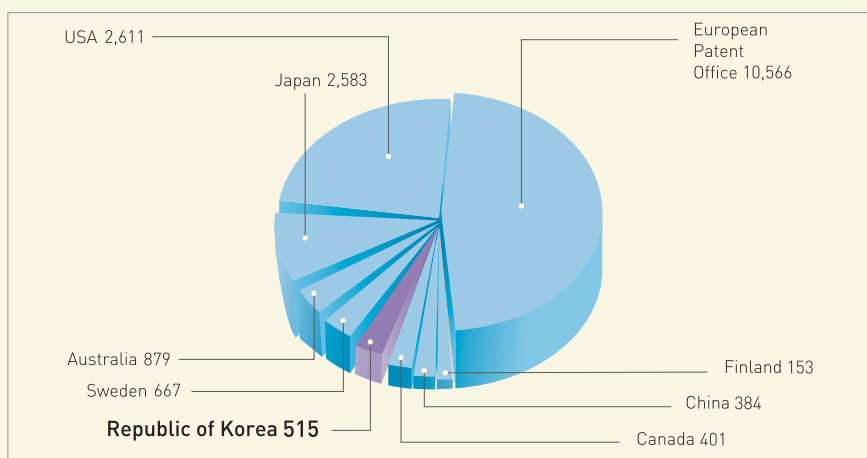
Status of international searches



Note: Based on PCT Yearly Review 2007

In 2007, the 12 International Searching Authorities accepted 158,400 applications for international searches. KIPO's portion numbered 8,935, earning us a ranking of fourth.

Status of international preliminary examinations



Note: Based on PCT Yearly Review 2007

In 2007, the 12 International Preliminary Examining Authorities conducted 19,100 examinations. KIPO's portion numbered 515, earning us a ranking of sixth.

Examinations

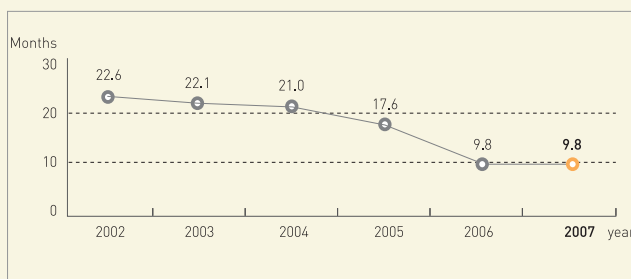
Patents and utility models

In 2007, the number of patent and utility model applications examined by the first action standard was 143,554. (That figure is comprised of 129,147 patent examinations and 14,407 utility model examinations.)

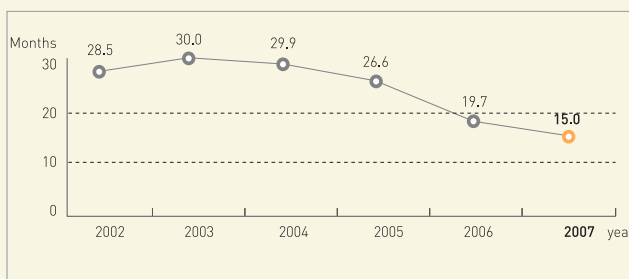
Of the 14,407 utility model examinations, 7,342 were processed under the new utility model law; 249 were processed under the quick registration system for utility models; and 6,816 were processed under a technical evaluation for utility models.

By the end of 2007, the first action pending period for patent and utility model examinations averaged a mere 9.8 months, the same as in the previous year.

First action pendency period for patent and utility model examinations



Total pendency period for patent and utility model examinations



Trademarks and industrial designs

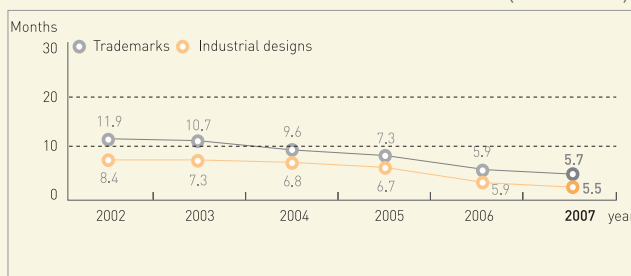
In 2007, KIPO examined on a first action basis 171,858 regular trademark applications, 58,587 industrial design applications, and 17,746 international trademark applications under the Madrid Protocol. The trademark figures represent an annual decrease of 0.1 percent and the industrial design figures represent an annual increase of 21.1 percent.

By the end of 2007, the average first action pendency period was 5.7 months for trademarks and 5.5 months for industrial designs. Compared to the previous year, these figures represent a reduction of approximately 0.2 months for trademarks and 0.4 months for industrial designs.

Highlights of 2007

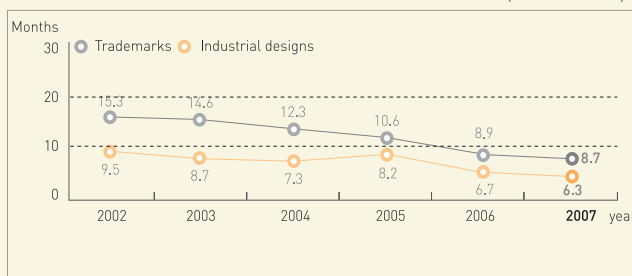
First action pendency period

(unit : months)



Total pendency period to the final decision

(unit : months)



Examinations by IPR type

Year	Patents and utility models			Industrial designs	Trademarks		Total
	Patents	Utility models	Subtotal		Domestic	International	
2001	55,766	54,550	110,316	32,276 (33,645)	87,078 (123,067)		229,670 (267,028)
2002	79,414	49,307	128,721	38,631 (40,618)	100,020 (136,041)		267,372 (305,380)
2003	93,433	48,578	142,011	40,094 (42,419)	118,796 (157,800)		300,901 (342,230)
2004	98,404	53,389	151,793	40,541 (42,080)	116,210 (156,147)	3,205 (6,560)	311,749 (356,580)
2005	131,115	49,317	180,432	40,820 (41,987)	124,892 (171,000)	4,534 (8,941)	350,678 (402,360)
2006	195,395	45,270	240,665	46,381 (48,369)	128,457 (172,045)	7,270 (15,031)	422,776 (476,113)
2007	129,156	14,407	143,563	56,584(58,587)	127,709(171,858)	8,305(17,746)	336,161(391,754)

Note: 1. Includes other items such as withdrawal, abandonment, and invalidation.

2. Figures are based on the first action.

3. Figures in parentheses include multiple applications.

Registrations

In 2007, IPR registrations in Korea numbered 226,787, for an annual decrease of 9.5 percent. In addition, the annual registration renewals rose by 4 percent to 372,803 cases, and registration changes such as transfers rose by 9.2 percent to 181,422 cases.

Although analysis of registrations in 2007 reveals a drastic drop of 90.7% for utility models and a drop of 8.7 percent for trademarks, it also shows a rise of 2.1 percent for patents and a significant 18.7 percent rise for industrial designs.

In terms of specific industries, the electrical industry and the communications industry accounted for 69,099 registrations (or 54.8 percent), while the machinery industry accounted for 17,416 registrations (or 13.8 percent). Together these two industries comprised 68.6 percent of all patent and utility model registrations.

A comparison of registrations by individuals and legal entities shows that legal entities accounted for 75.1 percent of registrations, while individuals accounted for 24.9 percent. In terms of nationality, residents of Korea obtained 79.8 percent of the 2007 registrations, while residents of foreign countries obtained 20.2 percent. Of registrations by residents of foreign countries, the majority came from Japan (46.1 percent) and the United States (23.4 percent).

By the end of 2006, the total number of IPR registrations was 1,386,429. Of these registrations, KIPO had nullified 24,435 IPR registrations because of expiry, nonpayment of annual fees, or trials for invalidation of registration. With the addition of the 226,787 IPR registrations of 2007, the remaining registrations numbered 1,588,781.

Registrations by IPR type

IPR type	2003	2004	2005	2006	2007	Percentage change for 2007
Patents	44,165	49,068	73,509	120,790	123,306	2.1
Utility models	37,272	34,182	32,716	29,736	2,766	△ 90.7
Industrial designs	28,380	31,021	33,991	34,206	40,611	18.7
Trademarks	46,023	51,104	57,872	65,825	60,104	△ 8.7
Total	155,840	165,375	198,088	250,557	226,787	△ 9.5

Note: Trademark registration renewals are excluded.

Highlights of 2007

Improvements in the registration procedure

To prevent the extinguishment of rights due to the nonpayment of fees, we introduced various measures to inform right holders of procedures for paying the annual fees. These measures minimized the extinguishment of rights caused by the mistakes or misjudgment of patentees; they also helped resolve complaints and improved the level of customer satisfaction.

We also introduced an advanced extinguishment notification service for patentees with multiple registrations.

On July 1, 2007, the period for corrections was extended for cases in which the inventor has made a clear mistake in the description. The extension enables the inventor to make corrections even after an examiner has decided to grant the patent. The inventor may set the standard of what is meant by a clear mistake.

A standard sample is now provided for each type of registration application to help applicants comply more easily with various notifications, such as the notification of the reasons for nonacceptance.

To increase the convenience of applicants, we have simplified the procedure for paying registration fees and improved the efficiency of the payment system by reducing the number of payment mistakes and returned notices; in addition, the payment bills that describe the discounted amount are now sent together with the notification of the patent decision (though this practice only applies to the four types of bills for which the discount cannot be changed).

Because more and more customers use the certificate of registration to promote their business, we improved the system of issuing certificates to satisfy the needs of customers.

We also revised the regulations for handling registrations, as well as the registration manual, to reflect changes in the registration environment, particularly with regard to new legislation. The revisions have led to improvements not only in the coherence and efficiency of the registration work processes but also in the swiftness and accuracy of the examination process.

More than 980,000 documents (related to registrations, the PCT, applications, trials, and so on), which were formerly stored in six locations, including our training institute library, were moved for the purpose of integrated storage and management to portable bookshelves (or mobile racks) at the Invention Education Center and to the underground library of our headquarters.

To improve the efficiency of management, we catalogued the documents by type and registration number. In addition, we developed a database for the effective search of documents and uploaded the database onto the KIPOnet system.

Trials and appeals

In 2007, KIPO received 19,416 trial petitions, which represents a 13.6 percent increase over the previous year.

A breakdown of trial petitions for the year shows that the number of petitions for patents and utility models rose by 11.6 percent to 11,703, whereas number of trial petitions for trademarks and industrial designs rose by 16.8 percent to 7,713. In addition, the ex parte cases numbered 15,133 (or 77.9 percent of all cases) and the inter partes cases numbered 4,283 (or 22.1 percent of all cases). Moreover, residents of Korea accounted for 12,225 (or 63 percent) of the trial petitions, whereas residents of foreign countries accounted for 7,191 petitions (or 37 percent).

In 2007, we concluded 18,978 trials. Of these, 12,194 (or 64.3 percent) were for patents and utility models, and 6,784 (or 35.7 percent) were for trademarks and industrial designs.

The ex parte suits filed in 2007 with the Patent Court numbered 436, which is slightly more than the 331 suits filed in the previous year. The ex parte suits comprised 271 patent and utility model cases and 165 trademark and industrial design cases. As the defendant in the ex parte suits, the KIPO Commissioner had a success rate of 83.1 percent, up slightly from the 75.6 percent success rate of the previous year.

The final appeals of the ex parte suits filed with the Supreme Court in 2007 were up by 34 from the previous year for a total of 73. Of these, patent and utility model cases numbered 64, while trademark and industrial design cases numbered 43. As the defendant in the final appeals, the KIPO Commissioner had a success rate of 82.7 percent, down slightly from the 83.3 percent success rate of the previous year.

Comparison of domestic and foreign trial petitions

	2003		2004		2005		2006		2007	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
Patents	2,339	1,482	3,133	1,665	4,362	2,780	6,209	3,516	7,116	3,834
Utility models	780	8	812	15	771	15	758	7	744	9
Industrial designs	554	50	538	34	456	28	515	31	584	27
Trademarks	2,505	1,431	2,890	1,692	3,432	2,437	3,315	2,741	3,781	3,321
Subtotal	6,178	2,971	7,373	3,406	9,021	5,260	10,797	6,295	12,225	7,191
Total	9,149		10,779		14,281		17,092		19,416	

Note: Multiple applications for trademarks and industrial designs are treated as single applications.

Highlights of 2007

Trial statistics

Category	Rights	2003	2004	2005	2006	2007	Percentage change for 2007
Petitions	Patents	3,821	4,798	7,142	9,725	10,950	12.6
	Utility models	788	827	786	765	753	△ 1.6
	Industrial designs	604	572	484	546	611	11.9
	Trademarks	3,936	4,582	5,869	6,056	7,102	17.3
	Total	9,149	10,779	14,281	17,092	19,416	13.6
Disposals	Patents	2,836	4,051	6,572	9,793	11,333	15.7
	Utility models	728	876	1,041	857	861	0.5
	Industrial designs	576	599	535	506	538	6.3
	Trademarks	3,718	4,206	5,003	5,630	6,246	10.9
	Total	7,858	9,732	13,151	16,786	18,978	13.1
Successful petitions	Patents	559 (44.2)	1,009 (44.0)	1,151 (42.7)	2,192 (45.0)	2,221 (39.0)	-
	Utility models	287 (40.1)	393 (45.3)	486 (47.0)	391 (46.4)	364 (43.4)	-
	Industrial designs	280 (52.5)	277 (52.0)	227 (46.9)	262 (56.8)	231 (47.5)	-
	Trademarks	2,077 (55.9)	2,484 (59.1)	2,687 (53.7)	3,194 (57.1)	3,689 (59.6)	-
	Total	3,203 (51.4)	4,163 (52.7)	4,911 (48.8)	6,039 (51.3)	6,505 (49.2)	-

Note: The term "disposals" refers to cases where a right has been registered or the applicant abandons the application, as well as cases where the registration is decided by an examiner's reconsideration before a trial.

Improvements in application procedures

We have improved the procedure for handling partial defects in multiple applications. In accordance with patent regulations, we permit customers in some instances to submit two or more applications in a single document. In the past, however, any defect in just one part of a multiple application led to the rejection of the whole document. For greater efficiency and convenience, we have changed the system so that only the defective portion of a multiple application is rejected. That means the nondefective parts of a multiple application are now accepted even though they were submitted in a single document with a defective portion.

We have also improved the procedure for handling partial defects when the power of attorney is shared by multiple attorneys. In the past, we declared a document to be invalid if the power of attorney for multiple attorneys was defective or if a complementary document regarding the defect was either not submitted or found to be improper. To ensure continuity of work and swiftness in our work procedures, we have adjusted the system so that only the parts of a document affected by any defect in the power of attorney are invalidated.

Overview and highlights of 2007

Improvement of IP administration

Advancement of the IP legal framework

Reinforcement of IP protection

Enhancement of cooperation

Creation and commercialization of IP

IP education and training

Effective enforcement of IP administration



Improvement of IP administration

- Greater efficiency in examinations and trials
- Enhanced automation of IP administration



Improvement of IP administration

Greater efficiency in examinations and trials

The fastest examinations and trials in the world



Ceremony to mark the attainment of the world's fastest examination and trial service

In 2007, the pendency period remained at a steady 10 months for patents and utility models and six months for trademarks and industrial designs, reflecting a sound, firmly established examination plan and improved examination efficiency.

We improved the examination efficiency by refining the examination process through Six Sigma management, by introducing at-home examinations, and by making other improvements.

In addition, we reinforced the infrastructure for swift examinations by improving the efficiency of out-sourced projects, reducing the time needed to classify products, and specifying the units of design products in terms of the type of design.

Deviations in the pendency period were stabilized through a process of forecasting the examination demands for each technological field, product, and design; and through flexible allocation of examiners. The deviation range for the pendency period was plus or minus three months for patents and utility models and plus or minus two months for trademarks and industrial designs.

By using divisions that focus on key performance indicators, we have gradually achieved our goal of reducing the processing period for intermediate documents (such as arguments and complementary documents). We have also launched a quarterly monitoring system. The maximum processing period for intermediate documents is four months for patents and utility models and three months for trademarks and industrial designs.

The pendency period for trials was reduced to six months as a result of staff increases and improvements to trial procedures. We are now planning to increase the size of the trial staff by adding 11 new members (including four trial examiners). By adjusting the staff quota for examinations and trials, we expect to secure the required staff.

In other developments, we now use the intensive trial system for all inter partes trials and we have imposed limitations on unnecessary extensions to the period for submitting replies. We have also introduced a system of giving notification of the expected completion date of oral hearings.

By improving the efficiency of examinations and by practicing performance-oriented management, we have attained our goal of reducing the pendency period for examinations and trials. The pendency period is 9.8 months for patents and utility models, 5.7 months for trademarks, and 5.5 months for industrial designs. With regard to trials, the pendency period is 5.9 months for patents, utility models, trademarks and industrial designs.

Improvement in the quality of examinations and trials

To improve the quality and efficiency of examinations, we have made many improvements to our examination systems.

For examination tasks, we developed a management card system that features work transition cards and examination know-how lists. This system enables examiners to share their know-how. The launch of a similar management card system for the work history of each examiner has enabled us to gain a better understanding of the overall work performance and to reinforce the responsibility of examiners.

For patent and utility model applications, we introduced a positive examination system (for each claim). This system requires examiners to record whether a claim is presented properly, whether there are any grounds for refusal, whether there are any outstanding matters that need to be resolved, and the steps that must be taken to ensure the claim is eligible for registration.

By increasing the scope of consultations for examiners of complex technologies, we have created a new form of consultation-based examinations. In addition, to improve the quality of our PCT reports, we are planning to require new PCT examiners to work together with senior examiners for six months.

In 2007, we produced a manual on prior art searches and reinforced the evaluation standards of search reports. These measures have improved the overall quality of searches. Furthermore, our revision of prior art regulations has created competition among agencies that specialize in prior art searches and improved the proficiency of searchers.

Improvement of IP administration



Award ceremony for the best examiners

To help with the development and integration of technologies, we provide our staff with specialized in-house education. We have reinforced education on practical matters for new examiners and established a refresher course for former examiners. Our efforts to develop such professional educational systems for each level and to provide practical education have enhanced the expertise of our examiners.

We are continually upgrading our examination system and databases to improve the quality of our trademark and design examinations. In 2007, our focus was on the following:

- Establishing an online system of examination cooperation that enables new examiners to receive swift consultations from experienced examiners, with a resultant improvement in accuracy
- Organizing our vast database on trademark precedents according to the grounds of refusal so that examiners can conveniently find and apply related precedents for each examination
- Operating an intelligent search system that helps examiners swiftly and accurately search for identical (or similar) designs.

To improve the quality of our design examinations, we concentrated on improving the efficiency and accuracy of searching prior designs by reorganizing our data on more than 6.8 million designs; in particular, we subdivided products with excessive examination data according to the form of the design.

We also concentrated on raising the competitiveness of the design industry by developing design maps, which are used to analyze and process design data such as trends in design applications and design disputes. Design maps can be used by anyone to formulate design strategies, understand niche markets, set the direction of design during product development, and prevent unnecessary disputes.

As in previous years, we conducted a competition among our examiners in relation to the trademark and design examination manual. The competition enables examiners to share their knowledge and expertise on examinations.

Meetings of examiners and specialized research councils have also enhanced the expertise of examiners with regard to various laws and major IPR issues. Through these types of activities, examiners can use their expertise in the development of policies and practices related to trademark and design examinations.

We evaluate excerpts of completed examinations for the purpose of improving the quality of our examinations. In addition, we organize the examination evaluations by type so that the information is readily accessible as feedback. To minimize errors in examinations, we give presentations on case studies and we run an educational program at our training institute to help examiners learn from outstanding as well as defective examinations.

Examiners who achieve an outstanding examination performance are awarded the status of Best Examiner and are exempted from further examination evaluations. In contrast, examiners who regularly produce examination errors are given practical education on examination affairs.

The results of examination evaluations are directly reflected in the performance rating of each examiner and each group of examiners. The performance rating is used for promotion purposes, and only examiners and examination groups with an outstanding examination performance are rewarded.

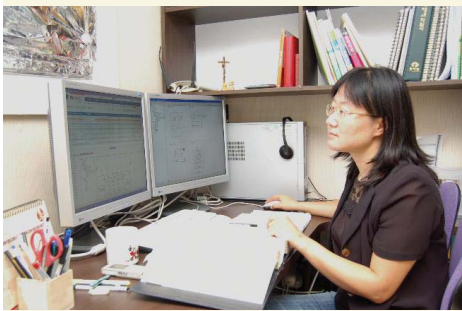
KIPO has also taken steps to improve the quality of trials and appeals.

To enhance the proficiency of judges, as well as the quality of trials, we provide substantial educational opportunities for new judges as well as in-service training for experienced judges.



The oral hearing system

Improvement of IP administration



An examiner working at home

Furthermore, to help new judges adapt swiftly to trials, we introduced a mentoring system and extended the adaptation period of new judges from two months to three months.

Each quarter a quality assessment committee for each field analyzes the judgments and decisions on the cancellation of rights so that we can evaluate ways of improving the quality of judgments.

We have also established a database of precedents for each issue and enhanced the search system of the database to improve the accuracy of judgments.

The oral hearing system has been actively used. This system gives the parties of a trial more opportunity to state their opinions and it enables the points at issue to be organized more accurately.

Enhanced automation of IP administration

Advancement of the KIPOnet system

After introducing online filing of applications in 1999, KIPO expanded and developed its KIPOnet system so that by 2002 it had achieved a full-fledged paperless IP administration. The subsequent release of the KIPOnet II upgrade in 2003 further enhanced our administrative responsiveness to applications.

In March 2005, we capitalized on the advantages of the KIPOnet system by introducing an innovative work-at-home system for our examiners, and we initiated 24-7 services for filing, examinations, and various administrative procedures.

To meet the security challenges created by these innovations, such as the disclosure of patent documents and the leakage of personal information, we upgraded our security system by introducing anti-intrusion systems, USB memory security, and other security measures.

In January 2007, KIPO became the first government agency in Korea to attain the ISO 20000 and ISO 27001 certificates. These certificates confirm the world-class status of our IT service management system and our information protection management systems. These systems are routinely inspected twice a year so that we can continually improve the quality of the KIPOnet system.

We established an integrated performance management system to cope with the expansion of networks and implemented a plan to move our major computer equipment to the Integrated Governmental Computer Center. The integrated performance management system is used to manage all our IT services, including hardware, networks, databases, and programs.

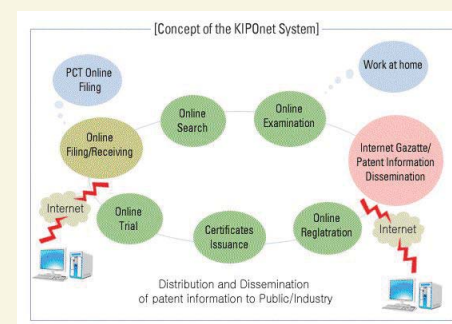
In recognition of the growing importance of utilizing patent information, we have promoted the establishment of a system of analyzing patent statistics. Such a system could be used to determine the direction of national and commercial R&D. In 2007, we established a data warehouse exclusively for statistics and we implemented a new statistical information system. In 2008, we plan to take further steps to develop a strategic system of analyzing patent information.

We also combined, merged, or eliminated similar types of documents and simplified the unnecessarily complex parts of documents. As a result, we condensed 347 types of documents to just 157 types, making it more convenient for applicants to select and complete the necessary documents.

To share the results of examinations with other countries, we promoted the automatic translation of patent information and examination results, as well as the establishment of a network for sharing examination information with other countries. Furthermore, in April 2007 we began to exchange examination results with the Japan Patent Office under a project called the Korea-Japan Patent Prosecution Highway.



Presentation ceremony for the ISO 20000 and ISO 27001 certificates



Improvement of IP administration

Greater use of patent information

To prevent the overlapping of R&D projects and to promote the development of new technologies, we have provided a basic database free of charge on the Internet <www.kipris.or.kr> since the year 2000. By the end of 2007, the service had provided domestic and international IPR information on around 63 million items. Each year users conduct around 16 million searches.

The demand for IP experts is increasing in business and academic spheres due to the twenty-first century's rapid shift towards a knowledge-based economy. Hence, since 2002, we have been running the Cyber International Patent Academy <www.ipacademy.net>. To date, we have developed 148 educational courses. In 2007, more than 220,000 students benefited from these courses.

Statistics of the Cyber International Patent Academy

Year	2002	2003	2004	2005	2006	2007
Number of students	12,700	20,800	29,900	109,200	202,300	224,142
Number of courses	25	57	85	106	130	599,100

To help researchers utilize patent information more effectively, we conducted nationwide seminars in 2007 on the strategic use of patent information. Furthermore, in 2007 we offered various types of support to the engineering departments of universities and graduate schools to promote the academic study of patents. Though this means, we endeavored to systematically enhance the capability of researchers with regard to the utilization of patent information.

We also republished a manual on R&D patent strategy to foster a high performance R&D culture that leads to the acquisition of patents. The manual offers researchers and research institutes suggestions on essential patent management strategies and metrics pertaining to the R&D process. In addition, we run a dedicated Web site <www.ipr-guide.org> that provides online consultations on patent strategies and metrics.

Since April 2007, Korean patent documents have been included in the PCT minimum documentation. Accordingly, we have been providing copies of the Korean Patent Abstracts to other International Search Authorities so that they have access to Korean patent documents. This initiative corresponds to the growing trend of sharing examination and search results among countries. We published 342,804 abstracts in 2007. Between 1997 and 2006, we published an accumulated total of 1,162,221 abstracts.

In 2007, the scope of publication was extended to include 166,091 abstracts of foreign PCT disclosed patents. We also published a manual on writing English abstracts of Korean patents. The manual is designed to improve the writing skills of examiners and to help them systematically organize their ideas. In short, we are continually striving to improve the quality of the Korean Patent Abstracts.

To promote the use of patent information, we compiled a database of domestic and international patent information. The international component contains 85 types of patent information from 26 foreign countries, including the USA, Japan and various countries in Europe. By the end of 2007, the database contained domestic and international IPR data on 159,044 items, which is an increase of 13,533 items over the previous year.

IPR database of IP offices

(As of December 31, 2007; unit: million cases)

Classification	Type of data	Number of cases
Patents and utility models	Domestic	10,285
	International	117,323
Trademarks	Domestic	4,853
Industrial designs	Domestic	17,104
	International	9,479
Total		159,044

We first began publishing IPR gazettes in booklet form in 1948. In 1998, we adopted a CD-ROM format, and, since July 2001, we have been publishing our gazettes on the Internet. The online gazettes, which cover the period between 1948 and 2007, feature 4,861,630 IPR registrations.

Our Intellectual Property Digital Library contains patent documents from various countries. It has 29,000 books on patents, 532 periodicals, and the 144 documents that comprise the PCT minimum documentation. The following items are used for prior art searches in patent examinations: IEL, an academic database on electricity and electronics; Science Direct, an electronic journal; ACS; OSA; Japanese journals such as the JJAP and BCSJ; North Korean journals; Science; Nature; Wiley InterScience; Springer e-Journal; Westlaw, a legal database; and Delphion, a database of patent documents.

Improvement of IP administration

International leadership in automated patent administration



The home page of the IP Academy



IP Panorama

In September 2004, KIPO introduced the world's first electronic exchange of PCT priority certificate documents, the purpose of which was to promote the international standardization of KIPOnet and to offer convenient services to applicants. Since 2005 the electronic exchange of documents has been expanded to include application documents, translation documents, and so on.

In May 2005, we used the Korea Funds-in-Trust at WIPO to develop, in conjunction with WIPO, the PCT receiving office administration software called PCT-ROAD. By the end of 2007, the software program had been distributed to 18 countries, including Israel, Egypt, India, the Philippines, Malaysia, Indonesia, South Africa, and Mexico.

In 2007, we collaborated with WIPO again in developing a digital IPR educational program called IP Panorama. IP Panorama uses animation to facilitate the learning of IPR concepts in ten fields, such as patent information, technology trade, M&As, e-commerce, and patent disputes. The program is useful for IP education and training, as well as the development of human resources.

In conjunction with the SMEs Division of WIPO, we developed e-learning IPR courses to help SMEs in developing countries create their own IP. We also made these courses available to companies and universities at home and abroad.

In line with IPR regulations that took effect in April 2007, we are providing relevant databases to other patent offices so that examiners in those offices can conveniently search Korean patent documents during their examinations.

In 2006 and 2007, with 260,000 USD worth of support from APEC, we developed an IP e-learning program called IP Xpedite and we have distributed the program to many countries around the world.

IP Xpedite is composed of 14 modules: eight of the modules, which were created in 2006, pertain to the use of patent information; the other six modules, which were developed in 2007, pertain to the preparation and interpretation of the patent documents required in major IP countries.

We are currently collaborating with major IP countries in the field of computerization, particularly in terms of the exchange of patent information and data, the establishment of a system for disclosing examination information, and the electronic exchange of priority documents.

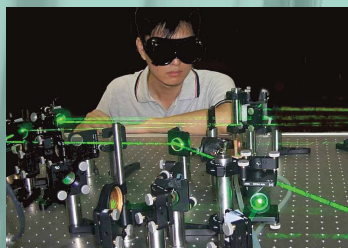
Our IT experts held a bilateral meeting with the Japan Patent Office (Tokyo, June 2006) and a trilateral meeting with China and Japan (Tokyo, November 2006). Through these meetings, we strengthened IT exchanges, particularly with respect to the exchange of search data and the electronic exchange of priority documents.

At the IT Experts Meeting with the European Patent Office in August, we discussed, in addition to the matters just mentioned, the dispatch of Korean patent information experts. In January 2007, we also set up a Korean Patent Information Helpdesk at the European Patent Office. The helpdesk is promoting a wider understanding of Korean patent information throughout Europe. Our electronic exchange of priority documents started in July 2007.

To promote KIPOnet and Korean patent information throughout the world, we held an international patent information conference at Seoul in October 2007. We also participated in the Seventh Government Innovation Forum (Vienna Austria, July 2007), the General Assembly of the United Cities and Local Government (October 2007), a meeting of the US Patent Information User Group, a conference of the US Special Librarian Association, and a conference of the European Patent Office on patent information.



PATINEX in Seoul, October 2007



Advancement of the IP legal framework

- Patents
- Trademarks and industrial designs
- The trial system
- The registration system



Advancement of the IP legal framework

Patents

In 2006, KIPO initiated a number of improvements to the patent system for the benefit of applicants. These initiatives culminated with the successful revision of the *Patent Act* on January 3, 2007, and the *Enforcement Regulations of the Patent Act* on June 29, 2007. The new and convenient patent system took effect on July 1, 2007, with several benefits.

One benefit was the simplification of the documentary requirements of patent applications. For instance, we relaxed the requirements for describing an invention, allowing applicants to write specifications more accurately and conveniently. Furthermore, to eliminate the inconvenience of rewriting a specification for an international application and to help applicants describe their inventions more easily, we changed the format of the specifications to follow the format of PCT documents and foreign documents.

In addition, by extending the deadline for submitting claims until the laying open of the application (that is, by up to 18 months), we have given applicants more time to review and write their applications. We also obliged our examiners to elaborate the reasons for refusing a claim in applications with two or more claims, to ensure that applicants were kept informed of the reasons for the refusal.

Another benefit is the expanded opportunity for correcting mistakes pertaining to the description of the inventor. Even after a decision has been made to grant a patent, the applicant now has more time to rectify mistakes pertaining to the description of the inventor.

Applicants also have the benefit of requesting the reservation of patent decisions. By giving applicants the right to request the reservation of patent decisions for up to 12 months after the filing of an application, we have expanded the opportunities for filing a claim in Korea.

Trademarks and industrial designs

The *Trademark Act* and the *Industrial Design Protection Act* were both revised in 2006 to reinforce the rights of those who own trademarks and designs. The revisions took effect in July 2007.

With regard to the registrable subject matter, the subjects that can be protected and registered under the *Trademark Act* were expanded to cover all visually perceptible marks, including color trademarks, motion trademarks, and hologram trademarks.

As for restricting imitative trademarks, a new provision stipulates that when a certain trademark is recognized by domestic or foreign consumers as indicating the goods of a particular person, a third party may not register a trademark that is identical or similar to that trademark. Thus, the revised *Trademark Act* will drastically reduce the number of counterfeit trademarks and foster a culture of fair trade.

Thirdly, the period for objecting to a trademark has been extended from 30 days to two months from the publication date of the application. This extension is expected to boost protection for trademark holders, especially residents of foreign countries. The objection system is also expected to be enhanced to improve the quality of trademark examinations and prevent trademark disputes.

The *Industrial Design Protection Act* was also revised in 2006 to reinforce protection for industrial design holders. This revision, which took effect in July 2007, greatly extends the period in which an applicant can limit the disclosure of a registered design. Before the revision, the period for requesting that a design be kept secret ended on the application date of the particular industrial design. That period now extends from the application date until the payment date of the first design registration fees. The extension of this period protects the rights of applicants by preventing others from counterfeiting a design following the disclosure of the design.



Counterfeit goods at the 2007 Trademark and Design Exhibition

Advancement of the IP legal framework

The trial system

To swiftly and accurately handle trials, we introduced the Intensive Trial System, whereby the Intellectual Property Tribunal receives requests and evidence from opposing parties at the same time and organizes the evidence in preparation for an expeditious judgment.

The parties of a trial previously had two opportunities to postpone the due date for submitting trial documents, for up to a month at a time. However, to minimize the intentional postponement of trials, we have imposed restrictions on this system. Now the parties can postpone the due date only once and only for a period of 15 days.

We also introduced a system of notifying the parties of the expected completion date of an examination. This system applies in cases where the statements and evidence of the parties are all submitted during an oral hearing or technology presentation.

To prevent any unnecessary delay in the resolution of patent disputes in cases where the patentee falsely cites the working article of another party during the trial to confirm the scope of a right, we now allow the patentee to change the working article.

Furthermore, in the interests of fairness to all parties, we allow patentees to correct their statements whenever a claimant in an invalidation trial submits new evidence. Previously, the parties could only correct a statement after submitting a request to the judge in writing or via a telephone call. For the convenience of all parties, we now accept such requests 24-7 through our Web site. Thus, the procedure of applying for a consultation with a judge has been greatly improved.

The registration system

The schedule for completing a trial used to be unknown for cases lasting less than six months from the request date of a trial. However, in 2006 we began providing information on the expected completion schedule of all inter partes trials so that the parties could submit their opinions in a timely manner and easily forecast the completion date of the trial.

We also introduced a registration system for the individual claims of a multicclaim application. That is, we promoted the early settlement of disputes by allowing the registration of an individual claim of a multicclaim application whenever a trial decision approves the individual claim.

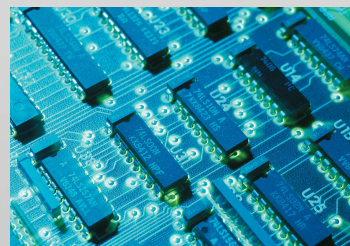
If multiple trials are requested for a single right, the same judge is appointed to each trial as the chief judge. Whenever necessary, an advisory body of five judges can be appointed so that their collective wisdom minimizes controversial trial results and promotes consistency of decisions.

To prevent trial delays, we prepared a method of handling documents that are returned to our office due to a party's change of address. Under this method, the returned documents are resent, but not to a previous address listed in the original register; rather, they are sent to an address confirmed by the Korean government's information sharing system called Government for Citizens (G4C).



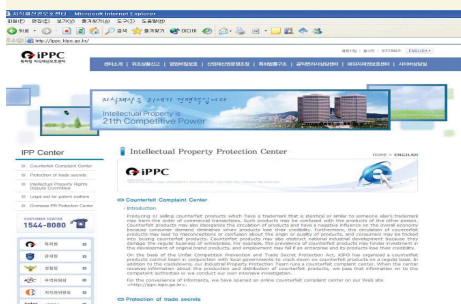
Reinforcement of IPR protection

- Anticounterfeiting measures
- The anticounterfeiting reward system
- Patent Consulting Center
- Strengthened IPR protection for overseas Korean companies



Reinforcement of IPR protection

Anticounterfeiting measures



The home page of the Intellectual Property Protection Center

In 1987, we established a division exclusively devoted to protecting IPRs. Since then, we have been continually investigating and cracking down on counterfeiting activities. Through IPR protection, we aim to achieve the following: to prevent unfair competition, to build a sound economic order, to respond to trade disputes, and to develop a knowledge and information society.

In 2007, we uncovered 1,182 cases of counterfeiting. Warnings were issued in 1,066 of those cases and criminal charges were filed in the other 116 cases.

We also imposed more stringent investigative standards on local governments to ensure that they crack down on counterfeiting activities. For instance, following discussions with the Ministry of Government Administration and Home Affairs, we decided to include the results of each local government's anticounterfeiting performance in the integrated standard for assessing local governments.

The importation, manufacture and distribution of counterfeit goods are becoming more sophisticated. To counteract this trend, we need to ensure that anticounterfeiting enforcement officers have the necessary expertise. Hence, in 2007, we sought to enhance the skills and capabilities of 535 police officers, customs officers, and local government officials through a series of lectures and consultations. Conducted on 28 occasions, the lecture series focused on identifying counterfeit goods and eradicating the counterfeiting problem. We also republished booklets on the most frequently counterfeited trademarks and, for the benefit of other relevant organizations and local governments, we republished and distributed promotional material on how to identify counterfeit goods.

As in previous years, we continued to run an anticounterfeiting campaign on 114 electronic signboards in major cities such as Seoul and Busan. The campaign (which is usually conducted four times a year for a month at a time) encourages the

public to boycott counterfeit goods. We back up the campaign with the distribution of about 21,000 copies of promotional material, along with additional broadcasting on cable TV (K-TV) and on Internet portal sites <www.naver.com>.

In another initiative, we set up an exclusive Web site called the Intellectual Property Protection Center <www.kipo.go.kr/ippc> where we introduce various governmental policies on IPR protection and receive online reports of counterfeit goods directly from the public. In 2007, the center received 2,374 reports of counterfeit goods, and 284 of these reports were referred to the local authorities.

■ The anticounterfeiting reward system

KIPO introduced an anticounterfeiting reward system in 2006 to inspire vigilance for anticounterfeiting activities. Under this system, we offer rewards to various organizations and individuals with an excellent record of exposing counterfeit goods. We also offer rewards to members of the public who report the manufacture or distribution of counterfeit goods. The system has raised the general awareness of the need to eradicate the problem of counterfeit goods. The rewards range in value from 200,000 KRW (200 USD) to 5 million KRW (5,000 USD), depending on the cost of the original goods that have been counterfeited. In 2006, we granted a total of 107 rewards worth 323 million KRW (323,000 USD). In 2007, we granted a total of 89 rewards worth 250 million KRW (250,000 USD).

As a direct result of the reward system, there were a number of prosecutions in 2006 and 2007; based on the cost of the original goods, the value of the seized goods was estimated to be 343 billion KRW (343 million USD) in 2006 and 317 billion KRW (317 million USD) in 2007. The effectiveness of the reward system was also confirmed by a jump in the number of reports. In 2005, there were only 250 reports of counterfeit goods, but in 2006 that number reached 1,605. In 2007, it reached 2,374.

■ Status of the anticounterfeiting reward system

(Unit: cases, million KRW)

Type		2006		2007	
		Number of rewards	Value of rewards (million KRW)	Number of rewards	Value of rewards (million KRW)
Distributor	Wholesale and retail distribution	48	147	30	68
	Internet sales	19	41	10	21
	Warehousing	5	17	11	44
Manufacturer	Manufacturing factory	35	118	38	117
Total		107	323	89	250

Reinforcement of IPR protection

Patent Consulting Center

People with economic difficulties, particularly students, disabled persons, national meritorious persons, residents of remote areas, and SME business people, often have difficulty enlisting the services of expensive patent attorneys. We endeavored to address this problem by establishing in Seoul, in April 2005, the Patent Consulting Center. The center's competent public attorneys offer free consultations on IPR applications, registrations and trials.

In 2007, the center provided a total of 5,160 patent consultations, and the average number of consultations each month increased significantly from 262 in 2006 to 430. We plan to widen the scope of the Patent Consulting Center by offering additional assistance in the preparation of IPR documents.

Performance of the Patent Consulting Center

Consulting period	Telephone consultations	Face-to-face consultations	On-site consultations	Instances of document assistance	Online consultations*	Presentations on IPR protection*	Consultations for patent disputes among SMEs	Total consultations
2005 (April-December only)	771	383	146	87				1,387 (monthly average: 154)
2006	1,797	646	393	308				3,144 (monthly average: 262)
2007	2,348	915	540	405	904	22	26	5,160 (monthly average: 430)

* New in 2007

Strengthened IPR protection for overseas Korean companies

Korea's growing reputation for high-quality patented goods and brands has spawned a corresponding rise in overseas IPR infringements against Korean companies. To tackle the issue, we undertook a number of measures in 2007. For instance, we continued to strengthen the capabilities of the Center for Overseas Protection of IPRs. The center now offers free advice to Korean companies affected by IPR infringement overseas, as well as practical information on IPR protection.

To protect the IPRs of Korean individuals and companies, we subsidize the costs of trials and lawsuits when an infringement occurs in a country where the IPRs have been registered. The aim of this support is to expand the foundations of existing IPRs.

To strengthen our IPR protection policy, we continued the practice of examining IPR infringements against Korean companies in countries and regions where infringements are rife. We also gave presentations in various major cities on international IPR protection, particularly for Korean companies that either operate overseas or are planning to enter international markets.

We also published and distributed guidelines on overseas IPR protection. The guidelines describe the IPR systems of countries where IPR infringements and disputes frequently occur, as well as various measures for dealing with infringements. The aim of the guidelines is to prevent infringements and offer advice on dealing with disputes.

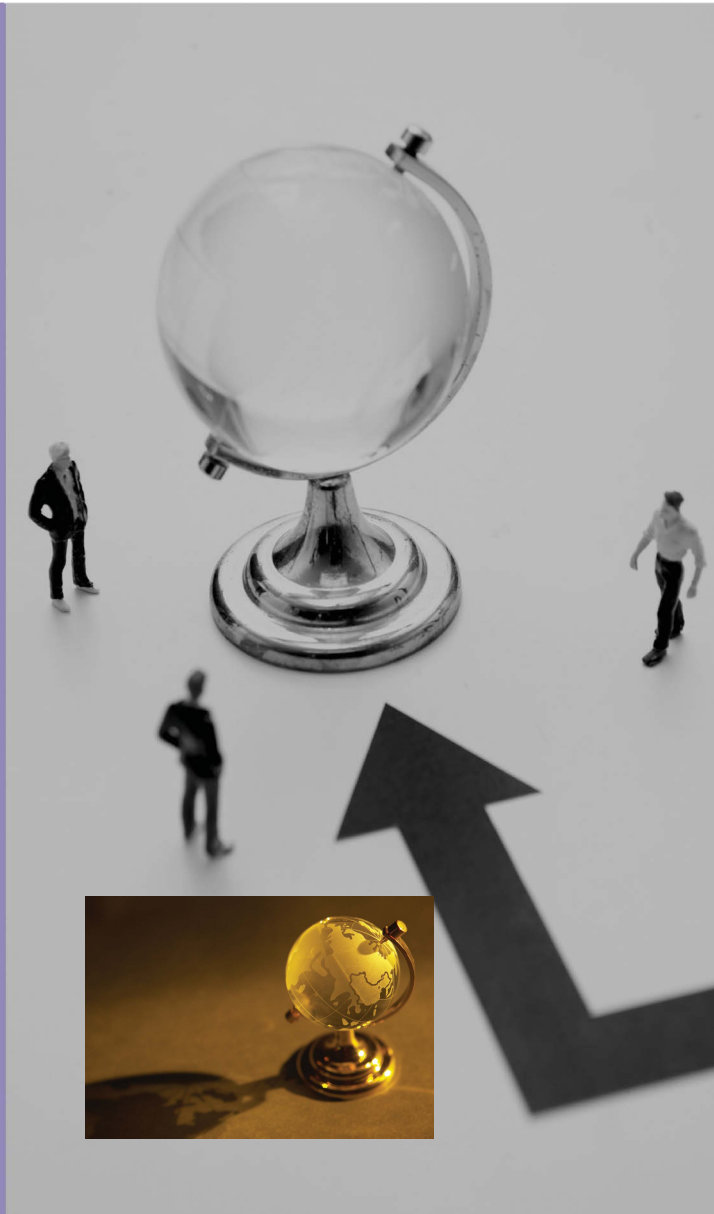


Presentations on international IPR protection



International cooperation

- KIPO-WIPO cooperation
- Bilateral and trilateral cooperation
- International IPR discussions
- IPR issues and free trade agreements



International cooperation

KIPO-WIPO cooperation



The 2007 KIPO-WIPO Joint Conference on Innovating IP Administration

A WIPO delegation, headed by Director General Kamil Idris, visited Korea on March 15, 2006, to acknowledge the country's contribution over the past 20 years to IPR education in developing and underdeveloped countries. During the visit, the International Intellectual Property Training Institute (IIPTI) was designated as the first WIPO partner international IP training institute.

The Korea Funds-in-Trust at WIPO was established after the signing of an agreement in June 2004 to strengthen multilateral cooperation with developing countries, particularly in areas such as IP education and the transfer of technology.

Since July 2004 the fund has had a budget of 2.5 billion KRW (2.5 million USD) for the purpose of modernizing patent offices in developing and least developed countries. Part of the budget has been used to develop the PCT-ROAD software, provide consultations on patent management, and run IPR workshops.

Starting in June 2008, we plan to focus our support on telecommunication technologies in order to enhance the efficiency of IP management in developing countries.

In conjunction with WIPO, the IIPTI hosts joint seminars funded by the Korea Funds-in-Trust and runs programs based on the educational programs of the WIPO Worldwide Academy to strengthen international IP capabilities.

Since 2004, the IIPTI has run a joint distance-learning program in association with the WIPO Worldwide Academy. In 2007, the program was run twice, once in the spring and once in the fall, for 84 domestic experts. To date, a total of 339 experts have completed the program.

The IIPTI has also run WIPO seminars for the least developed countries since 2006. These seminars are not just for Asia-Pacific countries but for all the least developed countries.

In 2007, the IIPTI held its highest ever number of international seminars and began

consultations on the establishment of an IP training institution at the request of WIPO and the Azerbaijani government.

Bilateral and trilateral cooperation

The bilateral and trilateral heads meetings of 2007 were highly productive. The eighth heads meeting with IP Australia (Seoul Shilla Hotel, May 8, 2007) produced an agreement to begin conducting joint prior art searches in the second half of 2007. As a preliminary step, both offices exchanged two patent examiners in September and November 2007.

The inaugural meeting of the heads of five major offices (from Korea, the USA, the EU, Japan, and China), called the Meeting of the Heads of Patent Offices, was held in Hawaii, USA, from May 11 to 12, 2007. The heads exchanged opinions on ways of simplifying the patent system, particularly by sharing the results of searches and examinations. The five offices agreed to provide information in accordance with general guidelines written by the United States Patent and Trademark Office; they also agreed to promote various cooperative projects.

At the second heads meeting with the Danish Patent and Trademark Office (Geneva, September 25, 2007), we agreed to review the introduction of the Patent Prosecution Highway between the two countries and we shared opinions on issues such the inclusion of Korean as a PCT language of publication and approval of Korea's membership in Group B+ of the Substantive Patent Law Treaty.

On July 27, 2007, at Geneva, Switzerland, we held a bilateral heads meeting with the United States Patent and Trademark Office. Both offices agreed to launch the Patent Prosecution Highway in January 2008.

The Korea-Japan Patent Prosecution Highway was inaugurated on April 1, 2007. With regard to the Japan Patent Office, the 19th Commissioners Meeting was held at Daejeon on November 27, 2007. The commissioners agreed to continue



WIPO regional workshop at the IIPTI

International cooperation



The 19th commissioners meeting
with the Japan Patent Office

exchanging statistical information on applications by using the Patent Prosecution Highway and to more actively promote joint prior art searches. They also discussed the possibility of having a joint conference of field experts, as well as IPR protection measures and international cooperation.

Cooperation with our neighbors has always been a top priority. Hence, on December 10, 2007, we held the seventh Trilateral Policy Dialogue Meeting in Tokyo with the Japan Patent Office and the State Intellectual Property Office of the People's Republic of China. Agreements were reached on an action plan for the road map of trilateral patent cooperation, the holding of a joint seminar on support for SMEs, and the Meeting of the Heads of Patent Offices for the five major IP offices.

We also held the 13th Commissioners Meeting with the State Intellectual Property Office of the People's Republic of China (Muju, Korea, December 13, 2007). At that meeting, the commissioners signed a memorandum of understanding on the dispatch of IP liaison officers and more substantial cooperation between both countries; they also agreed to routinely hold conferences of patent experts, to hold a conference for IT specialists, and to open design gazettes to the general public.

Finally, to ensure that patent examinations are conducted with swiftness and accuracy, and to promote the unification of patent systems, we engaged in various projects pertaining to joint prior art searches. We began the eighth such project with Japan, the fifth with China (following assessment of previous projects), the second with Germany, and the first with Australia.

International IPR discussions

At the 43rd series of meetings of the Assemblies of the Member States of WIPO (Geneva, September 2007), the Korean language was included as an official language of publication in the Regulations under the PCT. Accordingly, starting January 1, 2009, Korean may be used in all PCT procedures.

We have continued to actively participate in discussions on the formation of IPR norms governed by WIPO and state the Korean government's position. In particular, we contributed to the reform meetings of the Standing Committee on the Law of Patents; the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications; and the Intergovernmental Committee on Traditional Knowledge, Genetic Resources, and Folklore. We are also endeavoring to settle IPR agreements on matters such as the substantive law for patents.

Regarding the World Trade Organization's Doha Development Agenda, we actively participated in the IPR-related negotiations to establish international norms for public health, biotechnology, and the multilateral registration system of geographical indications.

IPR issues and free trade agreements

In IPR negotiations of free trade agreements (FTAs), which are aimed at the free movement of products between countries, we discussed measures to protect IPRs in line with international treaties such as the World Trade Organization's TRIPS Agreement.

The negotiations of the Korea-USA FTA, which began in February 2006, have given both sides an opportunity to understand each other's IPR laws and systems.

Since July 2005, Korea has also been negotiating an FTA with Canada. One of the major issues is the selection of guidelines for IPR cooperation and enforcement.

In March 2006, we commenced negotiations with India in relation to a comprehensive economic partnership agreement. The on-going discussions are aimed at improving the level of IPR protection and facilitating the acquisition of patents.



The seventh Trilateral Policy Dialogue Meeting



Creation and commercialization of IP

- Expanded basis for IP creation
- Nurture of student and women inventors
- Utilization of IP



Creation and commercialization of IP

Expanded basis for IP creation

Facilitation of IP creation at national universities and research institutes



The 1st National R&D IP Forum

In 2007, KIPO developed a model that enables organizations to diagnose and evaluate their patent management capabilities. The model was distributed to universities and research institutes for the purpose of assessing and enhancing their capabilities. The model includes a total of 65 diagnostic indexes in three fields.

In other initiatives, we developed a model of standard contracts for cooperation between industry and academia, published guidelines for contracts involving mutual research, and launched a study to see how patent indexes can be used in assessing the accomplishments of professors and researchers at 40 universities and research institutes.

We have also been supporting national universities and research institutes in the acquisition of core patents, especially by facilitating the production of patent maps in technological fields that pertain to the specialization of those particular universities and research institutes. In 2007, this type of support was extended to 20 research labs at Seoul National University and the Korea Advanced Institute of Science and Technology.



The 2007 Korea Invention and Patent Exhibition

We also arranged for educational courses on patent information to be formally conducted at the graduate and undergraduate level. The graduate courses are offered at Seoul National University, the Korea Advanced Institute of Science and Technology, Yonsei University, and Korea University. The undergraduate courses are offered at 37 universities, including Yonsei University and Korea University.

One of our achievements in 2007 was the establishment of a standard model of compensation for employee inventions at universities. The new model reflects the major details of the revised *Invention Promotion Act*. We also gave a number of presentations on employee inventions.

A national R&D forum on IP was held as a means of searching for outstanding IP models at national universities and research institutes. The forum facilitated the sharing of IP management experience and other related information.

To improve the capability of universities in managing IPRs, we dispatched patent management advisors to 10 universities. The advisors help the universities organize their IP regulations. We also provide IPR consultations to professors and students and give various presentations on IPRs.

On the issue of international patents, we have arranged for public patent attorneys to give consultations and we support the cost of applying for international patents in cases of outstanding research. Moreover, we provide customized consultations on patent strategies through the R&D Patent Center <www.ipr-guide.org>.

Support for IP creation in local regions

As part of the infrastructure for creating local IP, we continued our efforts in 2007 to run 31 regional IP centers, the purpose of which is provide local residents with a patent information service, featuring IPR consultations, presentations, and educational programs.

Similarly, we continued to run 17 local IPR supporters associations for students, academics, patent attorneys and so on. The associations promote the creation of IP among local residents and are a source of ideas for new projects.

We also conducted IPR forums in conjunction with 17 metropolitan regions, including Seoul. These IPR forums, which include presentations on various aspects of the IPR field, are aimed at helping local residents become more knowledgeable about IPRs and IPR procedures.

We have launched many other projects to promote local brands. For instance, we allow a collective mark to be used as a geographical indication for local specialties; we use brand maps as a basis for advising local governments on brand management; and we support the advertising and marketing of local specialties.

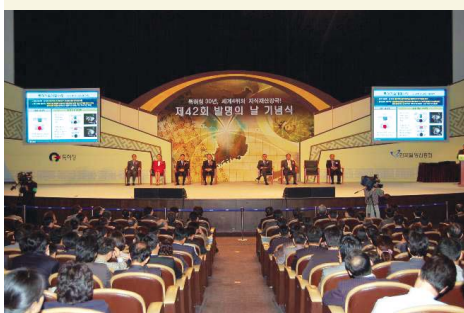
Our patent information consulting project continued to yield positive results in 2007. The project is aimed at promoting IP creation through the analysis and use of patent information. To finance this project, we matched the funds of nine local governments, including the governments of Daejeon Metropolitan City and Gyeonggi Province.

To improve the competitiveness of SMEs, our examiners made on-site visits to companies with outstanding potential for innovation and offered them consultations on the management of patents, brands, and industrial designs.

Finally, we endeavored to help SMEs become more aware of IP management. In particular, we held a patent management course for SMEs, established a research group that focuses on IP management, and, with the help of consultants, searched for model cases of IP management.

Creation and Commercialization of IP

Nurture of student and women inventors



The 42nd Invention Day Ceremony



The 2007 Korean Student Creativity Olympiad



The 2007 Women Inventors Exhibition

To develop creative human resources for the future, we continued our efforts to nurture young inventors. Between 1995 and 2006, for example, we ran 182 regional creativity classes. These classes form the infrastructure for student invention education in each region. In 2006, we also continued to run our cyber invention education center and a bricks and mortar training center to improve the proficiency of invention teachers and to decentralize invention education throughout all the regional areas. In another initiative, we continued to offer invention scholarships for talented students who participate in invention activities. By the end of 2007, an aggregate of 1,831 students had received this scholarship. Moreover, as in previous years, we organized a number of invention events for youth, such as the Korea Student Invention Exhibition, the Korean Student Creativity Olympiad and the University Invention Competition.

Women inventors were also the focus of our efforts to nurture creative human resources. As encouragement to women inventors, we conducted a lecture tour on women's IPRs and offered a course on the inventiveness of women. We also organized events such as a competition and exhibition for women inventors to promote the economic activities of women patent holders.

Utilization of IP

In 2007, we facilitated the commercialization of patented technologies in various ways. For example, we increased the financial support for commercialization through the Patented Technology Commercialization Committee, which comprises members of relevant government organizations.

Furthermore, we extended a scheme piloted the previous year by signing agreements with four private financial institutions to provide loans to SMEs and venture businesses with excellent technologies. These loans may be secured solely on the strength of the patent rights.

To encourage the transfer and trade of patented technologies, we pursued several initiatives in 2007. First, we continued our previous practice of assisting SMEs and research institutes by subsidizing fees for the appraisal of patented technology.

We also reorganized the IP-Mart by developing a technology auctioning system and a traders matching system. The reorganization, which was designed to favor technology buyers, has greatly reinforced the IP-Mart's function of promoting and supporting technological trade.

Moreover, we continued to expand the patented technology database; and, as in the previous year, we joined various specialist organizations in analyzing the trends in technology transfers for private companies.

To promote the use of government-owned patented technologies, we now permit companies to use such technology for up to two years without charge, provided the technologies have been dormant for more than three years. Furthermore, we developed an online system of signing contracts related to the use of government-owned patents.

In other activities, we subsidized the valuation of patents held by more than 1,100 universities and public research institutes. And we organized a patent distribution festival, where we gave presentations and consultations on technology to support the transfer of outstanding patented technologies.

The early buyer recommendation scheme was expanded in 2007 to support outstanding patented products in the SME marketplace. In particular, we expedited the scheme so that government agencies can purchase patented products in advance.

Finally, we continued to support the commercialization of outstanding patented products by organizing various events such as the Korea Invention and Patent Festival and the Exhibition for the Hundred Most Outstanding Patented Products.



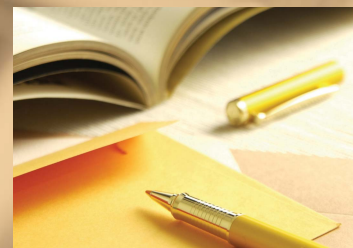
The homepage of the IP-Mart



The 2007 Patent Distribution Festival



Award ceremony for the Hundred Most Outstanding Patented Products



IPR education and training



IPR education and training

KIPO's training institute, the IIPTI, fosters IP experts by providing systematic education for government officials, people from the private sector, students and international participants. The IIPTI program for 2007 comprised 188 IP courses, at an average of 16 courses a month. Sixty-five of these courses, including the course for new examiners, were for government officials; 28, including the course for patent lawsuit cases, were for the private sector; 87, including the course for school invention teachers, were for invention promotion; and eight, including the WIPO Asian-Pacific Regional Seminar, were for international participants.



Commemoration of the 20th anniversary of the IIPTI

The courses for government officials, which cover basic and advanced knowledge of IPRs, target KIPO examiners and judges, as well as officials from the Korea Customs Service, the Public Prosecutor's Office, the central government and local governments. The courses for the private sector target patent attorneys, IT experts, R&D experts, those in charge of IPRs in companies, as well as students and teachers. These courses aim to raise the general awareness of IPRs.

Having fully revised our IP training courses in 2006, we endeavored in 2007 to consolidate those courses, the cornerstone of which is a step-by-step educational approach to the three basic IP legislative acts, including *the Patent Act* and the *Trademark Act*. In addition, we ran a course on the use of English in the IP field and developed a variety of educational material.

We also targeted the private sector with our IP training programs. In particular, we sought to enhance public awareness of IPRs by offering programs for various types of IP professionals, such as patent attorneys, experts and researchers in science and technology, and private enterprise personnel in charge of IP matters, as well as teachers and students.

Furthermore, to raise the quality of our IP educational programs, we remain totally committed to fostering sufficient IP experts to meet the needs of specific industrial

fields. To that end, we have expanded efforts to customize our educational and training programs and developed courses that focus on actual practices.

The IIPTI was established in 1987 to nurture the development of IPRs and to foster IPR experts in the Asia-Pacific region. Subsequently, in conjunction with WIPO and the Korea International Cooperation Agency (KOICA), the IIPTI has held 63 international seminars for an aggregate of 1,508 foreign participants. In 2007, the IIPTI's eight international seminars had a total of 135 participants.

In 2007, we fully revised our educational courses to enhance the expertise of IP experts. We established a step-by-step system of learning about the three fundamental acts of legislation on IPRs, and we ran an English course on relevant patent terminology to reinforce the global capabilities of our staff. New learning materials were also introduced to add further substance to our courses.

By providing customized education, such as extended group-training sessions, we have focused on the development of practical courses that satisfy the needs of IPR novices and professionals.

For the first time since our establishment, we were asked in 2007 to educate officials from other countries on IP issues. We accepted this new responsibility by tailoring our courses, firstly, for the Vietnamese Ministry of Science Technology and, secondly, for Malaysian bioengineering examiners. That we were chosen for this task is a sign of our growing reputation in the international community. It also underscores the outstanding teaching ability of our IIPTI staff. The IIPTI has actively accepted overseas requests for IP education since being designated as a WIPO partner training institute.

Since 2005 when the Invention Education Center was opened, more than 3,000 students, parents and teachers have participated in invention programs designed to encourage positive attitudes towards inventions.



The IIPTI

IPR education and training

To foster student inventors, we provide educational programs for elementary, middle, and high school students as a way of helping them develop their problem-solving capabilities. Creative and talented students, who will someday lead the IP field of Korea in the 21st century, are learning a range of concepts: from invention theory to projects involving TRIZ (a Russian acronym for the theory of inventive problem solving). In 2008, we plan to offer an invention study course for underprivileged students in an effort to relieve the educational gap between social classes.



WIPO sub regional workshop
on the effective use of PCT

In 2007, we provided teachers with an invention leadership course that focuses on practical application rather than educational theory. This course drew a good response. In 2008, we plan to offer new courses, such as a course on the development of invention education programs, to raise the proficiency of invention teachers. In short, we aim to continue raising outstanding leaders in the field of invention.

By providing customized education, such as invention experience courses and lecture tours on inventions, we hope to expand the foundations of invention education. In 2008, we aim to broaden the scope of lecture tours by shifting the focus from a theoretical model to the practical needs of schools.

In 2007, we continued to support the Invention Education Center by holding various events and programs, such as the Family Invention Camp and the 2007 Student Inventors Experience Festival, which are a great source of excitement for many invention clubs in Korea.

International courses in 2007

Name of course	Number of participants	Number of participating countries	Duration	Training schedule for 2007
WIPO Asia-Pacific Regional Workshop on the Use of Patent Information Systems for Promotion of Innovation	23	17	2 days	May 9 - 10
WIPO Regional Workshop on Arbitration and Mediation of Intellectual Property Disputes	16	9	2 days	June 28 - 29
Intellectual Property Expert Training Course	15	9	16 days	July 26 - August 10
Training Course for Vietnamese Government Officials on Technology Transfer and Intellectual Property	20	1	5 days	August 27 - 31
The Evolving Role of Intellectual Property System : Impact on and Importance for Developing Country	30		3 days	September 5 - 7
WIPO Regional Workshop on the Effective Use of PCT	11	8	3 days	October 10 - 11
Training Program for Malaysian Patent Examiners	4	1	2 months	October 22 - December 22
KOICA-IIPTI Training Course on IP Office Automation and Patent Information	16	14	10 days	November 4 - 20
Total	135	59		

On-campus courses in 2007

Category	Training courses	Sessions	Trainees
Total	70	188	6,769
Public sector	39	65	2,549
Private sector	12	28	1,086
Invention promotion	11	87	2,999
International	8	8	135

Off-campus courses of the IIPTI in 2007

Category	Sessions	Trainees
Educational tours to promote student inventions	113	9,034



Innovative work processes in IP administration

- The goal of innovative management
- Four innovative management initiatives



Innovative work processes in IP administration

The goal of innovative management



First anniversary of becoming a self-financing executive agency

KIPO's goal of innovative patent administration is to become "the best administrative agency in Korea and the best patent administration agency in the world". To achieve this goal, we have exerted the utmost effort to innovate our work processes through the following four initiatives: performance-based management, the cornerstone of which is the performance management tool called the Balanced Scorecard (BSC); Six Sigma management; knowledge management; and customer-oriented management. As a result of these management initiatives, we received the highest accolade among Korea's 48 central administrative agencies by being awarded the titles of the Most Outstanding Agency for Innovation and the Most Outstanding Agency for Governmental Work, as well as a Presidential Commendation for Performance Management.

KIPO's four major innovative management initiatives



Four innovative management initiatives

Performance-based management

To accomplish our mission and vision, we have been practicing strategic performance management since 2004. The aim of this type of management is to gather data on the capabilities of individual members of staff and to facilitate staff communication. In line with this approach, we established the Performance Management Division in 2006 to manage the performance of all our human resources. In addition, we set up an online performance management system.

Having formulated a basic plan for managing performance, the Performance Management Division monitors the performance of each division in real time so that the basic plan can be efficiently executed. The division generally manages the performance evaluation of each group and each individual.

Our BSC system consists of a management system for group performance and a management system for individual performance, and both systems are linked to an internal network.

In the management system for group performance, we input data and compare the data with a target value. The data is derived from our major operational systems (such as the application, registration, examination and trial systems) and support systems (such as the examination assessment system and the knowledge management system). We then calculate the level of accomplishment for monitoring purposes.

In the management system for individual performance, which is used to assess individual accomplishments, the strategic goal of the group is connected with the performance goal of the individual. Various factors such as capability assessments, multisided assessments, and innovation mileage are accurately and systematically combined and reflected for the purpose of determining individual promotions and remunerations. Feedback on the results of an individual assessment is shared with the individual so that the person can use the information to establish a personal development plan.

As a result of these efforts, KIPO received two special awards in 2006: on June 13, we were awarded the Korea BSC Award; and, on December 21, we were honored with a presidential award for introducing and expanding performance-based management in the public sector. Our successful performance management system was benchmarked by more than 50 agencies inside and outside of the country, including the Agency for Defense Development in Korea and the IP offices of India and China.

Innovative work processes in IP administration

Six Sigma management



Workshop on being a Leader of change

We aim to offer world-class patent administration services by using Six Sigma management to remove the cause of defects found in applications, examinations, registrations and policy implementation processes and by standardizing the relevant tasks through statistical analysis.

Six Sigma management has enabled us to improve our work efficiency because our policies and examination processes are no longer based primarily on experience, intuition, and conventional practices but on rational and systematic administration.

As a result of our distribution management system, we succeeded in reducing the variance in the examination period from 20 months to 5.8 months. We also reduced the error rate with regard to notifications of procedural examinations for applications and registrations from 7.2 percent to 0.8 percent. In addition, a comparison of the technical features of inventions over prior art for international search reports increased from 51.3 percent to 97.0 percent.

In May 2005, we began recruiting excellent human resources and fostering them as essential Six Sigma personnel called "black belts". We have also endeavored to develop their leadership skills in terms of strategic thinking and various change-oriented and problem-solving tasks. Accordingly, we have been able to strengthen the essential capabilities of our staff on a continual basis.

Through the implementation of seven projects, we trained 1,084 experts and implemented 146 tasks. Those tasks include efforts to reduce the examination period on a first-action basis and to reduce the document transfer time.

By connecting BSC performance management with Six Sigma, we built a general performance management system that can perform core tasks and improve our work processes. We also promote voluntary improvement of work process by providing a form of Six Sigma education called "EZ" (easy). In addition, we will continue to enlist the participation of all employees in Six Sigma management as a means of fostering a more productive organizational culture.

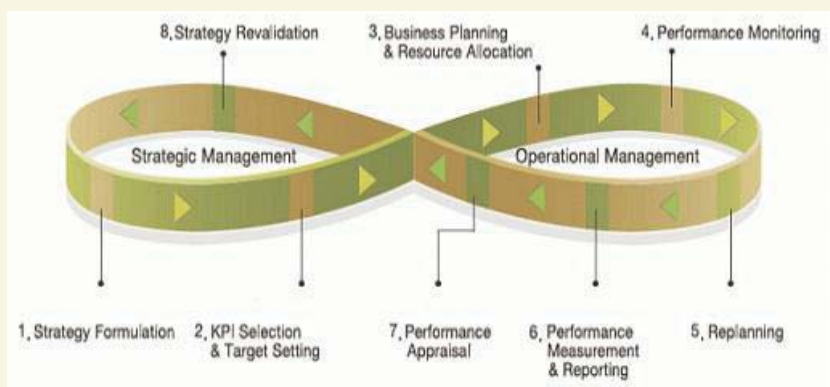
For the benefit of other organizations, we published a report with regard to the introduction and performance of Six Sigma at KIPO, and we began to liaise with private organizations that use Six Sigma management. We also shared our experience of Six Sigma with 41 central and local governmental organizations and other public organizations. Finally, we adopted a change partnership with first class corporations such as Samsung Electronics, POSCO and LG Electronics.

Knowledge management

By systemizing the creation and sharing of knowledge within each division, knowledge management can drastically enhance the ability of each division to solve problems. Hence, we have been practicing knowledge management at KIPO to maximize our work efficiency in examinations and trials, to develop our digital patent information service, and to formulate more effective knowledge-based patent policies.

KIPO has a world-class information infrastructure that we use to administer Korean IPRs. We also lead the way in raising awareness of the importance of creating and using knowledge. Accordingly, we selected knowledge management as an innovative way of improving our problem-solving capability, particularly for the sake of maximizing the creation, sharing and use of knowledge.

Process of strategic management



Innovative work processes in IP administration



The opening ceremony of the Customer Experience Team

In 2006, we upgraded our Knowledge Management System of 2001 and gave it a new name, Knowledge Oasis (KOASIS). In this system, all members of staff can discuss and share knowledge through the bulletin board of the KOASIS Web site. Furthermore, they can use a keyword search function to glean details of every approved document. In short, KOASIS enhances the convenience of our staff in utilizing knowledge.

By the end of 2006, we had set up 56 study groups at KIPO for each policy or technological field. Comprised of KIPO staff and customers from various research institutes and companies, the study groups are essential for fostering the creation and sharing of knowledge and for developing a positive learning environment.

Examiners can use the study groups to improve not only their understanding of various industries but also the quality of their examinations. The research results of each group are distributed to customers through the Web sites of the study groups or through the governmental system called Policy Customer Relationship Management. Moreover, any results that are particularly outstanding are reflected in changes to our actual work processes so that the quality of our policies and systems can be improved.

Knowledge management has clearly reinforced the efficiency of our patent examinations. It has also enhanced the knowledge capability of the general public by providing free access to patent information through commercial Internet portals.

Customer-oriented management

To continually and systematically execute customer-oriented management, we actively implemented a plan to ensure that customers would be impressed with our style of management.

One initiative under that plan was the formation of the Customer Experience Team. The team members endeavor to experience the patent administration service from

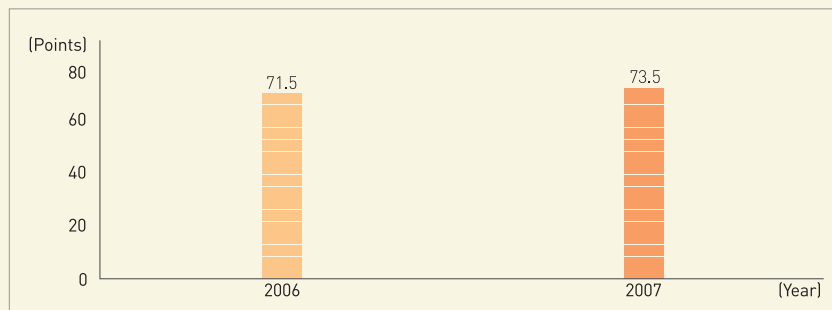
the perspective of customers and, whenever they experience any inconveniences, they try to improve the process. Thus far, they have detected 192 inconveniences, which are in the process of being reviewed and improved.

As a self-financing executive agency funded by customer fees, we are planning to introduce a credit card payment system in April 2008 for the payment of patent fees. This system is expected to greatly minimize the inconvenience of customers.

By establishing various criteria for patent fees, we have succeeded over the past nine years in offering an 11 percent discount for the initial registration fees of patents and utility models as well as the annual registration fees. We also offer fee exemptions to applicants in the following categories: persons of merit, who participated in the May 18 Democratic Movement, patients suffering diseases caused by defoliants, and veterans who performed special duties.

As a result of these efforts, our 2007 survey on customer satisfaction showed an overall satisfaction level of 73.5 points, which represents a 2.7 percent increase over the previous year (71.5 points).

Survey on customer satisfaction (2007)



Not content to rest on our laurels, we will continue to find new ways of improving the patent system: for example, by promoting the participation of customers, listening to their suggestions, making our documents more user-friendly, and reducing the overall burden of required documentation. In short, we intend to keep customer satisfaction at the forefront of our service.



Workshop on customer-oriented management



Appendix

- Applications
 - Examinations
 - Registrations
 - Trials and appeals
 - Revenue and expenditure
- Flow chart for examinations
- Organizational chart of KIPO



Applications



KOREAN INTELLECTUAL PROPERTY OFFICE
Annual Report 2007

Applications by IPR type

IPR type	2002	2003	2004	2005	2006	2007	Percentage change for 2007
Patents	106,136	118,652	140,115	160,921	166,189	170,711	2.7
Utility models	39,193	40,825	37,753	37,175	32,908	20,998	-36.2
Subtotal	145,329	159,477	177,868	198,096	199,097	191,709	-3.7
Industrial designs	37,587 (39,952)	37,607 (39,346)	41,184 (42,879)	45,222 (46,615)	51,039 (52,879)	54,138(55,460)	6.1 (4.9)
Trademarks	107,876 (144,678)	108,917 (148,691)	108,464 (147,319)	115,889 (156,270)	122,384 (164,432)	131,649(179,387)	7.6 (9.1)
Total	290,792 (329,959)	306,001 (347,514)	327,516 (368,066)	359,207 (400,981)	372,520 (416,408)	377,496(426,556)	1.3(2.4)

Note: Figures in parentheses include multiple applications.

PCT applications

Year	2002	2003	2004	2005	2006	2007
Number of applications	2,511	2,942	3,565	4,690	5,945	7,066
Growth rate (%)	8.5	17.2	21.2	31.6	26.2	18.9

Note: Based on KIPO statistics.

International trademark applications under the Madrid Protocol

Period	Office of origin	Designated office
2003	108	1,548
2004	141	4,874
2005	154	6,699
2006	208	8,483
2007	283	9,072

Note: KIPO started receiving international trademark applications under the Madrid Protocol on April 10, 2003.

Applications



KOREAN INTELLECTUAL PROPERTY OFFICE
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Comparison of domestic and foreign applications

		Domestic		Foreign		Total
		Cases	%	Cases	%	
Patents	2002	76,570	72.1	29,566	27.9	106,136
	2003	90,313	76.1	28,339	23.9	118,652
	2004	105,250	75.1	34,865	24.9	140,115
	2005	122,188	75.9	38,733	24.1	160,921
	2006	125,476	75.5	40,713	24.5	166,189
	2007	128,701	74.6	43,768	25.4	172,469
Utility models	2002	38,662	98.6	531	1.4	39,193
	2003	40,174	98.4	651	1.6	40,825
	2004	37,167	98.4	586	1.6	37,753
	2005	36,534	98.3	641	1.7	37,175
	2006	32,193	97.8	715	2.2	32,908
	2007	20,632	97.9	452	2.1	21,084
Industrial designs	2002	35,399 [37,729]	94.2 [94.4]	2,188 [2,223]	5.8 [15.6]	37,587 [39,952]
	2003	34,994 [36,689]	93.1 [93.2]	2,613 [2,657]	6.9 [6.8]	37,607 [39,346]
	2004	38,041 [39,656]	92.4 [92.5]	3,143 [3,223]	7.6 [7.5]	41,184 [42,879]
	2005	41,918 [43,247]	92.7 [92.8]	3,304 [3,368]	7.3 [7.2]	45,222 [46,615]
	2006	48,018 [49,766]	94.1 [94.1]	3,021 [3,113]	5.9 [5.9]	51,039 [52,879]
	2007	50,868(52,055)	93.6(93.5)	3,494(3,607)	6.4(6.5)	54,362(55,662)
Trademarks	2002	90,014 [116,760]	83.4 [80.7]	17,862 [27,918]	16.6 [19.3]	107,876 [144,678]
	2003	92,368 [122,080]	84.8 [82.1]	16,549 [26,611]	15.2 [17.9]	108,917 [148,691]
	2004	91,935 [119,836]	84.8 [81.3]	16,529 [27,483]	15.2 [16.7]	108,464 [147,319]
	2005	99,435 [129,635]	85.8 [83.0]	16,454 [26,635]	14.2 [17.0]	115,889 [156,270]
	2006	105,544 [136,590]	86.2 [83.1]	16,840 [27,842]	13.8 [16.9]	122,384 [164,432]
	2007	112,157(147,489)	84.8(81.8)	20,131(32,768)	15.2(18.2)	132,288(180,257)
Total	2002	240,645 [269,721]	82.7 [81.7]	50,147 [60,238]	17.3 [18.3]	290,792 [329,959]
	2003	257,849 [289,256]	84.3 [83.2]	48,152 [58,258]	15.7 [16.8]	306,001 [347,514]
	2004	272,393 [301,909]	83.2 [82.0]	55,123 [66,157]	16.8 [18.0]	327,516 [368,066]
	2005	300,075 [331,604]	83.5 [82.7]	59,132 [69,377]	16.5 [17.3]	359,207 [400,981]
	2006	311,231 [344,025]	83.5 [82.6]	61,289 [72,383]	16.5 [17.4]	372,520 [416,408]
	2007	312,358(348,877)	82.2(84.6)	67,845(80,595)	17.8(15.4)	380,203(429,472)

Note: Figures in parentheses include multiple applications.

Applications



KOREAN INTELLECTUAL PROPERTY OFFICE
Annual Report 2007

Patent applications by technological field

Classification	Domestic	Percentage change for 2007	Foreign	Percentage change for 2007	Total	Percentage change for 2007
Agriculture	1,596 (1.2%)	20.5	126 (0.3%)	-10.6	1,722 (1.0%)	17.5
Foodstuffs and tobacco	2,854 (2.2%)	17.4	293 (0.7%)	10.2	3,147 (1.8%)	16.7
Personal and domestic articles	4,604 (3.6%)	21.0	460 (1.1%)	7.2	5,064 (2.9%)	19.6
Health and amusement	3,590 (2.8%)	11.6	1,709 (3.9%)	4.5	5,299 (3.1%)	9.2
Preparations for medical, dental, or toilet purposes	2,103 (1.6%)	22.2	2,012 (4.6%)	10.0	4,115 (2.4%)	15.9
Separating and mixing	2,894 (2.2%)	13.8	1,037 (2.4%)	15.1	3,931 (2.3%)	14.1
Shaping	2,461 (1.9%)	22.9	754 (1.7%)	2.0	3,215 (1.9%)	17.3
Grinding and polishing	2,732 (2.1%)	5.2	1,068 (2.4%)	4.1	3,800 (2.2%)	4.9
Printing	1,058 (0.8%)	21.7	479 (1.1%)	18.9	1,537 (0.9%)	20.8
Transporting	9,299 (7.2%)	11.6	1,809 (4.1%)	6.3	11,108 (6.4%)	10.7
Microstructural technology and nanotechnology	415 (0.3%)	49.3	98 (0.2%)	40.0	513 (0.3%)	47.4
Chemistry in general	2,212 (1.7%)	12.1	723 (1.7%)	6.6	2,935 (1.7%)	10.7
Organic chemistry	1,055 (0.8%)	3.3	3,151 (7.2%)	15.5	4,206 (2.4%)	12.2
Organic macromolecular compounds	1,508 (1.2%)	3.8	1,895 (4.3%)	9.6	3,403 (2.0%)	6.9
Dyes, petroleum, and animal and vegetable oils	1,593 (1.2%)	11.0	1,274 (2.9%)	11.2	2,867 (1.7%)	11.1
Biochemistry	1,394 (1.1%)	15.9	612 (1.4%)	13.5	2,006 (1.2%)	15.2
Metallurgy	1,393 (1.1%)	17.0	1,020 (2.3%)	26.7	2,413 (1.4%)	20.9
Textiles and flexible materials	1,723 (1.3%)	8.5	477 (1.1%)	3.0	2,200 (1.3%)	7.3
Paper	265 (0.2%)	52.3	124 (0.3%)	12.7	389 (0.2%)	37.0
Building	7,205 (5.6%)	9.3	452 (1.0%)	20.9	7,657 (4.4%)	10.0
Earth or rock drilling, and mining	241 (0.2%)	20.5	27 (0.1%)	3.8	268 (0.2%)	18.6
Engines and pumps	2,670 (2.1%)	12.8	1,075 (2.5%)	15.0	3,745 (2.2%)	13.4
Engineering in general	2,494 (1.9%)	8.9	992 (2.3%)	21.6	3,486 (2.0%)	12.2
Lighting and heating	4,993 (3.9%)	5.2	616 (1.4%)	20.8	5,609 (3.3%)	6.7
Weapons and blasting	134 (0.1%)	22.9	41 (0.1%)	-12.8	175 (0.1%)	12.2
Instruments	9,135 (7.1%)	-14.1	3,600 (8.2%)	-2.4	12,735 (7.4%)	-11.1
Horology and computing	12,220 (9.5%)	10.4	2,943 (6.7%)	-2.5	15,163 (8.8%)	7.7
Education and information storage	5,040 (3.9%)	-19.0	1,848 (4.2%)	-12.7	6,888 (4.0%)	-17.4
Nucleonics	217 (0.2%)	33.1	44 (0.1%)	-20.0	261 (0.2%)	19.7
Electric elements and electric techniques	19,980 (15.5%)	-9.4	7,430 (17.0%)	1.5	27,410 (15.9%)	-6.7
Electric circuitry and electric communication techniques	16,725 (13.0%)	-5.8	5,025 (11.5%)	6.3	21,750 (12.6%)	-3.2
Others	2,898 (2.3%)	35.4	554 (1.3%)	43.9	3,452 (2.0%)	36.7
Total	128,701 (100.0%)	2.5	43,768 (100.0%)	5.8	172,469 (100.0%)	3.4

Note: "Others" refers to non-classified applications.

Applications



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Patent applications in biotechnology

	2002		2003		2004		2005		2006		2007	
	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio
Domestic	2,025	66.9%	2,045	66.1%	2,026	62.5%	2,049	67.9%	2,606	71.1%	3,137	68.6%
Foreign	1,000	33.1%	1,047	33.9%	1,215	37.5%	970	32.1%	1,058	28.9%	1,437	31.4%
Total	3,025		3,092		3,241		3,019		3,664		4,574	

Note: 1. Based on the following biotechnological categories of the Eighth Edition of the International Patent Classification: A01H; A01K 67/00~67/04; A01N 63/00~65/00; A61K 8/97~8/99; A61K 8/64~8/68; A61K 35/12~35/76; 36/00~36/9068; A61K 38/00~38/58, 39/00~39/44, 48/00, 51/00~51/10; C02F 3/00~3/34, 11/02~11/04; C07H 19/00~21/04; C07K; C12C~M; C12N; C12P; C12Q; C12S; G01N 33/50~33/98.

2. The figures for 2007 are preliminary.

Patent applications in business methods

	2002		2003		2004		2005		2006		2007	
	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio
Domestic	3,616	85.3%	4,564	89.2%	4,542	87.3%	4,205	86.4%	5,106	88.9%	6,037	91.9%
Foreign	623	14.7%	553	10.8%	659	12.7%	663	13.6%	636	11.1%	539	8.1%
Total	4,239		5,117		5,201		4,868		5,742		6,568	

Note: 1. Based on the Eighth Edition of the International Patent Classification.

2. The figures for 2007 are preliminary estimates.

Applications



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Applications by residents of foreign countries in 2007

Residence	Patents	Utility models	Industrial designs	Trademarks	Total
Antilles	0	1	0	5	6
Andorra	0	0	0	1	1
Argentina	2	0	0	16	18
Aruba	0	0	0	2	2
Australia	248	0	18	191	457
Austria	153	0	1	41	195
Bahamas	7	0	0	17	24
Barbados	9	0	1	19	29
Belarus	2	0	0	0	2
Belgium	286	0	13	59	358
Belize	1	0	0	2	3
Bermuda	1	0	0	36	37
Brazil	26	0	1	22	49
Bulgaria	2	0	0	3	5
Canada	388	0	14	219	621
Cayman Islands	12	1	0	65	78
Chile	0	0	0	57	57
China	296	27	40	416	779
Colombia	0	0	0	4	4
Croatia	5	0	0	0	5
Cuba	9	0	0	7	16
Cyprus	5	0	0	3	8
Czech Republic	9	1	4	6	20
Denmark	228	0	15	80	323
Egypt	4	0	0	4	8
Fiji	0	0	0	2	2
Finland	536	2	76	37	651
France	1,371	1	136	842	2,350
Germany	3,577	11	245	1,287	5,120
Greece	4	0	1	13	18
Hong Kong, China	19	1	19	109	148
Hungary	14	0	0	5	19
Iceland	1	0	0	0	1
India	110	0	20	23	153
Indonesia	0	0	1	26	27
Iran	0	0	0	3	3
Ireland	72	0	2	70	144
Israel	301	0	9	66	376
Italy	360	0	79	628	1,067
Japan	18,100	31	1,652	4,668	24,451
Jordan	2	0	0	0	2
Kazakhstan	2	0	0	1	3
Kuwait	0	0	0	5	5
Lebanon	0	0	0	1	1
Liechtenstein	21	0	18	14	53

Applications



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Residence	Patents	Utility models	Industrial designs	Trademarks	Total
Luxembourg	60	0	0	116	176
Macao, China	0	0	0	1	1
Malaysia	5	1	3	44	53
Malta	4	0	1	9	14
Mauritius	2	0	0	9	11
Mexico	14	0	0	60	74
Monaco	1	0	0	12	13
Netherlands	1,549	0	95	435	2,079
New Zealand	45	1	3	95	144
Niue	0	0	0	2	2
Norway	74	0	16	15	105
Oman	0	0	0	2	2
Pakistan	0	0	0	7	7
Panama	3	0	0	6	9
Peru	0	0	0	3	3
Philippines	1	0	0	22	23
Poland	10	0	3	7	20
Portugal	9	0	6	20	35
Puerto Rico	5	0	0	5	10
Russian Federation	24	4	0	3	31
San Marino	0	0	0	2	2
Saudi Arabia	15	0	0	37	52
Seychelles	4	0	0	3	7
Singapore	182	1	16	175	374
Slovakia	1	0	1	1	3
Slovenia	6	0	2	0	8
South Africa	22	0	3	22	47
Spain	110	0	10	110	230
Sri Lanka	0	0	0	1	1
Sweden	721	1	38	127	887
Switzerland	1,226	0	105	775	2,106
Thailand	3	0	5	50	58
Taiwan	581	328	54	426	1,389
Turkey	15	0	1	10	26
Ukraine	2	0	0	0	2
United Arab Emirates	2	0	3	38	43
United Kingdom	733	1	64	827	1,625
USA	12,103	37	691	7,459	20,290
Uruguay	0	0	0	2	2
Venezuela	0	0	0	3	3
Vietnam	0	0	0	2	2
Virgin Islands	36	2	4	95	137
Western Samoa	4	0	0	0	4
Yemen	0	0	0	1	1
others	13	0	5	17	35
Total	43,768	452	3,494	20,131	67,845

Examinations



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Patents and utility models

		First action					Final decisions			
		Approval of registration	Notice of preliminary rejection or amendment	Other notices	Withdrawal or abandonment	Total	Approval of registration	Rejection or cancellation	Withdrawal or abandonment or annulment or rejection	Total
Patents	2002	19,520	56,881	429	2,584	79,414	49,478	24,545	3,612	77,635
	2003	19,505	71,100	426	2,402	93,433	48,047	28,077	3,856	79,980
	2004	19,952	75,085	408	2,959	98,404	54,551	31,424	4,422	90,397
	2005	21,860	106,096	410	2,749	131,115	78,397	36,946	2,749	118,092
	2006	39,440	151,365	912	3,678	195,395	127,298	43,655	3,678	174,631
	2007	26,801	96,997	693	4,656	129,147	112,344	35,417	4,656	152,417
Utility models	2002	38,170	10,449	8	680	49,307	44,976	2,421	4,574	51,971
	2003	37,797	10,241	10	530	48,578	43,308	1,054	4,285	48,647
	2004	34,263	18,345	119	662	53,389	43,848	5,336	4,146	53,330
	2005	31,249	17,900	63	105	49,317	41,512	4,559	3,833	49,904
	2006	28,187	16,999	82	2	45,270	37,643	3,289	4,015	44,947
	2007	4,203	10,159	44	1	14,407	9,090	3,657	646	13,393

Note: The figures for 2007 are preliminary estimates.

Industrial designs and trademarks

		First action				Final decisions		
		Publication or approval of registration	Notice of preliminary rejection	Other notices	Total	Approval of registration	Rejection	Total
Industrial designs	2002	24,131[25,390]	14,471[15,199]	29[29]	38,631[40,618]	32,154[33,721]	5,555[5,756]	37,709[39,477]
	2003	25,746[27,443]	14,292[14,919]	56[57]	40,094[42,419]	35,170[37,446]	4,960[5,234]	40,130[42,680]
	2004	26,423[27,502]	14,081[14,541]	37[37]	40,541[42,080]	36,308[37,765]	4,715[4,850]	41,023[42,615]
	2005	26,760[27,505]	14,030[14,452]	30[30]	40,820[41,987]	37,226[38,369]	4,707[4,828]	41,933[43,197]
	2006	30,204[31,335]	16,053[16,910]	124[124]	46,381[48,369]	40,562[42,183]	4,814[5,028]	45,376[47,211]
	2007	32,604[33,758]	23,850[24,694]	130[135]	56,584[58,587]	44,948[46,539]	8,171[8,460]	53,119[54,999]
Trademarks	2002	50,100[67,635]	49,548[67,969]	372[437]	100,020[136,041]	69,007[99,415]	30,057[37,320]	99,064[136,735]
	2003	62,262[79,633]	56,207[77,762]	327[405]	118,796[157,800]	79,965[110,815]	32,954[40,415]	112,919[151,230]
	2004	58,067[75,389]	57,257[79,441]	886[1,317]	116,210[156,147]	81,793[113,691]	33,178[40,492]	114,971[154,183]
	2005	61,382[80,128]	62,101[88,864]	1,409[2,008]	124,892[171,000]	86,036[121,552]	39,467[45,002]	125,503[166,554]
	2006	68,253[88,931]	58,809[81,126]	1,395[1,988]	128,457[172,045]	92,916[130,175]	32,969[40,351]	125,885[170,526]
	2007	60,950[82,020]	65,515[88,164]	1,244[1,674]	127,709[171,858]	88,079[118,528]	27,368[36,829]	115,447[155,357]

Note: Figures in parentheses include multiple applications.

Examinations



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Pendency period for patents and trademarks

Average first action pendency period for patents

(unit: month)

Year	2002	2003	2004	2005	2006	2007
Patents	22.6	22.1	21.0	17.6	9.8	9.8

Average total pendency period for patents

(unit: month)

Year	2002	2003	2004	2005	2006	2007
Patents	28.5	30.0	29.9	26.6	19.7	15.0

Average first action pendency period for trademarks

(unit: month)

Year	2002	2003	2004	2005	2006	2007
Patents	11.9	10.7	9.6	7.3	5.9	5.7

Average total pendency period for trademarks

(unit: month)

Year	2002	2003	2004	2005	2006	2007
Patents	15.3	14.6	12.3	10.6	8.9	8.7

International search reports and international preliminary examination reports

Year	ISRs	IPERs
2002	2,148	1,135
2003	2,315	1,310
2004	2,913	1,035
2005	3,649	842
2006	4,753	639
2007	8,280	586

Registrations



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Registrations by IPR type

IPR type	2002	2003	2004	2005	2006	2007	Percentage change for 2007
Patents	45,298	44,165	49,068	73,512	120,790	123,705	2.4
Utility models	39,957	37,272	34,182	32,716	29,736	2,795	△ 90.6
Subtotal	85255	81,437	83,250	106,228	150,526	126,500	△ 16.0
Industrial designs	27,235	28,380	31,021	33,993	34,206	40,745	19.1
Trademarks	40,588	46,023	51,104	57,873	65,825	60,361	△ 8.3
Total	153,078	155,840	165,375	198,094	250,557	227,606	△ 9.2

Note: Trademark registration renewals are excluded.

Comparison of domestic and foreign registrations

		Domestic		Foreign		Total
		Cases	%	Cases	%	Cases
Patents	2002	30,175	66.6	15,123	33.4	45,298
	2003	30,525	69.1	13,640	30.9	44,165
	2004	35,284	71.9	13,784	28.1	49,068
	2005	53,419	72.7	20,093	27.3	73,512
	2006	89,303	73.9	31,487	26.1	120,790
	2007	91,645	74.1	32,060	25.9	123,705
Utility models	2002	39,417	98.6	540	1.4	39,957
	2003	36,597	98.2	675	1.8	37,272
	2004	33,629	91.3	553	8.7	34,182
	2005	32,104	98.1	612	1.9	32,716
	2006	29,031	97.6	705	2.4	29,736
	2007	2,739	98.0	56	2.0	2,795
Industrial designs	2002	25,318	93.0	1,917	7.1	27,235
	2003	25,680	90.5	2,700	9.5	28,380
	2004	28,311	91.3	2,710	8.7	31,021
	2005	31,040	91.3	2,953	8.7	33,993
	2006	31,503	92.1	2,703	7.9	34,206
	2007	37,631	92.4	3,114	7.6	40,745
Trademarks	2002	32,678	80.5	7,910	19.5	40,588
	2003	37,718	82.0	8,305	18.0	46,023
	2004	41,673	81.5	9,431	18.5	51,104
	2005	46,683	80.7	11,190	19.3	57,873
	2006	52,827	80.3	12,998	19.7	65,825
	2007	48,266	80.0	12,095	20.0	60,361
Total	2002	127,588	83.3	25,490	16.7	153,078
	2003	130,520	83.8	25,320	16.2	155,840
	2004	138,897	84.0	26,478	16.0	165,375
	2005	163,246	82.4	34,848	17.6	198,094
	2006	202,664	80.9	47,893	19.1	250,557
	2007	180,281	79.2	47,325	20.8	227,606

Registrations



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Patent registrations by technological field

Classification	Domestic	Percentage change for 2007	Foreign	Percentage change for 2007	Total	Percentage change for 2007
Agriculture	938 (1.0%)	27.4	144 (0.4%)	10.8	1,082 (0.9%)	24.9
Foodstuffs and tobacco	1,569 (1.7%)	3.1	146 (0.5%)	-12.0	1,715 (1.4%)	1.6
Personal and domestic articles	2,676 (2.9%)	16.1	387 (1.2%)	9.6	3,063 (2.5%)	15.2
Health and amusement	2,068 (2.3%)	12.5	944 (2.9%)	16.7	3,012 (2.4%)	13.7
Preparations for medical, dental, or toilet purposes	1,154 (1.3%)	2.2	875 (2.7%)	-6.8	2,029 (1.6%)	-1.9
Separating and mixing	2,119 (2.3%)	14.1	639 (2.0%)	-15.9	2,758 (2.2%)	5.4
Shaping	1,746 (1.9%)	-9.3	497 (1.5%)	-30.7	2,243 (1.8%)	-15.1
Grinding and polishing	1,968 (2.1%)	4.8	719 (2.2%)	-11.5	2,687 (2.2%)	-0.1
Printing	579 (0.6%)	-16.7	378 (1.2%)	-6.0	957 (0.8%)	-12.8
Transporting	4,783 (5.2%)	-7.3	1,137 (3.5%)	-24.4	5,920 (4.8%)	-11.2
Microstructural technology and nanotechnology	253 (0.3%)	46.2	20 (0.1%)	-9.1	273 (0.2%)	40.0
Chemistry in general	1,833 (2.0%)	6.6	605 (1.9%)	9.8	2,438 (2.0%)	7.4
Organic chemistry	800 (0.9%)	-2.1	1,708 (5.3%)	-10.7	2,508 (2.0%)	-8.1
Organic macromolecular compounds	1,250 (1.4%)	-21.1	1,149 (3.6%)	-25.7	2,399 (1.9%)	-23.4
Dyes, petroleum, and animal and vegetable oils	1,243 (1.4%)	-0.1	805 (2.5%)	0.0	2,048 (1.7%)	0.0
Biochemistry	960 (1.0%)	22.1	361 (1.1%)	4.3	1,321 (1.1%)	16.7
Metallurgy	1,121 (1.2%)	20.4	740 (2.3%)	8.5	1,861 (1.5%)	15.4
Textiles and flexible materials	1,387 (1.5%)	-4.1	431 (1.3%)	-0.5	1,818 (1.5%)	-3.3
Paper	144 (0.2%)	-7.7	67 (0.2%)	-38.5	211 (0.2%)	-20.4
Building	5,544 (6.1%)	13.2	359 (1.1%)	2.9	903 (4.8%)	12.5
Earth or rock drilling, and mining	190 (0.2%)	20.3	22 (0.1%)	-15.4	212 (0.2%)	15.2
Engines and pumps	1,452 (1.6%)	-13.9	894 (2.8%)	12.6	2,346 (1.9%)	-5.4
Engineering in general	1,337 (1.5%)	-1.4	534 (1.7%)	-31.9	1,871 (1.5%)	-12.6
Lighting and heating	3,837 (4.2%)	5.1	469 (1.5%)	-3.1	4,306 (3.5%)	4.2
Weapons and blasting	72 (0.1%)	-51.0	26 (0.1%)	-63.9	98 (0.1%)	-55.3
Instruments	5,949 (6.5%)	11.7	3,028 (9.4%)	14.4	8,977 (7.3%)	12.6
Horology and computing	6,016 (6.6%)	20.2	2,067 (6.4%)	14.4	8,083 (6.5%)	18.6
Educating and information storage	4,759 (5.2%)	-24.8	2,020 (6.3%)	-12.1	6,779 (5.5%)	-21.4
Nucleonics	127 (0.1%)	-17.5	62 (0.2%)	100.0	189 (0.2%)	2.2
Electric elements and electric techniques	18,195 (19.9%)	4.6	6,791 (21.1%)	10.4	24,986 (20.2%)	6.1
Electric circuitry and electric communication techniques	15,493 (16.9%)	2.1	4,119 (12.8%)	30.4	19,612 (15.9%)	7.0
Total	91,645 (100.0%)	2.7	32,060 (100.0%)	1.7	123,705 (100.0%)	2.4

Note: The figures are preliminary estimates.

Registrations



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Patent registrations in biotechnology

	2003		2004		2005		2006		2007	
	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio
Domestic	730	66.1%	1,243	62.5%	1,490	67.9%	1,911	71%	2,089	74%
Foreign	331	33.9%	373	37.5%	532	32.1%	778	29%	741	26%
Total	1,061		1,616		2,022		2,689		2,830	

Note: Based on the following biotechnological categories of the Eighth Edition of the International Patent Classification: A01H; A01K 67/00~67/04; A01N 63/00~65/00; A61K 8/97~8/99; A61K 8/64~8/68; A61K 35/12~35/76; 36/00~36/9068; A61K 38/00~38/58, 39/00~39/44, 48/00, 51/00~51/10; C02F 3/00~3/34, 11/02~11/04; C07H 19/00~21/04; C07K; C12C~M; C12N; C12P; C12Q; C12S; G01N 33/50~33/98.

Patent registrations in business methods

	2003		2004		2005		2006		2007	
	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio	Cases	Ratio
Domestic	909	93.1%	1,215	91.6%	1,242	87.3%	1,669	85.4%	2,457	85.9%
Foreign	67	6.9%	112	8.4%	193	12.7%	286	14.6%	404	14.1%
Total	976		1,327		1,435		1,955		2,861	

Note: Based on the Eighth Edition of the International Patent Classification.

Registrations



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Registrations by residents of foreign countries in 2007

Residence	Patents	Utility models	Industrial designs	Trademarks	Total
Argentina	1	0	0	13	14
Australia	211	0	11	167	389
Austria	70	0	4	33	107
Bahamas	3	0	1	6	10
Barbados	1	0	1	4	6
Belarus	2	0	3	1	6
Belgium	83	0	12	37	132
Bermuda	3	0	0	14	17
Brazil	16	0	2	14	32
Bulgaria	1	0	0	5	6
Canada	200	0	5	134	339
Cayman Islands	6	0	0	9	15
Chile	0	0	0	35	35
China	137	5	42	439	623
Colombia	0	0	0	12	12
Costa Rica	0	0	0	0	0
Croatia	4	0	0	4	8
Cuba	5	0	0	2	7
Cyprus	2	0	0	2	4
Czech Republic	1	0	1	4	6
Denmark	82	1	12	38	133
Estonia	1	0	1	1	3
Finland	499	0	47	32	578
France	949	0	107	584	1,640
Germany	2,324	3	112	863	3,302
Gibraltar	1	0	0	2	3
Greece	2	0	1	11	14
Hong Kong, China	22	1	14	92	129
Hungary	8	0	1	2	11
Iceland	1	0	0	3	4
India	31	0	2	14	47
Indonesia	0	0	0	15	15
Iran	0	0	0	2	2
Ireland	18	0	5	38	61
Isle of Man	1	0	0	1	2
Israel	80	0	7	47	134
Italy	193	0	82	422	697
Japan	17,275	12	1,558	2,428	21,273
Latvia	2	0	0	1	3
Liberia	0	0	0	0	0
Liechtenstein	12	0	27	20	59
Luxembourg	20	0	1	41	62
Macau, China	0	0	0	3	3
Malaysia	2	0	5	32	39
Mauritius	0	0	0	0	0

Registrations



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Registrations by residents of foreign countries in 2007

Residence	Patents	Utility models	Industrial designs	Trademarks	Total
Mexico	2	0	0	36	38
Monaco	4	0	1	14	19
Netherlands	1,074	0	88	241	1,403
Netherlands Antilles	18	1	0	16	35
New Zealand	16	0	3	44	63
Norway	41	0	8	15	64
Panama	0	0	0	4	4
Philippines	1	0	0	9	10
Poland	4	0	1	6	11
Portugal	4	0	0	19	23
Qatar	0	0	0	1	1
Rumania	0	0	0	3	3
Russian Federation	11	0	0	24	35
Samoa	0	0	0	0	0
San Marino	0	0	1	2	3
Saudi Arabia	7	0	0	5	12
Seychelles	1	0	0	4	5
Singapore	53	1	29	67	150
Slovakia	1	0	0	1	2
Slovenia	6	0	0	6	12
South Africa	12	0	3	16	31
Spain	45	0	12	90	147
Sri Lanka	0	0	0	1	1
Swaziland	0	0	0	1	1
Sweden	420	0	23	111	554
Switzerland	560	0	82	526	1,168
Taiwan	437	23	53	246	759
Thailand	0	0	4	19	23
Turkey	4	0	0	36	40
United Arab Emirates	3	0	0	19	22
United Kingdom	356	0	46	423	825
USA	6,683	8	692	3,474	10,857
Venezuela	0	0	0	1	1
Vietnam	0	0	0	10	10
British Virgin Islands	17	1	4	54	76
Others	94	0	7	985	1,086
Total	32,060	56	3,114	12,095	47,325

Note: The figures are preliminary estimates.

Trials and appeals



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Petitions

	IPR type	2003	2004	2005	2006	2007
Ex parte	Patents	3,300	4,183	6,366	8,821	9,870
	Utility models	234	282	307	278	288
	Industrial designs	127 (129)	146 (146)	153 (153)	119 (119)	174 (179)
	Trademarks	1,788 (2,338)	2,024 (2,749)	2,602 (3,803)	2,654 (3,844)	3,378 (4,791)
	Subtotal	5,449 (6,001)	6,635 (7,360)	9,428 (10,629)	11,872 (13,062)	13,710 (15,128)
Inter partes	Patents	521	615	776	904	1,080
	Utility models	554	545	479	487	465
	Industrial designs	467 (475)	398 (426)	327 (331)	384 (427)	427 (432)
	Trademarks	1,407 (1,598)	1,474 (1,833)	1,744 (2,066)	1,844 (2,212)	1,918 (2,290)
	Subtotal	2,949 (3,148)	3,032 (3,419)	3,326 (3,652)	3,619 (4,030)	3,890 (4,267)
Total	Patents	3,821	4,798	7,142	9,725	10,950
	Utility models	788	827	786	765	753
	Industrial designs	594 (604)	544 (572)	480 (484)	503 (546)	601 (611)
	Trademarks	3,195 (3,936)	3,498 (4,582)	4,346 (5,869)	4,498 (6,056)	5,296 (7,081)
	Subtotal	8,398 (9,149)	9,667 (10,779)	12,754 (14,281)	15,491 (17,092)	17,600 (19,395)

Note: 1. Figures in parentheses include multiple applications.
2. The figures for 2007 are preliminary estimates.

Actions

	IPR type	2003	2004	2005	2006	2007
Ex parte	Patents	2,477	3,456	5,772	8,911	10,251
	Utility models	210	244	335	367	319
	Industrial designs	131 (131)	150 (150)	144 (144)	125 (125)	152 (156)
	Trademarks	1,601 (2,208)	1,883 (2,451)	2,198 (3,114)	2,539 (3,622)	2,786 (4,021)
	Subtotal	4,419 (5,026)	5,733 (6,301)	8,449 (9,365)	11,942 (13,025)	13,508 (14,747)
Inter partes	Patents	359	595	800	882	1,084
	Utility models	518	632	706	490	543
	Industrial designs	439 (445)	435 (449)	374 (391)	340 (381)	380 (383)
	Trademarks	1,385 (1,510)	1,480 (1,755)	1,590 (1,889)	1,682 (2,008)	1,853 (2,224)
	Subtotal	2,701 (2,832)	3,142 (3,431)	3,470 (3,786)	3,394 (3,761)	3,860 (4,234)
Total	Patents	2,836	4,051	6,572	9,793	11,335
	Utility models	728	876	1,041	857	862
	Industrial designs	570 (576)	585 (599)	518 (535)	465 (506)	532 (539)
	Trademarks	2,986 (3,718)	3,363 (4,206)	3,788 (5,003)	4,221 (5,630)	4,639 (6,245)
	Subtotal	7,120 (7,858)	8,875 (9,732)	11,919 (13,151)	15,336 (16,786)	17,368 (18,981)

Note: 1. Figures in parentheses include multiple applications.
2. The figures for 2007 are preliminary estimates.

Trials and appeals



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Successful petitions

IPR type		2003	2004	2005	2006	2007
Ex parte	Patents	396 (43.7)	684 (40.3)	1,087 (39.7)	1,727 (43.1)	1,650 (35.7)
	Utility models	96 (48.7)	101 (42.3)	137 (41.9)	128 (36.1)	95 (31.5)
	Industrial designs	51 (58.0)	35 (41.7)	21 (22.3)	43 (51.8)	42 (40.0)
	Trademarks	1,093 (49.5)	1,354 (55.2)	1,491 (47.9)	1,980 (54.9)	2,359 (59.1)
	Subtotal	1,636 (48.1)	2,174 (48.7)	2,736 (43.6)	3,878 (48.2)	4,146 (45.9)
Inter partes	Patents	163 (45.4)	325 (54.6)	426 (53.3)	465 (53.3)	571 (53.5)
	Utility models	191 (36.9)	292 (46.2)	350 (49.6)	263 (54.0)	269 (50.1)
	Industrial designs	229 (51.5)	242 (53.9)	206 (52.7)	219 (57.9)	189 (49.5)
	Trademarks	984 (65.2)	1,130 (64.4)	1,196 (63.3)	1,214 (61.0)	1,331 (60.6)
	Subtotal	1,567 (55.3)	1,989 (60.0)	2,178 (57.5)	2,161 (58.0)	2,360 (56.4)
Total	Patents	559 (44.2)	1,009 (44.0)	1,513 (42.8)	2,192 (45.0)	2,221 (39.0)
	Utility models	287 (40.1)	393 (45.3)	487 (47.1)	391 (46.4)	364 (43.4)
	Industrial designs	280 (52.5)	277 (52.0)	227 (46.8)	262 (56.8)	231 (47.4)
	Trademarks	2,077 (55.9)	2,484 (59.1)	2,687 (53.7)	3,194 (57.1)	3,690 (59.6)
	Subtotal	3,203 (51.4)	4,163 (52.7)	4,914 (48.6)	6,039 (51.3)	6,506 (49.2)

Note: 1. The successful petitions refer to the number of petitions granted. These figures exclude cases where the registration was decided on the basis of an examiners's reconsideration before a trial and invalidation of a patent process. The figures in parentheses indicate the percentage of the petitions granted.

2. The figures for 2007 are preliminary estimates.

Comparison of domestic and foreign trial requests

	2003		2004		2005		2006		2007	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
Patents	2,339	1,482	3,133	1,665	4,362	2,780	6,209	3,516	7,004	3,946
Utility models	780	8	812	15	771	15	758	7	744	9
Industrial designs	554	50	538	34	456	28	515	31	584	27
Trademarks	2,505	1,431	2,890	1,692	3,432	2,437	3,315	2,741	3,750	3,331
Total	6,178	2,971	7,373	3,406	9,021	5,260	10,797	6,295	12,082	7,313

Note: 1. Multiple applications for trademarks and industrial designs are treated as single applications.

2. The figures for 2007 are preliminary estimates.

Revenue and expenditure



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Revenue

(unit: billion KRW)

	2005	2006	2007	2008
Revenue from goods and services	190.397	234.427	242.055	269,153
Revenue carried over from the previous year	4.291	26.412	37.242	30,294
Internal revenue and others	30.332	37.134	31.822	18,517
Total	225.020	297.973	311.119	317,964

Expenditure

(unit: billion KRW)

	2005	2006	2007	2008
Major projects	108.720	203.107	211.698	168,924
Basic projects	13.492	16.208	13.389	13,716
Labor costs	58.769	74.224	79.127	83,337
Reserve fund	6.038	4.434	6.905	1,987
Deposit for special budget	38.000	-	-	10,000
Total	225.020	297.973	311.119	317,964

KIPO staff

		2004	2005	2006	2007	2008
Examiners	· Patent and utility models	558	728	727	660	659
	· Industrial designs	18	26	26	27	27
	· Trademarks	94	114	113	103	103
Appeal judges		41	49	79	117	117
Clerical staff		495	575	572	616	605
Total		1,206	1,492	1,517	1,528	1,511

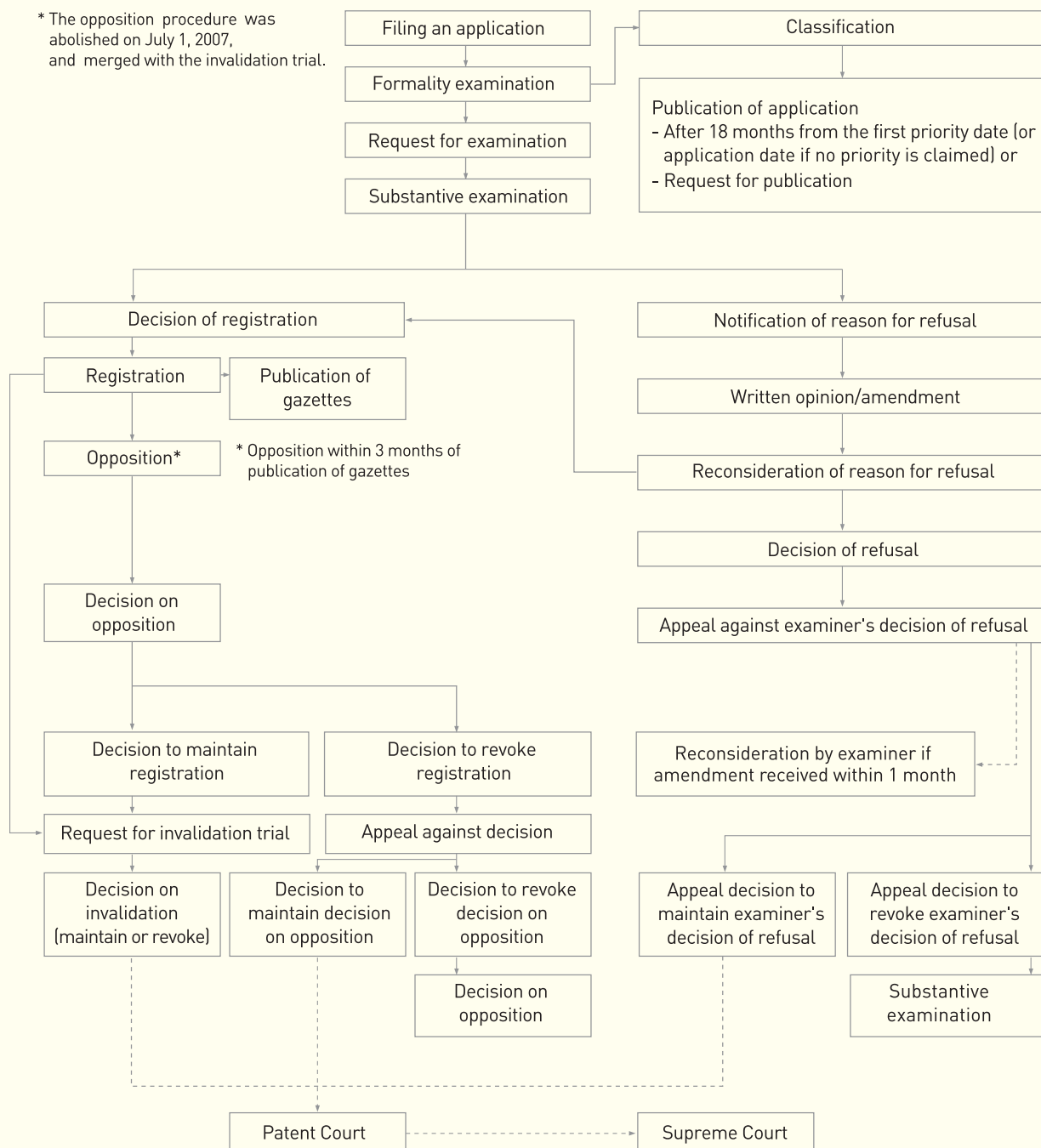
Flow chart for examinations



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Procedure for granting patents and utility models

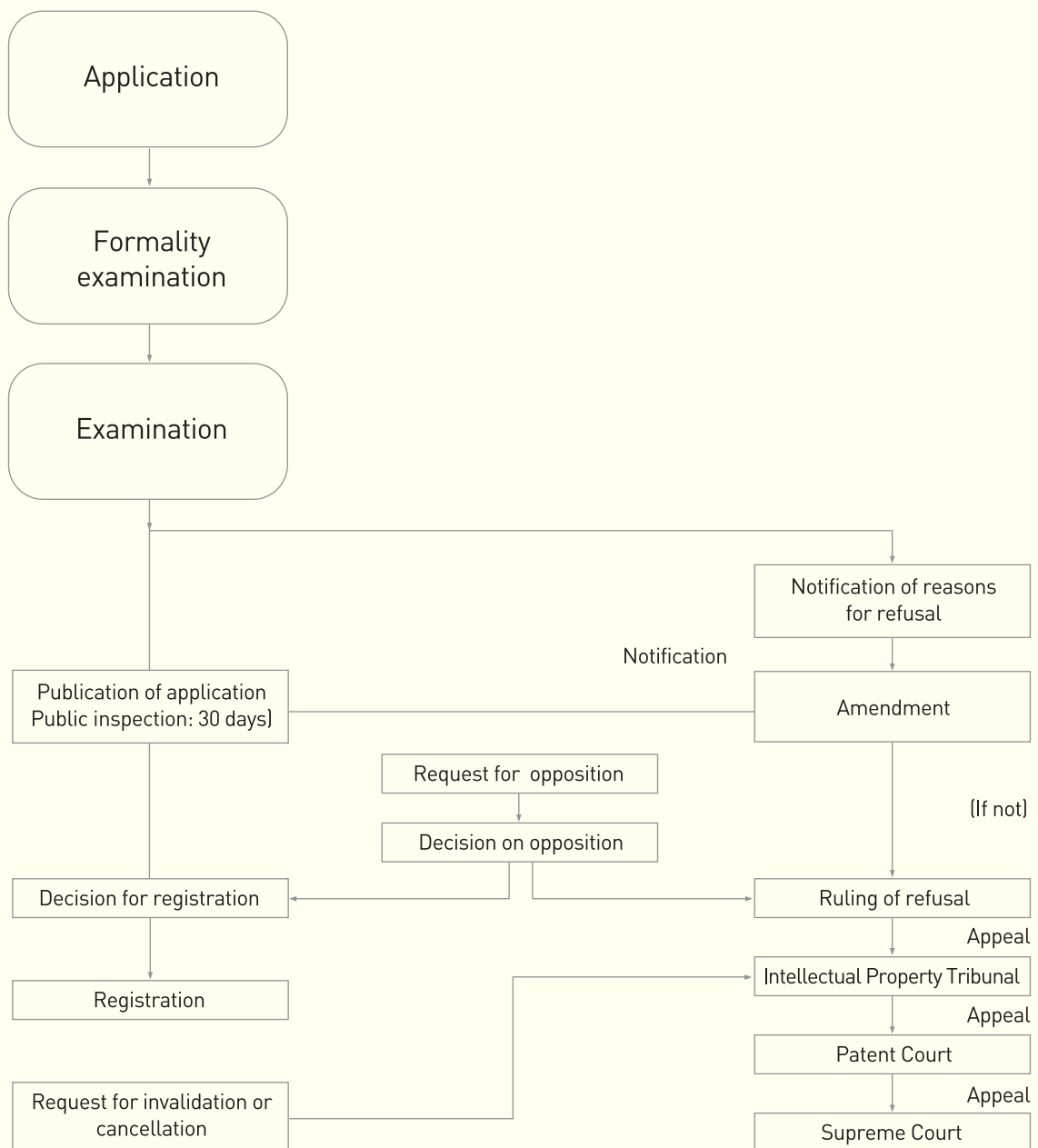
* The opposition procedure was abolished on July 1, 2007, and merged with the invalidation trial.



Flow chart for examinations



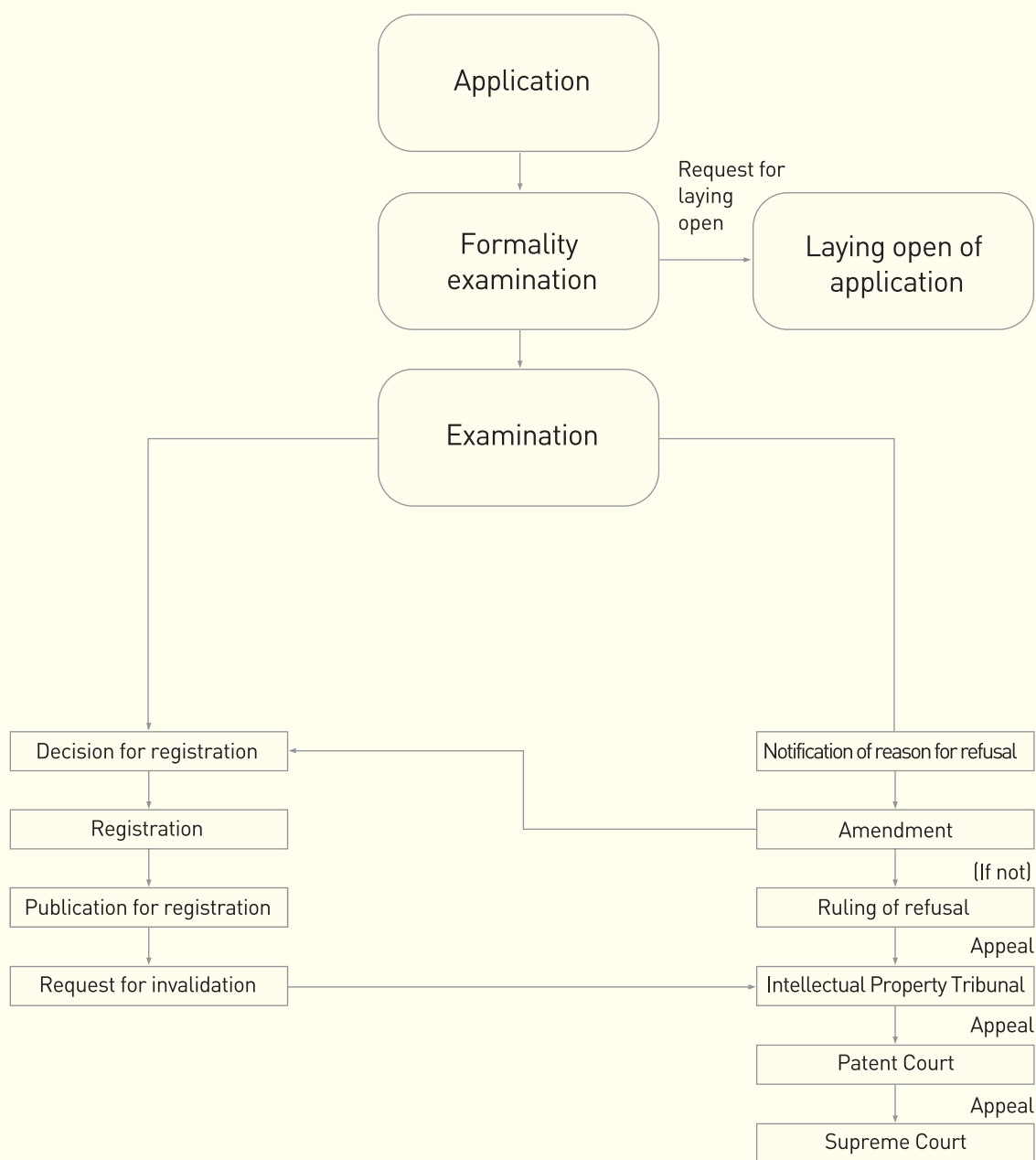
Trademarks



Flow chart for examinations



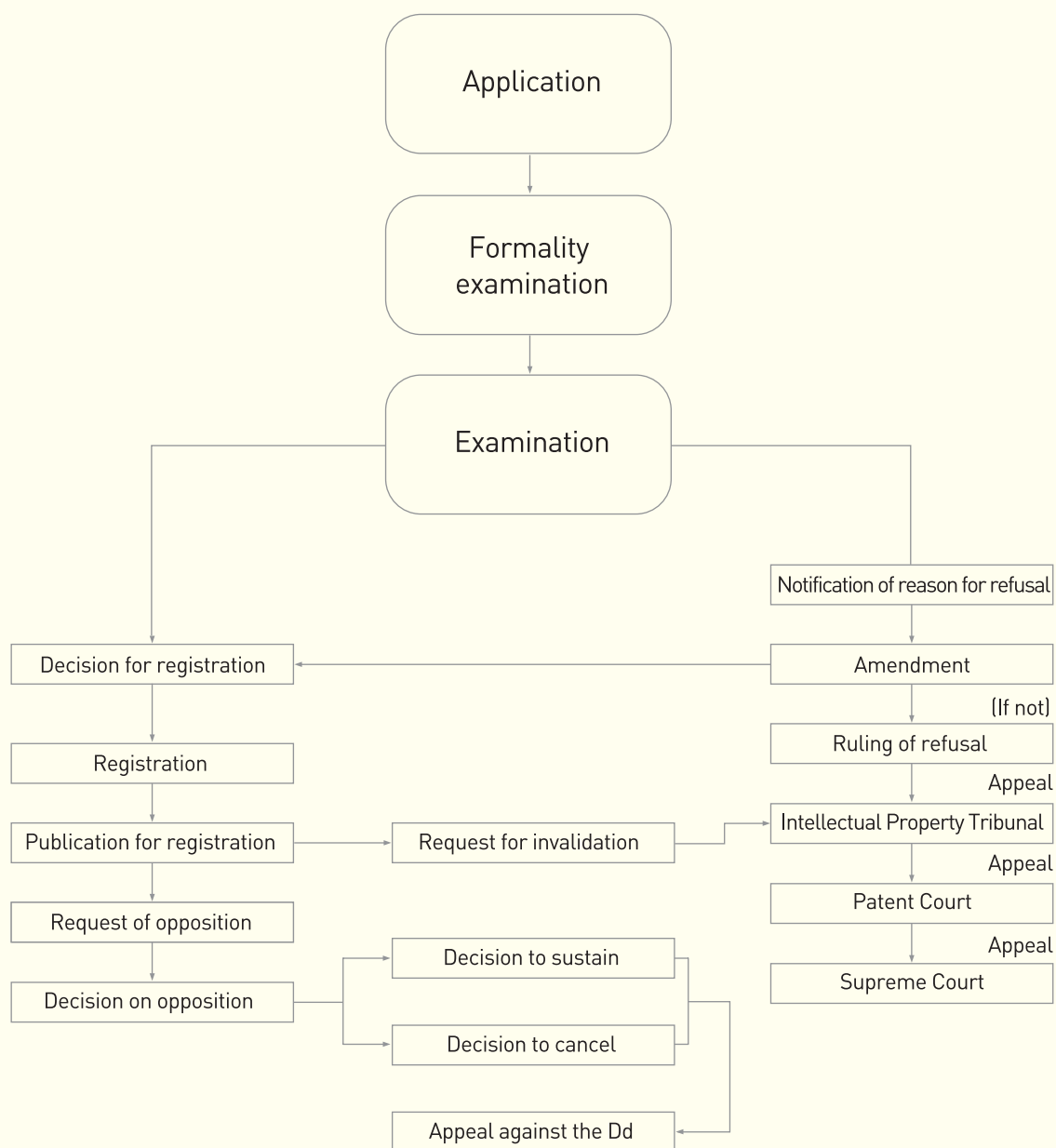
Substantive examination for industrial designs



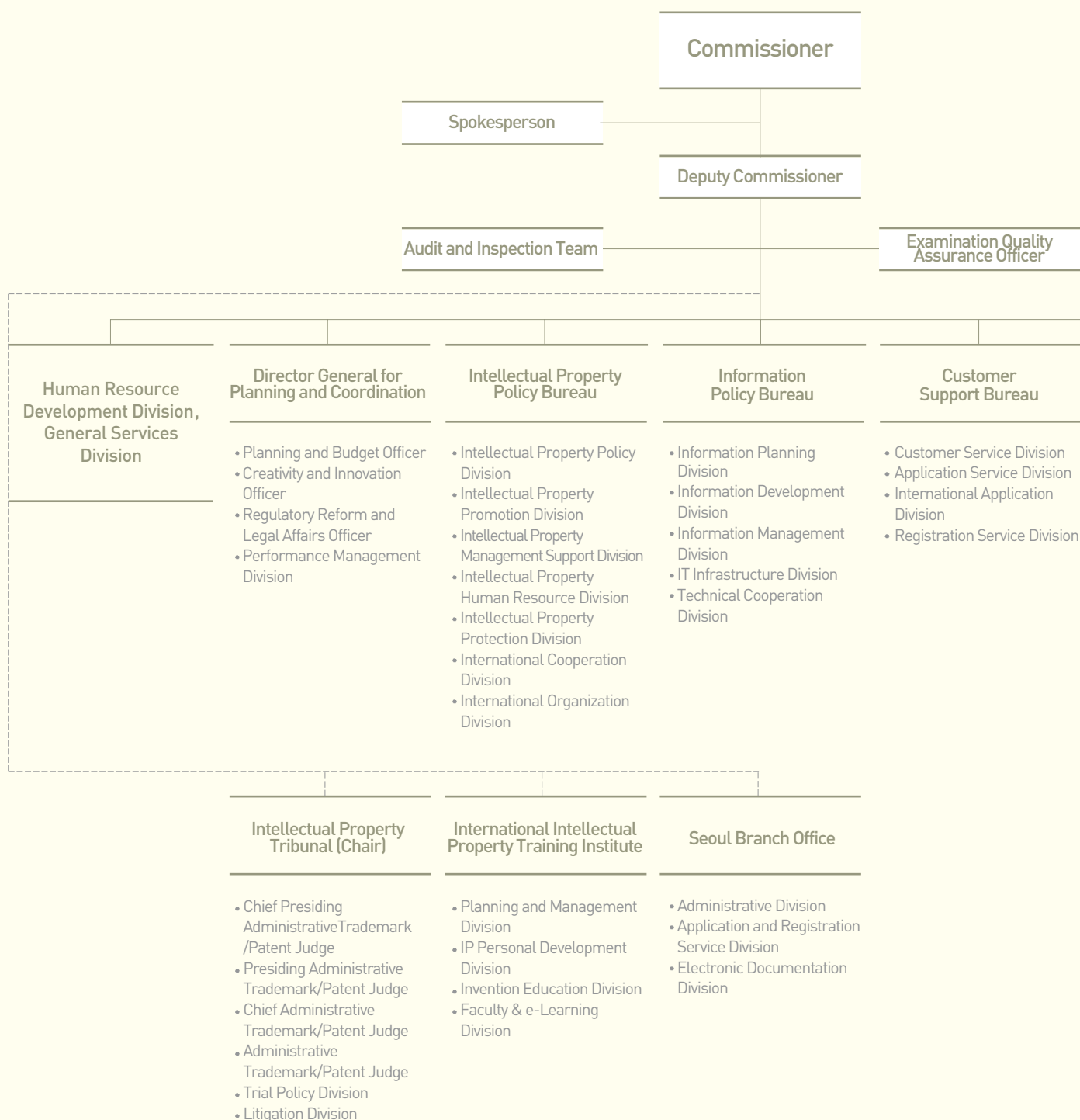
Flow chart for examinations



Nonsubstantive examination for industrial designs



Organizational chart of KIPO



Trademark and Design Examination Bureau	Machinery, Metals and Construction Examination Bureau	Chemistry and Biotechnology Examination Bureau	Electric and Electronic Examination Bureau	Information and Communications Examination Bureau
<ul style="list-style-type: none"> • Trademark and Design Examination Policy Division • Trademark and Design Examination Support Division • Trademark Examination Division I • Trademark Examination Division II • Trademark Examination Division III • Service Mark Examination Division • International Trademark Examination Division • Design Examination Division I • Design Examination Division II 	<ul style="list-style-type: none"> • General Machinery Examination Division • Automobile Examination Division • Transport Machinery Examination Division • Prime Mover Machinery Examination Division • Precision Machinery Examination Division • Air-conditioning Machinery Examination Division • Mechatronics Examination Division • Metals Examination Division • Construction Technology Examination Division • Semiconductor Intellectual Property Promotion Division 	<ul style="list-style-type: none"> • Biotechnology Examination Division • Organic Chemistry Examination Division • Inorganic Chemistry Examination Division • Fine Chemistry Examination Division • Environmental Chemistry Examination Division • Pharmaceutical Examination Division • Textile and Consumer Goods Examination Division • Food and Biological Resources Examination Division 	<ul style="list-style-type: none"> • Patent Examination Policy Division • Patent Examination Support Division • Electric Examination Division • Electronic Examination Division • Semiconductor Examination Division • Electronic Parts and Components Examination Division • Electronic Commerce Examination Division • Ubiquitous Examination Division • Semiconductor Intellectual Property Division 	<ul style="list-style-type: none"> • Telecommunications Examination Division • Information Systems Examination Division • Imaging Devices Examination Division • Computer Technology Examination Division • Display Examination Division • Digital Broadcasting Examination Division • Network Examination Division



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