

Message from the Commissioner

WE WILL STRIVE TO CREATE A BETTER TOMORROW WHERE IP CAN SHINE BY EMULATING OUR ANCESTORS' SPIRIT AND ENCOURAGING INNOVATIVE ACTIVITIES.

One of the most significant aspects of management for entrepreneurs living in the knowledge-based society of the 21st century is intangible assets: in other words, intellectual property (IP). With IP a core source for creating added value, companies armed only with intellectual property rights can possess a competitive edge over their competitors and are provided with a means to achieve profits. Against this backdrop, battles are being fought over IP among global companies in every corner of the earth. Countries all over the world have been concentrating their efforts into promoting an IP system which can spur technological development and the creation of added value.

The Korean government set the 'creative economy' as a new national development strategy with the aim of creating new markets and jobs by linking creative ideas with scientific technology, the cultural sector and industry. KIPO is responsible for IP policies and has been continuously striving to promote a virtuous cycle for the creation, protection and utilization of IP, which is a vital key for actualizing the creative economy. Recently, we have analyzed the entire process of IP from a more macroscopic perspective. We also established a realization strategy called 'the creative economy ecosystem through IP' which will result in a more unified value creation chain for turning ideas into R&D and commercializing the results of R&D in the market. We are focusing all of our efforts to realize these goals.

We were able to obtain many significant results last year thanks to the enthusiasm and determined efforts of our employees to build an improved IP environment. Firstly, we enhanced the quality and timeliness of our examinations so that we can provide faster and stronger protection for the outcomes of innovative activities. To achieve this, we hired 49 new examiners and increased support for examiners by expanding the range and improving the quality of prior art searches performed by outside agencies. In addition, we built an exclusive system, the Community Patent Review, which allows us to listen to the specialized technological knowledge of outside experts and, thus, increase the accuracy of examination results.



Along with these efforts, we began the operation of customized examination services including the three track patent examination service, the two track trademark and design examination service and the three track trial service in a bid to provide results in the timeframe requested by customers. We received good feedback from our customers on the availability of these services. With the various measures in place, we were able to shorten the examination pendency period despite the increasing number of IP applications.

In 2012, we achieved our targets: the average first action pendency period was 14.8 months for patent examinations, 8.9 months for trademarks, and 8.8 months for industrial designs. For patent examination, we were successful in maintaining the world's fastest examination service. Furthermore, we have established mid-term strategies to shorten the examination pendency period; our goals are 10 months for patents, 3 months for trademarks and 5 months for industrial designs by 2017, in order to provide even faster protection for creative ideas.

We worked hard in 2012 in order to create prosperous IPs in the industrial economy by widely spreading a culture for IP creation and utilization. We also prepared systems of support by providing the results of patent trend analyses and dispatching IP experts for more efficient governmental R&D projects, and helped create a better environment for the development of outstanding patents. Furthermore, we have implemented a project, the 'strategy for IP-centered technology acquisition', in order to sharpen the IP capabilities of SMEs. We also hosted various invention promotion events, including the commemoration ceremony for the Korea Invention day, the Korea International Women's Invention Exposition (KIWIE) and the Design to Business (D2B) event, to develop a culture of innovation that is integrated with the general public.

We tried to create an environment that respects IP and fairly rewards creative efforts. We expanded the activities of the Special Police Squad for the Protection of Trademark Rights to include e-commerce and also expanded our campaign against counterfeit goods nationwide to raise awareness for the benefit of our customers. In addition to these activities, we have held further customer education programs aimed at preventing the purchase of counterfeit goods and have been continuously publicizing through television and social media in order to make people aware of the importance of reasonable consumption and distribution.

Furthermore, we have expanded international cooperation to avoid duplicate examinations and build an effective global IP system. We are now executing the Patent Prosecution Highways (PPH) with 14 countries, with the addition of China and Mexico in 2012, and Hungary, Singapore and Austria in early 2013. Following the PCT-PPH with the US in 2011, we expanded the PCT-PPH program to include China and Japan in 2012 and Austria in early 2013.

To narrow the IP divide between developed and developing countries, KIPO, in collaboration with WIPO and APEC, has been implementing IP-sharing projects which support developing countries with appropriate technologies and brand development. We will continue to exert every effort to narrow the gap between developed and developing countries by using Korea's experience of achieving the status of an aid beneficiary to an aid donor.

Moreover, we are involved in various activities to improve the efficiency and quality of patent examinations through our active participation in the IP5, a partnership of the five major global patent offices. In the area of trademark and design, Korea joined the TM5, a partnership of the five major trademark offices officially launched in 2012, and is playing a role in its fully-fledged activities. We were appointed as chair country of the TM5 for 2013 and plan to lead discussions on the harmonization of the trademark system.

I am convinced that we were able to achieve all of this thanks to the support and interest of our valuable customers and stakeholders, at home and abroad. I hope that this Annual Report gives an encouraging insight into the vision and activities of KIPO, thereby allowing both KIPO and our customers to develop and grow together.

Korea has been a prominent invention country, helping to improve the lives of ordinary people with groundbreaking creations and inventions, including Hangul, the Korean alphabet, created by King Sejong with the assistance of scholars, Angbuilgu, a sundial, and Cheugugi, a type of rain gauge first used in the 15th century. We will strive to create a better tomorrow where IP can shine by emulating our ancestors' spirit and encouraging innovative activities.

Kim Young-min

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