

Enhancing IP Protection



Gwanghwamun Square
On August 1st, 2009, the redesigned Gwanghwamun Square was opened to the public.
With the inauguration of the square, Sejong-ro, which is located at the center of the 600-year-old historic city of Seoul, was transformed into a human-centered space that harmonizes with the beautiful scenery of Gyeongbokgung Palace and Bukaksan Mountain.

IP Protection in Korea

01 | Enhancing IPR protection against counterfeits

In September 2010, we launched the Special Judicial Police for Trademark Rights as a way of enhancing law enforcement on counterfeits, and we established offices in the cities of Seoul, Busan, and Daejeon. The Judicial Police criminally arraigned 430 individuals found producing and/or selling counterfeit goods, and a total of 1,114,192 counterfeit items were seized in 2014.

Due to the boom in e-commerce, online transactions of counterfeit goods via Internet shopping sites have been rapidly increasing. To efficiently tackle this issue, in November 2011, we established an online law enforcement task force equipped with digital forensic equipment to firmly regulate



Category		Before special police (January – August 2010)	After the introduction of the special police					Subtotal
			September – December 2010	2011	2012	2013	2014	
Criminal arrests	No. of individuals	15	45	139	302	376	430	1,292
Criminal arrests	No. of seized goods	2,860	28,629	28,589	131,599	822,360	1,114,192	2,125,369

Law Enforcement Results

online transactions of counterfeits.

We criminally arrest sellers of online counterfeit goods and shut down and blocking access to offensive websites. In addition, we actively reinforce investigations into counterfeit goods that greatly impact people's lives, such as large-scale illegal manufacturing and the distribution of counterfeits related to health and safety, thereby eradicating their distribution channels.

02 | Raising awareness of IPR protection

We conducted a series of public awareness activities and collaborated with civic consumer advocacy groups to enhance IPR protection and consumer awareness of the illegality of counterfeit goods. We also held national campaigns in 13 cities and provinces, urging consumers to buy genuine goods. Since 2011, we have conducted a total of 96 consumer training sessions targeting housewives and office workers to prevent them from purchasing counterfeits. We produced televised advertisements with a famous actress as our publicity ambassador to form a social consensus on the illegality of counterfeit goods. We also enhanced public awareness using various online media, including Social Network Services (SNS). In 2014, we launched "College Student Supporters" to promote IPR protection among college students through campaigns and other activities. We also produced



cartoons to raise awareness of IPR protection among the youth, then conducted practical education on how to distinguish genuine goods from counterfeits.

03 | Laws and systems related to IPR protection

Since the second half of 2013, we have reviewed various means to improve the laws and systems regarding damages³ for

IPR infringements, in hopes of affording better protection for patents. Damages are now applied to patent infringements, and we managed a committee consisting of external experts to improve the damages system; analyzed civil and criminal rulings related to patent infringements; conducted nationwide surveys (targeting relevant companies) on whether to increase damages; and listened to various feedback in order to draw up improvement measures.

As a result, we prepared a revision proposal to the Patent Act. The main content of this proposal can be largely categorized according to the following concepts: development of a system for paying out damages; suppression of malicious infringements of patent rights; alleviation of the burden of proof that falls to patent right holders; and prevention of trade secret leakages during trials.

The revision proposal to the Patent Act is expected to be discussed in the National Assembly in 2015, and it would help bring about an appropriate damages system for patent right infringements and enhance the effectiveness of the patent system, thereby greatly contributing to a healthy IP ecosystem.

³The estimated money equivalent for detriment or injury sustained.

Overseas IP Protection

04 | Improved systems to protect corporate trade secrets

Cases involving the Trade Secret Certification Service, which was introduced in November 2010 to alleviate the difficulty of authenticating trade secret ownership during infringement litigations, steadily grew, reaching an accumulative total of 80,790 cases by the end of 2014. Time stamps are generated by combining unique codes, called hash values, from trade secret e-documents with authorized time values. Time stamps are, then, registered with the Korea Institute of Patent Information (KIPI) to prove the existence of original copies of trade secrets, as well as their initial dates of possession.

05 | Collaborating for IPR protection with government organizations, etc.

We have been producing and televising public awareness-raising advertisements in collaboration with related organizations—such as the Ministry of Culture, Sports, and Tourism; the Korea Customs Service; local governments; and non-governmental organizations (NGOs)—to alert consumers to the safety issues surrounding counterfeits, as well as to nurture a culture that is respectful of IP. We also jointly launched a campaign named



“Counterfeits OUT, Originals IN” to raise awareness of the need to eradicate counterfeit goods. In addition, in 2013, we held a nationwide essay writing contest for primary, middle, and high school students under the theme “What I realized from using counterfeits” in order to instill law-abiding spirit among today’s youth. We also published in-depth special articles in major dailies under the theme “Counterfeit goods: status, effects, and enforcement measures” in order to cultivate a culture that is respectful of IPRs.

01 | IP Desk

We operate IP desks as part of an effort to enhance the protection and acquisition of Korean companies’ IPRs in foreign markets. In 2014, we newly established a desk in Frankfurt, Germany, bringing the number of cities in which we operate IP desks up to 10, including Beijing, Shanghai, Qingdao, Shenyang, and Guangzhou in China; Bangkok in Thailand; Ho Chi Minh City in Vietnam; and Los Angeles and New York in the United States.

IP desks provide Korean companies—whether active in or preparing to enter foreign markets—with consultations on registering and protecting IPRs and dealing with IPR disputes. In addition, we hold briefings and seminars to share information on preventing infringements. In 2014, in China and Thailand,

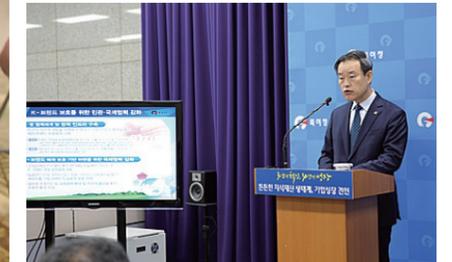


we held three seminars, with combined a total of 238 attendees, to help government officials from those two countries recognize counterfeit goods. We are also making efforts to develop cooperative channels with foreign IPR-related organizations in order to protect the IPRs of Korean companies operating overseas. In July 2014, we dispatched delegates and business representatives abroad to work on ways to create a favorable IP protection environment.

02 | Establishing policies to protect “K-brands”

Thanks to the recently concluded FTAs with major trading partners China and Vietnam, it is expected that there will be a lot more Korean companies entering into new global markets in the near future. We, therefore, established a comprehensive policy to protect Korean brands (K-Brands) in regions where the distribution of counterfeit Korean products is continuously increasing.

The main goals of the comprehensive policy to protect K-brands are as follows: building a system for responding to foreign brokers of Korean trademarks, launching a support center for crackdowns on imported counterfeit goods in



Korea, jointly engaging industries in recognizing and cracking down on counterfeits, and enhancing international border measures with foreign customs offices.