

# Message from the Commissioner



As one of the world's leading IP offices, we will spare no effort to engage in international cooperation and contribute to the advancement of the global IP system.



In the progress of the Fourth Industrial Revolution (4IR), new digital and technology fields such as AI, big data, and blockchain are considered crucial for national competitiveness. Many countries are concentrating all of their energies on gaining a competitive edge in these fields. It is, therefore, becoming increasingly important to secure intellectual property rights (IPRs) and implement an effective protection system of IPRs which encompasses data, a core asset in the era of digital transformation. To this end, the Korean Intellectual Property Office (KIPO) endeavored to establish a foundation for an IPR system that befits a digital economy in the year 2020.

In this regard, KIPO established separate criteria on patentability for new digital industry inventions such as AI, IoT, Biotechnology, etc. in order to provide high-quality IP services to applicants regarding emerging technologies. Concerning industrial designs in the digital area, the National Assembly has passed an amendment to the Design Protection Act which comes into effect in 2021. This amendment protects a graphic design implemented in virtual reality (VR) and augmented reality (AR) as a design image in itself. We also began offering the first mobile filing services for trademark applications to increase users' convenience in the digital environment. Meanwhile, in response to the new challenges of COVID-19, we reduced patent fees for applicants living in designated special disaster zones, made an ex-officio extension for IPR document submission, and newly introduced telephonic hearings in IP trial and appeal procedures.

For IP creation and utilization, KIPO launched the "National Patent Big Data Center" with the objective of analyzing IP information in a more systematic and multi-dimensional approach. Analysis results based

on the database of about 450 million IP information will be utilized to guide the direction of research and development (R&D) investment. In the financial sector, Korea's IP finance market surpassed KRW 2 trillion (about USD 1.8 billion) in terms of new loan and investment in 2020 through collaboration with financial institutions to provide innovative enterprises with opportunities for financing. In addition, KIPO officially implemented services of the "Mutual Aid Program related to IPRs" after an enrollment process which establishes a stable management base to alleviate IP risk and support the entry into overseas markets for Small and Medium Enterprises (SMEs). By the end of 2020, over 5,000 companies enrolled in this program since its introduction in August 2019.

With a view to building respect for IP, KIPO also stepped up its effort to construct an environment of strong IP protection for right holders both within Korea and abroad. An amendment to the Patent Act came into effect in December 2020 to stipulate a more substantial calculation of damage compensation, following the implementation of a legal system in 2019 for courts to award treble damages in cases of willful infringement. Additionally, KIPO set up an "Intellectual Property Right Dispute Response Center" to provide relevant information and practical consultation to companies involved in IPR disputes overseas. In April 2020, a new IP-DESK opened in Manila, Philippines to help companies successfully enter into the local market and protect their IPRs, which follows after Vietnam, Thailand and Indonesia in the ASEAN region.

On a global scale, even with the restrictions caused by COVID-19, KIPO closely cooperated bilaterally and multilaterally for the development of the IP system. We actively participated in virtual video conferences with major IP offices and the World Intellectual Property Organization (WIPO)

to make collective endeavors in reducing burdens on IPR applicants and overcoming obstacles in such exceptional circumstances. Moreover, Korea, along with China and Japan celebrated their 20<sup>th</sup> anniversary of trilateral IP cooperation and set a vision for the next 10 years to jointly address new challenges, such as digital transformation and the spread of an epidemic. In November 2020, Korea, ASEAN member states and other participating countries witnessed the signing of the Regional Comprehensive Economic Partnership (RECP) which will build a foundation for a stronger IPR protection system in the Asia-Pacific region.

In retrospect, the year 2020 was filled with many unexpected and unprecedented events that impacted the whole international community. Despite these unfavorable conditions, Korea made consistent effort to foster innovation and encourage creativity. As a result, the number of patent filings by Korean applicants increased, which led Korea to rank 4<sup>th</sup> in the world in terms of both the number of domestic patent filings and PCT filings. For the first time, Korea advanced to the 10<sup>th</sup> rank in WIPO's Global Innovation Index.

These achievements would not have been possible without the support from inventors, applicants, and IP stakeholders both domestic and abroad. As one of the world's leading IP offices, we will spare no effort to engage in international cooperation and contribute to the advancement of the global IP system.

It is my great pleasure to present to you KIPO's 2020 Annual Report.

I hope it serves to provide you with a better understanding of our recent activities and vision for the future.

Kim Yong Rae | Commissioner