

Strengthening IPR Protection



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BTS on the Digital Billboard
Globally popular K-Pop group BTS appeared on the digital billboard at COEX in Seoul.

Amendment to the Punishment of Unfair Practices during Trial Proceedings

Trial Policy Division

On January 25, 2022, the “Announcement of the Determination of the Costs of Trial proceedings” came into effect to prevent unfair practices and to rectify the burden of trial expenses. In principle, for *inter partes cases*, the losing party is obligated to pay the trial expenses. However, the amendment was made to protect those whose rights were violated with unfair practices and have been burdened with trial expenses due to losing the case.

Accordingly, the following actions are now deemed as unfair practices: entering a trial with falsely or unfairly acquired IP rights, conducting unfair actions during a trial, or winning a trial by intentionally submitting evidence late to the Court which has not been presented at the trial phase or due to gross negligence. Those responsible for such actions will be liable to bear the cost of proceedings (fees for filing a petition for trial, legal representation, other documents, drawings, etc.) as well as the entire expense incurred by the other party regardless of the results of the court decision.

Previously, the cost of legal representation could only be claimed up to the maximum amount of fees for filing a petition for trial. The amount received did not always guarantee to cover the cost of hiring an attorney by the injured party due to unfair practices. Therefore, additional articles were included to stipulate that when a party bears the trial expenses for committing unfair practices, the other party may claim the actual costs incurred for hiring legal representation (up to KRW 7.4 million).

Transparent and fair proceedings will be promoted by placing the burden of expenses on those who committed unfair practices (e.g., unlawful practices, intentional or gross negligence, etc.) during trials. KIPO commits to reacting sternly to attempts to interrupt proceedings with tampered data or false claims with necessary measures as it is crucial to make efforts to eradicate unfair practices for reliable and fair judgments.

Launch of an Integrated Reporting & Consultation Center for IP Infringement

Technology & Design Police Division

To provide more convenience to the public, KIPO established a single integrated platform for receiving reports and providing consultation services on infringement of IP, such as patent rights, trademark rights (counterfeit products), design rights, trade secrets, unfair competition acts, etc. In July 2022, the Integrated Reporting & Consultation Center on IP Infringement was launched to provide the public with more specialized and expert services.

Before the launch, IP infringement could be reported to the KIPO Special Judicial Police Divisions, the Unfair Competition Investigation Team, the IP Customer Service Center or even to KIPO employees who manage general public complaints. The varied contacts made it difficult for the public to find the right channel to address their issue. Having a one-stop integrated center will allow more convenient access and consistent quality of services

regardless of personnel transfers or duty changes.

KIPO designated the Korean Intellectual Property Protection Agency (KOIPA) to organize and operate the integrated center and selected four experts to provide professional and methodical consultation services. Key issues for consultation include distribution of counterfeit products, infringement of patent and design rights, leaks of trade secrets, theft of ideas, imitation of product forms, acts of unfair competition, etc.

The Reporting & Consultation Center on IP Infringement began operation after six months of preparation in order to quickly and accurately handle complaints and give guidance to issues of IP infringement. The public is able to call or visit the official website (www.ippolice.go.kr) as a one-stop platform for services from reporting IP infringement to receiving consultations.



Enforcement Against Distribution of Counterfeit Products of Korean Brands

Intellectual Property Dispute Settlement Division

Private-Public Cooperation Against Overseas Counterfeit Products

The technological competitiveness of Korean enterprises and popularity of Korean culture has led an increase in the number of counterfeit products of Korean brands (K-brands) overseas, which can result in reduced sales, loss of jobs, damages to brand images, etc.

To help respond to counterfeit K-brand products in international markets, KIPO established a “Private-Public Cooperation Program for Zero Counterfeit Products in the International Market” which began implementation in April 2022. The program is carried out through a three-party arrangement between KOIPA, a collective of industry members, and an implementing organization.

First, a collective formed of three or more members from industries frequently

affected by counterfeit and imitation products (e.g., food, cosmetics, clothing, and goods) submits a request for support. KOIPA will receive the application and related materials from the collective then go through a selection process to choose an organization to implement the program’s activities.

After an agreement is signed between the three parties, KOIPA and the implementing organization work to conduct factual surveys of counterfeit products in the international market, gather evidence, and establish countermeasures in two stages. The first stage, “survey of facts and evidence,” analyzes the current situation and issues/damages from online/offline distribution of counterfeit products as well as collects related evidence. Based on the results, the second stage provides timely and customized strategies of each type of damage and helps execute administrative and criminal actions as countermeasures.

Detailed Support of Each Stage

		Activities	Budget per Project (max)	Duration
Stage 1	Survey of Facts and Evidence	<ul style="list-style-type: none"> · Analysis of damages and current issues caused by counterfeit products, analysis of countermeasures (e.g., legal review) · Issuance of a warning (if necessary) 	KRW 100 million	3-4 months
Stage 2	Support for IP Dispute Strategy	<ul style="list-style-type: none"> · Establishment of countermeasure strategies by type of damages · Implementation of strategy: customs enforcement, administrative enforcement, criminal enforcement, civil litigation, etc. · Support for overseas IP disputes strategy (Trademark & Design), Provision of resources for individual or joint response 	KRW 100 million	3-4 months

Trademark Police Division

Enforcement Activities against Counterfeit K-pop Merchandise

Key entertainment celebrities are returning to their concert performances after a prolonged duration of social distancing and quarantine measures due to COVID-19. As in-person activities resume and the celebrity merchandise (goods) industry is once again active, there is also a rise in trademark infringement through the distribution of counterfeit merchandise.

Working in cooperation with the Korea Music Content Association (KMCA) and major entertainment companies (HYBE, SM, JYP, and YG), KIPO conducted intensive monitoring of K-pop merchandise on major online markets. In 2022, three rounds of monitoring were carried out from February to October resulting in uncovering 5,572 sales listings of counterfeit merchandise and appropriate corrective measures were taken accordingly, such as suspension of sales and imposing sanction on retailers.

Furthermore, KIPO and HYBE Co., Ltd., the management agency of the globally popular K-pop group "BTS," conducted offline enforcement activities regarding counterfeits of celebrity merchandise at BTS concerts held in Seoul in March and Busan in October. Before each performance, HYBE even posted on BTS' official social media channel to request that their fans abstain from purchasing counterfeit products and to provide notice of the upcoming joint crackdown with KIPO's Trademark Police Division.

The excessive distribution of counterfeit Korean cultural merchandise can have substantially negative effects on both trademark holders and the national image. Therefore, KIPO is highly committed to cooperating with related parties and stakeholders, such as KMCA and entertainment agencies etc., for regular monitoring and enforcement of trademark infringement.