

Highlights of 2006

Applications

Domestic applications

The overall number of IPR applications filed at KIPO in 2006 was 372,520, an increase of 3.7 percent over the previous year. A breakdown of that figure shows that patent applications rose slightly by 3.3 percent for the year to 166,189, whereas utility model applications dropped by 11.5 percent for a total of 32,908. The industrial design applications numbered 51,039, representing an annual increase of 12.9 percent, while the trademark applications rose by 5.6 percent to 112,384.

Of the overall IPR applications filed in 2006, the residents of Korea filed 311,231 (or 83.5 percent), which is 3.7 percent more than in the previous year; and residents of foreign countries filed 61,289 (or 17.4 percent), which is 3.6 percent more than in the previous year.

Looking at the IPR applications filed by residents of foreign countries, the vast majority (40,713) were for patents, though this figure exceeds the previous year's figure by 5.2 percent; of the rest, 715 were for utility models, 3,021 were for industrial designs and 16,840 were for trademarks.

Most of the applications of foreign applicants (73.6 percent) came from just three countries: 23,318 (or 38.0 percent) came from Japan, 17,498 (or 28.5 percent) came from the USA, and 4,282 (or 7.0 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 electricity and communications fields. Domestic applications in the fields of agriculture and fisheries, non-metal processing, and nuclear power increased by 23.9%, 23.5% and 63.6%, respectively, over the previous year. Foreign applications in the fields of metal processing, non-metal processing, weapons and blasting, and machine parts increased by 23.5%, 17.2%, 33.3% and 17.2%, respectively, over the previous year.

Applications by IPR type

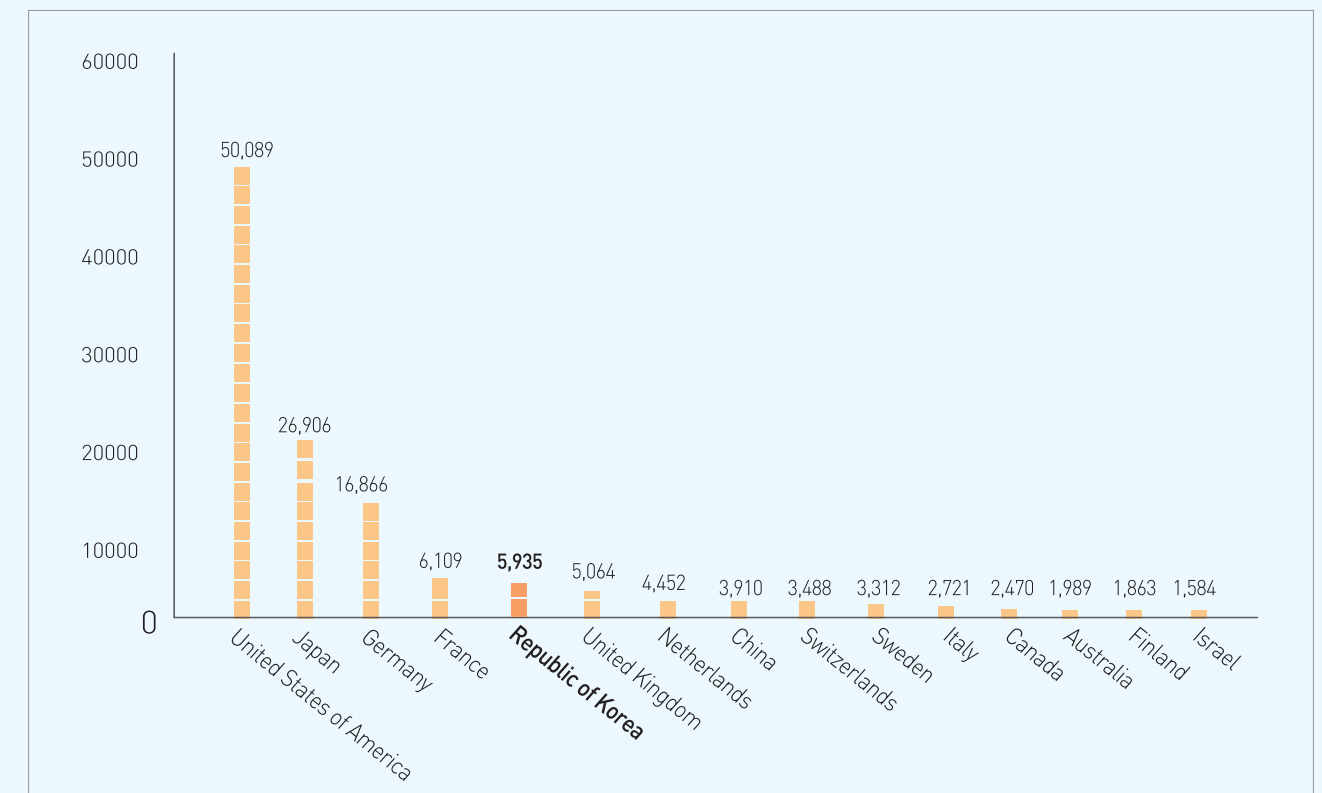
IPR type	2002	2003	2004	2005	2006	Percentage change for 2006 (%)
Patents	106,136	118,652	140,115	160,921	166,189	3.3
Utility models	39,193	40,825	37,753	37,175	32,908	▽ 11.5
Subtotal	145,329	159,477	177,868	198,096	199,097	0.5
Industrial designs	37,587 (39,952)	37,607 (39,346)	41,184 (42,879)	45,222 (46,615)	51,039 (52,879)	12.9 (13.4)
Trademarks	107,876 (144,678)	108,917 (148,691)	108,464 (147,319)	115,889 (156,270)	122,384 (164,432)	5.6 (5.2)
Total	290,792 (329,959)	306,001 (347,514)	327,516 (368,066)	359,207 (400,981)	372,520 (416,048)	3.7 (3.8)

Note: Figures in parentheses include multiple applications.

PCT applications

The overall number of PCT applications filed at KIPO in 2006 was 145,300, which represents an increase of 8,800 (6.4 percent) over the previous year. Of these applications, the residents of Korea filed 5,935. Although that figure represents only a 4.0 percent portion of all PCT applications filed in 2006, it also represents a significant 26.6 percent increase over the previous year. As a result, Korea's world ranking in PCT applications has jumped from sixth (out of 136 member countries) to fifth.

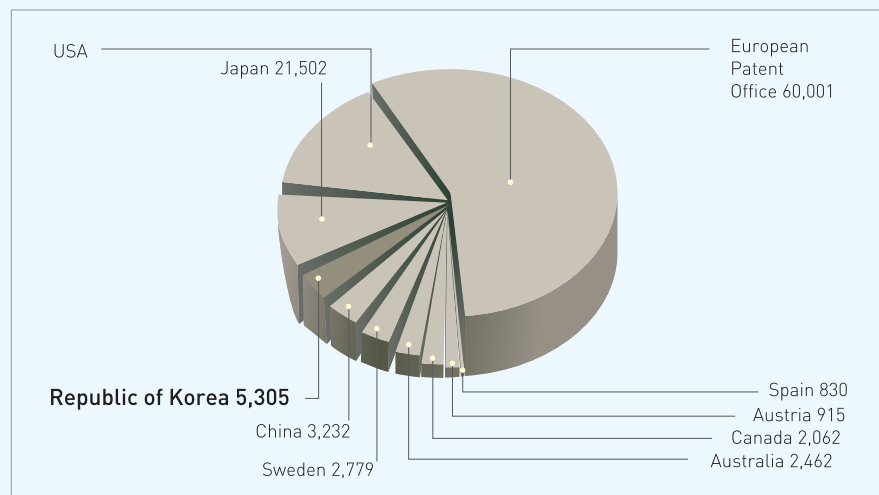
WIPO ranking for PCT applications (2006)



Note: Owing to the International Bureau's delayed receipt of applications, there is a slight discrepancy between WIPO's statistics for KIPO (5,935) and KIPO's own statistics (5,919).

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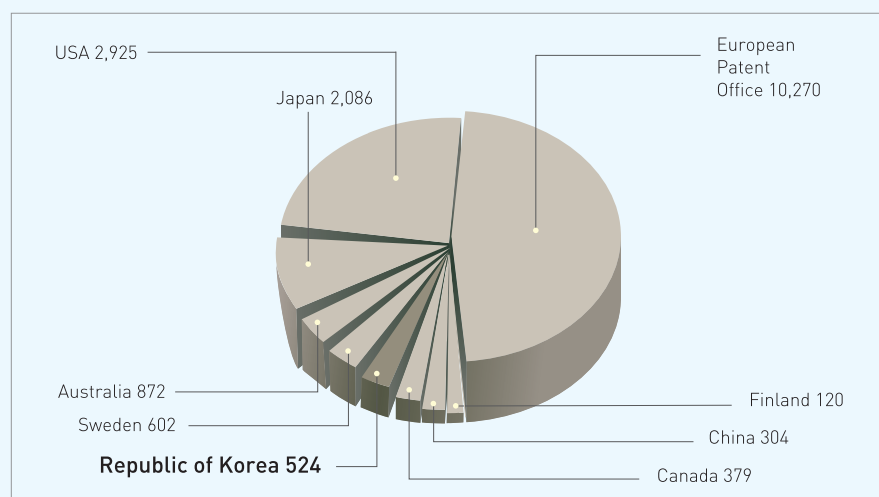
PCT international searches



Note: Based on WIPO's preliminary statistics (from January to November 2006).

From January to November 2006, the 12 PCT International Preliminary Examining Authorities conducted 18,374 examinations. KIPO's portion, which numbered 524, earned us a ranking of sixth out of the 12 authorities.

Requests for international preliminary examinations



Note: Based on WIPO's preliminary statistics (from January to November 2006).

Examinations

Patents and utility models

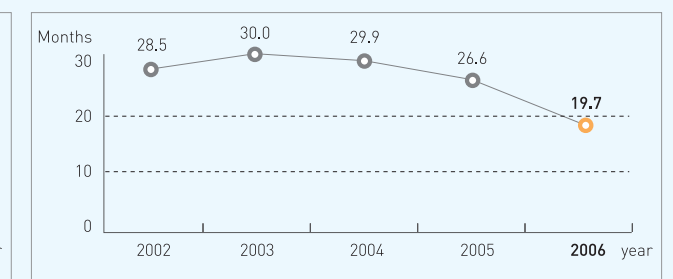
In 2006, the number of patent and utility model applications examined by the first action standard soared by 33.4 percent to 240,668 (that is, 195,398 for patents and 45,270 for utility models). Of the utility model examinations, 10 were processed under the old utility model law; 33,935 were processed under the new utility model law, which incorporates a non-substantive examination system; and 11,325 were processed under a technical evaluation of utility models.

By the end of 2006, the average first action pendency period for patent examinations had dropped from 17.6 months in the previous year to a mere 9.8 months.

First action pendency period for patent examinations



Total pendency period for patent examinations



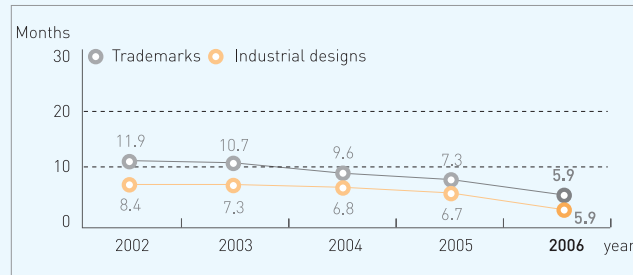
Trademarks and industrial designs

In 2006, KIPO examined on a first action basis 172,045 regular trademark applications, 48,369 industrial design applications, and 16,903 international trademark applications under the Madrid Protocol. These figures represent a year-on-year increase of 0.6 percent for trademarks and an increase of 15.2 percent for industrial designs.

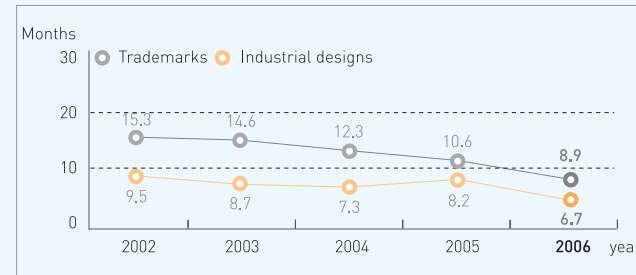
The examination period in 2006 averaged 5.9 months for trademarks and 5.9 months for industrial designs. Compared to the previous year, these figures represent a reduction of approximately 1.4 months for trademarks and 0.8 months for industrial designs.

Highlights of 2006

First action pendency period



Total pendency period to the final decision



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	195,398	45,270	240,668	46,381 (48,369)	128,457 (172,045)	7,270 (15,031)	422,776 (476,113)

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 2006, the IPR registrations in Korea numbered 250,537, which reflects a huge annual increase of 26.5 percent. In addition, the annual registration renewals rose by 7.5 percent to 358,393 cases, and registration changes such as transfers rose fractionally by 0.7 percent to 166,185 cases.

Although the analysis of registrations in 2006 reveals a drop of 9.1% for utility models, it also shows a slight rise of 0.6 percent for industrial designs, a significant rise of 13.7 percent for trademarks, and a phenomenal rise of 64.3 percent for patents. In terms of specific industries, the electricity industry and the communications industry accounted for 71,862 registrations (or 47.7 percent),

while the machinery industry accounted for 25,324 registrations (or 16.8 percent). Together, these three industries comprised 64.5 percent of all patent and utility model registrations.

A comparison of registrations by individuals and legal entities shows that legal entities accounted for 73.8 percent of registrations and individuals, 26.2 percent.

In terms of nationality, residents of Korea obtained 80.9 percent of the registrations in 2006, while residents of foreign countries obtained 19.1 percent.

Of the registrations by residents of foreign countries, the majority came from Japan (43.0 percent) and the United States (23.7 percent). Residents of Japan, the United States and Germany registered more patents than trademarks, whereas residents of France, Switzerland, and the United Kingdom registered more trademarks than patents.

By the end of 2006, KIPO had nullified 989,206 of the existing 2,409,801 IPR registrations because of expiry, nonpayment of annual fees, and trials for invalidation of registration. The remaining registrations numbered 1,420,595.

Registrations by IPR type

IPR type	2002	2003	2004	2005	2006	Percentage change for 2006
Patents	45,298	44,165	49,068	73,509	120,782	64.3
Utility models	39,957	37,272	34,182	32,716	29,736	▽ 9.1
Industrial designs	27,235	28,380	31,021	33,991	34,201	0.6
Trademarks	40,588	46,023	51,104	57,872	65,768	13.7
Total	153,078	155,840	165,375	198,088	250,537	26.5

Note: Trademark registration renewals are excluded.

Highlights of 2006

Trials and appeals

In 2006, KIPO received 17,111 trial petitions, which represents a 19.8 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 soared by 32.3 percent to 10,490, whereas the number of trial petitions for trademarks and industrial designs rose slightly by 4.2 percent to 6,621. In addition, the *ex parte* cases numbered 13,064 (or 76.3 percent) and the *inter partes* cases numbered 4,047 (or 23.7 percent). Moreover, the residents of Korea accounted for 10,819 (or 63.2 percent) of the trial petitions, whereas residents of foreign countries accounted for 6,292 (36.8 percent).

In 2006, we concluded 16,786 trials. Of these, 10,650 (or 63.4 percent) were for patents and utility models, and 6,136 (or 36.6 percent) were for trademarks and industrial designs.

The *ex parte* suits filed in 2006 with the Patent Court numbered 331, which is slightly more than the number filed in the previous year. The *ex parte* suits comprised 195 patent and utility model cases and 136 trademark and industrial design cases. As the defendant in the *ex parte* suits, the KIPO Commissioner had a success rate of 75.6 percent, down slightly from the success rate of the previous year.

The final appeals of the *ex parte* suits filed with the Supreme Court in 2006 were up by 11 from the previous year for a total of 62. Of these, patent and utility model cases numbered 35, while trademark and industrial design cases numbered 38. As the defendant in the final appeals, the KIPO Commissioner had a success rate of 83.3 percent, up significantly from the success rate of the previous year.

Trial statistics

Category	Rights	2002	2003	2004	2005	2006	Percentage change for 2006
Petitions	Patents	3,376	3,821	4,798	7,142	9,725	36.2
	Utility models	887	788	827	786	765	▽ 2.7
	Industrial designs	560	604	572	484	546	12.8
	Trademarks	3,675	3,936	4,582	5,869	6,075	3.5
	Total	8,498	9,149	10,779	14,281	17,111	19.8
Disposals	Patents	3,022	2,836	4,051	6,572	9,793	49.0
	Utility models	766	728	876	1,041	857	▽ 17.7
	Industrial designs	458	576	599	535	506	▽ 5.4
	Trademarks	3,168	3,718	4,206	5,003	5,630	12.5
	Total	7,414	7,858	9,732	13,151	16,786	27.6
Successful petitions	Patents	578 (44.9)	559 (44.2)	1,009 (44.0)	1,151 (42.7)	2,191 (44.9)	-
	Utility models	283 (41.3)	287 (40.1)	393 (45.3)	486 (47.0)	391 (46.4)	-
	Industrial designs	205 (51.8)	280 (52.5)	277 (52.0)	227 (46.9)	262 (56.8)	-
	Trademarks	1,671 (52.7)	2,077 (55.9)	2,484 (59.1)	2,687 (53.7)	3,194 (57.1)	-
	Total	2,737 (49.4)	3,203 (51.4)	4,163 (52.7)	4,911 (48.8)	6,038 (51.3)	-

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.

Comparison of domestic and foreign trial petitions

	2002		2003		2004		2005		2006	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
Patents	1,926	1,450	2,339	1,482	3,133	1,665	4,362	2,780	6,212	3,513
Utility models	866	21	780	8	812	15	771	15	758	7
Industrial designs	513	47	554	50	538	34	456	28	515	31
Trademarks	2,179	1,496	2,505	1,431	2,890	1,692	3,432	2,437	3,334	2,741
Subtotal	5,484	3,014	6,178	2,971	7,373	3,406	9,021	5,260	10,819	6,292
Total	8,498		9,149		10,779		14,281		17,111	

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