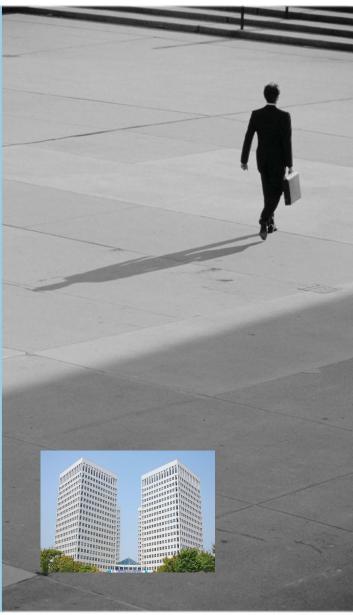
KOREAN INTELLECTUAL PROPERTY OFFICE Annual Report 2007

Overview and highlights of 2007

- Overview of 2007
- Applications
- Examinations
- Registrations
- Improvements in the registration procedure
- Trials and appeals
- Improvements in application procedures





Ceremony for the 30th year of KIPO's foundation

Overview of 2007

At the Korean Intellectual Property Office (KIPO), we received 377,496 applications for intellectual property rights (IPRs) in 2007. This figure represents a 1.3 percent increase over the previous year. Applications for patents, which are directly associated with technological innovation and knowledge creation, reached 163,000, representing a 1.1 percent increase over the previous year.

The proliferation of intellectual property (IP) applications has put the Republic of Korea on a par with other advanced countries. In 2007, our international patent applications under the Patent Cooperation Treaty (PCT) numbered 7,066, the fourth largest number in the world.

In 2007, while celebrating the 30th year of our foundation, KIPO launched many projects and activities in various fields, with astonishing results.

To swiftly and accurately grant rights for the ever-growing number of IP applications, we undertook various measures to drastically improve the efficiency of our examination process. For instance, we adopted the Six Sigma method of management; we expanded our outsourcing of certain examination tasks; and we promoted online and at-home examinations. As a result, by the end of 2007, we succeeded in shortening the first action pendency period for patent examinations to a mere 9.8 months, which means we now have the fastest patent examination service in the world. Moreover, the examination periods were shortened to 5.7 months for trademarks and 5.5 months for designs.

To ensure that our examination service is of the highest quality, we implemented various measures. For instance, we diversified the educational

and training programs for examiners and strengthened the examination infrastructure by improving the quality of outsourced projects and the standards of examination reviews. We also developed a new system of managing examination records. The system involves the use of booklets on examination know-how as well as note cards that facilitate the handing over or transfer of examination duties. Through this system, examiners can easily share their examination experience and know-how.

Thanks to our efforts at improving the examination quality, international corporations such as Microsoft and 3M are showing greater confidence in our search capabilities, as indicated by the surge in requests for PCT international searches.

Since becoming Korea's first self-financing executive agency in 2006, KIPO has introduced various techniques, such as Six Sigma management and other techniques of knowledge management, to optimize customer-oriented services and performance-based management. These techniques have led to improvements in work processes and policy and earned our office official recognition as a government agency with outstanding managerial performance.

The laws on employee inventions were revised in September 2006 to stimulate the invention of innovative national technologies. The revised laws provide a standard by which employers and employees can cooperate with each other to ensure that employees receive appropriate compensation for their inventions. In 2007, we standardized and distributed a model of compensation for employee inventions at universities and enterprises.



The 2007 Trademark and Design Exhibition

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Inaugural meeting of the heads of the five major IP offices in 2007

Overview of 2007

We also collaborated with nine local governments through a matching fund to launch consulting projects on general patent information. These projects provide a one-stop service on a range of patent issues, such as the development of technologies and the acquisition and commercialization of patents. Using a focusing strategy, we selected and now support 51 promising local Small and medium-sized enterprises(SMEs) as star patent companies. We also provide customized product management services to companies that specialize in local industries.

Our Intellectual Property Management Support Division was created to provide the chief executive officers of SMEs with consultations on how to use, commercialize, and trade patent information. Through this service, together with on-site consultations from examiners and judges, SMEs can identify management themes and diagnose their management of IP. In 2007, consultations were given to 101 SMEs on the management of patents, brands, and designs, at an average of 4.1 consultation themes per company.

International cooperation has been another key strategy of IP administration. For instance, since April 2007 we have been operating a program called the Patent Prosecution Highway with the Japan Patent Office. Based on mutual trust of each other's examination results, the highway system is a way of fasttracking applications lodged in both countries. Our free trade agreement with the United States is another means of promoting mutual recognition and cooperation with regard to IPRs. The agreement provides a framework whereby both countries can protect each other's IPRs. In a new multilateral development, the heads of the five major patent offices held the inaugural Meeting of the Heads of Patent Offices in May 2007. Korea and China joined the triumvirate of the United States, Japan, and the EU. The inaugural meeting has led to a more concerted effort to improve the efficiency and quality of examinations and to harmonize the systems of each office.

We also remain highly appreciative of the international support we received at the Assemblies of the Member States of the World Intellectual Property Organization(WIPO) in October 2007, at which the time Member States agreed to formally include the Korean language as an official language of publication in the Regulations under the PCT. That decision is expected to trigger an influx of Korean PCT applications in the future.

By drawing upon our advanced capabilities in the area of information technology, we have also relished the opportunity to collaborate closely with WIPO and APEC on the development and distribution of two major e-learning modules, namely IP Panorama and IP Xpedite.

In December 2007, the number of cases in our database of domestic and international IPRs reached 159,044 (32,242 domestic cases and 126,802 international cases). The database was established for the purpose of strengthening the protection standards for international IPRs and promoting national technological innovation through the creation, utilization and protection of IPRs. Currently, the database is used as a basis of support for government-funded R&D and R&D-related industries, and as a means of promoting IP creation among SMEs, universities, women and students.



The Korea Student Invention Exhibition