

# Reinforcement of IPR protection

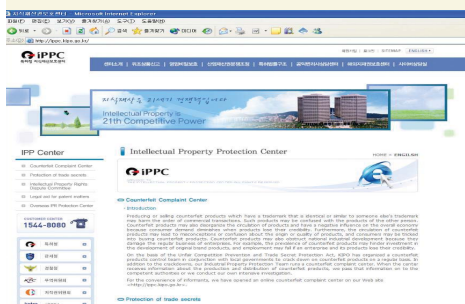
---

- Anticounterfeiting measures
- The anticounterfeiting reward system
- Patent Consulting Center
- Strengthened IPR protection for overseas Korean companies



## Reinforcement of IPR protection

### Anticounterfeiting measures



The home page of the Intellectual Property Protection Center

In 1987, we established a division exclusively devoted to protecting IPRs. Since then, we have been continually investigating and cracking down on counterfeiting activities. Through IPR protection, we aim to achieve the following: to prevent unfair competition, to build a sound economic order, to respond to trade disputes, and to develop a knowledge and information society.

In 2007, we uncovered 1,182 cases of counterfeiting. Warnings were issued in 1,066 of those cases and criminal charges were filed in the other 116 cases.

We also imposed more stringent investigative standards on local governments to ensure that they crack down on counterfeiting activities. For instance, following discussions with the Ministry of Government Administration and Home Affairs, we decided to include the results of each local government's anticounterfeiting performance in the integrated standard for assessing local governments.

The importation, manufacture and distribution of counterfeit goods are becoming more sophisticated. To counteract this trend, we need to ensure that anticounterfeiting enforcement officers have the necessary expertise. Hence, in 2007, we sought to enhance the skills and capabilities of 535 police officers, customs officers, and local government officials through a series of lectures and consultations. Conducted on 28 occasions, the lecture series focused on identifying counterfeit goods and eradicating the counterfeiting problem. We also republished booklets on the most frequently counterfeited trademarks and, for the benefit of other relevant organizations and local governments, we republished and distributed promotional material on how to identify counterfeit goods.

As in previous years, we continued to run an anticounterfeiting campaign on 114 electronic signboards in major cities such as Seoul and Busan. The campaign (which is usually conducted four times a year for a month at a time) encourages the

public to boycott counterfeit goods. We back up the campaign with the distribution of about 21,000 copies of promotional material, along with additional broadcasting on cable TV (K-TV) and on Internet portal sites <www.naver.com>.

In another initiative, we set up an exclusive Web site called the Intellectual Property Protection Center <www.kipo.go.kr/ippc> where we introduce various governmental policies on IPR protection and receive online reports of counterfeit goods directly from the public. In 2007, the center received 2,374 reports of counterfeit goods, and 284 of these reports were referred to the local authorities.

### — The anticounterfeiting reward system

KIPO introduced an anticounterfeiting reward system in 2006 to inspire vigilance for anticounterfeiting activities. Under this system, we offer rewards to various organizations and individuals with an excellent record of exposing counterfeit goods. We also offer rewards to members of the public who report the manufacture or distribution of counterfeit goods. The system has raised the general awareness of the need to eradicate the problem of counterfeit goods. The rewards range in value from 200,000 KRW (200 USD) to 5 million KRW (5,000 USD), depending on the cost of the original goods that have been counterfeited. In 2006, we granted a total of 107 rewards worth 323 million KRW (323,000 USD). In 2007, we granted a total of 89 rewards worth 250 million KRW (250,000 USD).

As a direct result of the reward system, there were a number of prosecutions in 2006 and 2007; based on the cost of the original goods, the value of the seized goods was estimated to be 343 billion KRW (343 million USD) in 2006 and 317 billion KRW (317 million USD) in 2007. The effectiveness of the reward system was also confirmed by a jump in the number of reports. In 2005, there were only 250 reports of counterfeit goods, but in 2006 that number reached 1,605. In 2007, it reached 2,374.

#### — Status of the anticounterfeiting reward system

(Unit: cases, million KRW)

Type	2006		2007		
	Number of rewards	Value of rewards (million KRW)	Number of rewards	Value of rewards (million KRW)	
Distributor	Wholesale and retail distribution	48	147	30	68
	Internet sales	19	41	10	21
	Warehousing	5	17	11	44
Manufacturer	Manufacturing factory	35	118	38	117
Total		107	323	89	250

## Reinforcement of IPR protection

### Patent Consulting Center

People with economic difficulties, particularly students, disabled persons, national meritorious persons, residents of remote areas, and SME business people, often have difficulty enlisting the services of expensive patent attorneys. We endeavored to address this problem by establishing in Seoul, in April 2005, the Patent Consulting Center. The center's competent public attorneys offer free consultations on IPR applications, registrations and trials.

In 2007, the center provided a total of 5,160 patent consultations, and the average number of consultations each month increased significantly from 262 in 2006 to 430. We plan to widen the scope of the Patent Consulting Center by offering additional assistance in the preparation of IPR documents.

#### Performance of the Patent Consulting Center

Consulting period	Telephone consultations	Face-to-face consultations	On-site consultations	Instances of document assistance	Online consultations*	Presentations on IPR protection*	Consultations for patent disputes among SMEs	Total consultations
2005 (April-December only)	771	383	146	87				1,387 (monthly average: 154)
2006	1,797	646	393	308				3,144 (monthly average: 262)
2007	2,348	915	540	405	904	22	26	5,160 (monthly average: 430)

\* New in 2007

## Strengthened IPR protection for overseas Korean companies

Korea's growing reputation for high-quality patented goods and brands has spawned a corresponding rise in overseas IPR infringements against Korean companies. To tackle the issue, we undertook a number of measures in 2007. For instance, we continued to strengthen the capabilities of the Center for Overseas Protection of IPRs. The center now offers free advice to Korean companies affected by IPR infringement overseas, as well as practical information on IPR protection.

To protect the IPRs of Korean individuals and companies, we subsidize the costs of trials and lawsuits when an infringement occurs in a country where the IPRs have been registered. The aim of this support is to expand the foundations of existing IPRs.

To strengthen our IPR protection policy, we continued the practice of examining IPR infringements against Korean companies in countries and regions where infringements are rife. We also gave presentations in various major cities on international IPR protection, particularly for Korean companies that either operate overseas or are planning to enter international markets.

We also published and distributed guidelines on overseas IPR protection. The guidelines describe the IPR systems of countries where IPR infringements and disputes frequently occur, as well as various measures for dealing with infringements. The aim of the guidelines is to prevent infringements and offer advice on dealing with disputes.



Presentations on international IPR protection