

ANNUAL REPORT 2009

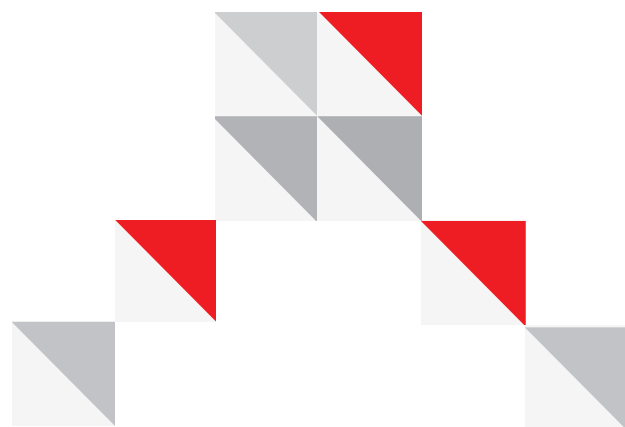
KOREAN INTELLECTUAL PROPERTY OFFICE



ANNUAL
REPORT
2009



KOREAN
INTELLECTUAL
PROPERTY
OFFICE





Message from the Commissioner

While working in the midst of the global economic downturn in 2009, the Korean Intellectual Property Office (KIPO) considered a key question: how can we offer more useful service to our clients? As a result of those considerations, our policy paradigm became more pragmatic.

Our examination policy changed. Instead of focusing on a shorter examination period, we broadened our objectives to provide customers with timely, high-quality services. We improved our examination and trial systems with a customer-oriented approach. Specifically, we introduced a three-track patent examination system, a similar three-track system for trials as well as a two-track examination system for trademarks.

The current era of expanded international cooperation has enabled us to undertake various activities that facilitate interoffice work-sharing on patent examinations. We currently have arrangements in place with seven countries for the implementation of a Patent Prosecution Highway: following the successful implementation of the scheme with Japan and the US, we formed similar partnerships with Denmark,



the UK, Russia, and Canada in 2009 and with Finland in 2010. We have also held meetings with the heads of intellectual property offices from China, Japan, the UK, Russia, Canada, Europe, the US, and so on and agreed to jointly cooperate on examinations, exchanges of patent information, and the automation of intellectual property administration. Another example of international cooperation was our active involvement as a member of the five major intellectual property offices, IP5. Following our hosting of the IP5 heads of offices meeting at Jeju in 2008, we successfully hosted the inaugural IP5 Examiners Workshop in 2009.

In a positive contribution to the global community, we have begun disseminating patent information on appropriate technologies to the world's developing and least developed countries and offering them support in the areas of trademarks and brands. For example, in 2009 we established a database of appropriate technologies and provided a fair trade brand to the YMCA of Korea for its imported East Timorese coffee. In the same vein, we have formulated plans to assist the African nation of Chad in 2010. Other recent contributions to the global community include the activities of the Korea Funds-in-Trust at the World Intellectual Property Organization (WIPO); the One Village One Brand project, which we are undertaking in cooperation with APEC; the implementation of an intellectual property automation system in Indonesia; and the development of an Arabic version of the KIPO-WIPO e-learning program IP Panorama.

One of our major achievements in 2009 was the strengthening of domestic and international intellectual property protection. In particular, we were successful in our efforts to seek special judicial police authority for our own team of investigators; the new authority takes effect in October 2010. Our office is also striving to enhance the intellectual property capacity of customers and to foster a culture of respect for intellectual property rights. For example, we provide intellectual property consultation services for small and medium-sized enterprises; we help local governments with intellectual property policies and infrastructure; and we collaborate with the public and private sectors on awareness campaigns to eradicate counterfeit goods.

These days the international community is facing a slew of global intellectual property challenges. Climate change, sustainable use of biological diversity and the United Nations' millennium development goals require the attention and cooperation of intellectual property specialists from around the world. In 2008, the Korean government voiced its vision of the future with a call for 'low carbon, green growth'. In 2009, Korea became a member of the OECD Development Assistance Committee. And in 2010, Korea will host the G-20 Summit. To keep pace with these trends, we are promoting various innovative policies in the areas of intellectual property and international cooperation.

Hopefully, this Annual Report will be a helpful introduction to our achievements of the past year and shed light on our goals and vision for the future. We will continue to work hard and cooperate closely with the international community to resolve global issues and develop the global intellectual property system.



Lee Soo-won
Commissioner



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Sync in Progress

93%



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PROGRAM

Overview of 2009

The Korean Intellectual Property Office (KIPO) is the major government agency in charge of intellectual property (IP) matters in Korea. We are doing our utmost to enhance technological innovation and industrial development by facilitating the creation, utilization, and protection of IP and by implementing diverse policies focused on timely, high-quality examinations. In 2009, we received 364,990 applications for intellectual property rights (IPRs)-the fourth largest number in the world.

In 2009, our international patent applications under the Patent Cooperation Treaty (PCT) numbered 8,066, which is also the fourth largest number in the world, and the requests for international searches soared from 735 in 2006 to 13,978 in 2009. These results attest to the international reputation of our patent examination capabilities.

Internally, we undertook various measures to make our IP system more customer-oriented. For instance, a set of revisions to the Patent Act, which came into effect in July 2009, simplified the patent procedures and improved the convenience of customers. We also simplified the process of renewing trademark registrations and allowed design applicants to submit 3-D illustrations of their design instead of 2-D drawings.

We implemented various measures to ensure that our examination service is of the highest quality. For instance, to harmonize our examination standards with those of other advanced countries, we established 39 examination guidelines on the basis of a comparative study of the examination standards and practices of the five major IP offices (IP5), namely the offices of Korea, the US, Europe, Japan, and China. We also changed our six-step method of evaluating examinations with a new approach based on six perspectives. The perspective approach has led to improvements in the overall quality of examinations.

Laying the groundwork for expanded international cooperation on examinations has been another major objective. Thus, following the success of establishing a Patent Prosecution Highway (PPH) with Japan in 2006 and with the US in 2008, we took further steps in 2009 to implement bilateral PPH agreements with Denmark, the UK, Canada, and Russia. A PPH enables each participating country to use the examination results of other countries in its own examination process. We also formed a partnership with the US in implementing a project called Strategic Handling of Applications for Rapid Examination (SHARE). A one-year trial of the SHARE project for fuel cell and semiconductor applications commenced on September 1, 2009. Under this project, whenever the two offices examine common patent applications, we can share relevant information such as prior art and examination results.

Another example of international cooperation was our successful hosting of the inaugural IP5 Examiners Workshop in October 2009. The aim of the workshop was to promote a balanced standard of judgment among the IP5 offices so that patent applicants could expect consistent examination results from the world's major IP offices. The participants analyzed examination processes and results of common applications, compared their examination practices, and shared their examination know-how with one another.

IP5 working group meeting



We also held meetings with the heads of offices from China, Japan, the UK, Russia, Canada, Europe, the US, and so on to facilitate interoffice work-sharing on patent examinations. To help narrow the gap in global development, we are preparing IP-based forms of official development assistance. That means providing developing and least developed countries with appropriate technology to improve their quality of life and with brand strategies to market their goods. At present, we are endeavoring to provide African countries with the technology of using sugar cane bagasse for the manufacture of charcoal. We are also collaborating with the international humanitarian and development NGO Good Neighbors in developing a brand for processed mango in Chad. All these efforts are fostering friendly international relations.



I Hot-wind dryer to produce dried mangoes in Chad

Various programs were developed as a strategy for open innovation and regional capacity building. First, our support for small and medium-sized enterprises (SMEs) has changed to a consumer-oriented approach with a customized package of services.

Since 2008 we have been collaborating with the National Academy of Engineering of Korea in running the annual Campus Patent Strategy Universiade. During the Universiade, companies pose various patent-related problems and students endeavor to devise creative solutions. Thirty-six companies and 2,720 teams from 80 universities participated in the event in 2009. The Universiade is lauded as a new form of collaboration between the industrial, academic, and government sectors.

With stronger IP protection as a top priority, we strengthened our anticounterfeiting measures in a variety of ways. For example, we expanded the regional anticounterfeiting offices; we implemented a system of monitoring online distribution of counterfeit goods; we sought special judicial police authority for our IP enforcement staff, empowering them with full investigative rights and the right to search and seize; and we conducted campaigns in conjunction with civic consumer groups to raise public awareness of IP issues and IP protection systems.

In the current era, where knowledge is a major source of wealth and prosperity, IPRs are the key to securing national competitiveness and continual growth. We will use all our strength and resources to promote the importance of IPRs.

I Campus Patent Strategy Universiade
I Joint promotion with consumer groups

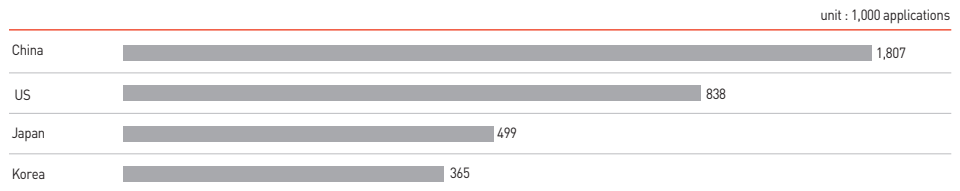


Statistical overview of 2009

World's fourth largest number of IPR applications

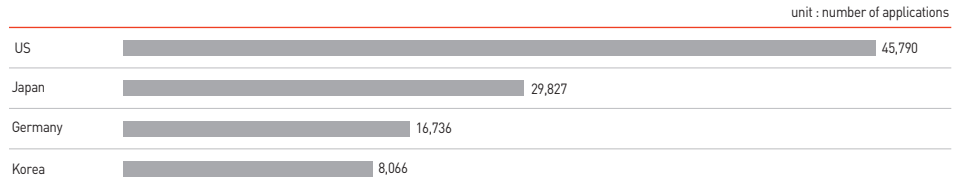
In 2009, Korea had the fourth largest number of IPR applications in the world. Our total of 364,990 applications for patents, utility models, trademarks, and industrial designs was the fourth highest total after China, the US, and Japan.

* Patents: 163,523, Utility models: 17,144, Trademarks: 126,420, Industrial designs: 57,903



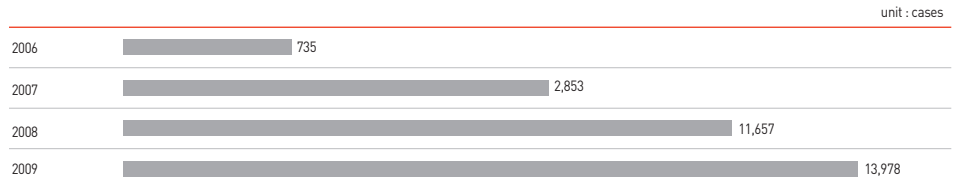
World's fourth largest number of PCT international applications

In 2009, we had the fourth largest number of PCT international applications in the world. Our total of 8,066 applications was surpassed only by China, Japan, and Germany.



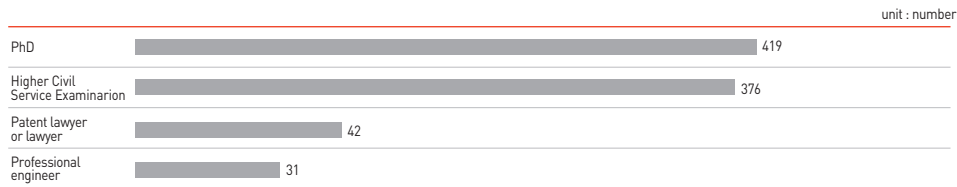
Escalation in PCT international searches

Requests for international searches soared from 735 in 2006 to 13,978 in 2009. These results attest to the international reputation of our patent examination capabilities.



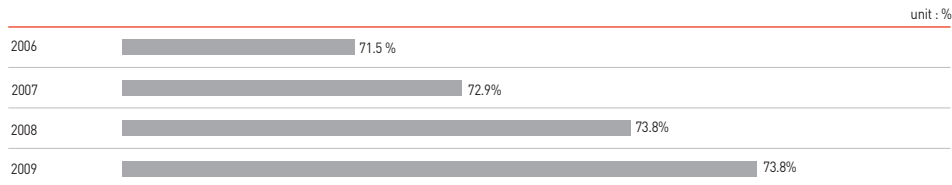
Human resources

Our staff of 1,511 includes 419 (27.7%) who have a PhD, 376 (24.9%) who have passed the Higher Civil Service Examination, 42 (2.8%) who are patent lawyers or lawyers, and 31(2.1%) who are professional engineers. They are among the most highly qualified personnel of all government departments in Korea.



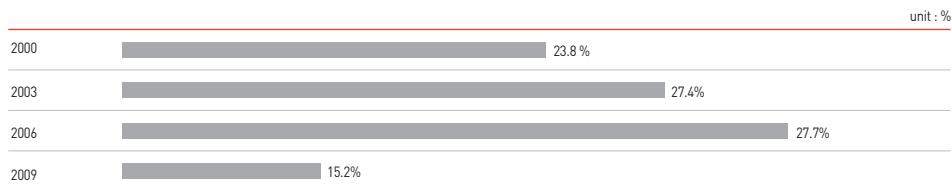
Customer satisfaction

The level of customer satisfaction with our services (including applications, examinations, registrations, and trials) increased from 71.5 in 2006 to 73.8 in 2009.



Appeals against trial decisions

In 2009, only 15.2% of the trial decisions of the Intellectual Property Tribunal were appealed, whereas in 2000 the portion of decisions appealed was 23.8%. Clearly, customers are more accepting of the decisions of the Intellectual Property Tribunal as we continue to improve the quality of our examinations.



Highlights of 2009

| | | |
|----------------------|-------------|---|
| January 2009 | January 16 | Establishment of the Korea Intellectual Property Protection Association |
| | January 19 | Ceremony for the designation of Gwangju as a model IP city |
| | January 19 | Work agreement between KIPO and the Jeju Free International City Development Center |
| February 2009 | February 4 | Memorandum of understanding (MOU) between KIPO and the Korea Advanced Institute of Science and Technology |
| | February 6 | MOU between KIPO and the Pohang Institute of Science and Technology |
| | February 13 | Award ceremony for the Campus Patent Strategy Universiade |
| | February 19 | Heads of offices meeting on the Plurilateral PPH |
| | February 25 | MOU with the United States Patent and Trademark Office on patent classification |
| March 2009 | March 1 | IP Australia's designation of KIPO as a PCT International Searching Authority and International Preliminary Examining Authority |
| | March 1 | Commencement of a pilot PPH between KIPO and the Danish Patent and Trademark Office |
| | March 12 | Trilateral Policy Dialogue Meeting among the Commissioners of Korea, China and Japan |
| | March 13 | Heads meeting between KIPO and the State Intellectual Property Office of the People's Republic of China |
| | March 23 | Visit from the Director General of the Intellectual Property Office of Mongolia |
| April 2009 | April 1 | Commencement of the two-track trademark examination system |
| | April 1 | Commencement of the Second Campus Patent Strategy Universiade |
| May 2009 | May 1 | Heads meeting with the Patent Office of the Republic of Poland |
| | May 1-4 | Korea International Women's Invention Exposition |
| | May 17-20 | IP management consultations for SMEs in Vietnam and Nigeria |
| | May 19 | The 44th Invention Day ceremony |
| June 2009 | June 5 | Heads meeting with the UK Intellectual Property Office |
| | June 10-12 | IP5 deputy heads meeting in Germany: Heads meeting with the Russian Federal Service for Intellectual Property, Patents and Trademarks |
| | June 23 | Heads meeting with the Eurasian Patent Organization |
| | June 30 | 2009 Patented Technology Awards Ceremony (for the first half of the year) |
| July 2009 | July 2 | On-site visit and briefing session for CEOs of SMEs |
| | July 7 | MOU with Daedeok Innopolis |
| | July 31 | Heads meeting with the Canadian Intellectual Property Office |

| | | |
|-----------------------|--|---|
| August 2009 | August 12 | University Invention Contest |
| | August 20 | MOU with the Korea Minting and Security Printing Corporation |
| | August 21 | 2009 Korea Student Creativity Olympiad |
| | August 28 | Consumer watchdog campaign against counterfeit goods |
| <hr/> | | |
| September 2009 | September 1 | Implementation of the Korea-US SHARE project |
| | September 17 | MOU with Good Neighbors |
| | September 19 | Awards ceremony for the Excellent Trademark Rights Contest |
| | September 22 | General Assembly of the World Intellectual Property Organization (WIPO) |
| <hr/> | | |
| October 2009 | October 1 | Implementation of the super-accelerated examination and trial system for green technology |
| | October 1 | Implementation of PPHs: Korea-UK and Korea-Canada |
| | October 7 | Meeting with the Chair of the State Committee on Standardization, Metrology and Patents of the Republic of Azerbaijan |
| | October 14 | MOU with Ajou University |
| | October 20 | Inaugural IP5 Examiners Workshop |
| <hr/> | | |
| November 2009 | November 2 | Implementation of a PPH: Korea-Russia |
| | November | Publication of the <i>Four Offices Statistics Report for Korea, the US, Japan and the EU</i> |
| | November 4 | MOU with the Korean Society for Engineering Education on the expansion of invention and patent education |
| | November 16 | 2009 Design Contest |
| | November 23 | Heads meeting with the National Office of Intellectual Property of Vietnam |
| | November 24 | Heads meeting with the Department of Intellectual Property of Thailand |
| November 26 | Awards ceremony for the Campus Patent Strategy Universiade | |
| <hr/> | | |
| December 2009 | December 1 | Heads meeting with the European Patent Office |
| | December 2 | Contest of Examination and Search Know-how for Trademarks and Designs |
| | December 7 | Launch of the IP5 Web site |
| | December 10 | 2009 Patented Technology Awards Ceremony (for the second half of the year) |
| | December 18 | Heads meeting with the Japan Patent Office |
| | December 21 | Trilateral Policy Dialogue Meeting (with the heads of the IP offices of China and Japan) |

A world-class IP service



Paradigm shift in the examination of IPRs

KIPO underwent a paradigm shift in 2008 in its IPR examination policy. The focus changed from high-speed examinations to high-quality examinations. Since then, we have pursued diverse systems and policies. The tangible improvements to the examination quality in 2009 are reflected in various indicators. We are therefore continuing our efforts to meet the demands of customers and to improve the quality of examinations, particularly by upgrading the examination guidelines. We are also striving to upgrade the IPR system by implementing super-accelerated examinations and trials in support of the government's low carbon, green growth policy.

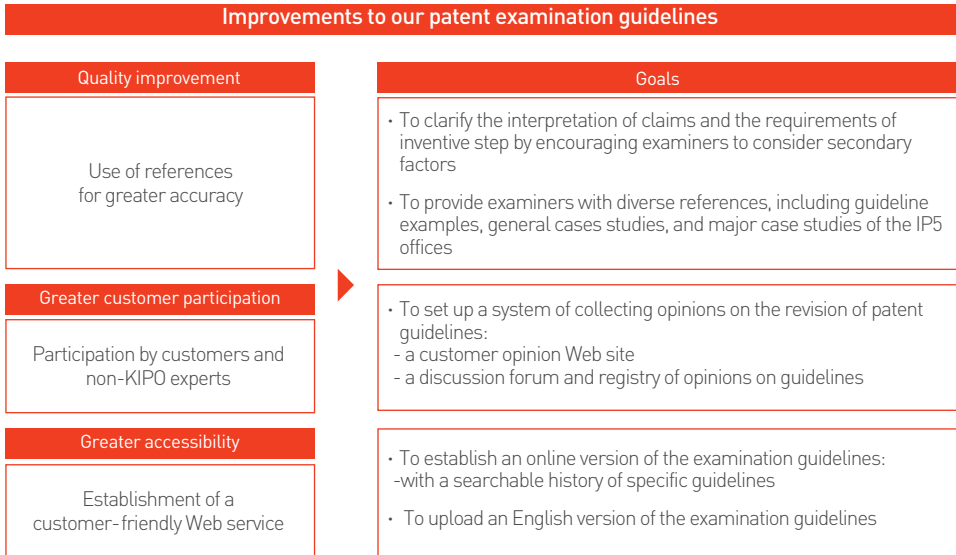


Creation of robust IPRs through high-quality examinations

Advanced patent examination guidelines

These days many IP offices are collaborating on patent examinations by sharing and utilizing each other's examination results. In line with this trend, we are endeavoring to raise our patenting standards to the level of other advanced countries in order to instill global confidence in the quality of our examinations.

We established 39 examination standards on the basis of a comparative study of the examination standards and practices of the five major IP offices (IP5), namely the offices of Korea, the US, Europe, Japan, and China. In addition, we increased the number of application examples to 50 so that our examiners can gain a better understanding of the examination standards. We have also worked hard to ensure that our examination standards are suitable for international cooperation; in particular, we have translated the patentability requirements into English and distributed copies to applicants and agents in other countries.



Improvement of the design examination infrastructure

Several initiatives have led to improvements in the design examination infrastructure. One example is the new way of categorizing design items on the basis of their visual characteristics. The new method has made the task of searching for design information easier and more efficient. We also expanded the subclassification system as a way of strengthening industrial design rights. That is, the fact that examiners can now search the subclassifications of designs as well as the main classification during an examination helps prevent the illicit copying of similar designs.

Another initiative was our publication of the examination reference material *Case studies of Examinations and Trials of Unregistrable Designs*. We have also set a timeline for becoming a signatory to the *Locarno Agreement Establishing an International Classification for Industrial Designs*.

Comprehensive measures for managing the examination quality

Our comprehensive measures for managing the examination quality are based on a plan for reforming the quality of examinations. We enhanced the former six-step assessment method with a new approach based on the following six perspectives: efficiency of procedures, accuracy of interpreting descriptions, substantiality of searches, consistency of reasons for refusal, customer orientation, and appropriateness of application procedures. Each perspective has six assessment steps. The perspective approach has led to improvements in the overall quality of examinations. To minimize examination errors, we also made each examination unit responsible for its own quality management system. The system requires the deputy directors and directors of each examination unit to keep a log of the examination quality.

Comparison of the six-step assessment method and the perspective approach

| Classification | Six-step assessment | Perspective approach |
|------------------------|--|--|
| Assessment results | Excellent, very good, good, average, poor, very poor | Six steps for each perspective |
| Ease of assessment | Easy (because of the objective assessment of merits and demerits) | Difficult (because of the subjective assessment of perspectives) |
| Accuracy of assessment | Inaccurate reflection of overall examination quality | A detailed assessment is possible for each perspective |
| Assessment of quality | Most cases are assessed as average; minimal differentiation in quality from one case to the next | Higher degree of differentiation in the quality of cases |



Other measures for enhancing the quality of examinations

Examiners are assigned on the basis of their expertise, experience, and aptitude so that their capabilities can be best utilized for the improvement of the examination quality.

Personnel management is another means of enhancing the quality of examinations. For example, owing to the recent rise in applications for fusion technology, we established a new fusion technology examination team. And, in an effort to expand the design protection system, we implemented special employment programs to recruit a diverse range of experts, many of whom have a master's degree or PhD.

| On-site design education



| On-line education
| Examination quality index as shown on KIPOnet

Ongoing education also raises the quality of examinations. For that reason, we developed online educational content for our cyber IP Academy (<http://kipo.ipacademy.net>). The IP Academy enables examiners to learn about examination practices at any time or place. It also offers specialized educational opportunities for each field of technology. We also strengthened regular education for examiners on a diverse range of IP issues. In this way, we are striving to ensure that examiners receive efficient ongoing education on matters of substance.

Another initiative is the examination quality index. When examiners use KIPOnet, they can directly or indirectly check the quality of their examinations by comparing the examination results with the average values of various statistics, such as the patent registration rate and the revocation rate.

Quality management systems

To help the directors and deputy directors take responsibility for the examination quality in their respective divisions, we have prepared a set of standard operating procedures based on the technical characteristics of each division. The directors try to improve the overall quality of examinations in their divisions by reviewing the examinations, by keeping a log of the examination quality, and by giving feedback to examiners. Every six months, outstanding examination directors receive a reward.

In the interests of accurate and impartial assessment, we introduced a blind assessment system in which the application numbers and private information of the examiners are not disclosed to the evaluators. Examiners receive feedback after the assessment so that they can endeavor to improve their performance.

Tangible improvements in the quality of examinations

By April 2010, we had completed 36 out of 39 projects that were designed to improve the examination quality. These efforts have led to tangible improvements. Two indicators of these improvements are the 19% fall in the error rate for patents and utility models (from 1.6% in 2007 to 1.3% in 2009) and a high score of 106.4 in the examination quality index (which exceeds the goal of 100 by 6.4%). The index score is based on seven variables, such as the error rate and the revocation rate.



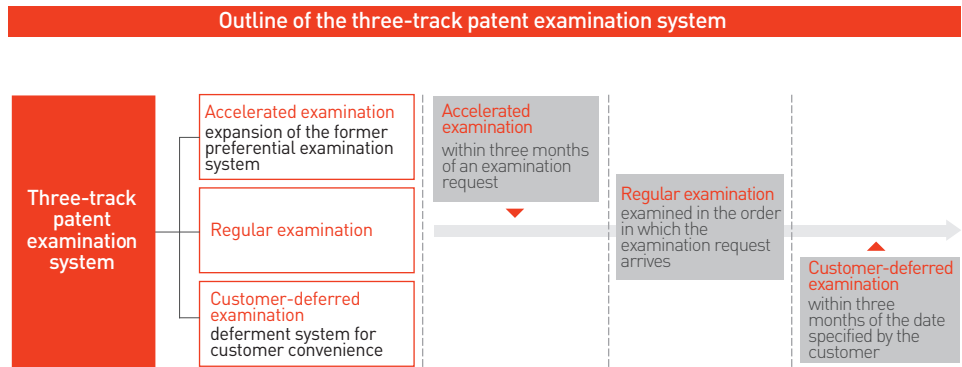
| Contest of examination and search know-how

Customer-friendly examinations and trials

Paradigm shift in patent examinations

Three-track patent examination system

The three-track patent examination system was launched on October 1, 2008. It enables customers to select an examination track that suits their patent strategy. They can choose an accelerated, regular, or customer-deferred examination. The accelerated track helps customers acquire patent rights expeditiously so that they can secure an exclusive position in the market. The customer-deferred track, on the other hand, gives customers ample time to prepare for the commercialization of the invention.



Results of the three-track patent examination system

In 2009, there were 2,662 requests for the accelerated track (or 1.8% of all the 148,291 examination requests) and 1,698 requests for the customer-deferred track (or 1.2% of the total). A customer satisfaction survey conducted in May 2009 confirms the popularity of the three-track system- 77.4% of respondents who had requested the accelerated track expressed satisfaction with the processing speed.

The former preferential examination system was limited to applications filed by special applicants, such as venture businesses and the government. However, any applicants can now request an accelerated examination as long as they submit a prior art search report from one of the officially designated search organizations. In addition, any applicants who have a strategic advantage in deferring the examination to a convenient time frame of their own choosing can select a customer-deferred examination.

Status of the accelerated track and customer-deferred track

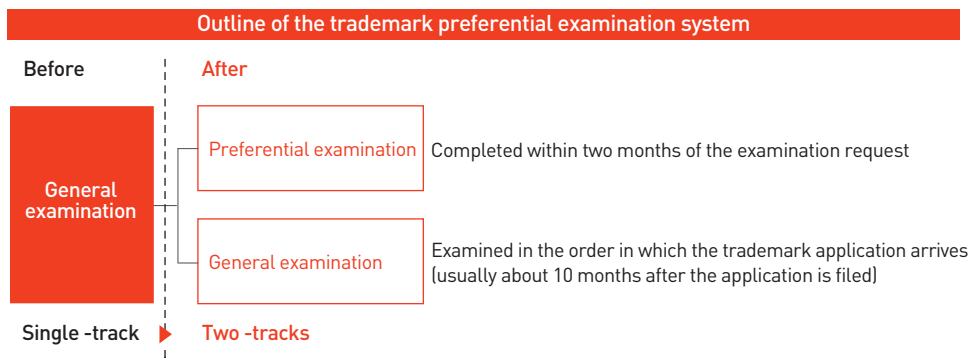
| | 2008 | 2009 | Total |
|-------------------------|------|-------|-------|
| Accelerated track | 216 | 2,662 | 2,878 |
| Customer-deferred track | 858 | 1,698 | 2,556 |

Introduction of super-accelerated examinations for green technology

A super-accelerated examination system for green technology was introduced in October 2009. The aim of this system is to ensure that the examination results for green technology are provided more expeditiously than the accelerated track (that is, within a month of the request). The system, which was researched and developed in accordance with the national strategy of low carbon, green growth, is limited to technologies which are either classified as green by the government (in the form of financial aid or certification) or designated in environmental laws. Other prerequisites for a super-accelerated examination include a prior art search report from one of the designated prior art search organizations and a statement of the purpose of the super-accelerated examination on the application form. Fifty-two applications were submitted between October and December 2009, and the examination results were given within one month in all but a few cases that failed to satisfy the super-accelerated examination prerequisites. The fastest case took only 18 days. Expediting green technology in this way is especially beneficial in the light of global concerns for the environment.

The two-track trademark examination system**The preferential examination system for trademarks**

On April 1, 2009, we implemented a preferential examination system for applicants who require earlier trademark rights. Trademark applicants can now choose one of two tracks: a general examination (conducted on a first come, first served basis) or a preferential examination (which is given priority over a general examination).



This is how the preferential examination system works. When an applicant asks for a preferential examination of a trademark application, we have 10 days to decide whether a preferential examination will be conducted. Once we decide to conduct a preferential examination, the examination will begin within 45 days.

Generally, the applicant receives the results of the first examination within two months of requesting the preferential examination. The preferential system is especially useful for applicants who wish to push ahead with their business or promptly resolve a trademark dispute.

Our customer-friendly examination system

| Type of application | Examination tracks | Type of examination |
|-----------------------------------|--------------------|--|
| Patents and utility models | Three tracks | Accelerated, regular, or customer-deferred |
| Trademarks and industrial designs | Two tracks | Preferential or general |

Results of the preferential examination system for trademarks in 2009

In 2009, we received an average of 68 requests per month for a preferential trademark examination. That figure represents about 0.6% of all trademark examinations. Expediting the trademark examination process is of the utmost importance for applicants who wish to secure their rights early.

Monthly results of the preferential examination system for trademarks in 2009

| | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. |
|---|--------|-------|--------|--------|-------|--------|--------|--------|--------|
| Total trademark applications | 10,208 | 9,493 | 10,976 | 11,374 | 9,762 | 10,925 | 10,472 | 10,584 | 11,481 |
| Applications for a preferential examination | 41 | 47 | 72 | 71 | 59 | 71 | 78 | 86 | 91 |

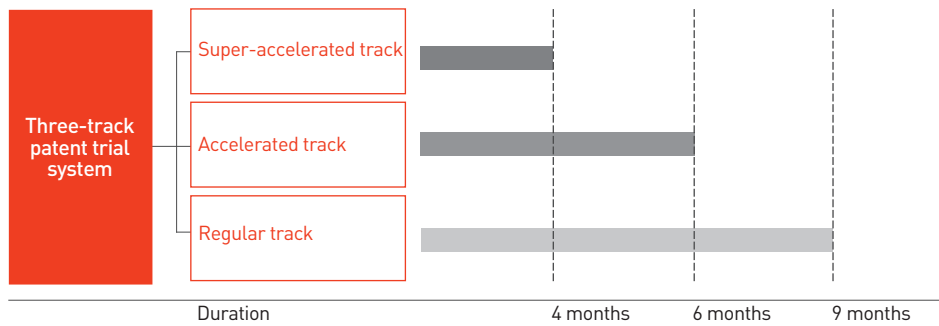
The three-track patent trial system

In our former preferential patent trial system, some cases took priority over general cases. However, in November 2008, we adopted a three-track patent trial system, which consists of a super-accelerated track, an accelerated track, and a regular track.

A super-accelerated trial proceeds as follows: As soon as both parties apply for a super-accelerated trial, we begin an oral hearing within a month of the expiry date for submitting a written reply; a trial decision is then made within two months of the oral hearing. Thus, all parties are informed of the trial decision within four months of requesting the trial.

An accelerated trial generally takes six months, and a regular trial takes about nine months.

Outline of the three-track patent trial system



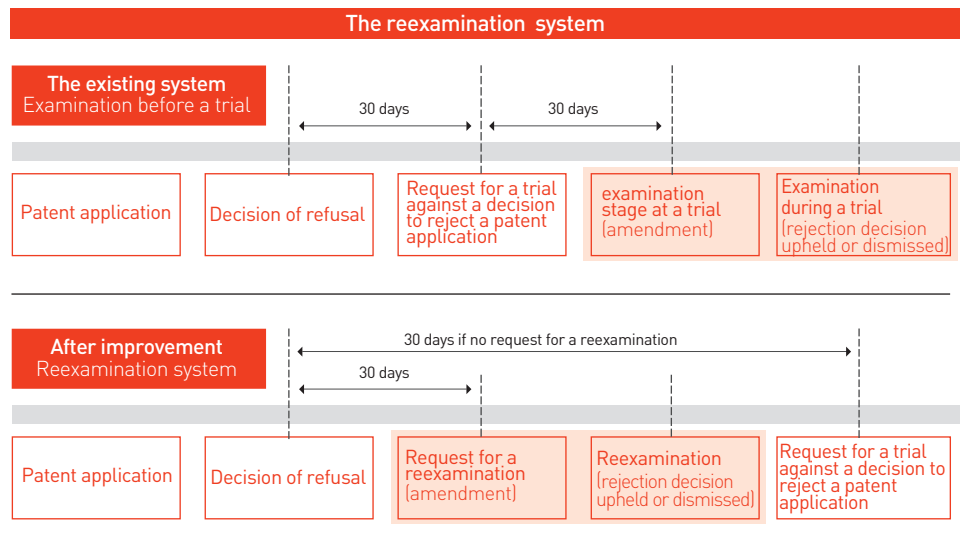
When the super-accelerated track of the patent trial system was first introduced, it had a number of limitations. For example, it was limited exclusively to trials pertaining to the confirmation of the scope of a patent right; furthermore, it only applied to cases where the court had been notified that an infringement lawsuit was in progress and all parties had consented to the accelerated handling of the case. However, in October 2009, we extended the system to include trials against a ruling of refusal for green technology applications. Moreover, in April 2010, we permitted right holders who are in the process of appealing a decision to invalidate a patent to benefit from a super-accelerated trial to redress the grounds for the invalidation through the correction of a claim, description or drawing. An expeditious outcome in the latter improves the chance of a favorable decision in the former. As a result of these changes, our customers now have more opportunities to apply for a super-accelerated trial.



A customer-oriented IP system

Patents and utility models

A set of revisions to the Patent Act, which came into effect in July 2009, have simplified patent procedures and improved the convenience of customers. Formerly, the scope of a patent claim could not be reduced by an amendment after the final notice for rejection because sometimes the scope of a claim was substantially changed; however, such amendments are now permitted. In addition, simple errors in a patent description can now be corrected ex officio by the examiner, and applicants can now request a reexamination. We have also made the system of paying patent fees more reasonable by matching the fees for late payment with the degree of lateness.



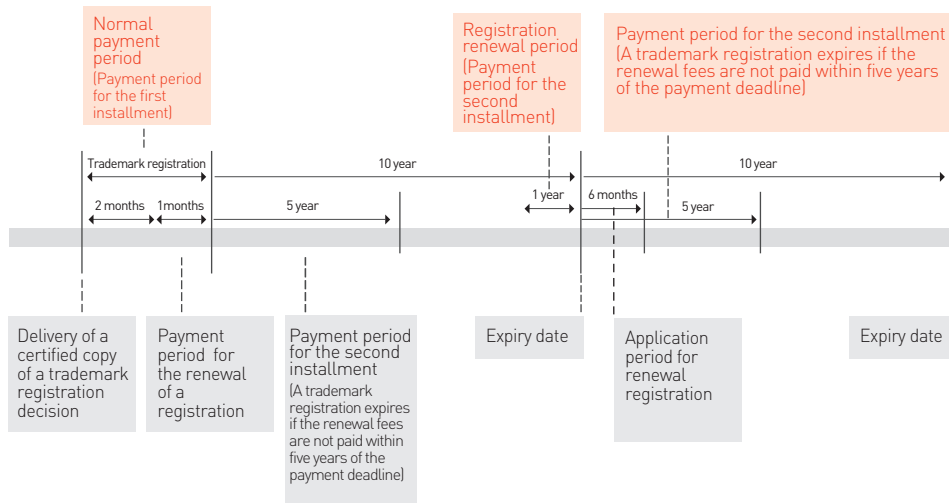
Trademarks

We have simplified the process of renewing a trademark registration. On July 28, 2010, we introduced a system that enables trademark owners to renew their registration for another 10 years by simply submitting an application. The new system helps reduce renewal fees and agent fees. Trademark fees for a 10-year registration period used to be paid in a single lump sum payment, but customers can now pay by installment at five-year intervals. Any individual customers or SMEs that have difficulty paying the registration fees all at once can pay the fees in two installments. In addition, if they wish to use their trademarks for only five years, they no longer have to pay the second installment. These changes were designed to ease the financial burden of customers.

The authority of patent examiners to make ex officio amendments to applications has also been extended to trademark examiners.



Payment of trademark registration fees by installment



Industrial designs

In response to customer demand, we introduced new measures to improve the industrial design system. One example is an easing of requirements for the drawings of design applications. On January 1, 2010, we became the first IP office in the world to allow design applicants to submit 3-D illustrations of their design instead of 2-D drawings. The new system is more convenient and more economical for applicants. Fewer drawings need to be submitted when a 3-D illustration is used, and the resultant savings from drawing costs are expected to be about KRW2 billion a year.

Official fees

Recently we adopted a number of proposals for improving the patent administration system, including a bonus point system for official fees. The bonus point system commenced in April 2010. Whenever individuals or SMEs pay application fees, patent fees, or any other fees, they accumulate bonus points which can be used to pay any subsequent fees. In July 2009, we also established an automatic payment system. For customers who provide a bank account number with their application, the official fees are automatically debited from the account. This system prevents applicants from incurring penalty payments or a loss of rights in the case of overdue payments. In another payment initiative, a two to three-month interest-free installment system was introduced in January 2010 for those who pay by credit card.

I Comparison of 2-D and 3-D illustrations



Expansion of global IP cooperation



Expansion of global IP cooperation

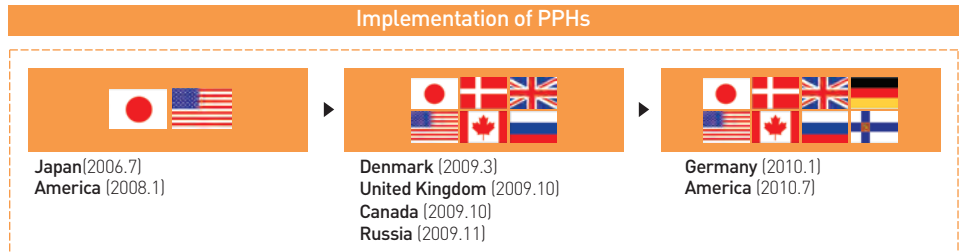
International cooperation has been at the forefront of our endeavors. For instance, we have been actively participating in the meetings of the IP5 offices to make the IP system more efficient. And, to expedite patent examinations, we have made bilateral arrangements with other offices on the PPH. Moreover, we are deeply committed to sharing our successful experience with developing countries by supporting them through IP-based programs.



Greater international cooperation on examinations

Global cooperation on examinations

In recent years there has been greater global cooperation on examinations. One example is the PPH. Under this system, where the office of first filing has assessed the patentability of a patent application, the office of second filing ensures that the applicant enjoys the benefit of an accelerated examination for the corresponding application. Having originally set up a PPH with Japan and another with the US, we started similar PPH projects with Denmark, the UK, Canada, and Russia in 2009 and with Finland in 2010, bringing the number of partner nations to seven. Another example is Strategic Handling of Applications for Rapid Examination (SHARE) program. Under this program, if one country conducts a patent examination, the other country may use the results of that examination for its own examination of the same application. On September 1, 2009, we commenced a year long trial of the SHARE program with the US, focusing on fuel cells and semiconductor fields. We also hosted the PCT Meeting of International Authorities in March 2009, furthering the international dialogue on various aspects of the PCT system. These forms of work-sharing help applicants obtain patents overseas in a more timely and economical manner.



Bilateral Cooperation

In 2009 and early 2010, we engaged in intensive bilateral cooperation with the US, the UK, Japan, China, Canada, and Europe. With the US, we have been collaborating on the SHARE program and agreed to extend the ongoing patent document reclassification services. With Japan, we signed an MOU on IP training institutes and agreed to expand bilateral cooperation. With China, we agreed to collaborate on the development of national IP strategies. We also collaborated with Japan and China on establishing a Joint Experts Group of Patent Examination to lay the foundation for strengthening working-level cooperation on patents. With Europe, we agreed to develop bilateral cooperation in the area of information systems. In addition, we implemented a series of joint prior art search programs with the US, Japan, China, Germany, and the UK. We also held a heads of office meeting with Vietnam to expand cooperation on IP training and information systems. With Thailand, we held discussions on, and won subsequent approval for, the designation of KIPO as a PCT International Searching Authority and International Preliminary Examining Authority.

IP5 working group meeting





MOU with the National Board of Patents and Registration of Finland

We have endeavored to broaden the horizons of international cooperation by forming new friendships or renewing old friendships with several other countries. With Poland, we made an agreement to develop and distribute the IP Panorama program in the Polish language. With Russia and the Eurasian Patent Organization, we signed MOUs on the exchange of examiners and joint research on IP laws and systems.

Trademark issues generally receive less attention than patent issues. For that reason, we have been trying to strengthen global cooperation on trademarks. In June 2009, we signed an MOU with China on trademark cooperation. As a result of the MOU, we are exchanging trademark examiners, holding joint seminars on trademark protection, and conducting research on trademark laws and systems. We also signed a memorandum of cooperation with the US, Europe, and Japan to expand commonly recognized classifications of goods and services. All of these efforts will strengthen trademark protection and expedite the acquisition of trademarks.

Seminars and courses for international participants

Our International Intellectual Property Training Institute continues to offer a wide variety of seminars and courses for international participants, including a number of WIPO courses. In November 2009, we collaborated with the China Intellectual Property Training Center in holding a seminar on IP protection. We also held nine international seminars and courses for 137 international participants. The courses, which included substantive examination courses, were designed for a variety of participants, such as examiners of ASEAN member nations as part of the follow-up measures of the Korea-ASEAN free trade agreement (July 2009) and IPR officials from the South Asian Association for Regional Cooperation (September 2009).

At the third Symposium for Heads of Intellectual Property Academies, which was held in Munich in June 2009, KIPO was acknowledged for its cooperation with other IP training institutes and entrusted with the task of hosting the next symposium.

International courses for 2009

| Classification | Course | Description | Schedule | Participants |
|---|---|--|--------------------|-------------------------|
| WIPO Course | WIPO PCT Intensive Education on Electronic Applications | PCT examinations and IP practice | Feb. 2-6 | 10 from five countries |
| | WIPO Summer School | IP education for university students and young professionals | June 22 to July 3 | 24 from five countries |
| | WIPO Asia-Pacific Regional Seminar | Technology transfers in the energy sector and licensing in the Asia-Pacific region | Oct. 6-8 | 23 from 13 countries |
| | WIPO Transfer of Technology and Licensing | Korea's IP policies and system development | Oct. 19-23 | 13 from 10 countries |
| Courses of the Korea International Cooperation Agency | Korea-Singapore IP Course | IP policies of various countries and development measures | June 8-19 | 15 from 11 countries |
| | IP Course for Officials from the South Asian Association for Regional Cooperation | IP protection strategies and practice | Sept. 6-19 | 13 from eight countries |
| | Tunisia IP Course | IP practice and enforcement measures | Nov. 9-20 | 15 |
| ASEAN fund | Examiners of ASEAN Member Nations | Substantive patent examinations and measures for improving IPRs | July 11 to July 29 | 20 from eight countries |
| Total | Eight courses | | | 133 |

I WIPO training course on patent law and examination



International seminars and educational programs for 2010

| Date | Title | Description | Participants |
|---------------------|--|--|---|
| March 22 to April 1 | WIPO Patent Law and Patent Practice | Outline of the Korean patent system; international IPR trends; strategy of prior art searches for patents; standards and practices; etc. | Patent examiners from the Asia-Pacific region, the African Regional Intellectual Property Organization, and the Eurasian Patent Organization (20) |
| June 21 to July 2 | WIPO Summer School | International economy and IPRs; recent patent and trademark issues; Internet domain disputes; etc. | University students from abroad and young professionals (27) |
| July 8-24 | Korea-Iraq IPR Education | Customized training from an Iraq perspective on Korea's IP system, technology, experience and know-how | IPR officials from Iraq (21) |
| August 23 | Heads Meeting of the Trilateral IP Training Institutes of Korea, China, and Japan | Discussion of joint training and new agenda items of the three Northeast Asian countries | Heads of the HR training institutes of Korea, China, and Japan(3) |
| August 24-26 | Fourth Symposium for Heads of IP Academies | Sharing of experience re IP education and systems; measures for promoting international cooperation on the development of IPRs and IP education systems | Heads of IP academies (30) |
| Sept. 6-10 | Third Joint Korea China Seminar on IPRs (China) | Discussion of student inventions and creative inventions as a follow-up project of the MOU with the China Intellectual Property Training Center. | School principals, teachers, and other staff (involved in student invention education) (100) |
| Oct. 4-5 | Green Growth and IP Seminar | Lectures and intensive discussions on IP-related global issues | IP public officials and specialists from the Asia-Pacific region(40) |
| Oct. 6-7 | WIPO Asia-Pacific Regional Seminar | Lectures and intensive discussions on IP-related global issues; examples for IP policies in the Asia-Pacific region | IP public officials and specialists from the Asia-Pacific region(40) |
| Oct. 14-30 | Korea-ASEAN IPR Education | Introduction to Korea's advanced and innovative patent administration system, recent IP issues, and international IP trends, for the purpose of helping developing nations establish IP systems and policies of the highest standard | IPR specialists from the ASEAN region(20) |
| Nov. 1-5 | Training for Trademark and Design Examiners from the National Office of Intellectual Property of Vietnam | Lectures and discussions on recent IP trends and on trademark and design examinations | Examiners of the National Office of Intellectual Property of Vietnam (10) |
| Nov.13-19 | Training for officials of the Vietnamese Ministry of Science and Technology | Lectures and discussions on recent IP trends and technology transfer | Officials of the Vietnamese Ministry of Science and Technology (20) |

International Intellectual Property Training Institute



The IP5 framework of cooperation

Contribution to the IP5 framework of cooperation

At the IP5 Heads of Offices Meeting at Jeju Island in October 2008, which was chaired by Korea, the heads agreed to move forward with work-sharing among the five offices by implementing 10 foundation projects.

To realize the Jeju vision, the five offices actively discussed their patent practices and in September 2009 set up three IP5 working groups to address issues such as patent technology classification, information systems, and patent examination policies. In December 2009, an IP5 Web site was set up to transparently inform patent users and other patent offices of the status of IP5 cooperation.

In April 2010, the heads of the IP5 offices gathered with the WIPO Director General in China to discuss the current status and future plans of IP5 projects. They reviewed the particulars of the 10 foundation projects for 2010 and 2011 as well as various cooperative activities and personnel requirements. The IP5 framework of cooperation was advanced significantly with a commitment by the heads of the IP5 offices to provide the required resources over the next two years.

Inaugural IP5 Examiners Workshop

In October 2009, we hosted the inaugural IP5 Examiners Workshop. A group of patent examiners from the IP5 offices gathered at the International Intellectual Property Training Institute in Daejeon for the three-day workshop to promote greater harmonization and work-sharing among the five offices. The focus was on prior art searches and patentability. Originally proposed by KIPO at the 2008 IP5 heads meeting at Jeju Island, the workshop was based on a belief that IP5 cooperation would only be possible if examiners had a better understanding of each office's practices. The ultimate objective was to recognize the efforts of examiners and encourage them to voluntarily participate in IP5 cooperation. Owing to the success of the inaugural workshop, it has now become an annual event. The second IP5 Examiners Workshop will be hosted by the European Patent Office in Munich, Germany, in October 2010.

I Official IP5 Web site
I IP5 Examiners Workshop



Support for developing and least developed countries

Narrowing the development gap is one of the major agenda items of the G20 Summit to be held in November 2010 in Seoul, Korea. KIPO is preparing knowledge-based types of official development assistance for the overall purpose of developing an IP community that strives to boost the prosperity of all members of the international community. Specifically, we are endeavoring to furnish developing and least developed countries with the kind of appropriate technology and support needed to enhance their quality of life; we are also helping them develop brands that will improve the competitiveness of their products. In April 2010, two of our projects were adopted at the fifth annual conference of the WIPO Committee on Development and Intellectual Property: one is titled IP and Product Branding for Business Development in Developing and Least Developed Countries; the other is titled Capacity Building in the Use of Appropriate Technology: Specific Technical and Scientific Information as a Solution for Identified Development Challenges. These projects are expected to be discussed more actively by the international community.

IP sharing campaign

Appropriate technology and the transfer of technology

Appropriate technology refers to technology tailored for the environmental, cultural, and socioeconomic factors of certain regions, especially for low-income groups in developing countries. Usually simple in nature, appropriate technologies are more economical and easier to implement and maintain than cutting-edge technologies. One example is the portable water-purification device LifeStraw; it enables individuals to drink water from a river or other polluted source. Another example is the Q Drum; the low-cost, rollable water container enables women and children to easily transport up to 100 liters of water at a time.

KIPO is now using the accumulated technological information of patent references to provide appropriate technologies to developing and least developed nations. We are currently helping African countries use their abundant supply of sugar cane bagasse to manufacture charcoal. This technology from the Massachusetts Institute of Technology is expected to greatly benefit the people of Africa, who often have difficulty finding sufficient firewood.

In another project, we are distributing to nomads in Mongolia portable *ondol* equipment (which is inspired by Korea's unique floor-heating technology). Connecting the *ondol* to the heater of a Mongolian *ger* (felt-lined tent) can reduce heating costs by up to 40%. This technology is not needed in Korea but may improve the quality of life in other countries and reduce environmental pollution.

| Sugar cane charcoal manufacturing process



| Portable ondol



Competitive brands for developing countries

To foster the creation of new IP and implement projects for developing and least developed countries, we made a proposal at APEC in 2009 for a One Village One Brand Seminar. Eight countries agreed to act as partners in the project, and APEC eventually adopted the project with widespread support from other member economies. We hosted the seminar in Seoul from June 23 to 25, 2010. It was attended by representatives of 21 APEC member economies. Other international organizations, such as WIPO, and various NGOs were also represented. The participants discussed how brands and IP could be utilized for regional goods. The seminar also featured an exhibition of outstanding brands from the participating APEC member economies, including Chile, Vietnam, and Taiwan.

I APEC One village One Brand Seminar
I Exhibition
I Design Seoul city tour



Since November 2009, we have been developing a mango brand in Chad in partnership with the international humanitarian and development NGO Good Neighbors. Even though there is an abundance of high-quality mangoes in the northern part of Chad, the country produces no processed mango goods. We have therefore embarked on a project to help the region increase its income through the production and branding of processed mango goods.

We are currently providing Chad with the technology to produce dried mangoes. At the same time, we are supporting the overall business process, particularly through the establishment of social corporations, the creation of processed mango brands, and assistance with trademarks and designs.

I KIPO official participating in the peeling, cutting and drying of mangoes



Successful projects of the Korea Funds-in-Trust

The Korea Funds-in-Trust at WIPO was established in July 2004. At the end of June 2010, we just completed the sixth-year of fund projects. Those projects included a package of educational programs for particular countries. The package, which consists of seminars, consultations, and on-site visits, is designed to help SMEs maximize their IP capabilities. To increase the efficiency of the project, we offered the package to Vietnam and Nigeria, two countries which are highly interested in the strategic use of IP and which have strong trade links with Korea. In March 2010, we held a workshop in Hanoi, Vietnam, on the theme of Successful Use of IP for Business. We also offered intensive consultations on IP asset management to SMEs and to institutions responsible for fostering SMEs. In April 2010, we ran a WIPO workshop and offered intensive consultation sessions for SMEs in Nigeria. In addition, we gave lectures on theoretical and practical aspects of Korea's patent law and patent examination practices for a group of 19 examiners from 11 developing countries from Northeast Asia, Africa, and Eurasia. We also invited business representatives of Vietnam and Nigeria to Korea in May 2010 to see some outstanding SMEs and observe how they successfully utilize IP as a growth engine.



IP management consulting for SMEs in Vietnam and Nigeria





Projects for the sixth year of the Korea Funds-in-Trust (mid-2009 to mid-2010)

| Section | Project Title | Note |
|---------|---|---|
| 1 | Support for developing countries in the procurement of IP | <ul style="list-style-type: none"> • Tanzania (April 19 to 23, 2010) • Indonesia (scheduled for April to August, 2010) |
| 2 | Support for the utilization of IP | <ul style="list-style-type: none"> • Workshop on successful use of IP for business -Vietnam (March 22 to 23, 2010) Nigeria (May 19 to 20, 2010) • Intensive consulting for SMEs -Vietnam (March 24 to 26, 2010) Nigeria (April 21 to 23, 2010) • On-site visits to outstanding Korean SMEs (May) |
| 3 | Provision of information on appropriate technology | <ul style="list-style-type: none"> • Laos and Ethiopia (TBA) |
| 4 | Regional education program for least developed countries | <ul style="list-style-type: none"> • Two countries from Asia and Africa (TBA) |
| 5 | Forum on green growth and IP | <ul style="list-style-type: none"> • 37 public officials (from 18 countries) with responsibility for IP, economic, environmental, and business policies (TBA) |
| 6 | Education for examiners | <ul style="list-style-type: none"> • Course on WIPO patent law and patent examinations -19 examiners from 11 developing countries (March 22 to April 1, 2010, at the International Intellectual Property Training Institution, Daejeon) |
| 7 | Expert mission | <ul style="list-style-type: none"> • Egypt, Malaysia, and so on (TBA) |



The work plan for the seventh year of the Korea Funds-in-Trust, from mid-2010 to mid-2011, hinges around three main objectives: to use IT to improve the quality of life in developing countries; to develop the IP administrative capabilities of patent offices in developing countries; and to enhance general IP awareness in developing countries. More specifically, we will continue to support branding projects and the distribution of appropriate technologies; we will also endeavor to help the patent offices of developing countries acquire the capability of using the PCT and Madrid systems. To enhance IP awareness in developing countries, we are also considering the feasibility of producing supplementary multimedia content and programs for use with *IP Xpedite* and *IP Panorama*. In this way, the program will have a ripple effect in various regions.





IP automation systems and training in developing countries

IP automation system in Indonesia

With the increasing global recognition of our outstanding KIPOnet system, Indonesia's Directorate General of Intellectual Property Rights (DGIPR) expressed an interest in cooperating with our office on the development of their own IP office automation system. Since 2007, we have been collaborating with the DGIPR in terms of securing the necessary budget and providing technological support.

In April 2010, we signed an MOU with the DGIPR on technological cooperation for the development of an IP office automation system (valued at USD40 million). Under the MOU, we agreed to help the DGIPR develop and operate an IP office automation system based on our technology; we also agreed to share our policies, systems, and experience. The MOU has enabled the two countries to develop a strategic partnership.

New era of IP cooperation with Arab countries

Following the success of the English version of the cyber educational material *IP Panorama*, KIPO and WIPO began in 2009 to develop other versions of *IP Panorama* in the official UN languages of Arabic, French, and Spanish. In March 2010, an international symposium was held at the headquarters of the League of Arab States (LAS) in Cairo, Egypt, to celebrate the official release of the Arabic version of *IP Panorama*.

Besides the WIPO Director General, 70 well-known dignitaries of the Arab region, including the LAS Assistant Secretary General and representatives of the patent offices and chambers of commerce of 12 Arab states, participated in the symposium. The gathering culminated in the adoption of the Cairo Declaration, the aim of which is to strengthen IP cooperation between WIPO, KIPO, and LAS. The declaration is the cornerstone of new cooperative relations for enhancing IP management capabilities in the Arab region.

APEC IPi Facilitator Training Course

In 2009, we ran an APEC IPi Facilitator Training Course, which is a blend of online and off-line education based on the e-learning program *IP Xpedite*. The course led to the development of a new e-learning program called *IP Xpedite Practical*, which is based on the lectures of IP experts from WIPO, Korea, the US, Japan, and Australia. KIPO is distributing *IP Xpedite* to other countries. We are also endeavoring to build the IP capabilities of other nations in the Asia-Pacific region and elsewhere.

- I Signing of an MOU with Indonesia for IP office automation
- I International symposium in Cairo, Egypt
- I *IP Xpedite Practical*



Open innovation and regional capacity building



Open innovation and regional capacity building

As a strategy for the future, we are striving to create a more IP-intensive society. Accordingly, we offer various support policies for SMEs; we run a Campus Patent Strategy University to encourage industry and academia to collaborate in open innovation; and we host the Korea International Women's Invention Exposition to expand opportunities for promoting the ideas of women inventors.



Campus Patent Strategy Universiade

Each year since 2008, we have been collaborating with the National Academy of Engineering of Korea in holding a Campus Patent Strategy Universiade. We manage the event, while companies prepare questions, conduct screening, and provide prize money. With the help of their advisors, graduate and undergraduate students provide solutions to various problems posed by the companies. The Universiade is tremendously popular program that involves the cooperation of industry, academia, and the government. The aim of the program is to provide companies with creative and practical ideas and to help students understand how theories can be applied to the real world.

In 2008, 21 companies and 68 universities participated in the Universiade. This year there were 43 companies and 97 universities, reflecting the event's emergence as a leading open innovation program. Around 450 participants attended the awards ceremony of the 2009 Campus Patent Strategy Universiade on November 26, 2009. Among the participants were about 130 dignitaries, such as university presidents and CEOs. They expressed their wishes for the further development of the Universiade.

I Campus Patent Strategy Universiade



I Awards ceremony



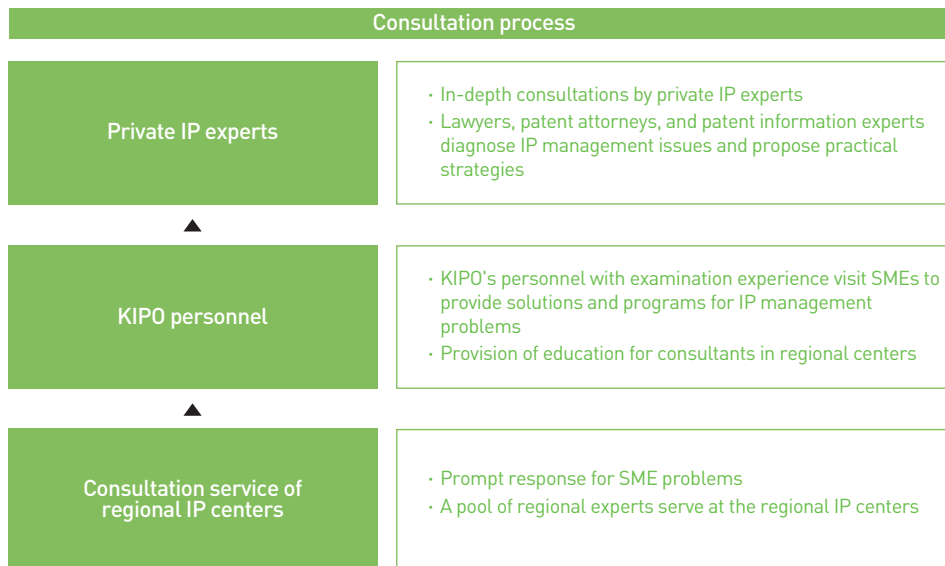
IP consultations for SMEs

Consultation service

We have been conducting consultation services for SMEs for many years. Some consultations involve the dispatch of KIPO staff to SMEs; others are conducted by consultants at regional IP centers.

Since 2009, we have strengthened our consultation services by dispatching IP experts from the private sector, including lawyers and patent attorneys. They provide in-depth consultations on IP management for SMEs with outstanding technologies and capabilities.

SMEs now benefit from the customized consultations of the three groups of consultants.



Educational programs

In 2010, we encouraged Hongik University and the Korea Advanced Institute of Science and Technology to open a Master of Intellectual Property Course to systematize the cultivation of IP experts for SMEs.

We also ran educational programs in 2009 for the IP staff of 10 SMEs to cultivate specialists in the area of international intellectual property. In 2010, we plan to open a course for the IP staff of 15 SMEs. In addition, 267 SME staff benefited from our IP job training program in 2009 and another 200 will be able to register for the same program in 2010.

Capacity building for local governments

Nationwide IP presentations

Since January 2009, we have held 15 IP presentations in various parts of the country. These events enabled us to listen to the real problems of the workplace, and we subsequently identified approximately 50 concerns that led to policy improvement.

More than 1,800 SME CEOs and executives, as well as public officials from local governments, participated in the 15 presentations to broaden their knowledge of IP management. As a result of the presentations, the Gangwon Province expressed a willingness to establish an IP department. An IP Promotion Ordinance was also enacted and proclaimed in Daegu (April 20, 2009), Ulsan (May 7, 2009), North Chungcheong Province (June 5, 2009), South Chungcheong Province (December 30, 2009), and South Gyeongsang Province (December 31, 2009). Furthermore, the Incheon Metropolitan City took its existing IP Promotion Ordinance a step further by forming a special IP committee (to be chaired by the deputy mayor).

I IP presentation for SMEs
I Intellectual Property Strategy Forum



IP strategy forums for local governments

Korea's IP vision and implementation strategy, which was established in 2009 through the collaborative efforts of the private and public sectors, was recently made part of the national agenda. In 2010, we also held forums on IP strategy for six local governments to support the establishment of regional measures for promoting IP. The participants included the KIPO commissioner, heads of local governments, members of the national assembly, university deans, and local business people. The six local governments were Busan Metropolitan City (January 29), North Chungcheong Province (February 4), Gangwon Province (February 9), Incheon Metropolitan City (February 19), Gwangju Metropolitan City (February 22) and Daegu Metropolitan City (February 25).

At the IP strategy forums, the local governments analyzed the status of IP applications and registrations as well as the industrial status of their regions; they also formulated their own IP



visions and strategies and deepened their awareness of the IP system. As a result of the forums, Busan and Incheon are pushing ahead with the establishment of IPR departments; Busan, Gwangju, and Gangwon Province are planning to enact an IP Promotion Ordinance; and Busan, Daegu, and Incheon decided to support their traditional industries in the creation of brands and designs. In short, the forums helped revitalize the IP infrastructure and policies of local governments.

Model IP cities

Since 2009 a number of cities have been designated as model IP cities for the purpose of regional development. The designation of model IP cities enhances IP awareness and improves the competitiveness of SMEs. Furthermore, the designated local governments provide relevant information for strategic industries, promote technology transfers to vitalize the regional economy, and foster public awareness of IP. The sole designee in 2009 was Nam-gu in Gwangju Metropolitan City. In 2010, the designees included Wonju in Gangwon Province, Andong in North Gyeongsang Province, Jecheon in North Chungcheong Province, Nam-gu in Gwangju Metropolitan City, and Dalseo-gu in Daegu Metropolitan City.

Nam-gu of Gwangju Metropolitan City, which was designated as a model IP city in 2009, continues to use IP to promote regional economic development. In particular, it has promoted inventive ideas and IPRs through a campaign called One Person, One Patent. The campaign elicited 1200 inventive ideas, three of which were successfully commercialized, including a music bench and a light-emitting crosswalk device. Those inventions have collectively generated around KRW50 million in royalties. The campaign is expected to contribute significantly to the creation and utilization of IP in the region and to generate tremendous synergistic effects in economic development, such as creating employment.

IP consultation for local governments and SMEs



Korea International Women's Invention Exposition

To celebrate the annual Invention Month in May, we joined forces with WIPO and the Korea Women Inventors Association to host the 2010 Korea International Women's Invention Exposition from May 6 to May 9. Now in its third year, the exposition enjoyed the participation of more than 450 female inventors from 30 countries. About 70,000 people visited the exposition.

A total of 110 domestic inventions and 130 international inventions were on display at the exposition. Many of the inventions had a unique female perspective and most were related to everyday life. The award-winning inventions included a do-it-yourself lever lock, an elastic heat-generating mattress, and a red ginseng maker with far-infrared radiation. International participants submitted a variety of inventions, such as an earthquake evacuation desk and banana noodles.

The purpose of the exposition was to foster cooperation among women inventors from around the world, to facilitate information exchange among business people, and to expand opportunities for promoting the ideas of women inventors. The Korea International Women's Invention Exposition, which is held in conjunction with the Korea Women's Invention Fair and the Korea International Women's Invention Forum, is emerging as the largest festival of its kind in the world.

I Korea international women's invention exposition





Toward an IP-friendly society



Towards an IP-friendly society

Since 1987, we have made continual efforts to raise public awareness of counterfeit products through various crackdowns and campaigns. In 2009, we expanded the regional anticounterfeiting offices; we implemented a system of monitoring the online distribution of counterfeit goods; and we sought special judicial police authority for our IP enforcement staff, empowering them with full investigative rights and the right to search and seize.



Domestic IP protection

Anticounterfeiting measures

To reinforce our anticounterfeiting measures, we increased the number of enforcement officials from four to 13 in 2009. We also established permanent enforcement squads in the Seoul and Gyeonggi areas, Yeongnam and the Chungcheong-Honam areas. The targeting of areas adjacent to subway stations and areas with a large floating population led to a dramatic increase in the number of warnings issued. Our enforcement officials issued 2,849 warnings in 2009, which is a 150% increase over the previous year. Joint crackdowns with other investigative agencies in 2009 led to the filing of 122 criminal charges, which is a huge increase of 358% over the previous year.

Results of anticounterfeiting measures

unit : cases

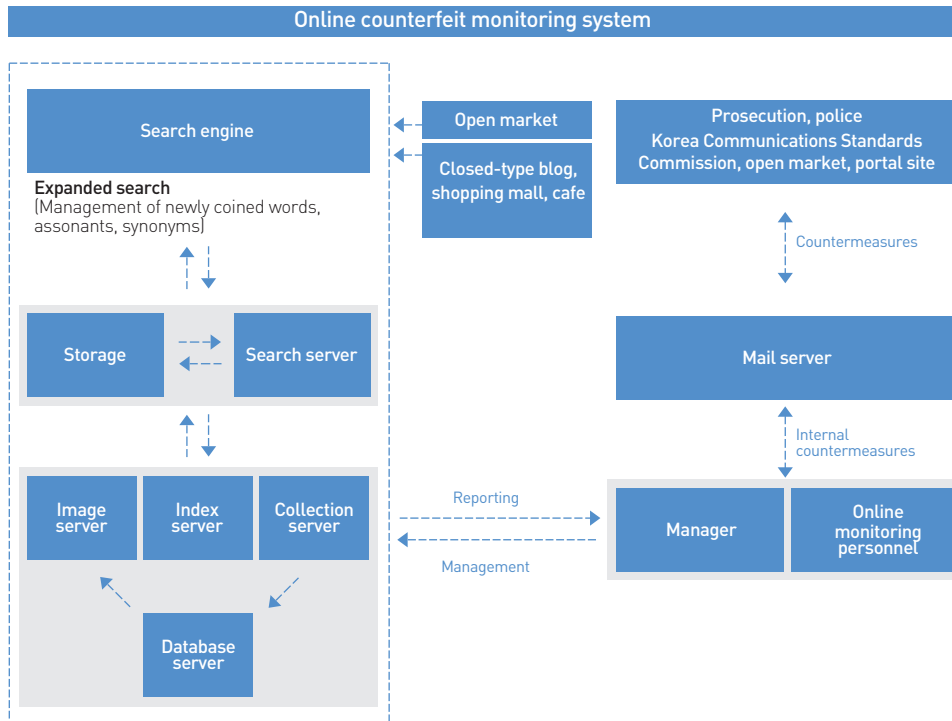
| Classification | | '04 | '05 | '06 | '07 | '08 | '09 | Total |
|--------------------|-----------------------------------|---------|--------|--------|--------|--------|--------|---------|
| No. of crack-downs | Regular crackdowns | 18 | 20 | 18 | 18 | 18 | 70 | 162 |
| | Special crackdowns | 36 | 15 | 20 | 12 | 20 | 59 | 162 |
| | Total crackdowns | 54 | 35 | 38 | 30 | 38 | 129 | 324 |
| Results | Warnings | 425 | 749 | 966 | 1,066 | 1,147 | 2,849 | 7,202 |
| | Criminal charges | 198 | 88 | 128 | 116 | 34 | 122 | 686 |
| | Total warnings and charges | 623 | 837 | 1,094 | 1,182 | 1,181 | 2,971 | 7,888 |
| | No. of counterfeit goods detected | 149,555 | 17,742 | 14,852 | 35,366 | 97,751 | 84,580 | 399,846 |

In 2009, we requested the Korea Communications Standards Commission to shut down 130 Web sites that sold counterfeit goods. We also started a 24-hour system of monitoring online transactions of counterfeit goods, targeting high-frequency periods such as weekends, late nights, and early mornings. All these efforts reflect our commitment to eradicating counterfeit goods.

Closure of Web sites that deal in counterfeit goods

unit : cases

| Classification | | '07 | '08 | '09 | Total |
|--|----------|-----|-----|-----|-------|
| Closure of individual online shopping malls (by the Korea Communications standards Commission) | Requests | 48 | 207 | 365 | 620 |
| | Closures | 48 | 123 | 130 | 301 |
| Online shopping malls | | - | 526 | 160 | 686 |
| Portal sites | | - | 171 | 332 | 503 |



Special judicial police authority for KIPO officials

Despite our efforts to strengthen anticounterfeiting measures, the enforcement actions of our office have been limited exclusively to administrative measures. However, owing to the need for more foreign investors as well as a higher international credit rating, there has been a call from international companies for a greater level of IP enforcement. Accordingly, we have been lobbying the government to grant special judicial police authority to our enforcement staff. That authority would give them full investigative rights and the right to search and seize. We held numerous meetings with relevant institutions, such as the Ministry of Justice, and, on April 21, 2010, the National Assembly finally passed the relevant bill, which will take effect in the latter half of 2010. We will now be able to crackdown on counterfeit goods in a prompt, efficient, and effective manner.

Social awareness on IP protection

To create a new culture of IP protection, we encourage bloggers to write reports about online counterfeiting and we collaborate with consumer groups in urging consumers to buy genuine goods.

I Joint promotion with consumer groups
I Leadership training on anticounterfeiting



We have also been conducting public awareness campaigns on the unlawfulness and harmful consequences of counterfeit goods. Our recent PR activities include portal site banners and quiz events, as well as public announcements on various media such as network and cable television, electronic displays, and railway broadcasting. We also produce educational material for teenagers to enhance their awareness of IP protection.

I Public announcement on television
I Education material for teenagers



Advanced infrastructure for IP protection

In January 2009, we established the Korea Intellectual Property Protection Association as a means of protecting domestic and international IPRs. The association is expanding its enforcement personnel and extending the scope of its crackdowns. In addition, we have been holding joint seminars with international business organizations. The purpose of the seminars was to discuss the difficulties of protecting IPRs and to create an investment-friendly environment in terms of IP protection.

Overseas IP protection system

IP Desks

According to 27.6% of SMEs with interests in overseas markets, the major obstacle in dealing with overseas IPR infringements is the difficulty of collecting information about particular infringements. Other obstacles include insufficient personnel and budget (26.8%) and difficulties in hiring local legal advisers (24.5%). To address these issues, we initially collaborated with the Ministry of Knowledge Economy in setting up a number of IP Desks in 2006 to help SMEs secure and protect their IPRs; later we assumed full responsibility for the desks so that we could improve the efficiency and effectiveness of IP projects. In July 2009, we set up an IP Desk in Shenyang, China. The IP Desks offer SMEs comprehensive IP services.

IP Desk services

| Services | Descriptions |
|--------------------------------|--|
| Local application | Support for local trademark application and registration fees (70%) |
| Investigation of infringements | Investigation of infringements in China through consulting companies (that specialize in anticounterfeiting) at the request of infringed companies |
| Legal advice | One-to-one legal advice through a pool of local IPR infringement experts |
| Information service | Provision of presentations or mailing service for SMEs on the status of IPR infringements, IP systems, infringement countermeasures, and policy trends |

Our IPR protection measures for 2010 include studies on IPRs, IPR education, and public awareness programs. For these measures, we rely on the IP protection infrastructure, which includes IP Desks and overseas patent offices. We also offer support for trademark applications and help protect existing IPRs.

Information on the IP laws of other countries

Although each country has laws and systems for the protection of IPRs, SMEs often have difficulty obtaining information on a particular country. To address this problem, we publish an annual handbook on the IP systems of major countries. The 2009 handbook includes information on the latest system changes and relevant information of the US, China, Japan, Thailand, Vietnam, and Germany.

IP activities for people who are socio-economically disadvantaged

Invention education for underprivileged youth

In December 2009, we initiated a program called Sharing Invention Education. We visited 14 orphanages and various remote or socio-economically disadvantaged areas to help underprivileged youth benefit from invention education. Designed to foster creativity, the program included hands-on invention education involving activities such as making air rockets, robot arms, and model hybrid cars. At the conclusion of program, we donated 70 books on invention and a variety of tools for improving creativity. A number of our high-level officials volunteered to visit the participants at various venues around the country.

In 2010, we plan to hold 40 similar invention education events as well as a number of invention camps for children from remote areas who have already participated in these programs.

I KIPO Invention camp for children from Heuksan Island



Outline of the Sharing Invention Education program for 2010

| Program | Target group | Date | Description |
|--|--|--|--|
| Sharing Invention Education (with KIPO volunteers) | Forty child welfare centers around the nation | May to Dec. 2010 | A one-day program for age-appropriate improvement in creativity |
| Sharing Invention Camps | For children with previous experience of the Sharing Invention Education program | Regular camp: four times a year; Special camp: twice a year | Camps of 2-4 days with opportunities for invention experience; designed to help children create inventions |
| Sharing Invention Experience | 200 students in child welfare centers in Daejeon | March to Dec. 2010 | Five-step regular program: theory, experience, and practice |

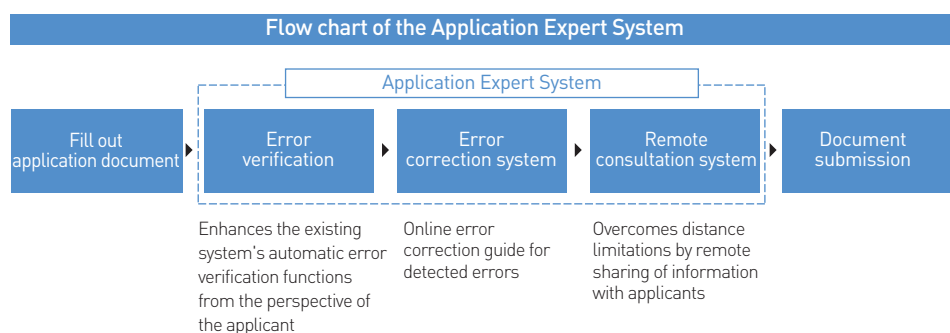


Application Expert System

We established the Application Expert System in January 2009 to help individual applicants and socio-economically disadvantaged applicants who handle the application process without assistance from agents. These groups generally have a relatively high error rate in their applications and consequently have difficulty acquiring IPRs. The Application Expert System guides applicants through each step of the application process. That means they can easily and accurately file patent or trademark applications.

The following features of the Application Expert System help prevent errors in the application stage:

- a stronger error verification function in the electronic application system (27 verification items)
- 160 error verification sentences written in a colloquial style
- a link to a patent customer center (for remote consultations on patent applications)
- a customized error correction system

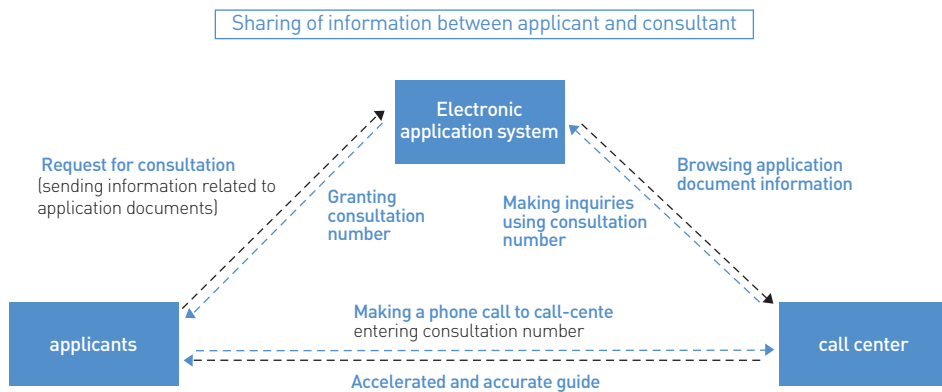


One of the highlights of the Application Expert System is its remote consultation service. A professional consultant from a patent customer center helps the applicant understand how to fill out application documents. There are often many errors in this step; it is one of the hardest aspects of the patent application process. But with the new system, the consultant can remotely view the information on the applicant's screen, such as the error information and application history. Thus, the problems can be easily solved without the delays of the old system.

In 2009, there were 1598 remote consultations and the error rate for applicants who apply for a patent without an agent fell by 33.5% (that is, from 2.1% to 1.47%). Applicants who used the Application Expert System were surveyed in October 2009. The results of the survey confirm the popularity of the system: 376 of the 457 respondents (or 82.3%) said they were more than satisfied with the system.

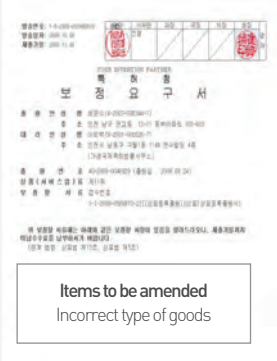
Another feature of the Application Expert System is the customized error correction system. It helps applicants diagnose and correct errors themselves. When an application error is detected, error correction guidelines automatically appear on screen. They tell the applicant how to correct errors in the application or which type of information is needed; they also explain the relevant laws and give clear examples. As a result, the applicant can easily fill out and submit accurate application documents.

The remote consultation system for patent applications



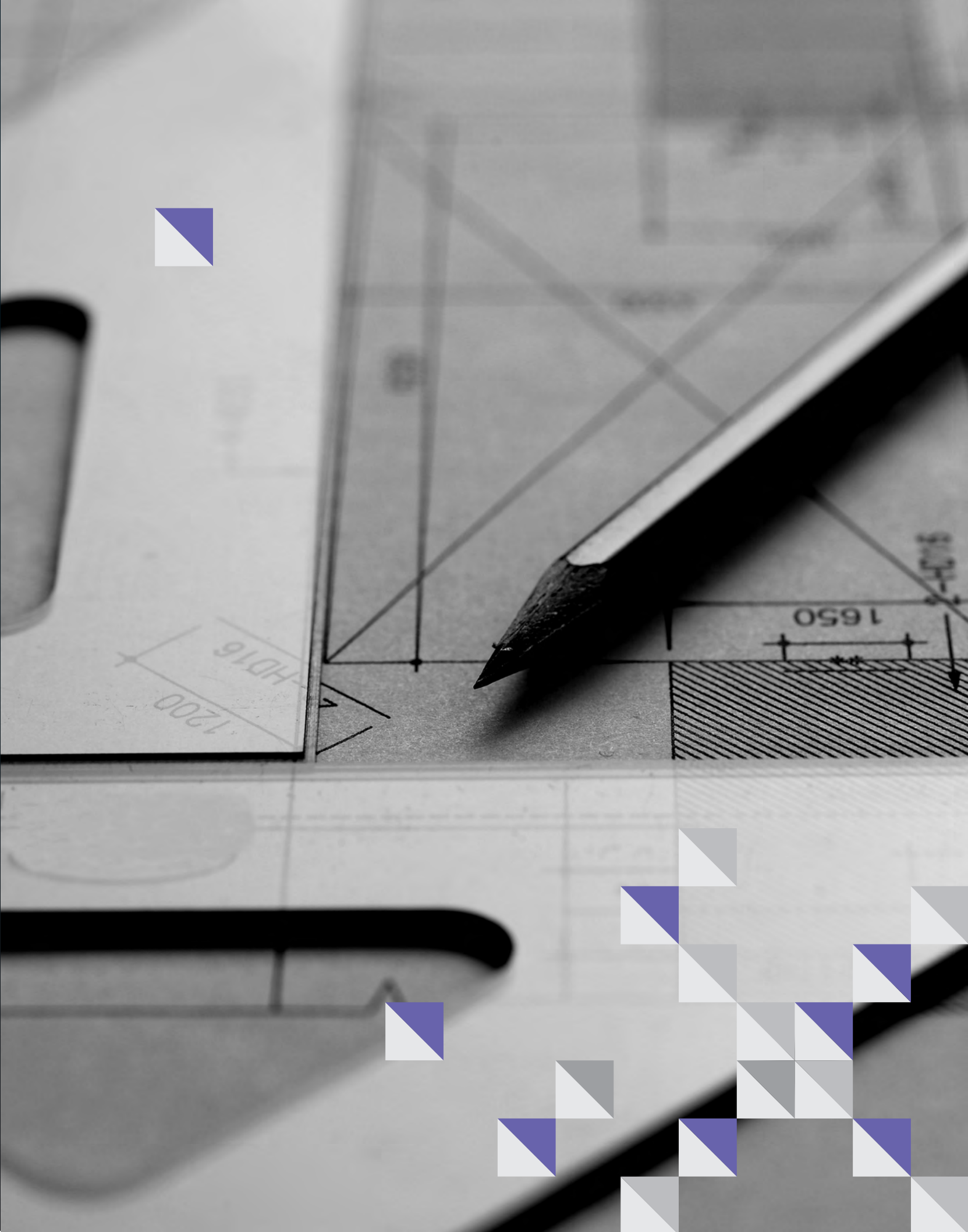
Help with paper-based applications

The notion of assisting those who file an application without the help of an agent was extended in August 2009 to paper-based applications. Whenever a KIPO examiner detects an error in a paper-based application form, the examiner highlights the erroneous section in red and returns the form to the applicant with a detailed explanation of how the form can be filled out correctly. This service has significantly improved the convenience of paper-based applicants.

| Before | After |
|--|---|
|  <p>Items to be amended Incorrect type of goods</p> <p>▼</p> <p>Difficult to correct errors because the explanation was too simple and hard to understand</p> | <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center;">< 보정사항 및 보정방법 상세안내 ></p> <p>1. Type of goods G1006</p> <p>000 should be written in the Type of goods section and the Type of goods should be searched by...</p> </div> <p>◀ Error was marked in a red box</p> <p>◀ Detailed explanation and verification guide for errors</p> <div style="border: 1px solid #ccc; padding: 5px; margin-top: 10px;"> <p>2. Items to be amended Type of goods</p> <p>• Amendment method correction</p> <p>• Type of goods #00</p> <p>• Class of goods class of goods 1, class of goods 2</p> </div> <p>◀ The system provides appropriate examples to help customers fill out the application forms correctly.</p> |

Statistical Data





HD16
1200

1650



Applications

Application by IPR type

[unit : cases]

| IPR type | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------------------|-------------------------|-------------------------|-------------------------|--------------------------|--------------------------|--------------------------|
| Patents | 140,115 | 160,921 | 166,189 | 172,469 | 170,632 | 163,523 |
| Utility models | 37,753 | 37,175 | 32,908 | 21,084 | 17,405 | 17,114 |
| Subtotal | 177,868 | 198,096 | 199,097 | 193,553 | 188,037 | 180,667 |
| Industrial designs | 41,184 (42,879) | 45,222 (46,615) | 51,039 (52,879) | 54,362 (55,662) | 56,750 (58,912) | 57,903 (59,537) |
| Trademarks | 108,464 (147,319) | 115,889 (156,270) | 122,384 (164,432) | 132,288 (180,257) | 127,910 (178,211) | 126,420 (162,682) |
| Total | 327,516(368,066) | 359,207(400,981) | 372,520(416,408) | 380,203 (429,472) | 372,697 (425,160) | 364,990 (402,886) |

Note: Figures in parentheses include multiple applications.

PCT applications

[unit : cases]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|------------------------|-------|-------|-------|-------|-------|-------|
| Number of applications | 3,565 | 4,690 | 5,919 | 7,063 | 7,911 | 8,026 |
| Growth rate (%) | 21.2 | 31.6 | 26.2 | 19.3 | 12.0 | 1.5 |

Note: Based on KIPO statistics.

International trademark applications under the Madrid Protocol

[unit : cases]

| Period | Office of origin | Designated office |
|--------|------------------|-------------------|
| 2005 | 154 | 6,699 |
| 2006 | 208 | 8,483 |
| 2007 | 283 | 9,072 |
| 2008 | 216 | 9,745 |
| 2009 | 280 | 7,824 |

Note: KIPO started receiving international trademark applications under the Madrid Protocol on April 10, 2003.

Applications

Comparison of domestic and foreign applications

[unit : cases, %]

| Classification | | 2005 | 2006 | 2007 | 2008 | 2009 | Portion of total applications in 2009 |
|----------------|--------------------|-----------|-----------|-----------|-----------|-----------|--|
| Domestic | Patents | 122,188 | 125,476 | 128,701 | 127,114 | 127,316 | 34.9% |
| | Utility models | 36,534 | 32,193 | 20,632 | 16,971 | 16,801 | 4.6% |
| | Industrial Designs | 41,918 | 48,018 | 50,868 | 52,786 | 54,934 | 15.1% |
| | | (43,247) | (49,766) | (52,055) | (54,278) | (56,391) | 14.0% |
| | Trademarks | 99,435 | 105,544 | 112,157 | 107,487 | 108,170 | 29.6% |
| | | (129,635) | (136,590) | (147,489) | (144,920) | (134,019) | 33.3% |
| Total | 300,075 | 311,231 | 312,358 | 304,358 | 307,221 | 84.2% | |
| | (331,604) | (344,025) | (348,877) | (343,283) | (334,527) | 83.0% | |
| Foreign | Patents | 38,733 | 40,713 | 43,768 | 43,518 | 36,207 | 9.9% |
| | Utility models | 641 | 715 | 452 | 434 | 343 | 0.1% |
| | Industrial Designs | 3,304 | 3,021 | 3,494 | 3,964 | 2,969 | 0.8% |
| | | (3,368) | (3,113) | (3,607) | (4,634) | (3,146) | 0.8% |
| | Trademarks | 16,454 | 16,840 | 20,131 | 20,423 | 18,250 | 5.0% |
| | | (26,635) | (27,842) | (32,768) | (33,291) | (28,663) | 7.1% |
| Total | 59,132 | 61,289 | 67,845 | 68,339 | 57,769 | 15.8% | |
| | (69,377) | (72,383) | (80,595) | (81,877) | (68,359) | 17.0% | |

Note: Figures in parentheses include multiple applications.

Applications

Patent applications by technological field

[unit : cases, %]

| Classification | Patents | | | Utility models | | |
|--|-----------------|-----------------|------------------|-----------------|---------------|-----------------|
| | Domestic | Foreign | Total | Domestic | Foreign | Total |
| Agriculture | 1,975 (1.6%) | 123 (0.3%) | 2,098 (1.3%) | 762 (4.5%) | 2 (0.6%) | 764 (4.5%) |
| Foodstuffs and tobacco | 2,875 (2.3%) | 290 (0.8%) | 3,165 (1.9%) | 188 (1.1%) | 3 (0.9%) | 191 (1.1%) |
| Personal of domestic articles | 5,109 (4.0%) | 444 (1.2%) | 5,553 (3.4%) | 3575 (21.3%) | 55 (16.0%) | 3630 (21.2%) |
| Health and amusement | 4,896 (3.8%) | 1,402 (3.9%) | 6,298 (3.9%) | 1348 (8.0%) | 27 (7.9%) | 1375 (8.0%) |
| Preparations for medical, dental, or toilet purposes | 2,333 (1.8%) | 1,614 (4.5%) | 3,947 (2.4%) | 13 (0.1%) | | 13 (0.1%) |
| Separating and mixing | 3,280 (2.6%) | 932 (2.6%) | 4,212 (2.6%) | 329 (2.0%) | | 329 (1.9%) |
| Shaping | 2,593 (2.0%) | 655 (1.8%) | 3,248 (2.0%) | 229 (1.4%) | 11 (3.2%) | 240 (1.4%) |
| Grinding and polishing | 3,229 (2.5%) | 882 (2.4%) | 4,111 (2.5%) | 455 (2.7%) | 11 (3.2%) | 466 (2.7%) |
| Printing | 1,116 (0.9%) | 243 (0.7%) | 1,359 (0.8%) | 478 (2.8%) | 5 (1.5%) | 483 (2.8%) |
| Transporting | 8,818 (6.9%) | 1,551 (4.3%) | 10,369 (6.3%) | 2071 (12.3%) | 27 (7.9%) | 2098 (12.2%) |
| Micro structural technology, nano technology | 505 (0.4%) | 91 (0.3%) | 596 (0.4%) | | | |
| Chemistry | 2,693 (2.1%) | 768 (2.1%) | 3,461 (2.1%) | 87 (0.5%) | 1 (0.3%) | 88 (0.5%) |
| Organic chemistry | 1,228 (1.0%) | 2,853 (7.9%) | 4,081 (2.5%) | 1 (0.0%) | | 1 (0.0%) |
| Organic macromolecular compounds | 1,412 (1.1%) | 1,538 (4.2%) | 2,950 (1.8%) | | | 1 (0.0%) |
| Dyes, petroleum, and animal and vegetable oils | 1,952 (1.5%) | 1,234 (3.4%) | 3,186 (1.9%) | 49 (0.3%) | 1 (0.3%) | 50 (0.3%) |
| Biochemistry | 1,608 (1.3%) | 492 (1.4%) | 2,100 (1.3%) | 9 (0.1%) | | 9 (0.1%) |
| Metallurgy | 1,624 (1.3%) | 870 (2.4%) | 2,494 (1.5%) | 33 (0.2%) | 2 (0.6%) | 35 (0.2%) |

Applications

[unit : cases, %]

| Classification | Patents | | | Utility models | | |
|--|---------------------|--------------------|---------------------|--------------------|-----------------|--------------------|
| | Domestic | Foreign | Total | Domestic | Foreign | Total |
| Textiles or flexible materials | 1,895 (1.5%) | 335 (0.9%) | 2,230 (1.4%) | 158 (0.9%) | 10 (2.9%) | 168 (1.0%) |
| Paper | 183 (0.1%) | 75 (0.2%) | 258 (0.2%) | 14 (0.1%) | | 14 (0.1%) |
| Building | 7,968 (6.3%) | 409 (1.1%) | 8,377 (5.1%) | 1767 (10.5%) | 18 (5.2%) | 1785 (10.4%) |
| Earth or rock drilling, Mining | 307 (0.2%) | 29 (0.1%) | 336 (0.2%) | 25 (0.1%) | | 25 (0.1%) |
| Engines and pumps | 2,741 (2.2%) | 876 (2.4%) | 3,617 (2.2%) | 218 (1.3%) | 10 (2.9%) | 228 (1.3%) |
| Engineering in general | 2,206 (1.7%) | 750 (2.1%) | 2,956 (1.8%) | 462 (2.7%) | 12 (3.5%) | 474 (2.8%) |
| Lighting and Heating | 5,875 (4.6%) | 530 (1.5%) | 6,405 (3.9%) | 1003 (6.0%) | 25 (7.3%) | 1028 (6.0%) |
| Weapons and Blasting | 234 (0.2%) | 45 (0.1%) | 279 (0.2%) | 41 (0.2%) | | 41 (0.2%) |
| Instruments | 8,258 (6.5%) | 2,871 (7.9%) | 11,129 (6.8%) | 490 (2.9%) | 18 (5.2%) | 508 (3.0%) |
| Horology and Computing | 11,982 (9.4%) | 2,441 (6.7%) | 14,423 (8.8%) | 493 (2.9%) | 24 (7.0%) | 517 (3.0%) |
| Education and Information storage | 3,847 (3.0%) | 1,025 (2.8%) | 4,872 (3.0%) | 477 (2.8%) | 7 (2.0%) | 484 (2.8%) |
| Nucleonics | 236 (0.2%) | 49 (0.1%) | 285 (0.2%) | 11 (0.1%) | | 11 (0.1%) |
| Electric elements and Electric techniques | 16,727 (13.1%) | 5,996 (16.6%) | 22,723 (13.9%) | 983 (5.9%) | 51 (14.9%) | 1034 (6.0%) |
| Electric circuitry and Electric communication techniques | 13,878 (10.9%) | 4,302 (11.9%) | 18,180 (11.1%) | 332 (2.0%) | 15 (4.4%) | 347 (2.0%) |
| Others | 3,733 (2.9%) | 492 (1.4%) | 4,225 (2.6%) | 699 (4.2%) | 8 (2.3%) | 707 (4.1%) |
| Total | 127,316 (100.0%) | 36,207 (100.0%) | 163,523 (100.0%) | 16,801 (100.0%) | 343 (100.0%) | 17,144 (100.0%) |

Applications

Patent applications in biotechnology

[unit : cases, %]

| Classification | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|------------------|------------------|------------------|------------------|------------------|
| Domestic | 2,295 (64.3%) | 2,606 (71.1%) | 3,295 (67.5%) | 3,398 (67.1%) | 3,453 (74.4%) |
| Foreign | 1,272 (35.7%) | 1,058 (28.9%) | 1,587 (32.5%) | 1,669 (32.9%) | 1,191 (25.6%) |
| Total | 3,567 | 3,664 | 4,882 | 5,067 | 4,644 |

Note: Based on the following biotechnological categories of the Eighth Edition of the International Patent Classification: A01H; A01K 67/00-67/04; A01N 63/00-65/00; A61K 8/97-8/99; A61K 8/64-8/68; A61K 35/12-35/76; 36/00-36/9068; A61K 38/00-38/58, 39/00-39/44, 48/00, 51/00-51/10; C02F 3/00-3/34, 11/02-11/04; C07H 19/00-21/04; C07K; C12C-M; C12N; C12P; C12Q; C12S; G01N 33/50-33/98.

Patent Applications in business methods

[unit : cases, %]

| Classification | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|------------------|------------------|------------------|------------------|------------------|
| Domestic | 4,205 (89.2%) | 5,248 (87.3%) | 6,280 (86.4%) | 4,788 (87.8%) | 4,903 (94.2%) |
| Foreign | 663 (10.8%) | 727 (12.7%) | 603 (13.6%) | 375 (12.2%) | 301 (5.8%) |
| Total | 4,868 | 5,975 | 6,883 | 5,163 | 5,204 |

Note: Data for 2005-2007 are based on the following categories of the ninth Edition of the International Patent Classification: G06F 17/00, 17/30, 19/00, G06Q. The data for 2008 are based on G06Q.

Applications

Applications by residents of foreign countries in 2009

[unit : cases]

| Countries | Patents | Utility models | Designs | Trademarks | Total |
|---------------------|---------|----------------|---------|------------|-------|
| Algeria | 1 | | | | 1 |
| Andorra | 1 | | | | 1 |
| Antigua and Barbuda | | | | 1 | 1 |
| Antilles | | | | 9 | 9 |
| Argentina | 1 | | | 30 | 31 |
| Australia | 141 | | 52 | 151 | 344 |
| Austria | 141 | 2 | 4 | 35 | 182 |
| Bahamas | 7 | | | 2 | 9 |
| Barbados | 10 | | 4 | 12 | 26 |
| Belarus | 2 | | | | 2 |
| Belgium | 202 | | 18 | 40 | 260 |
| Belize | 1 | | | | 1 |
| Brazil | 24 | | 2 | 24 | 50 |
| Brunei | 1 | | | 1 | 2 |
| Bulgaria | | | | 3 | 3 |
| Bermuda | 18 | | | 42 | 60 |
| Canada | 392 | 5 | 42 | 202 | 641 |
| Cayman Islands | 20 | | 3 | 177 | 200 |
| Chile | | | | 60 | 60 |
| China | 426 | 56 | 43 | 520 | 1,045 |
| Colombia | 4 | | | 7 | 11 |
| Croatia | 3 | | | | 3 |
| Cuba | 6 | | | 26 | 32 |
| Cyprus | 6 | | | 13 | 19 |
| Czech Republic | 11 | | | 14 | 25 |
| Denmark | 125 | | 29 | 70 | 224 |
| Egypt | | | | 1 | 1 |
| Estonia | 2 | | 1 | | 3 |
| Finland | 393 | | 21 | 34 | 448 |
| France | 1,441 | 3 | 56 | 912 | 2,412 |
| Germany | 3,002 | 7 | 123 | 1,095 | 4,227 |
| Gibraltar | 1 | | | 5 | 6 |
| Greece | 7 | | | 2 | 9 |
| Hong Kong | 8 | | | 63 | 71 |
| Hungary | 27 | | | 25 | 52 |

Applications

[unit : cases]

| Countries | Patents | Utility models | Designs | Trademarks | Total |
|---------------|---------|----------------|---------|------------|--------|
| Iceland | 7 | | | 4 | 11 |
| India | 97 | | | 7 | 104 |
| Indonesia | | | | 45 | 45 |
| Iran | | | | 1 | 1 |
| Ireland | 94 | | 2 | 58 | 154 |
| Israel | 218 | | 4 | 40 | 262 |
| Italy | 305 | | 59 | 444 | 808 |
| Jamaica | | | | 3 | 3 |
| Japan | 14,168 | 23 | 1,205 | 4,397 | 19,793 |
| Jersey | | | | 1 | 1 |
| Jordan | | | | 2 | 2 |
| Kazakhstan | | 3 | | | 3 |
| Kuwait | | | | 2 | 2 |
| Latvia | 3 | | | | 3 |
| Lebanon | | | | 1 | 1 |
| Liechtenstein | 15 | 1 | 31 | 33 | 80 |
| Luxembourg | 63 | | | 80 | 143 |
| Macao | | | | 3 | 3 |
| Malaysia | 15 | | 8 | 46 | 69 |
| Malta | 6 | | | 1 | 7 |
| Mauritius | 4 | | | 18 | 22 |
| Mexico | 12 | | | 21 | 33 |
| Monaco | | | | 20 | 20 |
| Mongolia | | | | 4 | 4 |
| Nepal | | | | 2 | 2 |
| Netherlands | 955 | | 65 | 330 | 1,350 |
| New Caledonia | | | | 3 | 3 |
| New Zealand | 22 | | 1 | 60 | 83 |
| Nigeria | | | | 1 | 1 |
| Niue | | | | 2 | 2 |
| Norway | 73 | | 5 | 28 | 106 |
| Pakistan | | | | 2 | 2 |
| Panama | 4 | | | 5 | 9 |
| Paraguay | | | | 1 | 1 |

Applications

[unit : cases]

| Countries | Patents | Utility models | Designs | Trademarks | Total |
|----------------------|---------------|----------------|--------------|---------------|---------------|
| Peru | | | | 1 | 1 |
| Philippines | 2 | | 1 | 10 | 13 |
| Poland | 8 | | | 10 | 18 |
| Portugal | 11 | | | 12 | 23 |
| Qatar | | | | 1 | 1 |
| Russian Federation | 23 | | | 3 | 26 |
| Saint Lucia | | | | 3 | 3 |
| Saudi Arabia | 15 | | | 39 | 54 |
| Scotland | | | | 1 | 1 |
| Seychelles | 2 | | | | 2 |
| Singapore | 97 | | 4 | 133 | 234 |
| Slovakia | 1 | | | 1 | 2 |
| Slovenia | 1 | | | | 1 |
| South Africa | 27 | | | 12 | 39 |
| Spain | 71 | | 2 | 80 | 153 |
| Sri Lanka | | | | 2 | 2 |
| Sweden | 614 | | 53 | 152 | 819 |
| Switzerland | 1,089 | | 56 | 817 | 1,962 |
| Syrian Arab Republic | | | | 2 | 2 |
| French polynesia | | | | 2 | 2 |
| Taiwan | 391 | 219 | 75 | 352 | 1,037 |
| Thailand | 6 | | | 44 | 50 |
| Trinidad and Tobago | 1 | | | | 1 |
| Turkey | 10 | | | 14 | 24 |
| USA | 10,728 | 23 | 957 | 6,510 | 18,218 |
| Ukraine | 2 | | | | 2 |
| United Arab Emirates | | | | 11 | 11 |
| United Kingdom | 586 | | 40 | 727 | 1,353 |
| Uruguay | | | | 2 | 2 |
| VietNam | | | | 6 | 6 |
| Virgin Islands | 34 | 1 | | 59 | 94 |
| others | 3 | | 3 | 3 | 9 |
| Total | 36,207 | 343 | 2,969 | 18,250 | 57,769 |

Examinations

Patents and utility models

[unit : cases]

| | | First action | | | | Total | Final decisions | | | Total |
|----------------|------|--------------------------|--|---------------|---------------------------|---------|--------------------------|---------------------------|--|---------|
| | | Approval of registration | Notice of preliminary rejection or amendment | Other notices | Withdrawal or abandonment | | Approval of registration | Rejection or cancellation | Withdrawal abandonment, annulment or rejection | |
| Patents | 2005 | 21,860 | 106,096 | 410 | 2,749 | 131,115 | 78,397 | 36,946 | 2,749 | 118,092 |
| | 2006 | 39,440 | 151,365 | 912 | 3,678 | 195,395 | 127,298 | 43,655 | 3,678 | 174,631 |
| | 2007 | 26,801 | 96,997 | 693 | 4,656 | 129,147 | 112,344 | 35,417 | 4,656 | 152,417 |
| | 2008 | 12,190 | 79,461 | 505 | 3,348 | 95,504 | 72,161 | 33,388 | 3,348 | 108,897 |
| | 2009 | 7,682 | 83,280 | 491 | 2,847 | 94,300 | 52,728 | 33,697 | 2,847 | 89,272 |
| Utility Models | 2005 | 2 | 15 | | | 17 | 84 | 74 | | 158 |
| | 2006 | | 10 | | | 10 | 3 | 4 | | 7 |
| | 2007 | 1,953 | 5,374 | 15 | | 7,342 | 2,714 | 919 | 0 | 3,633 |
| | 2008 | 1,713 | 10,236 | 73 | 686 | 12,708 | 5,267 | 6,313 | 686 | 12,266 |
| | 2009 | 958 | 9,222 | 47 | 505 | 10,732 | 4,202 | 6,084 | 505 | 10,791 |

Examinations

Industrial designs and trademarks

[unit : cases]

| | | First action | | | | Final decisions | | | |
|--------------------|------------|---|---------------------------------|---------------|-----------|--------------------------|-----------|-----------|-----------|
| | | Publication or approval of registration | Notice of preliminary rejection | Other notices | Total | Approval of registration | Rejection | Total | |
| Industrial designs | 2005 | 26,760 | 14,030 | 30 | 40,820 | 37,226 | 4,707 | 41,933 | |
| | | (27,505) | (14,452) | (30) | (41,987) | (38,369) | (4,828) | (43,197) | |
| | 2006 | 30,204 | 16,053 | 124 | 46,381 | 40,562 | 4,814 | 45,376 | |
| | | (31,335) | (16,910) | (124) | (48,369) | (42,183) | (5,028) | (47,211) | |
| | 2007 | 32,604 | 23,850 | 130 | 56,584 | 44,948 | 8,171 | 53,119 | |
| | | (33,758) | (24,694) | (135) | (58,587) | (46,539) | (8,460) | (54,999) | |
| | 2008 | 26,111 | 23,912 | 94 | 50,117 | 41,337 | 8,849 | 50,186 | |
| | | (26,844) | (24,549) | (99) | (51,492) | (42,466) | (9,048) | (51,514) | |
| | 2009 | 22,060 | 19,424 | | 41,484 | 34,321 | 7,684 | 42,005 | |
| | | (23,404) | (20,365) | | (43,769) | (36,179) | (7,999) | (44,178) | |
| | Trademarks | 2005 | 61,382 | 62,101 | 1,409 | 124,892 | 86,036 | 39,467 | 125,503 |
| | | | (80,128) | (88,864) | (2,008) | (171,000) | (121,552) | (45,002) | (166,554) |
| 2006 | | 68,253 | 58,809 | 1,395 | 128,457 | 92,916 | 32,969 | 125,885 | |
| | | (88,931) | (81,126) | (1,988) | (172,045) | (130,175) | (40,351) | (170,526) | |
| 2007 | | 60,950 | 65,515 | 1,244 | 127,709 | 88,079 | 27,368 | 115,447 | |
| | | (82,020) | (88,164) | (1,674) | (171,858) | (118,528) | (36,829) | (155,357) | |
| 2008 | | 59,938 | 57,537 | 321 | 117,796 | 94,065 | 29,994 | 124,059 | |
| | | (79,197) | (83,007) | (493) | (162,697) | (133,297) | (36,210) | (169,507) | |
| 2009 | | 54,376 | 35,262 | | 89,638 | 74,285 | 19,129 | 93,414 | |
| | | (63,285) | (45,960) | | (109,245) | (92,013) | (23,138) | (115,151) | |

Note: Figures in parentheses include multiple applications.

Pendency period

Average first action pendency period for patents and utility models

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 21.0 | 17.6 | 9.8 | 9.8 | 12.1 | 15.4 |

Average total pendency period for patents and utility models

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 28.8 | 25.5 | 19.7 | 15.0 | 17.4 | 22.2 |

Average first action pendency period for trademarks

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 9.6 | 7.3 | 5.9 | 5.7 | 6.5 | 9.7 |

Average total pendency period for trademarks

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 12.3 | 10.6 | 8.9 | 8.7 | 9.2 | 13.0 |

Average first action pendency period for international trademarks

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 7.2 | 8.8 | 8.8 | 8.9 | 7.6 | 9.1 |

Pendency period

Average total pendency period for international trademarks

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 13.1 | 13.5 | 13.9 | 15.3 | 15.1 | 14.3 |

Average first action pendency period for designs

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 6.8 | 6.7 | 5.9 | 5.5 | 5.6 | 9.0 |

Average total pendency period for designs

[Unit : month]

| Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|------|------|------|------|------|------|
| Months | 7.3 | 8.2 | 6.7 | 6.3 | 7.1 | 10.5 |

International search reports and International preliminary examination reports

| Year | ISRs | IPERs |
|------|--------|-------|
| 2002 | 2,148 | 1,135 |
| 2003 | 2,315 | 1,310 |
| 2004 | 2,913 | 1,035 |
| 2005 | 3,649 | 842 |
| 2006 | 4,753 | 639 |
| 2007 | 8,280 | 586 |
| 2008 | 12,936 | 474 |
| 2009 | 16,926 | 362 |

Registrations

Registrations by IPR type

[unit : cases]

| IPR type | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Percentage change for 2009[%] |
|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------------------|
| Patents | 45,298 | 44,165 | 49,068 | 73,512 | 120,790 | 123,705 | 83,523 | 56,732 | △32.1 |
| Utility models | 39,957 | 37,272 | 34,182 | 32,716 | 29,736 | 2,795 | 4,975 | 3,949 | △20.6 |
| Subtotal | 85,255 | 81,437 | 83,250 | 106,228 | 150,526 | 126,500 | 88,498 | 60,681 | △31.4 |
| Industrial designs | 27,235 | 28,380 | 31,021 | 33,993 | 34,206 | 40,745 | 39,858 | 32,091 | △19.5 |
| Trademarks | 40,588 | 46,023 | 51,104 | 57,873 | 65,825 | 60,361 | 65,583 | 53,155 | △20 |
| Total | 153,078 | 155,840 | 165,375 | 198,094 | 250,557 | 227,606 | 193,939 | 145,927 | △24.8 |

Note: Trademark registration renewals are excluded.

Comparison of domestic and foreign registrations

[unit : cases]

| Classification | | 2005 | 2006 | 2007 | 2008 | 2009 | Potion of total registrations on 2009 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------------------------------|
| Domestic | Patents | 53,419 | 89,303 | 91,645 | 61,115 | 42,129 | 28.9% |
| | Utility models | 32,104 | 29,031 | 2,739 | 4,875 | 3,880 | 2.7% |
| | Designs | 31,040 | 31,503 | 37,631 | 36,645 | 29,628 | 20.3% |
| | | (32,052) | (32,795) | (38,608) | (37,406) | (30,806) | (18.3%) |
| | Trademarks | 46,683 | 52,827 | 48,266 | 50,927 | 38,538 | 26.4% |
| | | (57,256) | (63,340) | (56,919) | (59,607) | (45,426) | (27.0%) |
| | Total | 163,246 | 202,664 | 180,281 | 153,562 | 114,175 | 78.2% |
| | | (174,831) | (214,469) | (189,911) | (163,003) | (122,241) | (72.6%) |
| Foreign | Patents | 20,093 | 31,487 | 32,060 | 22,408 | 14,603 | 10.0% |
| | Utility models | 612 | 705 | 56 | 100 | 69 | 0.0% |
| | Designs | 2,953 | 2,703 | 3,114 | 3,213 | 2,463 | 1.7% |
| | | (3,006) | (2,762) | (3,184) | (3,494) | (2,915) | (1.7%) |
| | Trademarks | 11,190 | 12,998 | 12,095 | 14,656 | 14,617 | 10.0% |
| | | (18,635) | (22,107) | (20,927) | (26,552) | (28,478) | (16.9%) |
| | Total | 34,848 | 7,893 | 47,325 | 40,377 | 31,752 | 21.8% |
| | | (42,346) | (57,061) | (56,227) | (52,554) | (46,065) | (27.4%) |

Note: Figures in parentheses include multiple applications

Registrations

Patent registrations by technological field

[unit : cases, %]

| Classification | Patents | | | Utility models | | |
|--|----------------------|----------------------|----------------------|---------------------|------------------|---------------------|
| | Domestic | Foreign | Total | Domestic | Foreign | Total |
| Agriculture | 609 (1.4%) | 56 (0.4%) | 665 (1.2%) | 208 (5.4%) | (0.0%) | 208 (5.3%) |
| Biochemistry | 447 (1.1%) | 195 (1.3%) | 642 (1.1%) | 4 (0.1%) | (0.0%) | 4 (0.1%) |
| Building | 2,626 (6.2%) | 95 (0.7%) | 2,721 (4.8%) | 464 (12.0%) | 1 (1.4%) | 465 (11.8%) |
| Chemistry | 1,095 (2.6%) | 243 (1.7%) | 1,338 (2.4%) | 31 (0.8%) | (0.0%) | 31 (0.8%) |
| Dyes, Petroleum etc. | 625 (1.5%) | 329 (2.3%) | 954 (1.7%) | 3 (0.1%) | (0.0%) | 3 (0.1%) |
| Earth or rock drilling and Mining | 130 (0.3%) | 12 (0.1%) | 142 (0.3%) | 7 (0.2%) | (0.0%) | 7 (0.2%) |
| Education and Information storage | 1,880 (4.5%) | 895 (6.1%) | 2,775 (4.9%) | 116 (3.0%) | (0.0%) | 116 (2.9%) |
| Electric circuitry and Electric communication techniques | 4,939 (11.7%) | 2,321 (15.9%) | 7,260 (12.8%) | 92 (2.4%) | 5 (7.2%) | 97 (2.5%) |
| Electric elements and Electric techniques | 6,601 (15.7%) | 2,832 (19.4%) | 9,433 (16.6%) | 356 (9.2%) | 15 (21.7%) | 371 (9.4%) |
| Engineering in general | 892 (2.1%) | 302 (2.1%) | 1,194 (2.1%) | 104 (2.7%) | 3 (4.3%) | 107 (2.7%) |
| Engines and pumps | 694 (1.6%) | 316 (2.2%) | 1,010 (1.8%) | 54 (1.4%) | 2 (2.9%) | 56 (1.4%) |
| Foodstuffs and Tobacco | 1,005 (2.4%) | 99 (0.7%) | 1,104 (1.9%) | 42 (1.1%) | 1 (1.4%) | 43 (1.1%) |
| Grinding and Polishing | 1,134 (2.7%) | 317 (2.2%) | 1,451 (2.6%) | 122 (3.1%) | 1 (1.4%) | 123 (3.1%) |
| Health and Amusement | 1,471 (3.5%) | 501 (3.4%) | 1,972 (3.5%) | 301 (7.8%) | 5 (7.2%) | 306 (7.7%) |
| Horology and Computing | 3,202 (7.6%) | 1,038 (7.1%) | 4,240 (7.5%) | 111 (2.9%) | 3 (4.3%) | 114 (2.9%) |
| Instruments | 3,361 (8.0%) | 1,268 (8.7%) | 4,629 (8.2%) | 175 (4.5%) | 7 (10.1%) | 182 (4.6%) |
| Lighting and Heating | 1,706 (4.0%) | 187 (1.3%) | 1,893 (3.3%) | 237 (6.1%) | 7 (10.1%) | 244 (6.2%) |
| Metallurgy | 631 (1.5%) | 223 (1.5%) | 854 (1.5%) | 14 (0.4%) | (0.0%) | 14 (0.4%) |
| Microstructural technology and Nanotechnology | 80 (0.2%) | 11 (0.1%) | 91 (0.2%) | (0.0%) | (0.0%) | (0.0%) |
| Nucleonics | 130 (0.3%) | 14 (0.1%) | 144 (0.3%) | 10 (0.3%) | (0.0%) | 10 (0.3%) |
| Organic chemistry | 388 (0.9%) | 870 (6.0%) | 1,258 (2.2%) | (0.0%) | (0.0%) | (0.0%) |
| Organic macromolecular compounds | 506 (1.2%) | 526 (3.6%) | 1,032 (1.8%) | (0.0%) | (0.0%) | (0.0%) |
| Paper | 85 (0.2%) | 30 (0.2%) | 115 (0.2%) | 5 (0.1%) | (0.0%) | 5 (0.1%) |
| Personal domestic articles | 1,255 (3.0%) | 106 (0.7%) | 1,361 (2.4%) | 636 (16.4%) | 8 (11.6%) | 644 (16.3%) |
| Preparations for medical, dental, or toilet purposes | 579 (1.4%) | 392 (2.7%) | 971 (1.7%) | (0.0%) | (0.0%) | (0.0%) |
| Printing | 272 (0.6%) | 160 (1.1%) | 432 (0.8%) | 53 (1.4%) | (0.0%) | 53 (1.3%) |
| Separating and Mixing | 1,203 (2.9%) | 292 (2.0%) | 1,495 (2.6%) | 131 (3.4%) | 1 (1.4%) | 132 (3.3%) |
| Shaping | 1,079 (2.6%) | 195 (1.3%) | 1,274 (2.2%) | 75 (1.9%) | (0.0%) | 75 (1.9%) |
| Textiles or flexible materials | 477 (1.1%) | 138 (0.9%) | 615 (1.1%) | 44 (1.1%) | 4 (5.8%) | 48 (1.2%) |
| Transporting | 2,949 (7.0%) | 628 (4.3%) | 3,577 (6.3%) | 469 (12.1%) | 5 (7.2%) | 474 (12.0%) |
| Weapons and Blasting | 78 (0.2%) | 12 (0.1%) | 90 (0.2%) | 16 (0.4%) | 1 (1.4%) | 17 (0.4%) |
| Others | 0 (0.0%) | 0 (0.0%) | 0 (0.0%) | 0 (0.0%) | 0 (0.0%) | 0 (0.0%) |
| Total | 42,129 (100%) | 14,603 (100%) | 56,732 (100%) | 3,880 (100%) | 69 (100%) | 3,949 (100%) |

Note: 1. "Others" refers to non-classified applications

2. Based on the Ninth Edition of the International Patent Classification

Registrations

Patent registrations in biotechnology

[unit : cases, %]

| Classification | 2004 | | 2005 | | 2006 | | 2007 | | 2008 | | 2009 | |
|----------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| | Cases | Ratio | Cases | Ratio | Cases | Ratio | Cases | Ratio | Cases | Ratio | Cases | Ratio |
| Domestic | 1,243 | 76.9% | 1,490 | 73.7% | 1,911 | 71.1% | 2,089 | 73.8% | 1,856 | 75.0% | 1,004 | 73.2% |
| Foreign | 373 | 23.1% | 532 | 26.3% | 778 | 28.9% | 741 | 26.2% | 618 | 25.0% | 368 | 26.8% |
| Total | 1,616 | | 2,022 | | 2,689 | | 2,830 | | 2,474 | | 1,372 | |

Note: Based on the following biotechnological categories of the Ninth Edition of the International Patent Classification: A01H; A01K 67/00-67/04; A01N 63/00-65/00; A61K 8/97-8/99; A61K 8/64-8/68; A61K 35/12-35/76; 36/00-36/9068; A61K 38/00-38/58, 39/00-39/44, 48/00, 51/00-51/10; C02F 3/00-3/34, 11/02-11/04; C07H 19/00-21/04; C07K; C12C-M; C12N; C12P; C12Q; C12S; G01N 33/50-33/98.

Patent registrations in business methods

[unit : cases, %]

| Classification | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------|--------------|--------------|--------------|--------------|------------|
| Domestic | 1,242 | 1,669 | 2,457 | 1,101 | 843 |
| Foreign | 193 | 286 | 404 | 156 | 84 |
| Percentage change for 2008 | 8.1% | 36.2% | 46.3% | -56.1% | -26.3% |
| Total | 1,435 | 1,955 | 2,861 | 1,257 | 927 |

Registrations

Registrations by residents of foreign countries in 2009

[unit : cases]

| Countries | Patents | Utility models | Designs | | Trademarks | | International Trademark | | Total | |
|------------------------|---------|----------------|---------|---------|------------|---------|-------------------------|------|--------|----------|
| Japan | 7,141 | 2 | 920 | (1,220) | 1,846 | (3,457) | 654 | 1278 | 10,563 | (13,098) |
| U.S.A. | 3,674 | 11 | 839 | (937) | 2,462 | (4,104) | 1110 | 1853 | 8,096 | (10,579) |
| Germany | 863 | 3 | 151 | (155) | 209 | (352) | 1539 | 3882 | 2,765 | (5,255) |
| France | 417 | | 80 | (80) | 166 | (259) | 725 | 1536 | 1,388 | (2,292) |
| Netherlands | 424 | | 51 | (51) | 78 | (128) | 241 | 518 | 794 | (1,121) |
| Switzerland | 345 | | 62 | (81) | 128 | (223) | 705 | 1633 | 1,240 | (2,282) |
| United Kingdom | 166 | | 69 | (89) | 262 | (548) | 339 | 769 | 836 | (1,572) |
| Taiwan | 207 | 42 | 23 | (23) | 184 | (245) | | | 456 | (517) |
| China | 123 | 7 | 32 | (32) | 259 | (362) | 648 | 869 | 1,069 | (1,393) |
| Finland | 329 | | 28 | (28) | 10 | (17) | 57 | 174 | 424 | (548) |
| Italy | 101 | | 45 | (45) | 128 | (229) | 607 | 1384 | 881 | (1,759) |
| Sweden | 178 | 1 | 59 | (63) | 28 | (58) | 149 | 301 | 415 | (601) |
| Canada | 112 | 1 | 7 | (7) | 97 | (182) | 1 | 1 | 218 | (303) |
| Australia | 46 | | 16 | (16) | 65 | (131) | 145 | 311 | 272 | (504) |
| Singapore | 34 | | 11 | (11) | 75 | (141) | 63 | 179 | 183 | (365) |
| Israel | 63 | | 2 | (2) | 29 | (39) | | | 94 | (104) |
| Belgium | 56 | | 11 | (11) | 13 | (28) | 100 | 220 | 180 | (315) |
| Denmark | 57 | | 1 | (1) | 20 | (31) | 120 | 286 | 198 | (375) |
| British Virgin Islands | 7 | | 3 | (3) | 58 | (105) | 4 | 8 | 72 | (123) |
| Austria | 48 | | 2 | (2) | 13 | (26) | 114 | 274 | 177 | (350) |
| Spain | 16 | | 2 | (2) | 38 | (61) | 158 | 302 | 214 | (381) |
| Luxembourg | 36 | | | | 17 | (31) | 44 | 170 | 97 | (237) |
| Norway | 29 | | 5 | (5) | 8 | (20) | 41 | 111 | 83 | (165) |
| Hong Kong | 3 | | 1 | (1) | 34 | (53) | 1 | 3 | 39 | (60) |
| India | 24 | | 1 | (1) | 12 | (24) | 1 | 5 | 38 | (54) |
| Ireland | 14 | | | | 23 | (32) | 16 | 34 | 53 | (80) |
| Liechtenstein | 4 | | 25 | (28) | 7 | (40) | 46 | 118 | 82 | (190) |
| Brazil | 13 | | 2 | (6) | 15 | (43) | | | 30 | (62) |
| New Zealand | 4 | | 1 | (1) | 23 | (27) | 9 | 9 | 37 | (41) |
| Chile | | | | | 25 | (25) | | | 25 | (25) |
| Malaysia | | | | | 25 | (40) | 2 | 2 | 27 | (42) |
| Thailand | 1 | | | | 23 | (34) | | | 24 | (35) |
| The Cayman Islands | 3 | | | | 20 | (34) | 3 | 6 | 26 | (43) |

Registrations

[unit : cases]

| Countries | Patents | Utility models | Designs | | Trademarks | | International Trademark | | Total | |
|--------------------------|---------------|----------------|--------------|----------------|--------------|-----------------|-------------------------|-----------------|---------------|-----------------|
| South Africa | 5 | | 2 | (2) | 16 | (17) | 3 | (3) | 26 | (27) |
| United Arab Emirates | | | 1 | (1) | 19 | (70) | | | 20 | (71) |
| Saudi Arabia | 4 | | | | 13 | (29) | 1 | (1) | 18 | (34) |
| Mexico | 1 | | | | 16 | (31) | 2 | (2) | 19 | (34) |
| Hungary | 6 | | | | 8 | (23) | 10 | (21) | 24 | (50) |
| Bermuda | 4 | | | | 10 | (22) | 2 | (10) | 16 | (36) |
| Russia | 3 | | 4 | (4) | 4 | (6) | 60 | (111) | 71 | (124) |
| Portugal | 4 | | 3 | (3) | 4 | (7) | 18 | (29) | 29 | (43) |
| Turkey | 6 | | | | 3 | (3) | 65 | (134) | 74 | (143) |
| Greece | 1 | | | | 8 | (40) | 12 | (45) | 21 | (86) |
| Bahamas | 1 | | | | 6 | (15) | 3 | (9) | 10 | (25) |
| Czech Republic | 2 | | 1 | (1) | 3 | (4) | 11 | (18) | 17 | (25) |
| Cyprus | 2 | | | | 4 | (4) | 4 | (8) | 10 | (14) |
| Barbados | 2 | | | | 4 | (8) | 2 | (2) | 8 | (12) |
| Poland | 4 | | | | 2 | (4) | 14 | (31) | 20 | (39) |
| Philippines | | | 1 | (1) | 5 | (5) | | | 6 | (6) |
| Cuba | 4 | | | | 1 | (1) | | | 5 | (5) |
| Vietnam | | | | | 4 | (5) | 16 | (25) | 20 | (30) |
| Samoa | 1 | | 2 | (2) | 4 | (7) | | | 7 | (10) |
| Argentine Republic | | | | | 1 | (1) | | | 1 | (1) |
| Panama | | | | | 4 | (4) | | | 4 | (4) |
| Ukraine | | | | | 4 | (4) | 2 | (2) | 6 | (6) |
| Egypt | | | | | 4 | (4) | | | 4 | (4) |
| Indonesia | | | | | 4 | (7) | | | 4 | (7) |
| Turks and Caicos Islands | 1 | | | | 3 | (5) | | | 4 | (6) |
| Mauritius | | | | | 3 | (6) | | | 3 | (6) |
| Slovenia | 3 | | | | 2 | (6) | 8 | (37) | 13 | (46) |
| British West indies | 3 | | | | | | | | 3 | (3) |
| Colombia | | | | | | | | | | 0 |
| Others | 8 | 2 | | | 19 | (31) | 164 | (256) | 193 | (297) |
| Total | 14,603 | 69 | 2,463 | (2,915) | 6,578 | (11,498) | 8,039 | (16,980) | 31,752 | (46,065) |

Trials and appeals

Petitions

[unit : cases]

| Classification | | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|----------------|----------|----------|----------|----------|----------|
| Grand Total | Patents | 7,142 | 9,725 | 10,950 | 12,238 | 10,561 |
| | Utility models | 786 | 765 | 753 | 906 | 828 |
| | Designs | 480 | 503 | 601 | 766 | 663 |
| | | (484) | (546) | (611) | (806) | (677) |
| | Trademarks | 4,346 | 4,498 | 5,296 | 4,954 | 3,531 |
| | | (5,869) | (6,056) | (7,081) | (7,040) | (5,058) |
| Total | | 12,754 | 15,491 | 17,600 | 18,864 | 15,583 |
| | | (14,281) | (17,092) | (19,395) | (20,990) | (17,124) |
| Ex partes | Patents | 6,365 | 8,821 | 9,870 | 11,055 | 9,533 |
| | Utility models | 307 | 278 | 288 | 450 | 513 |
| | Designs | 153 | 119 | 174 | 247 | 242 |
| | | (153) | (119) | (179) | (279) | (243) |
| | Trademarks | 2,602 | 2,654 | 3,378 | 2,843 | 1,903 |
| | | (3,803) | (3,844) | (4,791) | (4,442) | (2,969) |
| Subtotal | | 9,427 | 11,872 | 13,710 | 14,595 | 12,191 |
| | | (10,628) | (13,062) | (15,128) | (16,226) | (13,258) |
| Inter partes | Patents | 777 | 904 | 1,080 | 1,183 | 1,028 |
| | Utility models | 479 | 487 | 465 | 456 | 315 |
| | Designs | 327 | 384 | 427 | 519 | 421 |
| | | (331) | (427) | (432) | (527) | (434) |
| | Trademarks | 1,744 | 1,844 | 1,918 | 2,111 | 1,628 |
| | | (2,066) | (2,212) | (2,290) | (2,598) | (2,089) |
| Subtotal | | 3,327 | 3,619 | 3,890 | 4,269 | 3,392 |
| | | (3,653) | (4,030) | (4,267) | (4,764) | (3,866) |

Note: Figures in parentheses include multiple applications

Trials and appeals

Actions

[unit : cases]

| Classification | Decision | | | Invalidation | | | Registration | | | Total | | | |
|----------------|----------------|----------|----------|--------------|-------|-------|--------------|---------|---------|---------|----------|----------|----------|
| | 2007 | 2008 | 2009 | 2007 | 2008 | 2009 | 2007 | 2008 | 2009 | 2007 | 2008 | 2009 | |
| Grand Total | Patents | 5,696 | 5,258 | 4,719 | 348 | 316 | 314 | 5,291 | 5,163 | 4,849 | 11,335 | 10,737 | 9,882 |
| | Utility models | 839 | 732 | 545 | 14 | 29 | 65 | 9 | 94 | 138 | 862 | 855 | 748 |
| | Designs | 484 | 542 | 605 | 19 | 46 | 32 | 29 | 39 | 46 | 532 | 627 | 683 |
| | | (487) | (583) | (619) | (19) | (48) | (32) | (33) | (39) | (46) | (539) | (670) | (697) |
| | Trademarks | 4,607 | 5,096 | 3,895 | 32 | 44 | 26 | | | | 4,639 | 5,140 | 3,921 |
| | | (6,191) | (7,085) | (5,347) | (54) | (126) | (54) | | | | (6,245) | (7,211) | (5,401) |
| Total | | 11,626 | 11,628 | 9,764 | 413 | 435 | 437 | 5,329 | 5,296 | 5,033 | 17,368 | 17,359 | 15,234 |
| | | (13,213) | (13,658) | (11,230) | (435) | (519) | (465) | (5,333) | (5,296) | (5,033) | (18,981) | (19,473) | (16,728) |
| Expertes | Patents | 4,628 | 4,226 | 3,774 | 332 | 295 | 303 | 5,291 | 5,163 | 4,849 | 10,251 | 9,684 | 8,926 |
| | Utility models | 302 | 270 | 194 | 8 | 24 | 59 | 9 | 94 | 138 | 319 | 388 | 391 |
| | Designs | 105 | 122 | 127 | 18 | 37 | 30 | 29 | 39 | 46 | 152 | 198 | 203 |
| | | (105) | (155) | (127) | (18) | (37) | (30) | (33) | (39) | (46) | (156) | (231) | (203) |
| | Trademarks | 2,775 | 3,196 | 2,138 | 11 | 15 | 9 | | | | 2,786 | 3,211 | 2,147 |
| | | (3,993) | (4,837) | (3,231) | (28) | (38) | (16) | | | | (4,021) | (4,875) | (3,247) |
| Subtotal | | 7,810 | 7,814 | 6,233 | 369 | 371 | 401 | 5,329 | 5,296 | 5,033 | 13,508 | 13,481 | 11,667 |
| | | (9,028) | (9,488) | (7,326) | (386) | (394) | (408) | (5,333) | (5,296) | (5,033) | (14,747) | (15,178) | (12,767) |
| Interpartes | Patents | 1,068 | 1,032 | 945 | 16 | 21 | 11 | | | | 1,084 | 1,053 | 956 |
| | Utility models | 537 | 462 | 351 | 6 | 5 | 6 | | | | 543 | 467 | 357 |
| | Designs | 379 | 420 | 478 | 1 | 9 | 2 | | | | 380 | 429 | 480 |
| | | (382) | (428) | (492) | (1) | (11) | (2) | | | | (383) | (439) | (494) |
| | Trademarks | 1,832 | 1,900 | 1,757 | 21 | 29 | 17 | | | | 1,853 | 1,929 | 1,774 |
| | | (2,198) | (2,248) | (2,116) | (26) | (88) | (38) | | | | (2,224) | (2,336) | (2,154) |
| Subtotal | | 3,816 | 3,814 | 3,531 | 44 | 64 | 36 | | | | 3,860 | 3,878 | 3,567 |
| | | (4,185) | (4,170) | (3,904) | (49) | (125) | (57) | | | | (4,234) | (4,295) | (3,961) |

Note: Figures in parentheses include multiple applications

Trials and appeals

Successful appeals

[unit : cases]

| Classification | | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|----------------|--------------|--------------|--------------|--------------|--------------|
| Exparte | Patents | 1,087 (39.7) | 1,727 (43.1) | 1,650 (35.7) | 1,247 (29.5) | 926 (24.5) |
| | Utility models | 137 (41.9) | 128 (36.1) | 95 (31.5) | 89 (33.0) | 61 (31.4) |
| | Designs | 21 (22.3) | 43 (51.8) | 42 (40.0) | 53 (43.4) | 56 (44.1) |
| | Trademarks | 1,072 (48.8) | 1,312 (51.9) | 1,604 (57.8) | 1,734 (54.3) | 1,336 (62.5) |
| | Subtotal | 2,317 (43.3) | 3,210 (46.1) | 3,391(43.4) | 3,123 (40.0) | 2,379 (38.2) |
| Inter partes | Patents | 426 (53.3) | 465 (53.5) | 571(53.5) | 541(52.4) | 499 (52.8) |
| | Utility models | 350 (49.6) | 263 (54.0) | 269 (50.1) | 227(49.1) | 191(54.4) |
| | Designs | 193 (51.6) | 189 (56.1) | 187 (49.3) | 223 (53.1) | 188 (39.3) |
| | Trademarks | 1,010 (63.5) | 1,024 (61.4) | 1,134 (61.9) | 1,136 (59.8) | 1,107 (63.0) |
| | Subtotal | 1,979 (57.0) | 1,941 (57.7) | 2,161(56.6) | 2,127 (55.8) | 1,985 (56.2) |
| Total | Patents | 1,513 (42.8) | 2,192 (45.0) | 2,221(39.0) | 1,788 (34.0) | 1,425 (30.2) |
| | Utility models | 487 (47.1) | 391 (46.4) | 364 (43.4) | 316 (43.2) | 252(46.2) |
| | Designs | 214 (45.7) | 232 (55.2) | 229 (47.3) | 276 (50.9) | 244 (40.3) |
| | Trademarks | 2,082 (55.0) | 2,336 (55.7) | 2,738 (59.4) | 2,870 (56.3) | 2,443 (62.7) |
| | Total | 4,296 (48.7) | 5,151(49.8) | 5,552 (47.8) | 5,250 (45.1) | 4,364 (44.7) |

Note: 1. The successful appeals refer to the number of appeals upheld. These figures exclude cases where the registration was decided on the basis of an examiners's reconsideration before a trial and invalidation of a patent process

2. The figures in parentheses indicate the percentage of the appeals upheld

Trials and appeals

Comparison of domestic and foreign trial requests

[unit : cases]

| Classification | | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|----------|---------|----------|----------|----------|----------|
| Patents | Domestic | 4,362 | 6,209 | 7,004 | 7,650 | 6,698 |
| | Foreign | 2,780 | 3,516 | 3,946 | 4,588 | 3,863 |
| Utility Models | Domestic | 771 | 758 | 744 | 900 | 817 |
| | Foreign | 15 | 7 | 9 | 6 | 11 |
| Designs | Domestic | 452 | 475 | 574 | 723 | 622 |
| | | (456) | (515) | (584) | (763) | (636) |
| | Foreign | 28 | 28 | 27 | 43 | 41 |
| | | (28) | (31) | (27) | (43) | (41) |
| Trade-marks | Domestic | 2,852 | 2,769 | 3,252 | 2,878 | 2,112 |
| | | (3,432) | (3,315) | (3,750) | (3,474) | (2,530) |
| | Foreign | 1,494 | 1,729 | 2,044 | 2,076 | 1,419 |
| | | (2,437) | (2,741) | (3,331) | (3,566) | (2,528) |
| Total | Domestic | 8,437 | 10,211 | 11,574 | 12,151 | 10,249 |
| | | (9,021) | (10,797) | (12,082) | (12,787) | (10,681) |
| | Foreign | 4,317 | 5,280 | 6,026 | 6,713 | 5,334 |
| | | (5,260) | (6,295) | (7,313) | (8,203) | (6,443) |

Note: Figures in parentheses include multiple applications

Revenue and expenditure

Gross Revenue

[unit : billion KRW]

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---------|---------|---------|---------|---------|
| Revenue from goods and services | 224,645 | 266,336 | 274,235 | 267,775 | 273,503 |
| Revenue carried over from the previous year | 15,114 | 48,221 | 65,320 | 66,834 | 47,296 |
| Internal revenue and others | 29,723 | 37,226 | 31,107 | 18,153 | 21,929 |
| Total | 269,482 | 351,783 | 370,662 | 352,762 | 342,728 |

Expenditure

[unit : billion KRW]

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------|---------|---------|---------|---------|---------|
| Major projects | 106,544 | 198,262 | 210,950 | 201,235 | 222,993 |
| Basic projects | 12,416 | 15,294 | 16,133 | 12,359 | 13,054 |
| Labor costs | 59,533 | 72,907 | 76,746 | 81,871 | 82,943 |
| Reserve fund | 4,768 | - | - | - | - |
| Deposit for special budget | 38,000 | - | - | 10,000 | 10,000 |
| Total | 221,261 | 286,463 | 303,829 | 305,465 | 328,990 |

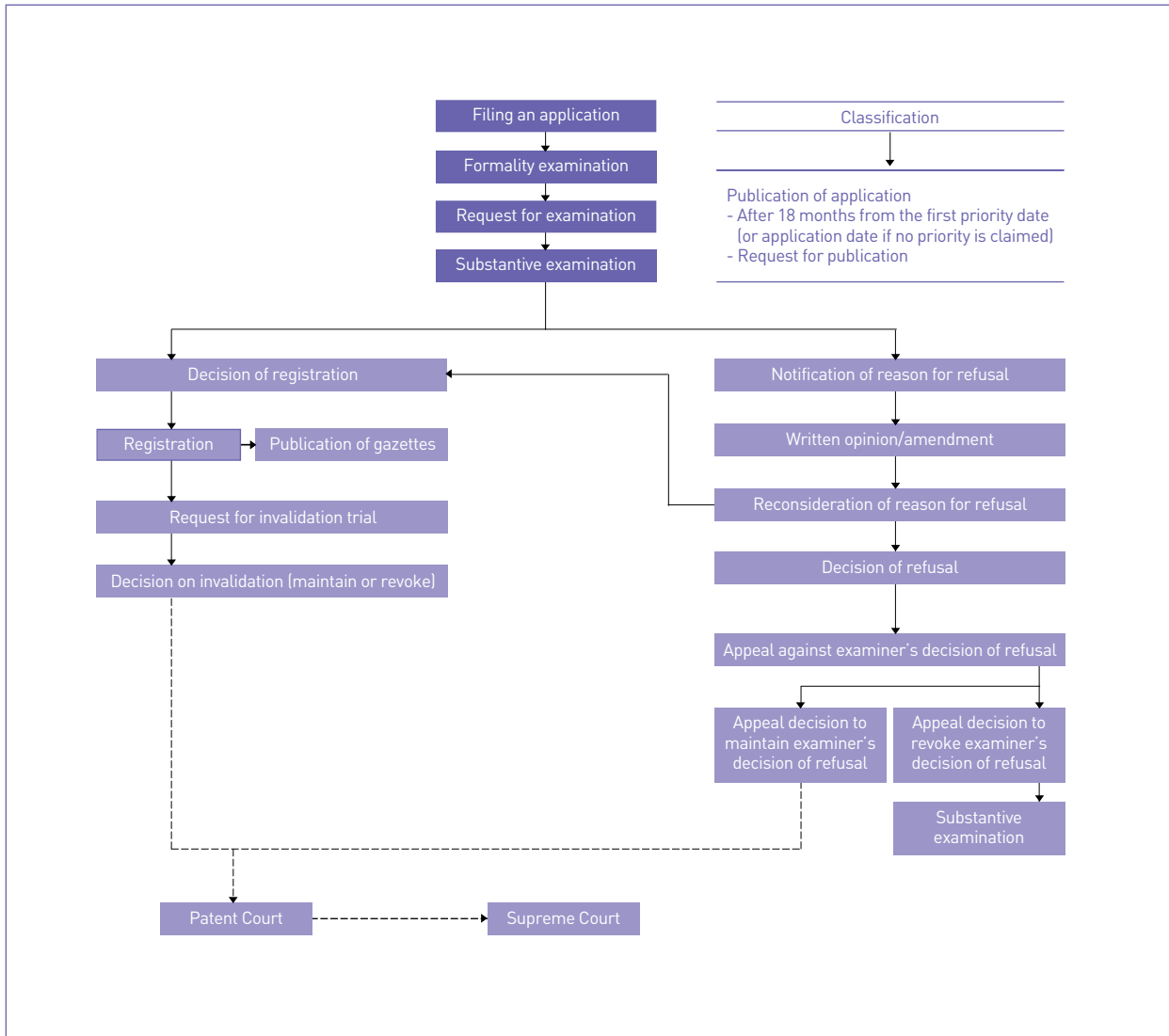
Kipo Staff

[unit : number of positions]

| | | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|-----------------------------------|-------|-------|-------|-------|-------|-------|
| Examiners | Patent and utility models | 558 | 728 | 727 | 660 | 678 | 675 |
| | Industrial designs and trademarks | 112 | 140 | 139 | 130 | 129 | 126 |
| | Total | 670 | 868 | 866 | 790 | 807 | 801 |
| Appeal judges | | 41 | 49 | 79 | 99 | 99 | 99 |
| Clerical staff | | 495 | 575 | 572 | 616 | 605 | 611 |
| Total | | 1,206 | 1,492 | 1,517 | 1,528 | 1,511 | 1,511 |

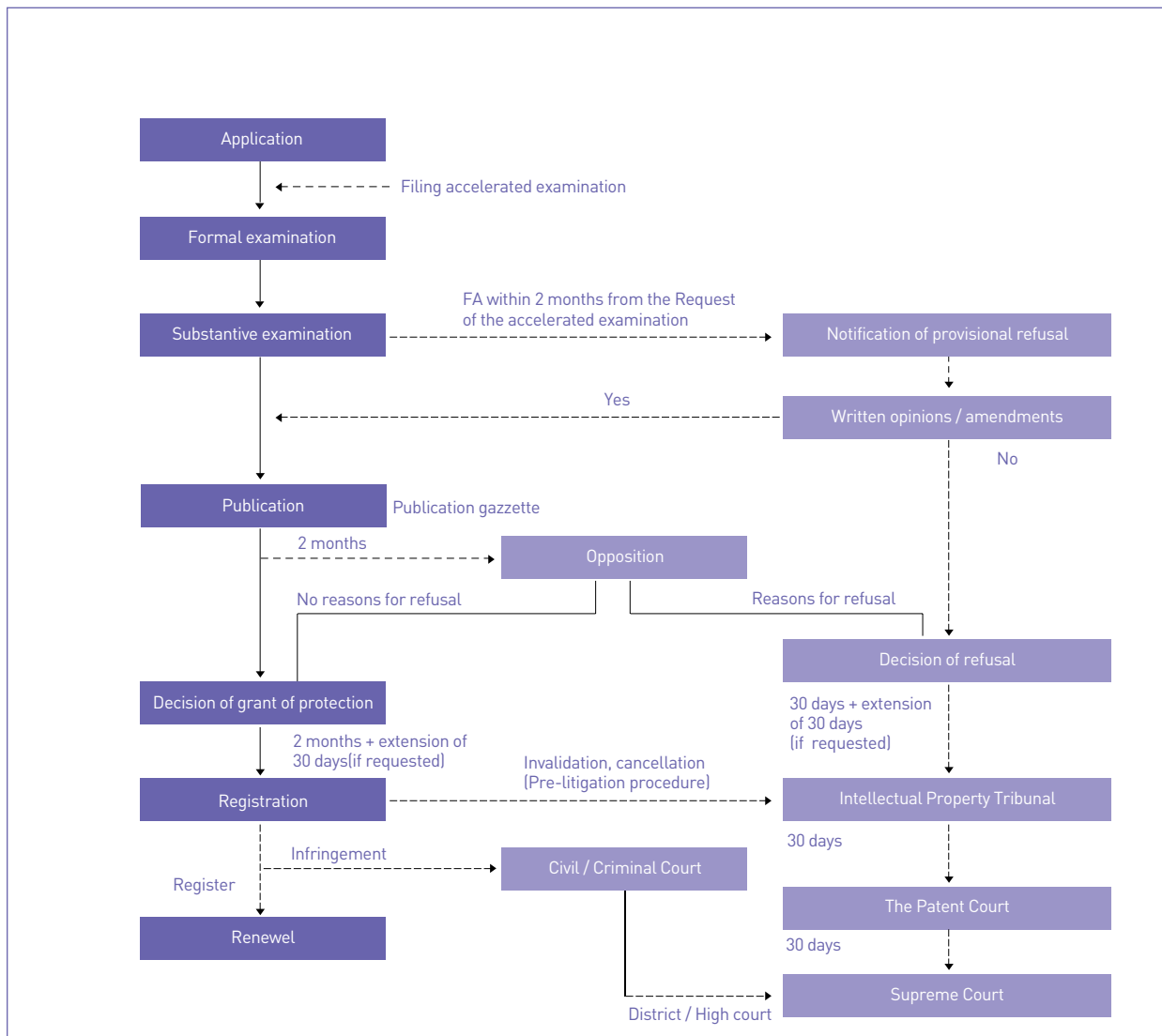
Flow chart for examinations

Procedure for granting patents and utility models



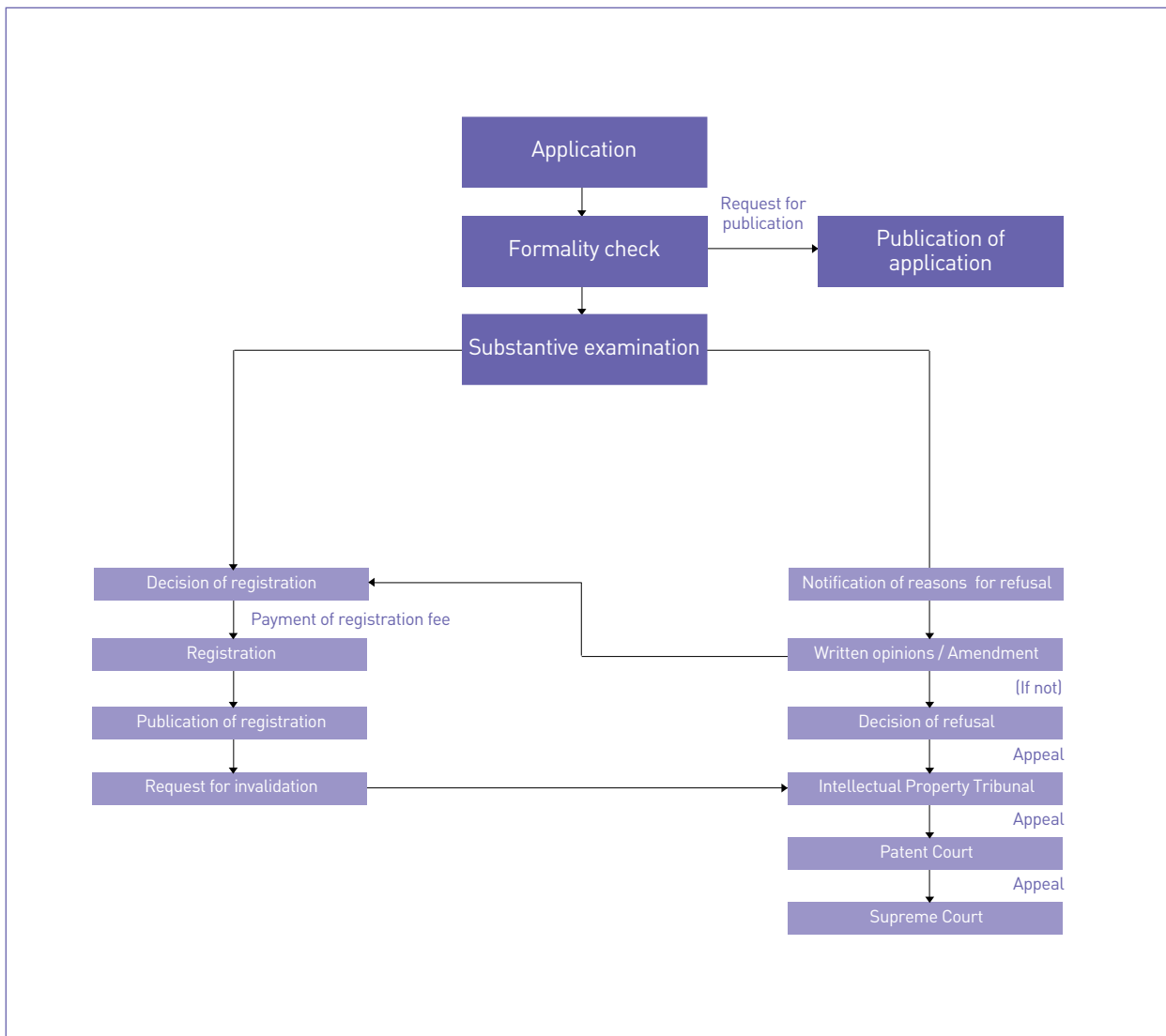
Flow chart for examinations

Procedure for trademarks applications



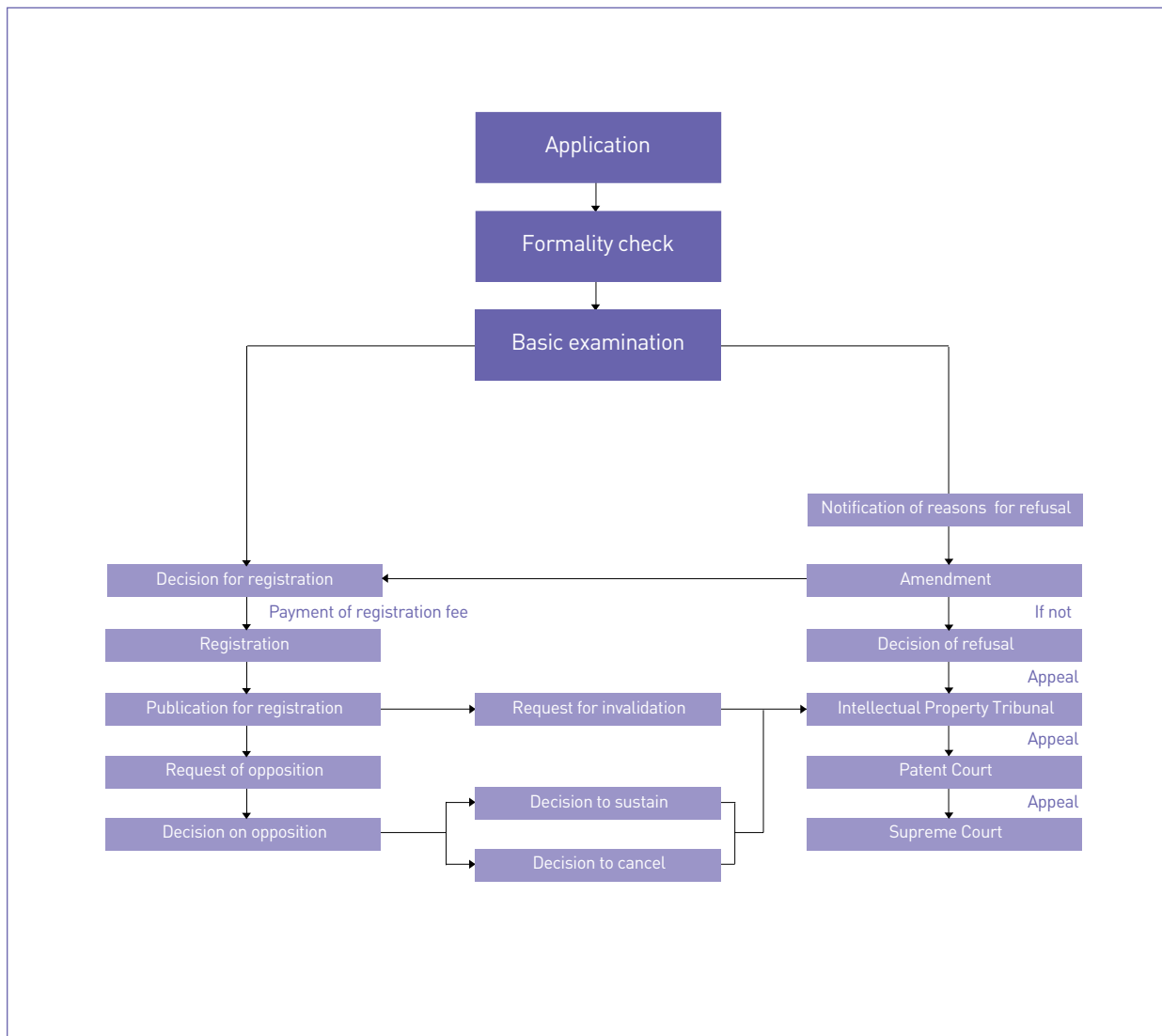
Flow chart for examinations

Substantive examination for industrial designs

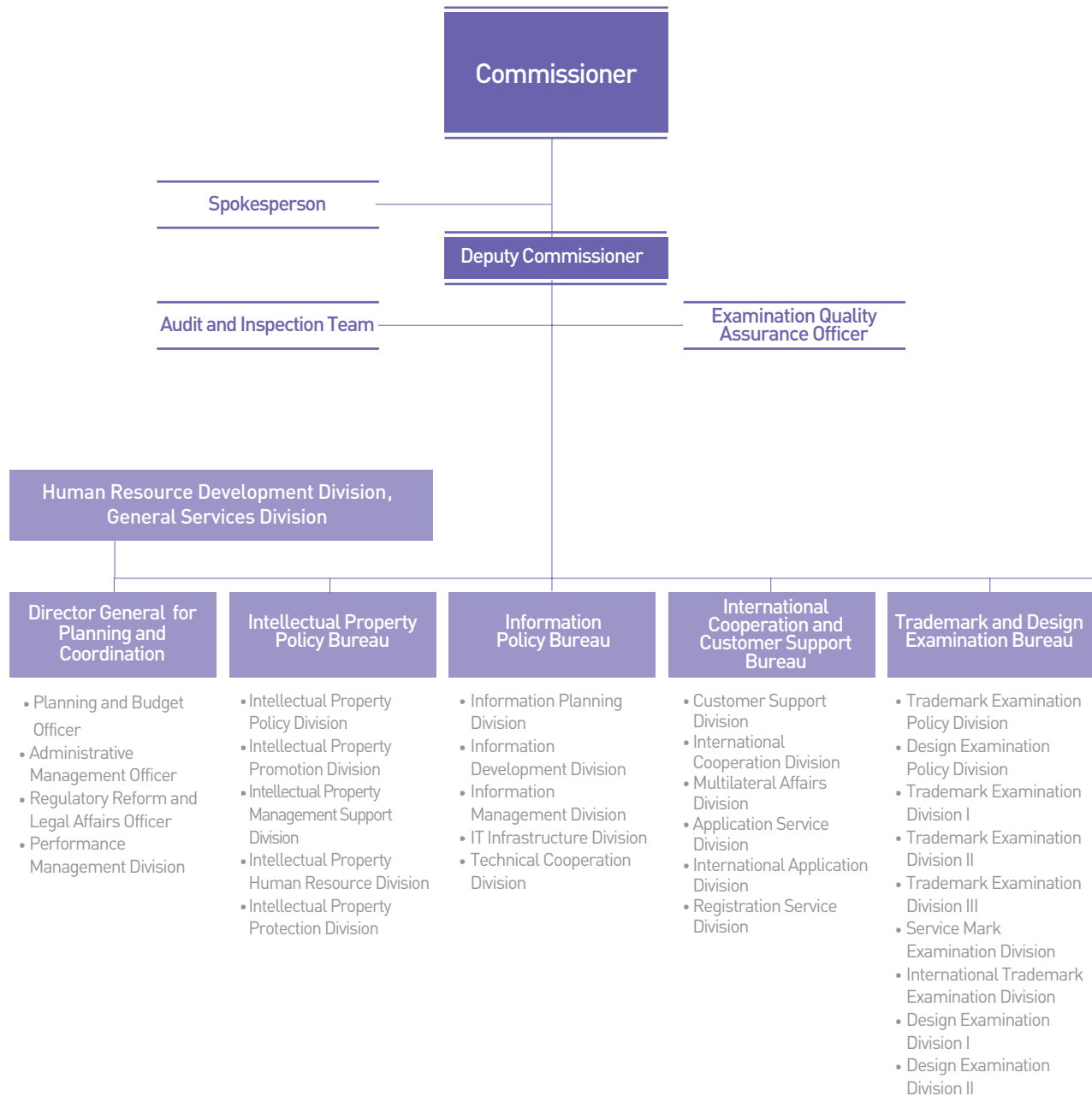


Flow chart for examinations

Non-substantive examination for industrial designs



Organizational chart of KIPO



Machinery, Metals and Construction Examination Bureau

- General Machinery Examination Division
- Automobile Examination Division
- Transport Machinery Examination Division
- Prime Mover Machinery Examination Division
- Precision Machinery Examination Division
- Air-conditioning Machinery Examination Division
- Metals Examination Division
- Construction Technology Examination Division
- Convergence Technology Examination Division I

Chemistry and Biotechnology Examination Bureau

- Biotechnology Examination Division
- Chemical Materials Examination Division
- Fine Chemistry Examination Division
- Environment and Energy Examination Division
- Pharmaceutical Examination Division
- Textile and Consumer Goods Examination Division
- Food and Biological Resources Examination Division
- Convergence Technology Examination Division II

Electric and Electronic Examination Bureau

- Patent Examination Policy Division
- Patent Examination Support Division
- Electric Examination Division
- Electronic Examination Division
- Semiconductor Examination Division
- Electronic Commerce Examination Division
- Ubiquitous Examination Division
- Convergence Technology Examination Division III
- Standard-Related Patent and Semiconductor Intellectual Property Division

Information and Communications Examination Bureau

- Telecommunications Examination Division
- Information Systems Examination Division
- Imaging Devices Examination Division
- Display Examination Division
- Digital Broadcasting Examination Division
- Network Examination Division

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