

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.

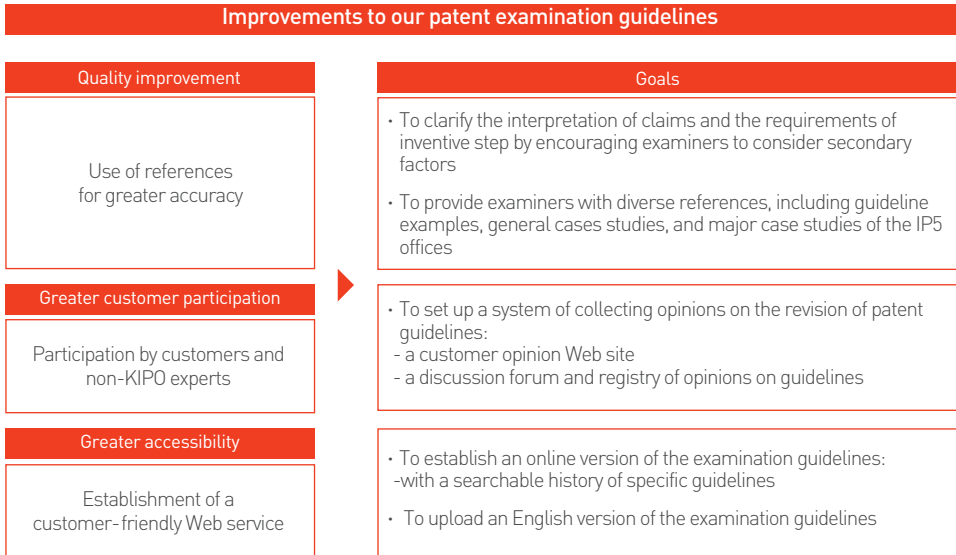


Creation of robust IPRs through high-quality examinations

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.



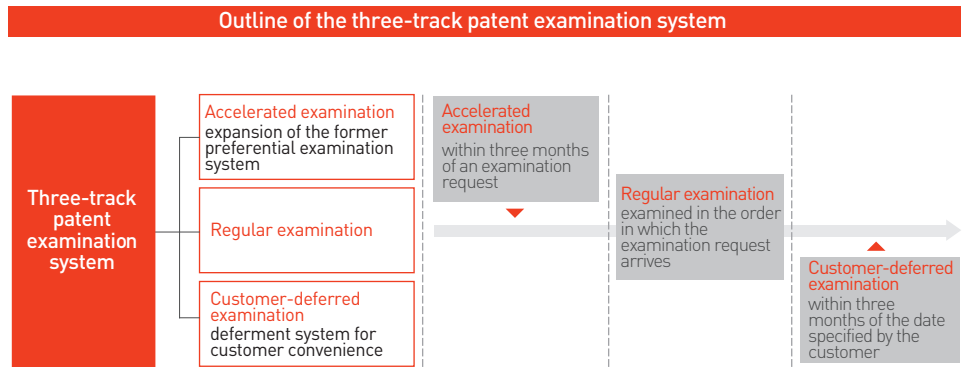
| Contest of examination and search know-how

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

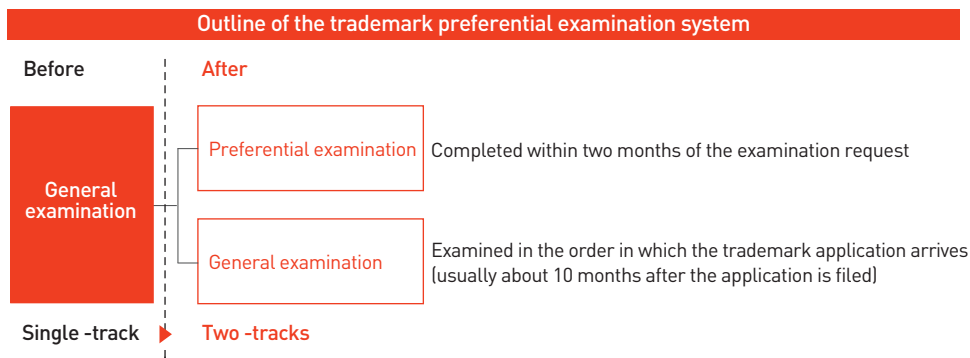
	2008	2009	Total
Accelerated track	216	2,662	2,878
Customer-deferred track	858	1,698	2,556

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

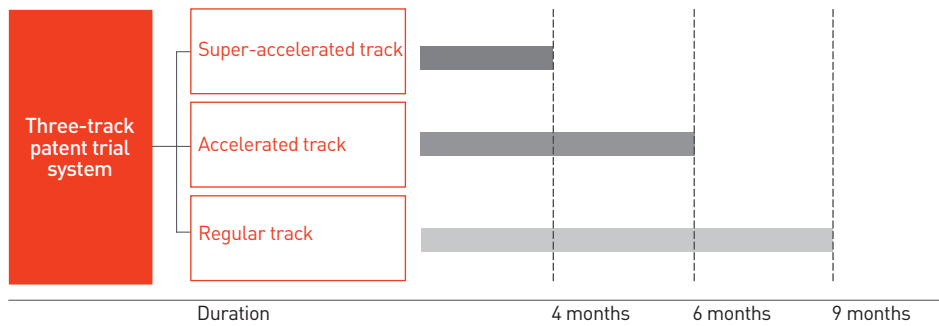
The three-track patent trial system

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



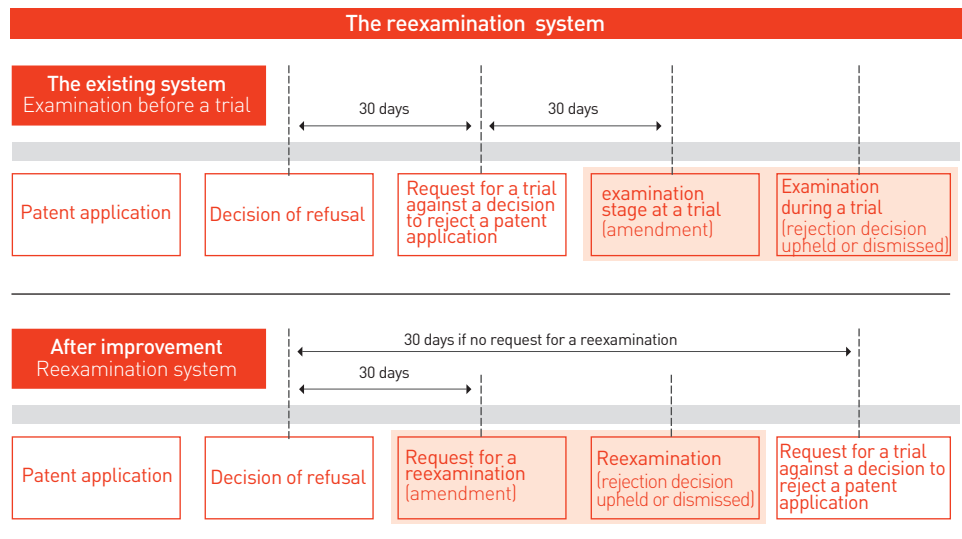
When the super-accelerated track of the patent trial system was first introduced, it had a number of limitations. For example, it was limited exclusively to trials pertaining to the confirmation of the scope of a patent right; furthermore, it only applied to cases where the court had been notified that 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.



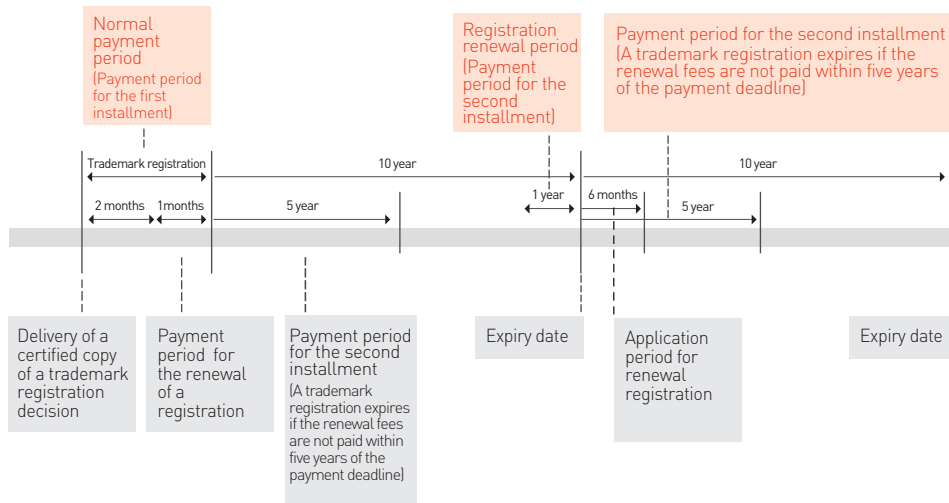
Trademarks

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

