

# Message from the Commissioner

Starting in 2016, the global economy began to face big challenges with the advent of the 4th Industrial Revolution. As the Korean governmental agency primarily responsible for overseeing intellectual property rights (IPRs), which is the foundation of this challenge, the Korean Intellectual Property Office (KIPO) strives to implement its intellectual property (IP) administration in such a way to strengthen the nation's competitiveness.

Domestically, KIPO has put as great an emphasis as possible on further developing its examination services, as well as promoting economic sustainability through a virtuous cycle of IP creation, utilization, and protection. On the international front, we strengthened our cooperative ties with foreign IP offices and other international organizations we regularly interact with.

In order to maintain one of the world's fastest first action pendency and better ensure high-quality examination, we expanded outsourcing prior art searches and facilitated conducting various types of cooperative examinations including consultative examination among examiners and crowdsourcing examination. This was to enable examiners to maximize their time efficiency by helping them stay focused on their examinations.

This has resulted in some significant changes which indicate that the quality of our examination is increasing. The ratio of patent registration and ratio of appeal against a rejection decision was lower compared to 2015.

The year 2016 marked the 51st Korea's Invention Day, encouraging us to look ahead to what might be achieved over the next fifty years. So in celebration of this day, KIPO hosted an event which included a commemorative movie screening, ceremony performance, and outstanding invention exhibition to raise IP awareness. Further, inventors who made significant contributions to society were honored.

In addition, we prepared a blueprint for a nation-wide patent strategy, and we conducted patent trend surveys covering more than 3,100 Korean governmental R&D projects. We also provided support for the creation of high value-added standard-essential patents (SEPs), as well as for product development that takes into account IP rights and incorporates patenting, branding, and design.

To help support small and medium-sized enterprises (SMEs) possessing outstanding patents and cutting-edge technology, we established an IP financing system that allows them to use their IP as collateral for attaining substantial loans. In 2016, we expanded this system to include participation from private banks, rather than limiting it solely to public banks. The result was an accumulative sum of around 261.3 million USD lent to SMEs.

Moreover, 199 KIPO-funded Invention Education Centers throughout the nation provided IP education to elementary, middle, and high school students, thereby contributing to increased public IPR awareness and the fostering of a new national talent pool of inventors.

We endeavored to raise the level of Korea's IPR protection, so we launched nationwide promotions and campaigns to promote public participation in helping to abolish counterfeit goods. Also, we systematically cracked down on IP infringers and seized a total of 584,094 counterfeit goods.

Furthermore, we expanded our multilateral and bilateral cooperation in order to better improve the global IP system.

In February 2016, KIPO signed a Memorandum of Understanding (MOU) with the UAE for Korea to export its patent automation system; a project which will enable the UAE to conduct their patent and design administration (i.e., application submission, examination, registration,

and fee payment) online and is valued at around 4.5 million USD.

We conducted appropriate technology and brand development projects in 2016 with Vietnam and Indonesia, and held appropriate technology competitions in the Dominican Republic as well as Thailand. With these projects, we shared IP globally to resolve the difficulties of daily living and to help increase quality of life in developing countries. Based on these experiences, we held the "Global IP-Sharing Korea" event in August 2016, in Seoul, to share our successful experiences in transforming from an aid recipient to donor country through IP sharing projects as a member of the IP field.

Last but not least, at the 2016 IP5 Heads Meeting, held in Tokyo, Japan, we agreed with the other IP5 offices that each office would, through adopting a joint declaration, explore cooperating in terms of office responses to emerging technologies, such as the internet of things (IoT) and artificial intelligence (AI) as well as assessing the impact of these newly emerging technologies on the overall IPR system.

Last year's achievements would not have been possible were it not for the continued interest and support shown by our numerous stakeholders and IP service users, both foreign and domestic. We at KIPO will lead the creation of strong and flexible IP and thoroughly prepare for the 4th Industrial Revolution in our resolve to facilitate economic growth and innovation.

It is my great pleasure to be involved with publishing this year's annual report, which contains information on KIPO's primary activities and overall performance results for 2016. I hope it serves to provide you with a better understanding of our recent projects and overarching vision for the future.

**Choi Donggyou** | Commissioner



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