

Enhancing IPR Protection



IPR Protection in Korea

01 Enhancing IPR protection against counterfeits

In September 2010, KIPO launched the Special Investigation Police for Trademark (SIP) as a way of enhancing law enforcement on counterfeits, and we established offices in the cities of Seoul, Busan, and Daejeon.

In 2016, SIP criminally arraigned 351 suspects found producing and/or selling counterfeit goods, with a total of 584,094 counterfeit goods being seized.

Due to the boom in e-commerce, online transactions of counterfeit goods have been rapidly increasing. To efficiently tackle this issue, in November 2011, we established an online law enforcement task force equipped with digital forensic equipment to firmly regulate online transactions of counterfeits. We arrest sellers of online counterfeit goods and block and/or shut down offensive websites.

In addition, we actively reinforce investigations into those counterfeit goods that have a great impact on people's lives, such as the large-scale illegal manufacturing and distribution of counterfeits related to health and safety.

02 Increasing the public's awareness on IPR protection

KIPO conducted a series of public awareness activities to enhance IPR protection and consumer awareness of the



illegality of counterfeit goods. KIPO, in collaboration with leading universities in the IP field, along with conducting street campaigns, educated the public about the illegality of counterfeit goods, methods of harm prevention from false indications and comparisons between genuine and fake products.

Also, KIPO intensified promotions through sites, blogs and SNS to catalyze public opinion and establish a culture that respects IP and its protection. KIPO carried out competitions to eradicate IP technology theft, prevent purchases of counterfeits and false indications. A total of 144 items were submitted, and among them, 28 were prized and such prized items were used as part of public advertisements. And, KIPO developed teaching materials about IPR protection from 2014 to 2016, and subsequently, disseminated them to elementary, middle and high school students.

Law Enforcement Results

Category		2010 (September–December)	2011	2012	2013	2014	2015	2016	Subtotal
Criminal arrests	Number of individuals	45	139	302	376	430	340	351	1,983
	Number of seized goods	28,629	28,589	131,599	822,360	1,114,192	1,192,988	584,094	3,902,451

03 Improvements to IPR protection laws and systems

KIPO has worked on amendments for the compensation system of infringements against IPRs since the second half of 2013. The 2016 Patent Act amendment reflects this and are demonstrated in the following change of contents:

- ① If an appraisal is ordered to assess the amount of damages in an action against infringement of a patent, the parties in the lawsuit are responsible for explaining the case details to the appraiser;
- ② The evidence to be presented may include not only documents, but also other reference materials. The purpose of submission of reference materials should be proof of a patent infringement; and
- ③ In the case where a party is unable to follow the court's order to submit reference material, and is unable to provide other evidence, it is recognized as that party admitting to the other party's claims as being true.

Through these amendments, we expect a more just compensation system which will contribute significantly to fostering a sound IP ecosystem.



04 Trade secret protection projects

According to the Enforcement Decree of the Unfair Competition Prevention and Trade Secret Protection Act, a certification that is issued by a certification institute results in a presumption, so it can be used as proof when trade secret disputes occur. Therefore, KIPO began to operate the Trade Secret Certification Service, which was introduced in November 2010, to alleviate the difficulty of authenticating trade secret ownership during infringement litigation. Time stamps are generated by combining unique codes, called "hash values," from trade secret e-documents with authorized time values. Time stamps are then registered with the Korea Institute of Patent Information to prove the existence of original copies of trade secrets, as well as their initial dates of possession. The number of cases involving the Trade Secret Certification Service has steadily grown, and was expected to reach an accumulative total of 87,641 cases by the end of 2015. In fact, since 2010, this system was used for an accumulative total of 102,061 cases, as of 2016.

KIPO also established the Trade Secret Protection Center and this center conducted various support projects including consultations and the provision of information. KIPO conducted regional seminars in densely business



Overseas IPR Protection

populated areas to enhance understanding about trade secret systems by developing on/offline education materials to demonstrate the seriousness of leaking trade secrets and how to protect trade secrets, as well as disseminating online and offline education at company visits.

In addition, we developed and distributed the Trade Secret Protection Management System to help SMEs manage their trade secrets at minimal cost and manpower. In 2016, the use of this system by SMEs continued to increase as shown by the fact that 128 companies introduced this system.

01 IP-DESK

KIPO operates IP-DESKs to protect and further promote IPRs belonging to Korean companies doing business overseas. Recently, additional IP-DESKs were added in areas where Korean companies are frequently embroiled in IPR disputes. In 2014, we set up an IP-DESK in Frankfurt, Germany and an IP-DESK in Tokyo, Japan was then added in 2015. In 2016, we set up an IP-DESK in Xi'an, China, which is an economic hub of western China. As of

December 2016, we were operating a total of 12 IP-DESKs in 6 countries.

IP-DESKs provide Korean companies, whether active in or preparing to enter foreign markets, with consultations on registering and protecting IPRs and resolving IPR disputes. In addition, we hold seminars to share information on how to prevent infringements.

KIPO also held seminars to help IPR-related government officials of China, Thailand, and Vietnam to enhance their capabilities of enforcing protection against counterfeit goods. And we are making efforts to develop cooperative channels with foreign IPR related organizations in order to protect the IPRs of Korean companies operating overseas.

In collaboration with those industrial associations that generally face the greatest amount of IPR disputes, we hosted IPR protection capacity and awareness seminars, and supported site inspections of counterfeit goods distribution channels overseas. This was done in order to advise Korean companies on the best ways to secure trademark rights before entering overseas markets. We also monitored the online distribution of counterfeit goods and illegal usage of K-brands by overseas trademark trolls. The results of our monitoring were then shared with Korean companies to help them determine appropriate counter measures.

In 2016, KIPO monitored the infringements of 46 trademark trolls in China and then shared this with Korean companies to help them determine the appropriate counter measures. And in cooperation with the Alibaba Group, KIPO prosecuted about 19,000 counterfeit goods on Alibaba and blocked related sites.

02 Establishing methods for K-Brand protection

In response to the way that Korean goods are increasingly being counterfeited in certain overseas markets, in 2014, we implemented, through cooperation with other relevant government agencies, "Comprehensive Protection Measures for K-Brands" to increase the credibility of the Korean brands and prevent damage to the national image. And, in 2015, we provided systematic support to further protect Korean brands.

Korea's IP-DESKs around the world

