







Message from the Minister of Culture, Sports and Tourism



I believe it is very meaningful that a truly comprehensive annual report on Korea's copyright policies and projects is published for the first time since the Ministry of Culture, Sports and Tourism

started to work on copyright-related policies and projects in 1987.

The year 1987 marked another milestone in the history of Korean copyright policy. It was then that Korea became a contracting state of the Universal Copyright Convention ("UCC") and the Convention for the Protection of Producers of Phonograms against Unauthorized Duplication of Their Phonograms (Phonogram Convention), taking the first official step in international efforts to protect copyrights.

Since then, the Korean government has continually made efforts to establish and implement various copyright protection policies

to ensure that creators' hard work and devotion to creating works are duly respected and appropriately rewarded.

Examples include reorganizing and expanding the organizations and human resources for copyright policies; joining various international conventions on copyrights such as the WTO/TRIPS Agreement, the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention), International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (Rome Convention), the WIPO Copyright Treaty ("WCT"), and the WIPO Performances and Phonograms Treaty ("WPPT"); and formulating and amending applicable domestic laws and regulations to bring protections in line with international standards.

The last two years saw an especially great deal of change in the organizations and systems to implement more practical policies. Such realignments were motivated by the rapid change in the environment of creating and using works due to the advances in digital network technology.

To efficiently counter copyright infringement using digital technology, Copyright Protection Division was established in 2008 with four regional offices (in Seoul, Busan, Daejeon, and Gwangju) staffed by special judicial police officers to exclusively deal with and crack down on copyright infringements.

This year, some punishments were newly devised or made more severe for those who habitually upload illegal reproductions online and for online bulletin board site operators that provide commercial profits or usage benefits for distribution of illegal reproductions. This helped lay the legal foundation to preempt distribution of illegal reproductions through the Internet.

In addition, the Korean government does not stop at protecting the rights and interests of only the copyright holders of Korean nationality, but also the copyright holders of foreign works used in Korea. As a member of international community, Korea recognizes the importance of copyright protection policy with a view to help the global community's cultural development and to encourage the contribution from the creators of works around the world. Korea intends to share copyright protection experiences and build cooperative relations with other countries so that copyright policy can be internationally recognized for sustainable development of international community and culture.

This annual report is the first ever produced on copyright protection in Korea, and will be published every year henceforth. It is a concise and meaningful report that reflects Korea's committment to uphold copyrights and demonstrates that Korea is ceaselessly and tirelessly striving to provide the best possible copyright protection.

Thank you.

Yu, In-Chon Minister of Culture, Sports and Tourism



- I . Ministry of Culture, Sports and Tourism
- II. Korea Copyright Commission
- III. Copyright Protection Center

I . Ministry of Culture, Sports and Tourism

1. Organization, history, and major policies

(1) Organization and history

The government agency responsible for copyright policy in Korea is the Ministry of Culture, Sports and Tourism ("MCST"). The MCST has worked to establish effective copyright policy and copyright protection since 1987. After several reorganizations, the current organization was put into place in May 2009. It now has an expanded department exclusively responsible for handling copyright matters, with three divisions (Copyright Policy Division, Copyright Protection Division, and Copyright Industry Division) under the supervision of Copyright Policy General.

This expansion represents the greatest change organization-wise, carried out to accommodate growing demand for more comprehensive policies driven by the fact that the digital network is affording increasingly numerous ways of creating, providing, and using works. Previously, there was only one division handling copyrights when such work first came under the control of the MCST (then "the Ministry of Culture and Public Information"). Twenty years later, there are now three dedicated divisions with the staff increasing from only ten to about fifty.

The augmentation in human resources was primarily due to the appointment and expansion of the corps of special judicial police officers. These officers are assigned to the regional offices in Seoul, Daejeon, Busan, and Gwangju to crack down on illegal reproduction.

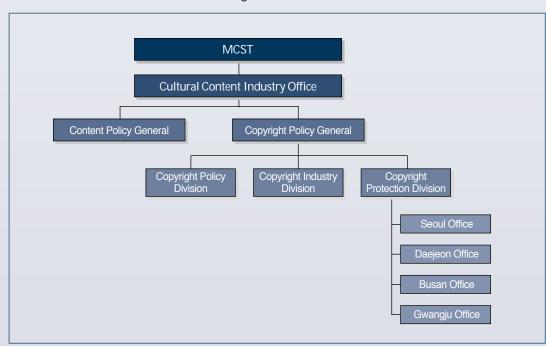
The milestones in reorganization with respect to copyright policy within the MCST are as follows:

< Milestones in copyright policy reorganization >

| Dec. 1987 | Copyright Division established within the Ministry of Culture and Public Information |
|-----------|---|
| Aug. 2005 | Copyright Division transferred from the Culture Policy Bureau to the Culture Industry Bureau |
| Jul. 2006 | Name changed from Copyright Division to Copyright Team due to government reorganization |
| May 2007 | Copyright Team enlarged and separated into the Copyright Policy Team and Copyright Industry Team |
| Feb. 2008 | Copyright Policy General established |
| Mar. 2008 | Computer program protection work transferred from the Ministry of Information and Communication to the MCST |
| Aug. 2008 | Copyright Protection Team established |
| Jan. 2009 | Trade Cooperation Team established |
| May 2009 | Trade Cooperation Team integrated into the Copyright Policy Division and enlarged |

Below is the chart of the organization for drafting and implementing copyright policy:

< Organization chart >



The following are the number of employees and main tasks of each division responsible for copyright:

| Division | Employees | Main tasks |
|--|---|---|
| Copyright Policy Division | 14 | Improving copyright laws and systems; managing and supervising the Korea Copyright Commission; copyright education and promotion; overseas copyright protection and international cooperation; copyright-related trade, etc. |
| Copyright Industry Division | 7 | Establishing the system and environment for copyright circulation (registration/verification); standardizing copyright protection and management technologies; guiding and supervising copyright trust management organizations and copyright brokerage organizations; statutory licensing of copyrights, donation, etc. |
| Copyright Protection Division(Four regional offices) | 34 (32 special judicial police officers) | Crackdown on distribution of illegal reproductions on- and off-line; support for operation of the Copyright Protection Center; ordering deletion or suspension of transmission of illegal online reproductions; imposition of fines for negligence, and other appropriate measures; support for development and operation of a tracking and management system for illegal reproductions, etc. |

(2) Basic policy goals and main policy tasks for 2009

In January 2009, the MCST announced a plan to establish a healthy environment for copyrights to make Korea one of the world's five leading countries in terms of contents by 2012. The plan entails creating a system for 24-hour monitoring to crackdown on illegal online reproductions; building a "digital work exchange" for legal distribution of works; forming a consultative body to provide solutions for copyright issues; establishing a framework for fair use of works; and raising the public's awareness of copyright in daily life.

The basic policy goals of the MCST for 2009 are the establishment of a copyright protection system and the establishment of culture for rational use of works. Towards this end, the MCST embarked on four main initiatives:

- Stepping up on-going copyright protection;
- Building an advanced copyright system;
- Establishing an environment for effective distribution of works; and
- Raising public awareness of copyrights in daily life.

These goals and initiatives reflect the intent to efficiently counter a variety of copyright infringements resulting from the on-going development of digital and network technology and to ensure that works are legally and more easily distributed. They also embody the strong commitment of the Korean government to raise the public's awareness on copyrights and to make the legitimate use of works a standard daily practice through public outreach and education programs, as well as to build and continue an international alliance and cooperation for copyright protection.

II. Korea Copyright Commission

The Korea Copyright Commission is the only agency in Korea specialized in copyright It plays a pivotal role in the protection of copyrights, promotion of legitimate use of works, and development of the copyright industry. The Commission primarily deliberates on the copyright system, mediates disputes, researches on policies and legislation, provides education and public outreach programs, and serves as a copyright registration agency. It also strives to raise awareness of the importance of the copyright industry and provides support for the protection and wider use of Korean copyrighted works overseas.

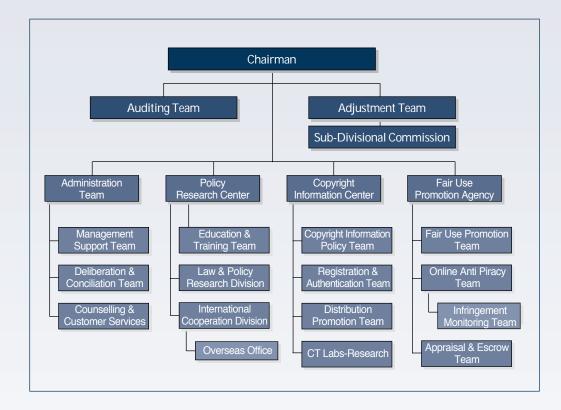
1. General facts

- Date of establishment: July 23, 2009
- Employees: 93
- Legal basis for establishment: Article 112 of the Copyright Act
- Histor
- Jul. 1, '87: Established the Copyright Deliberation & Conciliation Committee (former Korea Copyright Commission)
 - · Aug. '00: Delegated with additional responsibilities (copyright registration, legal license, compensation standards)
- Dec. 29, '87: Established the Program Deliberation Committee (former Computer Programs Protection Committee)
- · Jan. 05: Established the Digital Contents Use Protection Cente
- Apr. '07: Established the Illegal Software Reproductions Report Cente
- Jul. 23, '09: Combined the two Committees and launched the Korea Copyright

• Main functions

- Mediation and conciliation of copyright disputes
- Deliberation on the rates of fees and royalties of collective management organizations
- Promotion of legitimate use and fair usage of works
- · International cooperation for copyright protection
- Education and training on copyrights, training of professional personnel, and outreach programs for the public
- Support for research into copyright systems and formulation of copyright

2. Organization chart



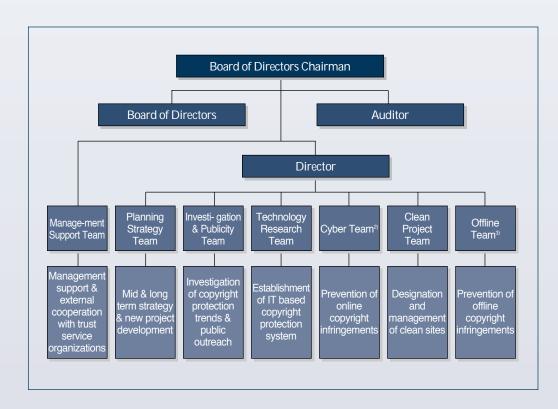
III. Copyright Protection Center

1. General facts

- Date of establishment: April 2005
- Main functions: Regulating illegal reproductions online and offline pursuant to the provision on the "Notification of designation of organizations entrusted with regulation of illegal reproductions, etc." of the Copyright Act¹⁾; establishing an IT-based enforcement system; and designating "clean sites" and conducting research and public outreach for copyright protection

III. Copyright Protection Center

2. Organizational chart



¹⁾ Notification of designation of entrusted organizations, etc., according to Paragraphs (1) to (3) of Article 133 of the Copyright Act and Article 70 of the Enforcement Decree of the same Act

²⁾ Study of the status of technological measures taken by special-type OSPs under Article 104 of the Copyright Act

³⁾ Collection and abandonment of illegal reproductions under Article 133 of the Copyright Act



Copyright Act

I . History of Korea's Copyright Act

Since its enactment in 1957, Korea's Copyright Act has been amended seventeen times, including full amendments in 1986 and 2006, to actively accommodate the development of digital technology, changes in the usage of works, and trends in international copyright protection.

| Amendments | Details | Promulgation date |
|-------------|--|-------------------|
| | - Enacted | Jan. 28, 1957 |
| First | - Introduced internationally-recognized systems to join international conventions such as the UCC | Dec. 31, 1986 |
| Second | - Amended provisions due to the amendment of the Government Organization Act | Dec. 30, 1989 |
| Third | - Amended provisions due to the amendment of the Government Organization Act | Dec. 27, 1990 |
| Fourth | - Changed the names of the relevant Acts due to the enactment of the Library Promotion Act | Mar. 8, 1991 |
| Fifth | - Amended provisions due to the amendment of the Government Organization Act | Mar. 6, 1993 |
| Sixth | - Extended the protection term of neighboring rights, imposed more rigorous punishments, etc. | Jan. 7, 1994 |
| Seventh | - Amended the names of the relevant Acts due to the amendment of the Libraries and Reading Promotion Act | Mar. 24, 1994 |
| Eighth | Amended to reflect the contents of the WTO/TRIPs Agreement and bring copyright protection up to international standards for the accession to the Berne Convention, etc. | Dec. 6, 1995 |
| Ninth | - Introduced a hearing system for revocation of the authorization of copyright trust management services, etc. | Dec. 13, 1997 |
| Tenth | - Introduced the right of interactive transmission, expanded the scope of immunity for libraries, imposed more rigorous punishments, etc. | Jan. 12, 2000 |
| Eleventh | - Provided protection for database producers, clarified the responsibilities of online service providers, etc. | Jul. 10, 2003 |
| Twelfth | - Granted the right of interactive transmission to performers and phonogram producers | Oct. 16, 2004 |
| Thirteenth | - Changed the names of the relevant Acts due to the amendment of the Library Act | Oct. 4, 2006 |
| Fourteenth | Introduced the concepts of public transmission and digital sound transmission Changed the organization's name to the Copyright Commission and invested it with more responsibilities Introduced orders to collect, abandon, delete, and suspend illegal reproductions, etc. | Dec. 28, 2006 |
| Fifteenth | - Amended provisions due to the amendment of the Government Organization Act | Feb. 29, 2008 |
| Sixteenth | Granted immunity to the National Library of Korea when it collects online materials for preservation purposes Clarified the scope of recorded forms for the exclusive use by visually impaired persons, etc. Introduced the right to claim remuneration for public performances for performers and phonogram producers | Mar. 25, 2009 |
| Seventeenth | - Integrated the Copyright Act and the Computer Programs Protection Act - Established the Korea Copyright Commission and invested it with more responsibilities - Strengthened measures to prevent illegal online reproductions, etc. | Apr. 22, 2009 |

II. Main Contents of the Copyright Act

1. Purpose of the Copyright Act

The Copyright Act is designed to protect the rights of authors and their neighboring rights and to promote fair use of works in order to facilitate the development of culture and related industries (Article 1).

2. Definitions and types of works

"Works" shall mean creative productions in which human ideas or emotions are expressed (Subparagrah 1 of Article 2). The Copyright Act delineates nine genres of works: literary, musical, theatrical, artistic, architectural, photographical, cinematographic, diagrammatic, and computer programs works (Article 4). All other creative productions that meet the requirements of "works" shall be protected by the Copyright Act.

3. Authors and copyrights

In principle, authors shall be natural persons, but exceptionally legal persons, etc. (legal persons, organizations, or other employers) may be considered as authors in legal fiction (Article 9). Works of which authors are legal persons, etc. shall be called "works made by an employee in the course of his duties."

Copyrights shall be defined as either moral or economic rights. Moral rights shall include the right of disclosure; right to indicate the author's name; and right to preserve integrity. Economic rights shall include the right of reproduction; right of public performance; right of communication to the public (includes right of broadcasting, right of interactive transmission, and right of digital sound transmission); right of exhibition; right of distribution; right of rental; and right of production of derivative works.

4. Ownership and transfer of copyrights

(1) Ownership of copyrights

A copyright shall commence once a work is created and take effect in accordance with the principle of non-formality, which means that no formal procedure (e.g. registration) is needed.

(2) Transferability of copyrights

Economic rights may be transferred in whole or in part. However, since moral rights can

be owned only by the author, they shall not be transferred to or inherited by another person.

5. Limitations and exceptions on economic rights

Economic rights are exclusive rights to exploit works. Nevertheless, considering that works are created with direct and indirect help from society at large, unlimited recognition of exclusive possession by right holders does not suit the public interest and may hinder cultural development. Economic rights are, therefore, limited in certain cases. Korea's Copyright Act stipulates limitations to economic rights for works other than computer programs from Articles 23 to 38 and those for computer programs in Article 101-3.

6. Term of protection for economic rights

In principle, the economic rights shall continue to exist during the lifetime of the author and the additional 50 years after the death of the author. For joint works, the economic rights shall continue to exist for a period of 50 years after the death of the last surviving author. For anonymous or pseudonymous works, works made by an employee in the course of his duties, and cinematographic works, the economic rights shall continue to exist for a period of 50 years after disclosure of such works. The term of protection in all the aforementioned cases shall commence on January 1 of the year following the year when the author died or the work was disclosed.

7. Statutory license

Under the statutory license system, any person who, despite considerable efforts, cannot identify or locate the holder of economic rights or make contact even when the rightsholder is known and is, therefore, unable to obtain license from the rightsholder, may exploit the work upon obtaining approval from the Minister of Culture, Sports and Tourism. The Korea Copyright Commission is entrusted with the function to provide such approval on behalf of the Minister (Articles 50 and 130).

8. Effect of copyright registration

Although a copyright which is not registered is subject to legal protection, some legal benefits are provided if a copyright is registered. Copyright registration is handled by the Korea Copyright Commission. The benefits are as follows.

(1) Legal presumption

The person whose real name is registered as that of the author shall be presumed to be the

author of the registered work. A work for which its date of creation or first disclosure is registered shall be presumed to have been created or first disclosed on the date registered. However, if a work is registered after more than one year from the date it was created, the work shall not be presumed to have been created on the date registered. When a registered work is infringed upon, the infringement shall be presumed to have occurred due to negligence.

(2) Counterforce

If economic rights are assigned or the right of publication is established and these rights are registered, the assignee or the owner of the right of publication has a right of counterforce against the duplicate assignee or the duplicate owner of the right of publication.

9. Neighboring rights

Neighboring rights are rights granted to persons who made creative contributions in communicating works to the public, and the owners of neighboring rights include performers, phonogram producers, and broadcasting organizations. Performers shall have the right to indicate the his/her name; right to preserve the integrity (of the performance); right of reproduction; right of distribution; right of rental; right of public performance (of live performance); right of broadcasting (of live performances); right of interactive transmission; right to claim remuneration for broadcasting of commercial phonograms; right to claim remuneration for digital sound transmission; and right to claim remuneration for public performances of commercial phonograms. Phonogram producers have the right of reproduction; right of distribution; right of rental; right of interactive transmission; right to claim remuneration for broadcasting of commercial phonograms; right to claim remuneration for digital sound transmission; and right to claim remuneration for public performances of commercial phonograms. Broadcasting organizations have the right of reproduction and right of simultaneous relay.

Neighboring rights shall be protected for a period of 50 years from the time a performance takes place, a phonogram is published or a broadcast takes place.

10. Remedies for infringement

Persons whose copyrights are infringed upon may file for civil and/or criminal remedy. For civil remedy, the injured party files a suit with the court of law against the alleged copyright infringer to seek prevention of further infringement, cessation of infringement, return of illicit gains, or compensation for damages, etc. The statute of limitation for a claim for compensatory damages is 10 years from the date of illegal activity or three years from the date when the damage and infringer is identified.

For criminal remedy, generally the injured must file a complaint to the judicial authorities. However for repeated infringement the injured is permitted to take ex officio action.

Any person who infringes upon economic rights may be punished by imprisonment for not more than five years or a fine of not more than KRW 50 million, or both. Any person who infringes upon neighboring rights may be punished by imprisonment for not more than three years or a fine of not more than KRW 30 million, or both.

III. 2009 Amendment to the Copyright Act

1. Backgrounds

There were two amendments to the Copyright Act in 2009. The first amendment, integrating the Copyright Act and the Computer Programs Protection Act, is intended to prevent illegal reproductions online by strengthening preventive measures. The second amendment clarifies the scope of exceptions for visually impaired persons and introduces the right to claim remuneration for performers and phonogram producers for their public performances. The first amendment became effective on July 23, 2009 and the second amendment on September 26, 2009.

(1) Main contents of the amendment of the Copyright Act implemented on July 23, 2009

1) Abrogation of the Computer Programs Protection Act

It used to be that the Copyright Act protected copyrights in general, and the Computer Programs Protection Act protected computer program copyrights. Under the amendment on July 23, 2009, the Computer Programs Protection Act was abrogated and incorporated into the Copyright Act to formulate more effective policies and maximize efficiency in their implementation for promotion of copyright protection and fair use of works.

Thus, in the amended Copyright Act, limitations on program copyrights; allowing decompilation; establishment of exclusive publication rights of programs; software escrow, etc. were defined exclusively for computer programs to ensure that the level and scope of specialized protection for computer programs could be maintained.

2) Establishment of the Korea Copyright Commission

The Copyright Commission and the Korea Software Copyright Committee, which were

established by the Copyright Act and the Computer Programs Protection Act, respectively, were consolidated into the Korea Copyright Commission ("KCC") for better coordinated protection of copyrights and more effective promotion of fair use of works.

The new functions of the KCC include monitoring of illegal online reproductions, and issuance of warnings and correction recommendations to online service providers.

3) Enhancement of measures to prevent illegal reproductions online

With the technological development of information and telecommunications networks, online distribution of illegal reproductions is rapidly increasing. This is distorting the market of phonograms and cinematographic works, which in turn is undermining the incentive to create such works and to invest in them. Stricter regulation on online service providers and illegal transmitters who interactively transmits illegal reproductions(hereinafter referred to as "illegal transmitter") was put in place to effectively eradicate illegal online reproduction.

Correction orders were introduced against illegal online reproductions. The Minister of Culture, Sports and Tourism may order online service providers ("OSPs") as follows: to issue warnings against an illegal transmitter; to delete illegal reproductions or suspend their transmission; to suspend the accounts of such an illegal transmitter; and to suspend bulletin board services. The Korea Copyright Commission may issue correction recommendations to give OSPs the opportunity take measures voluntarily.

(a) Correction orders

a) Orders to delete, suspend transmission of, and issue warnings against illegal reproductions (Paragraph (1) of Article 133-2)

When knowing that illegal reproductions, programs circumventing technological protection measures, their location information, etc. are distributed online, the Minister of Culture, Sports and Tourism may order OSPs to delete illegal reproductions, suspend their transmission, or issue warnings against a person who interactively transmitted illegal reproductions. To ensure that orders are not abused and to guarantee their appropriateness, the Minister shall make such orders only after deliberation by the Korea Copyright Commission. Also, OSPs subject to such orders are given an opportunity to present their opinions. OSPs received such an order shall execute the relevant measure(s) within 5 days of receiving the order and notify the results thereof to the Minister.

b) Order to suspend accounts (Paragraph (2) of Article 133-2)

If an illegal transmitter who has already received three warnings for transmission of

the illegal transmitter of the fact that the account will be suspended one week prior to the suspension in order to allow the illegal transmitter to retrieve data that is not related to

illegal reproductions.

exclusive are not to be suspended.

of Culture, Sports and Tourism.

c) Order to suspend bulletin board services (Paragraph (4) of Article 133-2)

The order to suspend bulletin board services can be issued for bulletin boards that provide commercial interests to the transmitter or convenience of use. Such order do not apply to general bulletin boards like social clubs that are not related to distribution of illegal reproductions,

illegal reproductions, etc. continues to transmit illegal reproductions, the Minister of

The Minister shall issue such an order only after deliberation by the Korea Copyright

Commission, and the OSP and account holder in question shall be given an opportunity to

measure within ten days of receiving the order and notify the results thereof to the Minister

When the account is to be suspended, meaning that services of the OSP in question

cannot be used except for email, the OSP receiving the order from the Minister shall notify

present their opinions. The OSP received such an order shall implement the required

Culture, Sports and Tourism may order OSPs to suspend the account of the illegal transmitter in question for not more than six months. User accounts that are email-

If an OSP that operate bulletin board in question receives an order to delete illegal reproductions or suspend transmission for more than three times, and it is clear that the bulletin board intends to continue to distribute illegal reproductions in light of the nature of the bulletin board and the number or nature of illegal reproductions posted on it, etc., the Minister of Culture, Sports and Tourism, after deliberation by the Korea Copyright Commission, shall order suspension of the bulletin board service for a period not exceeding six months. Also in this case, the OSP in question and the operator of the bulletin board shall have an opportunity to submit their opinions.

To allow users of the bulletin board to retrieve previously posted legal materials, the OSP receiving the order to suspend the bulletin board service shall post the fact that the service will be suspended on its homepage and bulletin board for ten days before suspending the service.

d) Sanctions against violations

OSPs failing to comply with an order by the Minister of Culture, Sports and Tourism shall be punished by a fine for negligence not exceeding KRW 10 million.

(b) Correction recommendations by the Korea Copyright Commission (Article 133-3)

Correction orders are compulsory measures, and their violations are accordingly followed by punishments. Hence, it is difficult to achieve voluntary cooperation of OSPs to protect copyright. To allow OSPs to take a voluntary steps before such a compulsory correction order is issued, correction recommendations were provided. The Korea Copyright Commission can recommend OSPs to issue warnings against the person who interactively transmitted illegal reproductions, delete illegal reproductions or suspend their transmission, or suspend their accounts.

Upon monitoring networks of OSPs and finding that illegal reproductions are uploaded, the Korea Copyright Commission may recommend OSPs to delete or suspend their transmission, issue warnings against the person who interactively transmitted illegal reproductions, and suspend the accounts of repeating transmitters of illegal reproductions. OSPs receiving a correction recommendation shall notify the results of its implementation to the Commission within five or ten days.

No direct sanction is imposed on OSPs for failing to take any measure in response to a recommendation from the Korea Copyright Commission, but the Commission may ask the Minister of Culture, Sports and Tourism to issue a correction order.

(2) Main contents of the amendment of the Copyright Act on September 26, 2009

1) Clarification of the scope of limitation on visually impaired persons

The scope of reproduction, distribution, or transmission of disclosed works permitted for facilities for visually impaired persons was clarified to include information records made in an electronic format to be represented in Braille; printed records to be converted into sound; digital sound information records standardized for visually impaired persons; and records to which technological protection measures that allow use only by visually impaired persons are applied.

2) Right to claim remuneration for public performances

As compensation for use of phonograms for broadcasting or digital sound transmission is already legally stipulated, provision on remuneration paid to performers and phonogram producers for use of commercial phonograms in public performances has been newly added.

25

III. 2009 Amendment to the Copyright Act

< Korea's membership in international copyright treaties >

| Treaty | Year concluded | Date joined |
|--|----------------|---------------|
| The Convention Establishing the World Intellectual Property Organization (The WIPO Convention) | 1967 | Mar. 1, '79 |
| The Universal Copyright Convention (UCC) | 1952 | Oct. 1, '87 |
| The Convention for the Protection of Producers of Phonograms against Unauthorized Duplication of Their Phonograms (Phonogram Convention) | 1971 | Oct. 10, '87 |
| The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) | 1995 | Jan. 1, '95 |
| The Berne Convention for the Protection of Literary and Artistic Works (Berne Convention) | 1886 | Aug. 21, '96. |
| WIPO Copyright Treaty (WCT) | 1996 | Jun. 24, '04 |
| International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome Convention) | 1961 | Dec. 18, '08 |
| The WIPO Performances and Phonograms Treaty (WPPT) | 1996 | Dec. 18, '08 |





I . Copyright Education and Public Awareness Programs

1. Backgrounds

As the issues related to copyright become social issues and public awareness of copyrights continue to rise, there is more need for systematic education and public outreach programs. To keep abreast of such developments, the Korean government has set up copyright education and public awareness programs as it's national priorities. The Korea Copyright Commission ("KCC") opened the Copyright Education and Training Center in April 2009 to accommodate the rising demand for copyright education and to increase the efficiency of its project for educating copyright and facilitating copyright use for the public.

The project consist of three parts: "Copyright education for youths and teachers," "Training of copyright professionals," and "Copyright education for the general public." Education and awareness activities designed specifically for each of these different groups were carried out to increase awareness of copyright throughout society and to create a culture of legitimate use of works.

2. Education on copyright

(1). Main projects

| | Project | Responsible organization |
|----|---|----------------------------|
| 0 | Support for operation of the Copyright Education Research School | Korea Copyright Commission |
| 2 | Hands-on Copyright Classes | " |
| 3 | Review of contents of textbooks | |
| 4 | Online and offline training for teachers | " |
| 5 | Operation of a copyright education website for youths and development of educational contents | " |
| 6 | Copyright Academy | " |
| 7 | Opening of the Copyright Culture School | " |
| 8 | On-site Copyright Education program | " |
| 9 | Establishment of a remote education system and development of customized contents | " |
| 10 | Application of stays of prosecution on condition of receiving copyright education | " |

(2) Project details

〈Copyright education for youths and teachers〉

1) Support for operation of the Copyright Education Research School

The Korea Copyright Commission has been running the Copyright Education Research School since 2007 to research and develop methods and materials for copyright education at schools and to devise systematic ways to educate youths on copyrights. In 2009, to reflect the operation results from 2007 and 2008 and suit the needs of schools, the it extended its operation from one year to two years and the number of schools and districts participating in the Copyright Education Research School was increased to 27 across ten cities.





(Copyright Education Research School for Primary School Students)

< Participating schools >

| Classif | ication | 2007 | 2008 | 2009 | Total |
|----------------|----------------|--------|----------|----------|--------|
| No. of schools | s (% increase) | 15 | 23 (53%) | 27 (80%) | 65 |
| No. of people | Students | 12,000 | 18,400 | 21,600 | 52,000 |
| educated | Teachers | 600 | 920 | 1,080 | 2,600 |

(Calculation standards: 800 students and 40 teachers per school, increase rate since 2007)

2) Hands-on Copyright Classes



(Hands-on Copyright Classes for Primary School Students)

Since 2006 the KCC has been organizing Hands-on Copyright Classes in which students participate in creative activities from which they learn the need for copyright protection. The number of participating schools has increased every year and totaled 117 nationwide in 2009.

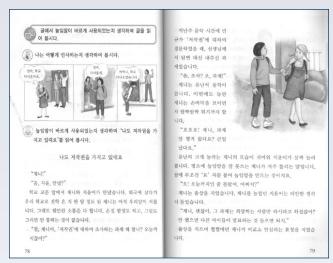
Copyright Education and Public Awareness Programs

< Annual performance of Hands-on Copyright Classes >

| Classification | | 2006 | 2007 | 2008 | 2009 | Total |
|----------------|----------------|------|---------|-----------|-----------|-------|
| No. of classes | s (% increase) | 20 | 20 (0%) | 79 (295%) | 117(139%) | 236 |
| No. of people | Students | 921 | 745 | 3,479 | 4,095 | 9,240 |
| educated | Teachers | 20 | 20 | 79 | 120 | 239 |

(Calculation standards: 35 students per class, increase rate since 2006)

3) Review of contents of textbooks



Since 2006, the KCC has conducted studies on contexts of school textbooks to identify elements for copyright education and to suggest improvements for later editions. In 2009, copyright-related contents were included in the government-designated textbooks for third and fourth graders and pilot versions of teachers' guide books.

(Pages 1 and 2, chasi units 5 and 6, danwon unit 4 in the pilot version of the textbook for the first semester of the fourth grade)

4) Online and offline training for teachers

The KCC conducted online and offline training to educate school teachers to gain more knowledge and information in copyrights and better guide their students. Two credits are given for completing both courses.

< Annual performance of teacher training >

| Classification | 2006 | 2007 | 2008 | 2009 | Total |
|---------------------|------|-------|--------------|--------------|-------|
| Online (% increase) | - | 1,209 | 2,727 (125%) | 3,305 (110%) | 6,936 |
| Offline | 80 | 80 | 75 | 76 | 315 |

5) Operation of a copyright education website for youths and development of educational contents

The KCC has been operating the Youths' Copyright Class website (http://1318.copyright.or.kr) since 2007 and developing various educational contents targeting youths since 2006 to provide accurate knowledge and information on copyrights. In 2009, the Commission developed three thematic educational dramas (for middle school students) and four flash animations (for upper graders in elementary school).



(Youths' Copyright Class website)

⟨ Training of copyright professionals ⟩



1) Copyright Academy

The Copyright Academy provides practical education for individuals who are engaged in the cultural industry. It offers ten courses per semester. A total of 52 sessions have been held until 2009, and 1,342 people completed the sessions.

 $\langle {\it The Copyright Academy for Publishers} \rangle$

< Annual performance of the Copyright Academy >

(As of December 2009)

| Classification | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|----------|----------|----------|----------|----------|
| No. of people completing courses (No. of sessions) | 395 (11) | 261 (11) | 229 (10) | 258 (10) | 199 (10) |

I. Copyright Education and Public Awareness Programs

2) Copyright Culture School



The Copyright Culture School, starting in 1988, is an introductory program that provides intensive lectures on the Copyright Act. Regular courses, short-term courses and evening courses are offered twice a year for public officials and people working in the cultural industry.

(The 31st's Copyright Culture School)

< Annual performance of the Copyright Culture School >

(As of December 2009)

| Classification | 2006 | 2007 | 2008 | 2009 |
|--|---------|---------|---------|---------|
| No, of people completing courses (No, of sessions) | 179 (4) | 175 (4) | 178 (4) | 154 (6) |

⟨ Copyright education for the general public ⟩

On April 14, 2009, the KCC opened the Copyright Education and Training Center to provide a more accommodating venue and urgently-needed additional space for copyright education. The Center offers enhanced accessibility for trainees, a pleasant learning environment, and state-of-the-art classrooms and equipment. It is dedicated to providing specialized education for the prevention of copyright infringements and disputes and for the training of copyright professionals.

1) On-site Copyright Education Program

The on-site program, in short, is a customized educational program. Instructors visit various institutions, organizations, or schools upon request for lectures. The number of requests for education increasing rapidly.

< Annual performance of On-site Copyright Education Program >

(As of December 2009)

| Classification | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Total |
|---------------------|-------|-------|-------|-------|-------|--------|--------|---------|--------|---------|
| No. of lectures | 12 | 20 | 28 | 38 | 58 | 198 | 295 | 336 | 374 | 1,359 |
| No. of participants | 1,014 | 2,114 | 3,970 | 5,845 | 7,032 | 70,722 | 96,160 | 120,201 | 93,977 | 401,035 |

^{**} Combined numbers from the former Copyright Commission and Computer Programs Protection Committee prior to consolidation

2) Establishment of a remote education system and development of customized contents

To overcome the limits of time and space in offline training and respond to the rapidly-increasing demand for copyright education, a remote education system was established in 2009. Five versions of educational contents dealing with copyright targeting different trainee groups and fields (three versions for those engaged in the industry, one for teachers, and one for university students and the general public) were developed and loaded onto the system.

3) Application of stay of prosecution on condition of receiving copyright education

The Commission expanded the application of stays of prosecution on condition of receiving copyright education. Stays of prosecution were originally for those who committed minor infringements on copyrights. They are now being applied to adult infringers as well and rolled out to 18 district public prosecutor's offices across the nation, since March 2009. Education was provided to 7,881 infringers in 72 sessions as of late December 2009.

3. Enhancement of public awareness programs

(1) Main projects

| Classification | Project | Responsible organization |
|----------------|--|-----------------------------|
| 0 | Raising copyright awareness through the media | Korea Copyright Commission |
| 2 | Experience copyright-related situations through essay contests | " |
| 3 | Raising the public's awareness on copyright through campaigns | " |
| 4 | Research and public awareness efforts on copyright protection | Copyright Protection Center |

(2) Project details

1) Raising copyright awareness through the media

The Korea Copyright Commission made certain cases of copyright infringement into dramas. Three episodes were broadcasted as a special program titled Copyright Story on the TV channel EBS at suitable hours for viewing by youths. They can also be viewed anytime through VOD service (http://home.ebs.co.kr/home3379/index.html) on the EBS website.

II. Enforcement Against Copyright Infringements

A four-minute video entitled Go Korea was broadcasted inside the subway trains 120 times for one month to briefly introduce the contents of the amended Copyright Act and raise the public's interest in copyrights. On a total of 2,040 TV monitors (ten cars on Subway Line 1, 80 cars on Subway Line 3, and 250 cars on Subway Line 4), the program talked about the reasons and main contents of the amendment in an interview format and also included a copyright Q&A. It was intended to provide the public with accurate updated information on the amendment to alleviate any confusion concerning the new Copyright Act since its enforcement. It also served as an opportunity to enhance the public's awareness of copyright in general and further promote legitimate use of protected works.

An educational animation for schools was produced to increase youths' awareness of copyright. With a design appropriate for school children its contents were made fun and interesting to attract their attention. It was distributed to schools and youths' facilities nationwide and posted on the Youths' Copyright Class website (http://1318.copyright.or.kr) for 24-hour access.

2) Experience copyright-related situations through essay contests

The KCC jointly held the Fourth Essay Contest on Copyright with the Korean Intellectual Property Office in May 2009, targeting university students. Having started in 2006, the Contest has broadened the scope of topics covered to encompass virtually all the areas of intellectual property rights. This widened coverage intended to instill in students greater interest in intellectual property rights to motivate them to voluntarily study the field, expand the base for research into IPR, and to create a comprehensive research environment.

A youths' writing contest on copyright was also held, hosted by the KCC and organized by the MCST. The contest enabled youths, the leaders of tomorrow, to experience being an author themselves through creative writing and reflect the meaning of copyright in the process so that they will be more conscious of copyright protection and legitimate use of works in daily life.

3) Raising the public awareness on copyright through campaigns

Another initiative to raise the public's awareness of copyright was the "World Intellectual Property Rights Day" held in April 2009, in connection with a software discount sales event, "Hello, SW Copyright! 2009." The event included a variety of activities aimed at promoting copyright protection, such as a campaign for signature gathering to encourage copyright protection and use of copyrighted products, and a screening of promotional UCCs (user created contents) and video productions.

The 26th of every month is now designated as "Copyright Protection Day," during which events are held in cooperation with local governments. Such events were a campaign for signature gathering to promote copyright protection and distribution of public awareness materials at the Seoul Plaza, universities, and other locations. The August event was held in conjunction with the Korea Music Festival hosted by Sokcho City in Gangwon Province, expanding public outreach into the regions beyond the Seoul Metropolitan Area. In addition, around the same time that the amended Copyright Act became effective, a copyright quiz contest was held and participated by a total of 19,748 people over a three-week period.

4) Research and public awareness efforts on copyright protection

The Copyright Protection Center issued its 2009 annual report on copyright protection in October 2009. The report assessed the online and offline markets of illegal reproductions and the damages sustained by copyright holders in 2008. The report provided the following information: the main copyright protection activities of 2008; trends in copyright protection and the status of the culture industry in Korea and other countries; findings of studies on the size of the markets of illegal reproductions in Korea and other countries; and the size of the market of illegal reproductions and status of infringements on works by genre (music, films, broadcasts, publications, and games).

II. Enforcement Against Copyright Infringements

1. Crackdown system for copyright infringements

There are several organizations in Korea that work jointly to respond to and crackdown on copyright infringements: the Copyright Protection Division (four regional offices and 32 special judicial police officers) and Illegal Reproduction Crackdown Team of the MCST, the Korea Copyright Commission, and the Copyright Protection Center of the Korea Federation of Copyright Organizations (hereinafter "Copyright Protection Center").

The Copyright Protection Center, which enforces copyright together with the MCST and the Korea Copyright Commission, cracks down on illegal reproductions both online and offline, mandated by Article 133 of the Copyright Act ("Notification of designation of entrusted organizations, etc."). Its functions include building an IT-based monitoring system, designating "clean sites" for copyright protection, and conducting promotional activities to prevent distribution of illegal reproductions.

2. Copyright protection policies and activities in 2009

(1) Crackdown on illegal reproductions online

1) Results of crackdown on illegal online reproductions

The Copyright Protection Center strives to create an environment conducive to protection of works by cracking down on illegal reproductions both on- and off-line. In 2009, online monitoring of illegal reproductions detected approximately 27 million articles (about 180,000 cases). This represents an increase in terms of the number of cases by 80,075 and a decrease in terms of the number of articles by 1,055,062 compared to 2008. The vast bulk of illegal reproductions detected occurred on Web storage (23,557,318 articles), followed by Hybrid P2P sites (2,693,855 articles) and portals (843,389 articles). Unlike 2008, when the number of articles detected was higher in portals (3,498,253 articles) than in P2P sites (3,444,463 articles), the much higher frequency of detections in P2P sites vis-a-vis portals in 2009 demonstrates the enhanced crackdown efficacy on P2P sites.

To present a breakdown by genre, some 1.01 million articles (4,802 cases) were detected for musical works in 2009, a decrease of 92% compared to 2008, while approximately 4.41 million articles (150,355 cases) for cinematographic works and 14.39 million articles (5,553 cases) for publications were identified, showing increases by 42% and 18%, respectively. For games and comic books, about 100,000 articles (16,991 cases) and about 7.18 million articles (2,327 cases) were detected, respectively. The crackdown results for publications were the greatest in 2009.

< Results of crackdown on illegal online reproductions in 2009 >

| Distribution | on channal | 2 | 008 | 2 | 009 | | Year-on- | year change | |
|--------------------|----------------|--------|------------|---------|------------|--------------|------------|-------------|-------------|
| DISHIBUTIO | orr criaririei | Case | Article | Case | Article | Case | Change (%) | Article | Change (%) |
| | P2P | 1,236 | 1,863,445 | 30 | 48,382 | ▽ 1,206 | ▽ 98 | ▽1,815,063 | ▽ 97 |
| Music | Web storage | 4,870 | 7,648,271 | 111 | 238,718 | ∇ 4,759 | ∇ 98 | ∇7,409,553 | ▽ 97 |
| | Portal | 18,274 | 3,362,546 | 4,661 | 724,607 | ▽13,613 | ▽ 74 | ∇2,637,939 | ▽ 78 |
| | Subtotal | 24,380 | 12,874,262 | 4,802 | 1,011,707 | ▽19,578 | ∇ 80 | ▽11,862,555 | ▽ 92 |
| | P2P | 4,976 | 502,451 | 4,265 | 845,816 | ▽ 711 | ▽ 14 | ▲ 343,365 | ▲ 68 |
| Video | Web storage | 61,622 | 2,591,736 | 145,208 | 3,558,143 | ▲83,586 | ▲ 136 | ▲ 966,407 | ▲ 37 |
| | Portal | 465 | 7,803 | 882 | 9,618 | ▲ 417 | ▲ 90 | ▲ 1,815 | ▲ 23 |
| | Subtotal | 67,063 | 3,101,990 | 150,355 | 4,413,577 | ▲83,292 | ▲ 124 | ▲1,311,587 | ▲ 42 |
| | P2P | 652 | 1,077,051 | 59 | 125,564 | ▽ 593 | ▽ 91 | ▽ 951,487 | ∇ 88 |
| Publication | Web storage | 5,877 | 10,951,960 | 5,347 | 14,158,018 | ▽ 530 | ∇ 9 | ▲3,206,058 | ▲ 29 |
| | Portal | 520 | 127,331 | 147 | 104,240 | ▽ 373 | ▽ 72 | ▽ 23,091 | ▽ 18 |
| | Subtotal | 7,049 | 12,156,342 | 5,553 | 14,387,822 | ▽ 1,496 | ▽ 21 | ▲2,231,480 | ▲ 18 |
| | P2P | 65 | 1,516 | 1,055 | 7,754 | - | - | - | - |
| Game ⁵⁾ | Web storage | 1,353 | 14,941 | 13,706 | 89,046 | - | - | - | - |
| | Portal | 43 | 573 | 2,230 | 4,924 | - | - | - | - |
| | Subtotal | 1,461 | 17,030 | 16,991 | 101,724 | - | - | - | - |
| | P2P | - | - | 478 | 1,666,339 | - | - | - | - |
| Comic book | Web storage | - | - | 1,849 | 5,513,393 | - | - | - | - |
| DOOR | Portal | - | - | - | - | - | - | - | - |
| | Subtotal | - | - | 2,327 | 7,179,732 | - | - | - | - |
| | P2P | 6,929 | 3,444,463 | 5,887 | 2,693,855 | - | - | - | - |
| Total | Web storage | 73,722 | 21,206,908 | 166,221 | 23,557,318 | - | - | - | - |
| | Portal | 19,302 | 3,498,253 | 7,920 | 843,389 | - | - | - | - |
| | Subtotal | 99,953 | 28,149,624 | 180,028 | 27,094,562 | - | - | - | - |

^{**}Results of crackdown on illegal online reproductions for the periods from January to December 2008 and from January to December 2009,

^{4) &}quot;Clean Sites" refer to online contents-providing sites that distribute only legitimate works by managing themselves in compliance with legal procedures,

⁵⁾ Online crackdown on illegally reproduced games and comic books started in October 2008 and January 2009, respectively.

The Korea Copyright Commission issued correction recommendations on 35,345 cases of illegally reproduced software found online in 2009.

< Results of correction recommendations on illegal online reproductions in 2009(by distribution channels) >

(unit: occo)

| | | | corre | ection recommend | ation |
|--------|-------------|--------|--------------------|---|---------------------|
| Classi | fication | Result | Warnings issued | Deletions /Suspensions of transmissions | Account suspensions |
| | Total | 35,345 | 13,466 | 21,840 | 39 |
| 0000 | Web storage | 33,644 | 12,612 | 20,995 | 37 |
| 2009 | P2P | 773 | 579 | 194 | - |
| | Portal | 928 | 275 | 651 | 2 |

< Results of correction recommendations on illegal online reproductions in 2009(by contents) >

(unit : case)

| | | | | corre | ction recommend | lation |
|------|----------------|-------------|--------|--------------------|---|---------------------|
| | Classification | | | Warnings issued | Deletions /Suspensions of transmissions | Account suspensions |
| | То | tal | 35,345 | 13,466 | 21,840 | 39 |
| | | Sub Total | 10,951 | 1,046 | 9,866 | 39 |
| | Before 7,23 | SW | 6,394 | 745 | 5,610 | |
| | | Game | 4,557 | 301 | 4,256 | |
| | | Sub Total | 24,394 | 12,420 | 11,974 | |
| 2009 | | SW | 5,304 | 2,652 | 2,652 | |
| | | Game | 4,606 | 2,303 | 2,303 | |
| | After 7.23 | Video | 11,272 | 5,859 | 5,413 | |
| | | Music | 52 | 26 | 26 | |
| | | Publication | 1,218 | 609 | 609 | |
| | | Animation | 1,942 | 971 | 971 | |

▶ Intensive monitoring of illegal files of the movie Haeundae

On August 29, 2009, illegal files of the Korean movie Haeundae still showing at theaters were distributed on the Internet. The Korea Copyright Commission, Prosecutors' Office, and Copyright Protection Center responded by taking very intensive monitoring to prevent further proliferation.

The Korea Copyright Commission issued 408 correction recommendations upon such intensive monitoring through the month of September. Also, 2,032 articles of videos were deleted at 49 OSPs as a result of monitoring by the Copyright Protection Center from August 31 to September 30. Among them, 1,502 articles were voluntarily deleted by OSPs in accordance with official notices and 530 articles were deleted in response to requests by the Copyright Protection Center to suspend transmission.

2) Investigation into implementation of required technological measures

Paragraph 1 of Article 104 of the Copyright Act prescribes the responsibilities of Special types of OSPs. ⁶⁾ It states that OSPs should take necessary measures such as technological measures for intercepting illegal transmissions of works, etc. upon the requests of rights holders.

The Copyright Protection Center investigates whether certain OSPs implement required technological measures. In 2009, it investigated the implementation of technological measures on music, broadcasts, publications, games, and comic books on five occasions. Eighty-eight OSPs were found to be non-compliant and fined by the MCST at approximately KRW 730 million for negligence.

< Results of investigations into implementation of technological measures in 2009 >

| | Fines for r | negligence | Monitoring | | | | |
|---------------|--------------------|----------------------|----------------------------|--|-------------|---------------------------------------|--|
| Investigation | Total amount | No. of OSPs fined | Period | Monitored works | Target OSPs | Average rate of interception failures | |
| First | KRW 154,300,000 | 21 | Feb. 24 to Mar. 25, '09 | Music & broadcasts | 40 | 11% | |
| Second | KRW 265,850,000 | 31 | Apr. 13 to Jun. 30, '09 | Broadcasts, publications & games | 38 | 17% | |
| third | KRW 106,100,000 | 11 | Sep. 16 to Oct. 16, '09 | Games & Comic books | 20 | 17.1% | |
| fourth | KRW 119,000,000 | 16 | Oct. 26 to Nov. 20, '09 | Music & Comic books | 20 | 18.3% | |
| fifth | KRW 67,250,000 | 7 | Nov. 17 to Dec. 11, '09 | Games | 20 | 31.3% | |
| Total | KRW 739,500,000 | 88 | five times | | 138 | | |

^{6) &}quot;Special types of online service providers" refers to online service providers such as web storage operators or hybrid P2P service providers whose main purpose is to enable different people to transmit works, etc. among themselves by computers.

(2) Crackdown on illegal reproductions offline

1) Results of crackdown on illegal reproductions offline

The Copyright Protection Center cracked down on illegal offline reproductions in 2009 and detected 1,783 cases and some 429,000 articles. ⁷⁾ Compared to the same period of the previous year, the number of cases grew by 78 and the number of articles by 47,300. The number of articles involving publications was 11,956 articles (541 cases), the number of which declined by 33% from 2008. However, a total of 35,163 articles (367 cases) involved musical works and 380,769 articles (873 cases) involved cinematographic works, increasing by 1% and 16%, respectively, year-on-year. The crackdown results for cinematographic works were the greatest in 2009.

< Results of crackdown on illegal offline reproductions in 2009 >

| Classifi- | Items | | 2008 | 2 | 2009 | | Year-on | -year change | |
|------------------------|----------|-------|---------|------------|-------------|--------------------------|------------|--------------|--------------|
| cation | Hems | Case | Article | Case | Article | Case | Change (%) | Article | Change(%) |
| | Tape | | 20,180 | | 17,374 | | | ▽ 2,806 | ▽ 14% |
| Music | CD | 304 | 14,626 | 367 17,789 | ▲ 63 | . 63 ▲ 21% | ▲ 3,163 | ▲ 22% | |
| IVIUSIC | Others | | - | | - | | | - | - |
| | Subtotal | 304 | 34,806 | 367 | 35,163 | ▲ 63 | ▲21% | ▲ 357 | ▲ 1% |
| | VCD | | - | | 392 | | | - | - |
| Cine- mato- graphic | DVD | 786 | 304,603 | 873 | 374,869 | ▲87 | ▲11% | ▲ 70,266 | ▲ 23% |
| work | Others | | 24,848 | | 5,508 | | | ▽ 19,340 | ▽ 78% |
| | Subtotal | 786 | 329,451 | 873 | 380,769 | ▲87 | ▲11% | ▲ 51,318 | ▲ 16% |
| | Book | 615 | 17,811 | 541 | 11,956 | ▽ 74 | ∇12% | ∇ 5,855 | ▽ 33% |
| Public-ation | Others | 013 | - | 041 | - | V14 | V 12/0 | - | - |
| | Subtotal | 615 | 17,811 | 541 | 11,956 | ▽ 74 | ∇12% | ▽ 5,855 | ∇ 33% |
| | CD | _ | - | 2 | 1,480 | _ | _ | - | - |
| Game ⁸⁾ | Others | _ | - | | - | _ | _ | - | - |
| | Subtotal | - | - | 2 | 1,480 | - | - | - | - |
| Tot | al | 1,705 | 382,068 | 1,783 | 429,368 | - | - | - | - |

**Results of crackdown on illegal offline reproductions for the periods from January to December 2008 and from January to December 2009.

The Illegal Reproduction Crackdown Team of the MCST created a software team dedicated in the four regional offices in Seoul, Busan, Daejeon, and Gwangju to crack down on illegally reproduced software. A total of 809 producers of copies were raided during the crackdowns from January 1 to December, 2009, and 626 among them were found to have made illegal reproductions.

Notably in 2009, the special judical police sent 14 webhard companies to the prosecutor's office, and 11 companies among them were required to forfeit KRW 2,077 billion which was found to be unjust profits from copyright infringement.

< Results of offline crackdown on illegally reproduced software >

| ľ | Classification | 2007 | 2008 | 2009 | Total |
|---|---|-------|-------|-------|--------------|
| | No. of producers subject to crackdowns | 2,090 | 2,005 | 809 | 4,904 |
| | No. of producers caught in illegal acts | 1,417 | 1,446 | 626 | 3,489 |
| · | Illegal reproduction rate (%) | 26.6 | 28.8 | 35.7 | ▲ 6.9 |
| | Value of illegal copies (KRW 100 million) | 222.1 | 284.4 | 143.0 | 649.5 |

**Results of crackdown on illegally reproduced software from 2007

2) Intensive crackdown on illegally produced textbooks

Illegal reproduction was expected to be rampant at photocopy shops and printshops before the beginning of each semester at universities across the nation. An intensive crackdown on illegal reproduction of publications was conducted in the first and second halves of 2009 (March and September). A total of 5,992 articles were detected in the first half and 5,761 articles in the second half, which were an increase of 21 cases (4%) and decrease of 4,798 articles (29%) compared to 2008.

< Results of intensive crackdowns of illegal reproduction of publications each semester in 2009 >

| Classifi- | First | half | Secon | Second half | | Total | | Change (%) | |
|------------|----------------|----------------|-----------------|--------------------|----------------|--------------------|-----------------|--------------------|--|
| cation | Case | Article | Case | Article | Case | Article | Case | Article | |
| 2008 | 295 | 6,070 | 203 | 10,481 | 498 | 16,551 | ▽ 92 (▽ 31%) | ▲ 4,411 (▲ 73%) | |
| 2009 | 273 | 5,992 | 246 | 5,761 | 519 | 11,783 | ▽ 27 (▽ 10%) | ▽ 231 (▽ 4%) | |
| Change (%) | ▽ 22 (▽ 7%) | ▽ 78 (▽ 1%) | ▲ 43 (▲ 21%) | | ▲ 21 (▲ 4%) | ▽ 4,798 (▽ 29%) | | | |

(3) Creating an environment for fair use of software

The Korea Copyright Commission monitors each year the usage of software by the government and public agencies to verify whether copyrighted software is being used. This monitoring of the public sector was expanded to cover 814 entities in 2008, and 1,862 in 2009. It is intended to encourage the public sector to take the lead and set an example of ethical management in the area of information technology and promote the purchase of copyrighted software.

^{7) &}quot;Cases" refer to the number of street vendors (manufacturing workshops, etc.) detected through crackdowns, and "articles" refer to the number of items containing illegal contents detected.

⁸⁾ Offline crackdowns on illegally reproduced games started in April 2009.

In addition, every year, the KCC and the MCST jointly select "model organizations in the use of copyrighted software" to duly recognize and award companies that use only copyrighted software and demonstrate excellent software management capabilities. The selected companies are awarded with the Minister Award or Commission Chairman Award at the end of each year. The recognized companies are publicly announced as model cases to help spread awareness of the need to use copyrighted software and apply effective software management methods.

The "Survey on the usage of software and the domestic software piracy rate", which the KCC has been conducting since 2002, quantitatively assesses the public's awareness of copyright protection and provides material data on software piracy rates to help formulate effective policies. The survey findings are used to devise practical measures to reduce the software piracy rate.

< Domestic illegal software piracy rate >

| Classification | 2007 | 2008 | 2009 |
|---|--------------------|-------|---------------------------|
| Illegal software reproduction rate in business entities | 25 _. 0% | 23.3% | data updating in progress |

 $^{{\}it **}$ Source: Former Korea Software Copyright Committee

(4) Activities for establishment of an IT-based protection system

1) Development and operation of the ICOP, a tracking and control system for illegal reproductions

The Illegal Copyrights Obstruction Program ("ICOP") is an automated system developed to carry out round-the-clock crackdown on illegal reproductions on the Internet, where copyright infringements are frequent, and to respond to the advances in digital technology.

The ICOP-I focuses on phonograms. It was developed in 2008 to automatically search for illegal reproductions, collect evidences, and deliver requests to OSPs to take down illegal reproductions, thereby supporting crackdowns on phonograms.

< Monitoring results of illegal reproductions by the ICOP >

| I | Classification | ification Medium | Detected by ICOP- (2009) | | |
|---|----------------|------------------|----------------------------|-----------|--|
| | Classification | | Case | Article | |
| | | Hybrid P2P | 11,691 | 889,078 | |
| | Music | Web storage | 26,838 | 5,754,445 | |
| | | Total | 38,529 | 6,643,523 | |

*Monitoring by the ICOP-I (with focus on sound sources) started in March 2009

The ICOP-II system was built in 2009 for cinematographic works. Its key functions include the development of technology that can recognize the unique feature points of cinematographic works; accumulation of meta data and unique feature points of cinematographic works and broadcasts; and expansion of the search scope to open-type OSPs such as portals and UCCs. With the completion of ICOP-II, the functions of ICOP-I to recognize the feature points of phonograms will be combined with the features of ICOP-II enabling recognition of the differentiating points of videos, to allow for more effective detection of altered or distorted cinematographic works.

Presently, a third upgraded version of ICOP is under development. ICOP-III will be a real-time response system that uses feature points-recognition technology to take down illegal reproductions of literary works and games. Once completed, it will be closely integrated with ICOP-I (2008, phonograms) and ICOP-II (2009, cinematographic works) to provide 24-hour monitoring of literary works, games, cinematographic works, and phonograms.

(5) Preventive activities for copyright protection

1) "Clean Sites" Project

With the overarching goal of boosting the development of Korea's cultural industry by means of protecting copyright for contents and of creating an environment that promotes legitimate use of works, the "Clean Site" project selects qualified OSPs and designates them as "Clean Sites". ⁹⁾ A group of experts consisting of representatives from the Copyright Protection Center, legal community, academia, and industry designed a "Clean Index" and formulated legal service guidelines to which OSPs can refer to prevent and suspend copyright infringements. The Clean Index is used as the criteria for designation as Clean Sites, and the Clean Site Guidelines are distributed to site operators to encourage voluntary efforts to prevent copyright infringement.

< Designated Clean Sites in 2009 >

| Classification | Clean Sites | URLs | Areas |
|----------------|-------------|-------------------|-------------|
| 1 | Cienro Com | www.cinero.com | Movie |
| 2 | Mnet Media | www.mnet.com | Music |
| 3 | Hupis Soft | www.piuri.com | Publication |
| 4 | Mega Study | www.megastudy.net | Education |
| 5 | MW Story | www.gamefos.co.kr | Game |
| 6 | Neowiz Bugs | www.bugs.co.kr | Music |
| 7 | Soribada | www.soribada.com | Music |
| 8 | Book Cube | www.bookcube.com | Publication |

Website on "Clean Sites": www.cleansite.org

^{9) &}quot;Clean Sites" refer to online contents-providing sites that distribute only legal works by managing themselves in compliance with legal procedures,

III. Building Copyright Information Systems - Establishment and Operation of the Copyright Information Center

The Clean Site project aims to (1) evaluate, based on fair standards, the efforts by OSPs to protect copyrights on music, videos, documents, software, and various types of information posted and distributed online; 2aid small and medium sized OSPs in the purchases of contents which are essential to their business; 3 provide copyright education and consulting service to OSPs; (Asupport monitoring personnel; (5) devise and arrange public awareness programs such as seminars in Korea; and @raise the public's awareness on copyright protection through campaigns. The project will be further developed in the future with focus on these initiatives.

2) Receipt of reports on illegal reproductions and copyright infringements

The Copyright Protection Center allows submission of reports on illegal reproductions and copyright infringements by telephone, Internet, fax, mail, or visiting the center. Anyone can report on illegal reproduction and copyright infringement, and the report is examined through prescribed procedures including fact-finding and legal review. When necessary, assistance is provided to the copyright holders and organizations holding copyrights in seeking the most appropriate legal remedy or referring the matter to the investigative authorities. Confidentiality is guaranteed for the reporters and informants. Also, the contents of report and related personal information is kept confidential.

In 2009, the Copyright Protection Center received 11,178 reports on online illegal reproductions, a huge increase from 2008, while it received 81 reports on offline illegal reproductions, about the same number as in 2008.

<Annual illegal reproduction reports received>

(Unit:Cases)

| Classifi | Classification | | 2008 | 2009 | Change |
|---------------|----------------|-----|----------|-----------|---------|
| Illegal | Online | 229 | 3,06310) | 11,178 | ▲ 8,115 |
| reproductions | Offline | 54 | 70 | 81 | ▲ 11 |
| То | Total | | 3,133 | 11,25913) | ▲ 8,126 |

^{**}Total reports received between January to December 2009

III. Building Copyright Information Systems - Establishment and Operation of the Copyright Information Center ■

he rapid advance of digital technology has made it easier to make illegal reproduction of works and in various ways. It has created an urgency to the tasks of developing technology to prevent copyright infringement, creating an environment for legal and fair use of works, and collecting, standardizing, and providing copyright-related information in order to promote copyright protection and legitimate use of protected works.

In view of such challenges, the KCC is operating the Copyright Information Center to accelerate its efforts to develop technology that could prevent infringement, to efficiently provide users with all relevant information on copyrights and to create an environment for fair copyright transactions based on such information

1. Improving the quality of information service by implementing a copyright information sharing system and strengthening the copyright policy support system

Pilot system for "similarity searches"

The KCC is preparing to launch a pilot system for searches for similar works to instill a better sense of ethics in the use of creative works, which is essential to the development of the culture industry, and thereby enable qualitative improvement of works. It is working to assist in the on-going process of developing a comprehensive and extensive database of original works to pave the way for more advanced similarity searches in the future.

Relevant tasks include upgrading the user registration system of the pilot system and improving its performance, and providing open interfaces for a pilot version of an interconnected system that can support similarity searches with organizations possessing original works by way of cooperation and arrangements to do so.

2, Creating an environment for fair use of works by building R&D and support systems for copyright protection technology

The development of information technology led countless works to be converted into digital format which created an environment for "one-source multi use." This in turn led to the unbridled online sharing of contents and copyright infringement. Different business types are now obligated to apply digital rights management ("DRM") by various means, and special types

¹¹⁾ The number of reports on illegal online reproductions during 2008 is the total of reports received between May and December

¹²⁾ The number of reports on illegal reproductions on- and off-line during 2007 is the total of reports received between January and July,

¹³⁾ The number of reports on illegal reproductions on- and off-line for 2009 is the total of reports received between January and December,

of OSPs are required to put technological protection measures into place. However, this initiative has been hindered due to a lack of standardization. Consequently, the user inconvenience and losses from duplicate investments from inter-sector industries have increased. The Commission is, therefore, seeking to standardize rational technological protection measures and rights management information for copyrights that reflect a range of social, industrial, and technological requirements.

(1) Active technical committee, consultative body, and academic conference

To establish policy on technological protection measures and copyright management information and to reflect the opinions of various sectors, a conference, a technical committee meeting, a consulting body meeting and six workshops have been held. Operation regulations have been amended to vitalize the operation of the technical committee and consultative body.

(2) Standardization of rights management information ("RMI") and technological protection measures ("TPM")

1) Studies on the standardization of rights management information

To develop the meta data of rights management information for copyrights that shows the flow and history of copyrights throughout the life cycle from creation, production, distribution to consumption of copyrighted works, studies were carried out on standards for an integrated management system for RMIs, on the construction of an integrated system of integrated copyright numbers ("ICN") and universal content identifiers ("UCI"), and on the standardization of RMI's of broadcast contents.

2) Studies on the standardization of technological protection measures

To standardize rational TPMs that reflect a range of social, industrial, and technological requirements, studies were carried out on standards to resolve DRM compatability issues, post-DRM vis-a-vis DRM-free, TPMs for special types of OSPs, and TPMs to protect copyrights on broadcast contents.

(3) Studies on an R&D system for copyright protection technologies

Establishing an R&D system was reviewed to increase the practicability of standardization studies for theoretical and case analyses on the need for research and development of copyright protection technologies and management of such R&D findings. Along the same line, studies on R&D strategy, organization, process management, and system management were carried out. Also, priority tasks for R&D on copyright protection technologies were selected through formulation of R&D strategy for promotion of the copyright industry, and rational ways to implement R&D tasks were defined for the same purpose.

(4) Establishment of pilot standard service for technological protection measures

Standard interfaces for TPM's for audio and video files were designed and implemented to prevent illegal downloads of contents such as music and movies through OSPs. Furthermore, a DNA database of the feature points of audio and video files was built and utilized in a pilot effort to offer small OSPs with a database of film DNA information as well as filtering technology.

3. Strengthening reliability and distribution structure of copyright information

(1) Encouraging copyright registration

Discounts and exemptions on copyright registration fees are granted to facilitate and encourage registration of works in distribution. Discounts are now offered for large-volume or online registrations. The national and local governments and their agencies are all entitled to discounts and exemptions. Authors who entrust their works with trust management organizations or copyright trust management organizations are exempted from the fee as well.

Fair and detailed guidelines on registration examination were devised to prevent any confusion regarding registration.

< Registration of copyrights (including software) >

As of December, 2009

| Type Year | 2009 |
|--|--------|
| Works | 22,742 |
| Works subject to neighboring rights | 1,459 |
| Publication rights | 5 |
| Exclusive publication rights of software | 1 |
| Databases | 18 |
| Total | 24,225 |

(2) Developing an archiving system for intellectual property rights on software (second development)

A digital archiving system for microfilms (23,000), CDs/DVDs (52,000), and registration applications (73,000) was built to permanently preserve and allow use of software works that were previously kept in offline storage media. This was the second such effort, following the first one in 2008, to store software intellectual property integral to the national infrastructure.

4. Promoting legal use of works via a system enabling easy access to copyright information

Since the amendment of the Copyright Act, the public recognition tends to be limited to the aspects on protection and regulation of the Copyright Act. To address the issue that information

on specific copyrights had not been provided in a comprehensive and systematic way, specific copyright information and information on works on which copyrights have expired are now delivered in a better organized fashion, with the goal of promoting legal use of works.

(1) Developing the Copyright License Management System ("CLMS")

An integrated management system that allows copyright licensing agreements to be concluded online has been developed and is continuously upgraded to facilitate license transactions and more effectively protect rights. This reduces transaction costs generated in the course of distribution of copyrights throughout the life cycle of works from their creation to termination. In 2009, the system was upgraded to expand application of ICN's and to incorporate licensing for the right of reproduction, right of broadcasting, and right of public performance for musical works.

(2) Developing and operating the Free Use Site

1) Purpose of the Free Use Site

The Free Use Site provides comprehensive information on works of which copyrights have expired to promote greater use of them. To increase use of the Free Use Site, the Site was redesigned to make it more user-friendly and a new online site was added. In addition, newsletters were sent out, and events that publicize the site and encourage donation of expired works were held. Furthermore, with a view to fostering the license indication system, support is provided for the production of Content Construction Kit ("CCK") portals and websites.

2) Expanding the Free Use Site database

The database of expired works is steadily being expanded for users to access and enjoy a wider variety of works.

< Building a database of expired works >

| Classification | No. of works included in the initial construction (cases) | No. of works included in the first expansion (cases) | No. of works included in the second expansion (cases) | Total |
|---------------------------|---|--|---|--------|
| Literary works | 17,300 | 3,843 | 235 | 21,378 |
| Artistic works | 30 | 752 | 1,111 | 1,893 |
| Musical works | 1 | 216 | 556 | 773 |
| Derivative works (photos) | - | 280 | 182 | 462 |
| Total | 17,331 | 5,091 | 2,084 | 24,506 |



< Free Use Website >

IV. Alternative Dispute Resolution Systems - Mediation and Conciliation

1. Overview

The development of information technology and the resulting emergence of various media are rendering disputes increasingly complex, varied, and frequent.

Resolving all these disputes in a court can be costly, and time-consuming. An alternative dispute resolution ("ADR"), which entails mediation, conciliation, and arbitration can be the solution. The Korea Copyright Commission specializes in dispute resolution and is responsible for mediation and conciliation of copyright dispute.

The ADR system of KCC have many advantages. First, the members of the conciliation division have high-level expertise in copyright disputes, and applicants or complainants can resolve disputes more readily. Second, once the KCC receives an application for conciliation, the process is completed within just three months. Third, the dispute resolution costs are low and confidentiality of the concerned parties is guaranteed. Fourth, a conclusion of conciliation, having the same effect as a judicial conciliation, may make enforcement possible. Fifth, either the rightsholder or the infringer can request conciliation.

2. Related provisions

Paragraph 1¹³⁾ of Article 112 (Establishment of the Korea Copyright Commission) of the Copyright Act sets forth the mission of the Korea Copyright Commission as follows: "The Korea Copyright Commission shall be established to deliberate matters concerning copyrights and other rights protected under this Act and mediate and conciliate disputes concerning

¹³⁾ The Korea Copyright Commission shall be established to deliberate matters concerning copyrights and other rights protected under this Act and mediate and conciliate disputes concerning copyrights.

copyrights." Subparagraph 1 of Article 113 (Functions) of the Copyright Act entrusts the Korea Copyright Commission with the responsibility "to mediate and conciliate disputes."

The mediation system and its procedures are stipulated in Article 113-2 (Mediation) of the Copyright Act and Article 59-2 (Mediation) of the Presidential Decree of the same Act. The conciliation system and its procedures are stipulated in Articles 114 to 118 of the Copyright Act and Articles 60 to 63 of the Presidential Decree.

3. Subjects of mediation and conciliation in copyright disputes

The subjects of dispute mediation and conciliation by the Korea Copyright Commission are disputes about rights protected under the Copyright Act, which include disputes over author's moral or economic rights, neighboring rights, remuneration for use for broadcasts, and the rights of database producers.

Disputes over moral rights include cases where a previously undisclosed work has been disclosed without the author's permission; where the name of the author is not indicated or indicated not in the same manner as that already adopted by authors; and where the contents, forms, and titles of works are changed without the author's permission. Disputes over economic rights include cases where works are reproduced or publicly performed without permission from the rightsholder; where works are publicly transmitted by wire or wireless means without permission; where paintings or photographs are exhibited without permission; and where works are translated, arranged, adapted, or produced into movies without permission from the rightsholder.

Disputes over neighboring rights include cases where performances are broadcast without permission by performers such as singers and instrumentalists; cases where commercial phonograms in which recordings of performances are rented for profit-making purposes without permission; and broadcasts are relayed simultaneously, made into sound or visual recordings, or photographed without permission by broadcasting organizations.

Conciliation by the KCC can also be requested when agreement is not reached about remuneration that should be paid by broadcasting organizations to performers and phonogram producers for broadcasting commercial phonograms (Paragraph (4) of Article 75 of the Copyright Act).

4. Effect of mediation and conciliation of copyright disputes

Paragraph 1 of Article 117 (Conclusion of a conciliation) of the Copyright Act states that conciliation shall be concluded by writing the terms of agreement between the parties.

"Paragraph 2 of the same Article states that the outcome of the conciliation as referred to in Paragraph 1 shall have the same effect as a judicial conciliation, unless it is concerned with matters which are outside of the capacity of the parties to dispose thereof."

In other words, an agreement reached by parties voluntarily shall have the same legally binding effect as a court ruling. As a basis to grant an effect of writ of execution to a conciliation agreement, the court provides the rule on granting a writ of execution to a conciliation agreement from various dispute resolution committees (Supreme Court Rule No. 1198).

On the other hand, when an agreement is reached between the parties through mediation, a letter of mediation is to be written. The letter of mediation has the same effect as a civil settlement in which an agreement cannot be discarded without valid reasons. Any failure to carry out the terms of agreement may be resolved through litigation.

5. Mediation and conciliation procedures

The following is a brief explanation of the general process where a copyright dispute is received and processed through mediation or conciliation at the Korea Copyright Commission.

(1) Consultation for copyright disputes

At the Korea Copyright Commission, the consultation office provides consultation through telephone, in-person visits or internet.

(2) Receipt of a mediation or conciliation application and designation of a responsible mediator or conciliation division

An applicant for mediation or conciliation shall indicate the parties, purpose and reason for such application. Once received, the Chairman designates a mediator or conciliation division most suitable for the case and forwards the application thereto. An application for conciliation in which the amount of request is less than KRW 5 million is forwarded to a single-member conciliation division. Most disputes where the amounts of request are relatively small and where simple copyright contracts are involved are handled through mediation.

(3) Fixing of a date for mediation and conciliation

The conciliation division or mediator to which a case is referred fixes a date for a hearing and requests attendance by both parties. At the hearing, the parties will be given opportunities to state their opinions. The hearing date for conciliation will be set approximately in three to four weeks after receipt of application, and the date for mediation will be set earlier.

(4) Review of mediation and conciliation cases

Once a date is set for mediation or conciliation, the conciliation division, mediator, and Korea Copyright Commission fully review the case with the mediation or conciliation application and other documents submitted by both parties to ensure efficiency of the proceedings at the hearing.

(5) Proceedings at a mediation and conciliation hearing

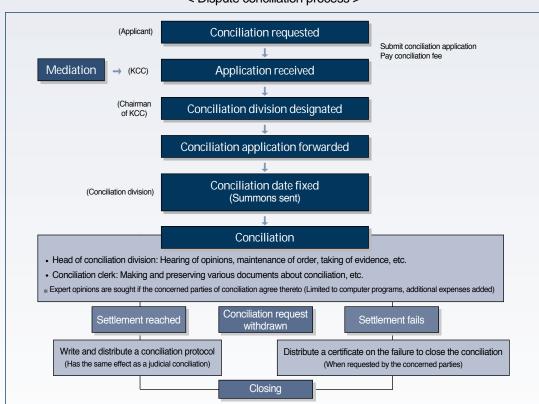
A mediator or conciliation division head, if necessary, can request an attendance of a person of interest and demand supplementation of documentary evidence and can investigate evidence through witness testimony, documents, verification of facts or expert opinions.

Statements can be made either in writing or orally at the hearing. An agreement will be actively sought by verifying and considering the parties' intentions and statements.

(6) Closing of mediation and conciliation

When an agreement is reached through mediation or conciliation, a letter of mediation or conciliation is written to give effect thereto. If the parties disobey the request of appearance or don't reach an agreement or three months after the application date, the process will be closed and the reasons for closing will be written and kept on record.

< Dispute conciliation process >



V. International Cooperation and Operation of Overseas Offices

1. Strengthening copyright protection and support system for advancement of Korean works overseas

(1) Operation of overseas offices and improved management of related activities

1) Efficient operation of overseas offices and strengthening cooperation with national governments and relevant organizations

A system is in place for on-going support to protect the copyrights of Korean companies with overseas presence. Overseas offices were opened in Beijing, China in May 2006 and in Bangkok, Thailand in May 2007 for the special management of the Korean contents animated region to cover Southeast Asia. In addition, cooperation on copyright protection has been reinforced by concluding MOUs with national governments or relevant organizations. An example is an MOU signed in September 2009 with the Copyright Protection Center of China ("CPCC").

2) Measures against distribution of illegal reproductions and active public outreach efforts

To prevent the distribution of illegal reproduction occurring online which is beyond the national boundaries, working-level specialists from Main content industries such as cinematography, music, and games convened to discuss possible solutions. Also, studies have been conducted on ways to provide mid-to-long term protection of copyrights overseas and to lay the foundation for strategic overseas advancement by Korean companies. Accordingly, efforts are being made to devise efficient ways to make necessary legal and systematic improvements. Furthermore, public outreach program such as publishing promotional materials on Korea's main copyright protection policies and overseas protection activities has been done to show Korea's commitment to protect copyright. Such publications were distributed in September 2009 and can be found in Cultural Centers of the Republic of Korea located in various countries around the world.

(2) Activities in China including the operation of the Beijing Office and legal remedies

1) Expert legal consulting service

The Beijing Office is staffed with professionals proficient in Chinese laws and systems and concludes legal consulting service agreements with Chinese law firms to provide quality legal consulting to Korean companies doing business in China.

* Legal consulting: 53 cases in '07, 65 in '08 and 50 cases in '09

2) Support for verification and registration of Korean works in China

The Beijing Office was approved as a verification agency by the National Copyright Administration of the People's Republic of China ("NCAC") in November 2006 to verify original authors and license contracts when requested by authors, thereby encouraging conclusion of legal distribution contracts among companies and supporting copyright registration in China. With this arrangement in place, various initiatives aimed at reinforcing protection of the rights of Korean works are being actively carried out.

* Copyright verification: 601 cases in '07, 1,493 in '08 and 1,121 cases in '09

3) Public outreach through local explanatory sessions on copyright protection and participation in a China International Copyright Expo("CICE")

Presentations on copyright protection were held for Korean and local companies in China to raise awareness of copyright protection and encourage the use of remedies and other programs. Korea also participated (as a guest of honor) in an China International Copyright Expo("CICE") held by the NCAC to actively promote protection of Korean copyrights.

** Presentations and cooperation activities: Presentation on copyright protection (May & October '09), meeting to discuss remedies against Internet infringements of the copyrights of Korean movies in China (July '09), and meeting to discuss cooperation with the NCAC and CPCC (September, '09)

(3) Activities in Southeast Asia such as the operation of the Bangkok Office and provision of information (results added)

1) Investigation and research on the distribution of works in Southeast Asia

Efforts are being made to protect the copyrights of Korean companies doing business in Southeast Asia. For instance, investigations on online and offline distribution of works in Southeast Asia was carried out to formulate more effective policies on copyright protection.

** Investigation into the online distribution of Korean works in Thailand (until December '09)

2) Expansion of copyright information network and strengthening of cooperation

The system of cooperation and exchange of information for copyright protection has been enhanced by holding workshops, forums, and expert meetings to share information on the latest copyright issues and by expanding the cooperative network with governments, relevant organizations, and companies in Southeast Asia.

** Information exchange and cooperative meetings: Korea-Indonesia Copyright Network Roundtable (February '09), meeting (March '09) and workshop (May '09) with Thailand' s enforcement specialists (March '09), and participation in Thailand' s IP fair (Bangkok, June '09)

3) Providing specialized legal consultation service and information on latest trends and issues

A variety of support programs assist Korean companies in making a smooth transition to the overseas markets. For example, specialized legal consultation service was provided for companies with local presence, and a copyright guidebook in Thai language was produced and distributed (November 2009) to effectively protect Korean copyrights in Thailand. In addition, information on the latest trends was provided by a network of correspondents in four Main Southeast Asian countries (Thailand, Vietnam, Malaysia, and Indonesia).

- ** Publication of e-newsletter to share copyright information between Korea and Southeast Asia and distribution of e-mail reporting copyright trends in Southeast Asia (every month)

2. Cooperation and exchange of copyright information with national governments and international organizations

(1) Strengthening copyright information interchange by hosting international copyright forums

Korea hosted various international forums on copyrights to share information and discuss ways to work together in the persistent effort to ultimately establish an effective copyright information network. As examples, the 2009 Seoul Copyright Forum and the Fifth Korea-China Copyright Forum were held in June to exchange information on international issues and prospects concerning copyright laws, policies, and industry. Also, the 2009 Korea-Japan Copyright Forum was held in October to share knowledge and information on copyright legislation and markets of the two countries, and its successful outcome contributed to promoting mutual trade.

(2) Strengthening cooperation with World Intellectual Property Organization ("WIPO") and other international organizations

With a view to formulating prompt and effective responses to changing global copyright policies, Korea participated in the 47th WIPO General Assembly in September, the 18th and 19th meetings of the Standing Committee on Copyright and Related Rights ("SCCR"), and the 14th and 15th meetings of the International Governmental Committee on the Protection of Generic Resources, Traditional Knowledge and Folklore ("IGC") to actively contribute to the discussion on IPR issues at the WIPO level. Also, Korea has been co-hosting the "Study Visit to the Korea Copyright Commission in the Republic of Korea" program with WIPO, in which Korea invites high-level officials responsible for copyright policy from developing countries in Asia, shares its experience on copyright laws and policies with the participants, and discusses relevant issues. 2009 was the third year of the annual program which is expected to strengthen cooperation between Korea and the participating countries in Asia and to help them advance their legal and control systems on copyrights.

3. Active Response for International Trade Negotiations

As the share of the copyright industry in international trade grows, the importance of copyright issues is drawing greater attention in bilateral trade negotiations such as FTAs. In keeping with this global trend, Korea has already concluded FTAs with the U.S., EU, India, Singapore, Chile and ASEAN, and built a mutually beneficial system. FTA negotiations are currently underway with countries such as Canada, Mexico, the Gulf Cooperation Council ("GCC"), Australia, and New Zealand. Preparations for negotiations are being made or joint studies are being conducted for possible FTA talks with Japan, China, Turkey, Russia, Columbia, and Israel.

In addition, in order to respond to constantly changing copyright trade issues in a timely manner, Korea collects and studies the latest copyright-related information of other countries around the world. It also endeavors to devise effective negotiation strategies to proactively take part in the many FTA negotiations taking place concurrently.

Careful review is underway for not only bilateral but also multilateral agreements such as the Anti-Counterfeiting Trade Agreement ("ACTA"), as part of Korea's unrelenting efforts to establish laws and systems for protection of copyrights on par with international standards.

VI. Launching of the Copyright Forum and the Copyright Consultative Body ■

1. Introduction of the Copyright Consultative Body



⟨The Launching Ceremony of the Copyright Forum and the Copyright Consultative Body⟩

(1) Purpose and function

The Copyright Consultative Body was launched on September 22, 2009 to explore solutions to copyright issues and reach agreement through participation and communication among copyright holders, distributors, and users.

(2) Composition

The Copyright Consultative Body comprises the Executive Consultative Body (one member representing each of the groups of rights holders, distributors, and users, and two members

representing public interest), the Working-level Consultative Body, and the Support Team. The Executive Consultative Body is the highest decision-making group endowed with the authority to reach final agreement and make final decisions concerning each agenda item. The Working-level Consultative Body explores concrete solutions for various issues through discussion and research and delivers them to the Executive Consultative Body. The Korea Copyright Commission provides practical support to ensure the smooth functioning of the two Bodies.

2. Introduction of the Copyright Forum



⟨The Launching Ceremony of the Copyright Forum and the Copyright Consultative Body⟩

(1) Purpose and function

The Copyright Forum was launched on September 22, 2009 together along with the Copyright Consultative Body to promote indepth discussion on major issues as part of the larger aim to identify copyright issues in a proactive manner and reflect them in policymaking.

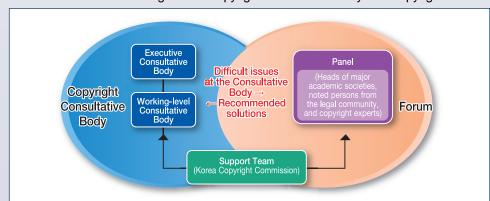
(2) Composition

The Copyright Forum is composed of representatives from major academic societies on copyright and experts from the academia and legal community.

3. Interactivity of the Copyright Consultative Body and the Copyright Forum

The Copyright Consultative Body raises issues that are later presented for discussion at the Copyright Forum which in turn explores solutions to such issues. The solutions proposed by the Forum are then delivered to the Copyright Consultative Body which seeks to reach concrete agreements among rights holders, distributors, and users.

< Flow chart of the workings of the Copyright Consultative Body and Copyright Forum >





Copyright Collective Management Organizations

I Overview of Copyright Trust Management Organizations in Korea

The Copyright Act of Korea stipulates laws on copyright management agency service which provide the statutory basis for the business of copyright trust management ¹⁴⁾. The Korea Music Copyright Association, Federation of Korean Music Performers, and Korean TV & Radio Writers Association were authorized by the Ministry of Culture and Tourism in 1988 to provide trust services. Following these pioneers, most collective management organizations ("CMO") obtained approval from the Ministry in year 2000 and onwards.

The following twelve trust management organizations, each covering different types of copyrights, are in operation with authorization from the Minister of Culture, Sports and Tourism: Korea Music Copyright Association, Federation of Korean Music Performers, and Korean Association of Phonogram Producers in the area of music; Korea Movie and Video Industry Association and Korean Film Producers Association in the area of cinematographic work; Korea Broadcasting Performers' Association in the broadcasting area; Korea Reprographic and Transmission Rights Association, Korean Society of Authors, Korean TV & Radio Writers Association, and Korean Scenario Writers Association in the area of literary works; Korea Creative Content Agency in the public contents area; and lastly the Korea Press Foundation, in the news area.

< Copyrights managed by Korean trust management organizations >

| Area | Organization | Major rights managed |
|----------------------|---|---|
| Music | Korea Music Copyright Association | Right of public performance, right of broadcasting of performances, right of reproduction, and right of interactive transmission of music works |
| madic | MusicKorean Association of Phonogram Producers | Copyrights to online phonogram contents |
| | MusicFederation of Korean Music Performers | Music performers' neighboring rights |
| | Korean TV & Radio Writers Association | Right of broadcasting of performances, right of reproduction, right of distribution, right of interactive transmission, and right of production of derivative works for broadcast scripts |
| Literary | LiteraryKorean Society of Authors | Right of reproduction, right of distribution, right of interactive transmission, and right of broadcasting of performances of derivative works for literary works |
| | LiteraryKorean Scenario Writers Association | Copyrights to scenarios used in movies, etc. |
| | LiteraryKorea Reprographic and Transmission Rights Association | Right of reproduction and right of interactive transmission |
| | Korean Film Producers Association | Right of reproduction and right of interactive transmission for film contents |
| Cinema- tographic | Cinema- tographicKorea Movie and Video Industry Association | Right of public performance for film contents, videos, and DVDs, etc. |
| | Cinema- tographicKorea Broadcasting Performers' Association | Neighboring rights of performers such as actors, voice actors, etc. |
| Public & | Korea Creative Content Agency | Copyrights to public cultural contents in digital form |
| media | Public & mediaKorea Press Foundation | Copyrights to news |

^{14) &}quot;Copyright trust management" refers to managing on an on-going basis the economic rights, publication rights, neighboring rights, or rights to license these rights on behalf of the holders of such rights.

II. Copyright Trust Management Organizations in Korea

1. Korean Association of Phonogram Producers ("KAPP")

The Korean Association of Phonogram Producers was established in 2001 to protect the rights and interests of phonogram producers and manage their neighboring rights in trust. It has 30 employees working in the content management team, media business team, legal and copyright team, IT business team, and business strategy team. KAPP performs trust management of the neighboring rights for about 170,000 music titles held by some 1,450 Korean phonogram producers, and explores matters on the protection of neighboring rights of phonogram producers and their rights and interests in general. In addition, KAPP collects and distributes remuneration for broadcasting and digital sound transmission of commercial phonograms, and, since the right to demand remuneration for public performances was guaranteed for phonogram producers in September 2009, it now collects for distribution to rightholders remuneration for public performances from store owners that use music for profit-making purposes.

As a notable achievement, KAPP effectively pressured streaming and P2P services to charge for music downloads by taking strong legal action against "Bugs and Soribada", the two leading Internet sites that were allowing users to download music free of charge. With this success, it is now actively pursuing legal action against file hosting service providers for their models enabling illegal sharing of phonograms. It is also involved in negotiations with them to adopt subscription-based services. Furthermore, to enhance users' awareness of copyright, KAPP also organized the "Bulkkeun movement" to eradicate illegal phonograms and has induced substantial public participation. In addition, KAPP held workshops for working-level employees in the music industry as part of its ongoing effort to promote information sharing and mutual understanding among different stakeholders in the industry.

Active overseas exchange is also on KAPP's agenda. In particular, KAPP joined the Digital Data Exchange ("DDEX")¹⁵⁾, an international standardization body for distribution of digital phonograms, the first to do so in Asia. Its membership in the DDEX is expected to help solve problems that occur due to the lack of international standard codes when Korean producers export local phonograms.

¹⁵⁾ The Digital Data Exchange (DDEX) was launched in 2006 to standardize information necessary for online distribution of sound sources, and its members include international phonogram companies such as Sony Music, BMG Music, and Warner Music and digital music contents providers such as AOL, Apple, and Microsoft

2. Korea Music Copyright Association ("KOMCA")

The Korea Music Copyright Association, launched in 1964, is the oldest trust management organization in Korea. It has the largest number of members (10,000) and collects the most in copyright royalties. KOMCA primarily manages the right of public performance, right of broadcasting of performances, right of interactive transmission, right of digital sound transmission, right of reproduction, and right of rental, etc. that are effected in Korea. It also collects royalties from users of musical works and distributes them to its members according to distribution regulations. KOMCA has the discretion to authorize use of musical works for broadcasting organizations, web casting services, video record companies, manufacturers of instrumental accompaniment machines, karaoke establishments, advertising agencies, wire and wireless Internet operators, sports stadiums, stage performances, airlines, entertainment establishments, hotels, department stores, cable television operators, publishing companies, film producers, music-enabled phone companies, and amusement facilities, among others.

KOMCA works at the forefront to protect the members' rights and interests at home and abroad by concluding mutual management contracts with foreign music copyright organizations. It has mutual management contracts with 39 organizations in 37 nations for the right of public performance and the right of broadcasting of performances and with 39 organizations in 42 nations for the right of reproduction. In 2004, it successfully hosted the General Assembly of the International Confederation of Societies of Authors and Composers (CISAC). A total of 763 representatives from 179 organizations in 66 nations participated.

KOMCA took decisive legal action against use of musical works on the Internet and played a leading role in pressuring Soribada and Bugs to charge for downloads. In August and October of 2009, it concluded a joint copyright protection agreement with Naver and Daum, Korea's major web portal sites, making an active effort for protection of works on the Internet. Since 2008, it has been working to upgrade its trust management system by drafting an information technology strategy plan and implementing a systems integration project.

3. Federation of Korean Music Performers ("FKMP")

The Federation of Korean Music Performers was established in 1988 to protect the rights and improve the working environment of music performers such as popular singers, instrumentalists, Korean traditional musicians, and Western classical musicians. It has 19 employees, about 3,500 performers as individual members, and group members such as the Korea Singers' Association, Korea Recording Musician Association, Association to Collect Korea's Sounds, Singers Committee and Music Playing Committee of the Korea Entertainers

Association, Music Association of Korea, and Korean Traditional Music Association.

Performers have various economic rights such as the right of reproduction, right of broadcasting of performances, right of interactive transmission, right of distribution, right to claim remuneration for digital sound transmission, and right to claim remuneration for public performances. However, it is quite difficult for individual performers to exercise every right. It is, moreover, nearly impossible to collect by themselves royalties for neighboring rights when their songs or instrumental music are used on TV, radio, Internet, or at various events. Thus, the FKMP collects and distributes remuneration to which performers are entitled.

To serve its members effectively, the FKMP has accumulated some 380,000 music titles in its database. It has also taken action on behalf of its members in multi-faceted ways such as staging a campaign to claim performers' rights, introducing the right to demand remuneration for public performances, and enhancing cooperation with relevant organizations to prevent losses incurred due to illegal reproductions.

4. Korean TV & Radio Writers Association

Since its founding in 1962, the Korean TV & Radio Writers Association has managed copyrights of its members to prevent infringement on economic rights to their works. It has ten employees and 2,206 members whose works have been aired through broadcasting stations.

Various works authored by the members of the Association such as broadcast programs have successfully advanced not only into the domestic broadcasting industry but also into foreign countries. Hence, the Association has set an example for similar organizations in terms of copyright management.

It has reaped significant results in building respect for copyrights through cooperation with Korean academic societies and overseas copyright organizations. In addition, the Association discovers promising writers through its Korean TV & Radio Writers Association Training Center and publishes the monthly TV & Radio Writers as part of its public awareness initiative. It also confers awards to broadcasting writers to encourage further self-development as writers and offers continuing education for its members.

5. Korean Society of Authors ("KOSA")

Established in 1984, the Korean Society of Authors has 5 employees and 2,280 members. KOSA strives to support authors in such ways as managing in trust copyright holders' economic

rights, concluding license agreements with users, and providing agency and brokerage services. It regularly conducts on-site investigations into distribution channels of works such as book stores to verify the frequency and nature of illegal use of works. When a copyright of a member's work entrusted to the KOSA is infringed upon, it sends a notification to the infringer and receives compensation to be paid to the rightful author. If agreement is not reached, it pursues legal action including criminal complaints and civil suits. In addition, it holds copyright seminars and forums each year, publishes the quarterly Author, and organizes public relations campaigns to raise the awareness of copyrights in the media community.

6. Korean Scenario Writers Association ("KSWA")

Established in 1954 and currently staffed by three employees who service 130 members, the Korean Scenario Writers Association is dedicated to protecting the rights and interests of scenario writers including their copyrights. An important mission of the KSWA is assisting writers improve the quality of their work. It identifies and supports budding writers, rewards meritorious members, and endeavors to improve the welfare of its members. The KSWA contributes to the development of culture and arts by publishing research findings and film publications and holding research presentations and lectures about screenplays.

7. Korea Reprographic and Transmission Rights Association ("KRTRA")

The Korea Reprographic and Transmission Rights Association was launched in 2000 as a copyright CMO to manage in trust the rights of reproduction and transmission and provides brokerage services. It was designated as an organization to receive, for distribution to rightsholders, remuneration from libraries in 2003 and to receive remuneration from schools for use of copyrighted materials in textbooks and transmissions in 2008. Furthermore, itstrives to protect copyright by various means such as collecting and discarding illegally-reproduced publications. As a regular member of the International Federation of Reproduction Rights Organizations ("IFRRO"), it is in the process of concluding mutual management contracts with overseas associations for collective management of rights of reproduction,

8. Korean Film Producers Association ("KFPA")

Established in 1994, the Korean Film Producers Association is a consultative body of currently active producers of Korean films, and plays a central role in improving the quality of Korean films and promoting them overseas. It joined the Federation Internationale des Associations de Producteurs de Films ("FIAPF") in 2001. Four years later in November 2005, it received approval from the Korean government to provide copyright trust management services. The KFPA has strived to assist in producing quality Korean films and to carve out a larger market

share for them despite tough challenges and pressures coming from the formidable market presence of directly-distributed Hollywood movies, import of Japanese movies, and U.S. demands for further market opening. To produce films that can be competitive in international markets, the Association strives to produce movies in various genres that are original and creative.

9. Korea Movie and Video Industry Association ("KMVIA")

The Korea Movie and Video Industry Association was founded in 1998 and today has eight employees and 59 companies as members. The KMVIA manages in trust cinematographic works, collects and distributes copyright royalties, protects the rights and interests of copyright holders, and conducts various types of studies. Its main activities include research on the distribution of cinematographic works and development of relevant industries; online and offline crackdowns and monitoring to eradicate illegal reproduction of cinematographic works; response to copyright infringements and dispute conciliation to protect the rights and interests of members; and suggestion of recommendations to improve laws and systems to protect and promote the use of copyrighted works. It also conducts public campaigns to enhance awareness of copyright protection while at the same time supporting users to use cinematographic works so that it may collect royalties from such use and distribute them to rightsholders.

The KMVIA hosts the Korea Cinematographic Awards ceremony at the end of every year to promote the cinematographic industry. The event has become a festival and forum for cultural exchange among those in cinematography. It inspires to instill creative spirit in the production and distribution of cinematographic works (DVDs and videos) to further grow the industry. The 17th Korea Cinematographic Awards ceremony was held on December 8, 2008 and was a major success with contents organizations.

10. Korea Broadcasting Performers' Association ("KBPA")

The Korea Broadcasting Performers' Association was established in 2001 to protect and improve the neighboring rights of actors, voice actors, comedians, and other broadcasting performers. It has six employees and 2,778 members.

The Association is entrusted with the neighboring rights of performers appearing in broadcasting programs and collects royalties for such rights from broadcasting stations for distribution to the rightsholders. It has agreements with nine regional private broadcasting stations that constitute a nationwide network such as KBS, MBC, SBS, EBS and OBS. It also concluded a special agreement with 31 cable TV channels such as animation channels, On Media, CJ Media, MBC Drama Net, CU Media, and Joongang Media Q to collect and distribute royalties for neighboring rights.

11. Korea Creative Content Agency ("KOCCA")

Based on Article 31 of the Act on Promotion of the Cultural Industry¹⁶, the Korea Creative Content Agency was established on May 7, 2009 through the consolidation of the Korea Broadcasting Institute, Korea Culture and Contents Agency, Korea Game Development & Promotion Institute, Culture Content Agency, and digital contents section of the Korea Software Promotion Agency. It is a public institution that promotes and supports development of the cultural industry. It has 200 employees and 23 institutions as members. The KOCCA covers all areas of contents and has built a comprehensive support system to develop the contents industry.

The KOCCA develops policy for promotion of the contents industry and implements projects to nurture creative human resources believed to be the source of creativity. It supports the development of specialized CT technology from planning, development to commercialization and pursues the project to develop and assist the content industries in exporting. It also supports cinematographic works for digital broadcasting, promotes distribution of games, and digitalizes cultural contents to generate creative ideas.

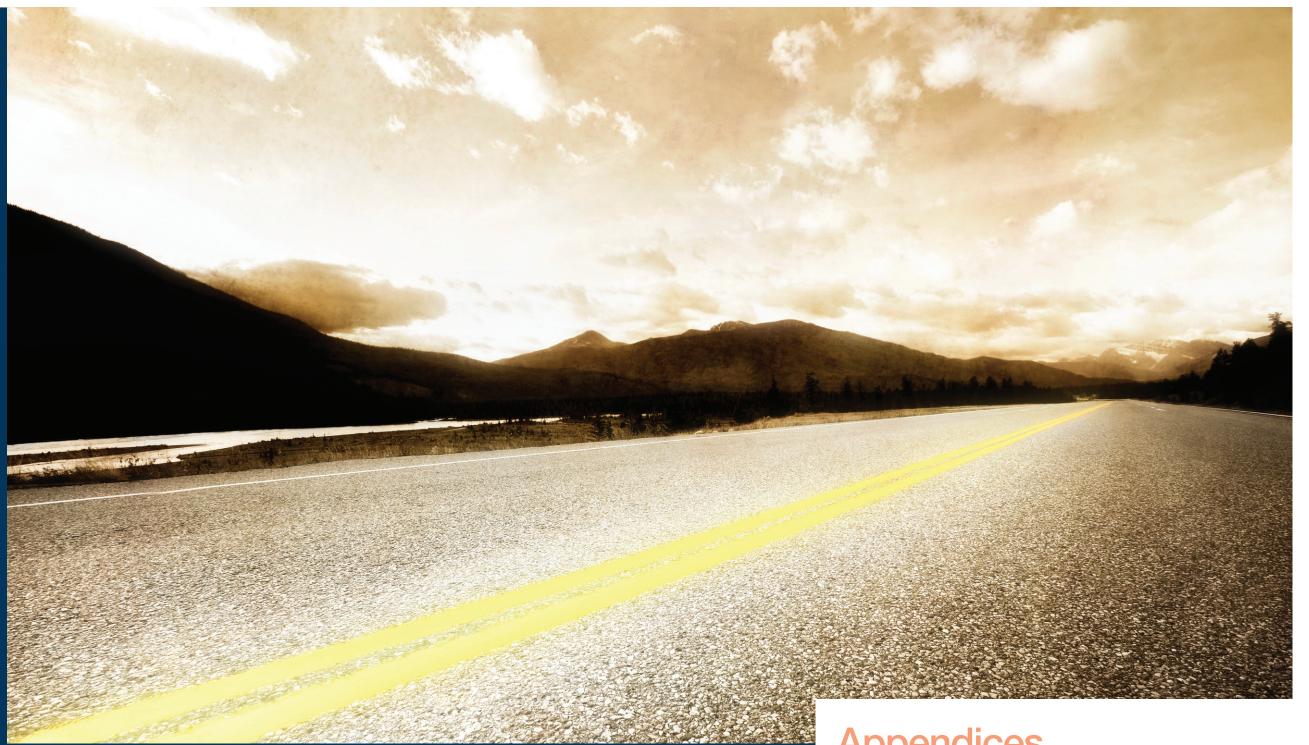
12. Korea Press Foundation ("KPF")

The Korea Press Foundation, established in 1962, has 118 employees and 48 media companies as members. The KPF offers venues such as the KPF Forum and media debates for in-depth discussions on social issues with journalists and news makers from around the globe. It also supports groups of journalists for authorship, special reports, and research. It nurtures preliminary journalists through dedicated training courses and provides continuing education to journalists. To rebuild public trust and raise the quality of journalism, it conducts systematic and in-depth research on the media industry, its management, media policy, and the media's viewership and readership. In addition, for effective and systematic advertisements for government, it supports and places advertisements for government agencies and public corporations. It also launched the Media Statistics Information System ("MediaSIS")¹⁷⁾ service in March 2008



¹⁶⁾ Article 31 of the Framework Act on Promotion of the Culture Industry stipulates that "the government establishes the Korea Creative Content Agency to efficiently support promotion and development of the culture industry."

¹⁷⁾ MediaSIS is the first in Korea to provide comprehensive information on media statistics, It services information on Korea's media organizations and newspaper industry statistics from around the world through cooperation with the World Association of Newspapers (WAN).



Appendices

- I . Size of the Korean Copyright Industries
- II. Copyright Statistics
 III. Main Activities in 2009
- IV. Directory of Major Institutions

I . Size of the Korean Copyright Industries

The economic contribution of the copyright industries is very high compared to other industries, according to the Statistical Survey of the Size of the Domestic Copyright Industries published in July 2009.

The Survey shows that the aggregate value of all of Korea's copyright industries was KRW 80,2230 trillion in 2007, a 1,58% increase from KRW 78,9720 trillion in 2006.

The added value of the core copyright industries as calculated by the WIPO guidelines totaled KRW 30,6500 trillion in 2007, showing a steady increase from KRW 27,4290 trillion in 2005.

< Added value of the Korean copyright industries >

(Unit: One million dollars (\$))

| | | | (OTHE OTIC TIMIOTI GOILGIS (Ф)) |
|-------------------------------------|--------|--------|---------------------------------|
| | 2005 | 2006 | 2007 |
| Core copyright industries | 23,768 | 25,719 | 26,559 (38%) |
| Interdependent copyright industries | 24,445 | 25,382 | 24,826 (36%) |
| Partial copyright industries | 1,850 | 1,937 | 2,101 (3%) |
| Non-dedicated industries | 15,370 | 15,395 | 16,029 (23%) |
| All copyright industries | 65,434 | 68,433 | 69,517 |

The share of the copyright industries¹⁹⁾ in Korea's GDP was very high at 8,21% in 2007, but the share of the core copyright industries was only 3,14%, demonstrating that the core industries of art, design, music, and cinematography are still comparatively weak. These industries are especially vulnerable to online copyright infringement.

¹⁹⁾ Copyright industry classification

| Classification | Description |
|-------------------------------------|--|
| Core copyright industries | Industries fully engaged in the creation, production, manufacturing, public performance, broadcasting, telecommunications, exhibition, or distribution and sale of works or others subject to protection according to the WIPO's copyright industry classification (2003). |
| Interdependent copyright industries | Industries engaged in the production, manufacturing, and sale of equipment used solely or mainly to enable the creation, production, and use of works. |
| Partial copyright industries | Industries partially participating in the creation, production, manufacturing, execution, broadcasting, telecommunications, exhibition, or distribution and sale of works. |
| Non-dedicated industries | Industries whose internal and partial activities contribute to the broadcasting, telecommunications, distribution, and sale of works and others and do not fall under core copyright industries. |
| All copyright industries | All of core copyright, interdependent copyright, partial copyright, and non-dedicated industries. |

< Economic contribution (share of GDP of copyright industries) >

(Unit: %)

| | 2005 | 2006 | 2007 |
|-------------------------------------|---------|---------|---------|
| Core copyright industries | 3.17 | 3,26 | 3.14 |
| Interdependent copyright industries | 3,26 | 3,22 | 2,93 |
| Partial copyright industries | 0,25 | 0,25 | 0,25 |
| Non-dedicated industries | 2,05 | 1,95 | 1,89 |
| All copyright industries | 8.74 | 8,68 | 8,21 |
| GDP (1 billion won, nominal) | 864,427 | 910,134 | 976,814 |

From 2006 to 2007, although the copyright industries grew more slowly than GDP at an average rate of 3.08%, the growth rate of the core copyright industries was relatively high at 5.74%. This suggests that copyright industries are the driving force for the growth of national economy.

Employment in the copyright industries has steadily increased. About 1,058,200 people were presumed to be employed by the industries in 2007, of which 508,600 people were employed in the core copyright industries (employment contribution of 4,52%). The growth rate for employment in the copyright industries was 4,22% in 2006 and 2007 which is more than three times higher than the average growth rate of 1,25% for all industries. In fact, it was much higher in the core copyright industries at 7,13% on average for the same period.

¹⁸⁾ Choi Jongil, Jeong Byeongcheol, Ok Seongsu, and Jeong Gyeongtae, Statistical Survey of the Size of the Domestic Copyright Industries, Korea Copyright Commission, study data on copyright policy, 2009-02, 2009

II 2009 Statistics

1. Statistics on the performance of the Korea Copyright Commission

(1) Copyright education by year and area

| Education Program | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---------------------------|--|------------------------------|--------------------------------|--------------------------------|
| Copyright Culture School | 98 people (2 sessions) | 179 (4) | 175 (4) | 178 (4) | 154 (6) |
| Training of families on copyright culture | 31 (1) | - | - | - | - |
| Copyright Academy | - | 678 (22) | 229 (10) | 259 (10) | 199 (10) |
| On-site Copyright Education | 6,717 (50) | 71,162 (198) | 96,160 (295) | 120,201 (336) | 93,977 (374) |
| Application of stays of prosecution on condition of receiving copyright education | - | 50 (1) | - | 161 (3) | 7,812 (72) |
| Pilot Hands-on Copyright Classes | - | 921 (20 classes in metropolitan area) | 745 (20 across nation) | 3,479 (79 across nation) | 4,200 120 across nation) |
| Training of teachers in special areas | - | 80 (2) | 80 (2) | 38 (1) | 40 (1) |
| Remote training of teachers | | - | 1,209 (1) | 2,727 (5) | 3,305 (7) |
| Training of copyright lecturers | - | - | 93 (3) | 71 (3) | 73 (3) |
| Copyright education workshop for those responsible for training teachers | - | - | - | - | 26 (1) |
| Copyright education team | - | - | - | - | 73 (3) |

[%] No. of schools participating in the Copyright Research School

(2) Annual reports of illegal reproductions on- and off-line

| | Classification | ′00 | ′01 | ′02 | ′03 | ′04 | ′05 | ′06 | ′07 | ′08 | ′09 | Total |
|-----------|---|-----|-----|-----|-----|-----|-----|-----|-------|--------|--------|--------|
| Offline | Reports received | | - | 85 | 76 | 52 | 30 | 35 | 23 | 85 | - | 386 |
| Offilirle | Processed | - | - | 85 | 76 | 52 | 28 | 32 | 16 | 45 | - | 334 |
| | Monitored | - | - | - | 340 | 124 | 500 | 652 | 2,098 | 11,927 | 35,345 | 50,986 |
| | Reports received | - | - | - | - | 8 | 184 | 76 | 47 | - | 262 | 577 |
| | Corrections recommended | - | - | - | - | - | - | - | 372 | 11,927 | 35,345 | 47,644 |
| Online | Warnings issued | - | - | - | - | - | - | - | 372 | 1,112 | 13,466 | 14,950 |
| | Deletions/suspensions of transmissions | - | - | - | - | - | - | - | - | 10,747 | 21,840 | 32,587 |
| | Account suspensions | | - | - | - | - | - | - | - | 68 | 39 | 107 |
| | Value of detected reproductions (KRW 100 million) | | - | - | - | - | - | - | - | 306 | 254 | 660 |

(3) Registrations by year and work type

| Year | Type | ′87 ~ ′94 | ′95 | ′96 | ′97 | ′98 | ′99 | ′00 | ′01 | ′02 | ′03 | ′04 | ′05 | ′06 | ′07 | ′08 | ′09 | Total |
|--------------------------------|---------------------------|-----------------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| | Literary | 804 | 56 | 127 | 64 | 84 | 64 | 218 | 495 | 625 | 822 | 991 | 1,521 | 1,792 | 1,890 | 1,875 | 2,309 | 13,737 |
| | Musical | 36 | 15 | 35 | 1 | 21 | 112 | 290 | 101 | 214 | 248 | 238 | 313 | 362 | 659 | 744 | 987 | 4,376 |
| | Theatrical | | | | | | | 1 | 6 | 2 | 11 | 5 | 4 | 14 | 3 | 16 | 27 | 89 |
| | Artistic | 667 | 89 | 66 | 13 | 50 | 159 | 712 | 1,774 | 2,842 | 2,919 | 2,435 | 4,816 | 3,779 | 3,599 | 4,278 | 5,075 | 33,273 |
| | Architec- tural | | | | 4 | 1 | 78 | 453 | 262 | 184 | 161 | 285 | 145 | 132 | 210 | 99 | 117 | 2,131 |
| | Photo- graphic | 5 | 1 | | | 1 | 4 | 18 | 43 | 93 | 339 | 736 | 1,048 | 3,877 | 6,350 | 2,993 | 378 | 15,886 |
| Works | Cinema- togra- phic | 425 | 30 | 29 | 186 | 41 | 20 | 109 | 473 | 287 | 432 | 800 | 732 | 723 | 660 | 247 | 238 | 5,432 |
| | Diagram- matic | 25 | | 1 | 1 | 6 | 5 | 24 | 49 | 91 | 88 | 19 | 265 | 440 | 564 | 506 | 400 | 2,484 |
| | Compi- lation | 39 | 3 | 3 | 2 | 2 | 16 | 106 | 273 | 427 | 658 | 706 | 696 | 796 | 1,101 | 1,414 | 1,079 | 7,321 |
| | Derivative | | | | | | | 7 | 99 | 193 | 772 | 846 | 795 | 180 | 252 | 197 | 277 | 3,618 |
| | Program | 22,382 | 7,060 | 9,736 | 7,700 | 7,582 | 7,836 | 13,854 | 11,018 | 10,062 | 9,939 | 10,299 | 10,528 | 10,686 | 10,623 | 11,190 | 11,855 | 172,350 |
| | Other | | | | | | | | | 1 | | | | | | | | 1 |
| Works subject to neighb- | Perfor- mance | | | | | | | | 1 | | 1 | | 2 | 61 | 24 | 4 | 93 | 186 |
| oring rights | Phono- gram | | 162 | | | | | 14 | 37 | 21 | 49 | 82 | 184 | 68 | 36 | 73 | 1,366 | 2,092 |
| | Compil- ation | | | | | | | | 2 | | | 2 | | 2 | 4 | | 3 | 13 |
| Public- | Literary | | | | | | | | | | 6 | 3 | 5 | 4 | 2 | 3 | | 23 |
| ation rights | Artistic | | | | | | | | | | | 4 | | | | | | 4 |
| | Derivative | | | | | | | | | | | 1 | | | 1 | 2 | 2 | 6 |
| | lusive tion rights | 2 | 3 | | | | | 1 | 1 | | 7 | 5 | 4 | 13 | 1 | 2 | 1 | 40 |
| Data | abase | | | | | | | | | | 2 | 14 | 27 | 11 | 38 | 35 | 18 | 145 |
| То | otal | 24,385 | 7,419 | 9,997 | 7,971 | 7,788 | 8,294 | 15,807 | 14,634 | 15,042 | 16,454 | 17,471 | 21,085 | 22,940 | 26,017 | 23,678 | 24,225 | 263,207 |

(4) No. of dispute conciliation cases by year and area

| | '88 | '89 | '90 | '91 | '92 | '93 | '94 | '95 | '96 | '97 | '98 | '99 | '00 | '01 | '02 | '03 | '04 | '05 | '06 | '07 | '08 | '09 | Total |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Literary | 6 | 5 | 6 | 13 | 19 | 18 | 30 | 12 | 10 | 6 | 13 | 8 | 7 | 19 | 32 | 29 | 14 | 31 | 24 | 13 | 9 | 10 | 334 |
| Musical | 2 | 0 | 0 | 1 | 1 | 1 | 2 | 13 | 6 | 5 | 9 | 0 | 1 | 3 | 7 | 29 | 3 | 1 | 30 | 4 | 15 | 3 | 136 |
| Theatrical | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 6 |
| Artistic | 0 | 1 | 0 | 4 | 2 | 6 | 6 | 7 | 1 | 11 | 20 | 14 | 9 | 26 | 23 | 4 | 33 | 12 | 5 | 8 | 5 | 7 | 204 |
| Architectural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | - | 7 |
| Photographic | 0 | 1 | 7 | 1 | 4 | 2 | 6 | 1 | 1 | 2 | 4 | 3 | 1 | 10 | 20 | 41 | 13 | 13 | 16 | 8 | 10 | 11 | 175 |
| Cinematographic | 0 | 0 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 1 | 3 | 4 | 16 | 1 | 1 | 0 | 1 | 0 | 3 | - | 34 |
| Diagrammatic | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 2 | 0 | - | 7 |
| Compilation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 3 | 3 | 2 | 0 | 1 | 8 | 6 | 6 | 6 | 6 | 4 | 4 | 2 | 52 |
| Derivative | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 3 |
| Works subject to neighboring rights | 2 | 0 | 2 | 4 | 2 | 0 | 1 | 1 | 0 | 1 | 0 | 3 | 3 | 0 | 0 | 0 | 2 | 1 | 6 | 5 | 1 | 4 | 38 |
| Database | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 2 | - | 5 |
| Computer Program | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 4 | 5 | 13 | 13 | 16 | 18 | 20 | 24 | 27 | 33 | 34 | 13 | 26 | 250 |
| Total | 10 | 8 | 15 | 25 | 29 | 27 | 46 | 39 | 18 | 32 | 56 | 45 | 40 | 83 | 127 | 131 | 97 | 94 | 124 | 78 | 62 | 65 | 1,251 |

(5) Requests for expert opinions and requests processed by year

| Classification | ' 96 | ' 97 | ' 98 | ' 99 | '00 | ' 01 | ' 02 | ' 03 | '04 | ' 05 | '06 | ' 07 | '08 | '09 | Total |
|--------------------------|------|------|------|------|-----|------|------|------|-------|-------|-------|--------|--------|--------|-------------|
| Requests | 1 | 2 | 1 | 3 | 1 | 8 | 28 | 28 | 22 | 26 | 39 | 48 | 46 | 44 | 297 |
| Expert opinions provided | | | | | | | | 9(1) | 17(4) | 14(5) | 20(8) | 33(18) | 32(20) | 23(11) | 148 (64) |
| Common | - | - | - | - | - | - | - | 1 | 8 | 6 | 11 | 25 | 27 | 23 | 101 |

^{*} Figures in parentheses are cases carried forward from the previous year

(6) Software Escrow²⁰⁾ service by year

| | Classification | ' 99 | '00 | ' 01 | ' 02 | ' 03 | ' 04 | ' 05 | '06 | ' 07 | ' 08 | ' 09 | Total |
|-----------|---|------|-----|------|------|------|------|------|-----|-------|------|------|-------|
| | New contracts | 3 | 4 | 4 | 2 | 11 | 18 | 19 | 49 | 62 | 121 | 155 | 448 |
| Deposit | Renewals | - | 2 | 1 | 2 | 2 | 6 | 19 | 17 | 48 | 65 | 97 | 259 |
| contracts | Registration of persons with the right of use | - | - | - | - | - | 44 | 44 | 13 | 21 | 59 | 47 | 228 |
| | Subtotal | 3 | 6 | 5 | 4 | 13 | 68 | 82 | 79 | 131 | 245 | 299 | 935 |
| | Deposit of latest versions | - | - | - | - | - | - | 5 | 8 | 18 | 14 | 17 | 62 |
| Others | Technological verification | - | - | - | - | - | - | 1 | 1 | 1 | - | - | 3 |
| | Subtotal | | - | - | - | - | - | 6 | 9 | 19 | 14 | 17 | 65 |
| | Total | 3 | 6 | 5 | 4 | 13 | 68 | 88 | 88 | · 150 | 259 | 316 | 1,000 |

²⁰⁾ A system in which technology information on software is deposited at a trustworthy third party during transactions to guarantee protection of copyrights of the software developers and stable application of the software to business by users, thus creating a win-win situation.

2. Crackdown results and statistics on illegal software reproductions

(1) Crackdown results on illegal reproductions

| Classification | 20 | 07 | 20 | 08 | 2009 | | | | |
|----------------|--------------|---------|-------|---------|------------|---------|--|--|--|
| Classification | Case | Article | Case | Article | Case | Article | | | |
| Software | 2,090 38,272 | | 2,005 | 42,781 | 454 13,461 | | | | |

(2) Crackdown results of illegal software reproductions and illegal reproduction rate

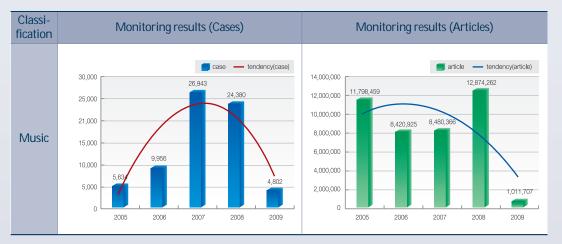
| Classification | 2007 | 2008 | 2009 | Total |
|--|-------|-------|-------|--------------|
| No. of producers subject to crackdowns (case) | 2090 | 2005 | 809 | 4,904 |
| No. of producers caught in illegal acts (case) | 1,417 | 1,446 | 626 | 3,489 |
| Illegal reproduction rate (%) | 26.6 | 28.8 | 35.77 | ▲ 6.9 |
| Value of illegal copies (KRW 100 million) | 222.1 | 284.4 | 143.0 | 649.5 |

3. Statistics on the performance of the Copyright Protection Center

(1) Crackdown results of illegal reproductions by type in 2009

1) Online monitoring

< Results of deleting online illegal reproductions >



2) Offline crackdowns

< Results of seized and discarded illegal offline reproductions >



79

II. 2009 Statistics

III. Main Activities in 2009

- January 2009 'Copyright Clean Forum' held by the Copyright Protection Center (monthly)
 - Seminar on strategy to establish a healthy environment for copyrights (January 29)
 - Seminar on strategic approaches to copyright protection of digital broadcast contents (January 29)

March

• Street campaign of the "Bulkkeun Movement" to eradicate illegal phonograms in connection with the Copyright Protection Day event (March 26)

- Copyright Education and Training Center opened by the Copyright Commission (April 14)
- "Hello, SW Copyright 2009" held by the Korea Software Copyright Committee to raise awareness of the need to use copyrighted software (April 24 to 25)

May

• "2009 Korea-Indonesia Intensive Workshop on Copyright" hosted by the Copyright Commission (May 6)

June

- 2009 Seoul Copyright Forum by the Copyright Commission (June 4)
- Fifth Korea-China Copyright Forum hosted by the Copyright Commission (June 17)



(2009 Copyright Clean Forum)



(Hello, SW Copyright! 2009)



(2009 Korea-Thailand Copyright Forum)

July

- Korea Copyright Commission launched (July 23)
- Comprehensive discussion session on developing Korea into a major producer of cultural contents (July 28)

September

- Korea Copyright Commission concluded an MOU with the Copyright Protection Center of China (CPCC) (September 3)
- Korea Copyright Commission launched the Copyright Forum and the Copyright Consultative Body (September 24)

October

• 2009 Korea-Japan Copyright Forum hosted by Korea Copyright Commission(October 15)

November

• Korea-Thailand Forum on Cooperation for Copyright Protection hosted by Korea Copyright Commission (November 20)

- Korea-Thailand Forum on Cooperation for Copyright Protection hosted by Korea Copyright Commission (November 20)
- Launch of Anti-plagiarism Committee (December 14)



(The Opening Ceremony of Korea Copyright Commission>



(Fifth Korea-China Copyright Forum)



(2009 Korea-Japan Copyright Forum)









































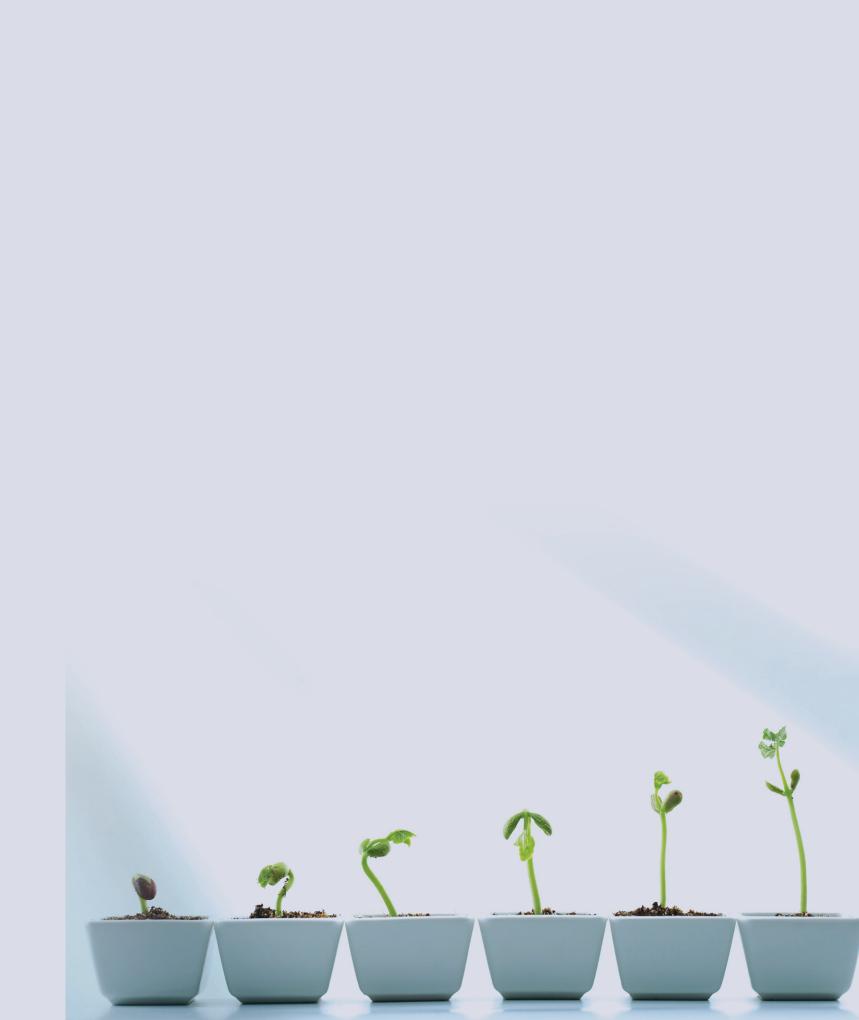
IV. Directory of Major Institutions

| Directory of iviajor institutions | | | | | | | | |
|-----------------------------------|--|--|---------------------------------|------------------------|-----------------|--|--|--|
| Clas- sific- ation | Institution | Address | Website address | Telephone no.(Main) | Fax | | | |
| Main institu- tions | Ministry of Culture, Sports and Tourism | 42, Sejongno, Jongno-gu, Seoul, 110-703 | http://www.mcst.go.kr | +82-2-3704-9114 | +82-2-3704-9154 | | | |
| | Korea Copyright Commission | 6th & 7th floors, Seoul Gangnam Post Office, 619, Gaepodong-gil, Gangnam-gu, Seoul, 135-240 | http://www.copyright.or.kr | +82-2-2660-0000 | +82-2-2660-0019 | | | |
| | Korea Federation of Copyright Organizations | 12th floor, Culture Contents Center, 1602, Sangam-dong, Mapo-gu, Seoul, 121-270 | http://www.kofoco.or.kr | +82-2-3153-2700 | +82-2-3153-2708 | | | |
| | Korea Software Property-Right Council | 6th & 7th floor, Software Development Center, 904-14, Daechi-dong, Gangnam-gu, Seoul, 135-280 | http://www.spc.or.kr | +82-2-567-2567 | +82-2-567-2933 | | | |
| Trust orga- niza- tions | Korea Creative Content Agency | 250-15, Sangamdong-gil , Mapo- gu, Seoul, 121-275 | http://www.kocca.kr | +82-2-3153-1114 | +82-2-3153-1115 | | | |
| | Korea Music Copyright Association | KOMCA bldg., 649, Naebalsandong, Gangseo-gu, Seoul, 157-824 | http://www.komca.or.kr | +82-2-2660-0400 | +82-2-2660-0401 | | | |
| | Korean Association of Phonogram Producers | 302, Seowon bldg., 5-27, Singongdeok-dong, Mapo-gu, Seoul, 121-851 | http://www.kapp.or.kr | +82-2-711-9731 | +82-2-711-9735 | | | |
| | Federation of Korean Music Performers | 7th floor, Doremi bldg., 260-15, Yeomchang-dong, Gangseo-gu, Seoul, 157-862 | http://www.fkmp.kr | +82-2-745-8286 | +82-2-766-1034 | | | |
| | Korean TV & Radio Writers Association | 401, Geumsan bldg., 17-1, Yeouido-dong, Yeongdeungpo- gu, Seoul, 150-874 | http://www.ktrwa.or.kr | +82-2-782-1696 | +82-2-783-3711 | | | |
| | Korean Society of Authors | 1020, Olympia Center, 828-10, Yeoksam-dong, Gangnam-gu, Seoul, 135-935 | http://www.copyrightkorea.or.kr | +82-2-508-0440 | +82-2-539-3993 | | | |
| | Korean Scenario Writers Association | 202, Capital bldg., 28-1, Pil-dong 3-ga, Jung-gu, Seoul, 100-273 | http://www.scenario.or.kr | +82-2-2275-0566 | +82-2-2278-7202 | | | |
| | Korea Reprographic and Transmission Rights Association | 4th floor, Daehan bldg., 71-4, Hwagok-dong, Gangseo-gu, Seoul, 157-010 | http://www.copycle.or.kr | +82-2-2608-2036 | +82-2-2608-2031 | | | |
| | Korean Film Producers Association | 2nd floor, 82-1, Pil-dong 2-ga, Jung-gu, Seoul, 100-272 | http://www.kfpa.net | +82-2-2267-9983 | +82-2-2267-9986 | | | |
| | Korea Movie and Video Industry Association | 2nd floor, Jawon bldg., 702, Yeoksam-dong, Gangnam-gu, Seoul, 135-513 | http://www.kmva.or.kr | +82-2-3452-1001 | +82-2-3452-1005 | | | |
| | Korea Broadcasting Performers' Association | 604, River Tower, 61-5, Yeouidodong, Yeongdeungpo-gu, Seoul, 150-889 | http://www.kbpa.co.kr | +82-2-784-7802 | +82-2-784-7805 | | | |
| | Korea Press Foundation | 12th floor, 25, Taepyeongno 1- ga, Jung-gu, Seoul, 100-750 | http://www.kpf.or.kr | +82-2-2001-7114 | +82-2-720-8419 | | | |

► Introduction of major organizations

- Korea Software Property-Right Council: Protects software copyrights for the development of Korea's software industry by such means as improving systems to prevent illegal software reproductions, assisting investigations and crackdowns on illegal software reproductions, and conducting education and public campaigns on software.
- Korea Creative Content Agency: Develops policy for the promotion of Korea's contents industry, cultivates human resources; and helps develop the contents exporting industry.
- Korea Music Copyright Association: Protects the rights and interests of copyright holders of musical works by such means as research on musical copyright systems in Korea and elsewhere, collecting royalties and remuneration for musical copyrights, and inventing ways to improve the welfare of copyright holders of musical works.
- Korean Association of Phonogram Producers: Protects the rights and interests of phonogram producers and creates an environment for convenient use of phonograms by such means as managing in trust phonogram producers' neighboring rights and handling tasks related to remuneration for use of commercial phonograms.
- Federation of Korean Music Performers: Protects the rights and interests of music performers by such means as managing in trust music performers' neighboring rights and handling tasks related to
- Korean TV & Radio Writers Association: Protects the rights and interests of television and radio writers by
 such means as managing in trust writers' right of broadcasting of performances, right of public
 performance, etc., collecting and distributing copyright royalties, handling copyrights on behalf of their
 holders, and providing consultation for contracts to write scenarios.
- Korean Society of Authors: Protects the rights and interests and creative activities of authors and establishes an environment that respects creative activities by such means as managing in trust the rights of authors, handling license agreements, serving as an agent, and providing legal aid for copyright disputes.
- Korean Scenario Writers Association: Protects the rights of scenario writers, grants use of scenario works, executes the rights as a proxy, and facilitates the development of screenplays by such means as improving scenario writers' qualifications, identifying new writers, and publishing scenarios.

- Korea Reprographic and Transmission Rights Association: Protects the rights of copyright holders by such means as managing in trust and granting use of the right of reproduction and right of interactive transmission of literary works, and collecting and distributing remuneration for textbooks, works owned by libraries, and others defined in the Copyright Act.
- Korean Film Producers Association: Consultative body of active film producers that manages in trust
 producers' copyrights and helps promote and facilitate the development of the Korean film industry
- Korea Movie and Video Industry Association: An incorporated association established to facilitate the
 development of the cultural industry, establish sound distribution of cinematographic works, help nurture
 and promote a sound culture of cinematographic works, protect the rights and interests of producers
 (distributors) of cinematographic works defined in the Copyright Act by such means as managing in trust
 the economic rights on cinematographic works' and promoting efficient and fair use of cinematographic
 works.
- Korea Broadcasting Performers' Association: An incorporated association established to exercise the rights of performers who entrust neighboring rights to the Association, collect and distribute royalties resulting from such, and work together with other copyright organizations to protect and promote the rights of performers
- Korea Press Foundation: Public journalism promotion organization that supports promising journalists
 trains journalists, conducts surveys and research and produces publications for the development of
 journalism and the media industry, and carries out promotion and assistance projects for balanced
 development of different media channels.





Publisher

Ministry of Culture, Sports and Tourism Sejongno, Jongno-gu, Seoul 110-703, Republic of Korea

Tel: +82-2-3704-9114
Fax: +82-2-3704-9154

Web site : http://www.mcst.go.kr