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**New tools to fight importation of infringing goods to be introduced
Korea - Kim & Chang**

**Counterfeiting
National**

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The amended Act on the Investigation of Unfair International Trade Practices and Remedy against Injury to Industry is due to come into force on July 5 2010. The amended act will make it easier to crack down on the importation of infringing goods.

Notably, the "act of importing goods... that infringe upon IP rights into Korea" has been added to the list of unfair international trade practices. The act of importing infringing goods is deemed to constitute legal grounds for the implementation of an exclusion order preventing the entry of the goods into Korea.

In this respect, a limited exclusion order may be issued. A limited exclusion order is one of the most efficient tools to prevent infringing goods from entering Korea: it restricts the import of certain goods by a specific foreign party. If the Korea Trade Commission determines that an unfair international trade practice has taken place, it may issue an order preventing the entry of the goods into Korea as a corrective measure. Customs may prevent certain goods imported by a specific overseas supplier from obtaining clearance, regardless of the domestic importer. For example, if a trademark is registered in Korea, it will be possible to regulate the import of infringing goods from a specific overseas exporter through the issuance of a limited exclusion order, even if the goods are imported by a third party.

Further, the amended act includes other unfair international trade practices, such as:

- exporting or importing goods whose marks of quality are false or exaggerated; and
- damaging Korea's credibility by exporting or importing goods that are materially different from the contractual specifications.

Finally, the penalty for importing or exporting goods in violation of the labelling requirements of the country of origin will be increased from a maximum of W30 million (approximately \$27,000) to a maximum of W300 million (approximately \$270,000). Moreover, the Korea Trade Commission may impose a fine in case of violation of a corrective order.

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