

FSC TO PROMOTE IP FINANCING FOR YOUNG STARTUP ENTREPRENEURS

FSC Secretary General Kim Tae-hyun attended the 3rd intellectual property-backed financing forum held on June 29 and delivered congratulatory remarks underscoring the progress of IP financing and its significance for young startup entrepreneurs.

The following is a summary of Secretary General Kim's remarks.

The government's pursuit of financial innovation has led to remarkable improvements in promoting movable-asset backed financing. The total volume of movable-asset backed financing has surged from about KRW700 billion at the end of 2018 to more than KRW3 trillion within 2 years. In this period, IP-backed financing grew more than fourfold from KRW300 billion to about KRW1.4 trillion.

Intellectual property enhances financing opportunities for startups. IP helps to raise company's value and provides a shield against technology theft. It also offers opportunities to attract investments for startups to grow and expand overseas.

As such, the FSC has been working to promote IP financing along with relevant institutions in support of young entrepreneurs and startups. First, the government has helped to create an investment fund for IP financing in the amount of KRW500 billion for 2019-2022 to help with the financing needs of innovative firms. Second, the authorities have been working to provide more guarantees through IP financing, offering about KRW300 billion in guarantees to help innovative firms every year. Lastly, the government has been working to boost accessibility for young entrepreneurs in close coordination with startup incubators. Educational programs and other financial support are available for young entrepreneurs and startups through D-Camp and Fintech Center Korea.

Today's forum will shed a new light on the importance of IP financing as a means to support young startup entrepreneurs. The FSC will continue to work on promoting IP financing in close cooperation with relevant institutions.

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For press inquiry, please contact Foreign Media Relations at fsc_media@korea.kr.