4. Design Innovation Capability Strengthening Project

1. Summary

○ Strengthen the global competitiveness of the domestic enterprises through the support of the design core technology and the ability development of the small- and medium-sized enterprises that own the technology and design innovation ability.

- (Cultivation of global design enterprise) Development of the ability of design enterprises that can lead the domestic industry to creative design innovation

- (Design technology development) Create the new added-value of products and services through design technology development

- (Next-generation design core technology development) Support the innovative product and service development of the small- and medium-sized enterprises by performing the challenging- and creative-preceding technology research functions with great expandibility

- (Service design-based manufacturing industry with a new ecosystem construction) New manufacturing innovation of the domestic small- and medium-sized enterprises, as well as the expansion of the service industry area

2. Support area

○ All design areas

3. Qualified applicants

○ The lead agencies are the small- and medium-sized enterprises (including design enterprises), universities, and research institutions/

※ The qualification of the lead agencies will be separately announced during the announcement of detailed projects.

○ The participation of the enterprises, universities, research centers, and foreign institutions (enterprises) is possible in order to jointly carry out the project with the lead agencies.
4. Support contents

○ Support of about KRW 1 billion/year within the total technology development period of 5 years.

※ The governmental contribution will be supported by up to 75% of the technology development project cost.

※ For detailed support contents, refer to the announcement.

5. Promotional system and procedure

○ Promotional system

※ The promotional system is subject to change in accordance with the detailed project characteristics.
Promotional procedure

- New support budget (draft) decision  →  MOTIE
- New Project Announcement  →  MOTIE
- Concept Plan Receipt  →  Lead Agency → Responsible Agency
- Concept Plan Evaluation  →  Responsible Agency
- Concept Evaluation Result Decision/Notification  →  Responsible Agency → MOTIE (Decision); Responsible Agency → Lead Agency (Notification)
- Project Plan Receipt  →  Lead Agency → Responsible Agency
- Applied Task Evaluation  →  Responsible Agency (Evaluation Committee)
- Support Task and Business Operator Decision  →  Responsible Agency → MOTIE
- Selected Task Agreement Conclusion  →  Responsible Agency ↔ Lead Agency (Participating Agency)
- Interim Evaluation  →  Lead Agency → Responsible Agency → MOTIE
- Project Cost Calculation  →  Lead Agency → Responsible Agency/Entrusted Accounting Firm
- Final Evaluation  →  Lead Agency → Responsible Agency → MOTIE
- Project Cost Calculation  →  Lead Agency → Responsible Agency/Entrusted Accounting Firm
- Royalty Collection  →  Lead Agency → Responsible Agency
- Follow-up Management such as Result Application Report and Evaluation  →  Lead Agency → Responsible Agency
6. Promotional schedule

<table>
<thead>
<tr>
<th>Project announcement</th>
<th>Concept plan receipt</th>
<th>Concept plan evaluation</th>
<th>Project plan receipt</th>
<th>Selection evaluation for each task</th>
<th>Agreement conclusion and payment of project cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014.12</td>
<td>2015.03</td>
<td>2015.03</td>
<td>2015.04</td>
<td>2015.05</td>
<td>2015.06</td>
</tr>
</tbody>
</table>

※ The above schedule is subject to change.

7. Support scale: KRW 36.57 billion (new: about KRW 25 billion)

8. Concentrated promotional items

○ Provide concentrated support to the items to help the domestic small- and medium-sized enterprises grow into global enterprises by strengthening their global competitiveness

9. New application competition rate in the last year

○ Design technology development

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition rate</td>
<td>3.3:1</td>
<td>4.9:1</td>
<td>3.9:1</td>
</tr>
</tbody>
</table>

○ Global design enterprise cultivation

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014 (the first half of the year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition rate</td>
<td>2.6: 1</td>
<td>6.6:1</td>
<td>6.6:1</td>
</tr>
</tbody>
</table>

10. The first-year average governmental contribution for the new support tasks in the previous year

○ Design technology development

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental contribution</td>
<td>269</td>
<td>279</td>
<td>277</td>
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○ Global design enterprise cultivation

<table>
<thead>
<tr>
<th>Year</th>
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<th>2013</th>
<th>2014 (the first half year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental contribution</td>
<td>273</td>
<td>352</td>
<td>322</td>
</tr>
</tbody>
</table>
11. Inquiry

○ MOTIE, Design Life Industry Dept.: ☎044-203-4373 (www.motie.go.kr)

○ KEIT

    Creative Industry Design Evaluation Team: ☎053-718-8212, 8217 (www.keit.re.kr)

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