

# KOTEC Newsletter

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## KOTEC Celebrated 25th Founding Anniversary

- Declared 2014 the first year of remarkable development and renewed its determination to play a key role in creative economy

On June 1, a ceremony to celebrate the 25th founding anniversary of the Korea Technology Finance Corporation (KOTEC), with President Kim, Han-chul and other employees attending the event, was held in its Busan headquarters.

In his speech, President Kim expressed his appreciation to the employees for their hard work of making the impressive achievements for the last 25 years. Declaring 2014 the first year for KOTEC to take a great leap forward, he asked the employees to help the organization become a key player of the creative economy and play a leading role for the future of Korea.

Meanwhile, President Kim announced "technology-oriented creative management, innovation-driven value management and customer-centered ethical management" as KOTEC's new management philosophies, and said that the organization would make efforts to further develop technology-oriented financing systems, like creative economy guarantees, investments and technology evaluation certification, and to strengthen its status as a world-renowned technology evaluation agency based on creativity and pioneering spirit"



Since its establishment in 1989, KOTEC, as a pioneer in technology-oriented financing, has faithfully fulfilled its role as a partner of SMEs by offering technology-based guarantees worth of over KRW 240 trillion. This year, it will work to relieve the financial burdens on technology-oriented SMEs, which are expected to face financial difficulties amid economic uncertainties, by making reorganization efforts for greater efficiency and stronger motivation to act and keeping streamlining regulations.

## **KOTEC Offered Workshop for Business Owners Who Try to Rebuild Business**

- Offered specialized lectures to help business owners working to rebuild their business

KOTEC has provided active financial support for business owners who were once unsuccessful in their business but have a great potential to regain their feet based on excellent technologies, and recently offered new training programs to help them make another attempt.

KOTEC announced that it ran a three-day workshop in its Employee Training Center in Yongin to help business owners who have once experienced a failure start their business again. The workshop put a focus on helping them recover their confidence by presenting case studies of business owners who successfully rebuilt business and offering lectures on how to manage professionalism and the practical information on tax and accounting needed to rebuild business. During the three-day workshop, the participants shared their experience of failure and future business plans as well.

A KOTEC official said, "KOTEC hopes the participants not only get practical information but recover their confidence in their second attempt," adding that the organization will keep providing active support for failed companies to restart their business.

## KOTEC Received Best Practice Award in Creative Technology-Oriented Financing

- Recognized by Korea Academic Society of Business Administration for Its Contributions to Encouraging Technology-Based Financing

KOTEC was recognized by the Korea Academic Society of Business Administration, led by Lee, Jang-woo, with Best Practice Award for its contributions to encouraging technology-based financing.

In the Best Practice Award ceremony, held in Hotel Shilla, the Korea Academic Society of Business Administration announced that KOTEC was selected for the award as it played a leading role in supporting the business establishment by young entrepreneurs and the commercialization of intellectual properties by providing KRW 240 trillion-worth of technology-oriented guarantees since its founding.

KOTEC was highly recognized for its proprietary KTRS (Kibo Technology Rating System), thanks to which the organization decides whether to provide financial support based on a company's technological expertise, not on its financial performances in early stages of business establishment.



A KOTEC official said "KOTEC will provide support for startup companies in their early stages which are usually overlooked by major financial institutions, so aspiring entrepreneurs with excellent technologies and ideas start their business and keep developing products."

Technology-oriented financing refers to a type of corporate financing which relies on the outcome of technology evaluations in deciding whether to offer a company the financial support needed throughout the entire process of technological innovations, from establishment and R&D to commercialization. KOTEC is one of Korea's major technology-oriented financing agencies, which offers a wide range of creative technology-oriented financing services, such as IP guarantees, R&D guarantees and pre-guarantees for aspiring entrepreneurs.

### **KOTEC to Participate in KSP (Knowledge Sharing Program) Project to Build Technology Innovation System for Vietnam**

- Will contribute to implementing a technology innovation system built on technology evaluation system in Vietnam

A project to build a technology evaluation system for Vietnam's innovative companies, applied by the SATI (State Agency for Technology Innovation) under the Vietnamese Ministry of Science and Technology, was selected as one of the KSP projects, which Korea's Ministry of Strategy and Finance carries out as part of ODA (Official Development Assistance). Under the decision, KOTEC will provide policy counseling based on its KTRS to help build the system for 9 months from June 2014.

\* **KSP** (Knowledge Sharing Program): Knowledge-intensive international cooperation projects designed to share Korea's experience and expertise in economic development with other countries by considering the needs of each beneficiary.



KOTEC has worked to share and further develop technology-oriented financing systems by cooperating with technology innovation agencies in other nations, including Thailand's TGG, Vietnam's SATI, Taiwan's TABF and France's BPI-France based on the reliability and excellence of its proprietary KTRS. The organization is expected to be able to systemize projects to transfer its technology evaluation skills and win public confidence by participating in the KSP project.

A KOTEC official said, "The ultimate goal of this project is to make contributions to the establishment of Vietnam's technology innovation system by helping the nation build a technology evaluation system suitable for their economic conditions and industrial environment. KOTEC will continue to participate in KSP projects and expand exchanges with nations in need of technology-oriented financing system," calling for the attention of overseas agencies in technology-oriented financing systems, including technology evaluation.



**Korea Technology Finance Corporation**

**Staunch Partner for Innovative SMEs**