

20 Year History of Techno Parks and the Future



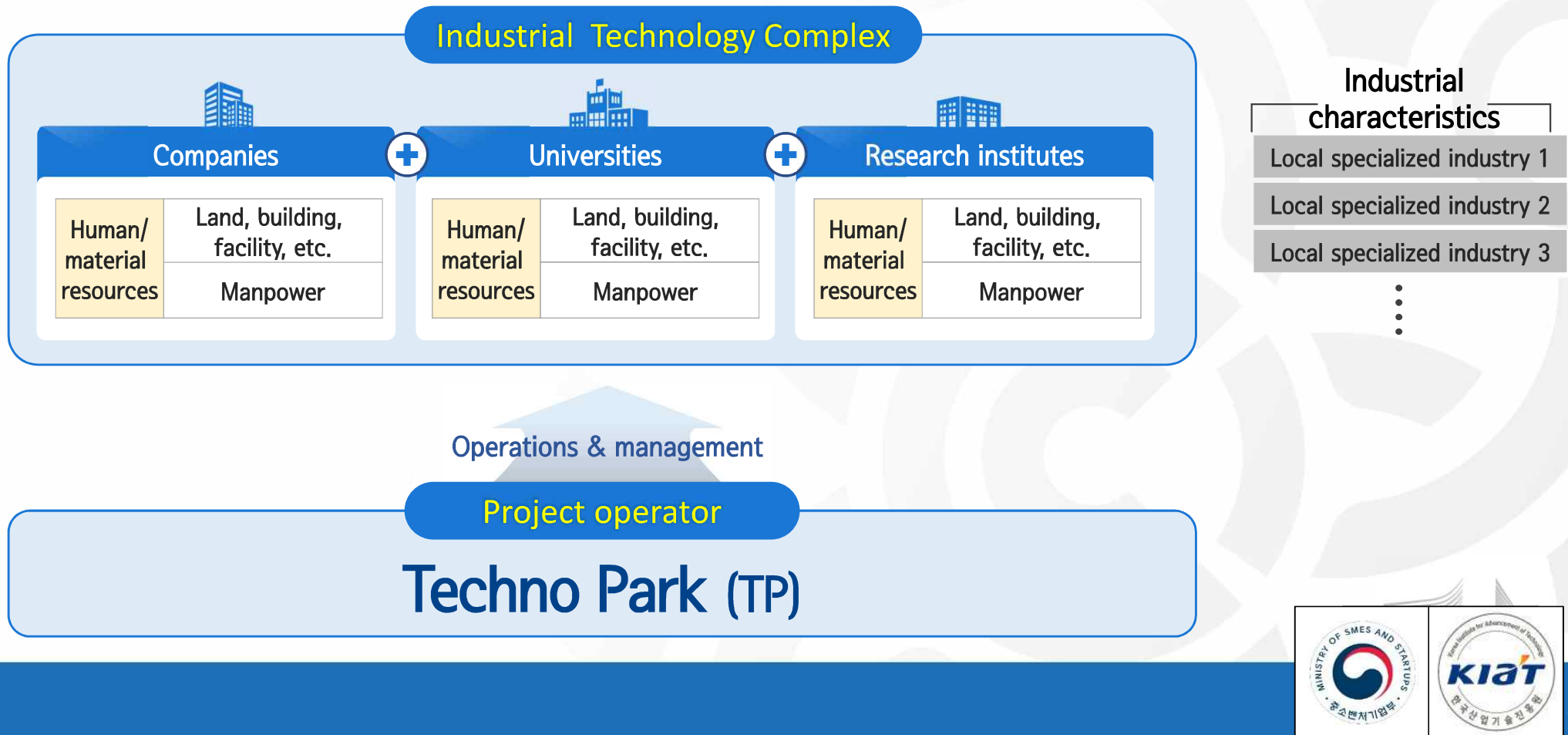
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1 Concept and History of Industrial Technology Complexes & Techno Parks



1 Concept and History of Industrial Technology Complexes & Techno Parks

❑ Background and history of establishing industrial technology complex

| 1970s | 1980s~Mid-1990s | Late-1990s~2016 | 2017~ |
|--|--|---|--|
| <ul style="list-style-type: none"> Established government-led complex <ul style="list-style-type: none"> Established industrial complex by region to promote export industry Established Daedeok Science Town to build capacity in the field of science and technology | <ul style="list-style-type: none"> Introduced regional industrial policies Established additional industrial complex Introduced policies to attract non-capital companies | <ul style="list-style-type: none"> Implemented local self-governing system (1995) Established Stage 1 TP (1997~) Established Stage 2 TP (2000~) Established privately-led TP (2005~) Promoted regional industrial policy | <ul style="list-style-type: none"> Changed the central ministry and office concerned (Ministry of Trade, Industry and Energy → Ministry of SMEs and Startups) Announced strengthening of TP function Strengthened the support system for building the growth ladder |

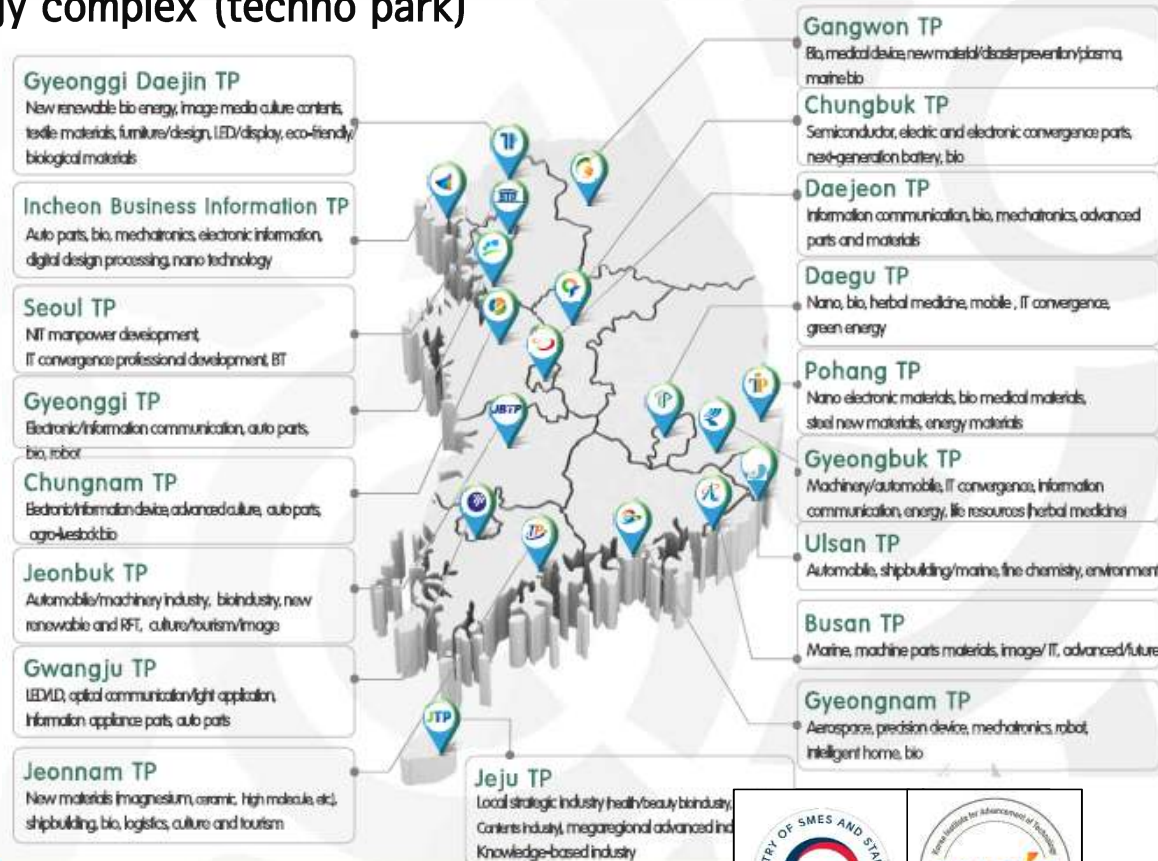
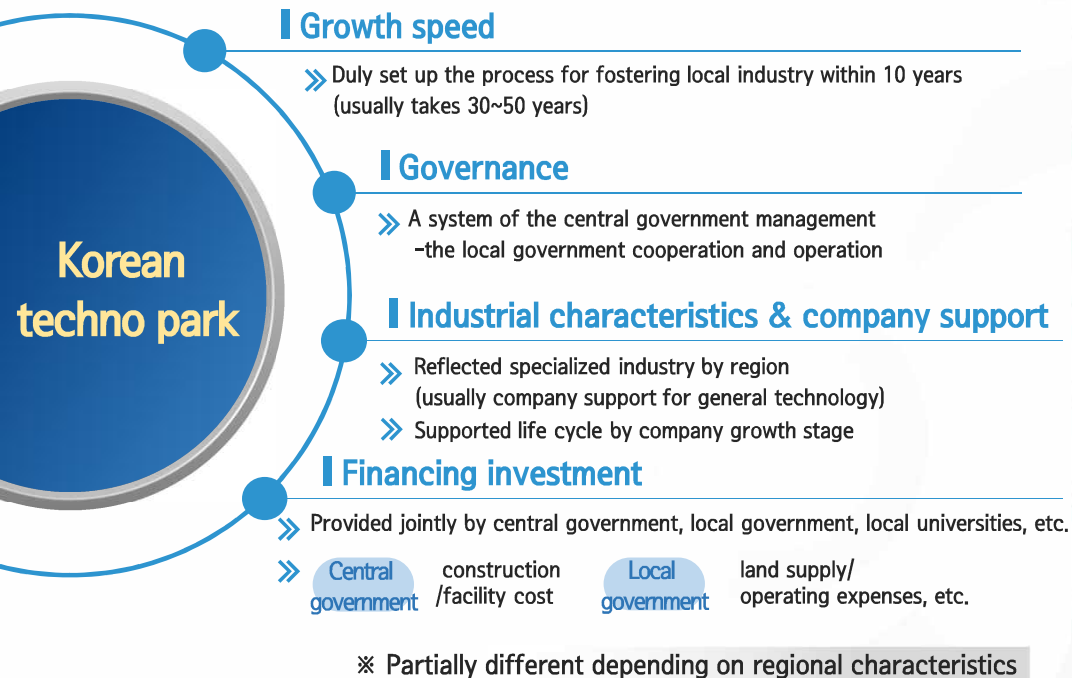
❑ Status of the designation of industrial technology parks and techno parks by stage

| Classification | Stage 1 (Prior 6 TP) | Stage 2 (Subsequent 8 TP) | | | After 2005 (Privately led 4 TP) | | | |
|---------------------|---|---------------------------|-------------------------------------|------------------|---------------------------------|-----------|-----------|----------|
| Target region | Incheon, Gyeonggi, Incheon, Gyeonggi, Daegu, Gyeongbuk, Gwangju, Chungnam | Busan, Pohang | Chungbuk, Jeonbuk, Jeonnam, Gangwon | Gyeongnam, Ulsan | Gyeonggi Daejin | Seoul | Daejeon | Jeju |
| Time of Designation | Dec. 1997 | Dec. 2000 | Dec. 2003 | Dec. 2004 | Mar. 2005 | Sep. 2005 | Jan. 2008 | Jan 2010 |



1 Concept and History of Industrial Technology Complexes & Techno Parks

Characteristics of the Korean industrial technology complex (techno park)



2 Main Function and Role of Techno Parks

▼ Changes in the major function of techno parks

Major function of the initial establishment of techno parks

Support for tenant companies of industrial technology complex

- ✓ Support government finance
- ✓ Support local government finance
- ✓ Efforts to operate and manage institutions

Major function of current techno parks

Grown into a hub institution for balanced regional development and company support

- 1 **Policy planning**
 - ✓ Establish annual/medium and long-term regional development strategy
 - ✓ Establish policy for fostering industries and companies
- 2 **Company support**
 - ✓ Support corporate growth by stage
 - Startup training, consulting, education and training
 - Support technology transfer, share equipment
 - ✓ Operate a consultative body between relevant institutions including technology innovation activities
- 3 **Support the company's recovery in the crisis response region**
 - ✓ Establish policy for fostering industries and companies, etc.



3 Status and Performance of Techno Parks

Present status

Operational part



Financial status (budget)

Total budget of KRW 930.7 billion (average of KRW 51.7 billion) for 18 TP



Manpower status

Average of 128 people working per TP
(Ratio of people with master's and doctorate degrees is 54%)



Equipment status

2,919 equipment in total for 18 TP (average of 161 equipment)



Tenant companies

2,360 companies for 18 TP (average of about 130 companies)

Functional part



Corporate growth

Strengthen the facilitation function of corporate growth based on regional hub and infrastructure



Vitalization of regional economy

Establish customized promotion policy suited to local characteristics, facilitate local economy effectively in accordance with business plan, and generate new jobs



Balanced dev./ decentralization

Establish the framework for balanced development and decentralization through customized corporate growth program suited to local conditions

3 Status and Performance of Techno Parks

▼ Main function

Number of tenant companies

278 companies in 2003 →
2,360 companies in 2017 (8.5 times)

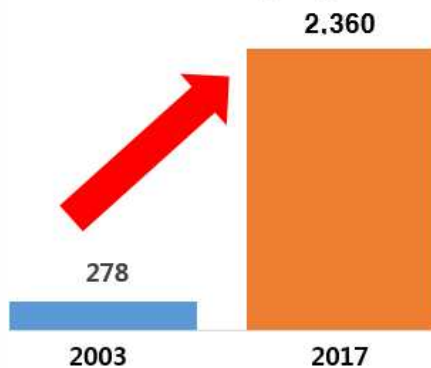
Employees hired by tenant companies

2,398 people in 2003 →
14,315 people in 2017 (5.9 times)

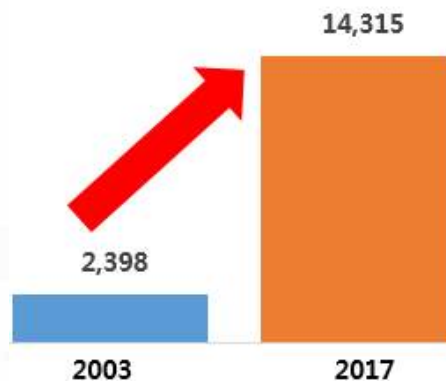
Sales of tenant companies

KRW 0.18 trillion in 2003 →
KRW 17.6 trillion in 2017 (98 times)

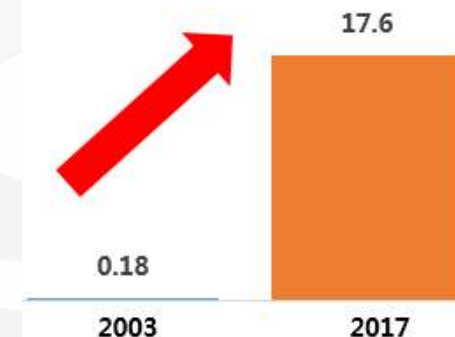
Tenant company



employee



Sales



Summary

1 Establishment status

Since its foundation in 1998, currently **18 techno parks** being operated in **16 cities/provinces**

2 Main function

Based on the policy for fostering local industries and companies, **support provided to strengthen the growth and innovation capability of local companies**

3 Present status and performance

Budget of **KRW 51.7 billion**, manpower working of **128 people**, operation of **161 equipment** (1 per TP), **2,360** tenant companies, **14,315** people hired by tenant companies, sales of **KRW 17.6 trillion** from tenant companies

4 Institution status

Lead in Korea's balanced development and act as a hub institution for corporate innovation growth through quantitative and qualitative growth



Thank you

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