Japan IP Policy: The Intellectual Property Strategy Headquarters

The Intellectual Property Strategy Headquarters met earlier this month and has announced that by the end of June it is expected to approve an intellectual property strategy plan for fiscal year 2013. The Intellectual Property Strategy Headquarters is a unique governmental-industry group formed by the Japanese government to create an intellectual property agenda for patents and other aspects of intellectual property.

“Intellectual Property Policy Vision”: This year the Headquarters group is laying down outlines for a comprehensive strategic plan for the next ten years.

Prime Minister Shinzo Abe and the seventeen other members of his Cabinet together with ten outside experts comprise the Intellectual Property Strategy Headquarters, pictured at an earlier meeting headed by a predecessor to Mr. Abe:
The Ten Outside Experts

Beyond Prime Minister Abe the group is comprised of the seventeen other Cabinet members coordinated by the responsible Minister, Taichi Yamamoto, and ten outside experts who are Dr. Shoichi Okuyama, *benrishi*, Okuyama & Sasajima, Past President, JPAA; Mr. Tsuguhiko Kadokawa, Chairman, Kadokawa Group Holdings; Dr. Masaru Kitsuregawa, President, National Institute of Informatics; Professor, University of Tokyo; Ms. Keiko Takemiya, Manga artist, Professor, Kyoto Seika University; Mr. Akihiro Nikkaku, President, CEO & COO, Toray Industries, Inc.; Mr. Yasuchika Hasegawa, President & CEO, Takeda Pharmaceutical Company Limited; Dr. Hiroshi Matsumoto, President, Kyoto University; Ms. Mitsuko Miyagawa, bengoshi, TMI Associates; Ms. Meyumi Yamada, Director, istyle Inc. and President, ispot Co. Ltd.; and Mr. Takafumi Yamamoto, President, TODAI Technology Licensing Organization, Ltd.

The Intellectual Property Strategy Headquarters was established in 2003 after the Intellectual Property Basic Act was promulgated in December 2002. Since then, every year, the Headquarters produced a report that includes many item for action, and each relevant government agency is mandated to act on such items.


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Changing momentum and new challenges of IP strategies

1. World trend and Japan in the “Globally Networked Age”

The world is undergoing an even faster dynamic transformation. Information, funds, products, technologies, and people are coming in and out more freely and quickly across borders in a so-called “borderless world.” The high-speed Internet connects the world seamlessly in the “Globally Networked Age.” These were pointed out in the “Intellectual Property Strategic Program 2011.” The information delivered globally instantly reaches every corner of the world. The network connects not only people but also electric appliances, automobiles and many more products. “Global innovation” that transforms the world through such “connections” is gaining more speed. At the same time, the framework for creating innovation has also been transformed into an “open,” “global” and “flat” system that can draw out infinite possibilities from a combination of numerous challenges posed by a great number of participants worldwide, generating a huge opportunity for creating value. In line with such a trend, the focus of intellectual property (IP) strategies is shifting from pro-patent to pro-innovation. While the conventional doctrine placing strong emphasis on technology is now obsolete, the “business origin model” is strengthening its presence where the overall system shall be established first, followed by component technologies being optimally procured from around the world in order to develop global business quickly and flexibly. Along with this change, IP management has become more sophisticated and complex, and is expected to make a significant leap from the past. Among global companies, for example, fierce IP wars are underway that involve designs and copyrights concerning smart phones and tablet terminals. The battles fought there are no longer simple patent disputes. Such IP wars are inseparable from “multi-dimensional” IP management that commands all IP tools in terms of patents, utility models, designs, trademarks, copyrights, trade secrets, and know-how, as well as international standard and anti-trust measures.

At the same time, Japan’s economy faces an extremely difficult situation triggered by last year’s unprecedented Great East Japan Earthquake, the yen’s historically high appreciation, and flooding in Thailand, in addition to the European financial crisis and the rise of emerging countries. Unless Japan can demonstrate its capacity to lead the world by flexibly responding to the new era, it may lose much of its international status that has been built to date. Conversely, there are many fields where Japan can assume a leading role and contribute, as the issues of energy and the global environment are
important tasks for the entire world. Japan’s manufacturing industry achieved a quick recovery of the supply chains devastated by the Great East Japan Earthquake, astounding the world and earning global praise. Furthermore, Japan is blessed with rich soil nurtured with excellent content as it has established a mature society where Japanese culture is treasured and carefully handed down for generations, and individual ideas and expressions are freely accepted. Videos, music, and other content created in Japan are excellent intellectual properties with strong international competitiveness. Such content offers a depth and richness that appeals to the hearts of people from other countries, as these characteristics reflect Japanese culture as nurtured through Japan’s long history. In the world where products and information are quickly familiarized and delivered, people are showing much greater interest in content that brings about a flavor of culture bearing strong characteristics. For example, Japanese animations characterized by detailed story lines are very popular overseas as well. The aesthetic sense of the Japanese and Japan’s superb cultural tradition as seen in the Cool Japan Concept have earned admiration worldwide. Curiosity, interest and admiration regarding our country will be nurtured by deploying abroad the attractive Cool Japan with full of Japanese culture and by increasing the opportunities to visit Japan that utilizes special content districts. The nurtured curiosity, interest and admiration will help stimulating related industries and activating the Japanese economy. This will further enhance Japan’s “soft power” to strengthen its presence and stance in public and commercial activities overseas. And in an environment where cloud computing, social media, mobile terminals, electronic books, and more new business models are appearing in the market, Japan will also be able to create new business opportunities by utilizing the delicate sensitivity unique to the Japanese, in order to attain a good balance between convenience and reliability.

2. Efforts made by the Intellectual Property Strategy Headquarters

In the ordinary Diet session held ten years ago in 2002, the Prime Minister stated: “The national goal is to strategically protect and utilize the results of research and creative activities as intellectual properties, in order to enhance the international competitiveness of Japan’s industries.” He further declared the intent to “establish the Intellectual Property Strategy Conference to proactively promote necessary policies.” The Intellectual Property Strategy Conference compiled the Intellectual Property Strategy Program to help Japan once again rise as an “IP nation.” Also in 2002, the Intellectual Property Basic Act was enacted at unprecedented speed. In 2003, the
Intellectual Property Strategy Headquarters was established in the Cabinet and headed by the Prime Minister. The Headquarters consisted of all Cabinet members and experts designated by the Prime Minister to tackle major tasks that cannot be realized by a single ministry. The Intellectual Property High Court was established to consolidate both administrative and judicial authorities, while IP headquarters was set up at major universities. An unprecedented increase in the number of fixed-term patent examiners was adopted so as to dramatically accelerate patent processing. At the G8 Summit, the Japanese government advocated the need for the Anti-Counterfeiting Trade Agreement (ACTA), thereby launching international cooperation to eradicate counterfeit products.

Beginning in 2010, the Planning Board (participated by parliamentary secretaries), Expert Panel on Strengthening Competitiveness by Intellectual Property and International Standardization, Expert Panel to Strengthen Content, International Standardization Strategy Task Force, Working Group to discuss the plan to develop intellectual property human capitals (participated by experts) and the Cool Japan Liaison Conference (headed by a committee formed by the Cabinet Secretariat and relevant ministries) have been established, and skills and knowledge have been gathered from both the public and private sectors to promote the formulation and implementation of strategies under a system fortified by political and administrative frameworks. The basic documents used to formulate those organizations are the Intellectual Property Strategic Programs 2010 and 2011, which stipulate “which” ministry will do “what” “by when” on the process chart, thereby steadily implementing strategies covering diverse areas and achieving great success.

Eight major achievements were made recently (see Reference 3 for details). First, in order to strengthen industrial competitiveness once again, the Japanese government formulated its first international standardization strategy by selecting the seven most important fields (i.e. advanced medical technology, water, next-generation automobiles, railroads, energy management, content media, and robots). Secondly, in order to strongly appeal Cool Japan to the world, fields such as food and tourism were added to the content support policies previously implemented by individual ministries to establish a system through which the entire government can promote policies in a concerted manner. Thirdly, the Anti-Counterfeiting Trade Agreement (ACTA) was basically agreed on at the Tokyo conference, and the signing ceremony was held in Tokyo. An ACTA symposium was held in Sendai, which is still undergoing reconstruction to recover from damage caused by the Great East Japan Earthquake. Fourthly, one-stop consultation counters were established in all 47 prefectures to provide a support system for small and medium-sized companies filing patent
applications. Fifthly, a mechanism for handling video content rights by the audiovisual Rights management association (aRma) was launched, thereby accelerating the electronic distribution of TV programs, and Digital Publishing Initiatives Japan Co., Ltd. was established to familiarize electronic books in the market. Sixthly, the All Nippon Entertainment Works was established to support the overseas development of content. Seventhly, the Unfair Competition Prevention Act was revised to maintain the confidentiality of business secrets in criminal trials. The Patent Law was also revised so that patent licensees can counteract the right to demand an injunction without prior registration. Eighthly, ever since being established, the Headquarters has been working with European governments to abolish the first-to-invent principle unique to the United States, in order to promote international patent system harmony. As a groundbreaking result of these efforts, US patent law was finally revised to adopt the first-to-file principle in harmony with the world standard.

The Intellectual Property Strategy Headquarters aggressively struggled with major problems under the direct command of the Prime Minister, and made various achievements in serving as a good role model for the world. One such example is that the Republic of Korea established the Basic Act on Intellectual Properties last year, formulated the National IP Committee with the Prime Minister serving as Chairman, and started adopting fixed-term patent examiners. In China, the State Council promulgated the National Program on Intellectual Property Right Strategy in 2008. In order to implement the program through the Ministerial Liaison Conference to Implement the Strategy, the number of patent examiners was increased to about 4000, and will be further increased to 9000 by 2015. As stated above, the Headquarters is leading the world by demonstrating its efforts, and must continuously tackle new and difficult tasks.

3. New challenges of IP strategy to survive in the new era

In order to boost Japan’s international competitiveness in the Globally Networked Age, the IP strategy also needs novel ideas and methods that reflect new changes. At the same time, in order for Japan to rise up from the devastation caused by the Great East Japan Earthquake and once again excel in the world, the IP strategy will continuously play an important role. As a major pillar of the IP strategy to respond to these expectations, and with an eye on international standardization, it will be extremely important to utilize software power as Japan’s attractive IP and strengthen the IP system that includes the nurturing of advanced human capitals.
First, the international patent landscape is showing some changes regarding enhancement of the IP system. As non-English patent documents written in such languages as Chinese and Korean are increasing, careful patent strategies for the world market are the key for enterprises developing their business globally. Furthermore, an appropriate IP strategy is indispensable for middle and small enterprises and such industries as railways, water, and pharmaceuticals, for which enterprises have rapidly expanded their business overseas in recent years. And as seen in Korean IP hub project, the patent system is also exposed to international service competition. Should the execution of rights and the judicial system not be satisfactory relative to international levels, global companies may abandon the Japanese patent system. Unfortunately, such cases have already been seen in some areas. In order to properly resolve such problems, it is necessary to re-examine the Japanese patent system to further enhance its international centripetal force. Conversely, international harmonization in the patent system has steadily seen satisfactory results. In 2001, the Patent Office launched a framework to provide examination information to its foreign counterparts. The Patent Prosecution Highway (for which Japan took the initiative to start with the U.S. in 2006) has already been expanded to 25 countries and regions. From now on, Japan must promote international harmonization in terms of patent classification and other areas, and play a leading role in the world patent system with an eye on English examination as its future task.

Regarding the international standard, “rulemaking” that include de jure as well as forum and de facto are the key to international competition, along with the expansion of open innovation. Until now, the strategic importance of international standard has not been properly recognized by the leaders of private firms, academics, and government organizations, despite the efforts made by some experts. The Headquarters has rushed to establish a strategy where the Cabinet Office, relevant ministries, and the private sector work in a concerted effort. In order to survive even fiercer international competition, a deeper involvement in rulemaking, the nurturing of human capitals from mid- and long-term perspectives, and establishing an appropriate certification system are urgently required.

Beyond individual institutional problems, comprehensive IP management has become even more important. In the past, Japanese companies positioned intellectual properties as secondary assets, and the procedures to acquire those rights were implemented in subordination to business management, research and development (R&D). However, in order to survive today’s fierce international competition, it is
indispensable to develop global trinity corporate strategies that consist of IP, business management, and R&D strategies. Not just acquiring and securing more rights but conducting appropriate multi-dimensional IP management from such early stages as business planning and R&D and challenging the games by themselves are required. It is now extremely important to foster and secure “intellectual property management human capitals” that can execute IP management covering broader areas at a higher level.

Based on such recognition, the Intellectual Property Strategic Program 2012 will powerfully propel comprehensive strategies for IP innovation. In response to the Globally Networked Age, the Program will promote the boosted competitiveness of Japan's IP system and realize comprehensive IP management (that includes international standardization). It will also maximally utilize the world's leading technological, design and brand expertise possessed by Japan and create innovation that will strengthen our international competitiveness. At the same time, we will steadfastly implement the Intellectual Property Human Capitals Development Plan in order to promptly nurture and secure intellectual property human capitals that can respond to the new era. The plan will include providing opportunities to nurture human capitals for advanced IP management, and establishing the core facilities for IP management strategy research.

Secondly, with regard to the utilization of software power, as the Digitally Networked Age has arrived and a borderless world market was created, the copyright system designed to protect excellent content is now facing difficult problems. Technological innovation has reduced the cost of duplicating and transmitting information to practically zero. Under the environment where copied information is easily delivered globally, new ideas and developments to share knowledge and properly protect copyrights at the same time are required so that the creation of excellent content—the source of intellectual activities—does not dry out.

With regard to “Cool Japan” selected as a strategic pillar of the Intellectual Property Strategic Program 2011, efforts to develop overseas must be increased in terms of depth and breadth, and the project must also be expanded and strengthened comprehensively at the same time. When developing business overseas, private companies inevitably face some risks due to a lack of information, and the cost of establishing a system will also impose a heavy burden. It is thus necessary for public-private sector projects to demonstrate successful cases, so that more challenges will follow, and eventually more successful cases will be seen. Moreover, utilizing
special content districts to invite filming for creating videos, and drawing interest from abroad to attract more foreign visitors to Japan will largely contribute to creative restoration from the Great East Japan Earthquake.

Based on such recognition, the Intellectual Property Strategic Program 2012 will powerfully propel the comprehensive content strategy that bolsters Japan. By considering the global changes brought about by the Digitally Networked Age as a great opportunity, we will accelerate our environmental improvement efforts aimed at creating new businesses and new markets, and thus enhance Japan’s dynamism. At the same time, as Cool Japan is an important intellectual property that attracts global attention, we will utilize such software power to the utmost, organically promote overseas development in Asia nations and other countries, invite more tourists to Japan, and make such power a driving force behind Japan’s new economic growth.

Given the perspective of ten years in the future, we call for an integrated and comprehensive IP strategy that covers beyond the territory of individual systems, the Cabinet Office, and relevant ministries. Under the leadership of the Prime Minister, and in order for Japan to steadily move forward in the Globally Networked Age, we place the two comprehensive strategies described above as major pillars to contribute to strengthening our international competitiveness, and formulate the Intellectual Property Strategic Program 2012 in compliance with Article 23 of the Intellectual Property Basic Act. The following presents detailed descriptions, and a strategy covering diverse areas will be steadily implemented while confirming “who” does “what” “by when” on the process chart.
II Two comprehensive IP strategies that contribute to strengthening international competitiveness

1. Comprehensive IP Innovation Strategy

[Expected outcomes] (as of 2020)

- Promote the utilization of intellectual property and create new businesses ahead of the world*
- Amount of exports in technology; from about 2 trillion yen (in 2010) to about 3 trillion yen*
- Generate many niche-top businesses to play active roles throughout the world.*
- Amount of exports by SMEs; from about 10 trillion yen (in 2010) to about 14 trillion yen*
- Gain the global market in the field of International Standardization Specific Strategy by promoting strategic international standardization that consolidates with research, development, and commercialization strategies, and the acquisition/utilization of intellectual property rights, while strengthening industrial competitiveness.*

(* Established in Intellectual Property Strategic Program 2010. The same applies to the following.)

[Target indicators] (as of 2020)

- Increase the number of countries, particularly in Asia, for which Japan takes charge of international searches on international patent applications under PCT.
- Create an environment to enable the effective acquisition of world-class patents at a low cost in accordance with overseas business activities, and raise the percentage of overseas patent applications. *
  - Improve the common basis for patent examination among the five IP offices, namely the patent offices of Japan, the U.S., Europe, Republic of Korea, and China.
  - Raise the covering rate of the Patent Prosecution Highway (PPH) for overseas patent applications (from about 70% in 2010 to about 87% in 2011, and then to 90%).
○ Expand the users of the patent systems in SMEs and venture companies (Total number of SMEs and venture companies filing patent applications for the first time: about 30,000).*
○ Increase the number of overseas applications by SMEs and venture companies (from about 8,000 cases (in 2011) to more than 12,000 cases.)*
○ Steadily execute the action plan indicated on the roadmap in international standardization strategy and strengthen industrial competitiveness in each of the designated strategic areas.
○ Increase the number of cases for Japan to work as secretariat at international standardization organizations (from 74 cases in 2010 to 90 cases in 2012, and then to 150 cases).*

(1) Pursuing IP system in the global era

[Recognition of the situation]

As the competition in forming a global network is getting more intense, companies desire the establishment of an IP system with better predictability and stability. In such an environment, the battles over IP systems between nations are also intensifying.

The United States abolished the firmly maintained first-to-invent principle, and made a historic decision to adopt the globally standardized first-to-file principle. The number of patent applications was close to 400,000 in 2010 in China, which surpassed Japan, and then the United States in 2011, thereby reaching the top in the world. China is now posting its goal to raise the number of applications for patents, utility models and designs to a total of two million by 2015. EU started serious discussions about introducing the EU Patent System in 2011. Under the banner of the IP hub project, the Republic of Korea began its move toward the formation of an international IP order. The nation established the Basic Act on Intellectual Properties in 2011, formulated the National IP Committee with the Prime Minister as the Chairman, and began adopting fixed-term patent examiners.

As the methods of IP right infringement have become more sophisticated in recent years and digital technology has been developed, however, an increasing number of IP rights are being infringed upon by fake products and pirated copies. In response to such a situation, Japan advocated the Anti-Counterfeiting Trade Agreement (ACTA), an effective framework regarding the execution of IP rights. Efforts to enforce ACTA are now underway.
Emerging nations are increasing their presence as production hubs and markets. When enterprises develop their business globally, IP issues in those emerging nations can no longer be ignored.

The impact of emerging nations is getting stronger in the world’s “IP system” lead by Japan and other advanced nations.

Under such circumstances, Japan, as a nation with one of the five IP offices, must maintain and improve its status in the world, and play a leading role in Asia. For that purpose, it is necessary for Japan to further improve its IP system, and further promote the formulation of a global IP system that can contribute to boosting the international competitiveness of our industries and the cooperation with other nations. It is also important to work on the formulation of a global IP system strategically, in view of the fact that designs and trademarks are becoming more important in emerging nations.

A. Strengthening the international IP system

[Example measures] (Note: In the following, “short term” refers to measures lasing one to two years; “medium term” refers to those covering three to four years.)

- Promotion of international harmonization in the patent system
  In order to provide a platform for discussions on patent system harmonization, Japan will play a leading role, use the framework of meetings involving the five IP offices to compare systems and operations among nations, provide suggestions by utilizing the analysis results, and promote harmonization in the patent system. (short term, medium term) [Ministry of Economy, Trade and Industry (METI)]
  By utilizing the framework of meetings involving the five IP offices and providing suggestions on the formulation of globally common system infrastructure as pertaining to the management of application/examination information, Japan will promote cooperation in the field of information technology. (short term, medium term) (METI)
  Cooperate with the five IP offices to develop patent classifications of the world standard, while considering Japan’s technological advantages in different areas and the situations in other countries. (short term, medium term) (METI)

- Promoting international preliminary examination
  Increase the number of countries for which Japan takes charge of international searches on international patent applications under PCT in Asia nations and other countries. Promote the provision of international preliminary examination in
English for international patent applications under PCT filed in English in these countries and in Japan as well. (short term, medium term) (METI)

- Expanding the Patent Prosecution Highway to emerging countries
  Expand the Patent Prosecution Highway (PPH) to Asia and other emerging countries. (short term, medium term) (METI)

- Promoting international consultations among examiners
  Send examiners to IP offices in Europe, the United States, and other nations to conduct meetings by examiners who stay in those countries for medium-term to long-term periods for promoting harmonization in the patent system, examination operations, and patent classifications in individual nations of the world. (short term, medium term) (METI)

- Improving convenience regarding international patent application procedures
  With an eye on participation in the “Patent Law Treaty” that aims to unify and simplify domestic application procedures that differ among nations, discussions will focus on a review of the procedures, so as to help improve the convenience for applicants. Institutional improvements will also be promoted concerning international patent application procedures to facilitate overseas application. (short term) (METI and the Ministry of Foreign Affairs (MOFA))

- Promoting efforts toward accession to the Hague Agreement Concerning the International Registration of Industrial Designs
  In order to reduce the burden imposed by procedures and costs necessary for Japanese companies to acquire design right overseas, Japan discusses accession to the Hague Agreement Concerning the International Registration of Industrial Designs. Based on the result of discussions, efforts toward accession to the Agreement will be promoted along with discussions on improving the convenience of the domestic system. (short term, medium term) (METI and MOFA)

- Promoting discussions on expanding the scope of industrial design protection
  Consider expanding the scope of industrial design protection (including 3D digital designs), and promptly reach a conclusion. (short term) (METI)

- Accelerating discussions on expanding the scope of trademark protection
  Based on the result of discussions on expanding the scope of trademark protection to include such new types as sound and movement, formulate a final draft on appropriate legal actions. (short term) (METI)
  Consider the trademark system used to protect labels that verify the quality of products and services provided to consumers. (short term) (METI)

- Enhancing encouragement for the development of intellectual property systems and
improvement of operation
Use the opportunities for bilateral and multilateral negotiations to enhance encouragement for the improved operation of the intellectual property systems of partner countries, and actively help protect intellectual property, in view of industrial sector demands. (short term, medium term) (MOFA, Ministry of Education, Culture, Sports, Science and Technology (MEXT), Ministry of Agriculture, Forestry and Fishery (MAFF), and METI)

- Developing an intellectual property environment for developing and emerging countries
  Implement appropriate support measures that include the development of human capitals in view of the needs of developing and emerging countries and the progress made in system development, in order to build a global environment for intellectual property. (short term, medium term) (METI, National Police Agency (NPA), Ministry of Justice (MOJ), MOFA, Ministry of Finance (MOF), MEXT, and MAFF)

- Promoting measures against fake products and pirated copies
  Prepare for the early signing and effectuation of the Anti-Counterfeiting Trade Agreement (ACTA), and encourage Asian nations and other countries to participate in ACTA, in order to internationally protect brand value. (short term, medium term) (MOFA, METI, MEXT, Ministry of Internal Affairs and Communications (MIC), MOJ, and MOF)
  To prevent fake products and pirated copies, hold related conferences and seminars in and around Japan where people involved in intellectual properties from Asian nations and other countries can have discussions. (short term, medium term) (MOFA, MOF, MEXT, MAFF, and METI)

B. Improving Japan’s competitiveness in the intellectual property system

[Example measures]

- Enhancing the patent examination system including patent examination in English to respond to globalization
  Strengthen the patent examination system responding to globalization, such as by providing examination results at an appropriate timing in response to more international patent applications in English, and quality control compliant with international standards and user needs. (short term, medium term) (METI)

- Timely protection of rights corresponding to enterprise IP strategies
To support enterprise management and IP strategies with standardization and market trends in sight, discuss a framework that enables the timely setting of patent rights in response to enterprise needs based on the status of other countries and user needs, and then reach a conclusion. (short term, medium term) (METI)

- Considering IP management for a system handling inventions by employees
  Regarding the in-house invention system, survey and analyze the status of its use in and around Japan, discuss ideal IP management relative to handling employee inventions, and then reach a conclusion. (short term, medium term) (METI)

- Improving the stability of patent rights
  In response to a growing number of patent documents being written in such non-Japanese languages as Chinese and Korean, promote developing a system that allows documents written in foreign languages (especially Chinese and Korean) to be searched in the Japanese language, in order to establish stable rights suitable for the international market. Also provide such results to the applicants. (short term, medium term) (METI)

Given the growing number of patent applications examined before publication thanks to the shortened waiting time for examination, consider measures to improve the stability of patent rights, such as reviewing the rights after a patent is granted based on the domestic and overseas situations, and then reach a conclusion. (short term, medium term) (METI)

(2) Utilizing comprehensive intellectual property management proactively to create innovation

[Recognition of the situation]

Globally in many industries, the industrial structure is changing and business models are undergoing both transformation and diversification.

Western corporations on the winning side are leading world industries under the pro-innovation policy with innovation as a driving force behind economic growth by utilizing various cutting-edge industrial models, business models, and IP/standard management implemented as follows: getting a grip on the platform such as the main parts and software when developing products and services, and allowing for flexibility in peripheral areas where many companies from emerging nations and other nations compete in manufacturing and supply of common parts, thereby reducing total product cost and promoting global sales. For example, a major electronics device manufacturer
in the U.S. created a design that realizes an easy-to-handle user interface for intuitive handling, in addition to providing a simple exterior design, and thus developed a smart phone merged with technology. The smart phone has enjoyed explosive sales. In addition to such impressive sales of the smart phone itself, the company is enhancing its competitiveness by forming a business model combined with network service. For another example, a semiconductor company in the UK decided to specialize in the architecture of energy-saving processors at a time of fierce performance competition. The company has achieved de facto standardization mainly through a licensing business dealing with copyrights, and is now sweeping the mobile phone market.

At the same time, Japanese companies that also possess high technologies are leading product/market development and international standardization, thereby securing an overwhelming market share in the early stages. When it comes to mass sales in the global market, however, they are forced to withdraw from quite a few fields. Japanese electric/electronic products used to occupy a major share of Japan's trade along with automobiles. These products have lost competitiveness due to a price war fought with foreign companies. Now major Japanese electric appliance manufacturers are facing a tough time. In the manufacturing field where Japan maintained its edge with such skills as suriaiwase (meaning “close coordination”), Japanese companies now face the risk of losing more competitiveness due to the development of global open innovation. Consequently, similar situations are expected to possibly occur in other industries.

While transformation and diversification are being accelerated in the innovation model itself, keep in mind the “technology-originated cycle model” that consists of conventional creation, protection, the acquisition of rights, and utilization of intellectual properties. At the same time, when launching a business strategy from an opposite approach, it is important to focus on and utilize strategies based on the “business-originated cycle model” that consists of designing products and services that enable implementation of the strategy, and designing competitiveness through IP management to utilize IP groups, and methods of procuring IP sources (e.g., whether to create IP or to license IP belonging to other companies).

In other words, both the technology-driven competition strategy that starts with technology and the business design-driven competition strategy that starts with business must be intensified in the competition strategy.

From such a viewpoint, innovation must be created by not only acquiring rights as a result of conventional research and development but also utilizing more advanced, comprehensive and strategic IP management, and, in order to achieve world-leading
“intelligence” in Japanese universities, excellent technologies, designs, and brand power possessed by large companies, SMEs and venture companies for industrial competitiveness. In other words, while properly preventing a drain of technology, it is important to promote a flow of “intelligence” into Japan via the flexible and combined use of advanced efforts for strategic international standardization, complex protection/utilization of technology design brand, and the acquisition of IP rights, with the presupposition of inviting other companies into the market by license and the secret know-how to intentionally avoid the acquisition of rights.

A. Enhancing comprehensive IP management that includes technology, design and brand

[Example measures]

- Promotion of research on world’s highest level of IP strategy
  In order to maximize Japan’s technological, design and brand expertise that leads the world in creating innovation, provide a place to research and analyze IP management that can contribute to business strategy in view of strengthening Japan’s international competitiveness, while promoting the collection and analysis of information in and around Japan, and forming human networks. Further develop the results of research to contribute to the business strategy of enterprises. (short term, medium term) (METI)

- Promulgating utilization of design and industrial design
  In order to promote IP utilization merged with design strategy, compile and diffuse advanced examples of utilized designs and industrial designs. (short term, medium term) (METI)

- Improving value added to products by technology and design
  Support local small and medium-sized companies to utilize designs from the IP management side, and promote efforts to improve the value added to products manufactured by local small and medium-sized companies. (short term, medium term) (METI)

- Industry-academia partnership for design
  In order to improve the IP management system in art/design universities, promote the dispatch of regional university advisers possessing advanced knowledge. (short term, medium term) (METI)

- Enhancing measures to prevent a drain of technology
Survey and analyze the current drain of technology status, and promote efforts to prevent a drain of technology. (short term) (METI)

- Raising awareness of trade secrets
  In cooperation with relevant organizations, thoroughly inform businesses and engineers about the scope of misconduct defined by the Unfair Competition Prevention Law and the management of trade secrets, thereby raising their awareness of trade secrets. (short term) (METI)

- Supporting specific solutions to the issue of managing trade secrets
  Provide SMEs, venture companies, and other organizations with individual support, including free consultation by experts, so that trade secrets are properly managed in reference to the Trade Secret Management Guidelines revised in 2011. (short term) (METI)

B. Enhancing strategic international standardization activities that contribute to the creation of innovation

[Example measures]

- Implementing international standardization strategies in seven designated strategic areas
  Implement the international standardization strategy revised to strengthen industrial competitiveness as based on the next-generation industry models. Constantly monitor the progress and effects of the strategy toward autonomous development of international standardization activities in each designated strategic area. Also consider other areas to possibly select new designated strategic areas for international standardization. (short term, medium term) (Cabinet Secretariat, Cabinet Office, MIC, MEXT, Ministry of Health, Labor and Welfare (MHLW), METI, Ministry of Land, Infrastructure Transport and Tourism (MLIT), and Ministry of the Environment (MOE))

  Clarify the respective responsibilities borne by the public and private sectors for international conferences and forums on international standardization, properly follow up on such conferences, and aim to serve central roles (e.g., chairperson, secretariat) as much as possible through such efforts as disseminating information and nurturing interpersonal relationships. The Cabinet Office and relevant ministries shall provide necessary support, while developing and employing personnel possessing highly specialized knowledge and experience. (short term,
medium term) (Cabinet Secretariat, Cabinet Office, MIC, MEXT, MHLW, METI, MLIT, MOE, and MOFA)

- Formulating a new proposal system for international standardization
  Formulate a new proposal system for international standardization that enables Japan to promptly submit proposals for international standardization. (short term) (METI)

- Financial support for international standardization activities
  Strengthen financial support to encourage participation in the standardization activities of international standardization organizations, with private sector activities in mind. (short term, medium term) (MIC, METI, and MLIT)

- Supporting formulation of a certification scheme concerning advanced technology
  In order to enhance Japan’s industrial competitiveness, such certification as of safety and performance is important. Toward the prompt formulation of a practical certification system concerning such advanced technologies as life-supporting robots and LED lights, promote the improved capacity of certification authorities and test organizations through their participation as needed. Take such appropriate measures as support provided by public research institutions in cases requiring knowledge about an advanced specialty. (short term, medium term) (MIC, MEXT, MHLW, METI, MLIT, and MOE)

- Supporting efforts concerning strategic international standardization for SMEs and venture companies
  In order to contribute to the development of international business by SMEs and venture companies, promote the provision of information and education concerning international standardization and certification. Consider support systems for efforts geared toward participating in international standardization activities and adapting to international standards, and reach a conclusion. (short term) (METI)

C. Strengthening the industry-academia partnership

[Example measures]

- Optimal setting for university intellectual property headquarters and technology licensing organizations (TLOs)
  Begin the full-scale utilization of indicators to properly assess the effects and efficiency of industry-academia joint activities. Also examine the ideal state of university intellectual property headquarters and TLOs, facilitate consideration, and
reach a conclusion about any necessary reorganization and improvements as based on evaluation results. (short term, medium term) (MEXT and METI)

- Promotion of IP management at universities and industry-academia joint research
  Enhance Intellectual Property management from an early stage of industry-academia joint research by dispatching an Intellectual Property Producer. (short term) (METI)
  By referring to precedence in the life science field, package the patents of universities and public research institutions. Promote a framework to utilize Intellectual Properties at universities through support from investment organizations. (short term, medium term) (MEXT)

- Building a framework for efficient research activities
  Position the research administrator (i.e., human resource that manages such R&D-related tasks as procuring research funds and utilizing intellectual properties) as a research and development support specialist, and support the stabilization of that position. (short term) (MEXT)

- Providing education at universities regarding trade secrets
  Provide education on the need to conclude a contract providing for the treatment of inventions created by those not subject to the provisions of "employee inventions" in the Patent Law, including students engaged in industry-academia joint research projects, and the management of trade secrets. (short term) (MEXT and METI)

D. Strengthening intellectual property activities by SMEs and venture companies

[Example measures]

- Promoting the Small Business Innovation Research (SBIR) program based on the multistage selection method
  Promote the introduction of the multistage selection method in SBIR as a mechanism to foster cutting-edge ventures and commercialize research achievements. Take measures to support new feasibility studies. Consider setting the goal of introducing the multistage selection method relative to a fixed percentage or amount within the research and development budget of the ministries concerned. (short term) (Cabinet Office, METI, MIC, MEXT, MHLW, MAFF, MLIT, MOE, NPA, and Ministry of Defense (MOD))

- Improvement of the comprehensive support system for SMEs
  With the Comprehensive IP Support Counter serving as the core function, cooperate
with commerce and industry associations, chambers of commerce and industry, financial organizations, and university technology transfer councils to improve the comprehensive support system for SMEs. (short term, medium term) (METI)

- Strengthening comprehensive support for SMEs
  Strengthen the support for comprehensive IP management for SMEs by offering advice on global business development in response to the needs of SMEs through the use of chartered patent agents, lawyers and other experts, and the Overseas Intellectual Property Producer, thereby contributing to support for overseas business development at the Comprehensive IP Support Counter. (short term) (METI)

- Promotion of support for small and medium-sized companies unfamiliar with patent applications
  Promote new application support measures that improve the predictability of patent attorney fees for small and medium-sized companies unfamiliar with patent applications (“Support for Intellectual Property Conductor”) at the Comprehensive IP Support Counter. (short term) (METI)

- Improving support for the global expansion of small and medium-sized companies
  As more and more businesses are developed globally, local IP information is indispensable for small and medium-sized companies looking to expand their business in emerging nations. Formulate and utilize a databank containing accumulated IP-related information necessary for overseas business development. Small and medium-sized companies can thus share such information through coordination provided by the Comprehensive IP Support Counter and an Overseas Intellectual Property Producer. Improve support for foreign patent applications, translation, overseas research, and cases of infringement that could pose a heavy burden on small and medium-sized companies. (short term) (METI)

- Supporting efforts concerning strategic international standardization by SMEs and venture companies [Relisted]
  In order to contribute to the development of international business by SMEs and venture companies, promote the provision of information and education concerning international standardization and certification. Consider support systems for efforts geared toward participating in international standardization activities and adapting to international standards, and reach a conclusion. (short term) (METI)

- Enhancing measures to prevent a drain of technology [Relisted]
  Survey and analyze the current drain of technology status, and promote efforts to prevent a drain of technology. (short term) (METI)

- Raising awareness of trade secrets among businesses and engineers [Relisted]
In cooperation with relevant organizations, thoroughly inform businesses and engineers about the scope of misconduct defined by the Unfair Competition Prevention Law and the management of trade secrets, thereby raising their awareness of trade secrets. (short term) (METI)

- Supporting specific solutions to the issue of managing trade secrets [Relisted]
  Provide SMEs, venture companies, and other organizations with individual support, including free consultation by experts, so that trade secrets are properly managed in reference to the Trade Secret Management Guidelines revised in 2011. (short term) (METI)

- Promoting SME participation in seminars concerning intellectual properties
  Improve seminars on the systems governing industrial property rights in emerging nations and on the prevention of fake products to enhance efforts by SMEs to develop and expand global business. (short term) (METI)

  Organize explanatory meetings on an overview of the intellectual property rights system and other systems necessary for practical operation, in order to familiarize SME businesses, financial institutions, tax accountants, and management analysts specializing in SMEs with knowledge about intellectual properties. (short term) (METI)

(3) Developing and retaining intellectual property human capitals

[Recognition of the situation]

As industrial structures and innovation models have been transformed and diversified, industry/business models and IP management that supports those models have also been transformed and diversified. The desired intellectual property human capitals will thus inevitably change.

Along with fostering “human capitals specializing in intellectual property” that conventionally and directly involves the acquisition, maintenance, and management of domestic intellectual property rights, the focus on fostering intellectual property human capitals must be expanded to “human capitals that utilizes intellectual property (i.e., intellectual property management human capitals)” that can create innovation globally based on an innovation strategy, contribute to strengthening international competition, and skillfully and properly utilize intellectual properties in an advanced and practical manner, in line with the business operational strategy.

As manufacturing, procurement, and the sales base continue to expand overseas
from now on, the intellectual property division will also further expand globally. Once a
global market is formed, IP management will take on the global business as required. In
such a situation, IP functions will inevitably shift to become multi-based, diversified,
and cooperative. Therefore, it is indispensible to develop and retain “global intellectual
property human capitals” as adopted globally from in and around Japan, and have that
human capital play an active role internationally, in addition to fostering “international
intellectual property human capitals” through the conventional “internationalization” of
domestic human capitals.

A. Developing intellectual property management human capitals

a. Forming the occasion to develop business strategic intellectual property management
human capitals

[Example measures]

・ Providing a curricular of business strategic intellectual property management
  human capitals
  Encourage setting up a course (e.g. global intellectual property management
  executive course) toward developing and retaining high-level intellectual property
  human capitals that will contribute to strengthening international competitiveness,
  with an eye on inviting lecturers from abroad. (short term, medium term) (MEXT
  and METI)

b. Promoting research on intellectual property management strategies

[Example measures]

・ Establishing a base for research on intellectual property management strategy
  While promoting the formation of a network for collecting and analyzing information
  in and around Japan, as well as human networks, promote improvement of the place
to research and analyze intellectual property management that can contribute to
business strategy, from the view of strengthening Japan’s international
competitiveness. Foster intellectual property human capitals possessing excellent
business strategies through the research and analysis process. (short term, medium
term) (METI)
Promoting the use of research/analysis results in the of business strategic intellectual property management
While delivering researched/analyzed information to the place for researching and analyzing intellectual property management, encourage the widespread sharing of said information and reflect it in the content of training seminars. (short term, medium term) (MEXT and METI)

c. Developing and retaining intellectual property human capitals for SMEs and venture companies

[Example measures]

- Developing intellectual property human capitals by utilizing the Comprehensive IP Support Counter and Business Support Library
  Along with fostering intellectual property human capitals through counseling provided at the Comprehensive IP Support Counter, encourage the Business Support Library and local public libraries help develop intellectual property human capitals in local small and medium-sized companies by providing information and counseling on the use of intellectual properties, while obtaining cooperation from the Comprehensive IP Support Counter as needed. (short term, medium term) (MEXT and METI)
- Utilizing the test system for developing intellectual property human capitals
  Encourage the test-implementing organization to consider that the IP management skill test supports SMEs and venture companies in developing human capitals capable of IP management. (short term, medium term) (MHLW)

B. Developing global intellectual property human capitals

a. Formulation of an examination system to respond to the Globally Networked Age

(a) Formulation of a system that responds to the Globally Networked Age

[Example measures]

- Developing human capitals in the multilingual age
  Promote the development of human capitals capable of dealing with English and
other languages, in order to establish stable and internationally acceptable rights, ensure harmony with international systems, operations, and classifications, improve the IP systems in Asia nations and other emerging nations, and support Japanese companies in their international business expansion. (short term, medium term) (METI)

- Developing human capitals possessing a deep understanding of foreign IP systems, including those of advanced nations
  Develop human capitals knowledgeable about such economic laws as the intellectual property laws of advanced nations, Asian nations, and other emerging countries, and about the usage of the various intellectual property systems, in order to collect and analyze IP information overseas, promote the harmonization of international systems, operations, and classifications, and support companies in expanding their business overseas. (short term, medium term) (METI)

- Developing and assigning human capitals capable of leading international discussions
  Develop and assign human capitals capable of leading international discussions concerning procedural and substantive issues, in order to formulate an international system that will benefit Japan. (short term, medium term) (METI)

- Developing and retaining human capitals for supporting the establishment of IP systems in emerging nations
  Develop and retain human capitals knowledgeable about IP systems and the level of mechanization in emerging nations, in order to establish appropriate IP systems in Asia and other emerging nations. (short term, medium term) (METI)

(b) Establishing a system to improve the quality of examination and judgment

[Example measures]

- Developing and retaining human capitals for controlling the quality of examination
  Given the growing number of global applications, the patent offices in major countries are now focusing on improving the quality of examination and quality control for examination, and have established a system for quality control. In contrast, our country lags behind other nations, and has yet to establish sufficient measures for the quality control of examination. In order to establish stable and internationally acceptable rights, the Japan Patent Office will strengthen its quality control system, along with developing and retaining human capitals in charge of
quality control that meets international standards. (short term, medium term) (METI)

- Developing examiners and clerks with high legal expertise
  Develop examiners and clerks with high legal expertise and who are familiar with relevant laws and judicial precedents, in order to establish stable and internationally acceptable rights. (short term, medium term) (METI)

- Improving legal expertise in examiners to maintain and improve the quality of examination
  Promote further improvement of the oral proceedings, use legal human resources to improve the training of examiners to enhance their legal expertise, in order to maintain and improve the quality of examination and related procedures in inter-party trials closely associated with the resolution of IP disputes. (short term, medium term) (METI)

- Developing patent examiners contributing to business-origin IP strategies
  In order for companies to increase their international competitiveness, it is important to acquire patent network rights on time toward formulating a patent portfolio concerning the core business. Given such situational changes, develop patent examiners with a business background and who are knowledgeable about laws and technologies. (short term, medium term) (METI)

- Developing patent examiners (judges) for covering wide-ranging technological fields
  As technology has undergone progressive development and advances in recent years, more technologies are now being combined for use. In line with such a trend and in order to establish stable and internationally acceptable rights, develop patent examiners (judges) who can cover wide-ranging technological fields by further expanding their technological knowledge, so that each patent examiner (judge) can cover a wider range of technological fields. (short term, medium term) (METI)

- Utilizing the knowledge and competence of fixed-term examiners
  In order to deal with changing international situations and corporate IP strategies, and increase Japan’s international competitiveness, maximize the use of knowledge and competence possessed by fixed-term examiners in and around the Patent Office after 2014. (short term, medium term) (METI)

b. Developing and retaining specialists who can contribute to corporate business activities in the globally competitive age

[Example measures]
• Expanding opportunities for patent attorneys to provide better service for companies in the globally competitive age

In order to develop patent attorneys who can respond to globalization, promote the provision of opportunities for patent attorneys to deepen their knowledge about the systems and operations overseas by participating in operations concerning overseas intellectual properties. (short term, medium term) (METI)

In order to develop patent attorneys who can contribute to various operational activities that include SMEs and venture companies, promote the improved provision of opportunities for patent attorneys to extensively improve their capability (including for IP management) by promoting their participation in relevant operations at the Comprehensive IP Support Counter. (short term, medium term) (METI)

C. Broaden the base of intellectual property human capitals

[Example measures]

• Intellectual property education for government employees involved in the respective fields of industry

Implement training sessions on intellectual property strategies including international standardization strategies in cooperation with the Cabinet Office and relevant ministries that mainly target government employees involved in the respective fields of industry. (short term, medium term) (Cabinet Secretariat)

• Improving training sessions on intellectual property education for teachers

Encourage the board of education and relevant divisions to use content concerning intellectual property on such occasions as the training of teachers, so that teachers can properly master how to handle intellectual properties in accordance with new school curriculum guidelines. In addition, provide such cooperation as dispatching lecturers to train teachers for the board of education and relevant divisions in order for teachers to appropriately master how to handle intellectual properties. (short term, medium term) (MEXT and METI)

• Promoting intellectual property education at schools and in the local community

In order to support the handling of intellectual properties as part of activities to educate and disseminate science technology for local residents and children, promote the dispatch of such IP human capitals as patent attorneys for those activities. (short
D. Improving the system to promote the plan to develop intellectual property human capitals

[Example measures]

- Enhancing the functions of training
  Encourage the councils involved in the development of intellectual property human capitals to provide for regular seminars on international standards and IP management, in order to increase the number of participants and select more appropriate themes. (short term, medium term) (Cabinet Office, MEXT, and METI)

- Improving the functions of policy proposal
  Encourage the councils involved in the development of intellectual property human capitals to improve and expand the participating organizations and members, in order to discuss the development of intellectual property management human capitals. (short term, medium term) (Cabinet Office, MEXT, and METI)
2. Comprehensive content strategies to boost Japan

[Expected outcome] (as of 2020)

○ Market size of the digital internet content business (including new businesses) expanding from about 1.5 trillion yen (in 2010) to about 7 trillion yen*
○ Market size of the Cool Japan-related industry for Japan expanding from about 4.5 trillion yen (in 2009) to 17 trillion yen (in 2020)

[Target indicators] (as of 2020)

○ About 80% of books and broadcasting programs are delivered through electronic media as well. *
○ Decrease the amount of content in circulation that infringe on copyrights by about 80%. *
○ The global distribution business for Japanese content is established, with sales exceeding 100 billion yen. *
○ Students will be able to freely utilize digital content by using various information terminals, with one unit provided for each student in class. *
○ Achieve new annual income of 1 trillion yen by using Japanese content as the core in the Asian market.*
○ Increase the annual number of foreign travelers to Japan from about 6,200,000 (in 2011) to 25,000,000.
○ Increase the number of foreign visitors to international trade shows in Japan from about 65,000 (in 2010) to 300,000.
○ Achieve the lifting or easing of restrictions on content in other countries.*
○ Have a total of 10,000 content creators visit elementary and middle schools.*

(1) Promoting infrastructure development for the digitally networked society that supports the global expansion of content

[Recognition of the situation]

As digitization and networking are progressing, a borderless world market has been created where electronic books, cloud computing services, and social media
generate new business opportunities. New information terminals such as smart phones, tablet terminals, and smart TVs have been pouring into the market, intensifying global wars between content platforms. Information communication technology has the potential to significantly change our society and lives. An environment where more innovative platforms and services are generated in Japan is expected to develop by grasping information on the development of new functions and forms of information communication devices and systems. Now is a great opportunity for Japan’s content industry to leap forward in the world, and a crucial moment to create new businesses and markets for survival.

Asian nations are achieving economic development, and have the potential to grow into a huge content market. Japan should thus develop its content as a business, while contributing to the sound growth of this market. In such a situation, the fair use of authors’ works and the development of an environment to properly protect copyright will be promoted, in order to prevent the creation of content—the source of intellectual activities—from dying out. In Asia and other regions, it is necessary to promote the strengthening of measures to prevent the infringement of content on the Internet that disturbs regular delivery service, in cooperation and collaboration with the public-private sectors in the country where we do business. Moreover, cloud computing services are changing the style of business and public services, and considered a service industry where huge development is expected. In order to develop a cloud computing service in Japan, legal risks must be resolved and environmental improvement must be promoted.

The response to digitization and networking is becoming a huge problem in trade policy. It is thus important to pursue national interests to the maximum extent, such as in international negotiations regarding the copyright system under Economic Partnership Agreements (EPAs) and involving other international organizations related to intellectual properties.

The convenience of electronic books has the potential to largely change the style of intellectual activities, and digital archives make it easy to access intelligence. These features are part of an intellectual infrastructure that utilizes old intellectual properties and encourages the creation of new content. Efforts to promote these features must be proactively advanced.

As new information terminals are becoming more widely used along with the development of cloud computing services, such problems as the delay and loss in viewing videos in foreign countries and via mobile communication are pointed out, given the expanded communication traffic for videos and other content. In order to achieve the
high-speed distribution of content from Japan to foreign countries, it is an important task to discuss about the information communication infrastructure that supports content distribution.

Delays in responding to digitization and networking may have a serious impact on the development of overseas content business. In order to retain business opportunities in the world market, it is necessary to promote environmental improvement by referring to the cooperation of global companies, and then judging the industry in which Japan will succeed in the digitally networked society.

It is also important to proactively conduct activities that adopt liberal ideas and the creativity of a native digital generation that was born and raised in a life environment where computers and the Internet are indispensable for creating content.

To this end, improvement of the copyright system will be promoted, and also measures to prevent the infringement of content on the Internet and efforts toward regular delivery will be promoted. A full-scale market for electronic books will be formed and the archiving of content promoted. New businesses and markets will be created in response to digitization and networking. An environment for developing human capital will also be improved. In order to promote these measures, it is indispensable for the whole government to work in a concerted effort toward strengthening the content on networks. It is also important to maintain proper coordination between the IP strategy headquarters and IT strategy headquarters.

A. Improving the copyright system in response to digitization and networking, and strengthening measures to prevent the infringement of content

[Example measures]

• Improving the copyright system flexibly in response to socioeconomic changes
  While timely responding to the progress of digitization and networking, grasp the situation of international negotiations regarding the protection and utilization of intellectual properties. Take necessary measures by considering such copyright system tasks as extending the copyright protection period, clarifying the scope of injunction demand concerning indirect infringement, and reviewing the private recording compensation system. (short term, medium term) (MEXT)
• Organizing and considering tasks in copyrights processing toward promoting IT disaster prevention and open government
  More data for public use should be available from the viewpoint of constructing a
disaster prevention lifeline and promoting an open government, by utilizing
information communication technology. Based on considering the progress made in
realizing the idea of a disaster prevention lifeline and open government in the IT
strategy headquarters, organize and consider the copyrights processing tasks
concerning the availability of data for public use, relative to ensuring the regular use
of authors’ works as requested by international treaties and protecting the due
interest of authors. (short term) (Cabinet Secretariat)

- Comprehensively promoting measures to prevent content infringement and facilitate
regular delivery on the Internet

In order to strengthen measures against content infringement, further promote the
strengthening of enforcement in countries where infringement occurs, and prompt
the deletion of infringing content on foreign servers through efforts by the Content
Overseas Distribution Association (CODA). (short term, medium term) (METI, MIC,
and MEXT)

Support efforts for matching through CODA in line with measures taken against
content infringement, and promote regular delivery on the Internet in a concerted
manner in countries where infringement occurs. (short term, medium term) (METI)

Awareness-raising activities for copyright protection and the prevention of illegal
content distribution are necessary to strengthen measures taken against content
infringement. To this end, public-private outreach activities will be proactively
promoted. (short term, medium term) (MEXT)

Familiarize those concerned with the ministerial ordinances and guidelines revised
as based on verification of the Provider Liability Limitation Act enacted in 2011.
Carefully monitor the status of content infringement after initiating those efforts,
and continue efforts concerning measures taken against content infringement by
Internet service providers (ISP) and organizations of rights holders. (short term,
medium term) (MIC)

B. Formation of a full-scale market for electronic books and the promotion of archiving
content

[Example measures]

- Forming a full-scale market for electronic books

The distribution of electronic books and measures against the infringement of rights
concerning publications must be promoted. To this end and with regard to granting
rights for publishers, verify and consider the impact on the electronic book market and associated legal tasks, and then take necessary measures. (short term) (MEXT)

In order to realize an environment for open-type electronic publication, promote format standardization for the Electronic Book Exchange and familiarization of the standardized format in and around Japan. Promote the introduction and familiarization of EPUB 3.0 that was adopted as an extended specification to the Japanese language as browser format in Japan. (short term, medium term) (MIC and METI)

Further promote the digitization of authors’ works and content distribution by supporting cooperative work efforts by the private sector based on growth of the electronic book market. Such efforts include Born Digital and the establishment of Digital Publishing Initiatives Japan Co., Ltd. (short term, medium term) (MIC and METI)

To further promote the utilization of publications in our digitally networked society, organize and consider the achievements reported by a joint panel held in June 2010 by MIC, MEXT and METI, and new tasks and process charts based on the actions taken in and around Japan (short term) (MIC, MEXT, and METI)

Take necessary measures as based on the results of the organization and considerations described above. (medium term) (MIC, MEXT, and METI)

- Promoting the archiving and utilization of content

With regard to digitized materials in the National Diet Library, institutional measures should be taken for copyrights in order to deliver those materials to public libraries. Copyright processing should be promoted for delivering digitized materials to homes. To this end, implement operations to deal with those tasks in managing and distributing digitized materials, and then take necessary measures. (short term) (MEXT)

To contribute to storage of works that would otherwise likely be scattered and subsequently deteriorate, improve the information database for the locations of such media artwork as games and comic books, and promote digital archiving. (short term, medium term) (MEXT)

In order to promote the one-dimensional utilization of digital archives, promote cooperative efforts concerning archives among museums, libraries, and public archives. Establish a portal site to view and utilize digital data on the Great East Japan Earthquake one-dimensionally. (short term) (MIC)

Also promote the use of NHK program assets, including NHK On Demand Service.
And be sure to assist in activities to further expand and utilize the archives of commercial broadcasting programs through the Broadcast Programming Center of Japan. (short term, medium term) (MIC)

C. Improvement of the environment to create new businesses and markets, and develop human capitals

[Example measures]

・ Improving the information communication infrastructure to support content distribution
  From the viewpoint of users, consider the tasks that content business operators face in the high-speed delivery of content from Japan to the world, and such tasks as handling delays in the infrastructure for information communication. Listen to the opinions of content business operators and consider establishing an ideal infrastructure for information communication. (short term) (MIC)

・ Improving the environment for cloud computing services
  With regard to improving the environment for cloud computing services, the use of common content is being promoted for multiple information terminals, such as smart phones and tablet terminals. Given this situation, including the view of creating new businesses and markets, organize and consider such tasks as resolving legal risks associated with clarifying the extent of private duplication and indirect infringement in the copyright system, and then take necessary measures. (short term) (MEXT and MIC)

・ Facilitating overseas distribution using the Internet
  In order to facilitate the overseas distribution of content through the Internet, promote demonstration experiments for further familiarization of the guidelines on rights processing in the overseas distribution of broadcasting content and one-dimensional rights processing. (short term) (MIC)

・ Improving the environment for platforms
  In addition to viewing TV broadcasting, bi-directional viewing and the use of various service applications on a so-called smart TV are available through the Internet. Standardize the technological specifications for the smart TV mainly in areas where Japan can move ahead and assume a leading role through various demonstration experiments, and promote the use of smart TVs in and around Japan. (short term, medium term) (MIC)
Regarding the problems of competition policies concerning provision and distribution of content used via new information terminals such as smart phones and electronic book terminals, exchange opinions and have hearings with relevant business operators to collect information, and continuously monitor progress of the competition. (short term, medium term) (Japan Fair Trade Commission)

- Promoting the informatization of education

A full-scale informatization of education is targeted by utilizing digital learning materials through information terminals, with one unit provided for each student in class. Promote experimental studies at the compulsory education stage. Based on the progress of experimental studies, consider the positioning of digital textbooks, learning materials, and systems associated with textbooks, such as the textbook inspection system, along with tasks in the copyright system. (short term, medium term) (MEXT and MIC)

New school curriculum guidelines have been progressively introduced since 2011. Based on the new guidelines, promote education on information moral (about ideas and attitudes forming the basis of appropriate activities in our information society) and the efforts concerning learning activities for students to practically and proactively utilize such information sources as computers and information communication networks in school education. (short term, medium term) (MEXT)

- Developing human capitals with information communication technology

In order to develop human capitals that can utilize information communication technology to solve practical problems in society, form a nationwide network covering universities and industries, and promote practical education that includes problem-solving learning using actual problems. (short term, medium term) (MEXT and MIC)

(2) Promoting Cool Japan and strengthening soft power

[Recognition of the situation]

As the Globally Networked Age has arrived where products and information are instantly spread and delivered, diverse content that delivers the flavor of unique culture are attracting more interest around the world.

Content, food, and fashion made in Japan are excellent intellectual properties with powerful international competitiveness. Given an origin based on a profound cultural and historical background nurtured over a long time, such intellectual properties have a
depth and richness that appeal to people’s minds all around the world. Japanese animations characterized by detailed story lines are also very popular overseas. The Japanese aesthetic sense and superb cultural tradition seen in the Cool Japan Concept have won empathy worldwide.

Developing the attraction of Japanese culture through the Cool Japan Concept overseas or using it to promote inbound tourists (i.e., business promotion for tourism and business in Japan from abroad) and nurturing curiosity, interest and admiration regarding our country will result not only in stimulating related industries, but also in the “soft power” that will strengthen Japan’s overseas presence and influence in all sorts of public and commercial activities.

Overseas development of Cool Japan offers the potential to further promote the recognition of Japan, increase the admiration and interest regarding Japan, further expand the demand for content and food, induce large-scale demand for state-of-the-art Japanese products and services, and strengthen Japanese economic and industrial power.

In consideration of the above, it is important to create successful models that function as breakthroughs for business development in Asian nations and other countries through the integrated Cool Japan strategy, which packages various combinations of multiple Cool Japan subjects, content, and products/services, or promote inbound visits using content as a driving force in accord with the needs and characteristics of the target countries.

The success of these efforts depends on whether they are powerfully and speedily permeated in the target countries. It is important to approach through channels involving high level decision makers that have significant influence on that country, such channels as top sales in a public-private partnership. It is also effective to deliver products and services along with stories that depict the spirit of making products and the hospitality behind such products and services.

At the same time, in Japan, there are many buried Cool Japan materials that have potential to attract people from around the world, although we Japanese are not fully aware of such materials. Cool Japan must be further expanded by developing new areas and pursuing excellent “art” possessed by Japanese masters—the origin of the Cool Japan spirit—and their aesthetic sense and meticulous taste.

The efforts above shall be promoted with unity by sharing roles in concerted efforts by the Cabinet Secretariat and relevant ministries. Therefore, expanding and accelerating a favorable cycle that includes excavation, creation, transmission,
expansion, and building the infrastructure of Cool Japan in a public-private partnership are required to upgrade the Cool Japan strategy.

A. Global delivery of Cool Japan

[Example measures]

- Creation of successful cases of overseas development in a public-private partnership
  Focus on specific targets in content fields intended for overseas business development and promote the efforts to develop business overseas, such as by fusing the content industry and consumer goods industry as a marketing model in such Asian nations as China, India, and Indonesia where market sizes are expected to expand, and in other nations as well. (short term) (METI, MIC, MOFA, MEXT, MAFF, and MLIT)

- Overseas business development of content to improve recognition of Japan’s soft power
  In order to improve the recognition of Japan’s soft power overseas, support the efforts to create and deliver video content filled with the attractions of Japan, such as Japanese culture, sports, and products by utilizing overseas broadcasting. At the same time, formulate a framework to access such content through the Internet by smoother rights clearance. (short term) (MIC and METI)
  Regarding Japanese content using English and Asian languages, promote localization to deliver Japanese culture and improve the image of Japan through such support as reducing the cost of translation and creating opportunities for international coproduction. (short term) (MIC, MEXT and METI)

- Popularizing Cool Japan by utilizing events in and around Japan
  Utilize such international events as the London Olympics and annual events involving foreign nations as domestic events that include international conferences held in Japan, such as WTTC Global Summit (also known as the tourism version of the Davos Forum). Work on proactive popularization of Cool Japan through portal sites that deliver information on Cool Japan. (short term, medium term) (Cabinet Secretariat, MIC, MOFA, MEXT, MAFF, METI, and MLIT)

B. Expansion and stabilization of Cool Japan’s popularity

[Example measures]
Promotion of inbound

In order to promote inbound visits to Japan, support one-stop counter activities that provide support for film crews from abroad. Also promote the delivery of information in foreign languages to invite filming in Japan, such as by distributing general guidebooks overseas and utilizing portal sites. (short term, medium term) (METI, MEXT, and MLIT)

With respect to the “Sapporo Special Content District” aiming to create a content industry hub city in Asia, position the district function as a model to attract on-location shooting and engage in intensive efforts toward forming the hub, the efforts including formulating the system to provide one-stop support for filming crews coming to Japan. Therefore, consider measures to support realizing special districts, such as special measures for regulations and financial support, and take necessary steps. (short term, medium term) (Cabinet Secretariat)

Support activities for forming new special content districts, the activities such as establishing a base to create content through accepting excellent creators in and around Japan and inviting overseas content business operators and/or energizing the content industry by combining Japan’s unique culture and traditions with content. (short term, medium term) (MEXT and METI)

Aiming to increase filmmaking projects that select Japan as their main stage, support efforts in areas that promote the invitation of filmmaking projects in cooperation with local film commissions. Also consider mechanisms to give incentives to international filmmaking projects that use locations in Japan. (short term, medium term) (MEXT, METI, and MLIT)

Introducing a geographical indications protection system

To protect the brand image and promote the exports of Japan’s high quality agricultural, marine, and other food products, introduce a system to protect the geographical indications (GIs) of such agricultural, marine, and other food products. (short term, medium term) (MAFF, METI, and MOF)

Promoting measures against counterfeit products and pirated copies [Relisted]

Prepare for the early signing and effectuation of the Anti-Counterfeiting Trade Agreement (ACTA), and encourage Asian nations and other countries to participate in ACTA, in order to internationally protect brand value. (short term, medium term) (MOFA, METI, MEXT, MIC, MOJ, and MOF)

To prevent counterfeit products and pirated copies, hold related conferences and seminars in and around Japan where people involved in intellectual properties from
Asian nations and other countries can have discussions. (short term, medium term) (MOFA, MOF, MEXT, MAFF, and METI)

Improve and expand the seminars on industrial property rights and measures against imitation in emerging nations, in order to strengthen efforts for small and medium-sized companies to develop their business globally and expand trade outlets. (short term) (METI)

- Promotion of measures against counterfeit agricultural, marine, and other food products

In order to deal with the growing number of fake products that take advantage of Japan’s high reputation regarding its agricultural, marine, and other food products, support consortium efforts to protect agricultural and marine intellectual property by collecting information on those fake products and taking collaborative measures. (short term, medium term) (MAFF)

- Developing a base for Cool Japan

Promote a project to designate “East Asian Culture Cities” every year in Japan, China, and the Republic of Korea, to hold intensive cultural and artistic activities there, with the participation of cultural figures and artists, and including the viewpoints of regional revitalization, creative industries development, and tourism promotion, and to communicate globally. (short term, medium term) (MEXT)

Establish a foothold for creative activities in Japan through activities in creative cities where such creative figures as artists and designers gather from in and around Japan, as well as “Artists in Residence” project, with which a community is formed by artists invited to Japan. (short term, medium term) (MEXT and METI)

C. Promoting new excavation and creation to pursue things reflecting the Cool Japan concept

[Example measures]

- Planning and developing content targeting the world market

Through the All Nippon Entertainment Works (ANEW) which supports the overseas development of content, promote the planning and development of such content as movies and broadcasting programs that target the world market to accelerate creating successful cases of overseas development. (short term, medium term) (METI)

Promote holding an international trade show featuring Cool Japan, such as
international video trade shows and international movie festivals in Japan, and match our world-level technology and planning capability with overseas businesses to facilitate the overseas development of Japanese content. (short term, medium term) (MIC, MOFA, MEXT, METI, and MLIT)

- Developing and branding new areas of Cool Japan
  Promptly deliver information on the excellent industrial designs in Japanese products, architectural designs that express the Japanese spirit, and promote efforts to feature Cool Japan in those designs to the world. (short term) (Cabinet Secretariat, METI, and MLIT)
  Collect hidden Cool Japan concepts throughout Japan for branding, and support the efforts of small and medium-sized companies and other businesses to cultivate new marketing channel overseas. (short term, medium term) (MAFF, METI, and MLIT)
  Widely collect new ideas about Cool Japan from citizens. Promote efforts to create businesses that utilize new information terminals such as smart phones and tablet terminals for tourism. (short term) (METI and MLIT)

- Excavating the origin of the Cool Japan concept
  Preserve, hand down, and utilize the excellent “art” of manufacturing possessed by the Japanese masters—the origin of the Cool Japan spirit and promote diffusion of the “art” by formalizing tacit knowledge, perceived as an accumulation of multifaceted knowledge, into a visible form, while carefully protecting the information. (short term, medium term) (MEXT, MAFF, and METI)

D. Improvement of the infrastructure for Cool Japan

[Example measures]

- Improving the public-private coordination system
  While closely working with fans, of Japanese content and products, that have become deeply rooted overseas, establish a system to support activities concerning Cool Japan, such as giving feedback to Japan on information about Cool Japan overseas, and supporting the overseas development of private businesses by utilizing the facilities of diplomatic establishments abroad in cooperation with diplomatic establishments, local organizations, and the private sector. (short term, medium term) (MOFA, MIC, MEXT, MAFF, METI, and MLIT)

- Deregulation and abolishing laws concerning content and food in foreign countries
  In discussions and negotiations involving two or more countries, regulation on such
content as movies, broadcasting programs and food are considered a huge barrier for culture and industry to enter the market. Set deregulation and the abolishing of regulations as prioritized tasks in discussions and negotiations, and strongly press to succeed in those tasks. (short term, medium term) (MOFA, METI, MIC, MEXT, and MAFF)

- Broadening the base of creators
  Through school visits by creators letting students experience media art, various art forms and culture at school, nurture their communication skills and ability to appreciate the true value of art. (short term, medium term) (MEXT)
  As a way to broaden the base of human capitals that supports Cool Japan, hold workshops where children can experience Cool Japan through various means of expression. (short term, medium term) (MEXT)
  Based on new school curriculum guidelines being progressively introduced since 2011, introduce creative activities and intellectual property education in school education. (short term, medium term) (MEXT)

- Developing human capitals for Cool Japan
  Promote voluntary efforts at universities so that both Japanese and foreign students can properly understand intellectual property and nurture an attitude to support creativity and a respect for intellectual property. And by utilizing the framework of student exchange, also promote activities for Japanese students to support teaching of the Japanese language and introduce Japanese culture in the countries where they attend school. (short term, medium term) (MEXT)
  Utilize overseas training systems for creators and industry-academia cooperative consortiums participated by vocational schools, universities, and industry groups to build and strengthen human capitals with expertise, such as producers who play an active role globally. (short term, medium term) (MEXT)
  In order to promote educational activities by utilizing museums, develop human capitals working for museums such as museum educators. (short term, medium term) (MEXT)
  By developing the business of ANEW that supports content expansion overseas, promote the development of human capitals with expertise, such as lawyers knowledgeable about the global development of content, and promote the accumulation of know-how to engage in international negotiations. (short term, medium term) (METI)
III Process chart for implementing strategies (Appended Table)

The process chart shown in the Appended Table has been prepared to clearly indicate “who” does “what” “by when” in implementing the strategies described above. The entire government must implement the measures listed in this process chart without fail. The measures will be modified as required in case of a significant situational change in the future.