

Intellectual Property Strategic Program 2013

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Intellectual Property Strategy Headquarters

Intellectual Property Strategic Program 2013

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I. Formulation of Intellectual Property Strategic Program 2013

It has been ten years since the Intellectual Property Basic Act was enacted in 2003 (Act No. 122 of 2002). During this period of time, the presence of emerging nations, beginning with China, has been becoming more and more prominent; the business environment surrounding not only large enterprises but also small and medium sized enterprises (SMEs) and venture companies has become more global, more flat, and more open; and the content media have become more diversified. The socio-economic situation that served as the premise behind Japan's intellectual property policy has dramatically changed.

Under such circumstances, it must be said that Japan is falling behind other countries in terms of the strategic utilization of our country's long traditions and rich culture as well as our wide range of cutting-edge technologies.

Now is the time for Japan to take a global leadership position, taking advantage of our intellectual property as a strong asset in order to strengthen our industrial competitiveness and to enhance the lives of the Japanese people.

In recognition of these imperatives, on June 7, 2013, the Intellectual Property Strategy Headquarters decided to adopt the Intellectual Property Policy Vision, which looks approximately ten years into the future and contains long-term policy challenges according to four pillars established as the axes of intellectual property policy development. In addition, on the same day, the Cabinet adopted the Basic Policy Concerning Intellectual Property Policy, which was extracted from the Intellectual Property Policy Vision, and includes the four pillars as the core of an appropriate long-term policy.

The four pillars defined in the Basic Policy are as follows:

- (1) Building up a global intellectual property system for enhancing industrial competitiveness;
- (2) Support for enhancing intellectual property management by SMEs and venture companies;
- (3) Improving the environment for adjusting to the digital network society, and
- (4) Strengthening soft power focusing on the content industry.

We will develop Japan's intellectual property policy with these four pillars as its axes, and we have drawn up the Intellectual Property Strategic Program 2013 as our first specific plans for action.

In this year's Intellectual Property Strategic Program, the specific measures for the

short term (one to two years) and for the medium term (three to four years) are defined according to the policy challenges for the long term (ten years) shown in the Intellectual Property Policy Vision. A timeline table has been drawn up, and the details of each measure, the responsible ministries, and the targeted due dates are also clearly described. Furthermore, the progress made for each measure will be followed up annually by the Intellectual Property Strategy Headquarters, with the aim of making steady progress in implementing each measure.

In what follows, the four pillars are arranged in two groups: the first and the second pillars are related to enhancing competitiveness and international standardization, and the third and the fourth pillars are related to strengthening the content industry. The pillars in the respective groups share a common recognition of the current situations that serve as the premises for policymaking, and specific measures are described for each pillar.

II. Specific plans for action according to the four pillars (short and medium terms)

II-1. Measures related to enhancing competitiveness and international standardization

Current situation

The circumstances surrounding the global economy have been dynamically changing. There have been major changes in the global map of economic power, and emerging nations such as China, India, and the ASEAN countries have made a remarkable breakthrough as centers for growth, driving the growth of the global economy. Moreover, through the enhancement of intergovernmental economic partnerships including Economic Partnership Agreements (EPAs) and Free Trade Agreements (FTAs) the economic barriers represented by national borders have been falling. The world is now seamlessly connected by the high-speed global Internet network, and the curtain has risen on the era of a global economy in which information, people, goods, and money flow freely over national borders.

With the arrival of the global economy, the paradigm of innovation has been greatly changing. The world's knowledge is now connected via networks, and an environment in which anyone can easily access this knowledge has emerged. Owing to this, useful knowledge that used to be centered on certain regions or institutions is now scattered around the world. An era has arrived in which innumerable seeds for innovation with infinite potential are scattered throughout the world. This indicates the tremendous necessity of building up

industrial models or business models based on open and global innovation characterized by producing innovative goods and services through a strategic incorporation or combination of the useful knowledge scattered throughout the world.

Japan has hitherto excelled at a business model of vertical integration, where all processes from research and development to launching products originate in Japan, and this model has been the main driving force in maintaining our high level of competitiveness in the world market. However, there is a fear that we could be cast off in international competition if we fail to properly respond to the dramatic paradigm shift in innovation. In order to strengthen our industrial competitiveness and continue to win in the intense competition in the global market, it is absolutely imperative to implement an open and global innovation strategy, bearing in mind that we should make the most of the seeds of innovation scattered around the world without being bound by our previous experiences of success.

With the increasing demand for an open and global innovation strategy, intellectual property strategy plays a more and more important role. This is because the essence of intellectual property strategy is not only to facilitate the creation of knowledge, including new ideas, but also to manage the transfer and sharing of knowledge. This can be clearly understood by seeing that patent rights have functions both as a monopoly privilege claiming ownership of certain technology as well as a licensing right to make the patented technology available to others. In order for Japanese companies to enhance their competitiveness in the context of the global economy and open innovation, it is very important for the top management of companies to incorporate a cutting-edge intellectual property strategy into their management strategy, and to implement it on a timely basis. Such a cutting-edge intellectual property strategy should target maximizing revenues by wisely designing which areas should be open and which should be closed from a business perspective, in order to make the most of external knowledge and management resources by making excellent use of every intellectual property tool, including patents, designs, trademarks, knowhow, and standardization. Unfortunately, however, although they have excellent technologies and services, Japanese companies, especially SMEs and venture companies, have fallen behind in the world in terms of establishing management strategies incorporating such a cutting-edge intellectual property strategy, and this is one of the reasons why they are losing business competitiveness in the global market. In order to revive the Japanese economy to regain its former brilliance, it is absolutely necessary for Japanese companies, especially the SMEs and venture companies that sustain our industrial structure, to establish and implement their own

advanced intellectual property strategies adapted to their own management strategy, from a global market perspective.

In light of this situation, the Government of Japan needs to formulate and strongly promote solidly built policies to encourage Japanese companies to implement a cutting-edge intellectual property strategy, aiming to radically strengthen industrial competitiveness. Specifically, in order to create an environment in which Japanese companies can implement their intellectual property strategies in the global market without any disadvantages, the Government of Japan will formulate relevant measures based on the perspective of building up a global intellectual property system for enhancing industrial competitiveness. Along with this, the Government of Japan will formulate relevant measures based on the perspective of providing support for enhancing intellectual property management by SMEs and venture companies, aiming to strengthen the international competitiveness of the SMEs and venture companies that are essential for revitalizing the Japanese economy. Through the united efforts of the public and private sectors in implementing such relevant measures, we aim to strengthen Japan's industrial competitiveness by means of intellectual property strategy.

Building up a global intellectual property system to enhance industrial competitiveness

The arrival of the global economy signifies the creation of an opportunity for us to obtain a vast harvest from the global market.

Japan is poor in natural resources and faces the serious problem of an aging population combined with a decreasing birth rate. In order for us to sustain economic growth into the future, it is necessary for us to build a structure for strengthening our industrial competitiveness in the world by continuing to create original innovations, increasing the profits we derive from the global market, and returning these profits to the Japanese economy. It is also essential for us to incorporate global economic growth and development, centering on emerging countries in Asia, into our own growth.

On the other hand, in order to incorporate the growth of emerging countries, it is necessary to improve the business environment in emerging markets. From the viewpoint of intellectual property, there are large variations in the maturity level of intellectual property systems in each country. Especially in emerging countries, it is often pointed out that the establishment of intellectual property systems is still imperfect. Such a situation may hinder the smooth business operations of Japanese companies in the global market, and it is feared that this could result in a significant loss of competitiveness. Therefore, as we promote

intellectual property policy with global competition in mind, it is necessary to consider our policies from the following perspectives.

Firstly, in order for Japanese companies to develop more profitable business activities overseas, Japan needs to take the lead in the harmonization of international intellectual property systems, from the point of view of implementing a flat and seamless global intellectual property system in which Japanese companies can implement their intellectual property strategies overseas the same way as they can in Japan. Specifically, the Government of Japan will dispatch examiners from the Japan Patent Office (JPO) to intellectual property offices in emerging countries in Asia and elsewhere, to support their efforts to improve their country's intellectual property system. In addition, by performing fast and high-quality examinations as well as rapidly releasing the examination results to the world, and by making Japan's intellectual property system more globally available and accessible, we will create an environment in which Japanese companies can obtain intellectual property rights smoothly and appropriately even in foreign countries. Furthermore, by enhancing the support systems and initiatives for intellectual property activities overseas, and by intensifying efforts to approach other governments via commerce-related agreements, we will improve the environment for Japanese companies to effectively develop their business by making use of intellectual property in foreign countries.

Secondly, we will improve Japan's intellectual property system itself by making it a unifying force internationally such that foreign companies may also consider utilizing it, and from the point of view of making it an attractive system that can withstand global expansion. As is seen in cases such as Korea's Korea-IP Wave Strategy (the expansion of intellectual property administration in Korea), each country's intellectual property system is facing stiff international service competition. As such international competition unfolds in the field of intellectual property systems, if we do not make our intellectual property system attractive enough to attract innovative people or companies, and particularly innovation investment, from all over the world, there is a concern that Japan may face a hollowing-out of domestic industries rather than expanding our intellectual property system on a global level. Therefore, it is necessary to make our intellectual property system attractive such that other countries, including emerging nations, will want to follow our example as a model. To this end, we will implement a sequence of necessary measures, including the employee invention system, improving and enhancing the basis of examinations, strengthening the protection of trade secrets, enhancing intellectual property dispute settlement functions, enhancing a strategic

approach to international standardization and certification, and enhancing the functions of collaboration between industry, academia and government, and we will promote the development of an environment in which innovative activities will be easy to carry out.

Thirdly, the Government of Japan will develop and secure human resources for global intellectual property activities. In order to develop and popularize our intellectual property system, and in order for Japanese companies to win in the intense competition in the global market, we require people who have rich knowledge of overseas intellectual property systems and excellent skills in negotiations, and people who can establish intellectual property management and develop it effectively, staying focused on the global market. Therefore, the Government of Japan will steadily implement measures to develop and secure global human resources who can play an active role in the world, targeting not only domestic human resources but also overseas human resources.

Support for enhancing intellectual property management by SMEs and venture companies

SMEs and venture companies play an important role as a source of industrial competitiveness in creating innovative technologies and in supporting local economies. The revitalization of their business activities is absolutely necessary for the growth of the Japanese economy.

On the other hand, with the emergence of the global economy, SMEs and venture companies are also facing stiff international competition, and many of them are in a difficult business environment. There are many companies in Japan possessing excellent skills that have been brilliantly polished and developed at the sites of traditional manufacturing and craftsmanship. However, the era has arrived in which we cannot continue to be successfully competitive only because of these traditions, even though they are excellent, world-class skills to be proud of. In order for SMEs and venture companies in Japan to make rapid progress and development, it is necessary for them to establish their own intellectual property strategies according to their businesses while focusing on the global market, and to effectively use excellent intellectual property rights both in Japan and abroad.

Various measures have been implemented thus far by the Government of Japan and others to support the intellectual property activities of SMEs and venture companies. However, the effects of such actions have not permeated throughout these companies and enterprises. In addition, due to a lack of funds and human resources, many SMEs and venture companies cannot afford to fully utilize their own intellectual rights, or the intellectual property rights of

others that are available through licensing.

Considering that competition in the global market is becoming more and more intense at a rapid pace, it is necessary for SMEs and venture companies in Japan to implement their own intellectual property strategies that are appropriately developed according to their own business strategies.

In light of such a situation, the Government of Japan will make concerted efforts to radically enhance the support system for SMEs and venture companies, responding to individual needs and providing detailed support for each kind of intellectual property activity.

First pillar: Building up a global intellectual property system to enhance industrial competitiveness

1. Building up a global intellectual property system to support the overseas business activities of Japanese companies

(1) Support for obtaining intellectual property rights overseas

Building up an environment in which Japanese companies can obtain intellectual property rights in foreign countries including emerging countries in Asia in the same way as they can in Japan.

Examples of measures

Dispatching examiners from the Japan Patent Office (JPO) to intellectual property offices in emerging countries in Asia

- The Government of Japan will expand the framework of the current International Examiner Exchange Program, through which examiners are currently dispatched mainly to developed countries, and start discussions on introducing this program in emerging countries in Asia (short term) (Ministry of Economy, Trade and Industry [METI]).
- The Government of Japan will dispatch examiners from the JPO to emerging countries in Asia for a long period, and support the efforts of emerging countries in Asia to increase the examination capacity of their intellectual property offices through improving their intellectual property systems (short term and medium term) (METI).
- In light of the needs of Japanese companies as well as the situation of negotiations with counterpart countries, the Government of Japan will consider and come to a conclusion about the countries to which a greater number of examiners should be dispatched and about specific schemes for the long-term dispatch of examiners (short term and medium term) (METI).

Improving infrastructure toward the global development of the intellectual property system

- The Government of Japan will accelerate the examination process including the whole process until the final phase of acquiring rights, will maintain and improve the quality of examinations, and will promptly release high-quality examination results overseas

(short term) (METI).

- In international patent applications, the JPO is currently acting as a competent International Searching Authority, covering eight countries comprising Japan, Korea, the Philippines, Thailand, Vietnam, Singapore, Malaysia, and Indonesia. In order to further enhance the JPO's presence in releasing examination results globally, the JPO will further expand its competence as an International Searching Authority to cover more countries, including Asian countries. The JPO will also enhance the release of examination results in English when responding to international applications written in English filed from these countries or domestically (short term and medium term) (METI).
- In light of user needs, the Government of Japan will expand the framework of the Patent Prosecution Highway to include emerging countries in Asia (short term) (METI).
- In order to make Japan's examination procedures understood more deeply by other countries, and to contribute to improving the intellectual property system in emerging countries, the JPO will clarify major points in the examination guidelines and make them available to the world in English, from the perspective of enhancing usability for practitioners in other countries (short term and medium term) (METI).
- While providing them with Japan's forms of notification of examination results (e.g., Notification of Reasons for Rejection), the Government of Japan will engage in discussions with emerging countries in Asia on making common forms of notification of examination results (short term and medium term) (METI).
- In order for examination results in emerging countries in Asia to which JPO examiners are dispatched to be similar to those in Japan, the Government of Japan will consider how improvement of the prior art search environment should be conducted, in the knowledge that some countries have already widely used the search systems of other countries or international agencies (short term) (METI).
- In order for the examination results in emerging countries in Asia to which JPO examiners are dispatched to be similar to those in Japan, the Government of Japan will build an information system for examinations to obtain in a single batch the examination results of related applications in other countries (short term and medium term) (METI).
- In order to promote improvement of the intellectual property infrastructure, in

collaboration with the WIPO, which has a great influence on emerging countries in Asia, the Government of Japan will more actively facilitate support for human resource development, dispatching experts, and support for information technology in the intellectual property offices of each country, through the WIPO Japan Fund Program (short term) (METI, Ministry of Education, Culture, Sports, Science and Technology [MEXT]).

Enhancing the examination system at the JPO

- For the dispatch of examiners to emerging countries in Asia, as support for improving the intellectual property systems of the respective countries, actions will be taken with respect to Japan's examination system to accelerate the examination process including the whole process until the final phase of acquiring rights, proper handling of the increasing number of international patent applications, and maintenance and improvement of the quality of examinations by expanding and enriching foreign document searches, whereby the Government of Japan will enhance the examination system, including using fixed-term contracts to maintain and secure the employment of patent examiners (short term) (METI).

(2) Support for intellectual property activities overseas

Enhancing the support system for enforcement based on intellectual property rights in other countries including emerging countries in Asia.

Examples of measures

Enhancing on-site support systems in other countries

- As part of its strengthening of comprehensive support for the business expansion of Japanese companies, including SMEs and venture companies, the Government of Japan will improve the environment of providing thorough support for Japanese companies from the acquisition to the utilization of rights overseas, in affiliation with the Japan Patent Office (JPO), the National Center for Industrial Property Information and Training (INPIT), the Japan External Trade Organization (JETRO), and other relevant agencies (short term and medium term) (METI).
- With regard to emerging countries in Asia that are becoming more and more important in terms of the market, the Government of Japan will approach each country to encourage it to improve its intellectual property system, and to understand the current

situation regarding the damage caused by counterfeiting. Along with this, in order to further enhance support for intellectual property enforcement in these countries, and to further enrich support for promoting the Japan brand and other related activities, the Government of Japan will enhance the support systems and efforts made overseas at embassies and by JETRO, with a view to utilizing patent attorneys or former business people from Japanese companies (short term and medium term) (METI, Ministry of Foreign Affairs [MOFA]).

- In order to enhance overseas counterfeiting countermeasures, the Government of Japan will further facilitate utilization of the support program for on-site infringement investigations conducted by Japanese companies that suffer damage from overseas counterfeiting, and will expand and enrich this support when necessary (short term and medium term) (METI).

Improving the environment of the copyright systems in emerging countries in Asia

- In order to promote improving the environment surrounding the copyright system, the Government of Japan will further facilitate establishing a centralized control system for copyrights, developing human resources, and support for public awareness raising activities, according to the needs of emerging countries in Asia and their progress in establishing a copyright system (short term and medium term) (MEXT).

(3) Utilizing commerce-related agreements toward smoothing intellectual property activities

Examples of measures

Enhancing economic partnership agreements, investment agreements, and so on

- Through bilateral and multilateral agreements including Free Trade Agreements (FTAs), Economic Partnership Agreements (EPAs), and investment agreements, the Government of Japan will work to solve international problems in the field of intellectual property that hinder the global business operations of companies, and will make improvements in this area. Specifically, taking into consideration the needs of Japanese industry and so on, the Government of Japan will encourage counterpart countries to improve their intellectual property systems and to ensure effective enforcement, and to actively work toward achieving higher levels of protection of intellectual property in their countries than the standards stipulated in regulations such

as the TRIPS Agreement. In particular, with regard to the Trans-Pacific Partnership (TPP) Agreement, the Government of Japan will pursue the best outcome for the sake of our national interests, taking into consideration opinions and comments from interested parties, including industry (short term and medium term) (MOFA, METI, Ministry of Agriculture, Forestry and Fisheries [MAFF], MEXT, Ministry of Finance Japan [MOF]).

Handling of royalty issues

- With regard to currently occurring issues such as royalty rates for technology licensing and restrictions or upper limits on the transfer of royalty payments, the Government of Japan will consider whether to raise these issues as agenda items in trade negotiations or inter-governmental discussions (short term and medium term) (MOFA, METI).

2. Improving the infrastructure for success in international competition in the field of intellectual property systems

(1) The employee invention system

Examples of measures

How the employee invention system should be

- Taking into consideration the results of analysis of domestic and international operations and the greatly changing situation in the industrial structure and the labor environment, in our review of the employee invention system from the perspectives noted below, the Government of Japan will consider, for example, whether employee inventions should belong to corporations or should be entrusted to an agreement between employers and employees, and will come to a conclusion about how the employee invention system should be in order to make a system that contributes to strengthening industrial competitiveness (short term) (METI).

Perspectives:

- Increasing the predictability of payments to inventors.
- Whether payment to an inventor should be regarded as value equivalent to transferring ownership of an invention or as additional remuneration for the invention.

- Whereas an employee's remuneration is generally defined according to the Labor Law, the value of an invention is defined under the provisions of Inventions by Employees in the Patent Act; therefore, the employee invention system needs to be reviewed again from the perspective of the Labor Law.
- Global harmonization.
- Providing an attractive system and environment for inventors.

Facilitating proper handling of inventions by students at universities and the like

- The Government of Japan will investigate the facts regarding how universities and other academic organizations are handling freely made inventions other than employee inventions (such as inventions by students who are not in an employment relationship), and will facilitate proper handling of such inventions in academia through the dissemination of the investigation results (short term) (METI).

(2) Improving the infrastructure for examinations

Examples of measures

Improving and enhancing the examination system

- In order to accelerate the examination process, including the whole process until the final phase of acquiring rights, for the dispatching of examiners to emerging countries in Asia, and to support improving the intellectual property system of these countries, the Government of Japan will enhance the examination system, including maintaining and securing the employment of patent examiners with fixed-term contracts (short term) (METI).
- In order for the examination results in emerging countries in Asia to which JPO examiners are dispatched to be similar to those in Japan, the Government of Japan will consider how improvement of the prior art search environment should be conducted, in the knowledge that some countries have already widely used the search systems of other countries or international agencies (short term) (METI) [shown again].
- As the proportion of non-Japanese patent documents, such as Chinese and Korean documents, is rapidly increasing, the Government of Japan will facilitate improving the search environment, such as in terms of translation and classification, making it possible to search foreign patent documents in Japanese. Furthermore, the Government

of Japan will take measures to provide board, universal distribution of industrial property information, including the results of the latter initiative, in a more user-friendly manner, through a new information provision service on the Internet (short term and medium term) (METI).

- In order for examination results in emerging countries in Asia to which JPO examiners are dispatched to be similar to those in Japan, the Government of Japan will build an information system for examinations to obtain in a single batch the examination results of related applications in other countries (short term and medium term) (METI) [shown again].

Timely rights protection for business strategies

- In order for companies to smoothly commercialize innovation, the Government of Japan will initiate a package examination process to meet the needs of business strategies, in which patent, design, and trademark applications crossing over multiple fields that are related to the development of a business project can be examined and granted rights in a single batch in accordance with the business development timing (short term) (METI).

Building up a global design system and global trademark system

- Specific issues will be considered for solutions toward expanding the range of graphic design to be protected under design rights (short term) (METI).
- The Design Examination Standard, including revisions that have been made, will be made available in English and released to the world (short term) (METI).
- The trademark system will be expanded so that “sounds” and “movements” will be newly included as targets of trademark protection (short term) (METI).
- The Government of Japan will expand and enrich the trademark system such that local chambers of commerce and industry, which are actively involved in regional revitalization by promoting local brands such as local delicacies, can register collective regional trademarks (short term) (METI).
- The revisions of the Trademark Examination Guidelines will be made available in English and released to the world (short term) (METI).
- The Government of Japan will consider how the trademark system should be in terms of protecting marks that prove the quality of goods and services provided to consumers (short term and medium term) (METI).
- With regard to introducing a system of revoking the registration of trademarks that

have lost their distinctiveness after registration, the Government of Japan will decide on a course of action, while studying the system and operations in foreign countries and assessing the operational situation of new trademark types such as “sounds” and “movements” (short term and medium term) (METI).

(3) Protecting trade secrets

Examples of measures

Conducting studies and research on trade secrets in foreign countries

- In order to facilitate efforts to protect trade secrets in Japan, including reducing the burden of proof for trade secret infringements (especially proof of usage or disclosure in foreign countries, etc.), or to prevent the global distribution of goods which are illegally manufactured through actions that infringe upon trade secrets, the Government of Japan will conduct studies and research on specific issues concerning trade secrets, the systems and trends regarding trade secrets in foreign countries, including point-of-entry control operations in the U.S., and approaches of foreign agencies to trade secrets (for example, OSAC and ONCIX in the U.S., the Trade Secret Protection Center in Korea, etc.) (short term) (METI).

Setting up discussion meetings such as a forum for the public and private sectors on the protection of trade secrets

- In order to facilitate efforts for the protection of technologies and trade secrets, the Government of Japan will set up discussion meetings such as a forum for the public and private sectors at which industry and government will concertedly share information and discuss the protection of trade secrets, referring to approaches in foreign countries, such as OSAC and ONCIX in the U.S. (short term) (Cabinet Secretariat, METI, and others).

Support for enhancing trade secret management by companies and universities and the like

- In light of the results of studies including a factual investigation on the outflow of technology through employees, the Government of Japan will ensure that the existing manuals and guidelines (for example, Trade Secret Management Guidelines) are made better known as a quick support for companies (especially SMEs) and universities which have not yet adopted any basic trade secret management measures (short term)

(METI).

- In light of the results of a factual investigation on the outflow of technology through employees, the Government of Japan will make a reader-friendly brochure which contains a collection of cases as a quick support for companies (especially SMEs) which have not yet adopted any basic trade secret management measures, and will conduct dissemination activities using these brochures (short term) (METI).

(4) Appropriate exercise of rights

Examples of measures

How rights should be exercised

- In light of a factual investigation on how rights are exercised, and judicial precedents and discussions in Japan and overseas, the Government of Japan will continue to consider the appropriate exercise of rights (short term) (METI).
- The Government of Japan will be actively involved in formulating international rules regarding the limits of injunction demands concerning standard essential patents, or the handling of RAND conditions (reasonable and non-discriminatory terms) (short term) (Ministry of Internal Affairs and Communications [MIC], METI).

How appropriate rights should be granted concerning standard essential patents

- In order to realize appropriate granting of rights concerning standard essential patents, the Government of Japan will consider how to deal with proposal documents to international standards agencies, which are not yet clearly defined with regard to whether or not they should be regarded as reference materials for patent examinations (short term and medium term) (METI).

(5) Enhancing dispute settlement functions

Examples of measures

How dispute settlement functions should be

- In light of the globalization of intellectual property disputes, the Government of Japan will conduct a study on the whole system for the settlement of intellectual property disputes in foreign countries, including settlement by courts and patent offices,

out-of-court conflict resolution, and reconciliation between both parties, and make the results of this study widely available to the public (short term) (METI).

Enhancing the global availability of litigation outcomes

- Taking into consideration the demands of industry for the presence of Japan's judicial system to be increased in the field of intellectual property in Asia, it is anticipated that the global availability of decisions made by the Intellectual Property High Court will continue to be improved.

(6) Enhancing a strategic approach to international standardization and certification

Examples of measures

Promoting international standardization strategies in specific strategic fields

- With regard to international standardization strategies in specific strategic fields (with the fields selected based on market scale and growth potential, expandability of the field, Japan's superiority in the field, and the significance of international standardization), the Government of Japan will take the lead in international discussions and facilitate voluntary efforts made by interested parties (short term and medium term) (Cabinet Secretariat, Cabinet Office, MIC, MEXT, Ministry of Health, Labor and Welfare [MHLW], MAFF, METI, Ministry of Land, Infrastructure, Transport and Tourism [MLIT], Ministry of the Environment [MOE]).

Promoting strategic international standardization activities in cooperation with other countries

- Aiming to strengthen industrial competitiveness and the sound development of Japanese industry, such as by incorporating the growth potential of the Asian region, the Government of Japan will enhance cooperative relationships with the Asian region in the field of international standardization and certification (short term and medium term) (MIC, MAFF, METI, MLIT).
- The Government of Japan will also enhance cooperative relationships with developed countries such as the U.S., in fields such as energy and environment technology, aiming to establish international standards through joint research and so on (short term and medium term) (METI).

Financial support for international standardization activities

- In order to facilitate participation in the strategic standardization activities of

international standardization agencies and so on, the Government of Japan will strengthen financial support, based on consideration of the status of activities of interested parties including the private sector (short term and medium term) (MIC, MAFF, METI, MLIT).

Improving and enhancing certification systems for high technology and infrastructure-related technology

- In order to enhance the international competitiveness of Japanese industry, the Government of Japan will consider how to improve and enhance the certification system for the fields of high technology (robots, LED lights, etc.) and infrastructure-related technology (smart grids, large wind turbine generation, etc.), including affiliation and cooperation with certification bodies in foreign countries. When doing so, especially in areas concerning performance relating to safety and security, the Government of Japan will participate in the formulation of international standards whereby certification bodies themselves are to be certified, and will also consider supporting the formulation of more innovative standards that utilize the technological strengths of such certification bodies (short term and medium term) (MIC, METI).

Enhancing the functionality of JIS

- As part of Japan's intellectual property management, from the perspective of linking with the strategic formulation of innovative international standards to lead the global market, the Government of Japan will enhance the functionality of the national standards, the Japanese Industrial Standards (JIS) (adding higher-level standards), through reform of the support program at the stages of the proposal and formulation of standards (short term and medium term) (METI).

Integrated program for R&D and standards certification

- As an approach to take advantage of Japan's technological strengths, the formulation of international standards and safety regulations as well as the design and improvement of relevant certification systems will be integrally conducted from the initial phase of a research and development project (short term and medium term) (METI).

Supporting SMEs and venture companies

- In order to support the global expansion of motivated SMEs and venture companies, which sustain Japanese industry, the Government of Japan will promote information provision and awareness raising activities regarding international standardization and certification (short term and medium term) (MIC, METI).

Training for government employees

- Training on intellectual property management strategies including international standardization will be conducted, mainly for government employees related to each industrial field, with the cooperation of relevant government offices (short term and medium term) (Cabinet Secretariat).

Human resource development for intellectual property management

- Enhancing the international competitiveness of Japanese industry requires not only experts in business strategy, intellectual property, and international standardization and certification, but also human resources with a wide range of knowledge crossing over such multiple fields. Therefore, the Government of Japan will consolidate cases and lessons from advanced industries in Japan and overseas regarding intellectual property management strategies (based on an understanding of the respective benefits of open and closed strategies), including international standardization, and will promote dissemination and awareness raising activities for the top management of companies, including SMEs, and experts in intellectual property and international standardization and certification. In addition, seminars will be held when necessary (short term and medium term) (METI).

How rights should be exercised based on standard essential patents

- The Government of Japan will be actively involved in formulating international rules regarding the limits of injunction demands concerning standard essential patents, or the handling of RAND conditions (reasonable and non-discriminatory terms) (short term) (MIC, METI) [shown again].

How appropriate rights should be granted concerning standard essential patents

- In order to realize appropriate granting of rights concerning standard essential patents, the Government of Japan will consider how to deal with proposal documents to international standards agencies, which are not yet clearly defined with regard to whether or not they should be regarded as reference materials for patent examinations (short term and medium term) (METI) [shown again].

(7) Enhancing the functionality of industry-academia-government collaboration

Examples of measures

Facilitating evaluation of industry-academia-government collaboration

- It is important for universities, technology licensing organizations (TLOs), and so on,

to actively utilize evaluation indexes of industry-academia-government collaboration activities, and on the basis of such evaluation results, to discover new knowledge or to make efforts toward practical applications by voluntary self-evaluation using the PDCA cycle. It is also important to utilize such evaluation results as a tool for policy making by the government. In order to facilitate such efforts, while facilitating the publication of evaluation results by universities, TLOs, and so on, the Government of Japan will create a model base concerning the evaluation of industry-academia-government collaboration activities as an effort to further facilitate utilizing the evaluation indexes, while paying close attention to the evaluations of each agency (short term and medium term) (MEXT, METI).

Recruiting experts who can assist in facilitating the circulation of intellectual property

- In order to more effectively make use of intellectual property owned by companies or universities in Japan which is available for other companies, the Government of Japan will consider recruiting experts who can assist in facilitating the circulation of intellectual property, including global expansion, with a good ability to judge technology and to assess the value of intellectual property (short term) (METI).

Facilitating collaboration between universities and the like and SMEs and venture companies

- The Government of Japan will make further efforts to facilitate collaboration between universities and the like and SMEs and venture companies, including joint research involving universities and the like and SMEs and venture companies, or technology transfer from universities and the like to SMEs and venture companies (short term and medium term) (MEXT, METI).

3. Developing and securing global human resources for intellectual property

(1) Developing human resources who can play an active role in the world

Examples of measures

Creating and improving sites for developing human resources who can play an active role on the global stage

- In order to develop global human resources for intellectual property who can play an active role on the global stage, and to develop human resources for intellectual property management including the top management of companies, it is necessary to have sites that comprehensively provide various kinds of information on intellectual property in foreign countries, legal knowledge about intellectual property, and

knowledge and know-how regarding intellectual property strategy aligned with business strategy. The Government of Japan will begin research on the approaches of the United States Patent and Trademark Office (USPTO) and the like toward creating and improving sites for developing human resources for intellectual property who can play an active role on the global stage, with the government taking the initiative and gaining cooperation from the private sector (short term) (METI).

Facilitating the use of the results of studies and analysis on intellectual property management as business strategy

- Regarding councils concerning training for intellectual property human resources, the Government of Japan will encourage broad sharing of information gained through the study and analysis of intellectual property management at sites of the study and analysis of intellectual property management, and the inclusion of this information in the contents of various kinds of training (short term and medium term) (METI).

Enhancing cooperation with sites for the study and analysis of intellectual property management

- Regarding councils concerning training for intellectual property human resources, while encouraging consolidation of the results of training provided based on information gained through the study and analysis of intellectual property management at sites of the study and analysis of intellectual property management, the Government of Japan will encourage participants in training sessions to provide feedback regarding what themes need to be studied and analyzed from an educational standpoint, to enhance the cooperative relationship with sites that engage in the study and analysis of intellectual property management, and continue the study and analysis of high-quality intellectual property management that can contribute to business strategy from the perspective of enhancing Japan's international competitiveness (short term and medium term) (METI).

Developing human resources for expanding the Japanese examination system to emerging countries in Asia

- The Government of Japan will develop human resources who are fluent in English and can be capable messengers to the world for Japan's examination system, including the examination guidelines (short term and medium term) (METI).

Developing human resources with a deep knowledge of the intellectual property system of emerging countries in Asia

- In order to collect and analyze information on intellectual property in emerging countries in Asia, to promote harmonization of systems, operations, and classifications, and to support the overseas expansion of businesses, the Government of Japan will

develop human resources who have deep knowledge of economic law including intellectual property law in emerging countries in Asia, and the operation of the intellectual property systems in these countries (short term and medium term) (METI).

Developing and securing human resources who can support improving intellectual property systems in emerging countries in Asia

- In order to realize appropriate intellectual property systems for emerging countries in Asia, the Government of Japan will develop and secure human resources who have deep knowledge of intellectual property systems in emerging countries in Asia and the status of the development of computerization in these countries (short term and medium term) (METI).

Enhancing comprehensive support for SMEs and venture companies

- While comprehensively enhancing consultation functions at the comprehensive IP support portal about issues related to global expansion, copyrights, and the prevention of unfair competition, including support in cooperation with other relevant agencies, the Government of Japan will enhance dissemination and awareness raising activities at each ministry, such as holding seminars (short term and medium term) (METI, MEXT).

Making efforts to improve the intellectual property mindset among SMEs and venture companies as well as supporters of SMEs and venture companies including financial institutions

- Toward awareness raising from a business perspective for the management of SMEs, financial institutions, tax accountants, and SME management consultants, the Government of Japan will hold explanatory seminars on the overall outline of the intellectual property system and various systems necessary for practical business, while aiming to continue enriching the content of the seminars according to needs (short term) (METI).

Reviewing the patent attorney system

- From the perspective of securing the ability to provide comprehensive support for the intellectual property activities of SMEs and for their capability to deal with global matters, the Government of Japan will review the patent attorney system and the training system, aiming to further improve the quality of patent attorneys (short term) (METI).

Recruiting experts who can assist in facilitating the circulation of intellectual property

- In order to more effectively make use of intellectual property owned by companies or

universities in Japan which is available for other companies, the Government of Japan will consider recruiting experts who can assist in facilitating the circulation of intellectual property, including global expansion, with a good ability to judge technology and to assess the value of intellectual property (short term) (METI) [shown again].

Raising awareness concerning international standardization and certification for SMEs and venture companies

- In order to support the global expansion of motivated SMEs and venture companies, which sustain Japanese industry, the Government of Japan will promote information provision and awareness raising activities regarding international standardization and certification (short term and medium term) (METI) [shown again].

Developing human resources for intellectual property management including international standardization

- Enhancing the international competitiveness of Japanese industry requires not only experts in business strategy, intellectual property, and international standardization and certification, but also human resources with a wide range of knowledge crossing over such multiple fields. Therefore, the Government of Japan will consolidate cases and lessons from advanced industries in Japan and overseas regarding intellectual property management strategies (based on an understanding of the respective benefits of open and closed strategies), including international standardization, and will promote dissemination and awareness raising activities for the top management of companies, including SMEs, and experts in intellectual property and international standardization and certification. In addition, seminars will be held when necessary (short term and medium term) (METI) [shown again].

Promoting intellectual property education at universities and the like

- In faculties and schools at universities and the like, including faculties of science and technology, schools of law, faculties of art, and schools of management, where potential intellectual property experts, intellectual property creators, and intellectual property managers are educated, the Government of Japan will facilitate independent efforts made by the universities to establish classes related to intellectual property, referring to the example of other universities where intellectual property-related classes are required (short term and medium term) (MEXT, METI).

Second pillar: Support for enhancing intellectual property management by SMEs and venture companies

Detailed support for intellectual property activities by SMEs and venture companies

(1) Improving the support system for the global expansion of SMEs and venture companies

Examples of measures

Facilitating support for the global expansion of SMEs and venture companies

- As part of its strengthening of comprehensive support for the business expansion of Japanese companies, including SMEs and venture companies, the Government of Japan will improve the environment of providing thorough support for Japanese companies from the acquisition to the utilization of rights overseas, in affiliation with the Japan Patent Office (JPO), the National Center for Industrial Property Information and Training (INPIT), the Japan External Trade Organization (JETRO), and other relevant agencies (short term and medium term) (METI) [shown again].
- With regard to emerging countries in Asia that are becoming more and more important in terms of the market, the Government of Japan will approach each country to encourage it to improve its intellectual property system, and to understand the current situation regarding the damage caused by counterfeiting. Along with this, in order to further enhance support for intellectual property enforcement in these countries, and to further enrich support for promoting the Japan brand and other related activities, the Government of Japan will enhance the support systems and efforts made at embassies abroad and by JETRO, with a view to utilizing patent attorneys or former business people from Japanese companies (short term and medium term) (METI, Ministry of Foreign Affairs [MOFA]) [shown again].
- The content of the databank in which intellectual property-related information necessary for global development has been accumulated will be expanded, centering on intellectual property-related information for emerging countries (short term) (METI).
- As the proportion of non-Japanese patent documents, such as Chinese and Korean documents, is rapidly increasing, the Government of Japan will facilitate improving

the search environment, such as in terms of translation and classification, making it possible to search foreign patent documents in Japanese. Furthermore, the Government of Japan will take measures to provide broad, universal distribution of industrial property information, including the results of the latter initiative, in a more user-friendly manner, through a new information provision service on the Internet (short term and medium term) (METI) [shown again].

Expanding support for SMEs and venture companies concerning fees for filing applications in foreign countries

- The Government of Japan will expand support concerning fees for filing applications in foreign countries, which are a heavy burden for SMEs and venture companies (short term) (METI).

Enhancing the overseas IP producer program

- In view of prospects of global expansion becoming more active in the future, and because it will thus become increasingly important to support SMEs and venture companies in the field of intellectual property when they expand their business globally, the Government of Japan will consider enhancing the overseas IP producer program, and will take the necessary measures (short term and medium term) (METI).

Enhancing on-site support systems in other countries

- In order to enhance overseas counterfeiting countermeasures, the Government of Japan will further facilitate utilization of the support program for on-site infringement investigations conducted by Japanese companies that suffer damage from overseas counterfeiting, and will expand and enrich this support when necessary (short term and medium term) (METI) [shown again].

(2) Reviewing the fee reduction system for SMEs and venture companies

Examples of measures

Reviewing the fee reduction system for SMEs and venture companies

- The fee reduction system will be reviewed to become more user-friendly for SMEs and venture companies, and for universities and the like, and to become a more effective system which can further contribute to facilitating innovation (short term and

medium term) (METI).

(3) Activating the intellectual property market (effective utilization of non-use patents)

Examples of measures

Recruiting experts who can assist in facilitating the circulation of intellectual property

- In order to more effectively make use of intellectual property owned by companies or universities in Japan which is available for other companies, the Government of Japan will consider recruiting experts who can assist in facilitating the circulation of intellectual property, including global expansion, with a good ability to judge technology and to assess the value of intellectual property (short term) (METI) [shown again].

Developing a multilingual database of open patent information

- From the perspective of attracting foreign businesses to establish bases in Japan and for inviting active investment from overseas, the Government of Japan will consider the necessity of developing a multilingual database of open patent information (short term) (METI).

(4) Enhancing the functionality of the comprehensive IP portal

Examples of measures

Enriching the comprehensive support system for SMEs and venture companies

- Toward building up a comprehensive support system for various management issues faced by SMEs and venture companies, the Government of Japan will enhance cooperative relationships with relevant agencies, including the comprehensive IP portal, financial institutions, the Commercial and Industrial Association, the Chamber of Commerce and Industry, the Organization for Small and Medium Sized Enterprises and Regional Innovation, and the University Technology Transfer Association (short term) (METI).
- While further facilitating the engagement of experts in consultation activities at the comprehensive IP portal, including patent attorneys, lawyers, former business people from companies, and overseas IP producers, the Government of Japan will improve the system to provide information on intellectual property in foreign countries

including Asia (short term) (METI).

- While comprehensively enhancing consultation functions at the comprehensive IT portal about issues related to global expansion, copyrights, and the prevention of unfair competition, including support in cooperation with other relevant agencies, the Government of Japan will enhance dissemination and awareness raising activities at each ministry, such as holding seminars (short term and medium term) (METI, MEXT) [shown again].

(5) Stimulating intellectual property activities among local SMEs, venture companies, and universities

Examples of measures

Enhancing the program of direct support by examiners for intellectual property activity among local SMEs, venture companies, and universities

- In order to stimulate intellectual property activity among local SMEs, venture companies, and universities, the Government of Japan will take specific measures to establish a system whereby local businesses and universities can easily receive consultation services regarding how to obtain intellectual property rights, as well as regarding examination procedures and utilization of obtained rights, taking into consideration local industrial structures and specific regional needs (short term) (METI).

Making efforts to improve the intellectual property mindset among SMEs and venture companies as well as supporters of SMEs and venture companies including financial institutions

- Toward awareness raising from a business perspective for the management of SMEs, financial institutions, tax accountants, and SME management consultants, the Government of Japan will hold explanatory seminars on the overall outline of the intellectual property system and various systems necessary for practical businesses, while aiming to continue enriching the content of the seminars according to needs (short term) (METI) [shown again].

Facilitating enhancing local intellectual property support networks in accordance with local situations

- While enhancing local intellectual property networks centered on the Regional Bureaus of Economy, Trade and Industry, the Government of Japan will consider how the intellectual property support program should be operated in accordance with the needs of each region, and will implement a series of measures starting with feasible initiatives (short term) (METI).

Improving the environment for facilitating consultation services by intellectual property human resources

- In order to build a network for comprehensively supporting intellectual property management by SMEs and venture companies, including business management perspectives, the Government of Japan will enhance cooperation with patent attorneys and SME management consultants through seminars and the like (short term and medium term) (METI).

Reviewing the patent attorney system

- From the perspective of securing the ability to provide comprehensive support for the intellectual property activities of SMEs, and for their capability to deal with global matters, the Government of Japan will review the patent attorney system and the training system, aiming to further improve the quality of patent attorneys (short term) (METI) [shown again].

II-2. Measures related to strengthening the content industry

Current status

It has been ten years since the Intellectual Property Strategy Headquarters was established in 2003. Now, owing to the technological innovation brought about by the high-speed Internet network, which was not envisaged when the Headquarters was established, and due to inter-governmental efforts and the like such as Economic Partnership Agreements (EPAs) leading to a reduction in the economic barriers represented by national borders, with the development of borderlessness in which everything freely comes and goes across borders, a global network era of a seamlessly connected world has arrived.

The ecosystem that has formed the basis of the content industry is significantly changing. In terms of content circulation, the relationships among content, service providers, and devices are now shifting from a field-based vertical integration model, represented by broadcast programs, TV stations, and TV sets, to a cross-sectoral horizontal fusion model, where various kinds of content are provided via various routes to multiple kinds of devices. In this new type of model, the range of content is expanding, becoming more diversified and multi-layered, from works made by creators, to works created by users, public data held by the public sector, educational content, and big data.

At the same time, in addition to the recent development of cloud computing, through the spread of cutting-edge technologies including digital fabrication utilizing three-dimensional printing, the interconnections of content and manufacturing and craftsmanship are becoming more complex in a more cross-sectoral manner, and the global circulation of content is becoming easier. Meanwhile, the unique appeal of the Japan brand is highly regarded all over the world, and we can anticipate overseas expansion and accompanying inbound flows that could lead to the development of Japanese industry and culture.

Furthermore, the structure of every industry is greatly changing with “smart power,” in which optimization is advanced by flexibly combining a wide range of goods and services through the full use of information with intellectual property at the core.

In this manner, creative transformation is now taking place, and conventional views alone cannot help us to catch up with such rapid change. It is possible that something that used to take ten years to occur will now occur in two or three years; something that took fifty years to happen may now happen in ten years. A comprehensive strategy toward enhancing content demands intellectual property management of content suitable for a changing era, along with promoting

innovation, which is a source of competitive power. Therefore, Japan needs to take the initiative, looking ahead globally at what the industry's next-generation ecosystem could look like with transformation and diversification, and we also need to build an environment in which young people in the future can realize their ideas.

From such a perspective, in order to strongly promote effective measures with the whole nation sharing a common vision, the Government of Japan intends to enhance the international competitiveness of the content industry through unified efforts involving the public and private sectors, by declaring Japan to be a "content creation nation." Towards making this a reality, while improving the environment for adjusting to the digital network society that sustains global content development, it is necessary for the Government of Japan to create relevant measures focusing on enhancing soft power centered on content that can be a driving force for the growth of Japan's economy and culture, and for the public and private sectors to make a united effort to implement these measures.

It is indispensable for government to make a concerted effort to promote these measures, and it is essential for there to be collaboration between science and technology policy, cultural policy, and information technology policy.

Improving the environment for adjusting to the digital network society

It has been twenty years since digitalization and networking became fully-fledged, and there are now new business chances available. Content in particular has been in focus during the past decade, and various efforts have been made to deal with digitalization and networking, including revisions of copyright law.

However, although content use and information production are exponentially increasing worldwide, the market scale of the content industry in Japan not increasing, but rather tending to decrease.

In recent years, new markets such as smart TV are emerging as media innovation takes place, including multiscreen display by various devices, cloud networks, and social network services. The market used to center on packaged content, but now user experience is highly valued, and dynamic content, such as social games or software applications that users utilize according to their own intentions, are becoming increasingly important. Furthermore, the range of content has been expanding from conventional literature or entertainment, as is seen in the rapid spread of user-generated content and educational content, and the inclusion in the content category of public data held by the public sector and big data, which has become available since

improvements in computer performance have made it possible to process and utilize huge amounts of data and various types of data. Moreover, the settings in which content is utilized vary from education to medical treatment, and even to e-commerce, which indicates that the digital network society is now entering a new stage in which there is a demand for further innovation.

In the context of this situation, with the development of cloud computing as the background, Japan is behind other countries in the global competition to build up platforms that will play a role in content circulation, and therefore it is necessary to enhance our efforts, looking ahead at building up the world's highest-level platforms. There is also a demand to create an environment toward expanding the market of the content industry, which characteristically has a higher ratio of SMEs and venture companies than other industries. Furthermore, with regard to the rapidly growing e-book market, it is becoming increasingly necessary to support its further popularization and expansion.

Although content used to be circulated from person to person, a massive amount of data is utilized in various industries due to the promotion of big data, and the weight of information circulated from machine to machine is increasing. Content policy is thus directly linked to industrial competitiveness, and it is becoming essential to adopt a perspective that takes in the big picture of all affiliated industries.

In these circumstances, understanding that rights protection is an important issue, in order to encourage the creation of new industries and to continue developing culture while dealing with the rapid progress of digitalization and networking as well as changes in the content industry ecosystem, it is indispensable to create a cycle of content reproduction and use by overcoming the conflicting interests of rights-holders and users, and by designing a flexible system that would promote new business creation.

Moreover, moving beyond the limitations of conventional industrial property policy formulated on the basis of a dichotomy separating copyrights for "content" from industrial property rights for "manufacturing or craftsmanship," it is necessary to promote the industrial utilization of content through the centralization of rights and the smoothing of processing, and to facilitate the utilization of open source works as sources of new innovation.

Together with attempting to build and improve such an environment for new industry creation and cultural development, in order to revitalize Japan's economy, as well as to enhance Japan's presence by obtaining overseas markets and creating new businesses and new markets based on content, it is necessary to put a higher priority on content policy as a national strategy.

Furthermore, in order to advance the improvement of an intellectual property infrastructure that could be the basis of future new industry creation and cultural development, the Government of Japan will improve the environment for digitally archiving content in various fields, together with facilitating the computerization of education while training the next generation, including creators.

Strengthening soft power focusing on the content industry

As represented by the term “Cool Japan,” the great individuality of our unique culture has obtained responses from around the world. Such responses do not stop with content such as manga, anime, and games, but also extend to fashions, food, traditional arts and crafts, and tourism. Furthermore, Japan’s economy and culture, including our industrial design, standards of service, family businesses, and lifestyle, all attract the world’s attention.

In order to connect such soft power to economic growth, we have an important mission to win overseas markets, including Asian countries where economic growth has been significant, by coordinating cross-sectoral cooperation, and utilizing our comprehensive power combining the cultural power that creates content and design with the power of manufacturing and craftsmanship.

A first method is an outbound approach, which is represented by enhancing the provision of information via the media or at events. From the point of view that content popular in Japan will also be popular overseas, while further stressing the importance of overseas expansion, the Government of Japan will support facilitating strategic overseas expansion including the use of cultural diplomacy, from the perspective of what content should be produced so as to be popular in targeted countries or regions, what should be done to improve the system for facilitating overseas expansion while enhancing the value of made-in-Japan content, and how to realize cross-sectoral cooperation for content dispatched and packaged for targeted countries or regions. In doing so, in the overseas expansion of attractive content, active support is needed for SMEs and venture companies, which make up the greater part of content producers. Furthermore, it is important to support establishing a base for creation where world-class content will be produced.

The second method is an inbound approach, which involves creating a story or center of culture that can only be found in Japan, not just to create new consumption, but also to further develop new industries and culture in order to actively bring in human resources and technology from overseas. Gaining many more fans of Japan through an inbound approach would contribute to the overseas expansion of the Japan brand, which would create a virtuous circle, leading to

further inbound flows.

A third method is to enhance countermeasures against domestic and foreign counterfeits as well as pirated products, from the perspective of protecting and developing the intellectual property rights of Japanese content, and to develop human resources for content creation.

It is important to clearly recognize the power of the Japan brand. This consists of two parts, one of which is the integrated power that Japan is potentially endowed with. This is the cultural power that produces content and design, and the power of manufacturing and craftsmanship that produces high-quality goods and services. This mutually reinforcing combination of cultural power nurtured since ancient times and technological power will form the new strength of Japan.

The other part is the collective power of the people. Japanese popular culture is not something that was produced by a limited number of geniuses, but is the product of a culture nurtured by a wide range of people, which is to say that it is a new power nurtured through social communications. The network era in which everyone can be linked together is a great opportunity.

The problem is that this power is something the Japanese people do not recognize. According to an international survey conducted by a research firm from the U.S., Japan was rated at the top of the world's most creative nations by the people who participated in the survey, but only the Japanese respondents did not consider Japan to be creative.

It is important for the Japanese people to see and evaluate themselves properly, and to promote the Japan brand overseas with self-confidence.

Third pillar: Improving the environment for adjusting to the digital network society

(1) Handling the changing content industry ecosystem

Examples of measures

Promoting free utilization of content on the Internet

- In light of the development of cloud networking and social networking services and the expansion of user-generated content, the Government of Japan will consider the popularization of public licenses, such as creative commons licenses, from the perspective of facilitating new creation of user-generated content and its free utilization on the Internet, and will take measures necessary to promote the use of content not only for non-profit purposes but also for industrial uses (short term and medium term) (MEXT).

Promoting secondary utilization of public data

- From the perspective of promoting a wide range of secondary uses of public data in the electronic administration open data strategy, with regard to the public data held by public institutions, the Government of Japan will consider improvements to the basis of data use, such as by establishing unified rules for promoting the utilization of public data not only in business and education but also in public services, and will take the necessary measures (short term) (Cabinet Secretariat).

(2) Creating an environment toward the expansion of the content industry market

Examples of measures

Establishing a system toward building up the environment for the creation of new industries

- In order to harmonize the fair use of works with their proper protection, and to continue new industry creation and cultural development, it is necessary to improve the overall legal environment promoting the creation and expansion of new industries, including cloud networking services. To this end, the Government of Japan will review the restrictions on the copyrights of works, consider how the system should be, including establishing a smooth licensing system, and will take the necessary measures (short term) (MEXT).

Establishing a system toward the payment of proper compensation to creators

- In order for creators to receive proper compensation, the Government of Japan will continue to review the Private Copyright Levy (PCL) system while conducting radical considerations including the introduction of a new system to replace the PCL system, establishing a system for the creation of a linked content reproduction cycle (short term and medium term) (MEXT, METI).

Smoothing licensing procedures toward the creation and expansion of new industries

- In order to promote the secondary use of broadcast programs and the like, the Government of Japan will establish a contact organization where complex licensing procedures are centrally managed. Specifically, for performers, it will deal with the whole process from receiving applications for licensing to collecting licensing fees. For recorded sound, the Government of Japan will facilitate efforts to improve the environment for smoothing licensing procedures, including establishing a contact organization to deal with licensing procedures concerning the sound sources used in broadcast programs (short term and medium term) (MIC, MEXT).
- In order to promote the utilization of the enormous amount of past content properties, including orphan works, by smoothing the related licensing procedures, the Government of Japan will review how the judgment system for orphan works should be, and will facilitate simplifying and accelerating procedures by reducing the burden of proof in demonstrating that a rights owner cannot be contacted and by shortening the standard processing period (short term and medium term) (MEXT).
- In response to the development of cloud computing, in order to smooth licensing procedures concerning the distribution of broadcast content via the Internet, the Government of Japan will consider the issues surrounding contracts and relevant legal systems, including how contracts should be, including license agreements for secondary use, and will consider how licensing procedures should be concerning the distribution and webcasting of programs via the Internet during a certain period of time after they are broadcasted, and will take the necessary measures (short term and medium term) (MIC, MEXT).
- In order to smooth the utilization of content made in the context of industrial property, the Government of Japan will consider creating a new system which would contribute to ensuring legal security and smoothing secondary use through the protection of licensees who have centralized all the copyrights of their works and the like by making licensing

agreements and so on, and will take the necessary measures (short term and medium term) (MEXT).

- In order to promote the global circulation and the proper protection of content, the Government of Japan will facilitate establishing a content database in which all items of content are given ID numbers, and all the information concerning licensing status is consolidated so that anyone can refer to it in the cloud and other such networks, and will improve the system of collecting and distributing fees for content use (short term and medium term) (MCI, MEXT).
- At the comprehensive IP portal, consultation functions regarding global expansion, copyrights, the Unfair Competition Prevention Act, and so on will be comprehensively enhanced, including support in cooperation with relevant agencies. In addition, each ministry will enhance its dissemination and awareness raising activities, including holding seminars (short term and medium term) (METI, MEXT).

Utilizing trade related agreements toward the smoothing of intellectual property activities

- Through bilateral and multilateral agreements including Free Trade Agreements (FTAs), Economic Partnership Agreements (EPAs), and investment agreements, the Government of Japan will work to solve international problems in the field of intellectual property that hinder the global business expansion of companies, and will make improvements in this area. Specifically, taking into consideration the needs of Japanese industry and so on, the Government of Japan will encourage counterpart countries to improve their intellectual property systems and to ensure effective enforcement, and to work toward achieving higher levels of protection of intellectual property in their countries than the standards stipulated in regulations such as the TRIPS Agreement. In particular, with regard to the Trans-Pacific Partnership (TPP) Agreement, the Government of Japan will pursue the best outcome for the sake of our national interests, taking into consideration opinions and comments from interested parties, including industry (short term and medium term) (MOFA, METI, MAFF, MEXT, MOF).

Facilitating full-scale dissemination of e-books

- In order to improve our bargaining power with overseas giant platform service providers and so on, and as countermeasures against counterfeits and pirated goods, the Government of Japan will consider at an early stage the issues surrounding licensing to publishers, including the establishment of e-book publishing rights, and contracts concerning the publishing and electronic distribution of books, and will take the

necessary measures (short term) (MEXT, METI).

- With the aim of expanding the spread of e-books, the Government of Japan will support the private sector's efforts to expand the base of e-book users by increasing the quantity of e-book content, with a wide variety of publications including individual works and technical books (short term) (METI).
- In order to realize an open electronic publishing environment, the Government of Japan will make efforts to standardize the conversion format for e-books and to promote it in Japan and overseas. In addition, with regard to next-generation browsers which would be platforms for electronic publications, the Government of Japan will support efforts to become involved in international standardization activities for vertical layouts corresponding to Japanese, promoting the succession of the culture of vertical writing and the transmission of Japanese culture to the world (short term and medium term) (MIC, METI).

Promoting platform establishment

- The Government of Japan will support the realization of an ecosystem in which content will lead platforms, through support for establishing platforms which will provide various kinds of content, including books and magazines, music, photography, movies, anime, TV broadcast programs, and games (short term and medium) (MIC, METI).
- So that the freedom of expression of creators does not wither away, the Government of Japan will consider the necessity of creating transparency in and formulating rules for agreements between platform service providers and content providers. With regard to platforms, the Government of Japan will support the industry's efforts to review self-regulation and customary practices in the industry, so that the competitiveness of the industry is not degraded through self-regulation or customary contract practices which would cause disadvantages to Japanese companies (short term) (METI).

Promoting big data businesses

- Big data is a source of business that could produce valuable intellectual property, including user information, video and sound recordings, and information obtained from sensors, all of which are being mass-produced in each business field accompanying the progress of information technology. In order to create new businesses by utilizing and adding value to big data, the Government of Japan will improve the business environment, including formulating rules concerning the handling of personal information, through a careful consideration of the balance between privacy protection and information

utilization, and will conduct research and development which could contribute to creating various kinds of added value through the collection, storage, and analysis of data, including social infrastructure and technology utilizing data, while trying to reduce risks (short term and medium term) (MIC, MEXT, METI).

(3) Improving the infrastructure for promoting the digitalization and networking environment

Examples of measures

Facilitating the digitizing and archiving of cultural assets

- In order to build up an intellectual infrastructure that could be a foundation for the creation of new industries and culture, the Government of Japan will facilitate the digitizing and archiving of cultural assets, such as books, movies, broadcast programs, music, anime, manga, games, design, photography, and cultural properties of Japan, as well as relevant reference materials, together with considering the establishment of an environment to realize collaboration among archives and the enhancement of information provision to the world, and will take the necessary measures (short term and medium term) (MIC, MEXT, METI).

Facilitating IT-oriented education

- The full-scale development of IT-oriented education is urgently needed, which includes every student at every elementary and middle school having access to digitized textbooks and materials on information terminal devices, with one terminal device per student. Considering the status of experimental studies and so forth, the Government of Japan will discuss and consider how digital textbooks and materials should be positioned in the context of the textbook authorization system, and how the textbook authorization system and so on should be in relation to this issue, including copyright issues, and will take the necessary measures (short term and medium term) (MEXT, MIC).

Fourth pillar: Strengthening soft power focusing on the content industry

(1) Discovering and creating attractive content and products in traditional Japanese culture

Examples of measures

Support concerning the production of content and goods to be sold in targeted countries and regions

- In order to promote the sale of content and goods in targeted countries and regions, the Government of Japan will provide support for the production of attractive content and goods, through united efforts involving the public and private sectors, and the government's support for efforts made by businesses, by utilizing a combination of characteristically Japanese cultural power and technological power, and the extensive communicative power of the Japanese people (short term) (METI, MEXT, MAFF).
- In order to actively send information out to the world through producing content that is acceptable in overseas markets, the Government of Japan will take measures to improve the quality of content and accumulate knowhow by supporting international creation and communication activities, such as international joint production projects and the like (short term) (METI, MEXT, MIC).

Developing human resources and establishing production bases as a global content supplying nation

- In order to fully connect the excellent technology and creativity of Japan's content industry to business, the Government of Japan will support developing human resources and establishing production bases to produce world-class content according to the dissemination of content accumulated in every field and its combination with Japanese traditions and culture (short term and medium term) (MEXT, METI).

Establishing local brands

- With regard to excellent regional products and technologies, cultural assets (including Japanese cultural properties, anime, fashions, food, and so on) and the like, the Government of Japan will establish world-class brands by making them further attractive, and will engage in united efforts with regions to advance overseas expansion, tourism promotion, and regional revitalization (short term) (METI, MEXT, MAFF).
- In order to communicate the attractiveness of culture and art with regional roots, and to

promote international exchange, the Government of Japan will implement efforts for the East Asian Cultural City program scheduled to be held in 2014. In addition, we will enhance the ability of local brands to communicate their appeal, through support for the Creative City Network Japan, which is a national platform for information consolidation and provision for Culture, Art, and Creative Cities, which works to revitalize areas through the power of culture and art (short term) (MEXT).

- The Government of Japan will introduce a system to protect Geographical Indications (GIs) that can contribute to adding value to high-quality Japanese agricultural, forest, and fishery products, and to increasing the power of these brands, and will work to facilitate exports (short term and medium term) (MAFF).
- The Government of Japan will expand and enrich the trademark system such that local chambers of commerce and industry, which are actively involved in regional revitalization by promoting local brands such as local delicacies, can register collective regional trademarks (short term) (METI).

Promoting content production by utilizing Japanese high technology

- The Government of Japan will support efforts for the effective and efficient production of content, for example, by facilitating the development of technology that is effective for advancing and optimizing content production, including three-dimensional film technology and digital fabrication (manufacturing an object with a 3D printer and the like, based on digital data) (short term) (MIC, METI).

(2) Global communication of the Japan brand

Examples of measures

Securing broadcast slots in foreign countries and carrying out Japan events in various places

- In order to effectively draw attention to Japanese content, food, industries, and culture, the Government of Japan will facilitate localizing content according to the culture and needs of a region, focusing on prospective business development, sales promotion, and securing channels or broadcast slots in foreign countries, through cooperation with affiliated industries and foreign TV stations and distributors. In addition, we will also support efforts to provide attractive content in which Japanese industry and culture are blended together (short term) (MOFA, MIC, METI, MAFF).

- In order to enhance the attention-drawing power of the Japan brand at events and the like, the Government of Japan will work in a focused and continuous manner to convey the attractiveness of the Japan brand to foreign nationals both in Japan and overseas, gaining more fans of Japanese content and products all over the world in cooperation with existing fans of Japan. In doing so, while attempting to effectively convey our message through cooperation between events, utilization of the Internet, and having foreign nationals on our side, the Government of Japan will conduct evaluations such as measuring quantitative effects, and we will work to further enhance our attention-drawing power based on these evaluations (short term) (Cabinet Secretariat, MOFA, MEXT, METI, MAFF, MLIT).
- In order to facilitate further overseas expansion of Japanese content, to attract creators and buyers from overseas centering on Asian countries, to enhance the program of discovering young creators, and to strengthen our attention-drawing power by utilizing social networking media, the Government of Japan will support holding international film festivals and international film exhibitions in Japan, including the Tokyo International Film Festival (short term and medium term) (METI, MEXT).

Strengthening the transmission of Japan's attractiveness through international conferences, etc.

- The Government of Japan will strengthen the global transmission of the attractiveness of the Japan brand, and Japanese values such as the distinctive style and spirit of Japanese hospitality, at international conferences and the like, including summit conferences and the World Economic Forum (Davos Forum), where globally influential people gather together, and we will promote the popularization of Japanese food and Japanese alcoholic beverages (short term) (Cabinet Secretariat, MOFA, MET, MAFF, MOF).

(3) Promoting strategic overseas business

Examples of measures

Supplying funds for overseas expansion

- In order to explore the market for overseas sales of attractive made-in-Japan goods and services through the unified efforts of the public and private sectors, the Government of Japan will establish an organization that will support the investment of risk money toward the development of industry, dispatch experts, and provide consultation services. We will

also continuously support companies, including SMEs and venture companies, that engage in overseas business expansion in cooperation with other agencies (short term) (METI).

Improving the support system for overseas expansion including conducting a basic survey of various countries

- With regard to emerging countries in Asia that are becoming more and more important in terms of the market, the Government of Japan will encourage each country to improve its intellectual property system, and work to further enrich on-site support for intellectual property enforcement and promotion related to the Japan brand, while endeavoring to understand the actual condition of the damage caused by counterfeiting. To this end, the Government of Japan will enhance the support systems and efforts made overseas at embassies and by JETRO, considering the possibility of utilizing patent attorneys and former business people (short term and medium term) (METI, MOFA).

Enhancing the abolition and alleviation of regulations on content

- Treating import regulations on content, including movies, broadcast programs, manga, and anime, as significant barriers to entry, the Government of Japan will raise the issue of alleviating and abolishing such regulations as a top priority in bilateral and multilateral discussions and negotiations by the government and private sector, and will make strong efforts to promote higher levels of approach (short term) (MOFA, METI, MIC).

(4) Promoting inbound flows to attract more people domestically and internationally

Examples of measures

Facilitating attracting film location shoots from overseas

- Toward attracting film location shoots from overseas, in light of the outcome obtained in special zones for the content industry, the Government of Japan will consider the possibility of such operations in other regions, and take the necessary measures (short term) (Cabinet Secretariat, METI, MLIT, the National Police Agency [NPA]).
- In order to utilize regional resources and to communicate Japan's various attractions, the Government of Japan will facilitate improving the system for accepting film location shoots in regions, through affiliations with local film commissions and the like, and by consolidating and providing information on such locations (short term) (METI, MEXT).

Promoting personal travel and enhancing efforts for tours for businesspeople

- In order to attract more travelers, while enhancing the provision of travel information for the promotion of personal travel, the Government of Japan will develop effective promotion activities to satisfy the needs of each market, taking into consideration potential markets to grow in the future (short term) (Cabinet Secretariat, MLIT, MOFA).
- The Government of Japan will enhance the international competition to attract meetings, incentives, conventions, and exhibitions/events (MICE) to Japan by establishing a marketing strategy for attracting MICE and by improving the receiving environment (short term) (MLIT).
- The Government of Japan will take measures in cooperation with the Visit Japan program to effectively attract foreign travelers and MICE through the global promotion of Japanese content, fashions, and food, including stimulating foreign nationals' interest in visiting Japan through support for the overseas expansion of content that incorporates Japan's attractions such as regional resources (short term) (MLIT, METI, MIC, MAFF, MEXT).

(5) Facilitating countermeasures against counterfeits and pirated goods

Examples of measures

Unified promotion of countermeasures against infringement, and expanding the circulation of genuine goods

- In order to enhance countermeasures against counterfeits and pirated goods, the Government of Japan will work to further intensify enforcement activities, including cracking down on counterfeits and pirated goods in countries where infringement has occurred and by removing the goods from the Internet, through unified efforts by the public and the private sector, and in affiliation with other countries. In addition, the Government of Japan will support efforts to promote the circulation of genuine content together with the countermeasures against infringement (short term) (MOFA, METI, MIC, MEXT, MOF, MAFF).
- In order to conduct public awareness activities toward protecting copyrights and preventing the circulation of illegal content, which can contribute to enhancing support for countermeasures against content infringement, the Government of Japan will actively

promote outreach activities by the public and private sectors (short term) (MEXT).

- In order to promote the effective protection of the intellectual property of companies and the like in countries where infringement occurs, the Government of Japan will actively facilitate efforts including conducting surveys and providing information on the intellectual property systems of countries where infringements occur, and will carry out public awareness activities toward preventing the circulation of infringing content (short term) (METI, MEXT, MOFA).

Intensifying domestic crackdowns

- In order to further intensify border controls for counterfeits and pirated goods as well as cracking down on them domestically, while customs agents and the police intensively crack down on counterfeits and pirated goods, the Government of Japan will further enhance our affiliation with rights holders toward suspending the importation of goods that violate intellectual property rights, which are diminishing in quantity and becoming more dispersed, and will promote public awareness raising regarding counterfeits and pirated goods, considering that opinions in favor of purchasing counterfeits remain strong (short term) (MOF, NPA, METI, MEXT).

Promotion of ACTA

- With regard to the Anti-Counterfeiting Trade Agreement (ACTA), while aiming for the early enactment of the Agreement through more active approaches to other countries, focusing on the signatories and including high-level approaches, the Government of Japan will facilitate understanding of and participation in ACTA in other countries including countries in Asia (short term) (MOFA, METI, MEXT, MAFF, MIC, Ministry of Justice [MOJ], MOF).

(6) Human resource development in the content industry

Examples of measures

Expanding the base of the creator population

- The Government of Japan will create an environment in which children can experience various cultural arts, including media arts, through involving creators in school visits, tour performances and workshops, and classroom experiences, so that children can cultivate creative power and communication skills in early life, with the aim of nurturing

future creators (short term) (MEXT).

- Through providing students with various opportunities for learning and experience at school, and by improving teacher awareness and teaching skills, children will be encouraged to acquire the abilities and mindset that are commonly required in a wide variety of career development paths, including becoming creators. In addition, the Government of Japan will aim to nurture children who can develop their own sense of values, especially in terms of their views on work and careers, through these educational activities (short term and medium term) (MEXT).

Nurturing young creators

- In order to promote nurturing young creators, the Government of Japan will introduce a system of commendation for young people who are engaged in the creation and dissemination of works at content production sites, including manufacturing and craft production, and will provide them with opportunities for the production and exhibition of their works (short term) (MEXT).
- The Government of Japan will support effectively nurturing creators, such as by using the Internet to make it easier for many people in distant locations to make the most of each other and engage in networking (short term) (MEXT, MIC).

Developing global human resources

- While encouraging students to acquire content production skills and knowledge overseas by means of studying abroad, overseas training, and exchanges with foreign creators and producers, the Government of Japan will provide students with opportunities in which they can gain an international sensibility, with the aim of nurturing creators and producers who can be globally active (short term and medium term) (MEXT, METI).
- Making use of an industry-academia collaboration consortium involving vocational schools, postsecondary institutions, and industry organizations, the Government of Japan will work to enhance nurturing creators and producers who can be active globally (short term and medium term) (MEXT).

Establishing an environment for content production and trade normalization

- In order to establish an environment in which reasonable benefits produced by business activities are returned to content production sites, and in order to normalize trade, the Government of Japan will strictly enforce the Anti-Monopoly Act and the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors. We will also promote public awareness of the guidelines for the normalization of trade in content production

concerning the production work engaged in by creators, considering the importance of improving the content production environment and with the aim of normalizing trade (short term and medium term) (Fair Trade Commission, MIC, METI).