

# Intellectual Property Strategic Program 2011

Tentative translation

June 3, 2011

Intellectual Property Strategy Headquarters

# Intellectual Property Strategic Program 2011

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## **I. Dynamic structural changes over age and the need for IP Innovation**

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### **1. Coming “Globally Networked Age” and dynamic worldwide changes**

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The world has undergone a dynamic transformation. Global problems that must be addressed through international cooperation and partnership are becoming more serious, including global warming and other environmental issues, increasingly limited water, food, energy and other resources, as well as aggravated poverty. Emerging countries with massive markets such as China and India have growing influence on the world economy and international politics. To this situation is added the freer and faster movement of information, funds, goods, technology and people as a result of global multi-polarization, thus leading to significant growth in borderless activities as opposed to basically complete stories within a country as in the past. This marks the beginning of what may be called the “Globally Networked Age” when the world is seamlessly connected beyond national boundaries.

Intensifying competition in global markets linked by digital networks that allow high-speed communications and rapid changes in consumer needs require even faster innovation. At the same time, under architectural transition (dominating modularization) worldwide innovation systems have structurally evolved into more open, global, and flat ones. The exponential evolution of digital networks that began in the 1990s continues to create more innovation and business opportunities without even slowing down. Global innovation geared toward prompt and effective innovation on a global scale by largely acquiring the skills and factors needed for R&D and product development from abroad has become a worldwide trend. Japanese industry in the postwar era had maintained overwhelming competitiveness in terms of the quality-price ratio, by maximizing its strength in teams and organizations based on vertical integration, and building lean and exhaustive supply chains. However, this conventional strategy now faces inevitable change in the Globally Networked Age. Borderless intercompany cooperation is emphasized, and the key is to whether comprehensive offers in innovative lifestyles can be made based on various combinations of products and services. Thus, the competition to dominate the formation of global networks, which has become the basis of such offers, is steadily intensifying.

Such changes in the environment have resulted in remarkable improvements in intellectual property management, with demands for further progress and qualitative breakthroughs. In addition to the conventional practice of acquiring patents after the fact in order to protect research and development outcomes, what is needed is more

advanced, comprehensive and strategic intellectual property management, including international standardization to facilitate effective global alliances, the registration of designs and acquisition of trademarks to increase design and brand value, and the concealment of intentionally unpatented expertise. A strategic structure forming a trinity of management strategy, research and development strategy, and intellectual property strategy thus becomes important, making it essential to devise and implement an intellectual property strategy based on a public-private partnership beyond the boundaries of individual companies. At the same time, further cooperation is needed for the intellectual property systems of other countries now engaged in intense competition. South Korea and China have been strengthening their intellectual property strategies, aiming to form a hub in Asia. Despite the stability and continuity emphasized in conventional intellectual property systems, international competition over the overall system has begun, thereby requiring IP Innovation.

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## 2. Japan's crisis, damages by the Great East Japan Earthquake, and new opportunities

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The sluggish Japanese economy has restrained the growth in Japan's GDP for more than 10 years, culminating in China overtaking Japan as the world's number two economy in 2010. Japan's aging population and its rapid and unprecedented decline suggest such imminent problems as reduced manpower and depressed domestic markets. The country's population is increasingly concentrated in urban areas, causing a problem of impoverishment in rural communities. Such drastic changes raise the need for reforms in various social systems that supported Japan's growth and development in the past. Meanwhile, Japanese industry has yet to take complete measures for global innovation, and being unable to adequately develop basic skills in science and technology necessary for innovation, it has long been losing its competitive edge even in areas once considered Japan's strengths. Rather, unless Japan can demonstrate itself as a nation capable of leading the Globally Networked Age, it may lose much of its international status that has been built to date.

In addition to such severe conditions, the Great East Japan Earthquake struck the country in March of this year, and inflicted three simultaneous crises on the entire Japanese economy. The first was the supply crisis caused by the tremendous casualties and physical damage resulting from the compounded disasters of the earthquake, tsunami, and nuclear plant accident, and the disruption of economic activity. The second crisis entailed the power restrictions in the wake of numerous power generation facilities being destroyed. The last crisis remains the threat to the reliability of Japanese

products and brands triggered by greater public understanding of the safety of nuclear power generation and the damage from radiation. The unprecedented earthquake imposed an incredibly harsh situation that could be arguably deemed a national crisis.

A crisis is also an opportunity, however, for major reform. Japan faced serious crises such as the Meiji Restoration and postwar reconstruction in the past, and moved on every time. Many people around the world are sympathetically hoping that Japan will soon recover from its current situation.

To this end, it is essential to move on from the glory days of success up until the 1980s and promptly respond to the new phase of making a plunge into the Globally Networked Age and facing worldwide limits on resources and energy. In other words, a new means of survival based on comprehensive intellectual property management must be developed. Such development must be achievable and must be achieved. The aesthetic sense and excellent cultural traditions of Japan, for instance, have come to arouse sympathy among many people around the world without the Japanese realizing it. When countries become more globalized and borderless, the unbroken connection conversely increases the value of qualities unique to a particular land or region, based on its inherent identity that cannot be duplicated.

As implied by the term “Cool Japan” (meaning an attractive Japan), public admiration and interest in Japan’s inherent identity have been quietly spreading from a grassroots level. The daily activities and events that Japanese people find normal in Japan appear exceptionally fresh and attractive to the eyes of non-Japanese people. From *tatami* mats and chopsticks to fully automatic toilets, the potential of a new Cool Japan is growing infinitely without Japanese people even noticing it. In the postwar environment of securing free thoughts of expression, the unrestricted ideas and creative activities of talented creators formed the basis of Japan’s strengths. Today, the young people in other Asian countries and the rest of the world are also attracted to youthful fashion trends seen in Harajuku and Shibuya, however slightly outlandish. The Great East Japan Earthquake adversely affected perceptions about the reliability of food from Japan and tourism in Japan, and various efforts have been made to regain lost trust as soon as possible. There are certainly many voices outside Japan that praise the Japanese people for maintaining their composure, helping one another, and acting orderly even amid deep sorrow in the wake of the disaster. The earnest attitude of everyone who joins hands together and cares for one another to endure these trying times is an accurate manifestation of Cool Japan.

A return from the furious style of “running through with efficiency” between post-war economic recovery and high economic growth to, once again, the origin of

Japan as based on a resource- and energy-saving lifestyle in line with the *mottainai* concept of not wasting things and the aesthetic sense to appreciate the four colorful seasons is likely to bring about a new outlook and strategy. Japan's lean and precise supply chains have been disrupted by the disaster and power shortages, thereby causing significant effects worldwide. Rather than simply relying on the development of overseas supply chains, making full use of the most advanced cloud computing and Internet environment, and thoroughly saving resources and energy will facilitate the construction of next-generation supply chains capable of responding more flexibly and strongly not only to the risk of disasters, but also to medium- and long-term restrictions placed on resources and the environment on a global scale.

History also confirms Japan's ability to create new value. Innovative Japanese technologies that have changed the world include high-performance magnets, carbon fiber, solar batteries (photovoltaic cell), lithium-ion batteries, blue laser, fuel cells, and numerous other epoch-making technologies achieved by overcoming challenges that are deeply rooted in basic research. As an example of Japan's high-speed rail technology, Shinkansen ("the bullet train") exhibited the highest levels of safety in the recent earthquake, and thus has been regarded highly once again both inside and outside Japan.

As "green innovation" and "life innovation" become national issues for many countries, there are many areas in which Japan can assume leadership and contribute to the world. New business models have also emerged one after another amid the ongoing evolution of the Internet and other information and communication technologies. Such technologies as cloud computing, social networking services, electronic mobile devices, electronic books, and digital learning materials have also advanced rapidly in recent years. The Japanese cultural trait of valuing usefulness and trust should offer high potential for new opportunities. And Japan's vast collection of information also attracts new information, people, and funds. It is important for Japan to be connected with the rest of Asia and the world through strong networks in the area of most advanced digital networks, and thus become a major hub as an information intersection.

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### 3. Intellectual property strategy in the Globally Networked Age (IP Innovation)

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After lagging behind the overwhelming international competitiveness of Japan's manufacturing industry during the 1970s and 1980s, the U.S. formed a new innovation strategy in cooperation with other countries and promptly implemented it. This is global innovation where pro-patent policy was first initiated, followed by drastic institutional reform for pro-innovation to support said innovation. Since the 1990s, the U.S. has

regained its technological dominance and been leading the world's innovation by using epoch-making business models and intellectual property management. Europe, South Korea, Taiwan, and such emerging countries as China and India have actively joined the new trends in global innovation. In the State of the Union Address 2011, President Obama compared the intense international competition with China and India with earlier U.S.-Soviet space competition, in warning about a new "Sputnik" crisis and emphasizing the importance of promoting further innovation.

Japan, in contrast, fell behind this global tiding during the lost decade in the post-bubble 1990s. In 2003, however, the Intellectual Property Strategy Headquarters was established to aggressively promote its intellectual property strategy as a national strategy under direct control of the Prime Minister. Various institutional reforms have been implemented, as well as the highly specialized Intellectual Property High Court being established, an unprecedentedly increased number of patent examiners to accelerate patent processing, and revision of the Copyright Law in response to the Internet Age. In 2010, international standardization was positioned a new strategy, and *Intellectual Property Strategic Program 2010* was developed, which included a process chart specifying the responsibilities and work schedule of the Cabinet Office and relevant ministries.

A crisis presents a golden opportunity to plan for the next decade. In considering the harsh conditions or so-called national crisis resulting from the Great East Japan Earthquake, our intellectual property strategy forms the basis of prospective competition over the next 10 or 20 years.

Intellectual Property Strategic Program 2011 was consequently established pursuant to Article 23 of the Intellectual Property Basic Act, aiming to aggressively implement the intellectual property strategy with strong determination under leadership of the Prime Minister, who also heads the Headquarters.

The intellectual property strategy that supports new attempts in the Globally Networked Age consists of four strategies.

The first strategy is "the Stage-up Strategy for International Standardization". Among the increasingly fierce competition over the "intelligence to use intelligence," the ongoing "defeat in business despite victory in technology" must end. This requires companies to take advantage of international standardization in order to increase their competitiveness through alliances with external organizations. Competitiveness shall be strengthened by steadily executing and continuously verifying international standardization strategy in seven designated strategic areas. In addition, the experience and lessons learned from the Great East Japan Earthquake will be appropriately applied

to international standards.

The second strategy is “the Competitive Strategy for IP Innovation”. Emergency relief measures for the Great East Japan Earthquake and other appropriate measures will be promptly taken. The intellectual property system that becomes the core of the innovation system must be improved to make it globally appealing, thereby attracting advanced technologies and skilled human capitals from around the world, and encouraging innovation. It is also important to develop the infrastructure for promoting the use of intelligence for commercialization and industrialization.

The third strategy is “the Cutting-edge Digital Network Strategy”. The deepening and development of digital networks are creating new business opportunities, such as electronic books and cloud computing. Strategy and infrastructure must therefore be developed for the competition over advanced digital networks that become extremely important in crisis management in case of major disasters.

The fourth strategy is “the Cool Japan strategy”. Asian countries and other global markets are sources of growth, and Japan must make globally competitive Cool Japan a driving force for its new development. To this end, it is important to establish a virtuous cycle comprising the discovery of intellectual assets that lay buried in various regions, creation of other intellectual assets, global promotion of such assets, and popularization of them while also developing the infrastructure. Cool Japan will also play a significant role in the country’s future creative reconstruction efforts in the wake of the Great East Japan Earthquake. The current harsh conditions make it even more necessary to actively promote Cool Japan in a public-private partnership through appropriate information distributed both inside and outside the country, so that Japan can rebuild itself and return to the world prominence using intellectual assets.

The following presents detailed descriptions. A strategy covering diverse areas must be steadily implemented while confirming “who” does “what” “by when” on the process chart. This Strategic Program will be appropriately modified in case of any significant situational change in the future, including additional measures concerning the earthquake.



## II. Four major actual property strategies that support new attempts in the Globally Networked Age

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### 1. Stage-up strategy for international standardization

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[Expected outcome] (as of 2020)

- Stronger industrial competitiveness and larger world market shares in the designated strategic areas of international standardization by promoting strategic international standardization linked with R&D and commercialization strategy, and acquiring and using intellectual property rights

[Target indicators] (as of 2020)

- Steadily execute the action plan indicated on the roadmap in international standardization strategy and strengthen industrial competitiveness in each of the designated strategic areas.
- Increase the number of cases for Japan to work as secretariats at international standardization organizations (from 74 to 150).\*

\* Established in Intellectual Property Strategic Program 2010. The same applies to the following:

#### (1) Implementing international standardization strategy

[Recognition of the situation]

In March 2011, international standardization strategy was established in seven areas. These represent optimal solutions at the present time, but changes in the external environment and the progress and effects of the strategy must be constantly monitored even after its implementation.

The seven areas were determined as priorities from the perspective of selection and concentration. As stated in Intellectual Property Strategic Program 2010, other areas must also be considered so as to possibly select new designated strategic areas of international standardization.

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

- Implementing international standardization strategy in the seven areas

Implement the established international standardization strategy and confirm the results continuously. (short term, medium term) (Cabinet Secretariat, Cabinet Office, Ministry of Internal Affairs and Communications (MIC), Ministry of Education, Culture, Sports, Science and Technology (MEXT), Ministry of Health, Labor and Welfare (MHLW), Ministry of Economy, Trade and Industry (METI), Ministry of Land, Infrastructure Transport and Tourism (MLIT), and Ministry of the Environment (MOE))

Establish a clear system of responsibility between the public and private sectors for international conferences and forums on international standardization, appropriately follow up on such conferences, and aim to serve such central roles as chairperson and secretariat as much as possible, including the distribution of information on Japan's technology and nurturing of personal relationships. The Cabinet Office and relevant ministries provide necessary support, while developing and employing personnel possessing highly specialized knowledge and experience. (short term, medium term) (Cabinet Office, MIC, MEXT, MHLW, METI, MLIT, MOE, and MOFA)

- Selecting new designated strategic areas of international standardization  
Consider selecting new designated strategic areas of international standardization, develop a new strategy, and then implement it. (short term, medium term) (Cabinet Secretariat)

## (2) Promoting more international standardization activities

[Recognition of the situation]

The de jure standards established by international standardization organizations remain the core of international standards, and their unquestionable importance is evident in related references made in the WTO Agreements and domestic laws of individual countries, and in their legal effects. The Japanese government's support for de jure standardization has made certain achievements, which must also be continuously enhanced and strengthened, considering the notable increase in the international standardization activities of emerging countries and other unpredictable factors.

The forums for hosting voluntary, autonomous, prompt and flexible international standardization and the initial development of de jure standards to be adopted by private companies are also becoming more important, particularly in the area of information and communication. Some forum standardization must be provided with appropriate

support while respecting the voluntary nature and autonomy of private company activities. Support for organizations having difficulties in voluntary participation, including universities and small and medium-sized companies, must also be considered.

[Example measures]

- Supporting international standardization activities  
Strengthen the financial support to encourage participation in the standardization activities of international standardization organizations. (short term, medium term) (METI and MIC)  
Support participation in international standardization activities including forum standards in research and development conducted or supported by the government. (short term, medium term) (METI and MIC)
- Inviting international standardization organizations to meetings  
Actively invite international standardization organizations to hold important meetings, including general assemblies, in Japan. (short term, medium term) (METI and MIC)
- Collecting information on international standardization  
Collect information on the international standardization activities of other countries through information exchange with the standardization organizations of other countries, taking into account industrial sector demands, and appropriately provide such information to relevant parties. (short term, medium term) (METI, MIC, MLIT, and MOFA)

### (3) Promoting strategic activities for certification

[Recognition of the situation]

The use of certification—whereby specific products and services are assessed voluntarily or by a third party for compliance with applicable standards—is beneficial in certain cases to make standards fully functional and help improving industrial competitiveness. In other words, certification is important as an industrial infrastructure to achieve the prompt and effective development of markets for products and services.

Certification organizations specializing in such compliance assessment collect information about the details of various standards, particularly the methods of assessing safety and performance, and information on whether standards are consistent with the real use of products and services. In other words, these entities possess extremely

effective knowledge about the development of such standards as the methods of assessing safety and performance, and the assessment of new products and services based on the latest technologies.

In order for the functions of such certification organizations to be used as an industrial infrastructure, those entities must accumulate the information and experience necessary to meet industrial sector demands, as made possible by active business development.

#### A. Working to achieve international standardization in view of certification

[Example measures]

- Promoting research and development in view of international standardization and certification

Incorporate international standardization in research and development conducted or supported by the government, and, if necessary, establish certification standards in individual research projects. (short term, medium term) (MIC, MEXT, MHLW, METI, MLIT, and MOE)

- Providing information and education

Provide information and education on standardization and certification systems to help visualize standardization and certification at the planning stage of research and development. (short term, medium term) (MIC, MEXT, MHLW, METI, MLIT, and MOE)

#### B. Developing an infrastructure necessary for the strategic use of certification

[Example measures]

- Improving the capability of certification organizations

Improve the capability of certification organizations to assess new technologies by promoting, as necessary, their participation in research and development conducted or supported by the government, and in relevant international standardization activities. (short term, medium term) (MIC, MEXT, MHLW, METI, MLIT, and MOE)

- Supporting public research institutions in establishing certification operations

Should the task of certifying a newly developed and strategically important

technology requiring highly specialized knowledge prove difficult for a private certification organization to conduct alone, take appropriate measures, including support for certification operations by public research institutions possessing knowledge about the technology concerned, toward establishing certification operations to be conducted by the private sector. (short term, medium term) (MIC, MEXT, MHLW, METI, MLIT, and MOE)

- Providing information on cases of strategic use of standardization and certification  
Collect and provide information on cases of strategic use of standardization and certification for promotion and education. (short term, medium term) (METI, MIC)

(4) Strengthening overall cooperation and standardization activities with other Asian countries, from the research and development stage

[Recognition of the situation]

International standardization cannot be achieved by Japan alone, and requires cooperation with other countries. More Asian economies are now participating in international standardization. It is important to turn such Asian economic growth into the vitality of Japan. This requires strengthening of the alliance with other Asian countries from the research and development stage in view of standardization and commercialization, so as to achieve international standards in cooperation with such countries.

[Example measures]

- Steadily implementing the Asia-Pacific Industrial Science & Technology and International Standardization Cooperation Program  
Steadily implement the Asia-Pacific Industrial Science & Technology and International Standardization Cooperation Program, toward strengthening cooperative relationships with the Asia-Pacific region. (short term, medium term) (METI)
- Improving certification capacity in the Asian region  
Provide cooperation that contributes to improving the certification capability of local certification organizations in joint R&D and joint experiment projects in the Asian region. (short term, medium term) (MIC and the MLIT)

(5) Incorporating experience and lessons learned from the Great East Japan Earthquake in international standards

[Recognition of the situation]

The Great East Japan Earthquake that struck the country on March 11, 2011, caused widespread devastation, the loss of countless lives, and massive property damage. It is important to incorporate and make use of the diverse experience and many lessons learned from the disaster in international standards, so as to help improve disaster measures and resistance to natural calamities not only in Japan but also in other countries.

[Example measure]

- Improving international standards by taking into account the experience and lessons learned from disasters  
Study the need to revise international standards, considering the experience and lessons learned from disasters, including the safety and organizational responses to disasters, and take necessary measures based on the results of such studies. (short term, medium term) (METI and the MLIT)

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## 2. Competitive strategy for IP Innovation

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[Expected outcomes]

- Promotion of utilization of intellectual property and creation of new businesses ahead of the world\*
- Amount of Export of technology; from about 2 trillion yen (in FY 2008) to 3 trillion yen\*
- Generate plenty of niche-top businesses playing active role throughout the world \*
- Amount of exports by SMEs; from about 10 trillion yen (in FY 2008) to 14 trillion yen\*

[Target indicators] (as of 2020)

- Increase the number of countries, particularly in Asia, for which Japan takes charge of international searches in international patent applications under PCT.
- Create an environment to enable effective acquisition of rights at a cost in accordance with overseas business activities and raise the percentage of overseas patent applications.
- Improve the common basis for patent examination among the five IP offices, namely patent offices of Japan, the U.S., Europe, Republic of Korea and China.
- Raise the covering rate of Patent Prosecution Highway (PPH) for overseas patent applications from about 70% to 90%).
- Expand the user of patent systems in SMEs and venture companies (The number of SMEs and venture companies which file a patent application for the first time (total): about 30,000 companies).\*
- Increase the number of overseas applications by SMEs and venture companies (from about 8,000 cases to 12,000 cases).\*

### (1) Taking prompt measures for the Great East Japan Earthquake

[Recognition of the situation]

The Great East Japan Earthquake had devastating effects on Japan. While the entire government has already made extensive efforts toward recovery and restoration, prompt and comprehensive efforts are also essential in the area of intellectual property strategy.

As urgent responses, emergency relief measures must be taken to protect both the

domestic and overseas rights of intellectual property system users, including companies victimized by the disaster that request the protection and use of intellectual property rights. It is also important to accurately understand situational changes in intellectual property management due to the disaster, and develop an effective intellectual property strategy.

#### A. Strengthening the system of providing information and consultation service

[Example measures]

- Centralizing the distribution of information related to the disaster  
Centralize the distribution of information related to the disaster, including relief measures concerning the procedures for acquiring industrial property rights affected by the disaster, in a form also available on the Internet. (short term) (METI)
- Establishing a special service counter for consultation to work in cooperation with One-stop Service Counters in the disaster-afflicted areas  
Establish a special service counter for consultation concerning the procedures for acquiring industrial property rights requested by nationwide applicants affected by the disaster or their representatives. One-stop Service Counters in the disaster-afflicted prefectures will also provide appropriate support in cooperation with the special service counter. (short term) (METI)

#### B. Taking emergency relief measures for the procedures to acquire industrial property rights

[Example measures]

- Providing relief through alternative procedures for electronic application  
If an applicant or his/her representative is unable to use the electronic application service due to the disaster, as an emergency measure, a data storage device may be used for application without prior approval by the Commissioner of the Patent Office. (short term) (METI)
- Taking emergency relief measures by extending the application period  
If an applicant or his/her representative is unable to complete the process within the legal period due to the effects of the disaster, an extended period shall be granted, given the situation. If application cannot be completed within the specified period,



the application may be processed, given the situation. (short term) (METI)

C. Requesting major overseas intellectual property authorities to take emergency relief measures and provide all relevant information

[Example measure]

- Requesting major overseas intellectual property authorities to take emergency relief measures for Japanese applicants and their representatives unable to follow specified procedures or make contacts due to the disaster  
Provide information, also using the Internet, on emergency relief measures announced by such intellectual property authorities in response to requests by the Japanese government. (short term) (METI)

## (2) Increasing the competitiveness of Japan's intellectual property system

[Recognition of the situation]

Cooperation and consistency among the intellectual property systems of various countries (e.g., substantial coordination of patent systems) are needed in the current the Globally Networked Age. The U.S., Europe, and Japan have taken initiatives regarding the world's intellectual property systems in the past. In recent years, however, Republic of Korea and China have established a growing presence, resulting in intensifying competition among the intellectual property systems of various countries.

Japan possesses the technological, design, and brand expertise that leads the world. It is thus essential to develop strategic and comprehensive intellectual property management and a supporting intellectual property system to maximize the potential of such expertise, and gather superior technologies, information, and human capitals to promote innovation within Japan.

Japan should lead the development of global intellectual property systems, including global patent systems, in order to quickly respond to new changes in the world and increase the appeal of Japan's intellectual property system with a sense of speed, promote system compliance and use more actively in Asia and the world, and help strengthen Japan's industrial competitiveness.

A. Leading the development of global intellectual property systems

[Example measures]

- Providing international preliminary examination in English  
Increase the number of countries for which Japan takes charge of international searches in international patent applications under PCT in Asia and other countries. Provide international preliminary examination in English for international patent applications under PCT filed in English in these countries and in Japan as well. (short term, medium term) (METI)
- Promoting international consultations among examiners  
Promote international consultations among examiners of various patent offices about the same applications filed at multiple patent offices including Japan, toward harmonizing international patent systems. (short term, medium term) (METI)
- Expanding the Patent Prosecution Highway to major countries  
Expand the Patent Prosecution Highway (PPH) to Asia and major countries. (short term) (METI)
- Developing an environment for intellectual property in developing and emerging countries  
Support the development of human capitals in view of the needs of developing and emerging countries and the progress made in system development, in order to build a global environment for intellectual property. (short term, medium term) (METI, National Police Agency (NPA), Ministry of Justice (MOJ), MOFA, Ministry of Finance (MOF), MEXT and Ministry of Agriculture, Forestry and Fisheries (MAFF))
- Encouraging the development of intellectual property systems and improvement of operation  
Use the opportunities for bilateral and multilateral negotiations to encourage improvement of operation of the intellectual property systems of partner countries and to actively help protection of intellectual property, in view of industrial sector demands. (short term, medium term) (MOFA, MEXT, MAFF, and METI)

## B. Developing a system to improve the stability of patent rights

[Example measures]

- Strengthening the quality management of patent examination

In order to establish internationally trusted, stable patent rights, strengthen the quality management system and implement world-class quality management by, for instance, setting a quality policy for patent examination and conducting user quality assessment. (short term, medium term) (METI)

- Developing a multilingual system for searching patent documents in foreign languages

In response to more patent documents being written in non-Japanese languages such as Chinese and Korean, easy access to the world's patent documents must be ensured. To make technologies available worldwide for research and the results available to applicants, develop a system that allows documents written in foreign languages, particularly Chinese and Korean, to be searched in Japanese language. (short term, medium term) (METI)

- Developing patent classifications of the world standard

Cooperate with the five IP offices to develop patent classifications of the world standard, while considering Japan's technological advantages in different areas and the situations in other countries. (short term, medium term) (METI)

- Strengthening the patent examination system

Strengthen the examination system to respond to the international trend of developing patent classifications of the world standard and to establish internationally trusted, stable patent rights by thoroughly searching all prior art including the growing number of patent documents in foreign languages. (short term, medium term) (METI)

- Improving the stability of patent rights

Consider measures to improve the stability of patent rights in view of both the domestic and international situations. (short term, medium term) (METI)

### C. Developing an environment to protect design and trademarks

[Example measures]

- Accession to the Hague Agreement

Consider Japan's accession to the Hague Agreement Concerning the International Registration of Industrial Designs, and reach a conclusion. (short term) (METI)

- Expanding the scope of industrial design protection

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

- Expanding the scope of trademark protection  
Consider expanding the scope of trademark protection to include new types such as sounds and movements, and promptly reach a conclusion. (short term) (METI)

### (3) Promoting the use of “intelligence” created by Japan

[Recognition of the situation]

In the increasingly fierce competition over the “intelligence to use intelligence,” comprehensive intellectual property management is needed to end the on-going defeat in business despite victory in technology. As the start of the Globally Networked Age in a greater exchange and mobilization of human capitals, the technologies and designs of Japanese companies possessing manufacturing expertise and innovative designs that become sources of competitiveness must be properly protected. Such activities require appropriate intellectual property management in response to changes in supply chains caused by the recent earthquake. Japan’s small and medium-sized companies have already been forced to become independent. They increasingly need to use their own intellectual property strategy to protect their valuable intellectual property, globally expand their businesses, and incorporate the development of Asian and the world economies into their own growth. The reality of small and medium-sized companies, however, is that they lack funds and human capitals to make full use of advanced intellectual property. Globally competitive businesses must be created by supporting their intellectual property management that involves the acquisition of intellectual property right in expectation of commercialization and the concealment of information.

Although there have been some successful cases of venture companies based on the achievements of research conducted at universities, the potential of Japan’s industry-academia partnership has yet to be adequately utilized. The functions of this industry-academia partnership must be strengthened while focusing on the perspectives of user companies to facilitate effective alliances between companies (including small, medium-sized ones, and venture companies) and universities. The development of university research achievements into new businesses will require global intellectual property management in expectation of commercialization. Even at universities providing opportunities for free research activities, there must be a greater awareness of respect for trade secrets relative to industry-academia joint research.

A. Maximizing the use of “intelligence” of companies by using intellectual property

management

- a. Implementing international standardization strategy [Relisted 1 (1)]
- b. Developing an environment to prevent technology outflow

[Example measures]

- Raising the awareness of engineers regarding trade secrets.  
Thoroughly inform engineers of the scope of misconduct defined by the Unfair Competition Prevention Law and the management of trade secrets, thereby raising their awareness of trade secrets. (short term) (METI)
- Providing education at universities  
Provide education on the need to conclude a contract providing for the treatment of inventions created by those not subject to the provisions of "employee's inventions" in the Patent Law, including students engaged in industry-academia joint research projects, and the management of trade secrets. (short term) (MEXT and METI)
- Supporting specific solutions to the issue of trade secret management  
Provide small and medium-sized companies and other organizations with individual support, including free consultation with experts, and the cooperation of Lawyers IP Network, so that trade secrets are managed appropriately in line with the Trade Secret Management Guidelines. (short term) (METI)
- Developing an environment for employing the core human capitals of companies  
Develop an environment for employing the core human capitals of companies with advanced skills after their mandatory retirement as manufacturing instructors who will develop younger generations into professionals in Japan. (short term) (METI)

B. Using the intellectual property of companies, particularly small and medium-sized companies, to create globally competitive businesses

- a. Supporting global expansion using intellectual property

[Example measure]

- Improving support for the global expansion of small and medium-sized companies  
To support the global expansion of small and medium-sized companies using intellectual property, rights must be obtained, maintained and used to provide optimal protection of their intellectual property in the countries they enter according

to the type of business. Therefore, a databank containing information on intellectual property needed for global expansion will be built. An Overseas Intellectual Property Producer—an expert on such advanced intellectual property management—will provide support. Support for overseas patent application, translation, overseas research, and cases of infringement will also be improved. (short term) (METI)

b. Improving measures to support commercialization using intellectual property

[Example measures]

- **Setting up a comprehensive support system**  
Set up a comprehensive support system covering everything from research and development to overseas expansion and infringement measures in close cooperation with relevant ministries, as well as measures to assist small and medium-sized companies with One-stop Service Counters playing the central role. (short term) (METI and MAFF)
- **Assigning workers to One-stop Service Counters**  
Assign intellectual property management personnel to One-stop Service Counters for helping to develop intellectual property strategy in view of commercialization. Designate a team of experts from relevant support organizations, including Lawyers IP Network and the Japan Patent Attorneys Association, to assist small and medium-sized companies in commercialization. (short term) (METI)
- **Establishing new application support measures**  
Devise and implement new application support measures that improve the predictability of patent attorney fees for small and medium-sized companies unfamiliar with patent applications (provisionally called an “Intellectual Property Conductor”). Continue considering ways to improve the assistance for small and medium-sized companies. (short term) (METI)
- **Enhancing the discount system for patent-related fees**  
Implement necessary legal revisions to make substantial changes to the eligibility of small and medium-sized companies for discounts on patent-related fees and to improve the application procedure to response to user needs as much as possible, and then put the system into practice. (short term) (METI)
- **Providing information related to intellectual property at public libraries**  
Nationwide public libraries including Business Libraries will encourage efforts to provide information contributing to the use of intellectual property at local small and medium-sized companies, while receiving necessary assistance from One-stop

Service Counters. (short term) (MEXT and METI)

### C. Creating globally successful cases of “intelligence” used by universities

#### a. Improving the capacity of industry-academia partnership at universities

[Example measures]

- Considering the ideal conditions of university intellectual property headquarters and technology licensing organizations (TLOs), and evaluation indicators  
Before the end of Fiscal Year 2011, develop indicators to properly assess the effects and efficiency of industry-academia joint activities, while considering the ideal conditions of university intellectual property headquarters and TLOs, and then conduct a trial assessment. Also examine the ideal state of university intellectual property headquarters and TLOs, and reach a conclusion about necessary reorganization and improvements based on evaluation results. (short term) (MEXT and METI)
- Enhancing assistance for overseas application by universities  
Improve assistance provided to universities regarding their overseas patent applications through enhancing size of the assistance based on the needs of universities, selecting the recipients of strategic support in view of commercialization, and improving patent quality. (short term) (MEXT)
- Providing education at universities [Relisted as 2. (2) A. b]
- Fully communicating and implementing the advance approval system for the Japanese Bayh-Dole system  
Fully inform the contracted research institutions of universities about the advance approval system used for the transfer of patent rights in the Japanese Bayh-Dole system revised in 2009, in order to facilitate efficient operation at the sites. (short term) (METI, MEXT, NPA, MIC, MAFF, MLIT, MOE, and Ministry of Defense (MOD))

#### b. Enhancing intellectual property management in industry-academia partnership

[Example measures]

- Promoting intellectual property management in university research activities

Help develop a system to establish the presence of a research administrator with advanced expertise including intellectual property, in order to improve intellectual property management from the initial stage of university research activities. (short term) (MEXT)

- Promoting intellectual property management in industry-academia joint research projects

Increase the number of Intellectual Property Producers dispatched to improve intellectual property management from the initial stage of industry-academia joint research projects. (short term) (METI)

c. Building a mechanism to turn research achievements into businesses

[Example measures]

- Promoting the Small Business Innovation Research (SBIR) program based on the multistage selection method that fosters a seedbed of potential seeds

Promote the introduction of the multistage selection method in SBIR as a mechanism to foster cutting-edge ventures and commercialize research achievements. Consider setting a target to introduce the multistage selection method relative to a fixed percentage or amount within the research and development budget of ministries concerned. (short term) (Cabinet Office, METI, MIC, MEXT, MHLW, MAFF, MLIT, MOE, NPA, and MOD)

- Building a mechanism to promptly return the superior research achievements of universities and public research institutions to society

Assist the research activities of universities and public research institutions in line with social needs consistently from the stage of research to the stage of commercialization, thereby increasing the value of research outcomes and building a mechanism to promote investments in commercialization. (short term) (MEXT)

- Building a mechanism to make use of intellectual property through intellectual property funds

Build a mechanism to package the patents of universities and public research institutions, and use intellectual property through the intellectual property funds of public investment institutions. (short term) (MEXT)

- Developing a mechanism to make effective use of intellectual property in industry-academia-government research and development activities

Develop a mechanism that allows the industrial sector to effectively use intellectual



property from the function of the universities where those universities extend the industry-academia partnership to basic research by understanding the needs of the industrial sector, thereby plan and promote research and development activities (the platform of “intelligence”). (short term) (MEXT)

#### (4) Developing and retaining human capitals to support intellectual property strategy

[Recognition of the situation]

As global competition intensifies, human capitals that can strategically use international standards and intellectual property to increase competitiveness (i.e., intellectual property management human capitals), and those who can work effectively in the area of intellectual property in the world (i.e., global intellectual property human capitals) are needed.

To facilitate a basic understanding of intellectual property by the Japanese people, there must be a greater willingness to respect creative efforts and intellectual property rights.

A. Establishing a plan to develop intellectual property human capitals for the Globally Networked Age

[Example measure]

- Establishing a plan to develop intellectual property human capitals  
Establish and start implementing a plan to develop intellectual property human capitals for various types of intellectual property human resource, in order to acquire the knowledge, skills and techniques needed in the Globally Networked Age. (short term) (Cabinet Office, MIC, MOJ, MEXT, MHLW, MAFF, METI, MLIT, and MOE)

B. Enhancing the development of human capitals to support the intellectual property system

[Example measures]

- Enhancing the development of intellectual property management human capitals

In cooperation with the industrial sector, help enhance education about intellectual property management (including international standardization) at institutions of higher education such as graduate schools specializing in management of technology. Also increase the training on intellectual property and education for the management team, in order to enhance intellectual property management human capitals, including in the industrial sector. (short term) (MEXT and METI)

- Improving the alliances of universities providing intellectual property education  
To foster intellectual property management human capitals and global intellectual property human capitals, and in cooperation with the industrial sector, promote alliances among universities, such as graduate schools specializing in intellectual property that provide intellectual property education, thereby helping improve the level of education through human resource exchange, enhance the education for intellectual property management, and give consideration to ideal third party assessment. (short term) (MEXT and METI)

- Improving international cooperation among institutions that develop intellectual property human capitals

Improve cooperation among the National Center for Industrial Property Information and Training (INPIT) and institutions that develop intellectual property human capitals (including international institutions concerning intellectual property) to mutually improve human resource development skills. (short term) (METI)

- Improving the training for intellectual property management at the Research and Development Consortium

Provide training to improve the skills to support the development of business strategies in view of intellectual property strategy at the Research and Development Consortium. (short term) (METI)

- Developing patent attorneys in response to the Globally Networked Age  
To promote the global activities of patent attorneys, examine and evaluate their current duties, taking into account revisions of the Patent Attorney Law, and then take necessary measures. (short term, medium term) (METI)

- Improving the intellectual property management skills of patent attorneys  
Encourage patent attorneys to improve their skills in intellectual property management (including international standardization) by, for instance, utilizing the continuous training system specified in the Patent Attorney Law. (short term) (METI)

- Promoting the training of small and medium-sized business consultant  
To support the management of small and medium-sized companies employing an

intellectual property strategy, promote training on intellectual property management for small and medium-sized business consultant. (short term) (METI)

- Improving the training of examiners to promote cooperation in international patent examination

Improve the training of examiners to implement international preliminary examination in English, search patent documents written in foreign languages, and encourage international conferences. (short term) (METI)

- Building networks of specialized human capitals around intellectual property management human capitals

Build networks to strengthen the cooperation among human capitals specializing in conflict resolution, overseas systems, and other areas around the human capitals for intellectual property management that helps develop intellectual property strategy to strengthen industrial competitiveness. (short term) (METI)

- Further enhancing the educational materials on intellectual property

Further enhance the educational materials on intellectual property available on the Internet for use in the development of intellectual property human capitals in various areas. (short term) (METI)

- Conducting activities to encourage student understanding and interest regarding intellectual property

Conduct activities, including school education, to encourage the creativity of school children and improve their understanding of and interest in inventions. Promote cooperation and alliances among organizations that provide education on intellectual property to enhance the effects of the education. (short term) (MEXT and METI)

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### 3. Cutting-edge digital network strategy

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[Expected outcome] (as of 2020)

- Market size of the digital internet content business (include new businesses) expanded from about 1.4 trillion yen (in 2008) to about 7 trillion yen\*

[Target indicators] (as of 2020)

- About 80% of books and broadcast programs are also available in electronic form.\*
- Reduce the amount of websites in violation of copyrights by about 80%.\*
- Sales exceed 100 billion yen in business established for the global distribution of Japanese websites.\*
- School children can freely use digital data using various information devices provided as one unit per student in classes.\*

#### (1) Promoting electronic distribution of information and use Japan's intellectual assets transformed into digital archives

[Recognition of the situation]

In the U.S., the business of electronic books has been rapidly growing and various devices have been made available. In Japan, the electronic book business that primarily uses mobile phones as a platform developed ahead of the U.S. However, Japan has yet to adequately respond to the rapid growth of the electronic book business through the use of various devices. Consequently, greater efforts must be made to promote a larger number of electronic books. The use of information and communication technologies further promotes learning and collaborative learning according to the skills and personal characteristics of each child. From the perspective of promoting such “innovative learning,” the introduction and use of digital educational materials must be actively promoted.

Business opportunities to digitize past intellectual assets for accumulation and use are expanding, and activities to digitize and use intellectual assets, including the digitization of books from various countries by U.S. companies and digital archiving of the European Commission's online digital library. In view of enhancing Japan's first infrastructure, it is important to promote the digital archiving of web content and the use

of such archives.

[Example measures]

- Accelerating market development for electronic books  
Support the promotion of contracts between authors and publishers in electronic publishing, and also consider the rights of publishers. (short term) (MEXT and METI)  
Develop and promote the use of an intermediate file format allowing the vertical writing style of the Japanese language and kana reading to make electronic books available on various devices and platforms, and assist small and medium-sized companies in responding to such a format. (short term) (MIC and METI)  
Make the final format—ultimately the standard of overseas forums—capable of the vertical writing style of the Japanese language and kana reading, in cooperation with Asian and other countries. (short term) (MIC and METI)  
To facilitate the efficient introduction of digital educational materials, conduct research and development concerning educational materials and methods of instruction, and then distribute the achievements. (short term, medium term) (MEXT and MIC)
- Archiving intellectual assets and promoting the use of archives  
In view of the development of intellectual infrastructure in Japan, promote the use of digital archives of publications in past media held by the National Diet Library.  
More specifically, support such activities as setting rules based on agreement of the relevant parties to allow tours of public libraries and making data available on the Internet, while avoiding any pressure on private-sector businesses. (short term) (MEXT, METI, and MIC)  
To allow the electronic delivery of books to the National Diet Library, support such activities as considering the establishment of rules that would, for instance, limit the books distributed as electronic books in the market to viewing for reference. (short term) (MEXT, METI, and MIC)  
Promote the use of NHK program assets, including funding related to distributing Internet-based broadcast programs such as NHK On Demand. Also assist in activities to further expand the archives of commercial broadcast programs. (short term) (MIC)  
Support the enhancement of archives at each institution to promote the use of archives of various media such as comics, cartoons (*anime*), movies, and books. In

taking into account the cooperation regarding the archives of other countries, network such archives and develop centralized databases. (short term, medium term) (MEXT and MIC)

Promote a more efficient process of copyrights for publications after a certain period of time to make various archives available for use, such as books of the National Diet Library and broadcast programs. (short term) (MEXT)

## (2) Strategically developing the basis of digitization and networking

[Recognition of the situation]

As digitization and networking continue to progress, new movements concerning content have been rapidly growing.

The introduction of various electronic devices and smart TVs resulted in a rise of cloud computing services that make purchased content available for use anywhere and at any time, and which are expected to penetrate the market. Such cloud computing services and strong Internet infrastructure contribute considerably to crisis management in case of major disasters. Meanwhile, some have pointed out that in Japan, cloud computing services may, in some cases, violate copyrights, thereby demanding immediate action to develop an environment for cloud computing services from the perspective of intellectual property.

There is also a global platform for various types of content being developed. In Japan, platforms for mobile phones were originally developed. However, the rapid spread of smartphones today has exposed the domestic platforms to competition with global counterparts. And the growing popularity of smart TVs is likely to result in competition with platforms faced by conventional media.

To this is added a new form of expression—the release of 3D images—suggesting more opportunities to give new appeal to Japan’s future content industry. Nonetheless, the supply of 3D content currently remains inadequate, thus preventing a rapid increase.

[Example measures]

- Developing an environment for cloud computing services  
Organize the issues regarding the copyright system, including the solutions to legal risk, and take necessary measures to develop an environment for cloud computing services for content in Japan. (short term) (MEXT)

- Developing an environment for platform competition  
Collect information on the international trends of platforms and pay close attention to the reality of competition. (short term, medium term) (Japan Fair Trade Commission (JFTC))
- Promoting 3D images  
Establish safety standards, distribute production technologies, and develop human capitals as activities to promote 3D content, in addition to more 3D broadcasts by NHK and private companies. (short term) (MIC and METI)

### (3) Improving the response to international violation of copyrights

[Recognition of the situation]

The progress of digitization and networking has caused the content violation of copyrights to globally prevail on the Internet. For instance, Japan's popular cartoons (*anime*) and comics are uploaded to overseas servers with foreign language subtitles immediately after domestic release, resulting in growing illegal distribution. Pirated versions of famous Japanese books are also sold on global platforms. Such activities constitute major obstacles for the global development of Japanese websites. The content violation of copyrights that assumes domestic use often involves overseas contribution sites.

When overseas carriers are directly or indirectly involved in such illegal distribution, a request for deletion could encounter numerous obstacles and adequate countermeasures would prove difficult. In addition to domestic measures in the past, measures against the international violation of copyrights on the Internet must be strengthened.

[Example measures]

- Eliminating the violation of copyrights on the Internet  
Hold discussions within an international framework to build a mechanism to share information on lawful copyright holders, in order to eliminate globally distributed content on the Internet in violation of copyrights. (short term) (MEXT and METI)  
Consider comprehensive measures and draw a conclusion, including voluntary actions taken by private-sector companies, against overseas websites on which copyrights are often violated (short term) (MIC, MEXT, and METI)

Request the governments of the countries where copyrights are violated through bilateral talks and the Public-Private Joint Delegation for the Protection of Intellectual Properties (formed by the government and International Intellectual Property Protection Forum (IIPPF)), to improve preventive measures against such violation on the Internet. Promote use of the Content Overseas Distribution Association (CODA) by private-sector companies to demand overseas Internet service providers to delete content that violates copyrights. (short term) (METI, MEXT, and MIC)

#### (4) Strengthening the infrastructure for creation that forms the basis of human resource development

[Recognition of the situation]

In response to the progress made in digitization and networking, the infrastructure to create new content must be strengthened. The level of individual creativity in Japan is high, offering various types of potential. The environment facilitates the use of digital production tools, while the spread of social networking services and video-sharing websites encourage original secondary creation, which, in some cases, results in the creation of business.

[Example measures]

- Facilitating secondary creation as an infrastructure for creation  
Consider legal issues concerning parodies and make efforts to define the rules dealing with intellectual property rights in joint creation or secondary creation on the Internet. (short term) (MEXT and METI)
- Promoting the use of digital content  
Introduce the best practices of blanket contracts and support efforts for a private-sector consensus on copyright violation, in order to facilitate the activities of individuals in introducing some existing content and secondary creations on the Internet, and encourage the use of digital content. (short term) (MEXT)



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#### 4. Cool Japan strategy

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[Expected outcome] (as of 2020)

- Market size of the Cool Japan-related industry for Japan expanded from about 4.5 trillion yen (in 2009) to 17 trillion yen by 2020

[Target indicators] (as of 2020)

- Achieve new annual income of 1 trillion yen using Japanese content as the core in the Asian market.\*
- Increase the annual number of foreign travelers to Japan from about 8,610,000 (in 2010) to 25,000,000.
- Increase the number of foreign visitors to international trade shows in Japan from about 65,000 (in 2010) to 300,000.
- Achieve the lifting or easing of restrictions on content in other countries.\*
- Have a total of 10,000 content creators visit elementary and middle schools.\*

##### (1) Discovering or creating Cool Japan

[Recognition of the situation]

The concept of “Cool Japan” extends to such content as games, comics and cartons (*anime*), fashion, products, Japanese food, traditional culture, designs, and even such high-tech products as robots and environmental technologies.

This is a gap, however, between the images of Cool Japan held by Japanese and those actually sensed by non-Japanese people. Instead of predefining Cool Japan, it is important to establish Cool Japan through ongoing trial and error, while searching for what Cool Japan really means.

In the Globally Networked Age, an inherent identity that cannot be duplicated appears “cool” in the eyes of foreigners. Cool Japan is concealed as something ordinary for Japanese, such as characteristics based on Japan’s original cultural, tradition, and lifestyles, the particularities and politeness unique to the Japanese people, advanced energy-saving and resource-saving technologies based on skilled downsizing, and creative content that grows in free thinking minds.

In other words, it is important to discover or create assets that have been buried in various regions of Japan without noticing the attention of non-Japanese people, and then

convert those assets into global businesses. Since the appeal of each aspect varies depending on who feels it, it is also important to develop Cool Japan strategically and flexibly according to the market structure of each country and the details of Cool Japan.

In particular, images on television are very influential in comprehensively presenting the appeal of Japan beyond the language barrier. It is important to create superior image content that can be globally distributed.

It is therefore important to express such diverse appeal, as various cultures have been fostered in each region of the country.

[Example measures]

- Discovering or creating through images  
Produce and globally distribute image content using image content and 3D that presents Cool Japan, including the appeal of various regions and people, and other capacities such as advanced technologies and planning. (short term) (MIC, MOFA, and METI)  
Support the production of globally competitive works through funding that provides overseas development funds. (short term) (METI)  
Support international joint production and sign an agreement for international joint production with Asian and other foreign countries. (short term, medium term) (METI, MOFA, MIC, MEXT, and MLIT)  
Promote the distribution of Japanese content at opportunities for exchange within the Asian region such as the Asia Content Business Summit, the China, South Korea, and Japan Cultural Content Industry Forum, China-Japan image exchange business (movies, TV week), and the “Anime Festival,” as well as international joint production and deregulation in foreign countries. (short term) (METI and MIC)
- Establishing a development strategy in response to the needs of target countries  
Effectively combine content, fashion, food, living, tourism, and local products in establishing a global development strategy based on the needs of each country. (short term) (METI, MIC, MOFA, MEXT, MAFF, and MLIT)

## (2) Globally distributing Cool Japan.

[Recognition of the situation]

The global spread of Cool Japan requires a strategically *cool* distribution of

information. It is therefore important to devise a development strategy to meet the needs of the target country.

In addition to individual products or services, an organic combination of various items must also be employed for effective distribution. Efforts should also be made to invite foreign people to visit Japan by presenting, for example, the unique appeal of each region through movies, TV dramas, fashion, food, and lifestyles, in an integrated manner.

It is also important to enhance the delivery of information at domestic and overseas events, and use various channels, including the Internet, to improve distribution.

In view of the Great East Japan Earthquake, Japan's restoration must be properly reported. The situations in Japan are not necessarily reported accurately in other countries. In addition to conventional newspaper and broadcasting media, social networking services have also played a significant role in the overseas distribution of information. It is thus important to accurately and promptly distribute information in multiple languages through various channels, including international events related to Cool Japan. It should be noted that the overseas development of Cool Japan, including digital content, demonstrates to the world Japan's strong commitment to reconstruction. Without falling into a vicious cycle of excessive self-restraint, we need to revitalize and rejuvenate the country through activities related to Cool Japan, and accelerate reconstruction.

[Example measures]

- Building a mechanism to distribute Cool Japan  
Establish "creative directors" who will be responsible for the communication strategy for Cool Japan, and build a network of people ("ambassadors") who will distribute Cool Japan overseas. (short term) (METI)  
Improve the information delivered overseas at such domestic events as CoFesta, the Media Arts Festival, and various trade shows, make efforts to invite foreign visitors, and encourage more participation from other countries in the exhibitions. (short term) (METI, MEXT, Cabinet Secretariat, MIC, MOFA, and MLIT)  
Take advantage of such international events as the London Olympics and anniversary events (e.g., Japan-US. Cherry Blossom Centennial) as opportunities to establish a mechanism to distribute information on Cool Japan via the Cabinet Office and relevant ministries. Also establish a mechanism to present Cool Japan rooted in local communities in cooperation with local governments. (short term) (MOFA,

Cabinet Secretariat, MIC, MEXT, MAFF, METI, and MLIT)

- Distributing information taking into account the Great East Japan Earthquake  
Deliver appropriate information on recovery from the disaster to other countries through multilingual portal sites, at domestic and overseas events related to Cool Japan, in a reconstruction campaign, and via exchange with overseas people. (short term) (Cabinet Secretariat, MIC, MOFA, MEXT, METI, and MLIT)  
Distribute information in Japan to raise awareness about creative reconstruction through Cool Japan. (short term) (Cabinet Secretariat)
- Promoting an image strategy  
As part of image strategy, improve multilingual information on the Cool Japan portal site and deliver uniform images, including the creation of a logo. (short term) (Cabinet Secretariat)  
Hold an international conference to exchange the opinions of world-class experts on civilization, and deliver new values to the world. (short term) (MEXT)
- Developing images and broadcasting  
To promote the overseas development of image content, including broadcasting programs, establish a consortium based on public-private cooperation and support private-sector activities to deliver information overseas, including the use of local languages. Establish a venue for discussions, including the preparation of guidelines to facilitate the treatment of copyrights, and then take necessary measures. (short term) (MIC, MEXT, and MOFA)  
Support activities to promote international programs through satellite broadcasting and cable TV channels in each country and region, in order to improve the distribution of information on Cool Japan. (short term) (MIC)
- Providing information on international flights  
Work to provide a video on Cool Japan on international flights departing from, and arriving in Japan. (short term) (Cabinet Secretariat, MIC, MOFA, MEXT, MAFF, METI, and MLIT)
- Improving the distribution of information on Cool Japan using digital content  
Encourage private-sector efforts to include Cool Japan as pertaining to fashion and food that appear in influential movies, dramas, and games. (short term) (METI)

### (3) Making Cool Japan more popular

[Recognition of the situation]

After the related information on Cool Japan is distributed, the concept must be made more popular. To this end, it is important to develop enthusiastic, regular customers and increase the number of foreign visitors to Japan for revitalizing the domestic economy. At this time, tourists as well as business customers should be included to enhance the effect. Las Vegas, for instance, now attracts more business customers than casino customers by holding large trade shows. It is also important for Japan to substantially increase the number of foreign visitors to international trade shows. Efforts must be made to increase the current number of approximately 65,000 to 300,000 visitors by 2020.

A mechanism must also be devised to sequentially increase the popularity of Cool Japan by forming a group of particularly influential foreign opinion leaders who may become the core “fans.”

It is also important to establish a basis for increasing popularity by recognizing the excellent activities of Cool Japan, in order to encourage the willingness of relevant parties and improve the information on Cool Japan delivered to the world. Try to expand the market size of the Cool Japan-related industry in Japan through such activities from about 4.5 trillion yen (in 2009) to 17 trillion yen by 2020.

The Great East Japan Earthquake also adversely affected public perceptions about the reliability of Japanese food, tourism and products, thereby entailing an urgent need to promptly recover Japan’s brand image. Therefore, efforts for that purpose must begin immediately.

[Example measures]

- Recovering Japan’s brand image from the Great East Japan Earthquake  
Restore the image of Japanese food, deliver accurate information, strengthen domestic examination systems, build a system for issuing certificates necessary for exports, and develop other necessary systems. (short term) (MAFF)  
Distribute accurate information and improve the support for tourism events to help restore Japan’s tourism industry. (short term) (MLIT)  
Distribute accurate information on Japanese products and subsidize the fees for radiation testing on export goods conducted by test agencies designated by the government, so as to prevent the stagnation of distributed goods due to damage caused by rumors, and facilitate international trade. (short term) (METI)  
Distribute appropriate information, respond to inappropriate media reports through Japanese embassies, and request overseas authorities to prevent excessive restrictions through diplomatic channels. (short term) (MOFA, MAFF, METI, and

MLIT)

- Recognizing efforts through the Cool Japan Award (tentative name)  
Make Cool Japan more popular by recognizing the particularly excellent activities of Cool Japan, and the individuals and groups that have made notable contributions to promoting Cool Japan. (short term) (METI, MIC, MEXT, MAFF, MLIT, and MOFA)
- Increasing the regular customers of Cool Japan  
In order to increase the number of tourists and business customers who will become fans of Japan, promote the development of travel routes to Japan under the theme of Cool Japan, by also linking with international trade shows. (short term) (MLIT, MEXT, METI, and MAFF)  
In order to promote local economic activities and increase the number of tourists, support such activities as the restoration and presentation of historic sites, and local traditional performing arts that reflect the characteristic cultural heritage existing throughout the country. (short term) (MEXT and MLIT)
- Increasing activities for international trade shows and distributing information  
International trade shows provide good opportunities to globally distribute information and effective tools to attract business customers who can help increase economic activities. Therefore, support more activities to hold international trade shows in Japan, while increasing the synergy with local tourist attractions. (short term, medium term) (METI and the MLIT)
- Inviting information leaders  
Invite overseas media agencies, well-known bloggers, and content creators to help make Cool Japan more popular. (short term) (MOFA, MEXT, MLIT, and METI)
- Considering the introduction of a geographical indications protection system.  
To protect the brand image and promote the exports of Japan's high-quality agricultural, marine, and other food products, consider introducing a system to protect the geographical indications (GIs) of agricultural, marine, and other food products, and then reach a conclusion. (short term) (MLIT and METI)
- Promoting participation in the Anti-Counterfeiting Trade Agreement (ACTA)  
Encourage Asian and other countries to participate in ACTA, in order to internationally protect brand value. (short term, medium term) (MOFA, METI, MEXT, MIC, MOJ, and MOF)

#### (4) Developing an infrastructure for Cool Japan

[Recognition of the situation]

Promptly restore and reconstruct the Cool Japan-related infrastructure that was damaged by the Great East Japan Earthquake. It is important for subsequent restoration activities to incorporate Cool Japan, taking into account the demands of the disaster-afflicted communities.

The regulations of other countries may become obstacles in some areas relative to the global expansion of Cool Japan. In the content area, for instance, some countries continue to impose conventional quotas on foreign movies and TV programs, and place restrictions on imported game devices, thereby making governmental efforts toward deregulation essential.

A system of supporting activities related to Cool Japan led by Japanese embassies must also be strengthened in foreign countries.

[Example measures]

- Restoring and reconstructing the infrastructure related to Cool Japan  
Promptly restore the cultural assts, tourist attractions, and information and communication infrastructure. (short term) (MIC, MEXT, and MLIT)  
Implement various measures related to Cool Japan, including the development of a Creativity Base in the disaster-afflicted areas, by taking into account the demands of local communities and relevant parties, and make other contributions to reconstruction efforts. (short term, medium term) (MIC, MEXT, MAFF, METI, and MLIT)  
In response to the Great East Japan Earthquake, use public loans and guarantees that have been drastically improved to strengthen the measures for financing small and medium-sized companies, and support the recovery of facilities of victimized small and medium-sized companies, in terms of human capitals and finance. (short term) (METI)
- Demanding deregulation in foreign countries as related to Cool Japan  
Strongly demand and achieve the reduction or abolition of regulations in Asian markets and other foreign countries on digital content and food. (short term, medium term) (MOFA, METI, MIC, MEXT, and MAFF)

- Improving Japanese embassy support for Cool Japan  
To promote overseas expansion in view of local needs, select propriety countries and cities, and then establish a “Cool Japan Support Taskforce (tentative)” based on the cooperation of relevant local institutions and the private sector, and led by the Japanese embassy in each country. Support the overseas private-sector activities related to Cool Japan by providing such facilities as overseas branches of the Japanese government, maintaining a diplomatic presence through ambassadors, and by using local networks. (short term) (MOFA, METI, MAFF, and MLIT)
- Forming a network of culturally relevant parties concerning Cool Japan  
Hold a conference in Japan of cultured persons and artists from the East Asian countries, in order to build a people network, and promote cultural exchange among those East Asian countries to strengthen the communication infrastructure for Cool Japan. (short term) (MEXT)
- Developing a base of Cool Japan  
Develop facilities to meet the quarantine requirements for the export of agricultural, marine, and other food products. (short term) (MAFF)  
Re-establish Tokyo’s image as the capital and promote the development of a Creativity Base in local areas to make Japan the primary information center in the field of creative works in Asia and the world. (medium term) (METI)

#### (5) Improving the globally competitive human resource infrastructure

[Recognition of the situation]

Promoting the overseas expansion of Cool Japan requires human capitals for producers who are able to commercialize Cool Japan using global networks. In April 2010, government certification was established as a goal to be achieved by people in the content business, and more relatively qualified human capitals are expected to follow. At present, however, the supply of such human capitals remains adequate. Business opportunities for global expansion must be created, an environment in which to collect superior human capitals must be developed, and a mechanism to develop human capitals, including young content creators, must be built.

It is also important to foster the skills at a young age to multilaterally understand information and determine its true value after experiencing various types of content.

[Example measures]



- **Developing professional human capitals**  
Support the development of producers and provide opportunities for exchange between the Entertainment Lawyers Network having expertise in international business operations and content business operators to strengthen the response to international business. (short term) (METI and MEXT)
- **Growing young content creators**  
Promote the development of human capitals by providing production opportunities to young animators. (short term) (MEXT)  
Establish an industry-academia consortium in which technical schools, universities, and the industrial sector cooperate in the field of web content. Build a learning system, including one that facilitates learning by working adults, to develop practical vocational capabilities. (short term) (MEXT)  
Promote an international exchange of content creators by inviting overseas and young content creators. Establish venues for overseas creators to conduct creative activities (e.g., artist-in-residence program) throughout Japan. (short term) (MEXT)
- **Expanding the scope of content creators**  
Increase the opportunities for creators in the field of digital content to visit schools, thereby allowing children to experience various expressions of art and culture from a young age. This will foster their communication skills and ability to determine the true value of various works of art. Creative activities, intellectual property education, and information moral education (about the ideas and attitudes that form the basis of appropriate activities in our information society) within the scope of school education will also be improved. (short term) (MEXT)

### III. Process chart for implementing four strategies

The process chart shown in Appended Table 1 has been prepared to clearly indicate “who” does “what” “by when” in implementing the four strategies mentioned above. The entire government must implement the measures listed in this process chart without fail. The measures will be modified as required in case of a significant situational change in the future, including additional measures concerning the earthquake.

< Reference > The progress in implementation of *Intellectual Property Strategic Program 2010*

(cf. Appended Table 2)