

# Intellectual Property Promotion Plan 2019

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Intellectual Property Strategy Headquarters



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## **1. Introduction**

### **(In the formulation of the “Intellectual Property Promotion Plan 2019”)**

In June 2018, the Intellectual Property Strategy Headquarters decided on the “Intellectual Property Strategy Vision,” which shows the direction of the medium-and long-term outlook and measures for Japanese society and intellectual property system, and set forth the realization of a “value design society” as the ideal society. The Intellectual Property Promotion Plan 2019 and beyond will formulate a plan to implement Japan's comprehensive and consistent intellectual property strategy for realizing a value design society, based on the results achieved so far.

From last year onward, we have been holding discussions on the direction of specific policies for the realization of a value design society at the “Special Committee on Intellectual Property Strategy Vision” established under the Intellectual Property Strategy Headquarters. While this was going on a verification, evaluation, and planning committee of the “Intellectual Property Promotion Plan 2018” (determined by the same headquarters in June 2018), we followed up on further intellectual property initiatives and compiled the “Intellectual Property Promotion Plan 2019.” In compiling, the results of the discussions in the Special Committee were positioned as an indication of the medium-to-long-term direction of the future Intellectual Property Promotion Plan, and the talks in the Verification / Evaluation / Planning Committee were positioned as the priority of the immediate measures, taking into consideration the arrangements. Based on this planning, Japan's comprehensive and consistent policy on intellectual property strategy toward realizing a value design society based on it is becoming an intellectual property country will be promoted going forward.

### **(Toward the realization of a value design society)**

Until now, people of power, authority, or financial power have defined value, and each market participant has competed for its realization. In contrast, in modern times, the speed and scale of the distribution and dissemination of information have dramatically increased with the progress of digitalization, while businesses have become increasingly global.

Also, data itself and how to use it, including the use of AI, is becoming more important in the future, and platforms such as GAFA (Google, Apple, Facebook, Amazon) and BAT (Baidu, Alibaba and Tencent) are using the vast amount of data they collect to expand new businesses with the support of users. While it occurs, overseas, there is also a movement toward the development of rules for strategic data management by many countries.

In such an era, the process of creating new values is being democratized, and each of the entity is proactively envisioning (designing) new ideas, and questioning society, gaining empathy, defining new values, and changing society. That is the essence of the “value design society”.

The idea of bringing about social change is born from edgy talent. In the coming era, the process of creating new value will be democratized, and diverse personalities will be accepted. It is important not to receive high praise for being average on several axes evenly, but to develop and make use of outstanding abilities that are far from the average on a specific axis or not bound to an existing axis. New ideas are embodied by the fusion of multiple edgy personalities and talents. Of those, those ideas that have gained empathy from certain people in some form will be attained as a specific value. A society in which the process leading to the realization of such value is born one after another is a value design society. It is also a society where the ability to determine how to create new ideas and attain them as values, and the ability to conceptualize (design) ideas and methods that are likely to gain empathy.

What is needed for this realization is, first and foremost, to unleash and blossom the non-average, edgy potential, and talents of individual entities.

Secondly, that such brilliant talents unite and fuse with each other to create new ideas.

Thirdly, the new ideas must have some sympathy and be executed as the value.

Starting with the release of individual entities, these three activities, while being closely related to each other, will continue to progress through trial and error.

The future intellectual property strategy will accelerate the attainment of a value design society through the following three pillars in order to facilitate these three activities (Figure 1).

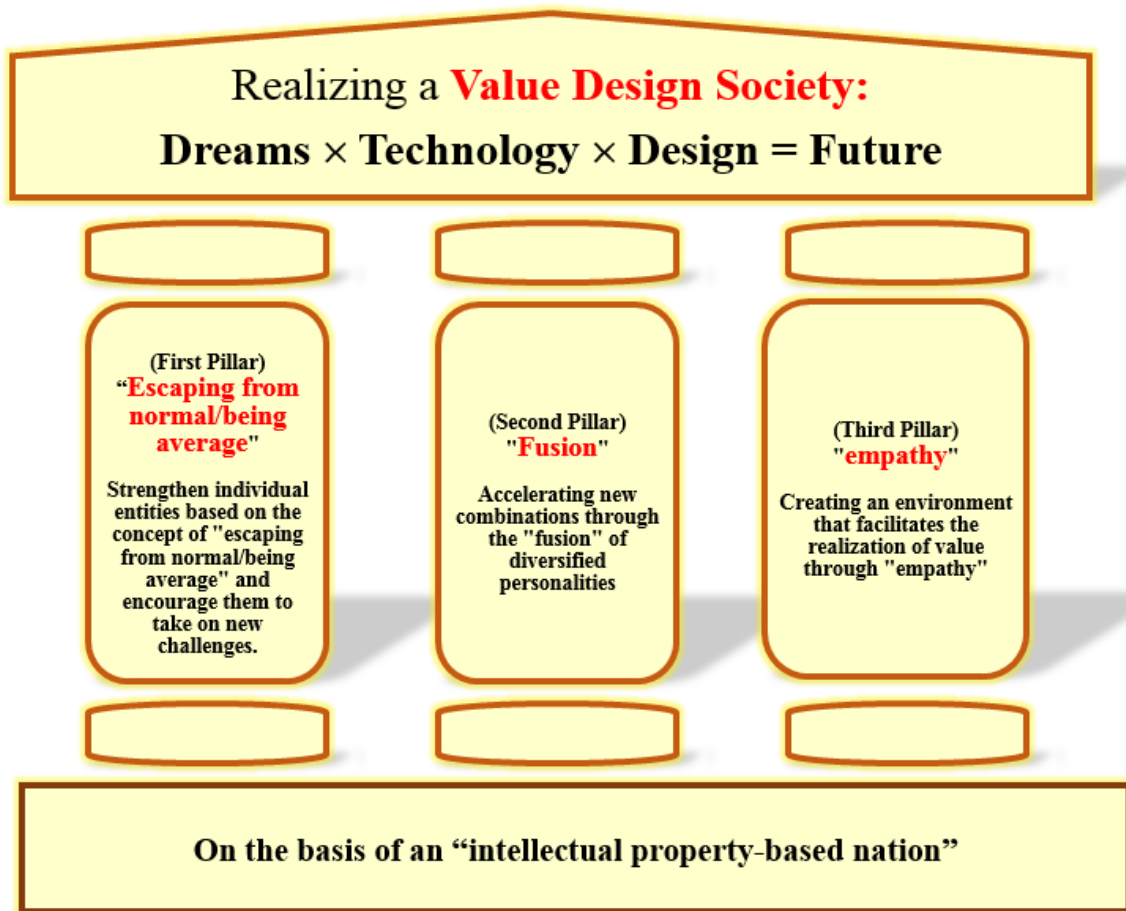
The first pillar; the idea of "escaping from normal/being average" to strengthen individual entities and encourage challenges

The second pillar; to accelerate new connections through the "fusion" of dispersed and diverse personalities

Third pillar: creating an environment where value can be easily attained through “empathy”

Also, the value defined here refers not only to the economic value that the conventional capitalist society has emphasized, but also to a variety of social and cultural elements, and consequently to economic value. As data and intellectual property conflicts on various fronts arise throughout the world, attention and expectations are increasing for Japan, which is uniquely positioned to achieve a sustainable and inclusive economic society. We will accurately grasp such situations, present diverse values, and aim to attain a value design society in which it is difficult for other countries to imitate while using "characteristics of Japan" successfully in the process of realization.

**Figure 1** Attainment of a value design society based on intellectual property

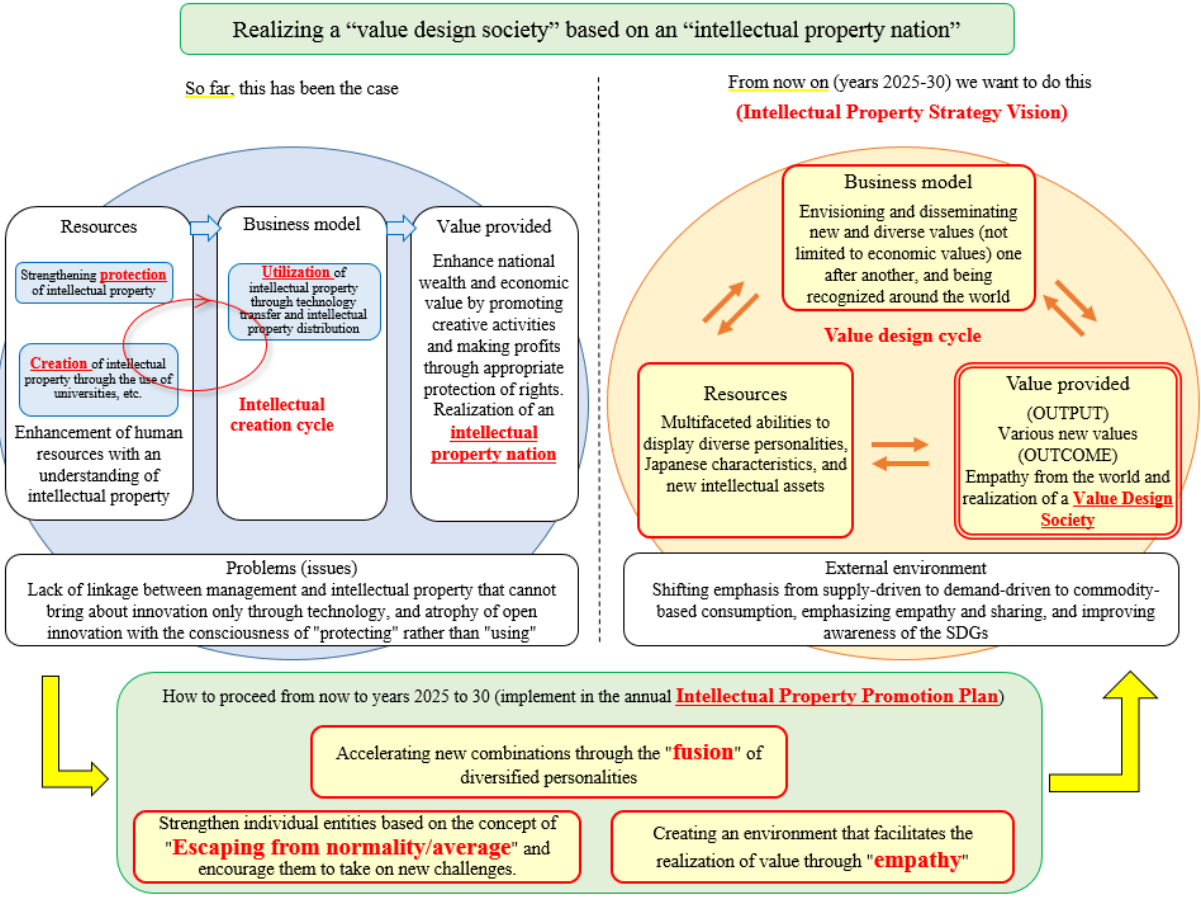


**("Previous" intellectual property strategy and "Future" intellectual property strategy)**

The “previous” intellectual property strategy, which has been aimed at the attainment of an intellectual property establishment based on the intellectual creation cycle, and the intellectual property strategy of the “future” aiming at the attainment of a value design society based on the intellectual property establishment, and the overall transition strategy towards the “future” is arranged by the idea of the “Management Design Sheet,”<sup>1</sup> and can be summarized as shown in Figure 2.

The annual Intellectual Property Promotion Plan solidifies the transition strategy. After the “Intellectual Property Promotion Plan 2019”, we will formulate and promote a plan based on three pillars for attaining a value design society.

**Figure 2. Overview of previous Intellectual Property strategy, future Intellectual Property strategy, and overall image of a transition strategy**



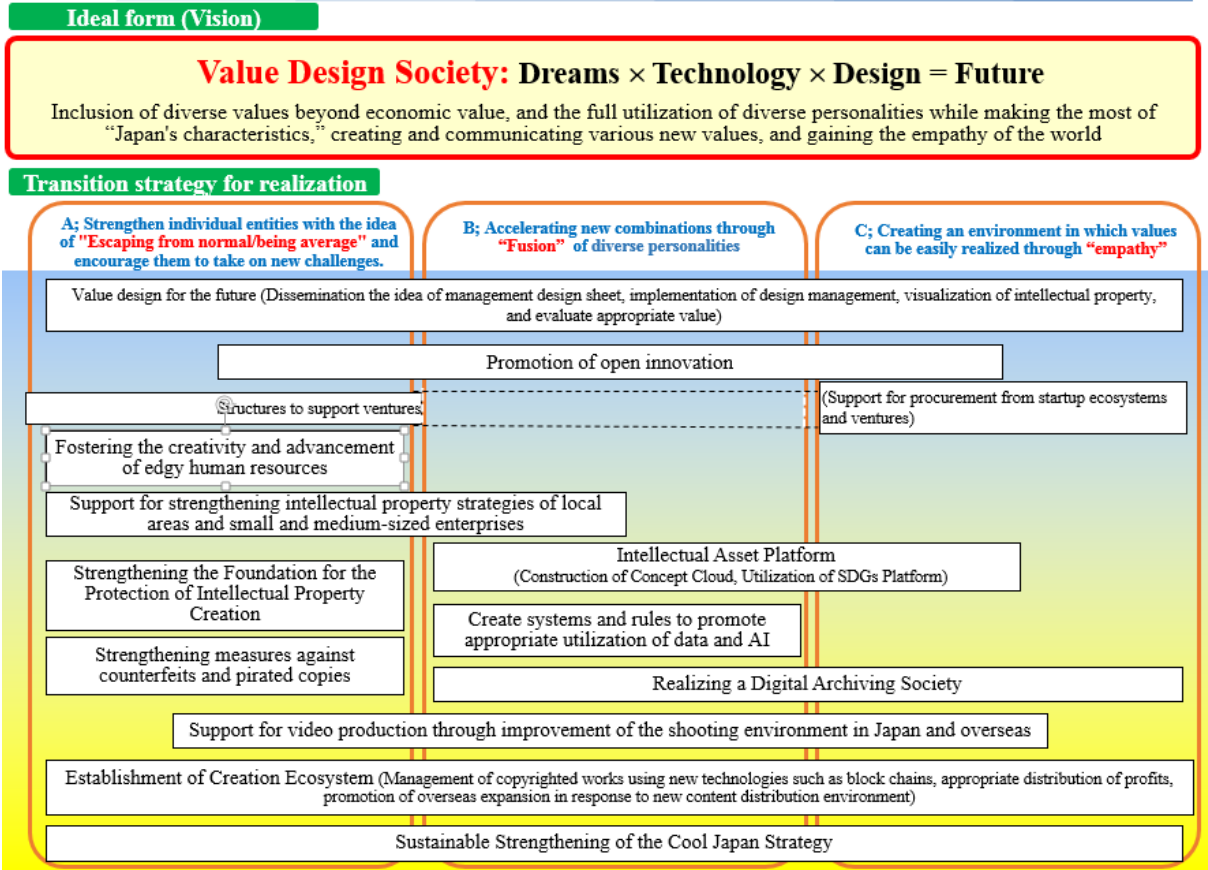
<sup>1</sup> The "Management Design Sheet" is a tool to grasp the significance of their own company's existence and the form of the business so far (what resources have been used, what business model, and what value has been created) and is a tool that can list the value they will try to offer and the way to create that value (resources and business model used) (see below). For details, see [https://www.kantei.go.jp/jp/singi/titeki2/keiei\\_design/](https://www.kantei.go.jp/jp/singi/titeki2/keiei_design/).



**(Three pillars and priority items of the current measures)**

Figure 3 shows the priority items of the current measures along the above three pillars.

**Figure 3** Positioning of three pillars and the priority of the current measures



The items taken up as specific priority measures, for the time being, should be tackled as new measures immediately by the relevant ministries and agencies or should be strengthened immediately by the conventional measures. However, there is a range of relations for three pillars, and there are also those spanning the three pillars, respectively. In that case, the specific contents are listed under the most closely related pillars, but especially when it is necessary to describe them in relation to other pillars, only the items are described and re-arranged later.

## **2. Strengthen individual entities with the idea of "escaping from normal/being average" and encourage challenges**

### **(1) Medium-to long-term direction**

In the future value design society, it will be individual entities with edgy talent that create opportunities to create new values. In a time when supply was insufficient to meet demand, it was essential to create masses of the same thing in large quantities efficiently and establish a stable organization for this purpose, so society sought homogeneous human resources with average abilities from various areas (axes), and tried to send them both at home and at educational sites. There were few opportunities for human resources and companies with special talents to work on any axis or beyond that axis.

However, in the value design society going forward, it is the individual entities who have an edgy talent in some aspect or beyond the axis, and releasing the talents of individual entities with the idea of "escaping from normal/being average" is the key to create opportunities to create new values. In addition to providing an environment in which such entities can live and be easily challenged, we will develop various areas of support for things that are necessary to attain actual value but are lacking in such entities.

#### **(i) Helping edgy talent to blossom**

The edgy talents that have not been fully utilized or are difficult to handle so far are the driving force to attain value design that opens up the future, and the idea of "escaping from normal/being average" liberates the potential of the entities with the potential, and makes the talent bloom (Figure 4a). For this reason, for example, we will promote the following initiatives.

- As places where potential can be liberated, and intangible edgy talents can be assessed, new places for learning (clubs, cram schools, lodges, etc.) and extracurricular activities (e.g., ROCKET Project for Talented Children<sup>2</sup>, high school, and university entrepreneurship department, juvenile invention club) will be increased, and so on will be utilized. As edgy talents often appear from a young age, we will create a system that can

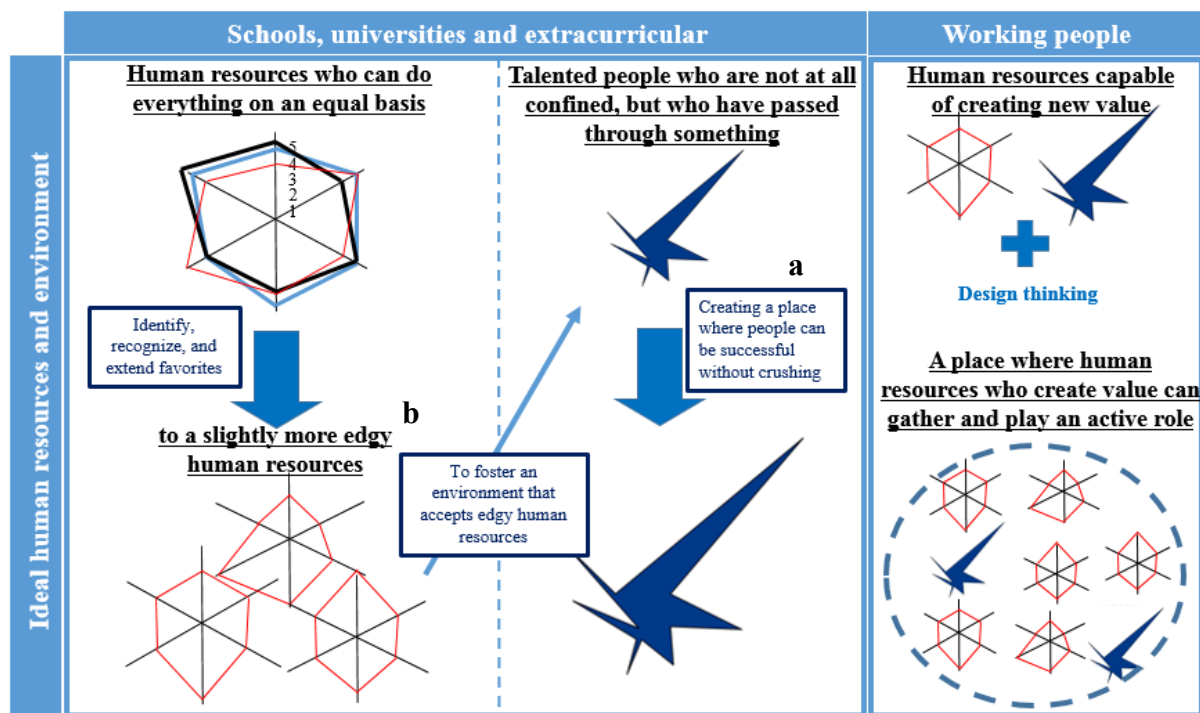
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<sup>2</sup> The "ROCKET Project for Talented Children" is a project by The Nippon Foundation and the University of Tokyo's Research Center for Advanced Science and Technology, with the acronym "Room of Children with Kokorozashi and Extra-ordinary Talents." See <https://rocket.tokyo/>

aggregate and provide information, from childhood, so that they can easily access and participate in those places.

- We will increase opportunities to come in contact with various raw materials, refine their sensitivity about the true and good beauty, and awaken their latent power.
- When their potential is discovered, professionals on the same road will raise their talents. Or, for the edgy talents that cannot be evaluated by the conventional evaluation axis, we will determine a person to search, and that person will fish for the human resources.
- At universities, we will provide education to develop engineers with a background in the CTO, and PhDs that can challenge boldly with free ideas, and approve multiple majors.
- We will promote training programs through the cooperation between engineering and design, so that human resources who have acquired the knowledge of both art and science, design and technology can play active roles in marketing and management (such as the opportunity to study design at KOSEN National Institute of Technology and learn technology at Colleges of Art and Design).

**Figure 4.** A society where edgy talent is easy to be active



**(ii) We will develop an environment where edgy people and companies can easily challenge**

Until now, there have been cases in which entities with edgy talents that deviate from the

average evaluation axis are no longer good at school and society, and in many cases, guidance is given that cuts off those edgy points. Changing this environment and understanding and evaluating individuals and societies around them with edgy talents are indispensable to the activities of these entities. Also, the challenge of using such edgy talents often encounters various barriers, and even if the desired outcome is not achieved through the challenge, it is important to consider it not as a failure but as a positive thing and to make it easier to take on further challenges. For this reason, for example, we will promote the following initiatives.

- By discovering, noticing, and developing what they think they are enjoyable through intellectual property creation education in the classroom, we will develop human resources that are a little more edgy than in the conventional evaluation axis, and create an environment in which more and more people can understand and accept edgy human resources that are different from the conventional evaluation axis to a certain extent (Figure 4b).
- An entity with edgy talent challenges a variety of value designs and creates an environment in which the results, even if they do not reach the desired result, are properly evaluated (e.g., emphasizing the number of challenges rather than the probability of success, not just the outcome of success, but the emphasis on lessons in the process). Examples of evaluation indices of a challenge include the challenge (number of times), novelty (points of focus, combinations, etc.), inventive step, the effectiveness of analysis of the cause resulting in the result, quality, and versatility of the lesson obtained (derived).
- For those who have attempted to do so, consider them again as those who have derived the above-mentioned lessons (created intellectual property in a broad sense) and reflect them in their personnel evaluations (e.g., apply them to personnel evaluations within the organization, and prepare a form that allows them to self-publicize in job-seeking activities with new indicators, even for those who have failed to start up in business)<sup>3</sup>.
- Incentives should be provided to support the challenge of entities deemed to be "unusual talent."  
E.g.; to create a place for trial and error, including economic support technologies, materials, and IT environments for the activities of entities with unusual talents, or to make it easier to use.
- Startups are a typical example of designing value by challenging with edgy capabilities. Startups will be created one after another, and startup ecosystems will be built around

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<sup>3</sup> Some companies already have established a failure reward system as one part of their internal reward system, and these systems are also helpful.

several cities and universities based on examples from other countries that make it easier to take on challenges. (See <sup>4</sup>Startup Strategy “Beyond Limits. Unlock Our Potential.”)

- Encourage the value design of SMEs as a base for startups, development, and active participation.

### **(iii) Supporting edgy people and companies**

Even if a person with edgy talent attempts to design value by taking on a challenge, it is difficult for the person to attain the value by himself/herself alone. In particular, for young people and young enterprises, consideration will be given to the following assistance mechanisms in terms of human networks, funds, and social credibility.

For human networks,

- Match the ideal innovator with the practitioner thinking about a feasible way
- Introduce mentors who can consult when needed
- Support intellectual property and business aspects of the full-stack<sup>5</sup> research personnel (e.g., providing model contracts, contract checking services, deregulating the concurrent operation of large enterprise personnel wishing to provide such services)
- Match tech companies from rural areas to local supporters in Tokyo (e.g., wealthy people who have a cooperative relationship with financial institutions)

In terms of funding, we focus on purchasing and investment that directly affect income,

- First, the government and local governments will become venture customers (implementing the “Public Procurement Guidelines” in Strategy 5 of (“Beyond Limits. Unlock Our Potential” above) and revitalizing the “Trial Order System for Promoting Procurement from Local Government Startups)
- Disclosures related to procurement results from ventures by large enterprises and provision of incentives
- Study of partial abolishment of<sup>6</sup>, a consultation system for procurement by large enterprises

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<sup>4</sup> Council for the Promotion of the Integrated Innovation Strategy (fourth time) (March 29, 2019) Materials 3-1 “Beyond Limits. Unlock Our Potential... Strategy for Establishing a Base for a Startup Ecosystem that is on par with the rest of the world: Interim Report”

<sup>5</sup> People who are familiar with a variety of fields and who can do anything by themselves, and who can design ideas and prototypes by themselves. However, those who need support in terms of intellectual property and business.

<sup>6</sup> There is a concern that will catch the bud of edgy ideas.

- Develop a corporate culture in which people want to invest in ventures rather than entrusting money to banks (it is cooler to invest in 100 ventures than entrusting cash to banks).

Credit is important in shaping the credibility of an entity whose public or social recognition in any form is edgy.

- Adequate protection of intellectual property (with countervailing public power) relating to creative activities
- Improvement of social awareness through awards by various entities <sup>7</sup>, etc.

## **(2) Emphasis on immediate measures**

### **(i) Fostering the creativity and advancement of edgy human resources**

#### **(Current Status and Challenges)**

As mentioned above, the development of talented human resources requires the enrichment of places other than the curriculum. On the other hand, as an environment for accepting such talented human resources, it is important for them to play a role in the field of education in order to foster human resources with rich creativity, who have a certain level of understanding of such human resources.

Based on the revision of the Courses of Study in 2017 and 2018, efforts were made to enhance education aimed at cultivating creativity in elementary, junior high, and high schools. Against this backdrop, the Intellectual Property Creation Education Promotion Consortium, established in 2017, has been promoting education to create intellectual property nationwide so that people can experience the joy of "creating new creations" and realize the importance of "respecting creations." The also covers the utilization of intellectual property. In addition, based on the deliberations on the promotion of the utilization of advanced technology, efforts are being made to attain "individual optimization of learning" by EdTech and to attain STEAM education by fusing literature and science and problem-solving in the "future classroom" project, as well as concrete measures for effective utilization of advanced technology such as remote education based on ICT for realizing "Learning to Maximize Children's Strengths." Also, in the "AI Strategy 2019," in addition to fostering data science and mathematics and other skills as education on AI, the AI will promote the cultivation of creativity through experience in problem discovery and solving learning for new AI societies and the design of products and

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<sup>7</sup> For example, the Junior Chamber International Japan, a public interest incorporated association, sponsored the "Project for Better Identifying Unusual Talents."

services<sup>8</sup>.

Through initiatives such as the Education for Creating Intellectual Property, the "Classes for the Future" project, and the I-NO-vation project, it is hoped that the number of human resources with rich creativity will increase, which in turn will increase the understanding of human resources with edgy talents in society and increase the opportunities for such human resources to be accepted and be active.

With regard to the opportunity to unleash the latent potential of talented persons and to develop their talents, various initiatives have already taken place in extracurricular activities at schools and in new places of study outside schools (e.g., the ROCKET Project for Talented Children, etc.). However, since there is no mechanism to aggregate and provide such information, there is a challenge to make it easier for those who need it to have access.

#### **(Direction of Measures)**

- The government will collect and prepare teaching materials that can be used in intellectual property creation education and will utilize them to conduct demonstration classes at elementary, junior high, and senior high schools. It will also promote the provision of superior teaching materials through the introduction of a system for evaluating teaching materials, etc. (Short and Medium Term) (Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Education, Culture, Sports, Science and Technology)
- Efforts will be made to establish a system (regional consortium) that enables regional entities to implement education on intellectual property creation in the region. (Short and Medium Term) (Cabinet Office)
- In order for teachers and students aiming to become teachers to understand intellectual property creation education and to make their own efforts, we will study the creation of courses on intellectual property creation education in teacher courses and courses on renewal of teacher licenses, while utilizing teaching materials and other materials that have been created and collected so far. (Short and Medium Term) (Cabinet Office)
- Since new curriculum guidelines for learning will be implemented in elementary schools from academic year 2020, in junior high schools from academic year 2021, and in high schools from academic year 2022, in order to foster creativity and understanding of the significance of intellectual property, the purpose of the new learning guidelines will be thoroughly disseminated so that education on intellectual

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<sup>8</sup> "AI Strategy 2019" (decided by the Integrated Innovation Strategy Promotion Council on June 11, 2019)

property will be provided in elementary, junior high, and senior high schools in accordance with the stages of development. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)

- With a view to realizing "Learning to maximize children's strengths," basic concepts regarding the effective use of advanced technologies such as ICT-based remote education will be presented, and specific situations of the utilization of advanced technologies will be organized, and case studies will be collected. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- In the "Classroom of the Future" project, in order to foster the "creative problem finding and solving skills" required in the era of the Fourth Industrial Revolution, Society 5.0, initiatives will be promoted to (1) realize "individual optimization of learning" utilizing EdTech, and (2) attain STEAM education<sup>9</sup> through the fusion of literature and science and problem solving. Examples of STEAM education in industry-academia collaboration and regional cooperation will be established and collected. In addition, an online library of STEAM education content will be created. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- The government will develop an environment for sustainable activities in local communities by, for example, finding outstanding talents such as arts and culture, regardless of the household's economic situation through collaboration between schools and local communities. In addition, we will consider mechanisms for facilitating the search for persons with edgy talents, such as extracurricular activities and the creation of a database of new learning opportunities. (Short and Medium Term) (Cabinet Office, Ministry of Education, Culture, Sports, Science and Technology, and other ministries and agencies concerned)
- Utilizing such schemes as unprecedented businesses, global science scanning paths, and next-generation entrepreneur development projects, we will find people with edgy talents and raise their talents on the same path. (Short and Medium Term) (Ministry of Economy, Trade and Industry, Ministry of Education, Culture, Sports, Science and Technology)
- Through I-No-ovation, we will strengthen efforts to discover edgy talents in the region and establish a mechanism to disseminate the activities of such talents on a global scale. (Short-term) (Ministry of Internal Affairs and Communications)
- Based on the results of the verification project for teaching materials for copyright education in fiscal 2018, the government will implement effective public awareness

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<sup>9</sup> Cross-subject education to utilize learning in each entity in solving problems in actual society.



campaigns, such as the development and dissemination of teaching materials that contribute to copyright education and public relations. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)

## **(ii) Structures to support ventures**

### **(Current Status and Challenges)**

In the United States, China, and elsewhere in the world, an ecosystem toward the support of further ventures has begun to be established. In Japan, however, no ecosystem has been established for start-up in cities that utilize outstanding human resources, outstanding R&D capabilities, large high-tech enterprises, and abundant funds. Going forward, the establishment of a startup ecosystem that transcends existing constraints (Beyond Limits) and opens up Japan's potential (Unlock Our Potential) by involving cities and universities and fundamentally reinforcing the world-oriented entrepreneur education and accelerator functions is becoming increasingly important in realizing an edgy talent and accelerating the implementation of value design practices.

From this perspective, as mentioned above, in March 2019, the "Beyond Limits. Unlock Our Potential... Strategy for Establishing a Base for Startup Eco Systems that is on par with the rest of the world - Intermediate Report" was announced, and the measures incorporated in the strategy will be steadily promoted in the future.

In addition, startups often face difficulties in developing intellectual property strategies tailored to business, such as protecting, utilizing, or sharing intellectual property or using intellectual property for financing when designing value. Support will, therefore, be provided.

### **(Direction of Measures)**

- Intensive support will be provided for the formation of hub cities in order to establish a startup ecosystem. At the same time, the government will strengthen entrepreneurship education centered on universities, acceleration functions that compete with the rest of the world, R & D support at funding agencies, and network building related to startup support. (Short and Medium Term) (Cabinet Office)
- In order for the government and local governments to become start-up customers and promote challenges, the "Guidelines for Innovation in Public Procurement and Promotion of Utilization of Small and Medium Enterprises and Venture Enterprises" (Chief Policy Officer (in charge of Science, Technology and Innovation) of the Cabinet Office decided in April 2019) will be implemented, and the implementation of the "Open Innovation

Challenge" of the Cabinet Office and the "Utilization of the Trial Order System" will be promoted. (Short and Medium Term) (Cabinet Office)

- The Cabinet Office will support programs to provide mentoring for a certain period of time by dispatching specialists with experience in supporting ventures and teams of intellectual property experts will further support the development of appropriate intellectual property strategies tailored to the business of startup ventures, such as by expanding the number of participating enterprises and the subscription period. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- To promote the revitalization of the ecosystem through the provision of information through the use of intellectual property portal sites for venture companies and the provision of forums for connecting people related to venture ecosystems (for example, venture companies, venture capital companies, accelerator incubators) with people related to intellectual property (for example, patent attorneys and lawyers). (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Promotion of financing of university-originated ventures, including at the pre-startup stage, and promoted by encouraging the acquisition of stocks and stock acquisition rights associated with licensing, etc., based on the "Guidelines on Acquisition of Shares and Stock Acquisition Rights by University Ventures," and by providing smooth funding support through gap funds, etc. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry)
- Support will be provided to venture companies aiming to expand overseas by utilizing intellectual property, such as exhibiting at large-scale exhibitions overseas and supporting business matching overseas. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Universities, SMEs, venture companies, etc., will investigate the effectiveness of using intellectual property information when examining future research and business directions, as well as when considering joint research partners and collaborators, and consider mechanisms by which universities, SMEs, venture companies, etc., can utilize intellectual property information. (Short and Medium Term) (Ministry of Economy, Trade and Industry)

### **(iii) Support for strengthening intellectual property strategies of local and small and medium-sized enterprises**

#### **(Current Status and Challenges)**

Value design by small and medium-sized enterprises, which are the leaders of regional

economies and are the seedbeds of edgy agents, is also becoming extremely important as a source of dynamism for regional economies in the future. In order for small and medium-sized enterprises to play an active role in local communities, including designing new values, it is important to ascertain, manage, and utilize their own resources, including intellectual property. Some small and medium-sized enterprises have already begun to implement new value designs using the management design sheet published by the Intellectual Property Strategy Headquarters in May 2018.

Until now, in order to promote regional and small and medium-sized enterprises' innovation through intellectual property activities, finely tailored support was provided at each stage of acquisition, utilization, and protection of intellectual property based on the "Action Plan for the Revitalization of Regional Intellectual Property" (formulated and announced by the Patent Office in June 2016). In addition, SME support measures were expanded, such as the uniform halving of patent fees, etc. by SMEs in April 2019.

Also, many of the small and medium-sized enterprises that support the Japanese economy possess outstanding technologies, but with the increase in transactions with overseas enterprises and the increase in the risk of leakage of technological information, due to globalization in recent years, it is necessary to quickly close the gap between the high-tech capabilities of SMEs and other entities and the fragile management system, and to prevent the leakage of technical information. For this reason, there is a need to raise awareness among small and medium-sized enterprises and develop management systems.

Also, in order to grasp the actual status of transactions related to intellectual property rights and know-how at small and medium-sized enterprises, a survey of the actual status of requests for the provision of intellectual property rights and know-how from customers with a dominant bargaining position is being conducted in manufacturing industries. Based on the results of this survey, it is necessary to continue efforts to improve the trading environment for intellectual property among small and medium-sized enterprises.

In considering intellectual property, it is also important to use standards as tools to create and expand markets. With regard to standardization, based on the "Standardization Public-Private Sector Strategy" (formulated and announced by the Ministry of Economy, Trade and Industry in May 2014), the Standardization System for Cultivating New Markets (July 2014) and the "Standardization Utilization Support Partnership Program" (November 2015: 159 organizations nationwide as of April 2019), which provides consultation services for standardization at public institutes and financial institutions in each region, has supported standardization activities. However, the establishment of standards by local SMEs and other entities is not sufficiently advanced.

### **(Direction of Measures)**

- Support will be provided to enable SMEs and financial institutions that support SMEs to utilize management design sheets and their ideas (see 4. (2) (i)). (Short and Medium Term) (Cabinet Office, Ministry of Economy, Trade and Industry, Financial Services Agency)
- In order to promote the use of intellectual property by SMEs through assessments of business potential based on intellectual property, support will be provided to regional financial institutions, etc. to prepare “Intellectual Property Business Proposals” that propose solutions that utilize intellectual property to SMEs' management issues. Also, comprehensive measures will be taken to promote intellectual property finance, such as holding intellectual property finance symposiums in cooperation with the Financial Services Agency and providing electronic tools for the utilization of intellectual property information. (Short and Medium Term) (Ministry of Economy, Trade and Industry, Financial Services Agency)
- Support will be provided for the development of trade secrets management systems at Japanese companies, mainly to target Japanese SMEs overseas, by providing hands-on support and raising awareness through the provision of information and public awareness activities, and to prevent the unintended leakage of technologies and know-how overseas. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Based on the Industrial Competitiveness Enhancement Act, the management system of technical information at SMEs will be improved through the implementation of guidance and advice services related to the management of technical information for SMEs with limited management resources, and the use of an authorization system of organizations that certify the status of management of technical information. Also, specialists will also be dispatched to assist SMEs in establishing management systems for technological information and obtaining certification. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- The results of the “Survey on the Abuse of Dominant Bargaining Position in relation to Manufacturer's Know-how and Intellectual Property Rights” will be widely disseminated, and strict measures will be taken against violations of the Subcontract Act relating to intellectual property rights. (Short Term) (Japan Fair Trade Commission, Ministry of Economy, Trade and Industry)
- Prepare and disseminate a collection of examples of standardization so far, and enhance opportunities to explain to partner organizations and widely develop good examples of initiatives for local future-driving enterprises. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Establishment of an environment that supports integrated examination of intellectual

property and standardization by enterprises will be promoted through the provision of training on standardization for patent attorneys who have daily connections with local communities and SMEs through the Japan Patent Attorneys Association, and through the strengthening of collaboration between the Industrial Property Information and Training Center (INPIT), which has consultation services for intellectual property and standard activities, and the Japan Standards Association (JSA). (Short and Medium Term) (Ministry of Economy, Trade and Industry)

#### **(iv) Strengthening the Foundation for the Protection of Intellectual Property Creation**

##### **(Current Status and Challenges)**

In order for edgy talents or companies to be active, it is important to assert their own unique abilities and achievements as a public opponent, and therefore, it is essential to develop and strengthen the infrastructure to appropriately protect the intellectual property that has been created.

Amid changes in the business environment triggered by technological advances, digitization, and globalization, it is necessary to constantly review intellectual property systems and develop systems to support intellectual property systems so that individual entities can design new value by effectively utilizing intellectual property.

Also, in the agricultural sector, based on the "Intellectual Property Strategy 2020 of the Ministry of Agriculture, Forestry and Fisheries" (formulated by the Ministry of Agriculture, Forestry and Fisheries in May 2015), specific measures have been formulated for measures against the infringement of geographical indications, geographical names, brand names, etc., strengthening the competitiveness of the seed and seedling industries, and measures for the protection of genetic resources in livestock. In addition to promoting intellectual property policies in the agricultural, forestry and fisheries sector based on this strategy, the formulation of intellectual property strategies in the agriculture, forestry and fisheries sector after 2020 is required.

##### **(Direction of Measures)**

- With regard to the system (visa) in which neutral technical experts conduct on-site inspections and the method of calculating damages based on the supplementary resolution to the Patent Act, etc., which was enacted at the ordinary session of the Diet this year, and the method of calculating damages, efforts will be observed for appropriate operation. With regard to the matters listed in the supplementary resolutions to the said Act, the government will consider them while listening to the opinions of relevant parties, taking into

consideration domestic and international situations. Also, necessary preparations such as the improvement of the design examination standards and the design examination system will be carried out for the review of the design system, such as the development of design examination standards and design examination systems, and the matters to be revised, including these, will be widely disseminated. (Short Term) (Ministry of Economy, Trade and Industry)

- A patent examination system will be established to enable international search reports to be prepared in a timely manner for the ever-increasing number of international patent applications. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- In light of the fact that the examination period has been lengthening in recent years due to the large increase in the number of trademark applications, the trademark examination system will be strengthened so that the period until the notification of the primary examination can be made at a speed of 8 months, which is comparable to that of the international standard, by setting the period until the notification of the primary examination to 6.5 months by the end of FY 2022. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Examiners in charge of the technologies of the visiting company visit the foreign companies to exchange views on the practical level and technical content of the visiting company, thereby deepening their understanding of Japan's industrial property rights system and examination practices, and being able to grasp these issues. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- The government will establish a framework for direct dialogue between the business community and judicial officials to discuss various issues related to the intellectual property dispute resolution field. The government will strive to accurately identify user needs of the business community and other parties through continuous working-level consultations, taking into account trends in the efforts of the dispute resolution infrastructure in foreign countries. The government will also promote studies to enhance further and strengthen the dispute resolution infrastructure. (Short and Medium Term) (Ministry of Justice)
- With a view to revitalizing international arbitration, including intellectual property-related cases, in fiscal 2019 the Ministry of Justice will implement a comprehensive package of measures, such as human resource development, public relations and awareness-raising for companies, and the development of facilities, in relation to research commissioned projects and other initiatives undertaken by related ministries and agencies. (Short- and medium-term) (Ministry of Justice and other ministries and agencies concerned)
- In order to facilitate the resolution of international disputes, including intellectual property,

which Japanese enterprises face, measures will be promptly taken to expand and enlarge the scope of international arbitration and international mediation representation by registered foreign lawyers, and promptly take measures to be able to act in these proceedings consistently. (Short and Medium Term) (Ministry of Justice)

- In order to develop a business environment in which Japanese companies can smoothly carry out international business development using intellectual property as a weapon, with a view to improving the provision of high-quality English translation information on laws and regulations and related information (legal amendments, information on legal systems, etc.) relating to legal fields in which there is a strong need for intellectual property in Japan, the Government will promote the development of a system for prompt translation in response to legal amendments, etc. (including studies for the use of machine translation) and the development of a convenient usage environment, and more effectively and actively disseminate information overseas. (Short and Medium Term) (Ministry of Justice)
- It is expected that the overseas dissemination of information on Japan's intellectual property dispute resolution, such as major IP-related judicial precedents, will continue to be enhanced.
- With a view to IT adoption of civil litigation procedures in Japan, including intellectual property litigation, institutional studies will be promoted to attain IT adoption and diffusion of civil litigation procedures, including the full digitization of litigation records, online document submission, and web conferencing. Specific studies will continue to be conducted with the aim of seeking consultation with the Legislative Council by the end of fiscal 2019. (Short and Medium Term) (Ministry of Justice)
- While promoting collaboration with foreign companies based on appropriate approaches by universities and research institutes, the "Guidelines for Cooperation between Universities and National Research and Development Corporations with Foreign Enterprises" will be formulated during fiscal year 2019 with a view to preventing unintended technology leaks and reputation risks, and efforts will be made to publicize these guidelines. (Short and Medium Term) (Cabinet Office, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry)
- In order to ensure thorough security trade management related to technical information at universities and research institutes, efforts will be made to raise awareness and to support the establishment of voluntary internal control systems, and the management division will be enhanced to ensure stable operation. (Short and Medium Term) (Cabinet Secretariat, Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Education, Culture, Sports, Science and Technology, and other ministries and agencies concerned)
- With regard to government research and development projects that require appropriate

management of development results technology, the management methods required of development entities and the policy of the business operations of executive agencies will be examined. (Short and Medium Term) (Cabinet Secretariat, Cabinet Office, Ministry of Education, Culture, Sports, Science and Technology, and other ministries and agencies concerned)

- In order to respond to the outflow of plant varieties developed in Japan to other countries, the government will continue to support the application for the registration of varieties overseas and support responses to infringements. At the same time, from the viewpoint of enabling sustainable use of high-quality varieties, the government will consider how to protect new plant varieties domestically and internationally, including institutional allowances, after hearing the opinions of a wide range of concerned parties. (Short and Medium Term) (Ministry of Agriculture, Forestry and Fisheries)
- From the viewpoint of preventing the inappropriate outflow of Japanese bovine genetic resources abroad, consideration will be given to proper distribution management and protection. (Short and Medium Term) (Ministry of Agriculture, Forestry and Fisheries)
- As the implementation period of the “Intellectual Property Strategy 2020 of the Ministry of Agriculture, Forestry and Fisheries” is approaching the fiscal year 2019, there will begin the examination for the development of new intellectual property strategies in the agricultural sector. (Short Term) (Ministry of Agriculture, Forestry and Fisheries)

#### **(v) Strengthening measures against counterfeits and pirated copies**

##### **(Current Status and Challenges)**

In the digital network era, acts of infringing on Japan's copyrights of content such as manga, anime, and movies are becoming increasingly malicious and sophisticated. It is feared that if such infringing activities do not sufficiently return profits to creators, the business of creators with edgy capabilities may become impossible or successors will no longer be nurtured even from a global perspective. In particular, against the background of the emergence of services that enable the operation of anonymous pirated websites, such as the use of the so-called bullet-proof servers<sup>10</sup>, and advances in infrastructure and technology that enable high-speed and large-capacity data transfer, it is difficult to identify infringers, and the damage caused by large-scale pirated websites that did not respond to requests for the deletion of infringing content has rapidly increased. In order to halt the expansion of such damage, in April 2018, the Ministerial Meeting Concerning Measures Against Crime and the Intellectual Property Strategy

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<sup>10</sup>A server that provides an anonymized hosting service.



Headquarters decided on emergency countermeasures. However, there were changes in the situation, such as the closure of large-scale sites that were the problem around that time.

Subsequently, based on the "future action strategy" decided upon at the time of the decision on emergency measures, the "Review Conference on Countermeasures against Piracy on the Internet" was established under the Committee on verification, evaluation, and planning of the Intellectual Property Strategy Headquarters in June of the same year, and until October of the same year, intensive discussions were held on the comprehensive menu of countermeasures against pirated copies on the Internet.

As a result, it is necessary to implement a comprehensive menu of measures against pirated copies on the Internet in a phased and comprehensive manner in broad cooperation with relevant ministries and agencies and relevant parties, based on the common recognition of what should be taken immediately from various perspectives.

Also, it is necessary to promote the establishment of a system for managing and distributing profits to copyrighted works that utilize such methods as cloud-related technologies, which is considered to be effective as a countermeasure against piracy.

Based on the status of these initiatives, it is necessary to continue to implement strict crackdowns as well as to strengthen deliberations on how to proceed with anti-counterfeiting and anti-piracy measures by the government as a whole, while supporting the efforts of the private sector in this fiscal year.

#### **(Direction of Measures)**

- In order to prevent the spread of damage caused by pirated copies on the Internet, the government will take necessary measures to implement a comprehensive menu of measures by the relevant ministries and agencies, including the implementation of effective copyright education, promotion of the distribution of legitimate copies, strengthening of international cooperation and execution, measures against search sites, and measures to curb the publication of advertisements on pirated copies, and study other effective measures. In doing so, a process chart shall be created for the efforts, and the progress and effects shall be verified. (Short and Medium Term) (Cabinet Office, National Police Agency, Ministry of Internal Affairs and Communications, Ministry of Justice, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry)
- In addition to not purchasing counterfeits and pirated copies, the government will promote integrated awareness activities with the cooperation of various ministries and agencies and related organizations for public consciousness so that the public will not accept counterfeits and pirated versions containing pirated content, because public will

unconsciously understand that the infringers will benefit by viewing the pirated content. (Short and Medium Term) (National Police Agency, Consumer Affairs Agency, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry)

- In order to cope with the increase in the inflow of counterfeit goods and pirated copies resulting from the advancement of cross-border electronic commerce, the government will continue to crack down on counterfeits and pirated copies imported disguised for personal use strictly. In particular, with regard to imports of counterfeit goods for personal use, which have been increasing significantly, the government will consider the direction of specific measures in light of the state of damage suffered by right holders and the state of operation, including the development of systems in other countries. (Short Term) (Ministry of Finance, Ministry of Economy, Trade and Industry)
- Based on the results of the verification project for teaching materials for copyright education in fiscal 2018, the government will implement effective public awareness campaigns, such as the development and dissemination of teaching materials that contribute to copyright education and public relations. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology) (reproduced)

### **3. Accelerating new connections through the "fusion" of dispersed and diverse personalities**

#### **(1) Medium-to long-term direction**

In a “value design society” in which edgy capabilities and diverse values of individual entities are valued, individuality is not concentrated in one place but is dispersed. In order to generate ideas and businesses that will be the sources of new values, it is necessary to combine the capabilities and knowledge of multiple entities.

While open innovation efforts are already underway to create new combinations and attain innovation through such convergence, it is essential to accelerate open innovation, not only in the form of collaboration but also in the form of more substantive change.

In addition, it is desirable that appropriate platforms be developed to enable individuals and ideas to be exchanged, and it is encouraged that such platforms be developed and utilized, particularly for those that are expected to have significant effects.

In addition, as digitization progresses, the utilization of data often provides trigger opportunities for fusion and new ideas. It is hoped that AI, a tool for dramatically increasing the efficiency of the utilization of large amounts of data, will promote the effective use of data under appropriate rules and that necessary data will be developed.

#### **(i) Accelerating real open innovation**

In the 21st century, open innovation is one of the many measures taken to facilitate new combinations through the "fusion" of scattered diverse personalities. As the source of innovation shifted from the supply side to the demand side, the need to be aware of the needs and wants of a wide and complex demand side was the driving force behind this trend.

In Japan, too, many companies have begun to take action, but it is not possible to say that they have achieved satisfactory results. Instead of mere cooperation from the supplier's perspective and an idea that captures open innovation by emphasizing forms such as industry-university collaboration, we will accelerate substantive open innovation that enables participants to share a common objective and create new things together, and ultimately to have an impact on society by achieving the objective, and accelerate the realization of a value design society.

Also, it considers measures to promote the effective use of human resources (including edgy human resources) and technologies and data that companies possess but cannot utilize or steps to encourage the use of entities that can effectively use it or not.

**(ii) Develop and utilize platforms where individual personalities and ideas can be exchanged**

“Intellectual Property Strategy Vision” provides examples of intellectual property platforms and next-generation content creation and utilization systems as venues for gathering diverse human resources and organizations to attain SDGs. The development and utilization of such platforms are expected to have a significant effect on accelerating new combinations through fusion.

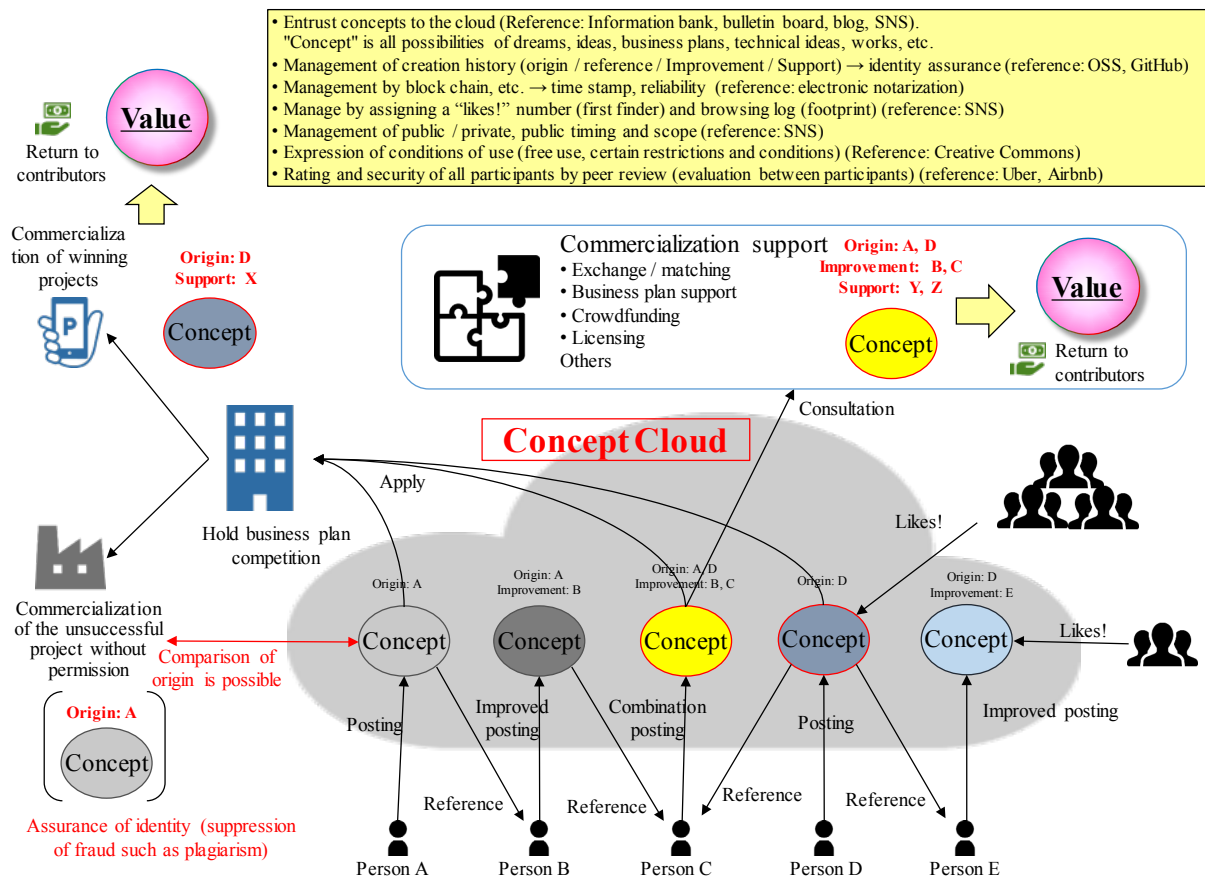
Also, future value designs using platforms will be attained through the collaboration of multiple people, but a mechanism that facilitates the sequential combination of ideas, dreams, ideas, and technologies<sup>11</sup> accelerates this. It clarifies the creative history (process) of what kind of involvement and contribution was made, enables demonstration of the original (first idea) and subsequent contributions, and enables evaluation (including praise) from others. It also facilitates the distribution of any profit and encourages participation in and contribution to the process of new value design. While these initiatives are already emerging<sup>12</sup>, we will consider the development and utilization of a mechanism (Figure 5) in which individual entities register ideas, etc., and other participants improve and combine them into businesses, while also returning them to creators and innovators.

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<sup>11</sup>A development platform that allows developers to develop software by hosting source code on GitHub with millions of other developers by hosting source code on GitHub, including open-source projects and business use. (<https://github.co.jp/>)

<sup>12</sup>For example, in some open-source software (OSS), the source code is released free of charge and permissible for anyone to modify or redistribute it (provided, however, that it is necessary to comply with the OSS license that defines the restrictions on copyrights, etc.), forming an OSS community, and many volunteer developers co-develop it via the Internet, and creative history is managed by the group of people (those who have contributed to the originals and modifications, etc.).

**Figure 5 Example of a Concept Cloud**



(Reference 3 for the 9th Meeting of the Special Committee on the Intellectual Property Strategy Vision)

**(iii) The smooth design of value using data and AI.**

Data can be a catalyst for new discoveries and ideas in value design in a demand-driven society. It is also useful for gaining empathy and determining whether they are actually valuable. Also, the data are dispersed among various people and places, and it can often be pooled, analyzed, or learned by AI to provide a source of new value. For this reason, we will consider mechanisms that make it easier to put anything other than the data that individual entities want to strategically retain in a situation where it can be widely utilized without enclosing it. In doing so, while giving consideration to the protection of personal information on specific data, consideration will be given to how to collect data that can be used efficiently and how to establish rights and rules that do not hinder the creation of new ones through creative use, and how to respond to data fraud for those that are not.

Four elements that form the basis for efficient use of data are data quality (mesh detail and

freshness), total quantity (small contamination), easy-to-understand data representation structure, and automation of input. It is also necessary to consider the importance of cleansing due to noise problems such as missing, mixed and distorted data, and the value of detailed and fresh data.

There is no doubt that AI is a useful tool for learning accumulated data and generating new ideas and awareness. On the other hand, it is also important to promote research and development related to AI, which dramatically improves the quality of data utilization in the future, by considering the use of AI for innovative activities in secure free spaces (Digital Protected Sandbox) under appropriate monitoring, and examining appropriate rules, while taking into consideration the possibility that AI may have a negative impact on people's happiness by using AI in an unexpected manner.

As for AI creations, there is no situation in which it is necessary to recognize the rights at the present point in time. Considering the status of future utilization, if necessary, the development of rules will be studied.

## **(2) Emphasis on immediate measures**

### **(i) Promotion of open innovation**

#### **(Current Status and Challenges)**

As mentioned above, while awareness of the need for open innovation is growing and efforts are increasing, the government will strengthen existing measures and challenge new measures in order to smoothly implement open innovation that leads to higher quality and outcomes.

#### **(Direction of Measures)**

- In order to attain the dreams and values envisioned by various individuals in the future society through the fusion of various entities that sympathize with them, and to accelerate substantive open innovation that has a major impact on society as a result, we will popularize and implement the ideas set forth in the report of the Task Force for Value Co-creation established in the Intellectual Property Strategy Headquarters. (Short and Medium Term) (Cabinet Office)
- The government and the private sector will work together to identify promising seed research and consider a mechanism for fostering young researchers to work on this. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- With the objective of creating non-continuous innovations that take advantage of diversity, the National Institute of Advanced Industrial Science and Technology (tentative name) will

consider the establishment of an inclusive R&D promotion team that extends beyond the boundaries of the field. (Short and Medium Term) (Ministry of Economy, Trade and Industry)

- Utilizing the concept of the Task Force for Value Co-creation, which is based on the initiative of individuals, we will consider developing an environment to combine management resources beyond the framework of organizations and fields, such as examining mechanisms that enable the capital market to evaluate innovation management and promoting the use of management resources for startups by large enterprises. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- In order to promote the social implementation of the research results of universities and national research institutes and to further promote and diversify financial resources, we will consider a mechanism for effective large-scale joint research and development by companies, universities and national research institutes by the end of this year. (Short and Medium Term) (Cabinet Office)
- In order to strengthen the network of TLOs, industries, and universities that implement effective technology transfer activities based on university research results, projects will be promoted to establish an innovation management hub. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- In order to assure the quality of research administrators who are in charge of research promotion and research management as contributing to the establishment of hubs for university innovation, studies will be conducted together with relevant organizations toward the establishment of a certification system for practical skills. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- The establishment of a centralized management system for large-scale joint research closely related to the business strategy of enterprises (Open Innovation Organization) and joint research with multiple enterprises in non-competitive fields (OPERA) will promote the establishment of systems at universities to maximize open innovation. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)

## **(ii) Intellectual Asset Platform**

### **(Current Status and Challenges)**

Based on the Intellectual Property Strategic Plan 2018, a platform for the SDGs and content is being studied. With regard to the matching of the seeds and needs of the SDGs and the platform for business creation, it is expected that the platform will be enhanced for a global platform based on trial demonstration of prototypes. As for content, the creation ecosystem is expected to

be completed soon.

**(Direction of Measures)**

- Based on the status of trial demonstrations, the government will promote coordination and cooperation among various actors within Japan and abroad on the platform of the SDGs through dissemination at international conferences such as the G20 and TICAD, and promote the creation of innovations towards the achievement of the SDGs. (Short and Medium Term) (Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Foreign Affairs)
- Establishment of content creation ecosystem (see 4. (2) (ii))

**(iii) Establishment of systems and rules to promote the appropriate use of data, AI, etc.**

**(Current Status and Challenges)**

As data becomes the source of industrial competitiveness, it is becoming increasingly important to secure a competitive environment related to data while promoting the use of data. From this point of view, based on the “Intellectual Property Strategic Plan 2017,” the Unfair Competition Prevention Act was amended to position the act of unauthorized acquisition, use, or provision of data (the "Limited Provision Data") that is provided by a limited number of counterparties under the control of such things as IDs, passwords as an "Unfair Competition Practice" and to provide civil remedies (the Unfair Competition Prevention Act was amended in 2018. Full enforcement is scheduled for July 2019). On the other hand, in consideration of the necessity of reading a large amount of learning data in order to further evolve AI, measures were taken to restrict individual copyrights and to enable free access to such data collection and accumulation where such data does not directly enjoy the ideas or feelings expressed in copyrighted works (amended by the Copyright Law in 2018). In order to promote the use of data and AI, the AI/data contract guidelines in the industrial sector and the data contract guidelines in the agricultural sector have been developed. In other fields, guidelines are also expected to promote the use of data. Furthermore, the volume of data is increasing rapidly due to the popularization of IoT, and the development of standards and formats for effective utilization is becoming increasingly important. Also, software using open-source software (OSS) has become extremely common in the use of data and AI.

Overseas, countries are strategically working to develop rules for data management. The EU has established the General Data Protection Regulation (GDPR), which, in principle, prohibits the transfer of personal data outside the EU. On the other hand, the EU has allowed the transfer of personal data to countries where the EU has recognized the sufficiency of measures to



protect personal data. Japan was certified as sufficiency by the EU in January 2019<sup>13</sup>. The United States has enacted the FISMA (Federal Information Security Management Act) and is requesting security measures for the entire supply chain, mainly in the defense industry while assuming the free distribution of data. China has been promoting the localization of data by, for example, enforcing cybersecurity laws and requiring operators of "critical infrastructure" to retain personal information domestically and to restrict the transfer of personal information abroad.

With regard to AI, as mentioned above, the degree of freedom in the use of learning data has been increased. With regard to creations, the "Report of the New Information Property Review Committee" reported to the Intellectual Property Strategy Headquarters in 2017, 1) if the user is allowed to make creative contributions, the AI product can be categorized as "a creation using AI as a tool," and 2) the product output as a result of the user inputting simple instructions (such that no creative contribution is recognized) can be regarded as "AI creation" which is autonomously produced by AI, and is not regarded as a work under the current copyright law<sup>14</sup>. Consideration will be given to the development of rules, if necessary when looking at the status of future utilization.

In addition, the patent system requires that an invention that is the subject of a patent be "created by a person," but does not require clarification of how the invention was actually made<sup>15</sup>. Whether or not a mechanism is needed to clarify the part of the AI alone and the part of the AI in which people are involved will be a matter of debate going forward.

### **(Direction of Measures)**

- Continuous review of the guidelines on the certification scheme for information trust

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<sup>13</sup>The Framework for Smooth Transfer of Personal Data between Japan and the EU came into force on January 23rd, 2019.

<<https://www.ppc.go.jp/enforcement/cooperation/cooperation/310123/>>

<sup>14</sup>In the process of producing an AI product, if the user of the learned model is intended to create the AI product and at the same time has a creative contribution to obtain the AI product, which is the specific output, the user is considered to have created the AI product by using the AI as a "tool" for creatively expressing thought and feelings, and therefore the AI product is recognized as being copyrighted and the author is the user. On the other hand, if the user's contribution is limited to simple instructions that do not show any creative contribution (except in exceptional cases where the AI program or the author of the learned model is the author), the AI product is regarded as an "AI creation" which the AI has autonomously produced and is not recognized as a work under the current copyright law. ("Report of the New Information Property Review Committee," March 2017, Intellectual Property Strategy Headquarters, Verification, Evaluation and Planning Committee, New Information Property Review Committee)

<sup>15</sup>Creations that make use of AI may be protected under the current system if a person uses AI as a tool for creation. In the event of an autonomous creation by AI, the existing patent law does not protect the creation because the inventor must be a natural person. It is necessary to continue studying the development of technology. (FY2016 report on "The protection of data for the creation and 3D printing under the Industrial Property Rights Law using AI")

functions, promotion of the recognition by private organizations based on these guidelines, and implementation of the information banks by conducting demonstration experiments in cooperation with the public and private sectors. (Short Term and Long Term) (Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry)

- In order to promote the use of data in Japan and overseas, activities will be undertaken to disseminate English translations of the AI and Data Contract Guidelines, update the contents in accordance with the revision of laws and regulations, enhance model contract types, diversify use cases, and raise public awareness through seminars. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Examples of patent cases on AI-related technologies published in January 2019 will be disseminated in Japan and overseas through briefings and international conferences. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Efforts will be made to raise awareness of the use of OSS through examining frameworks for the selection and utilization of OSS for the safe use of OSS. (Short Term) (Ministry of Economy, Trade and Industry)
- The Act on Special Measures for Improvement of Productivity (enforced in June 2018) provides support for tax measures and other measures for investment in facilities used for efforts to improve productivity by sharing and cooperating with data for which certain cybersecurity measures have been implemented, and for data sharing companies that have received further security confirmation to request the national government and independent administrative agencies to provide data. The government will continue to publicize and disseminate the system and consider necessary measures. (Short Term and Medium Term) (Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry)
- Taking into consideration the actual situation of data utilization, necessary considerations will be made on issues related to data utilization from the viewpoint of securing a fair and free competitive environment and promoting innovation, and the results of the analysis will be disseminated. (Short Term and Medium Term) (Japan Fair Trade Commission)
- In line with the revision of the Copyright Law in 2018, the government will improve the environment for the appropriate application of the law, including the formulation of guidelines and the dissemination and raise awareness regarding copyright issues. (Short Term) (Ministry of Education, Culture, Sports, Science and Technology)
- With regard to measures to promote fair use of copyrighted works, such as the creation of provisions on the restriction of rights for research purposes and the expansion of provisions on the restriction of rights pertaining to reproduction, consideration shall be given to the protection of the interests of right holders, and necessary measures shall be taken with

- conclusions reached. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- In order to respond to the deepening of the use of standards linked to policies, the government will examine the establishment of an organizational structure that can engage in standardization activities in a cross-sectoral manner using public organizations, etc. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
  - In order to connect the technologies and services of various businesses and contribute to the creation of new added value through the interconnection of platforms to which various IoT devices exist in each business entity and field, the establishment of inter-platform cooperation technologies and interconnection verification will be carried out, and efforts toward international standardization will be strengthened. (Short and Medium Term) (Ministry of Internal Affairs and Communications)
  - Consider the proposal of international standards for AI's life cycle and AI's quality assurance, including data quality assurance <sup>16</sup>. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
  - In order to steadily promote data health reform, solid efforts will be made to link and utilize big data on health, medical care, and long-term care to ensure public health, and to provide services related to the collection and utilization of data necessary for cancer genome information and AI development platform. Also, the Ministry of Health, Labour and Welfare will proceed with efforts based on the schedule for 2020 and onward, which is scheduled to be developed this summer. (Short and Medium Term) (Ministry of Health, Labour and Welfare)
  - In the fields of health and medical care, the government will indicate in the form of guidelines, contract clauses, ordinances, and considerations when creating stipulations related to the provision and utilization of medical examination information. The government will also consider inspection standards and procedures related to the provision of consolidated data such as NDB and long-term care DB to private companies and publish them as guidelines. (Short Term) (Ministry of Health, Labour and Welfare)
  - Under the Next Generation Medical Infrastructure Law, based on the basic policy of the same law, a mechanism to promote the use of anonymized processing medical information in research and development in the medical field by industry, academia, and government, in addition to promoting public understanding through publicity and awareness. (Short and Medium Term) (Cabinet Office, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Economy, Trade and

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<sup>16</sup>Measures taken following four meetings of the “AI Strategy 2019 (Proposed by Experts)” of the Integrated Innovation Strategy Promotion Council.

Industry)

- Strengthen and expand the functions of the agricultural data linkage infrastructure so that the mutual utilization of data from the production of agricultural products to processing, distribution, sales and consumption is possible, and create a smart food chain that allows data to be used interchangeably throughout the entire food chain. Also, in order to ensure the interoperability and portability of agricultural information through the standardization of data formats and terminology among different IT systems, the standardization of agricultural crop names, and agricultural operation names will be promoted. (Short and Medium Term) (Ministry of Agriculture, Forestry and Fisheries)
- Based on the guidelines for data contracts in the agricultural sector formulated in December 2018, in order to prevent the outflow of technologies and know-how from skilled farmers and to promote the use of agricultural AI services, the actual conditions of contracts relating to the use of agricultural AI services and the special characteristics of the agricultural sector will be analyzed through on-site surveys and guidelines will be formulated that contain contract ideas and model contracts relating to the use of agricultural AI services. (Short and Medium Term) (Ministry of Agriculture, Forestry and Fisheries)

#### **(iv) Attaining a Digital Archiving Society**

##### **(Current Status and Challenges)**

Efforts to create digital archives of Japan's various content will not only serve as the basis for the preservation and succession of culture, but will also lead to the creation of new content by utilizing it as a forum for the fusion of diverse content, as well as the promotion of inbound activities and the revitalization of overseas Japanese research.

In order to attain a society in which digital archives are used on a daily basis, it is necessary to develop secondary usage conditions so that metadata such as location information about content can be easily accessed and utilized. At the same time, it is necessary to consider the harmonization of portrait rights and privacy with the promotion of digital archives.

The Digital Archive Japan Promotion Committee and the Working-Level Review Committee have decided on a timetable for specific efforts to establish digital archives in various fields, and have also discussed practical issues related to the development and utilization of digital archives. As a result, an interim summary of the desired display of secondary use conditions in digital archives was conducted. It is hoped that the use of digital archives will be promoted by disseminating this information going forward. In February 2019, "Japan Search," the trial version of a cross-sectoral, integrated national portal, was released to the public. In the future,

further improvements will be made with the aim of full-scale operation by 2020.

Furthermore, looking ahead to the 2020 Tokyo Olympic and Paralympic Games and the Osaka Expo in 2025, in order to promote inbound activities and enhance the ability of Japanese culture to transmit information abroad, it is expected that Japan will promote the multilingualization of digital archives and collaboration with digital archives in various fields and regional cultural resources.

### **(Direction of Measures)**

- In order to promote the development and use of digital archives, promote cooperation, and to foster momentum for full-scale disclosure of Japan Search, a forum will be held to gather representatives from industry, academia, and government to share information and exchange opinions. (Short Term) (Cabinet Office, National Diet Library<sup>17</sup>, and related ministries and agencies)
- In cooperation with the relevant ministries and agencies, they will study models of the utilization of digital archives, organize issues, consider how long-term use guarantees should be, clarify the roles and responsibilities of bridges, and consider the management system after the full-scale release of Japan Search. (Short and Medium Term) (Cabinet Office, National Diet Library and related ministries and agencies)
- For the 2020 Tokyo Olympic and Paralympic Games and the Osaka Expo in 2025, Japan will promote initiatives that contribute to the utilization of digital archives overseas, including the consolidation of data on cultural resources that comprise Japan's heritage as well as regional cultural resources other than national treasures and important cultural properties, improve of the posting rate of images, and improve the multilingual environment. (Short Term) (Ministry of Education, Culture, Sports, Science and Technology and other ministries and agencies concerned)
- Support will be provided for the development of information centers by promoting the operation and utilization of holding information which is the foundation necessary for the preservation and utilization of media artworks, and the archiving of media artworks at each research institution. (Short Term) (Ministry of Education, Culture, Sports, Science and Technology)
- Improvement of information centers for media arts such as manga, anime, and games will be promoted, and the content will be transmitted in conjunction with digital archive Japan.

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<sup>17</sup>The National Diet Library is an institution belonging to the legislature, but since the measures concerning digital archives are taken by the whole country, and the library plays an important role, for convenience, they are described in the section in charge of the projects related to this plan.

(Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology and other ministries and agencies concerned)

- Collaborate with Japan Search to consolidate information on humanities in universities and other research institutes nationwide and serve as a bridge in the humanities field. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)

#### **4. Creating an environment where values can be easily attained through empathy**

##### **(1) Medium-to long-term direction**

In order for Japan to realize and develop a “value design society,” it is necessary that something new that is born from the fusion of the edgy capabilities of each individual be attained as value with empathy from the world. The starting point for this is to create a value-conscious business that individual entities can attain their ideas and gain empathy.

And the actual value, in that case, is the transaction price, not the cost basis, which depends on how much the receiver thinks it is worth paying. The setting of transaction prices in a "value design society" is based on value-based on empathy, as has already been done through such things as branding, rather than on a cost basis. It can be said that whether or not such transactions increase is a measure of whether or not a value design society has been attained.

We will work to increase brand value for the entire country.

##### **(i) facilitating the attainment of value through empathy**

The “Management Design Sheet” (see Note 1) released by the Intellectual Property Strategy Headquarters in May 2018 is useful for individuals, companies, and other entities to conceptualize (design) businesses that are conscious of the value that they can attain with empathy. Full-fledged support will be provided for the implementation of design management by companies using the “Management Design Sheets,” which are increasingly being utilized. In particular, with respect to content for which empathy is the starting point of business, we will further promote the smooth implementation of sustainable production, distribution, and use of high-quality content.

Language and storytelling in touch with the interests of recipients (potential fans) is a way of facilitating "empathy" and encourages the use of advisors, curators, and influencers with such capabilities on their side.

##### **(ii) Increase the number of cases in which empathy is reflected in transaction prices in actual economic activities such as procurement.**

In actual economic activities, setting transaction prices on a value basis is still not mainstream, and in many cases, the buyer inquires about the cost of goods and services provided to the supplier and negotiates prices based on the cost. In a value design society, value-based transactions based on empathy are likely to be the mainstream. Instead of waiting for

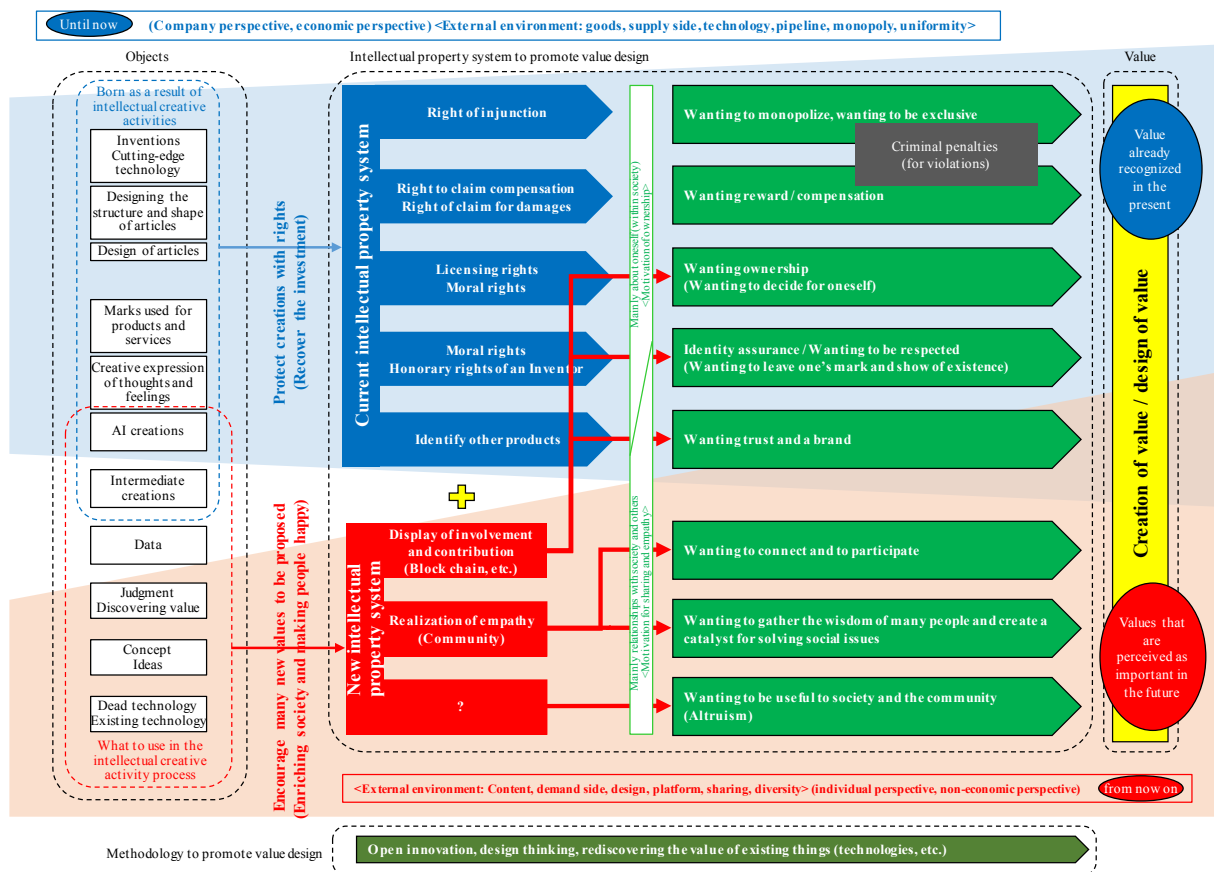
transactions in general economic activities, however, government and municipalities must first consider ways to expand contracts that emphasize value and ideas rather than cost in public procurement.

### (iii) Creating a new intellectual property system that is conscious of empathy

Current intellectual property systems (especially laws and regulations) are based mainly on “ownership” such as monopolies and remuneration. This is a system based on the corporate and economic perspectives of the supply side, but with the objective of creating a value design society going forward, a new system related to intellectual property will be conceived, taking into account the perspectives of individuals, who are the demand side such as “empathy,” and non-economic perspectives (Figure 6).

In this regard, in a society where demand-side influence is increasingly accelerating, in light of the accelerating pace of change, laws, and systems themselves will be designed with design thinking so that they can agilely respond (quickly) to change.

**Figure 6** Example of Image of Current Intellectual Property System and the New Intellectual Property System





**(iv) Rebuild the Cool Japan strategy based on the concept of “empathy from around the world” (strengthening the country's branding strategy)**

It is also a great help for each individual entity to have a clear national strategy and to have a national branding in order to achieve a “value design” with empathy from around the world. Such efforts by the country as a whole are part of the "Cool Japan" initiative. Whether or not it is “cool” depends on if the world evaluates it as good or not. Rather than emphasizing Japan, it is essential to discover, expand, envision, and increase the number of Japanese fans with empathy from around the world.

In the past efforts of Cool Japan, many approaches have been made to disseminate the resources that Japanese people think are excellent to the world as a whole, and there are some cases where the expected effects cannot be obtained due to being sufficiently aware of the world's empathy. Also, by promoting the overseas deployment of specific resources by specific ministries and agencies, there is not enough power used to clarify the story that connects resources with each other, which provides an opportunity for recipients to deepen their interest from the viewpoint of global empathy.

As diverse values become increasingly important around the world, we will reiterate our Cool Japan strategy, with a focus on gaining empathy of people from around the world with various values, particularly in light of the progress in digital-related and telecommunications-related technologies. In doing so, Japan will rediscover what kind of things are the resources of Japan as the source of sympathy around the world from a global perspective, and strive for their sustainable development. At the same time, Japan will promote the following initiatives, placing emphasis on creating a foundation for the continuous utilization of information, data, and networks obtained in the process over the medium to long term.

- Japan has an extremely large number of elements (entry points) that seem to be cool from around the world. Each has its own story related to history, nature, culture, and life. We will clarify these stories from the perspective of the world and refine our resources based on it.
- Taking advantage of Japan's many elements, we will further deepen the empathy of the world and enhance its value by talking about them as interrelated stories on the horizontal axis of history, nature, culture, and life. Relevant ministries and agencies will collaborate to attract world fans, particularly in each of their regions, with an emphasis on this perspective. (Worldwide reputation also leads to domestic branding.)

- Rather than merely transmitting information to the world, we will effectively approach people around the world who share our empathies through the use of digital technologies and influencers.
- Based on an adequate analysis, we will tell stories from a global perspective with the potential to gain empathy and increase the number of brands that appeal to the world, such as regions, categories, and individuals.
- Japan will establish a system to understand and organize fans of Japan throughout the world, raise their interest in Japan, and facilitate the long-term stays and migration of people who empathize with Japan's values to Japan, and demonstrate their ability to communicate to them.
- Japan will also promote the creation of luxury brands, an area in which Japan has traditionally been weak, as one of the measures to enhance the value of the country as a whole and to foster empathy.

## **(2) Emphasis on immediate measures**

### **(i) Encouraging the design of value by each entity**

#### **(Current Status and Challenges)**

Until now, Japanese companies and others have strengthened their ability to provide high-performance, high-quality products through their superior technological capabilities. However, as the world's supply capacity has improved, goods and services have become overwhelmed, it has become not viable to sell only high-performance, high-quality products, and services. The key to success is to design products, services, and management from the user's perspective and to gain the empathy of users and attain value in the future when users take the lead. The “Management Design Sheet”, released in May 2018 by the Intellectual Property Strategy Headquarters, is an effective tool for accelerating this process and contributes to the effective use of management resources, including intellectual property, as well as efforts for open innovation. By using this sheet and its concept, it is expected that all organizations in Japan will design new ideas for the future, gain the empathy of users, and realize them as values.

The “Design Management Declaration” issued by the Ministry of Economy, Trade and Industry and the Patent Office in May 2018 points out the importance of using design as an important management resource for improving corporate value. It is expected that the implementation and popularization of “Design Management” will accelerate the creation of new value through design-based management.

### **(Direction of Measures)**

- The investigative body established under the Intellectual Property Strategy Headquarters will consider establishing the preparation of management design sheets as private-sector initiatives, including the organization of the persons responsible for the dissemination and establishment of management design sheets, and will promote the measures necessary to realize these sheets. (Short and Medium Term) (Cabinet Office)
- The use of management design sheets will be encouraged in efforts to improve corporate governance, evaluating the business performance of financial institutions, and supporting business innovation and management at small and medium-sized enterprises. (Short and Medium Term) (Ministry of Economy, Trade and Industry, Financial Services Agency)
- In addition to the “Intellectual Property Business Proposals”, which provide financial institutions with specific advice on how to utilize intellectual property in management, management design sheets and their ideas will be disseminated and awareness promoted. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Introduce management design sheets and ideas according to the needs of users of the general IP support desks, and provide them with insight into future improvements in corporate value. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- In order to support business design in companies, the Ministry of Economy, Trade and Industry will utilize the concept of management design sheets to promote measures to match human resources capable of business design with small and medium-sized companies and support the promotion of designed management (short- and medium-term).
- Case studies compiling specific examples of successful enterprises that incorporate design management will be prepared, and public awareness will be raised for managers to promote the introduction of design management. In order to promote the design management of local small and medium-sized enterprises, support personnel, including local designers, will be trained. (Short and Medium Term) (Ministry of Economy, Trade and Industry)

### **(ii) Constructing a creative ecosystem**

#### **(Current Status and Challenges)**

While the domestic market for content continues to be flat, the overseas market has grown dramatically, particularly in the Asia-Pacific region. Japan, which has a large number of excellent content such as manga, anime, and games, is attracting attention from fans around the world, presents a significant opportunity. On the other hand, with the growth of overseas markets, even in fields where Japan has traditionally excelled, such as animation and games,

companies in China, South Korea, and Europe and the United States are increasing their presence in the global market by leveraging their abundant financial resources and international networks.

The content not only has its own economic effect, but also is a source of empathy for Japan, and it has excellent potential for developing a wide range of products and services in anticipation of inbound sales. In order for high-quality content to continue to be produced in Japan, it is necessary to build a creative ecosystem that leads to the expansion of the overall content market by enabling creators to earn appropriate evaluations and revenue through the use of the content, and then to engage in new creative activities based on it.

In addition, it is important to develop and secure human resources capable of generating attractive content and disseminating it widely both domestically in Japan and internationally, and it is necessary to strengthen the ability to transmit information and to continuously support the creative activities of young creators.

With the background of 5G and IoT, content strategies based on consumer behavior analysis based on user data have become possible. Therefore, it is necessary to formulate and promote detailed localization strategies and marketing strategies for each country and region based on differences in the needs and in market penetration and to widely deploy content using content distribution platforms with a view to collaborating and fusing with various fields and creating multiple uses. As the influence of international logistics and distribution platforms expands, the public and private sectors must collaborate to develop an environment in which platforms can be actively utilized, such as creating attractive content sought from such platforms and developing metadata in foreign languages necessary for the international distribution of Japanese content such as music.

Also, given the fact that the distribution environment of UGC (User Generated Content) in which anyone, including users and amateur creators, can become the creator of content, is being developed on the Internet, new content utilization systems and the expansion of the base of the content market originating in Japan must be established by, for example, making use of new technologies such as blockchain technology and fingerprinting, and promoting further discussions in the public and private sectors regarding the distribution of compensation paid by users between the creators of the original content and the creators of the nth generation content. Also, with regard to e-sports, which has been attracting attention as a new content field growth area in recent years, it is necessary for related ministries and agencies to make necessary efforts to develop an appropriate environment for the sound development, such as resolving institutional issues, as well as to study the expansion of the market base in peripheral industries as well as the social significance and ripple effects through efforts in which industry, academia, government, and communities collaborate.

### **(Direction of Measures)**

- In cooperation with the Broadcast Program Export Association of Japan (BEAJ), broadcasting content that conveys regional appeal will be produced jointly with overseas broadcasting stations in cooperation with broadcasting stations, local governments, industry, and support will be provided for initiatives to broadcast it overseas, thereby expanding inbound tourism to the region, promoting overseas expansion of regional industries, and regional revitalization through these efforts. (Short and Medium Term) (Ministry of Internal Affairs and Communications)
- On a commercial basis, Japan will provide Japan's drama, anime, documentary, movies, etc. free of charge, mainly in countries and regions where Japanese content is not broadcast, in order to promote understanding of Japan, foster a sense of affinity toward Japan, and create a foundation for future commercial overseas expansion. (Short and Medium Term) (Ministry of Foreign Affairs)
- In the lead-up to the 2020 Olympic and Paralympic Games in Tokyo, cultural programs such as Japan Culture Expo will be launched throughout Japan to revitalize local communities and attract visitors to the regions. Information on cultural programs will be disseminated both domestically and internationally through a portal site. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- In order to cultivate young creators in the animation field, support will be provided for the development of original animation production by production staff using young animators through OJT, and opportunities for presentations will continue to be provided, such as screenings of production works. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- Through workshops and production of actual film works, young filmmakers will be provided with opportunities to acquire the skills and knowledge necessary for film production, thereby fostering young filmmakers and assisting them with internships for students at film production sites. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- In order to establish an ecosystem that sustainably develops Japan's content industry through market expansion by acquiring increasing overseas demand, support will be provided for the planning and development of content and overseas promotion initiatives that promote the diversification of funding methods that contribute to the expansion of production scale. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- In order to promote the utilization of content, a demonstration project will be implemented for the construction of a database that has aggregated right information including indie

contents in the music field and for the establishment of a consolidated search site utilizing the database. This project will promote the rapid construction of right processing platform and also study the system development that utilizes the technologies such as blockchain for right processing and profit distribution of copyrighted works. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry)

- With regard to the facilitation of the smooth processing of rights, including institutional amendments to the treatment of neighboring rights related to simultaneous distribution, etc., while fully taking into account the wishes of the parties concerned, steady progress will be made in the operational aspects of the system. In addition, the relevant ministries and agencies will commence concrete deliberations on the ideal system at the early stage of the fiscal year, and review it as necessary will be carried out by the end of the fiscal year. (Short and Medium Term) (Ministry of Internal Affairs and Communications, Ministry of Education, Culture, Sports, Science and Technology)
- The government will review the system of compensation for private audio/visual recordings and consider the introduction of a new system to replace it so that compensation is appropriately returned to the creator and the content is reproduced. Based on the conclusion of the review, the government will take necessary measures. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology, Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry)
- In order to transform Japan's high-quality video content into a sustainable industry structure that can be distributed globally, support will be provided for improving productivity throughout the entire supply chain by, for example, introducing a video content production process that utilizes digital technologies. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Support will be provided for the development and production of advanced digital content in order to create a new market for content that incorporates the fusion of digital content with physical experiences and interaction with consumers. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- In order to stimulate investment and financing to promote large-scale content production that contributes to overseas expansion, a system will be developed to quantify risks in content production and to increase the transparency of processes and accounting. (Short and Medium Term) (Ministry of Economy, Trade and Industry)
- Support will be provided for the development of foreign language metadata necessary for Japan to enter overseas markets through international music distribution services for the

variety of songs that Japan has created up to now. (Short Term) (Ministry of Economy, Trade and Industry)

- To examine the governance of competition for the sound development of the e-sport industry. (Short and Medium Term) (Ministry of Economy, Trade and Industry)

### **(iii) Support for video production through improvement of the shooting environment in Japan and overseas**

#### **(Current Status and Challenges)**

Film plays a major role in improving the quality of content, as well as deepening empathy with Japan's history, culture, and society, and realizing new values, as comprehensive arts including various elements, such as the original manga, novels, music, and art.

In order to improve the shooting environment of such films, the "Liaison Conference on location Shooting Environment Improvement (Public-Private Liaison Conference)" was held by the public and private sectors. Based on the direction of the measures to be taken in the "Interim Summary" (April 2018), studies have been carried out with relevant ministries and agencies.

Of these, regarding the sharing of the latest information on the licensing procedures, the sharing of awareness among interested parties through Q&A, the establishment of a portal site, and other unified information sharing among all laws and regulations, issues will continue to be identified at the Public-Private Liaison Conference, and the update of the nationwide location database and the pilot installation of area managers to strengthen the film commission system will be carried out to verify the effectiveness of the system.

Also, with regard to the effectiveness verification through support for model works with cultural and economic impacts, empirical studies will be conducted to attract foreign movie locations that contribute to the promotion of regional economies, using the framework of the Public-Private Liaison Conference.

Through these projects, the project aims to create a virtuous circle process by disseminating the processes necessary for obtaining licenses, clarifying the scope of photography, sharing awareness among the parties concerned, and thoroughly complying with the licenses. The project aims to disseminate the understanding of local residents in taking pictures of the location, promote the acceptance of locally as a whole, further strengthen the system of the film commission, and smoothly obtain licenses and approvals through proof of public interest.

#### **(Direction of Measures)**

- In order to stimulate interest in Japanese cinema and raise awareness in other countries,

The Japan Foundation Asia Center promote two-way cultural exchanges and the formation of networks with Asia through the Center's “WA Project”: Toward Interactive Asia through ‘Fusion and Harmony’” by introducing Japanese films to Asia through the presentation of Asian films at the Tokyo International Film Festival, the concept of the Asia Pacific Gateway, and other projects, as well as inviting moviemakers. (Short and Medium Term) (Ministry of Foreign Affairs)

- Japan will promote international cultural exchange through films and will continue to secure opportunities for Japanese films, such as the holding screenings at Japanese film festivals overseas, including in China, Russia, and India. Further, Japan is developing the infrastructure to promote international joint production, including the implementation of an international joint production agreement with China. (Short and Medium Term) (Ministry of Foreign Affairs)
- With regard to support for Japanese films, consideration will be given to diversifying the menu of existing support systems, such as support for planning and development and support for large-scale films, in order to further strengthen support for outstanding films produced by small and medium-sized production companies and creators. Also, support over multiple years and simplification of application forms will be pursued to improve the system. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- In order to promote film shooting and revitalize creative activities, we will further strengthen the dissemination of films both domestically and internationally, as well as sharing the licensing procedures for filming locations in Japan consolidating information on locations around Japan, and introducing film commissions in each region. (Short and Medium Term) (Ministry of Education, Culture, Sports, Science and Technology)
- Empirical surveys will be conducted to confirm the direct economic effects of attracting locations of foreign films with cultural and economic impacts, as well as the effects on regional economic development, such as attracting tourists and forming local communities through video presentations. (Short Term) (Cabinet Office)

#### **(iv) Sustainable Strengthening of the Cool Japan Strategy**

##### **(Current Status and Challenges)**

Based on the “Cool Japan Strategic Public-Private Collaboration Initiative” in 2015 and the “Intellectual Property Strategy Vision” formulated in 2018, each of the initiatives undertaken by each ministry and government and by the private sector is achieving a certain level of results. At the same time, expectations for Japan are growing through increasing the number of people



who are deepening their understanding of Japan, and more high-quality and deeper content is required. At the same time, the methods and frequency of communication with the world are changing dramatically due to the advancement of digitization and globalization. In these changes, the following issues must be addressed in order to improve the quality of Cool Japan's efforts and to win the consensus of the world in a sustainable manner. Also, to further strengthen the individual measures that each ministry has carried out so far, related ministries and agencies must cooperate in responding to these issues.

- Further penetration of market-in and other ideas necessary for gaining the empathy of people around the world (including sufficient analysis)
- Further strengthening horizontal cooperation among ministries and agencies, between different industries, and between regions
- Full utilization of the perspectives and knowledge of foreigners, especially fans of Japan.
- The accumulation of knowledge necessary for creating stories that can gain empathy from around the world, such as the essence of Japan and the character of Japan
- Dissemination in response to the social aspects of digitization and globalization
- Protection of intellectual property for overseas expansion
- Discovering, cultivating and utilizing human resources to expand and deepen global empathy

#### **(Direction of Measures)**

- Japan will formulate a new Cool Japan Strategy by around the summer of this year and implement it in cooperation with relevant ministries and agencies, with the aim of laying the foundations for the long-term continuation and development of Cool Japan through the cooperation and collaboration of many people. Within this strategy, efforts will be made to disseminate the essence of Cool Japan, develop a network that diverse human resources can co-create in order to strengthen horizontal collaboration, and a framework will be created and utilized for the creation and utilization of fans of Japan. (Short and Medium Term) (Cabinet Office and other ministries and agencies concerned)
- Based on “The Final Report on Development of Human Resources for Cool Japan” (March 2018) and “The Acceptance of and Coexistence with Foreign Human Resources” (December 2018), the following will be implemented: development of human resources capable of discovering, refining, and expanding regional attractiveness; establishment of institutional efforts and cooperation systems for the utilization and accumulation of foreign human resources; and operation of the Professional College System that contributes to the development of Cool Japan human resources. (Short and Medium Term) (Cabinet Office

and other ministries and agencies concerned)

## **5. Process Chart**

- (1) Priority Issues of “Intellectual Property Strategic Plan 2019”
- (2) Priority Issues of “Intellectual Property Strategic Plan 2018”
- (3) Continued items from “Intellectual Property Strategic Plan 2017”

