

# **The Roles of Bodies Supporting the Development of Industrial Property System**

Japan Patent Office  
Asia-Pacific Industrial Property Center, JIII

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## 1. Introduction

The industrial property system as represented by patent and registered utility model systems, is designed to encourage inventions through their protection and utilization. It also aims to further develop industry by promoting and achieving technological innovations.

In order for the industrial property system to properly function, it is important for government agencies, including the industrial property office, to actively promote reforms and developments that meet the needs of the time. People and industrial circles, including inventors, applicants and right holders must also be able to utilize the system in accordance with government policy. However, there are financial and organizational limits for the industrial property office, as it works to plan industrial property policy and the registration of industrial property rights. There is also a limit in what individual inventors, companies, and others can do by themselves. Either would not be efficient on its own.

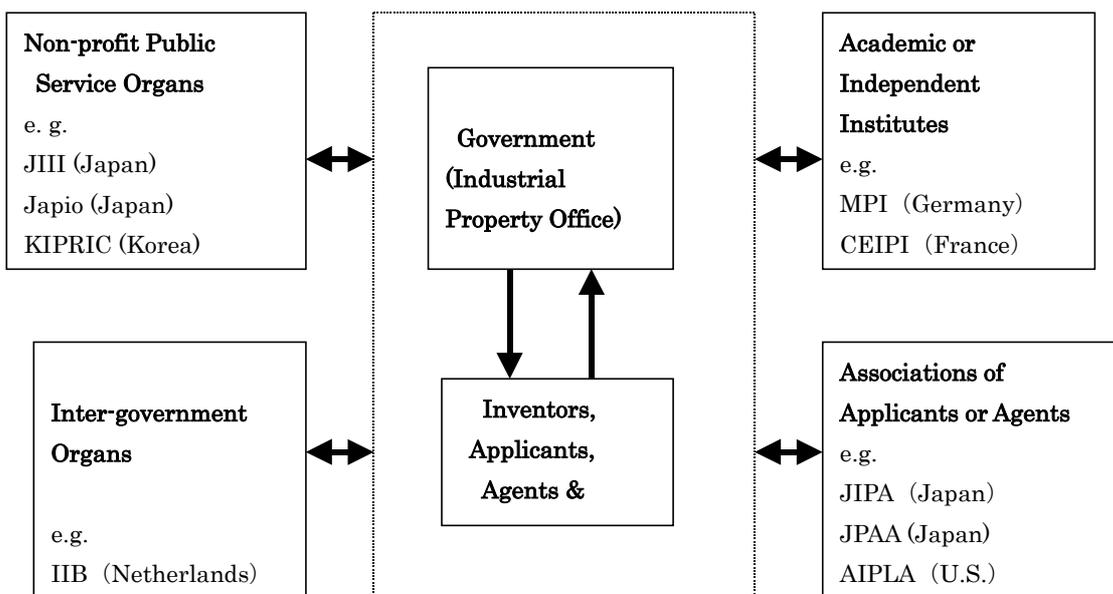
Therefore, bodies and organizations associated with industrial property rights are important to support or work in line with the government in planning and implementing policies, mediating between the government and general users of the system, and further facilitating the efficient use of the system by citizens.

## 2. Bodies Supporting the Industrial Property System

Currently, there are many bodies and organizations related to the industrial property system in various countries around the world. Particularly important bodies and organizations support or work in line with the government in the administration

of industrial property rights, or diffuse information about the industrial property system to the public. These bodies and organizations are public-service institutions under the guidance of the government, associations of inventors, attorneys, applicants and other users of the system, and university research institutes independent of the government and industrial circles, and governmental organizations established for specific purposes. In some countries, public-service institutions are performed by separate governmental organizations.

### Organs Supporting the Industrial Property System



Japanese public-service corporations are established by governmental approval and are non-profit bodies or organizations performing activities for the public good and are divided into two types: one is called a corporate juridical person (Shadan Hojin) and the other a foundational juridical person (Zaidan Hojin).

The Japan Institute of Invention and Innovation (JIII), the Japan Design

Protection Association (JDPA), the International Association for the Protection of Industrial Property of Japan (AIPPI/Japan), and the Japan Foods Patent Center (JFPC) are corporate juridical persons approved by the Minister of Economy Trade and Industry (METI), while the Japan Patent Information Organization (Japio), the Industrial Property Cooperation Center (IPCC), the Institute of Intellectual Property (IIP), the Patent Application Processing Center (PAPC) are foundational juridical persons established under the approval of the METI.

The International Patent Documentation Center (INPADOC), formerly established in Austria under an agreement between the World Intellectual Property Organization (WIPO) and the government of Austria has the same status in Austria as the above organizations. This public-service body, operating under the direct or indirect guidance of the government, implements projects deemed more financially or organizationally effective than that of carried out directly by the government itself or projects that risk being unfairly implemented if carried out by profit-oriented bodies on behalf of the government.

The associations of inventors, companies utilizing the industrial property system, attorneys, etc., including the Japan Intellectual Property Association (JIPA), the Japan Patent Attorneys Association (JPAA), the American Intellectual Property Law Association (AIPLA), the Intellectual Property Creators (IPC) in the USA, the Intellectual Property Section of the American Bar Association (ABA/IP) are also important for addressing the respective needs of users within the industrial property system by planning system policies, increasing efficient use of the system by holding seminars for those who engage in patent-related work, or investigating and

researching the system for the sake of the users.

The Max Planck Institute for Foreign and International Patent, Copyright and Competition Law (MPI) in Munhen, Germany, the Centre D'Etudes Internationales de La Propriete Industrielle (CEIPI) in Strasbourg, France based at Universite Robert Schuman and the Center for Advanced Study & Research on Intellectual Property (CASRIP) in Seattle, USA (based at Washington University) all have a close relation to their respective government and/or governmental organizations which all are independent of the government and business enterprises. These kinds of institutions are important in that they investigate and research the direction of the industrial property system or submit proposals for governmental policies.

Organizations established for specific purposes under intergovernmental cooperation also play an important role in supporting the implementation of the industrial property system. IIB, the antecedent of the present Hague branch of the European Patent Office (EPO), originally founded through a joint effort between the Netherlands, France, Belgium, and others, played an important role in offering research services for the novelty of patent applications filed with the patent office of each country, as well as offering the general public with patent research not immediately related to applications.

In the following section, an overview focusing on the roles of these bodies, that is, associations, institutes, and organizations in the development of the industrial property system is given.

### 3. Organizational Functions and Activities

These bodies have the function of supporting or working in line with the governmental industrial property system administration and diffuse information about the system to present or prospective users.

In order to support the governmental industrial property right administration several functions are carried out. They include investigations and research essential to the planning and drafting of industrial property right policies, carrying out work necessary to implement industrial property system such as registering rights, or carrying out activities that complement the government's industrial property right system, such as the diffusion of industrial property information.

Diffusing information about the industrial property system to general users is performed by providing training and education concerning practices in the industrial property system, promoting public awareness of the industrial property system, among other activities.

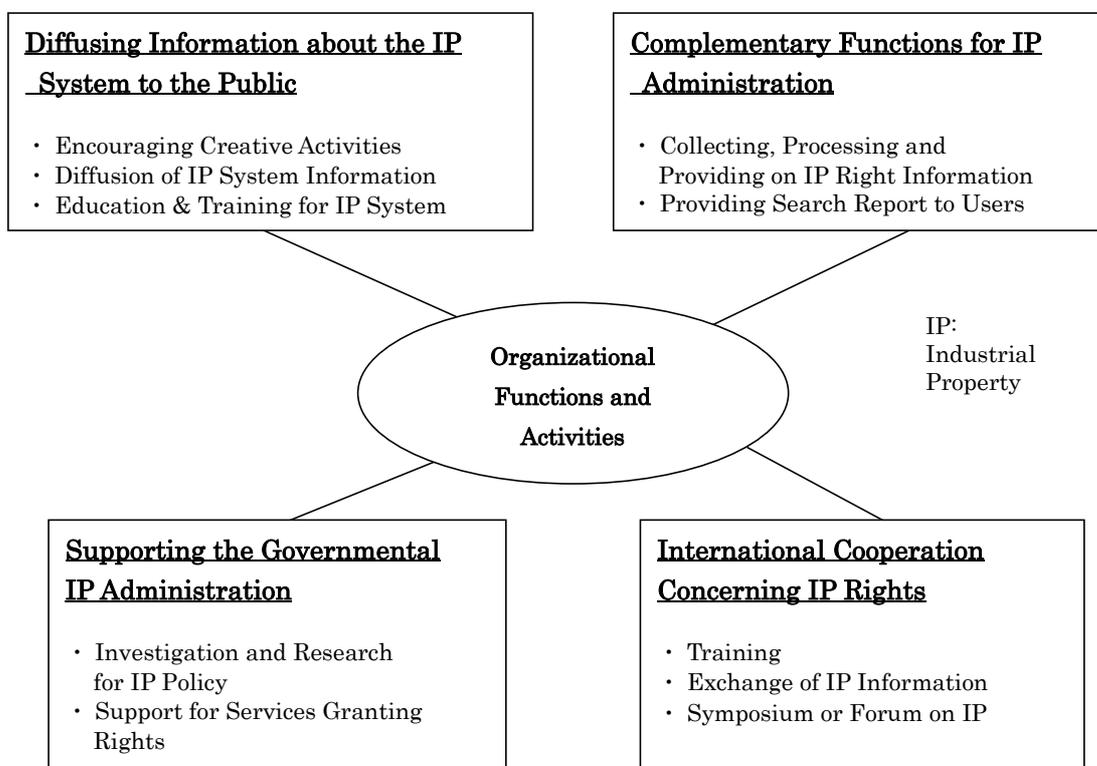
In the following, specific examples of the above functions are introduced using actual body's cases.

#### 3-1. Diffusing Information about the Industrial Property System to the Public

##### (1) Encouraging creative activities including inventions and designs

The Industrial Property/Patent Information Center (CKO) in the Hague, the Netherlands, being one of the governmental organizations, encourages and guides

## Organizational Functions and Activities



inventions by small businesses and individuals with eighteen local centers nationwide to extend well-adapted guidance. (Registering the industrial property rights is given by the patent office.)

Japan Institute of Invention & Innovation (JIII), Tokyo, performs the following activities to encourage and promote inventions:

- National and local commendation activities, such as honoring inventors and related persons for inventions and other achievements
- Exhibitions of students' and childrens' inventions and devices so as to arouse their interest for inventions; and exhibitions of inventions by teachers and school staff members with the aim of making them aware of the importance of

inventions.

- Extra-curricular activities such as “Invention Clubs for schoolchildren” that aim at the developing creativity through creative work.

In addition, forty-seven branches, their subbranches and other units of JIII nationwide perform activities encouraging inventions by holding invention-commending ceremonies and exhibitions.

Korea Invention Promotion Association also performs similar activities to encourage inventions.

## (2) Diffusion of information about the industrial property system

The diffusion of information about the industrial property system to general users, such as consultation on application procedures, explanations of the amended system, and guidance in applying inventions and exchanging technologies is indispensable for the smooth operation of the system. Therefore, activities performed by the government itself, can attain a more effective diffusion of the system if carried out by bodies intermediate to the government and general users.

Japan Institute of Invention & Innovation (JIII), Tokyo, does the following to diffuse information about the industrial property system:

- Offers consultation and guidance services concerning industrial property rights such as patent application procedures, practice of inventions and other matters
- Offers documents concerning open patents available from companies, and intermediating between and consulting with prospective licensors and licensees

concerning such patents

- Offers consultation services concerning the utilization of foreign industrial property systems for private enterprises in Japan
- Cooperates with JPO in holding various briefings nationwide concerning industrial property rights
- Holds patent seminars, consultation meetings, etc., designed for small businesses to deepen their understanding of the industrial property system
- Operates of an electronic application system, on-line delivery system, and demand-for-inspection-of-files system in electronic application model rooms and reference rooms located nationwide

(3) Education and training for the industrial property system and its practice

Generally, government staff members such as patent examiners are schooled on the industrial property system by the training institute at the patent office. Likewise, patent experts in businesses using the industrial property system as well as lawyers, patent attorneys, etc., are trained by their respective firm and associations on practices of industrial property system, cases studies, or updated trend of the industrial property systems.

Japan Patent Attorneys Association (JPAA), a body established under the provision of Patent Attorney Law, works to maintain the dignity of patent attorneys and to dutifully and purposefully improve and develop their job. At present, the Association has about 4,100 members with main activities including, in addition to registration work concerning patent attorneys, efforts to improve and develop the operation of the system, efforts to foster and develop industrial

property rights, and the submission of proposals or the dissemination of advice upon request to the governmental authorities.

As a part of these activities, JPAA provides the following training for its members:

- Comprehensive training sessions on practical business mainly for patent attorneys who have recently passed the patent attorney's examination
- Training sessions for members held for specific purposes, such as for the practical business of foreign patent applications, patent litigation movements, and issues in practical business associated with the implementation of a new patent system
- Continuous training sessions held for members includes exercises led by high court justices as lecturers

The Japan Intellectual Property Association (JIPA), Tokyo, provides training courses related to intellectual property consisting of regular, special, and overseas training courses. The regular training courses are offered with curricula ranging from basic studies to exercises and research so that not only people from intellectual property departments but also those from research and development departments of member companies may gain full knowledge of intellectual property. The special training courses provide training on current subjects according to members' needs. The overseas training courses include training on overseas patent systems, how to write English specifications, and the training of Japanese personnel dispatched overseas to hear lectures given by local experts, so as to developing resource skills through the acquisition of international expertise

capable of meeting the needs of the times of international communications.

Beside closed-membership education and training opportunities, there are also activities wide open to students, patent specialists in companies, lawyers, patent attorneys, etc., as well as governmental officials, including examiners of the patent office. Bodies offering these activities are as follows:

The Centre D'Etudes Internationales de La Propriete Industrielle (CEIPI) in Strasbourg, France carries out educational activities concerning the industrial property system in close cooperation with the patent offices of European countries, the European Patent Office and the World Intellectual Property Organization (WIPO). In addition to providing a lecture course for those who wish to obtain a doctor's degree from a university, this center offers a training course for applicants for accreditation to be a patent agent capable of negotiating with the EPO, a training course for people from developing countries, and a training course for patent specialists from companies. The center also has a course for persons newly employed as EPO search examiners, which, however, is not carried out at present.

Japan Institute of Invention & Innovation (JIII) in Tokyo, offers a systematic training course (regular course) and also an open course on the operation of the industrial property system, to develop personal skills in performing future business activities with the acquired advanced expertise of the system.

The International Association for the Protection of Industrial Property of Japan

(AIPPI-JAPAN), and the Japan Intellectual Property Association (JIPA), provide seminars concerning intellectual property by inviting Japanese and foreign experts in this field, respectively.

### 3-2. Complementary Functions of the Governmental Administration of Industrial Property Rights

#### (1) Collecting, processing, and providing information on industrial property rights

Industrial property right information contains several important areas such as proprietary information on patents, utility modes, design and trademarks as well as technical information containing state-of-the-art technologies in all technical fields. In order to facilitate and extend the use of this industrial property information, it has become important not only to distribute primary information (patent documents) but also to prepare secondary documents such as abstracts, extract search keys, build databases, and generally offer information through diverse media such as on-line systems and CD-ROMs.

Regarding the supply of industrial property information to general users, the industrial property office limits its service to the open use of its own database and the public inspection of documents at its libraries and local inspection centers. This is because it would not be financially or systematically efficient for the industrial property office to perform all services itself. Therefore it is considered important to use public-service bodies as a means to complement the limited services of the office. As mentioned above, industrial property information is specifically that information which concerns rights. Therefore, if any information regarding unprofitable acts is not supplied or any user is discriminated against

when given conditions for use, the effective operation of the industrial property system itself is threatened. In other words, since stable, across-the-board and fair supply services and the security of service supply are necessary for industrial property information, it is important to use public-service sectors guided by the government instead of commissioning them to the profit-oriented private sector.

The International Patent Documentation Center (INPADOC), originally built in Vienna, Austria, was established by WIPO, which was studying the exchange, search, and standardization of patent information, in cooperation with the Austrian government. The Center was collecting and processing bibliographical information concerning patent documents of every country in the world and offering it for the internal use of patent offices of the signatories or commercial use for hosts. At present, this has been taken over by the Vienna branch of the European Patent Office.

The Japan Patent Information Organization (Japio) in Tokyo, was established to make patent information complete and promote its use. Industrial property information available for general users covers patents, utility models, designs and trademarks and is provided in various forms including paper documents, microfilm, CD-ROMs, magnetic tapes and through on-line systems.

Japio produces and offers various CD-ROMs such as those containing information classified by technical fields using chronological information, etc., recorded on various CD-ROMs. In addition, Japio copies foreign and Japanese patent documents and application documents, then researches and translates these,

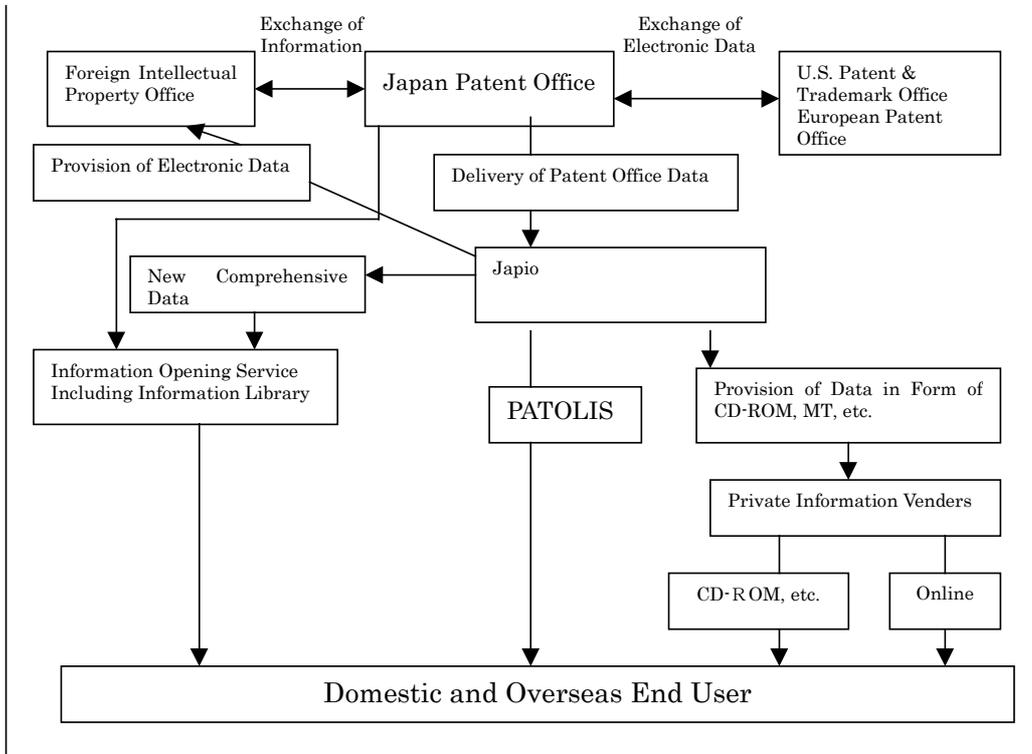
and sells CD-ROMs of Japanese Patent Abstracts (in Japanese) and Patent Abstracts of Japan (in English).

In particular, Japio maintains a database using a large computer, by which accumulated data is supplied through on-line services to clients in Japan and overseas under the name of PATOLIS. This database is also provided in the form of magnetic tape. Japio also offers for public use a system that can search the full text of patent documents and display it on the screen including all drawings attached thereto.

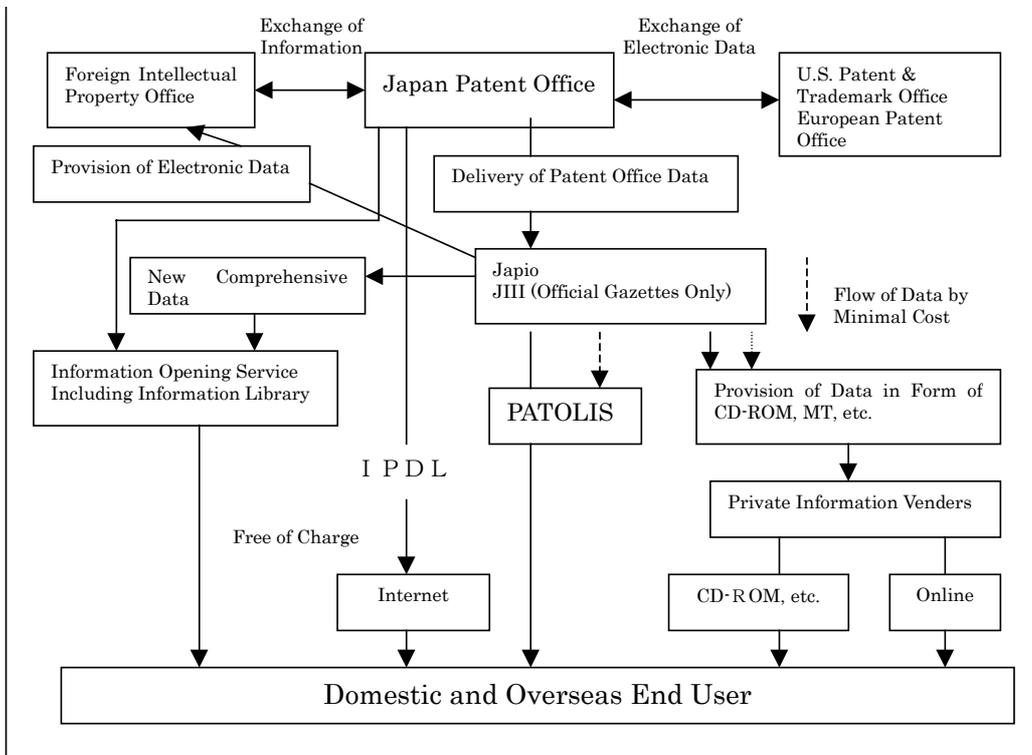
Regarding gazette information, JIII, in addition to selling CD-ROM gazettes of patents and utility models, produces and sells patent gazettes, etc., of paper media.

The JPO introduced the Paperless System in 1984 to achieve increased efficiency in administration, a shortened examination period, expanded industrial property (IP) information services, etc. The JPO has stored much IP information in its data base, yet it began an "Industrial Property Digital Library (IPDL) service on its web site in March 1999 to facilitate the use of IP information. By using the IPDL service, anyone may search, free of charge, for resources on patents, utility models, designs and trademarks by using document numbers or classifications. In addition, JPO has been able to provide private IP information service companies with IP information at minimal cost, thereby reducing Japio's role as sole IP information provider. As growing competition with private IP information service companies became more visible, eventually, in April, 2001 Japio reworked its PATOLIS on line service into a private company.

**Set-Up for Provision of Industrial Property-Related Information (fiscal 1997)**



**Set-Up for Provision of Industrial Property-Related Information (fiscal 1998)**



Japan Food Patent Center (JFPC) in Tokyo, is offering a quick report service of trademark data (by paper documents).

The Korean Industrial Property Right Information Center (KIPRIC) in Seoul, Korea, was established with the aim of actively facilitating the use of industrial property information for the purpose of promoting the development of industrial technology in Korea. The Center collects information from domestic and foreign databases, and extends services through paper documents, CD-ROMs, magnetic tapes, and on and off-line services.

(2) Providing search reports to general users

To carry out economic activities smoothly under the industrial property system, it is also necessary to investigate and handle prior industrial property information. Therefore, many industrial property authorities of countries render, in addition to the examination of patent applications, industrial property information search services such as novelty search services for people conducting product development and the filing of foreign applications (for example, the UK Patent Office offers, in addition to examinations of patent applications, a patent search service called Search & Advisory Service to general users).

COK in the Hague, the Netherlands, prepares search reports of prior art concerning specific patents for small businesses to evaluate their own inventions.

The Institut International de Brevets (IIB) of the Hague, the antecedent of the present Hague branch of the European Patent Office, prepared and offered search

reports of patent applications to patent offices of member countries, and also made patent searches and reported the results to general users upon request. These functions have been taken over by the EPO Hague Branch.

### 3-3. Supporting the Governmental Industrial Property Administration

#### (1) Investigation and research for industrial property policy

Government must plan and draw up industrial property policies which meet the needs of the times, especially concerning such things as the future direction of an internationally harmonized industrial property system and the protection of new technologies. Thereby to make its industrial property administration effective, it is necessary to carry out comparative studies of national and foreign industrial property systems and accurately grasp the status of operation and use of the system. To this end, bodies supporting the industrial property system investigate and research according to their objectives and specialized knowledge in cooperation with the government.

##### ① Basic investigations into research on the industrial property system

Research is conducted by universities and research institutes specifically established for such purposes.

The Max Planck Institute for Foreign and International Patent, Copyright and Competition Law in München, Germany, an organization established under the cooperation of München University and the German Patent Office, is researching not only the German industrial property system but also those of each country as well as international industrial property systems. Some of the

research conducted by the Institute has been presented as a tentative plan to serve as a basis for discussion on the international harmonization of industrial property systems and on the unification of the European local systems. Thus, it has the potential to greatly affect the industrial property system in Europe.

The Center for Advanced Study & Research on Intellectual Property (CASRIP) in Seattle, USA, is an independent institute established at Washington University. The Institute carries out research as well as training programs for intellectual property rights. In particular, the center conducts research on the intellectual property systems of US, Europe, and Japan including the protection of rights such as patent rights centered on state-of-the-art technology as well as the impact of intellectual property right on international trade. The results of the researches are published in printed materials or leaflets.

The Institute of Intellectual Property (IIP) in Tokyo was established in 1989, with the aim of achieving the proper protection and international harmonization of intellectual property rights through investigation and research on problems internal and external to industrial property issues, and by collecting and offering related information. In addition to conducting a wide range of research on basic problems within intellectual property, IIP investigates and researches several concerns including those in the Unfair Competition Prevention Law, Copyright law, and other laws relating to industrial property. It also works in problems found in the international harmonization of intellectual property, and in intellectual property related to new technologies. Such investigations and

research are also being conducted by the International Association for Protection of Industrial Property of Japan (AIPPI-JAPAN) and Japan Institute of Invention and Innovation (JIII).

JIII conducts investigations and research, such as surveys on foreign applications by Japanese companies and surveys on the use of industrial property rights by smaller businesses. This research is intended to contribute to the smooth operation of the industrial property system.

AIPPI-JAPAN conducts investigations and research on common issues in industrial property rights to be taken up by AIPPI.

② Surveys on the use and operation of the industrial property system for users

These surveys are conducted mainly by associations of users of the industrial property system, such as inventors.

The American Intellectual Law Association (AIPLA) in Washington DC, USA, is an association consisting of more than 10,000 lawyers who engage in practical business related to intellectual property rights laws. AIPLA was established to support the development of patent, trademark, copyright, and unfair competition prevention laws, and other fields of intellectual property. This association conducts investigations and research concerning intellectual property rights including those on the revision of intellectual property protection system.

The Section of Intellectual Property Law in the American Bar Association (ABA/IPL) is the largest body in intellectual property rights in USA, consisting of 1,200 members, 1,500 students, and 400 associate members. ABA/IPL is a special section first set up in the ABA to handle U.S. Patent Law, Trademark Law, and Copyright Law. Since 1984, ABA/IPL has conducted a large amount of research to improve protection within the intellectual property rights system and has presented its research results to the government.

The Intellectual Property Creators (IPC) of Los Altos, USA, is a non-profit body consisting of inventors, product developers, and entrepreneurs. IPC has a keen interest in industrial property policy and the enforcement of patents, and submits proposals to Congress as well as gives advice to inventors on patent practice.

The Japan Intellectual Property Association (JIPA) in Tokyo, was established to secure proper use and improvements in intellectual property systems, and now consists of about 700 Japanese companies from every industry. JIPA has structured committees on issues in patents, designs, trademarks, intellectual property administration, international problems, software, patent information, licensing, training, and so on, separately with each industry. These committees conduct investigations relating to industrial property rights specifically from users perspective. At the same time, all member companies are divided into three regions Kanto, Tokai, and Kansai, and into groups by industry such as iron and steel, machinery, electricity, chemistry, trading, and construction. Each regional and industrial group conducts investigations and research on issues in

view of its own needs.

(2) Support for services granting rights

As the number of applications to industrial property office increases, the work load involved in processing applications in the office increases, obstructing the smooth process of granting rights. To avoid a backlog in granting services, part of the office's workload is passed to supporting bodies. In this way, the quick granting of a right is assured.

① Preparation of preliminary search reports

Many present industrial property systems use substantive examinations, and prior art or application searches are vital for the examination. However, with the expansion of economic activities and the advancement and sophistication of technology, it has become more effective to have bodies supporting the industrial property office conduct searches due to the office's budgetary and organizational limitations.

The Institut International de Brevets (IIB) in the Hague, the Netherlands, formerly established under the cooperation between the governments of the Netherlands, France, and Belgium, prepared search reports to assist in the granting of rights and provided information on the results of prior art searches to companies and others in general. This function has now been passed to the Hague Branch of EPO.

Industrial Property Cooperation Center (IPCC) in Tokyo, was established for

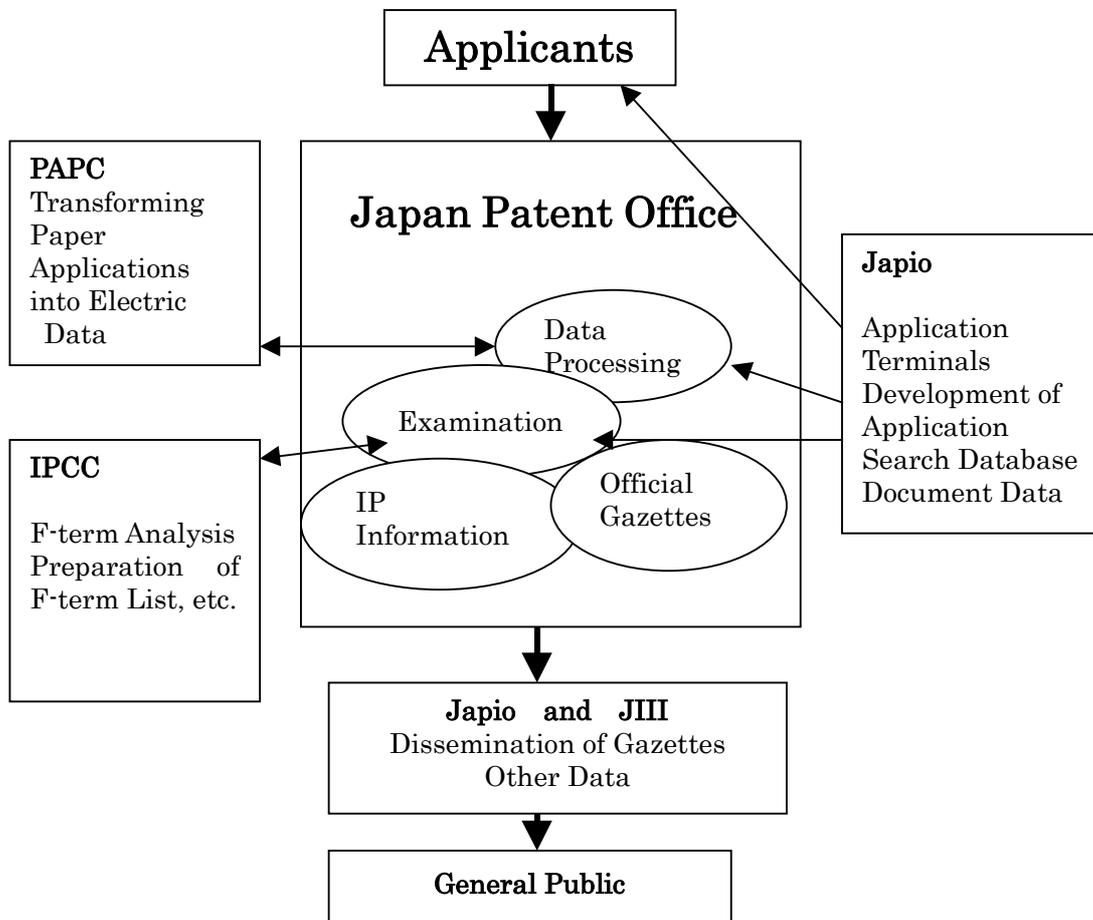
the purpose of building a database for the File Forming Term Retrieval System, which is core to the Paperless Project of the Japan Patent Office (JPO). It also deals with the registration of the layout of semiconductor integrated circuits as a designated body for that function under the “Law Concerning the Circuit Layout of Semiconductor Integrated Circuits.” Later in 1990, the center was designated as a search organization to conduct prior art searches necessary for the examination of patent and utility model registration applications. Of jobs handled by examiners, the center receives orders for prior art searches from the JPO, searches prior art using the File Forming Term Retrieval System, and delivers search reports to the JPO.

The Japan Patent Information Organization (Japio) in Tokyo, provides a pre-examination preliminary search service to improve examination efficiency for trademark and service mark applications filed with the JPO. Prepared search reports are delivered to the JPO.

② Support for data processing system

With an increase in industrial property applications and the needs for information used in examinations, the industrial property office of each country is promoting the data processing system. In particular, the JPO actively promotes the Paperless Project (aiming to comprehensive data processing system) and makes full use of related bodies, thereby effectively achieving the Paperless Project’s set goals.

## JPO Paperless Project and the Role of Bodies



Japan Patent Information Organization (Japio) in Tokyo, in compliance with the JPO's Paperless Project, is developing related systems preparing search file data for patents, utility models, designs, and trademarks, and storing patent information for use in examinations into optical disks. In addition, Japio developed terminals to promote the use for electronic application system. Moreover, Japio perform sound and figure analyses of applied trademarks, and prepares data for examinations.

The Industrial Property Cooperation Center (IPCC) in Tokyo, is developing the F-Term List for the File Forming Term Retrieval System, an information

search system of JPO. It also assigns F-terms into patent documents, etc.

Japan Design Protection Association (JDPA) assigns and inputs D-terms, used in computerized retrieval of design documents.

Patent Application Processing Center (PAPC) in Tokyo, is the designated data processing organization established under the “Law Concerning the Special Provisions to the Procedure, etc., Relating to an Industrial Property Right” which sets procedures for electronic applications, and transforms paper documents into electronic data.

③ Maintenance of documents for examination and other process

Japan Design Protection Association (JDPA) assigns the Japanese Design Classification, etc., to designs appearing in domestic and foreign books, magazines and catalogs, and processes them into photographic cards.

3-4. Fostering International Cooperation Concerning Industrial Property Rights

Japan Institute of Invention and Innovation (JIII) is commissioned by the government and work in cooperation with Japan International Cooperation Agency (JICA). It works to foster international cooperation in industrial property rights through the development of skills as seen in its programs accepting examiners and officers from “developing” countries as trainees. In particular, since 1994, JIII has been accepting, in cooperation with Association for Overseas Technical Scholarship (AOTS), private persons concerned with industrial property, mainly from ASEAN countries, as trainees. In addition JIII sends experts from

Japan to these countries to promote international cooperation.

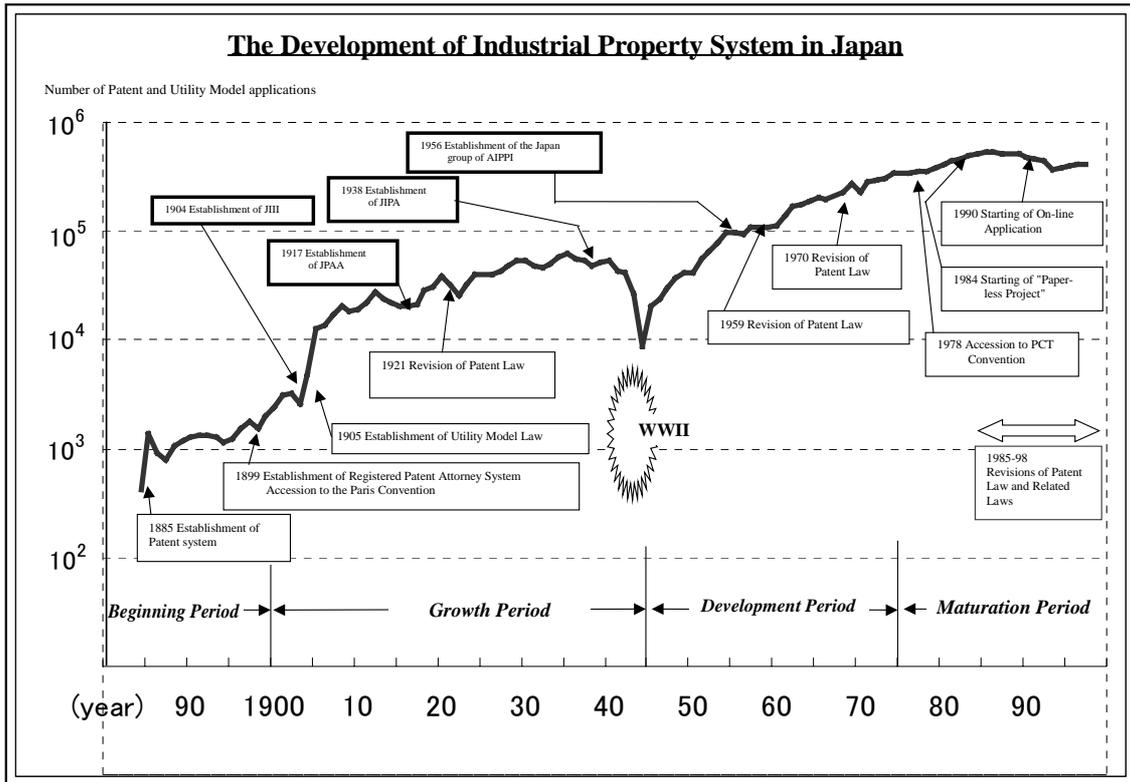
The Japan Patent Information Organization (Japio) is commissioned by JPO to prepare and send data on Japan to member countries in accordance with the trilateral cooperation agreement among the Japan Patent Office (JPO), the US Patent and Trademark Office (USPTO), and the European Patent Office (EPO). In addition, JAPIO exchanges INPADOC file data with the Viennese Branch of the EPO.

The International Association for the Protection of Industrial Property of Japan (AIPPI/Japan) and the Institute of Intellectual Property (IIP) invite overseas experts on intellectual property to hold symposiums and forums to deepen mutual understanding.

#### 4. The Development of the Industrial Property System and the Role of Related Bodies

It is important for the bodies mentioned earlier to act the needs the time demands. If government and industrial circles are able to actively assist them as the industrial property system matured each industry develops, the whole of the industrial property system can be further enhanced and contribute greatly to the development of industry.

A specific example of such activity can be seen where bodies have played an important role in the modernization of Japan and the development of the industrial property system.



#### 4-1. The Dawn of the Modernization of Japan's Industry and the Establishment of Industrial Property System

Japan's industrial property system is characterized by the fact that applications received from Japanese companies and inventors are more than 90% of the total. This shows that Japanese industrial modernization resulted from united efforts of the government and private sectors to promote inventive thinking and the industrial property system.

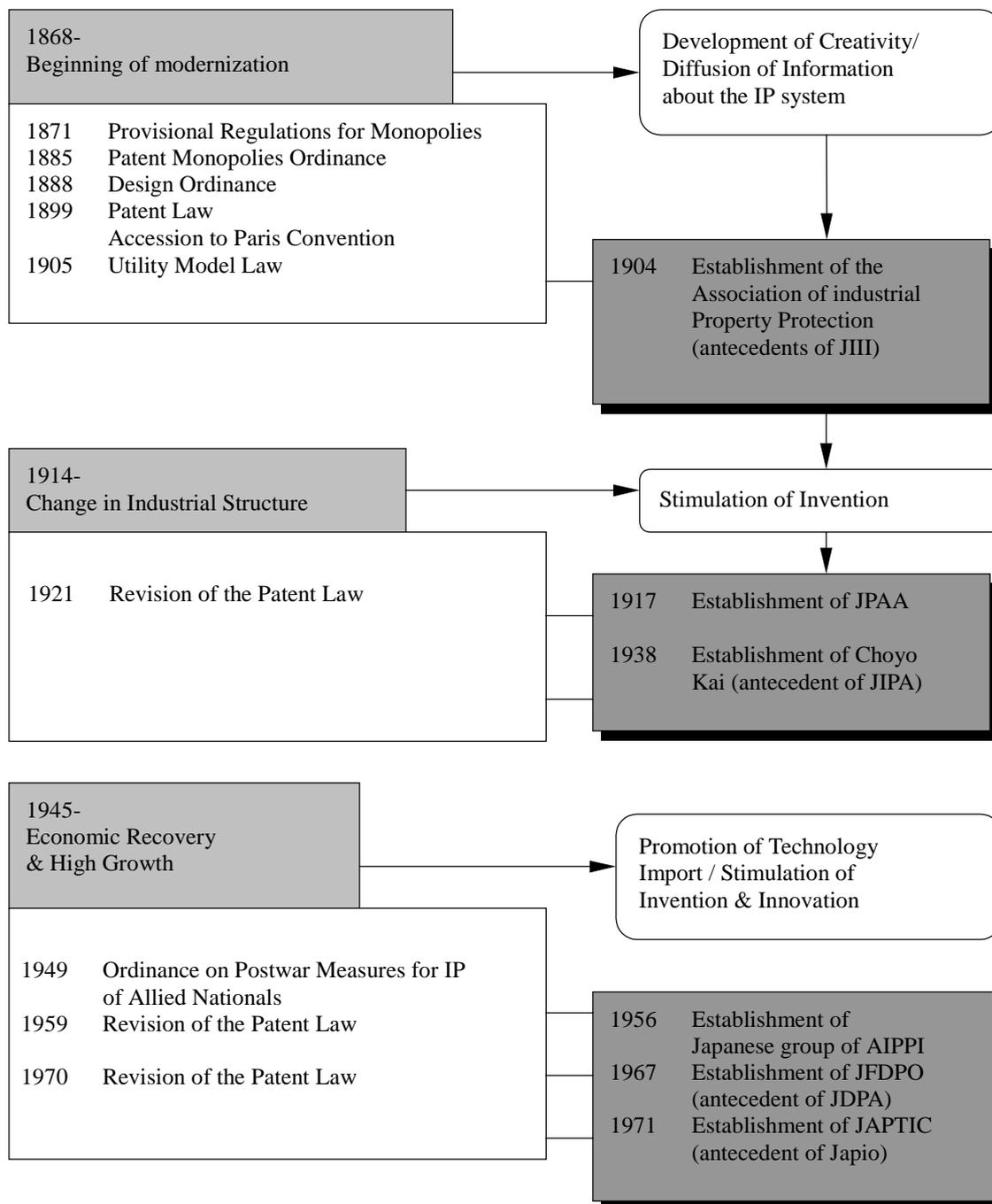
The modernization of Japan began in the latter half of the 19th century after the modernization of some countries in Europe and America. Under these circumstances, the government of Japan actively introduced Western modern thought and technology, and positively promoted industrial modernization. Stimulated by governmental policy, people in Japan created inventions and

popular attitudes towards the establishment of an industrial property system in Japan gained momentum inside and outside of Japan. In Japan, the Provisional Regulations for Monopolies was enacted in 1871, the Trademark Ordinance in 1884, the Patent Monopolies Ordinance in 1885, and the Patent Law in 1899. In 1899, Japan became a signatory to the Paris Convention for the Protection of Industrial Property. Thus, measures were taken one after another to complete Japan' industrial property system.

In 1904, the “Industrial Property Right Protection Association,” the predecessor of present Japan Institute of Invention and Innovation, was established. After its establishment, the Association successively developed activities to encourage inventions and diffuse information about the industrial property system. These included holding lecture meetings, issuing publications, sponsoring contests, and instituting commendation systems.

Results immediately began to appear with the sharp increase in the number of patent applications by Japanese. In 1903, the number of applications by Japanese was less than 70%, but, in 1910, it accounted for 85%, amounting to more than 5,000 applications. At the same time, the number of applications for utility models, most of which were filed by Japanese, reached 12,545.

## The Development of the Industrial Property System and the Contribution of the Organs in Japan (1)



- JIII /Japan Institute of Invention and Innovation
- JPAA /Japan Patent Attorney Association
- JIPA /Japan Intellectual Property Association
- JDPA /Japan Design Protective Association
- Japio /Japan Patent Information Organization

#### 4-2. Conversion of the Industrial Structure and Full-Scale Use of the Industrial Property System

Most Japanese patent applications were filed by individual inventors until 1910 when inventions connected with business emerged and company applications increased gradually. As a result, a drastic amendment of Patent Law was made to strengthen the industrial infrastructure while taking international aspects into consideration. Thus, it became possible to utilize a more advanced industrial property system.

Prior to the establishment of this large scale system, the “Japan Patent Attorneys Association (JPAA)” was founded in 1917. The JPAA offers training activities for members and services such as consultations to general users. With the establishment of the patent attorney system, the industrial property system became more procedurally efficient.

On the other hand, World War I and the subsequent Depression worldwide delivered a great blow to Japanese industries that had just been beginning to develop. The industrial structure in which light industry had played a major role was expanded to include heavy industry. As a result, the attempt to introduce patent management and technology from overseas, as well as to increase patent applications submitted by companies, was emphasized.

Under these circumstances, the “Choyokai,” the antecedent of the present “Japan Intellectual Property Association,” was established in 1938. The Choyokai was a body consisting of personnel in charge of industrial property in respective

companies. Its activities started with advance settlement of industrial property disputes between companies and making requests to the government for the needs of users of the industrial property system. Later, the Choyokai held training sessions for personnel in member companies and conducted investigations and research concerning the operation and utilization of the industrial property system. This effort resulted in great improvements in quality in companies party to the industrial property system, thus further contributing to the perfection of the system.

#### 4-3. The Introduction of Technology, High Economic Growth and Maturity of the Industrial Property System

World War II was a devastating blow to Japanese industry. As Japan began to recover, there was an extremely large differential between Japan and European countries and the US in respect to the level of technology. In particular, this lay in the field of synthetic chemistry, where rapid progress had been made during the War. To bridge this gap, industries in Japan raced to introduce overseas technology.

As the introduction of technology expanded, the number of patent applications by both foreign companies licensing their technology and Japanese companies developing new thing based on licensed technology substantially increased. The sharp increase of applications resulted in the extension of the examination period. As a result, in 1971, the system was revised to include the request-for-examination system by which examination was to be made upon request. Similarly, an early laying-open system, by which all pending applications

in effect were to be laid open 18 months from an application filing date.

With tighter patent management within companies, the Choyokai, a body of applicant companies, changed its name to the Japan Patent Association, established committees successively to study different issues, and organized a training section to strengthen the training provided to corporate patent persons.

The sharp increase in technology introduced into Japan from foreign countries was the beginning of a full-scale internationalization of the industrial property system. In 1956, under the support of the Japanese Ministry of Foreign Affairs, the Ministry of International Trade and Industry, the JPO, and the Japan Federation of Economic Organizations, the “Japanese group of AIPPI (AIPPI Japan)” was established to achieve the proper international protection of industrial property rights. This was intended to further promote communication with private sectors in other countries concerning industrial property systems and also convey the opinion of Japanese private sectors concerning the revision of the Paris Convention for the Protection of Industrial Property and other matters through a close cooperative relationship of AIPPI headquarters based in Zurich with BIRPI (the predecessor of WIPO).

At the same time, AIPPI Japan held seminars and study meetings on common international subjects and issued publications to diffuse information about the industrial property system, thereby contributing to an international consciousness in the Japanese industrial circles, concerning industrial property systems.

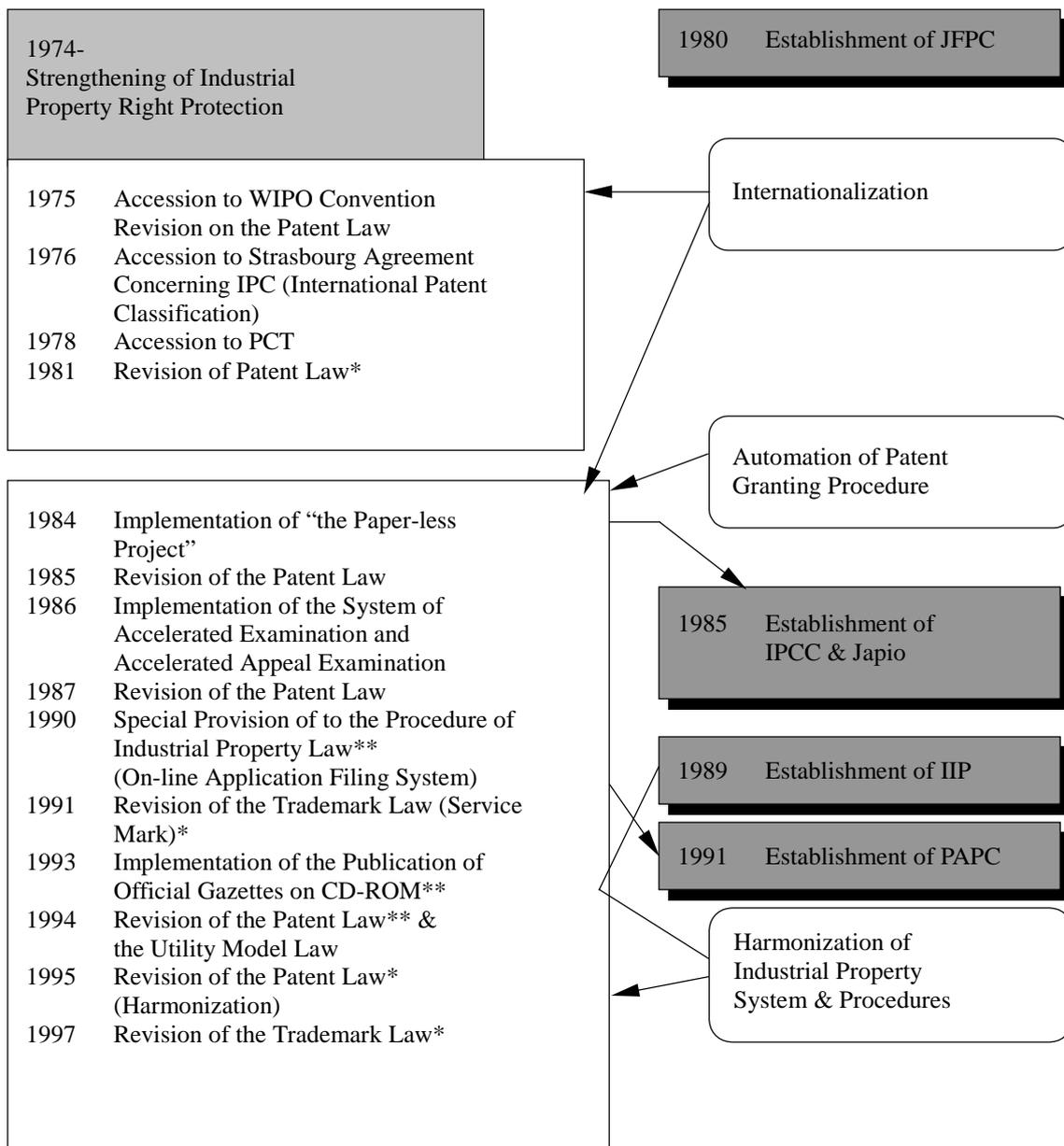
With the growth of interest in the use of the industrial property system, the Japan Institute of Invention and Innovation (JIII) began full-scale consultation services, and started offering guidance on subjects such as the procedures related to industrial property, foreign applications, and prior art searches. In addition, JIII inaugurated its Industrial Property Training Center in an effort to develop human resources to be engaged in industrial property system.

The increase in applications makes both prior art searches for examination and the use of industrial property technical and rights information difficult.

In 1971, the “Japanese Patent Information Center,” which was the predecessor of the present “Japan Patent Information Organization,” was established. This body was founded to accomplish the comprehensive collection and management, prompt and appropriate provisions and the diffusion of information about the Japanese and foreign industrial property systems. It was the only center in Japan capable of processing an enormous amount of industrial property information with large computers. With the start of this, the convenience and availability of general industrial property information for companies, etc., grew remarkably.

#### 4-4. Stable Economic Growth and Technical Competition, the Progress of the Information-oriented Era, and the Internationalization of the Industrial Property System

## The Development of Industrial Property System and the Contribution of the Organs in Japan (2)



\* Revisions for International Harmonization

\*\* Revision or Adaptation for Paperless System

JFPC /Japan Foods Patent Center

IPCC /Industrial Property Cooperation Center

Japio /Japan Patent Information Organization

PAPC /Patent Application Processing Center

Two oil crises since 1973 greatly influenced the world and completely changed economies of developed industrial countries spurring them onto stable growth. The oil shocks became a turning point since Japanese industry, that had maintained high growth until then, changed its focus from labor-intensive to knowledge-intensive industries due to a scaling-down of the world market. As a result, merchandise had to be unique, and technical superiority over competitors became important. Therefore, the strengthening of international protection of industrial property rights has become necessary to legitimately secure technical superiority.

The issue of strengthening industrial property rights protection focused on the need to shorten time required to grant a right by the JPO. JPO decided to solve this issue by increasing the efficiency of data processing through the Paperless Project, using a highly advanced information processing technology.

In the Paperless Project, started in 1984, all information used for the examination was transformed into electronic data. This was carried out first by using a system to search data by keys called F-terms (file forming term). For analyzing documents using F-terms, the Industrial Property Cooperation Center (IPCC) among others, was established in 1985. The Center built an F-term database capable of analyzing about 15 million patent documents.

On the other hand, Japan Patent Information Organization (Japio), which was established in the same year by integrating the former Japanese Patent Information Center and the patent information business of JIII constructed a

patent document database. The organization built a database capable of storing about 25 million patent documents including secondary documents. Moreover, the organization also played a role in diffusing patent information transformed into electronic data to the general public, including the database built by the Paperless Project. Through an on-line system called PATOLIS, nearly 7,000 users have become able to access patent information including F-term data. Efficiency in the common use of patent information by companies and others, has advanced greatly.

In the second stage of the Paperless Project, an electronic application system was introduced allowing applications on on-line systems or floppy disks (FD) instead of paper documents common till then. It became necessary to support persons unable to file applications by on-line systems or FD in transforming their documents into electronic data. It also became necessary to ensure the reliability of the entry of documents data, such as written amendment. To perform these functions, the Patent Application Processing Center (PAPC) was established. The completion of this back-up system made electronic applications possible for the first time.

The commissioning of prior art searches to outside organizations plays an important role in utilizing private sector power for procedures to grant right. For this reason, in 1990 Industrial Property Cooperation Center (IPCC) was designated as an organization to carry out such research in accordance with the relevant law. Thus the Center began to prepare research reports for examiners.

Emerging demands to strengthen international protection of the industrial property system have resulted in pressure for the Japanese government to establish and operate an internationally harmonized system. The government successively launched the amendment to ensure international harmonization of the system and secure protection of property rights.

Also, in response, Institute of Intellectual Property (IIP) was established in 1994. The purpose of IIP was the proper protection of intellectual property and international harmonization through the investigation and research of domestic and foreign issues, and the collection and provision of intellectual property information. Research results of the Institute were used by the Japanese government as data for introducing new systems, such as the trade secret protection system.

The reform of the system had a substantial effect on the activities of Japanese companies overseas. The Japan Institute of Invention and Innovation, the International Association for the Protection of Industrial Property of Japan, the Institute of Intellectual Property, the Japan Patent Attorneys Association, and Japan Intellectual Property Association introduced a movement to strengthen the protection of Japanese citizen's intellectual property through programs such as training sessions, seminars, short courses, and symposiums. This could thus result in reducing the problem of useless disputes overseas involving Japanese companies.

Meanwhile, as internationalization, progressed international cooperation in

industrial property rights in the Asia-Pacific region increased in importance. In response to this, JIII established the Asia-Pacific Industrial Property Center (APIC) to further strengthen cooperation, such as training for persons, mainly, from ASEAN countries where are engaged in the practical work in industrial property.

Through such unified efforts among the government, users of the industrial property system, and bodies supporting the system, the Japanese industrial property system quickly succeeded in an international harmonization, and made the operation of the most advanced system in the world available to all, as seen in the Paperless System.

## 5. Summary

As mentioned so far, each organization supporting the industrial property system pursues several activities in line with the mission of their respective organization. Activities may include assisting inventors in obtaining rights, developing awareness of the industrial property system in industrial circles, further enhancing the knowledge and background of patent attorneys, building databases of industrial property information, as well as others. The diffusion of the industrial property system, educating people about it, the provision of industrial property information to complement measures to be taken by the government, and the support of the industrial property administration of the government are all organizational activities meant to support mission.

These activities produce better results if they are performed by bodies consciously

using the unique characteristics of each body in liaison with the governmental policies on industrial property, rather than entirely independently.

In the meantime, within an information-oriented society, procedures for data processing of industrial property administration are more intricate. Under these circumstances, the activities of the bodies supporting or working in line with industrial property rights policies have become indispensable.

In addition, in view of pressure for the practical operation of an internationally harmonized industrial property system and the world-wide use of industrial property information, it is essential to use each body's knowledge and experience in the field not only for JPO's limited implementation of policies, but also extensively for intergovernmental cooperation.

Therefore, a great expectations are placed on these bodies and organizations supporting the industrial property system in its future promotion as were in the past.