

# **Recent Activities in the Patent Administration**

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## **Part 1**

## Chapter 1

# Efforts at the JPO

## 1. "Patent Law Amendment Reducing Patent Pendency" in 2004

In order to respond to public demand for prompt and appropriate protection of intellectual property (IP), the JPO has amended the Patent Law and other intellectual property laws as required for expediting patent examination processes, from the point of view of prompting application and to examination request properly, and reinforcement of infrastructure for expeditious patent examination. Concurrently, the JPO revised the regulation on the employee-invention so that remuneration for employee-inventions might be determined appropriately.

### (1) Process of Law Amendment

On the basis of the "Strategic Program on the Creation, Protection and Exploitation of Intellectual Property" (hereafter called as the Strategic Program) instituted in July 2003, the Patent System Subcommittee, established under the Intellectual Properties Policy Committee, Industrial Structure Council, has been debating "expeditious patent examination", "prompting application and to examination request properly" and "establishment of an environment to encourage inventions". The Intellectual Properties Policy Committee, Industrial Structure Council accepted and approved in January 2004 the report submitted by the Patent System Subcommittee entitled "Improvement of Employee-Invention System", interim report of the Working Group on Patent Strategic Plan Issues under the Patent System Subcommittee and a report compiled by the Utility Model System Working Group under the Patent System Subcommittee entitled "Toward Enhancement of Attraction of Utility Model System".

The "Bill to Patent Law Amendment Reducing Patent Pendency" was drew up on the basis of the above reports, approved in the Cabinet on February 10, 2004 and on the same day submitted to the 159<sup>th</sup> Ordinary Session of the Diet. It was approved by the Congress of the House of Representatives on May 11<sup>th</sup>, approved and concluded by the congress of the House of Councilors on May 28<sup>th</sup>, and promulgated on June 4<sup>th</sup>.

### (2) Outline of Amendments

The amendments comprised of two major parts, one amendment related to the realization of expediting patent examination processes and the other revision of rules on employee inventions.

Outline is described by item below.

#### (i) Review of the Designated Searching Organization System (Section 37 and others in the Law Concerning the Special Provisions to the Procedures Relating to an Industrial Property Right) (hereafter called to as the Special Provisions Law)

Eligibility requirement of being public interest cooperation to be designated search organization, which is entrusted with prior art search necessary for patent examination, is eliminated and the system changes to a system of registration in which any organization could be registered when it complies the measure written in the Special Provisions Law.

Registration class system will be newly instituted to make it possible to be registered by each specific technical field.

Additionally, similar amendment is made with respect to the system of designated information processing organization, which executes service of data entry that application documents submitted to the JPO are transformed into electronic.

#### (ii) Instituting Specified Registered Searching Organization System (Section 39-2, etc., Special Provisions Law)

The system that the fee for the request for examination can be reduced in the case where the patent applicants who request examinations show the search report issued by specified registered search organizations that are specifically registered by JPO among registered search organizations is instituted.

#### (iii) Publication of Official Gazettes via the Internet (Section 13, Special Provisions Law)

In principle, the present Gazettes publication by magnetic disk requires about 7 weeks of lag time, from registration of patent rights, etc. In order to reduce this time to facilitate information availability, Section 13 of the Special Provisions Law is amended to allow publication of Gazette via the Internet. This improvement will enable publication of the Gazette in about 4 weeks from the registration.

**(iv) Addition to Estimated Deposit as refund (Section 15, etc., Special Provisions Law)**

The system to permit applying the addition to estimated deposit instead of payment as the refund when the requester made a request at submission of the request for the refund of fee shall be established in the Section 15 of the Special Provisions Law. The procedure conducted by the user of the deposit system is merely a designation of the number of deposit account where the refund should be added, at submission of the request for the refund. The added fee can be used as fee for the other procedures.

**(v) Revision of Utility Model System****a. Institution of a Patent Application System Based on the Utility Model Registration (Section 46-2, etc., Patent Law)**

A system that enables an application for patent based on a utility model registration and that the date of the application of the original utility model would be considered as the date of the patent application is introduced. Because allowance of unlimited application for patent based on utility model registration would increase burden on vigilance by third parties and examination of the JPO, the following limitations are placed; utility model right must be abandoned at the time of application for patent based on such utility model, application for patent based on utility model registration is allowed only within 3 years from application for utility model registration, specific limitations related to request for registrability report or request for trial for invalidation, retroactivity of the date of application is valid only when the matter indicated on the specification, the range of the claim and drawing, attached the application for the patent based on the utility model registration is within the limits of that of the original utility model, and application for patent based on utility model registration and its divisional application or converted application cannot be changed to application for utility model registration.

**b. Extension of Term of Utility Model Right (Section 15, etc., Utility Model Law)**

The term of utility model right shall be lengthened from 6 years to 10 years from the filling date. At the same time, because the fee for the seventh to tenth year will be newly instituted, those for the first through third and the fourth through sixth years shall be reduced.

**c. Relaxation of Allowable Range for Corrections (Section 14-2, etc., Utility Model Law)**

The allowable range for correction has been relaxed to include restriction of claims of utility model and correction of errors and those for the purpose of clarification of an ambiguous description. In order to prevent placement of excessive burden on the third party, however, the above corrections shall be allowed once, during the period from the registration date of the utility model right until 2 month later the date of sending a copy of the initial registrability report, or until the initially designated submission period of the written reply on the trial for invalidation.

**(vi) Expansion of the Business of the National Center for Industrial Property Information (Section 3, 10, etc., Law on Independent Administrative Agency, National Center for Industrial Property Information and Training)**

Business of training and information in the JPO are transferred to the National Center for Industrial Property Information and its name concurrently is changed to the National Center for Industrial Property Information and Training (hereafter called NCIP).

In its new training services, the NCIP will not only train JPO staff, it will direct its training activity to patent attorneys, researchers of registered search organizations, executives of small and medium enterprises and other venture enterprises and other individuals concerned with Industrial Property. In terms of its service as information provider, in addition to traditional service of collection, storage and visitors inspection of patent related gazette, it will operate information providing services to general public such as Industrial Property Digital Library (IPDL) as well as maintenance of JPO information system related to IP.

**(vii) Revision of the Employee-Invention System (Section 35, Patent Law)**

The amendment was effected for the purpose of striking the balance between employees and employers, with heightening employees' satisfaction to a remuneration and motivation for invention, and heightening the employers' will of investment in R&D through enhancing the predictability of the investment in R&D.

As a start, where contracts, employment regulations or other stipulations provide the remuneration for the succession of right related to employee invention, the voluntary agreement about the remuneration shall be respected from the viewpoint of private autonomy, and in principle, the determined remuneration shall be allowed as the "appropriate remuneration".

However, since the difference between the employee and the employer in position may result in unreasonable

determination of the amount of the remuneration is not necessarily proper to entrust the voluntary agreement in all cases of determination. Consequently, Section 35-4 stipulates that, in order for the amount of the stipulated in contracts, employment regulations and other stipulations to be acceptable as "appropriate remuneration", the entire process as a whole from determination of remuneration until payment must not be comprehensively recognized unreasonable. In judgment of unreasonableness, the procedural factors including "the situation of the consultation between the employer and the employee which takes place in order to set standards for the determination of the remuneration", "the situation of the disclosure of standards stipulated" and "the situation of hearing opinions of the employee etc. on the calculation of the amount of the remuneration" shall be laid weight.

Section 35-5 states that in cases in which payment of the remuneration may be recognized unreasonable or in the absence of stipulation of the remuneration, the "appropriate remuneration" is to be determined by considering the profit to be received by the employer, from the invention, burden borne by the employer, contribution made by the employer, and benefit received by the employee in relation to the invention and any other factors.

### **(viii)Effective Date of the Amendment Law**

Amendment of iv) has been in effect since the Amendment Law was promulgated (June 4, 2004).

Amendments of i) and vi) is enacted on October 1, 2004.

Other amendments will be enacted on April 1, 2005.

### **(ix)Interim Measure**

Application procedure for registration in i) can begin on the day of the promulgation (June 4, 2004).

Relative to ii), application procedure for registration can begin on October 1, 2004. In case the show of the search report and request for examination are made after the day of enactment, the application will be subject to discounting the request-for-examination fee even if the filing of the application itself is dated earlier than the day of enactment.

v) a., b., and c., will be applicable to application for utility model registration filed after the day of the enactment (April 1, 2005) or later.

Relative to vi), necessary interim measures are set related to transfer of personnel and other changes.

vii) would be applicable where the succession of right to obtain a patent or patent right, or setting of exclusive license occur after the day of enactment (April 1, 2005).

## **2. Intellectual Property Policy Committee of Industrial Structure Council**

### **(1) Process**

In order to deliberate items specified as required for implementation in the Strategic Program instituted in July 2003, the Patent System Subcommittee and the Trademark System Subcommittee were established under the Intellectual Property Policy Committee of the Industrial Structure Council. The Working Group on Patent Strategic Plan Issues and Utility Model System Working Group were established under the Patent System Subcommittee.

The Patent System Subcommittee debated the employee-invention system and prepared "Improvement of Employee-Invention System" in December 2003.

The Working Group on Patent Strategic Plan Issues concentrated on issues specified in the "Strategic Program", the "Patent Strategy Plan", the "Bill for Partial Amendment of the Patent Law for 2003" and their supplementary resolution. The Working Group has compiled an interim report, the "Aiming Timely and High-Quality Patent Examination at the Highest Level in the World" in December 2003.

The Utility Model System Working Group pursued the ideal system in its discussions and compiled "Enhancement of Attraction of Utility Model System" in December 2003.

The Trademark System Subcommittee is continuing presently to deliberate the role of trademark as concrete policies to improve an environment in which further valuable products and services can be provided by utilizing attractive brand.

### **(2) Patent System Subcommittee**

Under the current employee-invention system, based on the basic rule that the right to obtain a patent for the invention belongs to the employee who made the invention, employees have the right to demand "appropriate remuneration" when the right to obtain a patent right etc. was succeeded to employers. Under this system, however, the amount of the remuneration to be paid by the employers to the employee was not clear, causing obstacles to continuing research and development investments with predictability. From the standpoint of the employees, the reward for their work often failed to convince them that their invention activities are appropriately evaluated as the

employers generally decided one-sidedly remuneration without asking opinions of the employees. Furthermore, it was difficult for the dissatisfied employee to resort to legal steps against his own employer.

Therefore, the Patent System Subcommittee held intensive discussion of desired system for Employee-Invention and determined the following specific directions.

#### **(i) Non-Exclusive Licensing of the Employers in Relation to Patent Rights of Employee-Inventions**

In developing employee-invention, the employers contribute in terms of setting the research topic and in providing research funds and facilities. In consideration of this point of view, from the aspect of balance between the employers and employees, it would be reasonable to assign a certain license to the employers. The assignment of non-exclusive license to the employers makes it possible to stabilize the right of employers in relation to employee-invention, furthermore to facilitate further promotion of research and development investment as well as their business activity.

Accordingly, as in the past, non-exclusive license of the employers should be recognized.

#### **(ii) Reserved Succession Concerning Employee-Inventions and Independent Inventions**

Prompt assignment of the right of employee-invention is desirable for employee-inventions to be speedily and widely exploited. Corporations are investing in research and development for the purpose of business. With respect to employee-invention in the university, in view of the fact that exploitation of research achievements by the organization is more appropriate than by individual researcher to take the risks in funding and business application, it is appropriate to continue the existing system to permit the employers to reserve the succession of right.

In case reserved succession is consummated with respect to independent invention developed by employee outside of his professional realm of authority, such agreement on the reservation of succession should be invalidated.

#### **(iii) Decisions on "Remuneration" When Rights Concerning Employee-Invention Have Been Assigned**

In order to increase predictability for the employers and give a boost of motivation toward research and development to the employee by increasing his/her satisfaction with evaluation of his/her invention, following measures should be taken:

- a. As long as the determination of the amount of the remuneration is not unreasonable in light of the difference between employers and employees in their position, the amount of the remuneration decided by their voluntary agreement should be respected.
- b. When provisions concerning "remuneration" do not exist or are unreasonable in light of the differences expected between the employers and the employees, employee should be granted the right to demand payment of "appropriate remuneration".
- c. In determining the above unreasonableness, in view of the importance of self-determination between employer and employee, procedure to determine remuneration should be emphasized.

#### **(iv) "Appropriate Remuneration"**

In order to make profits from an invention, not only contributions to completing the invention itself, but also other contributions to filing patent application, additional technical development for exploitation, marketing and advertisement, licensing negotiations and other post invention activities are required. Therefore, these contributions must also be taken into consideration in calculating the amount of the "appropriate remuneration". In addition, the employers are carrying the risk outside of development costs of technical development which are directly and indirectly required for realization of the profit from the invention. Moreover, there are cases in which employers pay considerable remuneration through a raise in salary or a promotion to employees such as researchers who made contribution toward the employer's profit.

Therefore, in cases where no provision exist or the determination of the amount of remuneration is unreasonable in light of the difference expected in being the employer and employee, the court would refer the Section 35 of the Patent Law as an indicator in determining the amount of the appropriate remuneration. In such case, a variety of factors, such as situations mentioned above, should be taken into consideration, as long as the factors are directly or indirectly related to the relevant invention.

#### **(v) Scope of Application of the Section 35 of the Patent Law**

Precedents and theories are not in the same opinion about applicability of law related to succession of employee-invention in foreign countries.

Under these circumstances, the effectiveness of the Section 35 of the Patent Law would be uncertain, even if

there were a provision regarding patent right in foreign countries. Even when the Section 35 of the Patent Law is applicable, legislative and operational issues are not solvable, more specifically, the final determination of the fact of succession of right, the effective date of the succession, which comprises the bases of effectiveness of demanding consideration, must be entrusted to the laws of the registered country. This is because the problem is that the notions of bases comprising the patent system, the concepts of "invention", "patent rights" or "right to patent registration" vary with each the country. Furthermore, the finality of the effect of the succession can only be attained by completing the processes established by the country of the registration of the right.

Therefore, regulations treating overseas right succession or remuneration for the succession should be left over.

### **(vi) Short-term Extinctive Prescription**

There is an idea that the short-term extinctive prescription should be instituted in order to resolve the issue under the current system, such as low predictability of remuneration to be paid to the employee by the employers.

In view of the difficulty of the employee to sue the employers under the existing employment relationship, institution of the short-term extinctive prescription would be exposed to criticism that the measure comprises infringement of right to file a lawsuit to courts. In addition, even considering the grounds of the short-term extinctive prescription, such as 1) difficulty of establishing facts because of dispersion of evidence in time and 2) refusal to protect those who don't enforce the right., it is difficult to justify adaptation of the short-term extinctive prescription regarding the right to demand appropriate remuneration.

Therefore, regulation of the short-term extinctive prescription should not be established in relation to the right to demand the remuneration.

### **(vii) Employee-Creation and Employee-Device**

As well as employee-invention, it is appropriate to amend regulations with respect to employee-creation (employee's design) and employee-device systems.

## **(3) Working Group on Patent Strategic Plan Issues**

Issues required to deliberate in "Strategic Program", "Patent Strategy Plan" and the "Supplementary Resolution concerning Bill for Partial Amendment of the Patent Law for 2003" are discussed as main issues as subject of revision.

### **(i) Adjusting Rules and Structure for Timely and High-quality Patent Examination**

The Working Group is proceeding with deliberation of system revision for establishing timely and high-quality patent examination practices.

Specifically, the items being considered include following

- a) Significance of "Timely and High-Quality Patent Examination"
- b) Enrichment of prior art search, changeover to strategic management of patent, and rationalization of request for examination provided by JPO
- c) Review of the amendment system from the standpoints of fairness among system users and reasonability in examination, review of the divisional application system for timely obtaining rights
- d) Aggressive use and improvement of usefulness of information system
- e) Practical roles of a patent attorney expected for speeding up patent examinations, and summarized views reached in discussions held over 6-time meetings of the above issues and other matters in January 2004 to the Intellectual Property Policy Committee as interim report

This interim report focused on issues directly related to the "Bill for Partial Amendment of the Patent Law and other laws to Expedite Patent Examination" in terms of developing a comprehensive policy position for achieving timely and high quality patent examination. Specifically, the Working Group made a recommendation, "Activities for Expediting Patent Examination", to be realized by securing patent examiners, enlargement of examination structure by large-scale employment of fixed-term examiners and further improvement of efficiency and quality of outsourcing search process by allowing new participation of search organization through removal of public interest corporation requirement. Another series of recommendations, comprehensive measures in nature, comprised of increased scale of publicity for the new fee structure and requesting cooperation from corporate management, institution of fee discount for request for examinations when they are accompanied with search results compiled by search organizations, achieving "Appropriate in Patent Application and Request for Examination" through cooperation of patent attorneys, strengthening regulatory control in human resource management and "Development of Infrastructure for Timely and High-quality Granting of Rights" through strengthening of administrative capabilities concerning information system infrastructure. The Working Group, in addition, pointed out the desirability of



conducting a review of the system of divisional application and that of amendment.

## (ii) Issues in Smooth Exploitation of Patented Inventions

In the cases where patent rights are granted for up-stream technology, which is likely to be used for general purposes and has few substitutes, (especially gene-related technology and research tools<sup>1</sup> in life science field), there is a concern that down-stream research requiring the up-stream technology may be negatively influenced. While the standardization of technology and patent pool are common, some patent holders, whose patents are essential for technical standards, don't join the patent pool and demand unreasonable royalties, obstructing the standardization. Regarding this issue, the "Strategic Program" requires to discuss the possibility of applying the Patent Law (experimental use exception or compulsory license) in order to facilitate utilization of patent rights owned by a third party.

The Working Group clarified the scope of experimentation and research to which patent rights do not extend as follows.

The effect of the patent right does not extend to the working of the patent right which doesn't involve business (Section 68, Patent Law). The use as business is considered to mean activity other than private use, as the definition is considered to include any activities related to business, regardless of profitability. On the other hand, in light of the purport of the Patent Law to promote advancement of industry through encouragement of inventions, even if an activity is conducted as a business, the effect of the patent rights does not extend to some "experiment or research" (Section 69-1, Patent Law). The scope of the exception as generally conceived, however, is limited to activities of which subject is the invention itself and which are conducted for the purpose of advancing technology. As apparent in the above discussion, according to the regulation in the Section 69-1 of the Patent Law, not all "experimenter research" exempt people from patent infringement.

The Working Group will focus on deliberation of applying compulsory license.

## (4) Utility Model System Working Group

Ten years have passed since the transfer to a new utility model system by the revision of the Utility Model Law in 1993, which enabled early registrations of utility models. The Strategic Program stipulates that an alternative utility model system should be discussed and that a conclusion of the discussion should be obtained by the end of the fiscal year 2003. The Working Group for the Utility Model System was organized under the Patent System Subcommittee. The Working Group reviewed and discussed on various issues of the current utility model system, especially on items that require revisions of the system. The Working Group reported the conclusions of the discussions to the Intellectual Property Policy Committee in January 2004. Specifically, the Working Group concluded that the utility model system itself should be retained in order to respond to a demand for protection of technologies, which require immediate implementation. In the report, the Working Group suggested revisions of the utility model system such as 1) Extension of the term of utility model right, 2) Institution of a patent application system based on the utility model registration and 3) Relaxation of allowable range for corrections, in order to enhance attraction of the utility model system.

## (5) Trademark System Subcommittee

In response to increasing emphasis on creation of the brand value in the corporate activity, the Subcommittee is reviewing the Trademark Law, which is the principal means of protecting trademark that is the means of symbolizing communication of the value of the brand and deliberating items in the Law that require revisions.

In specifics, the Subcommittee is debating 1) To clarify the scope of protection by reviewing the "definition of trademark", "definition of use of trademark", "infringement rules" and "scope of rights" that would be responsive to diversified needs of corporate marketing activities, 2) Optimum regulatory framework of trademark (especially, proper judgment of relative reason for refusal and judgment of use status of trademark) for "maintenance of business confidence of the trademark user", which is the role of the trademark system, 3) Review of "collective trademarks system" from the standpoint of vitalization of regional economy and promotion of international cooperation as well as consideration of instituting "certification trademarks system", 4) Registering trademarks used in retail business as service trademark and 5) The possibilities of well-known trademark rights from the aspect of promoting creation and reinforcement of brand value that trademarks embody (principally with respect to review of the "defensive mark system").

<sup>1</sup> Reference to all the resources of the laboratory a scientist uses. They include such items as experimental animal (e. g., genetically recombinant rat), screening device, experimental equipment/facility, database, software

## 3. Meetings between Company and JPO

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### (1) Meetings with Company Executives

JPO Commissioner and Deputy Commissioner have been calling on Company Executives for the purpose of opinion exchange concerning IP since last year.

#### (i) Summary

The purposes of the meetings are:

- (a) Urging aggressive use of patent information while the corporation plans research, in filing application and requesting examination and, by doing so, to expect an unprecedented increase in efficiency in their research endeavors. At the same time, asking for understanding and cooperation in reformed patent application and examination request procedures that should prevent unnecessary patent application or examination request as well as reducing cases of examination request that would be abandoned following rejections of registration.
- (b) Support strategic approach in IP management by the corporation by increasing awareness of IP in the upper level executives of company.

Upper-ranking companies in terms of patent application with which JPO has held exchange meetings 29 companies and 2 industrial associations, which collectively file approximately 23% of all patent applications received by JPO.

JPO officials in these gatherings first described the present status of Japan's IP rights, followed by a presentation by corporate staff concerning corporate activities involving IP. The meetings ended with exchange of opinions in free discussion.



## Chapter 2

# Efforts in the Entire Government

## 1. Activities of Intellectual Property Strategy (implementing the "IP Strategic Program")

The intellectual property strategy is expanding rapidly. In November 2002, the "Basic Law on Intellectual Property (Law No. 122, 2002)", which stipulates the basic plans for intellectual property policy, was enacted. On the basis of this law, the Intellectual Property Strategy Headquarters was established by in the cabinet in March 2003. After approximately 4 months of intensive deliberations at the IP Strategy Headquarters, the "Strategic Program for the Creation, Protection and Exploitation of Intellectual Property" (hereinafter referred as "IP Strategic Program") was adopted in July 2003, to systematically coordinate IP policy efforts.

## 2. Review by Task Forces in the Intellectual Property Strategy Headquarters

At the time that the IP Strategic Program was established, further study and deliberation about important IP issues was required. Thus, the Intellectual Property Strategy Headquarters established three task forces, the task forces on IP enforcement, the task forces on media content business and the task forces on state of patent protection relevant to the medical act.

2003	Autumn	IP policy planning commences
	Dec.	Task Force on IP Enforcement Established "Comprehensive Policies for the Expedition of Patent Examination" and the "Establishment of Intellectual Property High Court"
	Apr.	Task Force on Media Content Business: Concluded "Policy to Develop Media Content Business"
2004	May	Task Force on IP Enforcement: Concluded "Reinforcing Measures against Counterfeits and Pirated Copies".

The members of the "task forces on issues related to patent protection of medical treatment are proceeding with their work in a careful manner, keeping in mind that there should be equality in the patent physician relationship and that useful and safe technology would contribute to increasing the amount of public medical treatment that would be covered by health insurance plans.

## 3. Achievements of the "Strategic Program"

Specific policies described in the "Strategic Program" were immediately successful. A description of these policies appears below.

### <Chapter 1 Creation>

- With the privatization of national universities, national universities now have total independence. Taking this opportunity, university research findings are attributed to a university itself. The Intellectual Property Headquarters was established and cooperation with Technology Licensing Organizations (TLOs) is strengthening.

### <Chapter 2 Protection>

- Because the number of applications awaiting examination is expected to rise to 800,000 in the near future, the "Law for Amendment of the Patent Law Reducing Patent Pendency" has been established to expedite patent examination and is being implemented, and a concerted effort is being made, including the large scale employment of fixed-term examiners to "eliminate pendency until first action".
- The "Intellectual Property High Court Establishment Law" was established to facilitate accelerated processing of IP litigation and to raise the level of sophistication of the resolutions. Concurrently, the "Law for the Amendment of the Court Organization Law" was instituted to expand and clarify the authority delegated to court inspectors, facilitate the proving infringements, protect business secrets, and clarify the difference between patent

infringement lawsuits and trial for invalidations. This law is currently in effect.

- As an effort to enhance measures against counterfeits and pirated copies, the Customs Tariff Law was amended and enacted in April 2004. Thus information about importers or manufacturers of suspected goods infringing IPR shall be disclosed to right holders.
- In regard to strengthening measures in overseas markets, certain advancements are being made, such as the protection of IP rights included in the "Official Development Assistance Charter" and APEC declaration of Heads of State and Cabinet Members.

### <Chapter 3 Intellectual Property Exploitation>

- The Bill of Amendment of the Bankruptcy Law, which includes protection of the licensee of an intellectual property right in the event of bankruptcy of the licensor was established and implemented.

### <Chapter 4 Dramatic Expansion of Content Business>

- Internet contents created in Japan have been receiving a high evaluation from overseas audiences recently. However, thus good reputation has not been exploited adequately in business. The "Law on the Promotion of Creation, Protection and Exploitation of Contents" was established and has been implemented to foster comprehensive development of the contents.
- The "Law for the Amendment of Copyright Law" was established and implemented as a measure to prevent the reverse import of music record and to grant the right to lend books and magazines from the viewpoint of improving infrastructure to benefit right holders.

### <Chapter 5 Developing Human Resources and Improving Public Awareness>

- Accompanying the increase in the number of legal professionals, a significant number of lawyers are showing an interest in IP. Many are participating in IP training seminars.
- As there has been an advance in the expansion of the patent attorney population, the "appendant patent attorney", a specified representative legal in an infringement lawsuit was created in 2003.
- IP Education is definitely being created and expanded. 68 graduate schools of law, newly established in April 2004, offer curricula in IP.

## 4. The "IP Strategic Program 2004" and Schedule

The environment surrounding intellectual property in Japan is changing every moment. In response to this situation, the "Strategic Program", which contains the IP policy plan and schedule, was reviewed<sup>2</sup>. In May 2004, the "IP Strategic Program 2004" was adopted at the 8<sup>th</sup> meeting of the Intellectual Property Strategic Headquarters.

In reviewing the "Strategic Program", were further consolidate the existing policies, new policies were added, activities related to new issues were included, and activities to enhance the progress old issues were also added.

The additional measures will be implemented in the immediate future, and as many IP related bills as possible will be presented to the regular session of the Diet of 2005.

<sup>2</sup> Section 23-6, Basic Law on Intellectual Property

In consideration for rapid change in the circumstances surrounding the IP and assessments made on the effectiveness of the creation, protection and exploitation of IP, the Intellectual Property Strategy Headquarters must review the Strategic Program at least once each fiscal year and revise it when the necessity is recognized.