



Part 1

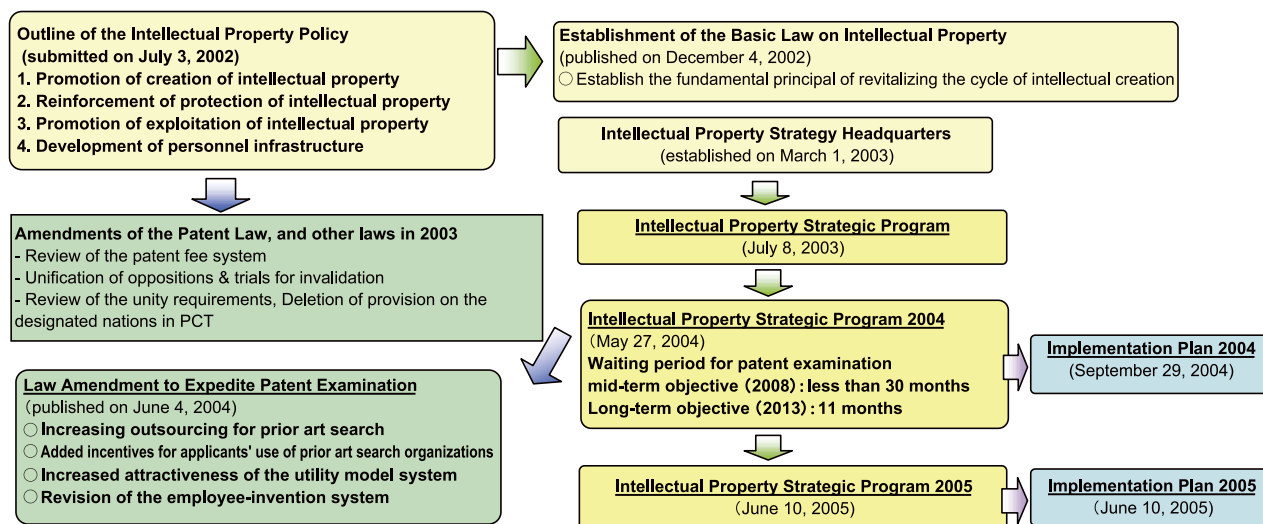
Recent Activities in the Patent Administration

Efforts at the JPO

1. Timely and High Quality Patent Examinations

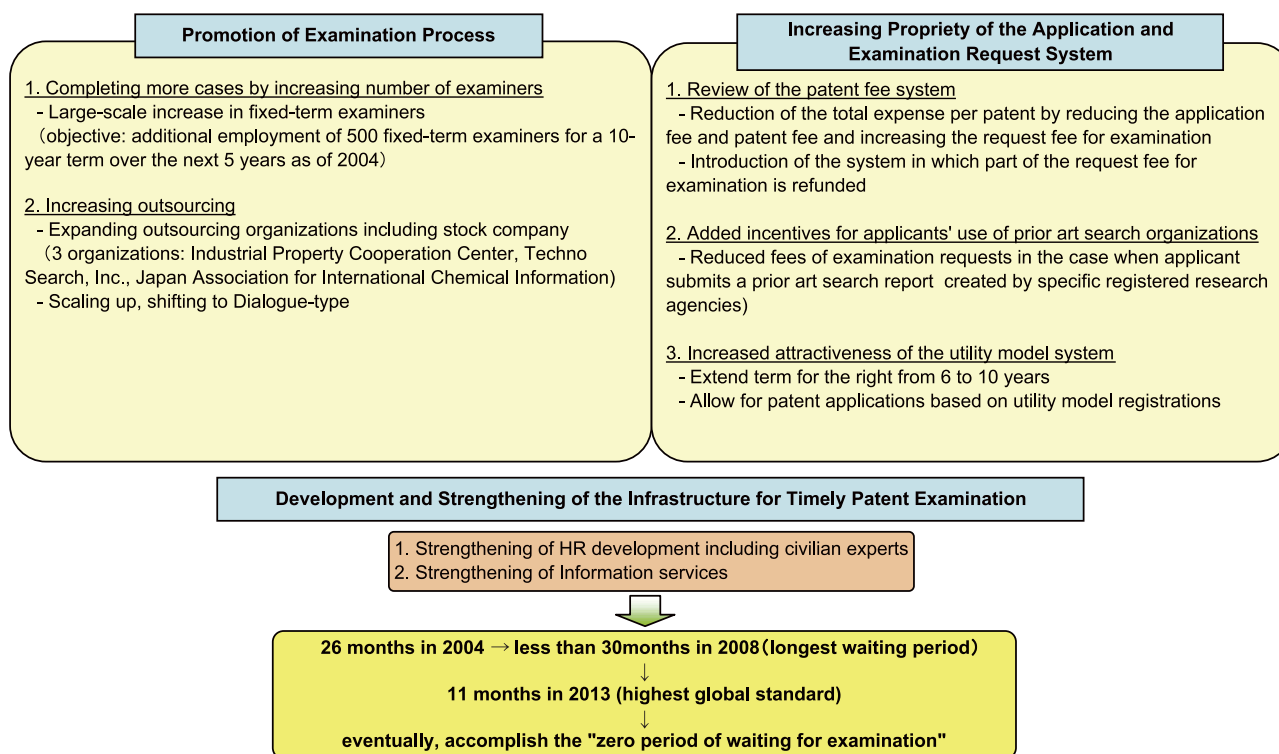
Ever since Prime Minister Koizumi spoke of the importance of intellectual property during his policy speech delivered in February 2002, the government has been making concerted efforts toward the realization of a "nation built on intellectual property" to increase our country's industrial competitiveness and to activate the overall economy and society. In particular, with regard to "timely and high quality patent examination" being positioned as one of our country's most important issues toward the realization of a "nation built on intellectual property", a series of the measures have been taken in rapid succession. In fact, an outline of the intellectual property policy was formed in July 2002, the Basic Law on Intellectual Property was established in December of the same year, the "Bill for Partial Amendment of the Patent Law, etc." which included revisions of patent fee system was established in May 2003, the "Strategic Program for the Creation, Protection, and Exploitation of Intellectual Property" (hereinafter called "Strategic Program") was established in July of the same year, and the "Law for Partial Amendment of the Patent Law and other laws to Expedite Patent Examination." (Hereinafter called "Law Amendment to Expedite Patent Examination") was established in May 2004. Furthermore, the "Intellectual Property Strategic Program 2004" (hereinafter called the "Strategic Program 2004") which was the revision of the Strategic Program was established in May of the same year.

The objective of timely patent examination in the Strategic Program 2004 is to keep the waiting period for patent examination to less than 30 months in 2008 (medium-term objective) and to achieve the a reduction of the waiting period to 11 months, which will be the highest global standard, in 2013 (long-term objective). In addition, it was decided the JPO would put together an implementation plan on a yearly basis to achieve this objective. To this end, the JPO announced the "FY 2004 Implementation Plan to Achieve the Medium-term and Long-Term Objectives of Timely Patent Examination" (hereinafter called "Implementation Plan 2004"), and in June of this year, the JPO has just reported the "FY 2005 Implementation Plan to Achieve the Medium-term and Long-Term Objectives of Timely Patent Examination" (hereinafter called "Implementation Plan 2005") to the Intellectual Property Strategic Headquarters in addition to the achieved states concerning the Implementation Plan 2004.



Furthermore, the Strategic Program 2005 was established in the same month which also focuses on vigorous implementation of measures for the realization of the abovementioned medium-term and long-term objectives. This year again, there is a need to further execute timely and high quality patent examination based on the Implementation Plan 2005.

Measures toward the realization of timely and high quality patent examination are classified broadly into measures to expand the examination processing capacity, measures to increase propriety of the application and examination request system, and infrastructure development. Furthermore, measures to expand the examination processing capability are classified into measures to reinforce the examination system and measures to improve examination efficiency. The current efforts made by the JPO regarding each of the measures are as follows:



(1) Reinforcement of the Examination System (Measures for increasing output)

● Large-scale increase of patent examiners

In order to clear the applications waiting for examination (backlog) which are expected to further increase to up to 800,000 applications, there is a need, on a temporary basis, to significantly strengthen the examination capability. The JPO is therefore making efforts toward drastic strengthening of the examination system, such as planning, as a temporary measure, to employ some 100 fixed-term examiners each year to reach a total of 500 examiners by 2008. As part of such plans, 98 fixed-term examiners were employed in 2004 and this year, realizing a sharp increase in the number of examiners with a total of 117 examiners in 2004 and 115 examiners this year, including the regular examiners.

Year	2004	2005
Regular examiners	1145 (+19)	1162 (+17)
Fixed-term examiners	98 (+98)	196 (+98)
Total	1243(+117)	1358(+115)

In 2004, the JPO held intensive training and OJT sessions organized by the National Center for Industrial Property Information and Training (hereinafter called "NCIPI") to provide rapidly the necessary knowledge and tools to the newly employed fixed-term examiners. Specifically, in addition to the existing course training, the JPO provided enhanced internships by having these examiners complete special intensive training sessions twice a year in small groups as well as undergo OJT to experience systematically examinations of various applications.

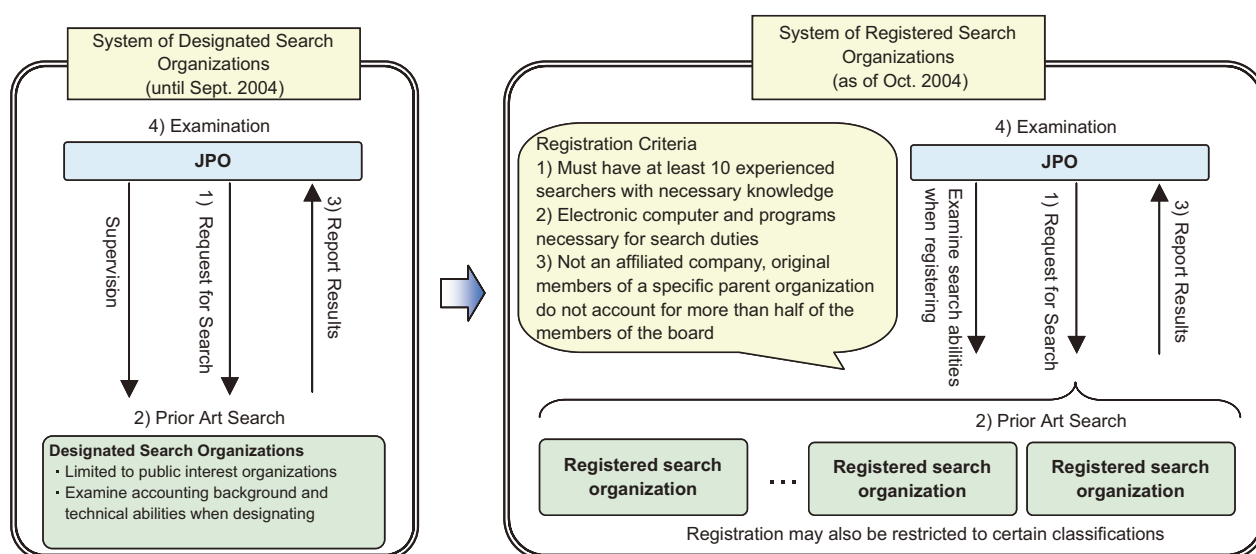
The JPO will continue to pursue the objective of increasing about 100 new fixed-term examiners each year and will also further strengthen the examination system through necessary increases of regular examiners. Moreover, in anticipation of a sharp increase in the number of assistant examiners, future plans include to further enhance the efficiency of the training programs designed to foster examiners through intensified cooperation with the NCIPI and efforts toward improving the training curriculums, etc.

Efforts at the JPO

(2) Increased Examination Efficiency (Measures for increasing output)

● Introducing a system of registered search organizations and increasing outsourcing of prior art search

In order to realize timely and high quality patent examination, strengthening of the examination system and increased examination efficiency are equally necessary. To this end, the JPO has been since 1989 increasingly outsourcing part of prior art search required for examination, and further increase in the volume of outsourcing prior art search (hereinafter called "search outsourcing") are vital toward the realization of the "zero period of waiting for patent examination". Under the previous system, search outsourcing must be directed to search organizations designated by the JPO out of public interest organizations. However, in order to muster capable search specialists from more extensive fields and to further expand search outsourcing, legal revision was made. The law called "Law for Promotion of Expeditious Patent Examination" enables to broaden the base for search organizations by changing requirements such as eliminating the requirement that search organizations must be public interest organizations, and shifting system from designation to registration allowing search organizations to be registered if they meet a certain set of criteria.

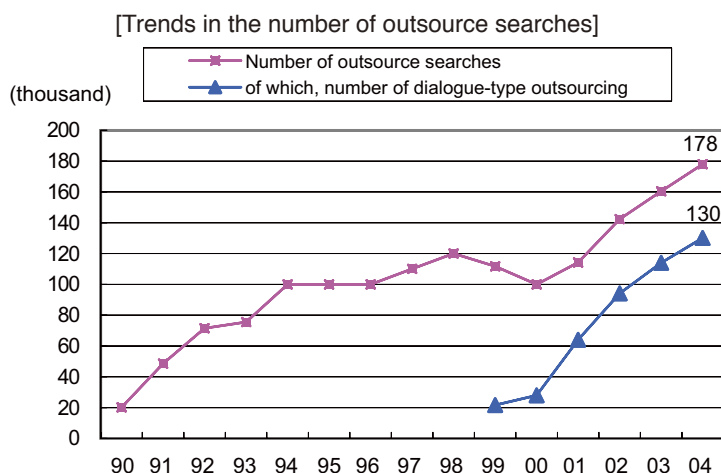
Registered Search Organizations as of April 1, 2005: 3 organizations

- **Industrial Property Cooperation Center (IPCC)** (registered on Oct. 1, 2004); All classifications including assignment of classification
- **Techno Search, Inc.** (registered on March 11, 2005); Classification: power machinery (control of internal combustion, etc.), transportation (structure of vehicles, etc.), general machinery (joint, clutch, brakes, etc.)
- **Japan Association for International Chemical Information** (registered on March 11, 2005); Classification: organic compounds (organic compounds, medical drugs (chemical structure formula), etc.) *CAS search is also required for these fields.

In order to strictly secure the competence of searchers of the registered search organizations, who serve as the actual experts of prior art search, the law concerning the special provisions to the procedures relating to an industrial property rights revised by the "Law for Promotion of Expeditious Patent Examination" stipulate the completion of training course (training to foster searchers) held by the NCIPI as a requirement to serve as a searcher. The JPO cooperated in every aspect of the process, of planning, preparation, and implementation by developing curriculums, creating textbooks, and securing instructors in order to ensure that the training courses go smoothly.

As a result, by March 2005, several organizations including a private company had registered as search organizations, creating a competitive environment among the registered search organizations. The registered search organizations were subjected to a study on their 1) coaching and communications system, 2) security system, and 3) financial condition through an audit corporation. Moreover in the technical classifications found in the competitive environment, the newly registered search organizations were required to make a certain number of search reports and based on the result of these reports, a meeting which consists of external experts was held for the purpose of selecting the outsourcing organizations to order prior art search. As a result of this meeting, all registered search organizations were selected for outsourcing.

In addition, in the last few years, various efforts have been made in terms of the method of delivering the prior art search results. The JPO has been gradually shifting the method of delivery from the "Report -type" which is traditional style that the search organization delivers its search result to the JPO by reports in documents to the "Dialog-type" which searchers explain the search results directly to examiners and receive advices on search techniques in the face-to-face meeting. The JPO will further pursue its efforts toward shifting the method of report delivery from the Report-type to the Dialog type to enhance efficiency and quality of search outsourcing.



(3) Efforts Regarding Applications and Examination Requests (Measures for decreasing input)

● Requests for Assistance to Users

In order to realize a "nation built on intellectual property", the top executives of companies based in Japan need to increase their awareness on intellectual property, as well as to promote strategic approach in IP management to fully use patent information at each step, from the start of research, application, to examination request. For this purpose, the JPO has been emphasizing since 2003 the necessity of strategic and high quality IP management through meetings¹ with top executives and other business people of companies, and has been requesting for assistance regarding rational selection of applications and examination requests. In 2004, it held meetings with corporate executives of 207 companies.

This year again, the JPO plans to continue holding meetings with corporate executives. Moreover, it plans to request assistance from the Japan Patent Attorneys Association so that patent attorneys provide guidance to applicants on prior art search techniques as well as writes clearly and concisely documents such as patent specifications with technically simple and clear expressions.

● Promoting the Utilization of the Utility Model System and System of Partial Refund of Request Fees for Examination

Ten years have passed since the transition to a system of registration without examination, and discussions in the Utility Model System Working Group, Patent System Subcommittee, Intellectual Property Policy Committee of Industrial Structure Council regarding the significance and concept of the utility model system where the number of applications filed were decreasing led to conclude that, in addition to perpetuating the system in order to meet the requests of protection of technologies requiring early implementation, efforts should be made toward increasing its attractiveness. To this end, the utility model system was revised in the "Law Amendment to Expedite Patent Examination" and the followings were realized: 1) Extension of the term of utility model right, 2) Reduction of utility model registration fees, 3) Relaxation of allowable range for corrections, and 4) Possibility to file patent applications based on utility model registration.

Moreover, one of the amendments of the Law made in 2003 was to adopt a system where a request for refund of examination fees would allow for partial (50%) refund of the fees if the applicant withdraws or abandons the application before initiating the examination with regards to applications with reduced necessity to obtain the rights after the request for examination as well as to those where prior art search revealed that there is no patentability. The "Law Amendment to Expedite Patent Examination" allows request fees for examination refund to the deposit account, which simplified the use of the partial refund system of the request fees for examination.

In order to promote the use of such systems, the JPO has disseminated them through explanatory meetings on the "Law Amendment to Expedite Patent Examination" and explanatory meetings for business people on the intellectual

¹ See Part 3, Chapter 1 for details.

Efforts at the JPO

property right system. In addition, 23000 pamphlets were created for each system and distributed to applicants' companies and patent offices, etc.

This year again the JPO will continue its efforts toward the promotion of these systems through explanatory meetings for business people on the intellectual property right system and meetings with companies as well as disseminate the partial refund system of the request fees for examination using the reference page on the average date of initiating the examination.

● Promoting the Entry into the Specified Registered Examination Search Organization System

The specified registered examination search organization system went into effect as of April of this year in accordance with the "Law for Promotion of Expedious Patent Examination". This system, whose aim is to promote and develop an environment in which applicants can make appropriate requests for examination, shares the abilities of registered search organizations with the public, allowing applicants, etc. to use these abilities as well. Among the registered search organizations, those that have been granted the right to register as specified registered search organizations from Commissioner of Patents may, according to the request of an applicant, etc., conduct a prior art search regarding the patent application and deliver a search report containing the results of the search. The request for examination fee can be reduced when the applicant makes a request for examination presenting the search report made by the specified registered search organization. It is expected that this system will encourage applicants to make requests for examination appropriately if they obtain high quality search reports on their applications and foresee their patentability prior to the request for examination by utilizing this system. For this reason, the JPO will continuously make efforts to inform the public of the importance of the specified registered search organization system and the related procedures so as to accelerate the process of registration of registered search organizations as specified search organizations and to begin full-scale operation as soon as possible.

(4) Infrastructure Development Necessary for Timely and High Quality Patent Examination

● Further Development of the Examination Environment

The JPO led the world by promoting the Paperless Project in 1984, and has been promoting the development of an effective patent examination environment by building and enhancing the functions of the patent and utility model search system (system for prior art search) and the patent and utility model examination assistance system (system for the creation of patent and utility model examination documents). In 2004, in order to effectively use prior art search results when creating patent examination documents, a terminal for examiners was introduced, which integrates the terminal for prior art search and that for the creation of patent examination documents.

Future plans include the development of a system that enables users to share information regarding prior art search.

● Strengthening of External Service Functions of Patent Information, etc.¹

In 1999, the JPO launched the "Industrial Property Digital Library (IPDL)", which offers free online information on industrial property rights², as well as the standardized data processed in user-friendly formats of gazettes and legal status information at marginal costs in order to allow private information service providers to offer high-value added services. In October 2004, operation of the IPDL and creation of standardized data were placed under the NCIP to strengthen the external service functions of patent information, etc.

In 2004, in order to realize the possibility of accessing documents in the IPDL, which are found in the database created by the JPO for computer-related examinations (CSDB) and whose access has been authorized by the copyright holders, the JPO provided data of 161 documents to the IPDL. In addition, with regards to publications on the Internet, the JPO further studied the development of the system environment and measures to prevent falsification. Moreover, the JPO announced the search know-how of examiners in 12 fields, after processing for the public, as a "patent search guidebook" on its web page.

This year, in order for applicants to be able to quickly search prior art information, the JPO will be working together

¹ See Part 3, Chapter 4 for details.

² The Industrial Property Digital Library (IPDL) allows for users to search gazettes of patents, utility models, designs, and trademarks which were published since the Meiji era by document number or by various classifications, and in addition to this, information regarding the status of applications, registrations, and appeals / trials are also available. (http://ipdl.ncipi.go.jp/homepg_e.ipdl)

with the NCIP to discuss about adding a function that allows for the search of foreign applications or prior art information, etc. used for examination as well as the one that allows for bulk download of PDF files of patent publications through the IPDL. Furthermore, the JPO plans to start publishing registered utility model gazettes on the Internet in January 2006.

(5) Progress on Realization of Expeditious Patent Examination

In FY 2004 with the Implementation Plan aiming at "performing the first action of more than 235,000 patent applications, which is a number that exceeds that of last fiscal year, and keeping the average waiting period for patent examination of applications whose first action is performed at the end of this fiscal year to within 26 months", the JPO worked toward the realization of these objectives.

As a result of having comprehensively performances of the abovementioned measures to increase propriety of the application and examination request structures (IN measures) and measures to promote examination processing (OUT measures), the number of first actions in FY 2004 were 236,000, which exceeded the target number for that year. In addition, the average waiting period for patent examination of applications whose first action was performed at the end of FY 2004 was kept to within 26.3 months, almost achieving the target waiting period.

This year is the second year toward the medium-term and long-term objectives, and the objective is to perform the first action of over 240,000 patent applications, and to keep the average waiting period for patent examination of applications whose first action is performed at the end of this fiscal year to within 27 months.

2. New Employee Invention System

(1) New Employee Invention System

The fundamental principle of the new employee invention system which went into operation as of April 1, 2005 is that the appropriate remuneration is determined primarily based on "voluntary agreement" between employers and employees.

However, if it is recognized unreasonable to pay remuneration under the "voluntary agreement" in consideration of differences between the positions of the employers and employee, the calculation of remuneration is to be left to court decision like the previous system.

In addition, unreasonableness shall be judged comprehensively considering the entire process, particularly focusing on procedural elements.

(2) The Case Studies of the Procedures under the New Employee Invention System

In order to assist employers and employees with the procedures based on the new system, the JPO created, according to the indication of the Diet, The Case Studies of the Procedures under the New Employee Invention System, based on questions and opinions gathered from various industries as well as opinions of the Industrial Structure Council (Intellectual Property Policy Committee Patent System Subcommittee) composed of the key figures of each industry.

This Case Studies aims at clarifying the legislative intent of the new Employee Invention System, as well as realizing smooth transition to the new system by providing case studies which would serve as references for those who will actually be doing the procedures. Specifically, in addition to promoting the establishment of rules according to the actual condition of the concerned person, the case studies aims at developing ideas regarding the judgment criteria for what is to be deemed unreasonable.

It should be noted that the case studies was created by the JPO based on the opinions of people from various industries and is legally non-binding.

(3) Dissemination of the New System

Before the implementation of the new system, in order to disseminate the new system to the general public,, presentation meetings on the Employee Invention System were held around the country using The Case Studies of the Procedures under the New Employee Invention System, etc.

These presentation meetings were held a total of 15 times at Bureaus of Economy, Trade, and Industry across the nation as well as at the Okinawa General Bureau, as well as an additional 23 times at the request of various organizations, resulting in the participation of over 7,000 people.

Efforts at the JPO

(4) Future Plans

The JPO will continue to hold these presentation meetings on the new Employee Invention System in 2005, and also plans to hold consultation meetings with lawyers (8 in total) at Bureaus of Economy, Trade, and Industry across the nation.

In addition, regarding frequently asked questions, the JPO plans to post them on its web page in the "Q&A regarding the Employee Invention System" section, and is also looking into adding case examples to the case studies if necessary.

Amendments of the Intellectual Property-Related Laws

1. Laws Amended in 2005

(1) Amendments of the Trademark Law

In consideration of the increase in necessity of strengthening the industrial competitiveness and activating the local economies, and in order to maintain the businesses reputation of producers or providers of local goods or services, the amendment was effected for the purpose of allowing trademarks to be registered as regionally based collective marks when those trademarks consist of the names of the regions and names of the products (services).

1) Background to the amendments of the Law

Recently it has become increasingly popular for local businesses to produce specific products or provide certain services that have some kind of relationship (natural, historic, climatic, cultural, social, etc.) between a certain region by using a common brand (local branding). With local authorities becoming more involved in these processes, potentials of local brands are quickly rising. Under such circumstances, the Trademark Policy Subcommittee submitted a report named "Protection of Local Brands by Trademark Law" as a result of discussions which have taken place since October 2004. It stated the necessity of formulating rules which make it possible for cooperative business associations to obtain collective trademarks (regionally based collective trademarks) when they consist of the names of the regions and the names of the products (services) and become known within a defined area, and which grant a person who already uses the same trademark at the time of application. Moreover, this report was presented and approved at the Industrial Structure Council Intellectual Property Policy Committee in February 2005.

The "Bill for Partial Amendments to the Trademark Law" was designed based on the above report, and after being adopted at the Cabinet meeting on March 15, 2005, it was submitted to the 162nd ordinary session of the Diet on the same day. The reason for proposal of this bill was presented at the Economy, Trade, and Industry Committee in the House of Representatives on April 15, members of the Committee participated through discussion and vote on May 11, and the bill passed at the plenary session on May 12. Moreover, at the House of Councilors, members of the same Economy, Trade, and Industry Committee participated through discussion and vote on June 7, and the bill passed the plenary session on June 8.

2) Outline of the Amendments to the Law

a. Requirements for registration of regionally based collective mark

– Requirements of entity

In order to register a regionally based collective mark, one must be an association having a corporate status and have legal regulations that forbid the act of unfairly limit participation of people who are qualified to become a member. Examples include cooperative business associations based on the Cooperative Union Law such as small and medium-sized enterprises, agricultural cooperative associations based on the Agricultural Cooperative Association law, and fisheries cooperative associations based on the Fishery Cooperative Union Law.

– Well-known trademark

A trademark registration of a regionally based collective mark may be obtained where, as a result of the use of the trademark consisting only of the name of the region and the name of the product (service), the trademark has become widely known among customers within a defined area as indicating a product (service) connected with a business of the applicant and/or its members.

– Trademarks that can be registered

Trademarks that can be registered as regionally based collective marks are as follows: (i) trademarks consist of the name of the region and the common name of the product (service), (ii) trademarks consist of the name of the region and the commonly used name of the product (service), and (iii) trademarks which commonly used expressions when displaying the origin of the product or place where the service is provided are added to (i) or (ii) (ex. real XX).

– Relationship between the regional area and the goods/services

Trademarks can be registered as regionally based collective marks when they comprise the names of the production area of the goods, of the place in which the services are provided, or of another geographical area which is recognized as having a close relationship to the goods or services.

Amendments of the Intellectual Property-Related Laws

b. Transfer of a trademark right of regionally based collective mark; grant of exclusive use right

The owner of a regionally based collective mark may not assign or grant an exclusive use right of the trademark.

c. Right to use the regionally based collective mark based on prior use

Where, from a time prior to the filing by another person of an application of regionally based collective mark registration and without any intention of unfair competition, a person has been using in Japan the trademark in the application, such person shall have the right to continue to use the trademark.

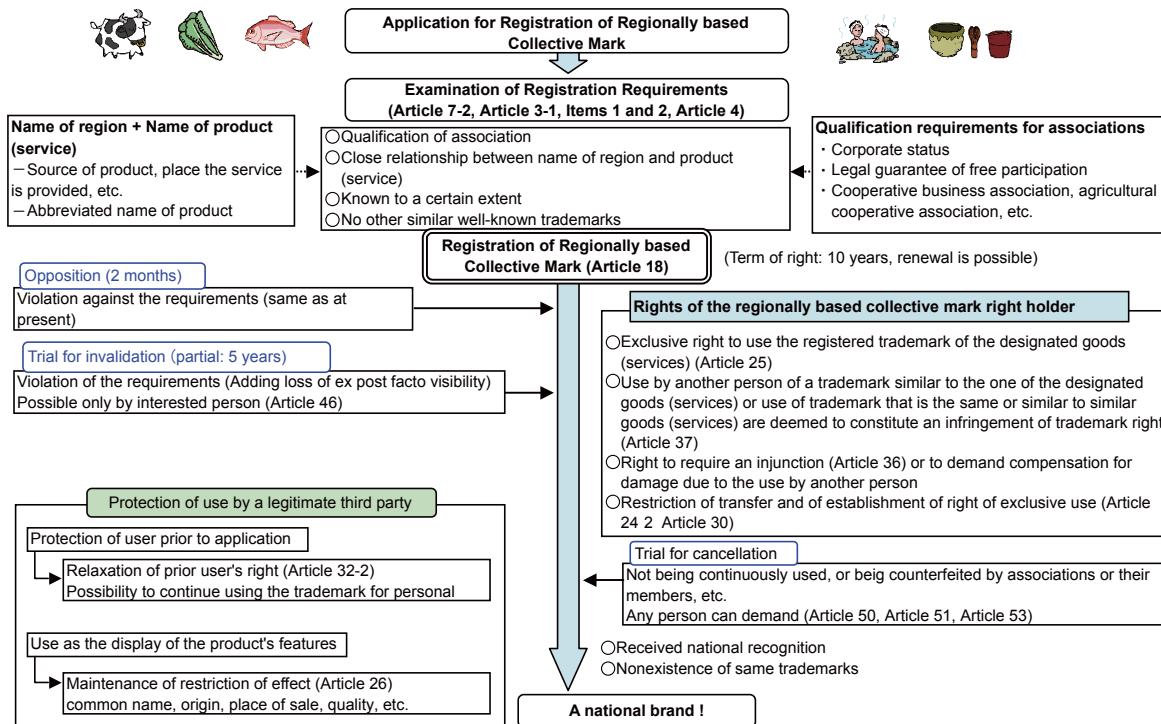
d. Opposition, Trial for invalidation

Any person may file an opposition to the registration of regionally based collective mark which has been made in violation of the requirements for registration. When a registration has been made in violation of the requirements for registration of a regionally based collective mark, a trial for invalidation of the registration may be demanded. In addition, when a registered regionally based collective mark does not meet the requirements of registration of a regionally based collective mark after the registration, a trial for invalidation may be demanded.

e. Effective date

This amendments will come into force on April 1, 2006.

[Outline of the New System]



(2) Amendments to the Patent Attorney Law

In the light of the importance to strengthen international competitiveness of our national industries, the Patent Attorney Law was amended in the "Law for Partial Amendments to the Act Against Unfair Competition, etc." in order to reinforce intellectual property protection, which improved the role of patent attorneys in Alternative Dispute Resolutions (ADR)¹ related to intellectual property.

1) Background to the Amendments of the Law

Nowadays, ADR that allows for a more flexible approach than the existing rigorous legal procedures are gaining popularity as a means of dispute resolution. Such ADR include (i) resolution that encourages a person's initiatives, (ii) resolution closed to the public, which protects privacy or trade secrets, (iii) resolution that is simple, quick, and reasonably priced, (iv) well-thought-out resolution that uses the opinions of experts from various fields, and (v) a matter-of-fact resolution that goes beyond the presence of legal rights and obligations.

Based on the importance of improvement and promotion of the ADR, the government also established an ADR study panel at the Task Force on Judicial Reform and discussions were held on "Developing a comprehensive institutional base for ADR", "Promoting reinforcement of cooperation of organizations involved, etc.", and "Utilization of neighboring legal professions of ADR"².

Among these, the "Utilization of neighboring legal professions of ADR" is based on the suggestion that "as part of the revision of Article 72 of the Bar Act, disputes should be individually examined based on the actual conditions for each type of profession and should be clearly positioned legislatively" stated in the final written argument of the Advisory Panel for Reforming the Judicial System (June 12, 2001), and was studied from both the 1) utilization by the person performing the procedures and 2) utilization by a representative. As a result, it was confirmed that professionals of neighboring legal professions may perform the procedures, and that regarding utilization by representative, a concrete direction was outlined in the decision by the Task Force on Judicial Reform made on November 26, 2004.

Meanwhile, the "Law for Partial Amendments to the Act Against Unfair Competition, etc." including amendments to the Patent Attorney Law was approved in the Cabinet meeting on February 8, 2005, and was submitted at the 162nd ordinary Diet session on the same day. The reason for proposal of this bill was presented at the Economy, Trade, and Industry Committee in the House of Representatives on May 13, members of the Committee participated through discussion and vote on May 18 and June 8, and the bill passed at the plenary session on June 9. Moreover, at the House of Councilors, members of the same Economy, Trade, and Industry Committee participated through discussion and vote on XX, and the bill passed the plenary session on XX.

2) Outline of the Amendments to the Law

The purpose of the amendments to the law was, based on the abovementioned decision by the Task Force on Judicial Reform, to resolve disputes surrounding intellectual property such as disputes caused by counterfeit goods, pirated copies, or leakage of trade secrets by increasing the utilization of patent attorneys as representatives of the person concerned with the procedures of dispute resolution outside the court.

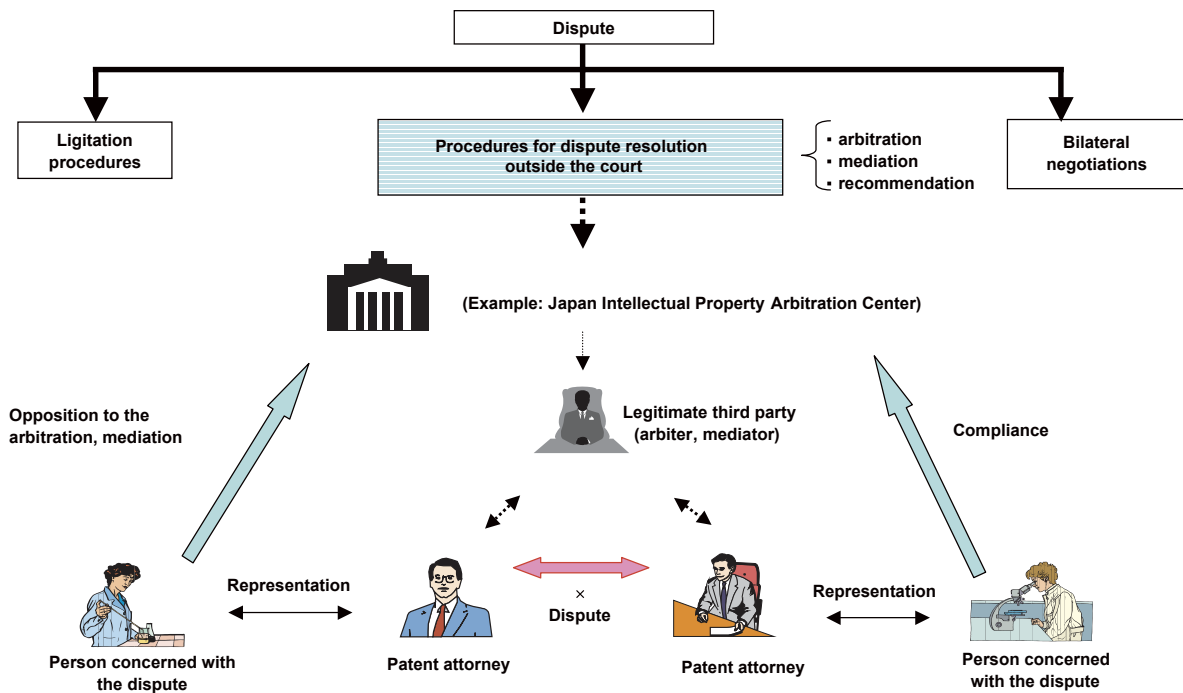
Specifically, the main contents are as follows: (i) the mediation and representative business currently performed by the patent attorney constitutes an agent business regarding procedures for dispute resolution outside the court, including mediation and recommendation (definition of the scope of business) and (ii) this business also covers disputes concerning copyright. These amendments adjust the patent attorney's authority in ADR.

Meanwhile, enforcement shall be the day designated by Ordinance within 1 year from the day of publication of the "Law for Partial Amendments to the Act Against Unfair Competition, etc.".

¹ "Alternative Dispute Resolution" is a dispute resolution that is 1) settled outside the court, 2) involves a fair third party, and 3) designed for the person involved in a civil dispute. It is a collective term that refers to mediation, arbitration, and recommendation.

² Refers to judicial scriveners, patent attorneys, certified social insurance labor consultants, registered land and building investigators, certified public tax accountants, estate surveyors, and administrative scriveners.

Amendments of the Intellectual Property-Related Laws



Efforts in the Entire Government

1. Activities in the Intellectual Property Strategy

The environment surrounding intellectual property is constantly changing, and the intellectual property strategies led by the government are also building in intensity. Ever since Prime Minister Koizumi spoke of the importance of intellectual property during his policy speech delivered in February 2002, the Basic Law on Intellectual Property was established (Law no. 122, 2002), the Intellectual Property Strategy Headquarters was established, the "Strategic Program for the Creation, Protection, and Exploitation of Intellectual Property" (hereinafter called "Strategic Program") was established, the "Strategic Program 2004" was established, and on June 10, 2005, the "Strategic Program 2005", which is the second revision of the program, was established, the government has been making concerted efforts toward dynamically developing measures.

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

At the time the IP Promotion Program was established, further study and deliberation about important IP issues were required. Thus, the Intellectual Property Strategy Headquarters established three task forces, namely the task forces on IP enforcement, the task forces on media contents business, and the task forces on the state of patent protection relevant to the medical act. Discussion began in the fall of 2003.

○ Task Forces on IP Enforcement

Dec. 2003 "Comprehensive Policies for the Expedition of Patent Examination"
"Establishment of Intellectual Property High Court"

May. 2004 "Reinforcing Measures against Counterfeits and Pirated Copies"

Apr. 2005 "Measures to Promote Intellectual Property Strategies of Small and Medium-sized Venture Companies"

○ Task Forces on Media Contents Business

Apr. 2004 "Contents Business Promotion Policy" (Japanese Brand / Working Group)

Feb. 2005 "Promotion of the Japanese Brand Strategy"

○ Task Forces on the State of Patent Protection Relevant to the Medical Act

Nov. 2004 "State of Patent Protection Relevant to the Medical Act"

The "State of Patent Protection Relevant to the Medical Act" summarized at the task force on the state of patent protection relevant to the medical act was determined with the basic premise that the technologies relating to the acts of physicians are not subject to patent protection, and that "operation methods of medical equipment" and "methods of developing new effects and benefits of drugs for the production and sales of drugs" should be subject to patent protection. Based on these, the JPO revised the examination criteria.

In addition, with regards to the "Measures to Promote Intellectual Property Strategies of Small and Medium-sized Venture Companies" summarized at the task force on IP enforcement, and the "Promotion of the Japanese Brand Strategy" summarized at the task force on media contents business, Japanese brand / working group, many of their items are reflected in the "Strategic Program 2005".

3. Achievements of the "Strategic Program"

The measures were promoted based on the "Strategic Program" and the "Strategic Program 2004", which yielded various concrete results.

<Chapter 1 Creation>

- University Intellectual Property Strategy Headquarters and Technology Licensing Organizations (TLO) were established in various parts of the country, which contributed in the development of a system for transferring university research results to the private sector.

Efforts in the Entire Government

- With regards to the remuneration of the service / employee's invention, Article 35 of the Patent Law was amended, allowing for the remuneration related to service / employee's invention left to independent negotiation between the users and the employees. This system will go into operation as of April 1, 2005.

<Chapter 2 Protection>

- The establishment of the Program for the Promotion of Expeditious Patent Examination and recruitment of 98 fixed-term examiners in 2003 as well as in 2004 contributed to the development of a system for reduced examination period.
- The Intellectual Property High Court, which specializes in litigations concerning intellectual property has, in accordance with the law, been established in April 2005, with the hope to realize timely and high-quality appeals and judgments.
- With regards to trade secrets whose values have recently been increasing, penal provisions for illegally obtaining, using, or disclosing trade secrets of another have been included in the Act Against Unfair Competition.
- With regards to issues of counterfeit goods and pirated copies, control has been strengthened over these as a result of amendments to the Customs Tariff Law.

<Chapter 3 Intellectual Property Exploitation>

- Amendments to the Trust Business Law allowed for intellectual property to be subject trust business, which simplified management and use of intellectual property.
- A new Bankruptcy Law went into effect in March 2005, which strengthened the protection of a licensee of intellectual property right in the event of a bankruptcy.
- Prior art search support has begun for small and medium-sized venture companies.
- With the development of the "Intellectual Property Information Disclosure Guidelines", intellectual property reports were prepared by 11 companies in 2004.

<Chapter 4 Contents>

- The "Law on the Promotion of Creation, Protection, and Exploitation of Contents" (Law on the Promotion of Contents) was established, which allowed for a comprehensive and effective promotion of measures regarding the creation, protection, and exploitation of contents through concerted efforts between the country, local authorities, and concerned parties.
- The private sector is also beginning to make efforts through activities such as the establishment of the "Entertainment Lawyers Network", and the "Visual Industry Promotion Organization".

<Chapter 5 Human Resources>

- Postgraduate law faculties and professional graduate schools specializing in intellectual property have been established, allowing for enrichment of the education system.
- Networks of human resources such as the "Lawyers IP Network" and access points of the Japan Patent Attorneys Association have also been developed.