

**Part
3**

**Measures for
Private Companies
and Universities**

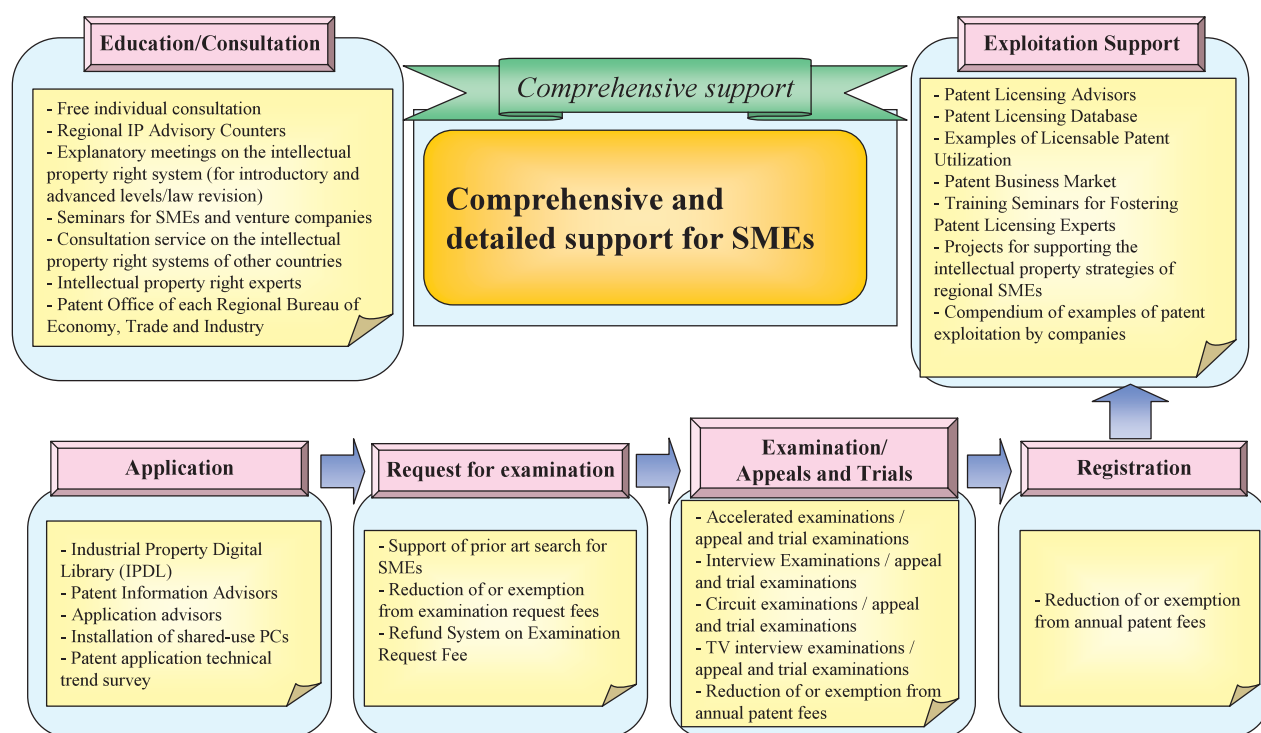
Support for SMEs

1. Comprehensive Support Measures for SMEs

The JPO provides comprehensive support through various measures to SMEs that sustain

the industrial foundation in Japan and play a significant role as the driving force of regional economies, as well as to venture companies that are expected to create new industries.

Outline of Comprehensive Support for SMEs



(1) Support in the Areas of Diffusion, Human Resources Development, and Consultation Concerning Industrial Property Rights

1) Explanatory Meetings on the Intellectual Property Rights System (for introductory and advanced levels)¹

The JPO holds explanatory meetings on intellectual property rights for those at the introductory level who wish to start learning about intellectual property rights, and those who have just been transferred to the intellectual property division in their companies.

In addition, the JPO also holds explanatory meetings for those who engage in intellectual property affairs. These meetings cover the various systems that are indispensable for intellectual property affairs, such as examination standards, the PCT international application system, operation of the appeals and trials system, and the International Patent Classification (IPC).

2) Seminars and Training for SMEs and Venture Companies

The JPO holds seminars on strategic acquisition of intellectual property rights that meet regional needs and on how to utilize such rights, for people such as corporate managers and people responsible for R&D.²

In addition, training programs for SMEs and venture companies have been implemented at the INPIT.³

3) Consultation Services on Industrial Property Rights

Dedicated staff members in the Patent Offices in the respective Regional Bureaus of Economy, Trade and Industry offer regular consultation services regarding basic matters from the filing of applications to registration and the actual procedure for filing an application. (Number of consultations conducted in FY2006: 20,665)

In addition, the INPIT offers a consultation service for all types of inquiries, such as having an idea but not knowing how to obtain rights for it or wishing to file a patent application but not knowing the actual procedure. The consultation service is offered in person, by e-mail, or by telephone.

4) Comprehensive Support by Intellectual Property Right Specialists for SMEs

The JPO has a staff of intellectual property right specialists who provide comprehensive support to SMEs. They serve as lecturers at various seminars held by the JPO, based on requests from related-organizations, and they visit SMEs to provide individual consultations, with the objective of raising awareness on IP systems and support measures, and developing human resources in local areas and SMEs.

〈Achievements in FY2006〉

- a. Wide range of promotion activities and human-resource development through seminars (168seminars)
- b. Human-resource development through study sessions held based on requests from SMEs (7sessions)
- c. Promotion of awareness on IP measures

¹ See Part 4, Chapter 5, 1. (1) 1

² See Part 4, Chapter 5, 1. (1) 2).

³ See Part 4, Chapter 5, 2. (3) 2) d.

by holding exhibitions (18 exhibitions, 196 companies visited the exhibition booth)

- d. Promotion of awareness on IP measures by visiting companies (129 companies)

5) Free Consultation Sessions

The JPO offers free individual consultation services by experts (patent attorneys, etc.) on specific matters related to industrial property rights nationwide.

〈Achievements in FY2006〉

- a. Free patent consultation services: 4,474 sessions
- b. Patent-training/guidance consultation sessions: 56 sessions
- c. Regional brand-training/guidance consultation sessions: 102 sessions

6) Support for Regional IP Advisory Counters

The JPO will provide support to the Regional IP Advisory Counters, which were established in July 2006 at chambers of commerce and industry throughout Japan, such as holding seminars and sending experts (starting from FY2007).

7) Consultation Service on the Industrial Property Rights Systems of Other Countries

The Asia-Pacific Industrial Property Center of the Japan Institute of Invention and Innovation (JIII) provides domestic SMEs with a consultation service on industrial property right systems in other countries and IP infringement cases inside and outside Japan (Number of consultations conducted in FY2006: 836; conducted by the JIII, commissioned by the JPO).

The JPO holds training sessions, seminars and individual consultations in order to publicize and diffuse information on industrial property right systems in other

(2) Support for Exploitation of Intellectual Property Rights Information and the Application Procedures

1) Industrial Property Digital Library (IPDL)

The IPDL provides access to about 6.1 billion official gazettes of patents, utility models, designs and trademarks via the Internet. These can be searched by various document numbers or by various classifications. It also provides industrial property information including information on the legal status, which allows users to easily check the examination status of specific applications.

Furthermore, the IPDL Help Desk of the INPIT offers information services on how to operate and use the IPDL.

2) Patent Information Advisors

See Part 3, Chapter 3, 1. (2) 1).

3) Application Advisors

Application advisors who work full-time in the electronic application consultation offices of JIII branches nationwide offer consultation services on filing procedures, how to use the shared-use PCs, and the electronic application system (undertaken by the JIII commissioned by the JPO). When users do not have the time to go to the electronic application consultation offices, or ask the advisors to provide explanations at regional events, the application advisors provide visit consultations and guidance services (Number of consultations/guidance services provided in FY2006: 112,768).

4) Installation of Shared-use PCs for Filing Electronic Applications

The Japan Institute of Invention and

Innovation, commissioned by the JPO, has installed shared-use PCs at its branches nationwide in order to allow those who do not have the necessary equipment for filing electronic applications from PCs to file electronic applications. These PCs not only consist of the necessary equipment, but also provide optional document-editing and checking functions and an optional file-conversion function to enable efficient operations.

〈Achievements in FY2006〉

- a. Number of visitors: 24,785
- b. Number of applications sent on line: 16,260
- c. Number of requests for browsing: 5,273

5) Patent Application Technical Trend Survey

The JPO selects themes, mainly in eight fields (life science, information and communications, environment, nanotechnology materials, energy, manufacturing technology, social infrastructure, and frontier science), and performs comprehensive analyses with a focus on "technical trends in patent applications." Information regarding the technological issues related to these themes and the future direction of technological development is available on the JPO website.

(3) Support Related to Examination Requests for Industrial Property Applications

1) Support of Prior Art Searches for SMEs

In order to support proper assessment as to whether an examination should be requested or not and whether applications abroad should be filed or not, private searching organizations commissioned by the JPO perform

prior art searches free of charge for patent applications of SMEs and individuals prior to requests for examination, upon request of the applicant, and deliver the search results by mail. (Number of uses in FY2006: 3,088)

2) Reduction of or Exemption from Examination Request Fees

The JPO grants an exemption from or a 50% reduction of examination request fees for individuals, companies or R&D oriented SMEs that lack funds if they comply with certain requirements.

(4) Support for Examinations and Appeals/Trials of Industrial Property Applications

1) Accelerated Examinations¹/Accelerated Appeal and Trial Examinations²

In cases in which a patent applicant is an SME or an individual, or if the applicant is already employing the invention, examination or appeal/trial examination is conducted more quickly than in the case of regular applications if the applicant submits an "explanation of circumstances concerning accelerated examination (accelerated trial/appeal examination)."

Although there are accelerated examination and accelerated appeal/trial examination systems for designs and trademarks, the requirements are different from those for patents.

2) Interview Examinations and Interview Appeal/Trial Examinations, Circuit Examinations and TV Interview Examinations

The JPO supports more precise acquisition of rights by offering opportunities for

¹ Accelerated examination: for patents, see Part 2, Chapter 2, 2. (4) 1); for designs, see Part 1, Chapter 1, 3. (2) and Part 2, Chapter 3, 2. (1); for trademarks, see Part 2, Chapter 4, 1.)

² Accelerated Appeal and Trial Examination: See Part 2, Chapter 5, 3.

applicants or their agents and the examiners or appeal examiners to meet in person and deepen their understanding of the applications and the technologies/designs.

In addition to interview examinations and interview appeal/trial examinations conducted at the JPO, the JPO examiners or appeal examiners also visit various locations nationwide to conduct circuit examinations¹, regional interview appeal/trial examinations, and circuit appeals/trials. Also, the JPO conducts TV interview examinations using a TV conference system installed at the patent offices of the respective Regional Bureaus of Economy, Trade and Industry.

〈Achievements in FY2006〉

- a. Regional interview appeal/trial examinations: 162
- b. Circuit examinations: 30
- c. TV interview examinations: 36

3) Refund System on Examination Request Fee ²

Under this system, if an applicant withdraws or abandons the application prior to the first action after having requested an examination, 50% of the fee is refunded to the applicant. Exceptionally, if an applicant withdraws or abandons the application from August 9, 2006 to August 8, 2007, the full amount of the fee will be refunded.

(5) Support for Registration of Intellectual Property Rights

1) Reduction of or Exemption from the Patent Annual Fees

The JPO grants an exemption (from the first year to the third year³), a grace period of three years, or a 50% reduction of patent

annual fees, to individuals, companies or R&D oriented SMEs that lack funds if they comply with certain requirements.

(6) Support for Utilization of Industrial Property Rights

1) Measures for Encouraging Patent Licensing by the INPIT

- Patent Licensing Advisors
 - See Part 3, Chapter 3, 1. (1) 1).
- Patent Licensing Database, Examples of Licensable Patent Utilization
 - Patent Licensing Database: See Part 3, Chapter 3, 1. (2) 2).
 - Examples of Licensable Patent Utilization: See Part 3, Chapter 3, 1. (2) 3).
- Patent Business Market, Training Seminars for Fostering Patent Licensing Experts
 - Patent Business Market: See Part 3, Chapter 3, 1. (3) 2).
 - Training Seminars for Fostering Patent Licensing Experts: See Part 3, Chapter 3, 1. (3) 4).

2) Projects for Supporting the Intellectual Property Strategies of Regional SMEs

- Project for Supporting the Formulation of Intellectual Property Strategies

The SME support centers of prefectural governments intensively dispatch intellectual property experts for certain periods to local SMEs and venture companies in coordination with the prefectural intellectual property centers in order to support the companies in their formulation of business plans for utilizing intellectual property and their creation of intellectual property strategies.

¹ See Part 2, Chapter 2, 2. (4) 2).

² For details of the Refund System on the Examination Request Fee, see the JPO website at: http://www.jpo.go.jp/tetuzuki_e/ryoukin_e/full_refund_system.htm

³ An exemption from the first year to the sixth year in the case of outcome from specified R&D performed in accordance with the Act concerning advancement of basic manufacturing technology of SMEs.

○ Project on Model Utilization of Intellectual Property Rights

The Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (SMRJ) has contributed to the emergence of successful model cases in which SMEs have used the support of local intellectual property experts and commercialized technology through strategic utilization of intellectual property. The SMRJ has released a "Manual on Intellectual Property Strategies of SMEs and Venture Companies 2006," which is a report based on such achievements, and held Symposia on Intellectual Property Strategies of SMEs¹ as part of its efforts to provide information on the achievements of the project and to spread and raise public awareness of the project (from FY2004 to FY2006).

3) Distribution of a Compendium of Examples of Patent Utilization

The JPO compiled a booklet "Companies Actively Utilizing IP 2007," which covers nationwide SMEs that actively utilize IP rights in their business strategy and strive for strategic IP-right acquisition and utilization, in order to motivate reforms to IP-focused management and provide reference for SMEs wishing to implement strategic IP-right utilization. Copies of this are widely distributed through the Patent Offices of Regional Bureaus of Economy, Trade and Industry.

2. Regional Support Frameworks

In order to develop an environment that allows for IP promotion activities and strategic IP utilization in local areas, the JPO established a "Regional Headquarters for Intellectual Property Strategy" in each region (nine regions) under the jurisdiction of Regional Bureaus of Economy, Trade and Industry in FY2005. Based on the regional intellectual property strategy-promotion program developed by the Regional Headquarters for Intellectual Property Strategy, the JPO intensively implements measures such as raising SMEs' awareness on IP and promotion of appropriate use of IP, while strengthening the network with local support organizations and networking intellectual property-related human resources.

[Major activities]

The JPO, by placing Patent Offices of Regional Bureaus of Economy, Trade and Industry at its center, conducted the following projects including consultation services.

- Periodical reviews and follow-up work on the regional intellectual property strategy promotion program
- Holding of symposia and seminars (themes set according to regional needs and contents decided according to their IP level)
- Establishment and maintenance of the website for information provision

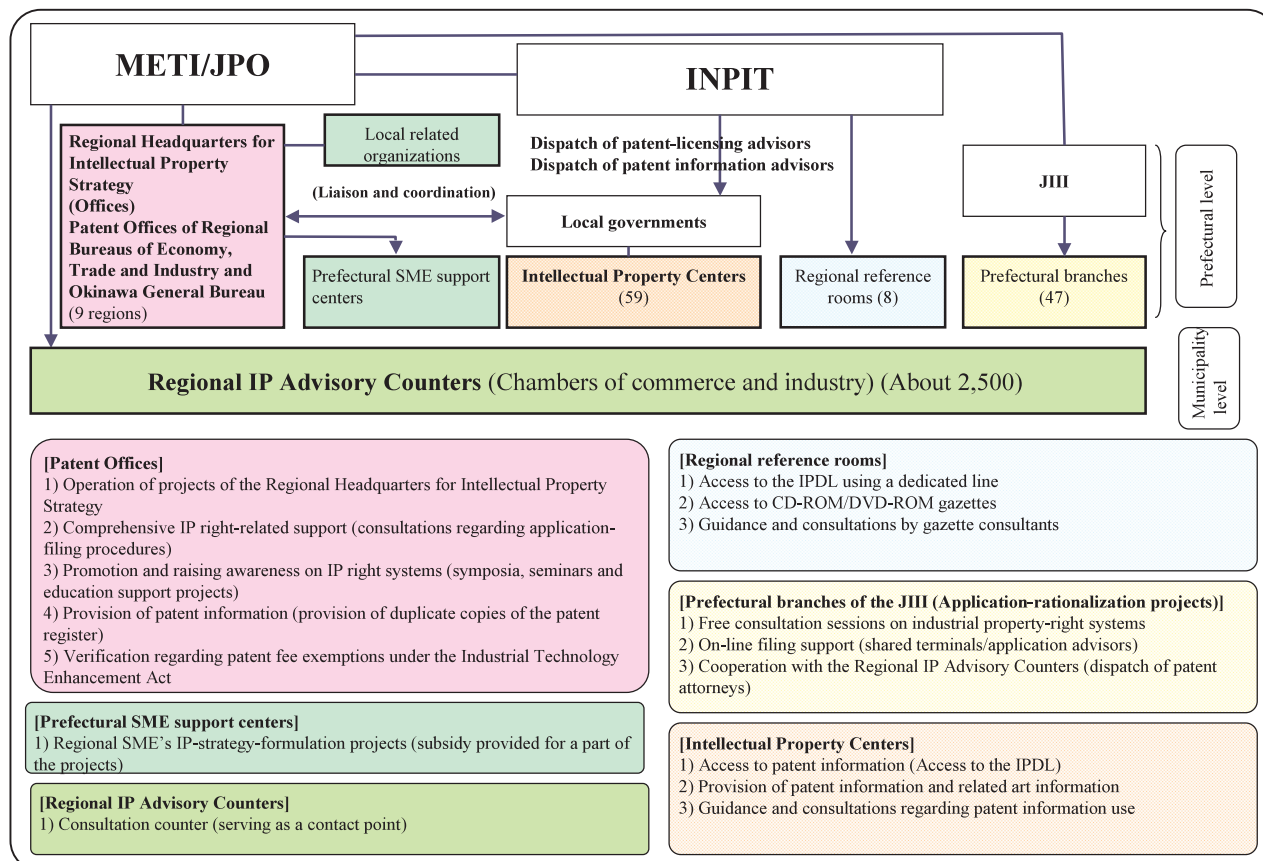
At the same time, a Patent Office has been established in each Regional Bureau of Economy, Trade and Industry in order to provide support that meets local needs, such as offering information on and promoting

¹ In the symposium held on February 26, 2007, experts and corporate managers of SMEs that effectively utilize IP gave lectures on SME's IP strategy and a panel discussion was held regarding actual IP strategy case examples.

utilization of industrial property rights in the region. These offices, along with the regional reference rooms of the INPIT and Intellectual Property Centers of prefectural government, constitute a comprehensive

support framework. The JPO aims to establish an effective support framework for SMEs in close coordination with the aforementioned Regional Headquarters for Intellectual Property Strategy.

Support System in Local Areas



Support for Universities

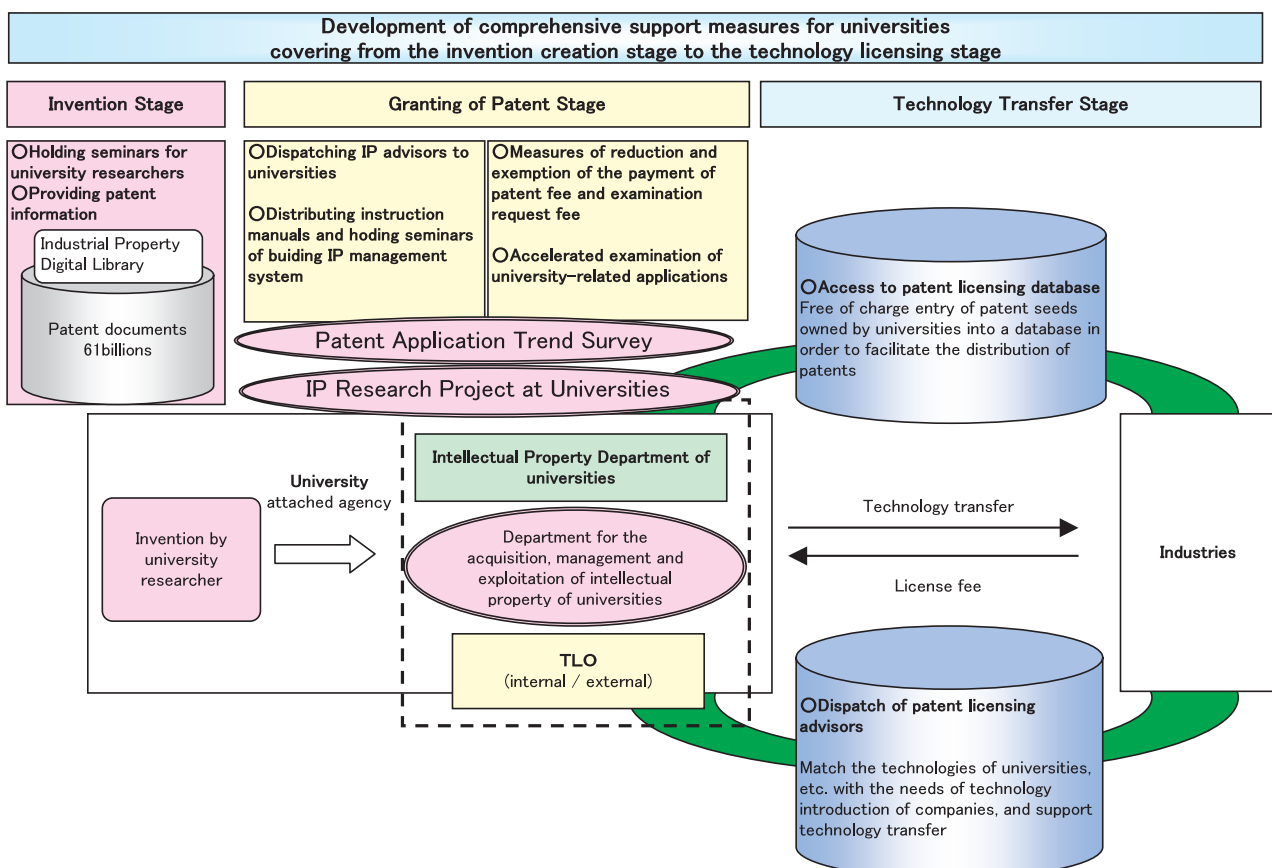
1. Importance of Intellectual Property Activities at Universities

In addition to their roles of providing education and conducting research, universities and other institutions are expected to make a social contribution. The Intellectual Property Basic Act stipulates their social contributions through disseminating research results in Article 7 (1) "universities, etc. shall, in light of the fact that their activities are contributing to the creation of intellectual property throughout society, endeavor voluntarily and positively to develop human resources, and disseminate research and the research results."

Although the number of joint researches,

funded researches and expenses therefor in Japanese universities have been increasing each year, it is important in promoting innovation to enhance cooperation between industry, academia and government so that search results by universities will be transferred to industries, thus further ensuring commercialization of the knowledge. It is also important to give feedback of industries' needs to universities so that universities can base their research on those needs.

Universities are expected to clarify the ownership and handling of IP that has resulted from their research and to implement strategic management and utilization of IP. There are various supportive measures implemented to advance those efforts.



2. Efforts to Support the Intellectual Property Activities at Universities

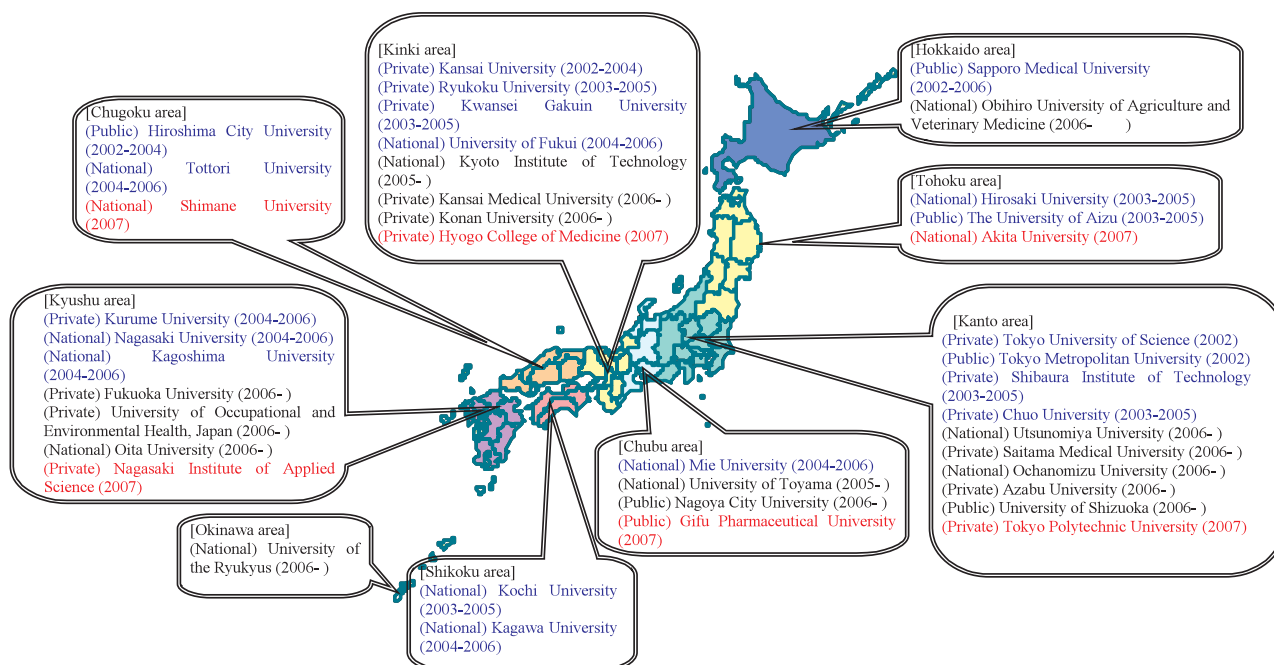
(1) Dispatch of University Intellectual Property Advisors

In order for universities to start intellectual property activities, it is necessary to establish a proper intellectual property management structure within the universities. The JPO, with the aim of supporting the establishment of this

structure within universities, implemented the project of dispatching advisors to universities in FY2002. This project was transferred to the INPIT in January 2007.

In FY2007, the INPIT dispatched University intellectual property advisors to 21 universities including six universities newly receiving support for the establishment of IP management structure. A total of 40 universities have received University intellectual property advisors.

Universities Receiving University Intellectual Property Advisors (Accumulated total: 40 universities)



* University names in red are those to which advisors were newly sent in FY2007 (six universities).

* University names in black are those to which advisors have been sent since FY2006 or before (15 universities).

* University names in blue are those that finished receiving advisors by the end of FY2006 (19 universities).

*Conducted by the INPIT since January 2007.

(2) Promotion of Patent Information Utilization at Universities

1) Integrated Search System for Patent and Literature

In order to efficiently acquire science and technology literature information and patent information, and effectively utilize them for research activities in universities, through the joint initiatives among the

Intellectual Property Strategy Headquarters Cabinet Secretariat, MEXT, the JPO, the Japan Science and Technology Agency, and the INPIT, they developed the Integrated Search System for Patent and Literature Information and launched the service in March 2007.

(3) Seminars for Universities

The Regional Bureaus of Economy, Trade and Industry hold "Seminars for Researchers at Universities¹." These seminars are held to provide explanations on how to make use of search results by strategic application filing/acquisition of rights/utilization of the rights. The seminars were held 150 times nationwide in FY2006, and 4,700 people participated.

(4) Reduction and Exemption of the Payment of Patent Annual Fee and Examination Request Fee

The JPO supports the efforts of industry-academia-government collaboration and technology transfer at universities and TLOs through reduction/exemption of the payment of annual patent fees and examination request fees based on the Act Promoting Technology Transfer from Universities to Industry, the Industrial Revitalization Special Measure Act and the Act for Enhancing Industrial Technology.

(5) Accelerated Examination System

Universities and approved/authorized TLOs who have requested examinations for their patent applications can be eligible for accelerated examinations should they submit a written explanation of the needs of the accelerated examination.

(6) Designation of Universities as Academic Groups Prescribed in Article 30 of the Patent Act

Article 30 of the Patent Act stipulates that an invention is exempted from lack of novelty if the person having the right to obtain a patent "has made a presentation in writing at a study meeting held by an

academic group designated by the Commissioner of the Patent Office." If universities and other institutions are designated as such academic groups by the Commissioner of the JPO, exception to the lack of novelty is approved for the research results presented at study meetings held by the said institutions in a manner similar to those presented at academic society meetings.

The number of designated bodies as of March 31, 2007 included 168 universities, 42 technical colleges, 14 inter-university research institute corporations, 26 independent administrative institutions, 58 public testing laboratories and 627 academic societies.

Meanwhile, because one must file a patent application before presenting the research results in order to acquire patent rights appropriately, the JPO conducts awareness-raising activities through seminars for university researchers.

¹ See Part3, Chapter 5, 1. (1) 2).

Support for Patent Utilization

1. Measures for Encouraging Patent Licensing¹

The INPIT provides various measures for encouraging patent licensing in order to activate the creation of new businesses and the development of new products in SMEs and venture companies by smoothly transferring licensable patents (patents owned by large companies, universities, etc., which are available for utilization by others) between companies, or from universities and public experiment and research institutions to companies.

(1) Promotion of Patent Licensing through Active Use of Human Resources

1) Patent Licensing Advisors

With the aim of grasping licensable patents owned by universities, public research institutions and companies, understanding the needs of SMEs and venture companies for introducing technology, and matching those needs, the INPIT dispatches Patent Licensing Advisors, who are experts with a wealth of knowledge and experience on intellectual property rights and technology transfers, upon request of prefectural governments and TLOs (106 advisors as of the end of April 2007).

There are a number of successful patent licensing cases from universities to SMEs and venture companies through the use of consultations and advice on technology

transfers by Patent Licensing Advisors.

Starting in 2007, in addition to the above-mentioned activities, the INPIT provides support to local governments to develop human resources and pass down their know-how on patent licensing owned by Patent Licensing Advisors, in order to develop an environment in which patent licensing activities take root in the region and become autonomous.

(2) Provision of Licensable Patent Information and Promotion of Active Utilization of Those Patents

1) Patent Information Advisors

In order to help local industry become active through use of patent information, the INPIT dispatches Patent Information Advisors, who are experts in utilizing patent information, to various locations in response to requests by local governments (54 advisors as of the end of April 2007). The advisors provide mainly to universities and SMEs instruction on how to search for patent information, and they provide consultation services on how to utilize such information, as well as hold workshops in response to various requests related to patent information.

〈Achievement in FY2006〉

Patent Information Advisors visited about 8,000 SMEs including individuals and about 800 universities and research institutions.

¹ <http://www.ryutu.inpit.go.jp/en/index.html>

2) Patent Licensing Database

In order to ensure a smooth transfer of licensable patents within the industrial sector and between local companies and to promote their practical application, the INPIT has built a database of licensable patents owned by universities, public research institutes and companies, which it makes available to the public as the Patent Licensing Database via the Internet. This database is an open system where anyone can register data concerning "license information (including transfers)" and "information on needs (information of licenses sought)."

The number of "license information" stores in the Patent Licensing Database was about 58,600 as of the end of April 2007. Of these, about 24,000 stores represented licensable patents of universities and public research institutions.

The Patent Licensing Database has an SDI system that allows for automated retrieval using the saved retrieval style, with the results e-mailed to the user every time the Patent Licensing Database is updated.

The Patent Licensing Database also provides a virtual DB function that allows the websites of companies and universities to display their licensable patents that have been stored in the Patent Licensing Database, thus promoting transfer of technologies developed through university research.

3) Examples of Licensable Patent Utilization

The INPIT has selected patents with high potential for commercialization among the licensable patents registered in the Patent Licensing Database, and has created the Examples of Licensable Patent Utilization, which highlights such patents along with potential product images as possibilities for business sector application. In addition to

its distribution in brochure form, this examples is also available on the INPIT website.

(3) Establishing an Environment Conducive to the Support for Fostering Patent Licensing Businesses

1) Patent Licensing Agent Database

In order to stimulate patent licensing activity, the INPIT is building a database for the purpose of providing opportunities for those who wish to conduct trade in intellectual property and agents who mediate such transactions.

2) Patent Business Market

The INPIT holds fairs in which companies that own technological seeds, such as patented technology, present the details of their technological developments and business plans, and seek various forms of cooperation from participants, such as the conclusion of licensing agreements, the conducting of joint research, and the offering of financial assistance.

The INPIT also provide support and cooperation for Patent Business Markets planned and held by local governments.

〈Achievement in FY2006〉

- The first Patent Business Market (Tokyo): held on September 20, 2006; 174 participants
- The second Patent Business Market (Osaka): held on December 6, 2006; 140 participants
- The third Patent Business Market (Tokyo): held on January 23, 2007; 178 participants

3) International Patent Licensing Seminars

In order to develop trade in intellectual property in Japan, exchange relevant information, and build interpersonal networks to this end, the INPIT invites experts engaged in patent licensing and technology transfers at overseas universities,

companies, local governments, etc., and holds **〈Achievement in FY2006〉**

International Patent Licensing Seminars comprising lectures, panel discussions and workshops by those who are playing leading roles in this field in Japan.

This seminar not only serves as an opportunity to learn global technology transfer but also serves as a place to form networks with people engaged in technology transfer in Japan and abroad.

〈Achievement in FY2006〉

Tokyo: January 22 and 23, 2007; a total of 2,583 participants

4) Training Seminars for Fostering Patent Licensing Experts

The INPIT provides Training Seminars for Fostering Patent Licensing Experts (introductory and advanced levels) as part of its awareness with a view to increasing the number of patent-licensing market participants.

〈Achievement in FY2006〉

- Introductory level:
10 sessions (Tokyo (3 times), Osaka, Nagoya, Kumamoto, Tokushima, Matsue, Sapporo, Morioka); 762 participants
- Advanced level:
3 sessions (Tokyo (2 times), Osaka); 328 participants

5) Patent Licensing Symposium

The INPIT holds Patent Licensing Symposiums, with the aim of revitalizing local areas by patent licensing and IP utilization.

This symposium comprises lectures on patent licensing business by experts engaged in technology transfers and those who are playing leading roles in this field in Japan, lectures on IP utilization, and panel discussions.

- The first session (Tokyo):
held on September 14, 2006; 262 participants
- The second session (Nagoya):
held on December 14, 2006; 112 participants
- The third session (Osaka):
held on January 18, 2007; 199 participants

6) Patent Licensing News Mail

The INPIT deliver by e-mail information on seminars, symposia, events and news related to patent licensing. An e-mail delivery request can be made by registering an email address at the INPIT website.

7) Patent Licensing Contents (moving image)

The Patent Licensing Contents explains in an easy-to-understand manner basic knowledge, such as the meaning of a patent licensing agreement, and points to consider at the time of contract.

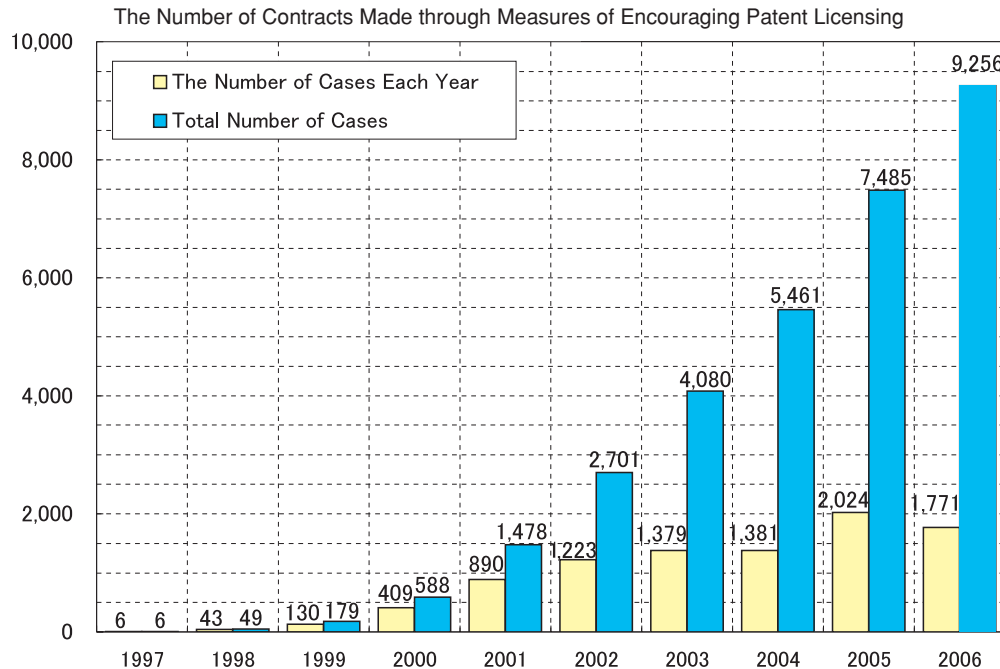
8) Patent Licensing Support Chart

The Patent Licensing Support Chart is a patent map analyzing patent information according to technical fields, aiming to serve as a reference for SMEs and venture companies when entering into different fields and considering expansion of their businesses, and for universities when considering research themes. It is available free of charge for 108 themes on the INPIT website.

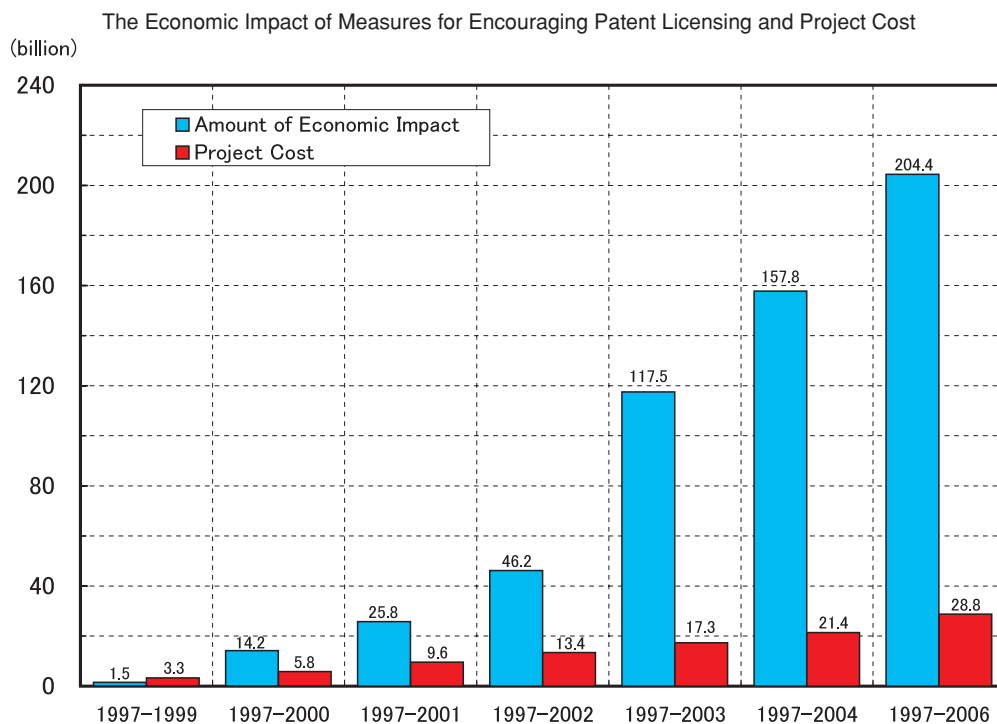
2. Achievements of Measures for Encouraging Patent Licensing

As a achievement of these comprehensive measures for encouraging patent licensing, the total number of contracts made through

Patent Licensing Advisors by the end of December 2006 came to 8,772, with its economic impact reaching 240.4 billion yen. (The total number of contracts made by the end of March 2007 was 9,256.)



Source : INPIT



Note: Figures on economic impact indicate the total amount of money moved as a result of patent licensing advisors' activities (excluding the project expenses). Specifically, it represents the total cost incurred by the sales of products that were manufactured based on introduced patented technology, funding for development and investment in manufacturing, licensing income, and personnel cost incurred by the hiring of new workers.

Source: INPIT

Support for Activities through Information Technology

1 Further Promotion of the Use of Information Technology

(1) Further Improvement of Electronic Filings

The JPO has led the world in promoting the "paperless project" since 1984 and started receiving electronic applications for patents and utility models in December 1990. The JPO also started to allow electronic procedures for the filing of design and trademark applications, appeal procedures, and national procedures for PCT applications in January 2000. As for PCT international applications, the JPO made electronic filing available in April 2004. The electronic application rates for patents/utility models, designs, trademarks, ex parte proceedings, PCT national phase, and PCT international phase in 2006 were 97%, 91%, 83%, 98%, 99% and 83%, respectively, all very high rates.

In addition to the conventional electronic applications filed through ISDN lines, it became possible in October 2005 to file electronic applications (patents/utility models, designs, trademarks, appeals and trials, PCT national phase) via the Internet. The hours for accepting electronic applications were extended to around the clock and throughout the year. The JPO also started accepting electronic filing via the Internet for the filing of national procedures for PCT applications in January 2007.

Electronic filing via the Internet allows for high-speed and large-volume communication using broadband, which has come into wide use these days. It also allows for strict user identification and prevention of document alterations by using digital certificates, and maintenance of security by using encrypted communication. The JPO will continue to improve convenience so that electronic filing via the Internet will become standard among electronic filings.

(2) Further Use of Information Technology through International Standardization of Application Formats

The JPO unified the application format for patents and utility models in Japan to the PCT international application format, and adopted an internationally standardized electronic format (XML format¹) in July 2003. In addition, the format of publications of patent applications, published and republished Japanese translations of PCT international patent applications, and publications of registered utility model applications was changed to XML in January 2004, and that of Patent Gazettes in July 2004, while the data medium was also changed from CD-ROM to DVD-ROM. Moreover, in December 2004, WIPO Standard ST.36, which is recommended worldwide as the technical standard for XML electronic patent applications, was developed mainly by the

¹ XML (eXtensible Markup Language) is a data-description language suitable for exchanging and distributing electronic documents on the Internet. It allows easy searching and management of documents by adding codes called tags to the respective elements of the documents. It is also extensible and flexible because the tags can be set freely.

Trilateral Offices and WIPO and was published.

As a result, the electronic format for international patent applications will be standardized and electronic data exchange with other countries will be made easier. Adoption of a standardized electronic format for the industrial property information service, the search system, and other services will enable more efficient and standardized electronic data exploitation and distribution.

2. Promotion of Provision of Industrial Property Information

(1) Industrial Property Digital Library (IPDL)

In March 1999, the JPO launched the Industrial Property Digital Library (IPDL), which provides industrial property information free of charge via the Internet, in order to develop an environment in which industrial property information is used more widely and easily.

The IPDL allows users to search 61.0 million official gazettes of patents, utility models, designs and trademarks as well as related information such as the legal status of examination, registration and appeals/trials, based on the document numbers, classifications and key words. The management of the IPDL was shifted to the National Center for Industrial Property Information and Training (INPIT) in October 2004, and the IPDL is currently provided on the INPIT website¹.

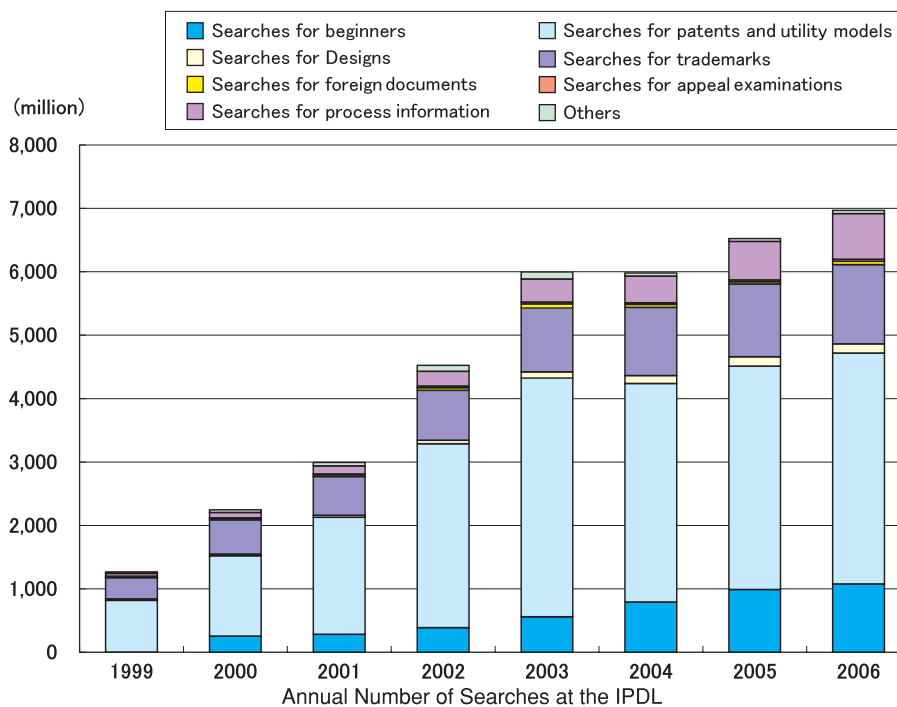
The IPDL is upgraded every year in terms of improved usability and a broadened range

of services. In October 2006, the JPO cross linked gazettes and patent prosecution, and also launched the Patent Classification Search Service, a combined search of the IPC and FI/F-term. The JPO changed to the screen layout of the text search service, and added Japanese abstracts of foreign literature in the scope of searchable documents in March 2007. Furthermore, examination documents, which used to be provided via the network as paid services, have been made partially available free of charge on the IPDL on a trial basis since March 2006. The JPO expanded the scope of documents available for this service in March 2007.

Active use of industrial property information through the IPDL is expected to further promote utilization of industrial property rights.

While the annual number of searches was about 12.7 million immediately after the launch of the IPDL service (FY1999), the number of users has been increasing in line with the subsequent upgrading of the service. In FY2006, the annual number of searches reached about 69.7 million.

¹ IPDL website: http://www.ipdl.inpit.go.jp/homepg_e.ipdl



Source : Created by the INPIT

(2) Enhancement of Provision of Industrial Property Information

In order to meet the diverse needs for industrial property information, it is necessary not only to support the use of the information by the public through the IPDL, but also to prepare an environment in which private industrial property information service providers¹ (hereinafter referred to as "private information service providers") can provide high value-added services. To achieve this goal, the JPO has reviewed its conditions for disseminating data and is working on establishing an environment in which users can easily access and use industrial property information.

First of all, in March 1999, the JPO launched a project to provide its industrial property information that has been converted and processed into a generally accessible format such as XML (organized and standardized data) in a batch at marginal

costs.² The work to create the organized and standardized data was transferred to the INPIT in October 2004.

As for gazettes, since the launch of CD-ROM gazette provision at marginal cost in April 1998, the JPO has conducted reviews on its publication styles based on technological progress and demands from users. In 2004, the JPO changed the format of patent and utility model gazettes from the SGML format to the XML format, in addition to changing the media from CD-ROMs to DVD-ROMs. The JPO began to issue publications of registered utility-model applications free of charge via the Internet in January 2006. The JPO undertook the same measures for design gazettes starting in January 2007.

Furthermore, as part of a new attempt, the INPIT installed the same search terminals as those used by examiners, and made them available to the public in January 2007. This allows users to conduct quick searches for

¹ There are more than 200 small and large-scale private information-service providers in Japan.

² Refers to additional expenses of data reproduction, the price for empty storage media, and sending costs, and does not include data creation and maintenance costs.

patent literatures in Japan and abroad
excluding those undisclosed.

These measures would encourage private information-service providers to offer high-value-added services and would promote diverse usage, such as building an in-house database in private companies. The JPO will continue to strive to improve the usability of industrial property information.

(3) Exchange of Industrial Property Information with Overseas Patent Offices and Exploitation of Such Information

The JPO regularly exchanges industrial property information based on a trilateral agreement with the Trilateral Offices (JPO, USPTO and EPO) and on a bilateral basis with other overseas patent offices (including the State Intellectual Property Office of P.R.C. [SIPO] and the Korean Intellectual Property Office [KIPO]). The JPO creates abstracts of foreign publications in Japanese from the exchanged data.

1) Exchanging Industrial Property Information with Overseas Patent Offices and International Organizations

In order for patent applications filed

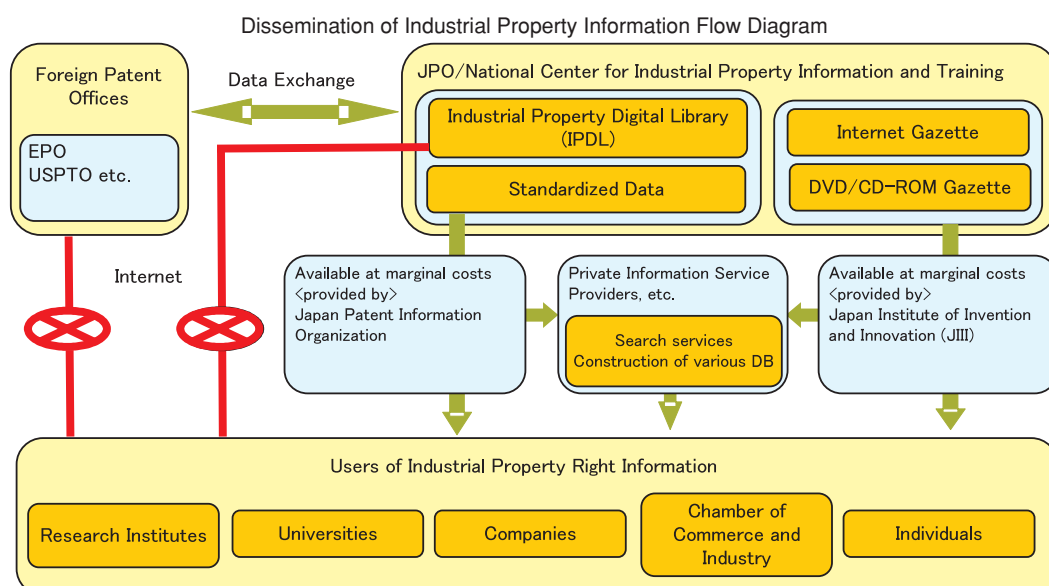
with the JPO to be properly taken into consideration as prior art in other countries, the JPO processes its industrial property information and provides it to overseas patent offices and international organizations. At the same time, it also receives industrial property information from overseas patent offices.

2) Providing Abstracts of Foreign Patent Documents in Japanese

The JPO provides abstract data of US patent documents, US publications of patent applications, and EP publications of patent applications all in Japanese. Abstracts are used as materials for patent examination at the JPO. These data are available to the public through the IPDL.

3) Providing Patent Abstracts of Japan (PAJ)

In order for the patent applications published in Japan to be at least used as minimum documentation in prior art searches for PCT applications, the JPO provides English abstracts of publications of patent applications (Patent Abstracts of Japan) and provides them to overseas patent offices.



3. Development of an Environment for the Usage of Patent Information and Patent Information Utilization by Companies

As described in 2 (1) and (2) of this chapter, the JPO responds to public demand through the IPDL, while, at the same time, enhancing information provision as it strives to develop an environment for usage of a variety of patent information, such as provision of high value-added services by private information service providers and establishment of in-house database in private companies. The JPO is also pursuing cooperation with foreign patent offices for information provision, as described in 2 (3) in this chapter. As a result, patent information is available through a variety of tools and services, such as the IPDL, services by private information-service providers, in-house databases, and websites of foreign patent offices.

The JPO conducted a research study on the history of patent information services by private information-service providers and the current conditions in FY2006 (hereinafter referred to as the "Research on Industrial Property Information Services"¹). The JPO also conducted a research for what kind of efforts related to patent information are being made by companies and other institutions² (hereinafter referred to as "companies"), end users of patent information (hereinafter referred to as the "Research on Companies"³). According to the results of this research, the environment for the usage

(1) Development of an Environment for the Usage of Patent Information by the Government and the Private Sector

The number of uses of the IPDL has been increasing, as shown in the figure in 2 (1) of this chapter. The "Research on Companies" reported that due to the IPDL, which allows SMEs to conduct basic search, the number of cases where prior art containing the identical invention with that in the patent application as the invention filed are presented by the examiner, has been steadily decreasing. This proves that the IPDL has become more popular as a basic information infrastructure for the public, including SMEs, has expanded its use, and thus has improved the environment for the usage of patent information.

Furthermore, as shown in the table and the figure below, the "Research on Industrial Property Information Services" reported that the market size of information service increased by 19.5 billion yen from 1996 to 2005, up 26.5% from the 1996 level, showing an upward trend. While the market size of the information service industry as a whole has seen an expansion, the market size of some service industries, such as copying service and processing service, have been shrinking. Information service provided by private information-service providers have become more highly specialized, according to needs from companies for higher-level services.

These results show that use of patent information by companies has been promoted by

¹ "Research on the Current Status and the Future of Industrial Property Information Services" (March 2007, JPO)

² Though the search study covered a small number of research institutions and administrative agencies, in addition to companies, they will be hereinafter referred to as "companies" for the sake of convenience.

³ "Toward Strategic IP Management - Enhanced Technology Management (Compendium of Examples of IP Strategy)" (April 2007, JPO)

enhancing the basic information
infrastructure by the government and

information services by private information-
service providers.

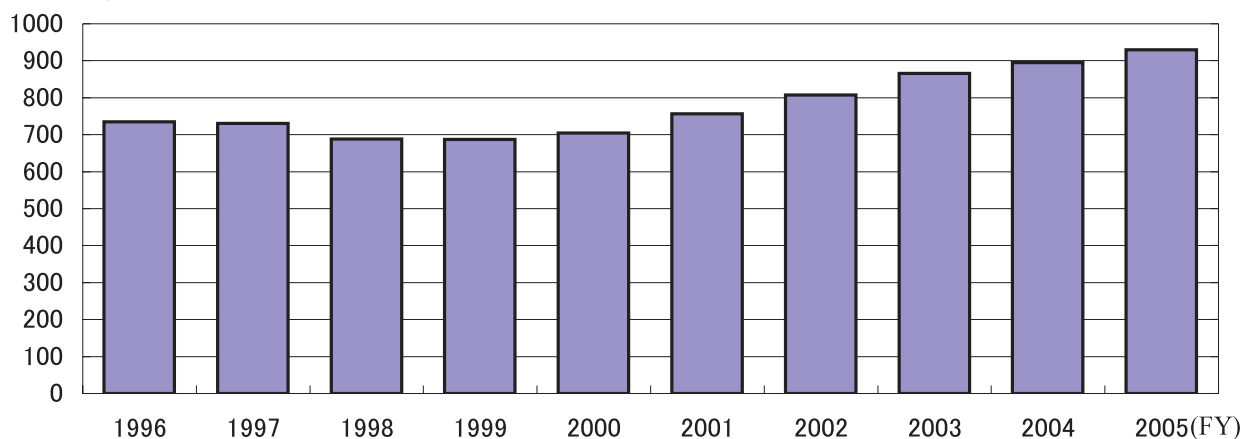
Changes in the Market Size of the Industrial Property Information Service Industry

Units (Market size: 100 million yen; fluctuation rate and economic growth rate: %)

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Market size	735	730	688	687	705	757	807	866	895	930
Fluctuation rate	—	-0.68	-5.75	-0.15	2.62	7.38	6.61	7.31	3.35	3.91
Economic growth rat	—	1	-1.9	-0.7	0.9	-2.1	-0.8	0.8	0.9	1

Source: "Research on the Current Status and the Future of Industrial Property Information Services," JPO

(100 million yen)



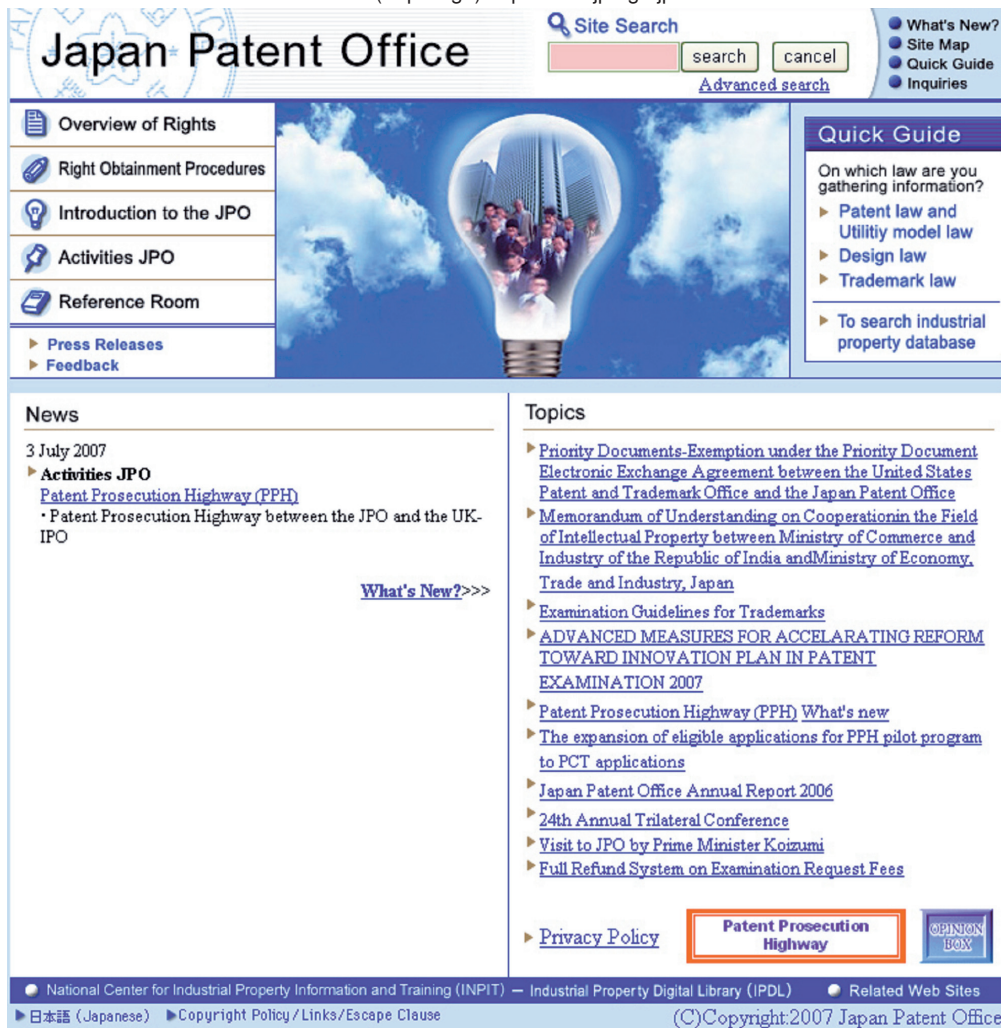
Source: "Research on the Current Status and the Future of Industrial Property Information Services," JPO

4. Information Provided on the JPO Website

The JPO website provides extensive

information regarding patent administration.
(The JPO website is planned to be renewed in December 2007.)

JPO Website (Top Page) <http://www.jpo.go.jp/index.htm>



〈Five main categories〉

○ Overview of Rights

Outline and history of industrial property rights systems

○ Rights-Obtainment Procedures

Information on the procedures and practices of the filing, formality checks, substantive examinations, appeals and trials, and registrations; examination guidelines

○ Introduction to the JPO

Organization of the JPO and recruitment information

○ Activities of the JPO

Press releases, revisions of acts, expeditious patent-examination plan, measures against counterfeit goods, international activities and cooperation, information regarding support for local areas and SMEs

○ Reference Room

Council meeting reports, industrial property rights-related acts, statistical reports, search reports, etc.

5. Plan for Optimization of JPO Operations and Systems

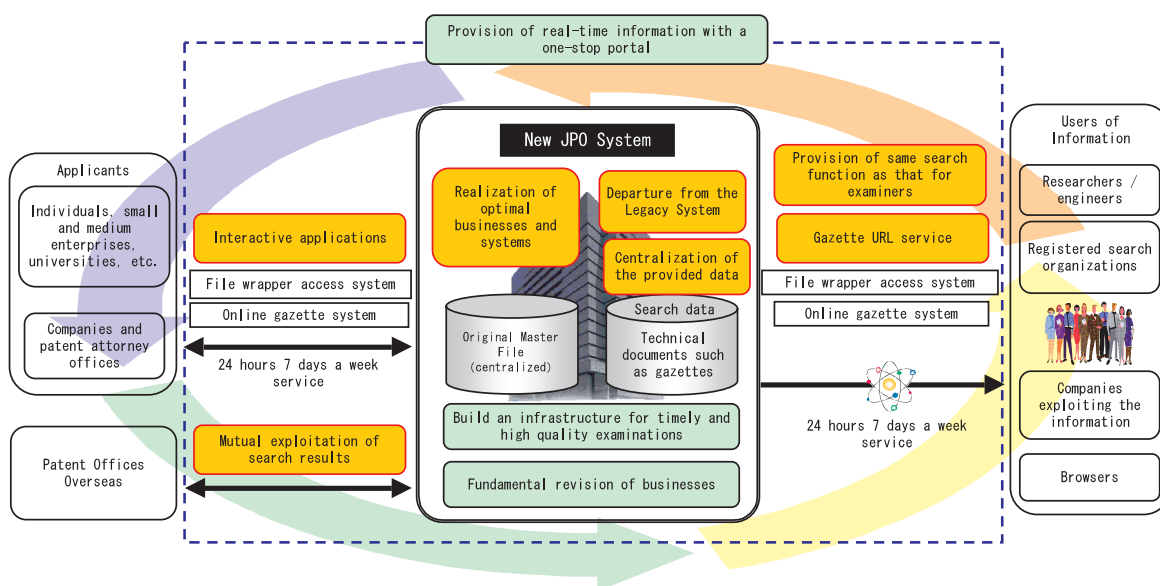
(1) Optimization of JPO Operations and Systems

Ever since the JPO introduced online filing procedures for patents and utility models in December 1990, it has successively introduced online procedures for designs, trademarks, appeals/trials, and PCT applications.¹ In addition, it has worked on the computerization of JPO intra-office operations. It has effectively achieved computerization of all procedures, including acceptance of applications and intermediate procedures, formality checks, substantive examinations, registration of rights, gazette publication and appeals/trials, and has improved the efficiency of operations and promoted timely and high-quality examinations and appeal/trial examinations.

Meanwhile, the "e-Government Building Program" (adopted by the CIO Liaison Meeting in July 2003 and partially revised in June 2004) was formulated in July 2003 as an effort by the whole government to realize a

simple and efficient government. Based on this program, the JPO formulated a "Plan for Optimization of JPO Operations and Systems" consisting of a review of the operational processes, explanation of ideal operations and systems, and a review of legacy systems², with an aim to optimize the overall operations and systems of the JPO. After further clarifying the contents of the plan and discussing the detailed schedule, the JPO formulated and released the "Plan for Optimization of JPO Operations and Systems" (Revised Edition) in August 2005.

Furthermore, from October 2005 to March 2006 the feasibility of the new business-processing system of the Optimization Plan was verified (creation and desk verification of prototype) and from December 2006, the system development started. Aiming at starting the system in January 2011, the JPO will steadily promote the development of the new business-processing system as well as plan to review the Optimization Plan for the search system used in searching conventional technology from the documentation database while taking the latest technology trends into account.



¹ See Part 3, Chapter 4, 1.

² Information systems of the central government that cost more than one billion yen annually and fall under either of the following: (i) systems using general-purpose computers or office computers (medium-sized computers mounting the developer's original operating system) and systems for accessing such systems; or (ii) systems that have been under direct purchase contract from a single supplier since 1994.

(2) Three Goals of the Optimization Plan Chapter 4

With an aim to further improve its public services by innovating systems through application of the latest information technology and to further improve the efficiency of operations through a fundamental review of its operations, the JPO will work to achieve the following three goals based on the "Plan for Optimization of the JPO's Operations and System" (Revised Edition).

1) Improve convenience for applicants and agents and enhance information services in order to revitalize the "intellectual creation cycle," which consists of strategic creation, protection and exploitation of intellectual property.

a. Accepting Internet Applications around the Clock and throughout the Year

In addition to the conventional ISDN applications, the JPO began accepting filings via the Internet as of October 2005. The JPO accepts applications around the clock and throughout the year (except during maintenance time).

b. Publication of Gazettes via the Internet

This measure enables quicker publication of gazettes (reducing the period from about seven weeks to about four weeks). It also improves the usability of gazettes. The JPO began to issue publications of registered utility model applications via the Internet in January 2006, and undertook the same measures for design gazettes starting in January 2007.

c. Interactive Application form Preparation (support for preparing application forms) (FY2010)

The JPO will provide a function to support applicants' preparation of application forms. Specifically, when

preparing various application forms for a single, already-filed application, the applicant will be able to acquire the latest information on the content of the application from the JPO's database, and prepare the application forms based on this information.

d. Real-time and Free-of-charge Provision of JPO Information on Applications (FY2010)

The latest JPO information on applications will be made available via the Internet free of charge to allow companies to use it in creating their business strategies and intellectual property strategies.

e. Provision of Information Related to Examinations and Appeal/Trial Examinations

The JPO will enhance external provision of examination-related information including information related to searches, such as information on cited documents.

f. One-Stop Portal (FY2013)

The JPO will establish a portal website on the Internet for one-stop access to JPO information on applications and search functions.

2) Develop the necessary system infrastructure for achieving "timely and high-quality examinations of the world's highest standard."

a. Increased International Collaborations with the USPTO, the EPO, and other Patent Offices (FY2007)

The JPO will reduce applicants' workload of submitting documents to foreign patent offices (priority document, etc.) by exchanging examination documents among each patent office through their networks. (See also Part 4, Chapter 1, 2 (1) 2) (c).)

b. Enhancement of Search Functions (FY2013)

The JPO will enhance the Internet search

functions, and prove the same search tools as those used by patent examiners.

c. Sophistication of the Examination Environment (FY2013)

The JPO will improve prior art search functions, etc.

d. Improvement of Functions such as Automatic Accumulation or Analyses of Examination-related Information (FY2013)

The JPO will store search records and conduct a statistical analysis with them so as to utilize the results for the quality management of the retrieval key.

3) Performing fundamental revisions of operations and seeking to reduce system expenses

a. Streamlining of Operations through Reform of the Operation Processes and Further Promotion of the "Paperless Project" (FY2010)

- With the aim of improving the efficiency of operations, the JPO will review all of its internal operations, and promote the "paperless project in order to simplify gazette-publication procedures, reduce the workload of formality checks with eyes, reduce the backlog of each operation, and increase the number of electronic-filing documents.

b. Breaking away from the Data Communication Service¹ and Securing Transparency

- Regarding hardware, the JPO has already shifted to the open-bid system since the equipment renewals in and after FY2002.
- Regarding software, the JPO acquired software copyrights when it completed a lump-sum payment of its outstanding loans

for software in FY2004. Now it is conducting independent system development.

- Regarding system administration, the JPO conducted an open bid in compliance with WTO agreements for comprehensive system administration services and operation services in FY2005.

c. Breaking away from Mainframes (FY2010)

- The JPO will transform its overall management hosts (the backbone system that manages the original copies of the applications) and local hosts (the system that manages registered information) into open systems.

d. Reduction of Expenses

- The JPO will shift from systems optimized for individual operations to systems optimized for overall operations.

By building a system for accumulating and managing the filing documents in a centralized manner and other such measures, the current operating expenses (system expenses and data provision expenses) are expected to be reduced by about 40% (about 9.6 billion yen) after the completion of the optimization plan (starting from January 2014).

- The JPO will conduct open bids compliant with WTO agreements.

The JPO will use the skills of external experts and CIO assistants for preparing technical specifications and assessing technology, so as to reduce costs while securing transparency in procurement.

¹ An agreement in which the service provider performs general IT work such as system development, administration and management, while the user pays an annual fee for the services received

Raising Public Awareness of Intellectual Property and Development of Experts

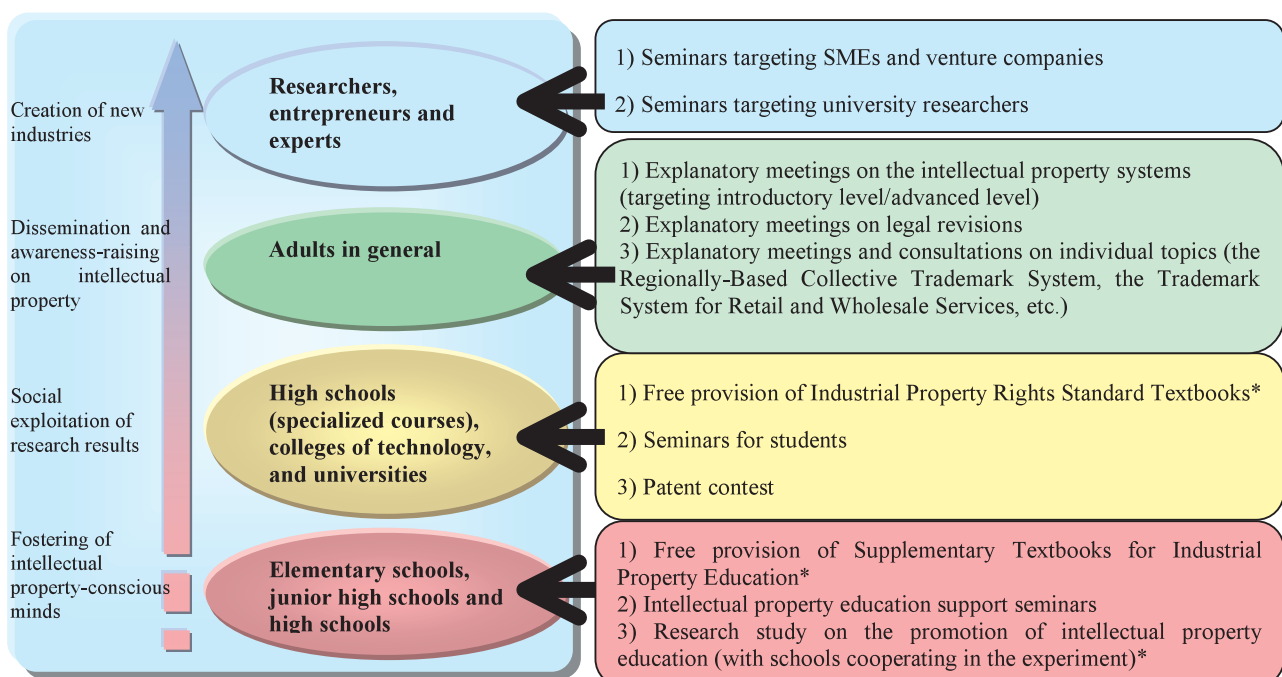
1. Enhancement of IP-Conscious Mind

In order to encourage IP activities and promote innovation, it is very important to develop human resources that take a major role in those activities. In addition to the development of IP experts, it is critical to conduct IP education for students from elementary schools to universities who will be responsible for the future IP systems.

The Comprehensive Strategy for the Development of Human Resources Related to

Intellectual Property, formulated on January 30, 2006 at the Task Force on the Intellectual Creation Cycle by the Intellectual Property Policy Headquarters, also calls for development of a variety of human resources related to IP.

The JPO has conducted IP human resource development programs that are suitable for each group, such as elementary schools, junior high schools, high schools, universities, researchers, adults and experts.



*Projects transferred to the INPIT from January 2007

(1) Seminars and Explanatory Meetings for Adults in General

In order to deepen citizens' understanding and recognition of the significance of the intellectual property system, the JPO holds explanatory meetings on

the system and on latest developments such as legal amendments targeting various levels of participants (introductory level and advanced level) throughout Japan. The JPO also holds "Seminars for Researchers at Universities and Public Research Institutions" to explain how

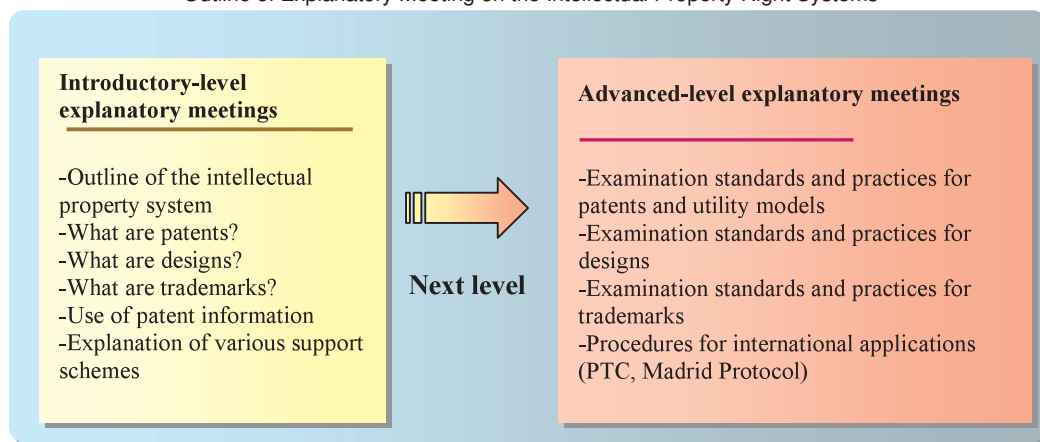
to acquire rights for research results and how to manage and utilize the rights to researchers at universities and other institutions. It also holds "Seminars for SMEs and Venture Companies" to explain strategic utilization of intellectual property and licensing agreements, including technology transfers for SME and venture company managers and persons responsible for R&D. Additionally, the JPO holds "Expert Training Seminars" for management and technical consultants and the companies that trade intellectual property rights.

1) Explanatory Meetings on the Intellectual Property Right Systems Targeting Adults in General

The JPO holds "Explanatory Meetings for Introductory Level," in which industrial

property beginners and employees assigned to the intellectual property section of their companies can acquire basic knowledge on the intellectual property right systems. The JPO also holds explanatory meetings for those already engaged in industrial property-related works, such as "Explanatory Meetings for Advanced Level," targeting acquisition of knowledge on patent examination standards and practical skills necessary for filing international applications, "Explanatory Meetings on the Regionally-Based Collective Trademark System and the Trademark System for Retail and Wholesale Services," "Explanatory Meetings on Legal Revisions," regarding the latest law and system revisions, and "Explanatory Meetings on the Amended Design System."

Outline of Explanatory Meeting on the Intellectual Property Right Systems



2) Seminars Targeting Specific Participants

Each Regional Bureau of Economy, Trade and Industry holds seminars nationwide targeting specific participants, such as university researchers, SME and venture company managers, venture capitalists, and management/technology consultants.

a. Seminars Targeting Researchers at Universities and Public Research Institutions

The JPO holds seminars targeting

researchers at universities and public research institutions to explain strategic application filing, acquisition and utilization of rights using research results.

b. Seminars Targeting SMEs and Venture Companies

Targeting SME and venture company managers and R&D managers, the JPO holds seminars on strategic acquisition of IP rights, right-utilization methods, and license contracts such as technology

transfers, according to the needs of the region.

c. Expert Training Seminars

The JPO holds seminars to develop IP experts (venture capitalists, management/technology consultants and SME management

consultants) who provide SMEs and venture companies with advice for strategic utilization of IP rights, including IP right-evaluation methods, how to respond to patent disputes, knowledge on licensing and technology transfers.

Outline of Seminars Targeting Specific Participants

Seminars for University Researchers

Targeting: researchers at universities and public research institutions

- Strategic application filing, acquisition of IP rights and exploitation thereof for research results
- Use of patent information in R&D

Seminars for SMEs and Venture Companies

Targeting: SME and venture company managers

- Strategic methods to acquire rights for technology-development results
- Basic knowledge of technology transfers and licensing

Expert Training Seminars

Targeting: venture capitalists and management/technology consultants

- Technology-licensing agreements
- Actual conditions of joint development
- How to respond to patent disputes

3) Intellectual Property Right Systems Promotion Events

The JPO held a memorial event, "Invention Day," on April 18, 2007. Each Regional Bureau of Economy, Trade and Industry also held an "Invention Day Fair" targeting students in elementary school and junior high schools and their families, thus striving to promote the intellectual property right systems.

(2) Promotion of Intellectual Property and Educational Support for Educational Institutions

1) Development and provision of intellectual property education materials

The JPO has been providing Industrial Property Rights Standard Textbooks free of charge to high schools (specialized courses), colleges of technology, and universities that wish to receive the textbooks to teach the correct knowledge and basic practical skills concerning intellectual property.

Also, in order to raise public awareness

on the protection of and respect for intellectual property from the school education stage, the JPO has been providing Supplementary Textbooks for Industrial Property Education that are suitable for each age group in elementary schools, junior high schools and high schools. They are provided free of charge to schools that wish to receive them.

These projects have been conducted since FY1998, and were transferred to the INPIT in January 2007.

Number of Industrial Property Rights Standard Textbooks Distributed in FY2006

Targeting: universities and colleges of technology

- General: 52,000 copies to 700 faculties and departments
- Patents: 34,000 copies to 600 faculties and departments
- Designs: 23,000 copies to 500 faculties and departments
- Trademarks: 22,000 copies to 500 faculties and departments
- Licensing: 18,000 copies to 500 faculties and departments

Targeting: industrial, commercial and agricultural high schools

- General: 33,000 copies to 358 schools
- Patents: 17,000 copies to 171 schools
- Designs: 5,000 copies to 159 schools
- Trademarks: 7,000 copies to 170 schools
- Licensing: 4,000 copies to 143 schools

Number of Supplementary Textbooks for Industrial Property Education Distributed in FY2006

Targeting: students in elementary schools, junior high schools and high schools

- Elementary school: 114,000 copies to 1,400 schools
- Junior high school: 131,000 copies to 1,000 schools
- High school: 42,000 copies to 240 schools

2) Intellectual Property Education Support Seminars

With the aim of developing an IP-conscious mind, raising awareness on IP and providing educational support, the Patent Offices of Regional Bureaus of Economy, Trade and Industry hold seminars nationwide targeting students from elementary schools to universities and teachers, using the above-mentioned standard textbooks and supplementary textbooks.

3) Research Study on Promotion of Intellectual Property Education (with schools cooperating in the experiment)

The JPO compiles case examples of the efforts made in industrial, commercial and agricultural high schools and colleges of technology that conduct intellectual property education using the above-mentioned standard textbooks. These case examples are provided to schools that will cooperate in the experiment in the following years.

This project has been conducted since FY2000, and was transferred to the INPIT in January 2007.

2. Development of Intellectual Property Experts

(1) Foundation for Human Resources

Japan is expected to become an intellectual property-based nation that creates wealth through the strategic creation, protection and exploitation of intellectual property. To attain this goal, it is important to improve the quality and quantity of specialized intellectual property services that support commercialization and transactions of intellectual property as well as settlement of disputes.

Under these circumstances, the JPO made a complete amendment of the Patent Attorney Act in 2000 and partial amendment of the Patent Attorney Act in 2002 and 2005 with the objective of further developing and utilizing patent attorneys who have expert technical knowledge on intellectual property as the key players in the establishment of an intellectual property-based nation. The amended law stipulates significant extension of the scope of service of patent attorneys where they would also:

- 1) engage in alternative dispute resolution (ADR);
- 2) act as intermediaries or agents in

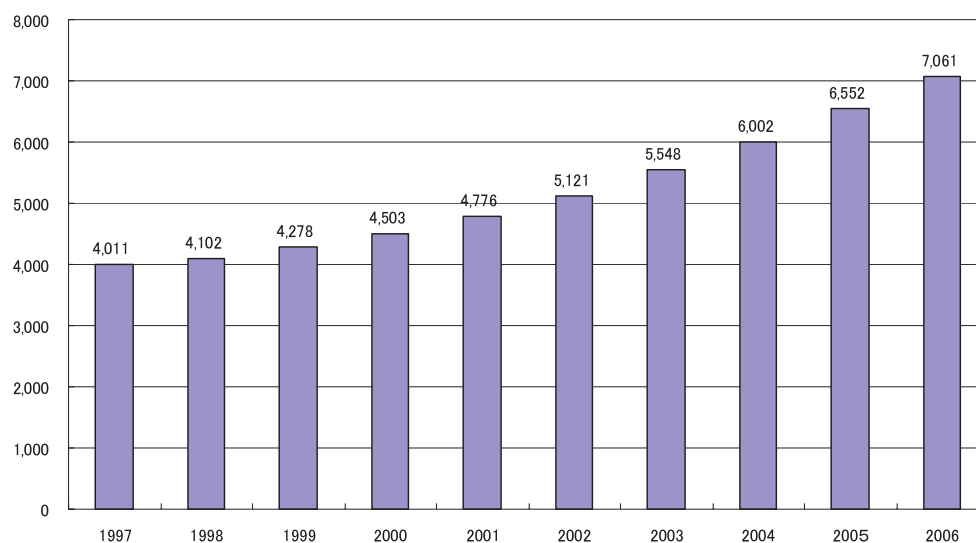
concluding intellectual property transaction agreements, and provide consultation services concerning such agreements; and

- 3) be granted the right to act as procedural representations in specified infringement suits¹ (limited to cases in which lawyers are also appointed as procedural representations).

The patent attorney examination system was also amended as part of the efforts to enlarge the number of patent attorneys.

Furthermore, the Act for Partial Amendment of the Patent Attorney Act was passed in the 166th ordinary Diet session. The revised Patent Attorney Law will introduce a training system for patent attorneys in order to maintain and further improve the quality of patent attorneys.

Changes in the Number of Patent Attorneys



Note: Number at the end of year

Number of Patent Attorneys and Other Intellectual Property Experts in Japan and the United States

Japan		United States	
Patent attorneys (Benrishi) (excluding lawyers)	6,814	Patent agents	8,159
Lawyers specializing in intellectual property (lawyers who are also registered as Benrishi)	372	Patent attorneys	25,847

Notes:

Patent agents: Qualified people who have passed the examination conducted by the USPTO (qualified to act as an agent for patent-filing procedures with the USPTO)

Patent attorneys: Patent agents who have also acquired the qualification of a lawyer (attorney at law) of a relevant state (qualified to act as an agent for the procedures for both patents and trademarks with the USPTO and act as procedural representations; the qualification of the attorney at law alone allows the person to act only as an agent for trademark-related procedures with the USPTO)

Japan: JPO data (at the end of March 2007)

United States: USPTO website <http://des.uspto.gov/OEDCI/> (Searched on March 27, 2007)

¹ Refers to infringement suits related to rights concerning patents, utility models, designs, trademarks or layout of semiconductor circuits, or to business profits gained through specific acts of unfair competition.

(2) Status of Implementation of the Patent Attorney Act Amended in 2002

In an effort to further improve and accelerate the court proceedings regarding specific infringement suits, an Act for Partial Amendment of the Patent Attorney Act was put into effect on January 1, 2003 to grant patent attorneys who have expert knowledge on intellectual property the right to act as procedural representations in specified infringement suits.

In accordance with the amended Patent Attorney Act, the Japan Patent Attorneys Association conducted a training course focusing on the practical aspect of civil lawsuit from May to September each year for a total of 45 hours that consist of lectures and practical training. Over a period of four years, 2,334 patent attorneys took the course.

Patent attorneys who completed the above training course can take the examination to act as in specific infringement suits (an examination covering matters concerning the Civil Code, the Code of Civil Procedure, and other laws and ordinances related to specified infringement suits, as well as the actual practices), which is conducted once a year. A total of 2,842 persons have taken the examination, and 1,846 persons have passed the examination to date. Among those who passed the examination, 1,736 (as of the end of March 2007) have completed the registration procedures for the qualification, and are acting as procedural representations only in specified infringement suits in which lawyers are also entrusted from the same client.

(3) Development of human resources by the INPIT¹

The National Center for Industrial Property Information and Training (INPIT) offers training courses with the aim of developing human resources that will support intellectual property services. This in turn will promote expeditious examination and appeal/trial examination at the JPO, formulation of intellectual property strategies at companies, and proper protection and utilization of intellectual property rights.

1) Training for JPO Officials

a. Training for Officials Engaged in Examinations and Appeal/Trial Examinations, and Training for Officials Engaged in Administrative Affairs (number of participants in FY2006: 982)

According to the basic policies and plans designed by the JPO, the INPIT offers patent examination courses and appeal examination courses as training for officials engaged in examinations and appeal/trial examinations. For fixed-term officials (assistant examiners) who have been hired to accelerate patent examinations, the INPIT provides an induction course for fixed-term officials (assistant examiners). It also offers training courses for officials engaged in administrative affairs such as a trial court clerk course and an Intellectual Property Right Specialist course etc.

b. Training for Improving Expert Skills (number of participants in FY2006: 5,020)

In order to help JPO officials improve their knowledge and skills as required in their duties, the INPIT provides various training courses aimed at honing officials'

¹ INPIT website: <http://www.inpit.go.jp/english/educate/index.html>

skills so as to better respond to globalization, computerization and changes in administrative needs, in addition to enhancing knowledge in relevant legal matters.

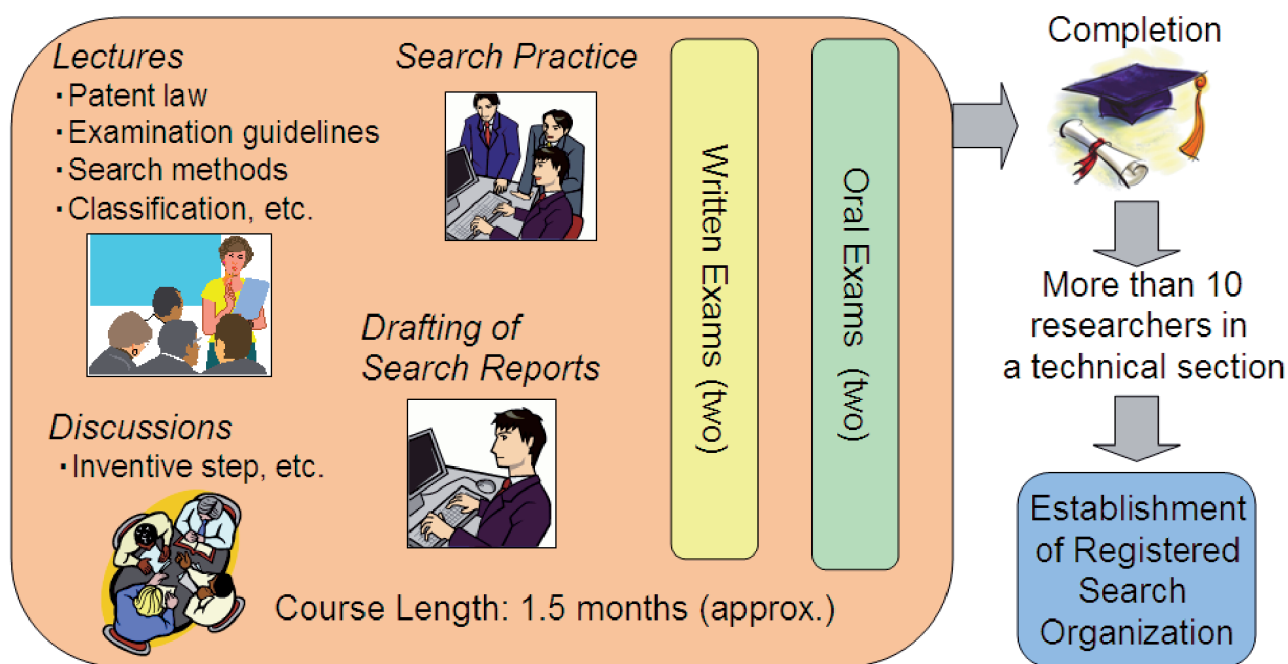
2) Human Resources Development Activities for People other than JPO Officials

a. Training for "Searchers" (number of participants in FY2006: 297)

The INPIT offers statutory training for those who wish to become "searchers" (staff that conduct prior art searches) in registered searching organizations (Article 37 of the Act on the Special Provisions to

the Procedure, etc. concerning Industrial Property Rights).

The proper training of searchers performing highly accurate prior art searches is particularly important for the realization of expeditious patent examinations. Therefore, this training course aims at having trainees acquire the fundamental skills that are required of them as searchers and the knowledge necessary for prior art searches by systematically acquiring this basic knowledge through lectures and applying that knowledge through practical training and debate.



b. Development of Search Experts (number of participants in FY2006: 180 for advanced-level course; 105 for intermediate-level course)

The INPIT provides intermediate-level and advanced-level training courses that teach participants the JPO examiners' knowledge and expertise concerning patent document searches.

The intermediate-level course is mainly oriented towards researchers, staff of the

intellectual property headquarters of universities, and staff of technology licensing organizations (TLOs). It aims at developing human resources who can, through exploiting patent information, conduct investigations for deciding themes or directions for research or investigations for determining whether a patent application or an examination request should be filed.

The advanced-level course targets people

who have already acquired sufficient knowledge of patent acts by engaging in prior art searches. It aims at developing human resources that can help eliminate unnecessary filings of patent applications and examination requests by further improving participants' prior art search skills.

c. Training for Intellectual Property Experts (number of participants in FY2006: 92)

The INPIT conducts debate-style training for intellectual property experts, including lawyers, patent attorneys and companies' intellectual property division staff. The participants can learn from each other by debating on the concepts of patent and utility model examination standards from their different viewpoints. Also, the INPIT actively provide patent examiners with information on examination standards in order to further increase the practical skills of intellectual property experts.

d. Training for SMEs and Venture Companies (number of participants in FY2006: 178)

In order to strengthen SME and venture company managers' abilities to respond to patent infringement warnings and to enhance their intellectual property-conscious minds, the INPIT provides practical training in which managers engage in realistic scenarios involving written patent infringement warnings.

e. Training for Intellectual Property Experts of Administrative Agencies (number of participants in FY2006: 223)

The INPIT provides training for officials who engage in intellectual property affairs in administrative agencies. The training aims to contribute to the smooth implementation of intellectual property systems and the active utilization of intellectual property rights

by having these officials acquire the necessary knowledge for the performance of their duties.

f. Development of Human Resources Using Information and Communications Technology (IP e-Learning)

The INPIT provides e-learning educational materials that have been developed based on JPO knowledge, experience and expertise, intended for use not only by the JPO, but also by people involved in intellectual property nationwide.

g. Provision of Training Materials

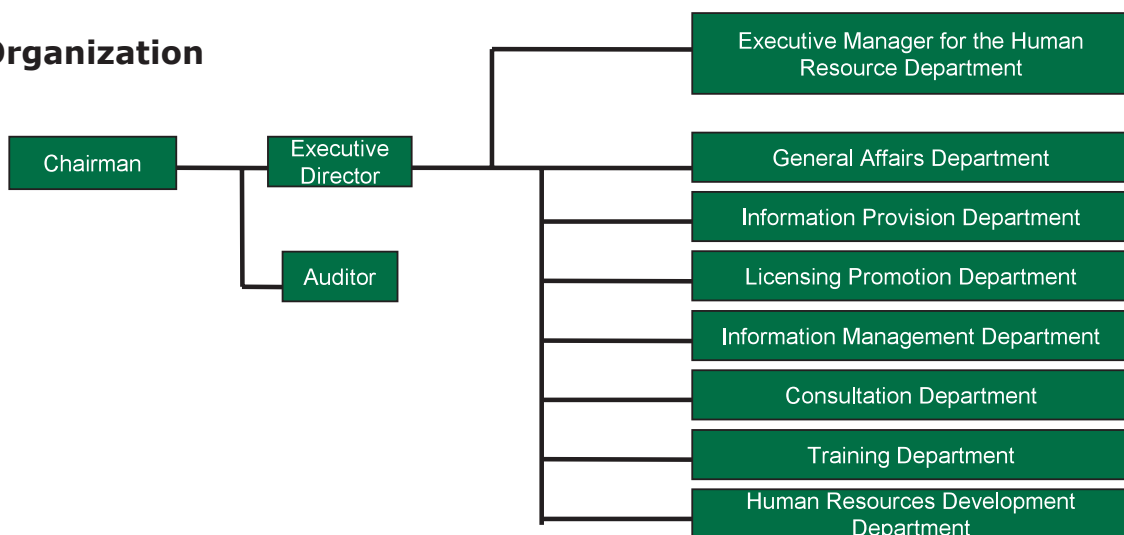
Textbooks used in the INPIT training courses that can be made public are published on the INPIT website so that they can be used by any person engaged in intellectual property.

Column: The National Center for Industrial Property Information and Training (INPIT)

With the objective of developing and enhancing the structural basis "information" and "human resources," which support the industrial property right system and "environment" to utilize them, the National Center for Industrial Property Information and Training (INPIT), in cooperation with the JPO, is swiftly and accurately conducting a

range of operations, such as provision of access to gazettes, promotion of patent licensing, information dissemination, consultations and development of information systems and human resources. The INPIT became a non-public service and independent administrative institution in April 2006.

1. Organization



* Total number of officers and staff: 112 (excluding two part-time auditors)
As of May 2007



* The INPIT adopted a simple new logo in January 2007 so as to provide services closer to users.

2. INPIT's Activities

(1) Industrial Property Gazette Reference Service

As a "special industrial property service" that is required to be established under the Paris Convention for the Protection of Industrial Property, the INPIT provides gazette reference services and reference support by installing IPDL-dedicated computer terminals in the regional reference rooms in

Tokyo and eight other locations nationwide (Sapporo, Sendai, Nagoya, Osaka, Hiroshima, Takamatsu, Fukuoka and Naha) in order to provide public access to domestic and foreign industrial property gazettes.
(Number of users in FY2006: about 53,000)

(2) Provision of Documents Related to Examination and Appeal/Trial Examination

The INPIT provides the "minimum documentations" subject to international

searches as prescribed in the Patent Cooperation Treaty (PCT). In addition, it gathers, organizes, stores and offers for public reference technical documents such as materials (including the filing documents) necessary for examinations and appeal/trial examinations, including such minimum documentations.

〈Number of documents stored: about 50,000 (as of the end of March 2007)〉

(3) Patent Licensing Promotion

In order to create new businesses and improve the technical capacities of SMEs, the INPIT gathers and provides technology-related information such as licensable patents, and provide support for patent licensing contracts made through Patent Licensing Advisors.

〈Number of successful transactions supported by Patent Licensing Advisors: about 9,256 (accumulated total as of the end of March 2007)〉

(4) Industrial Property Information Dissemination

In addition to managing the IPDL service in which industrial property information can be searched free of charge via the Internet, the INPIT standardizes the JPO data and makes them available to the public at a marginal cost. It also creates abstracts of US and European patent specifications and provides them as examination materials for the JPO. At the same time, it creates English abstracts of Japanese publications of patent applications (Patent Abstracts of Japan) and provides them to overseas patent offices. The INPIT also exchanges industrial property information in electronic form based on a trilateral agreement among the JPO, USPTO and EPO, and on bilateral agreements with other overseas offices.

〈Number of searches in the IPDL in FY2006: about 69.7 million〉

(5) Industrial Property Consultation Services

The INPIT provides guidance in regards to

filing procedures and other procedures inherent in the acquisition of industrial property rights such as patents, and offers consultation services on general industrial property matters such as examinations, appeal/trial examinations, registration, standards and practices.

〈Number of consultations in FY2006: about 58,000〉

(6) Information System Development

The INPIT develops the information system, a basis of information provision, such as through development and maintenance of the electronic filing software and the gazette system, and develops electronic data of the documents necessary for JPO's examination and appeals/trials procedures.

〈Rate of applications filed using the electronic filing software: about 94%〉

(7) Development of Human Resources

The INPIT provides the statutory training necessary for the qualification of patent examiners and other experts, training in cutting-edge areas of technology such as nanotechnology, and various other training courses aimed at improving the knowledge and abilities required of JPO officials. It also provides training for developing searchers for registered searching organizations based on the Act on the Special Provisions to the Procedure Concerning Industrial Property Rights as well as instruction on JPO's knowledge, experience and expertise for those who engage in industrial property affairs, such as patent attorneys and companies' intellectual property division staff. The INPIT also provides educational materials for e-learning and other types of training. Furthermore, the INPIT compiles instructional materials for IP education and support in order to develop a system that enables universities to conduct systematic application filing and IP management.

〈Number of training participants in FY2006: 6,002 JPO officials; 1,075 persons who are not JPO officials〉

