





The background of the slide is a close-up, slightly blurred image of numerous pink cherry blossoms. The petals are a soft pink color, and the centers of the flowers show darker pink or reddish stamens. The lighting is soft, creating a gentle, romantic feel.

Part 2

IP Activities in and  
Support Measures for  
Private Companies  
and Universities

## Chapter 1

### Current Status of Intellectual Property Activities in Japan

This chapter introduces the current status of intellectual property activities in Japanese companies and universities and the trends of applications in and outside of the country in filing patents, utility models, designs and trademarks.

#### 1. Intellectual Property Activities in Companies

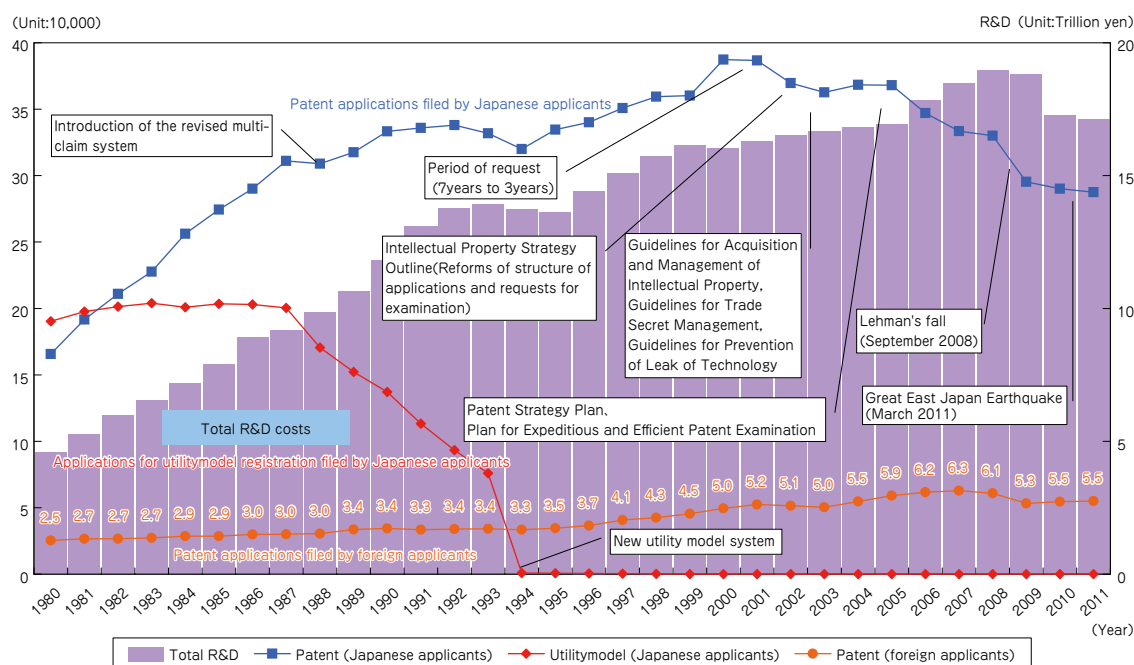
Along with the progress of globalized business activities, the environment surrounding intellectual property activities of Japanese companies have changed to a large degree. This section introduces the current status of intellectual property activities from the perspective of trends in the number of applications.

#### (1) Changes in the Number of Patent and Utility Model Applications

Looking at the changes in the number of patent applications filed by Japanese companies from a medium- to long-term perspective, it shows a slight increase from 1980 to 1987 in line with the increase in the total R&D costs (See Figure 2-1-1).

Since the introduction of the revised multiple claim system<sup>1</sup> in 1998, the pace of increase has slowed down. However, the number of patent applications continued to increase slowly and reached its peak in 2000 (387,000 applications). Subsequently, there has been a slight downward turn until 2011. The number of patent applications in 2011 maintained nearly the same level as 2010 (288,000), a 0.7% decrease over the previous year, in spite of the Great East Japan Earthquake that occurred in March 2011.

**[Figure 2-1-1 Changes in the Number of Patent Applications Filed by Japanese and Foreign Applicants]**



Note:

New Utility models are not included in "Utility Model (Japanese applicants)"

Source:

Created by the JPO (the total R&D costs are based on the report on research surveys on science and technology (statistics of the Minister of Internal Affairs and Communications))

<sup>1</sup> A system that allows the applicant to state several claims that satisfy the unity of applications in the scope of claims.



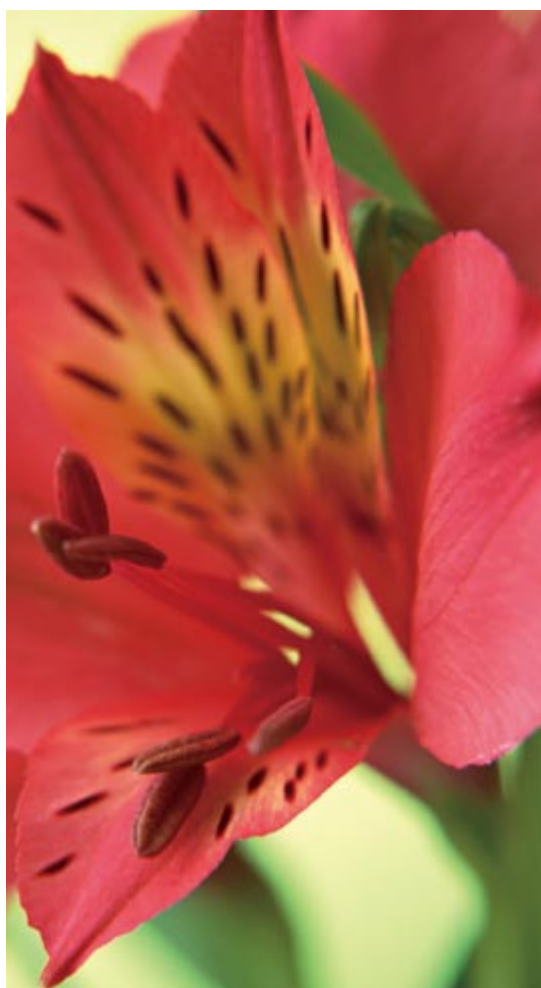
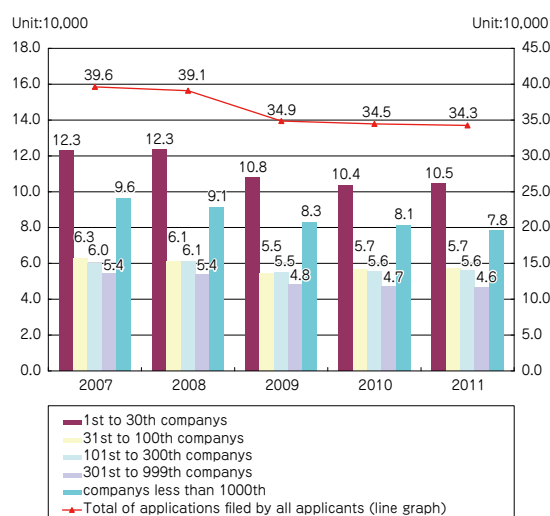
There was a significant decrease from 2008 (330,000 applications) to 2009 (295,000 applications). The global economic recession in this period is considered to be a reason for this decrease.

For 27 years from 1980 to 2007, the number of patent applications filed by foreign applicants gradually increased. After reaching a peak in 2007 with 63,000 applications, it continuously decreased until 2009. Thereafter the number took an upward turn in 2010, recording 55,000 applications in 2011, which is the same level as that in 2010. The number of patent applications filed by foreign applicants sharply dropped in the same way as the applications by Japanese. This tendency is due to global economic recession that occurred concurrently in the world.

## (2) Trends in the Number of Patent Applications by Scale of Application Ranking<sup>1</sup>

The decrease in the total number of patent applications filed by Japanese and foreign applicants was 42,000 (down 10.8%) from 2008 to 2009. However, the rate of decline has slowed down, and the decrease in the number of patent applications was 4,000 from 2009 to 2010 and 2,000 from 2010 to 2011, showing a sign that the decrease is coming to an end. Looking at the number of patent applications by scale of application ranking, the range of fluctuation of the number of patent applications filed in 2009 onward has diminished in all the scales of application ranking (See Figure 2-1-2).

**[Figure 2-1-2 Change in the Number of Patent Applications by Scale of Application Order]**



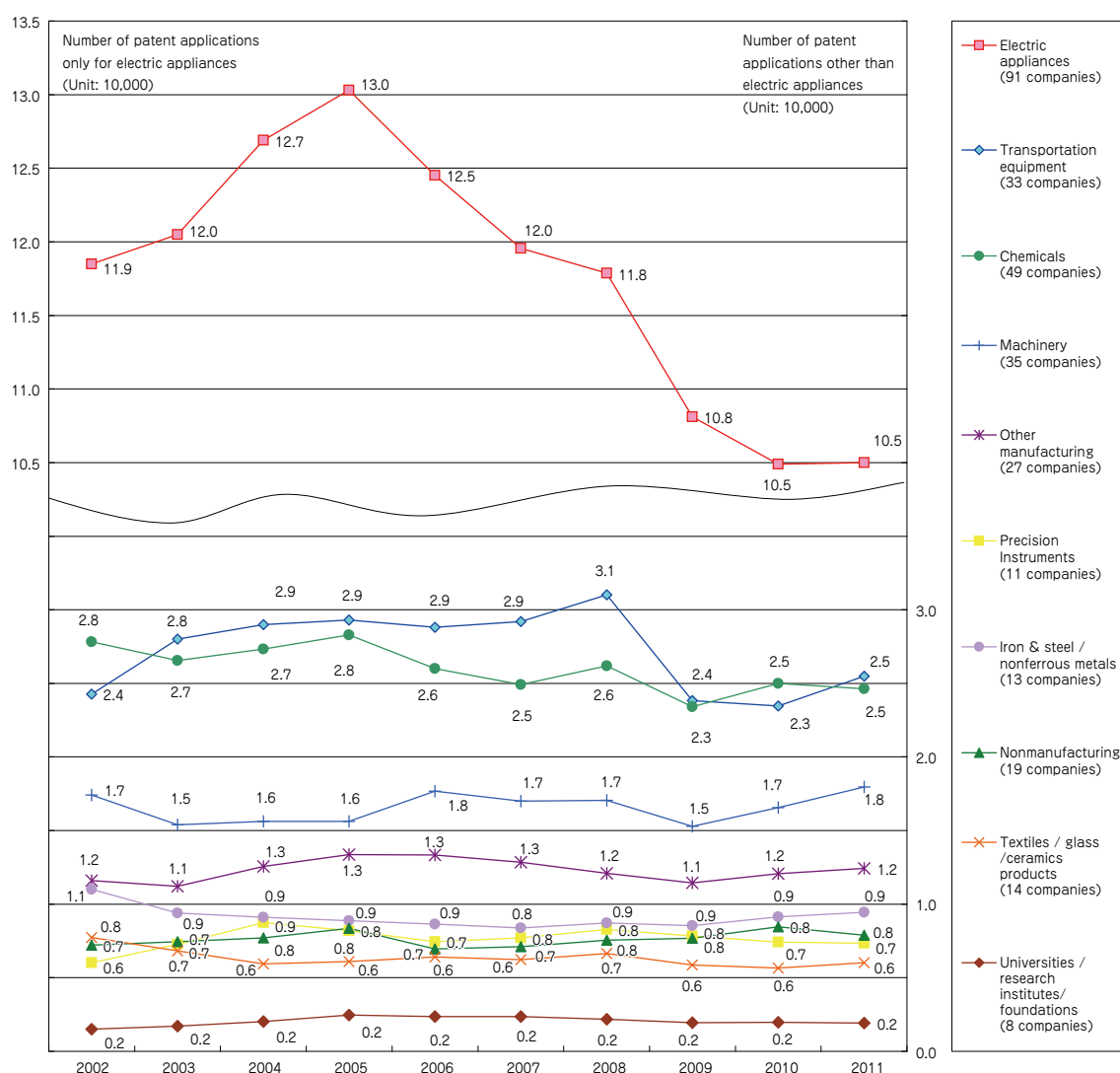
<sup>1</sup> For the trends in the number of patent applications by ranking, the number of patent applications was calculated by categorizing the top-ranking companies for applications into five classes (1st to 30th, 31st to 100th, 101st to 300th, 301st to 999th and less than 1,000th) and calculated the number of patent applications for each year from 2007 to 2011 (Companies subject to the calculation vary every year).

### (3) Trends in the Number of Patent Applications by Business Type<sup>1</sup>

Looking at the number of patent applications by business type, it shows that the decrease that continued from 2007 in the field of electric appliances is coming to an end in 2011. In addition, although the number of patent applications decreased in the non-manufacturing industry (decrease by about 600 applications (down 6.6%) over the previous year) and

chemicals (decrease by about 400 applications (down 1.4%) over the previous year), there was an upward trend in transportation equipment (increase by about 2,000 applications (up 8.6%) over the previous year), machinery (increase by about 1,400 applications (up 8.5%) over the previous year), and textiles, glass and ceramics products (increase by about 400 applications (up 6.3%) over the previous year) (See Figure 2-1-3).

**[Figure 2-1-3 Change in the Number of Patent Applications by Business Type (Top 300 Companies in the Number of Patent Applications in 2011)<sup>2</sup>]**



Note:

The top 300 companies for the number of patent applications in 2011 are classified based on business type categorized by the Securities Identification Code Committee.

<sup>1</sup> For the trends in the number of patent applications by business type, the top 300 companies in 2011 are classified by their business type and the number of patent applications in each year from 2002 to 2011 for the same companies is calculated. (Companies subject to the calculation are the same every year).

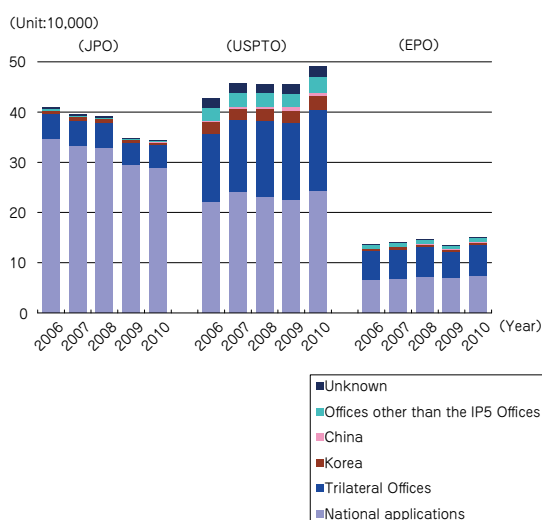
<sup>2</sup> The top 300 companies of the number of patent applications in 2011 are different from the top 301 companies of the number of patent applications in 2010 listed in the Patent Administration Annual Report 2011.

#### (4) Trends in Global Patent Applications

The number of patent applications filed with the JPO by Japanese residents (Japanese national applications) slightly decreased from 2006, and the number was 290,000 in 2010.

Although the number of patent applications filed with the USPTO by US residents (US national applications) marked a slight decrease from 2007 to 2009, it increased to 242,000 in 2010. The number of patent applications filed with the EPO by residents of Europe (residents of the EPC member countries) decreased in 2009, but increased to 74,000 in 2010. Although the Japanese national applications has been on a downward trend, it is 1.2 times as many as that of US national applications (48,000 more applications in number) and 3.9 times as many as that of applications filed in Europe (216,000 more applications in number). The number of Japanese national applications remains much larger than that of US national applications and that filed in Europe (See Figure 2-1-4).

**[Figure 2-1-4 Status of Applications Filed with the JPO, the EPO and the USPTO]**



Notes:

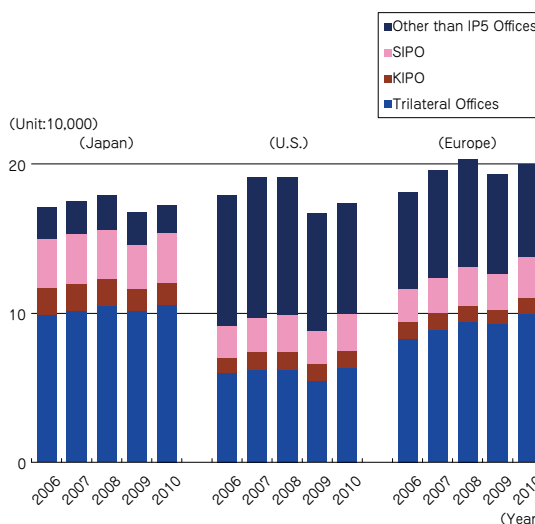
1. "Trilateral Offices" do not include applications filed to its own country. (For example, the applications filed by the Trilateral Offices in the case of Japan refer to those filed by the US and European residents.)
2. The number of patent applications filed by European residents refers to that of applications filed by residents of the EPC member countries as of the end of each fiscal year.

Source:

WIPO Statistics

Although the number of foreign patent applications filed with the IP5 Offices by Japanese, US and European (all residents of the EPC member countries) residents decreased from 2008 to 2009, it increased from 2009 to 2010 in Japan, the US and Europe, reaching almost the same level as 2008 (See Figure 2-1-5).

**[Figure 2-1-5 Status of Foreign Applications Filed by Japanese, US and European Residents with Countries and Regions out of Their Country/Region of Residence]**



Notes:

1. "Trilateral Offices" do not include applications filed to its own country. (For example, the applications filed with the Trilateral Offices in the case of Japan refer to those filed with the USPTO and the EPO.)
2. The number of applications filed with "the EPO" refers only to those filed with the EPO and does not include those filed with each EPC member country.
3. As the number of applications filed with certain countries has not been publicized, the values of 2010 are provisional.

Source:

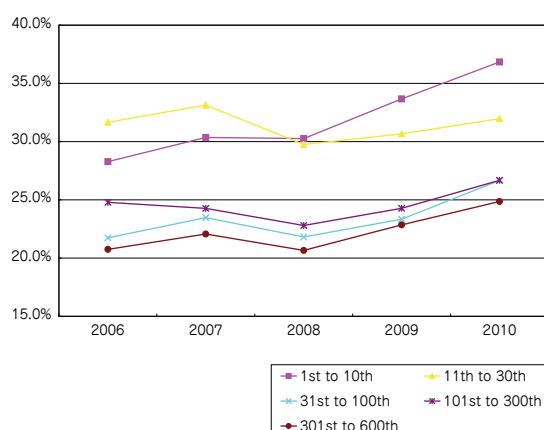
WIPO Statistics

Looking at the number of applications by target country, the majority of foreign patent applications filed by Japanese residents is focused into the USPTO, the EPO, the SIPO and the KIPO and the number of foreign patent applications filed with Offices other than the IP5 Offices is less than that filed by the US and European residents.

The global application rate<sup>1</sup> of patent applications in 2010 was 27.3% for the applicants with Japanese nationality. On the other hand, that of the applicants with American nationality was 51.8% and that of the applicants with European nationality was 47.0%.

The global application rate of the applicants with Japanese nationality decreased in 2008 for all top ranking groups of companies<sup>2</sup> but it increased in all groups regardless of the scale of number of applications from 2009 onward (See Figure 2-1-6).

**【Figure 2-1-6 Change in the Global Application Rate of Japanese Applicants (by Scale of the Number of Patent Applications)<sup>3</sup>】**



<sup>1</sup> The global application rate refers to the rate of patent applications filed also with other countries out of the patent applications filed with the JPO, the EPO and the USPTO each year. The number of countries where foreign applications are filed does not affect the global application rate. The global application rate of Japan was created using the JPO data. The patent applications include international applications under the Patent Cooperation Treaty (PCT) filed directly with each Office without filing national applications (the values by scale of number of patent applications in 2010 are provisional). The global application rates of the US and Europe were created using data of the World Patents Index (WPI). The WPI data is for disclosed patent applications and only calculates disclosed patent applications at the time of acquiring data.

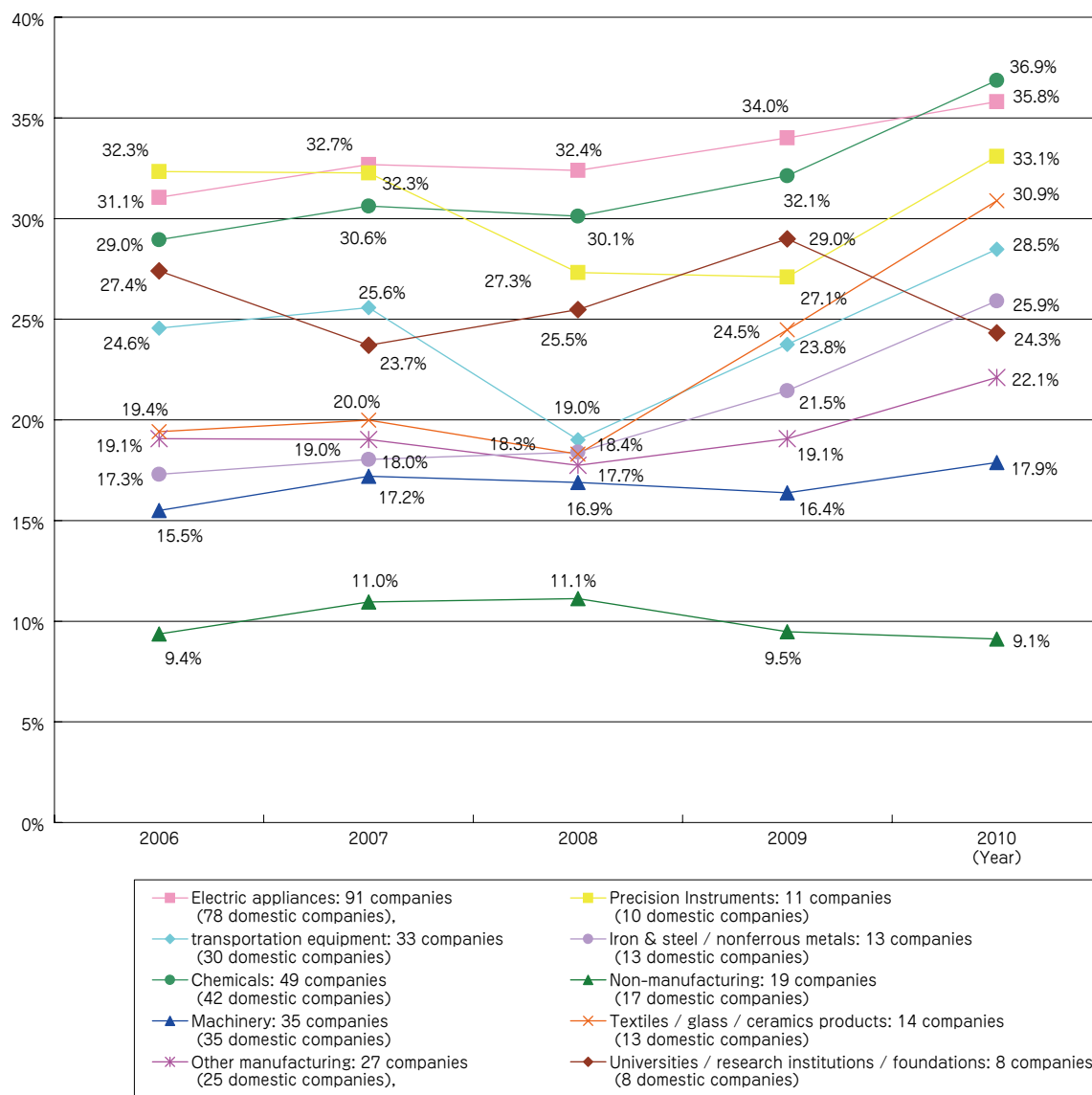
<sup>2</sup> The global application rate of Japan in 2008 showed a decrease. The economic recession in 2009 is considered to be the reason for the decrease. (The global applications in 2008 include many applications filed with the JPO as an Office of First Filing and filed with other countries in 2009 to claim priority under the Paris Convention based on those applications.)



<sup>3</sup> The top 600 companies of patent applicants in 2011 were classified into five strata such as those ranked at 1-10, 11-30, 31-100, 101-300 and 301-600 and the change in the global application rate of Japanese applicants by scale of the number of patent applications for each strata is shown. These companies are fixed and the global application rate of each year from 2006 to 2010 was counted (companies subject to the counting are same every year).

Looking at the global application rate by business type, it increased in 2010 in all business types except non-manufacturing and universities/research institutions (See Figure 2-1-7).

**【Figure 2-1-7 Change in the Global Application Rate of Japanese Applicants (by Business Type<sup>1</sup>)】**



<sup>1</sup> The change in the global application rate of Japanese applicants by business type was obtained by calculating the each year's global application rate based only on Japanese applicants among the top 300 companies in terms of the number of patent applications in 2011. The top 300 companies in terms of the number of patent applications in 2011 are different from the top 301 companies in terms of the number of patent applications in 2011 listed in the Patent Administration Annual Report 2011.

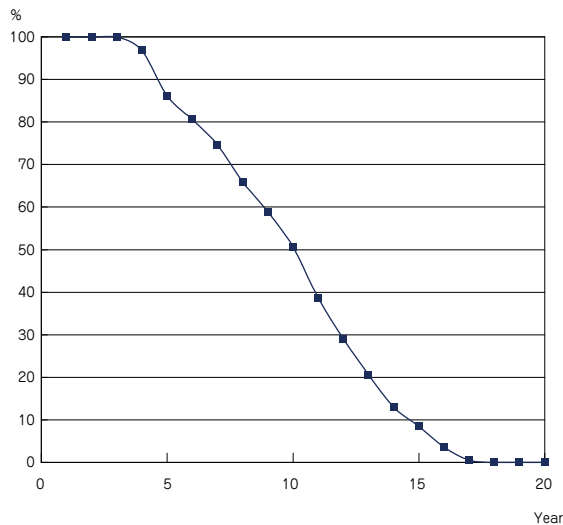




(5) Existing Rate of Patent Rights

The existing rate by the number of years from the establishment of registration of a patent right is 86%, 51% or 9%, 5 years, 10 years or 15 years after the establishment of registration, respectively (See Figure 2-1-8).

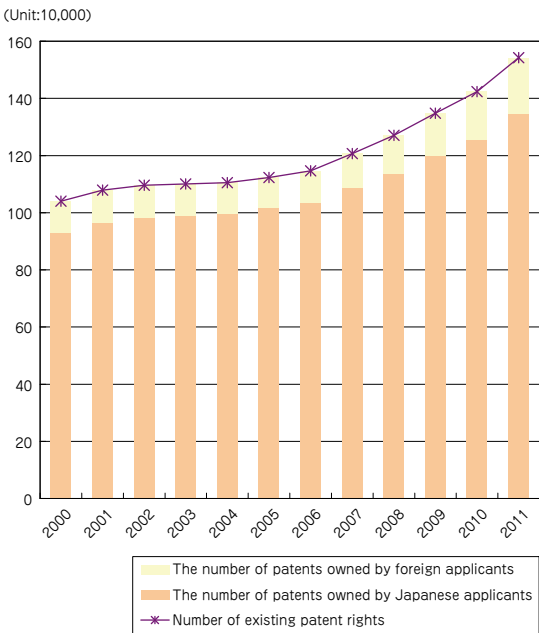
**[Figure 2-1-8 Existing Rate of Patent Rights]**



- Notes:
- 1. The existing rate refers to the rate of number of remaining registrations with respect to the number of patent right registrations.
  - 2. The data is as of the end of 2011.

The number of patents owned by Japanese applicants in Japan increased from 929,000 in 2000 to 1.35 million by the end of 2011 (up 45.0%). The number of patents owned by foreign applicants increased from 112,000 in 2000 to 195,000 by the end of 2011 (up 75.1%) (See Figure 2-1-9).

**[Figure 2-1-9 Number of Existing Patent Rights Owned by Japanese and Foreign Applicants]**



## 2. Intellectual Property Activities in Universities

### (1) Efforts to Support Intellectual Property in Universities

Universities in Japan that own abundant research resources<sup>1</sup> play a major role in the creation of intellectual property. Based on this understanding, the university intellectual property headquarters<sup>2</sup> and technology licensing organizations (TLOs) have been established nationwide. In addition, measures such as the sending of University Intellectual Property Advisors and the reduction of and exemption from patent annual fees and examination request annual fees<sup>3</sup> have been introduced.

Joint researches at universities have been increasing in terms of number and amount in line with the promotion of efforts for the academia-industry cooperation and the progress of open innovation in recent years. The number of joint researches at universities in FY2011 increased to 18,595 over the previous fiscal year (up about 1,000 cases) and the number of contracted researches decreased to 19,723 over the previous fiscal year (down about 900 cases).

**[Figure 2-1-10 Achievements of Joint Researches and Contracted Researches at National, Prefectural and Municipal, and Private Universities in FY2010]**

	National Universities	Prefectural and Municipal Universities	Private Universities	Total
Joint researches	14,677 (14,098)	1,366 (1,219)	2,552 (2,269)	18,595 (17,586)
Contracted researches	11,208 (11,736)	1,608 (1,541)	6,907 (7,322)	19,723 (20,599)

Note:

The values in the parentheses refer to those for FY2009.

Source:

Created by the JPO based on the “FY2010 Status of Academia-Industry Cooperation at Universities” (November 30, 2011) and the “FY2009 Status of Academia-Industry Cooperation at Universities” (August 6, 2010) prepared by the Ministry of Education, Culture, Sports, Science and Technology (MEXT).

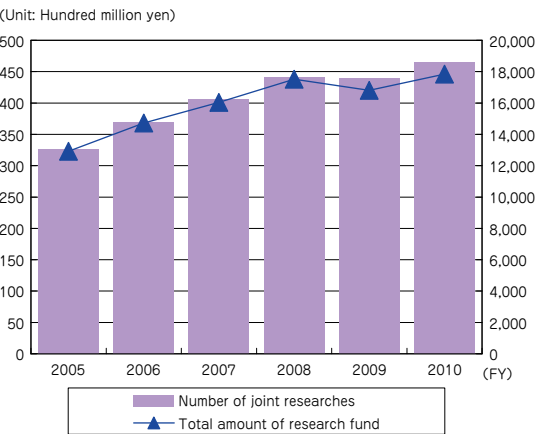
<sup>1</sup> According to the “2011 Outline of the Science and Technology Research Investigation Results” (December 14, 2011) prepared by the Ministry of Internal Affairs and Communications (MIC), about 20 % of the research fund of Japan is invested in universities and the number of researchers at universities accounts for about 37 % of the total number of researchers in Japan.

<sup>2</sup> A department in a university that strategically creates, acquires, manages and utilizes intellectual property at the university.

<sup>3</sup> See Part 2, Chapter 2, 1. (5) 1).

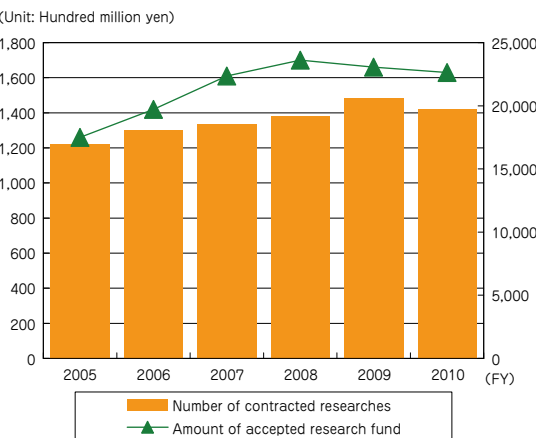


**[Figure 2-1-11 Change in Achievements of Joint Researches at Universities]**



Source:  
Created by the JPO based on the “FY2010 Status of Academia-Industry Cooperation at Universities” (November 30, 2011) prepared by the MEXT.

**[Figure 2-1-12 Change in Achievements of Contracted Researches at Universities]**



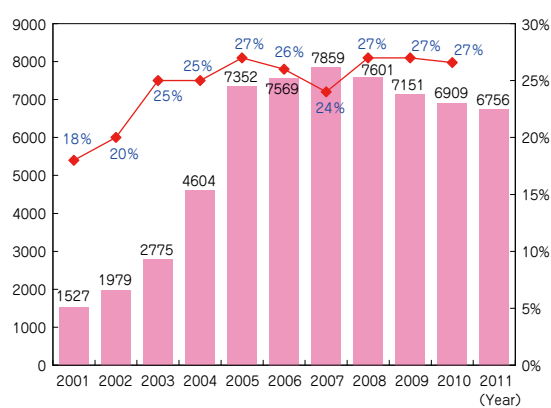
Source:  
Created by the JPO based on the “FY2010 Status of Academia-Industry Cooperation at Universities” (November 30, 2011) prepared by the MEXT.





The number of patent applications filed by universities was around 2,000 in the year 2002. This number rapidly increased in the year 2005 to more than 7,300. However, the increase in the number of patent applications slowed down after peaking in 2007. Since then, it has been on a slight downward trend (See Figure 2-1-13).

**[Figure 2-1-13 Change in the Number of Patent Applications Filed by Universities in Japan and the Global Application Rate<sup>1</sup>]**

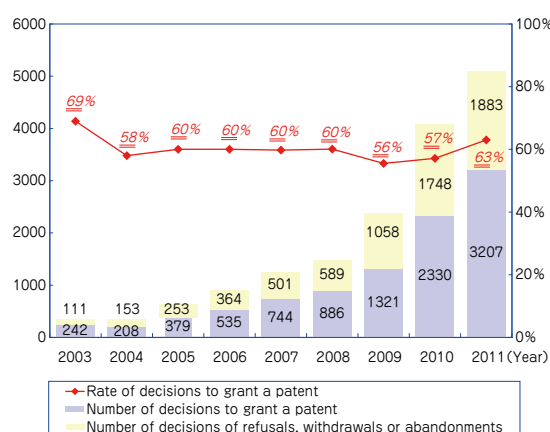


Note:

The patent applications filed by universities in Japan are the applications that were obtained by searching and calculating the applications in which the applicants are the university president or the educational corporation that owns a university and applications filed by approved TLOs. They also include joint applications filed with companies.

Looking at the status of examination of patent applications filed by universities, the rate of patented applications for applications where examination results were publicized in 2011 was 63% (patent examination rate). The patent examination rate of universities is higher than that for all applicants<sup>2</sup> (60.5%) (See Figure 2-1-14).

**[Figure 2-1-14 Change in Status of Examination Results of Patent Applications Filed by Universities in Japan]**



Note:

The patent applications filed by universities in Japan are the applications that were obtained by searching and calculating the applications in which the applicants are the university president or the educational corporation that owns a university and applications filed by approved TLOs. They also include joint applications filed with companies.



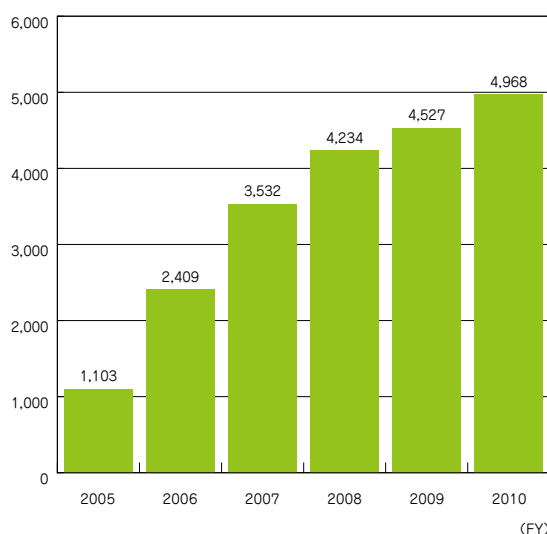
<sup>1</sup> A rate of patent applications filed also with other countries with respect to those filed with the JPO in each year. The global application rate includes international applications based on the PCT filed directly with the JPO without filing national applications.

<sup>2</sup> See Part 1, Chapter 1, 1.(1) 4).

Looking at the top-ranking universities in terms of the number of domestically published patents in 2011, the University of Tokyo came first (299), followed by the Tohoku University (276) and the Tokyo Institute of Technology (243). The top ten universities account for over 30% of the number of published patents of all universities.

With regard to the number of patents in use and the revenue of fees for patents being used by universities, the number of patents in use increased 4.5 times in six years from FY2005 to FY2010, and the revenue of fees for patents in use increased 2.7 times in the same 6-year period. The revenue of fees for patents in use in FY2010 increased about 560 million yen over the previous fiscal year (up 62.3% over the previous year).

**[Figure 2-1-15 Change in the Number of Patents in Use at Universities in Japan]**



Note:

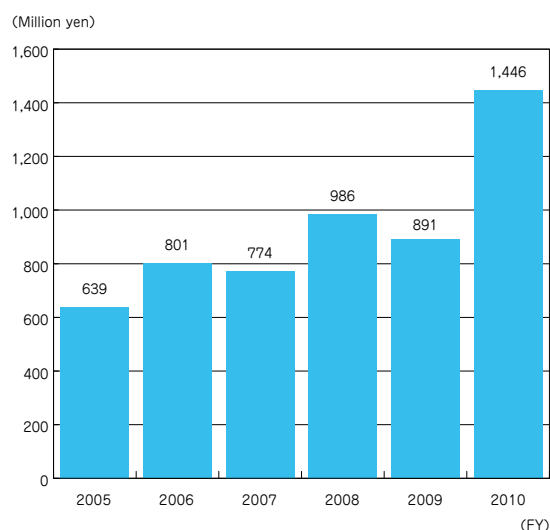
The number of grants and transfers of working license was calculated by only targeting patent rights (including rights to be received).

Source:

Created by the JPO based on "FY2010 Status of Academia-Industry Cooperation at Universities" (November 30, 2011) prepared by the MEXT.

Since there is a possibility that a number of research results in universities will be put into practical use after a long period of time and become a dominant patent in the future, the companies have high expectations in this regard. Further smooth cooperation including more active information transmission and more flexible contract negotiations are also required from universities. At the same time, as the expectation for the cooperation with universities is high with regard to creation of innovation in local areas, universities are required not only to provide seeds but also play various roles such as evaluating seeds and developing of human resources in the intellectual property field.

**[Figure 2-1-16 Change in the Revenue of Fees for Patents in Use at Universities in Japan]**



Note:

The revenue obtained by the grant and transfer of licenses in use was calculated by only targeting patent rights (including rights to be received).

Source:

Created by the JPO based on the "FY2010 Status of Academia-Industry Cooperation at Universities" (November 30, 2011) prepared by the MEXT.

## Chapter 2

### Measures for Supporting Private Companies and Universities

Amid technological advances and sophistication, in line with the progress of economic globalization, there are growing efforts to create innovations and new systems by making use of licensed intellectual property. In addition, there is a growing importance being placed on creating intellectual property in private companies and universities.

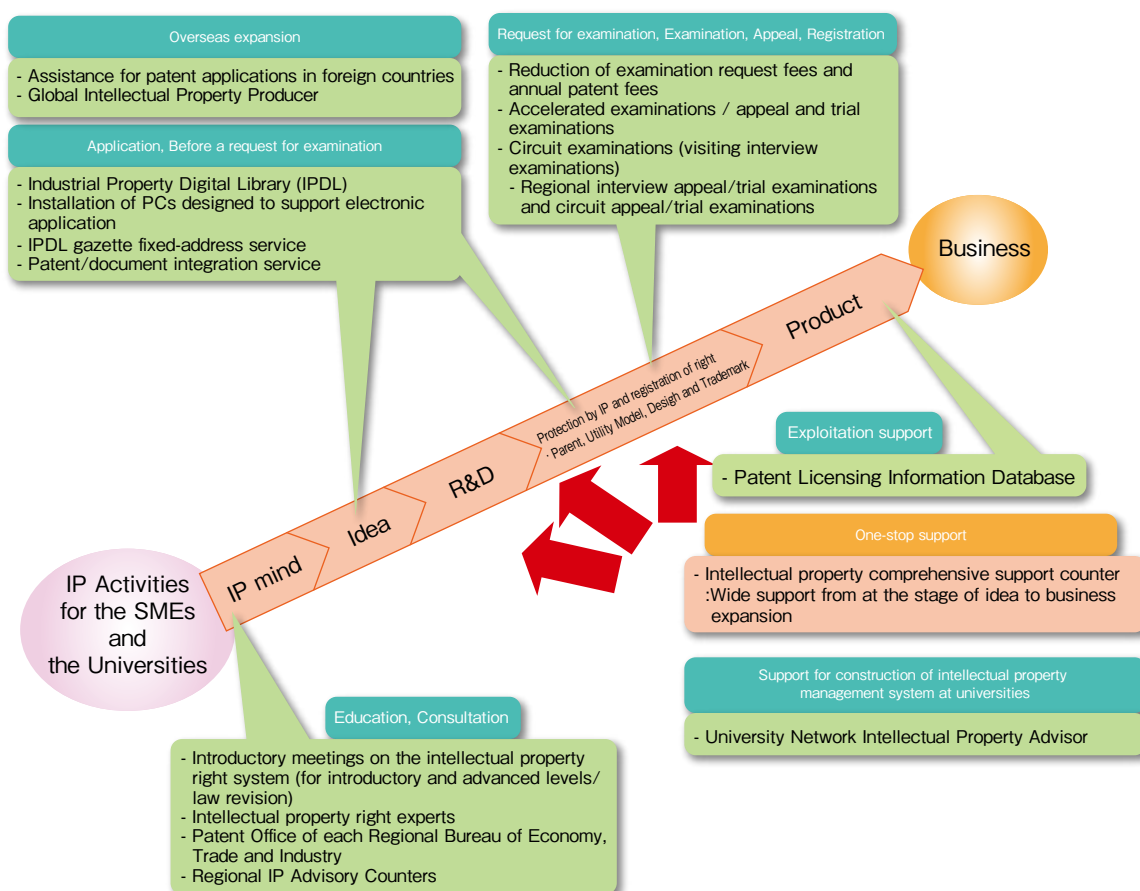
This chapter presents the outline of various measures implemented by the JPO for private companies and universities.

#### 1. Support for SMEs and Universities

SMEs and venture companies are expected to create new industries that form the industrial foundation in Japan and play a significant role as the driving force of regional and local economies. In addition, to achieve the sustainable development of Japanese industries, intellectual property strategies, which strategically protect and utilize the innovative achievements created by research activities at universities as intellectual property, are becoming more important.

JPO's support is provided in various ways, from "intellectual property creation" up to the "utilization of patent rights", in promoting intellectual property activities at SMEs and universities.

【Figure 2-2-1 Outline of Comprehensive Support for SMEs and Universities(FY2011)】





### (1) Support for Companies Abroad Businesses Expansion

The importance of developing an environment in which companies are able to strategically utilize IP on a global scale is increasing due to the globalization of business activities and the advance of sophistication/complication/openness in the area of technological development. Under this circumstance, the JPO supports companies abroad businesses expansion, based on its Global Intellectual Property Producer project, aid for foreign applications, etc.

#### 1) Global Intellectual Property Producer

It is necessary to manage intellectual property strategically such as to utilize IP through licensing or to deal with IP risks in accordance with the ever-changing landscape of abroad business operations. The JPO has been providing SMEs with support in collaboration with related organizations by assigning six Global Intellectual Property Producers at the INPIT since FY2011 for the purpose of supporting the management of all fields of IP. This includes support to acquire, manage, and utilize intellectual property rights. It also involves technical transfers to overseas markets and formulating IP strategies according to the circumstances and systems in target countries as well as on the purposes and contents of their businesses<sup>1</sup>.

Specifically, the Global Intellectual Property Producers provide companies that are planning to operate businesses overseas with advice on various IP risks in line with each company's own business operations. The Producers also coordinate the acquisition of IP rights in accordance with these company's business operations. For example, they give advice at to the types of rights that should be acquired; when, where, and how they should be acquired; and how to use the acquired rights to produce profits. As one example, they explain the need to carefully check contract wordings.

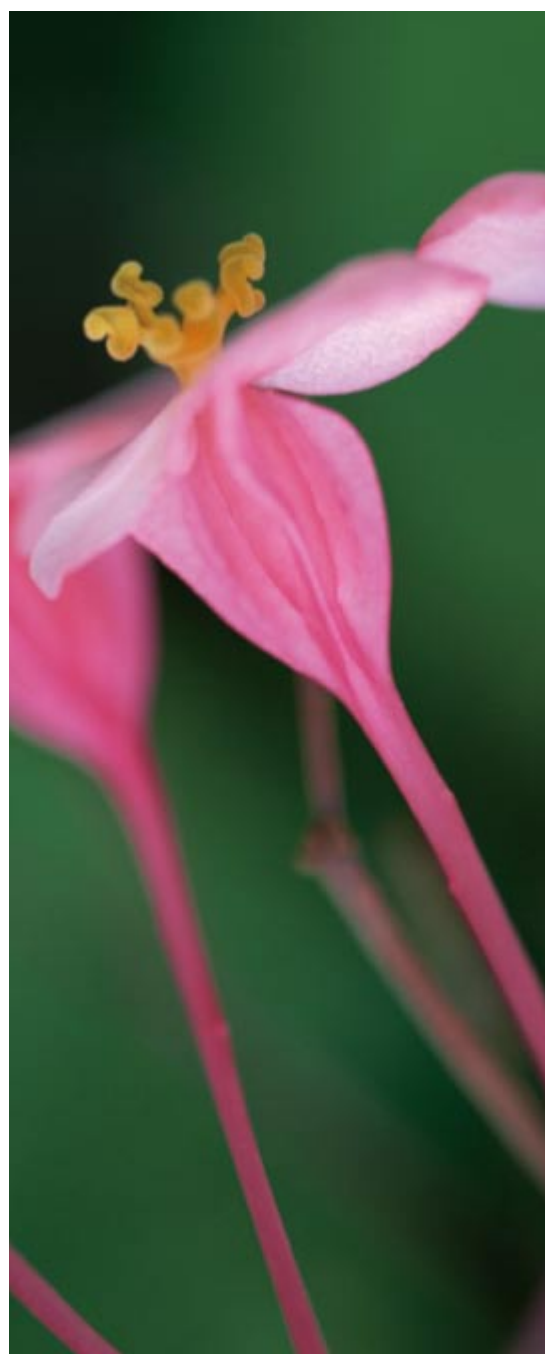
In addition, the Global Intellectual Property Producers can continuously provide

support from the launch of business operations, and even stay on site for a certain period of time, offering more full-time support. They also provide lectures to raise awareness on various IP risks related to conducting business overseas. They also show the correlation between profits and IP.

#### - Results in FY2011

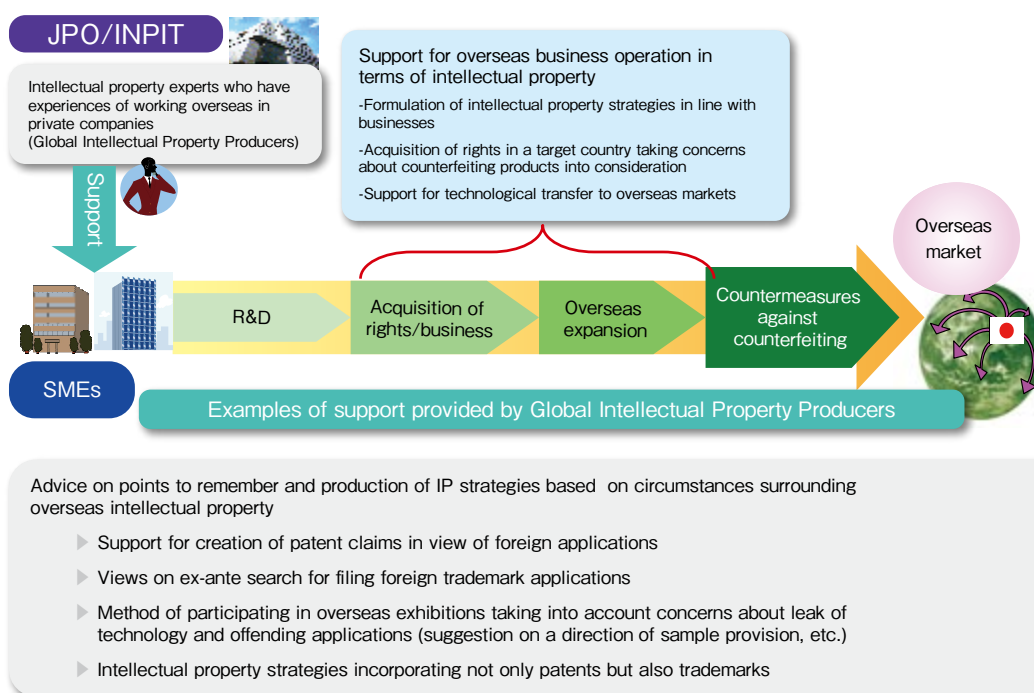
Number of organizations that received support:  
112 companies and universities

Number of lectures: 21



<sup>1</sup> <http://www.inpit.go.jp/english/uti/index.html>

[Figure 2-2-2 Outline of Global Intellectual Property Producer project]



## 2) Assistance to Regional SMEs for Filing Applications Abroad

It is essential for companies to acquire patents overseas so as to strategically operate overseas businesses and respond to infringement of intellectual property rights. Therefore, the JPO has subsidized activities of the Prefectural SME Support Centers<sup>1</sup> that provide support for foreign applications filed by SMEs (patent, design and trademark). The Centers solicits applications from SMEs that desire to receive the subsidy for foreign applications. It then selects the SMEs subject to support, and subsidizes part of their costs incurred with filing foreign applications (costs for local agents, national agents, translations, and application fees for foreign Offices).

After the support program started in FY2008, the number of companies that received support has increased. In addition, the number has significantly increased as a result of the

reduction in costs for local governments, as a part of the emergency economy package implemented in November 2010. The JPO strengthened the support for SMEs advancing into global markets by doubling the budget for FY2012 to about 150 million yen. (The FY2011 budget was about 80 million yen) This was done in response to the increasing number of companies seeking support).

### - Results in FY2011

26 areas nationwide and 102 companies received support.

## 3) Counseling on the Industrial Property Rights Systems of Other Countries

The JPO provides domestic SMEs counseling on measures they should undertake to combat industrial property infringement, and explains about the industrial property rights systems in other countries.

In FY2011, the JPO held explanatory seminars on the industrial property rights systems of other countries (the United States, Taiwan and India) in Tokyo, Nagoya, and Osaka; and on only the United States in Fukuoka.

<sup>1</sup> Designated corporations based on the provision of Article 7, Paragraph 1 of the Small and Medium-sized Enterprise Support Act. The number of designated corporations is 60 nationwide and they are stationed at prefectures and major cities listed in Article 2 of the Order for Enforcement of the said Act.

- Results in FY2011
- Number of consultations:  
242 (infringement countermeasures)  
609 (systemic consultation)
- Number of explanatory meetings on systems:  
10
- Total number of participants: 1,372



US Seminar in Osaka



Taiwan Seminar in Tokyo

## (2) Support by One-Stop Solution (IP Comprehensive Support Counters)

The IP Comprehensive Support Counters were established in each prefecture in FY2011 to hear about issues related to intellectual property and give consultation on those issues. Some opinions expressed by SMEs were as follows: "I don't know where to go to get help." and "Intellectual property is too difficult to understand". The IP Comprehensive Support Center, in collaboration with various experts and support organizations, provides a one-stop service to help SMEs, etc. with intellectual property issues.

Specifically, IP Comprehensive Support Center provides the following services.

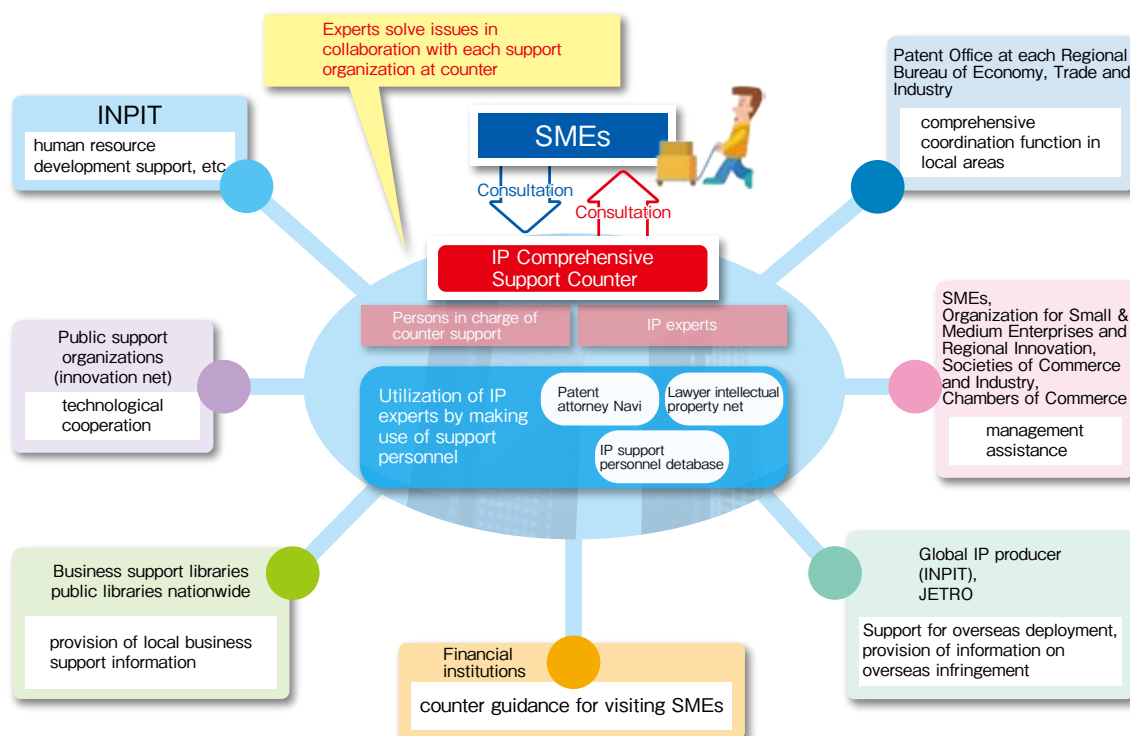
- 1) Persons in charge of the counters solve a wide variety of issues that SMEs have in their corporate management, from the time they create ideas, up to when they establish their business operations outside Japan.
- 2) Support for resolving complicated issues more difficult to resolve than those mentioned above. This is done 1) by utilizing IP experts such as patent attorneys and lawyers and (2) working in collaboration with support organizations.
- 3) Discovering SMEs, which have not utilized their intellectual property to its fullest potential, and helping them utilize intellectual property
- 4) Introducing and explaining various services available to support intellectual property strategies and filing procedures for industrial property rights, including assistance on electronic filing.

<Examples of the type of support given at the counters>

- "We received an infringement warning from a large company. However, at the counter we received advice on how to respond to the infringement warning. Experts on infringement cases were sent to our office. This helped us to appropriately respond to the trouble (A company in Tokyo)
- We received support to extract themes, which may be patentable based on the achievements of our development activities. In addition, we received explanations on how to file patent applications. Currently, we are working on our patent application with a patent attorney (A company in Ibaraki prefecture)
- We received information about patents and processing technologies. We were told about the Prefectural Products Processing Support Center (for technological issues), the Industry Support Fund Project, and the Collaboration Fund for Agriculture, Commerce and Industry, as sources for



【Figure 2-2-3 IP One-Stop Service for SMEs】



diversifying our business

(A company in Fukushima Prefecture)

- Results in FY2011

Number of consultations: 100,910

### (3) Consultation Counters

#### 1) Consultation on Industrial Property Rights

##### a. Consultation counters

The INPIT offers counseling for all types of inquiries such as those from people who have ideas for patents but do not know how to obtain the rights for them, or those wishing to file patent applications but don't know the actual procedures.

The counseling is offered in person, by e-mail, telephone, or letter.

- Results in FY2011

Number of consultations: 35,075

#### b. Industrial Property Right Consultation Website

The Industrial Property Right Consultation Website was opened in FY2010 to provide information services.

The content of services include "frequently asked questions," "examples of descriptions of application procedures", and a video on "easy trademark applications". These were chosen based on inquiries received.

- Results in FY2011

Number of access: 465,099

【Figure 2-2-4 Consultation on Industrial Property Rights】



## 2) Consultation on IPDL

The IPDL Help Desk has expert staff available to help users with operating and using various search services on the IPDL<sup>1</sup>.

- Results in FY2011

Number of consultations: 9,549

【Figure 2-2-5 IPDL】



## (4) Efforts for Raising Awareness on Systems

## 1) Explanatory Meeting on the Intellectual Property System

The JPO holds its annual Explanatory Meeting on the Intellectual Property System nationwide for the public, tailored according to the levels of knowledge and experience of the attendees (introductory-level and advanced-level meetings). The purpose is to raise awareness on the intellectual property system, offer approaches to ensure the system runs smoothly, encourage IP rights acquisition, and explain how to effectively use intellectual property rights so as to revitalize business.

The JPO's Introductory Explanatory Meeting outlines the IP system and procedures for entry-level people who either wish to start learning about intellectual property rights or have less experience in IP.

In addition, the JPO's Advanced Explanatory Meeting provides content specialized by field such patent examination standards, design and trademarks, appeals/trial systems, and procedures for filing international applications. This meeting is designed for individuals who have basic knowledge and experience in the intellectual property right systems and who are engaged in intellectual

property affairs on a daily basis.

Moreover, after the Patent Act was amended, the JPO has been conducting Legal Amendment Explanatory Meetings to explain the purpose and details of the legal amendment<sup>2</sup>.

- Results in FY2011

Introductory Explanatory Meeting

56 times in total in 47 prefectures

5,056 persons participated in this meeting

Advanced Explanatory Meeting

88 times in total in 20 cities nationwide

10,704 persons participated in this meeting

Legal Amendment Explanatory Meetings

19 times in total in 18 cities nationwide

6,930 persons participated in this meeting

## 2) Industrial Property Right Specialists

The JPO has industrial property right specialists who provide comprehensive support to SMEs. They serve as lecturers at various seminars designed for SMEs and local government staff; and they visit SMEs to provide individual counseling, with the objective of raising awareness on the IP system, giving information on the types of support available, and advising ways for developing human resources.

Industrial property right specialists also ask SMEs about their views and requests on the industrial property right system, allowing them to make proposals to improve the system.

- Results in FY2011

Visits to SMEs to provide individual counseling: 311

Lecturers at intellectual property seminars and training sessions: 151 seminars/sessions

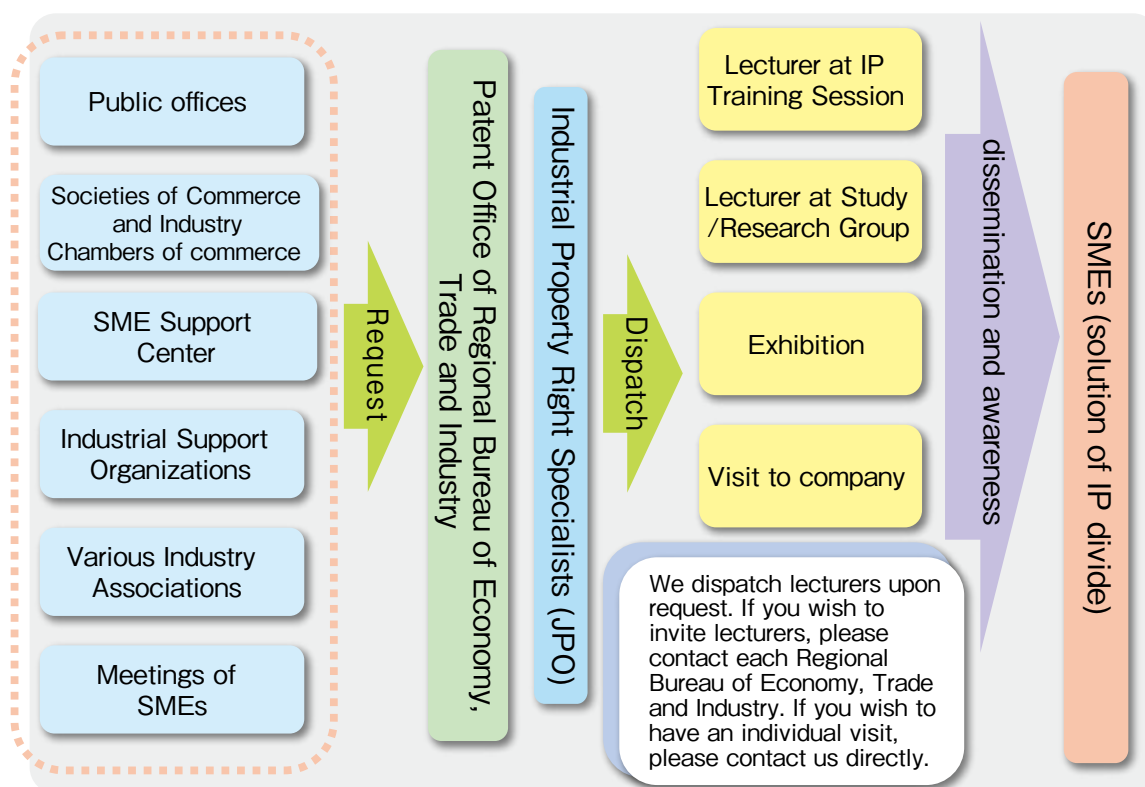
Awareness-building promoted through exhibitions, etc.: 13 exhibitions



<sup>1</sup> See Part 3, Chapter 1, 2(1)1). <http://www.ipdl.inpit.go.jp/homepage.ipdl>

<sup>2</sup> In FY2011, this meeting was held along with the enactment of the "Act for Partial Revision of the Patent Act, etc." (Act No.63 of 2011).

[Figure 2-2-6 Duties of Industrial Property Right Specialists]



(5) Support for Applications, Examinations and Appeals/Trials

1) Reduction / Exemption from Annual Patent Fees / Examination Request Fees

a. Fee Reduction / Exemption for individuals and SMEs

The JPO grants a reduction of an exemption from, or a deferment from annual patent fees (from the first year to the third year<sup>1</sup>), and examination request fees. These are available to individuals and companies with limited financial resources or R&D-oriented SMEs if they comply with certain requirements stipulated in the Patent Act, the Industrial Technology Enhancement Act and the Act on Enhancement of Small and Medium sized Enterprises' Core Manufacturing Technology.

<sup>1</sup> A reduction of the first year to the sixth year in the case of the Act on Enhancement of Small and Medium sized Enterprises' Core Manufacturing Technology.

Results in FY2011

- Support based on the Patent Act
  - An exemption from or a deferment from (3 years) annual patent fees and an exemption from or a 50% reduction of examination request fees for individuals and companies with limited financial resources.
  - Exemption from or deferment from annual patent fees: 425 cases
  - Exemption from or reduction of examination request fees: 1,347 cases
- Support based on the Industrial Technology Enhancement Act and the Act on Enhancement of Small and Medium sized Enterprises' Core Manufacturing Technology
  - A 50% reduction of annual patent fees and examination request fees for R&D-oriented SMEs.
  - Reduction of annual patent fees: 1,459 cases
  - Reduction of examination request fees: 3,867 cases



## b. Fee Reduction/Exemption for Universities and TLOs

The JPO grants a reduction of annual patent fees (from the first year to the third year) and examination request fees to universities and TLOs, based on the TLO Act<sup>1</sup>, the Law on Special Measures for Industrial Revitalization, and the Industrial Technology Enhancement Act to support industry-academia-government collaboration and technological transfer at universities and TLOs.

- Results in FY2011
- Support based on the TLO Act and the Law on Special Measures for Industrial Revitalization
  - A 50% reduction of annual patent fees and examination request fees for authorized and approved TLOs.
- Reduction of annual patent fees: 227 cases
- Reduction of examination request fees: 279 cases
- Support based on the Industrial Technology Enhancement Act
  - A 50% reduction of annual patent fees and examination request fees for universities and university researchers
- Reduction of annual patent fees: 597 cases
- Reduction of examination request fees: 3,503 cases

## 2) Accelerated Examination/Appeal Examination System

In the case of patent applications, the accelerated examination system<sup>2</sup> and the accelerated appeal examination system<sup>3</sup> are available. These systems enable accelerated examinations to be conducted for applications, as long as the applicants request so based on certain requirements. These systems are available for applicants such as SMEs, individuals and universities.

In filing an application for accelerated examination, it is usually necessary to disclose

a prior art based on prior art document searches. However, when any SME, individual or university files an application independently, they do not need to conduct prior art document searches, but they do need to describe a prior art known at the time they apply for accelerated examination<sup>4</sup>.

## 3) Circuit Interview Examinations

The JPO conducts circuit interview examinations<sup>5</sup> for SMEs and venture companies throughout the country.

As part of the support offered to SMEs and venture companies, appeal examiners visit them across the country to carry out regional interview proceedings. This makes communication easier during appeals examinations against decisions of refusal. They also conduct circuit trials to hold oral proceedings in invalidation trials.

### - Results in FY2011

Circuit interview examinations: 886 applications

Regional interview proceedings: 24

Circuit trials: 27

## (6) Support by Experts

In order to achieve the sustainable development of Japanese industries based on intellectual property rights, it is necessary to efficiently advance the creation of innovation. So IP strategies are very important to effectively protect and utilize as IP the innovative achievements created by R&D organizations.

Based on this, the JPO and the INPIT have been dispatching experts of IP management to R&D organizations which are anticipated to produce innovative achievements. From the perspective of IP, the JPO and the INPIT support the formulation of strategies for effective use of research achievements, starting from the earliest stage through collection, analysis and advanced utilization of IP information inside and outside the country.

<sup>1</sup> The Act on the Promotion of Technology Transfer from Universities to Private Business Operators

<sup>2</sup> See Part 3, Chapter 2, 1.(2).

<sup>3</sup> See Part 3, Chapter 5, 2.

<sup>4</sup> The same description is sufficient also in the case of joint applications with a large company, if they satisfy certain requirements.

<sup>5</sup> See Part 3, Chapter 2, 2.(1) for interview examination.

### 1) Intellectual Property Producer

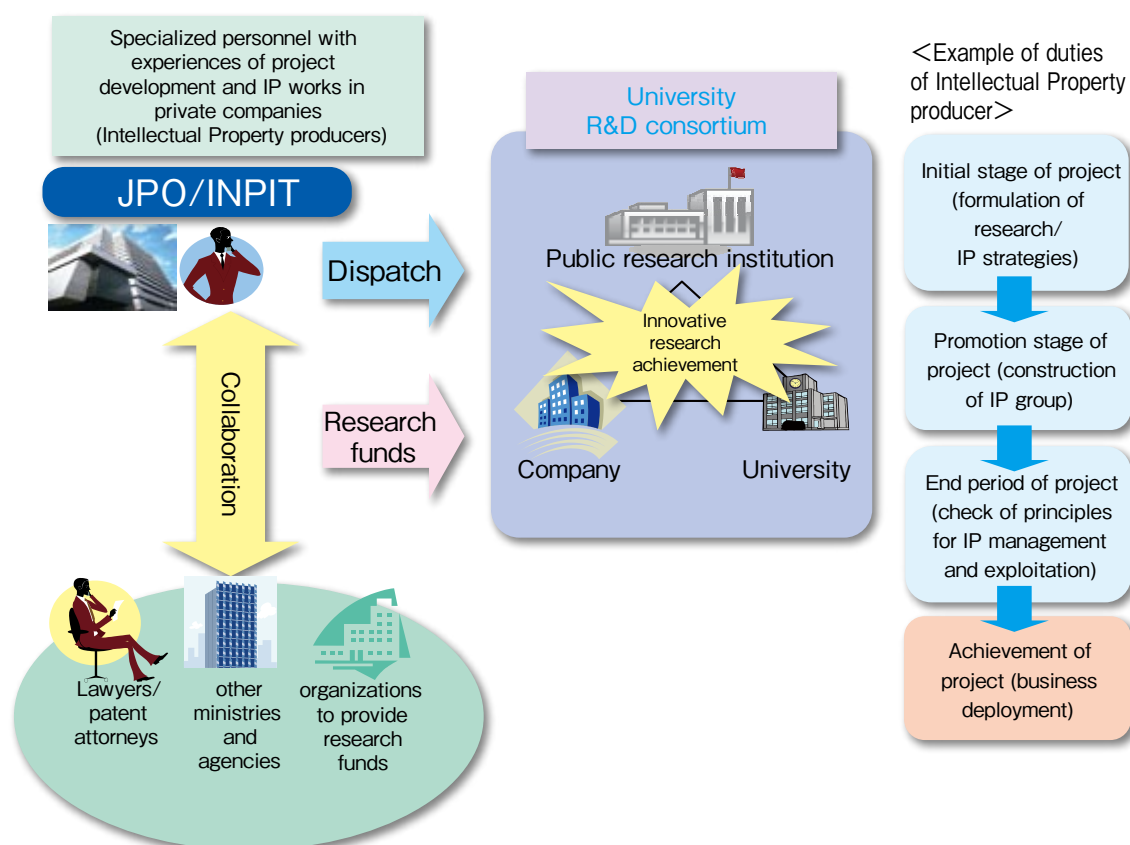
The JPO had been dispatching Intellectual Property Producers on a pilot-program basis between FY2008 and FY2011 to support the formulation of strategies for effective use of research achievements from the earliest stage. They assist projects at R&D consortiums to which public funds have been invested. The INPIT fully implemented the dispatching of experts from FY2011, expanding targets also to R&D projects at universities to which public funds (competitive funds) have been invested.

#### - Results in FY2011

Intellectual Property Producers were dispatched to 18 projects



【Figure 2-2-7 Outline of Intellectual Property producer project】



## 2) University Network Intellectual Property Advisor

In order for universities to start intellectual property activities, it is necessary to set up proper IP management systems within universities.

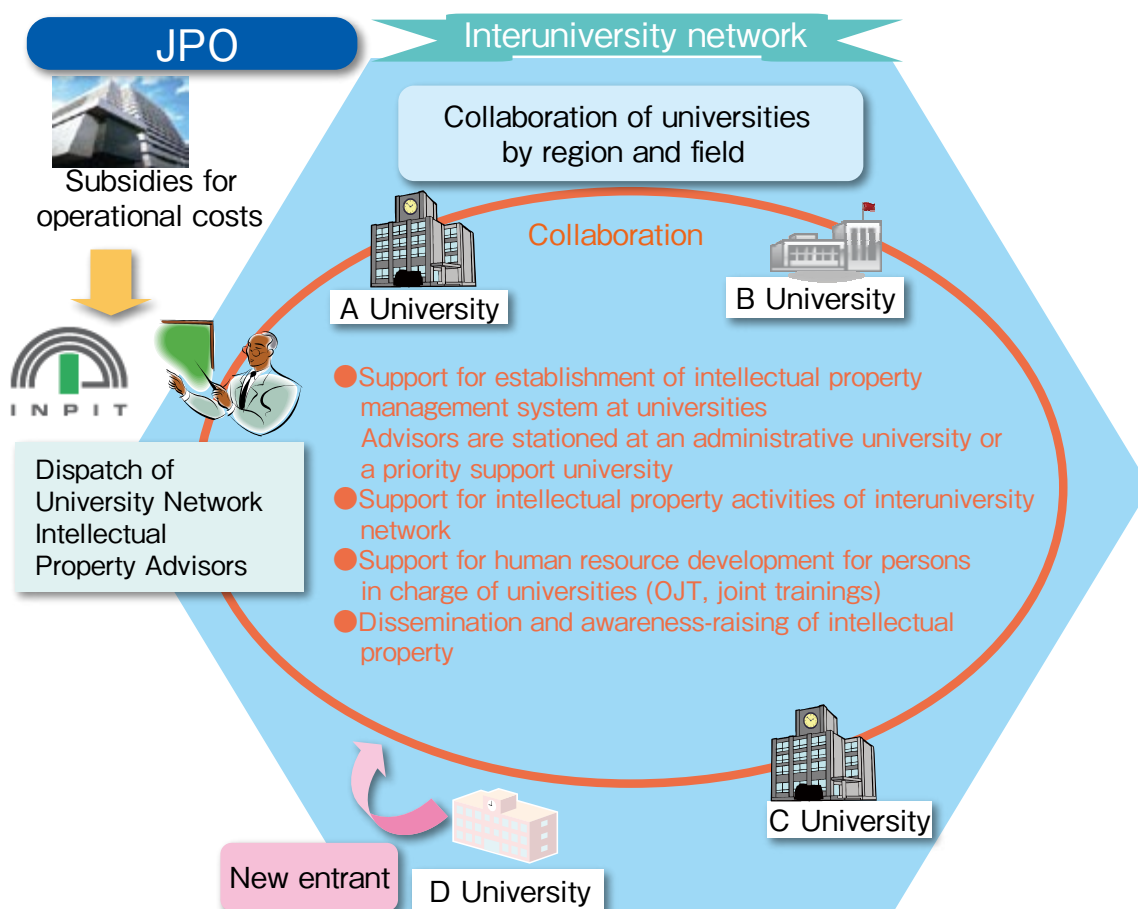
The JPO and the INPIT, with the aim of supporting the setup of these systems within universities, have been dispatching advisors to universities since FY2002. A total of 60 universities received university intellectual property advisors by March 2011.

The support structure was changed in April 2011 and University Network Intellectual Property Advisors have been dispatched to networks consisting of several universities based on either region or technological field. The JPO has strived to promote intellectual property activities at all universities in a network and expand the base of academic-

industrial collaboration through establishing and strengthening the IP management system. In FY2011, University Network Intellectual Property Advisors were dispatched to eight networks (total of 60 universities). Since FY2012, the JPO has started to dispatch an Adviser to a network of art and design universities.



【Figure 2-2-8 Outline of University Network Intellectual Property Advisor Project】





### (7) Provision of Intellectual Property Information

#### 1) IPDL Official Gazettes Fixed-address Service for Universities, etc.

In order to support R&D activities in universities, etc., the JPO has started the Official Gazettes fixed-address service by which users such as universities can directly access patent Official Gazettes data since January 2007.

- Number of registered universities: 295 universities (as of the end of March 2012)

#### 2) Integrated Search System for Paper Information and Patent Information

The Intellectual Property Strategy Headquarters Cabinet Secretariat, the MEXT, the JPO, the Japan Science and Technology Agency (JST), and the INPIT jointly developed the Integrated Search System for Patent and Literature Information (JSTPatM), launching it in March 2007, to enable users to efficiently acquire information on science, technology, and patents, and effectively utilize it for research activities in universities.

#### 3) Patent Licensing Information Database

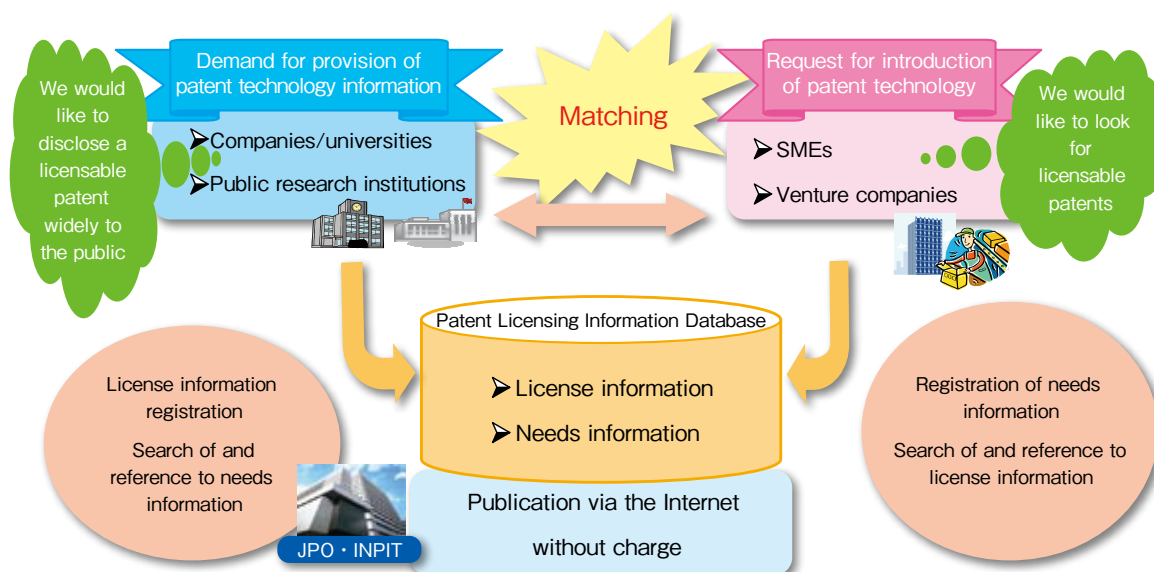
From FY1997, in order to ensure a smooth transfer of licensable patents between the industrial sector and local companies and to promote their commercialization, the INPIT built a database of licensable patents owned by universities, public research institutes and companies, which is made available to the public online as the Patent Licensing Database.

From FY2011, the INPIT provides it as the Patent Licensing Information Database<sup>1</sup>, for developing an environment of effective use of IP information.

- Number of registered organizations: 42,641 (as of the end of March 2012)  
(Companies: 13,658, Universities/public research institutions: 28,983)



**[Figure 2-2-9 Outline of Patent Licensing Information Database]**



<sup>1</sup> <http://plidb.inpit.go.jp/PDDB/Service/PDDBService>

#### 4) Research Tool Patents Database

From FY2009, in order to promote the smooth utilization of patented research tools in the field of life science, the INPIT created a patent database of information on research tools owned by universities, public research institutions, companies. It has been publicizing them via the Internet as the Research Tool Patent Database<sup>1</sup>.

- Number of registered patents: 717 (as of the end of March 2012)

(Owned by companies: 43, Universities/public research institutions: 674)

#### 5) Intellectual Property Transaction Specialists Database

From FY1998, in order to stimulate IP trade, the INPIT has accumulated information on service details provided by IP trade businesses. The information has been made available to the public on the website as the Intellectual Property Transaction Specialists Database<sup>2</sup>.

The INPIT continues to provide the database in FY2011 as part of its efforts to improve the effective use of IP information.

- Number of registrations: 174 (as of the end of March 2012)

#### (8) Regional Support System

The JPO is working to raise awareness by regional SMEs on intellectual property and promote the use of the system in cooperation with local governments. To be more specific, the JPO established local patent offices in each of the nine regions under the Regional Bureaus of Economy, Trade and Industry. These offices oversee their respective regions and plan and implement measures for supporting intellectual property. In addition, the JPO provides comprehensive support through the Intellectual Property Centers<sup>3</sup> and the Intellectual Property

Comprehensive Support Counters<sup>4</sup>, located in the respective prefectures.

In order to develop a framework that encourages IP promotional activities and strategic IP utilization in local areas, in FY2005, the JPO established a Regional Headquarters for Intellectual Property Strategy in nine regions, which fall under the jurisdiction of Regional Bureaus of Economy, Trade and Industry. The Headquarters pushes for comprehensive IP support designed for the local communities. This includes setting up regional intellectual property strategy headquarters based on the local situations and needs. It also provides support through the provision and transmission of information through the website and mail magazines.



<sup>1</sup> <http://plidb.inpit.go.jp/PDDB/Service/RTPatents/index.jsp>

<sup>2</sup> <http://www.inpit.go.jp/katsuyo/db/agentsdb/>

<sup>3</sup> An organization certified by the JPO Commissioner based on an application from prefectures. As for this center, the certification system was abolished in principle as of the end of FY2011.

<sup>4</sup> See Part 2, Chapter 2, 1.(2).

## 2. Development of IP Human Resources Related to Intellectual Property

(1) Various Seminars for IP Human Resource

1) Explanatory Meetings on the Intellectual Property Rights Systems

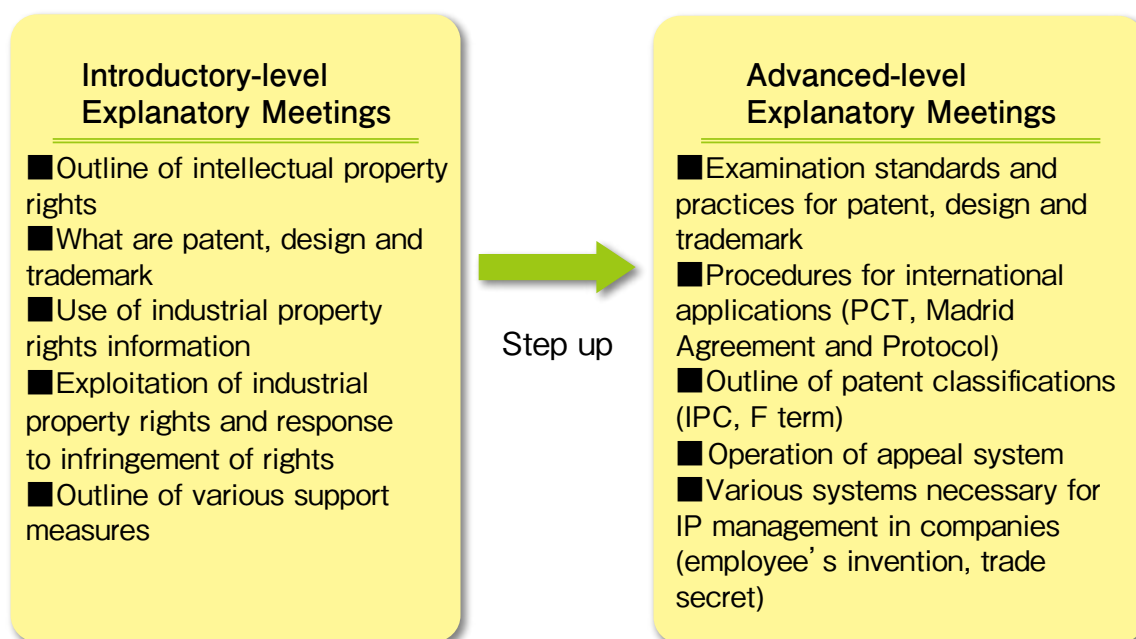
The JPO holds explanatory meetings on intellectual property rights systems nationwide for the public<sup>1</sup>.

These explanatory meetings are divided into introductory-level meetings and advanced-level meetings in accordance with knowledge and experiences of participants.



Explanatory Meeting on the Intellectual Property Rights System

[Figure 2-2-10 Content of Lecturers at Explanatory Meeting on Intellectual Property Rights Systems]



<sup>1</sup> See Part 2, Chapter 2, 1.(4)1).



## (2) Human Resource Development for Students

### 1) Project for Promotion of Creativity and Practical Ability Concerning Intellectual Property

The JPO and the INPIT provide support to specialized high schools (industry, commerce, agriculture and fishery) and technical colleges that cultivate intellectual creativity through places that conduct manufacturing and product development.

This aims to give students an opportunity to acquire “creative ability” that enables them to plan and suggest new things and structures, and also “practical ability” that enables them to realize such plans and suggestions in the rule of the real world, through the process of turning ideas into a concrete shape of intellectual property and the process of preparing for a simulated patent application based on the ideas embodied into intellectual property.

This program started in FY2000, in FY2011, 77 schools participated. Moreover, in FY2011, an exhibition of achievements and a presentation of achievements were held at the 21st National Industrial Education Fair in Kagoshima.

### 2) Patent Contests and Design Patent Contests

Together with the MEXT, the Japan Patent Attorneys Association, and the INPIT, and the JPO have held Patent Contests and Design Patent Contests. At the contents, particularly excellent inventions and designs created by students at high schools, technical colleges, and universities nationwide are recognized and given awards.

The JPO holds the patent contests to raise IP awareness in students and promote the understanding of the intellectual property system. The purpose of both contests is that students experience the process of creating inventions and designs in order to seek IP rights for particularly excellent inventions and designs, some actually going as far as to be patented.

In these contests, students at high schools, technical colleges, and universities nationwide are encouraged to exhibit their inventions/designs. Particularly excellent work is selected to receive support in filing for

patents.

Students who created inventions and designs that were given awards may receive the following support in the process of filing of applications to acquire patent rights.

- Free advice from patent attorneys
- Support to cover the cost of the patent application fee, design registration application fee, patent examination fee, annual fee (from the first year to the third year), and design registration fee (first year)

The Patent Contest started in FY2002 and so far 131 innovations out of 1,976 have been selected to receive support to file patent applications, with 66 actually being given patents (as of the end of April 2012). As for the Design Patent Contest, 98 out of 393 applications have been selected to receive support to file design registration applications, as of the end of April 2012.

**[Figure 2-2-11 The Patent Contest and the Design Patent Contest]**



### (3) Development of IP-specialized Human Resources

#### 1) Development of Patent Attorneys

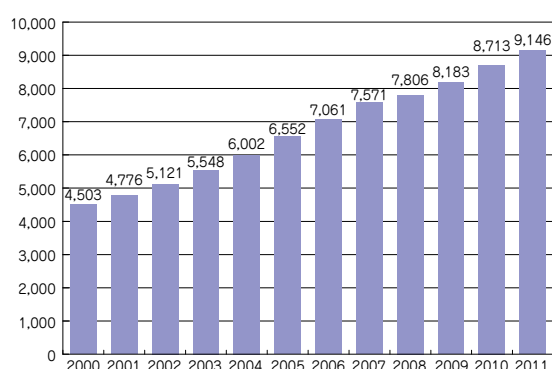
Patent attorneys play a central role among the professions in the field of intellectual property. The JPO, in collaboration with the Japan Patent Attorneys Association (JPAA), has implemented the following measures to develop patent attorneys who have specialized knowledge.

#### a. Training for the Representation in Specific Infringement Lawsuits

The business community has been requesting that the dispute resolution services such as legal representation in infringement lawsuits in the field of intellectual property be strengthened, by increasing the number and enhancing the skills of specialized attorneys.

Therefore, the JPO requires patent attorneys who wish to be admitted to act as counsels in certain infringement lawsuits ( "Specific Infringement Lawsuits"<sup>1</sup>, limited to cases jointly represented with attorneys-at-law) to take the training on practices of the civil procedure and to pass the examination for evaluation.

**【Figure 2-2-12 Number of Patent Attorneys】**



<sup>1</sup> Any lawsuits related to infringement of rights concerning patents, utility models, designs, trademarks or circuit layouts, or infringement of business interests by specific unfair competition.

#### b. Practical Training Prior to the Patent Attorney Registration

In general, the qualification system allows certain monopolies to exist by certified specialists who are capable of providing reliable services so that the right of citizens and the safe conduct of transactions would be secured. Accordingly, there is a public demand to ensure and improve the skills of those professionals.

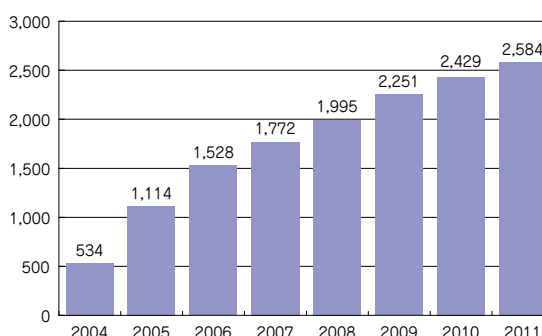
With the aim of ensuring necessary professional abilities of, mainly, those who passed the patent attorney examination, it has been made mandatory to complete the practical training provided by an organization designated by the Minister of Economy, Trade and Industry ( "Designated Training Agency" ) before the patent attorney registration.

#### c. Continuing Training for Registered Patent Attorneys

In order to respond to changes surrounding intellectual property such as the economic globalization and the progress being made in the intellectual property management in companies, patent attorneys need to accurately understand the latest situation and acquire advanced and diversified abilities in line with the changes taking place in the landscape.

In view of these circumstances, patent attorneys need to participate in specialized training ( "Continuing Training" ) on a regular basis to maintain and improve their skills.

**【Figure 2-2-13 Number of Patent Attorneys Admitted to Act as Counsel in Specific Infringement Lawsuits】**



Notes:

1. Number as of the end of December 2011.
2. A patent attorney who has completed the training course to gain the knowledge and practical skills required as

counsel and has passed the Specific Infringement Lawsuit Counsel Examination, which determines whether a patent attorney possesses the necessary knowledge and skills or not, may act as counsel (only in specified infringement lawsuits in which attorneys-at-law are also entrusted by the same client) on completion of the supplementary note registration to be qualified as such by the JPAA.

Source: JPAA

**[Table 2-2-14 Number of Patent Attorneys and other IP-specialized Professionals in Japan and the US]**

Japan
Patent attorneys: 9,145 (registered attorneys-at-law among them: 357)

United States
Patent attorneys <sup>1</sup> : 31,532 Patent agent <sup>2</sup> : 10,501

Notes:

Japan: Number as of the end of March 2012

United States: Number as of the end of April 2012

Sources:

Japan: Created by the JPO based on reports from the JPAA

United States: Numbers announced on the USPTO website (<https://oedci.uspto.gov/OEDCI>) as "active attorney" and "active agent"

## 2) Development of Private Intellectual Property Experts

### a. Development of Search Experts

The INPIT provides intermediate-level, advanced-level, and design training courses that teach participants the expertise that JPO examiners have in terms of conducting patent and design searches. This is done to enable the participants to accurately conduct prior art document searches, searches for determining the necessity at the time of filing an application/request for trial, and searches to decide study themes and directions.

- Results in FY2011

Total number of participants:

Advanced course: 160

Intermediate course: 44

Design course: 19

<sup>1</sup> Persons who have acquired the qualifications for attorney at law of each state and patent agent; It is not allowed to perform the procedures for patents (including design patents) by proxy only with the qualification for Attorney at Law with respect to the USPTO.

<sup>2</sup> Patent agents are admitted to practice before the USPTO on patent (including design patent) matters.

### b. Training for IP Experts in Companies

In order to stimulate the intellectual creation cycle, we need to improve the quality and quantity of experts who play a vital role in the creation, protection, and utilization of intellectual property.

The INPIT provides discussion-based training courses on (1) examination standards and (2) ways to respond to notices of reasons for refusal of designs. This is designed to improve the participants' practical abilities through face-to-face exchanges with experts.

- Results in FY2011

Total number of participants: 106 for training course on examination standards; and 32 for ways to respond to notices of reasons for refusal

### c. Training for SMEs and Venture Companies

It is important for SMEs and venture companies, which create fundamental technologies in Japanese industries and play an important role in local economies, to utilize innovative technologies created by them as part of their management strategies, and as part of stimulating the intellectual property creation cycle. The INPIT provides training to managers of SMEs and venture companies, and personnel in charge of intellectual property under the aim of raising their awareness and knowledge on IP. There are two courses; Ways to Utilize Intellectual Property Rights, and Patent Infringement Training based on Simulation.

- Results in FY2011

Total number of participants: 96

### d. Training for IP-specialized Human Resources of Administrative Agencies

Human resources who can efficiently promote intellectual property strategies are required in administrative agencies to stimulate the intellectual creation cycle.

The INPIT provides training for officials who engage in intellectual property affairs in administrative agencies, as means of supporting these agencies in making Japan a nation based on IP.

- Results in FY2011

Total number of participants: 160



#### e. Human Resources Development in Collaboration with Other Domestic Organizations

It is important for organizations that develop IP human resources to mutually cooperate in order to develop human resources who work to build Japan as a nation based on IP. Therefore, the INPIT offers various training in collaboration with private organizations.

- Results in FY2011

Total number of participants:

Patent search practical training: 12

Follow-up training for IP management engineers: 18

Training in collaboration with the National Center for Teachers' Development: 8

#### 3) Provision of Opportunities for Learning Utilizing Information and Communication Technology

##### a. Development of Human Resources Using E-learning (IP e-learning)

The INPIT provides e-learning educational sources that have been developed based on JPO's knowledge, experience and expertise. These sources are used not only for the JPO but also for the development of IP-related human resources nationwide.

In addition, IP e-learning<sup>1</sup> is available not only on PCs, but also on portable terminals.

**[Figure 2-2-15 E-learning (IP e-learning)]**



##### b. Provision of Training Sources

Textbooks used in the INPIT training courses that are available to the public are published on the INPIT website<sup>2</sup> so that they can be used by any person engaged in IP.

#### 4) Training for Searchers

The INPIT offers statutory training for those who wish to become "searchers" (staff that conduct prior art document searches) in registered search organizations that conduct searches on an outsourcing-basis from the JPO. (Article 37 of the Act on the Special Provisions to the Procedure, etc. Concerning Industrial Property Right).

The steady training of searchers performing highly accurate prior art searches is particularly important to ensure speedy patent examinations.

Therefore, this training course is designed to have trainees acquire comprehensive, fundamental skills that are required of them as searchers. The course provides them the knowledge necessary to make prior art searches by systematically acquiring this basic knowledge through practical training and debate.

- Results in FY2011

Total number of participants: 469

#### 5) Cooperation with Private-sector Organizations on the Development of Human Resources related to Intellectual Property

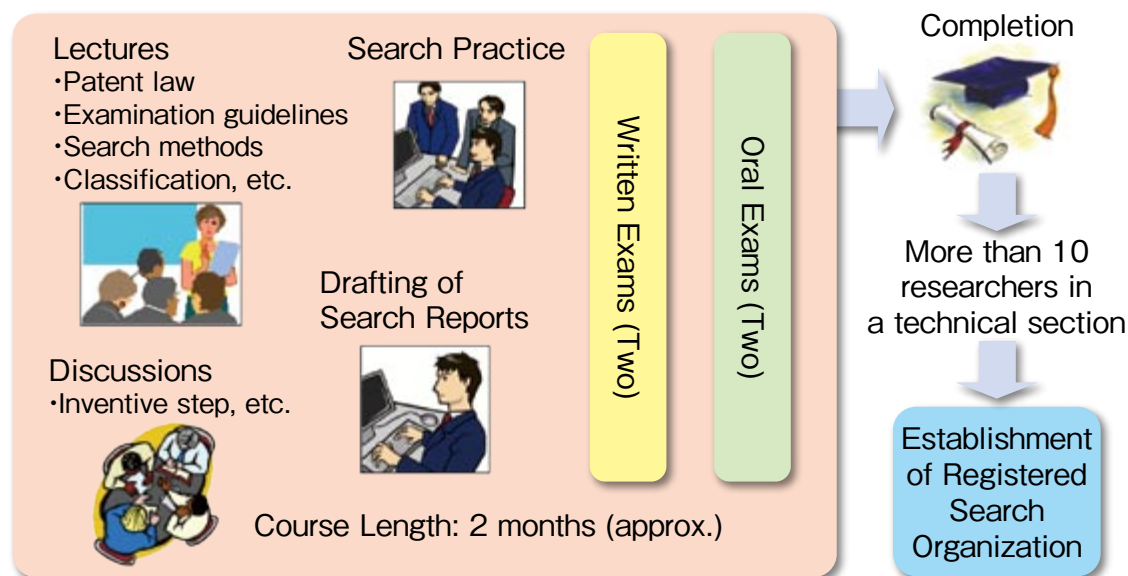
The INPIT is participating in "The Development of Human Resources related to Intellectual Property Education Promotion Conference"<sup>3</sup>, exchanging information with educational and training organizations on IP human resources development, making suggestions for human resources development, and exchanging opinions on cross-sectional matters concerning intellectual property training.

<sup>1</sup> <https://ipe.inpit.go.jp/inaviipe/service/?lang=en>

<sup>2</sup> <http://www.inpit.go.jp/jinzai/kensyu/kyozai/index.html>

<sup>3</sup> It was established in response to a suggestion on a council to promote IP human resources development in the comprehensive strategy for intellectual property human resources development decided in the Intellectual Creation Cycle Specialized Investigation Committee, Intellectual Property Strategy Headquarters Meeting which was held in January 30, 2006.

[Figure 2-2-16 Outline of Training for Searchers]



#### 6) Cooperation with Overseas Intellectual Property Human Resources Developing Organizations

The INPIT has collaborated and cooperated with overseas intellectual property human resources developing organizations due to an increasing need for international cooperation in intellectual property human resources development.

The INPIT has held the meeting on cooperation with the CIPTC (China Intellectual Property Training Center), and IIPTI (International Intellectual Property Training Institute), to discuss human resources developing projects. The INPIT concluded a memorandum of cooperation (MOC) to exchange information on training curriculums and implementing training to develop intellectual property human resources, in collaboration with the two organizations.

In 2011, the China Patent Examination Seminar (September, Tokyo, 502 participants) was held, as the first seminar based on the MOC, for the purpose of deepening understanding on the Chinese patent examination standards and promoting the appropriate acquisition and protection of intellectual property rights in China. The Seminar for Effective Search Methods of Korean Patent Documents (November, Tokyo,

144 participants) was held to promote the appropriate acquisition and protection of intellectual property rights in Korea by learning specific and effective search methods of Korean patent documents. It was held for persons in charge of IP in private companies, and for patent attorneys in Japan.



Seminar for Effective Search Methods of Korean Patent Documents

