

Regional Intellectual Property Strategy

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Introduction

The debate in Japan concerning intellectual property rights started with the then prime minister Junichiro Koizumi's policy outline speech of February 2002. With the subsequent enactment of the Intellectual Property Basic Act, reforms in this field began in earnest. These efforts are an attempt to change the laws of Japan and the perceptions of its citizens so they are suited to an intellectual society, rather than an industrial society.

There were four factors in the background to these reforms. The first was the dramatic change in the industrial structure that resulted from the sudden development of information and communication technologies (ICT). As we entered the 21st century, we arrived at an age in which not only books and food are downloaded and purchased over the Internet, but also music and films. This led to a great deal of attention being turned to problematic issues surrounding the intellectual property rights system, such as business model patents and digital content copyrights. The drafting of new rules regarding intellectual property rights contracts saw the emergence of new business success stories such as the iPod.

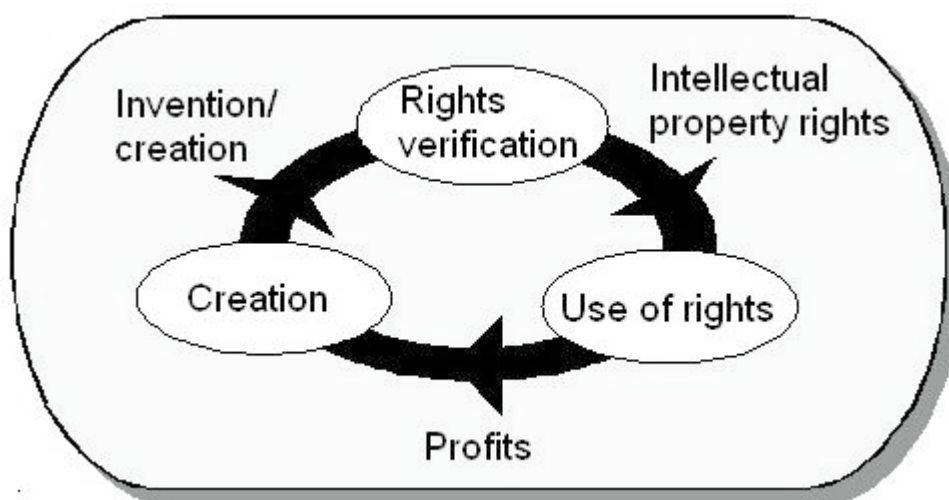
The second factor was that major improvements in the technological prowess of nations such as China, Korea and Taiwan led to a shift of factories away from Japan, with its high labor costs, to these surrounding countries. The manufacturing model that has hitherto existed in Japan ceased to function, and the nation was faced with the need to turn from a manufacturing country into a knowledge-making country. The rapid growth of the world economy further spurred this transformation.

The third factor was the huge change in consumers' sets of values. (1) With regard to luxury items, the tendency to dislike the same items as other people has become stronger. Following a single fashion has become a notion of the dim and distant past. (2) Interest in design has become more marked, with consumers flocking to designer brands such as H&M. (3) The idea that borrowing things will suffice instead of buying them outright has grown stronger. A major shift concerning sets of values from ownership to use has begun with items from CDs and DVDs to include kimono for the adulthood ceremonies that Japanese people attend upon reaching twenty years old, and even wedding dresses. (4) It has become widely known that the Japanese people do not tolerate items with counterfeit labeling. In 2003, counterfeiting incidents in various regions related to food products were uncovered involving chicken from northern and central Japan, as well as a type of noodle made in Nara Prefecture. Calls for more accurate product labeling have also arisen from a food safety perspective.

Finally, the fourth factor was the emergence of the twin issues of the fully-fledged transition to an ageing society and the regional economy question. The population of Japan entered a period of decline beginning in the year 2005. Moreover, increasing economic fragility is causing concern in regional urban centers, with recent trends including the hollowing out of central downtown areas and shrinking numbers of concentrated commercial sites. The importance of launching businesses in the regions that are hollowing out has become recognized, and the search for a new regional model is underway.

In order to cope with future changes in our society, as well as to improve international competitiveness, the Japanese government established the Intellectual Property Strategy Headquarters in March 2003 in line with the specifications of Article 23 of the Intellectual Property Basic Act. This institution was established in the Cabinet Office in March 2003 with the purpose of providing concentrated and systematic support for measures regarding the creation, protection and utilization of intellectual property. Headed by the Prime Minister, its prime tasks are the creation and implementation of plans for intellectual property promotion. In concrete terms, the government promotes an Intellectual Creation Cycle consisting of the creation, protection and utilization of intellectual property by, for example, establishing an intellectual property high court. Furthermore, following the government's Intellectual Property Strategy Headquarters, similar institutions have been established throughout various regions. It is also understood that regional municipalities and related institutions should, as a matter of urgency, also utilize a cycle consisting of the creation, protection and utilization of regional resources (agricultural, forestry and fishing products, local nature, regional technology and culture, etc.) in order to foster industries that will contribute to the regional economy. Now that a schedule for regional decentralization has been indicated, hopes are high regarding the future of this regional intellectual property strategy.

Fig.1 The Intellectual Creation Cycle



Chapter 1: History of regional development policy

Part 1: Origins of regional development policy

The source of many of the currently successful regional brands was regional development policy. Let us first of all take a look at the history of this policy.

Since the opening of Japan to the outside world, the regional development policies pursued by Japanese governments have tended to emphasize the use of regional municipalities for the sake of the nation as a whole. Some concrete examples are the Local Improvement Movement in the 1900s and the Rural Economy Improvement Movement of the early 1930s, followed by post-WWII national land plans.

With the formulation of the Comprehensive National Development Plan of 1962 and the New Comprehensive National Development Plan of 1969, attempts were made to correct the existing regional disparity and disperse industry through the introduction of large-scale projects. The progress of industrialization accompanying the years of rapid economic growth, however, led to an accelerated drift of people away from rural areas and into the urban centers. At the same time, problems such as air and water pollution occurred all over the country, wreaking serious environmental damage. Moreover, these plans were unable to correct the disparity between regions or perform useful roles in regional development, and in fact served to fan the fires of rural depopulation. In 1973, the first oil shock forced a major rethink of the national land plans.

Part 2: 'The local era'

In the midst of this social situation, the then governor of Kanagawa Prefecture, Kazuji Nagasu, advocated what he called the 'local era,' a phrase that entered common parlance. He defined this concept as the following: "The local era is the search for a new social system that includes new lifestyles and sets of values, not merely a switch of the political, administrative and fiscal systems from a devolved centralized system to a participatory decentralized system." It was under this slogan that the leaders of smaller municipalities throughout the nation started on their efforts to revitalize their regions.

Town development and vitalization efforts that have begun throughout Japan have included Hokkaido's "'One Village One Product" Movement in 1983, Kumamoto's "Best in Japan" Movement in 1984, and Kyoto's development of local produce. Umaji Village in Kochi Prefecture, which became famed for its regional revitalization efforts based on the villages' yuzu citrus fruit and forests, started its efforts in the 1960s. The village began cultivating yuzu in 1963, after apparently having been inspired by Ohyama Town in Oita Prefecture's slogan, 'Let's plant plums and chestnuts and go to Hawaii!' A yuzu packaging plant was completed, juice production begun, and attempts to create products launched in 1975¹.

¹ *Umaji Village –the Village Bringing Yuzu Fruits and Forests* by Takashi Kamiji and Toshinari Takeshita, Jichitaikenkyusha, June 2007

Elsewhere, the origins of town development efforts in Oita Prefecture's Yufuin, a well-known sightseeing area, lay in the local peoples' collective determination to protect their hometown from a dam plan in 1953 and a resort development project in the 1970s. The newly created Committee to Consider Yufuin's Future carried out its activities with great vigor² under its three pillars: the environmental section (dealing with town development in conjunction with the local tourism office), the people's section (dealing with child issues), and the commercial section (which created products that could be made locally).

Part 3: Morihiko Hiramatsu's "One Village One Product" movement

The method featured in the various regional development efforts made across the nation that was subsequently included in Japan's current overseas aid to developing nations was the "One Village One Product" movement, developed by the then governor of Oita Prefecture, Morihiko Hiramatsu³. Hiramatsu's theory was that the national government should deal with currency, defense and diplomacy, while welfare, education and agriculture should be left to regional areas themselves. He also claimed that the role of government was to keep the nation's finances in the black, and that of the governors' was to act as top salesmen. In other words, the national government should lay down laws and regulations, and not restrict the activities of regional areas.

Hiramatsu also believed that a community identity (CI) was essential for municipalities. While it is true that an increase in the sales of one product in a village led to the emergence of a CI effect, that was only one part of the story. He said that the real purpose was to nurture affection among residents for their area by improving the local image, thereby increasing their sense of pride. The initial instructor in these regional efforts was not the government; each and every local resident played a leading role. As Hiramatsu suggested upon retiring from office: "Every city, town and village should make something they can be proud of. Agricultural produce, tourism resources, traditional songs, any of these is fine. Sell something and try to become famous throughout the land⁴."

One such success story is Sanwa Shurui, an Oita-based manufacturer of shochu (a Japanese barley-based spirit) that seized upon this trend and with the help of a designer-created brand. In an integrated effort involving the use of Hiramatsu's salesmanship, the development of barley for shochu at Oita Prefecture's experimental research institution, and the sales channels of a trading house, the Shochu Renaissance Project, the Iichiko brand was born.

² *In Praise of One Village One Product* by Morihiko Hiramatsu, Gyosei, April 1982

³ The "One Village One Product" campaign for developing countries was announced as a development initiative for aiding developing countries at a ministerial level meeting held during the December 2005 WTO Conference in Hong Kong. From February 2006, the Ministry of Trade and Industry and JETRO started the campaign in collaboration with related institutions. The "One Village One Product" campaign for developing countries was based on the "One Village One Product" Movement used by Oita Prefecture to revitalize the Prefecture: . http://www.meti.go.jp/policy/trade_policy/ovop/index.html

⁴ *Local Autonomy Policies and Strategies* by Morihiko Hiramatsu, Toyokeizaishinposha, July 2007

Part 4: Subsequent developments in the “One Village One Product” movement

The town development and vitalization movements led mainly by the government in the 1980s started to vanish in the next decade as the waves of citizen power and deregulation spread. As an economy-boosting measure following the collapse of the bubble economy, public works were carried out in the regions in response to demands from the government. In a backlash against the emphasis on securing quantity rather than content, however, local economies foundered under central government theory. Attempts then began in these areas to make reforms that would develop autonomous policies showing the regional specialties of local areas.

A large number of success stories were created in Oita Prefecture, where the “One Village One Product” Movement began (see Tab. 1). By the year 2003, a total of 280 products had been made—around half of which had annual sales of one billion yen, and 14 of which enjoyed sales of over 10 billion yen. However, the 58 cities, towns and villages of Oita were merged into 18 municipalities, and the prefecture’s “One Village One Product” Promotion Section was disbanded in March 2003.

Against an ongoing backdrop of foundering growth policy, gradually emerging environmental destruction, an unharmonious imbalance between regional and central government, and many other problems, the ‘control tower’ for promoting the use of regional resource efforts like the “One Village One Product” movement had disappeared. It is considered that this sense of loss in these regions led to considerable hopes for the local brand strategies using the Regional Collective Trademark System, which was implemented on April 1, 2006.

Tab. 1 Designated state of the “One Village One Product” Movement in FY 2003
(Oita Prefecture)⁵

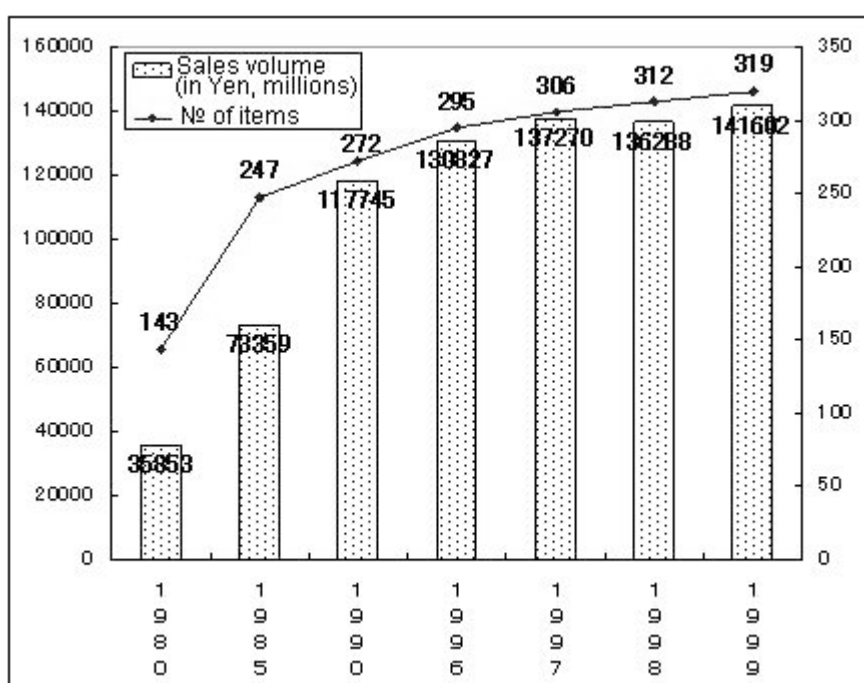
Regional development activities	103												
Facilities	134												
Environment	76												
Culture	124												
Specialty products	329												
	<table> <tr> <td>Agricultural</td><td>157</td></tr> <tr> <td>Livestock</td><td>35</td></tr> <tr> <td>Processed livestock</td><td>39</td></tr> <tr> <td>Marine</td><td>38</td></tr> <tr> <td>Forestry</td><td>27</td></tr> <tr> <td>Crafts and others</td><td>33</td></tr> </table>	Agricultural	157	Livestock	35	Processed livestock	39	Marine	38	Forestry	27	Crafts and others	33
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Marine	38												
Forestry	27												
Crafts and others	33												
Total	766												

⁵ Ibid Ref. 2

Tab. 2 : Specialty products with annual sales of one billion yen or more in FY 1999
(19 products)⁶

Bungo Takada City	White spring onions	Bungo beef
Kunimi Town	Processed frozen vegetables	
Beppu City	Bamboo craftwork	
Kitsukishi City	Oranges grown in glasshouses	
Hiji Town	Nikkaido brand Oita barley shochu	
Oita City	Beefsteak leaves (perilla)	
Saiki City	Yellowtail tuna	
Tsurumi Town	Live fish	
Yonouzu Village	Dried fish	Yellowtail tuna
Kamae Town	Halibut	Yellowtail tuna
Notsu Town	Leaf tobacco	
Hita City	Pears	Milk
Ohyama Town	Mushrooms	
Yabakei Town	Circuit breakers	
Usa City	Ichiko brand barley shochu	

Fig. 2 Changes in sales totals and number of products⁷



⁶ Ibid Ref. 2

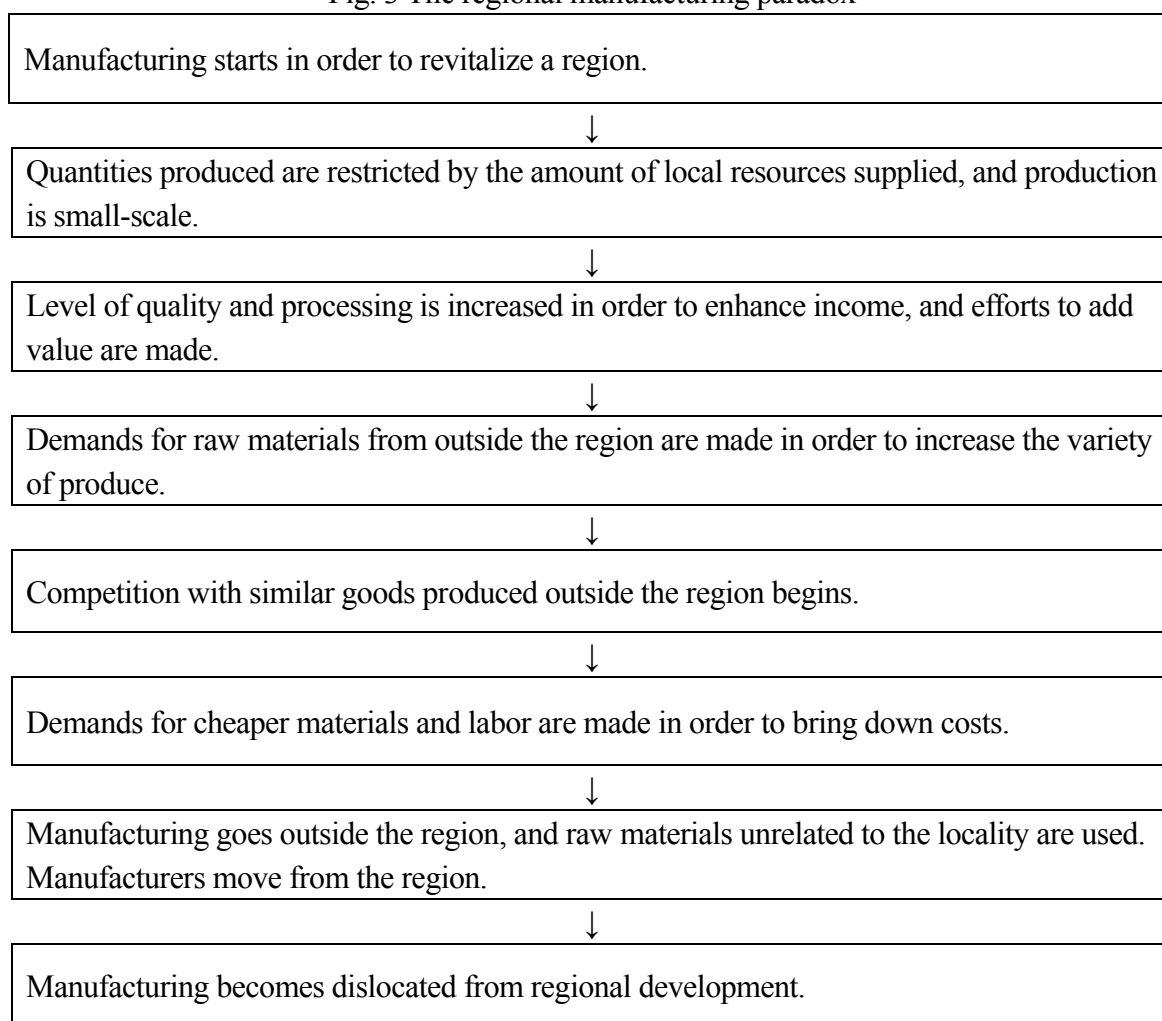
⁷ Ibid Ref. 2

Part 5: Paradox of regional manufacturing

The “One Village One Product” movement also revealed that there are points that need to be observed concerning regional manufacturing.

It has been pointed out that “perhaps manufacturing and regional development do not always strike a balance. There is a paradox in which the more that the manufacturing flourishes, the further it strays from the regional development in its place of origin, and from regional development itself.”⁸ In other words, it is possible that the more a regional brand sells, the more it transforms into something unrelated to the region of origin.

Fig. 3 The regional manufacturing paradox



⁸ *The One Village One Product Movement and Developing Nations* by Kazuhisa Matsui and Susumu Yamagami, IDE-JETRO, November 2006

Part 6: Learning from the “One Village One Product” movement

We can learn a great many crucial lessons from the now defunct “One Village One Product” movement. Firstly, locally produced items have to be turned into globally viable products. It is important to remember that the more specific to a region a product is, the more international it is as well. Obviously, since not all regional products are particularly sophisticated, a degree of polishing will be needed. And thought must be given to where it is that the regions will engage.

Secondly, regard for autonomy and independence are vital, as are originality and ingenuity. Smooth progress will not be made if the local people only start to move upon the behest of the national or local government. It is imperative that the government support the hard work of the regions.

The third point is fostering human resources. Apparently, there were some excellent leaders in certain regions where making products viable or promoting tourism went well. Regional development starts with human development. This is also the most important perspective when considering regional intellectual property strategy.

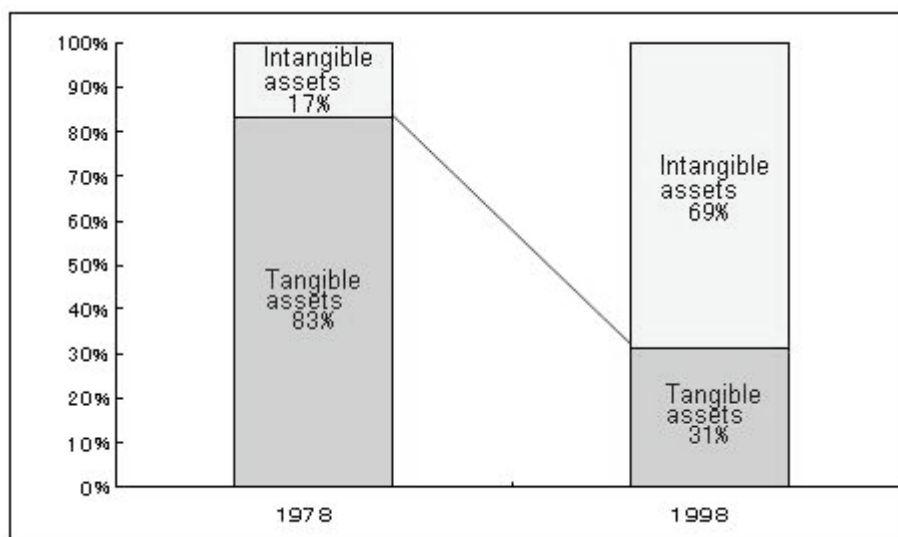
Chapter 2: Arrival of the knowledge society

Part 1: Capital in the knowledge society

The Japanese government is carrying out major reforms in order to suit the shape of the country to a 'knowledge society,' rather than an industrial society. So what exactly is this 'knowledge society?'

In a knowledge society, the weighting of production goods moves away from people (labor power), objects (machinery, equipment and land, etc.) and money (capital) towards knowledge (intangible assets). According to research targeting listed companies in the US (Blair et al., 2000), the proportion of tangible assets (things like machinery and equipment) in the market value at the end of 1978 was 83%, and the intangible assets (patents, brands, etc.) subtracted from this amounted to 17% of the market value. Twenty years later, however, these figures have apparently changed dramatically, with tangible assets at 31% and intangible assets at 69%. The nucleus of production goods is shifting from tangible 'objects' to intangible 'knowledge.' Intangible assets mean organizational structural capital like business models, intellectual property and organizational mechanisms. In other words, the knowledge society is one in which knowledge is capital. Since this knowledge is information, there is increasing importance to the intellectual property rights system, the laws that protect the information.

Fig. 4 Changes in the proportion of intangible assets (the US case)⁹



⁹ Adapted from the Commerce White Paper by Blair, et al. (2000)

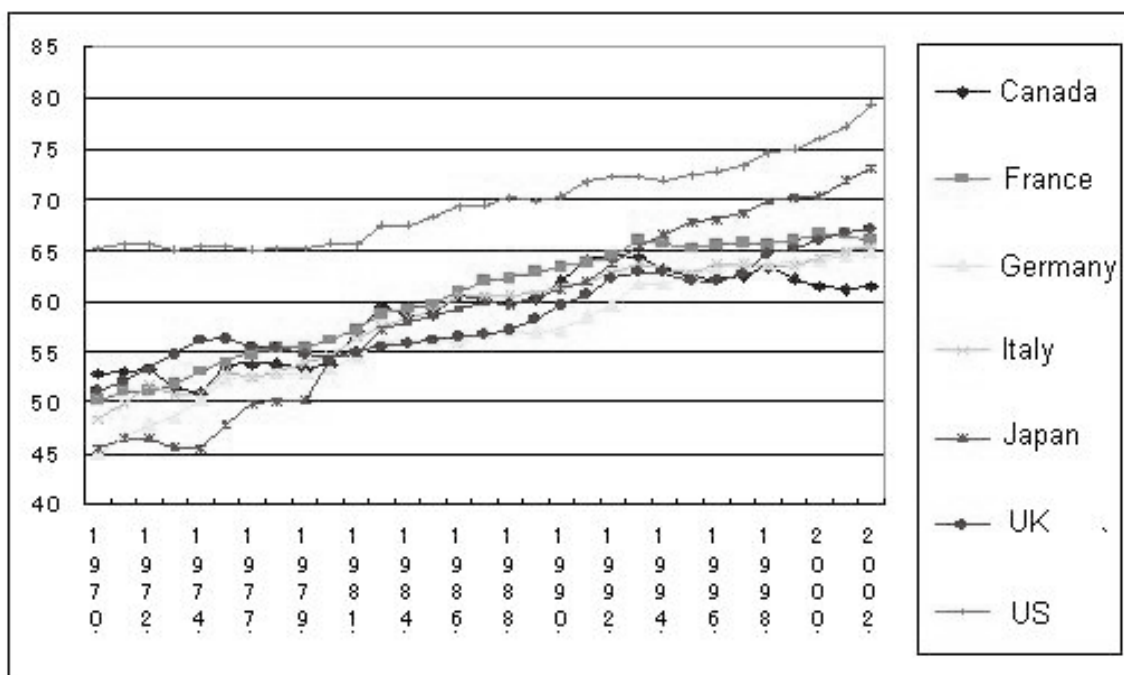
Part 2: Bedrock industries of the knowledge society

According to United Nations (UN) data, the proportion of GDP accounted for by tertiary industry in the developing nations is increasing every year. In a knowledge society, it could be considered that service industries such as finance, e-commerce, medicine, law, education, tourism, design and the entertainment industry are now the bedrock industries.

Against this contemporary background, it is safe to say that a debate has arisen over protecting patents for cutting-edge technologies including gene patents, medical procedure patents, software patents, business model patents and so on. Put another way, it's a debate about whether or not to recognize gene patents, medical procedure patents, software patents, and business model patents as 'production goods' in a knowledge society.

Furthermore, in recent years there has been growing recognition of the importance of the cultural industry. The 'Japan' brand and regional brands have become talking points, and policy issues for countries throughout the world. The perspective of making the most of the area of knowledge called 'culture' as capital is being re-examined. It is important to put cultural capital in agriculture, forestry and fishing, manufacturing, and service industries to use.

Fig. 5 Proportion of GDP accounted for by the tertiary sector (%)

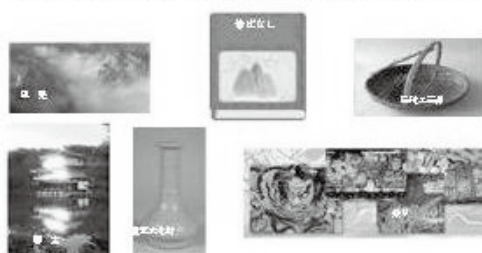


Part 3: Knowledge society and cultural industries

A cultural industry is one that takes advantage of cultural capital. A detailed breakdown of this would include historical, regional and content-based resources. Though it is difficult to rigorously divide these resources, historical resources form the backbone of the Japan brand, together with regional resources, form the two cornerstones of regional brands. Content-based resources such as animation and films may also be added to these. In the future, there will be a need to create industries to take advantage of this cultural capital (in other words, to create industries that make the most of the Japan brand and regional brands).

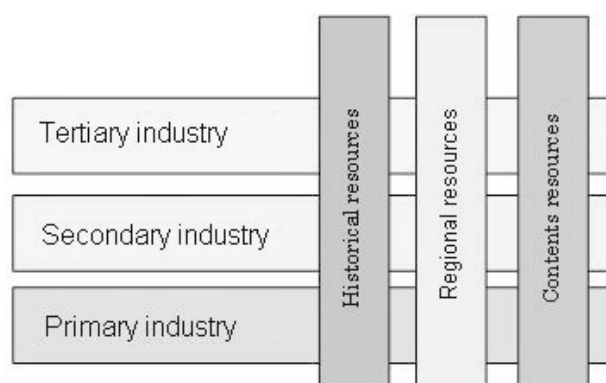
Fig. 6 Types of cultural capital

- Historical resources: Works of art, historic buildings, etc.
- Regional resources: Regional agricultural, forestry and fisheries products, traditional crafts, nature, etc.
- Contents resources: Music, novels, traditional performing arts, etc.



It is thought that the relationships between primary, secondary and tertiary industry together with cultural capital follow a matrix format as shown in Fig. 7. In other words, cultural industries exist inherently in all types of industry, and are the linchpin of the Japan brand and regional brands. A couple of examples would be baseball gloves incorporating kumadori designs from the kabuki theater, and labels for spring onions depicting a famous style of Hakata weaving that give the product a typically Hakata-type flavor. It is considered that elucidating the actual state of these efforts, and sorting out the success stories, will help to make clear indicators for manufacturing in the future.

Fig. 7 Industry types and cultural industry



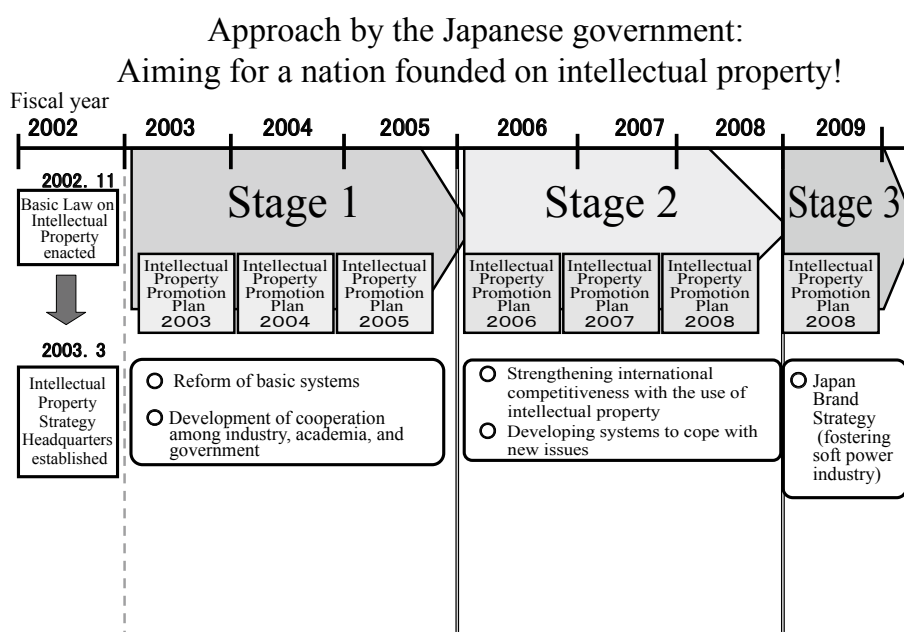
Chapter 3: Course of Japan's intellectual property strategy

Part 1: Start of the intellectual property reforms

On February 4, 2002, Prime Minister Junichiro Koizumi delivered his policy speech to the 154th Session of the Diet, where he stated as follows: “Japan already possesses some of the best patents and other intellectual properties in the world. I will set as one of our national goals that the results of research activities and creative endeavors are translated into intellectual properties that are strategically protected and utilized so that we can enhance the international competitiveness of Japanese industries. With that in mind, I will establish the Strategic Council on Intellectual Properties, and powerfully advance the relevant necessary policies.”

This was the first time since the Meiji Era that a Japanese prime minister had announced such a policy direction. The fact that the Prime Minister decided to include these matters in his policy speech meant that they were policy matters vital to Japan. The keywords of this speech were the strategic protection and utilization of intellectual property, the enhancement of international competitiveness, and the Strategic Council on Intellectual Properties. The 1998 Act on the Promotion of Technology Transfer from Universities to Private Business, and the 1999 revision of the Industrial Revitalization Law (the Japanese version of the Bayh-Dole Law) were made so that Japan could regain the ‘lost decade’. It was intellectual property reform, however, that was the driving force behind these.

Fig. 8 Japan's intellectual property reforms



Intellectual property reform is a structural reform to make Japan suited to be a knowledge society. In 2002, the Japanese government established the Strategic Council on Intellectual Properties (now called the Intellectual Property Strategy Headquarters), and formulated the Intellectual Property Basic Act from 2003 to the following year. Continual and swift reforms followed, with the contents-based business development policy decided upon in 2004, and the Intellectual Property High Court established in 2005, among other steps. The Intellectual Property Promotion Plan is presently continuing to be implemented, with 260 policy items covered in 2003, 400 in 2004, 450 in 2005, 375 in 2006, 386 in 2008, and 313 in 2009.

Part 2: The Commission on Intellectual Property Rights in the Twenty-first Century

Intellectual property reforms are currently underway in Japan; in fact, the vanguard of these efforts started with a single report. The Commission on Intellectual Property Rights in the Twenty-first Century (chaired by Akito Arima, President of RIKEN) was set up as a private advisory panel to Patent Office Commissioner Hisamitsu Arai. Meeting between December 1996 and April 1997, the Commission was the scene of heated debate every time it was convened. In April 1997, it published its report entitled *Towards the Era of Intellectual Creation*¹⁰.

The twin points of the report were the keywords of the spread of information and globalization: the importance of constructing an Intellectual Creation Cycle composed of the three steps of creation, protection and use. Once the report was unveiled the debate in Japan about intellectual property became vigorous. From that point onward, coverage of the topic in the mass media suddenly increased.

Part 3: The Strategic Council on Intellectual Properties¹¹

In response to Prime Minister Koizumi's policy speech of February 4, 2002, the inaugural meeting of the Strategic Council on Intellectual Properties was convened on March 20. At 5:15 PM that day, the prime minister's voice reverberated around the room as he greeted the assembled participants with the following: "The creation, protection and use of intellectual property is an important point in increasing Japan's competitiveness and achieving economic revitalization. I think that it is indeed an issue that we have to tackle as a national strategy. I want Japan to aim at becoming a nation founded on knowledge creation."

The participants at the meeting were Cabinet members such as Prime Minister Junichiro Koizumi; Chief Cabinet Secretary, Yasuo Fukuda; Minister of State for Economic and Fiscal

¹⁰ *Towards the Era of Intellectual Creation*, report of the Commission on Intellectual Property Rights:
<http://www.jpo.go.jp/shiryou/toushin/chousa/21cen.htm>

¹¹ Strategic Council on Intellectual Properties:
http://www.kantei.go.jp/foreign/policy/titeki/index_e.html

Policy and Minister of State for IT Policy, Heizo Takenaka; Minister of Science and Technology, Koji Omi; Minister of Internal Affairs and Communications Toranosuke Katayama; Minister of Justice, Mayumi Moriyama; Atsuko Toyama, Minister of Education, Culture, Sports, Science and Technology; Minister of Health, Labour and Welfare, Chikara Sakaguchi; Minister for Agriculture, Forestry and Fisheries, Tsutomu Takebe; Minister of Economy, Trade and Industry, Takeo Hiranuma, and private sector figures including Fujisawa Pharmaceuticals Chairman, Hatsuo Aoki; Tohoku University President, Hiroyuki Abe; and Keio University President, Yuichiro Anzai. From the third meeting on May 22, the Finance Minister, Masajuro Shiokawa, and the Minister for Foreign Affairs, Junko Kawaguchi, joined the Council, which now had the participation of the entire Cabinet.

Part 4: Intellectual Property Strategy General Outline ¹²

On July 3, 2002, the Intellectual Property Strategy General Outline was passed to Prime Minister Koizumi by the Chairman of the Council, Hiroyuki Abe, and its contents approved. The outline stated that its main points were, in the light of Japan's weakening international competitiveness, to recognize the need for the establishment of an Intellectual Creation Cycle and, as strategies aimed at the realization of this, indicate comprehensive measures regarding intellectual property from a perspective of enhancing creation strategy, protection strategy, utilization strategy and the manpower base, and work towards the realization of a nation founded on intellectual property. The basic approach for realizing a nation founded on intellectual property was to enact the Intellectual Property Basic Act and pursue the Concrete Action Plan. The vital points raised were: (1) strengthening measures towards global patents;(2) creating substantive functions for patent courts; (3) strengthening countermeasures against counterfeit and pirated goods; (4) boosting the protection of business confidentiality; (5) strengthening the intellectual property management functions of universities, and (6) fostering human resources specializing in intellectual property.

Part 5: Intellectual Property Basic Act

Hiroyuki Abe passed the draft version of Intellectual Property Basic Act to Prime Minister Koizumi at the seventh meeting of the Strategic Council on Intellectual Properties. The Intellectual Property Basic Act¹³ was approved by the Diet on November 27, 2002, promulgated

¹² Intellectual Property Policy Outline:

http://www.kantei.go.jp/foreign/policy/titeki/kettei/020703taikou_e.html

¹³ Intellectual Property Basic Act:

<http://www.japaneselawtranslation.go.jp/law/detail/?ft=1&re=01&dn=1&co=01&x=54&y=16&ky=%E7%9F%A5%E7%9A%84%E8%B2%A1%E7%94%A3%E5%9F%BA%E6%9C%AC%E6%B3%95&page=1>

on December 4, and came into force on March 1, 2003.

The first chapter of the Intellectual Property Basic Act consists of general provisions, and specifies the realization of a vibrant economic society through business activities with intellectual property at their core. Its purpose is to provide concentrated and planned promotion for policies to support the creation, protection and utilization of intellectual property.

The second chapter details basic policy, the third chapter the establishment of the Intellectual Property Strategy Headquarters, and the fourth chapter the formulation of the Intellectual Property Strategy Plan.

Part 6: The Intellectual Property Strategy Headquarters¹⁴

The Intellectual Property Strategy Headquarters was established on March 1, 2003, with Prime Minister Koizumi at the helm. The members were composed of the entire Cabinet and ten experts; the deputy-heads of the headquarters were the Chief Cabinet Secretary, the Minister of State for Science and Technology, the Minister of Education, Culture, Sports, Science and Technology, and the Minister of Economy, Trade and Industry. Hisamitsu Arai, formerly the Commissioner of the Patent Office, assumed the post of secretary, and the secretariat included a collection of figures from industry, government and academia. The governmental participants were the Ministry of Economy, Trade and Industry, the Patent Office, the Ministry of Education, Culture, Sports, Science and Technology, the Agency for Cultural Affairs, the Ministry of Justice, and the Ministry of Agriculture, Forestry and Fisheries. From the business world, several precision instrument and electronics makers also attended. The Headquarters' secretariat is the strategic headquarters for the realization of the plan to make Japan a nation founded on intellectual property.

Every year, it has formulated the Intellectual Property Promotion Plan and national strategies such as the Policy Package to Accelerate Measures against Counterfeiting and Piracy in December 2004, the State of Implementation of Intellectual Property Basic Act and Future Policy in February 2006, the Comprehensive International Standards Strategy in December 200, and the Japan Brand Strategy in March 2009.

In particular, the Japan Brand Strategy formulated in March 2009 suggests a path for utilizing the Japan brand as well as regional brands, and incorporates regional intellectual property strategy.

Part 7: The Intellectual Property Promotion Plan

The Intellectual Property Promotion Plan states basic government policy regarding intellectual property. It takes into account a wide range of public opinions, and is released each year around June. The Plan details intellectual property policies and targets under the jurisdiction of

¹⁴ Intellectual Property Strategy Headquarters : http://www.ipr.go.jp/e_materials.html

intellectual property related governmental institutions such as The Ministry of Economy, Trade and Industry; The Japan Patent Office; The Ministry of Education, Culture, Sports, Science and Technology; The Agency for Cultural Affairs; The Ministry of Agriculture, Forestry and Fisheries; The Ministry of Foreign Affairs; and The Ministry of Finance. The Plan announced 260 policy items in 2003, 400 in 2004, 450 in 2005, 375 in 2006, 386 in 2008, and 313 in 2009.

In particular, the 2004 Intellectual Property Promotion Plan stipulated the preparation of a Regional Intellectual Property Strategy Headquarters in regional bureaus of the Ministry of Economy, Trade and Industry (METI) in order to support the acquisition of rights for small and medium-sized businesses and ventures. This led to the establishment of a Regional Intellectual Property Strategy Headquarters, as discussed in Chapter 4, which has taken charge of regional intellectual property strategy.

Part 8: Task Forces

Various task forces have been set up within the Intellectual Property Strategy Headquarters, and their debates have helped produce reports and revisions to laws. A look at what they examine clearly shows areas of emphasis. The Task Forces are shown in Tab. 3 below. Among all task forces, the Task Force on Contents and the Task Force on Contents and the Japan Brand were primarily focused on regional intellectual property (particularly the Japan brand).

Tab. 3 List of Task Forces

Task Force	Date of establishment
Task Force for Enhancing the Rights Protection Infrastructure	July 8, 2003
Task Force for Patent Protection in Medical Treatment	July 8, 2003
Task Force on Media Content Businesses	July 8, 2003
Task Force for the Creation of an Intellectual Property Cycle	June 10, 2005
Task Force for Enhancing Competitiveness through Intellectual Property	August 1, 2007
Task Force on Contents and the Japan Brand	August 1, 2007

Part 9: The MAFF Intellectual Property Strategy Headquarters¹⁵

An Intellectual Property Strategy Headquarters was established within the Ministry of Agriculture, Forestry and Fisheries (MAFF) in order that, as a Japanese government department

¹⁵ MAFF Intellectual Property Strategy Headquarters:
http://www.maff.go.jp/j/kanbo/tizai/brand/b_senryaku/index.html

with jurisdiction over intellectual properties, it could extend intellectual property rights for the quality, added value and safety and security of Japanese agricultural, forestry and fishery products and foods while also promoting policies related to intellectual property such as boosting Japan's international competitiveness and improving profitability.

Section 1: Course of MAFF's intellectual property strategy

Japan's agricultural, forestry and fishery products and foods are of a high quality and are value-added; they enjoy the special characteristics and strengths of a safety and security unknown in any other nation. It is considered that this makes them an important intellectual asset for the nation. On February 23, 2006, the MAFF Intellectual Property Strategy Headquarters were established, with a mission to strengthen Japan's international competitiveness, promote exports and encourage food producers to expand overseas, through the strategic creation, protection and utilization of intellectual property. On June 2, 2006, the government's Intellectual Property Strategy Headquarters announced the Response Directions of the MAFF Intellectual Property Strategy Headquarters¹⁶.

On March 22, 2007, the MAFF Intellectual Property Strategy Headquarters subsequently formulated the MAFF Intellectual Property Strategy¹⁷ in order to improve the competitiveness of agricultural, forestry and fishery products and foods, and revitalize rural areas.

Furthermore, in March 2007 the Agriculture, Forestry and Fisheries Research Council (AFFRC) formulated a strategy for research areas titled the Basic Plan for Agriculture, Forestry and Fisheries Research¹⁸. The strategy outlines measures regarding intellectual property, from stages for research planning and proposals to stages for securing rights and technical transfers; it also clarifies areas that AFFRC will manage.

On August 15, 2007, the Intellectual Property Team in MAFF's Planning Evaluation Section formulated the Guidelines for Handling Intellectual Property on Agricultural Sites.¹⁹ The document compiled ideas regarding the treatment of technologies and knowhow which are under development at agricultural sites.

These various debates have had an enormous impact on people involved in regional agriculture, forestry and fisheries. They have also enabled an increase in the number of regions that may aim to produce agricultural products for the Japan brand and overseas export.

Section 2: Outline of the MAFF Intellectual Property Strategy Headquarters Strategic Engagement in Intellectual Property

The following is an outline of the document.

- (1) Protecting and using breeders' rights for new varieties of plants
 - a . Promotion of acquisition of breeders' rights

¹⁶ MAFF website: http://www.maff.go.jp/j/kanbo/tizai/brand/b_senryaku/pdf/point.pdf

¹⁷ MAFF website: http://www.maff.go.jp/j/kanbo/tizai/brand/b_senryaku/pdf/strategy.pdf

¹⁸ AFFRC website: http://www.s.affrc.go.jp/docs/pdf/intellect_honbun.pdf

¹⁹ MAFF website: http://www.maff.go.jp/j/kanbo/tizai/brand/b_data/pdf/data2-2.pdf

- b . Strengthening of measures against infringements on breeders' rights
 - c . Consideration of comprehensive strategies concerning the protection and utilization of new varieties of plants
- (2) Measures for the protection of genetic sources in livestock
 - a . Interim summary to be made by the review meeting concerning the protection of genetic sources in livestock
 - b . Development of DNA discrimination techniques
- (3) Establishing regional brands
 - a . Education and diffusion concerning the Regional Collective Trademark System
 - b . Support for the establishment of regional brands
 - c . Improving consumer trust
- (4) Creating new demand through patents and technology transfers
 - a . Development of demand for functional foods and new materials and fostering production regions (new demand creation measures)
 - b . Encouraging the acquisition of intellectual property rights and their utilization
- (5) Using intellectual property information; Social diffusion and education; Nurturing human resources
 - a . Encouraging the collection and use of intellectual property information
 - b . Improving instructional ability and strengthening activities of diffusion instructors regarding the protection and use of intellectual property rights
 - c . Fostering human resources for the use of intellectual property aimed at regional revitalization
 - d . Encouraging social diffusion and education by private sector organizations
 - e . Collaborations in education with agricultural high schools, universities and agricultural universities, etc.
 - f . Awareness education about intellectual property for researchers
- (6) Preparation of a promotional system
 - a . Outline intellectual property measures that promote utilization
 - b . Build an efficient, effective and comprehensive promotional system

Chapter 4: Regional intellectual property strategy

Part 1: Defining regional intellectual property strategies

Regional intellectual property strategies can be broadly divided into two categories: those implemented mainly by the Regional Intellectual Property Strategy Headquarters based within regional METI bureaus²⁰ and those implemented primarily by prefectures, cities, towns and villages.

Regional intellectual property strategies managed by the Regional Intellectual Property Strategy Headquarters are formulated at each of the regional Intellectual Property Headquarters, as stipulated in the 2004 Intellectual Property Promotion Plan. The Plan stated that regional METI bureaus should prepare Regional Intellectual Property Headquarters to support the acquisition of rights by small and medium-sized businesses and ventures.

Prefectural intellectual property strategies are formulated by the initiative of municipal governments. The Regional Intellectual Property Strategy Headquarters carry out strategic plans in conjunction with the prefectures that have jurisdiction over them.

Part 2: Regional Intellectual Property Strategy Headquarters

Regional Intellectual Property Strategy Headquarters have been established within each of the regional Economy, Trade and Industry bureaus. Specifically, these nine organizations are: Hokkaido Intellectual Property Strategy Headquarters, Tohoku Intellectual Property Strategy Headquarters, Greater-Kanto Intellectual Property Strategy Headquarters, Chubu Intellectual Property Strategy Headquarters, Kinki Intellectual Property Strategy Headquarters, Chugoku Intellectual Property Strategy Headquarters, Shikoku Intellectual Property Strategy Headquarters, Kyushu Intellectual Property Council and Okinawa Intellectual Property Strategy Headquarters.

Section 1: Hokkaido Intellectual Property Strategy Headquarters²¹

The Hokkaido Intellectual Property Strategy Headquarters was established because: “There is increasing need for the strategic use of intellectual property for creating new businesses and industries as well as strengthening industrial competitiveness. The Hokkaido Intellectual Property Strategy Headquarters were established in order that Hokkaido’s 22 institutions involved in intellectual property can work together with a common vision and achieve appropriate and smooth protection for and use of Hokkaido’s intellectual property [Note: the Headquarters are currently

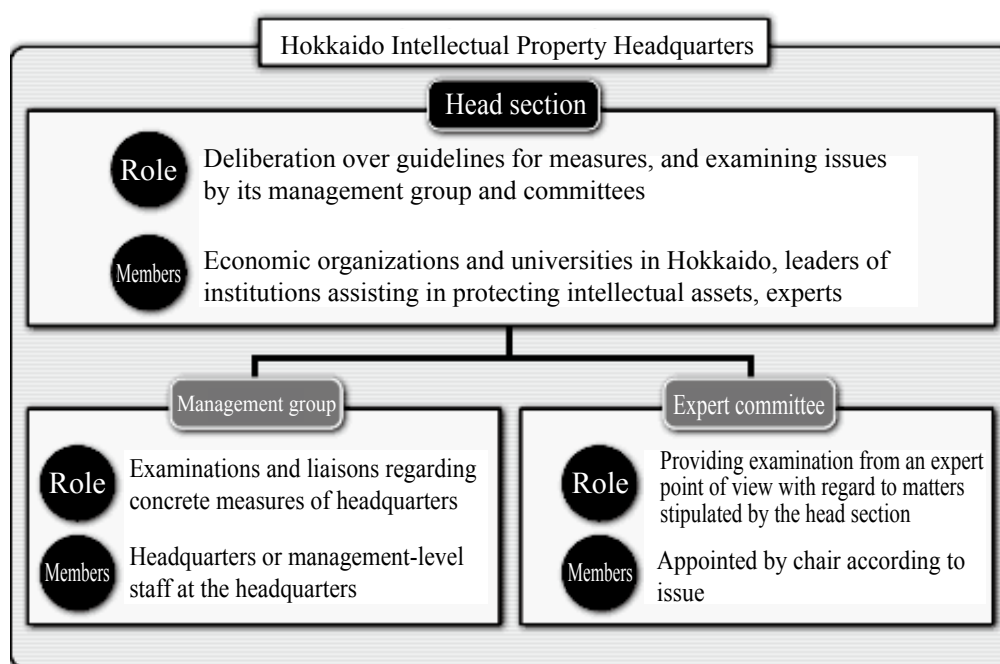
²⁰ The bureaus are affiliated with the Ministry of Economy, Trade and Industry, and are government institutions offering support to the economies of each region.

²¹ Hokkaido Intellectual Property Strategy Headquarters website: <http://www.hkd.meti.go.jp/hokip/chizai/>

composed of 24 institutions]. The Headquarters will implement effective support responding to the needs of small and medium-sized businesses, while attempting to encourage better awareness and appropriate use, and offering support towards the acceleration of an Intellectual Creation Cycle consisting of the creation, protection and utilization of intellectual property.”

The setup is composed of a head section manned by experts and representatives from Hokkaido’s economic organizations, universities, and institutions offering aid and protection to intellectual property; the management group and expert committees provide further support. As of July 30, 2009, the director of the Headquarters was Harumi Takahashi, the Governor of Hokkaido, and her deputies were Kazuo Yuhara, who is the Director-General of the Hokkaido METI, and Tatsuo Kondo, who is the chairman of the Hokkaido Economic Federation (Dokeiren). Hokkaido is the only region in which the director of the Headquarters is also the most senior figure in the local administration.

Fig.9 Organizational chart of Hokkaido Intellectual Property Strategy Headquarters²²



The action plan is as follows.

- I. Creation of intellectual property at universities and businesses
 1. Support will be given for the creation of intellectual property in businesses
 2. Provision of information and consultation systems aimed at businesses will be strengthened
 3. Development of setups covering intellectual property creation and use in universities and public technology centers will be strengthened

²² ibid. Ref. 21

- II. Protection of intellectual assets including education and reinforced policing of counterfeit and pirated goods
 - 1. Provision of information will be promoted regarding counterfeit and pirated goods using the network of the Headquarters' constituent institutions
 - 2. Educational activities about counterfeit and pirated goods aimed at the people of Hokkaido will be conducted
- III. Use of intellectual property and support for small and medium-sized businesses and ventures
 - 1. The development of a setup to encourage the use of intellectual property at universities and public technology centers will be promoted
 - 2. Support will be given for the use of intellectual property in small and medium-sized businesses and ventures
- IV. Establishment of regional brands using intellectual property
 - 1. Steps will be taken towards the establishment of a Hokkaido brand
 - 2. The creation of regional brands using intellectual property will be supported
 - 3. Attempts will be made to encourage protection and use through intellectual property rights to contents
- V. Creation of a network of supporting institutions and manpower regarding intellectual property
 - 1. Through the effective use of the Headquarters' website and the network of its constituent institutions, support information such as details of related bodies' measures and seminars will be provided on an integrated basis
 - 2. Attempts will be made to spread sharing of various types of information between the Headquarters' constituent institutions
 - 3. Encouragement will be given to the creation of a network of manpower supporting intellectual property
- VI. Reinforcement of the setup for consulting and dealing with conflicts surrounding intellectual property
 - 1. The function of the Hokkaido Intellectual Property Information Center will be improved and the Center publicized
 - 2. The development of a setup for dealing with intellectual property conflicts will be promoted
 - 3. Attempts will be made to develop regional 'one-stop' service functions
- VII. Fostering, diffusing and providing education about the fostering of human resources and systems related to intellectual property
 - 1. The fostering and securing of intellectual property specialists will be promoted
 - 2. The fostering of regional consultants will be promoted
 - 3. Intellectual property education will be promoted in order to improve awareness

Section 2: Tohoku Regional Intellectual Property Strategy Headquarters²³

The Tohoku Regional Intellectual Property Strategy Headquarters is an organization that aims to raise awareness about intellectual property in the region. In order to achieve the revitalization and development of the regional economy through intellectual property reflecting the special characteristics of Tohoku Japan, it conducts exchanges of opinions between experts and has formulated the Tohoku Regional Intellectual Property Strategy Promotion Plan, which is interwoven in its policies.

The director of the Headquarters is Koichiro Akatsu, who is the Director-General of the Tohoku METI Bureau. His deputy is Koichi Noda, director of the Bureau's Economic Division. The Headquarters is staffed by 15 other members including the development manager of IG Kogyo Corporation's research laboratory, Hiroshi Sato (as of December 10, 2009). One of the special features of the Headquarters is that some of the members are staff from the municipal government, including the labor director of the Aomori Chamber of Commerce, the tourism directors of Iwate Chamber of Commerce and Miyagi Chamber of Commerce, the director of Akita Prefecture's Industry, Economy and Labor Division, the labor and tourism director of Yamagata Chamber of Commerce, the labor director of Fukushima Chamber of Commerce, and the director of the City of Sendai's Economic Bureau.

The following are the Headquarters' concrete policies.

I. Awareness improvement policy

Awareness education and publicity activities related to the creation, protection and utilization of intellectual property

1. Hosting explanatory meetings on intellectual property rights systems and seminars

- (1) Explanatory meetings on intellectual property rights systems (for beginners and practitioners)
- (2) Intellectual property strategy meetings (for executives)
- (3) Practical seminars on industrial property

2. Hosting events related to intellectual property

- (1) Intellectual property use symposiums
- (2) Events introducing products using intellectual property

Improving the training of manpower to support intellectual property (polishing skills, securing human resources)

- (1) Fostering and securing intellectual property specialists
- (2) Fostering and securing human resources to use intellectual property

²³ Tohoku Regional Intellectual Property Strategy Headquarters website:
<http://www.tohoku.meti.go.jp/chizaihonbu/index.htm>

Nurturing human resources to cultivate creativity (intellectual property education)

- (1) Improving intellectual property education aimed at elementary, junior high and high school students
- (2) Hosting intellectual property seminars for education stakeholders such as teachers
- (3) Intellectual property education for university students (including doctoral students)
- (4) Producing and using Tohoku editions and textbooks for each stage of the educational process

II. Utilization encouragement policies

Support for the creation, protection, use and commercialization of strategic intellectual property

- (1) Encouraging use of systems that give reductions or exemptions for patent fees
- (2) Use of patent information
- (3) Use of project cost subsidies to encourage patent information use (The Regional Small and Medium-sized Businesses Intellectual Property Support Project)
- (4) Using measures for encouraging patent licensing

Intellectual property support in development of regional brands

- (1) Treating localities (regional public bodies, industry bodies, etc.) addressing the nurturing of regional brands as model cases, collaboration between regional public bodies and supporting institutions will be attempted, and support for patent applications and acquisitions, and advice about intellectual property use will be provided from an expert perspective. Follow-up research will be conducted after the support has ended, and success stories will be produced.
- (2) In implementing support measures, the state of measures to foster Tohoku's regional brands will be ascertained, success stories revealed, support needs investigated, and the areas targeted for support thoroughly stimulated.

III. Creation and protection promotion policy

Creation of high-quality intellectual assets

- (1) Collaboration between universities and small and medium-sized businesses, contributions to the region.
- (2) Collaboration between public technology center research institutions and small and medium-sized businesses, contributions to the region

Encouraging protection of intellectual property in the region

- (1) In order to appropriately protect intellectual property created in the region, encouragement will be provided to pursue rights for intellectual property, and an enquiry point will be set up to offer consultation regarding infringements on rights and measures against counterfeit items.
- (2) By providing accurate information about counterfeit items, damage to consumers arising from these items will be avoided, and the occurrence of infringements of rights prevented.

IV. Support infrastructure development policies

Creating a network for supporting institutions, human resources and information

- (1) Supporting institutions and human resources network

- (2) Network for projects related to intellectual property
- (3) Joint Council of Intellectual Property Support Institutions (provisional name)
- (4) The Tohoku Regional Intellectual Property Strategy Headquarters' website

Regional support for formulation of intellectual property strategy

The regional public bodies, universities and businesses will, in order to reflect the region's characteristics and formulate intellectual property strategies that make the most of their autonomy, dispatch intellectual property experts and support the formulation of viable intellectual property strategy.

Reanalysis of the circumstances surrounding intellectual property in the Tohoku region

Referring to various types of data, including the state of patent applications and registrations that are an indicator of the intellectual property situation, problem areas will be clarified by researching and analyzing the correlation with Tohoku's industrial structure and economic circumstances.

- (1) Use through ascertaining supporting institutions, supporting manpower and supporting setups, while creating a database
- (2) Correlation analysis of patent application types, applications and registrations by type of industry, industrial agglomeration, industrial structure and economic circumstances
- (3) Ascertaining the state of measures aimed at the regional brand, their correlation with intellectual property, and comparative analysis of other regions

Section 3: The Greater-Kanto Intellectual Property Strategy Headquarters²⁴

The Greater-Kanto Intellectual Property Strategy Headquarters, which covers the Tokyo metropolitan district and the ten surrounding prefectures, was established in May 2005. The Greater-Kanto Intellectual Property Strategy Plan was formulated based on the state of the region, and intellectual property support activities have been conducted pursuant to this plan.

The AMARI Plan 2007, formulated in January 2007, was seen as a second stage in which the Headquarters would be diffused and developed over a three-year period from 2007 to 2009, and since there were demands for improvements to the level of substantive activities by the Headquarters, it sought to strengthen the setup by making the Director-General of the Greater-Kanto METI Bureau its director, and compiled its future basic policy and concrete project plans in the 2007 Greater-Kanto Intellectual Property Strategy Promotion Plan.

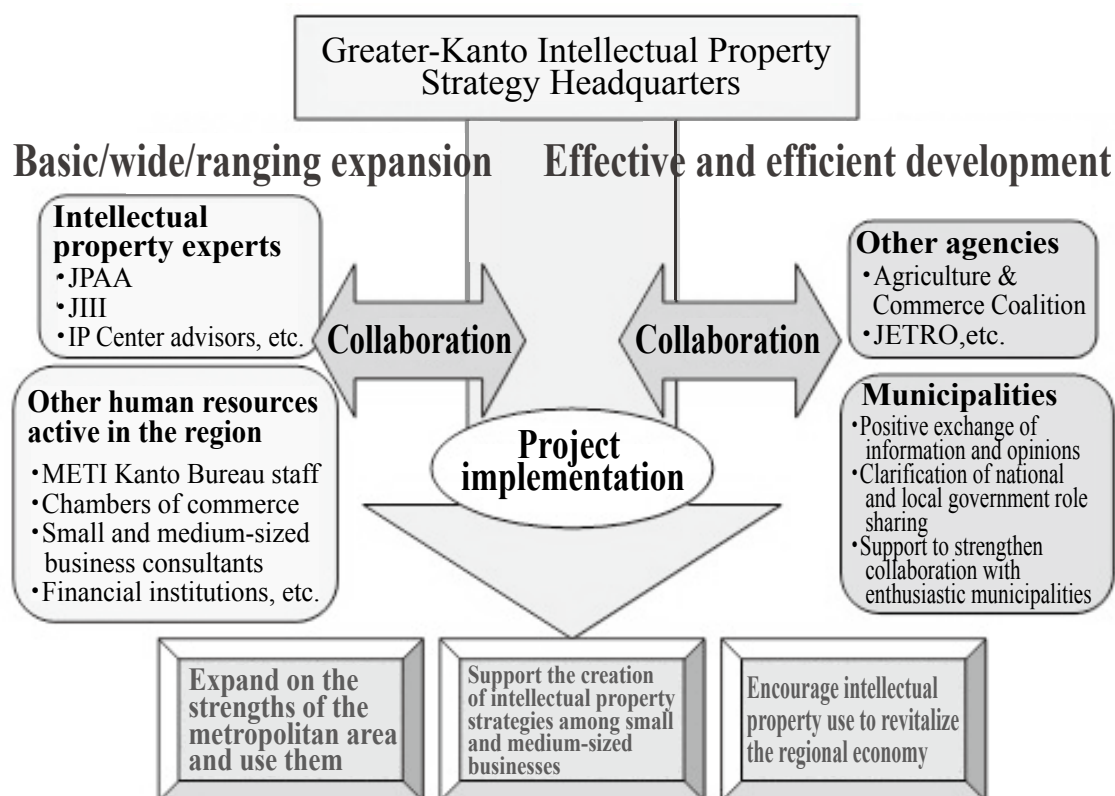
It is planned that the Headquarters will function as a place that shares efforts with municipalities, public support institutions and corporate leaders, and will implement highly effective projects.

The director is the Director-General of the Greater-Kanto METI Bureau, Ichiro Takahara, deputized by the Director of the Bureau's Economic Division, Masataka Yoshizawa; there are eleven other staff including the Director of the Tokyo Metropolitan Government Intellectual

²⁴ Greater-Kanto Intellectual Property Strategy Headquarters website:
<http://www.kanto-chizai.com/>

Property Center, Hiroshi Ikusima. The Headquarters is implementing its projects with basic and wide-ranging expansions and effective, efficient liaising between its various departments.

Fig. 10 Diagram of activities at the Greater-Kanto Intellectual Property Headquarters²⁵



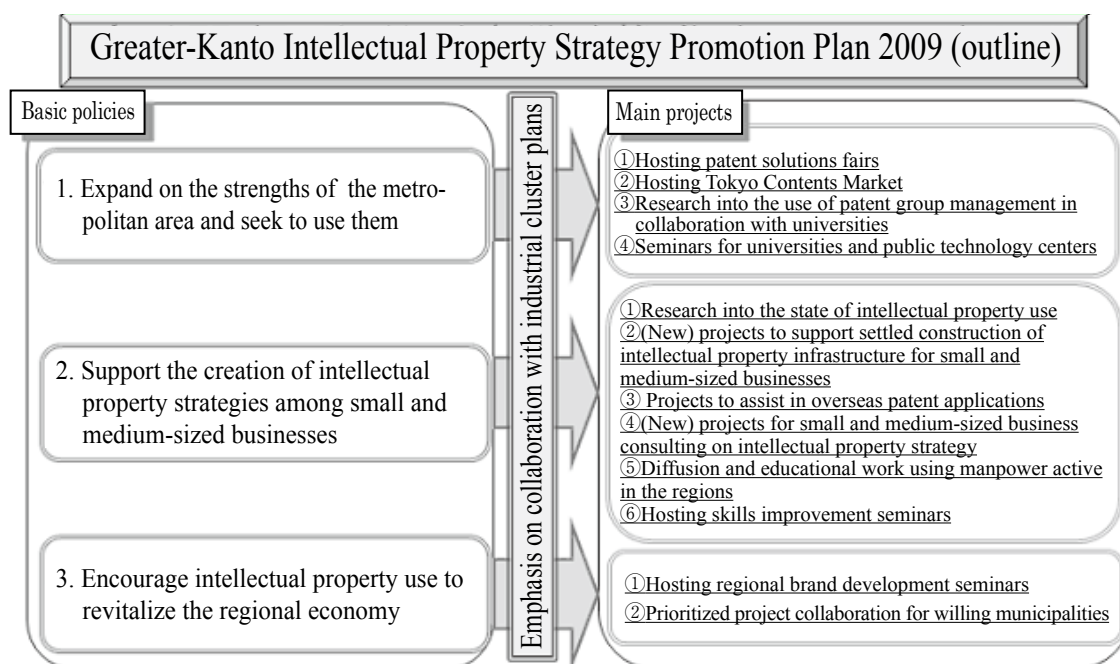
The strategy was announced as the 2009 Greater-Kanto Intellectual Property Strategy Promotion Plan. Its basic policies are detailed below.

1. Extend the strengths of the metropolitan region, and encourage their use
2. Support the creation of intellectual property strategy for small and medium-sized businesses
3. Encourage the use of intellectual property to revitalize the regional economy

Efforts are being made to develop projects while emphasizing collaboration with industrial cluster plans. These are outlined in Fig. 11.

²⁵ Ibid. Ref. 24

Fig. 11 Outline of the 2009 Greater-Kanto Intellectual Property Strategy Promotion Plan²⁶



Section 4: Chubu Intellectual Property Strategy Headquarters²⁷

The Chubu Intellectual Property Strategy Headquarters was established within the Chubu Economy, Trade and Industry Bureau in September 2005, and in March 2006 the Chubu Intellectual Property Strategy Promotion Plan (hereinafter ‘the Promotion Plan’) was formulated. Chubu METI Bureau has only recently developed a variety of measures in line with the Promotion Plan, but following the plan’s third year in 2008, the Bureau formulated a new second stage plan in May 2009.

The two basic policies at its heart are support for small and medium-sized businesses and support in response to globalization. The three basic policies forming the bedrock of activities are support to encourage the special characteristics of industry type and region, support for moves towards ‘soft power’ industries, and the fostering of human resources to take on regional intellectual property strategy.

²⁶ Ibid. Ref. 24

²⁷ Chubu Intellectual Property Strategy Headquarters website: <http://www.chubu-chizai.jp/>

Fig. 12 Basic policy and concrete measures in the 2nd stage of the Chubu Intellectual Property Strategy Promotion Plan²⁸

Chapter 3 Basic policy and concrete measures in the first stage of the promotion plan

Based on the issues that became apparent during the first stage of the promotion plan, and the direction of Chubu's intellectual property strategy with a view to the world economy, the following five points are seen as the basic policy for the next three years.

Two basic policies seen as central

(1) Support for enthusiastic small and medium-sized businesses

- Concentrated support for small and medium-sized businesses keen on management reform
- Implementation of consistent support from project creation to market exploration
- Support for the creation of strategies for the appropriate protection and use of intellectual property's strengths in the creation of new industries, emergence of new fields and technological innovation
- Use of technology possessed by regional universities and research institutions, encouragement for the strengthening of industry-academia collaboration

(2) Support for corporate responses to globalization

- Appropriate collection of information about issues emerging from overseas, and provision and support for businesses
- Promotion of attempts to raise awareness among citizens about counterfeit goods

Three underpinning policies

(3) Support to extend special characteristics of businesses and regions

- Meticulous responses to the circumstances of types and natures of businesses and regions
- Appropriate provision of university/research institution seeds information to suitable business organizations and regional businesses
- Project exhibitions involving industry-academia-government collaboration to make the most of regional strengths
- Efforts to raise public awareness about the importance of intellectual property
- Development of an environment for nurturing a sense of respect towards intellectual property among children and students
- Strengthening the provision of information at regional support contact points

(4) Support towards measures aimed at soft power industries

- In addition to design and brand construction support, measures to assist soft power industries using contents and regional soft resources
- Support for the fostering of manpower involved in design and brand strategies
- Support for the creation of design and brands strategies based on development of projects overseas

(5) Fostering manpower to take charge of regional intellectual property strategy

- Fostering specialist manpower to provide external assistance to businesses, support for securing human resources such as corporate veterans
- Strengthening mutual collaborative activities between institutions and bodies involved in fostering the use of supportive manpower, encouraging exchange and collaboration among human resources
- Securing the human resources to take charge of intellectual property education

Section 5: Kinki Intellectual Property Strategy Headquarters²⁹

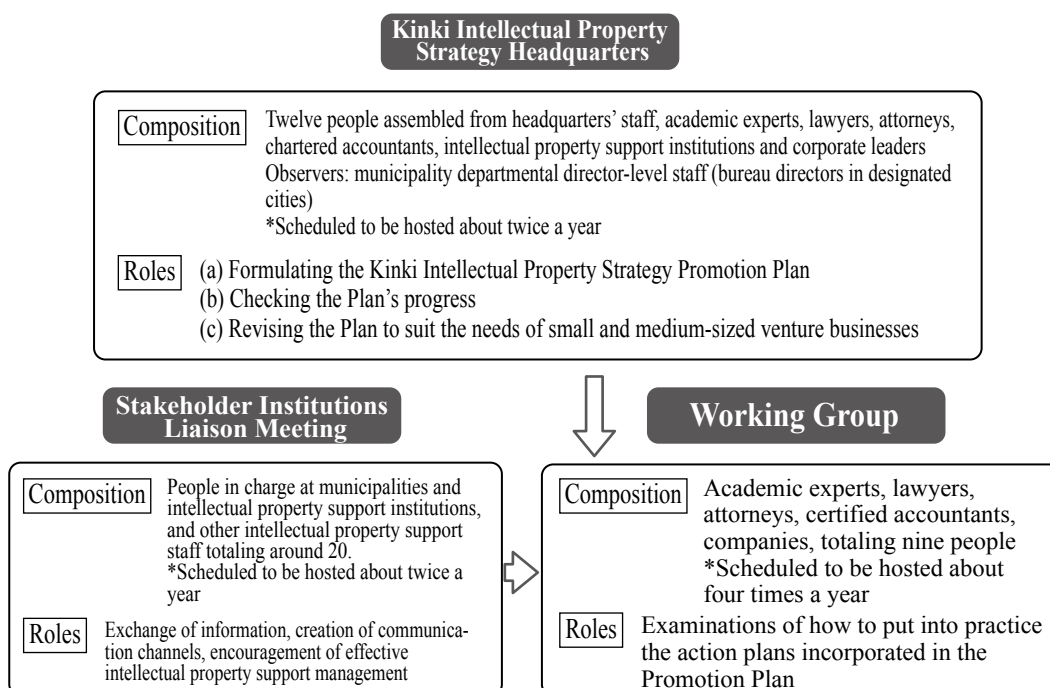
The Kinki Intellectual Property Strategy Headquarters was established, comprised of external experts, in May 2005 to serve as a core promotional organization with the aim of developing along with municipalities and related institutions an environment in which the region's small and medium-sized businesses and ventures would regard intellectual property as a vital management resource, strategically utilized as wellsprings of corporate competitiveness.

The Kinki Intellectual Property Strategy Plan sets out guidelines for concrete projects that the Headquarters deals with according to circumstances surrounding the region and issues that it faces. The Headquarters examines the state of the implementation of the projects at the end of each fiscal year, and revises the promotion plan in the light of the results of these examinations.

²⁸ Ibid. Ref. 27

²⁹ Kinki Intellectual Property Strategy Headquarters website:
<http://www.kansai.meti.go.jp/kip-net/index.html>

Fig. 13 Organizational chart of the Kinki Intellectual Property Strategy Headquarters³⁰



Section 6: Chugoku Intellectual Property Strategy Headquarters³¹

The Chugoku Intellectual Property Strategy Headquarters was established in September 2005, comprised of external experts and other figures. It has now drawn up a guideline for basic measures and concrete policies in its Chugoku Intellectual Property Strategy Promotion Plan, which aims to improve intellectual property awareness in the region, resolve internal disparity, and promote collaboration between bodies involved in intellectual property. In the future, the Headquarters will play a central role in line with the plan, and try to provide forceful responses in order to achieve its goals. The state of progress of the plan will be examined each year, and reviewed where necessary.

The purpose of the Chugoku Intellectual Property Strategy Promotion Plan is to nurture ways of thinking about promoting the strategic use of intellectual property among the region's small and medium-sized businesses and ventures, and to provide concrete responses.

³⁰ Ibid. Ref. 29

³¹ Chugoku Intellectual Property Strategy Headquarters:
<http://www.chugoku.meti.go.jp/chizai/index.html>

- (1) Fostering a positive mentality regarding intellectual property in the region
 - 【Concrete responses】
 - ◇Hosting general diffusion seminars (explanatory meetings about intellectual property rights aimed at beginners)
 - ◇Hosting seminars aimed at reforming the attitudes of corporate leaders
 - ◇Hosting seminars intended to foster a better mentality amongst employees
 - ◇Fostering a positive mentality by collecting intellectual property success stories
- (2) Responses to businesses involved in intellectual property activities
 - 【Concrete responses】
 - ◇Hosting seminars to raise awareness aimed at the people in charge of intellectual property at businesses
 - ◇Hosting skills improvement seminars aimed at corporate R&D staff
 - ◇Holding study groups for financial institutions aimed at providing smooth financing
- (3) Responses to secure manpower to complement corporate intellectual property activities
 - 【Concrete responses】
 - ◇Relaying and unearthing specialist manpower information
 - ◇Hosting training groups aimed at people in charge at supporting institutions
 - ◇Hosting consulting groups on intellectual property rights in cutting-edge fields
- (4) Responses to ensure smooth transfer of intellectual property centering on universities
 - 【Concrete responses】
 - ◇Hosting informal discussion groups aimed at mutual understanding between universities and businesses
 - ◇Hosting study groups aimed at reinforcing the technology transfer setup
 - ◇Implementing research on ideal formats for technology transfer
 - ◇Hosting technology exchange fairs
- (5) Responses to prevent technology leakage and create regional brands
 - 【Concrete responses】
 - ◇Hosting seminars on entering the overseas market
 - ◇Support for establishment of regional brands
 - ◇Hosting seminars to encourage efforts to turn regional brands into intellectual property

Section 7: Shikoku Regional Intellectual Property Strategy Headquarters³²

The Shikoku Regional Intellectual Property Strategy Headquarters is the focal point for intellectual property activities in the Shikoku region, and in conjunction with the Shikoku Techno-bridge plan (an industrial cluster plan) it attempts to develop in a systematic and concentrated manner intellectual property-related measures, measures for small and medium-sized

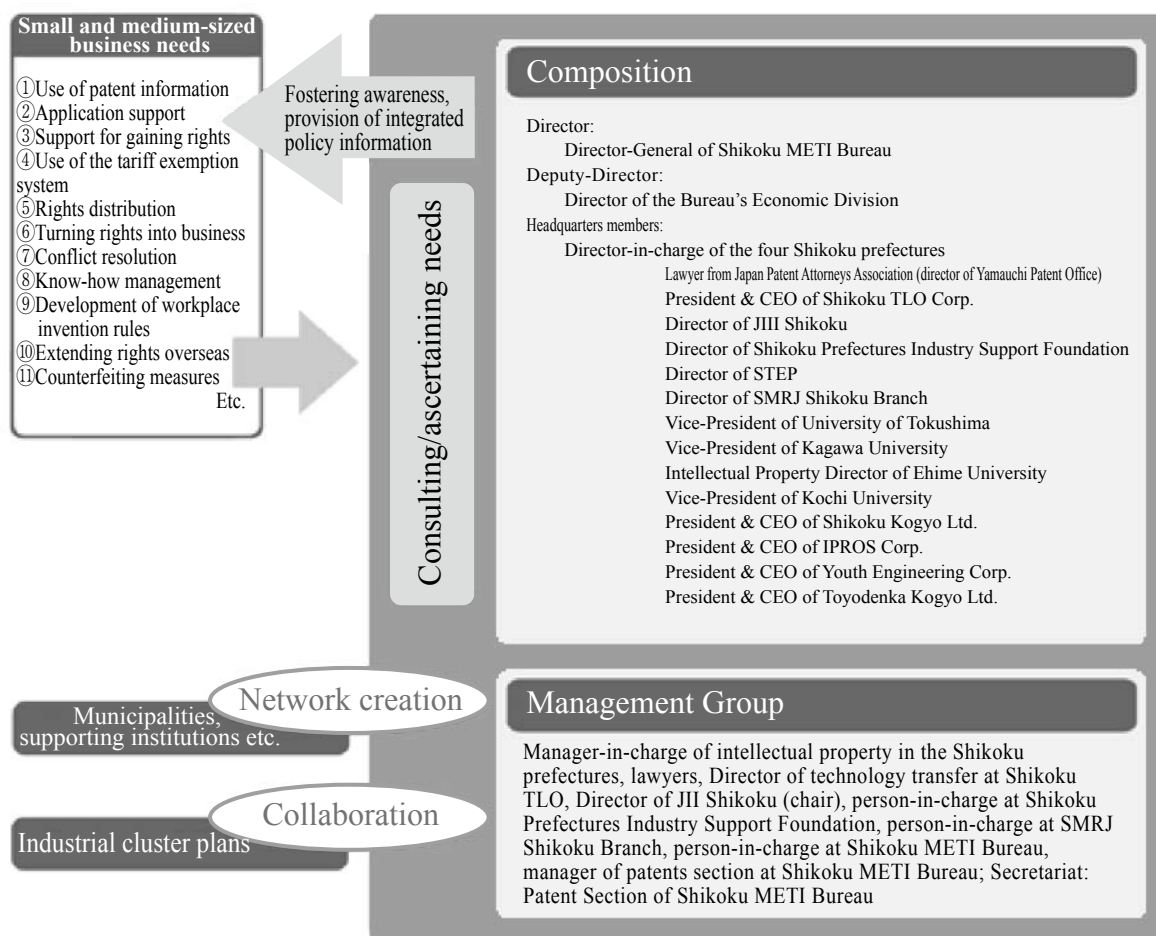
³² Shikoku Regional Intellectual Property Strategy Headquarters website:
http://www.shikoku.meti.go.jp/soshiki/skh_b7/tokkyo/9_info/060531/www/index.html

businesses and measures for technology development. From the perspective of resolving the ‘intellectual property divide,’ and supporting the intellectual property aspects of regional revitalization, the Shikoku Region Intellectual Property Strategy Promotion Development Plan was formulated at the 1st General Meeting of the Shikoku Regional Intellectual Property Strategy Headquarters on June 10, 2005, with the cooperation of municipalities, supporting institutions, businesses, specialists and universities. The plan was subsequently revised on June 17, 2009.

The Shikoku Region Intellectual Property Strategy Promotion Development Plan was formulated with a basic awareness about creating a network for intellectual property in order to promote the use of intellectual property by small and medium-sized businesses in the Shikoku Region. The following summarizes its basic strategy.

1. Cultivation of publicity and awareness education (building a foundation of knowledge creation through awareness education and educational support)
2. Reinforcing the individual consultation setup (promoting creation of intellectual property and protection)
3. Enriching support for intellectual property strategy (intellectual asset use such as encouragement of patent licensing)
4. Collaboration between intellectual property support organizations (sharing of information between industrial, academic and governmental support organizations and the encouragement of collaborations)

Fig. 14 Outline of the Shikoku Regional Intellectual Property Headquarters³³



Section 8: Kyushu Intellectual Property Council³⁴

The strategic use of intellectual property in Kyushu is inadequate compared to places such as Tokyo and Osaka. Moreover, the setup at small and medium-sized businesses and ventures is also of an insufficient nature, making the so-called ‘intellectual property divide’ apparent in Kyushu.

It was against this background that the Kyushu Intellectual Property Council - composed of figures from industry, academia and government - was established and the Kyushu Intellectual Property Strategy Plan was formulated in June 2005 by private sector businesses and universities in the region in order to develop an environment for the use of intellectual property, and to address the intellectual property divide.³⁵

³³ Ibid. Ref 32

³⁴ Kyushu Intellectual Property Council website: <http://www.kyushu.meti.go.jp/chizai/>

³⁵ The intellectual property divide is the disparity between the response setups and utilization environments of large corporations and those of small and medium-sized businesses. The term also refers to regional factors such as the differences in the rate of industrial conglomeration and utilization environments in major urban centers and regions.

Section 9: Okinawa Regional Intellectual Property Strategy Headquarters³⁶

The development of the manufacturing sector came late to Okinawa, and the amount of industrial products it ships is consistently the lowest or among the lowest in Japan.

However, efforts have been made in recent years to enrich research conducted at universities, higher education institutions and public institutions, and in response to this the technical prowess of companies active in the fields of food, bio-products, the environment and telecommunications is improving dramatically.

In order to further heighten the domestic and overseas competitiveness of Okinawan companies in the future, and to revitalize the region, there is a need for much more creativity – for extremely original and high-quality technologies, trademarks and designs – and the promotion of their protection and use.

But since there existed few manufacturing industry conglomerations in Okinawa, no culture of interest in intellectual property systems, and limited economic activity in the prefecture, the fact is that the intellectual property divide in Okinawa was particularly marked due to the region's tepid attitude towards the necessity of intellectual property use.

At this juncture, with the participation of industry, academia and government in Okinawa, in August 2005 the Okinawa Intellectual Property Strategy Headquarters were established in order to redress the intellectual property divide and achieve regional economic growth through the use of intellectual property.

The Okinawa Intellectual Property Strategy Headquarters take charge of the following activities.

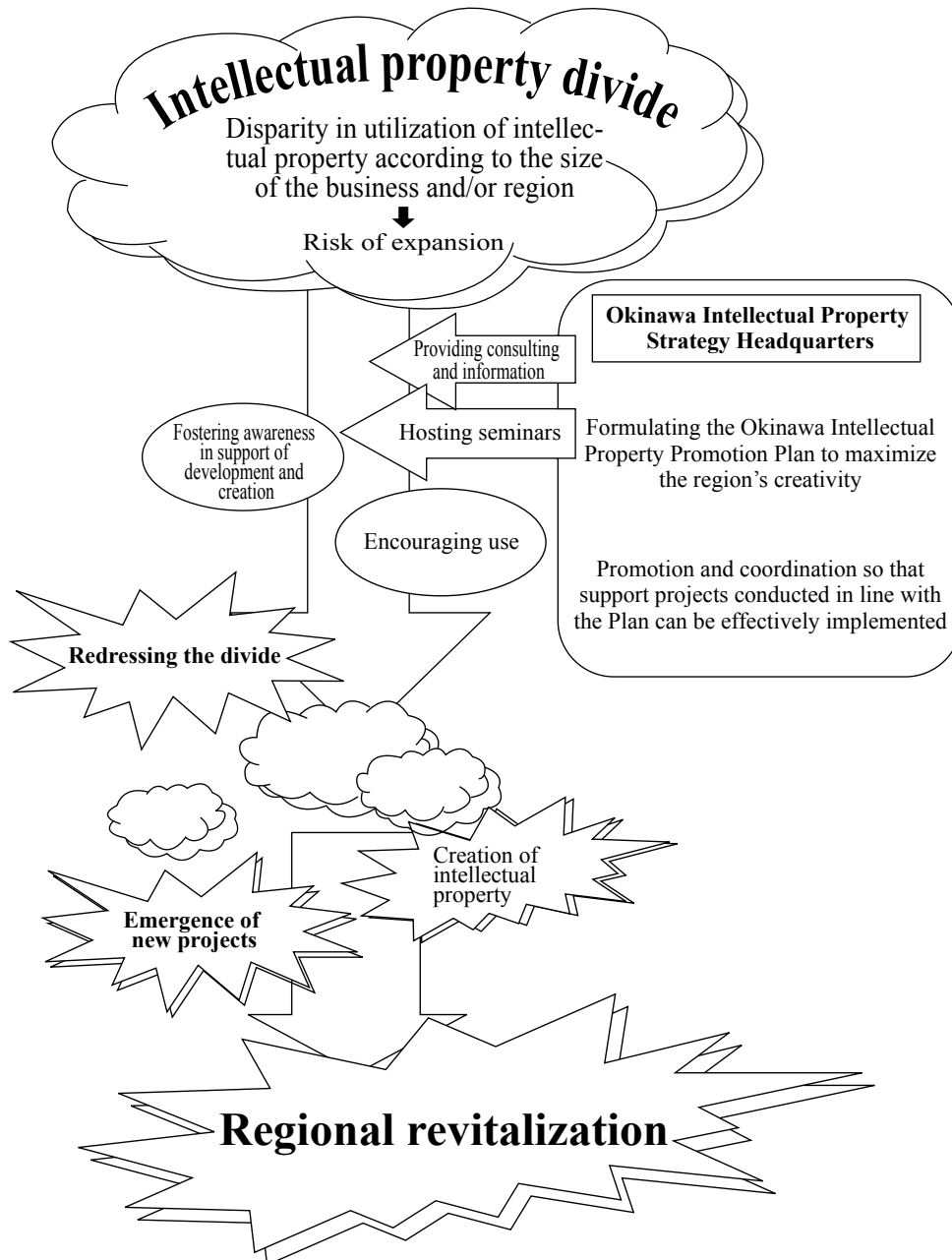
1. Examination of the ideal formats for intellectual strategy property in Okinawa
2. Formulation of the Okinawa Intellectual Property Strategy Promotion Plan, aimed at concrete progress in intellectual property strategy
3. Promotion and coordination in the implementation of the projects identified in the plan

Currently, the meeting of the Okinawa Intellectual Property Strategy Headquarters is held annually. At this meeting, projects for the fiscal year are formulated, the previous year's projects are evaluated, and the promotion plan reviews are examined.

As shown in Fig. 15, the outstanding feature of the intellectual property strategy is its awareness that redressing the intellectual property divide is the first step.

³⁶ Okinawa Regional Intellectual Property Strategy Headquarters website: <http://ogb.go.jp/move/okip/>

Fig. 15 Revitalizing regional economies by redressing the intellectual property divide



Chapter 5: Prefectural intellectual property strategies

Part 1: The regional brand strategy

As we have seen so far, regional intellectual property strategies seek to improve the foundations of the intellectual property cycle – which consists of the creation, protection and use of intellectual property – and takes as its main pillars the development of the contents industry and regional brands that will lead the future, and the fostering of human resources who appreciate intellectual property. However, because the strategies of the central government's Intellectual Property Strategy Headquarters and those of the Regional Intellectual Property Strategy Headquarters for the creation, protection and use of intellectual property, contents, and fostering human resources tend to overlap in many places, we will deal mainly with the intellectual property strategies at the prefectural, city, town and village level regarding regional brand measures.

At the present, while the mass media are paying a great deal of attention to regional brands, measures are already underway in this field in many prefectures. According to research by the Patent Office³⁷ regional brand strategies have already been formulated by 19 of Japan's 47 prefectures (Miyagi Prefecture formulated its policy last year).

In addition to the prefectures, the cities of Sapporo and Kobe have formulated their own regional brand strategies, and measures are underway in the prefectures and government ordinance-designated cities to create regional brands stipulating directions, prioritized areas and support measures. It should be noted, however, that the content of these and the extent to which they are actually being carried out varies greatly from place to place.

Tab. 4, based on Patent Office research, indicates when each regional brand policy was formulated, and the extent to which the intellectual property promotion plans have made progress.

³⁷ March 4, 2008 press release: Regarding research into measures taken by regional public bodies concerning intellectual property:
<http://www.meti.go.jp/press/20080304003/20080304003.html>

Tab. 4 State of intellectual property strategy promotion plans in prefectures and government ordinance-designated cities³⁸

Hokkaido	○	Hokkaido Intellectual Property Promotion Policy	Mie	○	Mie Intellectual Property Strategy Vision	Kumamoto	×	
Aomori	○	Aomori Intellectual Property Creation Cycle Promotion Policy	Fukui	○	Fukui Intellectual Property Use Program	Oita	○	Oita Intellectual Property Revitalization Policy
Iwate	○	Iwate Intellectual Property Strategy	Shiga	○	Shiga Intellectual Property Strategy Plan	Miyazaki	×	
Miyagi	○	Miyagi Intellectual Property Use Promotion Policy	Kyoto	△	Kyoto Small and Medium-sized Businesses Support Ordinance	Kagoshima	○	Kagoshima Intellectual Property Promotion Strategy
Akita	○	Akita Intellectual Property Strategy Stage 2	Osaka	○	Osaka Intellectual Property Strategy Policy	Okinawa	◇	Examinations underway towards implementation in April 2008
Yamagata	△	Yamagata Science & Technology Policy Outline	Hyogo	△	□3rd Stage Hyogo Science & Technology Council (report)□Hyogo Program for Economic & Employment Revitalization	Sapporo	×	
Fukushima	○	Utsukushima Fukushima Intellectual Property Strategy				Sendai	×	
Ibaraki	○	Ibaraki Intellectual Property Strategy	Nara	◇	Formulation scheduled for March 2008	Saitama City	×	
Tochigi	○	Tochigi Intellectual Property Use Promotion Policy	Wakayama	◇	Formulation scheduled for March 2008			
Gunma	○	Gunma Intellectual Property Strategy	Tottori	○	Tottori Intellectual Property Use Plan	Chiba City	×	
Saitama	○	Saitama Intellectual Property Strategy	Shimane	○	Shimane Intellectual Property Strategy	Kawasaki	◇	Formulation scheduled for February 2008
Chiba	○	Chiba Intellectual Property Strategy	Okayama	×		Yokohama	×	
Tokyo	○	Tokyo Strategy for Small and Medium-sized Business Intellectual Property Use	Hiroshima	△	Hiroshima Comprehensive Plan – ‘Challenging Vigor’	Niigata City	×	
	△	Tokyo Industrial Development Guidelines	Yamaguchi	×	Preparations underway for formulation in 2008	Shizuoka City	×	
Kanagawa	○	Kanagawa Intellectual Property Use Promotion Guidelines	Tokushima	○	Tokushima Intellectual Property Strategy Promotion Policy	Hamamatsu	△	Yokohama Creative City Concept
Niigata	○	Niigata Small and Medium-sized Business Intellectual Property Use Project	Kagawa	×	Examination underway with review of Science & Technology Development Vision	Nagoya	△	Nagoya Industrial Revitalization Plan
Yamanashi	○	Yamanashi Intellectual Property Strategy	Ehime	○	Ehime Intellectual Property Strategy	Kyoto City	×	
Nagano	×	Necessity under examination at Prefectural Office	Kochi	◇	Public comments on plan ended on January 17, 2008	Osaka City	○	Osaka City Intellectual Property Use Promotion Plan
Shizuoka	×	Under examination by working group set up at Prefectural Office				Sakai	×	
Toyama	○	Toyama Intellectual Property Strategy	Fukuoka	○	Fukuoka Agricultural Products Intellectual Property Rights Strategy	Kobe	△	Kobe 2010 Vision
Ishikawa	○	Ishikawa Intellectual Property Use Program	Saga	×	At the examination stage	Hiroshima City	×	
Gifu	△	Gifu Industrial Development Vision	Nagasaki	○	Nagasaki Intellectual Property Strategy (Nagasaki Intellectual Property Strategy Action Plan)	Kyushu City	△	Kyushu City Manufacturing Industry Development Plan
Aichi	○	Aichi Intellectual Property Creation Plan				Fukuoka City	×	

○: Intellectual property promotion plan formulated

△: Intellectual property positioned within comprehensive industrial development plan

◇: Formulation scheduled for current year

×: Under examination or undecided

³⁸ Ibid. Ref. 37

Part 2: The state of measures taken by prefectures

Regional brand measures taken by prefectures can be split into four categories according to their status (Tab. 5).

Tab 5. State of regional brand measures taken by prefectures³⁹

			Regional brand strategy	
			Formulated	Undecided
Intellectual property promotion plans	Formulated	Focusing on intellectual property strategy	Type 1 Tokyo, Yamanashi, Toyama, Mie, Shiga, Osaka, Tokushima, Ehime, Oita, Kagoshima	Type 4 Tottori Hokkaido, Aomori, Akita, Fukushima, Gunma, Saitama, Niigata, Ishikawa, Shimane, Kochi, Okinawa
		Intellectual property incorporated as a part of overall industrial development plan	Type 2 Yamagata, Gifu, Kyoto	Iwate, Miyagi, Ibaraki, Tochigi, Chiba, Kanagawa, Aichi, Fukui, Fukuoka, Nagasaki, Hyogo, Hiroshima
	Undecided		Type 3 Nagano, Okayama, Kagawa, Saga, Miyazaki	Shizuoka, Nara, Wakayama, Yamaguchi, Kumamoto

The first category is made up of prefectures that have formulated both an intellectual property promotion plan and a strategy for regional brands. The intellectual property promotion plan specializes in intellectual property strategy, and also formulates strategies for individual regional products. This applies, for example, to Toyama Prefecture. In the case of Toyama, they have formulated the Toyama Intellectual Property Strategy as an intellectual property promotion plan, and in addition to stipulating regional brands they have also formulated the Toyama-type Regional Brand Action Plan as a regional brand strategy. Other prefectures in this category are Yamanashi and Mie.

The second category includes prefectures that have independently formulated intellectual property promotion plans and regional brand strategies. Unlike prefectures from the first category that specialize in intellectual property strategy, regional brand strategy is formulated separately from intellectual property promotion plans incorporated into comprehensive industrial development plans. For example, it's the Yamagata Science & Technology Policy Outline is located within Yamagata Prefecture's intellectual property strategy promotion plan, and since the prefecture has decided to specialize in science and technology, it has also formulated a separate regional brand strategy called the 'Delicious New Yamagata Promotion Plan.' Gifu and Kyoto can also be included in this category.

The third category includes prefectures that have developed regional brand strategies but not intellectual property promotion plans. These include Nagano, with its Shinshu Brand Strategy, and Okayama with its Sightseeing Okayama Brand Strategy.

Finally, the fourth category includes prefectures such as Hokkaido that have formulated regional brand strategies within their intellectual property promotion plans. Their intellectual

³⁹ Adapted from *Results of Research into the Policies of Regional Public Organizations in the Field of Intellectual Property* by the METI Patent Office, and *Intellectual Strategy Creation by Regional Public Organizations* by the Secretariat of Intellectual Property Strategy Headquarters in the Cabinet Secretariat.

property promotion plans specialize in intellectual property strategy, and regional brand strategy is formulated therein. In addition to Hokkaido, Miyagi and Fukushima also fall into this category.

Tab. 6 State of regional brand formulation in prefectures⁴⁰

Prefecture	State of regional brand strategy formulation	State of intellectual property promotion plan formulation (for reference)
Hokkaido	×	○ Hokkaido Intellectual Property Strategy Promotion Measures (Jun. 2004)
Aomori	×	○ Aomori Intellectual Property Creation Cycle Measures (Mar. 2004)
Iwate	×	○ Iwate Intellectual Property Strategy Plan (Mar. 2007)
Miyagi	△	○ Miyagi Intellectual Strategy Utilization Promotion Plan (Mar. 2006)
Akita	×	○ Akita Intellectual Property Strategy Plan (Mar. 2004)
Yamagata	○ Delicious New Yamagata Promotion Plan (Jun. 2006) Yamagata Selection Brand Strategy (Mar. 2006)	△ Yamagata Science & Technology Policy Outline (Mar. 2006)
Fukushima	×	○ Utsukushima Fukushima Intellectual Property Strategy (Mar. 2005)
Ibaraki	×	○ Ibaraki Intellectual Property Strategy (Mar. 2005)
Tochigi	×	○ Tochigi Intellectual Property Utilization Promotion Measures (Mar. 2005) Tochigi Intellectual Property Strategy (Dec. 2006)
Gunma	×	○ Gunma Intellectual Property Strategy (Mar. 2005)
Saitama	×	○ Saitama Intellectual Property Strategy (Mar. 2005)
Chiba	×	○ Chiba Intellectual Property Strategy (Mar. 2005)
Tokyo	○ Tokyo Industrial Development Basic Strategy (Mar. 2007)	○ Tokyo Strategy for Utilization of Intellectual Property by Small and Medium-sized Businesses (Aug. 2003) △ Tokyo Industrial Development Guidelines
Kanagawa	×	○ Kanagawa Intellectual Property Use Promotion Guidelines (Jul. 2006)
Niigata	×	○ Niigata Small and Medium-sized Business Intellectual Property Use Project
Yamanashi	○ Yamanashi Brand Strategy (Nov. 2007)	○ Yamanashi Intellectual Property Strategy (Feb. 2006)
Nagano	○ Shinshu Brand Strategy (Sep. 2005)	× Necessity under examination by working group set up at Prefectural Office
Shizuoka	×	× Under examination by working group set up at Prefectural Office
Toyama	○ Toyama-type Regional Brand Action Plan (Jun. 2007)	○ Toyama Intellectual Property Strategy (Sep. 2007)
Ishikawa	×	○ Ishikawa Intellectual Property Use Program (Jan. 2006)
Gifu	○ Gifu Brand Strategy (Mar. 2007)	△ Gifu Industrial Development Vision
Aichi	×	○ Aichi Intellectual Property Creation Plan Revised Feb. 2008)
Mie	○ Mie Brand (Mar. 2003)	○ Mie Intellectual Property Strategy Vision (Mar. 2006)
Fukui	×	○ Fukui Intellectual Property Use Program (Mar. 2005)
Shiga	○ Shiga Industry Development Policy (Mar. 2003)	○ Shiga Intellectual Property Strategy Plan (Mar. 2006)
Kyoto	○ 2nd Kyoto Brand Vegetable Increase Strategy Plan (Dec. 2002)	△ Kyoto Small and Medium-sized Businesses Support Ordinance
Osaka	○ Osaka Brand Strategy	○ Osaka Intellectual Property Strategy Policy (Feb. 2004)
Hyogo	×	△ ① 3rd Stage Hyogo Science & Technology Council (report) ② Hyogo Program for Economic & Employment Revitalization
Nara	×	◇ Undecided as of Mar. 2008
Wakayama	×	◇ Undecided as of Mar. 2008
Tottori	○ Tottori Intellectual Property Use Plan (Mar. 2006)	○ Tottori Intellectual Property Use Plan (Mar. 2006) *Basic Ordinance Concerning the Creation of Intellectual Property in Tottori (Apr. 2006)
Shimane	×	○ Shimane Intellectual Property Strategy (Mar. 2003)
Okayama	○ Sightseeing Okayama Brand Strategy	×
Hiroshima	×	△ Hiroshima Comprehensive Plan – ‘Challenging Vigor
Yamaguchi	×	× Preparations underway for formulation in 2008
Tokushima	○ Tokushima Brand Advancement Strategy (Aug. 2007)	○ Tokushima Intellectual Property Strategy Promotion Policy (Dec. 2006)
Kagawa	○ Kagawa Agriculture & Farming Village Basic Plan (Jul. 2005)	× Examination underway with review of Science & Technology Development Vision
Ehime	○ Ehime Basic Strategy Policy for Agricultural, Forestry and Fisheries Brands (Jun. 2006)	○ Ehime Intellectual Property Strategy (May 2007)
Kochi	×	○ Kochi Intellectual Property Strategy (Mar. 2008)
Fukuoka	×	○ Fukuoka Agricultural Products Intellectual Property Rights Strategy (Mar. 2003)
Saga	○ Comprehensive Marketing Strategy	× At examination stage
Nagasaki	×	○ Nagasaki Intellectual Property Strategy (Mar. 2005)
Kumamoto	×	×
Oita	○ Oita Rural Revitalization Plan 2006 (Dec. 2005)	○ Oita Intellectual Property Revitalization Policy (Feb. 2006)
Miyazaki	○ Miyazaki Brand Establishment Strategy Concept (1994)	×
Kagoshima	○ Movement to establish a Kagoshima Brand (1989) Establishment of the Kagoshima Fish brand.	○ Kagoshima Intellectual Property Promotion Strategy (Mar. 2007)
Okinawa	×	○ Okinawa Region Intellectual Property Promotion Plan (Mar. 2006) (PDF)

○ : Regional brand strategy formulated △ : Scheduled for FY 2008 × : Undecided
 ○ : Intellectual property promotion plan formulated
 △ : Intellectual property positioned within comprehensive industrial development plan
 ◇ : Formulation scheduled for current year × : Under examination or undecided

⁴⁰ Ibid. Ref. 39

Here we have compiled a list showing the state of regional brand strategy formulation in the prefectures using the METI Patent Office's new release entitled *Results of Research into the Policies of Regional Public Organizations in the Field of Intellectual Property*, but according to websites, case study research documents, and other information published by various municipalities it is clear that they are involved in other measures regarding regional brand strategy.

For example, Fukui Prefecture has been implementing measures aimed at dealing with regional brand strategy since FY 2004. The prefecture has created the Fukui Brand⁴¹, which encompasses the entire prefecture and serves as a multilayered cross-prefectural brand image consolidated each of the regional brands. Many other examples could be cited in other prefectures, including Hokkaido's New Hokkaido Brand Creation Project⁴², Shimane's Shimane Brand⁴³, Kagawa's Kagawa Brand Strategy Promotion Project⁴⁴, and Nagasaki's Brand Nagasaki Comprehensive Produce Project⁴⁵.

So, even where regional brand strategy formulation is incomplete, there are cases of measures already being taken towards branding. As such, the regional brand policies that we have mentioned do not represent the whole.

Part 3: Sorting out the current state of measures

To find out more about the regional brand strategy policies underway, we investigated literature available on the regional brand strategies of 14 prefectures, and sorted through the municipalities' regional brand-related policies from the perspective of brand creation.

As far as the main subjects for branding in the prefectures are concerned, all of the prefectures studied are taking measures to promote the sales of their products (individual brand creation). In particular, primary products such as agricultural and fisheries products are the subject of branding in all prefectures. The prefectures of Nagano and Gifu are carrying out policies aimed at tourism and exchanges. Nagano, Toyama and Oita are undertaking policies targeting manpower and the settlement of people in the region. Basically, they are trying to increase satisfaction among local residents by making the region appear more attractive.

Furthermore, while brand creation targeting local produce has been underway for quite some time, the introduction of regional brands encompassing the entire region is a recent trend. The prefectures of Yamagata, Yamanashi, Nagano, Toyama, Gifu, Ehime, Oita and Kagoshima are pursuing such policies. By turning the image of an entire region into a brand, they are seeking to obtain a synergetic effect from both the regional image and individual brand policies. Furthermore,

⁴¹ Fukui Brand website: <http://info.pref.fukui.jp/seiki/index.php>

⁴² New Hokkaido Brand Creation Project website: <http://www.pref.hokkaido.lg.jp/kz/skk/marke/brand.htm>

⁴³ Shimane Brand website: <http://www1.pref.shimane.lg.jp/contents/kokusai/kokusai-e/index.html>

⁴⁴ Kagawa Brand Strategy Promotion Project website: <http://www.pref.kagawa.jp/kanko/brand/>

⁴⁵ Brand Nagasaki Comprehensive Produce Project website: http://www.n-nourin.jp/ah/agrilink/hukyu/simabara/201_shinkou/shokuhinryutu/H18/bland-nagasaki-produce.html

with regard to intellectual property, the prefectures of Toyama, Kyoto, Tottori and Ehime are seeking to implement policies supporting the acquisition of regional collective trademarks.

Tab. 7 Main targets of regional brand strategy

Prefecture	Regional brand strategy	Branding targets						Intellectual property-related
		Local produce sales expansion		Sightseeing/exchange	Industrial development	Manpower/habitation	Whole region	Regional Collective Trademark support
		Agricultural products	Industrial products					
Yamagata	Delicious New Yamagata Promotion Plan Yamagata Selection Brand Strategy	○	○				○	
Tokyo	Tokyo Industrial Development Basic Strategy	○	○		○			
Yamanashi	Yamanashi Brand Strategy	○					○	
Nagano	Shinshu Brand Strategy	○	○	○		○	○	
Toyama	Toyama-type Regional Brand Action Plan	○	○			○	○	Project supporting publicity for regional organization brands Financial assistance for regional organizations applying for patents
Gifu	Gifu Brand Strategy	○	○	○			○	
Shiga	Shiga Industry Development Policy				○			
Kyoto	2nd Kyoto Brand Vegetable Increase Strategy Plan	○						Project to promote the strengthening of trademarks for Kyoto brands Supports registration of local trademarks and the efforts of the Kyoto Brand Trademark Promotion Association (support for applications, and registered trademark PR)
Tottori	Tottori Intellectual Property Use Plan	○			○			Project to support the discovery of intellectual property and ventures Provides assistance with research and applications costs and the opening up of sales channels for organizations (meeting the Regional Collective Trademark registration requirements) wishing to acquire regional brand status
Tokushima	Tokushima Brand Advancement Strategy	○						
Kagawa	Kagawa Agriculture & Farming Village Basic Plan	○						
Ehime	Ehime Basic Strategy Policy for Agricultural, Forestry and Fisheries Brands, Ehime Intellectual Property Strategy	○					○	Project to support the fostering of local industry regional brands Provides assistance with funds for acquiring Regional Collective Trademarks and opening up sales channels
Oita	Oita Rural Revitalization Plan 2005	○			○	○	○	
Kagoshima	Movement to establish a Kagoshima Brand Accreditation of the Kagoshima Fish brand	○					○	

Part 4: Measures towards regional brands

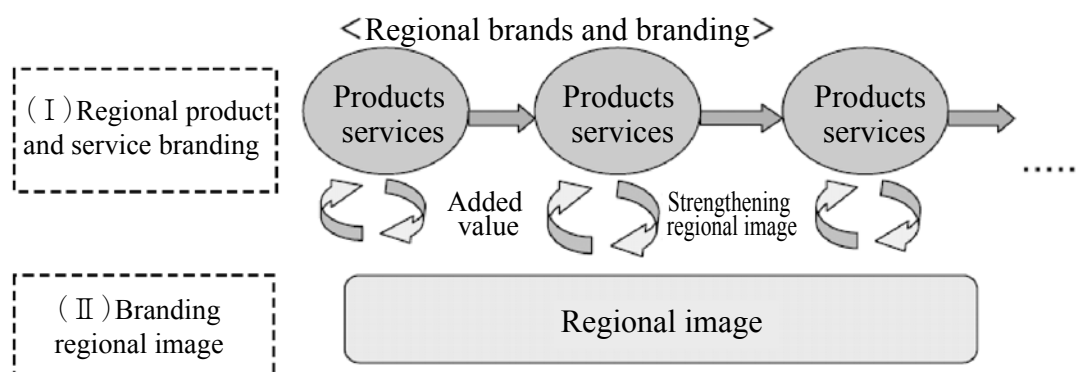
Now let's take a look at exactly what these regional brands are. Regional brands are “Measures that seek to connect regional economic revitalization by making brands out of regional produce and services,” and in concrete terms, “A series of measures that, while tying in regional images (nature, history, tradition and culture, etc.), give birth to differentiated values by tackling the creation of high added value as well as the development of products and services and, by gaining wide recognition for these values, improve the image of the region still further.”⁴⁶

When the phrase ‘regional brands’ is mentioned, people generally think of goods that are locally produced, sourced or caught and then branded as agricultural, forestry and fisheries products with a local name. Originally, most of these items were suited to the local environment and seen highly by the market as items of excellent quality. Thus, they have been transformed into brands as a matter of course, or over a long period of time. However, there is now a growing school of

⁴⁶ Defined by the Industrial Structure Council, Intellectual Property Committee as “the protection of regional brands through Trademark law”

thought that sees products manufactured as a result of research (the Echizen Japanese paper in Fukui being one such example) as being regional brands.

Fig. 16 Regional brands and the creation of regional brands⁴⁷



Part 5: The situation surrounding regional brands

Tab. 8 shows the top 20 places in the ‘attractiveness rankings’ of cities, towns, villages and prefectures according to the results of Regional Brand Research 2009, conducted by the Brand Research Institute Incorporated⁴⁸. The Regional Brand Research has been conducted since 2006, and the 2009 research covered 1,000 areas in Japan: 783 cities, Tokyo’s 23 wards and 194 towns and villages with a deep interest in regional brands. It was conducted in a survey format by which around 30,000 people from across the nation responded over the Internet. The multilateral research consisted of 63 questions about attractiveness, level of recognition, degree of exposure to information, the image of localities (13 questions on historic and cultural towns, etc.), degree of exposure according to type of information (14 questions on travel programs, etc.), how much people wished to visit or live in places or buy their produce, and evaluations of local resources (15 questions on the townscape and attractive buildings). This research also shows that by understanding the position of the regions, trends in regional brands and regional fans, there has been increasing interest regarding regional growth and the production and use of brands unique to their point of origin.

The government too is implementing positive support for the unearthing and fostering of regional brands. The JAPAN Brand Fostering and Support Project founded by METI’s Small and Medium Enterprise Agency seeks to uncover internationally competitive regional brands; it coordinates local industries that put regional characteristics to use, and aims to assist the development of products with brand power while opening up new markets. It adopted 31 projects

⁴⁷ The definition of the Intellectual Property Policy Committee of the Industrial Structure Council in its *Regarding Ideal Formats for Protection in Regional Brand Trademark Law*, February 2005

⁴⁸ Brand Research Institute Inc. was established in November 2005 as a specialized company providing research and consulting in the fields of regional and corporate brands.

in FY 2004, 30 in FY 2005, another 30 in FY 2006 (67 including ongoing projects), and 31 in FY 2007 (69 including ongoing projects). Accredited projects receive subsidies of up to 20 million yen. Nationwide efforts are being steadily promoted in order to support regional branding.

Attractiveness rankings

Position	Prefecture	Attractiveness score	Position	Prefecture	Attractiveness score
1	Hokkaido	68.9	26	Kochi	13.1
2	Kyoto	54.6	27	Hiroshima	12.9
3	Okinawa	53.3	28	Toyama	12.6
4	Tokyo	44.9	29	Iwate	12.5
5	Nara	35.8	30	Okayama	12.4
6	Kanagawa	32.5	31	Kagawa	12
7	Osaka	32.1	31	Gifu	12
8	Hyogo	25.3	31	Yamanashi	12
9	Fukuoka	24.9	34	Mie	11.4
10	Nagasaki	24.4	35	Fukui	10.7
11	Nagano	23.6	36	Shimane	10.5
12	Shizuoka	22.7	37	Ehime	10.3
13	Miyazaki	21.4	38	Fukushima	9.7
14	Chiba	18.8	39	Yamaguchi	9.5
15	Aomori	17.9	40	Tochigi	9.1
16	Miyagi	17.5	41	Tokushima	9
17	Ishikawa	17.4	42	Shiga	8.7
18	Kagoshima	17	43	Saitama	8.1
19	Aichi	16.4	44	Tottori	7.7
20	Akita	15.6	45	Gunma	7.4
21	Niigata	15.5	46	Saga	7
22	Kumamoto	14.6	47	Ibaraki	6.6
23	Wakayama	13.9			
24	Yamagata	13.7			
25	Oita	13.3			

⁴⁹ Brand Research Institute Inc: http://www.tiiki.jp/corp_new/pressrelease/2009/20090910.html

Tab. 9 Regional Brand Research 2009 Attractiveness Rankings⁵⁰

Top 5 prefectures in main evaluation categories

	1st	2nd	3rd	4th	5th
Degree of recognition	Tokyo	Hokkaido	Kyoto	Osaka	Nara
Attractiveness	Hokkaido	Kyoto	Okinawa	Tokyo	Nara
Extent to which information was encountered	Tokyo	Hokkaido	Osaka	Kyoto	Miyazaki
Willingness to live in the prefecture	Kyoto	Tokyo	Okinawa	Hokkaido	Kanagawa
Willingness to visit for tourism	Hokkaido	Okinawa	Kyoto	Tokyo	Nara
Visiting rate	Tokyo	Osaka	Kyoto	Kanagawa	Chiba
Willingness to buy products (food)	Hokkaido	Okinawa	Kyoto	Miyazaki	Aomori
Willingness to buy products (other than food)	Hokkaido	Kyoto	Ishikawa	Okinawa	Iwate

Part 6: The current state of regional collective trademarks

The Regional Collective Trademark System is a system that was introduced when partial amendments to the Trademark Law came into force in April 2006, after the importance of regional brand protection was voiced in the 2004 Intellectual Property Promotion Plan, announced by the government in May 2004.

From a perspective of revitalizing regional industry and developing the regions, region branding efforts are extremely varied, with agricultural, forestry and fisheries products and food maximizing the natural conditions of their place of origin, traditional crafts steeped in local history, services provided in the region that have a certain special flavor and so on. Through the use by multiple enterprises of a common brand name bearing the name of the region, there is a flourishing movement trying to differentiate products and services from those found elsewhere and heighten their added value.

In order for regional brands to obtain trademark rights the hitherto trademark systems required them, among other conditions, to be nationally recognized, and the protection offered by trademark legislation was somewhat limited. It has been pointed out that this has meant that some of the regional brands in the development stage have suffered damage due to the use of products or services offered by third parties outside the region or inferior products and services bearing the same brand name, and the legislation has not always lived up to the hopes of the stakeholders.

By mitigating the criteria for the acquisition of trademarks for regional brands, and letting organizations such as enterprise or agricultural collectives use trademarks, the Collective Trademark System enables the early acquisition of collective trademarks at the stage when a

⁵⁰ Ibid. Ref. 49

certain level of recognition for a product has been obtained (in neighboring prefectures for example, rather than nationwide).⁵¹

In principle these are trademarks limited to a wording consisting of a combination of the place of origin and the product or service, and are applicable to the specialty products and agricultural produce of that region. Matsuzaka beef, Seki scad and Seki mackerel are a few such examples.

Part 7: The state of collective trademark registrations

When applications for trademarks started in April 2006, there was a flood of applications for agricultural, forestry and fisheries products from regional agriculture and fishery cooperatives, and for traditional crafts from local industry and commercial collectives. In Tab. 10 the number of collective trademarks registered according to *Regional Collective Trademarks 2008* is shown by prefecture. Many regions applied, with 50 applications from Kyoto, 25 from Ishikawa and 23 from Hyogo at the head of the list.

Tab. 10 Number of collective trademark registrations by prefecture⁵²

Hokkaido	11	Tokyo	14	Shiga	6	Kagawa	1
Aomori	3	Kanagawa	7	Kyoto	50	Ehime	7
Iwate	5	Niigata	8	Osaka	8	Kochi	4
Miyagi	4	Yamanashi	2	Hyogo	23	Fukuoka	8
Akita	4	Nagano	5	Nara	8	Saga	5
Yamagata	6	Shizuoka	12	Wakayama	10	Nagasaki	3
Fukushima	3	Toyama	5	Tottori	3	Kumamoto	7
Ibaraki	2	Ishikawa	25	Shimane	2	Oita	7
Tochigi	2	Gifu	19	Okayama	2	Miyazaki	4
Gunma	7	Aichi	7	Hiroshima	9	Kagoshima	9
Saitama	3	Mie	8	Yamaguchi	4	Okinawa	9
Chiba	6	Fukui	10	Tokushima	4	Overseas	2

It is thought that there are four reasons why the acquisition of collective trademarks is sought.

The first is to protect producers from ‘copycat’ counterfeit goods originating in other regions, in Japan or overseas. Consumers are becoming sensitive about points of origin following a string of incidents that threatened food safety. In order to prevent the proliferation of counterfeit goods from other regions and countries, the registration of collective trademarks can be expected to stem

⁵¹ From METI Patent Office’s Regional Collective Trademarks 2008

⁵² Adapted from Regional Collective Trademarks 2008- Let’s Foster and Spread Regional Brands METI Patent Office document published on June 13, 2008

their production and distribution, thereby protecting consumers and industries in varying regions.

The second reason for acquisition is that it provides an opportunity for creating management rules for collective trademarks and ties up with quality improvements. More than just a few registered products are surrounded by vague definitions and rules. In addition to preventing reputational damage due to the improper use of a trademark on shoddy goods or products produced elsewhere, acquiring trademarks helps to define and make rules concerning raw materials, places of production, manufacturing processes, and quality and management methods, which in turn leads to improved quality.

The third reason is the encouraging effect acquisition has upon measures concerning regional brands. Creating unique specialty goods and services based on a region's attractive nature, history, culture, traditional skills, food, and local produce represents an opportunity for regional revitalization.

The fourth reason for acquisition is that it leads to the reinforcement of regional and industrial organization systems. Acquisition requires a combined application by the region's industrial groups, and only the affiliate members of these organizations are allowed to use the trademark once it has been acquired. It is expected that this will have the effect of boosting the solidarity and organizational prowess of the collectives.

Part 8: Regional brand accreditation systems

The branding of regional products – not comprehensive regional brand strategies pursued by prefectures aiming at region-wide image building – has been underway for quite some time, and nearly all of the prefectures have established their own regional brand accreditation systems or similar setups.

The introduction of individual quality criteria or accreditation systems is vital in order to guarantee the value of regional brands. Tab.11 shows the regional brand accreditation systems implemented at the prefectural level by subject, as they appear on the website of the Secretariat of Intellectual Property Strategy Headquarters in the Cabinet Secretariat (as of March 2008). Such systems are under implementation in all prefectures except for Wakayama, Kochi and Kumamoto. Their total is 112.

Among regional produce, many prefectures particularly target primary goods such as agricultural and fisheries produce. Some of the municipalities also accredit the primary goods of processed items and traditional crafts. Elsewhere, some of the accreditation systems also cover industrial goods, manufacturers and facilities.

Tab. 11 Subjects covered by the regional brand accreditation systems

Subject		No. of accreditations	Examples
Agricultural/livestock & fishery produce	Agricultural	34	Akita Brand Accreditation System (Akita), Shinshu Traditional Vegetables Accreditation System (Nagano), Naniwa Traditional Vegetables Accreditation System (Osaka) , etc.
	Fishery	16	Genkai Fisheries Brand Selected Projects (Saga), Kagoshima Fish (Kagoshima) , etc.
	Livestock	8	Hida Beef Accreditation System (Gifu), Gifu Prefecture Poultry Accreditation System (Gifu), Product Brand Accreditation System (Miyazaki) , etc.
Crafts		21	Designation of Miyagi Traditional Crafts (Miyagi), Kanagawa's 100 Famous Products (Kanagawa), Fukui Hometown Crafts Accreditation System (Fukui) , etc.
Processed		39	Nagano Place of Origin Designation System (Nagano), Kyo-Brand Produce Accreditation System (Kyoto), Saga Place of Origin Designation System (Saga) , etc.
Other products		27	Yamagata Selection (Yamagata), Good Design Gunma Selected Produce (Gunma), Ishikawa Excellent New Product Accreditation System (Ishikawa) , etc.
Facilities/enterprises		10	Accredited Projects Using Fukui-made Buckwheat (Fukui), Pharma Valley Center spa (Shizuoka, Mie Brand (Mie) etc.

NB: There may be overlapping as some of the accreditation subjects extend across several categories

In France, the government operates the appellation d'origine controlee (AOC) system, but in Japan some of the municipalities themselves create systems to designate places of production and lead the branding of products. For example, Nagano Prefecture has been implementing its Shinshu Produce Marketing Strategy Promotion Plan since FY 2001, and has established the Nagano Place of Origin Designation System. Under this system, differentiations are made concerning raw materials and cultivation processes for agricultural products, rearing methods and taste, and an accreditation logo is conferred to the accredited products. This started with wine and sake and has expanded to include rice and shochu. Saga Prefecture has also established a Place of Origin Designation System.⁵³

⁵³ From *26 Attempts in Regional Branding* by Ryuhei Yasuda and Toshiaki Itagaki, Doyukan, 2007

Fig. 17 Various regional brand accreditation logos

Agricultural, forestry and fisheries produce



Crafts



Others



These quality criteria and accreditation logos often stipulate relevance to local characteristics, and they serve as an important element in creating regional brands by their role in accrediting and publicizing high-quality goods in compliance with certain criteria.

Part 9: Projects to foster regional brands

In order to improve the allure of products that use regional characteristics and establish a high degree of brand power, projects to foster brands in the prefectures are also underway in tandem with regional brand accreditation systems.

According to information about prefectural brand accreditation systems, as available on the website of the Secretariat of Intellectual Property Strategy Headquarters in the Cabinet Secretariat

(as of March 2008), there are 150 projects to foster regional brands underway in all of Japan's prefectures with the exception of Wakayama, Shimane and Hiroshima.

The projects vary greatly, but many feature events, publicity and advertizing aimed at raising awareness of the prefectures' regional products and promoting the expansion of sales avenues.

Conclusion

Intellectual property strategies are being considered in order that we may better respond to the growth of a knowledge society while strengthening international competitiveness. The Japanese government and municipalities have both awakened to the fact that it is vital to use regional, historical and other cultural resources. Japan has intellectual property strategy that has been made national policy, and intellectual property strategies led by municipalities.

As can be seen from the debates at the Intellectual Property Strategy Council, national intellectual property strategy has started to look seriously at the Japan Brand, regional brands and the transmission of contents. Great hope has been invested in the future of the Japan Brand Strategy, formulated in March 2009.

In the midst of attention garnered by regional brands, efforts to formulate intellectual property strategies are already underway in prefectures at municipal level. Since regional brands bear profound relationships to the current state of each region and produce therein, policies are all developed as original to each prefecture and suited to specific conditions, rather than by a 'one-size-fits-all' measure. There is a great deal of variety in the presence or absence of formulation, lengths of terms, levels, and targets for branding. This report has, from the perspective of the state of measures taken within the prefectures, identified four types of prefectures by examining the relationships between the state of regional brand strategy and intellectual property strategy promotion plans.

In recent years, METI bureaus have brought together government and regional strategy. A total of nine regional intellectual strategy headquarters have been established, but their setup and goals differ, no doubt according to the particular circumstances of the regions in which they are located.

This report has also examined, with relation to intellectual property strategy, the regional brand accreditation systems established hitherto by the prefectures. We have shown that autonomous systems exist in nearly all of the prefectures, most of them dealing with agricultural and processed goods. However, we also discovered that a wide range of accreditation systems are being established covering other subjects, ranging from well designed products to facilities and enterprises.

While it is expected that the day that intellectual property strategies become firmly rooted in Japan still lies some time in the future, the variety of success stories clearly show that it is an area with great potential. We have learnt that the creation of industries using regional resources is one of the keys to solving the question of regional development policy, an issue that has been debated since Japan was opened to the outside world in the 19th century. Nowadays, even greater hopes are pinned on regional intellectual property strategy.

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