

Creating IP Vision for the World

In November 2019, a novel coronavirus (COVID-19) was detected in Wuhan City within China's Hubei Province and immediately spread throughout the world. Since then, the virus has mutated into highly contagious variants, and there is no end in sight for the pandemic. This virus has threatened people's safety and security and greatly affected economic activities. People's lifestyles have changed significantly due to the implementation of measures to control the spread of the virus, such as the issuing of stay-at-home requests, restrictions on movement, social distancing, and avoidance of the three C's (closed spaces with poor ventilation, crowds, and close-contact settings), thus ushering in the start of the "new normal."

In terms of business activities, working from home and telecommuting have become commonplace. Businesses have had to implement non-contact and non-face-to-face business models for operations, sales, services, and other tasks that used to be conducted in person. It is said that digital transformation (DX) of businesses has accelerated due to COVID-19 countermeasures. Some have predicted that our lifestyles and business activities will not return to the way they were before even if the vaccination program proceeds, effective treatments are developed, and the virus is stopped.

COVID-19 has also had a significant impact on the activities of the Japan Intellectual Property Association (JIPA). JIPA's regular activities consist of conducting research and making policy recommendations by committees, projects, departments, and others. The association also conducts human resource development and public relations activities.

Under the first category of committee activities, etc., there are 21 active committees (special committees, training planning, various committees for publications and public relations, along with 18 other committees), eight project activities, and eight departments for each industry, along with regional meetings and councils. Committee members from member companies conduct research on various themes, make policy recommendations, publish editorials and reports, participate in international cooperation activities, and share best practices.

Before COVID-19, committee members had gathered together in one place to hold meetings and discussions face-to-face, but we have been holding those meeting

remotely. This provides members with the benefit of eliminating the time spent traveling to meeting locations. While the difficulty of connecting with other people and sharing one's feelings has become a large problem.

In addition, conventionally members would be sent to attend international meetings, but members now attend such meetings remotely or make up for them. We have also suspended sending groups overseas to make recommendations, etc., to IP-related organizations, while we keep to submit written opinions.

Under the second category of human resource development, a wide array of regular courses is offered, spanning from those for IP beginners to experts. These include ad hoc courses on timely themes, overseas courses for training overseas, and special courses to raise the business acumen of selected human resources. However, due to the spread of COVID-19, many of these courses have had to be suspended or switched to online format. Though the number of JIPA training participants in 2020 was 6,360 (down 43% compared to the previous year), we believe we could achieve this number due to our efforts in implementing measures to meet our members' requests, such as expanding which training courses are available online.

Looking at global affairs, the intensifying conflict between the U.S. and China is worrisome. On the one hand, Japan depends on the U.S. for its national security, but on the other hand, Japan's relationship with China is important for its economy, which cause a difficult choice going forward in terms of deciding the best way to proceed. It is worth noting that IP contributes to the trade friction between the U.S. and China.

The global environment is also suffering, and addressing climate change and protecting the environment have become urgent missions. In recent years, many companies have included the Sustainable Development Goals (SDGs) in their management and business plans. IP is also expected to contribute to resolving these issues.

Within the new digital age of the Fourth Industrial Revolution and Society 5.0, IP activities have evolved from conventional activities related to industrial property rights such as patents, design, and trademarks, and are expanding to copyright and trade secret management, as well as new information properties (in a broad sense), which includes the use of data from AI and IoT.

This fiscal year, JIPA's slogan has been unified into "Creating IP Vision for the World." in English. The slogan used until the previous fiscal year was set in 2009. At that time, JIPA aspired to become a world-leading organization that could fulfill international expectations, and included another slogan that expresses such an aspiration.

Twelve years have now passed, and JIPA's presence on the world stage has expanded thanks to collaborations with WIPO and activities to make policy recommendations to various countries. It can be said that the goal expressed in the Japanese slogan has already been achieved to a certain degree. Going forward, JIPA hopes to continue presenting its IP vision to the world.

In FY2021, JIPA will conduct activities based on the "new normal" in accordance with the following basic policy.

I. Basic Policy

1. Reviewing and reinforcing committee, project, and department activities

(1) Activities based on the "new normal"

- We will prioritize the health and safety of the members taking part in JIPA activities, and online meetings will be conducted for the Board of Directors, committees, projects, and departments to ensure social distancing in accordance with the COVID-19 situation.

(2) Restructuring of policy projects

- We will establish a new project for the SDGs, so as to initiatively provide information related to WIPO GREEN and the SDGs to member companies, and support for each company's activities.
- The Asia Project will be stopped and a new Global Anti-Counterfeiting Project established.
- In the Fourth Industrial Revolution Project, the AI subcommittee set up an AI workshop managed directly by the President in FY2020, and has already transferred its activities to the workshop; the Patent pool subcommittee will be transferred to the SDGs Project in FY2021; and the New business subcommittee was disbanded.

(3) Cross-functional activities

- Through cross-functional activities, relevant committees and projects will actively collaborate to solve IP issues involving industrial property rights that span various industries, such as AI, IoT, big data, and DX.

(4) Workshops and other activities managed directly by the President

- To properly address policy issues that are important and difficult to forecast (e.g., economic security), subcommittees, etc., will be established under the President as needed in the same manner as the previous fiscal year. The Economic security subcommittee established last fiscal year will continue to collect information and exchange opinions regularly.

2. Continuing human resource development (training) and public relations activities

- We will promote planning and improvement of training to develop human resources that can carry out IP activities in order to increase business competitiveness globally.
- We will conduct online training (live training using computers and on-demand training) based on the “new normal.” We are considering organizing courses to be joined easily by regional members and members with few IP personnel with the advantages of online training.
- We will keep publishing “Chizai Kanri” for intellectual property departments and our quarterly journal “Jipa” for executives, along with supplementary materials that are useful for intellectual property education. With telecommuting and working from home becoming commonplace, we will also consider distributing these materials through other digital media (and using print media less).

3. Challenging ourselves to conduct future-oriented activities that will drive new value and proposals in intellectual properties

- For the Fourth Industrial Revolution Project, we will continue our activities under three subcommittees: the standards subcommittee, the subcommittee for social and legal systems, and the open innovation subcommittee.
- We will make good use of our international network, which we have cultivated up to this point in the WIPO PJ, International Policy PJ, Global Anti-Counterfeiting PJ, Japan-China Corporate Cooperation PJ, SDGs PJ, and other policy projects, to conduct future-oriented activities, such as going through new issues in IP, ensuring international cooperation, creating Society 5.0, and making social contributions to meet the SDGs.

4. Discussing JIPA’s finances in the age of the “new normal”

- JIPA’s main sources of revenue consist of membership dues and training revenue. Recently, the industrial structure has changed due to the “new normal,” and we

expect the number of regular members to decrease as JIPA member companies merge with or acquire one another. Meanwhile, the way that training is held has also changed; instead of having students gather in a large training hall, training is now held online as a result of DX, which significantly changes the direct expenses incurred to host such training. As soon as possible, we must discuss JIPA's future finances in the age of the "new normal," including how to acquire new (regional) members and training participants by making maximum use of the characteristics of DX.

5. Holding dialogues with relevant government agencies

- We will secure high-level dialogues with government agencies that handle IP, such as the JPO; the Intellectual Property Policy Office of the Ministry of Economy, Trade, and Industry (METI); and the Cabinet Office Intellectual Property Strategy Headquarters. We shall strive to ensure good communication regarding IP policies between industry and the top officials in relevant government agencies.

II. Strategic Plan for 2021 to Enforce the Basic Policy

1. Committee and project activities for FY2021

- (1) Organizational structure for committees and projects
 - Special committees
 - Human Resource Development Committee; and Publication and Public Affairs Committee
 - Committees of experts (18 committees)
 - First Patent, Second Patent, First International Affairs, Second International Affairs, Third International Affairs, Fourth International Affairs, Medicinal and Biotechnology, Software, Copyright, First IP Management, Second IP Management, IP Information System, IP Information Search, First License, Second License, Industrial Design, Trademark, and Fair Trade committees
 - Policy projects (8 PJs)
 - Global Anti-Counterfeiting PJ, Japan-China Corporate Cooperation PJ, International Policy PJ, JIPA IP Symposium PJ, WIPO PJ, Next Generation Contents PJ, Fourth Industrial Revolution PJ, and SDGs PJ

In order to enable relevant committees and projects to actively collaborate to solve IP issues involving industrial property rights that span various industries (e.g., AI, IoT, big data, and DX) through cross-functional activities, facilitation will be promoted

in meetings for the board chairperson and vice-chairperson, the Board of Directors, and committee chairs.

(2) Activities based on the “new normal”

- Until two years ago, members had been regularly dispatched overseas to attend global meetings and conferences, but due to the risk of spread of COVID-19, meetings and conferences are now being held online. Under these circumstances, we will determine a policy for sending member companies abroad after giving proper consideration to safety, considering modality of meetings.
- Based on the number of participants, we will flexibly conduct activities for projects and committees in the following three formats and come up with measures that meet the policies and requests of the Tokyo Metropolitan Government (requests from relevant regional public groups will also be considered for activities in other regions, such as Kansai); the Ministry of Health, Labour, and Welfare of Japan; and the Japan Business Federation for COVID-19.
 - 1) Conferences that use an online meeting system
 - 2) Conferences with in-person participation
 - 3) Hybrid conferences that combine online and in-person participation

In addition, participants will be required to follow the “Committee and Project Operation Guidelines” during the coronavirus pandemic, fill in a “Participation Form and Checklist for the Prevention of COVID-19 Infection” in advance, and retain this document for a certain period of time.

(3) Establishment of new policy projects and new activities for the special committees

- We will establish a new project for the SDGs, so as to initiatively provide information related to WIPO GREEN and the SDGs to member companies, and provide support for each company’s activities. For example, we will plan and hold an international symposium and other activities for WIPO GREEN this fiscal year in collaboration with WIPO and JPO.
- The Asia Project will be stopped and a new Global Anti-Counterfeiting Project established. In the Global Anti-Counterfeiting Project, the anti-counterfeiting measures undertaken in the Asia Project (the Global Anti-Counterfeiting WG) in Asian countries will be expanded to cover the entire world. The Third International Affairs committee will take over the role of the Asia Project (legally changed to WG) in order to facilitate exchange of opinions related to the revision of IP systems in East Asian countries.
- In the Fourth Industrial Revolution Project, the AI subcommittee transferred its activities to the AI workshop in FY2020; the patent pool subcommittee will be

transferred to the SDGs Project in FY2021; and the new business subcommittee completed its activities and was disbanded.

- The Strategic Planning committee will discuss and submit a report on JIPA's finances going forward in the age of the "new normal."
The Strategic Planning committee will also hold online meetings for telecommuting and working from home as needed, and JIPA activities will be reexamined through deeper discussions on how to hold meetings and conferences for committees and projects while social distancing.

(4) Stepping up to challenges for future-oriented organizational activities

- For the Fourth Industrial Revolution Project, we will continue our activities under three subcommittees: the standards subcommittee, the subcommittee for social and legal systems, and the open innovation subcommittee. We will discuss the major changes brought about by the new digital age, such as the Fourth Industrial Revolution and Society 5.0, and drive new IP value and proposals as well as tackle future-oriented activities so that the output can contribute to member companies' activities.

(5) Promotion of global activities

We will continue to participate in conferences and meetings both in person and remotely to deliver opinions and establish systems according to the needs of our members with the cooperation of related committees of experts and projects.

1) International policy activities to harmonize patent systems

- Continue to hold the Trilateral Users Conference and present concrete proposals to the trilateral IP offices (JPO, USPTO, and EPO) and to conduct activities to promote patent system harmonization in a manner that is beneficial to user companies in cooperation with five IP offices, including users and the patent offices of China and South Korea (SIPO and KIPO).
- With delivering opinions of Trilateral Users, including JIPA, for each issue on patent system harmonization within the framework of Group B+ ,we will review the discussion status, etc., on the agency side in order to determine JIPA's participation method in main discussions going forward.
- Continue to monitor the status of WIPO's Standing Committee on the Law of Patents (SCP) and deliver opinions on patent system harmonization from a broad and strategic perspective.
- Request improvements regarding system operation by offering opinions on the establishment and reform of domestic systems in Asian countries and

developing nations, and give feedback to member companies on the latest local business information (local companies, market information, etc.)

2) Other global activities

• Japan-China Corporate Cooperation Conference

Under circumstances where China has been rapidly improving its IP capabilities, we will utilize the information-sharing infrastructure with Chinese companies to obtain accurate IP-related information about China and try to build an environment where member companies can smoothly conduct business in the Chinese market while monitoring the trade friction between the U.S. and China.

During the previous fiscal year, the conference was mainly held online due to COVID-19. This fiscal year, we will weigh the advantages and disadvantages of holding online and in-person meetings and reassess the operation of the Japan-China Corporate Cooperation Conference going forward to further support our members' needs.

3) Cooperation with WIPO on the globalization of IP systems

During the last fiscal year, we discussed how the IP system should be reformed in response to the changes caused by the Fourth Industrial Revolution with industrial and academic sectors, and presented JIPA's proposals to WIPO on IP issues that need to be debated under AI environments. This fiscal year, we will keep discussions with WIPO.

2. FY2021 activities for departments, councils, etc., and acquisition of new members

(1) COVID-19 measures and activities after the pandemic ends

As described above, we will conduct industry meetings, regional meetings, district meetings, IP issue resolution workshops, small-scale IP workshops, and other activities in three formats based on the number of participants and comply with the policies and requests of the Tokyo Metropolitan Government (requests from relevant regional public groups will also be considered for activities in other regions, such as Kansai); the Ministry of Health, Labour, and Welfare of Japan; and the Japan Business Federation for COVID-19. Depending on the content, opinion exchanges or information may need to be performed face-to-face, or it may be important to have a large gathering by which participants can share their feelings, so we will coordinate with the JIPA offices and handle each

situation flexibly. However, we will prioritize a policy that determines criteria for each member company to attend and to participate in such activities.

(2) Supporting the IP activities of regional and small-scale members

- We will continue to promote the activities of the Tokai Region Council as well as the Chugoku, Shikoku, and Kyushu Region Councils established for JIPA members in regional areas, along with the JIPA IP Forum Kansai, in order to provide further support to regional IP activities.

As more IP members in smaller scale have joined the association, we have enhanced support for the IP activities of these members in the Kanto region, in addition to boosting conventional, small-scale activities in the Kansai and Tokai area.

(3) Acquisition of new members

- We will acquire members from a wide range of industrial fields, such as start-up and venture companies, IT-related companies, and primary industries (agricultural forestry industries and fisheries), to increase the number of JIPA members.
- We will discuss and support IP issues dealt by regional and small- / medium-sized businesses that are implementing measures against COVID-19.

3. Development (training) of human resources and public relations activities for FY2021

(1) Development of human resources

- We will focus on planning and improvement of training to develop human resources that can carry out IP activities in order to increase business competitiveness globally.
- We will review the regular courses, standardize the training content for western and eastern Japan now that the training is being held online, improve the training content, and verify the training. We will also consider converting the ad hoc training courses into regular courses.
- We will determine the needs of regional members and members with few IP personnel, and we will consider organizing courses that will be easy for them to join by making the most of the advantages of online training.
- We will enhance the special courses and courses for engineers, and we will ensure that such courses can be held regularly. We will enhance each training course. In

addition, we will plan and hold new training in a timely manner according to member companies' needs.

- We will distribute survey forms in all regular courses to determine and improve the level of customer satisfaction for JIPA training.
- Online training will mainly be conducted through live training using computers, but we will also combine such training with on-demand training as necessary.

(2) Enhancing public relations activities

- We will reconsider the structure of information communication and strive to enhance public relations activities. For example, with telecommuting and working from home becoming commonplace, some members would like to view information from such environments, so we will consider distributing materials through other digital media (and using print media less).
- Since April 2017, we have published a quarterly journal entitled "Jipa." This journal is not a technical publication, but it offers information on JIPA activities and current IP practices that is easy for executives in corporate management to understand. The publication is intended to evoke interest in IP for corporations of all sizes, regardless of whether they are members of our association, and get them to visit us. Four years have passed since publication began, and we will continue to develop it by adapting to the environment, such as by conducting interviews remotely.
- In order to distribute information to other countries, we will continue to issue our online newsletter in English and update our English website.
- We will continue to actively exchange opinions and information this fiscal year with the JPO, courts, and various Japanese and overseas organizations while disseminating useful information via JIPA's magazine entitled "Chizai Kanri," JIPA's website, and so on.
- We will discuss the 21st JIPA IP Symposium based on what went right and wrong at the symposium held online last fiscal year before making any decisions about it.

4. JIPA management foundation for FY2021

(1) Improvement of JIPA's governing structure

To strengthen the JIPA Secretariat's capacity and the secretariat support system:

- We will continue to establish and improve on-demand systems as a general incorporated association in order to cooperate with external experts such as lawyers and industrial physicians who are well-versed in labor management.

- We will secure human resources that are capable of handling various global issues and supporting JIPA's activities.

We will clarify the missions of global human resources (networking with overseas IP government agencies and various private organizations, managing logistics, supporting the formation of opinions in policy projects, etc.) and to continue to build a system to accept competent human resources from both member companies and non-member companies.

(2) Budget planning for this fiscal year

Similar to the previous fiscal year, the budget for this fiscal year has been planned on the assumption that organizational activities will be reexamined over time because it is difficult to forecast the overall status for this year as of May due to COVID-19.

Of the two pillars of our revenue, membership dues are not expected to decline significantly. However, even though we had planned to have 9,100 training participants (1.5 times more than the previous fiscal year), this number is still less than two-thirds of that from two years ago, so training revenue will continue to be tight.

As for expenditures, we have already decided to hold regular general meetings by electronic methods. We expect regional meetings, committee and project activities, activities for each industry, overseas dispatches, and symposiums to be conducted online for the time being due to COVID-19. However, we are unsure of how and when we will restart conferences that incur venue fees as more people get vaccinated and the COVID-19 pandemic comes to an end.

For this reason, expenditures for these activities will be calculated based on the results from the previous fiscal year and adjusted by the Board of Directors for actual implementation.

Reducing costs for ongoing operations such as issuing publications and training management fees is difficult, but we will make efforts to cut costs as much as possible by incorporating online training to save venue fees, among other efforts.

Even if we streamline operations as seen above, we expect a decrease in revenue, which may result in a loss of approximately 14 million yen this fiscal year. We will use this year to prepare ourselves to reexamine future JIPA activities and operations, and ask for the understanding and cooperation of our members regarding our budget plan.

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