

To: Mr. Toshimitsu Arai
Chairperson
Cabinet Secretariat
Secretariat of Intellectual Property Strategy Headquarter

April 17, 2003

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Opinion on Intellectual Property Promotion Plan*

On behalf of Japanese industry, I am pleased to present some points and opinions that should be incorporated in the Intellectual Property Promotion Plan. Any courtesies you would kindly extend to our opinion would be most appreciated.

Attachment: Opinion on Intellectual Property Promotion Plan

Promoting Creation of Intellectual Properties

1. Revision of employees' work invention system

- (1) Incentive measures are very important from the viewpoint of strengthening industrial competitiveness. Each enterprise should make effort to provide creative and unique incentive measures for their employees.
- (2) Section 35(3) and 35(4) of the Patent Law should be revised so that the matters concerning employees' work invention are subject to the provisions of contracts or employment regulations of each enterprise.

2. Development of environment for the promotion of industry-academia collaboration

- (1) Centralization of intellectual property management organization in universities and clarification of its power and authority
- (2) Flexible contract between university and enterprise
- (3) Handling of inventions made by the faculties of universities in line with a patent policy
- (4) Promoting universities, etc. to adopt researchers from overseas.

Protection and Promotion of Intellectual Property

1. Development of patent examination system

Improve examiners' capability – Interactiveness between experience in both search and examination is indispensable
Increase patent examiners

2. Realization of systematic global harmonization

- (1) Establishment of global patent system
(mutual use of search results and mutual approval of examination results - harmonization of examination level is indispensable for introducing such global system)

* "CHIZAI KANRI" (Intellectual Property Management), Vol.53 No.5 2003, pp.872-876

- (2) Encouraging USPTO to decide a fully implementation of early publication system
- 3. Appropriate protection of intellectual property in new fields**
Protection of technologies originating in Japan
- 4. Promotion of global standardization in the fields of advanced technologies**
Global standardization of the technologies originating in Japan (strategic promotion based on public-private partnership), and strategic acquisition of standardized patents complying with the global standard
- 5. Grant of patent for the inventions concerning patents of medical treatment**
Find a way not to cause bad effects to the medical treatment provided by physicians
- 6. Improvement of the procedures for patent (or other intellectual property rights) infringement cases**
- (1) Expansion of collecting evidence procedures and appropriate protection of trade secret
 - (2) Settlement of dispute at one procedure (Court decision on the validity of patent in respect of infringement cases)
 - (3) Securing of expertise and neutrality
Expansion of patent investigator (ex-trial examiner; with full-time position) system, finding of facts by the patent investigator and securing of transparency in such process (Securing the opportunity for the interested party to state its own comment on the patent investigator's opinion)
 - (4) Training legal professionals understand technologies (Plot establishment of patent court in the future)
- 7. Strengthening the measures against counterfeit goods and pirated editions**
Encouraging the government of the relevant country to take measures to develop necessary system under the cooperation between the Japanese government and private sector
- 8. Border measures: realization of Japanese "ITC (International Trade Commission)"**
(Since the mere revision of the Customs Tariff Law is insufficient,) Establishment of specialized court or specialized organization subject to due process, for the prompt decision of infringement or non-infringement based on the allegation of each interested party

Exploitation of Intellectual Property

- 1. Introducing further flexibility to the handling of intellectual property under the government-industry-academia collaboration**
- (1) Securing flexibility in using the jointly owned deliverables (for example, delegating the management of the intellectual property and granting a license to a designated enterprise)
 - (2) Expanding the application of Japanese "Bayh-Dole" system
 - (3) Analyzing each example case from the viewpoint of business administration, and reflecting the result of such analysis to the national policies concerning intellectual property
- 2. Flexible operation of the "Three Guidelines"* for implementing corporate strategy focusing on intellectual property**
- Flexibility should be secured for the management decision by each enterprise in respect of corporate management strategy
 - Valuation of intellectual property should be left to the creative and unique measures taken by each enterprise

**(1) Guidelines for the acquisition and control of intellectual property; (2) Guidelines for management of trade secret; (3) Guidelines for prevention of unintentional technology drain*

3. Global rule concerning jurisdiction

Rights concerning the registration should be subject to the jurisdiction of the country where the registration is entered.

4. Trust system for the centralized management of intellectual properties within a corporate group

(including the discussion of the exception (or revision) of Article 72 of the Lawyer Law)

- (1) "New legislation concerning trust" for the centralized management of intellectual properties
- (2) Easing of matters reserved exclusively for lawyers (handling of defensive cases, such as the case where a lawsuit is brought against the party or where the negotiation of license is proceeded)

5. Disclosure of patent and technical information from the viewpoint of strengthening industrial competitiveness

- The matters to be disclosed should be left to the IP (intellectual property) policy and IR (investor relations) policy of each enterprise.

Training of Personnel

1. Training of intellectual property experts

- (1) Further improvement of law schools
Reform of national bar examination system for open to engineers
- (2) Introduction of patent attorney system
Revision of the Lawyer Law and the Patent Attorney Law