Management Report to Raise Business Value Ministry of Economy, Trade and Industry Intellectual Property Policy Office Date: 17 Oct. 2012

Catchphrase: What is invisible is not secret, what is visible is a protectable secret

I . Management Principle (Company vision)

Japanese enterprises and employers enable to improve the productivity and profitability by using intellectual property directly or indirectly.

II-1. Overview

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http://www.meti.go.jp/policy/economy/chizai/chiteki/index.ht

ml(Unfair Competition Prevention Law)

II-2. History

- 1988 Establishment of Intellectual Property Policy Office at Ministry of International Trade and Industry Industrial Policy Bureau General Administration Division due to a major revision of the Unfair Competition Prevention Law related to protection of
- 1990 Upgraded to the Ministerial Ordinance Office that required organizational regulation by the Ministry of International Trade and Industry
- •2000 Placed under the Economic Industrial Bureau's Industrial Organization Section

II-3. Awards received • Certification • Qualification

·(Qualification) 1998- Jurisdiction Division for Unfair Competition Prevention Law

III-1. Internal environment (Flow of work)

Application/Inquiry response	Inquiry/Application -Receive inquiries froi various sectors by phone, mail, documer and request for answers	nts,/	② Consider I Accumula Inquiry to Consider to reference
Pc	① Review of the		@Policy

status

Hear and

understand

policy needs

through research

onsider Response Accumulate document Inquiry to past personnel Consider response reference books

Adjustment for response consideration at the office, adjust the answer

3 Realization

legislative process,

guideline making

of policy

Council the

Documents E-mail · Phone 4 Penetration

of policy

Outreach

lectures.

providing to the

media, Web

By showing the interpretation of law, it enables rapid business expansion of enterprises, and legitimate businesses are protected. Provide customer

Provide customer

value

value By performing the planning of appropriate policies, enables rapid business expansion of enterprises and legitimate businesses are protected.

Flow o	f work	Efforts that lead to the differentiation from competitors (Application/Inquiry response)						
①Inquiry		Taking the record at all times for various inquiries Person in charge of intellectual property law understands its overview Provide model format on the homepage						
2 Consid Response 3 Adjustr response	e ment for	•Enable the utilization of an external network						
4 Respor	ise	answer w	ith a	n with multiple pers				

making

Examine the

subject, and

plan policy

Flow of work Efforts that lead to the differentiation from competitors (Policy Planning) 1)Review of Since the close contact with the parties concerned and the status Executive Agency, grasp of the current situation is efficiently achieved Gathering opinions from related industries and support @Policy ·Enable the use of an external network making ·Because of the direct jurisdiction over unfair Realization competition prevention law and various guidelines, of policy these can reflect new policy quickly. 4 Penetration ·Reliability can be supplied since originating from the legislation charge organization. Provide ·By planning appropriate policies, it enables rapid

business expansion and protects legitimate

III-2 Internal environment (Strengths and Weaknesses)

By making an indication, such as the interpretation of

enterprises and legitimate businesses are protected.

the law, it enables rapid business expansion of

[Strength]

Provide

- ·Knowledge of the person in charge
- Networking with other ministries
- System in which more than one person can take charge of one matter.
- · Prompt decision-making · Active communication in the office
- Reliability that originated from the law jurisdiction organization

prompt response.

· Accumulation of past research

The reason and background

- Possible to accumulate of research and query to predecessor
- Many young workers with frank atmosphere
- · Value work-life balance, and promote the income of paid vacation
- ·Staff seconded from Ministry of Education and Japan Patent Office, experienced people in related departments to province intellectual property are enrolled.
- ·Planning in cooperation with the relevant industry and organizations

[Weakness] (Business Challenge)

Small manpower

custome

- · Network breaks off with personnel transfer.
- ·May delay the update of collection of books
- ·Database arrangement of a judicial precedent is

[The reason and background]

- Small number of workers
- ·Less experience in intellectual property department
- · Insufficient tools and know-how to reach out to SMEs

IV. External environment (Opportunities and Threats)

High interest of company toward outflow of technical matters and trade secrets, information needs related to Intellectual property

Continuous interest toward Intellectual Asset-based Management

Needs of financial institutions toward understanding non-financial information in a company

Needs of control for unfair competition act by using the Unfair Competition Prevention Law

Cost consciousness inside the company toward management and utilization of intellectual property, situations where active intellectual property

Self-image of "There is no intellectual property" in small and medium-sized enterprises in particular

A new intellectual property management approach such as overseas intellectual property fund or ideas of intellectual exchange

Public employee fixed number reduction, decrease of new hires

V. Future Vision (Policy and Strategy)

Future	e vision
on the	basis of
ext	ernal
enviro	onment
and int	ellectual
pro	perty

Maintain

competitive

order in

Japan

Increase

competitive

-ness of

Japanese

enterprises.

- A quick and precise accomplishment assistance for enforcement of the Unfair Competition Prevention Law Effective measure for trade secret protection and prevention of technical outflow, effective common
- knowledge to enterprises Environmental improvement for utilization support of intellectual property, effective common
- knowledge to a company
- Appropriate prevention for unfair competition

Efforts to realize future vision

- ① Organize and accumulation of past cases, continuous update of work reference materials (department manuals, reference books), promotion of self-improvement of the person in charge, extension activities and lectures execution, development of
- 2 Discussion about effective way of being familiar with trade secret management guideline (review of chapters), discussion of Technology Outflow Prevention revised guidelines, discussion about penetration compliance policy to managerial classes
- © Create an environment that can be funded by financial institutions to leverage intellectual property information, study of advanced features are required for intellectual property management at small and medium-sized enterprises and universities, continuous information gathering towards smoothing use of intellectual property
- (4) Discussion of the unfair competition law protection range, understanding of revision trends of laws related intellectual

VI. Story of the Value Creation

[Story from the past to the present] (Up to 2012)

Intellectual Asset Utilization

	Human ass **Assets which employees ta when they leave (know-how, learning abilities, motivation)
	Organization assets **Assets which remain in the when employees leave (systestrength, profitable structure)
'	

- ·Flexible thought and sets ake with them ·Expertise related to Intellectual property
- onal Legal investigation, accumulation of guidelines

Relationship assets

- *All assets pertaining to external relationships of the enterprise (market. relationship with customers and financia institutions)
 - Open a lecture or session ·Official report by magazines

Others *Matters that do not belong to the above three categories (funds, facilities)

·Amendment of Unfair Competition Prevention

organizations

Network with related departments

industry, and professional industry

[Present]

쥿

- Appropriate execution of Amendment of Unfair Competition Prevention Law
- · Familiarity with trade secret management guidelines

[Story from the present to the future]

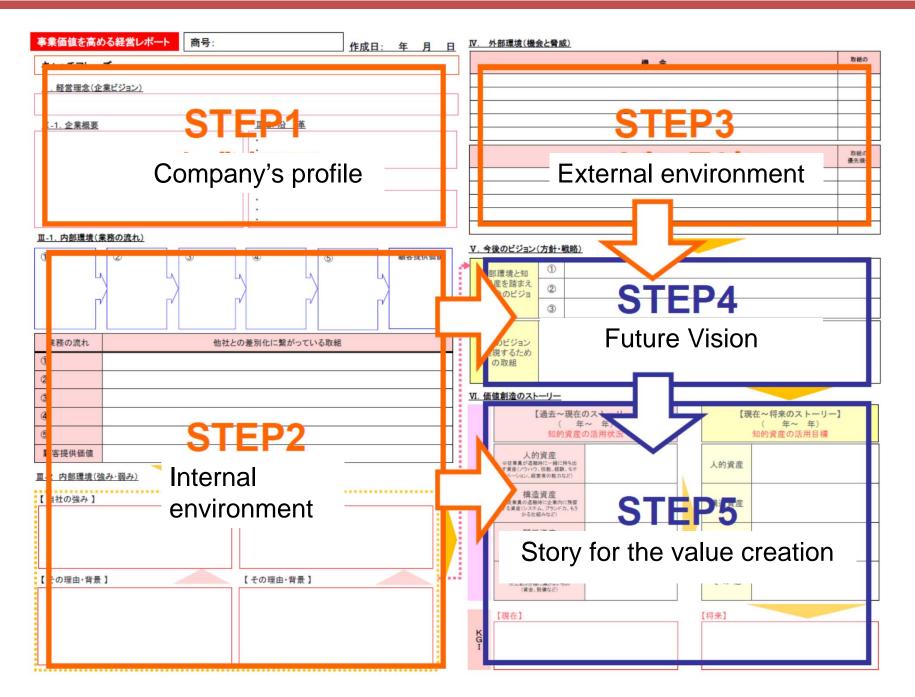
(2012-2015)

Use of Goals for Intellectual Assets

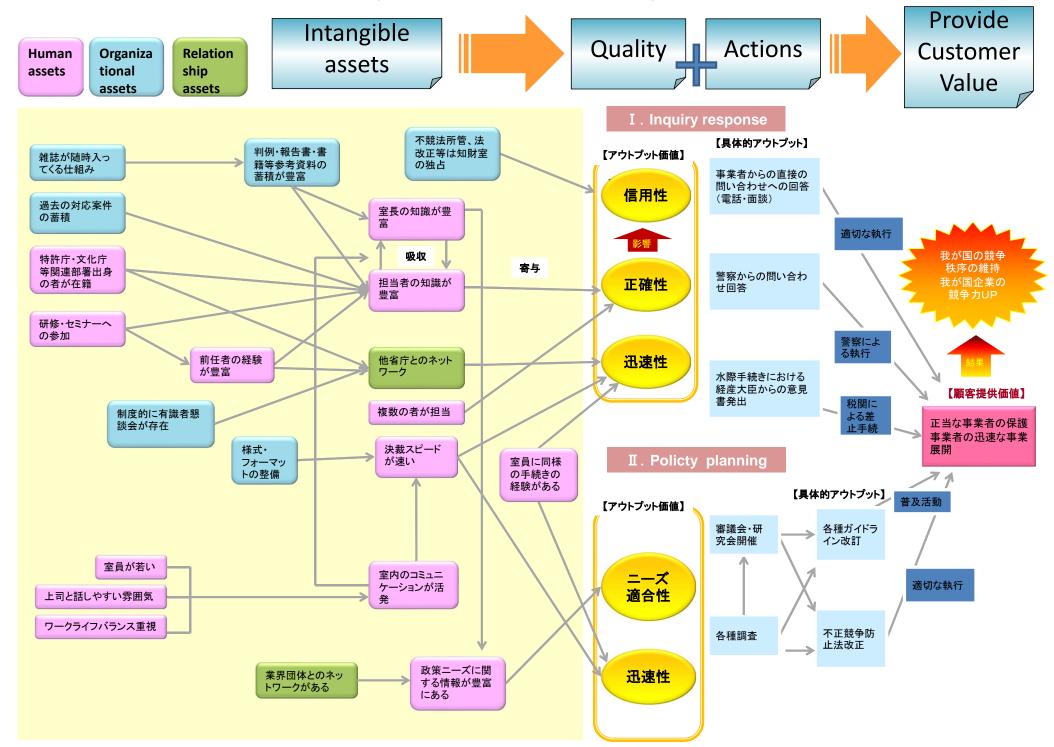
- ·Flexible thought and spirit · Expertise related to intellectual property Human ·Constructive promotion of selfassets improvement by attending seminars.
- Research of laws, accumulation and Organizat update of ride lines, ional Classification and organization of
- documentation, making a list of response assets of inquiries
- Strengthening network with related departments, industries and professional Relations industry organizations hip Lectures and holding of briefing sessions (more than 12 times / half year) assets Publication in magazines
- Understanding of revision trends of Others laws related intellectual property

- Intellectual property protection including small and medium-sized enterprises, awareness to the use of intellectual property.
- Prevention of technology outflow including small and medium-sized enterprises, supportive measures to expand overseas

Outline of "Management Report to Rise Business Value"



How to make the report? -internal process model-



Implications from making an IC report

<What we learned>

- Free from the image of "public sector has no intangibles"
- Points to be improved in order to improve customer satisfaction could be visualized, for example,
 - aggregation of inquiry responses, updating of the books and references
 - to reduce the time-consuming and less-valued added part in the responding process
- The process of policy planning is more affected by the external environment than the process of inquiry response.
- Necessity of adding various points of views in the process by involving people of various levels (ex; CEO, manager, regular employee, outside consultant)

<Challenges >

- Strongly relying on human assets. They should be transformed to organizational and relationship assets.
- Awareness of the external environment is a challenge. Continuous observation is needed.