

Intellectual Property Strategy Vision

June 12, 2018

Intellectual Property Strategy Headquarters

Government of Japan

The Background to Propose a New IP Strategy Vision

2003 Establishment of IP Strategy Headquarters Based on the Basic Law of Intellectual Property

→ to be realized by the annual Intellectual Property Strategic Program

Establish **"intellectual property nation"** by establishing the foundation of intellectual creation cycle

- Strengthen patent examination system (achievement of the world's fastest examination etc)
- Strengthen dispute handling functions (Establishment of Intellectual Property High Court, etc.)
- Strengthen protection of trade secrets
- Strengthen support for intellectual property utilization for small- and medium-sized companies
- Strengthen international standardization strategy
- Strengthen industry-university collaboration functions
- Strengthen countermeasures against counterfeit goods and piracy

2013 Intellectual Property Policy Vision formulated

2012 Minister for Cool Japan Strategy appointed for 1st time

Paradigm changes in the society currently going on...

- ✓ Changes in innovation (from supply-led to demand-led)
- ✓ Technological progress of big data, AI, and IoT
- ✓ Changes in people's values (from material value to experience, empathy, sharing)
- ✓ Globally issues such as environment & energy, declining birthrate, aging society
- ✓ Rise of global platform enterprises as well as U.S.A & China

Society5.0

SDGs

- ✓ The way of intellectual property use shall be expanded from "monopoly" "exchange" "protection" to "sharing"
- ✓ It is necessary not only to review the Strategic Program every year but also to share a mid- to long-term vision of the whole government and to design the systems necessary for society in the future

Setting a new Intellectual Property Strategy Vision aiming at around 2025 - 2030 (June of 2018)

→ to be reflected in "IP Strategic Plan 2018," "National Growth Strategy," "Basic Policy on Economic and Fiscal Management and Reform" and "Integrated Strategy for Innovation" etc.

Process Leading to "Intellectual Property Strategy Vision"

Present

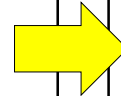
2025

Targeted Future

2030

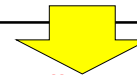
1. Signs and emerging trends of the future

- From supply side economy to demand side economy
- Technological progress such as big data, AI, and IoT
- Expansion of subjects of information production, manufacturing and content creation
- Spread of sharing economy and emphasis on "experience" and "empathy" (like!)
- Declining birthrate, 100-year lifespan, etc.

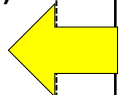
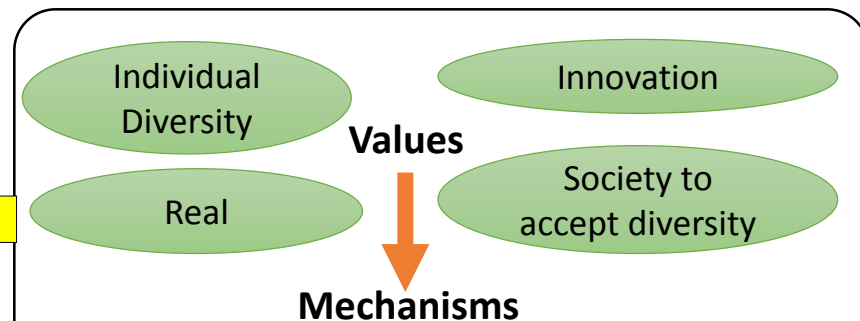


2. Forecast of the future society

- ✓ Progress of digital and AI and increased value of "real" as a scarce resource as cyberspace grows.
- ✓ Diversified ways of life and work - expanded options
- ✓ Flexibility of belonging to organizations such as companies etc.
- ✓ Diversified "happiness" and new values such as sharing and contribution, etc.

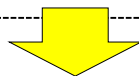


3. Significant "values" and "mechanisms" that create them



4. Japanese styles and characteristics

- Sense of balance (eg. 'Sanpo yoshi' or benefit for all three sides; the vender, the customer, and society)
- Social acceptance of cutting-edge technology
- Ability to accept new things and edit them
- homogeneity (which needs drastic alternation)



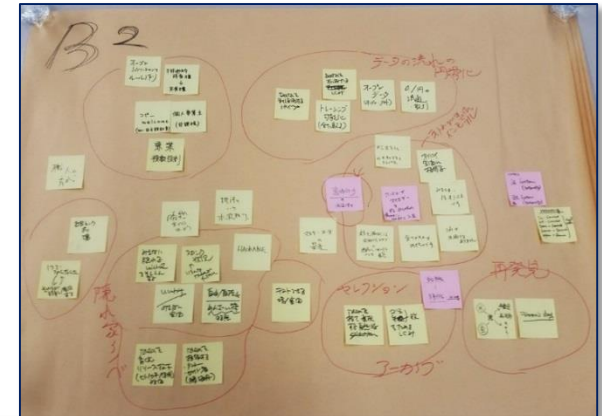
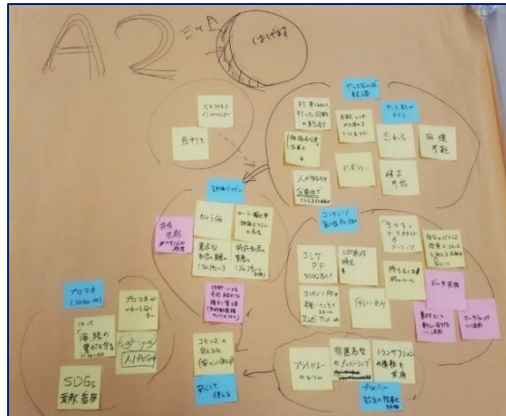
- Fostering diverse personality
- Improving environment where diverse and ingenious individuals are active
- Building knowledge platforms
- Social systems that encompass diverse values

5. Issues to be considered for the future "mechanism"

Our future vision = Value Design Society

Discussion Process for "Intellectual Property Strategy Vision"

“Group discussion“ was adopted as a discussion format, which is to divide the committee into small groups, present ideas using post-its in the group and discuss at the end on each session based on the group presentation, and to encourage active participation under "Chatham House Rule“ (=the participants share the rule not to specify the speaker when quoting someone’s remarks outside the meeting, to secure free and vigorous discussion.)



Portrait of Future Society Projected from Current Signs

1. Values and social conditions

- "Supply" exceeds "Demand" (ending of mass production model), innovation model gets more complex compared to the linear type in the 20th century
- Consumer demand shift from goods to services. Significance of "Like" (empathy) at SNS. Expanding sharing economy. Exploring alternative economic indicators for "wealth."
- Stretching human life and relationships to virtual spaces
- Trend from organization-oriented to individual-oriented in society

2. Progress and penetration of new technologies

- New technologies such as big data, AI, blockchain, quantum computing, genome editing, and many more; acceleration of innovation by integrating cyberspace and reality; industrial structure transformation (incorporation of different industries, capture of customer needs)
- Shortened process and time from idea to realization; Enhanced infrastructure for individuals to become creators and suppliers. Importance of platforms and real-time feedback, shortened product life cycle and design thinking.

3. Changes in the global environment

- Growing presence of US, Chinese, and global platform companies; increasing regionalism
- Promotion of SDGs to achieve long-term sustainability of society and economics; Rising issues on aging and maturing society.
- Japan's changing role in global society, economic power to reevaluation of Japanese way of thinking (Co-existence with nature, win-win-win) . Rapid increase of foreign visitors.

Portrait of future society

People



- Each individual demonstrates a variety of abilities and has various kinds of work. Re-challenge in life/work is possible and encouraged.
- The value of real (non digital) things become more valuable; Diversity and freedom of choice; Creating value by people's interaction while exhibiting their diverse personality
- Diverse views of "happiness" and appreciation of "living feeling"; Values other than money such as empathy and credit gain value.



Industry

- Great improvement of productivity by utilizing data; Developing new markets by connecting "dreams," "technology" and "design"; "Trial & error" and importance of speed to realization and market.
- Deepening open innovation to meet consumer needs; Rather than competing in quantity, the use of value and culture is the key to achieve international share of business.
- Paradigm shift in business model and technology from monopoly to use, from holding to access; Formation of "platform" where various players and users interact



Society

- The boundary of the country / organization becomes blurred; Adjustment and reconstruction of mechanisms and rules premised on conventional boundaries required.
- The emergence of "platform" enterprises comparable to states in scale. Rising need for cooperation by government and multinational enterprises in tackling societal issues.
- Increased opportunities for "mutual learning"; universities and learning places, where human resources accumulate, becomes a platform of exchange, emergence and experiment of ideas.
- Intellectual assets have increased added value by shifting from "ownership" to "share"

- ✓ Although advances in science and technology are thought to enhance efficiency and enrich people's lives, it could also cause alienation and anxiety, expansion of desire to attribute, immobilization of social stratification, expansion of disparity, and divide between urban/rural areas.
- ✓ Therefore, the active attitude to try to create a future that more people feel happier is important while recognizing this duality.

"Value" in the Future and Value Generation Mechanism

"Value" to create a desirable society and its creation mechanism

Diversity within/between individual

- Diversity is key to survival in a rapidly changing world
- Enabling full potential of individuals
- Combination of diversity and expertise creates value

Real

- Humanity, "naturalization", value of experience and realization
- History, tradition
- Secured privacy
- Sense of trust that it is not fake

Innovation

- Create new value by utilizing data and AI
- New combination, fusion, sublimation, connection
- Power of Design
- Transcend existing rules and taboo
- Speed to realize change

Acceptance of diversity in society

- Value of non-GDP (empathy, credit, contribution, etc.)
- Safety and security
- Decentralized and dispersed
- Correction of resource concentration and disparity (redistribution)

Micro

Macro

System to create diverse personality

- ✓ Human resources that can cultivate curiosity, combine resources, define challenges, and take action autonomously
- ✓ The ability to create a difference, the sensitivity to accept diversity, the ability to communicate
- ✓ Experience of "real" and "raw"; contents database such as memory and experience; archive of natural senses
- ✓ Modular learning to expand access to education
- ✓ Transforming universities into a platform for collaboration

Environment where diverse individuals are active

- ✓ Draw out the diversity and ability of each human being, evaluating and matching up the diverse segmented needs and abilities by time, idea, and productivity
- ✓ Secure a wide variety of choices and freedom to choose
- ✓ New transportation systems such as personal mobility will accelerate collaboration
- ✓ Mechanism and environmental improvement for re-challenge

Knowledge Platform

- ✓ System making it easier to share intellectual assets including data and AI, which creates new value through increased utilization, leading to increasing value of intellectual assets themselves
- ✓ Discovery of new value sources by data analysis
- ✓ Ecosystem that mediates information in every scene such as people's network or supply chain of industry
- ✓ Promoting integration and dissemination of new value in the framework of SDGs

Social System to enfold various values

- ✓ Develop new indicators of happiness and upgrade the economic and social systems according to them
- ✓ A system that embraces diverse individuals and manages society
- ✓ Experimental introduction of various systems, mechanism to encourage competition among multiple options
- ✓ System for enhancing the acceptance of foreign talent and raising the potential of new combinations, by maintaining openness (e.g. e-residency).
- ✓ Utilize assets unique to each region which provide distinctive lifestyles.

Japanese characteristics to appeal to the world

Sense of balance not swinging to extreme

Simultaneous attainment of profits and benefiting others as shown in "Good to all" and emphasis on sustainability

Decentralized orientation, community consciousness, mutual assistance (including sponsorship)

Philosophy to coexist with nature

Low dogma and contraindications (In ethics, thought, customs)

Especially in freedom of expression and acceptance of science & technology

Innate balance not to be social deviation

Acceptance of non-heros and immaturity

Taking labor as "contribution," etc. rather than "hardship"

Wide and diverse popular culture (Culture not limited to wealthy)

Pursuit of craftsmanship for continuous improvement and pursuit of spiritual perfection (XX"dou" Sadou, Judo etc)

Respect for nonverbal sensation, "margin (space)," "flexibility," "simplification (deforme)"

Editing ability to accept new "foreign" things and reinterpreting it from domestic perspective

History and tradition

uniformity

Declining birthrate and aging

"Vision" To Be Pursued and Directions for Future Discussion

Challenge toward "Value Design Society" : Dream + Technology + Design = Future

— Value Design Society —

A variety of values that go beyond economic value are subsumed, where various individualities fully demonstrate multifaceted abilities, make good use of Japanese characteristics, make new values, and gain empathy of the world

① Escape from normality/average and challenge

Edgy and challenging people and organizations are produced in our country and gather in Japan from all over the world

② Dispersion and fusion

Disperse multiple capabilities and ideas owned by individuals, combine them appropriately with other people's abilities and ideas, create new value through the platform

③ Economy based on empathy and contribution

Actively accept foreigners who understand Japanese culture, "fans" who share sympathy with Japanese society, culture, direction

Some examples of specific systems (more discussion will be continued in the committee and the government, including how to realize the following examples)

① Foster human resources capable of creating new value

⑤ Prepare places where diverse people and organizations interact

⑧ Analyze the essence of Cool Japan / Effective dissemination

② Visualize value-creation mechanism and organizational management

⑥ Construct Knowledge platforms for SDGs

⑨ Attract and empower foreigners supporting cool Japan

③ Create systems and indicators to visualize and evaluate diverse values

⑦ Construct contents creation/utilization system for the next generation

⑩ Develop Digital archive Japan

④ Boost ventures that challenge new businesses that meet diverse values

How the "Intellectual Property Strategy Vision " and the "Intellectual Property Strategic Program 2018" Was Discussed

"IP Strategic Program 2018"
(2018 June)

Intellectual Property Strategy Headquarters

"IP Strategy Vision"
(2018 June)

Verification, Evaluation, and Planning Committee

○Draft of the "IP Strategic Program 2018" (April 26, 2017)

Conference on Industrial Property Right Fields
Chair: Dr. Toshiya WATANABE,
Professor, University of Tokyo Policy Alternatives,
Research Institute

Conference on Content Fields
Chair: Dr. Ichiya NAKAMURA
Professor, Keio University Graduate School
of Media Design

- Discussed on IP management for open innovation, utilization of IP in the rural, small and medium-sized enterprises and in agriculture, forestry and fisheries fields, IP education, evaluation of IP value, optimization of damages amount etc. (*)
- Had 6 meetings from Nov. to May

- Discussed on promotion of overseas deployment of contents, promotion of movie industry, promotion of digital archives and countermeasures against counterfeit goods & piracy
- Had 6 meetings from Nov. to May

*Held as joint meetings as well when discussed on progress status verification of "Strategic Plan 2017," follow-up Intellectual Property regarding New Data-related Assets, drafting IP Strategic Program 2018, etc.

Taskforce for IP Evaluation in Business
Chair: Dr. Toshiya WATANABE,
Professor, University of Tokyo, Policy Alternatives, Research Institute

- Discussed visualization of intangible assets including IP, evaluation of business value of IP, utilization of evaluation results, etc.
- Had 7 meetings from Nov. to April

Special Committee on IP Strategy Vision

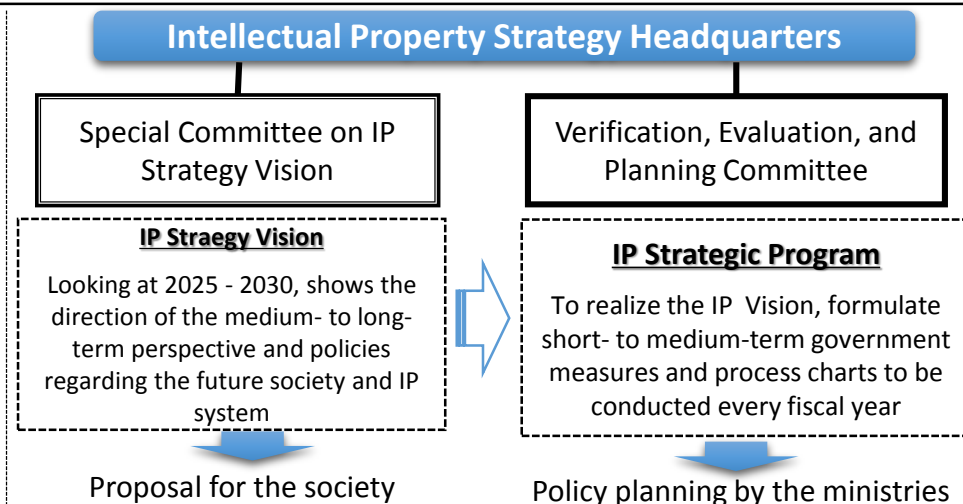
- Made a draft of "Intellectual Property Strategy Vision"
- Discussed medium- to long-term social and industrial image, looking toward 2025 - 2030, how to renovate IP related system to promote innovation and promote IP creation education human resources development, as well as rediscovery / reproduction Mechanism of Cool Japan resources etc.
- Had 6 meetings from Dec. to April

"IP Strategy Vision"
↓ Reflect
"IP Strategic Program,"
"Growth Strategy," "Basic Policy on Economic and Fiscal Management and Reform," "Integrated Strategy for Innovation," etc.

- The Intellectual Property Strategy Vision, aiming at around 2025-2030, shows the direction of the medium- to long-term perspective on the ways of Japanese society and the values in the future and the IP system supporting it, to set a major goal for the yearly “Intellectual Property Strategic Plan.”
- The Vision shall be disseminated and shared in public & private sector to promote practice and raise consciousness, and shall be open for continuous discussion about what the future society and IP system should be like while the effectiveness of the vision shall be verified.

Members of Special Committee on IP Strategy Vision

Name	Organization
Kazuto ATAKA	Chief Strategy Officer, Yahoo Japan Corporation
Shogo IKEDA	President, Niigata Sogo Gakuen School Corporation / President, Junior Chamber International Japan
Takaaki UMEZAWA	President, AT Kearney Japan
Yoichi OCHIAI	Assistant to President and Associate Professor, Tsukuba University
Kazuhiko TOYAMA	CEO, Industrial Growth Platform, Inc.
Masao KAWAKAMI	President, KADOKAWA DWANGO CORPORATION
Kenichiro SENOO	President, The Industry-Academia Collaboration Initiative Nonprofit Organization
Ichiya NAKAMURA	Professor, Keio University Graduate School of Media Design
Akihiro NIKKAKU	President, TORAY industries, inc. Chairman, Keidannren
Chiaki HAYASHI	Co-founder and Representative Director, Loftwork Inc.
Yuko HARAYAMA	Former member of Council for Science, Technology and Innovation
Toshiya WATANABE	Professor, University of Tokyo Policy Alternatives, Research Institute



- The 1st Meeting December 26, 2017
 - Image of the Future Society
- The 2nd Meeting February 2, 2018
 - "Value" in the future society and "mechanism" to realize it
- The 3rd Meeting March 1, 2018
 - How to strength Japan Brand through Cool Japan strategy
 - The future IP systems to for creating values
- The 4th Meeting March 23, 2018
 - The overall framework and specific systems to realize the “IP Strategy Vision”
- The 5th Meeting April 20, 2018
 - Drafting the “IP Strategy Vision”
- The 6th Meeting April 25, 2018
 - Drafting the “IP Strategy Vision” and future agendas to be discussed