JAPANESE INDUSTRY AND POLICY NEWS November 2016

LEGISLATION AND POLICY NEWS

JPO Creates World's First Patent Classification for IoT-based Technologies

The Japan Patent Office (JPO) announced on 14 November that it created a patent classification for IoT (Internet of Things) -based technologies. The use of this classification will enable users of intellectual property (IP) to collect and analyze the prior art of patent documents in the fields of IoT-based technologies. It is hoped to enhance users' predictability in obtaining patent rights in this sector.

The JPO has been assigning patent classification symbols to filed patent applications in order to categorize these applications by technology under the patent classification system. According to the JPO, the patent classification system is a very important tool for IP users not only for the efficient search for related prior art documents but also for the ascertaining of current trends in technological development.

Meanwhile, with the dramatic development of IoT-based technologies in recent years, there are growing public needs for more patent information to ascertain the trends in applications filed for these technologies and the types of patents to be granted in the field. However, there has been no such patent classification that IP users are able to comprehensively use to collect patent information on these technologies.

Under these circumstances, the JPO newly created a patent classification (ZIT) for IoT-based technologies. Consequently, IP users will be able to comprehensively collect and analyze patent information on IoT-based technologies sequentially from 2017 through J-PlatPat, JPO's patent information platform open to the public.

The JPO will aim to encourage other IP offices to assign the newly-created classification symbols for IoT-based technologies to patent documents worldwide. To this end, it will endeavor to work on other IP offices, taking the opportunities of the meetings of the IP5 Offices, including the European Patent Office (EPO) and the United States Patent and Trademark Office (USPTO), as well as international meetings held by the World Intellectual Property

http://www.meti.go.jp/english/press/2016/1114_01.html

The Ministry of Economy, Trade and Industry (METI) released an interim report of the Development Committee for 2020 and Beyond under the New Industrial Structure Committee titled "FY2015 Report - The Japan Way -." The committee discussed Japan's path toward sustainable growth from 2020 and the reforms

Road Maps for Developing Eco Cars, Smart Community, etc. Announced

which are necessary for realizing these goals. It also discussed the implementation of specific projects to be triggered by the 2020 Tokyo Olympic and Paralympic Games, and compiled the results of the discussion into the report.

The committee considers the 2020 Games the best opportunity for overcoming the societal challenges that Japan is facing and recognizes the importance of realizing a society in which all members of the public can exert their strengths and potential, while Japan maintains or improves the scale of economic activities and employment. To address the societal challenges that Japan is facing, e.g., the super-aging society, the committee covered current challenges, future efforts, and road maps to 2020 in the report, featuring nine projects: mobility; smart community; stress-free society; cybersecurity measures; fully-energetic, vintage society; innovation; investment; human-resource development and revitalization of regional economies; and sports and culture. Under the "mobility" project for example, following four objectives are indicated to be realized by 2020:

- (1) One million units of electric vehicles (EV) and plug-in hybrid vehicles on the market.
- (2) 40,000 units of fuel cell vehicles (FCV) on the market.
- (3) Multiple vehicles running in a line using the autonomous driving technology.
- (4) Providing transportation for the elderly people using the autonomous driving technology.

http://www.meti.go.jp/english/press/2016/1115_01.html
http://www.meti.go.jp/committee/sankoushin/shojo/2020_mirai/pdf/005_05_00.p
df (Japanese language only)

Guideline for Enhancing Industry-Academia-Government Collaboration Activities Formulated

The Ministry of Economy, Trade and Industry (METI), and the Ministry of Education, Culture, Sports, Science and Technology (MEXT) jointly formulated and published the "Guideline for Enhancing Industry-Academia-Government Collaboration Activities" on 30 November. This guideline compiles the policy and concrete actions to strengthen the organizational scaled Industry-Academia-Government collaboration, in order to promote open innovation.

The Japan Revitalization Strategy 2016, which was decided by the Cabinet on June 2, 2016, set a governmental goal of "Tripling the current investment value from companies to universities and national R&D institutes by FY2025 to surpass the average investment level of other OECD member states."

In light of this goal, METI and MEXT recognize the importance of providing opportunities for the industry, academia and government sectors to carry out specific actions and achieve concrete goals through holding dialogues on creating innovation, e.g., fortifying related systems in universities to deepen the industry-academia collaboration as well as promoting corporate awareness-raising efforts and actions towards reform to promote innovation. To this end, in July 2016, the ministries jointly established the Council of Industry-Academia-Government Dialogues for the Promotion of Innovation. In addition, in September 2016, the Working Group for Deepening Industry-Academia-Government Collaboration was established under the council.

For the success of trilateral collaboration, the guideline places great importance of securing "good cycles" of capital, intellectual assets and human resources. In this regard, the guideline requests enhanced commitment of the industry circle various measures including active use of patent for invention, "cross appointments" which admits plural employment for talented researchers and personal engagement of the management.

http://www.meti.go.jp/english/press/2016/1130_001.html
http://www.meti.go.jp/press/2016/11/20161130001/20161130001-1.pdf
(Japanese language only)

SURVEY AND BUSINESS DATA

95% of Renewable Power Is Solar

According to a monthly statistics of the Ministry of Economy, Trade and Industry (METI) published on 9 November, a total of operational renewable power

generating capacities which can be subject to the Feed-in-Tariff (FIT) systems amounted to 31.06 million kilo watts (kW). Non-residential solar power was the biggest at 25.46 million kW, followed by residential solar power at 4.19 million kW. All combined, the solar power reached 95% of the renewable power. Other renewables were Wind (0.57 million kW), Small-scale Hydro (0.19 million kW), Geothermal (0.01 million kW) and Biomass (0.64 million kW). Accumulated amount of money used for purchasing renewables under the FIT system since its introduction in July 2012 reached 4.05 trillion yen.

http://www.fit.go.jp/statistics/public_sp.html (Japanese language only)

Annual Report on Energy Supply and Demand Published

The Agency for Natural Resources and Energy (ANRE) released on 18

November the Preliminary Report on the FY2015 Comprehensive Energy

Statistics describing Japan's energy supply and demand situation.

According to the report, the overall final energy consumption decreased by

1.8% on a year-on-year basis, showing a decrease for five consecutive years.

The decrease is due to the further popularization of energy saving efforts among the public, the cooler summer and warmer winter than the previous year, etc. A breakdown by sector shows that the final energy consumption decreased in all sectors.

The overall domestic supply of primary energy decreased by 1.6% as compared to the previous year. The fuel breakdown of primary energy has changed due to the further dissemination of renewable energy for power generation and the advancement in restarting nuclear power plants.

The fuel breakdown of generated electric power shows that renewable energy (including unused energy and hydro energy) is about 13%, up by 1.0 percentage point, nuclear energy about 1%, up by 0.9 percentage points, and thermal power about 86%, down by 1.9 percentage points on a year-on-year basis respectively.

Energy-oriented carbon dioxide emissions decreased by 3.5% from the previous year, showing a decrease for two consecutive years. Carbon dioxide emissions increased for four consecutive years until FY2013 due to the influence of the shutting down of nuclear power plants since the Great East Japan Earthquake hit Japan in 2011. However, from FY2014, the emissions began decreasing and in FY2015 recorded the lowest emissions since the Great East Japan Earthquake.

ADDITIONAL TOPICS

METI Concluded an MOC Concerning Industrial Human Resource Development with Indian Ministry

On November 11, the Ministry of Economy, Trade and Industry (METI) concluded a Memorandum of Cooperation (MOC) on the Manufacturing Skill Transfer Promotion Programme with the Indian Ministry of Skill Development and Entrepreneurship (MSDE) to facilitate the human resource and skill development in the manufacturing sector in India, through collaboration between the public and private sectors of both countries in order to contribute to "Make in India" and "Skill India". The conclusion of the MOC is expected to accelerate the business development of Japanese companies in India. With the "Manufacturing Skill Transfer Promotion Programme" both sides aim to train 30,000 Japanese standard shop floor leaders and engineers in manufacturing in the next 10 years. Japanese companies will set up the Japan-India Institute for Manufacturing (JIM) to train future shop floor leaders to Japanese standards in India with key Japanese elements, e.g., Kaizen and 5S, and Japanese working methods. Japanese companies will establish Japanese Endowed Courses (JEC) with existing engineering colleges in India to train future candidates for middle management engineers in the manufacturing sector.

In summer 2017, as the first step of the series of efforts, JIMs will start by Maruti Suzuki India Ltd. (Gujarat), Toyota Kirloskar Motor Private Ltd. (Karnataka) and Daikin Air-Conditioning India Pvt. Ltd. (Rajasthan).

http://www.meti.go.jp/english/press/2016/1111_01.html

Demonstration Project to Increase the Travel Distance of Electric Vehicle Begins in California

A ceremony to mark the start of the "DRIVETHEARC" demonstration project was held on November 14 in El Dorado Hills, California. DRIVETHEARC is a corridor of electric vehicle (EV) fast charging stations spanning from Monterey to Lake Tahoe. It aims to increase the ease of long-distance EV travel along one of California's most important travel arteries while studying EV use and driving

patterns through a smartphone app that will provide a user-friendly charging experience.

It is a joint international project promoted by Japan's largest public R&D management organization, the New Energy and Industrial Technology Development Organization (NEDO) – under the agreement between NEDO and the State of California Governor's Office of Business and Economic Development, and in partnership with Nissan Motor Co., Nissan North America, Kanematsu and EVgo. The project to collect and analyze data will be completed in September 2020, while installation of the 50 fast chargers along the corridor is expected to be completed by March 2017. This will provide drivers with multiple fast charging points per site at the more than 20 high-traffic locations that are part of the project.

An integrated international cooperation, NEDO is funding the DRIVETHEARC corridor as part of its mission to improve energy conservation and promote new energy technologies, as well to help facilitate government relations, research and information exchange between the U.S. and Japan. In partnership with Kanematsu, a DRIVETHEARC smartphone app is also in development and will provide users with key real-time convenience features such as navigation to charging stations within cruising range and will help reduce charge waiting times with charger vacancy information. Obtained driving statistics will be available to users, and Nissan, Kanematsu, EVgo and NEDO will analyze and measure charger use patterns to better inform future EV charging projects globally.

http://www.nedo.go.jp/english/whatsnew_20161115.html https://newsroom.nissan-global.com/releases/161115-01-e?lang=en-US

Guidelines for the Designation of Food Additives and Flavoring Agents Become Available in English

The Ministry of Health, Labour and Welfare released on 30 November, following two English documents explaining the application for designation of food additives or revision of standards.

- (1) Guidelines for the Designation of Food Additives and Revision of Standards for Use of Food Additives
- (2) Guidelines for the Designation of Flavoring Agents http://www.mhlw.go.jp/english/topics/foodsafety/foodadditives/index.html