



WINDS FROM JAPAN

Licensing Executives Society Japan

Osaka Conference Ends in Huge Success

By: Masataka Hashimoto

I am writing this report with a lingering feeling of relief and satisfaction.

The 2002 LES International Annual Conference in Osaka is over and all programs scheduled for the period from August 7 to 10 have been successfully carried out. As Chairman of the Organizing Committee, I have the pleasure of reporting that the final turnout was approximately 700 persons, which is evidence of the huge success of the conference. I take this opportunity to express my sincere appreciation to all of the participants who came a long way from their own countries and also the members of the Organizing Committee who have devotedly contributed to the preparation of the conference.

My personal hope for a large turnout changed into firm conviction, when I saw applications flowing in uninterrupted even after the closing date of early registration. The final number of the participants, including those who made registration on site, reached 693, far beyond our expected maximum number of 600. Participants including accompanying persons were from 47 countries. Among other things, I would like to draw readers' attention to the fact that there were a large number of participants from Asian countries. A total of 114 friends were from 10 Asian countries: China, Korea, Malaysia, Philippines, Singapore, Thailand, India,

Taiwan, Mongolia and Nepal. Participants from Japan were 257, which was also a pleasant surprise as it far exceeded our expected maximum figure.

It has been 17 years since the last the LESI Conference was held in Asia. Choosing Osaka as the place for the conference might have appealed to our Asian colleagues, as it is geographically easy to access. I sincerely hope that this conference in Osaka will help promote LES activities in Asia and contribute to the success of the 2006 annual conference in Seoul.

Let me touch a little bit upon how the conference was carried out, as I assume a majority of readers were not able to attend it. The venue for the conference was Osaka International Convention Center, which was newly opened 2 years ago at Nakanoshima area, central part of Osaka. On Day 1, i.e., April 8, Mr. Thierry Sueur, President of LES International and Mr. Chikao Fukuda, President of LES Japan greeted the participants. Following them, Mr. Suzuki, Vice Governor of Osaka made a welcome address on behalf of Governor Ohta, who had originally been expected to be on the podium.

The plenary sessions were speeches made by distinguished speakers. Mr. Shiina, Senior Advisor of IBM Japan, started a key note speech and Mr. Grondine, President of American Chamber of Commerce, Japan followed. For

the 3 days, ten speakers from USA, China, Australia, Netherlands, Malaysia and Japan made thought-provoking speeches on various aspects of the conference theme "International Cooperation towards the Prosperity of Human Beings". We also had 3 guest speakers for dinner and lunch. Workshops followed the plenary session each day, where opinions were exchanged actively. All workshops received high attention, and in particular, workshops on April 8 necessitated extra chairs to be brought in for the standing audience.

The International Delegates and Committee Meetings preceded the conference, where representatives of each society got together for policy-making of the LES International. In view of the fact that the LESI membership is reaching almost 11,000, LESI recognizes the need of substantive discussion among its members on the expected tasks and roles. LESI has therefore decided to create more opportunities for discussion. Specifically, LESI has introduced, in addition to the regular meetings, a Meeting between the Board and Society Presidents; a Meeting among European Presidents; and a Meeting among Working Groups. These meetings will also be held at the International Delegates and Committee Meetings in Chicago this fall. I am confident that they will work out very well in the near future.

At the Delegates Meetings, membership was approved and a LES flag was given to LES Poland. It was also decided that the Gold Medal Award will be presented to Dr. Akira Mifune. As you know, the Gold Medal Award is the highest award given to a member, who has made distinguished contributions to activities of LESI. Dr. Mifune was elected LESI President in 1992. Since then, he has been contributing LESI activities in a most devoted and energetic manner. His contribution was not limited to LESI activities. For the period of 1987-1989, Dr. Mifune was President of LES Japan. I can say without exaggeration that the present status of LES Japan owes much to his contribution over the past years. I, together with all members of LES Japan, would like to extend our heartfelt congratulations and appreciation to Dr. Mifune.

Conference programs included events for entertainment and excursion. *Koto*, a traditional Japanese harp, was played by 2 *Koto* masters at

the welcome & opening ceremony. Many people enjoyed *Awa-Odori* dance, by joining in the dance lines on the floor. A *Kagami-Biraki* ceremony preceded formal dinner and the play of *Tsugaru Jamisen*, mandolin-like musical instrument, have hopefully added another dimension of Japanese culture. I hope participants enjoyed their optional tours. Our only regret was that cherry blossoms were already gone, due to unusually warm weather in March. Even without cherry blossoms, however, Kyoto and Nara still are outstanding with their historic temples and shrines, imparting a flavor of ancient Japan.

Now, I look back how we started preparation for the conference. The Organizing Committee was established 4 years ago when Mr. Yamagami was President of LES Japan. Since then, trustee members of LES Japan gathered almost every month to discuss programs and to check the status of preparation. Two years ago, we held, in addition to regular meetings, sub-committee meetings which were divided into two groups: one in Osaka area and the other in Tokyo. The Tokyo group focused on constructing the program, while the Osaka group concentrated on all the other aspects necessary to implement the conference.

In connection with conference preparation, I have to emphasize the warm and invaluable support of key figures of LES International including Messrs. Goddar, Shalloway and Sueur. They visited the Conference Center and Hotel beforehand to provide us with valuable advice. Chairs of the meetings committee also gave us various recommendations. Taking this opportunity, I would like to express our sincere gratitude to these people. Without their support and advice, the success of the Osaka Conference could not be attained.

Having thus stated, I would conclude my story with the following message: I'll see you all in Oslo, next year.

*Chairman, Organizing Committee
Former President of LES Japan
Japan Ethanol Co., Ltd., Auditor*

Memoirs on the Osaka Conference

The Long Way to the Big Event

Kazunori YAMAGAMI, Japan

While listening to the eloquent English speech by the president of LESJ, Mr. Chikao Fukuda, I was experiencing a deep feeling of relief, confident of the success of the International Conference in Osaka. At the same time, I was recalling of the path that we have come so far, to the realization of this International Conference.

The very start of this project was the resolution at the Delegates Meeting held in Cancun on April 27, 1997, where I was participating as one of the delegates and chairman-elect. However, it was not until after the discussion in LESJ that Osaka was finally decided to be the host city among other candidate cities like Kyoto, Kobe and Nara; the Delegates Meeting resolution itself was that the International Conference to be held in “Kansai area, Japan.” As all of us know, Tokyo was the host city for the past two occasions of having the LES International Conference in Japan, due to reasons of accommodation and security. However, the LES Japan Annual Conference itself was held every few years in Kansai area, so it was a general feeling that the time was ripe for the LES International Conference to be held there.

There were several reasons why the city of Osaka was finally selected as the host city, for example, its geographical location enabling easy access to adjacent cities of Kyoto, Nara or Kobe, the fact that most members of the LESJ in Kansai area worked in Osaka, so it was easy to have their help, etc.

Regarding the time of the Conference, while at first decided to be held “toward the end of May”, after careful review of weather records it was changed to be in the “beginning of April”, when the probability of rainfall was minimal. Regrettably, this was a record year for the cherries which were in full blossom earlier than ever before.

The final decision over the selection of the place for the International Conference was scheduled to be made by the time of the Delegates Meeting in Amsterdam, in May 2000 since the two candidate hotels, the New Otani Hotel and the Riga Royal Hotel were both well suited as conference venues for approximately 500 participants, and therefore it was a hard task to make a selection.

Past President, LES Japan
YAMAGAMI LAW OFFICE, Attorney-at-law

Success due to Japanese Thoroughness

Reinhard KINNE, Germany

There can be no doubt that this past Conference was a great success with regard to its technical substance as well as with regard to the

social program offered. Due to Japanese thoroughness, everything was organized perfectly. Since the number of participants was comparatively small, all meetings could be held in the business center, so that there were only short ways to cover, without any problems to

reach the various places of events. Besides, this made it quite easy to meet old friends and acquaintances. Just as good as the business meetings were the excursions and tours. This, in any case, is what my wife reported to me with enthusiasm when she returned from the *Akashi Ohashi* and *Ohtsuka* museum tour and the *Kyoto* one day tour. And I also received similarly enthusiastic reports from other LES participants - all boiling down to their being highly impressed by the great Japanese culture and the politeness and kindness of the Japanese people.

The same joy and enthusiasm could be found for the social program of this LES Conference. Such a pleasant atmosphere is really unique, and not to be found at other conferences in our business. The receptions and dinners were a great joy to everybody. I gladly recall our walk through Osaka castle where we could still admire remainders of the cherry blossom season, which arrived a bit too early this year. This at least gave us an impression of how it might look like at the height of the cherry blossom season. Everyone enjoyed the presentations at the gala dinner. I myself almost won a prize in dancing. The Japanese meals were a particular source of pleasure to me although I assume that they were somewhat strange for several of us poor "*Gaijin*". Yet, most of us love so wonderful and delicious a food as raw fish and, for me, the Japanese food alone would be a reason to travel to Japan.

There was a whole host of topics for specialists, all of them selected and composed

very well. Unfortunately, several workshops in which I was interested took place at the same time, so that I had to move about a bit. I was most interested in the Japanese approach to licensing and technology transfer. Also the new developments, such as business patents, were covered very well, and presented to the listener in such supreme quality that they commanded his undivided attention. I especially liked the comparatively small groups in the workshops, which gave us ample opportunity to ask questions and also answer the questions of others, this often leading to an animated discussion among all participants to the workshop. Furthermore, being a European, I was particularly interested in the topic "litigation strategies in Europe" and, in this connection, primarily in the possibilities of cross border injunctions. This topic was presented in such an excellent manner that it can be taken as an example for events taking place in Europe, which often lack such clarity. It was really a strange experience for me to have had to travel to Osaka to get so well composed of information on the legal relations in Europe.

My above report is, of course, of a subjective nature and incomplete. I could but give my personal impression, which was a very good one.

*Patent Attorney, European Patent Attorney
Tiedtke-Buhling-Kinne & Partner, Munich*

Appropriate Theme Selection

Emil BENATOV, Bulgaria

As a patent attorney and IP appraiser, I would like to state that the meetings of LES INTERNATIONAL have always been quite useful to me. The latest conference in Osaka is not an exception. However, it had its own special advantages which I would like to point out here.

The exceptionally appropriate theme selection was in conformity with the ongoing globalization processes and in this way it anticipatably touched on many practical questions connected with the IP transfer in our fast changing world. The

experience shared by a number of distinguished managers of some of the most prosperous companies, and especially Japanese companies, was a favorable opportunity for all participants to "set their watches right". Personally, I outline the report on Japanese Experience in International Alliance and Technology Transfer, delivered by the respected Mr. Shosaku Yasui – Chairman and CEO of the world-famous corporation TEIJIN. The themes of Valuation of Platform Technologies in Licensing Deals, brilliantly elaborated by the colleagues Masaru Takayanagi, Jan-Bernard Barfiga and Richard Diccico, and discussed at Workshop III, Session under the perfect guidance of the Moderator Mr. Koichi

Kato were also significant for my practice as an IP appraiser.

But the conference had another aspect as well – it enabled many of its participants, including me, to sense Japan and the Japanese way of life, to feel the hospitality and the pulse of one of the leading countries in the world which sacredly keeps its national identity.

Now I have a lot of new Japanese friends and from the pages of WINDS FROM JAPAN. I would like to convey my most sincere thanks to them – *aligato gozaymashita*.

*Patent Attorney, IP Appraiser
Dr. Emil Benatov & Partner, Sofia*

Memorable Experience? Yes, Definitely

Sun R. KIM, Korea

The 2002 Licensing Executive Society Annual Conference in Osaka was one that will be remembered by those who took part as a fascinating display of east meets west in the world of intellectual property licensing. The theme “International Cooperation toward the Prosperity of Human Beings” touched on the core of what licensing should ideally represent. The event diverged from the idea of economic gain by focusing on the how licensing can be used for the betterment of society as a whole.

The conference received broad input from across the spectrum of LES international members. Especially worth mentioning however, was the opportunity to learn more about Intellectual Property in Japan from the interesting cross-section of Japanese speakers that were invited to take part. As a Korean member of LES, it was particularly exciting to witness so many distinguished speakers from our region versed with progressive topics as a mark of the growing importance of intellectual property in Asia.

The speakers raised several ideas regarding how intellectual property licensing is the basis of mutual benefit, providing an amicable setting for world citizens to record, benefit from, and exchange their own ideas. Only once the cycle of idea creation is put into place and legitimized can economic gain become a consequence for reinvestment to produce continual improvement in intellectual property.

The importance of how intellectual property licensing is represented across the reaches modern society was highlighted by the broad spectrum of topics presented at the conference. For instance, just two of the topics, gene technology and Cyberspace transactions, afford an example of how the meeting was able to bring together a broad spectrum of ideas that usually could not be placed under one banner. Overall, it was refreshing to take part in an event that focused on the key values for licensing and the existence of LES.

Our Japanese hosts paid special attention to ensuring that every participant had a memorable experience, providing tours of both Osaka and surrounding attractions. Exceptionally notable was the visit to Nara, one of the ancient capitals of Japan, where members were greeted by spectacular temples and shrines and witnessed the beauty of Japanese traditional gardens. This place was a magnificent representation of Japan’s ability to maintain historic sacredness under times of both adversity and rapid progress.

All in all, Osaka proved a great city for hosting the Annual Conference. As Korea is planning on hosting a major LES event later this year, paying close attention to the detail with which Japan organized their event was a must. I wish to congratulate LES Japan for its success in hosting this tremendous event.

*Attorney-at-law
Kims & Lees, Seoul*

Many Excellent Presentations

Jared MARGOLIS, Hong Kong

By all accounts the LES International 2002 Annual Conference held in Osaka from 7 to 10 April 2002 was a resounding success. The conference took place during the wonderful period of the blooming of Japan's famous cherry blossom trees. The ideal location in Osaka, including organized visits to surrounding areas, provided an ideal opportunity for appreciating the natural beauty of the cherry blossom season and of the man-made beauty of Japan's architectural and historical splendors such as the world heritage *Horyuji* Temple in Nara and the important Himeji Castle.

The theme of the conference was "International Cooperation Toward the Prosperity of Human Beings". In this era of commercially oriented globalization, the conference contained a number of presentations which indeed emphasized the human side of technology and international licensing.

Although the Annual Conference itself began on 7 April, as usual immediately prior to its commencement the international delegate and committee meetings were held, finishing on the afternoon of Sunday, 7 April. On Sunday evening the Annual Conference welcome reception was held, and then the conference began in earnest on Monday morning with the formal welcome and opening ceremony, followed immediately by the first plenary sessions. Contributions of members from Japan, China, France, Australia and elsewhere left no doubt about the trans-border orientation of the Licensing Executives Society. After lunch, the workshops began, five workshops in five parallel sessions. In fact, so many that it was difficult to decide which to attend. On Monday night a very enjoyable casual Japanese dinner was held where as usual there were valuable opportunities to exchange ideas with colleague members from around the world and to renew acquaintances with friends not seen for some time.

As part of Tuesday's plenary session, all those of us who have had any exposure to the field of liquid crystal displays were very much interested by the presentation on "The Paradigm Shift in the

Liquid Crystal Display World". This was a field that give rise to a great deal of licensing and litigation in many jurisdictions around the world during the burgeoning period of high tech growth.

On Tuesday afternoon there were excursions to Nara, Kyoto and Himeji for those of us who wanted to absorb some more Japanese culture. For those who wanted to stay within the realm of technology, there was a tour to the Panasonic Hall of Science & Technology. Tuesday night dinner was on our own, and many of us set out to explore the famous culinary treasures of Osaka, sampling the specialties of the city.

There were so many excellent presentations at this meeting that I have difficulty in singling out any particular ones. However, the workshop on the transplanting of traditional technology into modern business was both unusual and technically interesting, showing technology's human side. An example of this was the discussion of the new ceramics technology of Nippon Gaishi. This was particularly opportune for me after having looked at numerous items of a more traditional kind of Japanese ceramic ware to decorate my house.

Amongst the plenary sessions, those which I found to be particularly interesting were two on Wednesday, 10 April 2002. First, professor Michihiro Matsumoto of Honolulu University spoke on "Japanese Legal Mindedness". This presentation provided crucial insights on the Japanese legal mind to those of us who are not practicing in Japan. The discussion helped answer the questions that so many people from other countries ask about the Japanese decision-making processes, particularly in the context of the licensing of rights and of enforcing those rights.

This was followed by Professor Kawakatsu's discussion entitled "The Emergence of Modern Civilization" which was equally interesting. Professor Kawakatsu's extensive knowledge of the history and philosophy of science and technology, and the effects which advances in technology had on world history made many of us want to read more of his writings.

As can be seen from the topic titles, these are far from hard-core technology licensing law, but both were absolutely captivating. They helped to situate the various other sessions in the broad context of the Japanese legal landscape for licensing and the even broader context of the history of technology.

Finally, on Wednesday night there was a very enjoyable cocktail reception followed by the Gala Dinner and Dance. Needless to say, a good time was had by all.

Attorney-at-law
Margolis & Associates, Hong Kong

IP News from Japan

By **Jinzo FUJINO & Shoichi OKUYAMA**

1. Japan Issues a Ground Rule for IP Reforms

On July 3, 2002, the Japanese Government issued the ground rules for overhauling the infrastructure of intellectual property systems in Japan. The ground rules, prepared by the Strategic Council on Intellectual Property whose members are representative cabinet members and business leaders chaired by Prime Minister Junichiro Koizumi, lists up specific action plans on 55 items. They are expected to improve the level of creation, protection, utilization and education of intellectual property in Japan by FY2005.

The ground rules focus on, among other things: 1) establishing a system for common use of prior art by the Patent Offices of major countries; 2) limiting first instance patent jurisdiction to the Tokyo District Court and the Osaka District Court; 3) strengthening regulations against counterfeit goods; 4) legislating criminal action for the protection of trade secrets; 5) giving authorization to universities for the creation and administration of intellectual property; and 6) fostering IP experts and practitioners. The government will legislate an "Intellectual Property Charter," which is to act as the constitution of intellectual property. With this legislation in 2003, the government will form an "IP Strategic Headquarter" consisting of cabinet members to supervise the implementation of reforms to be performed by the responsible ministries and agencies.

The package of action plans broadly reflects proposals put forward by the National Forum for Intellectual Property (NFIP) earlier this year. Those who are interested in the text of the NFIP

proposals are suggested to visit the web at: <http://www.smips.rcast.u-tokyo.ac.jp/NFIPS.html>, where English translations of the NFIP proposals are accessible. Missing elements include, among others, completion of examination within one year and establishment of a quasi-judicial organization to prevent and repel counterfeits from flooding into Japan. (J. Fujino*)

2. Restrictions Will Be Further Relaxed on the Activities of Foreign Lawyers

The Internationalization Group formed within the Headquarters for Implementing Judicial Reform set up by the Japanese Government met on July 25, 2002 and voted on the issue of overall deregulation on activities of foreign lawyers in Japan. Out of the ten members, nine voted for the proposed changes and one representing the Japan Federation of Bar Association voted against it. On the basis of this vote, the government will submit legislation before the Diet that should further deregulate what foreign lawyers are permitted to do in Japan when it becomes law. Now 191 foreign lawyers are registered to advise on foreign laws in Japan. Most of the current regulations such as restrictions on partnerships between foreign and Japanese lawyers and employment of Japanese lawyers by foreign lawyers are likely to be dissolved or significantly reduced.

This is part of the overall judicial system reform that has been going on for last three years. Within the greater framework, American-style graduate level law schools will start in 2004, and the number of those who pass the national bar examination each year for lawyers, judges and public prosecutors will be increased to 3,000 in several years from the current level of 1,000. (S. Okuyama**)

3. Patent Law Amendment Will Take Effect on September 1, 2002

The amendment to the Patent Law became law in April 2002, and the law will take effect on September 1, 2002. The changes include: (1) requiring the applicant to include in the specifications more details on the prior art known to him on the date of filing; (2) redefining "product" under the Patent Law to cover computer programs; and (3) imposing the uniform 30 months deadline for the National Phase entry of PCT applications even without a Chapter II demand. The new deadline is applicable to PCT applications that have the 20 months deadline on or after September 1, 2002. Also, a period of two months will be provided

after the National Phase entry deadline for preparing and filing a Japanese translation. This will significantly reduce the burden of Japanese attorneys who have had to translate in very short periods of time in urgent cases. Computer programs will be protected as a product, and an act of providing a patented computer program over the Internet will in itself constitute a patent infringement. (S. Okuyama)

Editors of WINDS from Japan

** NGB Corporation, IP Research Institute, Tokyo*

*** Okuyama & Co., Tokyo, Patent attorney, Ph.D.*

Editor's Note

At the last meeting of the LESI International Delegates in Osaka, the Board of Delegates unanimously accepted the recommendation that the Gold Medal goes to Dr. Akira Mifune. The recommendation was made by the LESI Gold Medal Award Committee.

The LESI Gold Medal has only been awarded to other recipients thirteen times during the history of LESI. The Gold Medal is to be awarded during the LESI International Conference in Oslo next year.

Mr. Larry Evans drafted the recommendation on behalf of the Award Committee. His recommendation is available in *les Nouvelles* June 2002 at Blue Page 7.

Congratulations Mifune-san.

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