

## **JAPANESE INDUSTRY AND POLICY NEWS**

**February 2018**

### **LEGISLATION AND POLICY NEWS**

#### **JPO to Expand Cooperation with WIPO**

Mr. Hiroshige Seko, Minister of Economy, Trade and Industry, received a courtesy call from Dr. Francis Gurry, Director General of the World Intellectual Property Office (WIPO) on February 21. They agreed that the Japan Patent Office (JPO) will embark on new global cooperation in the field of intellectual property (IP) through WIPO under the Japan Funds-In-Trust for Industrial Property (Japan FIT/IP), a JPO financing initiative. Along with this agreement, WIPO, the JPO and the Japan External Trade Organization (JETRO) signed a Letter of Intent for the establishment of a collaboration framework in the fields of IP and trade and investment.

Under this agreement, the JPO will expand the existing cooperation focusing on the development of examination practices in IP offices in target countries, e.g., accession of target countries to international treaties, introduction of IT and improvement of personnel performance involving examination practices, to cooperation focusing on the development of environments for IP utilization based on the current situation of target developing countries.

In addition, in cooperation with JETRO, an organizer of the One Village, One Product Market campaign, the JPO will take advantage of the Japan FIT/IP and strive to cooperate in discovering outstanding regional products in developing countries and creating brands thereof, thereby encouraging companies in such countries to develop business worldwide.

[http://www.meti.go.jp/english/press/2018/0221\\_001.html](http://www.meti.go.jp/english/press/2018/0221_001.html)

#### **METI to Establish the Consortium for Supporting Young Designers**

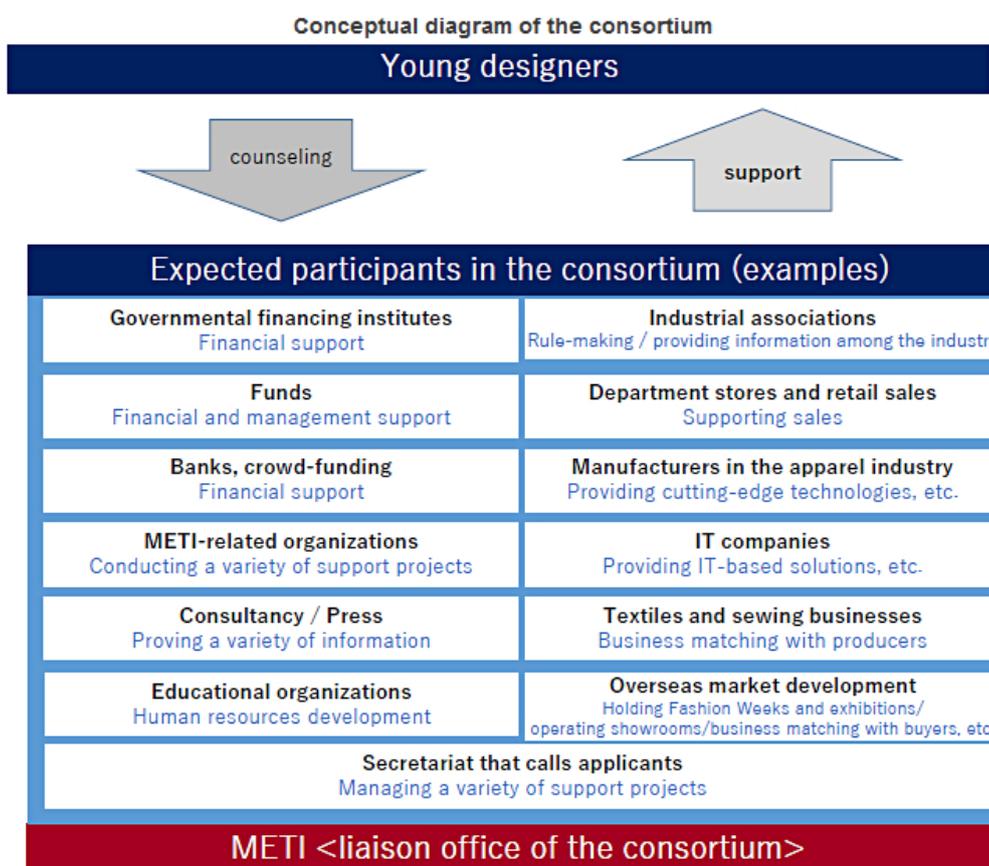
In June 2017, the Ministry of Economy, Trade and Industry (METI) established a Round Table Conference of Fashion Industries Policies, consisting of 20 experts in the industry. Since then, the conference has been studying ideal approaches to supporting the development of new fashion designer brands and finally compiled the discussion results into policy recommendations.

In response to the recommendations, METI announced on February 23 that it decided to establish the Consortium for Supporting Young Designers and

supports the consortium by expanding business opportunities for young fashion designers.

At the meetings of the Round Table Conference, participants confirmed the current challenges that the Japanese fashion industry is facing, and based on this, they ascertained the business environment required to encourage young fashion designers to play a leading role overseas as well as challenges therein, and held discussions concerning support measures needed to achieve this goal. As part of this effort, METI decided to establish the Consortium for Supporting Young Designers as a framework in which the public and private sectors will integrally implement support measures for young fashion designers from a variety of perspectives, e.g., management, monodzukuri (manufacturing) and sales-channels/business models.

Through efforts for supporting such designers, METI will manage and advance the consortium so as to revitalize the whole fashion industry in Japan. The liaison office of the consortium will open in METI.



[http://www.meti.go.jp/english/press/2018/0223\\_002.html](http://www.meti.go.jp/english/press/2018/0223_002.html)

## **SURVEY AND BUSINESS DATA**

### **Report of 2017 Basic Survey of Japanese Business Structure and Activities Compiled**

The Ministry of Economy, Trade and Industry (METI) has been conducting a survey titled "METI Basic Survey of Japanese Business Structure and Activities" with the aim of clarifying how the management strategies of Japanese enterprises and industrial structures actually evolve, and also in order to obtain basic data to support administrative measures.

Key points revealed in the preliminary report published on February 2 which was based on the actual results for FY2016, targeting 28,550 enterprises in total that have been categorized in target sectors for the survey, are as follows.

(a) Sales per company decreased by 2.9% on a year-on-year basis, marking a decrease for three consecutive years, while operating profit per company increased by 1.5% on a year-on-year basis, marking a fifth consecutive annual increase.

(b) Operating profit ratio per company reached record highs in the manufacturing and wholesale sectors since the survey began in FY1991.

(c) The number of permanent full-time employees was 319 persons per company, marking the record high since the FY2006 survey for which comparable data exists. It corresponds to an increase of 0.6% from a year earlier.

(d) The number of overseas subsidiaries per company marked a record high since the survey began in FY2003.

[http://www.meti.go.jp/english/press/2018/0202\\_002.html](http://www.meti.go.jp/english/press/2018/0202_002.html)

### **A total of 7.5 Million People are Engaging in the Manufacturing Activities**

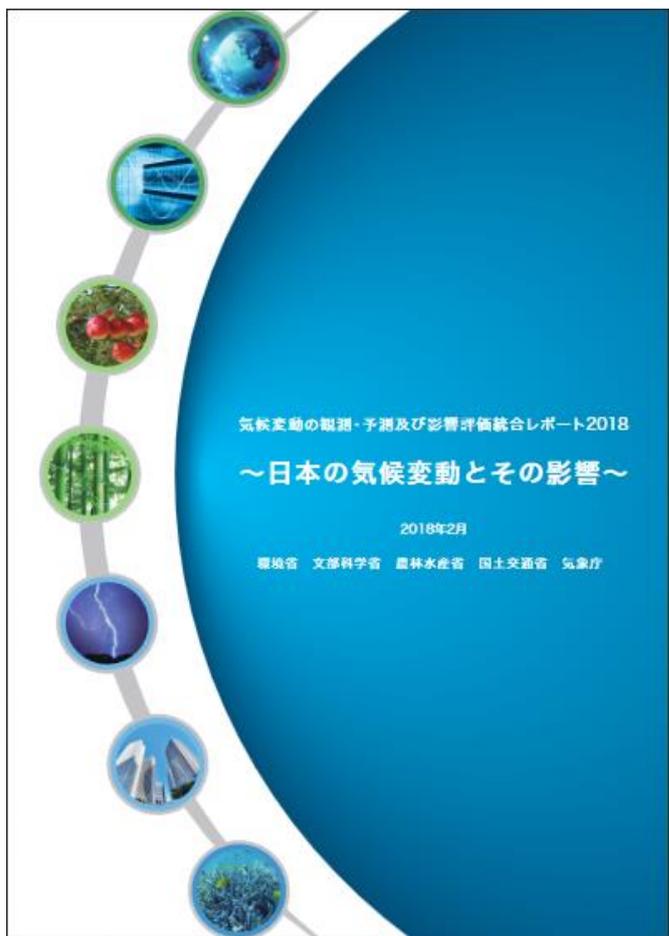
According to the preliminary result of the Census of Industry that the Ministry of Economy, Trade and Industry (METI) published on February 28, the number of business entities in industrial sector was 189,799, as of June 1, 2017. Total employment in the sector actually engaging in the manufacturing activities was 7.5 million people and the shipment of manufactured products reached 300 trillion yen.

By sector, metal product manufacturers were the most numerous with 25,332 entities, followed by food processing companies (25,245 entities). It was the food processing companies who employ the most with 1.12 million people, followed by the transportation equipment manufacturers (1.05 million people).

<http://www.meti.go.jp/press/2017/02/20180228003/20180228003.html>

(Japanese language only)

## Report on the Influence of Climate Change in Japan Compiled



The Ministry of Environment, the Ministry of Education, Culture, Sport, Science and Technology (MEXT), the Ministry of Agriculture, Forestry and Fisheries (MAFF), the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) and the Japan Meteorological Agency jointly announced on February 16 the publication of the “Integrated Report on Climate Change in Japan 2018”. Objectives of compiling the report was to offer the most recent scientific knowledge to the administrative institutes and the people in studying countermeasures against climate change.

The report introduces various “facts” of the climate change in Japan, e.g. temperature rise in Japan is faster than the world, days of strong rain increase

while rainy days are decreasing, hot days with maximum temperature above 30° C and 35° C increase, possibility of heavy snow foreseen in some inland region while snow accumulation reduces in many places.

The report introduces actual cases of the change in various aspect of life and activities, such as the start of new agricultural production which can be grown under higher temperature.

<http://www.env.go.jp/press/105129.html> (Japanese language only)

[http://www.env.go.jp/earth/tekiou/report2018\\_full.pdf](http://www.env.go.jp/earth/tekiou/report2018_full.pdf) (Japanese language only)

### **Prospect Remains Favorable in Environment-related Business**

According to a business condition survey of the Ministry of Environment published on February 26, opinions expressed in environment-related business stay favorable. Diffusion index which is the difference between brighter and gloomy future prospects was 21% point in December, up from 19% point registered in an earlier study in June. It is a result of a questionnaire answered by a total of 4,702 companies.

By sector, views expressed by the “counter-measure activities against global warming” were the highest at 26% point. As for the future development possibility, “energy-efficient automobile” was indicated as the most promising. As for the possibility of future engagement, “renewable energy” was the most popular field of activities.

<https://www.env.go.jp/press/105158.html> (Japanese language only)

### **Summary Report of Comprehensive Survey of Living Conditions 2013 Published in English**

The Ministry of Health, Labour and Welfare (MHLW) published on February 9, an English summary of 2013 Survey of Living Conditions. The survey is comprehensive, covering such information as the number of households and household members, income and related information of various types of households, health of household members and long-term care together with the statistical tables.

According to the MHLW, the total number of households in Japan as of June 6, 2013 was 50,112,000.

<http://www.mhlw.go.jp/english/database/db-hss/cslc-report2013.html>

[http://www.mhlw.go.jp/english/database/db-hss/dl/report\\_gaikyo\\_2013.pdf](http://www.mhlw.go.jp/english/database/db-hss/dl/report_gaikyo_2013.pdf)

## ADDITIONAL TOPICS

### Cap & Trade in Tokyo Contributes to the Reduction of GHG in the Region

Tokyo Metropolitan Government announced on February 21 that the emission of the greenhouse gas (GHG) from large entities of the region in fiscal 2016 was 12.13 million tons, which is a decrease of 1% from the previous year. The reduction was realized while the total floor space of the companies concerned increased by more than 500,000 m<sup>2</sup>.

Tokyo Government attributes the reason of reduction to its “Cap and Trade” system introduced in 2010. The Tokyo Cap & Trade system is imposed on about 1,200 large entities, annual energy consumption of each is above 1,500 tons equivalent of petrol.

<http://www.metro.tokyo.jp/tosei/hodohappyo/press/2018/02/21/08.html>

(Japanese language only)

### New International Standards Pictograms Set for Warm Water Bidet

In response to Japan’s proposal, the International Organization for Standardization (ISO) registered new international standards for six types of pictograms representing warm water bidet (ISO7000: graphical symbols for use on equipment) in January. This registration is expected to contribute to safe and comfortable toilet environments for all users, including overseas tourists in Japan, and to improve the user-friendliness of restrooms.

ISO7000-3609	ISO7000-3610	ISO7000-3611
Toilet, flush	Toilet, light flush	Toilet, rear cleansing spray
		
ISO7000-3612	ISO7000-3613	ISO7000-3614
Toilet, front cleansing spray	Toilet lid, opening and closing	Toilet seat, opening and closing
		

As Japan is experiencing record high number of overseas tourists every year, many such tourists have been facing difficulties in using public restrooms due to difficulty with understanding the meaning of a variety of pictograms indicated on operation buttons of warm water bidet. This situation is caused in part by differences among pictograms used by manufacturers to represent similar bidet functions. To overcome this challenge and cultivate new international markets in the field of warm water bidet, Japan sought to establish international standards for pictograms for such operation buttons.

[http://www.meti.go.jp/english/press/2018/0226\\_001.html](http://www.meti.go.jp/english/press/2018/0226_001.html)

### **NEDO Uploaded Moving Images of the SIP Automated Driving Systems Initiatives**

On February 13, the New Energy and Industrial Technology Development Organization (NEDO) started uploading moving images of the large-scale field operational test of automated driving systems which was launched in October 2017 under the Strategic Innovation Promotion Program (SIP) of the Japanese government. The test is being implemented with five key issues including the three dimensional (3D) dynamic map and the human machine interface (HMI).

<https://www.youtube.com/watch?v=m27guAlaUb0>

### **Small Rocket "SS-520 No.5" Successfully Launched**

A small rocket named "SS-520 No.5," developed by the Japan Aerospace Exploration Agency (JAXA) based on a commission by the Ministry of Economy, Trade and Industry (METI), was launched successfully on February 3, from a JAXA Uchinoura Space Center launch site.

Anticipating an increase in demand for microsatellites, METI has been engaging in the Research and Development Project for the Improvement of Technical Information Infrastructures for the Space Industry (In-orbit Demonstration of Space Equipment Making Use of Commercial Products). This project aims to develop small rockets, microsatellites and other space vehicles with price competitiveness in which Japan's commercial parts and technologies are utilized. The SS-520 No.5 was launched with a built-in microsatellite called "TRICOM-1R," an achievement developed by the University of Tokyo as another effort under the project.

[Major specifications of the SS-520 No.5]

Length : 9.54 m

Diameter : 0.52m (representative section)

Total weight : 2.6 tons

Propellant : Solid propellant

Stage structure : Three-stage type

Launching ability : Over 4kg to low earth orbit

Launching site : JAXA Uchinoura Space Center

Launching style : Rail launcher-sliding style (suspended style)

Note: The photo below shows the SS5-520 No.4 rocket.



[Major specifications of TRICOM-1R]

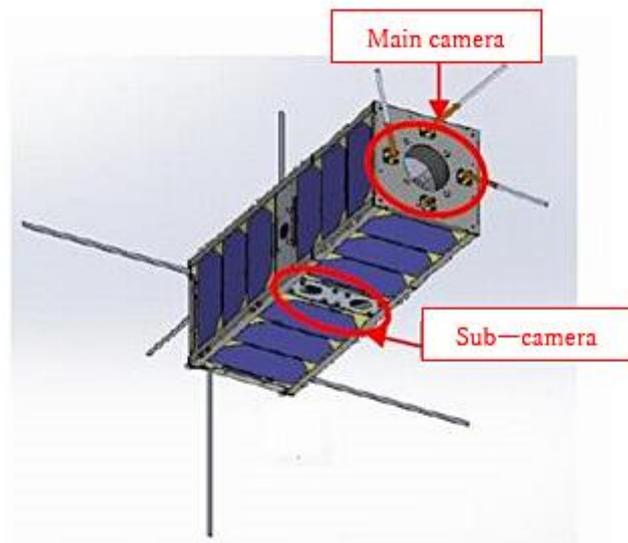
General name : Microsatellite

Size : 116mm x 116mm x 346 mm (excluding the antenna section)

Mass : About 3kg

Orbit : Elliptic orbit of 180 km perigee x 1,500 km apogee

Angle of inclination : 31 degrees



This satellite aims to complete [i] a mission to collect data sent from the terminal on earth while in orbit and transfer data to the station according to the command at the time when it is situated above the control station, [ii] a mission to shoot photos of the earth using a built-in camera, and [iii] a prompt observation mission in which the satellite autonomously shoots photos of the earth immediately after being launched and settling into orbit and sends observatory data to the station back on earth.

[http://www.meti.go.jp/english/press/2018/0203\\_001.html](http://www.meti.go.jp/english/press/2018/0203_001.html)