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LEGISLATION AND POLICY NEWS

Japan to regulate drone flights over crowded areas

Japan's Diet enacted a law that bans drones from flying over crowded residential areas or around airports without government permission on September 4.

The move is part of a safety measures devised by the government following an incident in which a small drone was found on the roof of the prime minister's office building in April.

The Revised Civil Aeronautics Law, due to take effect by the year-end, defines drones as unmanned aircraft that can be flown by remote control or automatic pilot, excluding lightweight toy drones. Violators face fines of up to 500,000 yen (approximately €3,730).

<http://www.mlit.go.jp/common/001097281.pdf>

(Government prepared Japanese language reference material)

Diet Approved bill to remove temporary workers' term limit

Japan's Diet approved on September 11 a bill that will allow companies to keep specific posts for temporary staff indefinitely providing that they change persons every three years.

Previously, there used to be a limit of three years for a post to be allocated to temporary staff.

The bill to amend the workers dispatch law, seen as the first key step in labor market deregulation under Prime Minister Shinzo Abe's growth strategy. There were about 1.26 million such workers in Japan as of June 2014.

The legislation becomes effective on September 30.

<http://www.mhlw.go.jp/stf/seisakunitsuite/bunya/0000077386.html>

(Information in Japanese)

Guidelines for Patent and Utility Model Examination Updated

The Japan Patent Office (JPO) has completed the work of updating its “Examination Guidelines for Patent and Utility Model” and “Examination Handbook for Patent and Utility Model”, releasing both Japanese and English versions on September 16. JPO said that they received requests from patent-system users both in and outside of Japan to explain the basic concepts of the “Examination Guidelines for Patent and Utility Model” in a more easy-to-understand format with clear and concise descriptions.

JPO explains objectives of updates as follows:

1. To clearly and logically explain examination practices and procedures.
2. To provide ample case examples (372 cases) and court precedents (193 cases) in the “Examination Handbook”, ensuring they include a proper balance between patentable (patented) and unpatentable (unpatented) cases.
3. To make descriptions more clear and concise through the use of tables, figures, and shorter sentences.

http://www.meti.go.jp/english/press/2015/0916_01.html

SURVEY AND BUSINESS DATA

Two-thirds of Japan's smaller firms raising wages in FY 2015

According to a survey by the Ministry of Economy, Trade and Industry (METI), 67.6 percent of responding small and medium sized firms have raised wages or plan to do so for full-time employees in the current fiscal year, up 3.3 percentage points from the previous fiscal year.

The increases, through such means as pay-scale hikes or raising bonuses, have been implemented across the country, the METI said.

<http://www.meti.go.jp/press/2015/08/20150828002/20150828002.html> (in Japanese)

COMPANY NEWS

Toyota Collaborates with MIT and Stanford to Accelerate Artificial Intelligence Research

Toyota Motor Corporation (TMC) announced on September 4 that it would invest approximately \$50 million over the next 5 years to establish joint research centers at Massachusetts Institute of Technology (MIT) and Stanford University to broaden its focus on computer science and human-machine interaction with an immediate goal of reducing highway injuries and fatalities. According to its press release, Toyota believes the opportunities to improve every-day living through artificial intelligence supported technologies are boundless, with significant breakthrough potential for the development of life-saving intelligent vehicles and life-improving robots.

<http://newsroom.toyota.co.jp/en/detail/9233109/>

Japan Post listing is set for Nov.4

Japan Post Holdings Co. and its banking and insurance units will be listed on the Tokyo Stock Exchange on Nov. 4, the Japan Exchange Group (JPX) announced on September 10. Listing of Japan Post group companies is expected to be the largest initial public offering since Nippon Telegraph and Telephone Corp. was privatized in 1987.

<http://www.jpix.co.jp/english/listing/stocks/new/index.html>

<http://www.japanpost.jp/pressrelease/jpn/2015/20150910112616.html> (information in Japanese)

Narita-Warsaw Regular flights to be launched in January

Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT) approved on September 11 the start of regular flights by LOT Polish Airlines between Warsaw and Narita airport near Tokyo from January 13.

It will be the first regular service between Japan and Poland.

LOT will operate three round-trip flights a week using Boeing 787 aircraft.

http://www.mlit.go.jp/report/press/kouku04_hh_000116.html
(Information in Japanese)

Shinkansen service extended to Hokkaido next March

Hokkaido Railway Co. and East Japan Railway Co. jointly announced on September 16 that they would launch Shinkansen bullet train service between Shin-Aomori station and Shin-Hakodate Hokuto station on March 26. It will be the first time that Shinkansen link the northern island of Hokkaido with Tokyo and other stations on the Honshu mainland. Railway operators will provide 13 round-trips per day on the Hokkaido Shinkansen line, of which 10 services are for Tokyo/Shin-Hakodate Hokuto.

<http://www2.jrhokkaido.co.jp/global/english/shinkansen/index.html>

Nippon Life to buy Mitsui Life

Nippon Life Insurance Co. (Nissay) and Mitsui Life Insurance Co., Ltd. announced on September 11 that they agreed to integrate management in order to deliver continuous growth under declining domestic population. It is the first major realignment in Japan's life insurance sector in a decade.

Nissay will launch a takeover bid (TOB) for all shares of Mitsui Life in late October, expecting the deal to close by January. It is estimated that Nissay will spend 300 billion to 350 billion yen (€2.2 billion to €2.6 billion) on the acquisition.

After the TOB, around 15 percent of the shares will be allocated to Mitsui group companies including Sumitomo Mitsui Banking Corp.

<http://www.nissay.co.jp/english/news/pdf/20150911.pdf>

Suzuki Motor buys back shares from Volkswagen

Suzuki Motor Corp. announced that it bought back its shares held by Volkswagen AG for 460 billion yen (€3.4 billion) on September 17. The share purchase terminated their partnership since December 2009. Volkswagen obtained a 19.9 percent stake in Suzuki for about 220 billion yen.

Suzuki said in August that it would buy back all of the stake held by Volkswagen following the arbitration awarded by the International Court of Arbitration of the International Chamber of Commerce.

<http://www.globalsuzuki.com/ir/news/2015/pdf/20150917.pdf>