

Introduction

This document has been produced under the auspices of the Government of Canada's Going Global Trade Development Strategy initiative, specifically the Japan Science and Technology Fund, a program that promotes Canada-Japan science and technology cooperation. It is intended to be an aid and a guide for researchers and enterprises who have recognized the benefits of collaborating with Japan. An increased awareness of the intellectual property regime and practices in Japan will help Canadians make knowledgeable decisions and will reduce the possibility of misunderstandings between Canadian and Japanese collaborators.

The world economy is changing. Globalization of markets, a shift toward trade in knowledge-intensive goods, and a decline in the value of commodity trade have made it more and more important to strengthen economic competitiveness through the application of science and technology.

In the past, Canada's rich endowment of natural resources provided a strong competitive advantage and a stimulus to economic growth. While resource industries will continue to be important to Canada's economy, the competitive edge in the future will depend much more on Canada's ability to harness science and technology for these traditional industries as well as for the high technology manufacturing sectors.

Canada's two-way trade with the Pacific Rim now exceeds its trade with Europe. More than half of Canada's two-way trade with Asia is with Japan, a country whose economic success stems directly from its exploitation of new industrial technology.

The level of Canada's research collaboration with Japan does not yet reflect either Japan's technological capabilities or its importance to Canada as a trade partner. The Japan Science and Technology Fund was created to enhance Canada's scientific and

technological base by expanding mutually beneficial collaboration with Japan. The fund was established to promote joint technological development and help create strategic partnerships in high-priority sectors of the Canadian economy.

For its part, Japan has established, or is establishing, a number of outward-looking programs such as the Human Frontier Science Program, the Intelligent Manufacturing Systems Program, the International Centre for High Temperature Superconductors, and a number of visiting researcher and exchange programs.

When collaborating with Japan or any competitor, domestic or international, Canadian companies must carefully select the skills and technologies they pass to their partners. They must develop safeguards against unintended, informal transfers of information. In other words, they must protect the value of their intellectual property while they develop and share it.

Section 1, **Intellectual Property**, describes some common situations in which the value of research information can be lost and some of the ways loss can be prevented. Section 2, **The Japanese Experience**, provides an introduction to the Japanese legal system and other special considerations that Canadian researchers and companies should be aware of when conducting joint business or research projects in Japan.

Intellectual property can take many forms and the legal methods for preventing loss of intellectual property are specific to the circumstances of each case. Section 3, **Making Agreements: A Checklist**, will help you to determine what approach to take and how to prepare for consultation with legal counsel. Section 4, **Information**, provides references for further information about doing business in Japan, patent and copyright regulations as well as legal and patent assistance.