The Creation of Intellectual Clusters in Japan

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History and Results of Industry-Academy Cooperation Measures

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1995 The Science and Technology Basic Law
1996 The Science and Technology Basic Plan
1998 The Law Promoting Technology Transfer from
     Universities to industry (TLO Law)
   # of Approved TLO 32 [As of April 2003]
    # of Application of Patent 2,361 [As of December 2002]
      The Law on Special Measures for Industrial
1999
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Revitalizing

2000 The Law to Strengthen Industrial Technology

2001 The Science and Technology Basic Plan(2nd Pried)

2002 Outline for Intellectual Property Strategy

Basic Law on Intellectual Property

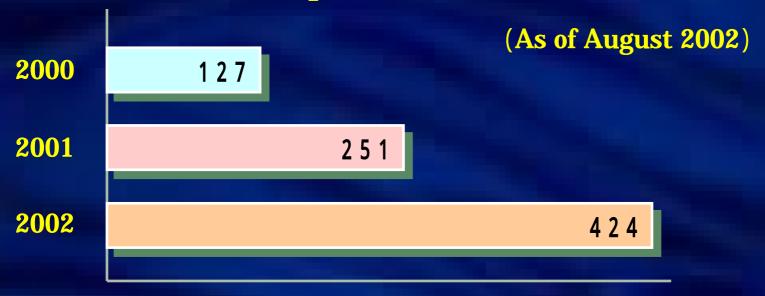
2003 National University Corporation Law (under discussion)

History and Results of Industry-Academy Cooperation Measures

National university's increase of number in cooperation with industry.

| | FY1991 | FY2001 | Growth |
|--|--------|--------|--------|
| # of Joint Research | 1,139 | 5,264 | 4.6 |
| # of Centers for Cooperative Research | 23 | 6 2 | 4.7 |

Accumulative Number of Small (Venture) Business Companies from Universities



Number of Venture Business Companies from Universities in other countries (annually)

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USA (2000) 368 companies
from 'AUTM Licensing Survey FY1998
UK (1996) 46 companies from 'Industry-University Co-operation Survey

1996
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The University-based Structural Reform Plan for Revitalizing Japanese Economy (June 2001)

- >> Creating Universities that Conform the Highest International Standards
 - (1)Thorough Competition based on Evaluation
 - (2)Accelerating the Creation of New Industry Originating in University
 - (3)Changing the Management of National Universities by applying Private Sector Principal
- >> Create Affluent Talent State
 - (1)Foster World-Class Experts
 - (2)Foster Personnel who can Cope with Social and Employment Change
- >> Revitalize Cities and Regions
 - (1)Transform Universities Integrated with Cities and Regions

Overview of Industry-Academy Cooperation Measures

-Revitalize Japanese Economy by Supporting Industry-Academy Corporation -

- Promote Steadily Industry-Academy Cooperation
 - (1) Support Venture Companies from Universities
 - (2) Promote Joint Research by Matching Fund
 - (3) Support Industry-Academy Cooperation
- Promote Regional Science and Technology
 - (1) Create Intellectual Clusters (CLUSTER)
 - (2) Create Industry- Academy Cooperation in City Area(CITY AREA)
- Promote Intellectual Property Strategy
 - (1) Establish University Intellectual Property Center
 - (2) Establish Technology Transfer Support Center

Cooperative Link of Unique Science and Technology for Economy Revitalization (CLUSTER program(to establish intellectual clusters))

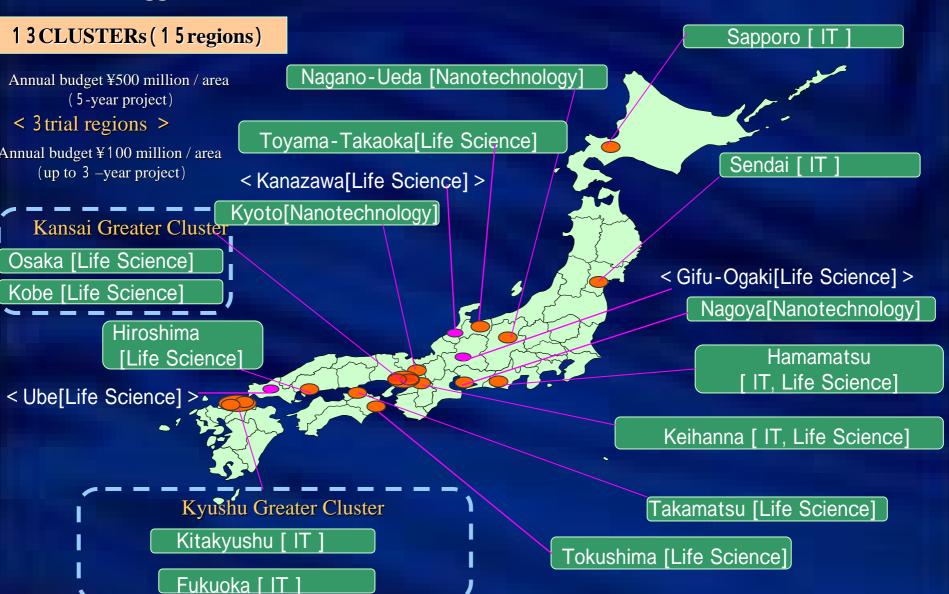
- •Selected very high potential regions of the unique R&D field
- Promote several Industry-Academy-Public cooperative research programs intensively
- •13 CLUSTERS (15 regions)
- >> The action plan made by the local government subjectively
- >> Industry-Academics-Government cooperation in universities etc.
- >> Intensive promotion of Industry-Academy-Public cooperative research program
- Subsidize the central project organization, appointed by the prefecture, which manage the program (¥500 million per year per region, 5-year project)

Abstract

- (1) Setting up the headquarter of the "CLUSTER" (President, Project Director, Research Director).
- (2) Promoting Industry-Academy-Public joint researches in universities
- (3) Organizing Science and Technology Coordinators, patent attorneys as experts
- (4) Encouraging patenting outcomes of the program and promoting R&D to foster them
- (5) Holding forums and symposiums to present outcomes of the program

"CLUSTER" program

To create an innovative and internationally competitive regional base which agglomerates institutions, R&D industries and universities.



Cooperation of Innovative Technology and Advanced Research in Evolutional Area ("CITY AREA" program)

- Promote the Industry-Academy-Public cooperative research programs leaded by universities.
- Focus on the unique characteristic of the local region, the excellence of research theme, and the initiative of the local government

•19 areas

- Subsidize the central project organization, appointed by the prefecture, which manage the program (Approximately ¥100 million per year per region, 3-year project)
 - (1) Managing flexibly with paying attention to character of the region
 - (2) Organizing Science and Technology Coordinators as experts
 - (3) Promoting Industry-Academy-Public cooperative research program to generate new technologies
 - (4) Supporting cooperative research aiming to industrialize outcomes from the program

"CITY AREA" program

Budget for FY2003:¥3.1billion

Promote Industry-Academy Public Cooperation in smaller areas than Intellectual Cluster.

19 areas

Annual budget ¥100 million / area (3 - year project)

> Harima Nanotechnology

> > Kumamoto

Nanotechnology

Okayama-West Manufacturing technology

Lake Shinji, Lake Nakaumi **Environment**

Kagoshima Life Science

Niigata Life Science

Kiryuu - Ota Nanotechnology

Osaka, Izumi Nanotechnology, IT Yamagata - Yonezawa Nanotechnology

> Energy The Kitakami River Basin Nanotechnology

Hachinohe

Koriyama Life Science

Tsukuba

Kasumigaura Environment, Energy

> Chiba-Tokatsu Life Science

Central Shizuoka Life Science

Matsuyama Manufacturing technology

Central Oita

Life Science

Toyohashi

Cooperation with METI (Ministry of Economy, Trade and Industry)

- 1. Establish the "Conference for Promotion of the Regional Cluster"
- 2 . Cooperate between Central Project Organizations
- 3 . Hold the "Joint Symposium of Clusters"

MEXT
Intellectual Cluster

Needs from the market

Seeds of new technology

METI
Industrial Cluster