

Nichia's approach to intellectual property

Intellectual property is not a product

- Intellectual property acquires value only when it is used for business activities.
- Income and expenditure solely related to intellectual property are not important, and intellectual property itself should not be a subject of trading.
- We utilize the intellectual property rights system in order to differentiate Nichia from other companies making use of new technologies that we have created, and to prevent illegal imitation.

A company cannot survive on superb intellectual property alone

- A manufacturer cannot survive unless customers choose its products.
- The purpose of research and development is to create competitive products, not to create intellectual property.

“Technological capability” and “intellectual property” rights are not always the same

- The root and source of product competitiveness is “technological capability”.
- “Intellectual property” is a product of the legal system; therefore, the respective values of “technological capability” and intellectual property rights are not always the same.
- The root and source of “technological capability” consist of workplace effort, originality and ingenuity in existence before patents are applied for (and hence become public).
- Intellectual property is merely one of the “instruments” for measuring technological capability.

Technological capability is at the heart of Nichia's market competitiveness, and we make use of intellectual property rights in order to protect the results of our research and development and to ensure fair competition in market.

- In order to sustain and expand our business, technologies for which patents are not sought (and hence not disclosed) are also important.
- We will take decisive measures against unlawful infringements.
- We are pro-active in entering into cross-licensing agreements with other companies where technologies are mutually complementary.