

# Study group report on developmental strategy of the content industry (Summary)

## Background of study

### 1. Importance of the content industry

- "Daily essentials" that enrich life. Express values of commodities/services and have influence on added values.
- Affect trade, tourism, civil exchange, diplomacy, etc. through presenting a developed image of country.
- Countries actively invest in the content industry.

### 2. Japan's creativity

- Accumulation of creation over a thousand year history
- Rich nature and diversified local cultures
- World class freedom of expression
- Giant, discriminating consumer market

### 3. Environmental change and issues surrounding the content industry

- Decreased advertisement budgets, sluggish domestic demand and necessity of new profit opportunities
- Expansion of overseas markets, realization of potential profits and enhancement of profitability
- Recovery of lost profits due to illegal distribution
- Due profit return for producers and development of new business creation platforms including digitization

## Target for 2020

**Total sales (domestic and overseas) of 20 trillion yen**

[ 15 trillion yen → 20 trillion yen ]

**Threefold increase of overseas sales  
Rank in Top 5 export business**

[ Overseas sales:  
0.7 trillion yen → 2.3 trillion yen  
Overseas sales ratio:  
5% → 12% ]

**50,000 new job opportunities**

[ Sales per person: 15% up  
Employment: 31 → 36 million workers ]

## Concrete actions

### 1. Development of human resources in the content industry

#### ■ Development/securement of HR responsible for production

#### ■ Development of and securing of producers

- Development of overseas study programs, revision of producer curricula, etc.
- Program to find young creators, expansion of systems to recognize young creators.

#### ■ Expanded acceptance of high level foreign HR

- Response to the immigration control system of the Ministry of Justice (experts)

### 2. Explore overseas markets: Realization of potential profits and enhanced profitability

#### ■ Globalization of production/distribution networks

- Promotion of international joint production, entrance into a large scale CG media industry.
- Study for the development of a portal site (animation and music)

#### ■ Provide fund for overseas development

- Establishment of a fund for overseas development

#### ■ Intergovernmental discussion and actions against pirated copies

- Utilization of the Asia Contents Business Summit, promotion of ACTA

#### ■ Enhancement of International Expo., information providing capability and data-gathering system

- Continuous holding of CoFesta, improvement of traffic and enhanced overseas development.
- Create a sense of togetherness of CoFest and improve its global position, promote cross-sectoral actions.
- Arrangement of overseas data gathering base.

### 3. Domestic structural reform and development of new market

#### ■ Promotion of domestic structural reform

- Strengthen access control avoidance rules, establishment of guidelines concerning subcontracting
- Develop a system to handle multiple rights.

#### ■ Development of new market

- Establishment of rules for smooth digitization of books, internationalization of rules and others.
- Development of technical strategy map (3D, service robots and others.)

# (Reference)

## 1. Background of study

The study group has set goals of 2020 and listed up challenges/actions to realize the goals for the content industry to lead Japan's economic growth, with a view to outbound content communication included in "New Growth Strategy (Basic Policies.)"

(Reference) Articles concerning the "New Growth Strategy (Basic Policies)"

● "New Growth Strategy (Basic Policies)" (excerpts)

(3) Asian economic strategy "Expanding growth opportunities by doubling the income of Asia"

· We will export Japanese content, design, fashion, cuisine, traditional culture, media, arts, and other creative industries to an expanded Asian market, which will lead to boosting Japan's brand power and diplomatic strength. In addition, we will cooperate with international efforts to prevent copyright violations.

(4) Strategies for promoting a tourism-oriented nation and local revitalization

"Japan has a wealth of resources for tourism, including natural beauty, cultural heritage, and regional diversity, and therefore has great potential as a tourist destination. People from Taiwan and elsewhere in the southern latitudes can travel to Hokkaido to enjoy the snow, while many Europeans are interested in Japanese culture, both traditional and contemporary..."

## 2. Study group members

Mr. Naoki Kitagawa  
Chairman, Foundation for Promotion of Music Industry and Culture  
Chief Executive Officer, Sony Music Entertainment (Japan) Inc.

Mr. Yoshinobu Noma  
Vice President, Kodansha Ltd.

Mr. Yoichi Wada  
Chairman, Computer Entertainment Supplier's Association  
President, Square Enix Holdings Co., Ltd.

Mr. Tsuguhiko Kadokawa  
Member of the Intellectual Property Strategy Headquarters  
Chairman and Chief Executive Officer, Kadokawa Group Holdings, Inc.

Mr. Ryoji Chubachi  
Chairman, Digital Content Association of Japan  
President and Chief Operating Officer, Sony Corporation

Mr. Yusuke Okada  
President, Toei Company Ltd.

Mr. Yasuki Hamano (Chair)  
Professor, Graduate School of Frontier Sciences, The  
University of Tokyo

Mr. Hideyuki Takai  
President, Toho Co., Ltd.

Mr. Tatsumi Yoda  
Chairman of the Sub Committee on Entertainment and Contents, Japan  
Business Federation (Nippon Keidanren)  
Chairman and Chief Executive Officer, T.Y. Limited, Inc.

Mr. Yuji Nunokawa  
President, The Association of Japanese Animations  
President, Pierrot Corporation

(Committee members listed in the order of the Japanese syllabary by affiliation)

## 3. Study group meeting schedule

1<sup>st</sup> meeting: January 25, 2010

2<sup>nd</sup> meeting: February 26, 2010

3<sup>rd</sup> meeting: April 23, 2010