

Intellectual Property

Importance of Intellectual Property

The environment surrounding intellectual property has changed significantly with the creation of various new systems and mechanisms. It will become increasingly important to utilize these effectively going forward.

By leveraging intellectual property to support the development of our own unique advanced technologies, we aim to build an exclusive position as a technology leader in the marketplace. To achieve this goal, we are pursuing the following:

- Implementing strict data protection measures, including initiatives to prevent unintended leaks;
- Creating a culture that values and protects intangible assets;
- Taking an uncompromising stance on infringement of intellectual property rights.

Intellectual Property Strategy

Guided by these three core principles, we are working to secure and utilize intellectual property in order to provide products and services that are anchored by powerful technological capabilities and enhance customer satisfaction.

■ Maintain Superior Competitiveness

Actively secure and utilize intellectual property to more effectively differentiate our products and services.

■ Ensure Business Flexibility

Work to develop a strong intellectual property portfolio to ensure and enhance business flexibility and obtain more favorable terms in collaboration agreements with other companies.

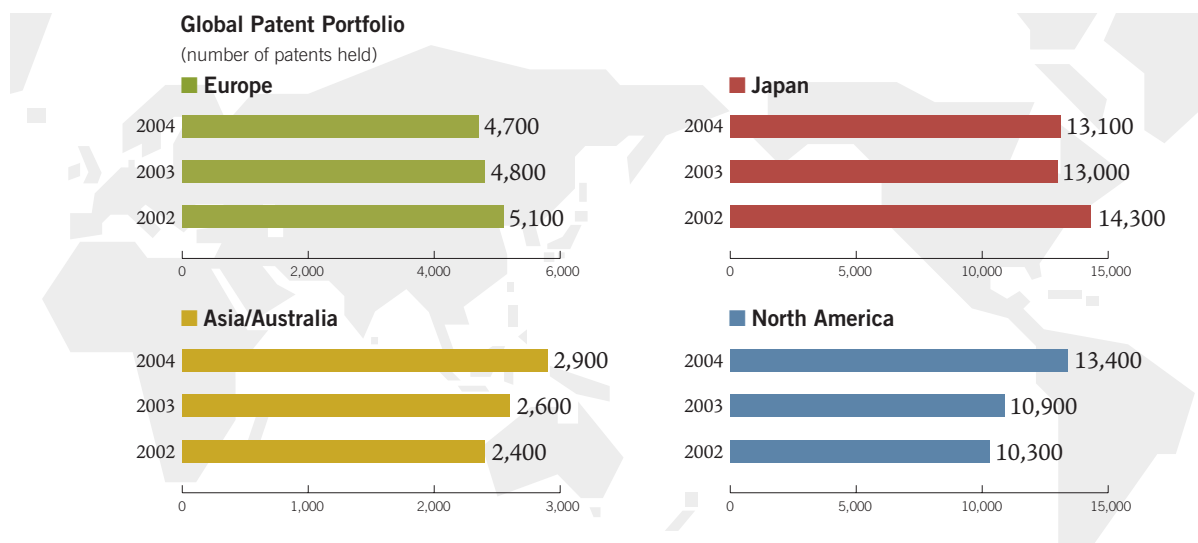
■ Secure Business Profitability

Use specialist divisions to aggressively market our technologies, including efforts to generate revenue from licensing fees.

1. Patent Rights

(1) Global Patent Portfolio and Promotion Organization

Centered on Japan, but including Europe, the US and elsewhere in Asia, we are working to secure powerful patents on a global basis. We have dispatched specialist personnel to the US in particular to promote patent acquisition activities and actively leverage our patent rights.



(2) Key Themes Driving Patent Acquisition Activities

We are striving to strengthen our patent portfolio guided by key themes in each of our business areas. Using ATMS/IR, our proprietary patent data search system, we are working to strategically acquire patents by closely following the latest technology trends, creating patent maps and taking other steps.

■ Principal Patent Results in Fiscal 2004

Mission-critical Servers (PRIMEQUEST/PRIMEPOWER)

We filed 400 domestic and international patents relating to core functionality such as system synchronization and mirroring technologies.

Vein Pattern Authentication Technology

We filed over 120 domestic and international patents for biometric authentication technology, interfaces and peripheral technologies.

TRIOLE (software)

We filed over 200 domestic and international patents in areas including flexible I/O and reliability technologies.

65nm and 90nm Transistor Product Technologies

We filed over 200 domestic and international patents related to technologies for stable production of low power consumption/high-speed transistors.



PRIMEQUEST server



Contactless palm vein authentication system

(3) In-house Inventions

We have adopted an approach to in-house inventions where individual inventors are initially responsible for evaluating the merits of their own inventions. Based on these evaluations, we rank the inventions and provide compensation accordingly. We also issue commendations for inventions to promote acquisition of valid patents. Going forward, we will strive to create a favorable environment for in-house invention by improving the transparency of the compensation system, gaining further support from employees by engaging them in dialog on these issues, and raising incentives.

2. Respecting Other Companies' Rights

The impact of infringing upon the rights of other companies goes beyond having to pay significant fees. In the worst case, it could have a major economic impact on our company due to the loss of business opportunities and other issues. In addition, it could prevent us from providing products and services, thereby severely inconveniencing our customers. We are creating a culture at Fujitsu that respects the patent rights of other companies, as well as building an infrastructure that allows all our technicians to utilize the ATMS/IR system to research rights held by other companies.

3. Ensuring Strict Information Management

"Maintain confidentiality" is a key element of the Code of Conduct in *The FUJITSU Way*, the core set of principles guiding the corporate and individual actions of the Fujitsu Group. Emphasizing this as a fundamental behavior, we are working to raise employee awareness of the importance of carefully managing Fujitsu confidential information, personal information, and information from third parties that we hold in confidence. At the same time, we have established three internal regulations to provide concrete guidance on information management.