



## **Our Thoughts on the Metaverse**

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- JIPA is a non-profit, non-governmental organization with 1,347 member companies.
- •JIPA represents industries and users of the intellectual property (IP) system, and provides related institutions all around the world with well-timed, suitable opinions on improvement of their IP systems and their utilization.
- •JIPA contributes to its member companies' business opportunities and promote the sound progress of technology and development of industries.





Digital Policy Project

Frontier technology study team

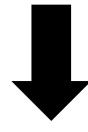
Copyright Committee

Trademark Committee

**Design Committee** 

Antitrust & Unfair competition Committee

- Discussing IP related issues on the Metaverse (&FT) from a cross-sectional legal perspective such as…
  - (1) What are main characteristics of the Metaverse?
  - (2) What legal issues arise from those characteristics of the Metaverse?
  - (3) What attitude should we take regarding legal issues in the Metaverse?



Planning to make policy recommendations

Japanese Government (Cabinet Office)

Public-Private Partnership Conference on New Legal Issues regarding the Metaverse

X Under consideration to compile an interim report



Creating IP Vision for the World



1. What are main characteristics of the Metaverse? (Our View)

#### (1) High level of connectivity with reality

The Metaverse is considered to have a high level of connectivity with the real world, through incorporation of the real world into virtual spaces and other means. The user's sensory experience is treated in the same way as in the real world.

#### (2) High level of self-expression

—The Metaverse enables various expressive activities by placing avatars or other representations of the user's self-identity.

#### (3) High level of creativity through multiple participants

—The Metaverse generates economic ecosystems by allowing diverse players, including individuals and companies, to create content.





2. What legal issues arise from those characteristics of the Metaverse? (Our View)

(1)High level of connectivity with reality

(2) High level of selfexpression

(3)High level of creativity through multiple participants

<b>Possible Direction</b>	Issues
Soft law and/or architecture	<ul> <li>Necessity of developing terms of use by platforms and/or guidelines to prevent right infringement</li> </ul>
	Whether or not permission is required when incorporating real space into virtual space (e.g the
Clarification of interpretation of current law	scope of the <b>copyright</b> limitation/exception)
	<ul> <li>Applicability of trademark rights for real goods to virtual spaces</li> </ul>
Institutional consideration	Dealing with those who <b>free-ride</b> on the <b>customer goodwill</b> , such as selling products that are only sold in real space in virtual space without permission
	<ul> <li>Establishment of an environment that allows appropriate registration of trademarks corresponding to virtual space.</li> <li>Necessity of extension of the scope of design rights of reals products to virtual space</li> </ul>





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Possible Direction	Issues
Soft law and/or architecture	<ul><li>Ensure freedom in setting avatars as a form of self- expression</li><li>Promote interoperability of avatars</li></ul>
Clarification of interpretation of current law	<ul> <li>How avatar motions can be protected by copyright and/or performers' rights?</li> <li>How to deal with inappropriate use of avatars (especially when the avatar is not connected to the personality of a natural person)</li> <li>How to deal with the act of creating items such as accessories and clothes to be equipped by avatars based on products for which design rights have been set on real products</li> </ul>
Institutional consideration	



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- •Important to strike a balance between ensuring user convenience and proper protection of rights
- •Though we also pay attention to NFT, which functions as a tool to activate the economic sphere in the metaverse, we think the future situation needs to be assessed as to what kind of institutional development is necessary given that it is an early stage.
- At least, private efforts to prevent the minting of NFTs by unauthorized persons are welcome





- 3. What attitude should we take regarding legal issues in the Metaverse?
- In principle, <u>solving the problems through technology and/or soft law</u> <u>is preferable</u> rather than hastily revising laws given that there are still many fluid aspects of the technology and business regarding the Metaverse.
- However, in cases where <u>prevention of high-risk behavior or hindering</u>
   <u>the development of a healthy market is not possible</u> without
   institutional measures, it is desirable to <u>consider clarifying the scope of</u>
   <u>existing laws and exploring institutional responses</u> where they do not apply.



# Thank you for your attention!



