

Innovation Management

Intellectual Property

Our Basic Approach and Strategy

Unicharm focuses on the development of products, services, and technology useful to the realization of the philosophy of “NOLA & DOLA.” Therefore, it strives to ensure its continued superiority in business by steadily applying and acquiring intellectual property (IP) rights through these R&D activities. The responsibility for planning and implementing intellectual property strategies is shouldered principally by the Intellectual Property Division.

The Intellectual Property Division centralizes the management of the Unicharm Group’s intellectual property assets and formulates and executes intellectual property strategies linked to its business and development strategies with the aim of putting in practice a landscape in which intellectual property is useful for management decision-making. Specifically, Unicharm has applied for and secured trademarks that protect its brands in more than 160 countries around the world and is also protecting its rights to proprietary packaging.

Along with raising the quality of our intellectual property rights, we are also working to establish and strengthen our intellectual property portfolio. To this end, our efforts include actively using the Japan Patent Office’s Patent Prosecution Highway Program and acquiring trademark rights through accelerated review applications in Japan and overseas. Furthermore, we influence international policy on intellectual property through active dialogues with patent offices in Japan and Asia. Meanwhile, Unicharm also takes a firm stance on protecting its intellectual property rights, including filing lawsuits to tackle infringement or unauthorized use. Its Intellectual Property Division cooperates closely with the marketing and R&D divisions as well as overseas subsidiaries, and works with local government agencies to eliminate unauthorized and counterfeit products in Japan and overseas, such as in Asia.

Management Structure

Independent of the R&D Division and business divisions, the Intellectual Property Division manages cross-divisional matters regarding intellectual property in both Japan and overseas. Through regular meetings with the relevant divisions and subsidiaries, the Intellectual Property Division devises countermeasures after holding consultations on how best to secure intellectual property to establish competitive advantages for Unicharm. Coupled with these efforts, we have established the Digital Transformation (DX) Group within the Intellectual Property Division to promote digital transformation. Comprising human resources with both intellectual property and digital knowledge, the DX Group specializes in handling digital-related themes for the entire Unicharm Group. With the responsibility for promoting themes in the area of digital transformation, the DX Group provides comprehensive support to the front lines, from verifying contracts with IT vendors and checking open-source software to registering patents.

► The Three Components of the Intellectual Property Division’s Purpose: Mission, Vision, and Value

Purpose		Contributing to Achieving the SDGs
Mission Mission and Goal	Realizing a Cohesive Society →	The Intellectual Property Division will underpin the ongoing growth of Unicharm’s corporate value and contribute to the realization of a cohesive society by enhancing the value of the Company’s intellectual property to maximize customer lifetime value.
Vision Priority Business Domains	Implementing “NOLA & DOLA” →	In addition to respecting Unicharm’s intellectual property, the Intellectual Property Division will strengthen the Company’s foundations for creating, protecting, and utilizing intellectual property that supports the maximization of customer lifetime value and maximizes the value of intellectual property in relation to products and services to achieve “NOLA & DOLA.”
Value Value Basis	Promoting Management with Resonance →	Making use of the intellectual property regimes of various countries and regions and its specialist capabilities in intellectual property, the Intellectual Property Division will promote proposal-based and proactive intellectual property activities that generate business success through Unicharm’s intellectual property rights and data.

Initiatives and Results

Making Active Use of Intellectual Property

At Unicharm, we actively use intellectual property to protect our high-value-added products and services. One of the most important areas of focus is the intellectual property mix, which provides multifaceted protection of products and services with multiple intellectual properties, including patents, utility models, designs, and trademarks. We have two targets in this area. The first is deterring entry into premium products, namely acquiring patents for new technologies to prevent other companies from imitating us and to differentiate between products. The second is deterring the development of lower-priced copies of products. As our brand power is particularly strong in Asia, where lower-priced imitations modeled on the appearance and selling points of our own products appear on the market, we utilize our trademarks, designs, and utility models to minimize any potential damage to our sales.

We also employ the aforementioned IP landscape to analyze and understand the positioning of our intellectual property in comparison with that of other companies. Objectively viewing the strengths of our intellectual property, we communicate this information to senior management, business divisions, and the R&D Division.

Unicharm has achieved industry-leading application rates for global patents of 85% (in 2019) and Japanese patents of 82% (in 2021).

In-House Training Programs

Unicharm is committed to cultivating a corporate culture that promotes the respect and protection of the intellectual property rights of Unicharm and other companies as articulated in the Unicharm Group Charter of Actions by conducting employee training through a combination of on-the-job training, off-the-job training, and e-learning to ensure that employees in Japan and overseas are fully aware of compliance issues related to such things as patents, trademarks, and misleading representations.

Invention Reward Program

Unicharm has established the Invention Reward Program to recognize and provide incentives for product inventions that contribute to increases in business profit. The purpose of this program is to inspire and encourage employees to play an active role in inventing new products and serve as a mechanism for sparking extraordinary inventions. A reward ceremony for this program has been held annually over its 19-year history since 2004.

Hands-Free Commute: Protecting Business Models with Patents

A subscription-based model for disposable diapers that helps alleviate the burden on both parents and childcare workers, Hands-Free Commute has been introduced in several childcare facilities throughout Japan. Under Hands-Free Commute, the Company developed a system that monitors data on the number of disposable diapers and baby wipes at nursery schools and automatically orders new stock when inventories run low. Also, together with BABY JOB Inc., our business partner, we have acquired several business model patents in relation to the Hands-Free Commute system. This system has been adopted at 2,860 childcare facilities as of December 31, 2022.

