

Effectiveness Verification Implementation Method

This effectiveness verification will be implemented to verify how effective the measures against infringement taken for Internet auctions are in a sustainable way by numerically measuring how many infringing goods and infringements currently exist in Internet auctions.

Description

Date of Implementation:

Any one day during the period from January 24 to February 4, 2011 regardless of time and day of the week.

Target Auctions:

Bidders Auction.
Yahoo! Auction.
Rakuten Auction.
MOBAOKU.

However, no voluntary fact-finding survey will be precluded for:
girls auction,
Pawaoku, and/or
Wanted Auction.

Target Verification Items:

Target verification items are at the option of the verifiers (organizations and companies). However, they shall select the items allowing for fixed-point long-term verification because there is a need to have the same target items in all the target auctions as well as to continue the same verification in the future. This will not prevent them from choosing target verification items different from those for the previous fiscal year.

In addition, the popularity of the item in the market shall be taken into account in choosing the target items.

Note: Although it is not necessary to disclose company and brand names associated with the chosen targets, prior consent of concerned companies shall be obtained because it is inevitable to disclose certain information such as “spreadsheets business software from a well-known

American company.”

Methodology: The calculation shall be done by dividing the number of auctioned infringing goods and items involved in infringements by the verification parameter.

Example: If 10 infringing goods are found among 100 auctioned items, the infringement rate will be 10%.

If the number of auctioned target items exceeds 100, the verification parameter will be 100. In this case, the top 100 items in a search list (such as a list ranked for example by remaining time, or a randomly created list) will be verified. Notwithstanding the foregoing, if the number of auctioned target verification items exceeds 100, verifying more than 100 items will not be precluded.

Judgment Criteria: Any auctioned items that should be counted as infringing goods / infringements shall be **those deemed to be infringing copyrights and/or trademarks based on on-screen descriptions and images and allowing right holders to make suspension requests to auction operators.**

If a target verification item infringes both a copyright and trademark, it shall be counted as an infringement of either of them.

The target verification item’s infringement of a copyright or trademark shall be indicated in the attached spreadsheet.

Remarks: Any auctioned items which may violate the Unfair Competition Prevention Act shall not be counted because we cannot make a definitive judgment due to the nature of the said act.

However, in regard to those deemed to be infringing goods based on various pieces of information indicating that their right holders would definitely claim they were infringing goods if they were purchased and checked by the right holders although there was no direct ground in the provided information allowing auction operators to remove such goods (in the light of guidelines or the

like) (auctioned items with high probability), they shall be counted separately from the above data.

If any alarming case or the like is found in the course of verification, it can be indicated in the margin as a special note.

Example: Those deemed as an illegal act or infringement although they do not allow right holders to make suspension requests to auction operators and it is impossible to treat them as auctioned items with high probability in the light of guidelines or the like.

Recording Method: Recording verification shall be arbitrary. However, it is required to keep a record deemed as a reasonable proof showing to third parties that the verification results are based on actual work done.

Remarks: Proofs showing that the verification is implemented should be kept by the verifier at hand.

Reporting Method: Fill out the attached spreadsheet and submit it to the chief of the right holders side of the committee by February 7, 2011.