# **Intellectual Property Report 2009**



July 2009

ISEKI & CO., LTD.

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#### **Preamble in Publishing Intellectual Property Report 2009**

The Iseki Group's foundations are in agriculture and agricultural machinery. We are constantly endeavoring to improve the functions, capabilities, quality, and cost and service competitiveness of our products through our development, production, and marketing activities. Through these activities, we are working to strengthen our market position by differentiating our products and secure a superior competitive position. Accordingly, we place strong emphasis on intellectual property issues. This emphasis includes securing patent rights and making use of strategic intellectual property resulting from our activities in the development of core technologies in the fields of agricultural machinery and agriculture-related property, while moving forward to make use of intellectual property to develop new technologies and products.

This Intellectual Property Report 2009 covers a wide range of related topics, including our initiatives in core technologies and R&D, management of patents, activities to identify and secure patents on viable discoveries, product design initiatives and trademark, personnel resource training, maintenance of secrecy, use of intellectual property, the global development of our operations, awards received for our patents and discoveries, and information on risks related to intellectual property.

#### [Cautionary Statements]

- 1. This booklet has been prepared to provide information to the public and is not intended to solicit any kind of action.
- 2. This booklet contains the results of the Company's analyses, including forward-looking statements regarding the outlook for the Company, its plans, policies, prospects, strategies, interpretations of facts, and other information related to the future. All such statements and other information are based on forecasts, assumptions, plans, and other information collected by the Company at the time of preparation of this booklet.
- 3. In preparing forecasts, with the exception of known facts, the Company makes use of certain assumptions. There are no guarantees that these assumptions are objective and accurate or will prove to be true in the future. These assumptions are dependent on technology and demand trends in Japan and in other countries, economic conditions, competitive conditions, and other factors. If these assumptions change, it is possible that matters and outcomes, other than known facts, stated in this report may differ from the statements in this publication
- 4. Data on the number of patents made public stated in this publication, the number of patents held, and other data related to intellectual property are those of Iseki Co., Ltd., and do not include data on subsidiaries or affiliates.



# Message from the President

Since its foundation 80 years ago, Iseki has worked to contribute to the modernization of Japan's agricultural industry by consistently supplying a comprehensive lineup of agricultural machinery.

In performing this role, Iseki has been a pioneer in developing many types of agricultural machinery before its competitors and offering these to the market. When we consider the questions of an increasing world population and food supply issues and then our own nation's food self-sufficiency and land preservation, we believe the mission of agricultural machinery manufacturers in society will become increasingly important. With our goal of "offering products that are welcomed by users," we have established a basic philosophy of contributing to agriculture in Japan and around the world and are committed to continuing these activities.

At present, the principal business of the Iseki Group is "development, manufacturing and sales of agricultural machinery for the cultivation of rice, vegetables and other crops". In other areas of business, we are also engaged in aggressive business activities in the area of software, such as the proposal of effective agricultural technologies for farmers, like sparse planting cultivation. With respect to the fore-mentioned business activities, we are committed to providing active and timely disclosure of corporate information concerning our management strategies, result of activities and other matters with our customers, shareholders, investors, analysts and other stakeholders.

Thus far, we have provided reports on our research and development (R&D) activities in our shareholders' reports and annual securities reports as well as in our periodic meetings to report on financial results and when announcing the launch of new products. We have prepared this Intellectual Property Report 2005 to explain the Group's basic stance regarding R&D, our activities in this area, and the results of our R&D programs to help you to understand the current state of our intellectual property, how it is being used, and other related issues. We hope this publication will provide you with a good understanding of the Group's initiatives emphasizing R&D and intellectual property.

The "2009 Annual Report on Patent Policy" was announced, and ISEKI was ranked first for the 5 years running from 2004 in terms of the patent assessment ratio, and in terms of public patents by sector, to follow the first rank for 7 consecutive years during 2000-2006 in the agriculture and fisheries sector, it was ranked first in 2007 again in the reclassified sector "other special machinery" which includes the agriculture and fisheries sector.

While we continue to promote technological innovation in order to "provide products which will be appreciated by users", we will engage in development of attractive products by effective utilization of intellectual property.

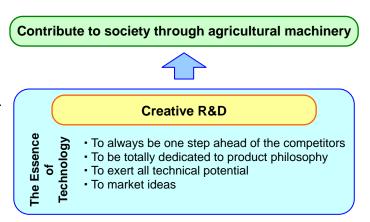


July 2009 President **Seiichiro Gamo** 



# 1. Guideline for Research and Development

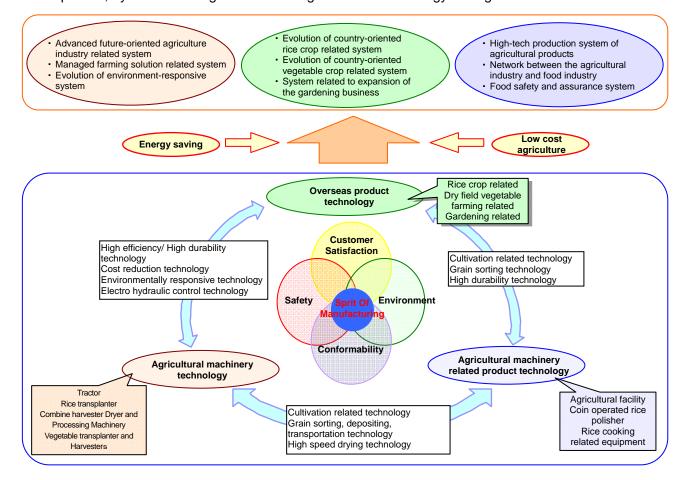
In the midst of the changing environment surrounding the agricultural industry, Iseki Group holds a mission to "contribute to the society through agricultural machinery": and each one of our technical experts is engaged in creative R&D based on the "technical spirit". mobilizina accumulated By fully our technologies, we will contribute to agriculture through providing products and service with a high level of satisfaction from the stand point of customers. We will continue to keep abreast of the agriculture industry for years to



With regard to the R&D investment, we are making a deliberate investment based on a forecast of the demand and market trend in mid to long term perspectives. R&D expenditure for the consolidated fiscal year 2008 was approx. ¥4.1 billion.

# 2. Strategic Directions of R&D

In every sector of agricultural machinery technology, agricultural machinery related product technology and overseas product technology, Iseki has adopted 4 key words, "Customer Satisfaction", "Safety", "Conformability" and "Environment" as "Sprit of Manufacturing", and to promote R&D giving direction in each of the three sectors. In particular, we aim for the realization of "a rich society with sustainable development", by R&D focusing on "low cost agriculture" and "energy saving".





#### Agricultural machinery technology:

**Tractor:** We are engaged in R&D of user friendly new shift transmission technology which excels in transmission efficiency and operability, composite control technology centering on high-speed communication technology to enhance traveling performance and operating accuracy, excellent in maintenance works of rice and dry fields, and management support technology of primary farmers as well as energy saving/environmentally-conscious technology, mainly by engine control.

**Rice transplanter:** We are engaged in R&D of autonomous straight move control technology, labor saving control technology to reduce work load, high-speed planting technology and energy saving/environmentally-conscious technology, mainly by engine control for large scale farmers, low cost agriculture support technology and labor saving high accuracy planting technology.

**Combine harvester:** We are engaged in R&D of energy saving technology by reducing machine weight; environmental conservation technology by cleaning emission gas; low cost agriculture support technology by enhanced work efficiency; technology to improve grain recovery ratio of threshing devices; and technology to improve operability in the pursuit of universal design.

**Dryer and Processing Machinery:** We are engaged in unpolished rice hulling and sorting technology pursuing high quality, high efficiency and small sizing, high-speed drying technology, technology for efficient use of drying energy, working environment improvement technology pursuing low sound / low vibration, etc.

**Vegetable transplanter & Harvesters:** Taking advantage of know-how nurtured by wet-rice technology, we are promoting integrated vegetable growing systems for seedling raising, soil preparation, transplanting, cultivation control, harvesting and preparation. We are engaged in R&D of low cost/labor saving technology, environment response, support for local consumption of local products, and new crops.

**Tiller / Cultivater:** We engage in R&D of products which pursue environmental friendliness as well as easy operability.

**Engine:** We are engaged in R&D aiming at satisfaction of both engine control which brings out optimum working efficiency peculiar to agricultural machinery, as well as zero emissions and low fuel consumption.

#### Agricultural machinery related product technology:

We are engaged in R&D of environment-type plant factories, information technology of agricultural facilities of a high-tech production system for agricultural products aiming at high quality / high yielding, biomass related technology, environment related technology conscious of food safety and assurance, non-washing rice related technology in pursuit of high quality / high-speed processing and high function type rice cooking related technology which creates a rich working environment.

#### Overseas product technology:

We are engaged in R&D of advanced functions such as enhancement of operability by electronic oil pressure control technology and a low cost type tractor that requires a tailored specification for each country, and gardening machinery with enhanced adaptability to loan condition for Europe and the U.S., special combine harvesters, rice transplanters and vegetable growing machinery with enhanced adaptability to crop conditions and field conditions specifically designed for the country in order to attain work efficiency and labor saving as well as continuous cost reduction by way of higher resilience of oil pressure and working parts, mechanism control technology, etc., for China, and a special tractor, combine harvester and rice transplanter requiring higher efficiency / advanced functions of high-speed working technology / high precision working technology, etc., for Korea and Taiwan, and highly resilient / low cost type tractor and rice transplanter requiring adaptability to local conditions for South East Asia.

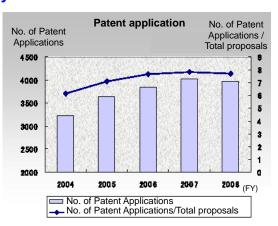


# 3. Current State of Intellectual Property

#### Creation of inventions/Patent application strategy

We are striving for "quality" enhancement and "volume" expansion of inventions by promoting unique invention proposal campaigns employing creative methods addressed to each technical theme centering on our core technologies.

Our technical experts have strong adherence and will to invent / create, and as a general trend, proposed inventions regarding technologies which will be put to practical use in the near future are being created actively. Proposed inventions must pass through a vigorous selection process based on our internal regulations and evaluation criteria; furthermore we aggressively apply patents by employing Iseki's unique measures for efficient patent application, thus creating the construction of a patent network.



#### **Design / Trade mark strategy**

We promote stronger design protection and enhancement of Iseki's brand value by product differentiation and discrimination with our competitors through the accumulation of appealing designs as well as affectionate pet names of design rights and trade mark rights respectively.

#### Iseki's philosophy for product design

Basis Policy for design

- Attractive product which suites the environment.
- Product which gives bigger attachment in long use.

Design procedure

- Confirmation of actual sites of usage, voice of the market.
- Analysis of the design trends and building of concept models.

**Development of design** 

- · Progression of Iseki's individuality (product features, product colors)
- · Creation of fresh appeal with a contemporary feeling.

**Direction of design** 

- · Appealing design which derives satisfaction from usage.
- Design which anticipates the future of agricultural machinery.

#### Iseki's stance for trade marks

#### Basic understanding of pet names

- Agricultural machinery is a helpmate that works together with a farmer.
- Agricultural machinery which allows for familiarity and affection through daily work from land preparation, transplanting of seedlings, maintenance, harvesting and shipping.

#### Representative trademarks of Iseki

- "SANAE" which almost became a pronoun for rice transplanter
- "FRONTIER" which triggered auto threshing combine harvester, unprecedented in the world.
- "GEAS" represents tractor "PANSY" represents tiller "DRY BOY" for dryer "SUPER MATE" for rice huller
- "POLIMATE" for weighing and grading machine "NAUERU" for vegetable transplanter, etc.

#### Strategy ahead of its time

 Creation of pet names associated with the sales strategy responding to bipolarization of the agricultural structure, and low cost agriculture/energy saving.

#### Iseki's strategy for intellectual property rights in overseas

In overseas markets, Iseki is making steady efforts in applying intellectual properties such as very strictly selected inventions and trade marks which is consistent with our business strategy addressed to the U.S., Europe and Asian regions. In particular, we are acquiring intellectual property rights focusing on Asian countries like China and the U.S.



# 4. Analysis of Market Superiority of Technology

#### **Agricultural Machinery Technology**

**Tractor** We installed heavy-duty engines, which adopted a common-rail fuel injection system, to the TJW series tractors for large scale farmers. The series realizes stable operability with high horsepower, which enhances the comfort of work by providing a quiet cabin environment with low noise and vibration. In addition, the engine rotation and fuel injection quantity as well as the injection timing are controlled comprehensively by the adoption of an electronic governor; and the active application of well-reputed "accelerator shift transmission" also contributes to an operation of high precision. Furthermore, the series is equipped with advanced control functions such as the "auto dif-lock function with manual mode", "auto accelerator" and "accelerator memory", which are indispensable for high precision operation.

**Accelerator shift transmission** The automatic governor, which provides optimum adjustment of the engine rotation automatically, enables smooth acceleration with the minimum shock of transmission, and comfortable trailing work, such as plowing and on-road driving.

**Auto dif-lock function with manual mode**When the working vehicle is elevated for turning, it is automatically "shut off", which is very convenient for trailing work such as plowing. In addition, the manual mode is effective for escapement under adverse circumstances.

We equipped the tractor AT series which are well-received for the AT shifting, with "working vehicle horizon control" of double sensor method with both an angle/velocity sensor and a slope sensor. We also facilitated the fuel supply work by equipping an alarm device for spillover prevention when fueling.

**Working vehicle horizon control** The slope sensor, which detects vehicle inclination precisely, coupled with the angle/velocity sensor, which detects vehicle inclination promptly, provide well responsive horizon control, in particular realizing neat finishing at leveling work.

As the working vehicle for tractors, we developed the "machine for inside-ridge application (Eco Unemaze-kun)". Fertilizer/agrichemicals can be reduced by selective spraying limited to areas effective for crops, contributing to low cost agriculture. This is a working machine friendly to the environment by reduced residual fertilizers and agrichemicals.

**Rice transplanter** We developed a cheaper and smaller version, "riding type rice transplanters PPZ4", to follow "riding type rice transplanters PZ Series" and "riding type rice transplanters PQZ Series". The series are equipped with "mid fertilizing", "Sanae rotor", and "sparse planting" functions for the first time for this machine type in the industry, as well as "Sanae Q Turn", "rear wheels independent swing", and "auto accelerator", which is well-reputed with the riding rice transplanters PQZ Series. We enjoy a good reputation in the market by saving labor and providing comfortable working conditions for small-scale farmers as well.

**Mid fertilizing** PPZ4 series are equipped with a mid fertilizer application for the first time in the industry for the low-priced, small-size 4-rows planting type. The air warmed by the engine is sucked in by blower, transporting fertilizer by the warm air (warm air transportation system), and prevent choking of fertilizer.

**Sanae rotor** PPZ4 series are equipped with a land-leveling rotor for the first time in the industry for the low-priced, small-size 4-rows planting type, which levels traces of the headland neatly, providing an orderly finishing to headland planting.

**Sparse planting** Crank-type planting device enables sparse rice transplanting (37 times per 3.3m<sup>2</sup>), realizing low costs and saving labor.

We also developed the "multi-purpose rice transplanter PZV80", equipped with advanced Z function with popularity proven by the seated rice transplanters PZ Series. The vehicles are equipped with a quick hitch which enables easy attachment and removal of each working part, namely the direct seeding part/planting part/weeding part and grooving part. By a unit of the direct seeding part, both lane seeding and seeding in groups can be made, and the planting part is capable of sparse rice transplanting (37 times per 3.3m²). Thus, we believe we can make a contribution to low cost agriculture.



**Combine harvester** We developed small sized axial flow type combine harvesters, HC380, which can cope with the harvesting of soybeans, buckwheat, and wheat by one machine. The vehicle is equipped with a "new model cock pit", a "straight grain tank", and "reaping height control", to respond to expectations of primary farmers.

**New model cockpit** Succeeding the popular head-feeding "panorama cockpit", operability of the axial flow type combine harvester has been further enhanced by attaching a reel-adjustment switch to the multi-function power steering lever and the main transmission lever.

**Straight grain tank** Harvesting operations with minimum damage and grain pollution can be done efficiently by expanding the grain storage capacity to 950 liters, with a combination of our unique air-transportation type discharger, "Air Grain".

**Reaping height control** At wheat and buckwheat harvesting, when the ground contact sensor may not be used, it is maintained at a high operational position for reaping, setting the reaping portion. Even after manually adjusting the reaping position up-and-down, it can be resumed to the high operational position automatically with one touch, improving the efficiency of the reaping work.

We have newly added HFG4.5-lane combine harvesters for professional use to the well-reputed HFG Series. It is equipped with "ready operational type narrow guide" with a high operability in addition to the "panorama cockpit".

**Panorama cockpit** By elaborating our layout to place the meters and a large screen Multi Eyes in front of the operator, and automatic control switches, a multi-function power steering lever with various operation switches as well as wired remote control of auger operation to the left side, stable work is enabled without changing the working posture.

**Remote control narrow guide** Switching the operation of narrow guide for separating uncut grain culms can be made from the operating seat without getting off, enhancing reaping operation efficiency.

**Vegetable transplanting and harvesting machinery** We developed the high-speed spec walking type semi-automatic vegetable transplanter, "PVH1", which enables easy seedling supply at the continuous revolution type seedling supply part, realizing highly efficient work with enhanced operability. With regard to vegetable harvesting machinery, we developed the walking-type ginger uprooting machinery, "VHG", having accomplished enhanced uprooting precision and enhanced efficiency of plowing work of foliage in the subsequent process. Furthermore, we are engaged in R&D of vegetable transplanting and harvesting machinery suitable for the special local products of each region, engaging in R&D of an integrated system of vegetable production from transplanting to preparation.

#### Product technology related to agricultural machinery

**Agricultural facility** While we promoted the reduction of running costs by installing an oil burner using petroleum fuel and a woody burner using woody pellets as fuel, we developed hybrid heating cultivation, making efficient use of resources. Furthermore we conducted a joint study with Ehime University on a "High technology plant production system", and establishment of cultivation technique for high sugar content tomato fruit, and a study on an "High technology greenhouse, Including self-propelled robot for diagnosis of plant growth", which is still on progress.

#### Overseas product technology

**Europe/North America** For the European market, we developed the small and compact seated mower, SXG15, with improved grass-collecting properties, with a rear discharge/rear collect method, and multi-purpose tractor ICT, which incorporated electronic control in its running and steering systems. We also developed, for North America, tractors which are equipped with a low-noise cabin, with transmission operation technology which provides excellent running properties. In addition, we developed tractor mowers corresponding to the safety standards of each country.

**China** We introduced the single-wheel, 2-row-planting, walking rice transplanter, PS15, which is able to run in narrow furrow paths. We are also developing rice transplanters suitable to the agricultural conditions of China. Also, succeeding the technology of the high-horsepower/ highly efficient/ highly durable combine harvester, HF608, which was introduced to the market ahead of others, we developed HF558 which realized a lower price to aim for expansion of the market share.



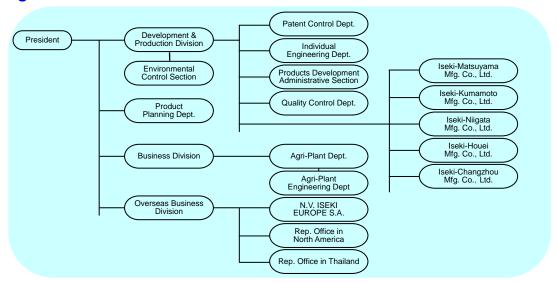
**Taiwan** We developed a Taiwan-oriented tractor, TJW, with enhanced durability of power transmission system, etc., mounting a high-horsepower, low-noise engine. We are also developing highly efficient and durable heavy rice transplanters/ combine harvesters.

**Korea** We developed a Korea-oriented tractor, TJW, with enhanced operability, mounting a high horsepower, low-noise engine. We also developed a highly durable and efficient Korea-oriented rice transplanter, PZ80, with the advanced "Z function", which is equipped with a new version of planting dividers with enhanced durability. Furthermore, we are developing a special large-scale combine harvester with high efficiency/ high durability.

**South East Asia** We are developing local-oriented tractors which incorporate a special transmission. We are also developing a low-priced rice transplanter suited to the working conditions / field conditions specific to the region.

# 5. System for R&D and Intellectual Property

#### **R&D** organization chart



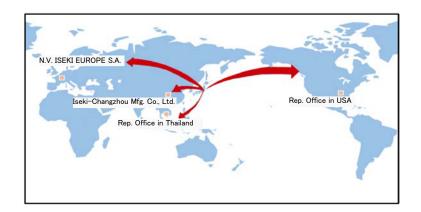
#### **R&D System**

#### ISEKI conducts development and technical development

The principal business of the Iseki Group is development, manufacturing and sales of agricultural machinery for the cultivation of rice, vegetables and other crops, and R&D concerning business engaged by the group are primarily conduced by ISEKI.

# Network for Development of Products Sold Overseas

The Company has established a global promotion system of technical development by way of development network between the Company and Europe, USA, China and South East Asian region in order to accelerate collection of relevant technical information and R&D speed regarding overseas products.



#### System for Intellectual Property

**Management Systems** We have an integrated administration system to conduct administration / guidance / education of intellectual property of the Iseki Group as a whole by our Patent Control Department which belongs to the Development & Production Division.



**Personnel Training** We post the "exhibition of the overall potential of Iseki Group" as a policy of the Group, placing emphasis on training of personnel which is the nucleus of the policy. We endeavor to achieve creativeness and enhancement of the overall technical potential for the Iseki Group as a whole through intellectual property/creativeness education addressed to patent department staff, technical experts, newly-recruited employees, manufacturing companies and sales companies.

#### **Industry-academia-government Alliance**

As a principle, Iseki uniquely develops its core technologies. However, we promote joint research and development with universities, testing and research institutions and the like in regard to areas related to part of the core technologies or peripheral technology in order to accomplish speedy as well as efficient R&D.



Joint study with testing & research institutions and universities

# 6. Acquisition, Management and Secrecy Maintenance

With respect to inventions and ideas, acquisition and management of rights, corporate confidential information, etc, we stipulated their handling in our working regulations, regulations for the handling of inventions created by job assignment, regulations for treatment of trade marks, code of conduct of the Iseki Group, patent business manual, etc. We conduct a thorough compliance and any disregard for the regulations whether intentionally or by sheer accident, the person involved is subject to penalties.

We provide incentives for inventions and creation to the inventors with compensation for transfer of inventions, compensation for implementation, awards and prizes in and outside the company through deliberate interpretation and use of working regulations, regulations for the handling of inventions created by job assignment, evaluation criteria for payment of compensation, etc.

We also manage intellectual property in the strictest of manners by numerous regulations and standards from the time of creation of the invention until its renouncement. For instance, in evaluating the value of patents, we created our "Criteria for Evaluation of Patent Rights" in April 1995, which sets forth methods for calculating the price of patent rights. We conduct periodical review of these criteria to ensure that they are in accord with common understanding and practices in the society, taking advantage of it in our patent assets management, patent rights negotiations and so forth.

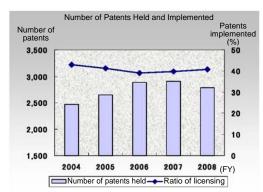
#### 7. Use of Patents

With respect to patent rights related to core technology or area, we place emphasis on success of our business operation either by securing superiority of our company products or by a smooth product development through cross-licensing. Any right outside the above area, we will seek for an optimum method for us such as licensing and evaluating future potential to be commercialized.

#### **Patents Held**

#### In Japan

We make application of inventions that are strictly screened by our internal regulations and the evaluation criteria in a proactive manner, trying to acquire and build up effective patent rights, which reached approx. 2,790 patents in the fiscal year 2008.





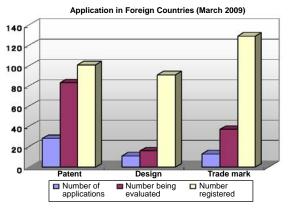
As of March 31, 2009, the number of patents held for our three major product categories (cultivating machinery, rice transplanters and combine harvesters) as well as vegetable transplanters & harvesters accounted for 86% of the total patents held

We will implement an intellectual property strategy aiming at the establishment of a "powerful and excellent" patent network focused on our business strategy.

# Patents Held by Type of Equipment Agricultural facilities and rice millers Vegetable transplanters & 6% harvesters 12% Processing machinery 1% Combine harvesters 31%

#### **Overseas**

We are making applications for carefully selected intellectual property to Europe, USA and Asian nations including China. The number of intellectual property rights held is on the rise every year. In particular, we make aggressive applications of our design and trade marks in the Asian region in order to eliminate imitation and mockery.



#### **Ratio of Patents Registered and Applied For**

In terms of the patent evaluation ratio, Iseki has been ranked top in all industries for 5 consecutive years.

Year	2004	2005	2006	2007	2008
ISEKI & CO., LTD.	84.6 %	83.7 %	90.4 %	89.3%	85.8%
Rank in all industries	First	First	First	First	First

Patent evaluation ratio= Number of patents evaluated / (Number of evaluated patents + Number of rejected evaluation + Number of withdrawals / abandonment)

In the agriculture and fishery sector among the sectional list of public patents in Japan, Iseki has been ranked top for 7 consecutive years, followed by the top rank in the "other special machinery sector" in 2007, when the sector was reclassified.

Year	2000	2001	2002	2003	2004	2005	2006	2007
Sector	Agriculture and fisheries	Agriculture and fisheries	Agriculture and fisheries	Agriculture and fisheries	Agriculture and fisheries	Agriculture and fisheries	Agriculture and fisheries	*The other special machinery
Rank	First	First	First	First	First	First	First	First

<sup>\*</sup> Since the 2009 edition, the sector classification has been changed, and agriculture and fisheries were included in the [other special machinery sector].

(Patent Administration Annual Report 2002 edition - 2009 edition)

#### **Awards and Recognitions**

Iseki has produced a long list of prize-winning technical experts who have received national decorations, national medals of honor, citations as contributor to scientific technology, citations for inventions, official commendations by the Minister of Education, Culture, Sports, Science and Technology, official commendations by the Agricultural Machinery Academy for their contribution to the development, improvement and commercialization of agricultural machinery technology.

In 1952, Kunisaburo Iseki, founder of Iseki received a national prize for invention from the Japan Institute of Invention and Innovation. In 1993, Iseki was awarded the Chairman's Prize to Commemorate a Century of Agricultural Experimentation and Research (jointly sponsored by the Ministry of Agriculture, Forestry and Fishery and the Association to Commemorate a Century of Agricultural Experimentation and Research) in recognition of our development and diffusion of head-feeding combine harvesters equipped with automatic threshers of which commercialization was achieved by Iseki for the first time in Japan.

In 2008, Iseki received the "Meritorious Award for Intellectual Property" (Award for Excellent Enterprises Active in the Industrial Property Rights System, Commissioner of the Japan Patent Office Award) in recognition of our traditional management of placing importance on intellectual property rights.



Number of withdrawals / abandonment= The number of applications withdrawn or abandoned after notice on the reason of rejection.

In total Iseki has received 181 awards from the Japan Institute of Invention and Innovation, including 18 national awards. The frontier spirit of the founder towards research and development has been succeeded consistently, which created tradition within the Company to create new technology with practical value through intellectual and creative activities.

Number of Award-wining Inventions 181 (As of March 31, 2009)

_	Contents of Awards	
National	Awards for Invention 18	
Special Aw	ards President's Award of the Japan Institute of Invention and Innovation	1
	The Asahi Shimbun Award	1
Special Aw	ards	2
Invention A	wards	14
Regiona	Awards for Invention 163  Encouragement Award of the Minister of Education, Culture, Sports, Science and Technology (Former Encouragement Award of the Director-General of the Science and Technology Agency)	9
	Encouragement Award of the Commissioner of the Japan Patent Office	5
Special Awards	ward of the Director-General of the Regional Bureau of International Trade and Industry (Award of the Director-General of the Shikoku Regional Bureau of International Trade and Industry)	7
	Encouragement Award of the President of the Japan Institute of Invention and Innovation	_ 7
	Encouragement Award of the President of the Japan Patent Attorneys Association	4
	Total	32
District Hea	ad Awards	9
Outstandin	g Invention Awards etc.	37
Invention E	ncouragement Awards	85

#### **Main Awards**

 Japan Institute of Invention and Innovation Fiscal Year 2008 Shikoku Region Invention Award Invention Encouragement Prize of the Minister of Education, Culture, Sports, Science and Technology (1 award)

Patent No. 3891171 Speed control device of power vehicle Invention Encouragement Prize (2 awards)

Patent No. 3769981 Accelerator control device of combine harvester

Patent No. 2508841 Riding type rice transplanter

# 8. Policy Regarding the Intellectual Property Portfolio

#### Trend in Technology

We conduct analysis of trend of technology of our competitors; clearly define positioning of Iseki's core technologies, making the results common information to share by the entire company including technical and planning sections in order to exploit such information as a resource to build business strategies and R&D strategies.

#### **Selection of R&D Themes**

Iseki sets technical themes based on consensus of the entire company including development and sales sections out of core technology and promising technology and the market trend related to core technology, establish a network of patents with a clear objective, and secure priority of product development. In furtherance, Iseki analyzes and evaluates the strength of its core technologies accumulated inside the company taking advantage of Iseki patent portfolio IPPM in order to contribute to its R&D strategy.

#### **Establishment of Overseas Intellectual Property**

We analyze market trends and the situation of intellectual property in each country to decide intellectual property strategy in line with expansion of Iseki's global business activities in joint efforts with divisions in charge of development and international operations. Furthermore, we analyze market trends and the situation of intellectual property in each country to decide the intellectual property strategy in line with the expansion of Iseki's global business activities in joint efforts with divisions in charge of development and international operations. Furthermore, we utilize our unique overseas patent information searching system in order to evaluate the effectiveness of our company's technologies in light of the situation of intellectual property and technical trends, etc. of our competitors. Also we apply promising technologies in order to try and secure effective rights and accumulate such rights in each country.

# 9. Information on Legal Actions Related to Intellectual Property

There is no suit at issue related to intellectual property rights which could affect our management in or outside the country. In promoting our business and R&D, we will implement intellectual property strategies steadily with the greatest of care.



#### **Corporate Data**

Company Name ISEKI & CO., LTD.

Head Office 700 Umaki-cho, Matsuyama, Ehime, Japan

Tokyo Headquarters 3-14, Nishi-Nippori 5-chome, Arakawa-ku, Tokyo, Japan

Foundation August 1926

Paid-in Capital 22,784 million yen (as of March 31,2009) Employees Consolidated: 6,514 (as of March 31, 2009)

Principal Business ISEKI'S principal business is the manufacture and sale of following products

Cultivation machinery: Tractors, Tillers, Cultivators, Mowers
Planting machinery: Rice transplanters, Vegetable transplanters
Harvesting machinery: Combine harvesters, Binders, Harvesters,

Vegetable harvesters

Processing machinery: Rice hullers, Dryers, Rice polishers, Rice Graders,

Vegetable Harvesting and Processing Machinery

Others: Farming implements, Repair parts, Agricultural facilities

#### Affiliated companies involved in development & manufacturing

Iseki-Matsuyama Mfg. Co., Ltd

Iseki-Kumamoto Mfg. Co., Ltd.

Iseki-Niigata Mfg. Co., Ltd.

Iseki-Houei Mfg. Co., Ltd.

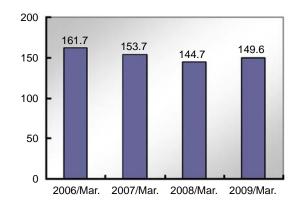
Iseki-Changzou Mfg. Co., Ltd

Matsuyama Factory Service Co., Ltd.

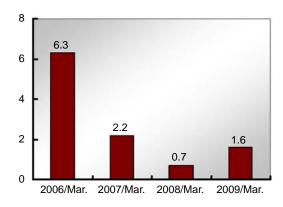
Iseki-Ueki Mfg Co., Ltd.

#### **Trend of Business Performance**

■Net Sales (billion yen)



■Operating Income (billion yen)





#### For further information, please use the following contact points.

Patent Control Department Development & Production Division ISEKI & CO., LTD. 1 Yakura, Tobe-cho, Iyo-gun, Ehime, Japan 791-2193

Telephone

(In Japan) (089)956-9810 (From outside Japan) +81-89-956-9810

Facsimile:

(In Japan) (089)956-9818 (From outside Japan) +81-89-956-9818

URL: <a href="http://www.iseki.co.jp/">http://www.iseki.co.jp/</a>

E-mail: pat-matsuyama@iseki.co.jp