Order for Enforcement of the Unfair Competition Prevention Act

(Cabinet Order No. 388 of December 5, 2001)

The Cabinet hereby enacts this Cabinet Order pursuant to the provisions of Article 11, paragraph (2), item (iii) of the Unfair Competition Prevention Act (Act No. 47 of 1993).

(Contents of a Technical Secret)

Article 1 The information specified by Cabinet Order, as referred to in Article 5-2, paragraph (1) of the Unfair Competition Prevention Act (referred to as "Act" below), is the method of evaluating or analyzing information (excluding methods that fall under the category of manufacturing methods).

(Acts Involving the Obvious Use of Technical Secrets)

Article 2 The act specified by Cabinet Order, as referred to in Article 5-2, paragraph (1) of the Act, is the provision of services for evaluation or analysis by using a technical secret (limited to a technical secret regarding a method of evaluating or analyzing information (including methods that fall under the category of manufacturing methods)) as prescribed in Article 2, paragraph (1), item (x) of the Act.

(Foreign Public Officials Specified by Cabinet Order)

Article 3 (1) The persons specified by Cabinet Order, as prescribed in Article 18, paragraph (2), item (iii) of the Act, are the following businesses engaged in business operations (excluding those prescribed in the same item), to which special rights and interests are granted by the national or local governments of the foreign states for the performance of their business:

(i) a business in which more than 50 percent of the voting rights of all shareholders are directly held by one or more national or local governments of foreign states;

(ii) a business for which, with respect to all or part of the matters to be resolved at a shareholders' meeting, the resolution will not become effective unless the national or local government of a foreign state grants permission, authorization, approval, consent, or any other similar act, or for which the resolution may be invalidated; and

(iii) a business where one or more national or local governments or public businesses of foreign states directly own more than 50 percent of the voting shares or capital subscription of the business, or where more than 50 percent of the voting rights of all shareholders are directly held by one or more national or local governments or public businesses of foreign states, or where the majority of officers (meaning directors, auditors, council members, inspectors, liquidators, and others involved in the management of the business; the same applies in the following paragraph) are appointed or designated by one or more national or local governments or public businesses of foreign states (excluding businesses prescribed in item (i)).

(2) The term "public business" prescribed in item (iii) of the preceding paragraph means a public business as prescribed in Article 18, paragraph (2), item (iii) of the Act, and to a business stated in items (i) and (ii) of the preceding paragraph. In this case, a business where one or more national or local governments or public businesses of foreign states directly own more than 50 percent of the voting shares or capital subscription of the business, or where more than 50 percent of the voting rights of all shareholders are directly held by one or more national or local governments or public businesses of foreign states, or where the majority of officers are appointed or designated by one or more national or local governments or public businesses of foreign states, is deemed to be a public business.