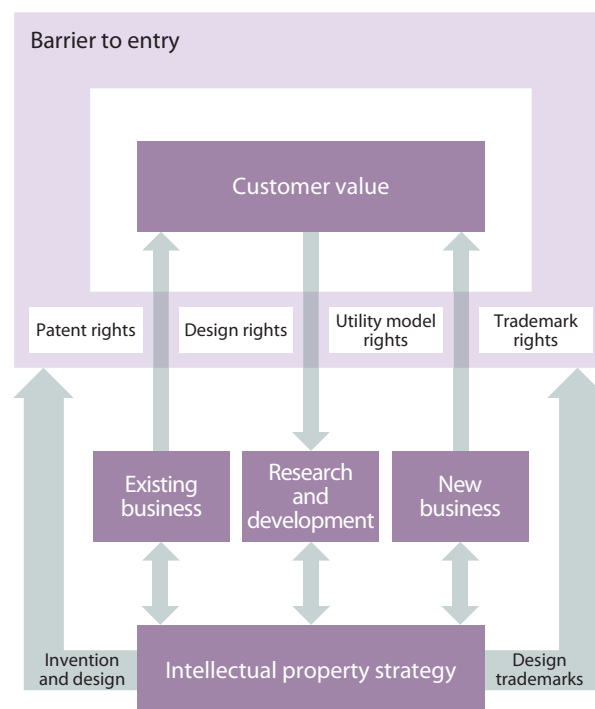


# Leveraging the Intellectual Property Strategy

## Implementing Intellectual Property Strategy for Sustainably Protecting Customer Value

The Citizen Group conducts research and development based on market information with the aim of creating additional customer value. We have created a structure that enables collaboration between operating companies, R&D departments, and intellectual property departments. This collaboration determines which intellectual properties generated by R&D departments, new and existing businesses, and operational departments contribute to the stability and expansion of ongoing business, and allows activities that lead to the registration of intellectual property rights, to be carried out.

The Intellectual Property Division at Citizen Holdings has constructed an intellectual property portfolio that prevents vital customer value from being emulated by other companies. To this end, we promote an intellectual property strategy for protecting intellectual property rights. Furthermore, when planning new product developments and new research themes, we value the intellectual property rights of third parties and strive to prevent any breaches of these rights. At the same time, we strive to augment customer value by creating distinctive technology and designs.



## TOPICS

### Creating Space for Customer Communication and Demonstrating the Citizen Brand

#### Citizen Fan Meetings

In June 2013, Citizen Watch began holding Citizen Fan Meetings to give customers an early look at new Citizen-brand products, letting them touch and experience the products firsthand. Although in the past we had held events of this nature for members of the press, this was the first such event targeting the general public.

At the event, Citizen Watch introduced flagship models it had unveiled at Baselworld in 2013, showed new products scheduled for launch, and generally fostered communication with fans of Citizen. The event gave employees a valuable opportunity to hear customers' reasons for loving Citizen watches, as well as their expectations. Recognizing this as an important new way to communicate with Citizen fans, we plan to hold these events again in the future.



A talk session between J-WAVE navigator Piston Nishizawa and Citizen Watch designer Hideki Inoue at the event

