

# Open Innovation - New opportunities for collaboration between Japanese and German companies

JETRO

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# 1 | VIVA TECHNOLOGY

- ✓ VIVA TECHNOLOGY: **French largest tech startup event** in Paris, supported by the French government.
- ✓ Notable attendees include industry giants like Google and LVMH Group, alongside top start-ups and innovators.
- ✓ **Japan shines as "Country of the Year"** at VIVA TECHNOLOGY 2024.
- ✓ **JETRO's Japan Pavilion** showcases 60 Japanese companies, marking JETRO's largest startup conference exhibit to date.



VIVATECHNOLOGY 2023

## 2 | 5 Features of Japanese Ecosystem

- ① Increasing emergence of skilled entrepreneurs and startups with a global outlook.
- ② Expansion of international accelerators and venture capital firms beyond Tokyo, reaching into Japan's regional markets.
- ③ A wealth of deep tech startups originating from universities.
- ④ Robust activity from Corporate Venture Capital (CVC) within Japan.
- ⑤ The Japanese government's bold target: to cultivate 100 unicorn companies by the year 2027.

# 3 | Current State of Open Innovation by Japanese companies

## United Kingdom 23 innovation offices

The UK consistently scores highly for ease of business – and according to the OECD has the least barriers to entrepreneurship in the world. Thanks to its strong finance and IT industries and language accessibility, a significant number of Japanese companies – such as NTT DATA UK and Shimizu Corporation – have chosen the UK as the base for their European innovation activities.

## Benelux 9 innovation offices

Benelux sits in the geographical heart of Europe – and is in close proximity to many of Europe’s major industrial hubs. The region is considered a leader in biotechnology and sustainability, thanks in part to being closely located to EU’s headquarters, in Brussels.



## Nordics 4 innovation offices

The Nordics represent one of Europe’s most important tech and innovation hubs. In our directory, several companies have decided to set up innovation offices in Sweden and Estonia – including major firms such as Marubeni Corporation and Sony network Communications Europe.

## Germany 16 innovation offices

Germany is the second most popular location for Japanese corporate innovation activity – with many companies seeking to take advantage of Germany’s vibrant manufacturing, industrial and automotive ecosystems. Germany is also Europe’s number one country for research – investing a whopping 105 billion Euros into R&D in 2018 alone.

## Switzerland 3 innovation offices

Switzerland is one of the world’s most productive health and pharmaceutical hubs – making it a natural home for the innovation hubs of Japanese companies such as Idemitsu Kosan Co., Ltd., Yokogawa Innovation Switzerland GmbH, & Nabtesco Technology Ventures AG.

# 4 | Success Stories : Open Innovation by Japanese companies

## Preferred Networks

- ✓ Japan's largest unicorn, founded in 2014. Promotes the business use of deep learning.
- ✓ Formed alliance with **Toyota** for **object recognition technology** necessary for **autonomous driving**.
- ✓ Formed a partnership with **Mitsui & Co. etc.** to start pilot project of **Level 4 autonomous driving trucks** from 2022.
- ✓ Alliance with **ENEOS**, an energy company, for **automatic operation of petrochemical plants**.
- ✓ Partnering also with foreign companies such as NVIDIA, Microsoft, and Intel.

## KAO Corporation

- ✓ Alliance with **Healthcare Systems, a startup from Nagoya University**.
- ✓ Begin offering service to diagnose the risk of atopic dermatitis.

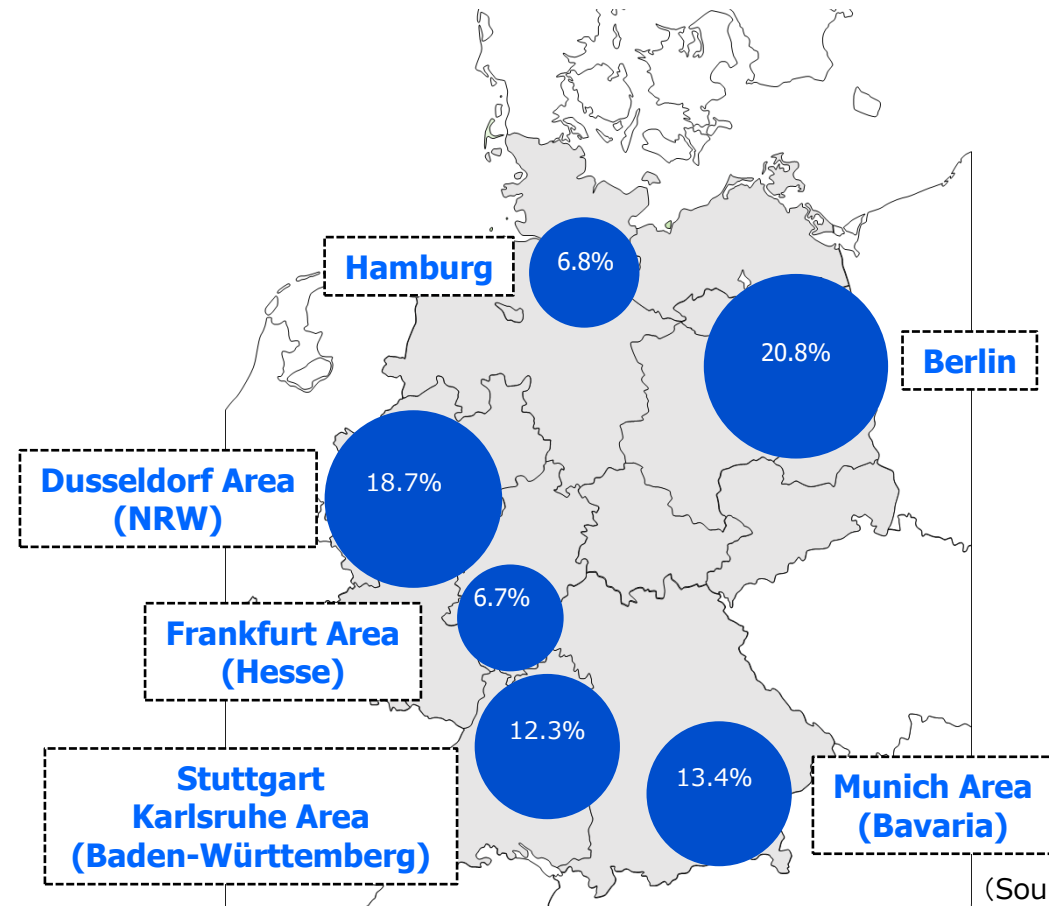
## Japan Airlines

- ✓ Partnered with a startup that makes craft beer from discarded foodstuffs.
- ✓ Launched a business to produce and sell craft beer made from rice left over in JAL lounges.

# 5 | Startup Ecosystems in Region

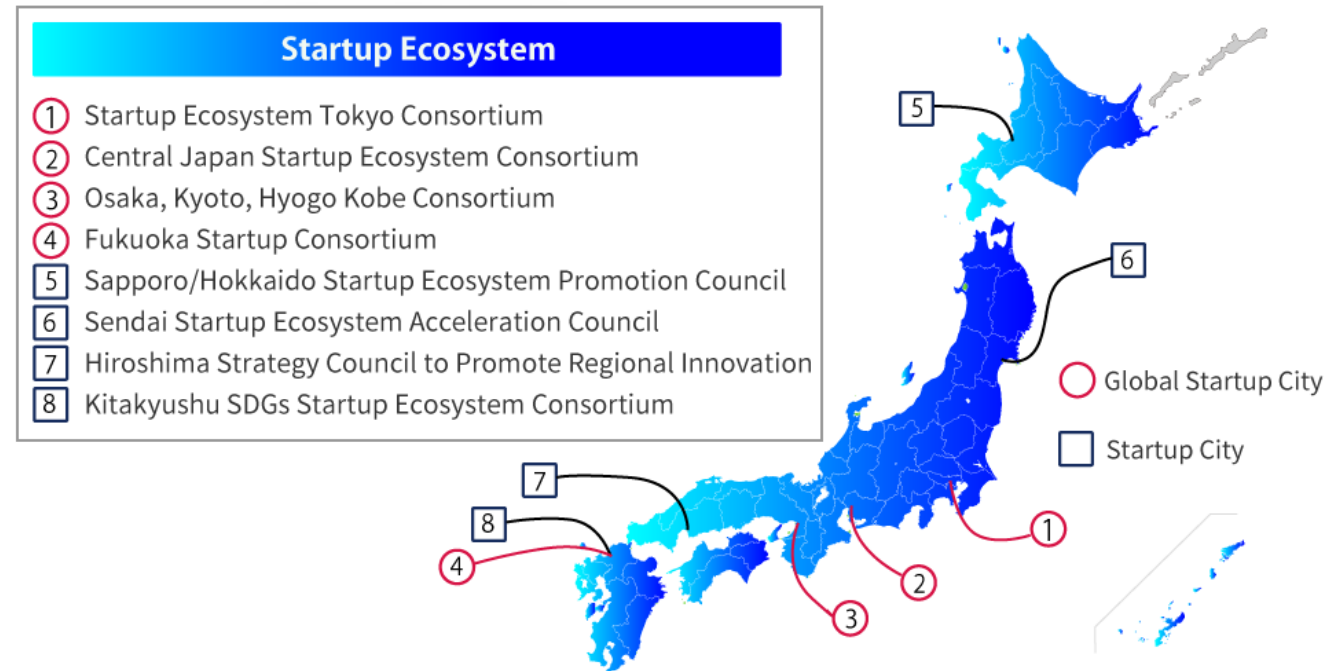
- German startups exhibit a decentralized growth pattern, flourishing across diverse hubs such as Berlin, Dusseldorf, Munich, and beyond.
- The Japanese government is actively catalyzing the growth of startup ecosystems in its major urban centers.

Number of startups by region in Germany (%)



(Source: : Compiled from German startup monitor 2023)

Startup Ecosystem accelerated by the Japanese Government



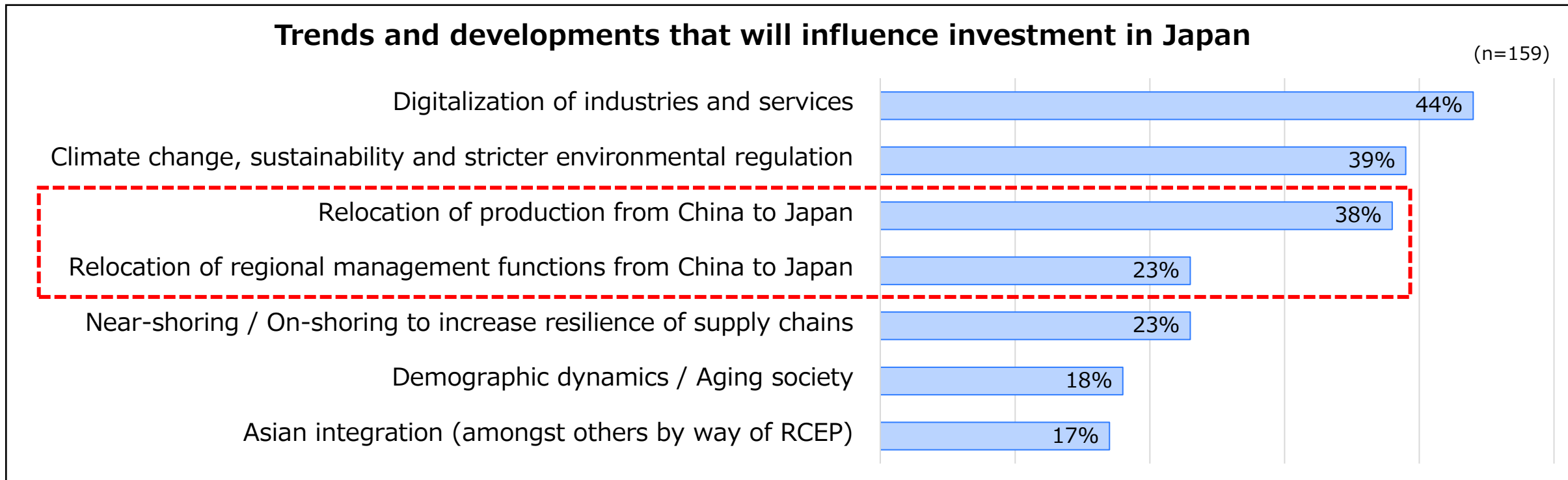
(Source: Compiled from "Startup Ecosystem Cities" September 2021 (Cabinet Office, Council for Science, Technology and Innovation))

# 6 | Increasing role of Japan for German companies

- Amidst geopolitical shifts and a push for greater diversification, a substantial segment of businesses is migrating from China to Japan, with 38% moving production and 23% transferring regional management operations.
- The pervasive megatrends of digitalization (44%) and environmental sustainability (39%) are significantly shaping German companies' investment strategies in Japan.

## Set-up in Asia

### Increasing relocation from China to Japan





# 7 | Open Innovation by Japanese companies in NRW

- **Daikin Industries × Dortmund**

Opened Innovation Hub.

- **Fujifilm × Ratingen**

Opened Innovation Hub.

- **Toshiba × Düsseldorf**

Opened its Regenerative Innovation Center to accelerate the realization of a carbon-neutral circular economy through digitization.

- **Hibot × Aachen**

Hibot, a startup from Tokyo Institute of Technology with a technological advantage in snake-shaped robots, opened its office.

- **Lebo Robotics × Düsseldorf**

Lebo Robotics, a startup that uses robots to maintain onshore wind turbine blades, opened its office.

# 8 | JETRO Open Innovation Platform “J-Bridge”

- Business platform to facilitate collaboration between Japanese companies and overseas startups/companies to create innovation

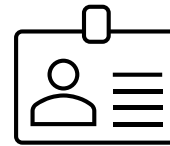
## J-BR!DGE



- Mobility
- Life Science
- Retail Tech
- FinTech
- Information Security
- Health Tech
- Agri Tech
- Smart Cities
- Robotics



- Renewable Energy
- Energy conservation
- Storage Batteries
- Hydrogen
- Smart infrastructure
- Green and environmental conservation technologies



Company Sourcing

Information Provision



Meet-up Arrangements

Acceleration Programs



# Thank you for your attention.

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