

Introduction: Vision of the Kitakyushu SDGs Startup Ecosystem Consortium

Features of Kitakyushu:

- (1) Kitakyushu Science and Research Park conducts a range R&D projects: (see pp. 21-22)
 - Regional Innovation Cluster Program—Total operating costs of ¥8 billion
 - Intellectual Cluster Creation Project—Total operating costs of ¥2.5 billion
⇒ Sales of products developed via partnerships between companies and universities:
¥35.6 billion
- (2) Supports startups with the Kitakyushu Foundation for the Advancement of Industry, Science and Technology (FAIS) and Compass Kokura (see p. 28)
- (3) Has an abundance of companies of all sizes—from large to SMEs—representing industries such as steel and robotics
 - Value of shipments of manufactured steel goods:
No. 1 among ordinance-designated cities in Japan
 - Value of shipments of manufactured robotics goods:
No. 2 among ordinance-designated cities in Japan
- (4) Offers an area for pilot testing and research centered on Eco-Town projects, features an industrial center for environmental-related businesses, and has an extensive track record of rolling out businesses in Asia in fields such as the environment and waterworks
 - Value of orders outside Japan in the environmental and waterworks business: ¥31 billion (see p. 9 & 15)

- (5) Implemented the “Project to Achieve a Productivity Revolution among Manufacturers with Innovative Technology” (see p. 10)

Issues:

- (1) Lack of user-centric technology and product development
- (2) Few companies have scaled out
- (3) Tech startups need long-term support up through product launch
- (4) Value of shipments of manufactured goods of Kitakyushu-based companies have remained at ¥2 trillion in recent years
- (5) Need to expand partnerships between startups and environmental and waterworks businesses launched through public-private partnerships

Features of the Consortium:

- (1) Built system to support market-focused product development
- (2) Accumulates know-how, and trains and invites people needed for scaling out
- (3) Built system that enables long-term support for startups
- (4) Built a partnership system that ensures startups and Kitakyushu-based companies grow together
- (5) Combines the city government's international network of friendship cities and companies' global business networks

The Consortium's Vision

- **Create a tech ecosystem centered on DX, and our strengths of the environment and robotics**
 - Produce startups with technical and business knowledge from universities and technical schools (see p. 25)
 - Update existing industries and bring about innovation by forming partnerships between startups and Kitakyushu-based companies (see p. 11)
 - Create new industries and lifestyles by merging nursing care with robotics and other innovations (see p. 10)
 - Leverage technology to tackle solutions to social problems in Japan and around the world (see p. 15)

Scale-out Engine

- **Private-sector-led Committee Provides Scale-out Support** (Committee of Global Acceleration Program in Kitakyushu) (see p. 17)
 - Comprised of major Kitakyushu-based manufacturers, major national financial institutions, and VC firms (14 companies), the Committee offers comprehensive support by providing accompaniment of mentors with extensive knowledge in assisting startups
 - Provides support for global expansion leveraging the network of global companies in Kitakyushu and the network of companies that have rolled out environmental and waterworks businesses in Asia



I. Driving Force to Build the Ecosystem

The Consortium's Vision **Create a tech ecosystem centered on DX, and our strengths of the environment and robotics**
 Provide support to startups with the city's industrial center for robotics and other businesses, and via partnerships with research institutes in Kitakyushu Science and Research Park, with the goal of becoming an SDGs Future City

- The chairman of the consortium is **Kitakyushu mayor Kenji Kitahashi**, who also serves as chairman of the Cabinet Office's Rural Revitalization SDGs Public-Private Partnership Platform. The consortium helps startups participate in city projects such as **industrial and nursing care robot projects**, and leverages the city's network in Asia and other regions built in the fields of the environment and waterworks to **promote global business expansion. It contributes to achieving SDGs with the power of startups.**
- Furthermore, the consortium has established the private-sector-led **Committee of Global Acceleration Program in Kitakyushu**, which provides robust assistance such as mentor accompaniment to help startups scale out, collaborations with major Kitakyushu-based companies, and global expansion support. The Committee chairman is engineer and executive **Junji Tsuda, Yaskawa Electric's Chairman of the Board** and former president of the International Federation of Robotics (see p. 17).

The Consortium's KPIs (total by FY 2024)

(1) Create 1 unicorn company, (2) establish 100 startups in Kitakyushu, (3) utilize 20 startup visas

Leading innovators
(examples of Kitakyushu-based startups)



日本環境設計
JEPLAN Japan Environment PLANning
Recycled polyester manufacturing plant

JEPLAN
Manufactures polyester products that are equal in quality to petroleum-based materials from textile waste



KiQ Robotics
Startup from KIT
Developed multi-purpose robotic hand



Reif
Developed a robot assistant for walking rehab



On-Grit Engineering
Developed an infrastructure inspection robot



Speaking at the UN General Assembly
(High-level government platform)

Chairman of the Kitakyushu SDGs Startup Ecosystem Consortium
Kenji Kitahashi (Mayor of Kitakyushu)

The Consortium makes full use of Kitakyushu's potential to support startups.



Kitakyushu Science and Research Park aims to become a scientific research hub for Asia



Track-record in infrastructure inspection pilot tests



Global network in environmental and waterworks businesses (support for waterworks business in Vietnam)



Robust startup support system based on public-private partnerships

Chairman of the Committee of Global Acceleration Program in Kitakyushu
Junji Tsuda (Yaskawa Electric Chairman of the Board)

The Committee makes full use of private-sector resources, and provides comprehensive support to entrepreneurs aiming to create unicorn companies

Committee of Global Acceleration Program in Kitakyushu Members:

- ★ 7 financial institutions (make financing proposals), Nomura Securities and Daiwa Securities (introduces companies to potential partners)
- ★ Nippon Venture Capital, GxPartners LLP (investment)
- ★ Yaskawa Electric (collaborations, chairpersonship, and provides financial support to the Committee)
- ★ TOTO, Daiichi Koutsu Sangyo (collaborations, provides financial support to the Committee)

I. Driving Force to Build the Ecosystem

Organizational Structure and Roles:

We aim to create unicorn companies in Kitakyushu that contribute to achieving SDGs through partnerships between private-sector companies, universities and technical schools, and government.

- **Private-sector companies** have formed the Committee of Global Acceleration Program in Kitakyushu, which offers robust support such as **providing mentor accompaniment to help startups scale out and collaborations with major Kitakyushu-based companies**, and promotes **open innovation**.
- **Universities and technical schools** develop **core technology** for robotics and other tech, **cultivate human resources** (by fostering entrepreneurs and offering recurrent education), and **provide support to international students to start businesses** in partnership with the city government.
- **The city government** provides **support for expanding outside Japan through its partnership with JETRO and JICA** and **network of international cooperation with Asian cities**, in addition to providing **full pilot test support** with the Pilot Test One-Stop Center, **enhancing public procurement (by expanding trial orders)**, and collaborating with startups in large-scale projects in Kitakyushu.

