Beyond Limits. Unlock Our Potential.
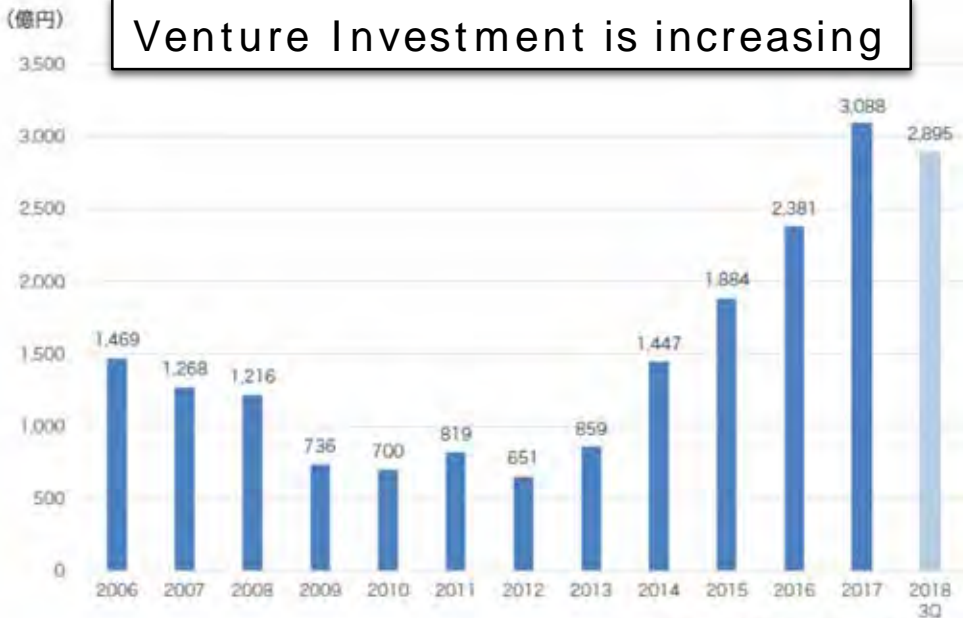
Strategies for creation of startup ecosystem
to compete with the world top ecosystems

2019 June

Cabinet Office

Venture Investment is increasing

(億円)

Year	Value
2006	1,469
2007	1,268
2008	1,216
2009	736
2010	700
2011	819
2012	651
2013	859
2014	1,447
2015	1,884
2016	2,381
2017	3,088
2018 3Q	2,895

※CVCによる投資及び大企業による直接投資も含む
Source: JVR

Government Support

J-Startup

- JST Japan Science and Technology Agency
- NEDO 新エネルギー・産業技術総合開発機構
- 中小機構 SME Support, JAPAN
- JETRO Japan External Trade Organization
- JFC 日本政策金融公庫

Big Financial Round

JapanTaxi [MaaS] Japan Taxi 123億円	CLOUDIAN [SaaS] Cloudian 104億円
folio [Fintech] FOLIO 69億円	お金のデザイン [Fintech] お金のデザイン 65億円
freee [SaaS] freee 65億円	
Spiber [Bio Chemical] Spiber 61億円	FINATEXT [Fintech] Finatext 60億円
paidy [Fintech] Paidy 58億円	FiNC Technologies [Digital Health] FiNC Technologies 55億円
mercari [EC] メルカリ 50億円	
WHILL [Robotics/MaaS] WHILL 50億円	AeroEdge [AeroTech] AeroEdge 46億円
ABEJA [AI/SaaS] ABEJA 42億円	WealthNavi [Fintech] ウェルスナビ 37億円
Tier IV [AI/MaaS] ティアフォー 32億円	
Looop [EnergyTech] Looop 30億円	every.tv [Media] エブリー 30億円
LPixel [AI/Digital Health] エルピクセル 30億円	ORIGAMI [Fintech] Origami 28億円
COCON [AI/Security] ココン 28億円	

Ecosystem Builders

- ILS INNOVATION LEADERS SUMMIT
- G1 VENTURE
- EDGEof
- EGG JAPAN
- VENTURE CAFÉ TOKYO
- LINK-J
- PLUGANDPLAY JAPAN

Startup ratio

Getting better, though low level.

VC Investment

Small VC Investment.
US 9,533 billion, EU 814 billion (yen)
China 3,363 billion, Japan 197billion

Venture White Paper2018 ： Japan's data exclude CVC

Creation of Unicorns

World total: 310
US 151, China82, Japan

(2019.2 CB Insights)

Creation of the ecosystem

Silicon Valley, NY, Beijing, London
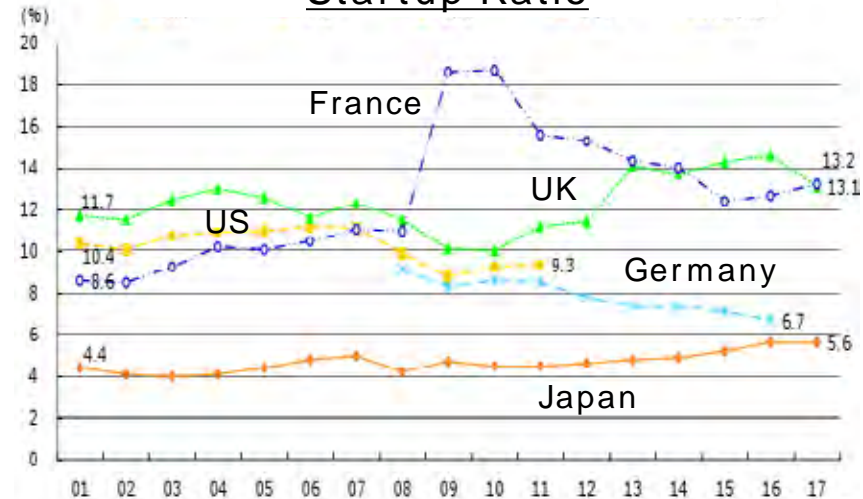are growing. Japanese cities are not.
80% of US unicorns are created in the cities.
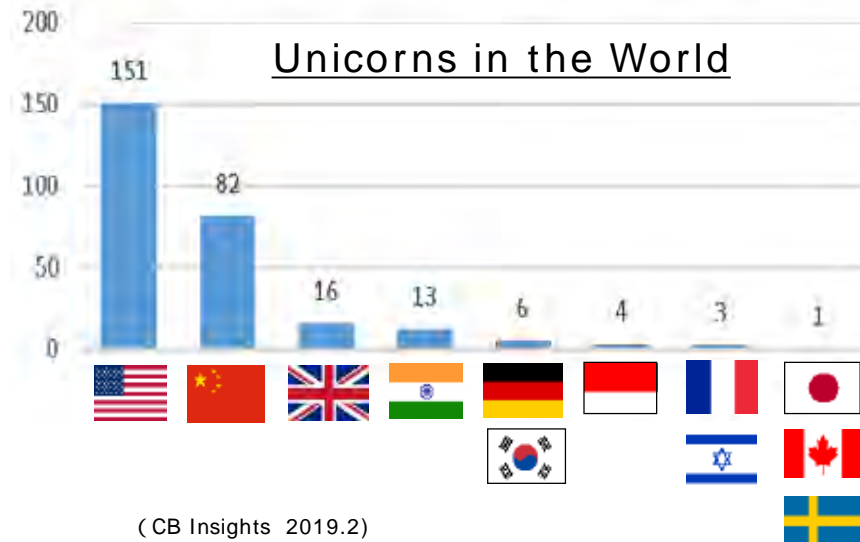83% in China. Same trend in the world.

World Bank

Startup Ratio

2019 SME White Paper)

Unicorns in the World

CB Insights 2019.2)

Startup strategy "Beyond Limits. Unlock Our Potential."

City /Community

Strategy1 :
Creation of the startup city

- Ø Comparative analysis of ecosystem
- Ø Concentrated support for startup city
- Ø Landmark programs
- Ø Strong promotion to overseas
- Ø Startup VISA

City / Community

University

Strategy2 :
Empowerment of University
- Ø Entrepreneurship education
- Ø Capacity development of faculties
- Ø Utilization of outside human resources

Mindset / Education

Accelerator

Strategy3 :
Cutting-Edge Acceleration Programs

- Ø Collaboration with global top accelerators
- Ø Empower corporate and university accelerators

Acceleration

Gap Funding

Strategy4 :
Gap funding for tech Startups

- Ø Enhance Gap funding programs
- Ø Revision of SBIR Program

Growth

Public Procurement

Strategy5 :
Public Procurement for Startups

- Ø Improve Procurement Process
- Ø Open Innovation Challenge

Procurement

Network, Mobility of Human Resources

Strategy : Enhancement of Networks

- Ø JST-NEDO collaboration, Enhancement of Open innovation with JOIC activities
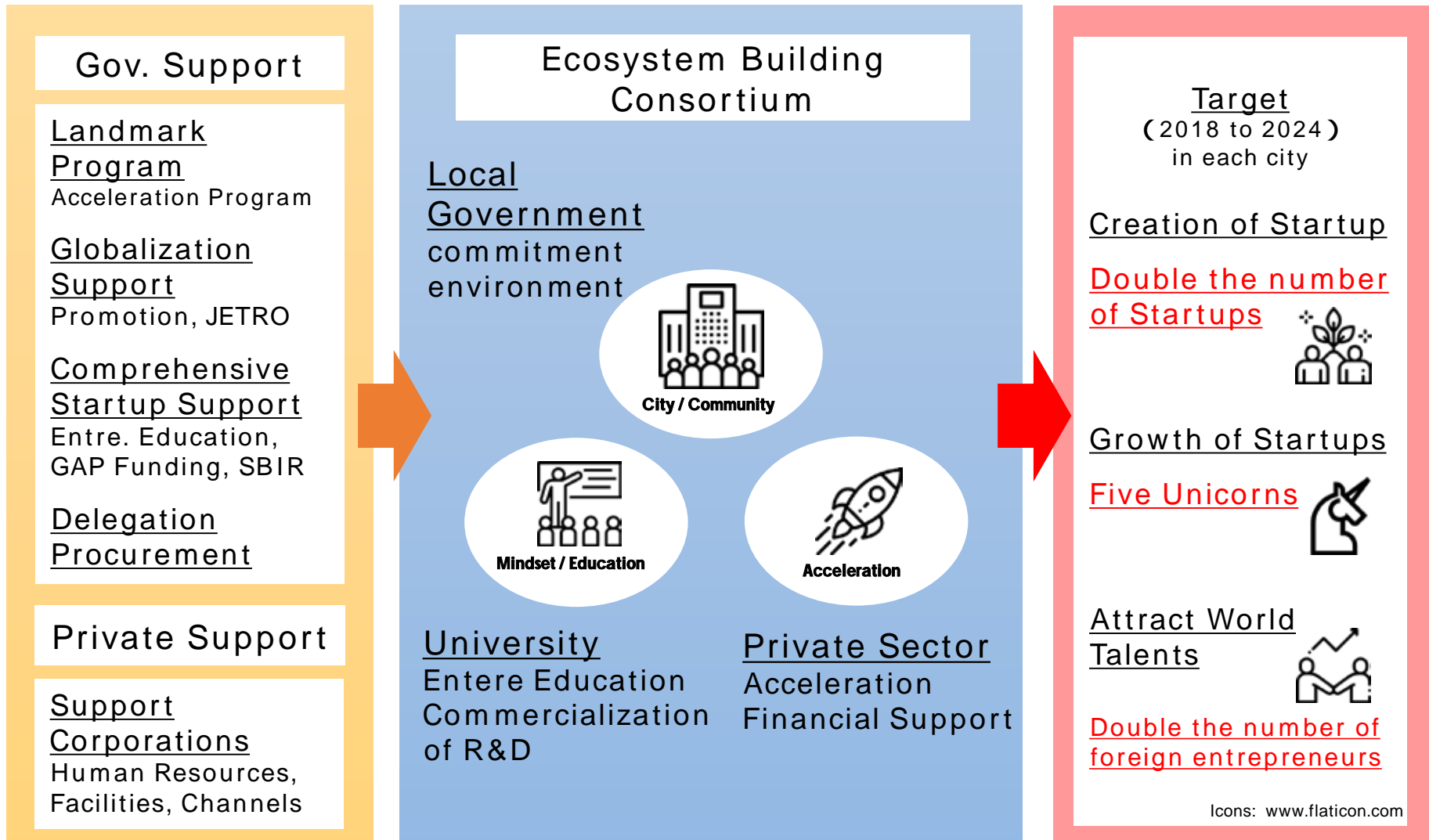
Strategy7 : Increasing the Mobility of Human Resources

- Ø Task force for mobilization of human resources, Support for the mobilization model project

Network

Mobilization

Icons: www.flaticon.com

Creation of the Startup City

p **Organize Consortium (Local gov. Univ. and Private Sector)**
p **Global Startup City: 2-3 cities   Startup City: some cities**
p **Support from Government and Private Supporters**

Gov. Support

Landmark Program
Acceleration Program

Globalization Support
Promotion, JETRO

Comprehensive Startup Support
Entre. Education, GAP Funding, SBIR

Delegation Procurement

Private Support

Support Corporations
Human Resources, Facilities, Channels

Ecosystem Building Consortium

Local Government
commitment environment

City / Community

Mindset / Education

Acceleration

University
Entere Education
Commercialization of R&D

Private Sector
Acceleration
Financial Support

Target
2018 to 2024
in each city

Creation of Startup

Double the number of Startups

Growth of Startups

Five Unicorns

Attract World Talents

Double the number of foreign entrepreneurs

Icons: www.flaticon.com

Elements of the Startup City

Activities of Startups and Supporters

- Number of Startups
- Startup Ratio
- Total Early-Stage Entrepreneurship Activity of GEM
- VC investment (Number and amount)
- IPOs (Number and Market Caps)
- M&A (Number of and Deal size)
- Unicorns (Number and Market Caps)
- Key persons and Inferences
- Lawyers, Accountants, Patent advisors
- Big corporations, Global corporations
- Niche top corporations Tech corporations
- Startup events

Activities of Local government

- Commitment of the Governor and Mayer
- Budget size
- Organization and its power
- Key Officials (expert officials)
- Utilization of private players
- Collaboration with other public players
- Globalization support

Human resources and Education

- Leading universities
- Academic performances
- Researchers and engineers
- Entrepreneurship education
- University startup support programs
- University startups
- Women workforce, Foreign workforce
- Designer and Artist

Accumulation and Convenience

- Population
- Density of Population
- Living environment
- Work place environment
- Transportation convenience

Network, Community, Culture

Beyond Limits. Unlock Our Potential.

Strategies for creation of startup ecosystem
to compete with the world top ecosystems

Program list

Strategy 1 : Creation of the startup city

Comparative analysis of city startup ecosystem
Conduct comparative analysis for "gaps" for strong ecosystem from the viewpoint of funding, network, and human resources.

Concentrated support for startup city
Cross-ministerial support task force provide supports with human resources, support infrastructure, funding, and community.

Landmark programs
Collaborate/Invite global cutting-edge startup base, business plan competition, and startup events.

Strong promotion and startup VISA
Conduct strong promotion of Japan's potential, enhance startup VISA program to attract world entrepreneurs.

**City /
Community**

Icon made by geotatah from www.flaticon.com

Strategy 2： Empowerment of universities

Enhancement of entrepreneurship education
Introduce new curriculum, foster EGDE NEXT and SCORE programs.

Capacity development of University faculties, Utilization of outside human resources
Conduct seminars for faculties and researchers,
invite specialist to collaborate with economic organizations.

Enhancement of college, inter college consortium hackathons, boot camps
Enhance activities for innovation such as hackathons and boot camps in universities and inter-universities.

Entrepreneurship education from elementary school
Start entrepreneurship education from elementary school.

Mindset / Education

Icon made by geotatah from www.flaticon.com

Strategy 3 : Cutting-edge acceleration programs

Collaboration with global top accelerator
Collaborate/Invite global top accelerators.

Acceleration programs for special fields such as AI, bio, and space
Conduct acceleration programs for Japan's strong fields such as AI, biotechnology, and space.

Empowerment corporate and university acceleration
Provide support to empower corporate acceleration programs and university acceleration programs.

Acceleration

Strategy 4 : Gap Funding for deep tech startups

Funding agencies' gap funding programs
Enhance public funding agencies' gap funding programs.

University fund and research institute fund
Enhance operation of the government supported university funds and research institute funds.

Revision of the SBIR program
Revision of SBIR and enhance commercialization of research projects.

Growth

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Strategy 5 : Public procurement for startups

Open Innovation Challenge conducted by Cabinet Office
Public offering program for the solutions to the problems
that the government organizations face in their operation.

Guidelines on public procurement
Implement guidelines on public procurement for startups.

Trial procurement programs of local government
Activate trial procurement programs of local government.

Procurement

Strategy 6 : Enhancement of network and community

Enhancement of open innovation
Enhance open innovation among industries, universities, governments with startups.

Enhancement of network among support organizations
Strong support by JST-NEDO collaboration.
Enhance the network and key persons in government and
private startup support organizations.

Enhancement of awards and startup events
Empower awards that celebrates startup activities.

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Network

Strategy 7 : Increasing the mobility of human resources

Organize task force for mobilization of R&D human resources
Organize inter-ministries task force for mobilization of
R&D human resources.

Support for the mobilization model projects, such as secondment-model and island-model
Support model projects for the mobilization of human resources such as large corporation-startup secondment-model and technology curve out island-model.

Mobilization

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