

YOKOHAMA'S INNOVATIVE CULTURE

An emerging innovation district with boundless potential

The Yokohama bay area is on the verge of transforming itself into a next generation innovation district. The bay area, which stretches roughly from Yokohama station to Kannai station, includes the master-planned business district Minato Mirai 21 and features a picturesque waterfront with futuristic skyscrapers juxtaposed with 100-year old warehouses that create a unique atmosphere of “old meets new.” The reimagined urban center surrounding Minato Mirai 21 has become home to the world’s most influential industries, attracting many large and small businesses in IT, mobility and manufacturing from around the globe. The Kannai area, an up-and-coming community made up of artists, creators, and innovators, is forging a culture of its very own brimming with youthful and creative energy. On top of all of this, Yokohama station boasts 30-minute access to Tokyo, the center of Japan’s \$5 trillion economy. The bay area, with all its soft and hard assets, has limitless potential to emerge as the next booming innovation district in Asia.

Established industry clusters and abundant physical assets

Over the years, Yokohama has grown into a flourishing hub of companies, universities and research institutes representing a wide range of industry sectors and academic disciplines. Many world-renowned automotive companies and manufacturers have established headquarters or major branches in one of Yokohama’s several business districts. Recently, Yokohama is becoming the chosen location for corporate research and development; Apple Inc. and other multinationals such as Shiseido Company, Limited, Murata Manufacturing Co., Ltd., and LG Electronics, Inc. have all chosen to open large-scale R&D centers in the city. Moreover, the region is home to 26 universities and 157 research institutes that constitute the foundation of Yokohama’s innovation economy. Leading institutions such as RIKEN, Yokohama City University (YCU), Keio University, Tokyo Institute of Technology (TI-TECH), and Yokohama National University (YNU) are hosting some of the most advanced research projects in Japan, actively collaborating with local companies as well as the public sector in pioneering initiatives.

Many of Yokohama’s state-of-the-art office buildings are equipped with high-spec research facilities to support cutting-edge R&D and rapid research turnover. This is a unique characteristic of Yokohama’s office property profile, which was developed due to the ongoing active collaboration between Yo-

kohama businesses and life science and biotech researchers over the years. Another recent trend is that community-oriented co-working spaces are becoming increasingly popular in Yokohama. American co-working giant WeWork Companies Inc. has just opened a location in OCEAN GATE MINATO MIRAI and many newly developed office buildings incorporate community spaces open to the public.

NextGen workforce and collaboration platforms create powerful breeding ground for innovation

In addition to these hard assets, Yokohama has a wide range of soft assets such as an abundance of high skilled labor, support mechanisms for collaboration, and networking assets that back up various innovative endeavors. Many of the top-tier universities in Yokohama are equipping the next generation workforce with knowledge and skills in new and promising areas such as data science and smart mobility, and there is a graduate school that specializes in cybersecurity. An exciting STEAM (science, technology, engineering, arts, mathematics) development underway is the establishment of a game development course at the Graduate School of Film and New Media of the Tokyo University of Arts in April 2019. Yokohama is known for having the highest concentration of engineers in Japan (9.3%) and approximately 0.4 million tech professionals among its workforce.

Yokohama has multiple platforms for industry-government-academia collaboration such as the Yokohama Life Innovation Platform (LIP Yokohama) and IoT Open Innovation Partners (ITOP Yokohama). These platforms offer companies, universities and research organizations opportunities to dialogue and promote the development of new technologies and products. Match-up events, seminars and exchange meetings are just a few of the ways the platforms facilitate networking and support members’ R&D and commercialization efforts. LIP Yokohama and ITOP Yokohama work hand in hand, often collaborating with overseas companies as well. LIP Yokohama has an international partnership with Biocom Life Science Association of California (BIOCOM), the largest advocacy organization for California’s life science sector. Additionally, the Minato Mirai 21 area is thriving with collaborative spaces run by corporations, such as Fuji Xerox Co., Ltd.’s Customer Co-creation Laboratory, Fujitsu FSAS Inc.’s Minato Mirai Innovation & Future Center, and IHI Corporation’s Tsunagu Lab, all aiming to spur open innovation by directly taking in fresh ideas from consumers and industry stakeholders.

Yokohama also has a great variety of venues for meetings, incentives, conferences and exhibitions (MICE) that serve as a valuable networking asset. Pacifico Yokohama in Minato Mirai

21 is one of the largest convention complexes in the world, hosting international conventions and exhibitions throughout the year. BioJapan, Asia's largest annual biotechnology convention, is just one of them. In addition, there are countless convention facilities and hotels to fit the purpose and needs of every MICE event.

A city that embraces the power of open innovation

The municipal government of Yokohama has shown steadfast commitment towards creating a supportive climate for innovation. The city has a track record of utilizing creativity and collaboration to solve social issues; the Office of Co-governance and Creation, the first of its kind in Japan, was established in Yokohama in 2008 to enhance public-private collaboration. In the decade since its inauguration, private businesses and organizations have submitted over 725 proposals for joint pilot programs, and 311 have been implemented.

Yokohama has actively addressed Sustainable Development Goals (SDGs) through such collaborative efforts. In March 2018, the city launched the visionary urban community, Tsunashima Sustainable Smart Town (Tsunashima SST) under a partnership with Panasonic, other corporations, and universities. The aim of the project is to create a smart community that serves as a place for cross-sector collaboration and community-wide field tests that promote innovation involving technology, people, and the community. Tsunashima SST has set aggressive goals in environment, safety and security to become a model city for smart technology



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and sustainability. To give another example, in 2017, the city collaborated with NTT Docomo Inc., the top mobile phone operator in Japan, to create a Chatbot service that interactively informs residents on how to separate trash into different collection types, by combining NTT Docomo's artificial intelligence (AI) technology and the city's waste collection database. After a test period, the Chatbot service officially debuted in 2018.

Mechanisms to support aspiring entrepreneurs

Yokohama provides a welcoming and nurturing environment for startup companies. In addition to innovation platforms LIP Yokohama and ITOP Yokohama that both have a startup support component, the City of Yokohama holds various workshops, seminars and exchange meetings to accelerate networking among entrepreneurs and innovators. The city provides opportunities for startups to showcase their groundbreaking ideas to the business community; the Economic Affairs Bureau of the municipal government has held a series of venture pitch events since 2015 to help connect entrepreneurs to prospective investors and partners, and the Yokohama Industrial Development Corporation (IDEC Yokohama) has been hosting the Yokohama Business Grandprix, a pitch competition which awards multiple cash prizes including special prizes for student and women entrepreneurs and provides long-term business support to finalists.

There are also several unique acceleration programs operated by the private sector. The beloved local professional baseball team Yokohama DeNA BayStars owns the Baystars Sports Accelerator which supports new business development in the sport and entertainment realms, and Keikyu Corporation, a private railroad company that operates train service between Yokohama and Tokyo, has launched a new accelerator program in 2017 aiming to promote innovative projects involving the latest technology such as drones and AR/VR that will invigorate the transportation industry and the local community. Sagami Railway Co., Ltd., another railway company operating in the prefecture, and Takashimaya Co., Ltd., a leading department store company, have also launched a joint acceleration program aiming to support entrepreneurship in inbound tourism, entertainment and other fields. The Kanagawa Prefecture, supported by Deloitte Touche Tohmatsu LLC, also operates a large-scale startup hub and acceleration program that features a startup camp, guidance workshops, and a list of accomplished mentors. There is no shortage of support that young businesses can look to as they pursue their entrepreneurial dreams in Yokohama.

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