

YOKOHAMA'S INNOVATIVE CULTURE

An emerging innovation district with boundless potential

The Yokohama bay area is in the midst 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 beautiful waterfront with futuristic skyscrapers juxtaposed with 100-year old picturesque brick warehouses that create the unique atmosphere of “old meets new.” The reimagined urban center surrounding Minato Mirai 21 has become home to some of 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, and is emerging as a hotspot for startup companies in the city. 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. Yokohama is also 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 (TITECH), 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 charac-

teristic of Yokohama’s office property profile, which was developed based on years of ongoing active collaboration between Yokohama businesses and life science and biotech researchers. Work is currently underway to convert Yokohama’s old City Hall building area, which was vacated in 2020, into a new building complex, with space reserved for cutting-edge domestic and global companies, and one of the universities based in Yokohama. This complex will serve as a business innovation center, including co-working and event space, to support startups and innovation-drivers.

Community-oriented co-working spaces are also becoming increasingly popular in Yokohama, with WeWork’s largest Japanese location, OCEAN GATE MINATO MIRAI, taking center stage, 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 that enable local innovative endeavors, such as an abundance of high skilled labor, support mechanisms for collaboration, and numerous networking assets. 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. In addition, many of these universities are also opening new satellite campuses specifically within Minato Mirai 21, to capitalize on the district’s innovative culture. As one example, Yokohama City University opened a satellite campus within Yokohama Landmark Tower in April 2020 that focuses on data science education. 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. Partnering 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 in-

ternational partnership with Biocom Life Science Association of California (BIOCOM), the largest advocacy organization for California's life science sector.

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. To further include individual entrepreneurs, creators, artists, and the public in this exchange of ideas, "YOKOHAMA GADGET FESTIVAL," a new multi-stage public event to celebrate innovation was held in 2019 in Yokohama through a joint partnership with local SMEs, large corporations, and the city government.

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. To further promote the city as a testing ground for new innovative technologies, in March 2020 ITOP Yokohama opened a One Stop Center to create a streamlined process for those wishing to collaborate with the city to demonstrate and test their proofs-of-concept.

References

- [Baystars Sports Accelerator](#)
- [BIOCOM](#)
- [Fuji Xerox's Customer Co-creation Laboratory](#)
- [IHI Tsunagu Lab](#)
- [ITOP Yokohama](#)
- [ITOP Yokohama - One Stop Center](#)
- [Kanagawa Startup Acceleration Program](#)
- [Keikyu Accelerator](#)
- [LIP Yokohama](#)
- [MICE in Yokohama](#)
- [WeWork Ocean Gate Minato Mirai](#)
- [Yokohama Business GP](#)
- [YOXO - Yokohama Cross Over](#)
- [YOXO BOX](#)

Mechanisms to support aspiring entrepreneurs

Yokohama provides a welcoming and nurturing environment for startup companies. In fact, in 2020 Yokohama was named one of Japan's Global Startup Cities by the Japanese national government, recognizing the city's efforts in creating a fully-formed startup ecosystem. Innovation platforms LIP, Yokohama and ITOP Yokohama both have startup support components, and in addition, the City of Yokohama holds various workshops, seminars and exchange meetings to accelerate networking among entrepreneurs and innovators.

In 2019 Yokohama opened "YOXO BOX," a new startup support center in Kannai district that offers mentoring, individual consultation with specialists in startup growth, space for exchange and business events focused on creating innovation, and a special in-house accelerator program called the "YOXO Accelerator Program." The city provides other opportunities for startups to showcase their groundbreaking ideas to the business community as well; 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, launched an accelerator program in 2017 aiming to promote innovative projects involving the latest technology such as drones and AR/VR to 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. 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 for young businesses looking to pursue their entrepreneurial dreams in Yokohama.

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