

Japan IoT Seminar

Tokyo's Business Environment as a National Strategic Zone for Foreign Companies

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Myths and Truths about Tokyo

Myth

Truth

1

Market

- Is the Japanese market shrinking?



- Japan has a huge and growing market – especially in the areas of IoT and AI.

→ P.2-8

2

Human Resources

- Does Tokyo have IT engineers and are they affordable?



- IT engineers are abundant in Japan, and their salaries more reasonable than that of Canada.

→ P.9-11

3

Regulation

- Is the Tokyo Metropolitan Government willing to deregulate?



- Tokyo offers a range of deregulations and support for entrepreneurs.

→ P.12-14

4

Support

- Does the Tokyo Metropolitan Government provide support?



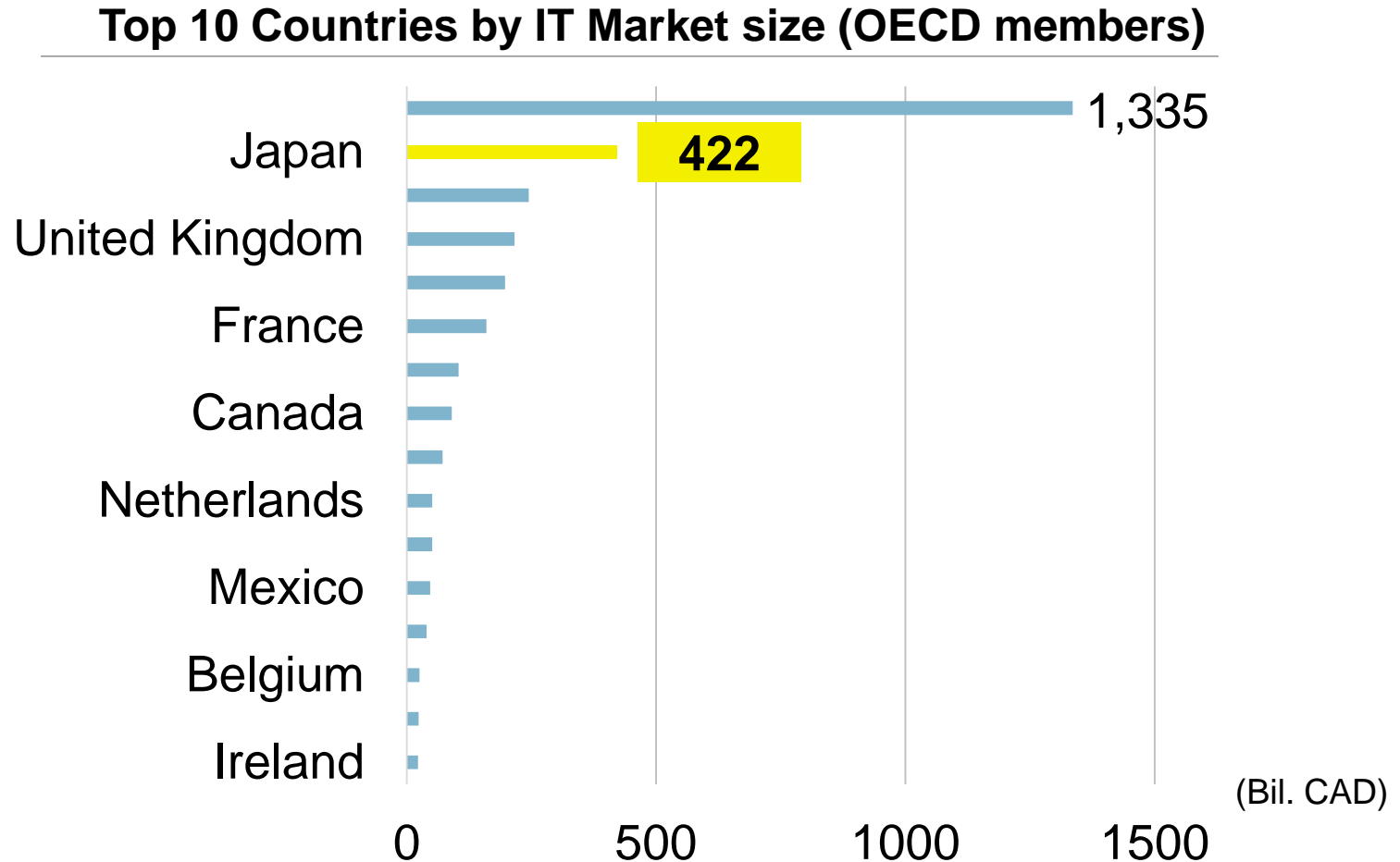
- To attract new foreign companies, Tokyo offers various forms of support, such as free consulting services.

→ P.15-18

1. Is the Japanese market shrinking?

Global Position of the Japanese IT Market

The Japanese IT market is the second largest among its OECD counterparts.



Promising Segments within IT

Business Category		Attractiveness of the Japanese Market		Technical Gaps with Japanese Companies
		Market Growth	Market Size	
IT Services	IoT	Excellent: 16.9%	Excellent: CAD9.2B	Excellent: Mainly advanced
	Data centers	Satisfactory: 6.2%	Excellent: CAD14.4B	Satisfactory: No differences
	Cloud solutions	Excellent: 25.5%	Excellent: CAD8.7B	Excellent: Mainly advanced
	AI	Excellent: 11.5%	Excellent: CAD8.0B	Excellent: Mainly advanced
Software Business	Security	Satisfactory: 4.9%	Excellent: CAD8.1B	Excellent: Mainly advanced
	Packaged software	Satisfactory: 5.0%	Excellent: CAD10.8B	Good: Mainly advanced, with global players already in the market
	Databases	Poor: 3.9%	Satisfactory: CAD2.4B	Good: Mainly advanced, with global players already in the market
	Middleware	Poor: 3.8%	Satisfactory: CAD1.7B	Good: Mainly advanced, with global players already in the market

Leading Technologies



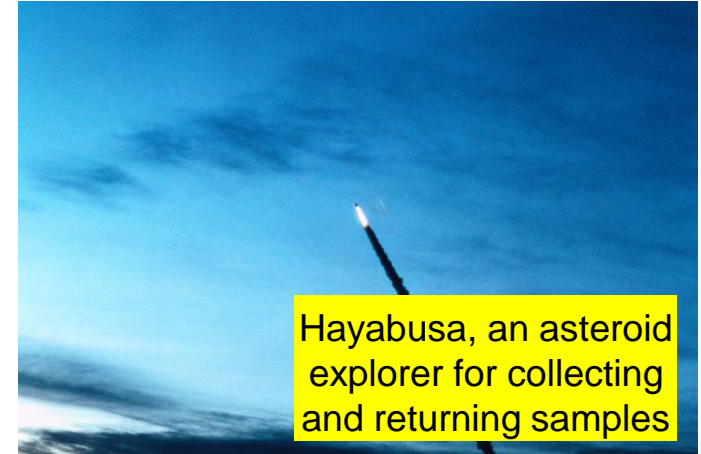
Felica, a contactless IC card



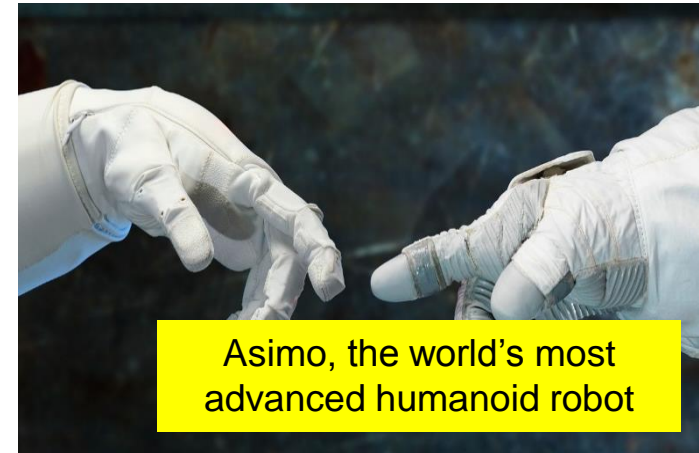
Japanese sensors possess a 30 - 40% market share*1



Tokyo Skytree, the highest tower in the world*2



Hayabusa, an asteroid explorer for collecting and returning samples



Asimo, the world's most advanced humanoid robot

*1: Source: Semiconportal

*2: At the time it was built.

Red Hot News about AI in Tokyo

Organization(s)



Overview

Japan is about to launch a gigantic project between industry, government, and academia to develop artificial intelligence technology which matches the nation's specific needs.

The project will include one of the country's biggest research centers, set up in the government-backed Riken research institute, and has a budget of 100 billion yen (around \$974 million) over the next 10 years. Some 100 top researchers from participating companies (such as Toyota Motor and NEC) and research institutes will soon begin studies at a laboratory to be opened by the Riken Center for Advanced Integrated Intelligence Research at a high-rise building near Tokyo Station.

Source: NIKKEI Asian Review



Panasonic is set to promote open innovation within four advanced research themes, such as artificial intelligence (AI) and the internet of things (IoT). The company set up a new base, the Panasonic Laboratory Tokyo (PLT), in Tokyo's Koto Ward to promote internal and external cooperation. The concept behind the PLT is advanced technology research which will help the lives of people. PLT will develop future-oriented technology products such as kitchens which use natural interactive technology to assist with recipes.

Source: Nikkan Kogyo Shimbun

Tokyo Olympic Games as a Booster for IoT

The Japanese government is accelerating development of IoT infrastructure and services for the 2020 Olympics.

Top Priorities for Infrastructure

Better Connection
More free Wi-Fi spots in public spaces

Faster Mobile Network
5th generation mobile network

Higher Definition
4K and 8K UHD broadcast

More Secure Internet
Security education

Top Priorities for Advanced IoT

Automatic Translation
Multilingual voice translation

Effective Communication
Personalized digital signage

Efficient Transportation
Utilize open data on transportation

Promote Japan
Distribute Japanese broadcast contents

Cross Cutting Topics

Advanced City Information Service Provide personalized information to everyone
Advanced Video Broadcasting Service Provide 4K/8K video to large screens in public space

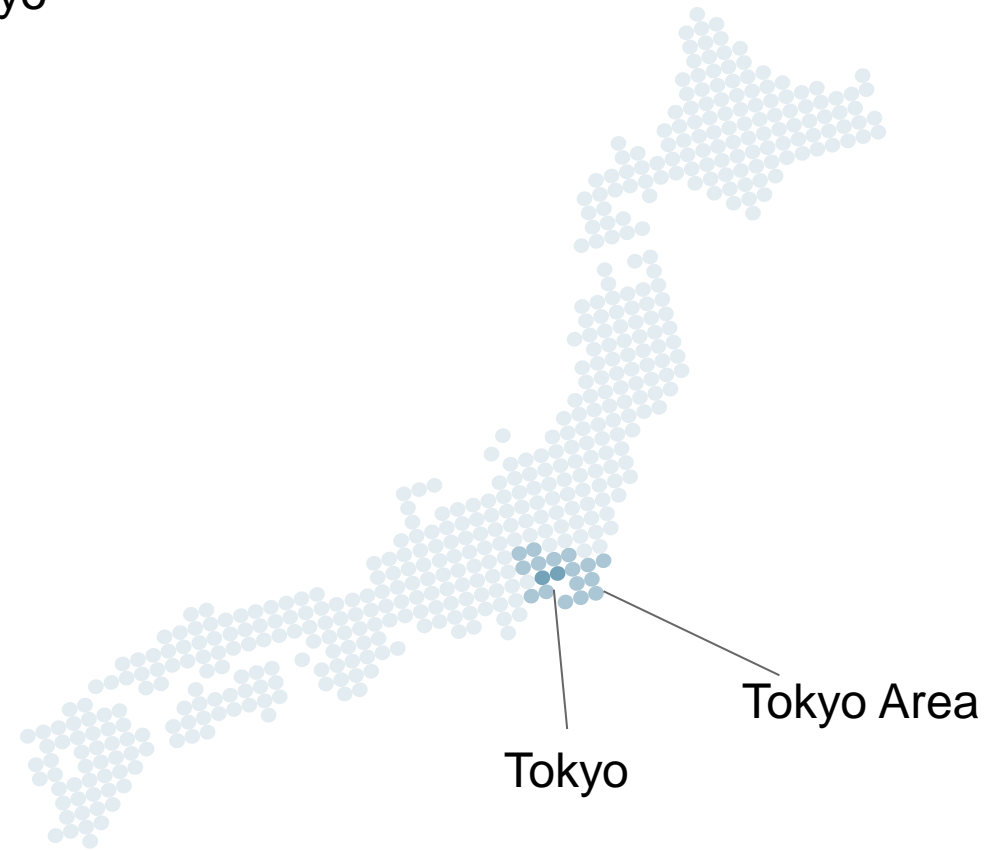
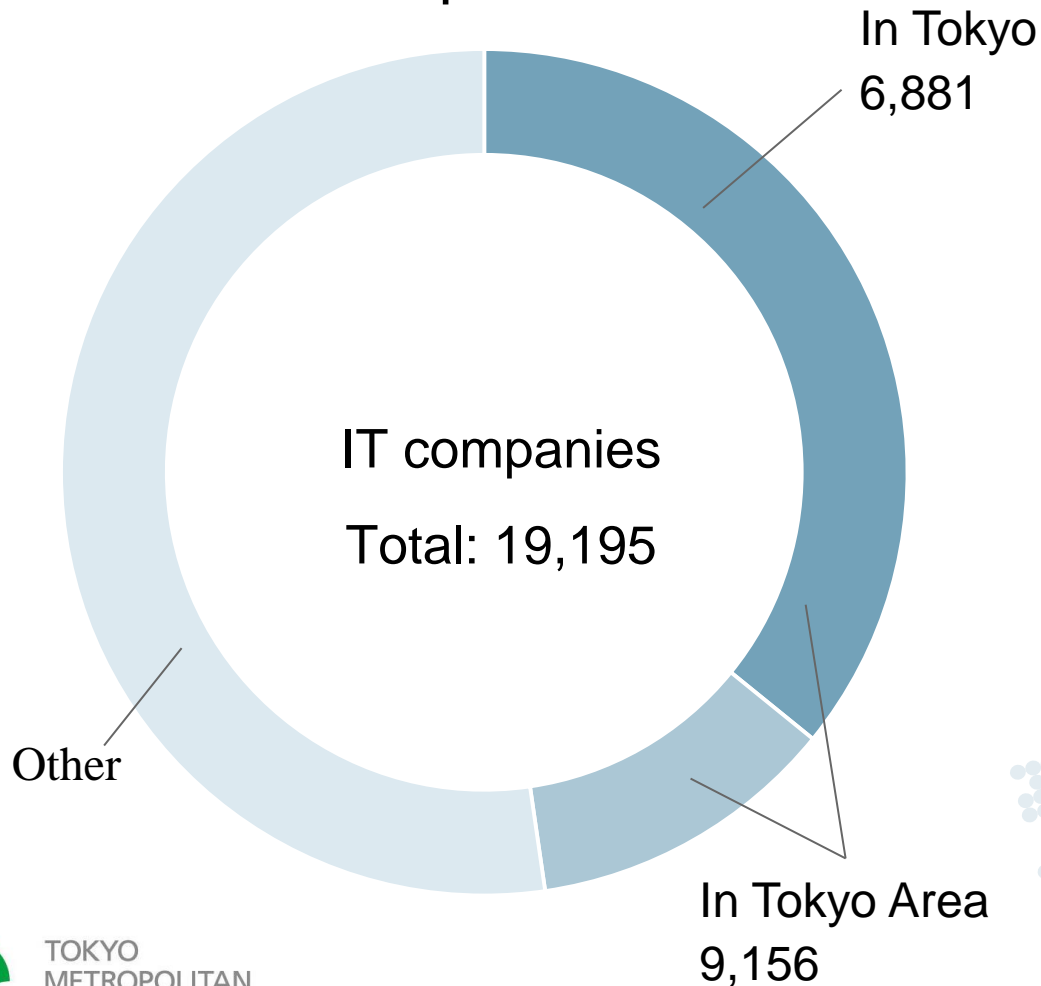
Canadian IT Companies in Tokyo

Company	Headquarters	Business Overview
	Brossard, QC	Provides a performance media solution that enables digital marketers to optimize their search campaigns and report on social, mobile and display initiatives.
	Waterloo, Ontario	Provides enterprise information management (EIM) software in Japan.
	Mississauga, Ontario	Sells IMAX cameras and projection systems, and distributes to IMAX affiliated theatres in Japan.
	Ottawa, Ontario	Distributes software titles such as CorelDRAW in Japan, and has acquired PaintShop Pro, Video Studio and WordPerfect.

2. Does Tokyo have IT engineers
and are they affordable?

Potential Business Partners in Tokyo

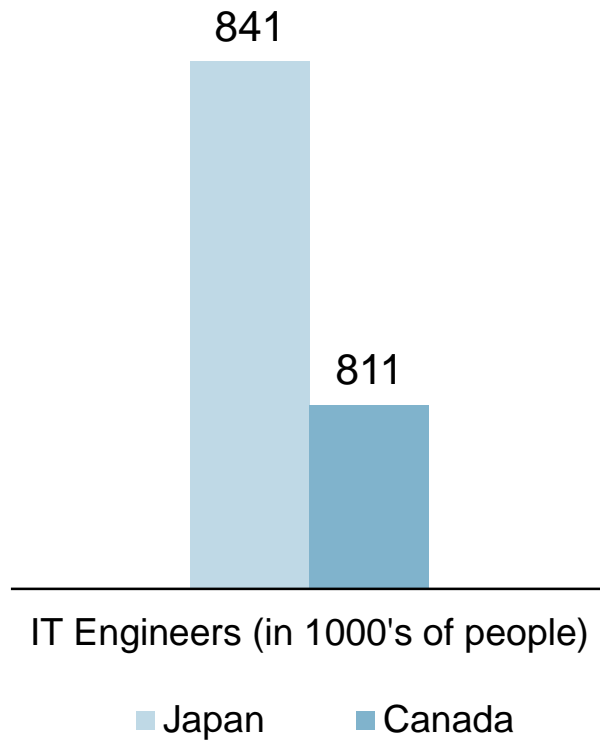
Japan has approximately 20,000 IT companies, and around half have their offices* located in the Tokyo Area**. Tokyo is thus a host to numerous IT companies and talent.



IT Labour Force in Tokyo

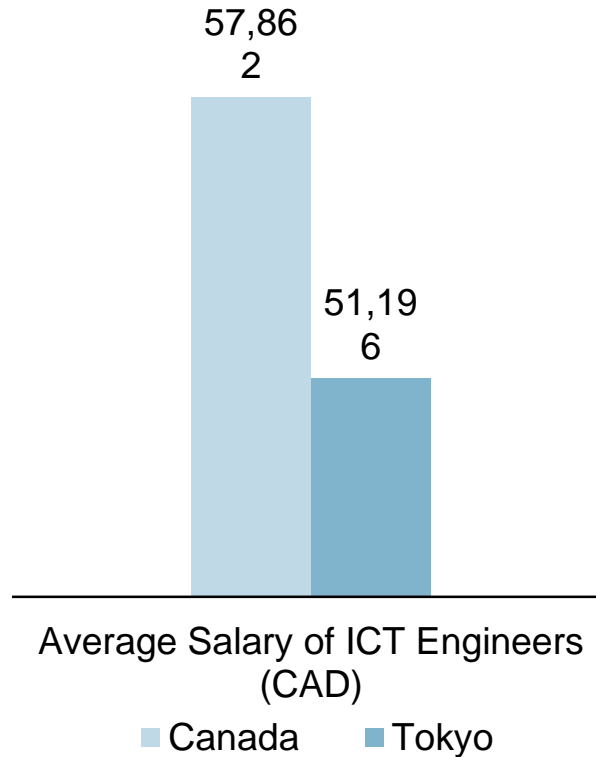
Japan has a larger number of IT engineers than Canada. Salaries are also lower and thus more affordable, and engineers are also working on language skills to handle English speaking environments.

More IT engineers in Japan than in Canada



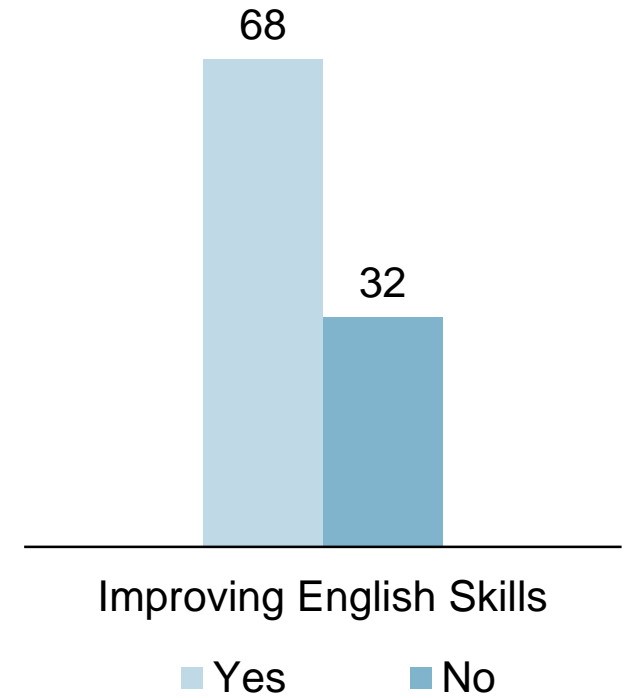
Source: IPA, IT World Canada

Salary of IT engineers lower than that of Canada



Source: IPA

IT engineers are working on their language skills



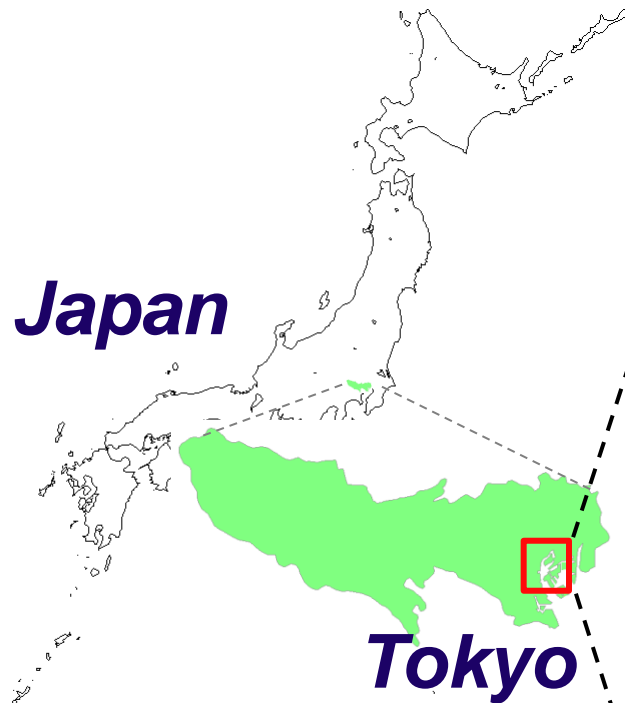
Source: DODA, PayScale



3. Is the Tokyo Metropolitan Government willing to deregulate?

Special Zone for Asian Headquarters

Deregulation + Attraction of global companies



4. Does the Tokyo Metropolitan Government provide support?

Various Forms of Support We Can Provide

- Free consultation services
- Tax deductions
- Subsidy
- Tokyo One-Stop Business Establishment Center
- Tokyo Employment Consultation Center
- Business Development Center TOKYO

Free “Tailored” Consulting Support

For your
**Market
Expansion**

Market
Research
& Analysis



Business
Case
Creation



Business
Partner
Identification



For your
Office Setup

Office
Research^{*1}



Resource
Research^{*1}

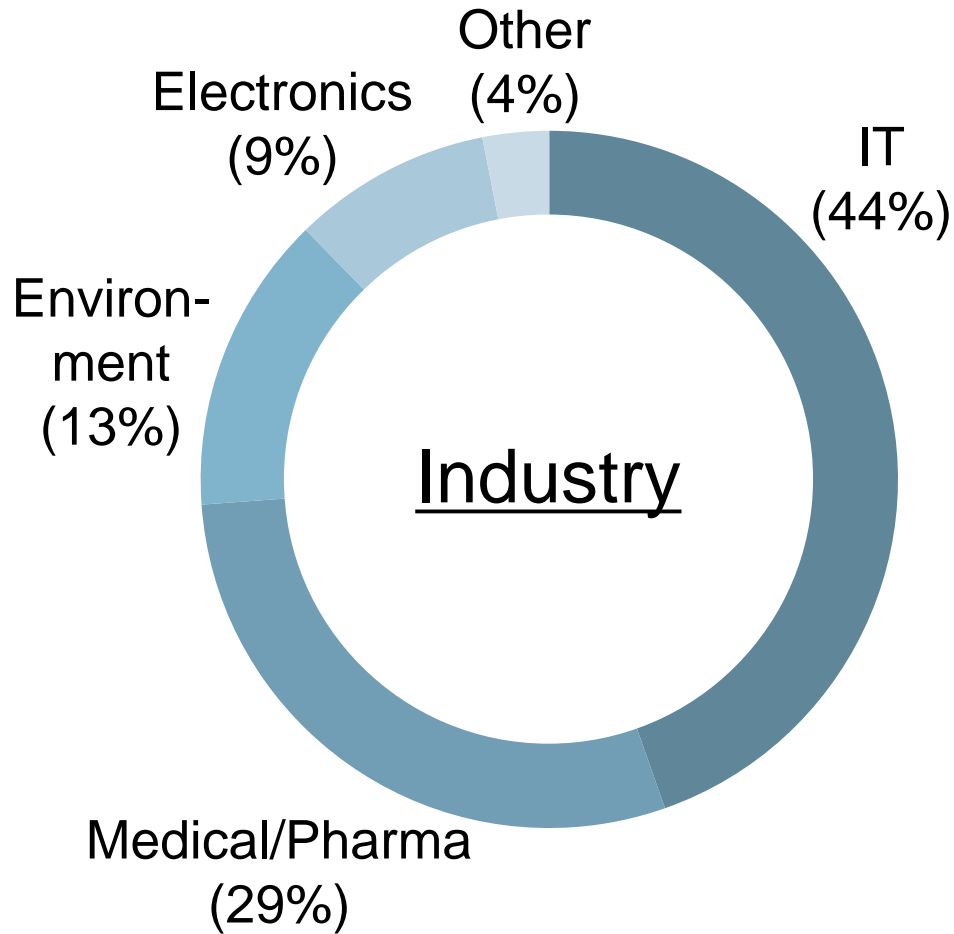


Application
Support

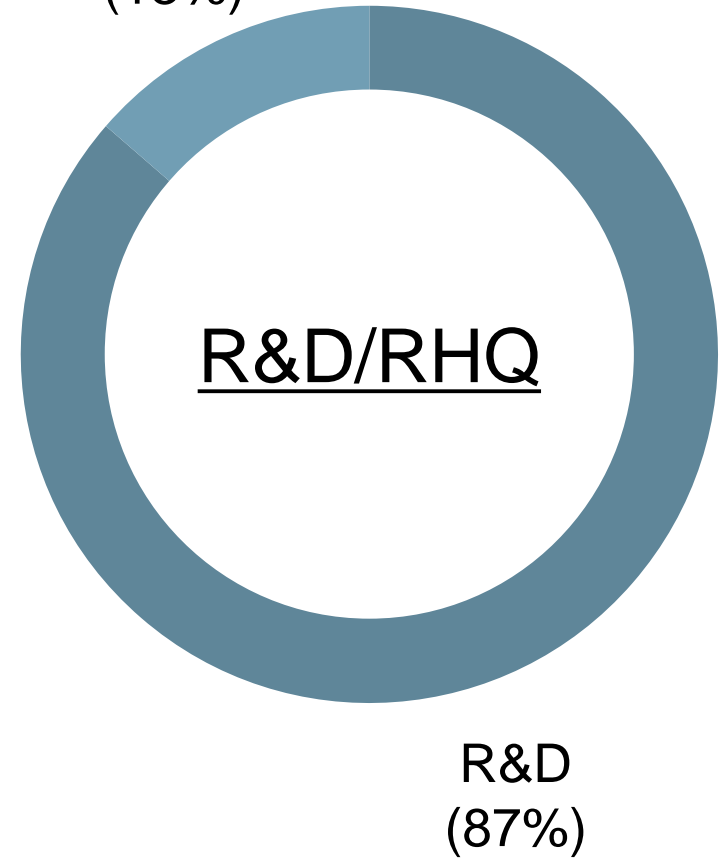


*1: Research on offices and resources are conducted through the relevant agencies.

Breakdown of Companies Supported



Regional Headquarters
(13%)



5. Further Information and Contact Details

Looking Forward to Seeing You!

Contact:

National Strategic Special Zone Team
Office of the Governor for Policy Planning
ml-office-ahq@section.metro.tokyo.jp

Business Support :

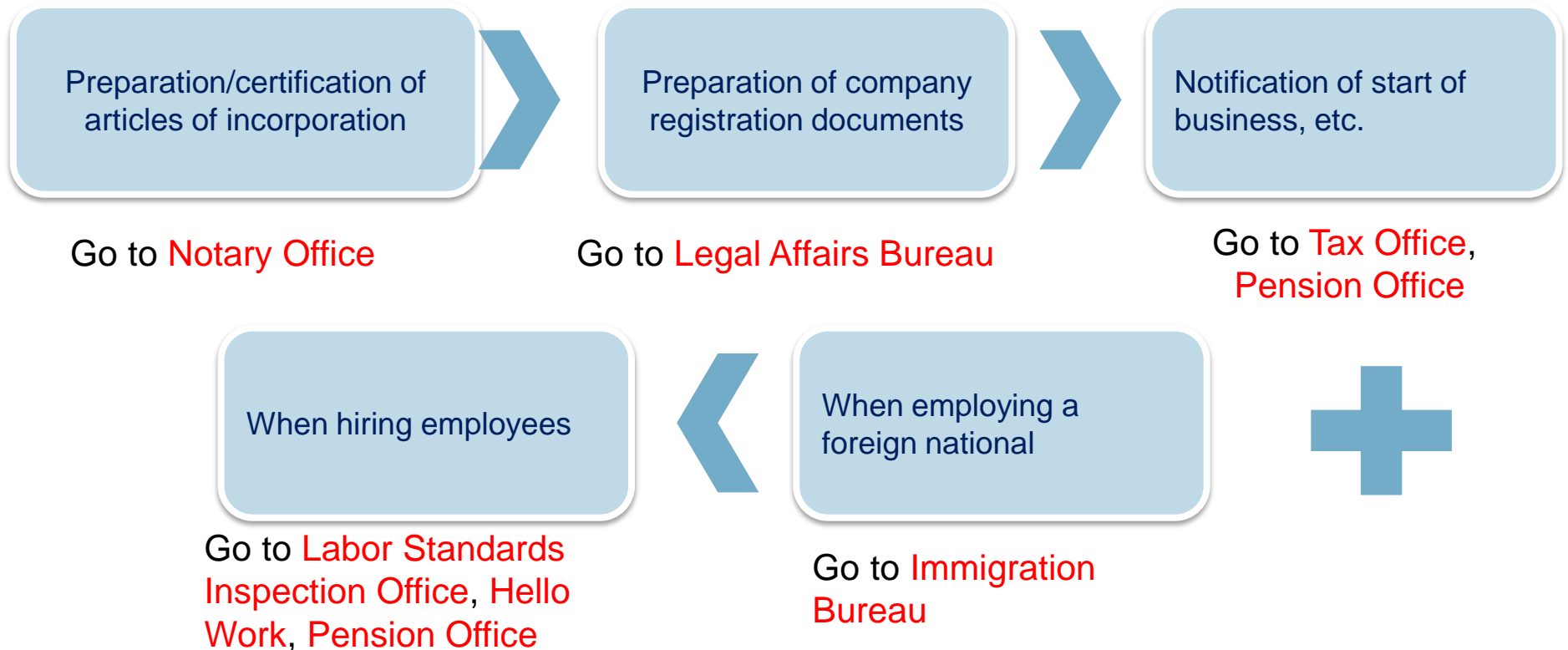
Business Development Center TOKYO
contactus@bdc-tokyo.org



Tokyo One-Stop Business Establishment Center (1/2)

◆ Steps to establishing a company

The following procedures must be taken at the time of incorporation and at the start of business operations.



Tokyo One-Stop Business Establishment Center (2/2)

All filing procedures for incorporation and starting of business operations can be done at one place!

《Booths》

- Certification of articles of incorporation
- Company registration
- Taxes (national and metropolitan)
- Immigration control
- Employment, labor, health, and pension insurance

A one-stop entry point for Japan!



Support provided by the Tokyo One-Stop Business Establishment Center (1/2)

Who can use the services?

Used by over 1,300 applicants
since its opening!
(as of August 2016)

- (1) Both Japanese companies and foreign companies
- (2) All forms of company establishment – from self-employment to startups and foreign affiliates
- (3) Lawyers, tax accountants, social insurance consultants, and other professional practices



Support provided by the Tokyo One-Stop Business Establishment Center (2/2)

Attractive features of TOSBEC

- Provides broad consultation for both specific and general questions
- Jointly operated by the Japanese government and the Tokyo Metropolitan Government. Can be used for free as many times as needed.
- Can provide multilingual interpretation/translation services upon request

Use the center as many times
as you want.
It's always FREE!



Support provided by the Business Development Center TOKYO

Services for foreign companies and foreign entrepreneurs

Bilingual staff provide free support such as business matchups and advice on daily living to foreign companies and entrepreneurs seeking to develop their business in Tokyo.

