

Preh Car Connect Japan Corporation

Preh Car Connect, a German developer of automobile navigation and other in-vehicle systems, established its Japanese subsidiary Preh Car Connect Japan Corporation in Tokyo as an R&D base in December 2016. The company has expertise in developing automotive infotainment systems such as automobile navigation, and its advanced technology is expected to be introduced in Japan. We interviewed Dr. Ken Riebensahm, Director of Preh Car Connect Japan Corporation, about the company's future prospects.

Founded in Dresden, Germany in 1992, Preh Car Connect (hereinafter, PCC, formerly known as TechniSat Automotive and has changed its name to PCC in 2016) started off by producing car radios for major German automobile manufacturers from 1994 and expanded steadily with its high-quality products trusted by clients. Since then, it has changed with the times and shifted to the production of automotive navigation systems. Particularly strong in the field of in-vehicle infotainment systems* such as for automobile navigation, with a production base in Poland, PCC monopolizes the European automotive navigation market for major German car manufacturers, its main clients. It has also expanded internationally with R&D bases in the US and China and a test center in South Korea. As of 2016, PCC recorded sales of over 400 million Euros (about 45.8 billion yen) and employed about 1,200 people around the world.

* Coinage of "information" and "entertainment." The in-vehicle information system includes a car navigation and road traffic information display, and the entertainment system includes automobile audio, a TV tuner and DVD player. "Infotainment system" generally implies a seamless system that integrates the above functions. It can also be connected to external environments such as the home, office and smartphones via the cloud.



Developing an infotainment system that suits Japan's unique values and systems

Dr. Ken Riebensahm, Director of Preh Car Connect Japan Corporation (hereinafter, Preh Car Connect), comments as follows regarding the objective of entering into the Japanese market. "We are currently working on a contract to install our infotainment system in a client's automobiles which will be sold in Japan. Moreover, we strongly aim to improve the R&D capacity of our infotainment system in the Japanese market." He continues, "Japanese users tend to focus on the comfort of the time spent in a car, instead of considering it as a mere means of transportation, which is particularly noteworthy compared to Germany or other European countries. For example, Japanese people have specific preferences for colors used on the navigation map and the alarm signal. We are going through a process of trial and error to develop an infotainment system that Japanese people can enjoy."

Local development is essential for adapting the system to local regulations and traffic situations. "Japan has many unique systems. One of them is ETC 2.0, the automatic highway toll payment system. Highways in Germany are free, so we don't know much about how ETC 2.0 works. VICS, a Japanese road information system, is also complicated. It is very difficult to develop automotive navigation that responds to such systems from Germany in remote, so we need to work firmly in Japan. I believe that experience gained in the Japanese market will be very helpful for PCC's international expansion."



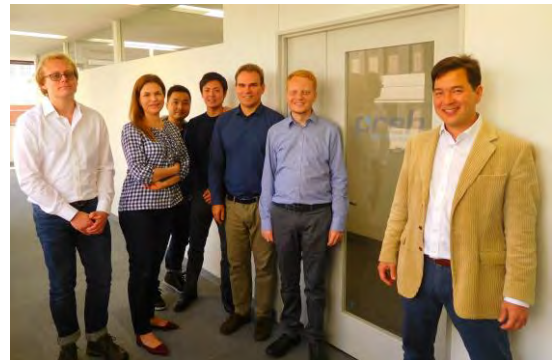
Dr. Ken Riebensahm,
Director of Preh Car Connect Japan Corporation

Aiming at cloud-based communication inside and outside the vehicle

As PCC develops advanced automobile navigation systems, Dr. Riebensahm looks ahead to next-generation automobiles and navigation systems. “Cars will continue to evolve and will be able to communicate with drivers. To be specific, the connection between a car and in-vehicle equipment and with society outside the car will become stronger via the cloud. Data of external traffic participants such as pedestrians and bicycle users, automobiles, signage and other traffic displays will be connected on the cloud and fed back to drivers via the car navigation. When it happens, this will help reduce traffic congestion and accidents and promote safe, smooth driving. We plan to introduce an in-vehicle infotainment system with such mutual communication functions, with the navigation system as the starting point. To realize this innovative development, we incessantly collect information from around the world, in particular the US, the center of innovation. By the time the system is complete, the car navigation may not be applicable anymore in the present form and with the current name. As the car radio evolved into automobile navigation, we need to continue evolving.”

Prospects in the Japanese market

“R&D in the Japanese market is indispensable for PCC’s international growth. In addition to establishing a Japanese subsidiary, PCC is developing relations with the Japanese market by acquiring Japanese automobile-related companies. We are also considering working with Japanese IT companies to create new IoT contents. Although few in number, I think that our diverse, international staff is one of our strengths. Our opinions sometimes collide, but we are able to generate innovative ideas. We are working on a new infotainment system in such a creative environment,” Dr. Riebensahm comments on PCC’s determination in the Japanese market.



Staffs from various countries, such as Germany, Russia, South Korea and Japan, work at Preh Car Connect (Dr. Riebensahm on the far right)

JETRO’s support

For the establishment of its subsidiary in Japan, the JETRO Invest Japan Business Support Center (IBSC) provided temporary office space, consultation (on visa and labor matters) and referral to service providers (administrative scriveners, tax accountants, real estate agents and banks). “JETRO’s support helped us work smoothly on multiple tasks at the same time such as establishing the company and working on actual projects. I really appreciated the high-quality, speedy work done by experts presented by JETRO,” Dr. Riebensahm says.

(Interviewed May 2018)

Corporate history

1992	Establishment of TechniSat Automotive (Predecessor of Pre Car Connect) in Dresden, Germany
1994	Beginning of operation (Dedication of the development site)
2016	Acquisition of TechniSat Automotive by Joyson (China) and Preh GmbH (Germany), new Name Preh Car Connect GmbH
December 2016	Establishment of Preh Car Connect Japan Corporation
2017	Opening of test center in South Korea

Preh Car Connect Japan Corporation

Establishment:	December 2016
Business:	Development of in-vehicle systems (car navigation, etc.) for Japan
Parent company:	Preh Car Connect (Germany)
Address:	Toranomon Sakura Building 602, 3-22-1, Toranomon, Minato-ku, Tokyo 105-0001
URL:	http://www.prehcarconnect.com

JETRO's support

- Provided temporary office space
- Consultation (on visa and labor matters)
- Referral to service providers (administrative scriveners, tax accountants, real estate agents and banks)