

AKA LLC

AKA LLC (AKA) is a US startup developing and selling “Musio,” a social robot equipped with an artificial intelligence (AI) engine and AI that are creating a worldwide boom. The company established a Japanese subsidiary in Tokyo in November 2015. In order to increase the use of robots in ordinary homes, AKA is responding to the needs of the Japanese market by adding “English learning support.” Brian Lee, Chief Strategy Officer (CSO) of the Japanese subsidiary, talked about the background of the company’s entry into the Japanese market and future business development.

AKA is a startup company founded in 2009 in California, the United States, to develop and sell the “Musio”, AI social robot to assist with English learning. The company established the Japanese subsidiary in Tokyo in November 2015 and began selling Musio to the general public at electronics retail stores and online shops in April 2017. (Except official website)

Musio uses a built-in camera to recognize a user’s face and objects, and a built-in microphone to recognize the user’s voice and speech. In addition, the robot is equipped with a “deep-learning”-based engine, which was developed by AKA. The engine is capable of learning by finding characteristics from a host of data and improving recognition accuracy. By making use of the engine, the robot processes information and expresses thoughts and feelings through language, facial expressions, etc. Since the company is simultaneously conducting business in the three areas of “AI,” “robots,” and “English learning,” all of which are currently attracting attention in Japan, there is a growing interest in the company. A large number of reporters attended the company’s new product presentation session, which was covered by more than 100 media outlets.

AKA’s corporate vision is to disseminate robots so that there will be one in every home, just like personal computers and cell phones that have become widespread as a basic life

Infrastructure for people. Brian Lee, CSO of the company’s Japanese subsidiary, said that “conversation” is very important for a human being, and so he hoped to support people’s lives in various ways by disseminating social robots capable of making conversation just like people.



AKA LLC logo

Japanese feel affinity with robots

Based on the idea that robots and human beings can become friends, AKA designed the AI robot Musio under the concept that it has come from outer space. To give shape to the concept, the company used a crowd-funding website, which enables people to raise funds online from many and unspecified people, and solicited supporters who would make an advance purchase of the robot. Since more than half of the people who purchased one on the website were Japanese, the company decided to enter into the Japanese market, according to Mr. Lee.

“Japanese people have grown up on anime and comics featuring robots such as

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Doraemon and Astroboy since their childhood. For that reason, they feel more affinity with robots than people in other countries. In addition, Japan manufactures and sells the largest number of robots in the shape of characters in the world. As a market, we felt Japan would be the largest," Mr. Lee said, explaining the background to the company's operation in the country.



Sophy (on the right) is a device which reads the content of special English books and transmits the data to AI robot Musio (on the left), which then speaks the content.

Introducing robots to ordinary homes by adding “English learning” function

Aiming to introduce robots to ordinary homes, AKA sells robots which it has differentiated from other companies' products through the added value of “English learning support.” Talking about attractions of the English education market in Japan, Mr. Lee said, “In Japan, there is a growing need for English in various areas, such as the introduction of compulsory English education in elementary schools, introduction of English speaking tests in university exams, and moves by companies to make English their official

working language. Moreover, ahead of the 2020 Tokyo Olympics and Paralympics, the government is putting more effort into supporting English education.” The company's robots cost ¥100,000 each. For people seeking opportunities to speak English, they can have endless conversations with the robot once they buy it, which offers better cost-effectiveness than hiring an English teacher. At present, AKA sells Musio bundled with English teaching materials exclusively for the robot and Sophy, a device which can read learning content and transmit the data to the robot, targeting parents who want to have their children study English. In the future, AKA plans to make an appeal to adult users by introducing programs suited to business conversation and college entrance examination, according to Mr. Lee. In addition, the company also focuses on the entertainment business to increase Musio fans, such as developing products related to novels, anime, comics and more.

Change in business environment in Japan

AKA operates globally, having offices in the US, Korea, Germany, Hong Kong and Japan at present. However, the company is still a startup with around 50 employees. Even so, it has already partnered with many major companies and is conducting business in Japan. For the development of content for Musio, AKA formed a tie-up with Gakken Plus Co., Ltd. while also partnering with VAIO Corporation for the repairing of Musio. In addition, AKA cooperates with SoftBank Commerce & Service Corp. in sales and customer services, and with Global Vision in the promotion of B-to-B sales of Musio and demonstration experiments.

When AKA entered Tokyo, it received

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support from the Tokyo Metropolitan Government and consulting companies introduced by the government, such as in looking for business partners and conducting market research. “I felt that the Japanese government and companies have become open to foreign enterprises operating in Japan. They will consider the possibility of forming a business alliance with you irrespective of your size – even if you are a small startup – as long as they can see a good business opportunity. Also in terms of visas and deregulation, I felt it has become easier for foreign companies to conduct business in Japan. We also received support from the Japan External Trade Organization (JETRO) such as the provision of information and assistance in public relations, which was very helpful,” Mr. Lee said.

Made-in-Japan robots

According to Mr. Lee, AKA plans to relocate its manufacturing base of the hardware for the robot from Korea to Japan. The company made the decision because the Tokyo Metropolitan Government introduced them to Kashiwazaki US Tech Ltd. in Niigata Prefecture. AKA has high expectations that it will be able to develop robots of higher quality by cooperating with Japanese manufacturing firms with advanced technologies in manufacturing and joint development in Japan. At present, in addition to developing English engines, the company is putting effort into developing Japanese engines by hiring engineers in Japan. “We expect people to not only use our robot for English learning, but also utilize it for dementia prevention by talking with it. We would like to support people’s lives in various aspects. First of all, we will concentrate on making our business a success in Japan,” Mr. Lee said, expressing

his enthusiasm toward business in the country.



Brian Lee, CSO of AKA's Japanese subsidiary

(Interview conducted in June 2017)

Company history

September 2009	AKA LLC established in California, the US
November 2015	Japanese subsidiary of AKA LLC established in Tokyo
April 2016	Start of sales of Musio, an AI robot, to the general public in Japan

AKA LLC

Established in:	November 2015
Business overview:	Development and sales of AI robots
Capital:	9 million yen
Parent company:	AKA LLC
Address:	Mates Nakameguro 501, 3-1-14, Kamimeguro, Meguro-ku, Tokyo 153-0051
URL:	https://themusio.com/home

JETRO's support

- Provision of market information and incentive information
- Assistance in public relations