

## **JAPANESE INDUSTRY AND POLICY NEWS**

**August 2017**

### **LEGISLATION AND POLICY NEWS**

#### **METI Established Study Group on Japanese Overseas M&A**

The Ministry of Economy, Trade and Industry (METI) announced on 24 August that it decided to establish a Study Group for Japanese Companies' M&A Overseas. The study group aims to analyze the current situation and challenges that Japanese companies are facing in their acquisition of overseas companies and the management of their acquired overseas affiliated companies thereafter. Based on the analysis, the group aims to provide information to companies and stakeholders, including advisors and practitioners focused on M&A practices, as a reference for them in carrying out M&A activities. The first meeting was held on 29 August, centering around an interview of Mr. Yasushi Shingai, executive vice president, Japan Tobacco Inc.

The study group will hold meetings every month or two until the end of FY2017 (March 2018). The meetings will not be open to the public. However, a report containing the case examples, leading initiatives and other information will be made public. In addition, an interim report on the discussion results of the study group will be publicized, while a symposium and other opportunities will also be held in an open-discussion.

[http://www.meti.go.jp/english/press/2017/0824\\_001.html](http://www.meti.go.jp/english/press/2017/0824_001.html)

#### **Winners of the METI Minister Awards Determined as Recipients of the Connected Innovations Grand Awards**

The government of Japan has been conducting the Industry-Academia-Government Collaboration Contributors Awards Program every fiscal year since FY2003. It is an effort to honor successful entities for their outstanding contributions to the promotion of collaborative efforts between industry, academia and government sectors, focusing on their achievements as case examples. The Ministry of Economy, Trade and Industry (METI) announced on 21 August that the government has determined two groups of applicants as winners of the METI Minister Awards.

Winners and descriptions of their achievements are as follows:

(1) Successful Overseas Business Development Concerning Joined Bodies of

## Resin and Metal Dissimilar Materials Taking Advantage of International Standardization

### a) Winners

Dr. Shin Horiuchi, Senior Research Scientist, Nano Scientific Measurements Group, National Institute of Advanced Industrial Science and Technology (AIST)

Mr. Masanori Naritomi, Chairman, Taiseiplas, Co., Ltd.

### b) Description of the achievement

Concerning the technologies for joining resin and metal dissimilar materials developed by Taiseiplas, Co., Ltd., AIST led an initiative for international standardization of methods for assessment of the strengths of these materials. This contributed to dramatically advancing the company's overseas business development. This achievement represents a major breakthrough in technologies for joining dissimilar materials, brought about innovations in a variety of fields, and further advanced weight-reduction, energy conservation, endurance and freedom in design of products in the fields of automobiles and infrastructure equipment for cellphones.

## (2) Research and Development of Robot OS Titled "RT-Middleware" and International Standardization Thereof

### a) Winners

Dr. Noriaki Ando, Research Team Leader, Robot Innovation Research Center, AIST

Robot Business Promotion Council, Japan Robot Association

Technical Committee on RT System Integration, System Integration Division, Society of Instrument and Control Engineers

### b) Outline of the achievement

The winners successfully developed a robot OS named "RT-middleware" and made one approach to controlling high-freedom robots feasible. They were committed to opening the specifications of the middleware to the public, advancing international standardization efforts, encouraging the Society of Instrument and Control Engineers to lead R&D and human resource development.

[http://www.meti.go.jp/english/press/2017/0821\\_005.html](http://www.meti.go.jp/english/press/2017/0821_005.html)

## **Winners of the Award for Academic Startups 2017 Selected**

The Ministry of Economy, Trade and Industry (METI) selected on 21 August the METI Minister's Award winners under the Award for Academic Startups 2017

program.

Since its inauguration in FY2014, the Award for Academic Startups program has been honoring promising university-oriented startups that are selected from venture businesses that make use of the research developed by universities and other institutions. This program also honors universities, companies and other entities that have made particular contributions to the growth of such startups.

METI chose the following venture and supporters as winners of 2017:

(1) Winners

Venture: YAMAJI Masahiro (President, tiem factory Inc.)

Supporters: NAKANISHI Kazuki (Associate Professor, Department of Chemistry, Graduate School of Science, Kyoto University)

HIGASHI Katsuki (Director, Business Development Department, Management Planning Office, YKK AP Inc.)

(2) Outline

Through joint research with Kyoto University, tiem factory Inc. succeeded in developing light and transparent aerogel with high insulation efficiency, while cutting the production cost to one-sixtieth of the conventional cost. The company is conducting a joint development project with YKK AP Inc. to commercialize the aerogel as an insulator sandwiched between glass. Both companies are also considering its application in construction products, such as glass and wall materials.

[http://www.meti.go.jp/english/press/2017/0821\\_004.html](http://www.meti.go.jp/english/press/2017/0821_004.html)

<http://www.jst.go.jp/aas/award.html> (Japanese language only)

## **SURVEY AND BUSINESS DATA**

### **Working Conditions in the IT-related Industry Compiled**

The Ministry of Economy, Trade and Industry (METI) and the Information-technology Promotion Agency, Japan (IPA), conducted a questionnaire survey on wages and working conditions of information technology (IT) professionals, who are expected to play significant roles in the future growth of Japanese industry. METI and IPA analyzed the results and compiled them into a report which was released on 21 August.

According to the METI and IPA, “goals” of the survey are as follows:

- a) To ascertain how current wage levels of IT professionals relate to specific attributes, such as business type, job type, and skill level, etc.
- b) To ascertain factors prioritized by IT-related companies in deciding wage systems and wages of individual professionals
- c) To ascertain the current status and recruitment problems of IT-related companies
- d) To ascertain the work and study hours of IT professionals, and to analyze the results by attribute

[http://www.meti.go.jp/english/press/2017/0821\\_002.html](http://www.meti.go.jp/english/press/2017/0821_002.html)

<http://www.meti.go.jp/press/2017/08/20170821001/20170821001-1.pdf>

(Japanese language only)

## **COMPANY NEWS**

### **Japan Weather Association Starts Forecasting Electricity Spot Price**

Japan Weather Association announced on 23 August that it would start providing price forecast of electricity traded at the spot market run by the Japan Electric Power Exchange (JPEX). According to the association, it is the first such service provided by a private weather forecasting entity. Price forecast is made every 30 minutes, by artificial intelligence. The association believes that their new service will help electricity retailers and power generating companies to prepare economical and effective procurement plans.

<http://www.jwa.or.jp/news/2017/08/post-000899.html> (Japanese language only)

## **ADDITIONAL TOPICS**

### **Establishment and Revision of the JIS Including Measurement Method for Gaseous Exhaust Emissions and Fuel Consumption of Motorcycles**

In August, the Ministry of Economy, Trade and Industry (METI) newly established 15 standards and revised 13 standards of the Japanese Industrial Standards (JIS). In particular, METI believes that the following revisions to the standards are especially important.



Measurement of gaseous  
exhaust emissions of  
motorcycles

(photo: METI)

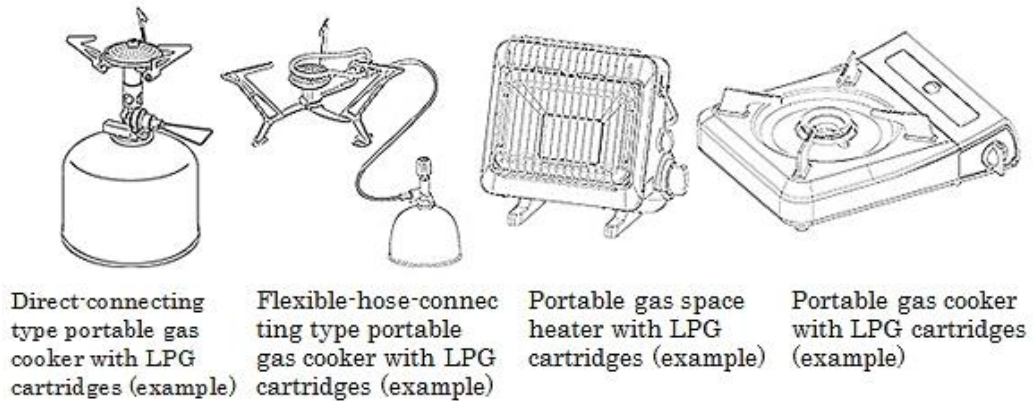
<Establishment of the JIS for measurement method for gaseous exhaust emissions and fuel consumption of motorcycles>

Accompanying the tightening of motorcycle emissions control, METI established 3 standards governing measurement methods for gaseous exhaust emissions and fuel consumption that meet the domestic binding emission standards\* based on relevant international standards. It is expected that the establishment of the new standards will facilitate the dissemination of environmentally-friendly motorcycles and contribute to solving global environmental problems.

<Establishment and revision of 3 standards for direct-connecting and flexible-hose-connecting type portable gas cookers with LPG cartridges, etc.>

METI established and revised three standards governing direct-connecting and flexible-hose-connecting type portable gas cookers with LPG cartridges and other similar devices.

This is the Ministerial order that provides technological standards for products covered under the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas.



(illustration: METI)

<Revision of the JIS for the performance of electric vacuum cleaners>

Regarding suction power sustainability and dust collection efficiency, which are generally accepted as indicators of the performance of electric vacuum cleaners, METI revised the JIS, including adding specific measuring methods to JIS C9108, which stipulates the criteria for performance and electrical safety of electric vacuum cleaners.

[http://www.meti.go.jp/english/press/2017/0821\\_001.html](http://www.meti.go.jp/english/press/2017/0821_001.html)

### **More than 10% of Households Change Power Supplier**

According to the statistics compiled by the Electricity and Gas Market Surveillance Commission (EGMSC)/the Ministry of Economy, Trade and Industry (METI), more than 10% of households changed electricity suppliers since the liberalization of retail market in April 2016.

The number of households which switched (changed) electricity suppliers reached 6.34 million in May 2017 and the “switching ratio” surpassed 10% (10.1%) for the first time. As for the switching ratio, 5.6% changed supplier to the new entrants to the power market and 4.5% changed supplier among existing power providers.



Switching cases and ratio from April 2016 to May 2017

(Chart: EGMSC/METI)

<http://www.meti.go.jp/press/2017/08/20170822002/20170822002.html>

(Japanese language only)

### Tidal Power Generation Proving Test Successful

New Energy and Industrial Technology Development Organization (NEDO) and IHI Corporation announced on 25 August that they successfully completed a proving test for tidal power generation in the sea. According to them, maximum power of 30kw was actually generated and useful information for practical application, including performance test of the autonomous position stabilizer was obtained. IHI hopes to commercialize the generation system as early as 2020.

[http://www.nedo.go.jp/news/press/AA5\\_100824.html](http://www.nedo.go.jp/news/press/AA5_100824.html) (Japanese language only)