

TSUKUBA  
**STARTUP  
STRATEGY**

# VISION

STAND BY STARTUP

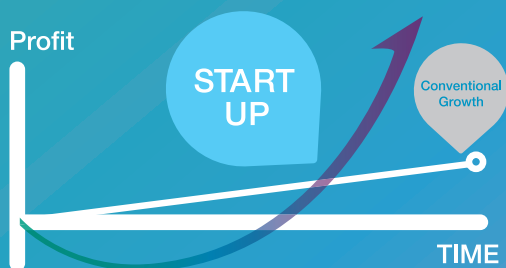
DEPLOYMENT CITY TSUKUBA

A city that supports startups  
**STAND BY STARTUPS**

Where scitech is socially implemented  
**DEPLOYMENT CITY TSUKUBA**

## WHAT? is a startup

In Tsukuba, a startup is a company that is developing a new business model and aiming for rapid growth. In contrast to conventional new businesses, startups follow the "J-curve," period of red ink followed by rapid growth; conventional new businesses grow gradually.



## WHY? have a startup strategy

In 2017, funding for startups reached a 10-year high. Japan's "Future Investment Strategy 2018" calls for the creation of 20 listed and unlisted (unicorn) venture companies with an aggregate market value of more than US\$ 1 billion by 2013. Local governments are also beginning to actively support startup creation.

Tsukuba City holds an aggregation of advanced research and business seeds in some 150 R&D institutions employing 20,000 researchers, and has the potential to spawn many new startups.

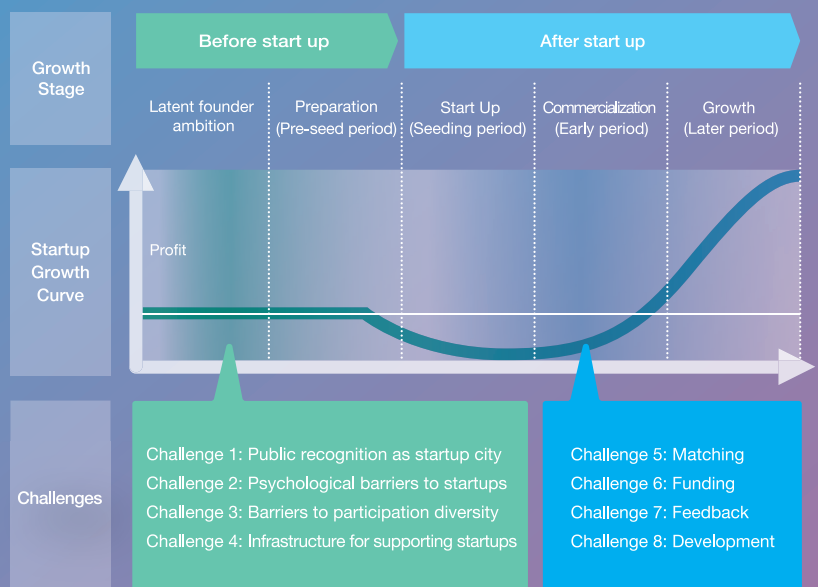
Startups hold potential for solving societal problems, for revolutionary technology development and for birthing new industries, and can become engines to pull out Tsukuba's potential as a whole. With Tsukuba's population forecast to enter decline after peaking in 2036, startups will be essential for maintaining Tsukuba's population and tax base.

"Tsukuba Startup Strategy" is tasked with wholistically supporting startups, from set up to commercialization through growth, in order to maximize the strength that startups can bring.

## TASK Challenges

In terms of challenges that startups face in their growth stage, spanning from the concept stage where potential entrepreneurs hope to open up a business to the launch stage, they face challenges such as lack of knowledge and psychological barriers about opening up a business, as well as lack of infrastructure to support startups. From the launch stage to commercialization stage, these challenges shift to funding and product development. In Tsukuba City, there are many initiatives by various support institutions to help startups which are at the middle phase of the founding period. However, the support initiatives for startups at the remaining stages are not sufficient, though there has been an increase in the number of initiatives by support institutions since the formation of this Strategy. The issues at these stages must be addressed in collaboration with various support institutions.

Tsukuba Startup Strategy will focus on measures that make full use of the advantage of a local government while keeping a vigilant eye on cost performance. The City will also strategically promote partnerships with relevant institutions.



## KPI

To realize the visions, Tsukuba City will focus on supporting startups at the following two stages of growth and aim to achieve our Key Performance Indicators (KPIs).

### Stage I Boost participation (From the concept stage to launch stage)

#### KPI 1 : Total number of startups launched after FY 2018

FY 2020 : 15 startups were launched  
(As of Dec, 2020)

Annual target for FY 2021 :  
22 startups

Annual target for FY 2022 :  
30 startups

### Stage II Accelerating the transition for commercialization (From the launch stage to the commercialization stage)

#### KPI 2 : Amount of capital raised by startups

The average amount of capital raised between FY  
2016 and FY 2020 : 630 million yen (As of Dec, 2020)

Annual target for FY 2021 :  
760 million yen

Annual target for FY 2022 :  
920 million yen

#### KPI 3 : Number of product-testing projects for practical use with startups

FY 2019 : 8 projects were  
conducted

FY 2020 : 7 projects were  
conducted (As of Dec, 2020)

Annual target for FY 2021 :  
10 projects

Annual target for FY 2022 :  
10 projects

### KPIs common to the growth stage I and II

#### KPI 4 : Number of startup exits

FY 2019 : No startup exits

FY 2020 : No startup exits  
(As of Dec, 2020)

Annual target for FY 2021 :  
-

Annual target for FY 2022 :  
1 startup exit

#### KPI 5 : Number of startups coming from other municipalities

FY 2019 : No startups from  
other municipalities

FY 2020 : 2 startups from other  
municipalities(As of Dec, 2020)

Annual target for FY 2021 :  
2 startups

Annual target for FY 2022 :  
2 startups

#### KPI 6 : Number of employees working at startups

FY 2019 : -

FY 2020 : 410 employees  
(As of Dec, 2020)

Annual target for FY 2021 :  
441 employees

Annual target for FY 2022 :  
482 employees

## Main Initiatives so far



つくばのスタートアップにまつわる“全て”が変わる拠点

**TSUKUBA** つくばスタートアップパーク  
**STARTUP PARK**

### Renovation of Tsukuba Startup Park

“Tsukuba Startup Park” was reopened in October 2019 as an incubation facility run by the City. In addition to a communication space, café, coworking space and meeting rooms, the Park offers a range of services to promote startup businesses such as consultations on how to start a business.



### Strengthening the partnership

“Tsukuba Startup Ecosystem Consortium” was established in February 2020 with the aim of becoming a global hub for deep tech startups. Tsukuba City also became a member of “Startup Ecosystem Tokyo Consortium” and in July 2020, was selected as a “Global Startup City” by the national government.



### Support projects for practical use of products and ideas for startups

Tsukuba City invites contributions from all over Japan for innovative technologies and ideas through various initiatives such as “Tsukuba Society 5.0: Support projects for practical use” and “Projects to create a future in Tsukuba City”, and provides support for practical use of products and ideas which are developed by startups.



### Active distribution of information about Tsukuba's initiatives

In July 2019, “Tsukuba Startup Night” was held at Tokyo Toranomon Hills to promote “Tsukuba Startup Ecosystem”, which attracted a total of over 500 participants.

01

Boost participation

Conception to launch

Policy  
01

## Publicize outside Tsukuba and strengthen partnerships

### Measure 1 | Strengthen publicity outside Tsukuba

Networking events with presentations and exchanges for startups, investors and specialists from inside and outside Tsukuba will be held outside Tsukuba. Attract national startup events too.

### Measure 2 | Strengthen partnerships to promote startups

In addition to strengthening ties with the national government, Ibaraki Prefecture, J-startup, JETRO and other organizations, Tsukuba City will utilize its networks with sister cities of Grenoble, Irvine and Cambridge, as well as its friendship city of Shenzhen to encourage startups by promoting mutual exchanges and supporting overseas expansion.

Policy  
02

## Publicize inside Tsukuba and promote participation

### Measure 3 | Startup seminars for Tsukuba residents

Implement periodic seminars to raise consciousness towards startups among Tsukuba citizens.

### Measure 4 | Entrepreneurship seminars for grade 1-12 students

With startup entrepreneurs as instructors, implement entrepreneurship seminars to raise consciousness among grade 1-12 students.

### Measure 5 | Support for participation in business plan awards

For the purpose of providing opportunities for startups to improve their business plans, provide information on various business plan awards and financial support for participation.

### Measure 6 | Accelerator program

Provide an accelerator program to speed the growth of startups.

Policy  
03

## Improve business launch environment

### Measure 7 | Improve the environment of Tsukuba Startup Park

Promote broader use of Tsukuba Startup Park as a hub for startup exchanges.

### Measure 8 | Link incubators inside and outside Tsukuba

Create an empowering environment for startups which use Tsukuba Startup Park in collaboration with incubator facilities in the City. Furthermore, create an enabling environment for the startups to do business outside the City by collaborating with incubator facilities outside the City.

### Measure 9 | One-stop support for setting up new businesses

Implement expert support for drafting needed documents, etc.

Policy  
04

## Increase opportunities for sharing management know how

### Measure 10 | Learning opportunities for management expertise

Implement events at which startups and people seeking to start businesses can learn about business plans, labor, law, patents, etc., that matches their needs and growth stages.

Policy  
05

## Back commercialization of research seeds

### Measure 11 | Promote sharing of research equipment

Set up a system to facilitate the use of research equipment of R&D institutions in the City by organizing seminars and tours to introduce them, as well as setting up a scheme to help technology startups find appropriate research equipment of R&D institutions in the City.

### Measure 12 | Distribute information to researchers, etc

In collaboration with R&D institutions in the City, provide researchers with information about startups to raise their awareness and interest.

### Measure 13 | Provide information for startup stakeholders

Provide information about research seeds in R&D institutions and startups to startup stakeholders (venture capitalists, financial institutions, large companies, etc.).

Policy  
06

## Promote diverse talent base

### Measure 14 | Startups by and employment of foreigners

Provide support to foreigners for obtaining management or labor visas needed to start businesses, and for understanding employment regulations and procedures for employing foreigners. Provide a friendly environment for diverse talents.

Policy  
07

## Improve access to resources

**Measure 15** | Improving the condition for accessing various resources

Create an enabling environment for startups to recruit human resources for business at various stages such as managers, engineers, new graduates, part-time workers and interns.

**Measure 16** | Build environment for accessing financing

Build an environment in which startups can easily access financing by improving opportunities to consult venture capital investors and financial institutions such as banks.

Policy  
08

## Verify products and services through real-world testing

**Measure 17** | Real-world trials for startups

Provide support for practical use of products and services developed by startups. Furthermore, follow up with the startups to help them expand their businesses by providing support other than technology-based issues such as ethical, legal and social issues.

Policy  
09

## Support matching to new users

**Measure 18** | Revise program for trial orders

Expand startups' routes to market by revising Tsukuba's program for trial orders in order for startups to be proactively selected.

**Measure 19** | Provide opportunities for consulting local industry

Build a program for startups to share issues with local industry and match solutions.

Policy  
10

## Serve as entry point for regulation reform proposals

**Measure 20** | Receive regulatory proposals from startups

Implement a program for receiving proposals from startups regarding regulations and either carry out deregulation in Tsukuba or make proposals to the national government.

Policy  
11

## Provide growth capital designed for technology startups

**Measure 21** | Implement Tsukuba SBIR

Establish a Tsukuba SBIR program to boost growth for technology startups, which are Tsukuba's strength.

Policy  
12

## Support office and plant locations matched to growth stages

**Measure 22** | Provide information for network for real estate

Implement a real estate information program for startups in cooperation with Ibaraki Prefecture's real estate trading association. Research ways to improve the office environment in city center.

**Measure 23** | Office rental assistance for startups

Provide partial support for costs when startups set up business locations in Tsukuba.

*Exploring  
Tomorrow.*  
TSUKUBA

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