

Embodying Entrepreneurship New Business Promotion

Department

Starting in fiscal 2024, we will add "Entrepreneurship," which means entrepreneurial spirit, to our corporate philosophy values (T-E-A-M), making it T-E+-A-M.

For the fourth installment of our special feature "Embodiments of Entrepreneurship," we spoke with Sugiyama from the New Business Promotion Department, who serves as the liaison office for app development businesses and Plug and Play*1, a platform that connects large companies with startups. What did he see in Silicon Valley, the mecca of innovation?



Mr. Sugiyama from the New Business Promotion Department

Please tell us about your job duties.

Sugiyama: My main job is to promote app development for new businesses, such as bringing apps for electrically assisted bicycles to market.

Additionally, together with Ms. Hirai from the Corporate Planning Department, I also serve as the liaison office for JATCO at Plug and Play, with which we entered into a

partnership agreement in June last year.



Events hosted by Plug and Play

Looking back at your life, is there a case where you felt you demonstrated entrepreneurship?

I passed my first Level 1 QC certification at JATCO, but I still can't say that I was able to do it on my own initiative. If I had to say, when I first joined the company, I made a video to introduce the Fujinomiya factory. It has been eight years since it was made, but it seems to have been used again this year.

Everyone worked hard towards their goal in promoting Infinity activities through PR activities.

He has now applied to go to Silicon Valley in the United States, the home of app development, to commercialize the QC app.



Promoting Infinity activities in Fujinomiya

What motivates you to develop new businesses?

I've always been a curious person. Since I was in elementary school, I have been making web pages and posting videos (like what we now call YouTube).

When I was in college, I tried to develop a cloud version of Akapen Sensei's service as far as PoC (Proof of Concept), but I was using a flip phone at the time, so it didn't come to fruition (laughs).

After joining the company, I started in quality assurance at the Fujinomiya plant and was also assigned to Mexico for three and a half years. I was raised in a factory, so I want to do a job that allows me to give back to the people who helped me there. That's what motivates me. Even now, people still tell me to do my best, and when people in Mexico see that I'm on a business trip on social media, they contact me and ask me various questions.

Do you feel that JATCO's attitude towards entrepreneurship has changed?

I think you're starting to become more positive, but I don't think you need to think

about it too hard. Entrepreneurship is also known as "curiosity," but in Silicon Valley, known as the mecca of innovation, I often heard the word "patience" used when talking about this quality. Rather than thinking hard about trying to create something new, for example in production, JEPS activities themselves are a form of entrepreneurship in which a vision is drawn up and then achieved at all costs. Even in emergencies such as quality defects, we will resolve the issue quickly so as not to inconvenience our customers. I believe that is exactly what entrepreneurship is.



Sugiyama talks about his experiences in Silicon Valley

What did you learn in Silicon Valley?

What's unique about Silicon Valley is that it has a deep-rooted culture of viewing failure as an important learning experience for future success. However, rather than "accepting failure," I feel there is a stronger perspective of "maximizing the lessons learned from failure and applying them to the next business venture." This foundation has been laid.

Also, while entrepreneurship is often associated with entrepreneurial spirit and innovation, it is important to keep in mind that it is about creating a business. I was told that the three most important foundations of entrepreneurship are finance, risk management, and team building. In that sense, JATCO's entrepreneurship may be a little too focused on innovation. Innovation is of course important, but it is only

with these three foundations that groundbreaking ideas can be developed into sustainable businesses. This is what I felt when speaking directly with entrepreneurs living in Silicon Valley. That's really the difference. In addition to the system, it is common for Silicon Valley to provide three basic forms of education. Basic education is well-developed, and many students who aspire to become entrepreneurs actively acquire this knowledge through the formal curriculum and extracurricular activities. Other than that, I think all the T-E-A-M (set up in 2014) needs to be updated. To achieve this, I once again felt that it is more important than ever to have an "External Mindset."



Steve Jobs, co-founder of Apple, in his garage

Were there any words or companies that made an impression on you?

I spent the whole day talking with former Google employees at the Silicon Valley Innovation Center.

In Japan, Steve Jobs, one of the co-founders of Apple, is often spoken of as an "inventor," "designer," and "engineer." Meanwhile, what was striking was that in Silicon Valley, he is consistently regarded not simply as an innovator, but as a

"founder" and a "visionary." To repeat, entrepreneurship relies on finance, team building, and risk management. I realized that as a member of the New Business Promotion Department, we needed to become entrepreneurs, not just technology developers, and that we were lacking that mindset. I thought to myself, "What have I been doing up until now?" and my perspective changed.

As for impressive companies, it may sound cliché, but there's Google's 20% rule*2. This is a system that allows employees to spend 20% of their working hours on endeavors outside of their responsibilities, and I believe it will help foster entrepreneurship. I think the 20% rule, purpose, and vision all come together well. I think it would be great if we could create that kind of culture at JATCO as well.



Google headquarters courtyard

So, what exactly is needed to foster entrepreneurship?

I think the key is to not be afraid of failure and to just get out there and do things. By increasing the opportunities to be exposed to outside opinions, you can realize many things.

For example, one corporate startup program includes Silicon Valley investors as

judges for its business competitions. Of course, you will be told some harsh things, but if you pass, you will receive the money immediately. I think outside opinions are very important.

I have seen a lot of entrepreneurships within the company. In addition to that, we will continue to learn how to "go out" and the three fundamentals from a business perspective. Accept what you don't understand and learn from it. First, I want to change myself and then lead to change throughout the entire organization.

*1 Founded in 2006 in Silicon Valley, USA. With a mission to connect startups, major corporations, and investors and accelerate innovation around the world, the company has expanded to over 30 locations in 18 countries around the world. To date, over 500 partner companies have participated, and over 1,000 programs and events have been implemented, supporting the commercialization and business growth of over 2,000 startups.

*2 A system that allows employees to spend 20% of their working hours on tasks that are "different from their usual work." This system is said to have given birth to services such as Gmail, Google Maps, and Google News.