



Fukuoka Growth

07 Startup City

(Version 1.1)

Growth Potential of Fukuoka City

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In Japan, there are less entrepreneurs than overseas.
Many venture companies are established not only in the countries like U.S.A. where people commonly have entrepreneurship but also in the countries where people have no other choice but start up their own business because of less companies with employment.
In Japan, students seek stability and prefer to be employed by enterprises or organizations. It is also because companies have hired many employees until now.

However, traditional companies and large-size enterprises have started to reduce the number of employees by downsizing, and younger companies are relatively increasing the number of employees.
Startup has efficient effect on employment.

Japan needs to start to scrap and build companies and industries, and focus on generating new employment.

Entrepreneurs are looking for the place of business activity with the global point of view.
We need to provide the core for them to create added values in Japan.
Fukuoka City aims to create a suitable place for startups in Japan, and builds up the higher value as a city, which also produces good influence on Japanese economy.

“Startup” means to “establish a new activity or business”.

In the “Japan Revitalization Strategy” recently decided by cabinet council, “startup” is considered as the important policy, and Fukuoka City has already included “the urban development of start up city to support new challenges” in “the 9th Fukuoka City Master Plan” established last year.

In order to provide the sufficient support for startup in Fukuoka City, the city also submitted the application for the “Global Startup National Strategic Special Zone” to the call for the national Strategic Special Zone Ideas.

If this application is approved, many entrepreneurs and investors will gather to Fukuoka City not only from Japan but also from overseas.

Fukuoka City is one of few urban cities in Japan where population growth is expected for the next 20 years.

Those who aim to start up business in Fukuoka City will have good quality of life. The city already has the highest business entry rate in Japan.

When the ecosystem generating new businesses grow bigger in Fukuoka City by attracting domestic and overseas entrepreneurs to the city, it boosts the scrap and build of industry, and the city establishes itself and starts to grow sustainably.

This is the goal of “Startup City Fukuoka”.

Applied for the "Global Startup National Strategic Special Zone".

Application summary of global startup national strategic special zone

<http://www.fukuoka-dc.jp/?p=5931>

国家戦略特区の提案

概略版

新たな起業と雇用を生み出すグローバル・スタートアップ国家戦略特区

何をやるの?

コンセプト 雇用を生み出す起業(スタートアップ)へのチャレンジを応援する社会へと日本を再構築する。

これを行うと日本は、どうなるの?

- 産業の新陳代謝が進み、時代に沿ったより競争力ある産業へ人々の雇用が移る。
- 大きな問題となっている若者の雇用が増える。(15歳~24歳が最も失業率が高い)

スタートアップは雇用は有効なの?

1. 雇用を生み出すスタートアップとは?

(1) 意義

- ①雇用の拡大
- ②企業創出・事業拡大
- ③多様な働き方の創出

ところが

(2) 現状

国	開業率	廃業率
日本	約4%	約4.5%
アメリカ	約10%	約9.7%
イギリス	約12%	約9.5%

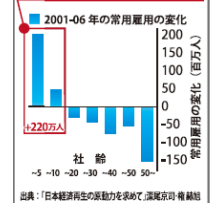
どうして

(3) 課題

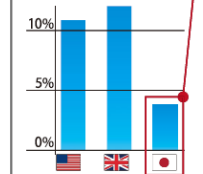
- Phase1 起業検討期
 - ①意欲・スキルの低さ
 - ・起業スキルがあると考えている人 15.2% (42/中下から2割目)
- Phase2 立ち上げ期
 - ②環境の弱さ(手続き・コスト・雇用)

国	手続き数	日数
日本	8	23日
アメリカ	6	6日
韓国	5	7日
- Phase3 成長期
 - ③投資環境の弱さ
 - ・ベンチャーキャピタル投資実績額
 - ・政府の1/30以下、米国の1/10以下
 - ④グローバル化の遅れ
 - ・海外とのネットワークが必要

若い企業が雇用を創出



低い開業率



さらに

3. 福岡市での直近の動き

福岡地域戦略推進協議会(FDC)	民間企業	福岡市
既に3年前から、産学官で成長戦略を検討	福岡市への民間投資機運の高まり	スタートアップ都市として強く推進
●シンク&ドゥ・タンク:産学官で出資	●過去最大のベンチャーキャピタル	●スタートアップ都市ふくおか宣言
●目標:GRP+28兆円、雇用+6万人	●MICEクラスターへの海外からの投資機運	●スタートアップサポーターズ設立
●プロジェクト:MICE、人材、都市再生	●アジアを睨んだ立地の動き	●スタートアップ都市推進協議会

だからプロジェクトができる

4. 実現に向けたプロジェクト

雇用を生み出すスタートアップへのチャレンジを世界に羽ばたかせ、これを応援する日本にする。

その方法は?



- Project 1
 - 起業意欲やスキルを高める
 - 成長する企業を増やす。
- Project 2
 - 戦略的な産業分野を特に進める。
- Project 3
 - MICE環境を民間資金で整える。
- Project 4
 - MICEでのマッチングを起こす。
- Project 5
 - 他都市や経済団体と連携する。

目標は...

日本再興戦略	福岡市	全国No.1
成果目標 (KPI)	開業率: 10%台 (英米並み)	開業率: 20% (国の目標の倍)
	廃業率: (現状4.5%)	廃業率: (現状6.4%)

2. 開業率No.1を誇る福岡市の理由は?

そのような中、福岡市は、開業率No.1

理由1: スタートアップに適した豊富な人材

- 豊富な人材
 - ・人口増加率: No.1
 - ・若者率: No.1
 - ・女性若者率: No.1
 - ・学生の割合: No.2
- 豊富な理系学生と留学生

理由2: スタートアップしやすいビジネスコスト

- オフィス賃料:

都市	賃料 (円/㎡)
福岡	9,200円
東京	30,600円
シンガポール	27,800円
香港	45,000円
- 住みよかった都市No.1、市民満足度95%
- 豊かな自然環境と短い通勤時間
- 都市機能と広域交通機能の集積 (右図)

理由3: 世界とつながるビジネス環境

福岡と東京の比較

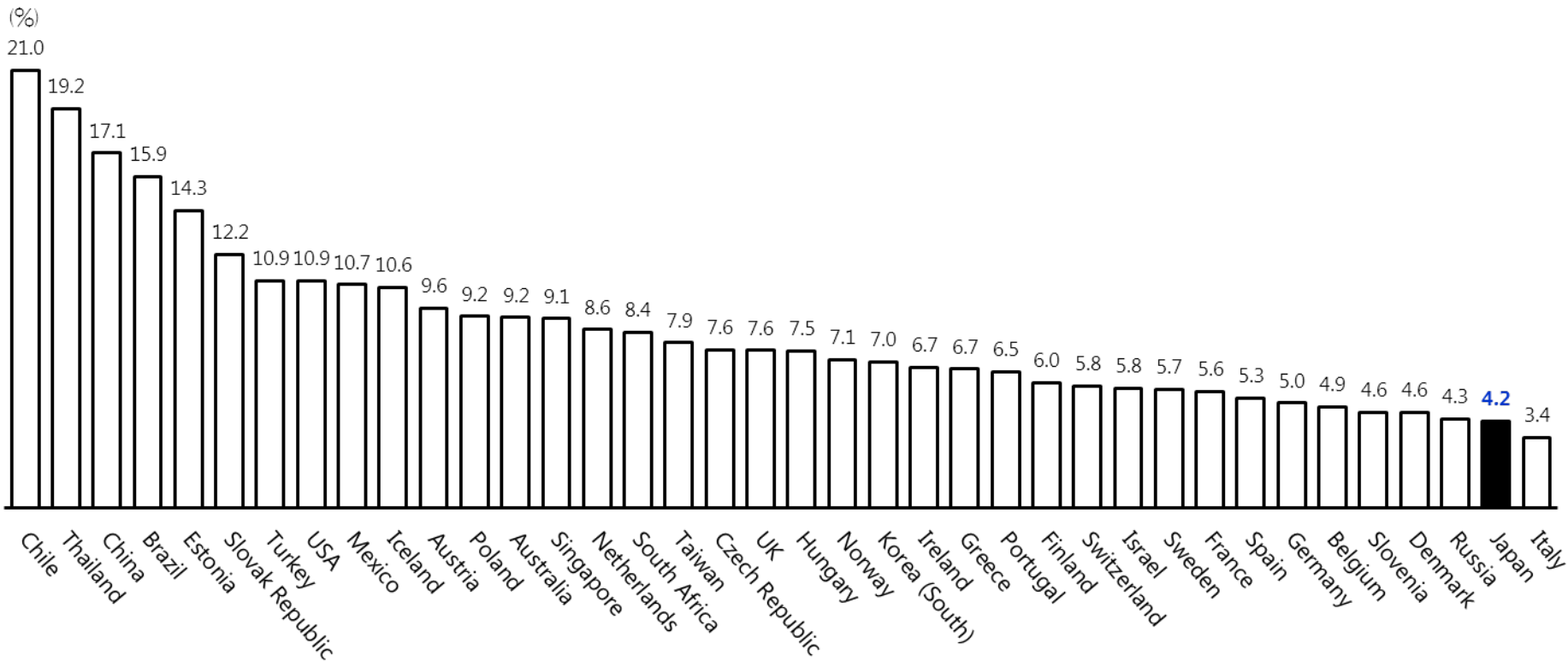
- 福岡空港: 国際線18都市就航
- 博多港: 国際乗降客数20年連続No.1
- 国際コンベンション開催件数: No.2
- 教育: インターナショナルスクール、市立校での外国語教育
- 医療: 市内約260の医療機関が外国語での受診対応
- 国連ハビタット: 100万都市のモデルとして推奨

福岡市・福岡地域戦略推進協議会

As a proposal for the national strategic special zone, Fukuoka City has applied for the "Global Startup National Strategic Special Zone". Fukuoka City is aiming to get higher business entry rate than national target by carrying out the national policy "to boost the business entry and exit rates and speed up the restructuring of industries" which is indicated in the Japan Revitalization Strategy.

Japan's law entrepreneurship compared to other countries in the world.

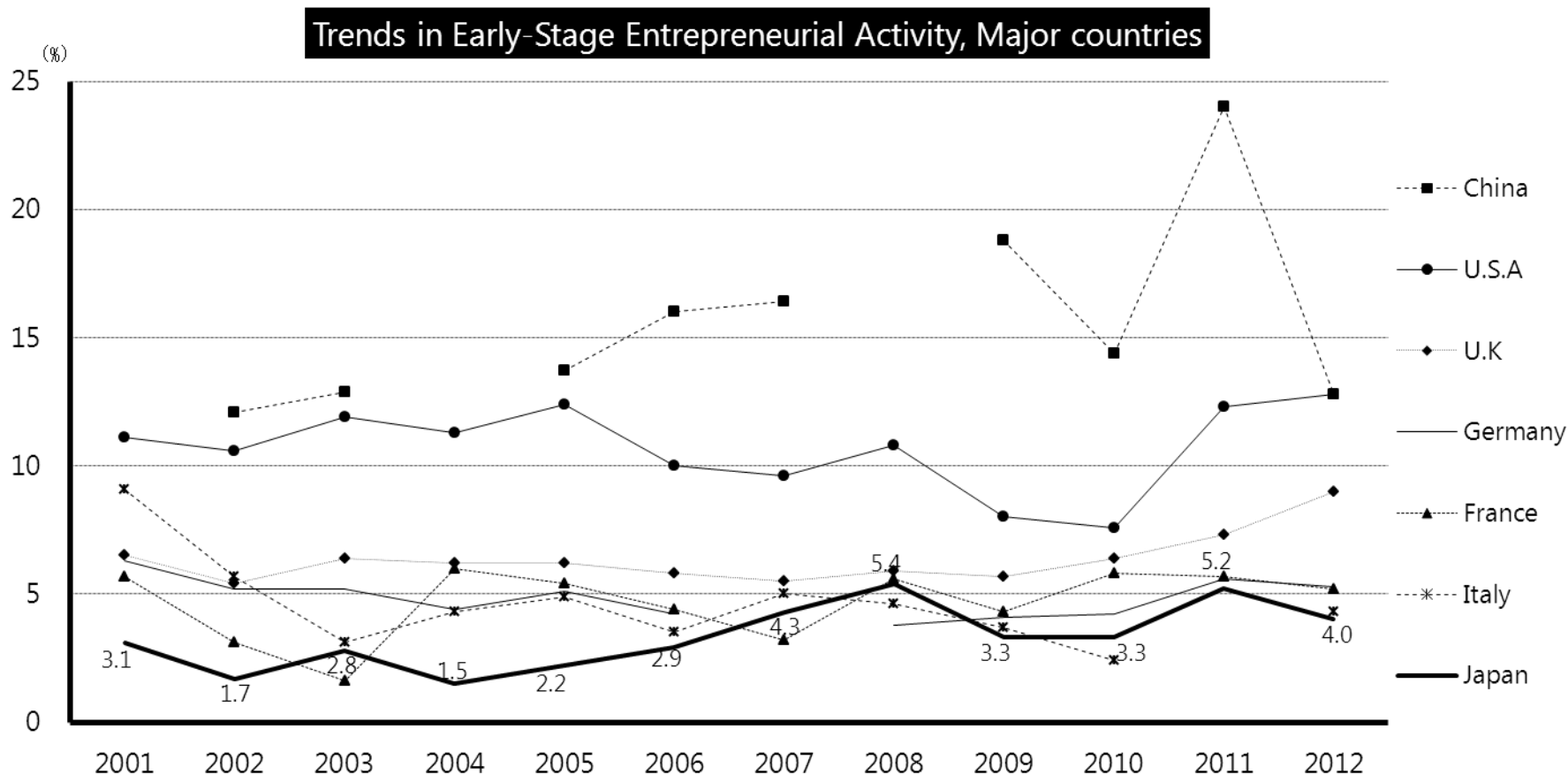
Total Early-Stage Entrepreneurial Activity, Major countries (Average 2010-2012)



The number of entrepreneurs per capita is relatively low in Japan, compared to other countries. Although the top countries have small job markets which lead people to rely on starting businesses, entrepreneurial activity in Japan is slow.

Note: TEA (Total Early-Stage Entrepreneurial Activity) assess the percent of working age (aged 18–64) population both about to start an entrepreneurial activity, and that have started one from a maximum of 3 years and half. The data indicates the TEA rate per 100 working age population. Major countries include countries in OECD and BRICs and Asia regions which have data.
Source: Global Entrepreneurship Monitor.

Growth trend of entrepreneurship in Japan till 2008 & high level in China and USA.



Although the early-stage entrepreneurial activity in Japan had continued upward trend until 2008, it remains low after the effect of the global recession. The activity in USA and China is significantly high, but the current level in Japan is still higher than the level in the first half of 2000's, and it is not outstandingly low compared to other countries in Europe. It is possible for Fukuoka City to be able to have higher business entry rate by providing sufficient startup support and attracting inner and outer entrepreneurs into the city.

Note: TEA (Total Early-Stage Entrepreneurial Activity) assess the percent of working age (aged 18–64) population both about to start an entrepreneurial activity, and that have started one from a maximum of 3 years and half. The data indicates the TEA rate per 100 working age population. The period of broken lines is the year without data.

Source: Global Entrepreneurship Monitor.

Startup companies generating employment in Japan.

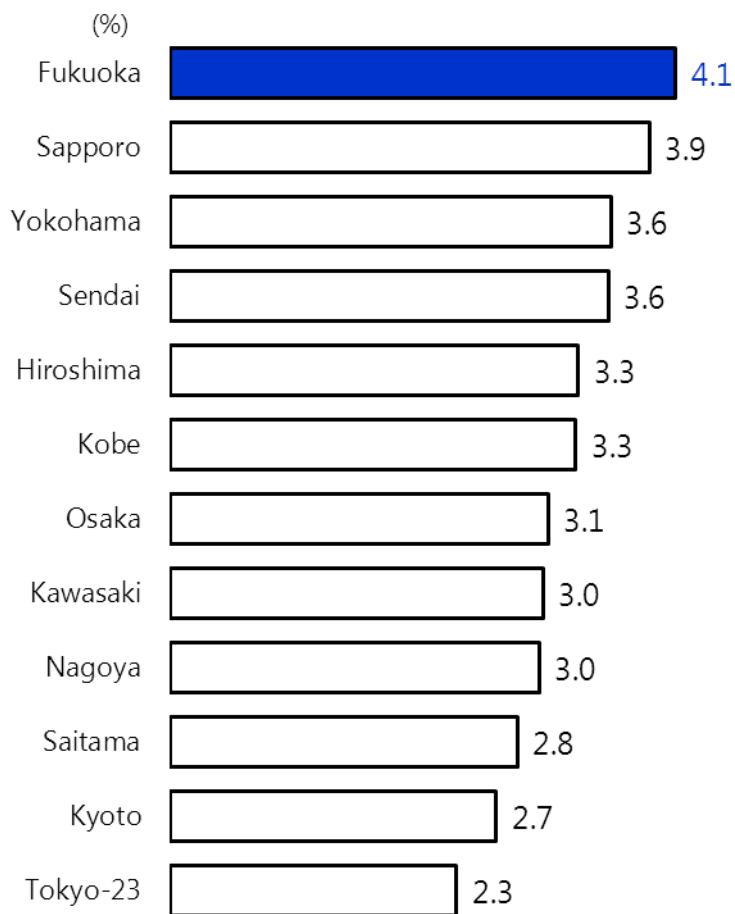


The active startup activities contribute to the local business community by not only speeding up the restructuring of industries but also boosting the employment.

Although the companies with longer history are relatively large in size, the number of employees has been decreasing since 2001, and only the companies with younger than 10 years have growing number of employees.

High level of new business formation rate in Japan.

Business Entry Rate, Major large cities (2006 to 2009)



Business entry rate in Fukuoka City (Reference Value) is the highest level in Japan, which indicates that there are many potential entrepreneurs.

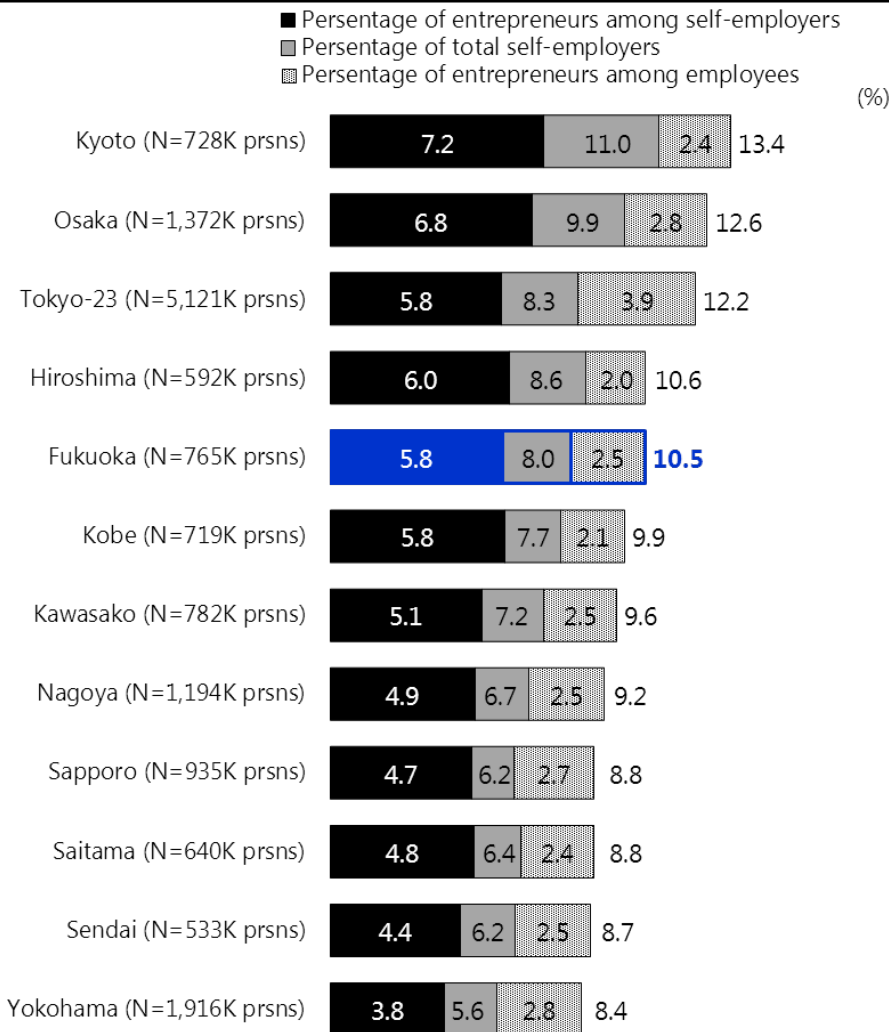
Tokyo-23=Tokyo 23 wards.

Note: Major large cities are the cities with more than 1 million population. Business Entry Rate = Annual average number of entry & exit businesses / Number of businesses at the beginning of the term x 100. The data in 2006 and 2009 were calculated under different definitions, and the data is just for reference. The Business Entry Rate indicated in the slide page 3 is the average value from 2001 to 2009.

Sources: Statistic Bureau, Ministry of Internal Affairs and Communications. Economic Census (2009); Company Statistical Survey (2006).

Approx. 10% of occupied persons are entrepreneurs or the self-employed.

Ratio of Self-employers & Entrepreneurs among Workers, Major large cities (2012)



The ratio of self-employed and entrepreneurs is approximately 10 % in all occupied persons.

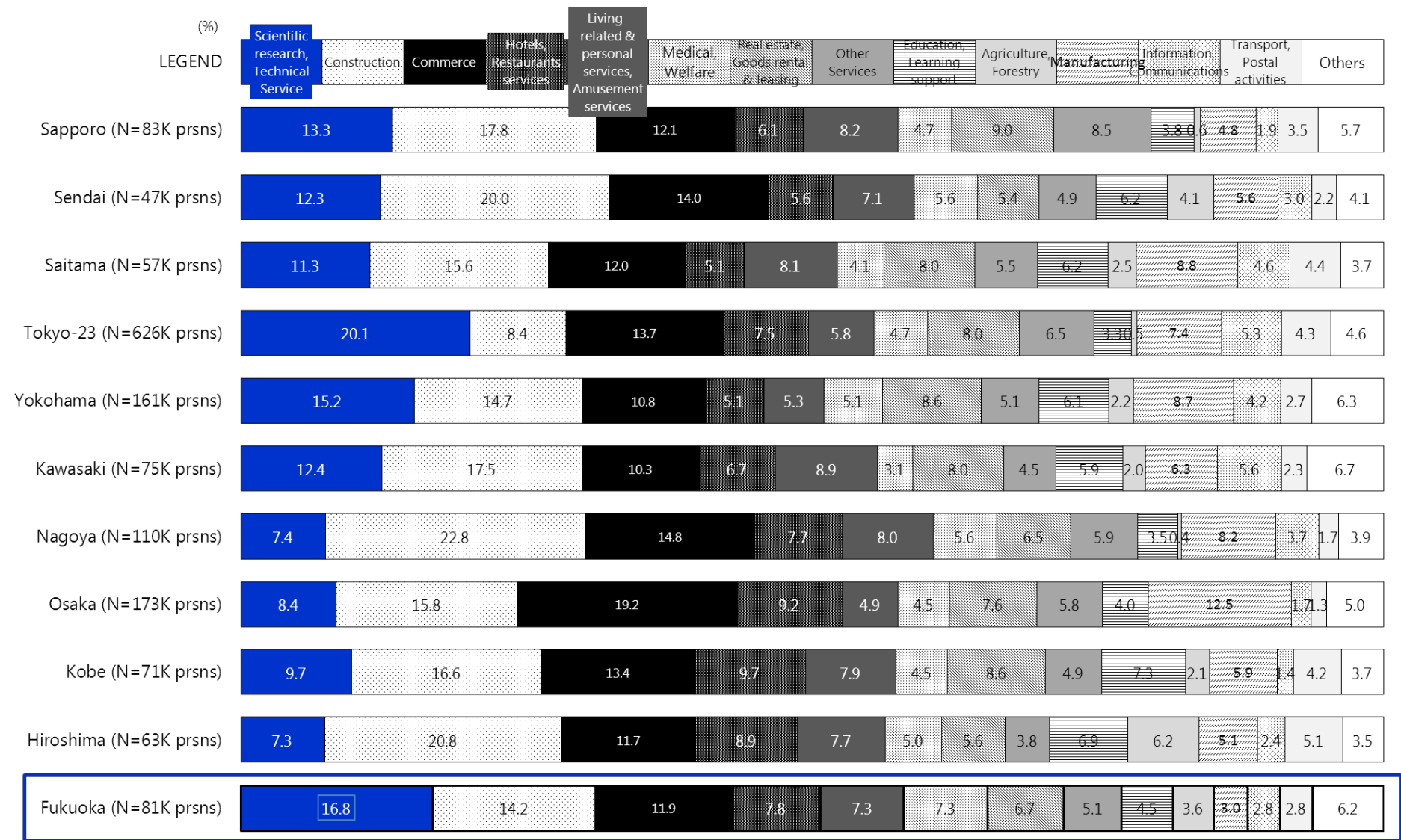
Tokyo-23=Tokyo 23 wards.

Note: Major large cities are the cities with more than 1 million population.

Source: Statistic Bureau, Ministry of Internal Affairs and Communications. Employment Status Survey (2012).

High ratio of entrepreneurs in scientific research and technical services.

Ratio of Self-employers & Entrepreneurs, by Industry, Major large cities (2012)

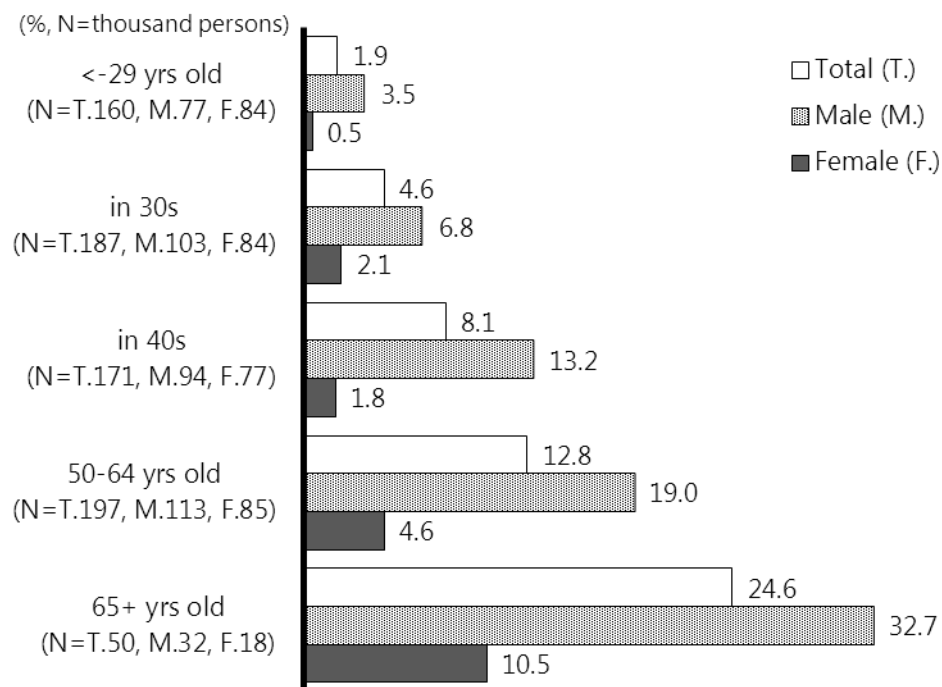


Most self-employers and entrepreneurs are in the scientific research and technical service industry. Although the ratio of construction industry is high as well, it is lower than other major large cities.

Tokyo-23=Tokyo 23 wards. Note: Major large cities are the cities with more than 1 million population. Data is the total number of employed entrepreneurs. Source: Statistic Bureau, Ministry of Internal Affairs and Communications. Employment Status Survey (2012).

Increasing ratio of entrepreneurs with age.

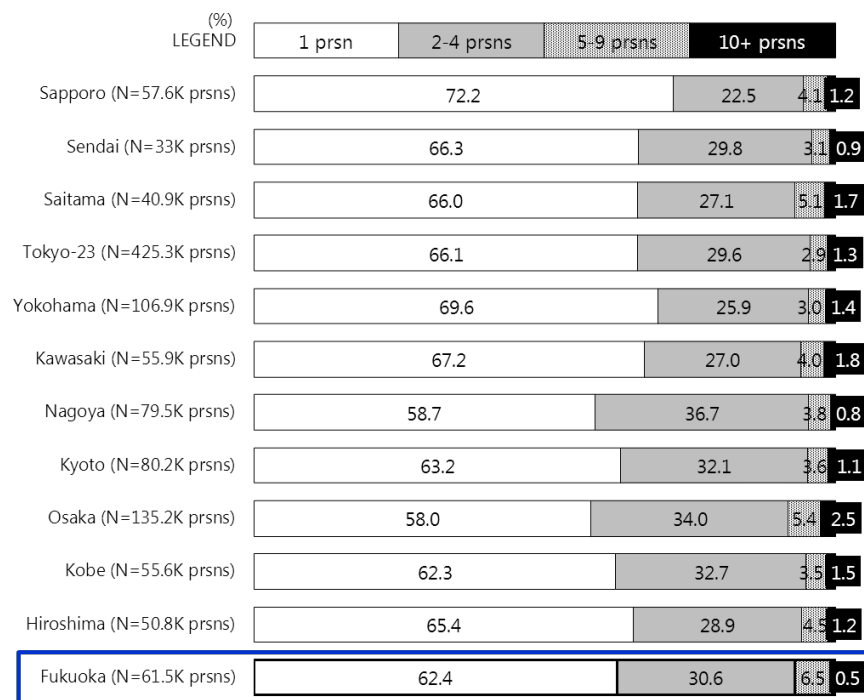
Employed Entrepreneur Shares in Fukuoka, by Gender and Age Group (2012)



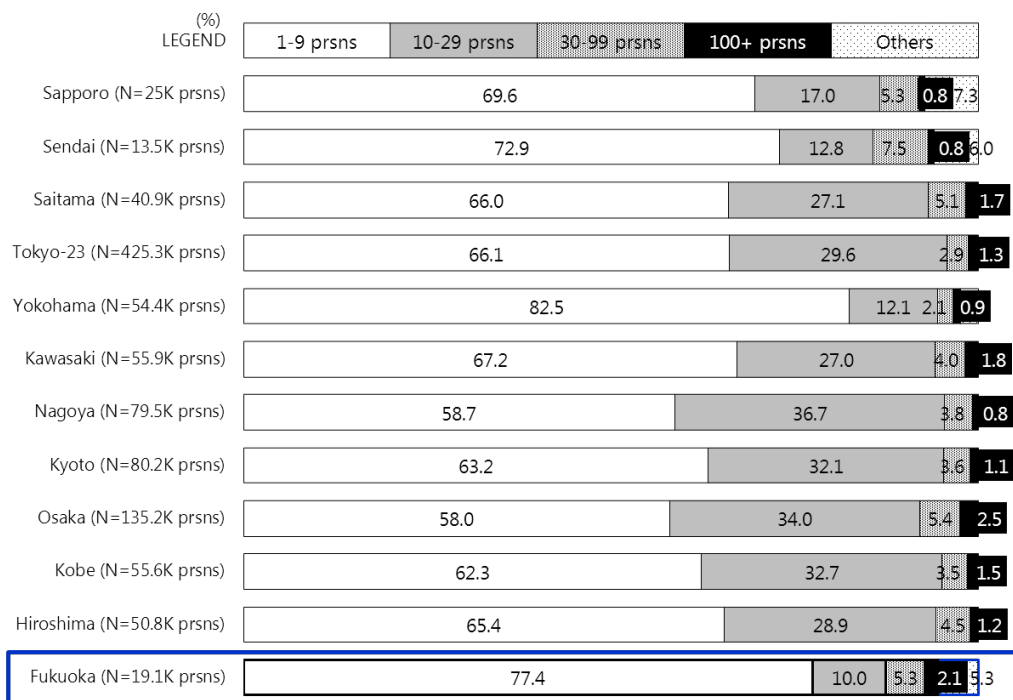
Both male and female starts businesses as they grow older, which indicates that people with experience tends to start businesses. Many people older than 65 who start to have difficulties to get employment from companies, start businesses with strong will to work.

Small-size startup businesses by self-employed workers and entrepreneurs.

Number of Employees at Self-employed Worker's Business, Major large cities (2012)



Number of Employees at Entrepreneur's Business, Major large cities (2012)



Most of both self-employed workers and entrepreneurs have small size businesses.

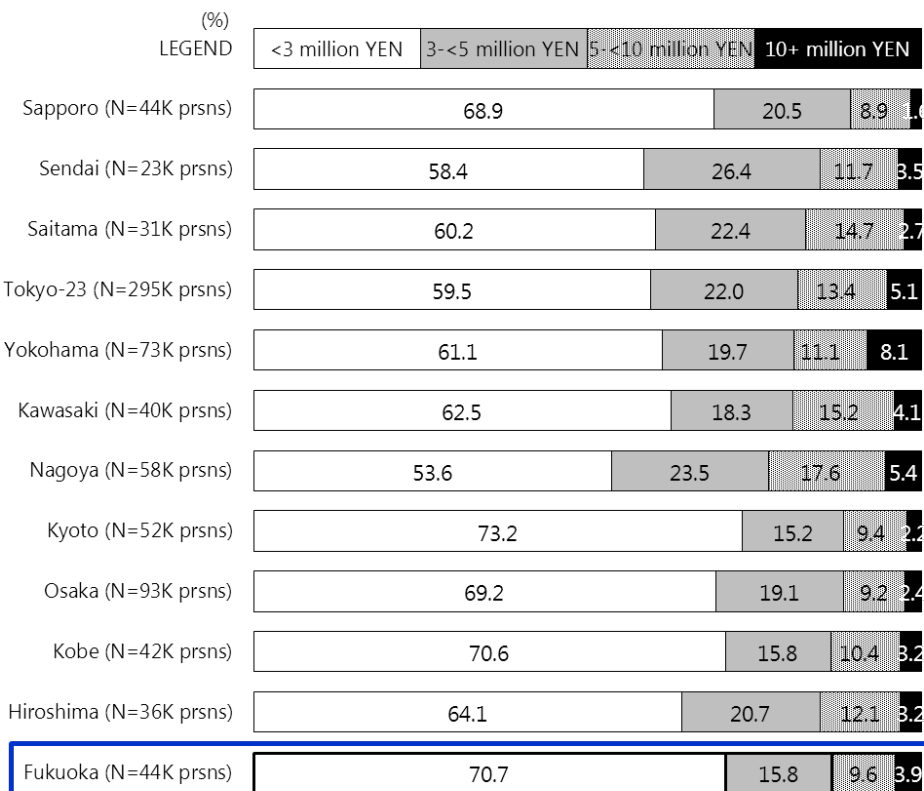
Tokyo-23=Tokyo 23 wards.

Note: Major large cities are the cities with more than 1 million population.

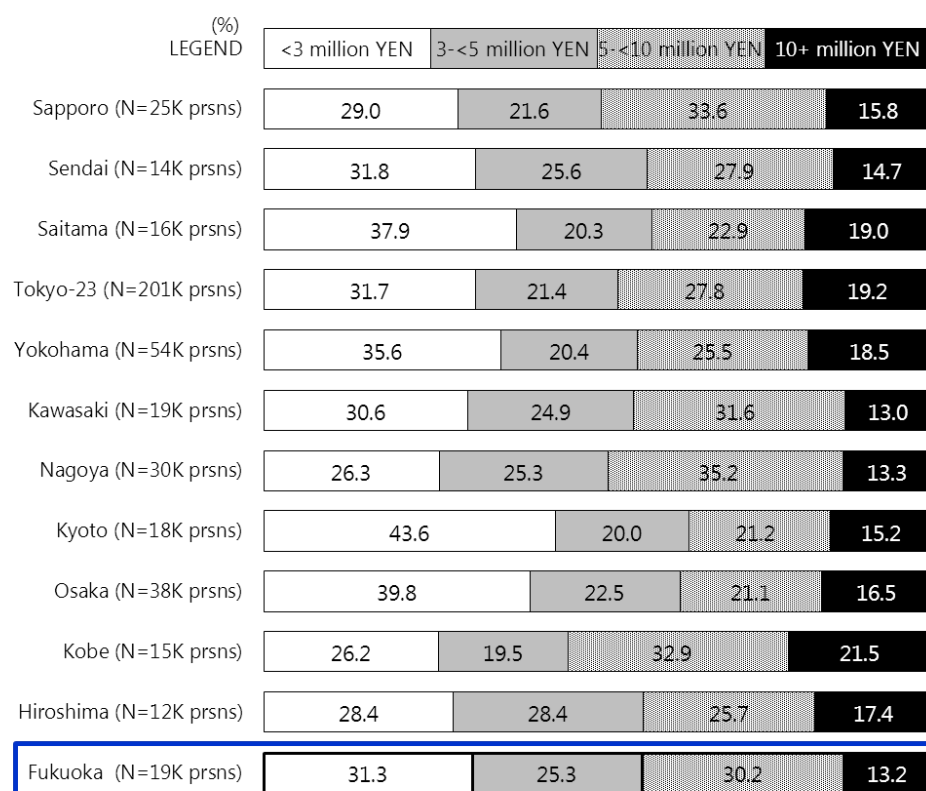
Source: Statistic Bureau, Ministry of Internal Affairs and Communications. Employment Status Survey (2012).

The largest income group of entrepreneurs in Fukuoka City is in the middle tire.

Self-employed Worker Shares, by Income Tire, Major large cities



Entrepreneur Shares, by Income Tire, Major large cities (2012)



While the income of self-employed workers is relatively low, the largest income group of entrepreneurs is the middle tire which is more than 3 million YEN and less than 10 million YEN. Entrepreneurs keep the constant income level.

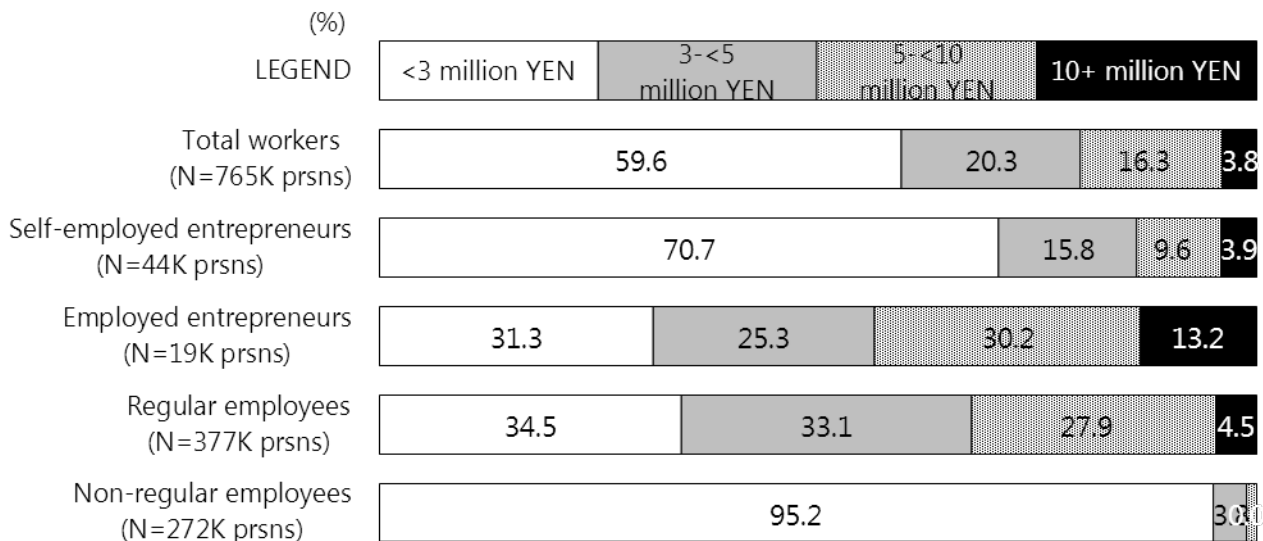
Tokyo-23=Tokyo 23 wards.

Note: Major large cities are the cities with more than 1 million population. Total number excludes the number of self-employed workers who did not start the business.

Source: Statistic Bureau, Ministry of Internal Affairs and Communications. Employment Status Survey (2012).

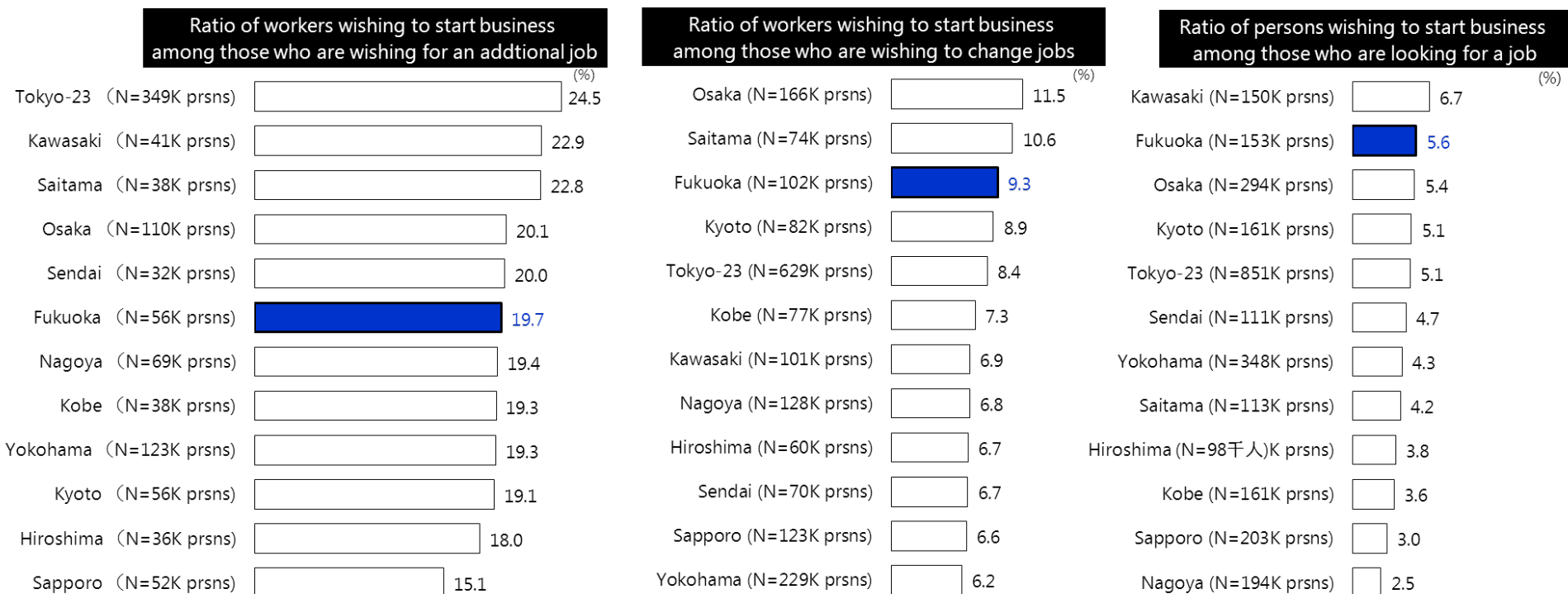
Entrepreneurs have higher income than full-time employees in Fukuoka City.

Income Tire Shares of Workers in Fukuoka City, by Employment Type (2012)



While the income of self-employed entrepreneurs is low, the income of employed entrepreneurs is much higher than the average income of total workers, and also higher than the regular employees .

Steady number of potential entrepreneurs.



Although the entrepreneurship of workers who already have a job is relatively low compared to other major large cities in Japan, people who are looking for a job has higher entrepreneurship in Fukuoka City.

Tokyo-23=Tokyo 23 wards.

Note: Major large cities are the cities with more than 1 million population.

Source: Statistic Bureau, Ministry of Internal Affairs and Communications. Employment Status Survey (2012).

From Fukuoka to the world, now and then.



SoftBank-Sprint Transaction **Sprint**

SoftBank Corp. (**Fukuoka Prefecture**)

TOTO

TOTO LTD. (**Fukuoka Prefecture**)

BRIDGESTONE

Bridgestone Corporation (**Fukuoka Prefecture**)



LEVEL-5

LEVEL-5 Inc. (**Fukuoka City**)

LAYTON BROTHERS

TOKYO 2020

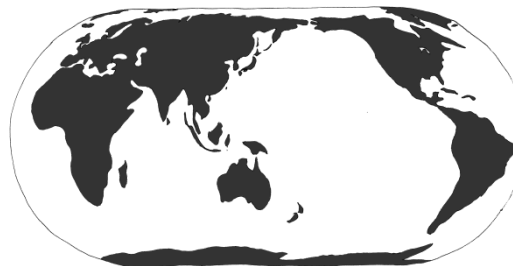
Tokyo 2020 International Promotion Film: Tomorrow begins

<http://www.youtube.com/watch?v=-x50hgHePRA&feature>

Video production: KOO-KI Co., Ltd. (**Fukuoka City**)

Music production: Invisible Designs Lab. (**Fukuoka City**)

TOKYO 2020 CANDIDATE CITY presentation was created by the companies in Fukuoka.



There are more than a few companies started up in Fukuoka and expanded worldwide. Fukuoka is the suitable place to start up business.