

## **Proposal Summary**

### **“Innovation Network for Co-Creating the Future”**

#### **1. Background**

In the 20<sup>th</sup> century, the world’s major economies successfully built up an industrialized society that resulted in material affluence and longer life expectancies. These blessings, however, were limited to fewer than one billion of the world’s total population of five billion. As the century grew to a close and the Cold War was finally over, however, a host of other countries began to industrialize and participate in the market economy and industrialization, helping drive a new era of growth.

But unfortunately in the opening decades of the 21<sup>st</sup> century, a wide variety of societal problems have emerged and deepened as apparent results of prosperity in advanced economies. Among these serious worldwide problems are an excessive burden on the global environment, increased social costs for aging populations, unemployment among younger generations, and a widening gap between rich and poor. Meanwhile, the emerging, less developed countries are still struggling with insufficient infrastructures and basic necessities of daily life – foreshadowing a potential scramble for natural and social resources if these problems continue to mount.

The United Nations forecasts the world’s population to exceed ten billion in the second half of the 21<sup>st</sup> century, up from its current seven billion. It is an enormous challenge for us to create a sustainable world where 10 billion human beings can enjoy a safe and fulfilling life given these growing constraints on limited resources.

It is obvious that we cannot overcome this challenge by simply doing what worked in the 20<sup>th</sup> century. A lifestyle with no economic growth is not a practical global solution. Nor is a lifestyle that returns to the simplicity of yesteryear. The most constructive path forward likely to be acceptable to societies of all means is to find solutions through innovative technology – or, put simply, “solution by innovation”.

We, Mitsubishi Research Institute (hereafter MRI), believe there are three essential factors composing any “solution by innovation.”

First, we need to dramatically improve efficiency in utilizing material and human resources, by making the best of our collective knowledge – in the forms of patents, information, data, and business models. New technologies like IoT, big data, AI, robotics and genomics are increasingly viable to support “solution by innovation.”

Second, we should aim at “solution by business,” with companies willingly participating in economically viable business models to find solutions as quickly as practical. This approach has the advantage of minimizing necessary government expenditure that could otherwise be put to public works and services.

Third, “open innovation” will be the key to solving the complex issues society faces, and solutions will be best developed through robust collaboration among industry, government, academy and private citizenry, combining to share and develop best practices. Although Japan is rich in advanced technology, talented people and high quality capital, these resources are not being optimally harnessed. The world’s third largest economy lacks the intellectual and societal ecosystem to forge innovations and create new value by combining and integrating its considerable resources.

This is why we, MRI, have decided to launch a platform for “open innovation” that we call “Innovation Network for Co-Creating the Future”

Founded in 1970, our company has always worked on a basic principle of “Independent,” “Interdisciplinary” and “Future-oriented” endeavor, dedicated to brighten society’s future. The concept of “Innovation Network for Co-Creating the Future” is in full harmony with this principle. With anticipation and gratitude, we invite you to join and support our efforts.

## 2. Outline: “Innovation Network for Co-Creating the Future”

### (1) Mission

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| <ul style="list-style-type: none"><li>• Create an “Open Innovation Network” for co-creating the future.</li><li>• Design “solutions by innovation” for global important societal issues which can be carried out in private business model.</li></ul> |
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### (2) Societal issues to be addressed

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| Scope         | <ul style="list-style-type: none"><li>• Important and long term societal issues/problems for Japan excluding; those applicable only to Japan or deeply associated with Japanese own culture, history and political climate</li><li>• Current and future societal issues relevant to many countries in the world</li></ul> |
| Major Area    | <ul style="list-style-type: none"><li>• Health care, Environment, Food, Education, Disaster Prevention, Transportation ...</li></ul>  |
| Methodologies | <ul style="list-style-type: none"><li>• Solution through making the best of knowledges (e.g. Information, Data, Software, AI, Robotics)</li><li>• Solution through the creation of new business</li></ul>   |

(3) Policy and plan

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| Participants | <ul style="list-style-type: none"> <li>• Business, Academia, Government, NPO/NGOs</li> <li>• Mitsubishi Research Institute: management office</li> </ul>  |
| Functions    | <ul style="list-style-type: none"> <li>• Networking: Facilitating communication/collaboration among participants</li> <li>• Collect ideas for innovation from all over the world</li> <li>• Study, improve, forge and materialize original ideas</li> <li>• Assess feasibility/viability/scalability as business</li> <li>• Promote business matching.</li> </ul> |
| KPIs         | <ul style="list-style-type: none"> <li>• Effective and active networking, communication/collaboration among participants: Achieved?</li> <li>• Effective mechanism/eco-system to collect, Study, forge and materialize ideas: Established?</li> <li>• New businesses: Being incubated and started?</li> </ul>   |

(4) MRI's Role

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| Contributions | <ul style="list-style-type: none"> <li>• Identifying, listing societal issues.</li> <li>• Assessment of business value;             <ul style="list-style-type: none"> <li>– quantitative analysis of value to the market and society</li> </ul> </li> <li>• Combination, organization of best mix of resources;             <ul style="list-style-type: none"> <li>– human resources, enterprise, and technology</li> </ul> </li> <li>• Conducting social experiment;             <ul style="list-style-type: none"> <li>– location, consensus of interested parties, fund raising</li> </ul> </li> <li>• Access to the “eco-system” in the West Coast of the U.S.</li> <li>• Business planning assistance;             <ul style="list-style-type: none"> <li>– match-making with major corporation</li> <li>– collaboration with providers of various support program</li> </ul> </li> </ul> |
| Activities    | <ul style="list-style-type: none"> <li>• Create and manage “Open Innovation Network”</li> <li>• Form and manage the “Advisory Board”</li> <li>• Maintain the list of “societal issues”</li> <li>• Support design and development of “solutions by innovation”</li> </ul>  |