

Aichi Int'l Business Newsletter

— Business and Economic Close-Up on Aichi and the Greater Nagoya Region —

New Aichi Subsidy Program

Aichi Prefectural Government has announced a new subsidy program aiming at supporting the establishment of manufacturing facilities and promoting research & development and proving tests. It was proposed earlier this year and approved by the Aichi Prefectural Assembly in March, and from this April companies will be able to apply for subsidies.

The subsidy program goal is to incentivize companies to expand operations and will be an alternative to reducing the prefecture's corporate tax. The subsidy will accumulate about 5 billion yen every year, corresponding to 10% decrease of corporate taxes.

***Importantly, subsidy limit increase from 1 billion yen to 10 billion yen.**

The subsidy has two major goals:

1. Promote the establishment of manufacturing and R&D facilities of cutting-edge industries.

The government proposes to establish new subsidies aimed at supporting small and medium-scale investments by companies from other Japanese prefectures and overseas, as well as reinvestments by small and medium-scale companies already in the prefecture.

2. Promoting R&D and proving tests in expanding industrial fields.

In order to maintain and further promote high-value added production in the area, the prefecture will target high-potential industries such as aerospace. The prefecture will also fully support the International Strategy Zone for aerospace, as well as the next generation vehicles, and other promising fields.

<http://www.pref.aichi.jp/ricchitsusho/e/fund.html> (Press Release)

<http://www.pref.aichi.jp/ricchitsusho/e/pdf/overview.pdf> (Subsidy Overview)

Expansion to the Knowledge Hub

On February 14th an official ribbon-cutting ceremony was held to celebrate the completion of Aichi Center for Industry and Science Technology at the Knowledge Research Hub. At the event Aichi Governor,

Hideaki Omura, local politicians, and business leaders celebrated the event. Also attending the ceremony was Toshihide Maskawa from Nagoya University and the Nobel Laureate in Physics.



Courtesy Aichi Prefecture

The Aichi Center for Industry and Science Technology is equipped with the very latest laboratory equipment and will be operated by the prefecture and the center as a venue for cutting-edge collaborative research. The Center will also house technology essential for the development of new materials, material analysis, and advancing technology.

Future expansions include a synchrotron light facility that will be completed this year. It will be used to conduct joint research between companies, universities, and government.

<http://www.chinokiyoten.jp/about.htm> (Japanese)

MOU by Aichi Prefecture & JAXA

In February Aichi Prefecture and the Japan Aerospace Exploration Agency (JAXA) signed an agreement to cooperate in the promotion of aerospace technology and industry.

This agreement is a boost for the prefecture's aerospace initiatives by being able to take advantage of the advanced research and development capabilities of JAXA. Aichi will promote the development of the aerospace industry, including small and medium-sized businesses.

This is the first time that JAXA has signed a MOU with a Prefectural Government for the purpose of industrial development. IN the near future Aichi Prefecture will begin the process of utilizing the resources it will receive from JAXA.

Advanced Materials from Mother Nature

Toyota Boshoku Corporation (Headquarters: Kariya City, Aichi Prefecture) is dedicated to the designing, developing automotive seats and interiors; purchasing molds, fixtures and materials; and reducing weight to increase fuel efficiency, and reduce carbon dioxide emissions.

Toyota's latest break through is the successful application of kenaf in interior moldings. Kenaf is a fibrous plant which grows quickly and cheaply. Used as a base material of the door trim and seat backboard it's lighter than existing materials. Kenaf materials are incorporated in the new Lexus GS released by Toyota Motor Corporation in January 2012.

The new material is created by blending raw Polypropylene material with kenaf fiber which enhances the bonding strength an allows for 20% less material in manufacturing. Kenaf is desirable because of faster growth cycles, and a high absorption capacity of carbon dioxide. Toyota has commercialized the process from seed development to materials applications.



Courtesy Toyota Boshoku

Toyota Boshoku Group's goal of creating an environmentally-friendly automobile began in the 1990s. Expanding the adoption of plant-derived materials will continue to create more attractive, environmentally responsible cars.

Aichi Prefectural Government

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