

Daikin Allocates 100 Million USD for Global Startup Investments

To Accelerate Partnerships with Startups for Greater Collaborative Creation

Daikin Industries, Ltd. has recently set aside 100 million US dollars for use in investments targeting startup companies worldwide over a five-year period until 2024. In addition, Daikin will establish the Technology and Innovation Center CVC Office to promote collaboration with startup companies as a means to accelerate open innovation integrating technologies and knowledge from both inside and outside the company.

Leveraging the business foundation of its global operations, Daikin is working in collaboration with local startup companies in places that include Silicon Valley in the United States and Shenzhen in China. In Japan, the company promotes partnerships with startup companies, including startup companies associated with the University of Tokyo based on an industry-academia co-creation agreement concluded with the university.

This allocation will enable each division and department in the company to make decisions faster and invest with greater flexibility in startup companies. In cooperating with global startup companies that practice fast-paced management and have advanced technologies, innovative ideas, and a spirit to challenge, Daikin aims to quickly verify hypotheses and create new products, services, and business models.

The role of the new Technology and Innovation Center CVC Office involves activities relating to corporate venture capital, including searching for startup companies that are candidates for investment, executing and monitoring investments, and acting as a bridge between the startup companies and internal company divisions and departments.

Achieving further growth in the midst of the significant changes rapidly occurring in industrial structure due to digital technology innovations such as AI and IoT requires companies to accelerate technology and product development, transform business structures, and create new business models. To this end, Daikin engages in collaborative creation with outside entities and creates new value by actively incorporating outside technologies and knowledge while identifying what it should develop in-house as proprietary knowledge. For the future, the company intends to accelerate open innovation initiatives and use this investment allocation to build strong relationships with new outside partners.