

Global Corporate Venturing Office (CVC)

Co-creation with World's Venture Businesses to Create New World and New Value

In pursuit of “a future designed through collaborative creation with the world’s startups,” OMRON VENTURES CO., LTD. (OVC) has been developing collaborative creation activities for new market creation and business innovation, taking advantage of its network encompassing entrepreneurs and investors worldwide. As a result, OVC has invested in 21 startups so far, including four that it newly invested in during fiscal 2021. Under SF2030, with a view to “maximizing the capability to create innovation driven by social needs,” which is one of the material sustainability issues, we will expand investment in startups that are promising for collaborative creation with OMRON’s four core businesses and in those tackling the three social issues addressed by OMRON under SF2030. To ensure the effectiveness of investment, OMRON established the Global Corporate Venturing Office (CVC Office), which supervises OVC, in April 2022, as an organization directly reporting to OMRON’s president. With the aim of maximizing the social impact, the CVC Office will strengthen opportunities for collaborative creation between OMRON and startups via OVC and seek to enhance strategic and financial returns.



Senior General Manager, Global Corporate Venturing Office;
President and CEO, Omron Ventures Co., Ltd.

Tomoko Inoue

Resolve Social Issues through Investment in Startups

In January 2022, OVC established OVC II Investment Limited Partnership (OVC Second Fund). The OVC Second Fund invests in startups that aspire to create value by addressing the social issues targeted by OMRON.

As the first investment, the OVC Second Fund chose Visby Medical, Inc., the U.S. firm that develops and sells the world’s first disposable, portable PCR testing devices. PCR tests have garnered attention recently in the context of the COVID-19 pandemic. They allow high-precision test results to be obtained from extremely small samples and thus are used in testing for many different infectious diseases. However, the number of medical institutions that can perform accurate PCR tests is limited, and factors such as difficulties in purchasing expensive testing devices drive most institutions to outsource their clinical testing to private sector labs. This means they can face delays in receiving test results. Meanwhile, the COVID-19 pandemic continues. To tackle these problems, Visby Medical has developed a portable PCR device offering accuracy of 95% or above, which is equivalent to lab-based testing. Achieving lower costs and shorter waiting time for test results will revolutionize the infectious disease testing process and contribute to resolution of social issues. Through its investment in startups such as Visby Medical whose innovation has the potential to be transformative in an industry, OMRON will pursue accelerated resolution of social issues.
















Maximizing Strategic Returns through Acceleration

In fiscal 2022, the CVC Office has begun a new initiative, “acceleration,” to speed up the business growth of startups. In this initiative, OMRON gathers people with the expertise required for business growth as well as other experts and has them directly participate in management of the startups to enhance their business value. Moreover, in terms of human resources development, the CVC Office aims to foster innovative individuals capable of creating new globally competitive businesses by seizing opportunities for collaborative creation with the world’s entrepreneurs and experts.

CogSmart Co., Ltd. in which we invested in fiscal 2021 is a good example. CogSmart is a Japanese company developing a unique solution for slowing the onset of dementia. A solution that “prevents the worsening of dementia,” which is the focus of CogSmart’s efforts, would be in great demand in Japan where population aging is progressing and is attracting attention worldwide, too. To help CogSmart increase its business value, the CVC Office has assigned OMRON personnel to CogSmart who have knowledge of the medical field gained through OMRON’s existing business in addition to external human resources with expertise of a high caliber. At the same time, OMRON personnel will be given an opportunity to learn through collaborative creation with the startup’s management so as to maximize strategic returns.

OVC's Investment Portfolio

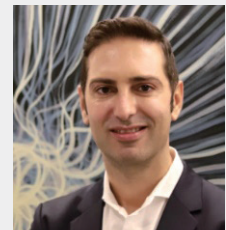
OVC has invested in startups tackling the three social issues addressed by OMRON under SF2030: "achievement of carbon neutrality"; "realization of a digital society"; and "extension of healthy life expectancy."

Achievement of Carbon Neutrality	Realization of a Digital Society	Extension of Healthy Life Expectancy
<p>Energy visualization</p>  <p>Carbon offsetting</p> 	<p>Robot control</p>  <p>Image processing + AI</p>  <p>Agri-automation</p>   <p>Metaverse</p> 	<p>Migraine treatment</p>  <p>Prevention of dementia</p>  <p>Medical data</p>  <p>AST systems</p>  <p>Remote medicine</p>   <p>PCR testing</p>  <p>Digital coaching</p> 

Contribution to Carbon Neutrality

Amid the worldwide efforts to achieve zero greenhouse gas emissions by 2050, there are various challenges concerning social implementation of alternative energy technology. Carbon offsetting using credit trading is one of the methods to promote CO₂ reduction. However, the lack of transparency of the credit information, such as who generated the credits and how they were generated, makes reliability an issue in credit trading. ClimateTrade, S.L. in which OVC invested in January 2022 is a Spanish startup providing a blockchain-based marketplace for carbon offsetting credits with high traceability and transparency of trading. Through investment in ClimateTrade, which is helping companies achieve their decarbonization goals, OMRON is contributing to resolution of social issues.

With "decarbonization and climate change mitigation" as its mission, ClimateTrade is endeavoring to propose scalable innovation by grasping market needs. OMRON VENTURES understands our mission and is supporting us. OMRON's support has been instrumental in helping us achieve our goals for planning new products and expanding the global reach of our products.



CEO Francisco Benedito

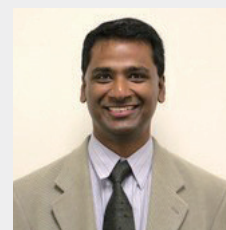
Cultivating Corporate Culture of CVC Activities

OVC invested in DIMAAG-AI, Inc., an American provider of an advanced AI platform, in March 2021. DIMAAG-AI and OMRON's Industrial Automation Business have launched a project for collaborative creation in technology development. The CVC Office holds technology exchange meetings between OMRON engineers working on new technology developments in its core businesses and the startup's managers, in order to spread the synergy of collaborative creation throughout the OMRON Group. We will continue to hold exchange meetings with startups in order to nurture a corporate culture conducive to promoting new collaborative business creation.

With a strong presence in the U.S., Japan and India, DIMAAG-AI provides AI components, hardware, robotics, and other solutions tailored to customer needs. Based on our conviction that AI technology will transcend industries and business formats, we have developed AI solutions in many fields. We look forward to continuing to provide OMRON with intelligent products and solutions as we work together on the project.



Technology exchange meeting with the startup



Founder and CEO Satish Padmanabhan