How Did Academia Evaluate INCJ?

－Summary of INCJ Research Projects－

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1 Introduction

1.1 About the INCJ Research Project

In July 2024, the Japan Venture Society launched the INCJ (Innovation Network Corporation of Japan) Research Project to conduct a neutral evaluation of INCJ's 15-year achievements from an academic perspective (see the Kagami paper for details on the background).

On March 11, 2024, the "INCJ Research Project" was announced to solicit applicants. Sixteen teams expressed interest, and projects were subsequently launched based on each researcher's specific research focus. Subsequently, with INCJ's cooperation, including the provision of materials and introduction of interview subjects, the research was conducted over a period of more than one year. On June 30, 2025, 15 teams submitted their findings. An INCJ Symposium was held on July 1, 2025, where two findings were presented. This chapter provides an overview of the main outcomes of the INCJ Research Project and offers a comprehensive summary.

1.2 The Role of Public-Private Funds

INCJ is a type of public-private fund (Government Venture Capital: GVC). Because GVCs involve both private and public funds, they are expected to fulfill unique roles that are distinct from those of private venture capital funds (PVCs). These roles include: 1) Complementing private financial markets by addressing situations in which market mechanisms fail to achieve efficient resource allocation, such as information asymmetry, imperfect competition, and externalities (particularly non-excludability). 2) Bearing risks that private entities cannot shoulder, such as those associated with large-scale, ultra-long-term projects and overseas infrastructure expansion. 3) Inducing private capital by leveraging public funds as seed money in situations where private investment markets are insufficiently developed (Ministry of Finance, Financial Bureau, 2014).

Opinions vary regarding the rationale for public-private funds. Among the proponents is Mazzucato (2013), who cites examples such as the iPhone, clean energy, and pharmaceuticals in the US high-tech industries created through state support, arguing that the state should invest in high-risk, challenging fields to catalyze private investment. In contrast, McCloskey and Mingardi (2020) challenge Mazzucato's argument, stating that innovation progresses through entrepreneurs' "attentiveness" to profit opportunities, which cannot be explained by planned government intervention. Lerner (2010) takes a cautious stance on the government's entrepreneurial role, arguing that the careful design of market-complementary institutions is crucial. Thus, the debate over the justification for public-private funds continues.

1.3 Public-Private Funds Abroad

While the debate over the appropriateness of government intervention in start-ups and innovation persists, public-private funds have emerged in several countries. The Israeli Yozma Fund, established in 1990, is a well-known example (Avnimelech & Teubal, 2006). This program is highly regarded for leveraging government funds to attract PVC investment, thereby creating Israel's VC industry and significantly boosting the country's startup creation.

Other examples of public and private funds fostering VC markets to nurture startups include Singapore's SGInnovate, Canada's BDC Capital, France's Bpifrance, and Finland's Tesi.

Particularly in Europe and Canada, where the VC industry is considered less robust than that in the US, governments need to fill this role. This trend has strengthened since the 2000s, with GVC investment commitments in the EU increasing six-fold from 2007 to 2023 (OECD, 2025). According to the OECD, public-private funds are expected to attract private investment by leveraging public capital, nurturing startups in high-risk, high-uncertainty, deep tech fields, fostering innovation ecosystems, and contributing to regional and societal development.

1.4 Background to INCJ's Establishment

The Innovation Network Corporation of Japan (INCJ) was established in July 2009 as a 15-year time-limited organization under the Industrial Competitiveness Enhancement Act.

At the time of INCJ's establishment in 2009, the Japanese economy recorded its largest postwar contraction and suffered its worst recession since the war. This period marked the tail end of the "Lost 20 Years" that followed the bubble burst. The Japanese economy has faced mounting challenges: prolonged deflation, increased non-regular employment, corporate R&D spending cuts, stagnant commercialization capabilities, and lagging open innovation compared with Europe and the US. Furthermore, the 2008 Lehman Shock severely weakened corporate financial health.

The environment surrounding startups at that time was far less developed than today. Even amid unemployment and job insecurity, few people considered entrepreneurship as an option. Risk capital was scarce, and even when new technologies were developed, almost no organizations willing to invest. In particular, virtually no financial institutions offered long-term, fixed-rate, low-interest loans or private entities providing long-term risk capital. VC investments in 2008 remained at approximately ¥200 billion. However, it was also during this period that companies such as Mercari, Sansan, and Cookpad, which would later join the ranks of unicorns, emerged in the IT and Internet sectors. Amid this landscape, INCJ was established.

Its founding policy was "to foster and create industries that will bear the nation's wealth in the next generation through open innovation." The investment criteria were: 1) addressing social needs, 2) growth potential, and 3) innovation. In other words, it was given the major policy objective of revitalizing Japanese industry. Subsequently, in September 2018, INCJ, Ltd. was established through a spin-off from the Innovation Network Corporation of Japan (INCJ), taking over INCJ's operations.

1.5 INCJ's General Evaluation

Over its 15-year operational period, INCJ invested a cumulative total of approximately ¥1.2963 trillion and generated returns of ¥2.3335 trillion (as of July 31, 2025). Its investment of ¥138.3 billion in Renesas Electronics, yielding nearly ¥1.4 trillion in returns, is particularly regarded as a major success. Conversely, its investments in Japan Display (JDI) and JOLED resulted in combined losses of approximately ¥300 billion.

Overall, INCJ's performance achieved a Multiple of Cost (MOC) exceeding 1.8 and returned ¥334.1 billion in corporate taxes to the national treasury (Akashi, 2025). These figures demonstrate that INCJ, as a public-private fund, has achieved certain results.

While the KPIs demands of public-private funds are said to be low, 60% of these funds (14 funds) have fallen into the red, raising questions about their performance (Nihon Keizai Shimbun,2025). Within this context, INCJ has generated nearly double the profit, arguably making it the top performer among public-private funds.

1.6 Stance and Research Process of this Project

Evaluations of INCJ vary significantly depending the aspects of its activities highlighted, the methods of verification, and the assumptions made. This project evaluated the activities of INCJs from multiple perspectives. Please note the

following points.

1) We conducted a case study for cases with suggestive content. However, for other aspects, we endeavored to evaluate INCJ's 15-year efforts holistically rather than analyze the success or failure of individual investment cases.

2) This project focused not only on financial outcomes but also on the non-financial results generated by INCJ's activities.

3) We endeavored to conduct interviews not only with INCJ-provided data and interviewees but also with supported companies and their related organizations. However, depending on the theme, some subjects refused to provide data or information, or imposed restrictions on their disclosure. Consequently, these findings and data were not included in the analysis or were not comprehensive.

4) Discussions and consultations with INCJ occurred during the research; INCJ did not intervene in the content beyond pointing out factual errors or confidentiality concerns. Overall, we were able to conduct the investigation into INCJ's outcomes from a neutral standpoint and in a multifaceted manner.

Below, we outline the investigation content for themes such as INCJ's start-up support, new market formation, carve-out support, human resource development and supply, and regional revitalization.

2 INCJ Startup Support

INCJ made 116 startup investments: 107 direct investments and 9 strategic LP investments, totaling ¥235.1 billion. While startups accounted for 80% of INCJ's total investment deals, they represented only about 21% of the total investment amount. Of the 107 invested companies, 16 (15%) achieved an IPO. Given that government investment in startups for FY2023 reached approximately ¥2.2592 trillion (Venture White Paper, 2024), INCJ's investment in startups accounted for approximately 10% of this total, demonstrating a significant presence.

To avoid crowding out private investment, INCJ has focused on high-risk, large-investment projects, particularly those centered on deep tech. These fields require significant time for growth, involve high uncertainty, and yield contrasting results. Notably, INCJ conducted its investments under these constraints.

2.1 Evaluation of INCJ's Startup Investment and Economic Performance

Honjo and Takahashi (2025) analyzed INCJ's investment performance in the start-up sector by combining data submitted by INCJ with multiple other databases.

For direct investments in start-ups alone, INCJ's MOC was 0.9, below 1. However, including strategic LP investments, the MOC exceeded 1.1, turning positive. Although these results alone do not necessarily indicate a high performance, they are not significantly low. Incidentally, 34 investments (32%) generated returns, with 5 (5%) exceeding MOC 5. However, no home-run cases exceeded an MOC of 10.

Next, comparing INCJ's performance with that of PVCs over time shows that INCJ's performance improves annually, suggesting a higher learning effect compared with other VCs. This indicates that, without the 15-year time constraint, INCJ achieved an even higher performance.

A characteristic of INCJ's exit strategy (investment recovery) is that M&A s accounted for 80%, while IPOs accounted for only approximately 10%. While IPOs are generally preferred as an exit strategy in Japan, the high proportion of M&A s in INCJ's portfolio likely resulted from the effective

utilization of its extensive network. Furthermore, INCJ's exit strategy was influenced by the size of the portfolio companies: larger companies tended to exit via IPO, while smaller companies tended to exit through the withdrawal of support.

Furthermore, by examining the post-IPO stock price performance of portfolio companies that went public, it is difficult to conclude whether being an INCJ investment significantly influenced their performance. Conversely, the stock prices of companies that acquired INCJ portfolios tended to increase after acquisition. This suggests that the shareholders of the acquiring company viewed the acquisition of an INCJ-backed company positively.

2.2 Evaluation of INCJ's Startup Support

INCJ provided hands-on support by sending outside directors to start-up portfolio companies, excluding these three firms. Okuda, Sawatani, and Kanai (2025) evaluated the effectiveness of various support measures provided by INCJ to its portfolio companies, the outcomes achieved, and how the portfolio companies perceived this support through questionnaires and interviews with the parties involved.

INCJ's support activities for portfolio companies were termed "value-added activities." To assess their effectiveness, the specific types and extent of support that added value to portfolio companies were measured based on the subjective assessments of both INCJ and supported companies. The support content was categorized into three areas: 1) R&D support, 2) Business growth support, and 3) Market expansion support. The outcomes are defined as: 1) Sales growth/business growth, 2) Enhanced fundraising capabilities, and 3) Signaling effect. The relationships among these factors were also examined.

The results showed that stakeholders perceived INCJ investments as enhancing a company's social credibility. Furthermore, INCJ investments increase stakeholder evaluations (business partners, alliance partners, and other investors). Overall, it was confirmed that multifaceted INCJ investments enhance a company's social recognition. Additionally, INCJ and investees shared similar perceptions regarding the effectiveness of support.

However, examining specific support activities revealed perception gaps between the provider and recipient. For instance, INCJ valued its "support in developing management strategies and business plans" more highly than the recipient companies. Conversely, recipient companies valued INCJ's "support in introducing stakeholders" more highly than INCJ perceived itself. Both parties felt that support for overseas expansion and R&D was weak.

Furthermore, Okuda, Sawatani, and Kanai (2025) demonstrated through the Astroscale case that INCJ's investments and value-added activities generate a signaling effect, demonstrating reliability and future potential for external stakeholders such as other investors, customers, and job seekers. Notably, INCJ's substantial investment in Astroscale served as a signal, prompting private investors to follow suit. These findings offer valuable insights into how future public and private funds should support their portfolio companies.

2.3 Impact of INCJ's Startup Support on Portfolio Companies' Networks

Yokoyama, Oe, and Shindo (2025), as well as Hamamatsu, Ichikoji, Nakano, and Fujita (2025), examined the impact of INCJ's support on the networks of its portfolio companies.

According to Yokoyama, Oe, and Shindo (2025), INCJ extensively introduced investors and companies to its portfolio firms (described as "affection"). This expanded the portfolio firms' networks and enabled them to gain ego-mediated centrality within their own networks (ego networks), thereby strengthening their positions. Furthermore, higher ego-betweenness centrality was found to positively influenced future IPO success rates and the number of patents generated.

Hamamatsu, Ichikoji, Nakano, and Fujita (2025) conducted detailed case analyses of seven

companies supported and successful under INCJ. Assuming that portfolio companies' outcomes are influenced by the relationships between GVC (i.e., INCJ) and portfolio companies as well as between portfolio companies and their stakeholders, they examined what types of relationships and conditions among these entities can enhance portfolio company outcomes.

They proposed the following hypotheses: 1) When the GVC proactively and flexibly supplies substantial risk capital that PVCs cannot provide, it enhances supported companies' outcomes (financial support). 2) When the GVC introduces supported companies to government agencies or infrastructure providers, it enhances their outcomes (business support/credit enhancement). 3) When the supported company is a spin-off, the GVC acts as an intermediary between the supported company and its parent company, diluting the parent company's influence, thereby enhancing the supported company's performance (spin-out support).

These research findings indicate that rather than examining INCJ's support and its outcomes in isolation, it is necessary to consider synergies between supporters and support measures. They also show that INCJ's support impacts not only the supported companies but also the stakeholders involved. This suggests important points to consider when designing new support schemes for startups.

3 INCJ's Creation of New Markets

INCJ has actively invested in newly emerging markets (such as space and pharmaceuticals) that are difficult for private entities to invest in because of high risks and factors such as social impact. INCJ's large-scale investments in such markets attracted investments from private companies.

The space industry is a new industry. Simultaneously, from the perspective of security and defence, its development began overseas with substantial state support. Although the Japanese government announced its "Space Industry Vision 2030" in 2017 and began fostering the space industry, INCJ had already recognized the potential of the space industry and began investing as early as 2016.

The space industry is perceived as a new market with high risks and large investment requirements, which makes it an area in which private companies find it difficult to engage. Despite the emergence of multiple startups in Japan and the high funding demand, investment levels have struggled to grow. INCJ's large-scale investment in this sector prompted private companies to follow suit, demonstrating INCJ's catalytic effect.

Liu (2025) examined INCJ's investments in space startups, specifically in four companies: Astroscale, QPS Institute, ispace, and Axelspace. While the nature and level of INCJ's support and commitment varied for each startup owing to differences in their business models, all four companies (with Axelspace scheduled to go public in August) achieved an IPO with INCJ's backing.

The Astroscale case is particularly noteworthy. This is because INCJ made its first investment in this startup company dedicated to recovering space debris. After INCJ decided on a $30 million investment (approximately ¥3.4 billion at the time) in 2016, the company experienced launch failure. Nevertheless, INCJ continued with additional investments in 2018, enabling private investors to remain committed and follow suit. Consequently, the company was listed on the Growth Market in 2024.

Deep tech ventures typically take to 7–8 years from founding to reach an M&A or IPO, with success rates of less than 10%. Thus, INCJ's investments in space and drug discovery can be considered highly successful. Following INCJ's investments in these new industries, multiple domestic VCs covering deep tech areas emerged, such as ANRI, Beyond Next Ventures, Real Tech Holdings, and Coral Capital.

Furthermore, Japanese deep-tech startups have attracted the attention of overseas VCs. While foreign investment accounted for only 5% of the

total investment in 2014, it has increased, albeit slowly, to 8% in 2024. It can thus be inferred that INCJ investments played a significant role in accelerating this trend.

4 INCJ's Promotion of Open Innovation and Business Restructuring

One long-recognized challenge for Japanese companies is their failure to leverage untapped resources within their organizations. For example, while Japanese companies secure numerous patents, the utilization rate remains at approximately 50% (Japan Patent Office, 2024). Furthermore, even when promising seeds emerge from R&D, they are often crushed by various internal politics and power dynamics during the commercialization process, preventing their realization—a significant challenge. One approach to solving such problems is carve-outs. INCJ has been actively pursuing open innovation, particularly carveouts.

Fukushima (2025) examined the carve-out and subsequent carve-in processes of the NMR Division at JEOL Ltd. This case represents INCJ's first successful example. Although small in scale, it achieved an MOC of 2. However, this process was fraught with challenges.

Securing internal consensus for the investment decision to carve out the NMR business, a loss-making division at JEOL, proved difficult within INCJ. Furthermore, during the support process, various conflicts arose because of differences in culture and approach between INCJ and the supported company (JEOL RESONANCE). However, through hands-on involvement, including deploying management personnel, modifying work practices, and investing substantial R&D funds, INCJ gradually shifted the supported company's mindset, accelerated development speed, and ultimately succeeded in significantly improving the spin-off company's performance. The parent company, JEOL, also seized the opportunity presented by the NMR division's carve-out to undertake its own organizational transformation, which it successfully executed. This case exemplifies an ideal scenario where INCJ's financial strength, resource mobilization capabilities through its extensive network, and hands-on management skills were fully leveraged.

Compared to startups, carve-outs involve numerous stakeholders and existing constraints, making stakeholder coordination and management complex and challenging. However, this case demonstrates how carving out a business that became unmanageable for a private company and introducing a public-private fund can unlock the value of dormant resources within large corporations. It also shows that carve-outs can serve as an opportunity for the parent company to restructure its entire organization.

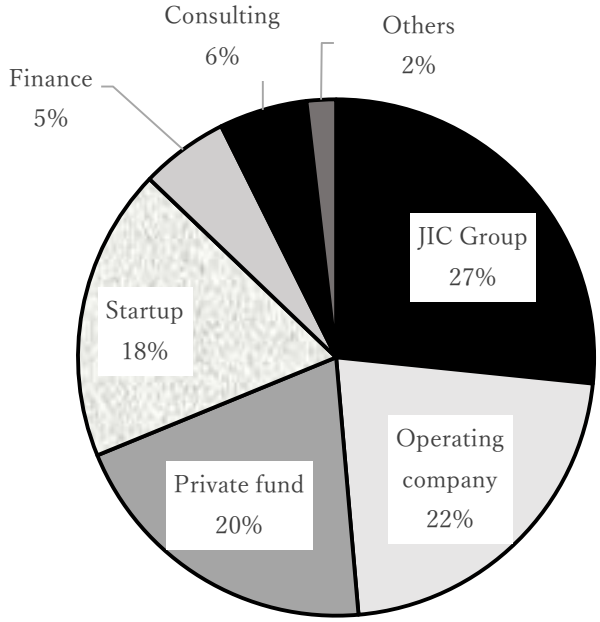
5 Supply and Development of INCJ Investment Professionals

Human resources undoubtedly constitute INCJ's core competency. INCJ was established in 2009, immediately following the Lehman Shock, a period when talented professionals were highly mobile. The backgrounds of those who joined INCJ were diverse, including fund managers, securities firms, consultants, manufacturers, advisory firms, banks, trading companies, information and communications companies, laws, and patent firms. This diversity likely contributes to the variety of management resources and services provided to portfolio companies.

Kobayashi and Ohira (2025), examining INCJ's talent development effectiveness, analyzed the career histories of 145 INCJ investment professionals (employees engaged in front-office investment roles). Of these, 109 individuals were tracked post-departure: 29 were transferred to the INCJ Group (JIC), 22 moved to private funds/VCs, and 20 joined startups or became entrepreneurs. This means that 65% transitioned to either the investing or investee sides (Figure 1). Notably, several emerging managers forming their own funds are INCJ alumni.

This project also addresses INCJ's organizational management philosophy and its implementation. Koichi Nomi, its founding president, stated, "In hiring, we prioritized qualities like public-mindedness, teamwork, and curiosity over sheer excellence" (Kobayashi & Ohira, 2025). Recruitment did not require prior investment experience, and the organization prioritized on-the-job training (OJT) for talent development. It aims for multifaceted follow-up and evaluation by top management and supervisors. Beyond annual bonuses, it distributes carry shares, creating an incentive-based compensation system. The compensation was not significantly inferior to that of private funds. This policy was carried forward by subsequent Chairman Toshiyuki Shiga and President Mikihide Katsumata.

Figure 1. Destinations after leaving INCJ



Source: Kobayashi & Ohira (2025)

Thus, INCJ attracted personnel from diverse backgrounds. They were imbued with a public mindset and a sense of mission, transforming INCJ into a training ground for investment professionals. Several individuals from this pool have emerged as professional investors or entrepreneurs.

INCJ hopes that those who gained experience at INCJ and subsequently moved to funds, startups, or entrepreneurial ventures will continue their activities while maintaining connections as INCJ alumni.

6 INCJ and Regional Development

One of the roles expected of INCJ was to revitalize the regional economy. Private venture capital investments are heavily concentrated in Tokyo, accounting for 77% of all investments (Venture Enterprise Center,2025). While INCJ's investments in regional areas are limited, 30% of its investments are outside Tokyo, indicating a more dispersed geographical distribution of its supported companies (Table 1, Figure 2).

Table 1. INCJ Investment Destinations by Region (% excludes overseas)

Prefecture	No. of investments	Prefecture	No. of investment
Tokyo	80 (70%)	Chiba	1 (0.9%)
Osaka	10 (8.8%)	Shizuoka	1 (0.9%)
Kanagawa	8 (7.0%)	Gifu	1 (0.9%)
Hyogo	3 (2.6%)	Aichi	1 (0.9%)
Miyagi	2 (1.8%)	Shiga	1 (0.9%)
Fukuoka	2(1.8%)	Tokushima	1 (0.9%)
Hokkaido	1 (0.9%)	Kyoto	1 (0.9%)
Ibaragi	1 (0.9%)	Oversees	36

Source: INCJ website

Figure 2. Prefecture invested by INCJ

Furthermore, INCJ's support for regional startups has contributed to the revitalization of local economies. Tamai and Takahashi (2025) noted that regional startups face disadvantages in accessing venture capital compared to those in the Tokyo metropolitan area. They examined the case of the QPS Institute, a regional company that received INCJ support, and explored the reasons for this.

QPS Laboratories is a space industry startup for the development of small SAR satellites. Despite its regional location in Fukuoka, it reached INCJ

through introductions from local VCs and personal networks, thus becoming an investment target. Furthermore, one INCJ member, recognizing the company's potential, joined QPS Laboratories.

Subsequently, aided by favorable national policies for the space industry, the company successfully secured investment from INCJ and was listed on the Tokyo Stock Exchange Growth Market on December 6, 2023. Since its founding, the company has collaborated with 20 manufacturing SMEs in the Kyushu region. Consequently, its IPO and growth are expected to contribute to the formation of a space cluster in Kyushu (Liu, 2025).

Kuroda, Sugimoto, and Nomura (2025) highlighted INCJ's support for LCCs, contributing to regional economic revitalization. INCJ invested in Peach Aviation when it was established as an internal venture of Nippon Airways (ANA). Subsequently, the company expanded its regional routes and revitalized the regions from where its flights originated. INCJ reportedly supported the management decisions of Peach Aviation, as it sought to expand regional routes and ensured that there was no interference from its parent company, ANA.

Thus, INCJ has contributed to regional revitalization both directly and indirectly through its investments. Investors tend to limit their investments to specific regions. In Japan, large corporations and startups are concentrated in the Tokyo metropolitan area, making it the primary focus of investment. Regional start-ups also have this potential. However, reaching investors is costlier for them compared to startups in the capital region. Consequently, regional startups struggle to gain attention and become investment targets unless they have special advantages such as university connections or policy support. Amidst these circumstances, INCJ has demonstrated strong sourcing capabilities by focusing on regional agriculture and manufacturing SMEs, leveraging its extensive network to discover promising companies.

7 INCJ's Achievements and Future Challenges

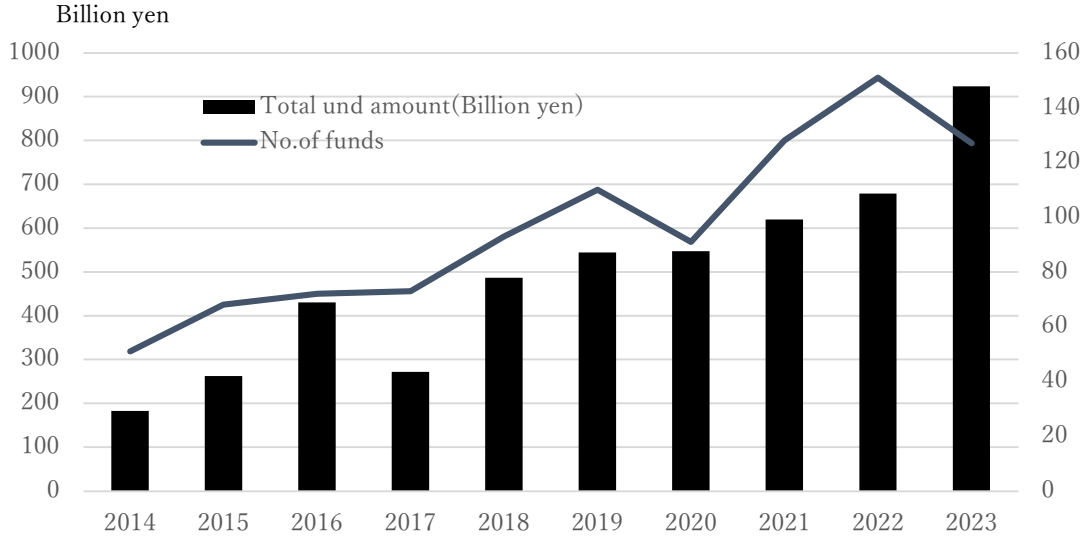
7.1 INCJ's Achievements as a Public-Private Fund

While INCJ, a public-private fund, often receives attention primarily for its financial results, as previously noted, it has also delivered non-financial outcomes. Furthermore, INCJ's impact extends beyond direct activities, such as investment; its existence appears to have indirectly influenced Japan's start-up ecosystem.

First, the number of start-ups and venture capital firms in Japan has steadily increased since 2009 (Figure 3, Figure 4). In 2022, the Japanese government formulated a five-year start-up plan that initiated nationwide support. Although this trend did not arise solely from INCJ's contributions, the trickle-down effect triggered by INCJ's investments indirectly helped advance national policy, heightened domestic start-up momentum, and promoted increased risk capital and fund formation.

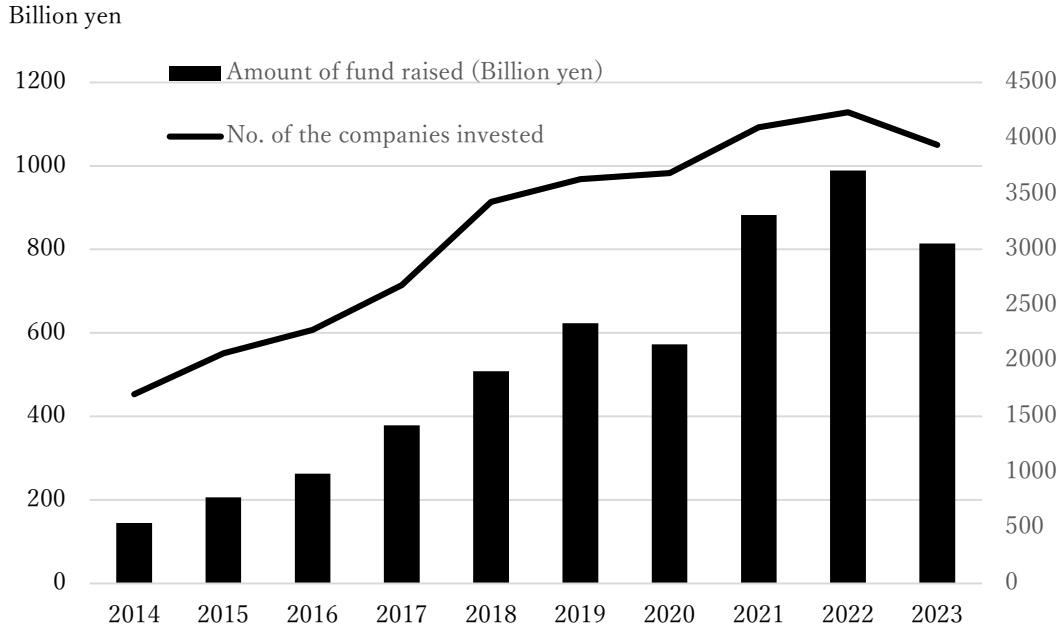
Furthermore, this survey suggests that INCJ has contributed to building Japan's startup ecosystem not only financially but also through human capital, network formation, and the sharing of knowledge and information.

Figure 3: Funding Amounts and Number of Domestic Startups



Source: Speeda Startup Information Research

Figure 4: Trends in Domestic Startups and Fund Formation



Source: Speeda Startup Information Research

7.2 Remaining Challenges

The following challenges remain in INCJ's experience. First is the exit strategy. INCJ's IPO cases have been criticized for being small in scale. This is likely because, despite INCJ investing heavily in deep tech requiring long growth periods, it was a time-limited organization due to its sunset clause, which prevented it from "taking time to nurture investments thoroughly." Moving forward, INCJ will be absorbed into JIC, which will

continue its activities. However, JIC has a long investment horizon, with operations scheduled to continue until 2050. When investing in time-intensive areas such as deep tech, it is essential to have the flexibility to choose the timing of exit strategies.

The second is INCJ's impact on companies, particularly large corporations. INCJ created several successful carve-out cases and contributed to open innovation within Japanese companies by introducing startups for M&A. However, the extent to which these achievements influenced large corporations and changed their perspectives on or awareness of startups remains unclear.

Finally, the fundamental question regarding the existence of GVC remains: how long will risk capital remain dependent on the government? Criticism within society regarding the use of tax money for risk capital has always existed, and INCJ has borne the brunt of this criticism.

Certainly, it would be preferable if GVCs did not exist. However, in countries such as Japan, where PVCs outside the US and Israel are underdeveloped, the role of GVCs is becoming increasingly important for industrial revitalization and startup cultivation. Japan appears to have a significant need for GVCs.

In response to the criticism of GVCs a robust theoretical justification for their existence needs to be developed. Furthermore, as PVCs grow in Japan, it is essential to consider the kind of relationship GVCs should have with them and the raison d'être of GVCs.

7.3 Research Challenges for INCJ

As mentioned earlier, this project did not provide a comprehensive evaluation of INCJ's activities. Although the INCJ Research Project contains some important topics: INCJ's support for overseas expansion (Toyama et al., 2025); INCJ's support for university-spinoff ventures (Fukushima & Mitsui, 2025); The role and effectiveness of INCJ's mentoring and sounding-board functions for portfolio companies (Yui, 2025); INCJ's loan-inducing effect (Kobayashi, 2025); startup investments and gender (Kazumi, 2025), it can not cover other topics such as impact investing and ESG-focused fund management, interactions and synergies with other startup support entities (PVCs, local governments, banks, etc.), developing methods to measure the crowding-in effect, and examining specific investment failures. Many issues remain that the INCJ project could not fully address. In particular, Japanese startups facing a shrinking domestic market should have examined internationalization as an activity for growth. However, it could not be pursued due to various circumstances.

This project faced numerous constraints, limiting the themes that could be addressed. Data constraints were especially significant; investment cases involve sensitive information, and portfolio companies remain active even after investments are concluded. Information regarding stakeholders was often unavailable, and requests for interviews or data were sometimes refused. Researchers in social sciences often encounter such barriers, and this project was no exception. Furthermore, the project duration was predetermined to be less than one year, imposing significant time constraints.

While some regrets remain, this examination of INCJ's 15-year experience is invaluable and offers insights for both academics studying startups and practitioners. I believe that several essays in this work should be published internationally and used for comparative studies with other countries. I also wish to continue advancing this research if possible.

I sincerely hope that the lessons from INCJ's experience will be utilized by future generations, further accelerating the creation of startups and open innovation, thereby bringing new opportunities and vitality to Japan's economy.

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