

## Innovation Management

# Promoting R&D under an Open Structure That Advances “Mobility” and “Living”

The world of mobility, beginning with automobiles, has been evolving dramatically over the past several years. Honda regards this major wave of change as an opportunity to transform itself. To the present, Honda has created original technologies and products based on unique ideas through in-house development of technologies. On the other hand, this approach took time, which also included the development of human resources. In this age of massive and rapid change, Honda will leverage its own strengths while strategically incorporating external technologies and business ideas with the aim of achieving further growth. Specific examples include an alliance with Singapore-based Grab Inc. for motorcycle sharing services and an alliance with General Motors for the development and production of fuel cells. In the future as well, we will strive for alliances that can further expand and complement Honda’s strengths.

In January 2017, Honda exhibited products for the first time in 10 years at the Consumer Electronics Show (CES) 2017, the world’s largest trade fair in the consumer electronics industry held in the United States. At this event, Honda announced its open collaboration with companies that possess a variety of technologies and know-how extending beyond the boundaries of fields such as artificial intelligence (AI), big data and robotics, as well as the fusion of Honda and external technologies and ideas to create new value.

Honda R&D Innovations, Inc. (referred to as “HISV”), based in Silicon Valley in the United States, is the organization that handled the main exhibits at CES 2017. This involved HISV announcing the results of joint research being promoted openly with startups and IT companies at a research hub established by Honda in 2000 in Silicon Valley.

Honda also established a research hub, Honda Innovation Lab Tokyo, with the aim of promoting open interchanges in Japan in addition to those in the United States. Silicon Valley and Tokyo are places where cutting-edge technology and cultural exchanges flourish because they have optimal environments for spurring innovation.

Meanwhile, in February 2017 Honda announced its plans to establish R&D Center X, a new research and development operation for the purpose of creating new value that works cooperatively with people, targeting 2030 and onward. The Company believes that the evolution of digital technology will bring Honda potentials for value creation and it will take on the challenge of spurring innovation in a wide range of fields based on the concept of “AI × Data × Honda’s strengths.”

However, Honda considers that linkages with business are crucial for creating new things and spurring innovation. It has, therefore, significantly strengthened its operation in charge of business development at the corporate headquarters. The Company has established a structure for ensuring more collaboration than ever before with research centers and that can more quickly create products and services that offer new value.



Exhibit at CES 2017

## T O P I C S

### Collaboration in Motorcycle Sharing in Southeast Asia

In December 2016, Honda began considering business collaboration with Grab Inc., which engages in motorcycle and automobile sharing services in Southeast Asia. Amid the ongoing shift in usage formats from “ownership” to “shared use” of products, both companies will strive to realize a business for motorcycle sharing in Southeast Asia. Additionally, the companies will work on the mitigation of traffic congestion in urban areas, promote environmental and safety initiatives and provide further “security, safety and convenience.”

## T O P I C S

### Honda Riding Assist Wins Three Awards

The Honda Riding Assist motorcycle, a concept model of Honda’s self-balancing motorcycle, won three awards at CES 2017. These include the Best of CES 2017, “Best Innovation” and “Best Automotive Technology” awards sponsored by Engadget\*1, the official partner of the Best of CES Awards. The Honda Riding Assist also won Best of CES “Editors’ Choice Awards” sponsored by the U.S. magazine *Popular Mechanics*\*2.

\*1 Engadget is a multi-language technology blog that exhaustively covers topics related to electrical appliances and gadgets.

\*2 *Popular Mechanics* is a technology magazine that has been covering a broad range of topics such as automobiles, houses, outdoor activities, science and technologies since 1902.



Honda Riding Assist