

Fujisawa Sustainable Smart Town 3

10 Years after the Opening: The Town's Past and Future

Fujisawa Sustainable Smart Town (Fujisawa SST), a smart town with a "100-Year Vision," has reached the milestone of 10 years since its opening in 2014. Panasonic Corp., a large Japanese electronics company, is leading the development of this smart town. The town sits on a former Panasonic factory site and was developed in stages over a 10-year period. All blocks of the town will be completed in October 2024 with the opening of Park Wellstate Shonan Fujisawa SST, a residence for active seniors developed by Mitsui Fudosan Residential Co., Ltd., and Mizuno Sports Plaza Fujisawa SST, a multi-functional community sports facility developed by Mizuno Co., Ltd. (Reference Material 1).

Kimura (pseudonym) is a Panasonic employee who has led this project since its conception. He was transferred to Panasonic's Osaka headquarters in 2018, but returned to the Tokyo headquarters three years later in the fall of 2021. The Tokyo headquarters' department in charge of the Sustainable Smart Town was well aware that Fujisawa SST's 10th anniversary was approaching in 2024, and Kimura and the department staff began to look back at the past 10 years and discuss the vision for the next 10 years.

To realize the "100-Year Vision," Fujisawa SST was developed in stages, with 10 years as a milestone. The first planning document for the town was prepared in 2006, an agreement on the basic concept was announced with Fujisawa City in 2010, and residents began moving in in 2014, making it eight years from the concept stage to the town's opening. The first phase of town development took 10 years. By 2024, ten years after the town's opening, all 566 detached homes had been sold.

Fujisawa SST's master plan was managed by first determining a town concept, then setting overall goals to bring the concept into reality. Then, guidelines and services to achieve those goals were established, and mechanisms and systems to achieve the goals were put in place.

The town concept that Fujisawa SST set out in 2014 was "A town where energy for life is generated." Here, energy refers to the vitality that comes from people living safe, secure and healthy lives and connecting with each other, as well as the practical source of power that is indispensable for realizing this lifestyle.

How should they evaluate the efforts of the past 10 years and how should they carry them over to the next 10 years? Led by Kimura, the Panasonic Fujisawa SST team was about to step into new territory that no one had experienced before.

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The Past 10 Years

Panasonic's perspective

Contribution to Panasonic Group

Over the past decade, Panasonic's product sales at Fujisawa SST have achieved sales approaching 10 billion JPY. Approximately half of sales came from the housing sales business of Panasonic Homes, which handled the detached houses within Fujisawa SST. In addition to selling existing products, the company has also focused on capturing replacement demand and developing new services using new products.

The most distinctive feature of Fujisawa SST was that it challenged itself to create new systems and develop services that did not exist before. It set up a new system of collecting a town management fee¹ from residents and a town management company (TMO)² was established to support the formation of a community within Fujisawa SST and to act as a contact point for various services and incubation activities in the town. New services for residents included car sharing and cycle sharing, which were paid on a per-use basis as the town management fee, and an elderly care service that monitored the use of air conditioning installed in homes.

Launching new businesses and services is quite difficult for a large company because of its size, but Fujisawa SST has been able to increase the speed and success rate of new business and service launches through close ties between industry, government, academia and the public. Panasonic transitioned to a holding company system in 2022, and each business company has been spun off to promote rapid decision-making and individual optimization. As a result, it has become difficult to create new businesses across the group. Over the past 10 years, Fujisawa SST have provided many opportunities for collaboration and set up of new business among Panasonic business companies. More than 100 Proof of Concepts (PoC) and marketing surveys have been conducted, of which 10 have been commercialized (Reference Material 2). The PoC were made possible thanks to the city structure that Fujisawa SST has built and the residents' sense of cooperation.

The corporate observation tours of Fujisawa SST (Reference Material 3) provided by TMO also contributed to fostering a sense of unity within the Panasonic Group companies. Over the past 10 years, 4,222 groups and 40,524 people have participated in the tours. Most of the participants were from companies of Business-to-Business (B2B) or Business-to-Government (B2G) and from different

¹ Residents of Fujisawa SST pay about 10,000 JPY per month to cover the operation and management costs of the neighborhood association, the maintenance and repair reserve fund for shared facilities, and the basic shared management fee for services provided in the town.

² Established in 2013.

business sectors. Participants were not just from Japan, but from over 60 countries around the world. Panasonic's sales of Business-to-Consumers (B2C) home appliances account for about 30% of the group's total sales, with the remaining 70% coming from the B2B solutions business. Through the Fujisawa SST observation tours, Panasonic was successful in showing various cases in their business domain.

There are showcases at other domestic cities where products are displayed, but these are merely a place for the manufacturer to promote the product's functions. Being able to communicate business solutions that are actually in operation, like at Fujisawa SST, contributes to the brand value of the Panasonic Group. It is also possible to have discussions about co-creation business with participants on the tour.

The observation tours, which serve as a showcase for proof of concepts and actual operation, have become one of Fujisawa SST's important non-financial value indicators (a 360-degree value indicator that goes beyond financial indicators such as sales and land sales). Other values include environmental indicators such as the reduction of CO₂ emissions across the city and the promotion of renewable energy through solar power generation in each residence, as well as know-how on co-creation with partners and industry-government-academia collaboration. Through the Fujisawa SST Consortium³ (hereinafter the Consortium), Fujisawa SST has become a place for co-creation among various companies, local governments, and academia. It brought the improvement of Panasonic Group's brand value, which goes beyond simple increase of sales.

Examples of how consortium members use Fujisawa SST: Some consortium members actively promote their activities at Fujisawa SST during the recruitment process. For example, SUNAUTAS Co., Ltd. states in its recruitment brochure as a company that provides total mobility at Fujisawa SST. They also conduct internships at Fujisawa SST. Sumitomo Mitsui Trust Bank does the planning of the Fujisawa SST Culture Festival, which is held every November, as part of their new employee training.

The results of the last 10 years

Kimura wrote the first proposal for Fujisawa SST in 2006. For the next 8 years from then until the town's opening, he devoted himself to internal coordination. Although internal coordination tends to be inward-looking job, he monitored the trends of rival manufacturers and gained recognition by external parties by obtaining subsidies from local governments, etc., until the town finally opened. He realized that the strong and unwavering conviction of the project leader is important to realize the coordination.

Meanwhile, as the town was built, people started living there, and various demonstration experiments

³ A consortium set up in 2013 to implement projects for Fujisawa SST. Members were mostly member companies. It was named Fujisawa SST Consortium on 1 October 2024 after a reorganization.

and events were held, Fujisawa SST gained recognition from the outside. Kimura reflected that external supporters were the key that made the town get this far. Demonstration experiments that made use of the Panasonic Group's overall strength, the renewal of observation tours, and continued dissemination of new initiatives to society created fans of Fujisawa SST. These fans have continued to watch over and appreciated Fujisawa SST's efforts.

The residents of Fujisawa SST began to make positive proposals for the future even though they made occasional complaints as well. They have also begun to say that they enjoyed living in this town.

Kimura felt that the progress they have made over the past 10 years was very much appreciated.

Summary of services

To realize the town concept, Fujisawa SST has developed various services in five areas of: energy, security, mobility, wellness, and community. In the spring of 2020, five years after the town opening, an online survey was conducted among residents regarding these services.⁴

Nearly 80% of respondents said they appreciated the energy sector (numerical targets: a 70% reduction in CO₂ emissions, 30% or more renewable energy usage, to assure the supply of water, electricity, gas, etc. for at least three days, and visualize energy consumption through the Home Energy Management System (HEMS)). Over 70% of respondents appreciated the security sector (four-layer gateless security, security cameras, patrols, home security), while 60% appreciated mobility (car sharing, rental cars, bike sharing, charging spots) and community (community support, events), and over 50% appreciated wellness (wellness squares, nurseries, cram schools, after-school care, clinics).

Energy

The unique features of the detached houses at Fujisawa SST are the visualization of energy usage through the introduction of HEMS and the use of renewable energy through solar power generation equipment installed on the roof. Over the past 10 years, the numerical target of a 30% renewable energy utilization rate has been achieved, and purchasing renewable energy generated by solar panels has become a source of income for each residence. Other numerical targets have also been largely achieved. Smart houses have become commonplace now, but in 2014, detached houses with the concept of energy management, equipped with power generation and storage batteries, were rare.

The initial goal of making energy usage visible within detached homes has been achieved, but utilizing that data remains a challenge for the future.

The Eco Life Recommendation Report⁵ was launched free of charge for two years with a subsidy

⁴ There were responses from 288 people.

⁵ A report showing the household's monthly electricity usage and CO₂ emissions, as well as the ranking within the group.

from the Ministry of Land, Infrastructure, Transport and Tourism, and after that, a fee was charged and volunteers were solicited, but there were not enough applicants and it did not become a business. Although it was significant as a report to inform residents of how energy is consumed and generated in their daily lives, and the relationship between the use of home appliances and lighting and energy consumption to help them make full use of smart houses, it did not become a service that residents were willing to pay for.

Yamato Transport, which is responsible for parcel delivery within Fujisawa SST, also had the idea that predicting whether customers would be at home could reduce the need for redelivery, but did not turn it into a service.

Security

The security concept of Fujisawa SST is to protect life in the town with four layers of security: space (gateless), home (home security), town (security cameras), and people (human patrols).

As an approach to "space," the number of entry points into the town has been limited to six.

The approach to the "town" involved installing approximately 50 security cameras with street lights throughout the town. Ownership of the security cameras belongs to the Fujisawa SST Committee⁶ (hereafter referred to as the Committee), while ownership of the street lights belongs to Fujisawa City, the local government. Fujisawa SST's security cameras are an ambitious initiative nationwide, with ownership jointly managed by both the private and public sectors.

For "homes," security systems with intrusion detection, fire detection, and emergency reporting features were installed in each house as part of the town services.

Although no serious security incidents occurred in the city in the past 10 years, the cancellation rate for home security systems for each residence reached to approximately 30%. One of the reason of cancellations were that home security systems had additional services (such as health consultations), but awareness of these additional services remained low. Also, home security could not be turned on if there were pets in the residence when the residents went out because the system mistakenly detected the movement of pets as an intruder.

Home security companies are also responsible for patrolling around town. In Tsunashima, Yokohama, Kanagawa Prefecture, and Suita, Osaka Prefecture, where Panasonic's Sustainable Smart Town business has been rolled out, home security systems and patrol services are provided as a set as a town service.

Residents over the age of 50 cited the "safety and security" concept as a reason for purchasing homes in Fujisawa SST.

Mobility

In the mobility sector, car sharing and rental car services have been offered to help residents live a life

⁶ Neighborhood association organization of Fujisawa SST. In addition to residents, business operators who operate within Fujisawa SST are members.

without a car, but over 80% of residents in Fujisawa SST own their own car. There are 20 car-free blocks (apartments without parking spaces), and the remaining units each have one parking space, so giving up one car completely has not become the majority of Fujisawa SST residents.

Various ideas such as a community bus linking Fujisawa SST and Fujisawa Station and on-demand transportation were tried, but the problem was that the issues were not easily identified even when need surveys were conducted among residents for commercialization. It was also difficult to set up a business model that could recover the amount of investment.

Regarding car sharing, since it is difficult for residents who currently own their own cars to jump straight into car sharing, they are encouraged to first change their current cars to EVs, which have a smaller environmental impact. The aim is to let people know that car sharing is an option when considering purchasing a second car. For car sharing, all three cars at two smart spots in the city have been replaced with EVs. In the future, they plan to capture the needs of "short rides."

The bicycle sharing service has gained a certain number of users and has become a well-established town service. In response to many requests to increase the number of bicycle sharing spots, four more spots were added in the summer of 2024. As a result, the number of bicycle sharing spots in Fujisawa SST increased from two to six, and the number of bicycles increased from 15 to 40.

Wellness

In the Fujisawa SST concept book, the initial initiatives in the wellness field were listed as data linkage through ICT, EHR (Electronic Health Record), and PHR (Personal Health Record, medical data that records an individual's health and physical information), but these have not been realized in the past 10 years. The reason for this is that there were no companies among the consortium members that had strengths in these fields. For example, the main players in EHR are medical professionals, and there are no hospitals in the consortium. There were also no companies that develop systems in the medical field.

Originally, it was expected that a Panasonic Group company would take on the business in this field, but later the decision of not to take this up as a business was made. In the absence of EHR or PHR, activities about wellness over the past 10 years were without data integration.

The key output of these 10 years is the operation of Wellness Square, which includes senior housing with services, a cram school, a nursery school, a pharmacy, and a special nursing home for the elderly. Consortium members such as Gakken Cocofump Co., Ltd. have taken the lead in developing initiatives that are primarily focused on services for the elderly.

On the other hand, the consortium did not have any businesses targeting the 30-40 age group, which made up the majority of residents, and so there was a lack of approaches to this age group. As part of STEAM education, a service aimed at acquiring non-cognitive skills was considered, mainly by Gakken Inc., but it did not come to fruition.

When the town opened and people started moved in, the majority of residents were in their 30s and 40s, but now, 10 years later, they are in their 40s and 50s. Looking ahead to the next 10 years, the company

is considering expanding its services to these generations.

Outside of Fujisawa SST, Panasonic Homes and Gakken are collaborating to sell KODOMOTTO homes⁷, a new type of housing aimed at families raising children. These homes have been well-received, and even after initial specifications of KODOMOTTO were updated, hundreds of homes have been sold nationwide⁸. This project was only possible because of the collaboration with other industries, such as Fujisawa SST.

Community

In community activities, the main focus was on guiding people to love the town and get involved, in order to invigorate incubation activities within Fujisawa SST. This was very much in line with the town's original vision.

One of the activities was events that attract people from inside and outside the town. More than 100 events were held each year, organized by the committee, TMO, or the Shonan T-SITE shopping facility in the town. The event that attracted the most visitors was the Fujisawa SST Culture Festival, held every November, with participants⁹ increasing from around 1,300 in 2016 to over 4,800 in 2023, a 3.5-fold increase over the seven years.

These activities also played a role in getting people outside of Fujisawa SST to know about the city.

Fujisawa SST implemented a Town Portal as a community infrastructure (Reference Material 4). The Town Portal allows residents to check information from facilities within Fujisawa SST, view minutes of committee meetings, and make reservations for various town services (bicycle sharing, car sharing, etc.). Each resident is given an account. Of the 566 households, 91% are registered, with around 50 unregistered. The average number of active users from fall 2023 to summer 2024 was 267 per week¹⁰.

The switch to the new portal took place in March 2020. At that time, all households had to re-register. This was during the COVID-19 pandemic, and it was not possible to gather people for the explanatory sessions on the switchover, so the registration process did not proceed smoothly. As a result, the number of people registering did not increase, but thanks to the committee's proactive efforts to promote use, such as by holding registration meetings and asking other residents to register, the registration rate increased.

The consortium also made efforts to keep the information up to date by asking business operators within Fujisawa SST to post information at least once a month.

Through these steady efforts, the Town Portal has taken root as information infrastructure for residents.

⁷ Within Fujisawa SST, there is only one KODOMOTTO house, which was built as a model house (now sold).

⁸ The KODOMOTTO specifications is an option for homes sold by Panasonic Homes.

⁹ Includes the staff performing at event booths and exhibitions.

¹⁰ A user that log-in at least once a week.

It was originally designed as infrastructure to provide personalized information tailored to the interests of each residence, but after 10 years of operation, the KPI has been set as its function as community infrastructure for the town, rather than personalization.

Institutional challenges

Panasonic's Fujisawa SST team has identified three organizational challenges over the past 10 years: 1) a weakening of awareness, 2) a decline in service creation capabilities, and 3) a sense of stagnation in co-creation activities.

The weakening of awareness was mainly due to personnel transfers at the consortium member companies, and there were cases where the town's vision and the thoughts of each person in charge were not properly passed on when they were transferred. At the town planning stage, people were assigned from each company, mainly from the corporate planning department, but as the development of the town progressed, it was inevitable that people doing operation in the town became involved.

Even if there were people in the top management of each company who shared an unchanging passion for Fujisawa SST, there were cases where this passion did not trickle down to the field level. The stagnation of each company's independent activities has become evident in recent years.

The weakening of awareness is not limited to consortium members, but also applies to the residents who live in Fujisawa SST. In recent years, residents who have taken on the role of officers have been actively leading committee activities around the town, but these people only make up about 50 households, or 10% of all households. Even when town meetings are held, the participants tend to be the same.

There is also insufficient awareness of the role of the TMO, and the consortium's activities are also difficult for residents to see.

In terms of the decline in service creation power and the sense of stagnation in co-creation activities, consortium member companies that do not have a business base within Fujisawa SST are currently finding it difficult to hear directly from the community about what is happening in the town. Some companies get a sense of the town's situation through the annual cultural festival only, and the lack of daily contact with the town maybe leading to difficulty of service creation. Working groups are held in each service area, but collaboration between the service areas has not yet been achieved.

For example, sometimes companies that are not part of the consortium propose to carry out demonstration projects within Fujisawa SST. There are no rules for deciding whether to accept such proposals, and it can take a lot of time to make a decision.

Proposals for demonstration projects within Fujisawa SST are often brought to them by companies and are not necessarily based on the issues facing the town, which makes it difficult to determine the criteria for judgment. Even when demonstration projects are actually carried out, there are many cases where feedback to participating residents is insufficient, leaving residents wondering "What on earth did

I participate in?", which may affect the willingness to participate in the future.

Fujisawa SST Committee: Residents' Perspective

Fujisawa SST has set out co-creation as a way to realize its "100-year vision." When talking about co-creation from the perspective of residents, the relationship with the consortium and TMO is important. Looking back on the relationship between residents and the TMO over the past 10 years, the COVID-19 pandemic was a turning point. The COVID-19 pandemic caused facilities throughout the city to close, and an increasing number of residents began to complain about the TMO, causing the relationship between residents and the TMO to cool.

While co-creation with residents in Fujisawa SST was not progressing smoothly, the Mobility Working Group, which discusses mobility services in the city, became a breakthrough. Around the fall of 2021, residents were suddenly notified that the Smart Spots, which are bases for car-sharing vehicles in the city, would be abolished. This notification ignited the residents' enthusiasm.

Five residents participated in the Mobility Working Group. They discussed the income and expenditure of the mobility services being rolled out at Fujisawa SST, and ways to increase utilization rates. Mr. Sawada (pseudonym), a member of the Working Group and vice-chairman of the committee, said, "Even if you have a car, there are times when a family member is using it and you cannot use it yourself. Rather than just promoting car-free, we are capturing these various needs and designing mobility services for Fujisawa SST together with the consortium, TMO, and residents, all the way up to the income and expenditure, which is a prime example of co-creation at Fujisawa SST. We want to discuss services that provide solid support for mobility within and outside the city from the residents' perspective."

Resident's own communication tool

The Town Portal as a community infrastructure did not quite enhance community engagement. In 2022, Mr. Kato (pseudonym), vice chairman of the committee, took the lead in opening an account using LINE Works' nonprofit organization plan and creating infrastructure to handle communication functions among Fujisawa SST residents (Reference Material 5).

Kato said, "From the residents' perspective, what we want are communication, notification, and schedule functions. I think there was a huge gap between the ideal town portal planned at the beginning and when it went into the operational phase. In the first phase of the town, a "bulletin board" for information about the town was fine, but now we need more communication tools. Even if we wanted to fix the portal from the residents' perspective, renovations would cost money. It wasn't a platform that could respond flexibly to the changing needs of residents, so we started LINE Works to do something about it ourselves."

This LINE Works is for all residents of Fujisawa SST, and about 70% of all households are registered.

Groups¹¹ are created for each activity rather than for one-to-one communication, and residents communicate with each other or with TMO on a group basis. Until then, all communication with TMO was done by email, so it was difficult to track past conversations. Switching to LINE Works solved this problem.

One issue is that the nonprofit organization plan allows only 1,000 accounts, so only one account can be granted per household. For example, if every couple in every household wanted to have an account, more than 1,000 accounts would be required. Also, from a security standpoint, consortium members other than TMO cannot access LINE Works.

In 2024, a new Google account was opened and residents started using the calendar function. Committee members manually input the event information posted on the Town Portal into the Google Calendar.

A passion for urban development with a "100-year vision"

It was around 2021 that the number of residents who were actively involved in Fujisawa SST's community activities increased. Mr. Ueda (pseudonym), who became the chairman of the committee in 2022, played a central role. "At that time, the role of the board of directors was mainly to discuss countermeasures to problems that arose (for example, complaints from residents). I didn't really know what was going to happen next. I thought that action for the future was necessary. I moved into Fujisawa SST in 2020, so I didn't know about Fujisawa SST before COVID-19, but I heard that there were various events, so I made it my goal to revive all the events that were held before COVID-19," he said.

This goal was achieved in 2023. In 2024, an event was held to celebrate the 10th anniversary of the committee, which changed the scene from the previous TMO-led initiative to one in which residents took the initiative in setting up shops (Reference 6).

Collaboration with residents is essential for Fujisawa SST's co-creation, but there are also challenges in communication between the consortium and residents.

Kato said, "I heard that the new structure for the next 10 years would be centered on co-creation incubation (town development with involvement of residents, businesses and all other stakeholders), but I was only asked about the committee's intentions last month (July 2024). I was a little disappointed, as it seems that residents were not the first people we should approach to work together."

Ueda recalls, "When KURA_THINK¹², which exhibited a variety of Panasonic products, suddenly disappeared, some residents thought that Panasonic was withdrawing from the town. In the end, this was a misunderstanding, but some residents took it as a message of that nature."

¹¹ There were groups for management team, for those who watch over elementary school students' commuting to school, mobility workshop, etc.

¹² Exhibition to explore our daily life through Panasonic products. It had areas to relax, for gathering and consultation and was set up in various places in Japan. It was set up in Fujisawa SST from May 2018 to February 2021.

Speaking of his thoughts on the "100-Year Vision," Kato said, "At first, I thought that Fujisawa SST would do something to help create a town that would last for 100 years, but since I became involved as a committee member, my perception has changed to the idea that these 100 years are 100 years that we will create ourselves. I want this to be a town where various problems and complaints are solved through co-creation activities, where residents take the initiative in dealing with issues, and where this culture and activities can be passed on to future generations. I also want it to be a town where it is a win-win situation for businesses."

Ueda said, "We won't be Committee executives forever. Residents' understanding of the Fujisawa SST concept, and their technological literacy, are still not very high. In order to last for 100 years, I think it's important to pass on the culture of 'autonomy' from generation to generation and to create sustainability in the human system. We would like the consortium to take the lead in building the infrastructure, and we would like to create a town where the residents can nurture the infrastructure that is created."

The Town Management Company's Perspective

The Town Management Company (TMO) was established in 2013 to take charge of the new town management system for Fujisawa SST. Since its establishment, the company has not only focused on developing the town, but has also been working on the sustainable evolution and management of the town through subsequent town management projects. The main missions envisioned were to support the formation of a community within Fujisawa SST and to act as a liaison between the community and the various services and incubation activities being developed in the town. The initial plan was for the company to have 10 staff members, but by 2024, 10 years after its establishment, the company has grown to 13 staff members.

TMO's sources of revenue are ① town management fees from residents and facility operators, ② infrastructure-related income (land and facility rental, fiber optic network usage fees, solar power sales, etc.), and ③ corporate-related income (Fujisawa SST observation tours, demonstration experiments, facility management contracts, etc.). The differences from the initial plan are that town management fees are only about two-thirds of what was originally planned, and revenue from Fujisawa SST observation tours was not anticipated, resulting in ② and ③ accounting for a greater share of sales than ①.

The reason for the low town management fee income is that the completion of the senior residence was delayed by six years. Initially scheduled for completion in 2018, it actually opened in October 2024. Even though town management fee income remained lower than initially expected, TMO's management efforts allowed the quality of town services to be maintained and the originally planned town services were provided as scheduled.

Fujisawa SST observation tours (Reference Material 3) have been in high demand from companies and local governments, and when the tours began, they were booked up two months in advance. Tour revenues were almost zero in 2019 and 2020 due to the COVID-19 pandemic, but apart from the past

two years, tour revenues have remained steady. This shows that interest in Fujisawa SST's efforts has not waned, even 10 years after the town opened.

② Infrastructure-related business is almost as expected, and has become a certain degree of regular income.

TMO returned to profit in FY2023, and the total sales of ①, ②, and ③ are just over 200 million JPY.

The key to turning to profit was the review of the services provided to increase profitability. For example, the services provided, such as incubation activities such as demonstration experiments and town meetings (surveys and interviews with residents) and observation tours, were reviewed into value-added services that only Fujisawa SST or TMO can provide. TMO staff who serve as attendants for the observation tours can also speak foreign languages, and the accumulated experience over the past 10 years has expanded the range of questions from tour participants they can answer. From 2024, the "Leaders Session - President's Backstage Talk" will be offered as an option for the observation tour, where tour participants can talk and exchange opinions with the president of TMO.

When the tours were first introduced, most of the questions from tour participants were about installed equipment and technology, but in recent years, they have changed to questions about TMO's management know-how and 10 years of town management experience, and the Leaders' Session was developed to meet these needs. The tour content and fees are scheduled to be reviewed as necessary to meet the needs of the participants.

TMO has four teams. One of these, the Community Services Team serves as the liaison office with residents. The team has been dedicated to supporting the Fujisawa SST community, viewing the first 10 years of the town as a period of creation and construction.

There was a time when pressure from residents intensified due to the COVID-19 pandemic, but with the understanding of committee officials, activities are becoming more resident-led. Over the past 10 years, residents have come to think of town services as their own responsibility, and they believe this has led to a relationship of good tension with the consortium.

The next 10 years

With the transition to a holding company system in April 2022, Panasonic has adopted a new brand slogan, "The power of happiness." In order to balance a better life with a sustainable global environment, the company has announced that it aims to reduce CO₂ emissions by more than 300 million tons by 2050¹³.

Fujisawa SST's town vision continues to focus on the "environment" and "safety and security", but a new value of "health and connections" has been added for the next 10 years. Accordingly, "well-being"

¹³ Approximate annual amount of CO₂ emission of entire Panasonic Group is about 110 million ton.

has been added to original concept of “sustainability”. Going forward, they aim to create indicators of happiness related to wellness services and community services.

When asked what he would like to focus on over the next 10 years, Kimura said, "In order to realize our concept, vision and goals, the two pillars of the town ecosystem are important: town management function and co-creation incubation function. After going through the COVID-19 pandemic, we have once again realized that real, face-to-face relationships and exchanges are important, not virtual. Going forward, we will be conscious of the area and components of the community, and will further advance the Town Parent Project, in which everyone involved is a leading player in the town."

Ten years have passed since the town opened, and the age composition of the residents has also changed. Ten years ago, Fujisawa SST was a town mainly for young families. With the opening of a senior residence with 490 rooms for active seniors in October 2024, it is estimated that in the next 10 years, more than half of the residents, who work in industry, government, academia, and the public, will be over 50 years old.

The target of the community will also change. Until now, Fujisawa SST's target community was the residents living in Fujisawa SST. Over the next 10 years, the community will include people who work at Fujisawa SST (approximately 900 people) and people who visit Fujisawa SST to use the nursery school, clinic, and T-SITE (approximately 300,000 people per year). The service will be based on a large community that includes not only visitors but also people who live outside the Fujisawa SST area (within a 1.5-2 km walking distance). This idea of a large community has been dubbed the “town community.”

The vision for Fujisawa SST over the next decade is to develop a hub for open innovation, with a diverse community at the heart of industry, government, academia and citizens.

Future structure

Until now, the Fujisawa SST Council has been responsible for the Fujisawa SST industry-government-academia collaboration. There was an implicit understanding that only one company per industry could participate in the council, but this was abolished after the 10th anniversary.

As a promoter of open innovation, on October 1, 2024, the organization originally called the Fujisawa SST Council changed its name to the Fujisawa SST Consortium and made a new start with 31 companies and organizations (Reference Material 7).

Three new companies have joined, and the number of local government members and academic members has also been increased. The consortium will be responsible for the co-creation incubation system, while TMO will operate the structure of the town management (Reference Material 8).

TMO, which had previously been involved in the consortium as an observer, will now be involved in Fujisawa SST as the core operating body of the new consortium. In the future, TMO plans to increase corporate-related sales and develop town services that are in line with changes in the attributes of residents.

TMO has spent the past 10 years building up contact points with the surrounding area of Fujisawa SST,

and aims to develop business in the next 10 years. In addition, they are also preparing an infrastructure to collect various data related to Fujisawa SST¹⁴, and are looking to create new lifestyle services that will be born from connecting data.

TMO President Sato (pseudonym) said, "We want Fujisawa SST to be a field where people will think they can understand Japan's future by looking here. We want it to be an open innovation field."

Epilogue

For Kimura, the past 10 years have been a time when he has personally experienced the basics of long-term project management and become able to speak about it as his own management. "First, it is important to determine the goal and then to set the KPIs," he said.

The past 10 years for Fujisawa SST have been the first phase of urban development. It is easy to set milestones during the development stage, but over the next 10 years, with the goal of co-creation incubation, setting milestones will become more difficult.

How can the company continue to receive recognition from the public over the next 10 years? Kimura believes that the reason the company has been able to continue making internal adjustments for over 10 years is because of the recognition and support it has received from "outside Panasonic Group companies." Recognition from the public leads to recognition and interest within the company.

The keyword for the next 10 years is "challenge," Kimura said. He has been busy coordinating with Panasonic Group companies and stakeholders, but he is totally committed to continue taking on new challenges to create a new landscape for the "100-year vision."

¹⁴ In Fujisawa SST, TMO has the agreement that authorizes it to use residents' data for committee activities.

Reference Material 1: Overview of Fujisawa



Approximate Total project area: 19 ha (190,000 m²)

(Source: Fujisawa SST Consortium)

Reference Material 2: Proof of Concept Projects and Commercialized Projects

Proof of Concept

- Perovskite solar cells
- Total town energy management for 70% reduction of CO₂
- Air Quality Demonstration
- Home appliance sharing
- Transparent screen
- Automatic transportation robot
- Town mobility platform service
- Battery sharing, etc.



Perovskite solar cells

(Source: Panasonic)



Automatic transportation robot

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Commercialized Projects

- Green Air-con
- Energy Generation & Storage Smart House Package
- Air-con for Comfortable Sleep
- KURA_THINK Expansion
- Parcel lockers for Yamato Transport
- Safety Monitoring for Senior Housing with Services, etc.



KURA_THINK Expansion

(Source: Fujisawa SST Consortium)



Parcel lockers for Yamato Transport

Reference Material 3: Fujisawa SST Observation Tour Outline (As of Nov. 2024)

Dates: Monday to Friday (excluding weekends, holidays, New Year's holidays, and summer holidays) 3 times a day

Duration: 90 minutes (120 minutes when optional tours are included)

Number of participants: Up to 15 people per session

Languages: Japanese and English

Basic course: "Walking around the city course" or "Model house course"

Tour fee:

1 to 10 participants: 44,000 Yen (Price per group. Tax included)

11 to 15 participants: 66,000 Yen (Price per group. Tax included)

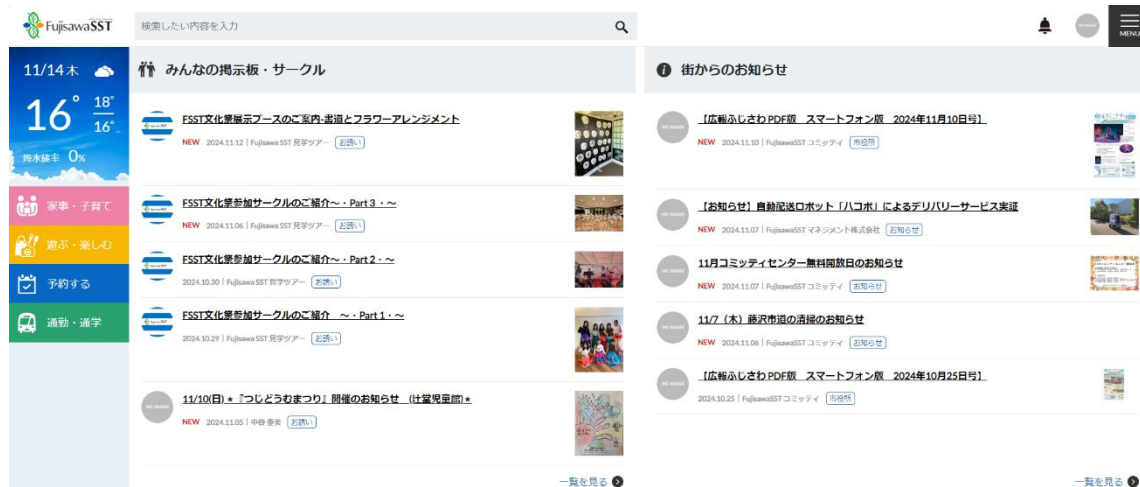
Optional tour: "Automatic delivery robot tour" or "Model house tour"

Optional Tour fee: 11,000 Yen (Additional price per group. Tax included)

Leaders Session - President's Backstage Talk: Additional 1 hour and 100,000 Yen

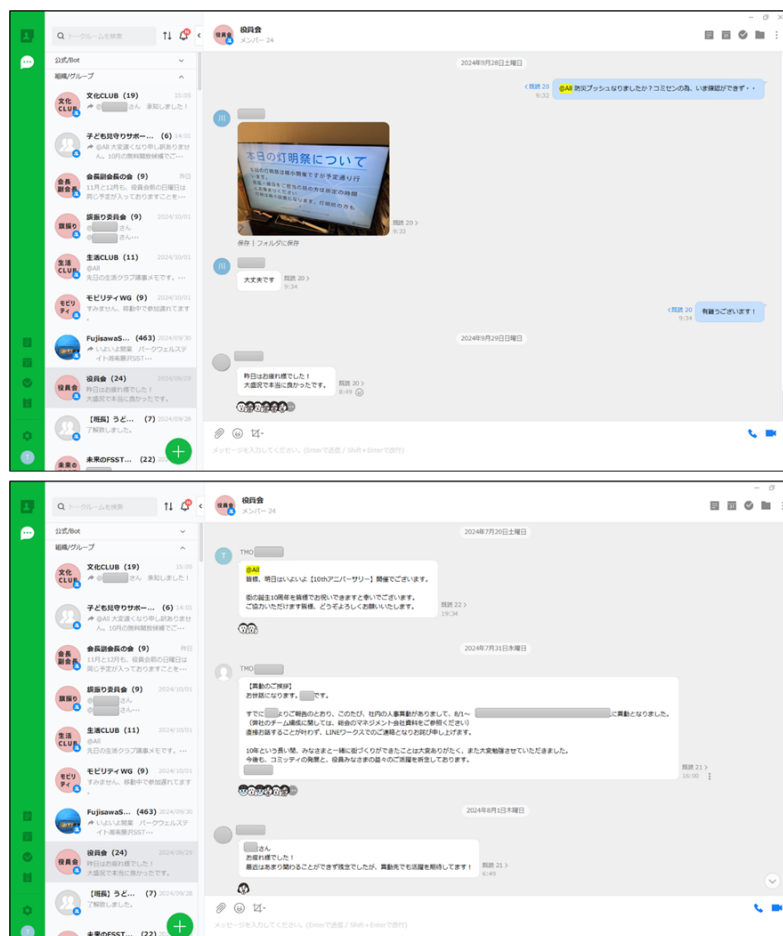
(Source: Fujisawa SST Observation Tour website <https://fujisawasst-tour.revn.jp/>)

Reference Material 4: Town Portal



(Source: Fujisawa SST Consortium)

Reference Material 5: LINE Works helps the communication among residents



(Source: Fujisawa SST Consortium)

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Reference Material 6: Fujisawa SST 10th Anniversary Festa

Visuals from 10th Anniversary Festa on Sunday, 21 July 2024 celebrating the 10th year anniversary of Fujisawa SST



Stalls were set up mainly by residents



Left: Automatic transportation robot Shonan Hakobo carries the time capsule for 10 years later. Right: Tree planting ceremony to commemorate the 10th anniversary

(Source: Fujisawa SST Consortium)

Reference Material 7: Fujisawa SST Consortium

As of October 2024, there are total of 31 members comprised of 14 regular member A companies (including representative member), 6 regular member B companies, 2 local government members, 1 resident member group, 3 academic member groups, 2 partner member companies, 1 partner member B company, and 2 supporting member companies.

Regular member A has membership and voting right for general meeting and steering committee.

Regular member B has membership and voting right for general meeting and can attend steering committee as an observer.

Partner member A is for local company and startup supporting institution. Partner member B is a one-year trial member.

Annual membership fee is 360,000 Yen for regular member A and 180,000 Yen for regular member B.

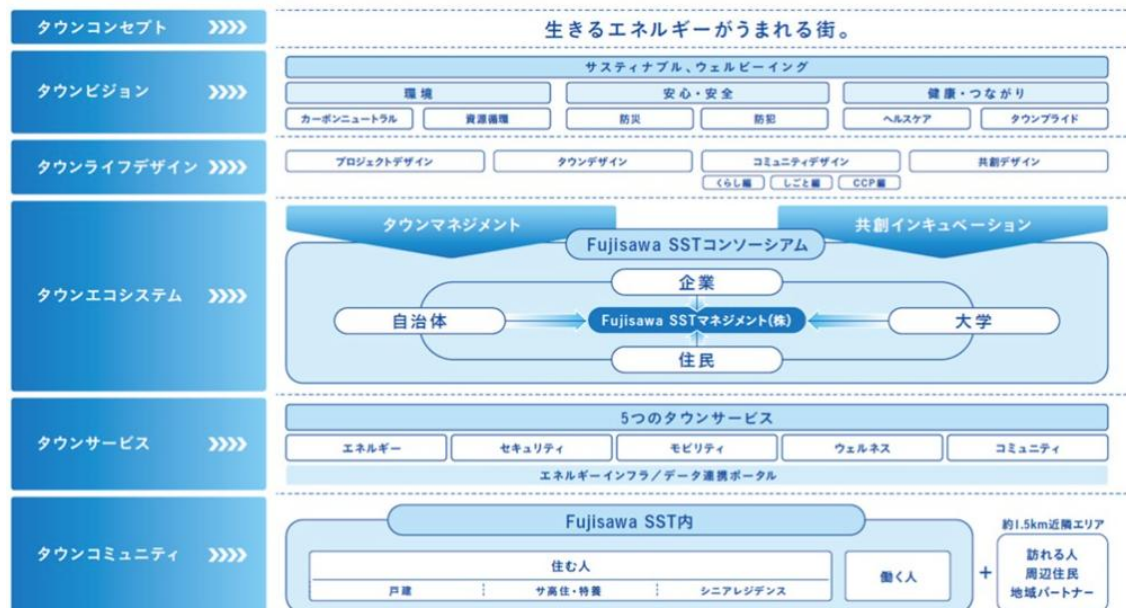
Matters to be observed when participating in the consortium:

- ① Understand the concept of Fujisawa SST and actively work towards its realization
- ② Agree to and comply with the guidelines and consortium decisions
- ③ Take steps to improve the brand value of Fujisawa SST
- ④ Consider expanding the services provided at Fujisawa SST to other regions.
- ⑤ When introducing services within Fujisawa SST, be mindful of co-creation and the utilization of services by existing members.

Fujisawa SST コンソーシアム				
正 会 員 A				
代表会員  パナソニック グループ (株) 電通	 (株) 宇研ホールディングス (株) 宇研ココファン	 湖山医療福祉グループ 社会福祉法人カメリア会	 カルチャ・コンビニエンス・クラブ (株)	 (株) サンオータス
 (株) 電通	 東京ガス (株)	 日本テレビホールディングス (株)	 パナソニック ホームズ (株)	 東日本電信電話 (株)
 Fujisawa SST マネジメント (株)	 三井住友信託銀行 (株)	 三井不動産グループ 三井不動産 (株) 三井不動産レジデンシャル (株)	 ヤマト運輸 (株)	
正 会 員 B				
 (株) アインファーマシーズ	 アクセンチュア (株)	 総合警備保障 (株)	 TIS (株)	 東京電力エナジーパートナー (株)
 美津濃 (株)				
自 治 体 会 員		住 人 会 員		学 術 会 員
 藤沢市	 神奈川県	 Fujisawa SST コミティ	 慶應義塾大学SFC研究所	 湘南工科大学  日本大学生物資源科学部 日本大学 生物資源科学部
パ ー ト ナ ー 会 員 A		パ ー ト ナ ー 会 員 B		賛 助 会 員
 慶應藤沢イノベーションビレッジ	 (株) NERV	 Pixie Dust Technologies, Inc. ピクセードステクノロジーズ (株)	 (株) 日本設計	 三井物産 (株)

(Source: Fujisawa SST Consortium)

Reference Material 8: Overall Vision of Fujisawa SST for the Next 10 Years



(Source: Fujisawa SST Consortium)

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Text citation: (IUJ 2025)

Reference: International University of Japan. 2025. "Fujisawa Sustainable Smart Town 3:10 Years after the Opening: The Town's Past and Future." JICA-IUJ case material series. Tokyo