

# RIETI BBL Seminar Handout

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# Comments for stimulating discussion

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# Significance

- \* Summarizing the concept of modularity and expanding it's usefulness from product , process, industry structure, and to new market creation.
- \* Main point is illustrating the usefulness of modularity for new market formation by using case of E-Bike in China, and suggesting the role of policy.

# key factors:

## Design rule and Platform

- \* I completely agree that modularity is powerful concept for new market creation. Ex) PC, NC(numerical control) machine tool.
- \* Design rule defines division of product and interface between division. Strategic partitioning is good case.
- \* In this case of E-Bike in China, intentional design rule making was not necessary, because industry-standard components have already existed. Also, regulations brought about standardization. That is, "born modular".

# What is role of government for design rule and platform?

- \* Scenario 1) Design rule and platform are supposed to be made during market competition. Then government plays some role only when problems occurred.
- \* Scenario 2) Government should play active role of coordination to make a platform. Based on the common platform, companies will start competition to achieve each company's goal respectively.
- \* Considering New market such as EV , FCV , AI, and IoT may be useful.

# Importance of increasing use of modular concept

- \* Many industry , including automotive industry are heading toward modularity.
- \* In order to maintain global competitiveness, Japanese companies need to understand modularity better, especially how product development processes need to be changed in order to do modular development.
- \* Government may play a role of supporting this direction.