



Phase II Consulting

Dear: Industry Players

December, 2010

Who interest in Japanese High Tech Market

Market Update in Japan

2010 was sluggish year for major industry segments; because of deflation and high Japanese yen depress export and earnings at oversea business. Fortune 500 class companies are flat revenues, but record earnings and higher cash reserve by result of reduction of production cost and postpone capital expenditures.

These usually effect to IT investment also, but actual invested amount does not decreased, but does changing share of spending and spending more to new trend.

To watch inside of IT investment, it is clear that investment shift from “Own to Use”. This means user is moving from proprietary to open, Tailor made to ready made, heavy and expensive to faster and cheaper, purchase to rent, single to multiple.

It appears in IT market at particular segments, such as Rental/Hosting Server is 18% growth, SaaS/ASP is 33% growth, and Cloud related segments are 24% growth. Mobile related hardware segment is 14% growth and 28% is for contents. All other high tech segment is flat or decline.

We expect to continuous and strong growth in Cloud related segment and Mobile area in 2011 and new player in these segments are must busy and competing during 2011, but winner will be defined by 2012 and it is very short time.

Recent Survey of Cloud users tell 39% of users concern about Security, because of storing data outside of own property as 81% mentioned. What they are thinking to protect own data as 36% by encryption and 37% by Proxy or password management.

Phase 2 see the Market opportunities are these segments;

- Firewall, Access control, Malware protection of network
- Password management and network tracking
- Performance improvement tool/equipment of Server or Network
- Mobile application tool and contents
- SaaS application and multi administration tool.

About us

Phase 2 Consulting Ltd.(Ph2) is consulting firm specialized on high technology IT business in Japan and Asia, and focus on real business development for market entry or expansion. Ph2 offers unique service for their clients not only for provide analytical market information, Strategy and Implementation plan, but also execute Plan till mission is completed. Nevertheless Ph2 initiate project as “Free of Charge” until certain view becomes on visible for client.

Yuichi Murano

CEO/Phase 2 Consulting

<http://www.phase2c.com>

For more information: inq@phase2c.com or just reply mail if you need “opt out”