

April 16, 2020

Daikin Invests in U.S. Company Locix for Acceleration of AC Solutions Business

First use of corporate venture capital for a company outside Japan

Daikin Industries, Ltd. announces that it has recently underwritten approximately 2 million U.S. dollars (approximately 216 million yen) for a capital increase through third-party allocation by Silicon Valley-based startup Locix, Inc.

Locix employs spatial intelligence solutions that use a combination of indoor positioning technology, advanced AI, and Wi-Fi to acquire and analyze location, as well as spatial and visual data, to enable actionable insights. The data is subsequently utilized to provide automated decision making for critical services. These services include asset management at distribution warehouses and factories, operational efficiency based on the movement of workers, and occupancy monitoring for the advancement of smart buildings.

As part of a key element from its strategic management plan Fusion 20 (ending in fiscal year 2020), Daikin plans to accelerate its air conditioning solutions business and create new customer value by connecting air conditioning devices to networks and analyzing big data related to air conditioning.

With this allocation, Daikin aims to reduce labor hours at installation sites by utilizing Locix's highly accurate local positioning technology, [Locix LPS](#). The Locix LPS solution will configure and confirm positioning information of indoor air conditioning units and automate remote monitoring services that were previously performed manually. Moreover, by detecting and analyzing the presence and movement of people and assets in an office building, Daikin expects to see a solutions business for office spaces emerge.

Daikin has been striving toward "collaborative creation" with outside entities in order to support the development of new technologies and innovations that will offer modern and advanced solutions. As part of this effort, in November of 2019, the company established the CVC Department in its Technology and Innovation Center, which is an organization to promote collaboration with startup companies.

Recently, Daikin has set aside approximately 100 million US dollars (equivalent to 11 billion yen) to investment in global startup companies over the next five years in (until 2024). The amount being allocated to Locix represents Daikin's first investment in a company outside Japan. In the future, Daikin will accelerate its open innovation activities while utilizing this type of investment to build strong relationships worldwide with new external partners.

About Locix

Locix develops cloud-based spatial intelligence solutions for commercial buildings, consumer homes and connected devices - digitizing the physical world. Locix solutions uniquely capture location, visual and sensor data and combine them with advanced data analytics to provide spatial awareness and enable actionable insights for automated decision making. Based in Silicon Valley, Locix is backed by leading venture and strategic investors including ID Ventures, University of Tokyo Edge Capital, Murata Manufacturing, Prologis Ventures, Daikin Industries, NTT Docomo Ventures, Sumitomo Corporation of Americas, iRobot Corp., YE Digital, Yaskawa Electric Corporation and Acer Inc.

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