

MPOWER Partners announces its investment in newmo



October 31st, 2024; Tokyo, Japan: MPOWER Partners Fund, Japan's first ESG-focused global venture capital fund, has invested in newmo, a taxi and ridesharing operating startup.

Japan faces structural labor shortages, to which the regional transportation sector is not an exception. The number of taxis has consistently been on the decline, from about 222,000 cars in 2008 to 173,000 in 2023¹. 80% of taxi companies in Japan are SMEs, each operating 30 or fewer taxi cars. While demand has recovered after the COVID-19 pandemic, many operators struggle to make ends meet. Despite the rapid increase in demand for taxis, from both tourism and business, 2023 observed a record high in bankruptcies for taxi operators in the past decade, with 33 companies becoming insolvent². With the average age of drivers at 59.7³, driver shortage is top of mind for popular tourist cities and rural areas.

newmo is a startup that operates a taxi and ride-sharing business with the mission of "making communities more colorful through mobility." In less than a year since its founding, newmo has acquired the management rights to two taxi companies in the Osaka area, and the newmo group now has more than 600 taxis and 1,000 employees. In addition to improving transportation accessibility in tourist and rural areas, the company is also committed to improving the work style and standard of living of drivers and expanding the recruitment of new graduates through DX promotion and enhanced management control at its taxi offices.

MPOWER Partners is excited to support newmo as it aims to become an important part of Japan's transportation infrastructure. We have been impressed not only by newmo team's fast progress in taxi company acquisitions and area expansion strategy, but also by the management team's vision to empower the new generation of taxi drivers. We hope to support the company as it scales its business, via business strategy support and ESG considerations such as environmental impact of taxi fleets and engagement with local communities.

Works Cited

- (1) Japan Federation of Hire-Taxi Associations "[Taxi Today in Japan 2024](#)"
- (2) Teikoku Data Bank "[『タクシー業』の倒産動向](#)"
- (3) Ministry of Health, Labour and Welfare "[賃金構造基本統計調査\(令和5年6月\)](#)"

About newmo

CEO: Naoki Aoyagi

Established: January 14th, 2024

Location: Toranomom 37 Building 3-5-1 Toranomom, Minato-ku, Tokyo-to 105-0001 Japan

Corporate URL: <https://newmo.me/>

About MPower Partners

MPower Partners Fund is Japan's first ESG-integrated global venture capital fund that aims to support entrepreneurs providing solutions to societal challenges through the power of technology, and to promote sustainable growth by incorporating ESG (Environment, Social, Governance) into their core business strategies. The founding team draws on their extensive experience in the financial industry and ESG matters to support the global expansion of startups and strives to infuse ESG elements into the ecosystem.

Fund website: <https://www.mpower-partners.com>

For inquiries, please contact: info@mpower-partners.com

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