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Mitsubishi Electric, ME Innovation Fund Invests in Formic Technologies Inc.

Starts to consider a new business model to increase value for customers

TOKYO, October 22, 2024 – [Mitsubishi Electric Corporation](https://www.mitsubishielectric.com) (TOKYO: 6503) announced today that its [ME Innovation Fund](#) has invested in Formic Technologies Inc., a U.S.-based startup company that designs, develops, and maintains industrial robots, offered through a subscription-based sales model. This is the eighth investment that the fund has made to date.

In the manufacturing and logistics sectors, efforts to automate processes in response to labor shortages are rapidly advancing, leading to increased demand for industrial robots. However, the high up-front costs associated with deploying robots and the challenge of finding and training skilled workers have become major obstacles for many companies.

Formic Technologies addresses these issues by offering a comprehensive range of services that include the deployment, installation and maintenance of automation systems using industrial robots for tasks such as palletizing* and packaging. Utilizing proprietary software, Formic Technologies provides optimized solutions tailored to the individual needs of clients, primarily small and medium-sized businesses. By combining these solutions with a unique financing model and subscription-based service, Formic Technologies significantly reduces the burden on customers related to the deployment and maintenance of industrial robots, thereby contributing to the acceleration of automation in the manufacturing sector to address challenges such as labor shortages.

Through its investment in Formic Technologies, Mitsubishi Electric aims to develop a new business model that evolves its automation solutions into more accessible formats for its customers going forward.

Saman Farid, CEO of Formic Technologies Inc., said, “By combining Mitsubishi Electric’s products with Formic Technologies’ services and business model, we believe we can open up new markets. Leveraging Mitsubishi Electric’s automation technology, extensive experience, and strong presence in the manufacturing industry, Formic Technologies aims for further growth.”

Satoshi Takeda, Executive Officer, CDO (In charge of DX, Vice President, Business Innovation) at Mitsubishi Electric Corporation, said, “Formic Technologies has built a one-stop business model that addresses the various challenges and needs of customers deploying robotic systems. By integrating this unique business model with Mitsubishi Electric’s automation solutions, we aim to provide new value to our customers.”

* Refers to the stacking of products or materials on pallets for transport or storage.

About Formic Technologies

Company name	Formic Technologies Inc.
CEO	Saman Farid
Location	10210 Werch Dr Ste 205, Woodridge, IL 60517, United States
Foundation	September 2020
Business	Provides the design, deployment, and maintenance of robotic systems through a subscription-based service.
Website	https://formic.co/

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About Mitsubishi Electric Corporation

With more than 100 years of experience in providing reliable, high-quality products, Mitsubishi Electric Corporation (TOKYO: 6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. Mitsubishi Electric enriches society with technology in the spirit of its “Changes for the Better.” The company recorded a revenue of 5,257.9 billion yen (U.S.\$ 34.8 billion*) in the fiscal year ended March 31, 2024. For more information, please visit www.MitsubishiElectric.com

*U.S. dollar amounts are translated from yen at the rate of ¥151=U.S.\$1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2024