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koho.mail@hakuhodo.co.jp www.hakuhodo-global.com

Hakuhodo, Sumitomo start semi-essential goods sharing service test Joint peer-to-peer sharing service hopes to help realize sei-katsu-sha-led smart cities

First proof-of-concept test to begin at Shimokita Senrogai Akichi on February 1

Tokyo—January 31, 2020—Hakuhodo Inc., Japan's second largest advertising company, is pleased to announce that its MIRAI (Future) Business Division, an organization that develops new businesses, and Sumitomo Corporation ("Sumitomo") will together start testing a service that enables residents of the same community to share semi-essential goods through a communal container set up in their town or a common area. The initiative is part of Hakuhodo's efforts to develop businesses toward realizing *sei-katsu-sha*—led smart cities.

The first proof-of-concept test will take place from February 1 to mid-April at Shimokita Senrogai Akichi, a communal space in Setagaya-ku, Tokyo, managed by Odakyu Electric Railway Co., Ltd.

As smart city initiatives ramp up, Hakuhodo is in the process of considering various businesses from *sei-katsu-sha* insight perspectives, toward realizing "*sei-katsu-sha*—led smart cities" that citizens create themselves through their love of their city. We believe that creating real and digital points of contact (interfaces) for deepening relations between citizens and their town is essential to enlivening communities, a particularly important aspect of the smart cities endeavor.

The sharing service being developed by Hakuhodo and Sumitomo will support the sharing (lending and borrowing) of goods between residents living within a radius of several kilometers of each other. As a base for sharing, shared containers will be set up in public spaces such as parks and vacant lots, and in communal space in housing complexes and apartment buildings, to store the items to be shared. By utilizing semi-essential items that are handy to have access to from time to time but not essential to own personally, such as leisure goods, power tools and travel goods, which can be owned and lent out by the city or community, or shared peer-to-peer by local residents, the initiative aims to generate interactions and cooperation between residents, fostering a greater sense of community.

It is hoped that the initiative will also be an effective means for building new communities as the rules for the use of public spaces in Japan are revised through Park-PFI (a system that allows the private sector to finance, design, construct and operate facilities in public spaces), and as the population of housing complexes age.

Several tests will be conducted, with the first to take place at Shimokita Senrogai Akichi, five minutes' walk

from Shimo-Kitazawa Station. A container storing around 50 items will be placed within the space, and the items in high demand, usage rates, and whether the program prompts lending and borrowing between residents verified.

Hakuhodo's partner in the test, Sumitomo, is developing a large smart city in the north of Hanoi, Vietnam, and is considering commercializing this project with Hakuhodo with a view to utilizing it as a means of invigorating the community in the new city and as a town management measure.

Hakuhodo will continue to work with external partners to actively develop new business with the goal of realizing *sei-katsu-sha*—led smart cities, and creating new lifestyles of the future.

Reference

Semi-essential goods sharing service



- * A container stocked with around 50 items will be prepared for the test
- * Borrowing will be free of charge during the test, with the operators deciding the borrowing period for each item. A cloud/app system enabling the setting and payment of borrowing fees is under consideration for the service proper.
- * Beyond the sharing of goods, the system could also be used as a hub for neighborhood child minding, crime prevention, disaster prevention and the like, as a hyperlocal mutual help platform.

Outline of the first test

- · Test period: February 1 to mid-April 2020 (tentative)
- Test area: Shimokita Senrogai Akichi (Setagaya-ku, Tokyo) https://senrogai.com/akichi/
- · Test content: Verification of receptivity toward a sharing service for semi-essential goods
- Organized by: Sumitomo Corporation, Hakuhodo Inc. Operated by: SEEDATA Inc.

The installed shared container



This project is undertaken by Hakuhodo's MIRAI (Future) Business Division, a unit that develops new businesses.

■ About Hakuhodo's MIRAI (Future) Business Division

Launched in 2019, the MIRAI (Future) Business Division is a unit dedicated to developing new businesses. With a policy of "collective business creation," Hakuhodo itself becomes an owner of the businesses the Division develops, linking a variety of partners to realize large businesses. By creating businesses that leverage Hakuhodo's strengths in *sei-katsu-sha* insight and creativity, beyond the businesses themselves, the Division is taking on the challenges of creating future lifestyles and society. http://mirai-biz.jp/

■ About Hakuhodo

Founded in 1895, Hakuhodo is an integrated advertising and communication agency headquartered in Japan. The core agency of the Hakuhodo DY Group, Hakuhodo is the world's 4th largest advertising agency according to *Advertising Age*'s "Agency Report 2019."

The Hakuhodo Group has offices in 20 countries and regions, and over 10,000 specialists working in Japan and abroad. Hakuhodo is strengthening its structure in emerging countries, particularly those in Asia, as it prepares to further expand its business across the region.

Sei-katsu-sha insight is the foundation for Hakuhodo's thinking, planning, and brand building. It reminds us that consumers are more than shoppers performing an economic function. They have heartbeats. They are individuals with distinct lifestyles. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

Renowned for its creativity, Hakuhodo has twice won the Grand Prix at Cannes Lions International Festival of Creativity, and was the only agency headquartered in Asia to be awarded a Special Lion commemorating Cannes Lions' 50th anniversary in 2003.

To learn more, visit: www.hakuhodo-global.com

Media contacts: Corporate Public Relations Division koho.mail@hakuhodo.co.jp