

Hakuhodo's MIRAI Business Div. enters capital & business alliance with regional distribution startup VegiBus

Collective business creation toward the development of intraregional economic areas using MaaS

Tokyo—February 12, 2020—Hakuhodo Inc., Japan's second largest advertising company, is pleased to announce that its MIRAI (Future) Business Division, a unit that develops new businesses, has acquired shares in VegiBus Inc. (Location: Makinohara, Shizuoka; President: Yuriko Kato), entering into a capital and business alliance with the objective of creating new businesses that vitalize regional economies.

Hakuhodo's MIRAI Business Division is dedicated to collective business creation. Rather than working alone, it collaborates with various partners, including companies and governmental bodies outside the industry, with the goals of finding solutions to major social challenges that cannot be solved by a single company and creating new lifestyles of the future.

VegiBus Inc. is a social venture in Shizuoka Prefecture that operates VegiBus, a shared distribution system that connects producers and users in the same region. With refrigerated trucks running routes to deliver agricultural produce from local farmers to local restaurants, supermarkets and other buyers on the day of order, the system has benefits for both producers and users, helping to vitalize local economies.

Integrating mobility as a service (MaaS) and e-commerce, the distribution system created by VegiBus shows great potential as a platform for intraregional economic areas. Users have increased steadily since the service was launched, and it is now being expanded outside of Shizuoka, in Nagano, Kanagawa, Ibaraki and other prefectures, and there are plans to take the platform to other regions throughout Japan.

Hakuhodo and VegiBus have developed a good relationship since Hakuhodo and Shizuoka Hakuhodo collaborated on designing the VegiBus service toward full-fledged operations. The capital and business alliance came about with the aim of contributing to the vitalization of regional economies by combining the two companies' strengths.

Going forward, the companies will develop new businesses together through collective business creation centered around VegiBus. Specifically, this will involve calling out to various stakeholders in each region, including companies and governmental bodies, and building new business models and ecosystems for regional economies by combining the VegiBus platform with assets, services and products owned by the stakeholders.

Hakuhodo will continue bringing together various partners, including startup companies, to create new lifestyles and society for the future through collective business creation.

■ About Hakuhold

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

The Hakuhold Group has offices in 20 countries and regions, and over 10,000 specialists working in Japan and abroad. Hakuhold 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 Hakuhold'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. Hakuhold introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

Renowned for its creativity, Hakuhold 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.hakuhold-global.com

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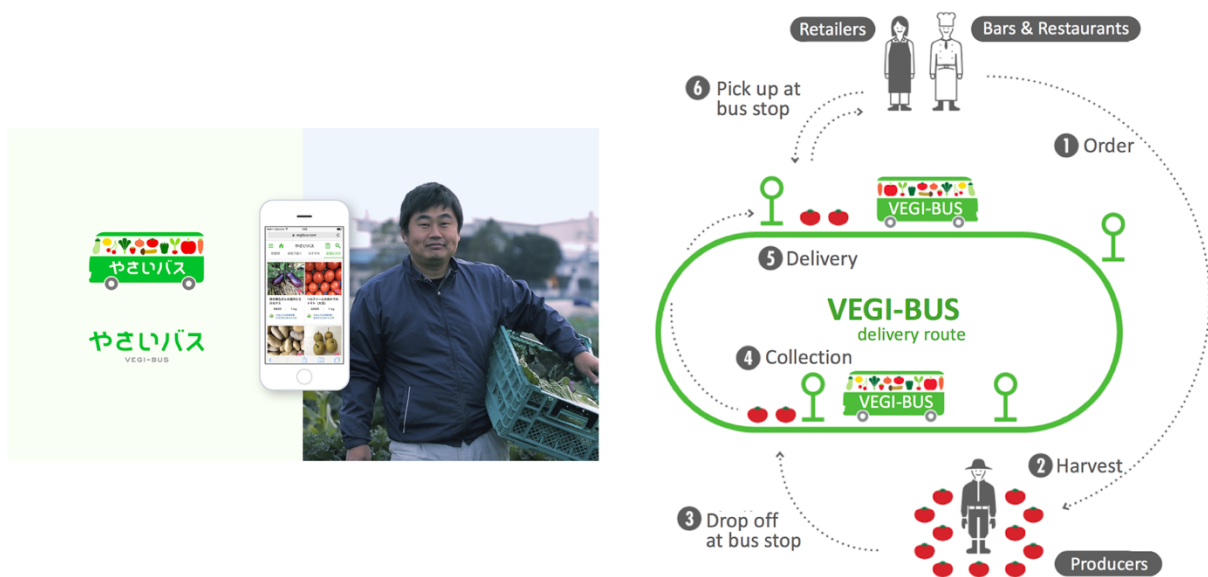
Reference

About VegiBus Inc.

Name:	VegiBus Inc.
Headquarters:	1076-2 Nunohikihara, Makinohara, Shizuoka
Established:	March 2017
Representative:	Yuriko Kato, President
Employees:	10
Business content:	Freight forwarding, wholesaling

Overview of the VegiBus distribution system

VegiBus is new way of distributing vegetables that directly links a region's producers with restaurants, supermarkets and other buyers. Shared delivery trucks called VegiBuses run routes through the area, delivering local producers' agricultural produce to local buyers, reducing distribution costs. In addition to the distribution function, the service also has an e-commerce function for receiving orders and a communication function that links producers and buyers.



About HakuHodo's MIRAI Business Division

Launched in 2019, the MIRAI Business Division is a unit that specializes in developing new businesses. Based on dedication to collective business creation, HakuHodo itself becomes an owner of the businesses developed, as it brings together a variety of partners with the goal of realizing large businesses. Through business creation leveraging HakuHodo's strengths in *sei-katsu-sha* insight and creativity, beyond the businesses it develops, the Division takes on the challenge of creating future lifestyles and society.

<http://mirai-biz.jp/> (in Japanese)