

FOR IMMEDIATE RELEASE

July 16, 2020

Hakuhodo DY Holdings Inc.

## **Hakuhodo DY Holdings strategic operating unit kyu acquires shares in US communications company Godfrey Dadich Partners LLC**

Hakuhodo DY Holdings Inc. (Minato-ku, Tokyo; Masayuki Mizushima, President) is pleased to announce that its strategic operating unit kyu has acquired 100% of the shares in US communications company Godfrey Dadich Partners LLC.

The advance of digitalization and dramatic changes in the media environment enabled *sei-katsu-sha*\* to autonomously collect, choose and post their own information, and their grip on the initiative for their own information behaviors continues to get firmer. Moreover, in a world overflowing with masses of information as new media appear in quick succession, companies and brands need information strategies for the age that tell them what messages they should send to *sei-katsu-sha* and how.

Godfrey Dadich is a communication company that plans and implements information strategies for today's media environment. Leveraging superior content production capabilities and editorial strengths, the company has grown as a trusted partner since its establishment in 2017 due to its methods, which pluck the information that will maximize clients' corporate value and convey it using methods that impact society, whether print, video, online or other means.

Godfrey Dadich's Co-CEOs are Patrick Godfrey, who brings a wealth of experience and knowledge of advertising and marketing in the technology domain, and Scott Dadich, who previously served as editor in chief of *WIRED* magazine. Under their leadership, the company delivers high-value content using information craft capabilities and storytelling techniques that derive from combining teams comprising ex-*WIRED* writers, editors, designers, producers and others on the one hand, and highly creative producers, designers, planners, account service people and media planners on the other.

The investment in Godfrey Dadich by kyu is undertaken toward strengthening response capabilities for borderless corporate activities by recruiting specialized and innovative companies into the Group, one of the fundamentals for growth (see note) that was outlined in the Group's previous Medium-Term Business Plan and continues in the current five-year period.

Note: The three fundamentals for growth are: (1) Establish a leading position in the broader digital domain, (2) Strengthen response capabilities for borderless corporate activities, (3) Accelerate innovation through external collaborations

Since its establishment in 2014, kyu has welcomed eight corporate groups as members, including design firms and consulting companies in the United States and Canada.

The Hakuhodo DY Group, through kyu, will continue to enhance specialization and innovation within the Group in order to realize our core medium-term strategy: “With *sei-katsu-sha* insight as our cornerstone, the Hakuhodo DY Group will combine its creativity, integrative capabilities, and data and technology utilization skills to play a leading role in evolving companies’ marketing activities and generating innovation in a completely digitalized era. In this way, we will continue to impact and provide new value to *sei-katsu-sha* and society as a whole,” while also contributing to the growth of revenue from the Group’s international operations.

The impact of the acquisition of Godfrey Dadich on consolidated performance in the year ending March 31, 2021 will not be material.

\**Sei-katsu-sha* are more than simply consumers, just as people’s lives and lifestyles include more than just shopping. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers’ lives.

### **Overview of GDP**

Company name:	Godfrey Dadich Partners LLC
Headquarters:	San Francisco, USA
Offices:	San Francisco, New York
Established:	2017
Founders and Co-CEOs:	Patrick Godfrey, Scott Dadich
Employees:	58
Business:	Information strategy planning, branding, branded content production, editorial production, documentary production
Key clients:	Apple, Netflix, IBM, Nike, National Geographic, among others
URL:	<a href="https://godfreydadich.com/">https://godfreydadich.com/</a>

### **■ About Hakuhodo DY Holdings**

Hakuhodo DY Holdings Inc. is a marketing services company headquartered in Tokyo, Japan. It was formed in 2003 when its core brand agencies Hakuhodo Inc. (founded 1895), Daiko Advertising Inc. (founded 1944), and Yomiko Advertising Inc. (founded 1946) integrated and created a joint holding company (“DY” represents the initial letters of Daiko and Yomiko, respectively).

The Hakuhodo DY Group comprises seven distinct groups: the Group’s integrated advertising companies Hakuhodo, Daiko, and Yomiko; the next-generation digital agency IREP; the integrated media company Hakuhodo DY Media Partners; D.A.Consortium; and the strategic operating unit kyu.

*Advertising Age* ranks the Group the world's No. 11 agency company. The Group consists of 386 subsidiaries and affiliates, with a combined total of around 24,000 employees working in 21 countries and regions.

*Sei-katsu-sha* Insight, the centerpiece of the Hakuhodo DY Group's philosophy, is the foundation for the Group's thinking, planning, and brand building. It recognizes that people are not just consumers performing an economic function, but rather individuals with distinct lifestyles, aspirations, and dreams. They are *sei-katsu-sha*, or "people with lives." Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree, perspective on peoples' lives.

Renowned for its creativity, the Hakuhodo DY Group has won the Grand Prix at the Cannes Lions International Festival of Creativity multiple times.



#### ■ About kyu

kyu is an independent strategic operating unit of Hakuhodo DY Holdings Inc. operating in parallel with the Group's core companies. It was created in May 2014 to ensure the continuous enhancement of specialization and innovation in the Hakuhodo DY Group through M&A with innovative and unique specialist marketing and creative service companies primarily in North America and Europe. The CEO of kyu is Michael Birkin and its CFO is A.J. Hughes.

Website: <http://www.kyu.com/>

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