

News Release

D.A.Consortium Holdings Inc.

**DAC and IREP establish a lab for
next-generation creative technology**
D.A.Consortium Holdings' Creative Technology Lab

Tokyo, May 28, 2018 --- D.A.Consortium Holdings (DACHD) has newly established D.A.Consortium Holdings' Creative Technology Lab (CTL) by bringing together the technological expertise and creative capabilities of two of its group companies, D.A.Consortium Inc. (DAC) and IREP Co., Ltd. (IREP). CTL will be a cross-company, lateral organization that conducts research and development of next-generation creative technology.



Both DAC and IREP group companies have been conducting research on digital communication design to meet the needs of modern-day society, where *sei-katsu-sha* (our term for consumers that encompasses all aspects of their lives) are using a diverse range of devices and adopting different styles in the way they interact with media. Recently, advertisers have begun to seek higher quality advertising functions to realize better ways to communicate with *sei-katsu-sha*. Data and technology are increasingly being used in the creative process, accelerating advances in methods of expression. Given this, DACHD had been conducting research and development of creative technology, such as dynamic creative with audience data, designs based on usability and prediction on advertising effectiveness, solutions to automate the production processes, for higher efficiency. CTL was established as a lateral organization to utilize the results and findings of these R&D efforts across the entire group.

■ **CTL outline**

In a digital marketing environment where advertising efficiency and effectiveness are becoming increasingly important, advertisers and ad agencies are facing challenges in digital advertising planning, production, operation and other aspects. To help resolve these problems, CTL will conduct R&D in the following four areas:

[Creators]

- Campaign management, production work flow, work flow management
- Creative that utilizes influencers and other outside parties
- Data-driven creative, etc.

[Planners/strategists]

- Ad planning that is in line with the media's characteristics
- Operational and strategy proposal support

[Analysts/data scientists]

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- Effect analysis of ad content assets
- Forecast models of ad content effect

[Trading desk]

- Development of the most appropriate operational procedures that combine audience data and ad content

In addition to the above-mentioned areas, CTL will pursue joint research with universities, such as the University of Tokyo and Hanoi University of Science and Technology, as well as with Hakuhodo's Suda Lab™(*1), an in-house development operation that gives concrete form to progressive ideas. CTL will also work on various R&D initiatives with DACHD's DAC Open Innovation Lab (*2), which uses open innovation to explore the future of digital advertising.

[CTL member companies]

D.A.Consortium Holdings Inc. (<https://www.dac-holdings.co.jp/english>)

D.A.Consortium Inc. (<https://www.dac.co.jp/english/>)

IREP Co., Ltd. (<https://www.irep.co.jp/global/>)

HAKUHODO i-studio Inc. (<https://www.i-studio.co.jp/en/>)

Torchlight Inc. (<http://www.torchlight.co.jp/en.html>)

UNITED, Inc. (<http://united.jp/en/>)

Each of the companies participating in CTL will conduct research on AI and state-of-the-art technologies and its utilization. Furthermore, the companies will actively work across the group organization to pursue creative technology research with the aim to unharness the potential of digital technology and create a more active digital society.

(*1) An internal, cross-departmental project, involving primarily in-house creators who have expertise in digital and direct advertising, to develop next-generation creative. March 7, 2014 press release: "Hakuhodo sets up Suda Lab, an in-house creative lab to develop innovative ideas for the future of advertising."
<http://www.hakuhodo.co.jp/archives/newsrelease/16190>

(*2) A cross-company, lateral group that uses open innovation to conduct research into the future of digital advertising with the aim to resolve the challenge of creating appropriate creative that reflects an accurate understanding of the target audience. November 2, 2017 press release: "DACHD launches "DAC Open Innovation Lab (DOIL)" to study digital advertising's future"
http://www.dac.co.jp/english/press/2017/20171102_dachd_doil

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<Corporate Information>

■ D.A.Consortium Holdings Inc. <https://www.dac-holdings.co.jp/english>

Representative : Masaya Shimada, Representative Director & President
Head Office : Yebisu GardenPlace Tower, 4-20-3, Ebisu, Shibuya-ku, Tokyo
Established : October 2016
Listing Market : 2nd Section of Tokyo Stock Exchange (Stock code: 6534)

■ D.A.Consortium Inc. <https://www.dac.co.jp/english/>

Representative : Masaya Shimada, President & CEO
Head Office : Yebisu GardenPlace Tower, 4-20-3, Ebisu, Shibuya-ku, Tokyo
Established : December 1996
Business : Online media transaction related business, Solution business, Ad Operations Business

D.A.Consortium **holdings**

- **IREP Co., Ltd.** <https://www.irep.co.jp/global/>
- Representative : Shunsuke Konno, President & CEO
- Head Office : Yebisu GardenPlace Tower, 4-20-3, Ebisu, Shibuya-ku, Tokyo
- Established : November 1997
- Business : Agency Business, Solution Business, Tool Business, Others (Digital Media Business and so on)

※DAC and IREP are 100% subsidiaries of D.A.Consortium Holdings Inc.

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