28 Prominent Media Companies Establish the Content Media Consortium ~28 Prominent Media Companies Invest in BI.Garage and Build a Joint Advertising Platform with the Aim of Online Media Value Creation for Media Companies~

[About the Content Media Consortium]

The <u>Content Media Consortium</u> is established by 28 media companies that make original contents—they produce, edit, and provide news information and articles, as well as video and audio content. The goal of the consortium is to jointly promote the value of content and explore the value of advertising on the Internet. It will carry out businesses that can only be executed by a group of premium media companies, including a joint ad platform that provides higher-value online ads that reflects user loyalty (including the trustworthiness of online media), brand safety evaluations for advertisers, and synergistic effects with content, such as ad viewability.

The uniqueness of the joint ad platform lies in the fact that its premium ad platform is consist of 28 prominent Japanese media companies with about 150 media brands. It also supports ad verification utilizing various solutions such as Xandr, making it a truly brand-safe, trustworthy online advertising environment. These 28 media companies cover many viewers who interact with media, with an active reach of roughly half (46.91%) of people who use the Internet on their mobile devices, and roughly 30% (28.07%) of those who use it on computers*.

In addition, the platform will start providing ad serving options by different media genre at the launch timing. It will be expanded by the end of the fiscal year with more advanced functions that offer better advertising effects. These may include charges by viewable impressions and full video views, as well as options based on user content preferences to ensure privacy in the post-cookie era.

[Brand safety and content value]

Since the <u>Japan Premium Media Consortium</u> was founded in 2017, it has performed research on topics including visualization of media company evaluations, as well as synergistic effects between content and advertising, through panel surveys, studies on how user attitudes change through contact with ads, and neuro research. To that end, it will promote 2 projects – brand safety verification and media check-up, by collaborating with all participating media companies at the commercialization timing.

Brand safety media verification

In collaboration with Video Research Ltd., participating media companies are interviewed about their brand safety initiatives to verify if they have established brand-safe structures. Reports are made to external parties (advertisers, advertising companies, and industry organizations).

Media check-up

A fixed-point panel survey is conducted annually with subjects who had contact with the target media outlets. This confirms the affiliations, lifestyles, and information awareness of the subjects, as well as their evaluations of the media contents and ads they encounter. Reports are made to external parties (advertisers, advertising companies, and industry organizations).

By conducting the above 2 projects on a regular basis, the consortium aims to build a safe, secure, and trustworthy online advertising environment for online media is provided.

[Collaboration with overseas publisher consortium]

Since the establishment of Japan Premium Media Consortium, it has been conducting trend research on premium publishers in other countries. One facet of this is building relationships and exchanging opinions and point of views with European premium publishers, as well as the publisher alliances they are part of.

Skyline is an alliance of 16 digital media brands from two major publishers in France. In addition, AdAlliance is an alliance of 72 media brands—including print, digital, TV, and radio—from five major German publishers.

According to the case studies of Skyline and AdAlliance, it has proven that these publisher alliances are one highly effective way to stand against global digital media companies like Google and Facebook. They encourage publisher business growth through brand safety in digital advertising, ad products across multiple media brands, and ad products utilizing audience data in compliance with data regulations. They are also taking measures for new regulations such as GDPR and CCPA.

The consortium will continue collaborating with overseas publishers and publisher alliances to rapidly grasp trends in the global media industry, and to offer more of the solutions needed by Japanese advertisers and premium publishers.

■ Comment from overseas publisher consortium

Ad Alliance, Germany

Arne Steinmetz, General Director Client Services & Data

We look at the activities of the Japan Content Media Consortium with great respect and joy and wish all participants the very best. In these challenging times, creating quality content is more important than ever. As an advertising alliance from Germany, we can say to our friends: fascinating and exciting times lie ahead of you. Bundling and building further expertise and sharing knowledge in an alliance is a great experience. New horizons and new opportunities open up, on the basis of which the future can be shaped very successfully. Good luck and have fun on this exciting journey!

Through above mentioned ways, it will contribute establishing a position as the main media in society, and promote building a digital media environment that can maintain quality, together with participating media companies.

The premium media company consortium project is conducted by <u>BI.Garage, Inc.</u> (HQ: Tokyo; President: Naohiko Iwai; BI.Garage), a subsidiary of Digital Garage, Inc., with funding from 28 media companies.

Companies participating in the Content Media Consortium (no particular order)

TOYO KEIZAI INC. The Asahi Shimbun Company

THE YOMIURI SHIMBUN Nikkei Inc.
THE NISHINIPPON SHIMBUN CO.,LTD. Kodansha Ltd.

SHUEISHA Inc. The Mainichi Newspapers Co.,Ltd SANKEI DIGITAL Inc. The Hokkaido Shimbun Press

THE CHUNICHI-SHIMBUN

DIAMOND,Inc.

linkties co.,ltd.

The Orangepage Inc.

Jiji Press, Ltd.

PRESIDENT Inc.

Impress Corporation

Kobunsha Co., Ltd.

BUNGEISHUNJU LTD. Japan Business Press Co., Ltd.

Mediagene Inc. Asahi Television Broadcasting Corporation

J-WAVE,INC. SHOGAKUKAN inc.

MAGAZINE HOUSE CO., LTD. CCC Media House Co., Ltd.

Fuji Television Network, Inc.

TV TOKYO Communications Corporation

■Comment from the chief executive

TOYO KEIZAI INC.

Hiroaki Takita, Managing Director

As COVID-19 drastically transforms society, the biggest requirement of media companies is to provide trustworthy content. After Japan declared a state of emergency, the number of visitors has rapidly increased to media websites that do their own coverage and write, edit, and post original content.

However, these companies lack a solid base for promoting digital business compared to major tech companies that have their own platforms. In addition to the growth in subscription models, the future advertising will continue to be a major source of revenue for digital media companies.

28 prominent Japanese media companies have set aside their minor differences to form the Content Media Consortium. As this release states, I am confident that this is a trustworthy consortium that can reach many active users. We will utilize our knowledge to provide added value for advertising that only we can offer as a way to fulfill the expectations of advertisers. I kindly ask for your support in this endeavor.

■Comments from participating media companies

The Asahi Shimbun Company

Hiroshi Ieguchi, Associate Director, Digital Services Innovation Division

The media companies that endorsed and joined this project have been providing highly reliable, excellent content to users and new advertising value to advertisers. Through this consortium, I am confident that we can offer more premium value, which was difficult for individual companies to realize by themselves. We will strive to leverage the expertise and strengths of each company—as well as increasingly advanced digital technologies—to offer services that are favored by both users and advertisers.

THE YOMIURI SHIMBUN

Yoshinori Ikegami, MANAGER SPECIAL AD DESIGN DEPARTMENT, YOMIURI BRAND STUDIO Chief Producer

We established YOMIURI BRAND STUDIO, a consortium of THE YOMIURI SHIMBUN and creative companies, in 2018. Now we are participating in this new consortium together with other newspaper companies in the same industry, magazine companies, and more.

The most important element that traditional media companies can offer is the trustworthiness they have cultivated over many years, in both the ad production and digital advertising fields. Through this project, I hope to offer solutions for brand safety and other digital advertising issues.

Nikkei Inc.

Eiichi Otsuka, General Manager, Media Business Unit, Digital Business

Digital transformation in society is accelerating due to the COVID-19 outbreak. There is no point in discussing whether something is "real" or "digital"—a new normal is arriving in which we leverage the unique characteristics of both. However, many people have been thrown into this ocean of digital transformation without sufficient preparation. Many are struggling because they lack techniques for determining if information is genuine and ascertaining its value. The media companies in this consortium have major responsibilities in this era. We are striving to provide highly trustworthy information, user experiences, and advertising platforms at a high dimension.

THE NISHINIPPON SHIMBUN CO.,LTD.

Kosuke Yoshimura, CORPRATE OFFICER DIRECTOR, Media Business Bureau

Local newspapers have built strong relationships of trust with regional consumers through impartial, accurate news and ad information. In the online society, they are also enhancing their engagement with nationwide audiences through regional content. We provide assistance for brand communication between the audiences and advertisers in our network with trust. We will work with other participating media companies to make the consortium's projects become a new default standard for online advertising.

Kodansha Ltd.

Nobuyasu Suzuki, Deputy Executive Director, Media Business Department, Rights/Media Business Division

With the establishment of the Content Media Consortium, I hope to provide a safe, secure, and trustworthy advertising environment together with other participating companies to promptly offer support for the post-cookie era based on media value—namely, user loyalty and high evaluations of brand safety by advertisers.

SHUEISHA Inc.

Megumi Tanaka, Executive Director

I previously felt that the role of media companies is to reliably provide useful information and inspiring content to readers, and this remains unchanged even in the current digital era. People are demanding even higher quality in our digital world, and I believe transparency is important. I expect

that we can build a trustworthy, healthy advertising environment through the formation of this

consortium linking media companies.

■Comment from BI.Garage

Kaoru Hayashi, Representative Director, President Executive Officer and Group CEO, Digital

Garage, Inc., Chairman & Chief Executive Officer at BI.Garage, Inc.

Digital Garage Group sets the new concept, "Designing our New Normal Context" as a new Mid-

term Plan for the next five years. After almost 2 years of preparation period, Content Media

Consortium is finally going to start in 2020. Under the pandemic crisis, I recognize this consortium

is highly inevitable to achieve social responsibility. I believe it will play an active role to support

"New Normal Context" in the next generation Internet culture in Japan, to further develop healthy

media industry and provide better digital experience to users. Collaborating with prominent Japanese

quality media companies, advertisers and users, we aim to create sustainable business model that can

contribute to make a better society by utilizing technologies to balance a proper equilibrium and

keep an appropriate distance with platform giants.

*Source: Nielsen Research, Special tabulation of relevant media based on April 2020 data

[Questions about this press release]

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