

# **NEWS RELEASE**

# BI.Garage which Develops "Contextual Advertisement" Forms Capital and Business Alliance with 2 Hakuhodo DY Group Companies

~28 Content Media Companies, Dentsu Group, Hakuhodo DY Group, and ADK Strengthen Next-Generation Advertising Business~

- BI.Garage forms a capital and business alliance agreement with 2 Hakuhodo DY Group companies, Hakuhodo DY Media Partners Inc. and D.A.Consortium Inc.
- BI.Garage and 28 media companies established "Content Media Consortium" in 2019 to develop
  a "Contextual Advertisement" structure that captures users' interests by analyzing and utilizing
  the context of media articles and deliver the advertisement with relevant context.
- By 2 Hakuhodo DY group companies joining in, the consortium will accelerate the development of next-generation advertising business, with a view of collaboration with TripleLift, a top-tier ad-tech company in the U.S. which have acquired 1plusX.

BI.Garage, Inc. (Head Office: Shibuya-ku, Tokyo, Japan; President: Kaoru Hayashi; henceforth BI.Garage), which develops contextual advertising and is subsidiary of Digital Garage, Inc. (TSE Prime section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG), forms a capital and business alliance agreement with 2 Hakuhodo DY Group companies, Hakuhodo DY Media Partners Inc. (Head Office: Minato-ku, Tokyo, Japan; Representative Director, President & CEO & CCO: Hirotake Yajima) and D.A.Consortium Inc. (Head Office: Shibuya-ku, Tokyo, Japan; President, Executive Officer, CEO & CCO: Yuzo Tanaka).

The rapid growth of the digital marketing industry has emerged new challenges, including the monopolization of personal data including Cookie by tech giant platforms and brand abandonment due to the ad-delivery on unintended sites. In response to these challenges, Cookie-less "Contextual Advertisement" will not only become mainstream in text but will also evolve into context-matched digital product placement in video content, globally.

In 2019, BI.Garage established the "Content Media Consortium" with 28 media companies which are the major article content holders in Japan to solve the issues. In 2021, through a capital and business alliance with 1plusX, a "Contextual Advertisement" structure was developed to capture user interest by analyzing the context of media company's articles and deliver the advertisement with relevant context. The consortium especially has vast data on ESG interests and has achieved high advertising responses. By 2 Hakuhodo DY group companies joining in, the consortium will accelerate the development of next-generation advertising business, with a view of collaboration with TripleLift, a top-tier ad-tech company in the U.S. which have acquired 1plusX in April 2022.

DG will promote the development of new digital transformation recurring businesses utilizing the contextual data, including the "Contextual Advertisement" structured by BI.Garage. Furthermore, DG Group will contribute to develope a sustainable society by advancing the "DG FinTech Shift," the group strategy to integrate payments and data, which group's individual segment business will co-create digital transformation businesses.



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- \*1: Contextual advertising refers to the practice of placing ads on web pages based on the content of those pages
- \*2: Media that produce, edit, and provide news information, articles, video, and audio content

# ■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 Jiji Press, Ltd.

DIAMOND, Inc. PRESIDENT Inc.

linkties co.,ltd. Impress Corporation

The Orangepage Inc. 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

In addition to the above, we will promote through capital and business alliances with Dentsu Group Inc., CARTA COMMUNICATIONS Inc., Hakuhodo DY Media Partners Inc., D.A.Consortium Inc. and ADK Marketing Solutions Inc.

# ■Comment from Hakuhodo DY Media Partners Incorporated

#### Hakuhodo DY Media Partners Incorporated

# Hirotake Yajima, Representative Director, President & CEO & CCO

We are pleased to announce our participation in the "Content Media Consortium" that BI.Garage has been working on it for many years. Brand safety in digital advertising has become a global issue, and advertisers in Japan are demanding assurance of brand safety. We have entered this capital and business alliance because we believe that ad delivery utilizing contextual data from 28 media companies is one of the ways to solve this issue. We will commit to the growth of this area with the stakeholders who have already joined us.

#### **■**Comment from D.A.Consortium Inc.

## Yuzo Tanaka, President, Executive Officer, CEO & CCO, D.A.Consortium Inc.

The transparency and trustworthiness of advertising in the digital marketing industry is becoming increasingly important. In response to technical limitations and legal restrictions on privacy protection, developing new technologies and their applications that consider consumers' privacy is a significant challenge, and companies are also being urged to ensure brand safety. The efforts being promoted by the "Content Media Consortium" are highly significant activities that the industry should undertake, and we will contribute to their further expansion and acceleration through this capital and business alliance.



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# ■Comment from the chief executive TOYO KEIZAI INC.

# Hiroaki Takita, Managing Director

The reason why 28 content media companies have joined hands beyond rivalry is that we have the purpose of contributing to the lives of readers, advertisers, and corporate activities by gaining more significant influence of the "soundness website." Therefore, it is a great sign that we have formed a capital and business alliance with two Hakuhodo Group companies. It is a massive addition of power to our "Content Media Consortium," which is not a platform-type organization that throws a cast net at readers. So please look forward to it.

# **■**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.

With this capital and business alliance with Hakuhodo Group, Dentsu Group, ADK, and 28 major Japanese media companies have become shareholders to form a Japanese-style media consortium. The stage is now set for full-fledged "contextual advertising" based on a whitelist (articles, video content, and others from companies participating in "Content Media Consortium") backed by next-generation technology rather than digital marketing centered on overseas platforms of the past. In the future, we will also consider "contextual commerce," which has taken the lead in EU and the U.S., utilizing payment technology to connect readers with companies and services directly.

## [Questions about this press release]

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