

## Hakuhodo develops and launches EMM-J: A new profit oriented corporate consulting package for branding

Tokyo—May 18, 2007—Hakuhodo has developed EMM-J (Enterprise Marketing Management–Japan), a new diagnostic & consulting system designed to link branding activities, which build and maximize corporate brands, directly to profits. The agency will commence operating and marketing the new system in May 2007.

Pioneered by Dave Sutton, Managing Partner for US marketing consulting company TopRight, Enterprise Marketing Management (EMM) is currently used by many blue chip companies in the United States. In January 2007, Mr. Sutton signed on as an advisor to Hakuhodo, helping to develop and design EMM-J specifically for the Japanese market.

EMM-J goes beyond simply defining brand values and designing brand experiences to integrate and manage all aspects of a company's activities, up to and including such "backyard" functions as human resources, accounting and distribution. Clients also have access to EMM-J teams leveraging Dave Sutton and his experienced consultants in the US, and the branding and enterprise innovation consulting experts at Hakuhodo Brand Consulting, depending on their needs. (See Features of EMM-J below)

Hakuhodo has long supported brands and brand building activities by defining brand value and designing brand experiences, but with the introduction of EMM-J, the agency can now offer services far beyond those previously provided to client marketing departments. In EMM-J, we have a program useful not only to B-to-C companies, but B-to-B enterprises as well.

### Features of EMM-J

1. A profit-oriented consulting method that takes a three-stage approach to corporate activities (1) brand (value definition), (2) profit-generating brand experience, and (3) the capability set required to generate and build the profit-making brand experience (See diagram 1)

2. Implementation of business process reengineering within the framework of original capability maps. All aspects of corporate activity, including such “backyard” functions as human resources, accounting and distribution, are managed in an integrated manner, so as to highlight any gaps between the optimal capability set and that which currently exists. (See diagram 2)
3. Access to benchmark data on a wide range of industries and types of operation from Dave Sutton’s US consulting experience.
4. EMM-J teams tailored to each client’s specific needs so as to leverage the extensive experience of Dave Sutton and his team in the US and the Hakuhodo group’s experienced consultants, particularly the branding and business process reengineering experts at Hakuhodo Brand Consulting.(See diagram 3)

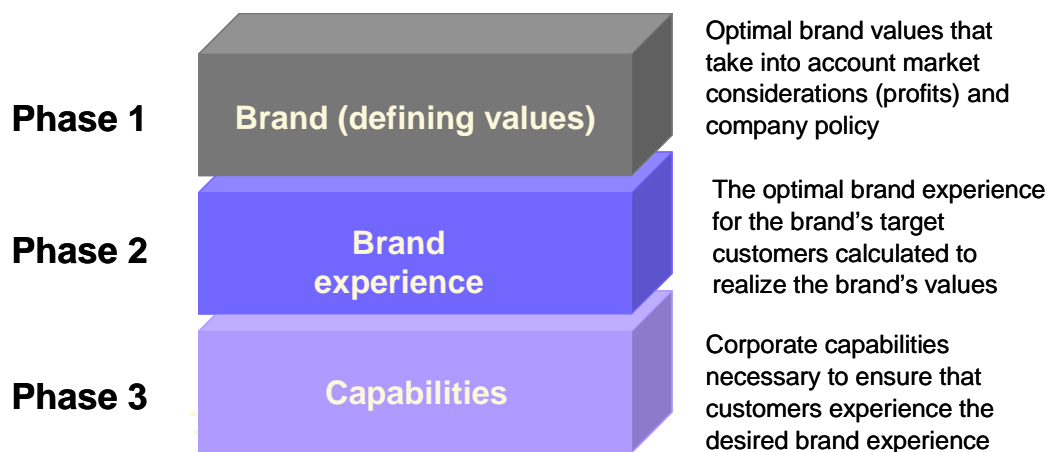


Diagram 1 The three phases of EMM consulting

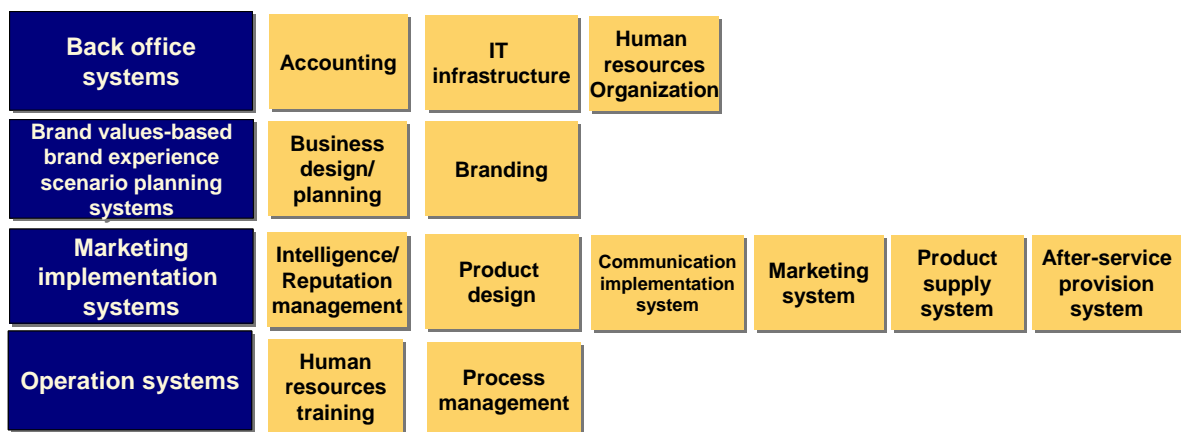


Diagram 2 Corporate systems included in capability maps

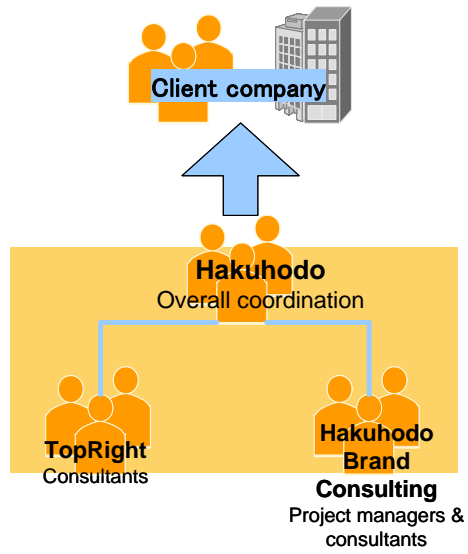


Diagram 3 Service structure

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## ■ About Hakuhold Inc.

Founded in 1895, Hakuhold Inc. ([www.hakuhold.jp](http://www.hakuhold.jp)) is the second largest advertising company in Japan, and the tenth largest core agency in the world according to *Advertising Age's* agency report 2007. Today, innovation and creativity are still at the heart of its operations. Hakuhold shares with its clients an unmatched depth of knowledge about the relationship between people and brands – knowledge that has grown from the concept of *sei-katsu-sha* (“consumers with a heartbeat”) which Hakuhold pioneered in advertising. Through its global network, Hakuhold provides comprehensive marketing and communications services and solutions for some of the best-known brands in the world. Hakuhold has 64 offices in 16 countries/regions, and approximately 5,000 employees.

*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 our commitment to a comprehensive, 360-degree perspective on consumers' lives.

Hakuhold is one of three advertising agencies under the umbrella of Hakuhold DY Holdings Inc. (TSE: 2433) (<http://www.hakuholdody-holdings.co.jp/english/index.html>) a holding company which was established in 2003 through the management integration of Hakuhold Inc., Daiko Advertising Inc. and Yomiko Advertising Inc. Hakuhold DY Holdings Inc. was listed on the first section of Tokyo Stock Exchange in 2005.