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For immediate release

Mitsui Fudosan Co., Ltd.

Mitsui Fudosan To Invest in SUPER STUDIO, which Offers a D2C Support Business, as a Lead Investor

Will develop solutions for D2C brands that cross offline stores with EC

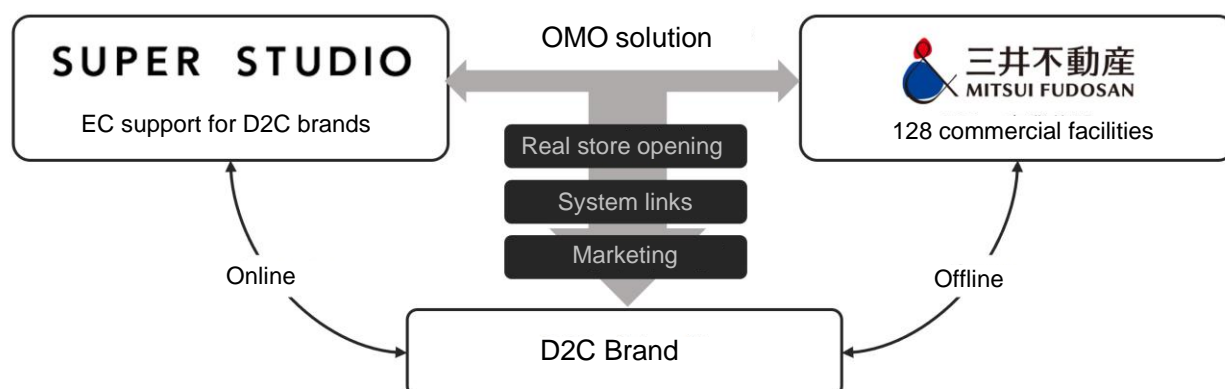
Key Points of this Release

- From the 31VENTURES – Global Brain -- Growth I Business, which invests in later-stage startups, Mitsui Fudosan has invested in SUPER STUDIO, which develops eforce, an SaaS-type EC cart system, as a lead investor
- Will provide OMO solutions that support business growth crossing digital and offline stores for D2C brands
- Also launching a ghost retailer service to encourage D2C brands to expand into offline stores to capture new customers
- Aiming to build an ecosystem that creates a new purchasing experience, including logistics and collaboration with &mall

Tokyo, Japan, June 22, 2022 – Mitsui Fudosan Co., Ltd., a leading global real estate company headquartered in Tokyo, announces that it has invested in SUPER STUDIO, Inc. (“SUPER STUDIO”), which is offering eforce, an SaaS-type EC cart system developed using its expertise in managing its own brand, as a lead investor from the 31VENTURES – Global Brain – Growth I Business. Mitsui Fudosan has managed the 31VENTURES – Global Brain – Growth I Business, which invests in later-stage startups, since 2018, and this marks the fifth investment from the Growth Business.

Going forward, the companies will leverage their respective fields—SUPER STUDIO in digital channels, Mitsui Fudosan in offline channels—to build an OMO (Online Merges with Offline) ^{*1} solution for D2C (Direct to Consumer) brands that crosses digital with offline stores to support business growth.

^{*1} OMO refers to the merging of online and offline, a marketing system that aims to allow customers to purchase and experience goods and services without making them conscious of the boundary between online and offline. By merging online and offline data, information is centrally managed in an effort to improve the customer experience.



■ Backdrop of Investment

D2C, in which manufacturers sell products directly to consumers, is expected to become a three trillion yen market by 2025, and the number of native digital brands that specialize exclusively in online sales is rapidly increasing. Meanwhile, many D2C brands that have succeeded in expanding sales mainly through EC are considering expanding into offline stores to grow their sales channels. However, issues such as costs including store contracts, construction and staff training, an inability to link their e-commerce systems, which are their main sales channels, with their stores' purchasing and inventory data, as well as an inability to analyze buyer processes, often prevents them from expanding into real-world stores, which would be an opportunity for business grow.

Mitsui Fudosan operates 128 commercial facilities, including suburban malls such as Mitsui Shopping Park LaLaport and Mitsui Outlet Park, and urban commercial complexes such as Tokyo Midtown. In 2007, in preparation for the growth of the e-commerce market for individual consumers, Mitsui Fudosan launched &mall, the official shopping site of Mitsui Shopping Park. The Company has also begun efforts to enhance the purchasing experience, including omni-channel sales and the NEW POINT project, which provides comprehensive support for D2C brands across both digital and real-world channels.

SUPER STUDIO provides complete solutions for D2C brands, not only EC cart systems but everything from product planning to manufacturing, marketing, logistics, call center services and CRM^{*2}.

Mitsui Fudosan thus decided to invest in SUPER STUDIO, with the goal of creating OMO solutions that combine the strengths of the Company's real assets with those of SUPER STUDIO's EC business. OMO solutions also offer a ghost retailer service that packages all of the functions needed for store development, including location selection, store design and construction and staff dispatching, to encourage D2C brands to expand into brick-and-mortar stores, which can lead to capturing new customers. At the same time, for brands that have not fully converted to EC, Mitsui Fudosan will support EC operations and provide support for business growth for D2C brands, both in offline stores and in EC. The company also plans to develop solutions that combine offline stores and digital (EC) operations, such as proposals for marketing strategies based on visitor analysis using AI cameras, as well as cart linkages.

In addition, going forward, Mitsui Fudosan is considering offering complete support through delivery utilizing its own logistics centers, in an effort to build out and expand an ecosystem that can generate new purchasing experiences.

^{*2} An acronym for Customer Relationship Management, referring to the process of managing and running communications with the goal of building relationships of trust with customers.

■ About OMO Solutions

Mitsui Fudosan and SUPER STUDIO will offer OMO solutions to provide complete support for D2C brands, from EC to brick-and-mortar stores.

Category	Description of Complete Solution
Store opening support *Ghost retailer service	<ul style="list-style-type: none">· Propose optimal store locations tailored to each brand's characteristics and products· Act as agent for real estate leasing, administrative procedures, etc.· Store design, arranging for fixtures and other equipment· Assignment and training of personnel responsible for on-site operations and sales· Design of payment and other systems based on on-site operations
EC operational support	<ul style="list-style-type: none">· Support for EC operations
System linkage support	<ul style="list-style-type: none">· Cross-channel inventory and shipping management· Other OMO-based infrastructure design
Marketing support	<ul style="list-style-type: none">· PR utilizing offline channels; implementation of marketing measures· Attracting customers through use of limited-edition products and influencers· Implementation of pre-opening measures to attract customers and post-purchase marketing measures

■ Implementing Pop-ups Ahead of Commercialization

In anticipation of full development of the OMO solutions, SUPER STUDIO set up a pop-up store for GO WITH WHITE (<https://goww.tokyo/>), a D2C brand it runs itself, April 29 – May 7 at &BASE at RAYARD MIYASHITA PARK. The GO WITH WHITE brand specializes in white sneakers, was created with the idea of solving the problems unique to white sneakers, which visibly deteriorate the more you wear them, in the hope that people will feel free to wear them every day.



The pop-up offered the same fitting and customer services as in a normal store, but also linked to EC purchasing data using an EC payment system. It also obtained data on the number of store visitors, membership registrations and purchases to validate the return on investment in opening a store. Going forward, further reviews will be conducted to validate development of future OMO solutions, including visualization of the cost effectiveness of linking both EC and real-store data.

【Comment from Atsumi Kanaya, Executive Officer, General Manager of Venture Co-creation Department】

As the importance of EC has increased during the COVID-19 pandemic, SUPER STUDIO has enjoyed the support of many D2C brands, and is growing significantly thanks to its extensive lineup of services centered around its eforce SaaS-type EC cart service, and the expertise in building EC infrastructure that service has enabled it to accumulate. By collaborating with Mitsui Fudosan, which has a wide range of commercial facilities reaching from urban centers to the suburbs, I believe they will be able to develop the ideal OMO solutions for D2C brands. We will also contribute to their growth through the creation of new services by leveraging our other assets, including collaboration in the area of logistics.

【Comment from Kohsuke Hayashi, CEO of SUPER STUDIO】

SUPER STUDIO has supported many EC manufacturers since the earliest days of the D2C era. In the course of offering this support, we have found a common denominator in that many growing manufacturers are seeking to utilize real-world channels with the goal of achieving further growth.

SUPER STUDIO has always offered a variety of products, including eforce, along with services to support every process along the supply chain. We believe that more efficient EC operations can free up more time to be spent on products and services, including brand design, in turn improving the quality of those products and services, and that generating such a cycle will bring us closer to building a more essential EC universe. As we were looking for ways to achieve those goals, we were fortunate to be put in touch with Mitsui Fudosan, which has powerful resources in the real-world channel.

Going forward, we will not only link our existing services, such as eforce, with the assets of the Mitsui Fudosan Group, but will also consider collaborating with them in developing new services, with the goal of achieving a domestic EC ratio of 20% by 2030.

■ Mitsui Fudosan Group's contribution to SDGs

https://www.mitsuifudosan.co.jp/english/esg_csr/

The Mitsui Fudosan Group aims for a society that enriches both people and the planet under the principles of coexist in harmony with society, link diverse values and achieve a sustainable society, and advances business with an awareness of the environment (E), society (S) and governance (G), thus promoting ESG management. By further accelerating its ESG management, the Group will realize Society 5.0, which the Japanese government has been advocating, and contribute significantly to achieving the SDGs. Additionally, the Group formulated the following Group guidelines related to “Realize a Decarbonized Society” and “Diversity & Inclusion Promotion” in November 2021. The Mitsui Fudosan Group will continue to work toward solving social issues through neighborhood creation.

References

Group Action Plan to Realize a Decarbonized Society <https://www.mitsuifudosan.co.jp/english/corporate/news/2021/1124/>

Diversity & Inclusion Promotion Declaration and Initiative Policy https://www.mitsuifudosan.co.jp/english/corporate/news/2021/1129_02/

*The initiatives covered in this press release are contributing to three of the UN's SDGs.

Goal 8 Decent Work and Economic Growth
Goal 9 Industry, Innovation and Infrastructure
Goal 17 Partnerships for the Goals



SUSTAINABLE
DEVELOPMENT GOALS