

**NEWS RELEASE****FOR IMMEDIATE RELEASE****June 8, 2007**

## **Dentsu, Dentsu Tec and Bellsystem24 to Establish New Direct Marketing Service Company, Dentsu Direct Force Inc.**

Dentsu Inc. (President & CEO: Tateo Mataka; Head Office: Tokyo; Capital: 58,967.1 million yen), Dentsu Tec Inc. (President: Tatsuji Matsui; Head Office: Tokyo; Capital: 2,650 million yen), and Bellsystem24, Inc. (President: Yukio Sonoyama; Headquarters: Tokyo; Capital: 9,000 million yen) announced today that they had agreed to establish a new three-way joint venture on June 11, 2007 to be called Dentsu Direct Force Inc. The new company will provide a full range of support services to client companies in the field of direct marketing. These services will cover all operations related to direct marketing business strategy and marketing, including strategic planning, creative execution, media planning, media buying, customer relationship management (CRM), and product planning.

### **1. Reasons for Establishment of the Joint Venture**

In response to changes in the business environment brought about by evolving consumer lifestyles, business deregulation, and advances in logistics, an increasing number of companies are establishing direct marketing businesses. The size of the direct sales market has grown to over 3 trillion yen, and even greater growth is forecast, especially in the areas of health, beauty, and financial products.

With this background, Dentsu, Dentsu Tec, and Bellsystem24 established a business collaboration in June 2006 to provide integrated support services to client companies involved in direct marketing. In addition to business consulting, media and creative services, the three companies have worked together to provide CRM functions and manage contact center operations on behalf of client companies.

At the same time, competition in the mail-order market is growing increasingly severe, and client companies have a greater need for solutions that improve their competitiveness and business structures that are responsive and flexible.

To meet the increasingly sophisticated needs of client companies, and further reinforce the Dentsu Group's ability to offer one-stop solutions, Dentsu decided to establish Dentsu Direct Force. The new company will specialize in providing client companies with solutions covering direct marketing business strategy and direct marketing itself.

Both Dentsu Tec and Bellsystem24 will also acquire equity stakes in the new venture. Dentsu Tec will provide services related to advertising production operations, and its subsidiary Dentsu Customer Access Center Inc., which is to be established in July 2007, will provide support for fulfillment operations. Bellsystem24 will supply the "dialogue design" expertise it has accumulated through its experience in managing CRM operations.

In the process leading to the establishment of this new joint venture, the three parent companies combined their respective experience and expertise in direct marketing operations to develop a new direct business method. Using this new method as a base, total solutions will be offered to help client companies become more competitive, thereby enabling an expansion of direct marketing sales for the three parent companies.

## **2. Main Business Domains**

1. Account planning: Execution of customer-oriented direct business and marketing plans.
2. Direct marketing consulting: Development of direct marketing business plans, provision of support for establishment of direct marketing businesses, etc.
3. Production of advertising content: Response-type ads, newspaper ads, flyers, and other types of advertising planning and production.
4. CRM planning and operation: CRM consulting, retention tool development, operations management, etc.
5. Media operations: Media planning, Internet and cross media planning, all types of media buying, etc.

6. Marketing ROI management: Marketing ROI analysis, key performance indicators (KPI) management, etc.
7. Product planning and development: Support of new product planning targeting mail-order customers; support of offer-based system development, etc.
8. Survey and market research reporting: Research and analysis of the direct sales market, consumers, and customers; operation of research panels, etc.
9. Media channel development: Planning and development of direct marketing media; e-commerce channel development.

### **3. Profile of the New Company**

1. Company Name: Dentsu Direct Force Inc.
2. Capital: 150 million yen
3. Head Office: Kachidoki, Chuo-ku, Tokyo
4. Major Shareholders: Dentsu Inc. 65%, Dentsu Tec Inc. 20%,  
Bellssystem 24, Inc. 15%
5. Date of Established: June 11, 2007
6. Start of Business Operations: July 2, 2007
7. President & CEO: Kazuyoshi Miyo  
(Currently General Manager of Direct Business Department  
and Deputy Director of Integrated Marketing  
Communication Development Division, Dentsu Inc.)
8. Number of Employees: 23 (tentative)

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