

December 2, 2015 Recruit Holdings Co.,Ltd.

Recruit Holdings releases "BRAIN PORTAL," a new service for providing manufacturing support to hardware startups

"Media Technology Lab," an institution engaged in developing the business of Recruit Holdings Co., Ltd. (Recruit; Headquarters: Chiyoda-ku, Tokyo; President and CEO: Masumi Minegishi), has released a new service called "BRAIN PORTAL". The new service is a marketplace designed to match a hardware startup and an expert to provide manufacturing support. (http://brain-portal.net/)

Background to the Development of "BRAIN PORTAL" and Current Status of and Issues Involved in Hardware Startups

With the emergence of technology for mainly 3D printers and crowdfunding, so called the "Maker Movement" where individuals and ventures manufacture products, has been taking place. Recent years have seen a boom in "hardware startups," which is a collective term referring to ventures that use physical technologies, such as IoT, biotechnology, medical and healthcare, rob ot technology, aerospace and energy. Between 2011 and 2014, there has been a nearly ten-fold increase in the number of hardware startup companies that share their products on Kickstarter (*1).

On the other hand, many of the hardware product companies that have successfully raised funds through crowdfunding are experiencing significant shipment delays and setbacks in the phase of mass production (*2). Major problems they are facing are that it takes immense effort and time to find an appropriate manufacturer, and that unexpected technical issues arise at the time of mass production.

In an effort to resolve such issues, Recruit has developed "BRAIN PORTAL" for introducing an appropriate manufacturing partner and expert to hardware startups, and providing support with project management on a global basis. The service has been proposed and commercialized through "Recruit Ventures," which is a new business proposal scheme of Recruit. *1) 2011 data : <u>https://www.kickstarter.com/blog/2011-the-stats_2014 data : https://www.kickstarter.com/year/2014/data</u> *2) <u>http://money.cnn.com/2012/12/18/technology/innovation/kickstarter-ship-delay/</u>

²) <u>http://money.cnn.com/2012/12/18/technology/innovation/kickstarter-snip-delay/</u>

http://www.foxnews.com/tech/2013/08/06/kickstopped-75-percent-projects-delayed-on-crowdfunding-site.html

Service Features

<u>1. Consulting Project Management</u>

The service is designed to provide support to the overall supply chain in terms of both technology and business. It is also designed to provide one-to-one support, not only providing the designs for manufacture but also designs that use quality engineering, preparing and implementing all the plans concerning necessary tests and various authentication procedures. The service covers a wide range of fields including IoT, medical and healthcare, vehicles, aerospace and energy.

2. Matching Hardware Startups and Experts

We will use the global network of "BRAIN PORTAL" to find a factory belonging to a small-to-medium sized company or an expert that matches the needs arising in the process of each project. With our service of matching and comprehensive project management, we will be able to resolve the current issues of a lack of resources and know-how in the phase of mass production and, at the same time we ensure that projects are on-time, on-budget and on-scope.



Through a wide range of services, Recruit Holdings is delivering new discoveries and opportunities to users with information in such fields as employment, education, housing, marriage, child care, travel, cars, hobbies, and lifestyles. Meet the opportunity you've never met before. Meet Recruit. Meet your opportunity.

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