

## **INCJ to make follow-on investment in ClipLine, Inc.**

Company develops services to improve productivity of multi-store businesses through video and cloud operations

- Develops an autonomous video-learning system and contributes to improved productivity in the service industry
- Promotes DX in the service industry amid the COVID-19 pandemic
- Expands service in target business areas to various sectors such as food services, caregiving, and retail

**Tokyo, September 4, 2020** – INCJ, Ltd. (“INCJ”) has announced its decision to make a follow-on investment of a maximum of JPY 100 million in ClipLine, Inc. (“ClipLine”), recognizing the progress made in the company’s business development. The investment will be made through a third-party allocation of shares. INCJ will be joined in this fundraising round by existing shareholders Mizuho Capital Co., Ltd., SMBC Venture Capital Co., Ltd., and new investor SunBridge Inc. ClipLine has been approved on JPY 150 million capital subordinated loan (Provision Scheme for Challenge Support and Capital Enhancement) by Japan Finance Corporation. In this round, ClipLine has raised a total of JPY 500 million.

Established in July 2013, ClipLine is a SaaS (Software as a Service) venture that provides video- and cloud-based services to improve the productivity of multi-store operators. ClipLine specializes in consulting with a deep understanding of the service industry along with video shooting technology and editing techniques for shortening video that promote intuitive comprehension. The company’s autonomous learning system ‘ClipLine’ has been used by approx. 9,000 stores and 180,000 people as of the end of July 2020 and significantly contributes to productivity improvement at client businesses.

ClipLine’s service takes operations traditionally taught through paper manuals or face-to-face training and presents them through short video clips. By incorporating video clips into a training curriculum as needed, comprehension and execution becomes easier and reduces burdens on both trainers and trainees. In addition to offering training sessions through video clips, store managers can put feedback on the video taken by trainees showing actual performance and customer service in the curriculum, which achieves similar results to face-to-face training.

The service industry accounts for 70% of Japan’s total GDP. Improving work environments and working conditions have been longstanding social issues. Since many in the service industry require face-to-face interaction, they are susceptible to the impacts of COVID-19, and measures to improve productivity are becoming increasingly significant. Under these circumstances, ClipLine supports the transition to remote education, training, and management for companies that have lost the opportunity to provide face-to-face training and guidance.

In March 2018, INCJ invested a total of JPY 400 million in ClipLine. Initially, ClipLine developed its service for the restaurant sector, and then it diversified into

fields such as caregiving and retail. The number of client stores has tripled since March 2018, the total number of service users has increased nearly five times, and business is growing significantly.

In addition to strengthening existing systems, the investment raised this round will be allocated to initiatives such as strengthening human resources and rolling out new services that drive store revenue by offering a workspace during the store's available hours.

Through investments in ClipLine, INCJ anticipates an advancement in DX (digital transformation), which contributes to improved productivity in Japan's service industry, and further expansion of services in caregiving and medical fields during and post COVID-19.

**About ClipLine, Inc.**

Established: July 2013

Headquarters: Shinagawa-ku, Tokyo

Representative: Hayato Takahashi, President

Business Outline: Management consulting, development and management of ClipLine

URL: <https://corp.clipline.com/>

**About INCJ, Ltd.**

INCJ, Ltd. was established in September 2018 via company split from Innovation Network Corporation of Japan (INCJ). INCJ was established in July 2009 with the aim of overcoming boundaries between companies and industries, creating and nurturing key industries via open innovation for the prosperity of future generations. Following revisions to its governing law—the Industrial Competitiveness Enhancement Act—the continuing company changed its name to Japan Investment Corporation (JIC) and began new activities. INCJ, Ltd. is mandated until March 2025 to pursue the activities of the original Innovation Network Corporation of Japan, engaging in “Value Up” initiatives at portfolio companies, making additional and milestone investments, and developing exit strategies from investments in portfolio companies.

URL: <http://www.incj.co.jp/english/>

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## Overview of follow-on investment

### **Target: ClipLine, Inc.**

Established: July 2013

Representative: Hayato Takahashi

Headquarters: Shinagawa-ku, Tokyo

Business Outline: Management consulting, development and management of ClipLine

### **Overview of investment**

Authorized investment: JPY 100 million (maximum)

Announcement date: September 4, 2020

Previous investment: March 13, 2018

- Press Release:  
INCJ to invest in ClipLine, Inc. Company develops an autonomous learning system that uses video and audio clips  
[https://www.incj.co.jp/english/newsroom/upload/docs/E\\_PressRelease\\_INCJ\\_Clipline\\_20180313.pdf](https://www.incj.co.jp/english/newsroom/upload/docs/E_PressRelease_INCJ_Clipline_20180313.pdf)

### **Significance of Investment**

#### **Supporting social needs:**

- As Japan's service industry accounts for 70% of total GDP, improving labor productivity is an urgent issue towards realizing the government's GDP target of JPY 600 trillion by 2020.
- ClipLine's autonomous learning system is anticipated to contribute to improving labor productivity in labor-intensive service industries, which include caregiving, food services, accommodation, retail, and medical care.

#### **Growth potential:**

- As a cloud-based system, ClipLine's system is provided at a low-cost, focusing on food services, caregiving, and retail sectors, and has been well received.
- ClipLine is perfecting its service through fundraising and is building a standard platform for education and management through alliances with partner companies in various industries.
- With an increase in foreign workers and home care, the need for educational tools is increasing.
- Interest in the private sector is high, and this investment will be made mainly by existing investors.

#### **Innovation**

- ClipLine has obtained a patent for its "autonomous learning system using video and audio

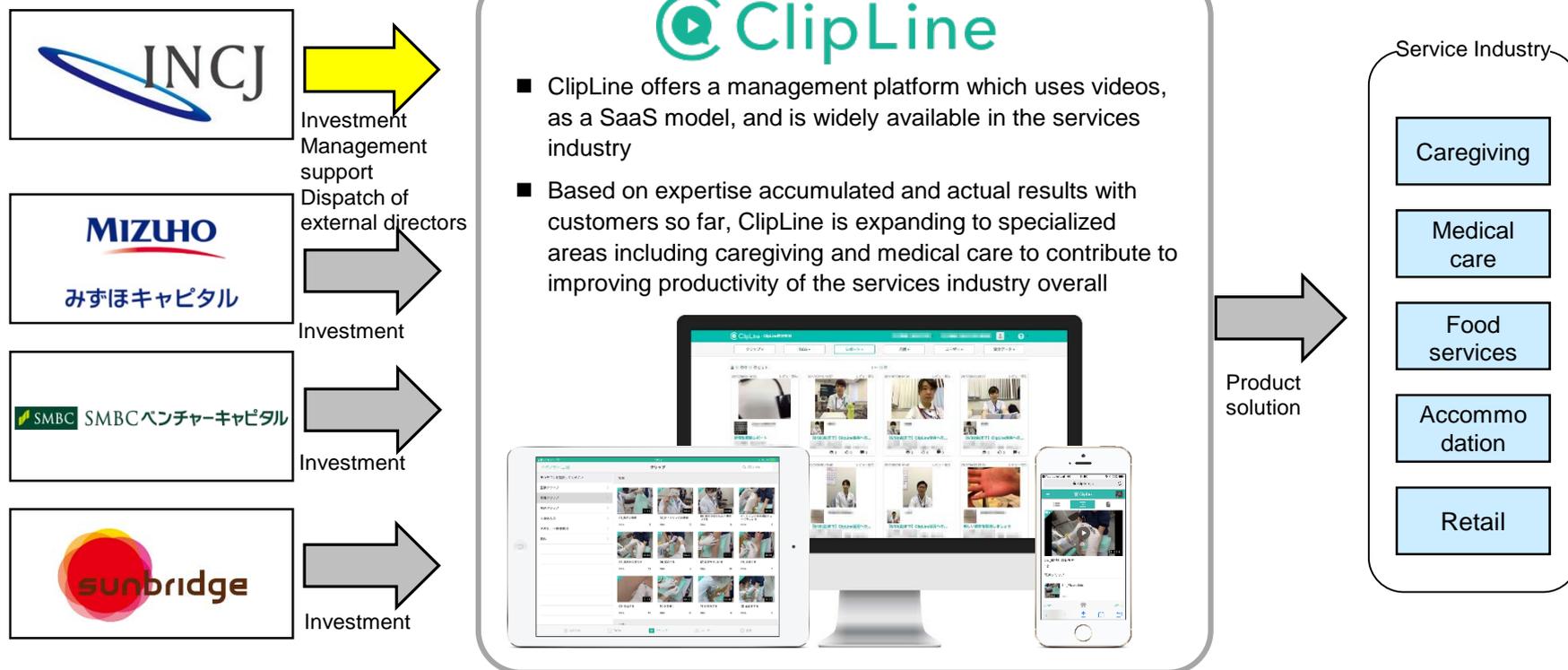
clips” (Patent Number: 6140375). The system is expected to radically reform education and management methods for large numbers of people, which had been difficult with traditional methods such as DVD's, video distribution, electronic manuals or e-learning.

**Target:** ClipLine, Inc.

**Business Outline:** Video management platform

**Authorized Investment:** JPY400 million (maximum) / JPY100 million (maximum)

**Date of Announcement:** March 13, 2018 / September 4, 2020



- By using its video management platform, ClipLine contributes to improving the productivity of the entire services industry which accounts for 70% of total GDP.
- ClipLine hopes to contribute to labor productivity improvement in the labor-intensive service industry including caregiving, medical care, food services, accommodation, and retail.