

Epson establishes Epson X Investment to accelerate innovation

Multi-million dollar investment

Epson has established Epson X Investment Corporation (EXI), a new corporate venture capital (CVC)¹ subsidiary. The aim of the subsidiary is to accelerate collaboration and open innovation, grow existing businesses, and create new ones. A multi-million dollar fund will be set up for venture investment. One of the basic policies of Epson's Phase 2 Mid-Range Business Plan is to accelerate growth by taking maximum advantage of assets and through collaboration and open innovation. In the past ten years, Epson has invested millions of dollars in mergers and acquisitions and in collaborative projects and capital tie-ups with venture businesses. Epson have primarily pursued opportunities in which they could take advantage of synergies with their core devices, especially their core inkjet devices. This has helped the company break ground in new businesses and develop new markets that expand the scope of applications. M&As are the most common way for enterprises to enter other industry sectors. In recent years, however, CVC has gained attention as an effective way to form collaborative relationships and capital tie-ups with venture companies in a wide and diverse range of fields and sectors. It is also seen as a way to prepare for major environmental changes and disruption.² This situation prompted Epson to found EXI as a CVC subsidiary capable of rapidly making decisions and investments. This will help the company further accelerate their open innovation strategy. Epson's general partner³ in EXI will be Global Brain Corporation (GB), an independent venture capital company with considerable expertise in CVC management. The Epson Group will have a 99% interest in a new corporate venture fund with many millions of dollars available for investment. Fund management will target investments in venture companies worldwide. Epson will help to achieve a sustainable society by creating a variety of partnerships and synergies based on its proprietary technologies, products, and services. For more information on Global Brain Corporation go to: <https://globalbrains.com/en/>

¹ Corporate venture capital (CVC): An investing scheme in which an operating company sets up a fund by contributing its own corporate funds and works with a GP as a limited partner (LP) to invest in and support mainly unlisted venture businesses. The objective is to develop synergy with the investing company's core business by investing in businesses that are relevant in some way to the investing company's business operations.² Disruption: Disruptive innovation using digital technology to radically shake up or break down existing industries.³ General partner (GP): An unlimited liability partner. It forms an association with its joint investor and takes 100% of liability for administration. The liability of the limited partner (LP) is limited to the amount of investment. Follow Epson on social media: Facebook: @EpsonAustralia Twitter: @EpsonAust Instagram: @EpsonAust

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