



KONICA MINOLTA

News Release

Konica Minolta to Establish Konica Minolta Publitech, Inc., a Subsidiary That Exclusively Offers DX Services to Local Governments

Stepping Up Efforts to Meet Local Governments' Needs for DX, Which Has Accelerated Following the Launch of the Digital Agency, Through Community-based Operation

Tokyo (October 6, 2021) — Konica Minolta, Inc. (Konica Minolta) is pleased to announce that the company will establish Konica Minolta Publitech, Inc. (Konica Minolta Publitech), a new company that offers digital transformation (DX) services to local governments, in October 2021 to enhance and accelerate DX support for local governments. Various types of local government DX businesses, which have been promoted by Konica Minolta, will be transferred to Konica Minolta Publitech.

Purpose of establishing the subsidiary

Konica Minolta will establish the new company to swiftly cope with changes and enhance business agility, thereby offering services extensively to prefectural governments as well as basic local governments and accelerating the operational reform of local governments across Japan.

- Konica Minolta's value will be maximized from the viewpoint of One Konica Minolta by further enhancing collaboration with Konica Minolta's health care and nursing care business, imaging IoT business, and planetarium business to offer support in solving various social issues faced by local governments.
- The value proposition will be strengthened by enhancing collaboration (open innovation) with more than 60 partner companies as of August 2021. Support will be offered in close cooperation with partners to local governments across Japan, which aim to achieve smart cities in order to improve citizens' lives.

Konica Minolta has been working to streamline and standardize government jobs in collaboration with more than 80 local governments across Japan based on the BPR*¹ approach, which has been refined through many years of operations in the manufacturing industry, in anticipation of unification and standardization of local governments' backbone systems promoted by the Digital Agency, which was launched in September 2021. The DX Support Platform for Local Governments, which Konica Minolta started to offer in July 2021, has been increasingly used by local governments across Japan. Unconventional collaboration between local governments has made it possible to share information and know-how, increase the efficiency of jobs by harnessing such information and know-how, and improve public services.

Konica Minolta Publitech will further upgrade and expand its services by enhancing collaboration with external partners to deploy the “publitech” business*2 based on an open platform. Services offered by local governments are expected to be rapidly digitized with the establishment of the Digital Agency. To swiftly cope with the change, the new company will be established to enhance business agility. It will offer various services to local governments across Japan and enhance community-based operation to meet the ever-growing needs of local governments for DX. The company aims to deploy its business to 100 local governments during FY2021, and 1,000 by FY2023.

*1: BPR, business process reengineering, refers to redesigning of the current jobs and business processes, such as flows and systems, to achieve a drastic reform based on a fundamental review of the existing organizations and systems to fulfill the intrinsic goal of the jobs.

*2: Publitech is a word coined from “public” and “technology.” It aims to increase the operational efficiency by using technologies and make time for formulating strategies for citizens and proposing and implementing creative plans, to which local government employees are expected to commit.

Overview of the Company

Name	Konica Minolta Publitech, Inc.
Representative	President Mikio Beppu
Location of the head office	JP Tower, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo 100-7015, Japan
Establishment	October 2021
Business description	Support for local governments to reform their job flow by streamlining and standardizing government jobs and using the DX Support Platform for Local Governments Promotion of Konica Minolta’s multifaceted businesses and smart projects for local governments in various fields through open innovation
Capital	250 million yen
Shareholder	Konica Minolta, Inc. (100%)

Background and Details

In 2015, Konica Minolta started to focus on identifying the non-financial values of each organization, in addition to the financialized core capabilities of each division, as the One Konica Minolta activity. The DX Support Platform for Local Governments utilizes Konica Minolta’s quality management know-how, which is one of the non-financial values.

Recently, local governments are facing unprecedented manpower shortages. The workload of each government employee has been increasing due to the Covid-19 pandemic and natural disasters. Furthermore, employees have been aging and their number has been decreasing sharply. Meanwhile, the number of applications that must be handled, including those for welfare services, has been increasing in line with the aging

of society. To solve this issue, local governments are focusing on greatly improving productivity through DX. A major unavoidable issue in promoting DX is the streamlining and standardization of jobs. It has become increasingly evident that a merely suboptimized system cannot solve fundamental issues.

Konica Minolta started to offer the DX Support Platform for Local Governments in July 2021. The service has enabled the government-wide classification of jobs that can be done only by government employees and those that can be done by non-government employees by visualizing the work volume and procedures. The workload reallocation has been promoted by automating and outsourcing jobs that can be done by non-government employees but have conventionally been done by government employees, using robotic process automation (RPA) and AI-OCR technologies.

The service has enabled government employees to concentrate on jobs that only they can do and has reduced their excessive workload, making it possible to improve public services. It also helps ensure business continuity planning (BCP) of local government employees who are mobilized to respond at the front line in the event of an emergency.

Konica Minolta Publitech will actively support the digitalization of local governments from the viewpoint of One Konica Minolta by taking full advantage of contact with customers through the DX Support Platform for Local Governments.

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