

NTT's Global Business Initiatives

NTT, Inc.

Abstract

The NTT Group positioned its global business as one of its pillars of growth in the NTT Medium-Term Management Strategy announced in 2018, and in FY 2019 revenue grew to US\$19.5 billion. After active pursuit of international mergers and acquisitions, approximately one-fourth of the NTT Group's workforce (135,000 people) now works outside Japan, and the global business has grown in importance. The NTT Group's strength lies in its ability to offer full stack support for customer business transformation through the global collaboration of operating companies. This full stack support encompasses everything from networks, datacenters, hybrid clouds, and other information technology infrastructure to management services and business applications.

Keywords: global, smart world, brand

1. Expanding global business

In November 2018, the global holding company NTT, Inc. was established under the NTT holding company's umbrella, and NTT Communications, Dimension Data, NTT DATA, NTT Security, and NTT Innovation Institute Inc. (NTTi3) were moved under NTT, Inc. The aim of this is to improve global governance, rapidly incorporate into NTT, Inc. management the expertise and experience of talent specialized in global markets, and strengthen NTT's global competitive advantage and profitability. In July 2019, NTT Ltd. was established to promote customer business development and the creation as "One NTT" (Fig. 1), a global business growth strategy, which combines support for customer business development with innovative creation, to strengthen the competitive strength of NTT's global business (Fig. 2).

2. Support for customer business transformation

NTT is using software-defined technology to deploy IT (information technology) as a service in the form of networks, datacenters, and cybersecurity essential to customer business development. In addition to these services, NTT is deploying industry-specific advisories and outcome-based solutions that

directly contribute to customer value across a variety of industries. NTT is also cutting total supply costs across the NTT Group, mainly through a global procurement company.

3. Contributing to the creation of a smart world

Through these activities, NTT is transforming the NTT Group's homegrown technology and capabilities developed in collaboration with its clients into integrated solutions to contribute to the creation of a *smart world*. In Las Vegas, Nevada, in October 2018, NTT signed a memorandum of understanding regarding the creation of new use cases in transportation, parks, and roadside monitoring for deployment in cities in Nevada, across North America, and throughout the world. NTT's achievements in public safety solutions with advanced situational awareness capabilities in cooperation with the City of Las Vegas was due to the NTT Group's ability to fully use its expertise by drawing on its full IT stack that serves as a one-stop source of innovation and its stance that "customers own their data."

4. Commitment to innovation

NTT has established a global innovation fund, an organization that boosts innovative creation, and an overseas research hub to catalyze its innovative

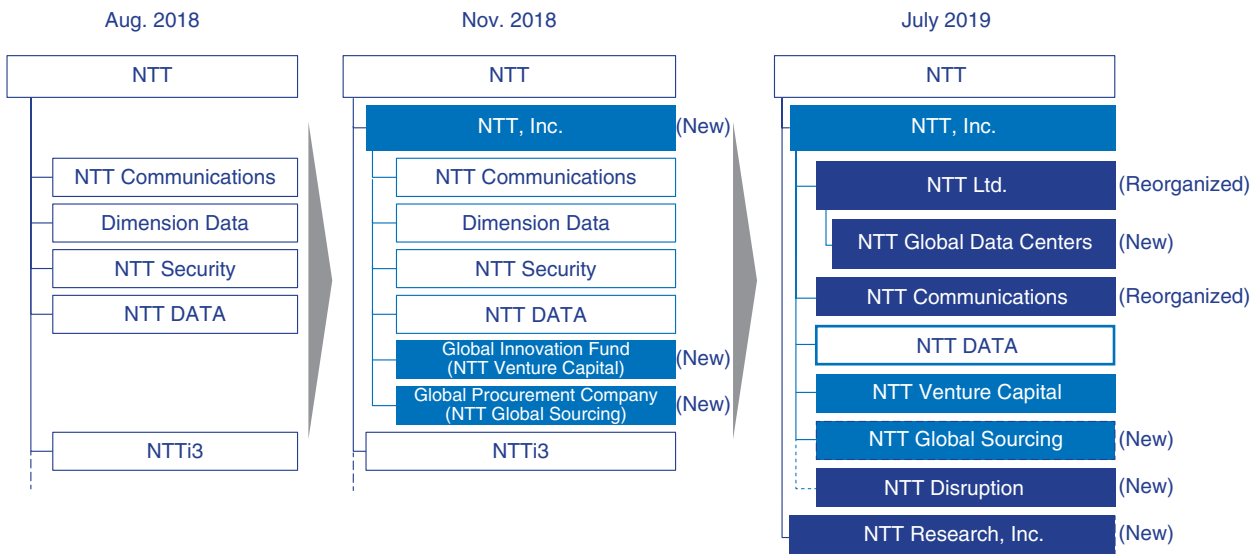


Fig. 1. Reorganization of global business.

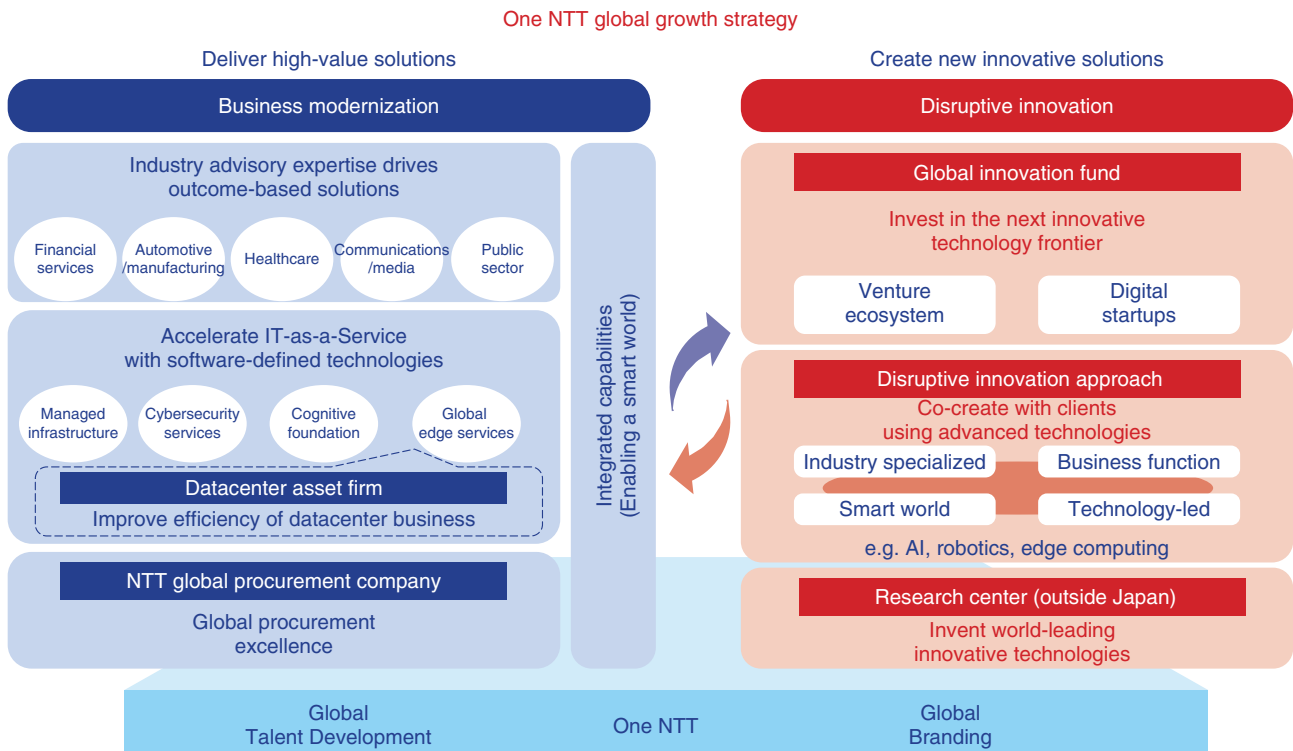


Fig. 2. One NTT global growth strategy.

initiatives aimed at creating something totally new. NTT Venture Capital was established in November 2018 as the NTT Group’s global innovation fund to

promote synergies and new business creation within the group. Through NTT Venture Capital, NTT is investing primarily in technology sectors that are

expected to grow in global markets. NTT Disruption boosts innovative creation, using cutting-edge technology in artificial intelligence, robotics, and edge computing, to create new value in collaboration with clients. In particular, the company aims to commercialize new technologies through proofs of concept that affirm the value of the technologies with customers. Finally, NTT established NTT Research, Inc., an overseas research hub that leads the world in research on innovative technologies.

5. Strengthening the NTT brand

To further enhance its global presence, NTT has become the leading sponsor of the NTT IndyCar

Series of top-of-the-line professional motorsports in North America. NTT has also signed a technology partnership agreement with Major League Baseball in the USA and is also an official technology partner of the Tour de France. Through partnerships like the above, NTT is working to provide an innovative experience for sports fans using cutting-edge technology and building the NTT brand through television and the web, enhancing its global competitive advantage.

By combining support for customer business development with its commitment to innovative creation, NTT, with its talents and brand, is enhancing its competitive strength in global business and accelerate growth as One NTT.