

Rakuten and The Grommet Combine Forces To Advance E-commerce Discovery Of Unique Products

Daily Grommet Evolves Name to The Grommet, Rakuten Takes Majority Stake in Maturing Company

Lexington, MA – Tuesday May 14, 2013 –Today Daily Grommet, the online marketplace and product launch platform for undiscovered consumer products, announces the second tranche of investment by Rakuten, the third largest online marketplace in the world, and a rebrand that includes a name change to The Grommet. This investment makes Rakuten the major stakeholder in the business. This significant news in The Grommet’s history marks the company’s success in levelling the playing field so that the best products and companies coming out of the “hardware renaissance” can succeed. The Grommet’s disruptive business model gives consumers a trusted place to engage with the stories and people behind the explosion of new consumer products. It does so by discovering, launching, and sharing up-and-coming products with an emerging e-commerce shopper looking for meaningful products to buy online.

Rakuten first invested in The Grommet in August 2012, when it led a round of Series B funding in the company. Today’s investment solidifies the shared vision the companies have to empower and enhance consumer experience in e-commerce by curating innovative products while telling their stories via video and social channels. The consolidation of resources will provide The Grommet platform access to a global base of undiscovered consumer products. The Grommet will further advance Rakuten’s sourcing and storytelling capabilities and deepen the connections between consumers and merchants.

In just four years, The Grommet has launched and empowered 1,600 new products on behalf of small companies or individuals. The Grommet’s “Citizen Commerce” movement is fostering connections between inventors and consumers, by enabling product purchases that express powerful contemporary values around sustainability, quality, technology and social enterprise. This success has culminated in dramatic growth. The Grommet is projected to increase revenue by 400% in 2013.

The Grommet receives one million daily impressions from a large and influential user base that recognizes it as trusted experts who successfully source and vet unknown products with high market potential. The name change reflects the company’s powerful business platform model and puts the emphasis on “grommet,” the company’s tangible symbol that represents its commitment to innovative products, or “hardware.” Today’s investment will also help The Grommet expand their retail product placement program. The company plans to forge retail partnerships to propel selected “grommets” into the larger consumer marketplace.

As the company continues to innovate, The Grommet has rolled out a new web design look and feel with key features that further emphasize its mission. These capabilities include easier shopping via larger, more attractive displays; customer reviews; personal value icons for customers to align their beliefs with their purchases; better mobile capabilities; and an updated Citizens’ Gallery to allow for more exploring and discovering.

The redesign also compliments the highly personal experience both The Grommet and Rakuten value. Since 2011, The Grommet has successfully used Pinterest to give its vibrant community a place to suggest new product ideas, and to successfully drive traffic on Grommet product partner websites and grow Pinterest followers. The Grommet is also extremely invested in the use of video, producing one for every product on its site. Rakuten aligns perfectly with this passion for curated commerce, having led a \$100 million round of investment in Pinterest just last year.

“After fostering product launches and success across 20 consumer product categories and using cutting edge online media and storytelling for four years, The Grommet has established an eye for what’s relevant and innovative to consumers today,” says Joanne Domeniconi, Co-Founder and Chief Discovery Officer. “Rakuten is the perfect match for The Grommet, as we share a common vision for how people want to discover and buy products they love.”

“The Grommet has proven to be a natural fit within the Rakuten family, as it empowers product creators and consumers in discovery of good products,” said Hiroshi Mikitani, CEO and Founder of Rakuten. “The continued success of The Grommet further proves what we at Rakuten firmly believe: that there is a tremendous demand for this kind of high quality curated experience in the online marketplace.”

“We see this investment from Rakuten as a shining validation of what The Grommet has accomplished so far,” adds Jules Pieri, Co-Founder and CEO. “But, what gets me excited is all that The Grommet can accomplish in our next chapter with Rakuten. We cannot wait to grow The Grommet and become the company any new product innovator dreams of securing as a launch partner. Rakuten understands the unique disruption in “growing big while staying small.” I too see this as the most powerful way to advance our society and the role of business in shaping the world!”

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About The Grommet

The Grommet is a curated online marketplace and launch platform for undiscovered products that’s rethinking the way people fundamentally launch, discover, share, influence and buy products online. Its mission is rooted in the philosophy of Citizen Commerce™, a movement that enables product purchases that express powerful contemporary values around sustainability, quality, technology and social enterprise.

Founded in 2008, The Grommet has grown into a credible and innovative source for discovering and launching new products, helping to launch household products such as Fitbit, Soda Stream and Bananagrams. To find out more about The Grommet’s new name change and features you can visit the [blog](#). To learn more about The Grommet’s products and mission visit the website at www.thegrommet.com and CEO Jules Pieri’s blog at www.jules.thegrommet.com. You can follow us on [Twitter](#), [Instagram](#) and [Pinterest](#) as well as like us on [Facebook](#) and watch our videos on our [YouTube channel](#).

About Rakuten

Rakuten, Inc. (NASDAQ:4755), is one of the world’s leading Internet service companies, providing a variety of consumer- and business-focused services including e-commerce, eBooks & eReading, travel, banking, securities, credit card, insurance, e-money, portal and media, online marketing and professional sports. Selected by Forbes as 7th among the World’s Most Innovative Companies of 2012, Rakuten is expanding globally and currently has operations throughout the Americas, Europe, Asia and Oceania. Founded in 1997, Rakuten is headquartered in Tokyo, with over 10,000 employees and partner staff worldwide. For more information, visit <http://global.rakuten.com/corp/>.