

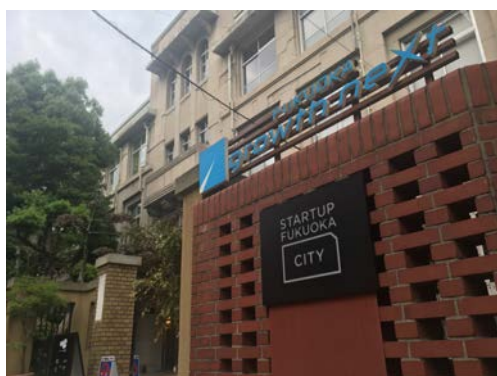
## Golface KK

Green Jacket Sports Co., Ltd., a Taiwanese startup that develops and sells integrated management apps for golf course reservations, course introductions, cart navigation and score management, established Golface KK in Fukuoka in May 2017 to enter the Japanese market. Golface now offers golf packages for Taiwanese tourists in cooperation with the Nishitetsu Group. We interviewed Golface about the background and future prospects of their business in Japan.

“Cart navigation systems of other companies only guide golfers around the course, but our system benefits the golf course management companies as well,” says Morris Chen, Country Manager of Golface KK.

Golface offers services for golfers using not only smartphone apps but also devices such as iPads and wearables, GPS and aerial images. The app “Golface” provides players with accurate strategies based on each hole’s features and assists in keeping score. Golface also plans to introduce its smart cart navigation system in Japanese golf courses. In addition to providing services for golfers, the company analyzes players’ location information and data stored in the system and provides feedback to the golf courses, contributing to more efficient management. It has largely improved the sales of Taiwanese golf courses.

“Once you use our service, you will never use any other again,” Mr. Chen says smiling. Golface boasts a 100% contract renewal rate with Taiwanese golf courses. It also has a 70% share in the golf app market, with 1.3 million users in Taiwan.



Fukuoka Growth Next, the startup facility in Fukuoka City where Golface’s office is located

### Japanese golf market has strong potential for digitalization

According to “Golf Around the World 2017” by the Royal and Ancient Golf Club of Saint Andrews (R&A), Japan has 2,290 golf courses, the third highest number in the world and the highest in Asia—five times more than the second-ranked South Korea.

“We wanted to first succeed in Japan, which has the biggest golf market in Asia and is home to high-quality services, before spreading our apps to other parts of the world,” Mr. Chen says.

He continues, “Most Japanese golf courses continue to use old systems introduced by various companies a long time ago. They only take reservations by phone, and use Company A for the cart navigation system, Company B for the payment system, etc. We visited many golf courses in Japan, but none of them used a one-stop service.”

Golface’s services are characterized by their capacity to manage all actions required on a golf course on the company’s system.

#### Services to be offered by Golface

“Golface” App	<ul style="list-style-type: none"> <li>• Play support</li> <li>• Score management</li> <li>• Course strategy</li> </ul>
“Golface Store” App	<ul style="list-style-type: none"> <li>• Play reservation</li> <li>• Payment</li> <li>• Purchase of golf goods</li> </ul>
Golface Smart Cart Navigation System	<ul style="list-style-type: none"> <li>• Course guide</li> <li>• Play progress management</li> <li>• Score management</li> <li>• Competition/tournament support</li> </ul>

Services offered by Golface are all interconnected, and users need to just download each app to use the one-stop service. “Our company is a ‘smart golf service pioneer’ in Asia,” Mr. Chen says proudly.

The app “Golface” and the smart cart navigation system allow players to check the course map with strategic information such as yardage to a hole as well as aerial images of the whole course taken by drone. These functions that delight golfers are all programmed into the system designed by Golface’s engineers. Course maps were initially transcribed from hand-drawn plans at the time of the company’s founding, but now it takes only an hour to create data necessary for the app, thanks to AI technology.

However, a full-scale introduction of such new systems has not been easy as many Japanese golf courses are hesitant to use them.



The entire process from reservation to score management is handled through Golface’s services (image provided by Golface)

### Collaboration with a Japanese company to improve visibility

Golface therefore started to organize golf tours in Japan for Taiwanese golfers in cooperation with Nishitetsu Group.

The first tour in December 2017, which attracted about 20 Taiwanese tourists, included golf play in three golf courses around Fukuoka, sightseeing tours such as a cruise of Hakata Bay, accommodation and meals as part of the package. Nishitetsu provided the hotel and

transportation, and Golface advertised and sold the tour in Taiwan and lent iPads with its apps to the participants, allowing them to enjoy golf in Japan, using the familiar apps in their own language. Golface collected these users’ information and plans to provide it to golf courses as big data.

“It is a win-win-win-win business that makes golfers, golf courses, travel agencies and our company happy,” Mr. Chen says. The tour was received favorably, and another, titled “Sakura Tour,” was conducted in March 2018. Golface plans to continue organizing several tours a year.

“The participant survey showed a 100% satisfaction rate. The tour was also well-received by the golf courses, which requested us to bring more golfers from Asia and abroad. We believe that golf courses that experience the quality of our service will want to fully incorporate it,” Mr. Chen says confidently. Available in Japanese, English, Chinese and Korean, Golface’s system can play a role in attracting tourists to Japan if introduced by more golf courses.

The tour business has started smoothly, with many inquires for the next excursion. Golface aims to improve its name recognition in Japan through such tours and increase the number of client golf courses. Having achieved its first-year sales goal in Japan, it expects to increase sales eight-fold by 2020.

### High-quality, trustworthy Japanese market

Mr. Chen did not experience any inconvenience or trouble when developing business in Japan. “The process and documents are indeed complex, but there are clear rules, and if we follow them there is no worry afterward. People are thorough and professional, with a rich history and culture in the background. This is Japan’s charm,” Mr. Chen says. “Japan’s document culture is however unique. As a startup, we first express

our philosophy, dream and vision, but Japan asks for documents that prove their basis and results. Understanding and patience regarding such cultural differences are indispensable,” he said explaining the key to developing business in Japan.

### From Fukuoka City to other parts of Japan and to the world

Golface’s office is located in the “Science Room” at Fukuoka Growth Next, a startup facility built by Fukuoka City in a former elementary school building. Operations in Japan are currently being conducted by Mr. Chen; Penny Chen (Country Specialist of Golface), who is fluent in Japanese; and Ian Liao (Co-founder of Golface), who comes to Fukuoka every month.



Golface’s signboard next to the “Science Room” tag

Golface’s relationship with Fukuoka City began when the company participated in a seminar aimed at attracting startups that was organized by Fukuoka City in Taipei in 2016. Golface then visited Fukuoka, and, after comparing other options such as Beijing and South Korea, decided to establish an office in the Japanese city. “In addition to having stable weather, which is important for golf, Fukuoka is very close to Taiwan in terms of distance and living environment. The rent seems cheaper compared to other cities like Tokyo,” Mr. Chen

says. The sense of trust inspired by the city’s startup support program, the high level of expertise and the quality of the staff, led by the mayor himself, were also important factors when choosing Fukuoka. For establishing an office, Golface used the startup visa offered by Fukuoka City as a Special Zone for Global Startups and Job Creation.

Golface hopes to organize more tours in cooperation with Japanese travel agencies and telecommunications companies and improve its visibility for nationwide expansion. It aims to introduce its smart services to at least two golf courses during fiscal 2019, with the tour business as its stepping stone. To do this, it plans to recruit two more staff members: an engineer and a liaison to golf courses. Golface is also on the lookout for a partner company that will sell its services in Japan to increase efficiency of its sales activities. “We first aim to introduce our smart services in Kyushu. We will then expand from Fukuoka City to other parts of Japan and to other Asian countries such as China and South Korea,” Mr. Chen says.

From Fukuoka to all over Japan and to Asia. Should Golface’s plan be realized, it will become a good example of global services successfully developed from a local city in Japan.



Morris Chen, Country Manager of Golface (right)

Penny Chen, Country Specialist of Golface (left)

(Interviewed May 2018)

## Company history

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- 2013      Establishment of Green Jacket Sports Co., Ltd. in Taiwan
- 2016      Winner of the Grand Prize in the open innovation program held by Nishitetsu and the general incorporated association StartupGoGo
- 2017      Establishment of Japanese subsidiary Golface KK within Fukuoka City's startup facility Fukuoka Growth Next

## Golface KK

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Establishment:      2017

Business overview:    1) Provision and sales of the golf app "Golface,"  
                                  2) promotion of Japanese golf tours to foreign tourists

Parent company:      Green Jacket Sports Co., Ltd.

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