



Makeup Brushes, Kendama, and Sakata Seed...

Products Made-in-Japan and Recognized by the World

— Global Hits Offer an Uncompromising Quality

Editorial Department, *Bungeishunju*

There are products made in Japan that win in the field of global competition, are recognized as international brands, and are praised by consumers around the world.

How are hit products from Japan created? And why are they loved by people in other countries? We have visited six companies that are constantly devoted to creating products that make the most of Japan's good quality.

Juki Corporation is a leading manufacturer of industrial sewing machines and holds a 30% global market share. With sales offices in eighty locations around the world, it began a full-fledged overseas expansion in 1970.

“High quality and after-sale services are important since industrial sewing machines are production machinery. This is a weakness of Western companies. We stock other companies' products and also provide consulting services. If we can establish connections through replacement parts and repair, chances are they'll buy products from us the next time.” (Miyashita Naotake, Director and Managing Officer of Juki Corporation; the same applies below).

Juki has focused on China from the time before the normalization of diplomatic relations between China and Japan (1972) and provided both sewing machines and consulting services at very large sewing factories at multiple locations. Juki's dominant brand power in China is a result of a long history of hard work.

Although the sewing industry was hit hard by the Asian financial crisis in 1997, it began to rebound around 1999. At the same time, large quantities of low-quality sewing machines made in China appeared on the market.

“The owner of a sewing factory was saying that his factory had to replace sewing machines



every year, so I told him that Juki's machines would last thirty years if they took good care of them. It seems that he then immediately purchased our products. He took the trouble to visit us the following year and thanked us, saying it was the first year that he didn't have to replace his machines. This shows how often bad products were utilized. I have been thanked by strangers many times at sewing-industry meetings in China that I attended where people would ask to shake both of my hands, saying that they could build a home thanks to our sewing machines."

Juki's high-quality sewing machines were admired by owners of sewing companies, who dreamt of someday owning Juki products. By the year 2000, the products had become so popular that buyers often had to wait a full year after placing orders before they could receive the products.

And if the product supply in the market is low, the products begin to be traded at premium prices. There was even an incident in which a truck loaded with products was attacked while being transported and 250 units were stolen while the driver was asleep at a hotel.

Apparently, imitations continued to be made no matter how many times such imitations were exposed.

"It was like playing whack-a-mole. One day, I was called on by Chinese customs, so I went and saw an imitation that looked exactly like our original model. The machine body had the letters "JUKL," actually printed on a sticker, but the letters "JUKI" under the sticker were evident when we removed the sticker. The imitation was made really well, so the customs officer probably wanted to show it to me."

Juki's overseas development is now extended to Africa.

"The center of the sewing industry has shifted to other places around the world. In the 1970s, it was in the United States, Europe, and Japan and in the 1980s, it moved to NIEs (newly industrialized economies) such as Hong Kong, Singapore, Taiwan, Vietnam, and Bangladesh.

And now the industry is moving from China to emerging countries. When there is such a move, demand for industrial sewing machines sharply rises. The sewing business is the best option for rural workers who seek to industrialize their business with the sense that simple education can create high employment numbers and earn a good deal of foreign currency. Such movement is often led by the local government, and we are cooperating with their human resource development.

Many people are introduced to Juki's sewing machines in education facilities when they are learning sewing skills. The strength of the Juki brand may lie in not only its high-quality products, but also the before- and after-sale services the company provides and its involvement in the advanced human resource development of its customers.



Japanese Modern Kitchen Knives Loved by Chefs

More than 4.6 million kitchen knives were sold in the fourteen years since the product was launched. Kai Corporation's high-quality kitchen knife "Shun" is a very popular product that still sells around 500,000 units a year, particularly in the United States and Europe.

Shun is characterized by its ripple pattern admired by overseas users for being as beautiful as Japanese swords and the D-shaped cross section of the handle.



"The ripples are called the Damascus pattern and are made from a technology that already existed before the creation of the product. The D shape can also be found in the chestnut-shaped handle of traditional Japanese kitchen knives. So, both of these technologies had already existed, but "Shun" is their first combination. I thought it was splendid as a kitchen knife, but I actually didn't expect much from it as a business," explained Mizutani Takeshi, the company's Managing Director. Mizutani, who is both the manager of international sales at Kai Corporation and the manager of overseas businesses at the manufacturer, is one of the people who knows a lot about the process of the development of Shun to its triumph in the overseas market.

"It was more like a hobby. We, the international team, created the product, thinking that such a combination was interesting and that it would be fun to have such a product."

The general-purpose model of Shun products is priced around 15,000 yen for one. This is twice as expensive as ordinary first-class kitchen knives. In addition, it is heavy for women to use and it did not seem at all likely that it would be a key product.

Around this time, the company attended a large overseas trade show to promote its kitchen knives priced at about 7,000 yen, which the company was selling at the time. The response, however, was not promising.

"But when the negotiations were almost over, a male buyer suddenly looked at the Shun and asked what it was."

We told him it was expensive and heavy, but he liked it very much and said, 'No, this is good.' Later, we realized that only in a few countries like Japan and Korea, cooking was a job for women, but in many other countries, men also cooked. The Shun knife is not heavy for men, and they don't care much about the price since they are more particular about the



quality of their tools. In fact, 80% of overseas users are men.

In 2003, Kai Corporation began doing business with large retail chains selling first-class kitchenware such as Williams-Sonoma, which operates approximately 250 stores in the United States, and WME of Germany. Since then, the number of units sold rapidly increased to 20,000, and then 30,000 a month. The product was introduced by the media in such places as the U.S.-based *Playboy*, and Mizutani's international team made a critical decision to make the Shun series the core business of the company.

“In the United States and Europe, people began to increasingly consume vegetables and fish due to the problem of BSE (Bovine Spongiform Encephalopathy or mad cow disease) and being more health conscious. Also, because of the growing popularity of Japan and Japanese food, we sometimes called the concept of Shun ‘Japanese modernism.’”

While German-made kitchen knives such as Solingen are appropriate for cutting thick meat, Shun, which is similar to Japanese-style kitchen knives, is better suited for vegetables and fish. Michel Bras, known as a three-star chef, visited Kai Corporation and co-developed kitchen knives because his French cuisine emphasized the quality of the vegetables used.

Around 2010 in the overseas market, more than 40,000 units per month were sold particularly in the United States.

“This caused a problem with production. Because the Damascus pattern on the surface is crafted by bladesmiths one at a time, we cannot easily increase the production line. We were also concerned about the materials and secured a one-year supply of stainless steel.

Even now, the percentages of Shun sales are approximately 70% in the United States, 25% in Europe, and 5% in Japan and the rest of Asia, indicating its dominance in the United States market. While Japanese people tend to think that one general-purpose kitchen knife would be enough for everything, even the sets of five or ten knives with a knife holder reportedly sell fast in the United States and Europe. This illustrates a clear difference between the two markets.

Kai Corporation's Shun kitchen knife is a hit product that was created with the idea that such a product would be interesting, without initially thinking of making it a business, and then successfully met the market demand.

Makeup Brushes from Hiroshima to Hollywood

Kumano-cho, Aki-gun, Hiroshima Prefecture: It is a quiet town surrounded by mountains in every direction where makeup brushes eagerly purchased by a number of Hollywood stars and internationally distinguished makeup artists are manufactured.

Kumano-cho has been known as the “home of brushes” since the late Edo period (1603–1867), where approximately 80% of Japanese-made brushes are manufactured. In particular, Hakuhodo, a global manufacturer of high-quality makeup brushes, is the largest in the



industry. The company manufactures more than four million first-class makeup brushes per year, including OEM products for companies in the United States and Europe. It has a branch in Los Angeles and holds more than a 50% global market share.

We interviewed the founder of Hakuodo, Takamoto Kazuo, who was born to a family of traditional brush craftsmen that has continued for many generations.

“There are about 80 processes in the manufacturing of each brush, most of which are done manually by craftsmen. The number of processes increased while we were stabilizing the quality and taking steps towards mass production, and thus the current brushes were created.”

Takamoto, the President of Hakuodo, is a brush craftsman himself, and today the 75-year-old still checks the finish of in-house brand products before they are shipped.

“Examining the materials is also important when making brushes. Not all materials we purchase are fit to be used and we thoroughly remove the bad pieces of hair, so in the end, sometimes we only have half left. If we think this is wasteful, we could not make good products.” (Takamoto Ko, Hakuodo General Manager)

Hakuodo’s makeup brushes meticulously crafted by its craftsmen are praised as being “as smooth as velvet.” Basic makeup brushes are priced high, ranging from approximately 5,000 yen to 12,000 yen each. Why did Takamoto, the “President of first-class brushes,” continue to make such high-quality brushes when so many low-priced brushes manufactured outside Japan are sold in the market?

“Brush making used to be a traditional craft of Japan, but the country fell into the mass production of inferior goods during the high growth period. I founded Hakuodo because I wanted to make original Japanese high-quality brushes, and I have been teaching myself the know-how.”

Takamoto looked for ways to sell makeup brushes as independent products rather than accessories included in cosmetics, and in 1982, initiated the development of in-house brands. It was in 1995 that he began to take steps toward overseas expansion.

“The branding of brushes was difficult considering the business practices in Japan, so the only way was to go overseas.”

Takamoto himself distributed free samples and continued to directly negotiate with professional makeup artists in foreign countries. The turning point was an encounter at a cosmetics manufacturer based in Canada.

“The makeup artist who I was talking to saw the brushes I made and was surprised at the high quality. That moment, I felt that we could sell in overseas markets. That company is still one of our major clients.”

The name “Hakuodo” gradually became widely known in the global makeup industry as the business of the manufacturer expanded.

One of the few places chosen by Hakuodo, which does not advertise its products in the media based on its stance that good products do not need to be advertised, for promoting its



products is international exhibitions. A crowd forms when the company's representative starts making a brush in the company's booth.

"We have attended about twelve exhibitions held in large cities such as London and New York every year for more than a decade. Sometimes we end up about three million yen out of pocket in one exhibition, but we continue to attend exhibitions because we want professionals to directly touch and feel our brushes. If they touch them once and are impressed, the reputation of the product spreads through professionals." (Takamoto, General Manager)

Hakuhodo also started using the Internet early on, and in 1996 when it entered the overseas market, it also created an online sales channel.

In May of this year, a new factory in Miyoshi, Hiroshima, began operation. Exports to the United States and other countries have been going well, and expansion into the markets of Southeast Asia and the Middle East is also expected. The stance of Takamoto, however, will not change.

"For many years, we have not set any numerical targets. When you have sales or profit targets, you have to force yourself to make products and try to somehow sell them. What is more important is to make good brushes. Once they are sold, we make some more. This is the basic principle."

A Quality Difference Realized by Putting on a Helmet

When the number of helmets destroyed for quality testing is high, about 3,000 a year are ruined. This number directly represents the manufacturing of Shoei focusing on the "world's best quality."

High-quality motorcycle helmets, which are the company's key product, are called Premium Helmets, and sell from 350 dollars to nearly 900 dollars in the U.S. market. Shoei is the leading manufacturer in this industry, holding more than 50% of the global market share.

The company manufactures more than 400,000 Premium Helmets annually. More than 40% of these helmets are sold in European markets such as Germany and France and 20% are sold in the U.S. market. Currently, Shoei exports to more than forty countries.

The American Motorcyclist Association (AMA), which has a membership of more than 200,000 motorcycle riders in the United States, conducted a survey last year among its



Scene from the MotoGP 2016 Round.4 Spain
PHOTO: Honda Motor Co., Ltd.



members indicating that approximately 35% of the respondents said they would select a Shoei product as the next helmet they wanted to purchase. This proved Shoei's popularity with a percentage that was more than 15% higher than the second most popular, Korean manufacturer.

“The first reason why Shoei is popular among so many riders is the quality. Not only the safety that protects them, but there are various factors to measure the quality such as how much of a burden it is to wear on a long-distance ride, the sense of it fitting when wearing the helmet, as well as visibility, air-tightness, and anti-noise measures. But the differences are clear if you actually ride a motorcycle and wear the helmet.” (Ohno Shintaro, Director and Director of Product Planning)

For example, just the air-tightness of the shield makes a difference as a low-priced helmet allows air to enter when the motorcycle is running at a high speed, which makes for wind noise and distracts the rider. Premium Helmets are preferred by riders who are sensitive to such small differences.

In order to focus on the quality, all of Shoei's products are manufactured at factories in Iwate and Ibaraki Prefectures. Shoei, with nearly 70% of its sales coming from exports, struggled during the time when the yen was super-strong. However, the company maintained domestic production.

“While we are also working on automation in some segments, much of the manufacturing process is actually manual work. The technologies for molding shells and transcribing graphic designs are truly the skills of experts. We would not be able to make the same quality so quickly even if we did move our factory overseas.” (Ebisawa Takashi, Assistant Director of Product Planning)

Even regarding materials, the company maintained its policy of using those products made in Japan and used Japanese-made materials and parts manufactured by Toray, Bridgestone, or small- and medium-sized companies that have high technical skills.

The strategy adopted by Shoei as a measure against labor costs in Japan, the cost of raw materials, and the effect of foreign exchange was high value-added. Since around the year 2000, products with low profitability were abandoned and, at the same time, the price range of key products was gradually increased.

The company's development skills to keep creating new products and its skills for unique designs are also appreciated by the users of Shoei helmets.

“We have been announcing one or two innovative new models every year. This has not changed even after the struggle of the entire industry following the bankruptcy of Lehman Brothers.” (Ohno)

In fact, Shoei's global market share began to grow after the decline of the entire industry due to the Lehman Brothers incident.

“Overseas competitors are chasing after our new models, but the quality and design are



still different even if they imitate the appearance of our products. Our customers know these differences well.” (Ebisawa)

And while Shoeni’s business is currently strong with the largest global market share, its predecessor, Shoeni Kako, experienced financial problems in 1992 and filed for corporate rehabilitation. Six years following this, the company completed its rehabilitation procedures ahead of schedule. During the reorganization period, Shoeni introduced the Toyota production system at its factories and increased its workplace skills by thoroughly eliminating waste and continuously implementing improvements. The current status as a global brand, therefore, is the fruit of overcoming the struggles.

Kendama Techniques and Craftsmanship

A foreigner wearing a baseball cap backwards and a casual t-shirt is performing on the street. He skillfully moves and jumps high, and turns in the air. At first glance, he looks like he is performing a break dance, but he is holding a kendama (cup and ball) in his hand. The man continuously exhibits amazing techniques in his excellent kendama performance.

Searching “kendama” on YouTube results in many videos of the street performances of foreigners. Like skateboarding and BMX, advanced kendama techniques are considered “cool.”

Along with this kendama boom, there is a Japanese brand that has drawn attention overseas. It is the official Kendama Ozora manufactured by Yamagata Koubou.

Umetsu Yuji, the President of Yamagata Koubou, returned to his hometown from Tokyo and took over the company as the third generation president in 2009 when the kendama boom was drawing people’s attention.

“It was around 2007 when we started receiving orders from U.S. wholesalers. Online videos became popular, and it seems that after trying out many different types of kendama, they finally decided on the official kendama used in Japan where kendama originated.

The official kendama products are those that have been officially certified by the Japan Kendama Association. The Association has established official specifications concerning the materials, shape, and size, and performers participating in competitions or level or skill





examinations must use an officially certified kendama.

Only three companies in Japan manufacture official kendama, and Yamagata Koubou was selected as the designated factory by the Association in 1978 and certified as the best official kendama manufacturer in Japan in 1990.

At present, about 20% of Ozora manufactured by Yamagata Koubou are sold overseas. Half of the products go to the United States and Europe.

We visited the company's factory in Nagai, Yamagata Prefecture, and met craftspeople who were manually processing the parts of a kendama one by one. Kendama parts include a stick called the "*ken*," small and large cups, and the ball and thread.

A few types of material for the official kendama are specified, and Ozora, a standard kendama, uses beech for the ken and cups and *sakura* (wild cherry) for the ball. Higher-class products also use *keyaki* (zelkova) and pagoda tree (*enju* / *Styphnolobium japonicum*). All materials come from woods mostly in the Tohoku region, such as Yamagata Prefecture.

Suzuki Yozaburo, the grandfather of Umetsu, the current president, and the founder of Yamagata Koubou, first manufactured kendama in 1970. His motive was to make toys and handicrafts using the rich, local wood resources.

Unlike the use of kendama mostly for skillful performances in other countries, kendama in Japan are used for children's competitions and level examinations as "kendama-do."

In tournaments, many upper-class competitors, including the winners, use our Ozora. The sizes and shapes of official kendama are uniform and the weight is well-balanced. The ball is painted in such a way as to help the player succeed when doing tricks. I think these kind of features have attracted overseas kendama fans," says Umetsu, who is a third dan (third highest level) kendama performer. Yamagata Koubou receives orders from people from abroad who are involved in kendama as soon as its new products are released. Foreign people are more enthusiastic about new products than Japanese customers. Production of popular products sometimes falls behind on orders and market supply declines.

"Fans not satisfied with low-priced kendama imitations will eventually want high-quality, real kendama. We are also preparing ourselves to serve overseas customers by, for example, making an English-language website and instructions, and registering international trademarks."

Such words were a reflection of his confidence that overseas performers will understand the differences in quality and choose the company's products.

The Secret of Seeds Spreading to the World

Sakata Seed, which develops, produces, and sells seeds and seedlings of flowers and vegetables, is a company that began its overseas expansion from early on. The founder, Sakata Takeo, developed the world's first fully double F1 petunia in the 1930s and won a silver medal



in the globally prestigious All-America Selections (AAS). Since then, Sakata has been widely known in the overseas seed and sapling industries.

We currently sell products to more than 170 countries and the overseas sales account for approximately 50% of total sales. We have sixteen local subsidiaries in nineteen countries including the United States, Europe, Asia, and Africa, and twenty-five of our local companies, except one in Thailand, are headed by non-Japanese managers as part of our localization that is in progress. (Shimizu Toshihide, General Manager of A & P Dept.)

Sakata Seed is an international company, and two thirds of approximately 2,000 employees, including those at overseas subsidiaries, are non-Japanese.

Some of Sakata's products dominate the global market. The market share of broccoli, for example, is approximately 75% in Japan and 65% overseas.

“Broccoli spread to the world from the United States. The early ripening variety, the Green Duke, that we developed in 1968 was the beginning. It coincided with the development of cold chains (refrigerated transportation networks), and with the producers' strategy of emphasizing the impression that broccoli was more nutritious than cauliflower, and consumption rapidly increased in the United States. This success provided us with the foundation for our U.S. subsidiary.”

The Green Duke developed by Sakata Seed is called an F1 seed of broccoli. An F1 seed is the first hybrid generation of two varieties having different genetic traits, and successful development will produce a variety more suited for agriculture than “pure bred varieties” that have naturally grown for many generations in a certain region. The reason is that an F1 seed has the characteristics of heterosis that inherits the strengths of both parents, whose appearance and growth are uniform. For instance, varieties providing farmers with great benefits such as being having strength against diseases, growing uniformly to facilitate simultaneous harvesting, and giving substantially high yields can be developed.

F2 variety, the child of F1, and F3, and the grandchild of F1 lack these characteristics, resulting in uneven shapes and growth, which would force the farmers to purchase an F1 seed every season.

“Seed production requires considerable time and effort to begin with, so it would be much more economical for farmers to just purchase seeds.”

R&D of seed and sapling producers focuses on finding the combinations of parents that can produce good F1 seeds. This is hybridization and different from biotechnologies that include genetic modification.

“Generally, development of F1 seeds takes 10 to 15 years. If there are 10 fathers and 10 mothers, for example, there will be 100 combinations. The development speed cannot really be increased since we are dealing with nature. Before we can make one good F1 seed, there will be hundreds or thousands of failed attempts.

We just have so many dead seeds. Our annual R&D investment amounts to 4.4 billion yen,



which is about 8.2% of our sales. In this sense, it is close to the development of new drugs in the pharmaceutical industry.”

Sakata Seed operates five research centers in Japan, led by the Kakegawa Research Center in Shizuoka Prefecture, and ten in eight countries overseas. The purpose is to develop varieties that are suited to the climate, people’s lifestyles, and culture of the local environment at locations close to the places of production or consumption.

“Seeds are closely connected to the local cultures. Broccoli, for example, can be developed differently for French cuisine and Chinese dishes. Or, plants that are considered good luck in Japan may be disliked in another country.”

The development of the seeds of plants can be blended into the local culture and be made for the environment. This commitment to localization must be the strength of the global brand, “SAKATA.”

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