

Japan's cosmetics and wellbeing firms pursue excellence amid stiff regional competition

In recent decades, Japan has seen the rise of regional manufacturers that have managed to replicate the Japanese model of success. By taking advantage of a cheaper labor force, these Asian competitors have created products at a much lower price. This is especially true in the cosmetics and wellbeing sectors, where the Korean cosmetics industry, also known as K-Beauty, has gained further momentum from the growing popularity of Korean culture in Western markets. Despite this, Japanese firms remain global leaders in the sector.

"The strength of Japanese cosmetics is the driving force for its continuing popularity," says Yoshinori Kobayashi, President of Koji Honpo, the Japanese manufacturer of cosmetic products and tools. "Beyond the cosmetic industry, the Japanese commitment to *monozukuri* reflects a dedicated pursuit of improvements to ensure a specific level of efficacy. Companies leverage this mindset to deliver products precisely tailored to customer needs. While initially, other Asian countries merely imitated Japanese cosmetics, this superficial emulation proved insufficient for producing high-quality products. In recent times, countries like Korea, Thailand, and China have actively embraced the Japanese *monozukuri* mindset in their production processes, thereby enhancing their global presence."

However, despite possessing a substantial domestic market, one of the weaknesses of Japanese cosmetics companies over the last decade is that they haven't sought opportunities in global markets to the same extent. But Japan's aging population has compelled these firms to look beyond the domestic market for expansion.

"Japanese cosmetics are renowned for their consistently high quality, attracting consumers who prioritize excellence," says Yasutomo Ishii, President & CEO of Dear Laura Corporation.

"This commitment to quality has long been the competitive advantage of Japanese cosmetic companies. However, their vulnerability lies in marketing strategies. A prevailing trend in Japanese industries has been a predominant focus on the domestic market, with less emphasis on overseas opportunities. As a result, Japanese companies often display less flexibility in adapting to societal and global changes."

Faced with these changes, Daizou Morikane, President of Dia Pharmaceutical – which is the company behind the well known SOLinGEL brand – outlines how Japanese companies have had to adapt.

"Japanese firms are facing very stiff price competition," he says. "The same goes for the cooling gel sheets that we produce. Most Japanese companies have tried to enhance their efficiency. For instance, they've tried to save labor costs by reducing the number of employees working in manufacturing from five to three. They made a lot of effort to save whatever they could to lower their costs. That was how we have been able to compete in the market for cooling gel sheets."

Despite the challenges, Reiko Takiguchi, Director & President of soap manufacturer ARSOA Keio Group, echoes the strengths that characterize the Japanese cosmetics sector, and manufacturing industry more widely.

"The greatest strength shared by all Japanese companies in the chemical and beauty industries is their unwavering commitment to quality," she says. "Within this industry, there is also a strong emphasis on ensuring product safety, which involves subjecting cosmetic products to extensive testing and maintaining stringent quality control measures. This commitment results in the release of high-quality products. In addition, Japanese customers are known

for their specific and intricate requirements. Japanese companies continuously strive to implement best practices and enhance their research and development efforts to prove that they are the best in delivering products that cater to the diverse skin variations in Japan."

Keiko Harashima, President of wellness company ATEX, explains that this devotion to quality and efficiency is deeply ingrained in the Japanese psyche.

"If you can imagine airplanes and trains in Japan for a second," she says. "There is no doubt in anyone's mind that they are very punctual, which is especially true compared to other countries where you'd often see delays. People take that for granted a little bit and Japanese people just expect things to be on time. This is reflected in the manufacturing culture as well. The tolerance for defects in Japan is quite low, especially when compared to countries like China or the West. This is why we have fewer defects during our manufacturing processes; Japanese workers do not tolerate them. This has created a clean image for Japan that is reflected in the media's interpretation of Japanese manufacturing."

In the area of sports and wellbeing, sports equipment and apparel maker Mizuno continues to develop top-quality products, particularly for the baseball, golf and running segments, while also fostering innovation at its new MIZUNO ENGINE R&D center. "Since we aim to help athletes improve up to 1/100 seconds and to help people improve their health, we decided to improve our R&D environment and build this new innovation center," says president Akito Mizuno, who adds: "We help increase people's healthy life expectancy by developing and producing sports goods that contribute to a healthier life."

Cooling the World: How SFT Laboratory Revolutionizes Comfort

SFT Laboratory has pioneered the world's first fan-assisted Cooling Jacket, enhancing comfort and safety worldwide.

Due to the effects of global warming, measures against the summer heat have become essential. In response, SFT Laboratory has developed the world's first Cooling Jacket, 'Kuchofuku'.

When it's hot, humans sweat, and the evaporation of this sweat helps to lower body temperature. However, if the heat continues, sweat keeps being produced without fully drying, which leads to an accumulation of what we call 'wasted sweat'. We have developed the Cooling Jacket as a product to avoid this situation. It utilizes the wind power of two electric fans attached to the back of the jacket to help evaporate sweat.

"Partnerships are key to creating new innovative products and strengthening our portfolio across new markets."

Toru Ichigaya, President,
SFT Laboratory Co., Ltd.



In particular, in Japan, where it was developed, use of the jacket has spread in industries that involve a lot of outdoor activities, such as construction and electrical work. It rapidly spread to industries that had previously relied solely on drinking water to prevent disease.

In 2023, Covid-19 passed its peak and people have become more active again. As such, use of the cooling

jacket will not only expand in the B2B market and work situations, but also in recreational scenarios, such as in outdoor sports like trekking and so on. Please consider the Cooling Jacket to make your summer activities more enjoyable and safer.

Our products were developed in Japan's manufacturing culture, so we can provide original electrical devices that are safe and contain few



Special model for full harness safety belt usage

defects, as well as our clothing with unique designs that are carefully crafted to maximize effectiveness.

 空調服®
<https://seft.co.jp/company>



ARSOA Skin Care Products

ARSOA Keio Group: Bridging beauty, wellness and nature for a holistic lifestyle

Exploring the confluence between Japanese cosmetics, water purifiers and inner beauty.

"The greatest strength shared by all Japanese companies in the chemical and beauty industries," ARSOA Keio Group president Reiko Takiguchi explains, "is their unwavering commitment to quality and safety."

And ARSOA, which was first established in the early 1970s, is no different in this regard.

The company, which sets itself apart from competitors by focusing on traditional retail methods over e-commerce, is perhaps best known for its flagship product, Queen Silver Soap, which was first introduced to the market more than half a century ago.

Water purifier,
Cochamama
Cookstar

Nor, she continues, is it the only product that stands out among the company's much vaunted line-up. She cites the group's clay pack, sourced from Hokkaido, which easily adheres to the skin thanks to its fine particle composition and is extracted in its pure, naturally preserved state.

The mention of Hokkaido is no coincidence here.

"Our entire product line-up," Ms. Takiguchi states, "is grounded in the concept of harnessing exquisite natural raw materials from different regions of Japan to create high-quality products."

The use of water, naturally, is key, and Ms. Takiguchi is keen to emphasize the company's commitment to incorporating it into its products, thereby highlighting its significance in our daily routines.

Even so, despite being highly regarded for its manufacture of cosmetics products and standing proud as Japan's leading water purifier manufacturer, change is in the air.

Partly this is a result of the country's well documented demographic crisis, which has caused the birth rate to

dwindle and the domestic labor market to shrink.

Mostly, however, it is the natural consequence of a company rebrand that has seen three previously separate firms – AOB Keio Group, ARSOA Honsha and Biokura Shokuyo Honsha respectively – merge to form one.

"Since the merger in 2021," Ms. Takiguchi explains, "our vision has expanded beyond cosmetics and make-up; now we aspire to promote a better lifestyle and raise awareness about factors such as nutrition, sleep and fitness. And while we are looking to target Southeast Asian countries that are geographically close to us and share an understanding of the appeal of Japanese products, in regions like the U.S. and Europe, we must do more than introduce our final products. Being a company solely focused on product releases is no longer enough."

Instead, ARSOA Keio Group is aiming to sell a way of life. From its base in Yamanashi, a region of breathtaking natural beauty, the group will leverage its exceptional surroundings to advocate healthy living and longevity, sharing its knowledge of Japan's rich cultural heritage and cuisine to encourage consumers to reflect on their lives, goals and future.



"Our goal is to offer more than products; we aim to deliver comprehensive solutions for total customer satisfaction."

Reiko Takiguchi, President,
ARSOA Keio Group Corp.

Ms. Takiguchi resumes: "My vision is to share the magic of our ingredients, products and the water we use in every step of our production process with everyone, whether from Japan or beyond, who visits our company in Kobuchisawa, Yamanashi prefecture."

ARSOA's head office in
Kobuchisawa, Yamanashi

In time, she admits, it may be that such an innovative approach transcends the need for make-up and cosmetic products, but that is in line with the company's stated aim to offer consumers more than mere products; to extend beyond 'mono' – products or things – and encompass 'koto', signifying action, activity, and attitude.

ARSOA

www.arsoa.co.jp

自然の力で、人は輝く

ARSOA

Corporate Statements

Ms. Takiguchi adds: "This exceptional soap, enriched with naturally sourced minerals and charcoal, is the result of an intricate 70-day production process, marked by the meticulous selection of materials it incorporates."

Cosmetics Pioneer Dia Pharma Aims for U.S. Expansion

Creator of the popular SOLinGEL patch, Dia Pharmaceutical is a pioneer in cosmetics technologies in Japan and is now targeting greater distribution in the U.S. marketplace.



Hyogo Factory

Since its foundation 85 years ago, Dia Pharmaceutical has conducted in-house research and development of pharmaceuticals and other products for the health and beauty sector, during which time the global sector has transformed and flourished.



Shinji Morikane, Chairman, Dia Pharmaceutical Co., Ltd.

The company is the pioneer behind SOLinGEL, a water-soluble polymer technology that differs from conventional health patches as it combines a gel agent with excellent heat resistance and shape retention. The transdermal

absorption-type skin adhesive that was developed using this technology opened a new market in the pharmaceutical industry and gave birth to new cosmetic and sundry products such as the "cosmetics patch" and "healthcare patch".

"Patches have been around in Japan for quite some time. In the past, people used to mix flour and vinegar and apply it to the skin," explains Shinji Morikane, Chairman of Dia Pharmaceutical.

At that time, cataplasms were mainly distributed in the market as sol types, so they were unable to maintain their shape. During



Leg Sheets

transportation, there were cases where the sol melted due to the influence of excessive heat, which was a big problem. To solve this issue, pharmaceutical companies at the time began developing gel-type patches. However, these patches



Cooling Gel Sheets

had a weakness. They were hard to attach to the skin.

"Our main product back then was an ointment for athlete's foot. We only had one employee at that time and were even told by the regulator that we could not survive in the pharmaceutical market so we should divest our business to someone else. Back then, I thought that if we overcame the weaknesses of the patches, then we would be able to compete in the market. I spent 10 years developing new types of patches incorporating both the strengths of sol and the strengths of gel. That technology is now called SOLinGEL," says Mr. Morikane.

Today, the lines between medical remedies and treatments are beginning to blur. As a result, many people are deciding to opt for over-the-counter medicines and treatments rather than physically going to see a doctor, a trend which naturally exploded during the COVID-19 pandemic. This has led companies like Dia Pharma to put greater focus on cosmetics over pharmaceutical products.

"Whilst our main product used to be phar-



"I would like to expand our product distribution to at least one-third of all the countries in the world."

Daizou Morikane, President, Dia Pharmaceutical Co., Ltd.

maceutical patches, our focus has now shifted to cooling gel sheets to diversify ourselves. We still produce pharmaceutical patches. However, we are now focusing on the cosmetics field using the technology we have developed. Our face mask was the first product that we applied the technology to. We started producing cooling gel sheets first. After three years, we moved on to attaching cosmetics which were the first of their kind in the world. Initially, they were compared to Jason from the movie Friday the 13th! However, they are now being used in many countries around the world."

Going forward, finding partners for the distribution of its products overseas is an objective for Dia Pharma, which has already earned a distribution deal with French pharmaceutical multinational, Pierre Fabre. "Thanks to this deal, we received a lot of credibility and have been able to establish a presence in the European markets including Italy and the U.K. However, the U.S. is our biggest target now, as it has the largest target market," says Mr. Morikane.



Eye Patches



Nose Strips



Face Masks



<https://dia-pharma.com>

Koji Honpo: A legacy of beauty innovation in Japan and beyond

A manufacturer of cosmetic products and tools, Koji Honpo has made its mark at home and abroad thanks to its dedication to R&D and quality craftsmanship.



Yoshinori Kobayashi,
President, Koji Honpo Co., Ltd.

Founded in 1927, Koji Honpo boasts an ever-growing range of beauty products and tools that are adored by domestic and international customers alike.

A flagship creation at Koji Honpo is its false eyelashes, which are emblematic of the company's dedication to innovation and expert craftsmanship.

"They're meticulously manufactured, mirroring human eye-

lashes – thicker at the base and tapering toward the tips, as well as being the world's first 3D eyelashes," says President Yoshinori Kobayashi.



3D technology

"Koji Honpo's Dolly Wink eye make-up brand, first launched in 2009 and revamped in 2019, has been sold for nearly 15 years in Japan and abroad. It has resonated strongly overseas as well and become an iconic Japanese brand."

Eyelash curlers are key to Koji Honpo's continued international growth. "Eyelash curlers are hand-made by craftsmen in Japan. Eye-

lash curlers are universal products regardless of skin tone, resulting in their growth in the overseas market," Mr. Kobayashi says.

The company's Eye Talk double eyelid range is another notable best-seller. "Eye Talk is mainly aimed at teenagers, but in February, we will launch Eye Talk ageless eye lifting tape as our new proposal for a potential worldwide market facing a super-aging society. It is a universal product that responds to concerns



Curving eyelash curler Eye Talk



After rebranding Dolly Wink easylash

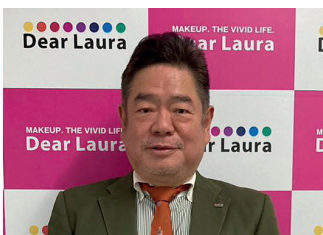
regardless of gender or race. More than 40 years since its brand launch, we have strived to face new challenges while leveraging our unique technology. It is our mission to take on the challenge of creating new value in the market, as we did when we first started creating false eyelashes inspired by Geisha who handmade false eyelashes in Asakusa."



www.koji-honpo.co.jp

Dear Laura: Cosmetic Brand's Pet Project

Visionary founder of cosmetics brand Dear Laura, Hulk Ishii, has strategically diversified the company's portfolio by venturing into the pet industry with its groundbreaking product, the PROMO THERMO MAT.



"The connection between the pet industry and cosmetics is notable, as many products designed for humans can be utilized for animals."

Yasutomo "Hulk" Ishii,
President, Dear Laura Corp.

Celebrating its 27th anniversary this year, Dear Laura today stands as a distinguished cosmetic company specializing in the production of top-tier nail products and eye makeup. Nestled on one of the artificial islands located in Osaka

Bay, this industry trailblazer has left an indelible mark with Pa, a renowned nail polish brand that has adorned women's nails with vibrant hues and glossy finishes for a quarter of a century.

In recent times, the PLAYFUL Nail Color line has garnered substantial popularity among upper-middle-class consumers, resonating with consumers in China and Taiwan, where demand for the product is the strongest after Japan.



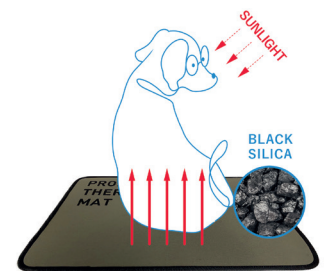
PLAYFUL

Now the visionary founder of Dear Laura, Hulk Ishii, has strategically diversified the company's portfolio by venturing into the pet industry. Operating through the subsidiary company Creare, Hulk Ishii has dem-

onstrated a keen business acumen beyond the realm of cosmetics.

"The connection between the pet industry and the cosmetics sector is notable, as many cosmetic products designed for humans can also be utilized for animals," says Hulk Ishii, who aims to make great use of his cosmetic plants to produce products for pets in the very near future.

Last spring marked the introduction of Creare's groundbreaking product, the PROMO THERMO MAT, designed exclusively for pets, including dogs and cats. Crafted from the rare Black Silica found only in the southern part of Hokkaido, this health mat has garnered attention for its incredible properties. Black Silica, recognized for emitting far-infrared radiation effectively, has received validation from NASA for its positive impact on human well-being. The FDA-approved material in the mat ensures smooth blood flow, contributing to its therapeutic effects.



https://promo-thermo.com/index_English.html

Hulk Ishii remains confident that this product will meet the expectations of pet owners concerned about the well-being of their beloved animals. With the conviction that the PROMO THERMO MAT could set a new standard in the pet health category over the next decade, the company founder continues to display his prowess as a forward-thinking business strategist.



<https://dear-laura.com>

Health, beauty experts targeting global growth

A company founded in 2000, Com Lab has established itself as a go-to supplier of health and cosmetics products in Japan – and is now seeking a five-fold increase in its international business.

A manufacturer that specializes in health and beauty products, Com Lab embraces the business principles that have allowed Japanese companies to remain regional leaders in the sector.



"We're very detail-oriented in Japan, especially when you talk about end-to-end processes, from material procurement to the final product," says Com Lab's president, Yasuyuki Komaki.

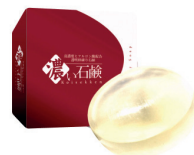
"The quality of the raw materials that Japanese companies use is high, and the quality of the packaging tends to be very high, too. All you have to do is look at Japanese cosmetics containers to understand that the products are better."

A flagship creation at Com Lab is the Osaka-based firm's Dark Soap, which is rich in hyaluronic acid – a substance that keeps the skin moisturized.

"Humans actually create hyaluronic acid themselves so that they can retain water," Mr. Komaki explains. "Peak production happens around 20, before decreasing over time. But having hyaluronic acid remain on the skin helps you to produce more – so if you continue using Dark Soap after 20, you can keep producing peak amounts of hyaluronic acid."

Another major item in Com Lab's portfolio of world-class products is the Gourmet Slim 70

dietary supplement, which boosts the body's ability to regulate blood-sugar levels.



"This supplement can reduce glucose absorption by 70%," Mr. Komaki says. "It can be essential to people who are at high risk of getting diabetes. This problem is not unique to Japan, either; people worldwide are at risk and need to pay attention to their blood-sugar levels."

As a product with clear potential for international success, Gourmet Slim 70 is integral to Com Lab's attempts to grow its global market



"Our primary overseas focus is Asia, because a lot of people are using e-commerce in the region and people are quite young."

Yasuyuki Komaki,
President, Com Lab Co., Ltd.

presence, with Asia the chief target. "Overseas business accounts for around 10% of our overall sales at the moment," Mr. Komaki says. "We'd like to raise this to 50%."



www.com-institute.co.jp

TCM to Contribute to Improving Health in the Era of the 100-year Lifespan

Iskra Industry has been a pioneer in creating bridges between nations and promoting traditional Chinese medicine (TCM) in the Japanese healthcare market.

Established as a trading company in 1960 in Tokyo, Iskra Industry has contributed to improving people's health through the import and export of medicinally-effective products. "In the early 1960s, amid a polio epidemic, we imported a live polio vaccine from the Soviet Union and contributed to the quelling of the virus, fostering relations in challenging times," says Dr. Shisei Chin, President of Iskra Industry.



Iskra's Chinese herbal medicine flagship products

Iskra Industry continues to focus on its mission of creating bridges between people through trade with other countries. The



"I envision a future where Chinese medicine contributes to improving the health of people in the era of the 100-year lifespan, making society strong, vibrant, and sustainable."

Dr. Shisei Chin, President,
Iskra Industry Co., Ltd.

company's focus on TCM began in the late 1960s, importing not only medicines but also the concepts behind Chinese herbal medicines.

Dr. Chin, a doctor with a background in Chinese medicine, stresses the need to promote TCM in Japan. "I really feel that promoting TCM

and herbal medicine in the medical field is meaningful not only for improving diseases, but also for self-medication," he says, emphasizing the comprehensive approach of Chinese medicine.

"The company's original product, Iskra Kangen-karyu, is intended to relieve head-



Iskra Kangen-karyu,
a combination of 6 herbs



Chinese herbal supplements, food and body care products for pets

aches, stiff shoulders, and palpitations in middle-aged people or those prone to hypertension. In TCM, the condition of poor blood circulation is called 'stagnant blood', and this product can be used to treat disorders caused by stagnant blood due to aging or lifestyle-related diseases," says Dr. Chin.

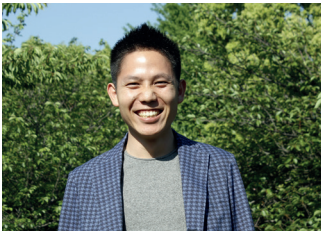
Currently, Iskra Industry's innovative approach includes applying TCM to pets and making inroads into the dissemination of knowledge of *yakuzen* medicinal cuisine. "I envision a future where Chinese medicine contributes to improving the health of people in the era of the 100-year lifespan, making society strong, vibrant, and sustainable," stresses Dr. Chin.

ISKRA INDUSTRY CO., LTD.

www.iskra.co.jp/en

Biodata Bank: Revolutionizing Workplace Heat Safety

Biodata Bank aims to tackle heat-related illnesses and labor shortages with its CNRIA smartband.



"Providing smart individual protection against heat, such as that provided by CNRIA, is a much-needed step forward."

Takeshi Anzai,
President, Biodata Bank

Japan's demographic challenges are posing significant hurdles for industries, but innovative companies like Biodata Bank are stepping up to address the critical issue of labor productivity together with worker's safety.

Its CNRIA smartband identifies heat-stroke risk, providing

personalized preventive alerts for breaks, enhancing worker safety without compromising productivity. CNRIA's unique technology focuses on core body temperature variation, a new approach to heat stroke prevention, differentiating it from competitors and mainstream smartwatches.

"Our customers are using 100% of the function of our device," says the company's president, Takeshi Anzai, with a smile. Mr. Anzai emphasizes the strength of this simplicity, stating: "We have created a simple product, with no language boundaries, to cope with the global issue of extreme heat anywhere in the world."

"From the very start we focused on the international market," insists Mr. Anzai. France, chosen as a strategic location for Biodata Bank's expansion, has played a pivotal role in connecting with the European market. "We are currently focusing

on the European market, as our product has received much attention in particular, in the field of construction."

Biodata Bank's expansion into education and elderly care also reflects a commitment to broader societal impact. Mr. Anzai says: "Providing smart and innovative protection against heat, such as that provided by CNRIA, is a much-needed step forward as the climate situation is deteriorating."

Finally, in addressing the company's environmental impact, Mr. Anzai highlights the one-season-use design of their products, promoting 100% reuse and recycling. The collected data contributes to an analysis service, providing valuable insights for clients.



Looking ahead, Mr. Anzai stresses the importance of continued investment in research and development. "Heat risk, but also other healthcare issues, are highly correlated to core body temperature variation. This is why at Biodata Bank, we concentrate our R&D on this major health indicator."

Biodata bank
www.biodatabank.co.jp/en

ATEX: Elevating Lives and Expectations with Innovative Wellness Solutions

Discover how ATEX combines cutting-edge technology and uncompromising quality to redefine wellness, and why its 'Design-by-Japan' products stand out in a world of mass production.



"We want to deliver excitement through our products and contribute to society. And we also want to increase the number of ATEX fans."

Keiko Harashima,
President, ATEX Co., Ltd.

A planning manufacturer established in 1992, ATEX designs, manufactures, and sells products that aim to contribute to society and enrich consumers' lives.

With many companies starting to become concerned about Japan's rapidly shrinking demographic line, ATEX President Keiko Harashima sees the shift as an opportunity.



"The population will decline, but on the other hand, it will become a super-aging society and people will become more health conscious," she says. "We believe that our electric reclining beds and health equipment will become even more useful in this context."

2023 has proved to be something of a bumper year for the firm, as it launched three new brands, ATEX LOURDES, ATEX

TOR, and ATEX BED, to coincide with the release of the latest version of its popular "Massage Cushion". The idea is to increase recognition by linking the company name ATEX, and the brand names LOURDES and TOR.

Furthermore, in the same year, new products in the popular series "SOYO" and "Hand Care" were released and are gaining momentum.

The future looks equally bright. ATEX is also deepening its collaboration with partner companies in China and is getting ready to take on the world stage.

"2024 will be the 15th anniversary of the release of the Massage Cushion, and we want it to be a year of great growth for our company," Ms. Harashima adds.

E-commerce is proving a hit too due to the website renewal in 2019, and sales are on the rise.



ATEX building

"In the future," Ms. Harashima asserts, "in addition to in-store sales, online sales will likely double or triple."

ATEX
www.atex-net.co.jp