

SMEs Driving Japan's Thriving Lifestyle Industry

Japan's lifestyle industry is a testament to the nation's rich cultural heritage, meticulous craftsmanship and innovative spirit. This sector is not only vibrant but also significantly driven by small and medium-sized enterprises (SMEs), which play a crucial role in shaping its unique character and global appeal.

Historically, Japan has been synonymous with a deep-rooted clothing and style culture, epitomized by the timeless elegance of the kimono. Today, this tradition of quality and design continues to thrive, with modern Japanese style characterized by an abundance of diverse goods that cater to detailed consumer needs. As Toshiya Nakamura, president of World Party, notes: "The uniqueness of Japanese industries lies in their responsiveness to varied consumer demands, resulting in a high level of quality that is unparalleled globally."

In the health and pharmaceutical sector, SMEs like Morishita Jintan are making significant strides. With Japan's aging population creating both challenges and opportunities, the company is pioneering solutions in preventative medicine and nursing care. President Yuji Morishita highlights the potential for growth in these areas, particularly with products rooted in traditional Asian medicine. "We believe that there are great business opportunities, especially for products based on traditional Chinese medicines," he states. Despite cultural and regulatory challenges in international expansion, Morishita Jintan is focusing on gut health and oral care, addressing issues relevant to all age groups through continued investment in research and development.

The beauty industry, another cornerstone of Japan's lifestyle sector, also showcases the meticulous attention to detail characteristic of Japanese SMEs. Tetsuya Okusako, president of Dr. Recella, emphasizes the pursuit of perfection in ingredient selection and product formulation. J-Beauty brands, known for their minimalistic approach and ethical sourcing, are gaining global recognition. Dr. Recella's Pure Moisture Water, derived from Okinawan deep-sea water, exemplifies this dedication to purity and quality. "Our pursuit of perfection goes beyond simply the label," says Mr. Okusako, illustrating a commitment to creating the most refined cosmetic products.

Japanese SMEs are not just contributors but are vital drivers of innovation and quality in the lifestyle industry. Their dedication to meeting consumer needs with precision and care ensures that Japan remains at the forefront of global trends, blending tradition with modernity in a way that few other countries can replicate.

Aso International: Leading Orthodontic Innovation

Aso International blends traditional expertise and digital technology to lead Japan's orthodontic industry on a global scale.

In recent years, the Japanese healthcare industry has faced criticism for lagging behind its Western counterparts, primarily due to regulatory hurdles, price competitiveness and a lack of internationalization. However, since the late former Prime Minister Shinzo Abe's economic reforms, Japanese companies have made significant strides in niche medical fields. A shining example of this progress is Aso International, a company that has become a leader in orthodontic solutions.

Operating in the highly specialized orthodontic sector, Aso International requires staff to hold national qualifications as dental technicians, ensuring high standards and limited competition. "As a dental technology company, we want to make the most of our more than 40 years of experience and technology," says Toshimasa Aso, president of Aso International.

Aso International collaborates with renowned companies such as Kuraray Noritake Dental Supply, leveraging unique materials and development capabilities to enhance its products. This collaboration embodies the Japanese *kaizen* philosophy of continuous improvement. "We work together with Japanese material manufacturers to create unique solutions that improve the quality of our products and services," explains Mr. Aso.

To help medical professionals keep pace with technological advancements, the company frequently organizes seminars. "These seminars are regularly attended by eminent professors who lecture on how to use the digital equipment developed by us," Mr. Aso notes. The company has been developing AI technology for orthodontic design, utilizing CT scans and intraoral scanners to align tooth roots and jawbones accurately.

With Japan's aging population, dental health for the elderly is a growing concern.



"Our company's strength lies in the fusion of analogue and digital technology."

Toshimasa Aso,
President,
Aso International

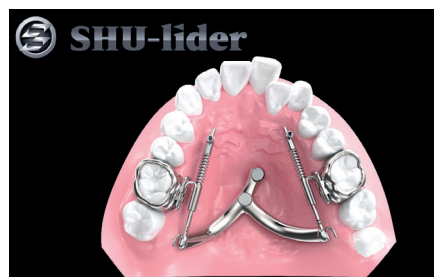


Aso International offers solutions tailored to this demographic. Reflecting on his own experience, the company president says: "Orthodontics has an important role in changing people's lives." He believes in the significance of preventative dentistry, emphasizing the importance of maintaining healthy teeth to avoid the need for dentures and other inserts.

Aso International's commitment to innovation and quality is evident in its product offerings. "Our company's strength lies in the fusion of analogue technology of skilled dental technicians and digital technology in the manufacturing process," Mr. Aso explains. The company's flagship products, such as SYMPHONY, are designed to provide high-quality treatment consistently.

Looking ahead, Aso International plans to expand its presence in the U.S. market, leveraging digital tools and a robust network of partner laboratories. "We envision a business model where we open a base in San Jose, which will act as a huge data center," says Mr. Aso. The company aims to increase its manufacturing workforce and expand its market reach.

Reflecting on the company's journey, Mr. Aso says: "I believe that by the time you return within a decade, Aso International will have grown to become the world's number one name in orthodontics that you can trust." With a blend of traditional expertise and cutting-edge technology, Aso International is poised to continue its trajectory of innovation and global leadership in the orthodontic field.





POLKU



PATCHWORK TINY



“Our guiding mission is to create happiness for people, never stop striving to grow ourselves and spare no effort in contributing to society.”

Toshiya Nakamura
PRESIDENT, WORLD PARTY CO., LTD.

Wpc.TM

World Party: “Life Styling” that Changes with the Weather

As Japan’s leading umbrella producer, World Party’s philosophy of “any weather, smile for life” guides its appealing products and design.

Founded in 2004 with the slogan “creating new possibilities,” World Party has been revolutionizing the umbrella industry with a blend of cultural reverence and forward-thinking strategies at home and abroad. As company President Toshiya Nakamura says: “Japan is abundant with disparate, customer-focused goods.”

Specializing in rain accessories, World Party has capitalized on the nuanced demands of these Japanese consumers, creating products that are as functional as they are aesthetically pleasing.

“Japanese people have a unique sense of value and pursue making things that are not only beautiful but can also last a

long time without breaking,” Mr. Nakamura explains, underscoring the meticulous approach that defines his manufacturing ethos.



COMPACT

The company’s flagship brand, Wpc., actually emerged from a gap in the market for a domestic umbrella brand.

“About 20 years ago, we launched Wpc.,” recalls the president. “Before that, Japan didn’t have any domestic brands that specialized in umbrellas.” This pioneering move has since established Wpc. as the largest umbrella market share holder in Japan, and Mr. Nakamura acknowledges that product development should be aligned to the latest trends and consumer behaviors.

This adaptability is key as the company explores international

markets, particularly those with similar climatic conditions like China and South Korea. And climate change has also propelled the demand for parasols, a trend World Party has targeted.

“Japanese people have become more aware that they need to protect themselves from sunlight as well as rain,” Mr. Nakamura says, adding that the company’s innovative approach to design and functionality in its Wpc. IZA brand has carved out a niche in the emerging market for male parasols—a concept previously unconsidered in the industry.

With brands like SiNCA by Wpc. utilizing recycled materials, the company collaborates closely with material makers to achieve its environmental goals.

Despite World Party’s extensive range of products and expanding market presence, the focus remains on the essence of its mission: to provide quality solutions that respond to the evolving needs of its customers.

“If you don’t have an umbrella during a rainy or particularly sunny day, it’s really inconvenient,” Mr. Nakamura says. “We provide long-lasting, lightweight and beautiful solutions.”

With the success of brands like Wpc. and a focus on innovation and sustainable materials, World Party is not just meeting the current demands of the market but is also setting new standards for the future of rain accessories.

“Within five years I would like to be able to showcase something that is completely new,” Mr. Nakamura concludes.



RAIN PONCHO DAILY

World Party’s commitment to sustainability is another cornerstone of its business strategy.



CLEAR SKY



WORLD PARTY CO., LTD.
www.worldparty.co.jp

Arie Milott Leads J-Beauty Revolution

Arie Milott, a pioneering J-Beauty brand, excels with unique innovations, ethical sourcing and sustainable practices. Under Naoko Ishibashi's leadership, Arie Milott is expanding globally, meeting diverse consumer needs with high-quality, innovative products.

In the highly competitive world of cosmetics, Japanese beauty (J-Beauty) firms like Arie Milott are carving out a unique niche. The global cosmetics industry is increasingly influenced by consumer demand for natural ingredients and ethical sourcing. Arie Group, under the leadership of Naoko Ishibashi, is not only meeting these demands but also setting new standards in the industry.

Arie Milott, a J-Beauty original design manufacturer (ODM), emphasizes the development of unique, high-quality products. "We strive for Japanese quality that is made here in Japan, which we commonly refer to as the Japanese quality standard," says Ms. Ishibashi. This commitment to quality is evident in Arie Milott's signature innovations, such as the Earth Plus antibacterial photocatalyst and the Refresh Aroma stress-relieving agent. These proprietary formulas have become synonymous with the brand's dedication to excellence and innovation. The company is also vegan, COSMOS (COSMetic Organic and Natural Standard) and halal certified.

One of the key advantages of J-Beauty brands like Arie Milott is their alignment with the Japanese mindset of "less is more" and the focus on ethically sourced ingredients. This approach resonates with the growing number of consumers who are becoming more educated and conscientious about the ingredients in their products. Ms. Ishibashi highlights this by noting: "Our company has remained steadfast in our sustainable production mindset, something that came about much earlier than when sustainability became a mainstream topic of discussion."

Arie Milott's commitment to sustainability is exemplified by its ISO 14001 certification, obtained in 2003, and its continuous efforts to reduce CO₂ emissions and promote recycling. Since obtaining ISO 14001, the company has been supporting the U.N.'s sustainable development goals (SDGs). The firm's Eco Press (which it has patented) products, featuring eco-friendly packaging, are a testament to its dedication to minimizing environmental impact. "In



Arie is located near Mt. Fuji



Filling machine

terms of ethical and sustainable sourcing, we procure ingredients domestically and create formulas with minimalistic ingredients that do not require complicated supply chains," Ms. Ishibashi explains.

The cosmetics industry is poised for significant growth, driven by Gen-Z's increasing purchases, especially through social media, and a shift towards natural ingredients. Ms. Ishibashi believes that the expansion of J-Beauty brands into overseas markets will be a major growth driver. "There will be more exports of J-Beauty brands and greater penetration in overseas markets. On the other hand, inbound purchases from tourists have been increasing now that COVID-19 lockdowns have been removed," she notes.

Arie Milott is also tapping into the market opportunities presented by an aging population. With the rise in healthy lifespans, there is a growing demand for cosmetics among senior citizens. Ms. Ishibashi sees this as a significant opportunity: "There will continuously be more consumption of cosmetics, and as an ODM maker, it is important for us to cater to this elderly generation and develop products that are best suited to them."



Small manufacturing machine

Innovation is at the heart of Arie Milott's success. The company's patented Earth Plus ingredient is used in various products, including hand soap and hand milk used in hospitals, and masks designed to kill bacteria. Another notable innovation is its EGC Oil, the world's first functional antioxidant oil. Ms. Ishibashi shares: "This is our patented green tea catechin oil. It is an oil packed with the goodness of green tea, including chlorophyll, vitamins and catechins. It is highly effective, can be stored stably and prevents deterioration from oxidation."

Arie Milott's extensive product range—from skincare, haircare and hair colors, to quasi-drugs and perfumes—is a result of its responsiveness to customer needs. This adaptability has allowed the firm to expand its product portfolio and collaborate with various partners. "Our continuous efforts to meet our clients' demands have led to the enlargement of its product portfolio. To drive stronger innovation, collaborations and partnerships with academia and other companies are very important to us," says Ms. Ishibashi.

The Arie Group has four locations: two factories located in

Shizuoka Prefecture, Japan and Cebu, Philippines; while group company, Milott, has factories in Kanagawa Prefecture, Japan and Thailand. Ensuring Japanese quality standards across all locations is crucial. Ms. Ishibashi explains the organization's approach: "We audit and maintain Japanese quality at each of our four locations, giving locals instructions and training the staff there. There is also an exchange program where Cebu workers come and work in our factory in Japan for a certain period of time."

Looking ahead, Arie Milott is focused on expanding its horizons and forming new partnerships. Ms. Ishibashi expresses the firm's ambition: "We are actively looking for partnerships. Overseas we have a partnership with a Taiwanese pharmaceutical university to develop ingredients before then applying those ingredients to cosmetics."

As Arie Milott continues to innovate and grow, its vision for the future remains clear. Ms. Ishibashi envisions a global presence where Arie Milott's unique, high-quality cosmetics bring happiness to people worldwide. With its unwavering commitment to quality, sustainability and innovation, Arie Milott is well on its way to achieving this dream.



Naoko Ishibashi,
President, Arie Co., Ltd.

ARIE
CORPORATION

www.arie.co.jp

Milott

Wellness: The Lifestyle Design Company

Already occupying a unique position in the Japanese domestic market, leading health and beauty vendor Wellness Japan is looking to expand its existing international operations to encompass the emerging Asian markets and beyond.



"The Wellness Group has been working with the word 'wellness' for many years—since long before it entered the mainstream."

Naritoshi Hayashida,
President,
Wellness Japan Co., Ltd.

Wellness Japan, a leading health and beauty vendor, aims to expand its existing international operations and venture into emerging Asian markets and beyond. Over the past 25 years since its establishment, Wellness Japan has grown steadily in both domestic and international markets, exceeding expectations as a manufacturer-vendor with a broad portfolio covering the manufacturing, wholesale and trading of cosmetics, supplements and beauty products.

President Naritoshi Hayashida attributes the company's success to a simple principle: "We emphasize the basics and create significant value by continuously adhering to them. Many companies neglect the basics and rush expansion, but our uniqueness lies in prioritizing the fundamentals."

President Hayashida's mention of "uniqueness" indicates the company's distinctive role in the Japanese domestic market. "In Japan, we

differ by providing manufacturing services and supplying retail companies and major drugstores as a wholesaler. We also offer comprehensive logistics services. Our network spans over 20,000 drugstores and other retail businesses across Japan, making our roles as a manufacturer, logistics company and wholesaler altogether."



Ultra Fine Lash

Interestingly, the extensive collaboration with various organizations has led to the diversification of Wellness Japan's business. President Hayashida explains: "Our business might appear fully diversified at first glance, but in reality, the keyword 'wellness' connects everything. This wellness ties us together through beauty, lifestyle, construction and living."



Miché Bloomin'

One of the brands that Wellness Japan is currently focusing on is *Miché Bloomin'*. This eyelash brand was launched a decade ago to challenge the saturated Japanese false eyelashes market with a new concept: "Lashes that are as light as feathers that you will forget you are wearing them." Achieving this concept required lightweight and ultra-fine lash hair, taking considerable time to develop. By partnering with a world-class false eyelash manufac-



Fan events

turing factory, making "airy ultra-fine lashes" possible through unique polishing techniques. The ultra-fine airy lash is lightweight, has a thin and natural-looking tip, and is easy to curl due to its delicate nature and meticulous craftsmanship.

The famous saying "God is in the details" resonates with Wellness Japan's product development. Originating from German artists and architects, this phrase perfectly describes their method of crafting Miché Bloomin'. They strive to create "eternal masterpieces as if imbued with life by a divine presence," making Miché Bloomin' well-received by not only Japanese youth but also a broad audience.

also in China, Hong Kong, Taiwan, Korea and Southeast Asia, and its popularity has also spread to the United States and Canada. Saeko, who has appeared as a cover girl for many fashion magazines, has been appointed as the brand muse, and Miché Bloomin' is featured in various media such as TV commercials, transportation advertisements, magazines, websites and social media. Currently, the number of stores selling the product in Japan is over 15,000, and the cumulative number of units sold has exceeded 20 million.



Super Idol

Recently, in line with their responsibility as a leading brand to rejuvenate the false eyelash market, they have intensely marketed to younger users, developing the "Infinity Line," which has gone viral on TikTok and other SNS platforms. By enabling anyone to easily get the trending "sunflower lash" look popular in Asia, they achieved record sales in their 10th anniversary year. Miché Bloomin' continues to grow and expand as a brand that can lead the false lash market from Japan to the world.

On an international scale, the company aims to export Japanese products to global markets by utilizing its extensive distribution network.

"The demand for Japanese products is growing," says Mr. Hayashida. "The world is looking for the highest quality craftsmanship from Japan. We want to leverage the reputation to strengthen exports and to serve as a trading bridge."



Mascara Glue

EyeLash Tool

Wellness Japan's marketing strategy increases the likelihood of success by analyzing various data such as user, buyer, POS, SNS, and manufacturing background. Additionally, their comprehensive approach from planning to manufacturing and sales strategy ensures timely promotional measures to keep up to trend to boost sales for retailers upon launch. Post-launch, they consistently engage in collaborations with renowned magazines, use image models for advertisements, and host various events, steadily growing their fan base.

Miché Bloomin' has won many awards as a natural-style eyelash product and has grown to become the No.1 selling product in the Japanese false eyelash market. It is sold not only in Japan but



STRIVING FOR PERFECTION

in Pure, Additive-Free Beauty Care

USING ONLY THE PUREST NATURAL INGREDIENTS AND NEW RESEARCH, DR. RECELLA'S PRODUCTS IMPROVE SKIN FOR ALL AGES.

Founded three decades ago, Dr. Recella, whose products are handled by more than 3,000 esthetic salons, is attracting attention as a growing company that is leading the Japanese beauty industry while expanding overseas, targeting various categories.

"Currently, we operate across many areas, including cosmetics, fitness, agricultural production, food and welfare businesses," says Tetsuya Okusako, the company president, who is proud of the balance found catering to both domestic and international markets.

A significant part of the strategy involves adapting to regional preferences, a lesson learned through initial setbacks.

"We began taking on the challenge of overseas expansion more than 10 years ago," Mr. Okusako explains. "At that time, we experienced some failures and realized that we could not compete further afield with only high-quality products." This realization led to the creation of LUMIXIA, a brand developed specifically for international consumers, simplifying beauty routines across diverse demographics.

Another pivotal decision was the spin-off of the Overseas Business Division into a separate group company in March 2021, which has improved agility and responsiveness to the fast-paced global market.

"It is a great feat for a small group of people to have antennas all over the world," the president says, highlighting the streamlined and effective structure of the new division, as well as the unique positioning of Japanese beauty products, aka J-Beauty, where a lot of the active ingredients are made by Japanese manufacturers.

Dr. Recella has also made significant inroads into deep-sea water-based products, with its proprietary ingredient, α Gri-X[®], sourced from Okinawa's deep sea and blended with mineral water from the foot of Mt. Koya for enhanced skin benefits.

"We have conducted research on deep sea water for more than 20 years," Mr. Okusako states, and the dedication to quality and innovation is evident across their product lines as a successful, sustainable and collaborative future is strived for.

"We will continue to grow together with overseas partners who share our philosophy, making people happy," the president concludes.



"We aim to be an example of Japanese craftsmanship through our skin products."

Tetsuya Okusako
PRESIDENT, DR. RECELLA CO., LTD.

Dr. Recella 

<https://dr-recella-global.com>





"Collagen is proven to improve the health of women, so we take that as the foundation for all our products."

Hatsue Iwamoto,
President, Aishitoto Co., Ltd.



<https://aishitoto.com/global>

Aishitoto: Anti-Aging Collagen Jellies

Aishitoto's innovative fish collagen jellies and products empower women globally to feel youthful and confident.

As people live longer and longer, feeling young has never been more important. Innovative techniques have made achieving a youthful appearance easier, and one of the companies enabling women around the world to feel good about themselves is Japan's Aishitoto.

Founded in 1998, Aishitoto is based on the philosophy of "making all women happy," and this led to the creation of its world-leading collagen jellies developed with its unique formula of fish collagen.

At the age of 25, our bodies' production of collagen naturally decreases, and taking supplements is vital for healthy hair, skin and joints. As company President Hatsue Iwamoto says: "Collagen is proven to improve and sustain the health of women, so we take that as the foundation for all the products that we have developed."

Many collagen products are animal-derived, and this collagen hardens over time, whereas fish collagen remains easy to absorb. Aishitoto's unique scientific formulations give its jellies refreshing flavors like fruit and berry, and natural vitamins are added to provide additional health benefits.

These scientific developments are aided by the company's collaboration with Kinki University, and the company's collagen jelly has won the Monde Selection award for 18 consecutive years. Part of its secret comes from Ms. Iwamoto, whose father was a fisherman and inspired the research which created the jelly. "The inspiration for this idea came from growing up knowing how healthy fish is," she explains.



Aishitoto's long-selling compression stockings

Aishitoto offers a wide range of products, including its long-selling compression stockings, which

it has been selling for 26 years. Ms. Iwamoto says the product's success comes from Aishitoto's R&D efforts, adding: "We try to continuously improve the product features and address particular users' needs."



Aishitoto Memory Plus

The company's network has expanded across Southeast Asia and it now has a branch in Taiwan. Aishitoto has also gained halal certification for its products, allowing a possible expansion into Muslim-dominant markets such as Indonesia and Dubai, and it is always on the lookout for partners with local knowledge in receptive markets.

Closer to home, the company has launched a series of initiatives to help women's lives, working with healthcare professionals to introduce better products for Japan's aging populations, and organizing recreational activities to encourage local communities to be more active. Through its international products and domestic initiatives, Aishitoto aims to improve women's lives for many years to come.





"True innovation comes from the fusion of technologies."

Yuji Morishita, President, Morishita Jintan Co., Ltd.



Original 'Jintan pills' case when first released in 1905



'Jintan silver pills' are Morishita Jintan's longest-selling product; a mouth freshener made of 16 kinds of herbal medicines

Morishita Jintan: Using Seamless Capsule Technology to Contribute to Society

Morishita Jintan has pioneered its seamless capsule technology through over 130 years of research and technological developments. This encapsulation technology is now poised to become a key tool in addressing societal challenges.

With over 130 years of dedication to innovative solutions based on the belief that gut and oral health are closely linked to well-being, Morishita Jintan has expanded to five key business segments: Its 'Jintan' brand products; OEM (original equipment manufacturing) services in the encapsulation field; R&D of new natural ingredients; pharmaceuticals; and international business.

Morishita Jintan developed 'Jintan pills' in 1905, at a time when medical care was not as advanced as it is today and people frequently lost their lives from colds or food poisoning. Based on the concept of disease prevention, Hiroshi Morishita, the founder of the company, launched 'Jintan pills' as a comprehensive medicine to protect



'Jintan silver pills' are coated with 16 kinds of herbal medicines in silver foil

gastrointestinal health by using 16 kinds of herbal medicines. Today, these pills are known and loved by the people in Japan as 'Jintan silver pills', which are coated with silver foil and positioned as a mouth freshener in the market.

Based on the idea that liquids are more readily absorbed by the body than solids, Morishita Jintan began researching encapsulation technologies. This initiative laid the foundation for today's seamless capsule technology, which is characterized by its ability to adjust the capsule diameter from 0.5 to 0.8 mm and to form capsules with a true spherical shape, making them easy to swallow. The

multi-layer structure enables encapsulation of both lipophilic and hydrophilic substances, as well as powdered ingredients. Additionally, the shell thickness is customizable, allowing for precise control over its strength and texture.

Utilizing this technology for its own product lineup, Morishita Jintan introduced 'Bifina', a probiotic supplement which includes Bifidobacterium bifidum in small three-layer capsules.

Focusing on the 'Bifina' brand, the company is now promoting its dietary supplement across Asia, including China and Vietnam.

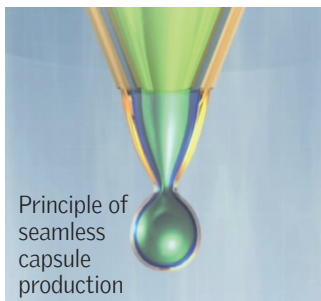
Collaboration with other industries is essential to the evolution of the seamless capsule technology. In recent years, the company has expanded the scope of its technology into the inedible field. One example has been the joint development project with L'Oreal Japan for the creation of 'active delivery capsules' containing cosmetic functional ingredients. In the

future, the company intends to explore the possibility of using its seamless capsule technology to help solve social issues as well.



'Bifina', a probiotic supplement

Recognizing that issues arising from the intestines and oral cavity affect individuals of all ages, the company views solving these challenges as addressing a societal issue. Morishita Jintan will continue to invest in research and development, aiming to provide innovative solutions to a broad audience across the globe.



Principle of seamless capsule production

