

JAFIC

JAPAN APPAREL·FASHION
INDUSTRY COUNCIL

NEWS



SPECIAL EDITION 2017

The Japan Apparel-Fashion Industry Council

Creating Demand & Expanding the Market

The Japan Apparel-Fashion Industry Council (JAFIC) provides the utmost effort to promoting our two major themes of creating demand and expanding the market, as well as actively supporting the “J∞QUALITY” certification system.

As the world grows even more interconnected, we will continue to contribute to further business growth and the enrichment of fashion in people’s lifestyles.

Business Stimulation Endeavors

Human Resources Development

Structural Reform Endeavors

Compliance Adjustment Endeavors

Environmental Programs



Message from the Chairman

Future outlooks continue to be unclear amidst the gentle recovery in the global economy. A general framework for Japanese and European EPA (Economic Partnership Agreement) negotiations has been agreed upon and it looks like there will be expansion of trade between Japan and Europe over the long term. However, it is necessary to prepare for the post Brexit era. In addition, the impact of decelerating economies in newly developing countries such as China along with changes in American policies look to spread over a wide range. Increases in future uncertainties in the global economy are unavoidable. Meanwhile, the Japanese economy has a strong employment and income environment base but improvements in individual consumption lack power. In particular, consumption is on a decreasing trend in the younger age group who has strong concerns about the future.

JAFIC is taking powerful initiatives with the basic activity themes of Demand Creation and Market Expansion under these economic conditions.

Creation and continual participation by youth are vital aspects in Demand Creation. It is important to ensure various different personnel with a new sensitivity. In order to achieve this, we are enriching the JAFIC PLATFORM. There are currently over 100 registered creators to the association creating a foundation for collaboration development with material producers (Ishikawa synthetic fiber, Bishu wool, Niigata knitted items, Banshu and Hamamatsu cotton). These products are linked with J∞QUALITY and will make further developments in the future.

Market Expansion involves taking charge of the J∞QUALITY certification system and continually strengthening market penetration and sales promotion of these same products. There are over 800 J∞QUALITY certified companies with a total of more than 1,500 certified products worth approximately ¥30 billion. The Top 100 J∞QUALITY Exhibition is scheduled for autumn. In addition, we are in support of Premium Fridays which is a new event in coordination with the public and private sectors starting from this year and we are actively providing assistance to stimulate consumption. We are also active in sharing information about the sports assistance charity for the disabled project TEAM BENCH.

Initiatives towards various issues such as reforming business dealings structure, environmentally friendly distribution construction, corporate social responsibility, response to globalization, ensuring and developing personnel and solutions to trade problems are vital in developing and improving the industry. In addition, we are motivated to develop Tokyo into a global fashion hub known as Fashion City Tokyo taking initiatives to provide support for young creators so they can share their ideas in preparation for the 2020 Tokyo Olympics and Paralympics.



Chairman **Minoru Kitabatake**

President, Executive Officer, RENOWN INCORPORATED

[Business Stimulation Endeavors]



■ Marketing Promotion Committee

Our efforts towards the manufacture and marketing of apparel have changed greatly in adapting to shifts in political and economic situations abroad and at home. Given these circumstances, we continue to back overseas-aimed business efforts while keeping the risk towards Japan in mind.

(1) Strengthen marketing promotion in the domestic market

① Strengthen sales promotion and market permeation of J∞QUALITY products

The products of member companies that have received J∞QUALITY certification will appear in the media, where we will focus on promotional efforts that will lead to increased exposure and recognition of J∞QUALITY among Japanese consumers.

② Operating the Dress up Men WEB website

With businessmen continuing to move away from traditional suit and tie looks, we will use the “Dress up Men ” website to foster interest in dressed-up styles by proposing outfits that help men shine.



J ∞ QUALITY



■ Business Activation Committee

We will aim to activate member businesses by researching management issues faced by mid to small-sized companies as well as drafting and actively implementing attractive business plans.

(1) Establish the JAFIC Platform as a practical flagship operation

- ① Work to discover talented creators, promote recruitment and registration of member businesses, as well as active use of the platform.
- ② Implement business matching by devising direct interaction between companies and creators.
- ③ Actively work towards having domestic material producers, creators, and apparel companies work in unison to pursue new collaborative ventures, and in doing so establish a system for creating demand.
- ④ Collaborate with apparel vocational schools and conduct internships at creative companies.

(2) Starting the charity project TEAM BENCH based on the catch phrase “You can provide support from the bench”.

We provide support for the promotion of sports for the disabled with the power of fashion. CSR activities of JAFIC involve apparel and fashion companies promoting social contribution projects.

(3) Consideration and promotion of various different vitalization projects for membership companies

We regularly hold events such as study sessions and seminars with themes which take on practical issues in order to establish vitalization projects such as management issues companies face, studying success cases of different industries and distribution strategies for the next generation.



TEAM
BENCH 
ベンチから、できることがある。



■ Trade Issues Committee

While paying close attention on the TPP, we work to ensure that the regional economic partnership negotiations, such as the Japan, China, and Korea free trade agreements, RCEP(ASEAN plus six), and Japan-Europe FTA, reflect the opinions of the fashion industry, as well as discuss and promote the effective use of existing free trade agreements among member companies.

(1) Effective use of Economic Partnership Agreement

① We are involved in negotiations of economic partnership agreements as a representative of the apparel industry making proposals to benefit the industry. We inform membership companies on the progress of a wide range of economic partnership agreement negotiations including the Japan, China, and Korea FTA and the Japan-EU FTA and provide information about effective utilization of economic partnership agreements.

(2) Promotion of overseas business support in the JAFIC Trade Issues Committee

We create action plans to realize business through discussions at production and sales sectional meetings with individual initiative themes.

① Initiative themes at production sectional meetings

- Construction of a shared distribution system with member companies of OEM products in Asian regions such as China to reduce distribution costs
- Promotion of compliance and the international standardization of CSR in overseas sewing plants of products for Japan along with the development of certified plants equipped for the Japanese level of quality

② Initiative themes at sales sectional meetings

In Asia, we will develop sales in Greater China and establish important regions for consideration as well as negotiate countermeasures for future issues including transnational EC business, custom duties, currency exchange, differences in foreign and domestic prices, protecting trademarks and local business customs. This will allow us to share information which can be used in actual business. In particular, we will promote negotiations for constructing a transnational EC business platform which has high interest from the results of surveys with member companies.

(3) Promotion of overseas business support in the JAFIC Trade Issues Committee

We will promote investigations into the specific utilization of digital fashion between Japan, China and South Korea as a way to discover and develop personnel who will shoulder the future of the fashion business based on the results of the 3D digital fashion award trial presentation results from young creators at the Japan-China-Korea Textile & Clothing Conference last year.



[Human Resources Development]



■ The Human Resources Development Committee

JAFIC works to secure and cultivate personnel capable of supporting the fashion industry, as well as talented individuals that are essential to helping Tokyo grow as a global fashion hub. We will also began to collaborate with Students aiming at the fashion industry and provide career education support program to help spread the appeal of fashion among children.

(1) Securing human resources

① Tackling the issue of the cultivation of future human resources in fashion through academic-industry partnerships.

- By working with the Students aiming at the fashion industry, JAFIC takes part in the planning of the Ministry of Education, Culture, Sports, Science, and Technology’s “Saturday Study Support Team”, and spreads the appeal of the fashion industry through career education support (vocational education) in elementary, middle, and high school curriculums.

- We will strengthen career education support according to the needs of each school, deepen our understanding of the industry, and aim to lower early turnover rate due to mismatch.

- JAFIC co-operates in the promotion of professional post-secondary courses at apparel vocational schools in order to cultivate a new generation of professionals with practical skills.

② JAFIC holds occupational briefings and seminars with members of the fashion industry for students interested in a career in fashion. We are also planning seminars with the operators of member companies to deepen understanding of the industry and to develop and secure a new generation of human resources.

(2) Development of Fashion Human Resources

① The committee holds the “Model-ist Forum” aimed at improving draping skills and cultivating modelists who can maintain Japanese craftsmanship.

② The committee holds a practical knitting seminar with the intent of training attendees in the practical knowledge needed in knitting businesses.

③ The committee holds a FB seminar helpful for the fashion business.



[Structural Reform Endeavors]



■ Business Dealings Reform Committee

The Business Dealings Reform Committee will work in collaboration with related industries and industry bodies to resolve issues regarding the fashion industry and distribution.

(1) Efforts and Transaction Revisions Towards Adapting to New Distribution Structures

① Cooperation between e-commerce and real store

The e-commerce market is expanding and moving towards an omnichannel approach as it adapts to changes in the way consumers shop. We will consider for new transaction models in collaboration with retailers and e-commerce retailers.

② Adapting to the increased consumption tax

In light of the upcoming implementation of a 10% consumption tax rate, we are petitioning the government to make the accompanying “special measures law” and “unit price + tax” price labels permanent.

③ Improving working environments for sales staff at department stores

In regards to the shortening of total yearly working hours, we are continuing our overtures to ensure that new years vacations and the return of regular days off do not fall by the wayside.

Furthermore, in regards to the reduction of secondary duties for sales staff, we continue to make direct appeals to stores to improve their working environments in light of the results of new field studies. We also work and collaborate with related industries and various industry organizations to resolve other issues in fashion and distribution.

■ The Supply Chain Management Promotion Committee

JAFIC promotes supply chain management structures in order to improve productivity and overall optimization through the use of information technology from a global standard viewpoint.

(1) Supply Chain Management Structure Endeavors

① Expansion of RFID utilization

In 2001, we repeated various studies from domestic apparel's first demonstration experiment, and after establishing RFID promotion subcommittee in 2006, various research and verification, formulation of association standard guidelines, long term demonstration experiment at store in 2008. We are promoting dissemination activities such as. The industry's first UHF frequency RFID was introduced in 2010, with an RFID demonstration center where the technology could be experienced firsthand opening in 2012. Since September the following year the number of companies that have introduced and use RFID has increased steadily, with many companies planning to adopt the technology in 2017.

While most examples of RFID use up to this point have been in storefronts, the number of enterprises introduced and utilized from the distribution centers are increasing in this fiscal year, and it is expected that the industry will be used as a tool for restructuring supply chains. Furthermore, in the many stores that have already adopted RFID it will be possible to support omnichannel approaches, saving labor and increasing efficiency in tasks like inspection of goods received, accounting, and inventory. It will also be possible to incorporate the Internet of things and deliver items purchased from e-commerce sites to customers via the shortest route available thanks to improved accuracy in inventory management and more precise demand forecasting using pre-point-of-sale data. JAFIC will continue to hold presentations and seminars to increase adoption of RFID, open solution centers, as well as conduct knowledge-spreading activities with the media.



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In order to reduce distribution costs for businesses and contribute to environmental measures, the committee will promote the increased research and use of reusable hangers, returnable hangers, and returnable boxes with an eye towards reducing materials. The committee will also develop a standardized cardboard boxes and promote spread activity to inflect in the apparel industry widely with an eye towards increasing shipping efficiency. Furthermore, the committee will continue to research the streamlining and standardization of business shipping materials.

③ Promoting and spreading distribution BMS between the distribution industry and the apparel industry

The committee promotes activities towards the practical application, maintenance, and spread of distribution BMS, the stipulated international standard of EDI, between department and chain stores, and apparel companies.

④ Spreading and Promoting JAICS-L

The committee researches distribution EDI (linked to logistics and commercial distribution) and further improvements aimed at streamlining the JAICS-L system, with the intent of bettering the accuracy and labor-saving between apparel/fashion companies (shippers) and delivery services/distributors.

[Compliance Adjustment Endeavors]



■ The Compliance Committee

In regards to conformance to international standards and preventive measures against product malfunction, the Compliance Committee will work closely with administrations and related organizations, putting for the intentions of the industry as well as spreading word within the industry to minimize confusion concerning legal revisions and conveying said information to consumers in a easy to understand manner.

(1) Endeavors concerning the disuse of harmful substances

In accordance with legislation restricting the use of harmful substances such as tin compounds or chemical compounds with a risk of generating specific aromatic amines, the committee will appeal to member businesses to maintain the traceability of their products through use of the Safety Guidelines for Use of Harmful Substances in order to ensure the safety of their production and in order to assure the disuse of regulated substances. The committee will also encourage member businesses to use the Whitelist Management System operated by the China National Textile and Apparel Council (CNTAC).

(2) Endeavors towards international standardization

The Quality Control Subcommittee played a leading part in the guideline creation conference for the transition to ISO handling instruction images for responsible parties, and has issued guidelines for creating handling instruction symbols and build a new search system in order to avoid confusion during the changeover to new handling instruction codes. This year the committee will in order to comply with the Household Goods Quality Labeling Act revised in April, we will revise the guidelines and issue the second edition.

(3) Legal compliance and protection of intellectual property

The Legal Affairs Subcommittee works closely with related committees regarding legal positions on the activities of the JAFIC and the protection of the intellectual property rights of member companies, and takes steps to resolve issues regarding the prevention and occurrence of infringements on said rights. International competition is expected to increase with the announcement of new international standards, so we will work with intellectual property and standardization departments in companies to share information via study meetings and similar activities to spread awareness among member companies.

(4) Legal compliance and protection of intellectual property

In the CS subcommittee, we will play the role of a Customer Support Expert for various different channels and hold the Customer Support Conference as a panel discussion. The conference will involve panelists answering questions from listeners and sharing information with the aim of improving skills of those working in apparel companies.

[Environmental Programs]



■ Environmental Programs Committee

The Environmental Programs Committee researches measures regarding apparel companies' environmental initiatives from the perspective of CSR (corporate social responsibility) in order to increase knowledge.

(1) Information sharing meeting for environmental endeavors

We will share information on our members or supporting members' environmental and CSR endeavors in a study session format three times a year in order to help with new endeavors for each company.

(2) Seminars

We will hold seminars in order to introduce and provide examples of CSR (corporate social responsibility) and CSV (corporate shared values).



[Public Relations Endeavors]



■ Public Relations Committee

This committee bolsters the ability to deliver information to members and the industry in general, working with related organizations to increase awareness and understanding of members' activities as well as further improving and developing JAFIC as an appealing organization.

- ① We will increase promotion of effective PR and advertising activities in order to build communication with the media.
- ② We will promote greater understanding of JAFIC among younger generations, member companies, and the industry through effective operation of our homepage.
- ③ We will distribute “JAFIC News”. In order to keep up with the fast pace of today’s society, we will respond quickly towards informational matters such as amendments to regulations or legislation by government ministries, and deliver information that will contribute to the growth member companies and the industry as a whole.
- ④ We will promote the acquisition of new members by working with the Organizational Strengthening Committee.



[Member Services]



■ General Affairs Committee

- ① This committee will operate the manufacturer registration number system, which acts as a contact point for consumers regarding the products of member companies. By having JAFIC act as a representative for queries regarding products manufactured and sold by member companies, this system is intended to stabilize the quality level of responses to queries, as well as increase the benefits to consumers and those handling the products.
- ② This committee will provide a free-of-charge legal consultation service from law offices in order provide appropriate responses and help member companies gain legal advice based on examples of issues faced with labor troubles and transactions.
- ③ In order to increase friendship and lively interaction between member companies and supporting members, we will hold New Year's parties and get-togethers during general meetings. We will also hold a yearly JAFIC Friends Golf Competition.

[General Meeting / Get-together]

The 35th regular general meeting was held on Friday June 30, 2017 at the TOKYO MIDTOWN (Minato Ward, Tokyo).



[Council Overview]

■ General Affairs Committee

【Name】

JAPAN APPAREL FASHION INDUSTRY COUNCIL

【Representative】

Board Director Minoru Kitabatake

【History】

<October 1979>

The private organization “The Japan Apparel Industry Council” is founded

<April 1982>

The Japan Apparel Industry Council is developmentally disbanded, and the corporation “The Japan Apparel Industry Council” is founded

<April 2001>

The Japan Apparel Industry Council, the Tokyo Women’s Children’s Clothing Industry Association, the Tokyo Men’s Apparel Industry Association, and the Harajuku Apparel Conference merge to become the corporation, “The Japan Apparel Industry Council”

<April 2011>

In accordance with legislation concerning general corporations and foundations, the Japan Apparel Industry Council is renamed as a general corporation

<July 2011>

The official name becomes the general corporation “The Japan Apparel Fashion Industry Council”

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【Member Companies】

356 (as of June 2017)

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