



The future of fashion begins with trust.

From quality to circularity — 120 years of Furushima

Fashion Cloth Furushima Co., Ltd.

Kazuo Furushima, President & CEO

September 16, 2026

What I'll cover today

Over 120 years we went from a company that dyed cloth, to a company that inspected it, to a company that keeps value in circulation.

Today I want to explain why.

01

Who we are

Founded 1906. A quality network of 20 sites across Japan and 8 countries

02

Quality is trust

From "finding defects" to "preventing defects"

03

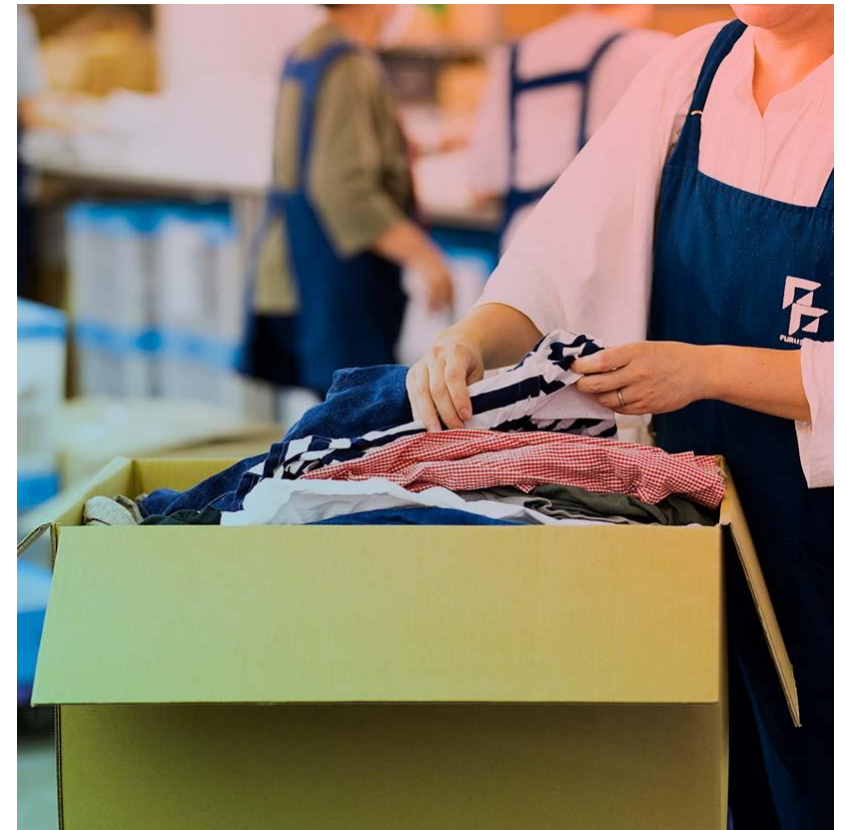
Moving into B2C, and e junkan

The "MOTTAINAI" we only saw once we stood beside the customer

04

Co-creating with Taiwan

The next ecosystem: Japan × Taiwan × ASEAN





01

About Fashion Cloth Furushima

Founded in 1906 in Hanyu, Saitama. From a small dyeing works to a network that underpins quality across Asia.

Furushima by the numbers

1906 Founded

Meiji 39, from hand dyeing

120 Years

A history built entirely on textiles

15 Sites

8 countries overseas + Japan

3,000 People

Group employees (incl. overseas)

Company profile

Name	Fashion Cloth Furushima Co., Ltd.
Founded	1906 (Meiji 39)
President	Kazuo Furushima
Head office	1073-1 Shimohanyu, Hanyu, Saitama (about 60 min by car from Tokyo)
Capital	JPY 30 million
Businesses	Inspection / Resale / Sewing / Production / Apparel / CSR audit / e junkan



120 years of evolution

Dye → sew and finish → inspect → guarantee → circulate. The shape of the business kept changing, but what we handled was always the quality of clothing.

1906 – 1993

Japan — from dyeing to finishing

- 1906** Founded as Furushima Senko, hand dyeing cotton and silk
- 1951** Incorporated; dyeing and finishing division added
- 1979-90** Pressing division spun off. Renamed to the present name
- 1991-93** Built a distribution warehouse; licensed for transport

1994 – 2018

Asia — exporting quality

- 1994** First overseas site opened in Shanghai, China
- 1997-06** Qingdao, Changzhou, Dalian, Zhuhai, Dongguan, Nantong
- 2004** Entered India (Gurugram)
- 2011-18** Expanded to 6 countries incl. Bangladesh and Vietnam

2020 – Present

Circulation — reconnecting value

- ▲ Turning our inspection eyes and hands toward regeneration
- ▲ Scaling up resale processing and CSR audit businesses
- ▲ Connecting directly with customers via our own e-commerce
- ▲ Launched the upcycling platform "e junkan"

Seven businesses

Every business grew out of a single point: inspection. Knowing the flaws of a garment better than anyone became the entrance to the next business.

01

Inspection

100% inspection, needle detection, AQL. Protecting brand trust at the final step

02

Resale processing

Repairing returns and stock so they can be sold again

03

Sewing

In-house sewing centred on ASEAN. Small lots and difficult work welcome

04

Production support

Managing and coaching quality on site to stabilise overseas production

05

Apparel

Planning through supply of garments and goods for brands at home and abroad

06

CSR audit

Auditing working conditions and legal compliance as a third party

NEW

e junkan

An upcycling platform that turns discarded clothing into value



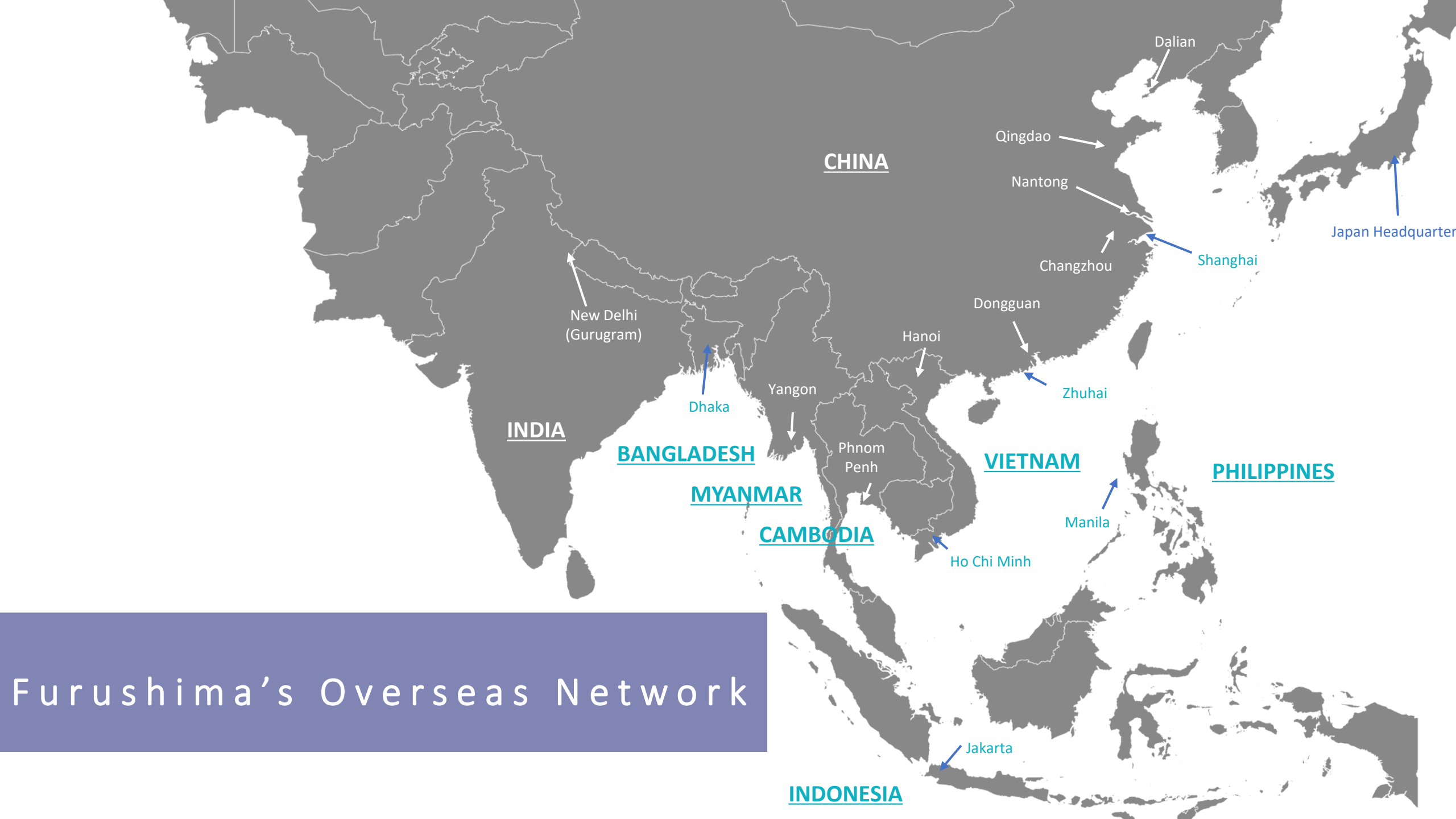
Our quality network in Asia

China	7 sites	Dalian, Qingdao, Shanghai, Nantong, Changzhou, Zhuhai, Dongguan
India	1 sites	Gurugram
Vietnam	2 sites	Ho Chi Minh City, Hanoi
Cambodia	1 site	Phnom Penh
Bangladesh	1 site	Dhaka
Indonesia	1 site	Jakarta
Myanmar	1 site	Yangon
Philippines	1 site	Manila

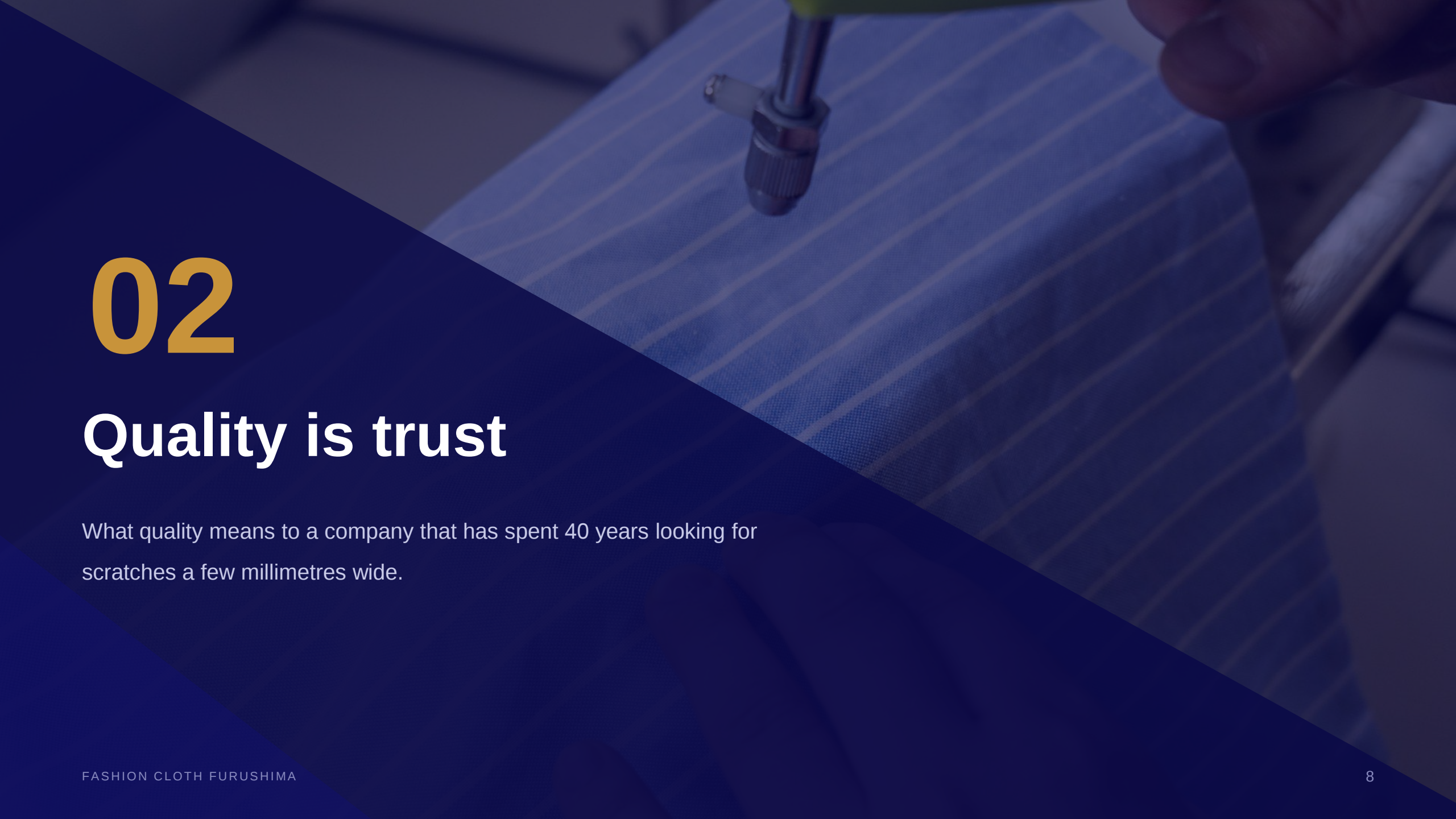


For over 40 years, Japanese staff have been stationed on Asia's production floors, inspecting garments to one standard.

We are not inspecting products. **We are upholding the trust of Asia.**



Furushima's Overseas Network



02

Quality is trust

What quality means to a company that has spent 40 years looking for scratches a few millimetres wide.

A changing apparel landscape

In the past decade, four of the industry's assumptions shifted at once. Answering only one of them is no longer enough.

1

Fiercer global competition

Production keeps shifting, and price alone no longer sets anyone apart.

2

Shifting consumer values

Longevity and how a garment is made now matter more than price. Sustainability is a reason to buy.

3

Advancing digitalisation

Speed and flexibility have risen, and customer experience itself has become competitive ground.

4

Brand value and experience

Companies are shifting from makers to deliverers of value. Every touchpoint counts.

What the market expects of a company has clearly changed

"A low-cost manufacturer" to **"A provider of value"**

Quality is trust

Price is compared.

Quality is remembered.

We treat quality as a management asset, not a control item.

▴ **Quality is a management asset**

Inspection records and defect patterns, once accumulated, become material for decisions.

▴ **Lower defect rates compound into brand value**

A single disappointment cannot be undone. Only accumulated trust protects price.

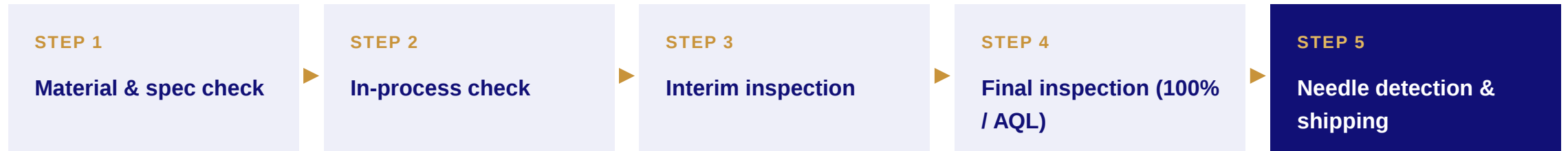
▴ **Quality ratings decide customer loyalty**

The reason to be chosen again lives in the satisfaction felt after wearing.



Our quality control system

From checking materials to shipping, we connect every step under the same standard. Seeing the whole process without breaks is the shortest route to fewer defects.



Not "finding defects,"
but "never letting defects happen"

Multi-stage inspection

Interim and final inspections overlap, so defects never reach the next step

Staff on the ground

Japanese staff work inside local factories to close gaps in standards

Coaching the factory

Inspection results go back to the factory so the cause itself is fixed



100% verification by X-ray and needle detectors (Hanyu head office)



► QUALITY DX

Turning quality into data

We are freeing 40 years of "where and why things go wrong" from human memory, and moving to the side that predicts the next defect.

- 1 Collecting and visualising quality data**
Sharing defect trends by site, factory and item as numbers
- 2 AI-assisted inspection**
Image-based defect detection reduces variation in judgement
- 3 Predictive quality control**
Acting before a defect occurs, rather than fixing it afterwards
- 4 Traceability**
Who did what, and where. Making the supply chain transparent
- 5 Faster PDCA**
Making issues visible and feeding them back into training

03

B2C and e junkan

The view we had from the factory side changed the moment we stood beside the customer.

The way into B2C was a pile of returns

Our own brand was not a sudden idea. It began with handling returns for a TV shopping company.

1

Taking on returns

Returns that were not even defective, arriving in volume, to be made sellable again.

2

How TV retail works

What sells, and why it comes back. Contract by contract, the mechanics came into view.

3

A factory network

Forty years of inspection told us which factory was good at what. We already had it.

4

Our own brand

We knew the structure and had the factories. So we chose to make and sell it ourselves.

Before we knew it, we were standing on the selling side

"A repairer of returns" to "A seller of our own"

Why we moved into B2C

For many years we stood behind the brands. We looked at clothes every day, yet we had never once seen the face of the person wearing them.

Until now: the limits of B2B

- ▶ Customer voices reach us only indirectly
- ▶ It takes time to grasp what the market wants
- ▶ Success gets measured by "did you follow instructions"
- ▶ Price negotiation becomes the whole competition



From here: the strengths of B2C

- ▶ Direct contact with consumers, same-day reactions
- ▶ Needs can be reflected straight into product design
- ▶ We can tell the brand story in our own words
- ▶ Product strength itself becomes a business asset

The aim was never "to do retail." It was to carry back to the factory floor what can only be seen from beside the customer.

What e-commerce taught us

1 Launching our own brand

Created new customer touchpoints and a base for growth

2 Digital marketing

Raised brand awareness and reached people we never had before

3 Social media relationships

Conversations began that did not end at the sale

And this became clear

▲ Customers were not looking only at the product

Where, by whom and how it was made. Their strong interest went to the brand story, to empathy, to the experience itself.

▲ The maker's view alone misses real value

There are expectations that "built to spec" cannot measure, and answering them is our responsibility too.

The distance to the customer shrank dramatically. That was the greatest gain.

The reality we see every day

Inspection begins by looking for a garment's flaws. A mark no bigger than a pen tip, a scratch a few millimetres long. Every time we found one, we thought the same thing.

**"If we could just fix this one spot,
someone could still wear it."**

"Is this really all right? What a waste — and honestly, it weighs on me."

MOTTAINAI

We stopped hiding that frustration and turned it into the driving force behind a new business.

"e junkan" — a good cycle

An upcycling platform built to turn "MOTTAINAI" into a business.

Not throwing away,

but turning into value

Not discarding,

but circulating

Turning "MOTTAINAI"

into a business

Edo-era wisdom, reborn as modern enjoyment

In Edo-period Japan there was a culture of using a single kimono completely — remade into children's clothes, then into cleaning cloths, through more than ten forms until it returned to the soil. We want to revive that as a new culture anyone alive today can enjoy easily. First, we create an environment where people can alter the clothes they own to their own taste instead of discarding them, and enjoy wearing them for far longer. In time, we will carry this culture from Japan to the world.

Making "use it up" entertaining. A culture of attachment, spreading from Japan to the world.



Six pillars behind e junkan

Excess stock, returns, items past their trend. We choose the processing method to fit the state of clothes that were about to be thrown away.

01

Resale processing

Repair, cleaning and finish pressing bring goods back to sellable condition

02

Printing

Silkscreen and inkjet turn garments into products with a new design

03

Added functions

Water repellency, opacity, quick drying, anti-pollen and more, applied afterwards

04

Dyeing

Black or indigo dyeing changes the colour, turning stains into a different appeal

05

Deodorising & sterilising

Odours and bacteria from long storage removed and suppressed at molecular level

06

Repair & remake

From hemming and fray-stopping to sashiko. Rebuilt into a garment of another design

What e junkan has delivered

What used to be a disposal cost became revenue and customer satisfaction. Here are actual cases.

Resale processing

20-30%

was the return rate

- ▶ Opened returns filled the warehouse and management costs kept rising
- ▶ Resale processing restored every item. Costs fell and sales rose
- ▶ Returned stock became a revenue source

Company A Apparel retail (e-commerce, TV shopping)

Added functions

15,000

units of aging stock

- ▶ A huge surplus in mixed colours and sizes had been sitting for a long time
- ▶ Functional processing turned it into an appealing "new product"
- ▶ Sold out completely, with no waste

Company B Apparel retail (500+ stores, e-commerce)

Repair

50+/mo

garments repaired

- ▶ Repair, customer service, packing and shipping were a heavy burden on staff
- ▶ We took on the whole flow as one service, minimising staffing
- ▶ Quality stabilised and repair range widened

Company C Apparel retail (stores, e-commerce)

No one company has every technology

e junkan works through partnerships with companies that hold outstanding technology in their own fields.

hap Inc.

COVEROSS LAUNDRY

Upcycling treatment that adds multifunctional comfort to clothes you already own. It uses fluorine-free agents to keep the environmental load to a minimum.

- ▶ BREEZE PLUS: wicking, antibacterial, anti-odour
- ▶ PROOF: water repellent, quick drying, anti-pollen
- ▶ ANTI-SHEER: opacity, heat shielding

Kyoto Montsuki Co., Ltd.

Shinkuro deep-black dyeing

Kyo-kuromontsuki dyeing, handed down for over a century, achieves a black so deep it absorbs light. The proprietary process acts on black alone.

- ▶ The hand softens and water repellency is added
- ▶ Almost no colour transfer or fading in the wash
- ▶ Stained rejects become limited-edition pieces

Indigo studio Bushu Nakajima Konya

Bushu indigo (since 1837)

A natural indigo tradition carried on in northern Saitama since the Edo period. Lye fermentation dyeing uses no chemical agents.

- ▶ Insect/odour resistance, UV cut, stronger fibres
- ▶ Uneven tones and ageing add to the character
- ▶ A rare technique kept by certified artisans



04

Co-creating with Taiwan

Quality from Japan, technology and materials from Taiwan, production across ASEAN. When the three mesh, the next ecosystem is born.

Why Taiwan?

Taiwan has what we lack. And we have what Taiwan lacks.

JAPAN

Japan **Quality**

Over 40 years of inspection and quality assurance. The ability to set, keep and pass on a standard.

×

TAIWAN

Taiwan **Technology**

R&D strength centred on TTRI, with world-class functional and recycled materials.

×

ASEAN

ASEAN **Production**

A production and quality network of 20 sites in 8 countries, with people rooted locally.

Future Fashion Ecosystem

From material development to production, quality assurance, sales, collection and regeneration — one loop, the next unit of competition.

Four themes to explore with TTRI

What we can bring is not a research topic but the factory floor. Data, mass-production lines, the practical work of collection, and sites across many countries.

1 AI quality control

Image-recognition defect detection and digitalised inspection standards. We can offer 40 years of defect data as the entry point for research.

What Furushima brings: field data and inspection know-how

2 Functional materials

Designing water repellency, heat shielding and antibacterial performance from both finishing and material sides, validated on ASEAN lines.

What Furushima brings: mass production and a place to test the market

3 Recycled materials

How to bring collected garments back. Sorting and disassembly are exactly where inspection and repair skills apply.

What Furushima brings: the practical work of collection and sorting

4 Traceability

Which factory, which country, who did what. Real data from 20 sites in 8 countries lets us validate a transparency system.

What Furushima brings: a multinational network of sites

Today's message

We are not making clothes.

We are making trust.

We are making the future.

Build trust through quality. Contribute to society through business. Create the future through fashion.



The future of fashion cannot be made alone.

Japan × Taiwan × ASEAN

Let's Build It Together — let's create the future, side by side.

Thank you for listening

Fashion Cloth Furushima Co., Ltd. Kazuo Furushima, President & CEO

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