

Aspiring to be Your Supplier of  
Safety, Security and Delight



[www.doshisha.co.jp](http://www.doshisha.co.jp)

 **DOSHISHA**  
CORPORATION  
CORPORATE PROFILE

# Building a company with aspirations that will never fail!



Chairman  
**Masaharu  
Nomura**

President,  
CEO and COO  
**Masayuki  
Nomura**

## Management Philosophy

### Spirit of Foundation

**Let us build a company with aspirations that will never fail and can contribute to society.**

**Spirit of Foundation**  
Until 1973, Masaharu Nomura, the current president of Doshisha, was working for another company. At that time the company failed, turning adrift its employees, and causing great distress to them and their families. This prompted him to invite his former subordinates (as doshi, or comrades) to join him in founding a new company named Doshisha ("company of comrades"). The company would focus on wholesaling household products, and the aim was to build a business enterprise that would never fail—a company with a sense of purpose in work, and high aspirations.

Our company's spirit of foundation is: "Let us build a company with aspirations that will never fail and can contribute to society." Our idea of a good company is "a company that will never fail."

There is a deep meaning to the words "never fail," and the phrase "a company with aspirations" means a company with a sense of purpose in work and job satisfaction.

If each of us exercises his or her intelligence, effectively utilizes our managerial resources, and continues to provide goods and services that customers find attractive, the company will be equipped to offer its own unique value to society, and will realize our aim of being a "company with aspirations that will never fail."

## Company Creed

### 1. We are all a family

Work together, sharing joys and sorrows, understand each other's perspectives, and join hands to prosper together with the company.

### 1. Win the customer's confidence

Trust in our company must be built by each employee. Put yourself in the customer's position, and carry out your work quickly, correctly and with kindness.

### 1. Create your own work, and draw in those around you

Doshisha needs no observers on the sidelines. Take responsibility for your own words and action, and always be committed to carrying things boldly through to the finish.

### 1. Achieve practical benefits by improving the turnover of funds

Avoid frivolity, protect your own standing, cut waste, and save for a rainy day.

### 1. Fulfill your spirit, and protect your own health

Work hard and relax well, and create a cheerful, clean workplace with your coworkers.

## The Spirit of Shiho-yoshi (the Four "Goods")

### 1. Good for the seller (customers, consumers)

### 2. Good for the buyer (suppliers)

### 3. Good for the public (society, shareholders)

### 4. Good for the workers (the company, employees, families)

## C O N T E N T S

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Our vision

Management Vision

Contributing broadly to society and our customers as a "distributor and service provider"

Since its foundation in 1974, Doshisha Co., Ltd. has contributed to enhancement of everyday living through planning, development, manufacturing, procurement and wholesaling of household products. Rather than a standard wholesaler, we regard ourselves as a "distributor and service provider" that creates products, marketing approaches, and systems from totally fresh perspectives and, through collaboration with our customers, resolves various issues that can arise in the series of processes involved in distribution. Taking advantage of our ability to develop ideas from consumers' perspectives, our ability to shape concepts into real products, and our production systems (including our overseas networks) designed to combine low cost with safety and security, our team is ready to help you create an "attractive sales floor" that will consistently contribute to the success of your business.

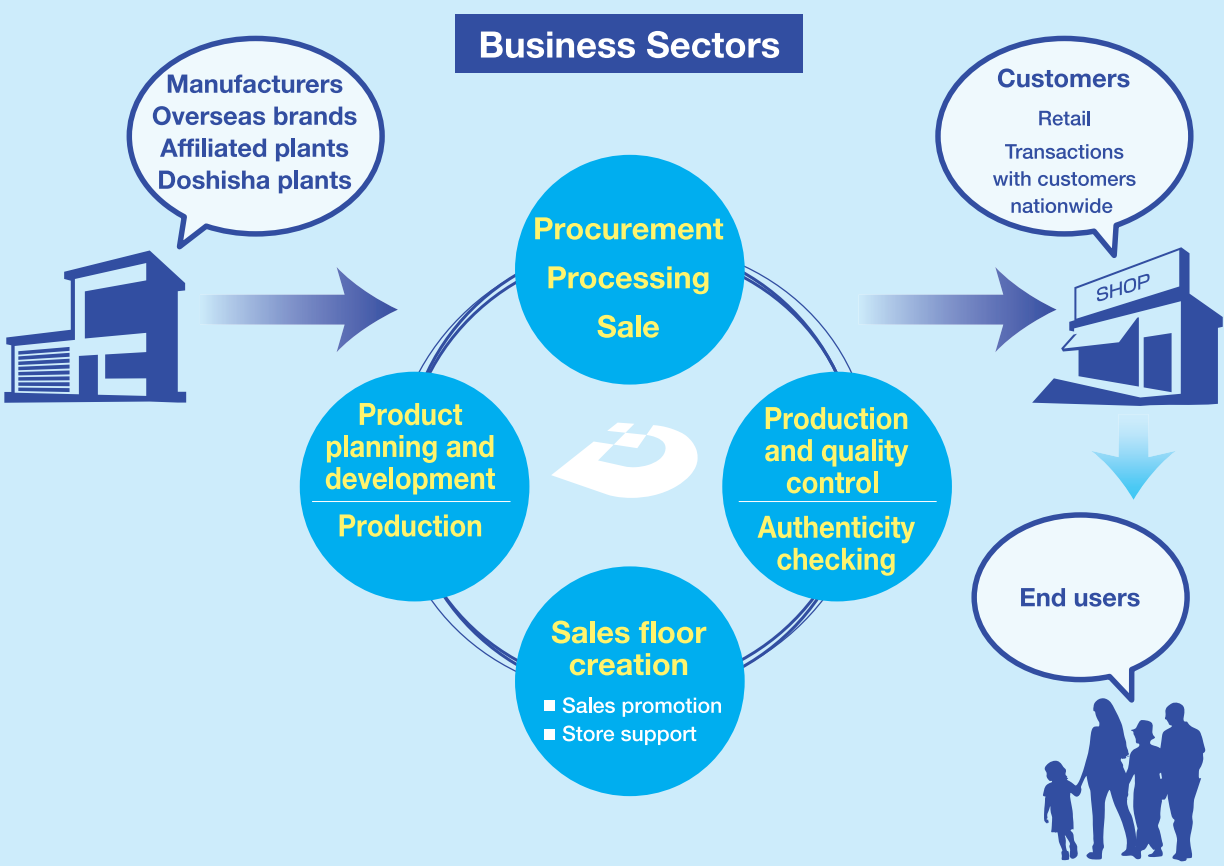
Long-Term Vision

Our aim: "10 BN by 30 DEPTs"  
(30 departments each generating 10 billion yen)

Creative thinking with respect to products and sales approach can open up a range of opportunities in business. If you precisely identify ever-diversifying consumer needs, segment the market with a focus on uncovering new values and potential demands, and target the biggest share of each niche market that you are in, your profitability is sure to grow. We have set an ambitious goal, what we call the "10 BN by 30 DEPTs Initiative," with the aim of gaining the biggest share of each niche market by targeting annual sales of 10 billion yen in each business and applying this target to 30 departments. To realize this initiative, we will continue to develop an organization that delivers "superior products at lower prices with more distinctive specialties."

Revolutionizing the distribution industry with our unique "distributor and service provider" approach

In positioning itself as a "distributor and service provider," Doshisha aspires to be a business that resolves the various issues that arise in the wide range of processes involved in distribution, including planning and development of our products and delivery to end users, through to collaboration with customers. We make it our mission to contribute to a better life for customers and end users by providing "superior products at lower prices with more distinctive specialties" through our business. As a unique "distributor and service provider," we at Doshisha continuously commit ourselves to deeper and broader contribution to society by swiftly and flexibly adapting to changing times and creating innovative new products and "attractive sales floors."





## Manufacturing function × Trading company function × Comprehensive management Approaching diverse sales channels with two business models

Doshisha uses two business models: the development-driven business model (manufacturing function) in which we plan, develop and market our own original products, and the wholesale type business model (trading company function) in which we purchase and then market products from outside brands and manufacturers, both inside and outside Japan. This approach allows us to offer a diverse range of products to suit market needs.

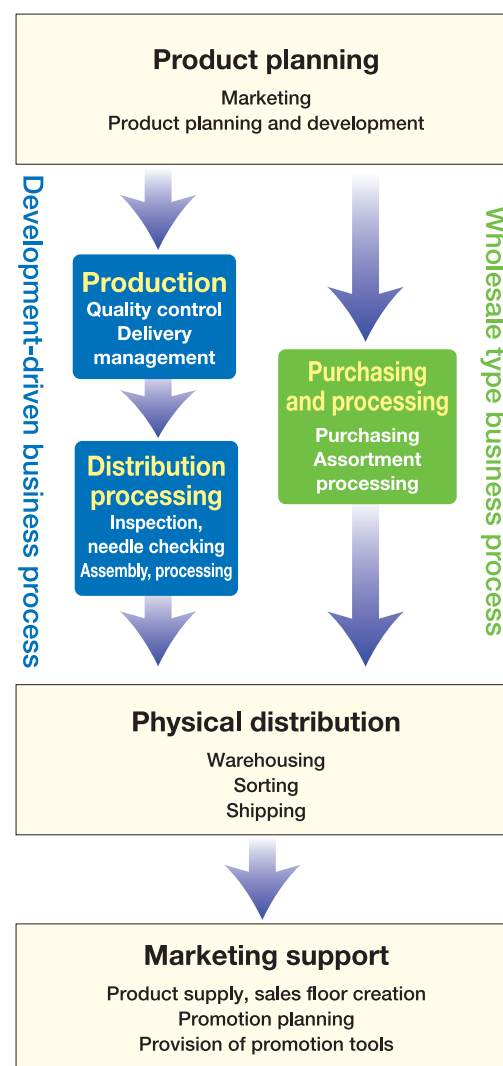
In addition, we go beyond just selling products, and provide comprehensive management support for our customers' businesses, including sales floor creation and promotional planning.

### Market needs

#### Development-driven business model (manufacturing function)



With this model, Doshisha identifies latent needs in the real world, and then plans, develops, manufactures, and sells household products in those niche markets which major manufacturers or retailers choose not to seriously cultivate. We offer superior products at lower prices based on our **quality control**, **low-cost production**, and **rapid product development**.



#### Wholesale type business model (trading company function)



##### ■ National brand processed products

Our primary focus in this field is to market our own uniquely designed gift sets which combine items from major Japanese food product companies. We create numerous **hit products** based on our **ability to plan set products** that accurately reflect needs, and **realize low prices** based on joint efforts with major food companies.



##### ■ High-profile branded products

We are constantly procuring overseas, high-profile branded products at lower cost. We support **"attractive sales floors"** through product line-ups and promotion planning that match consumer trends.

### Comprehensive management of customer businesses



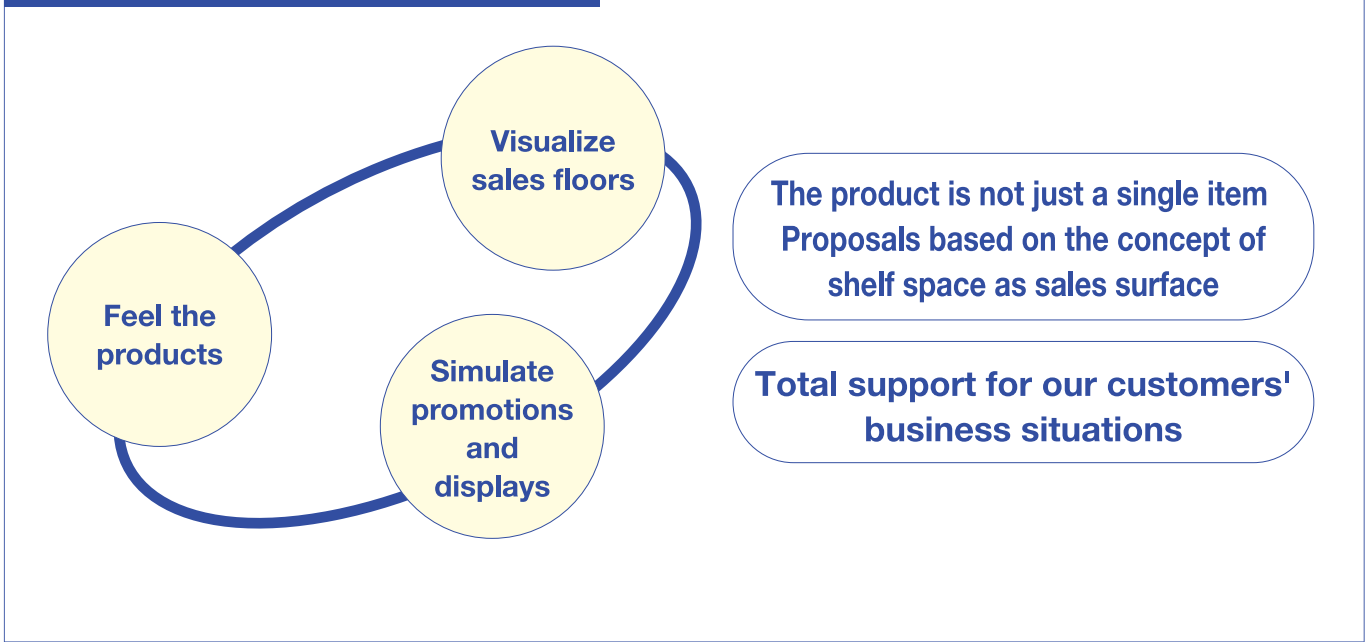
# Turning our office into a showroom

## Proposing attractive sales floors

At Doshisha, we have exhibition floors in our Head Office building where we install fixtures and POP materials together with products. The design is adapted for each type of store, so that the customer can easily imagine the storefront appearance. We also support our customers' businesses by proposing display tools, product allocations, and seasonal event plans, so they can have a clearer idea of how effective sales floors can look and work. Visit one of our showrooms, and look, touch, and feel the business of Doshisha.



### Overview of the showroom experience



In the distribution and service provider business, it is essential to continually respond to daily changes in the market. Doshisha is especially proficient in the areas of sales floor creation know-how and accurate information gathering, which we have steadily developed since our founding. With these capabilities, we accurately grasp changing market conditions and diversifying user needs, and thereby develop attractive sales floor arrangements for our customers.





## Development-driven business model

### Home appliances

Manufacturing capabilities  
are the pride of Doshisha  
—Specially designed appliances—

We have outstanding manufacturing capabilities, which we have used to develop numerous specially designed appliances, such as the "middle" series of humidifiers which was a huge hit. Here, we introduce one of these products, the "kamome fan" which was developed based on a counterintuitive concept, and proved to be a big hit in the summer.

**kamomefan**  
Inspired from the wings of "kamome".



Doshisha brings creative talent

## Further improving our manufacturing capabilities

## Wholesale type business model

### Gifts

Constant pursuit of  
consumer and customer  
perspectives

Doshisha gifts are designed to energize the sales floor, and combine two key elements: gifts that will make the consumer happy, and total sales floor design and support for the customer. One of our main strengths is the broad range of plans we can offer to customers in various businesses and categories, based on the sales floor arrangement know-how we have developed over many years. Here we give an example of one of our proposals.



## Views of the developer

### A powerful, energy-saving fan, developed through cross-industry collaboration

The main distinguishing features of this fan are that it was jointly developed through cross-industry collaboration between Doshisha and Nakashima Propeller, and that, in addition to superb design, it conserves electricity, provides a powerful blowing stream, and operates quietly. The concept for this product arose when, in the midst of the recent trend toward energy conservation, we realized that: "in the future, the mainstream will be fans which combine the added value of energy conservation with elegant design." However, there are already many energy-saving fans on the market. We therefore started development by focusing first on how to differentiate our product from its competitors. At first we deliberated long and hard over the many possibilities but the eureka moment did not come until the well-known manufacturer of ship propellers, Nakashima Propeller, was featured on a TV program. Drawing the connection between the screws which provide propulsion for ships and fan blades, we wondered about the prospective blowing rate that could be produced if the propeller which drives a large ship through the water with little resistance were mounted to a fan. With high expectations, we soon approached Nakashima Propeller, and described our joint development concept of a "totally new type of fan." They readily agreed, and together we succeeded in commercializing the product. We made many prototypes of the fan blade, and as a result found that a shape similar to the wing of a gull (*kamome*) was the best. With this design the air stream reaches up to 10 meters from the fan. We were also able to reduce power consumption by using a DC motor as the drive source. In the future, we will continue to develop specially designed appliances, which have added value in addition to attractive design. Stay tuned for new developments!



A big hit—kamome fan

Previously, each of our departments conducted planning and development of products. However, in response to changing market needs which vary from day to day, we have built a system which can efficiently share the know-how accumulated by each department by centralizing the facilities of our product development department at a single location. This structure further improves our product development and quality control capabilities.

## Views of the developer

### Carefully selected assortment gifts and total sales floor design and support

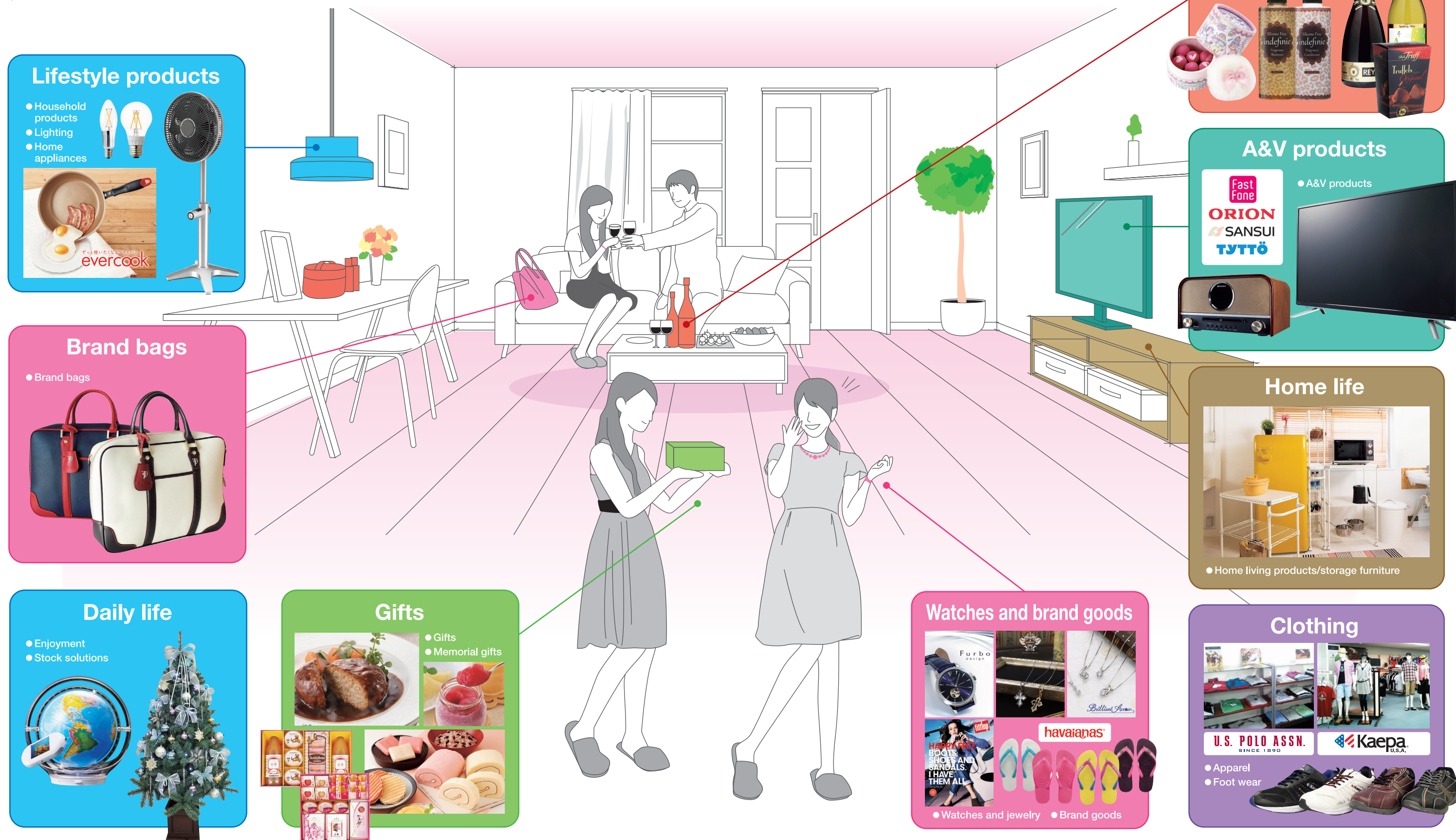
We develop products from the consumer perspective, and one of the unique types of gifts we offer is "assortment gifts" which combine products from a variety of well-known Japanese manufacturers. The component products are not simply combined; they are assorted based on specific themes, such as "dinner for a family." Some assortments select items that a specific member of the family might enjoy, such as beer for fathers, seasonings for mothers, and juice for children, that is, collections of "best of" items. From the customer standpoint, we have developed many plans based on the concept of total sales floor design and support. For example, in response to customers' desire to effectively utilize event space, we not only propose ideas for the largest events of the year (o-chugen and o-seibo—the traditional Japanese gift-giving seasons in summer and winter), we also develop ideas such as promotions featuring specialty goods from all over Japan for the off-season, thus proposing "high-turnover sales floors and products" throughout the year. In addition, we offer a wide range of plans for customers in various categories, and a broad line of products designed to meet consumer needs. We welcome you to contact us if you have an interest in any of our offerings.





## Making life more enjoyable with the power of creativity

At Doshisha, we offer a wide variety of products in the areas of apparel, food, and living.  
We also propose sales floors to suit a wide range of lifestyles  
by combining a variety of product categories.





## The four promises of Doshisha, for ensuring customer safety and security

Today society is increasingly concerned with "safety and security." In pursuit of our objective of "providing safety, security, and delight to customers," Doshisha was one of the first companies to step up quality control efforts in all aspects of its business, and it has accumulated a great deal of know-how in this area. In the future, we will continue to work hard so that we can offer our customers safe products which they can use with greater peace of mind.



### 1 Strong quality control and service functions

Doshisha has a dedicated service center for each product category, including household products, A/V products, appliances, and watches. These centers are responsible for product inspections, repair services, and other customer service functions. Backed by a more specialized support system, these centers work to ensure product safety and security. Also, Tokyo Physics and Chemistry Technical Center, a testing laboratory registered with the Ministry of Health, Labour and Welfare, tests the quality of our cosmetics and other products in accordance with the Pharmaceuticals Affairs Act, as well as manufacturing and marketing them, in order to provide products with higher safety and security standards to customers. In addition, our affiliated companies in China conduct all processes in-house, from production through inspection, utilizing our know-how for quality improvement.

#### Service center network

Doshisha Service Center in Osaka (for household products)	Appliances Service Center in Fukui
A/V Products Service Center in Fukui	Watch Service Centers in Tokyo and Osaka



Tokyo Physics and  
Chemistry Technical  
Center



### 2 We assure food safety

In pursuit of safety and security in food products, we entrust product ingredient analysis and tracing tests to Research Institute For Quality Living Co, Ltd., a third-party public entity, in order to ensure that our products are inspected by objective eyes. In addition, we have established internal standards for product evaluation that are higher than generally accepted benchmarks to conduct supplier selections and checking of best-before dates and ingredient labeling under stringent conditions.



### 3 Internal standards for authenticity checking

We also place special emphasis on authenticity issues. We have created an authenticity checking system based on our own check manual for parallel imports, which makes full use of the experience and know-how we have accumulated. In collaboration with consulting attorneys, we improve our knowledge of intellectual property rights and train employees in authenticity checking. Thanks to this system, we have earned a high level of confidence from our customers for our handling of high-profile brand products. We are a member of the Association Against Counterfeit Product Distribution, and we are actively working to eliminate and prevent distribution of counterfeit goods and other infringing products.



### 4 Improving product and operations quality as well as customer satisfaction

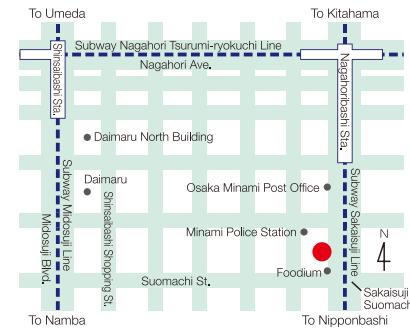
With the aim of improving the quality of our products and operations, and reducing our environmental impact, we have obtained certification for compliance with ISO 9001 and ISO 14001. We are committed to continuous improvement of all processes from product development through delivery. To achieve even greater customer satisfaction, we use a proprietary "quick-reporting system" which enables rapid and timely information sharing among all concerned parties, including top management, regarding product-related complaints and challenges for operational improvements.





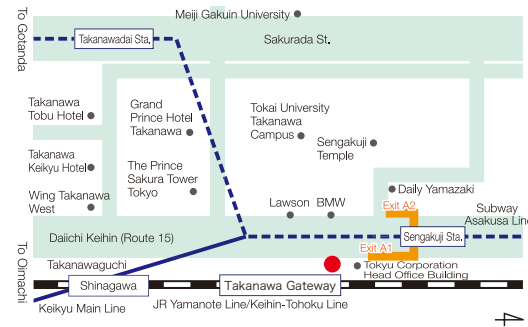
## Office locations

### Osaka Head Office



1-5-5 Higashi-Shinsaibashi, Chuo-ku,  
Osaka 542-8525, Japan  
Phone: +81-6-6121-5888

### Tokyo Head Office



2-21-46 Takanawa, Minato-ku,  
Tokyo 108-8573, Japan  
Phone: +81-3-6408-5577

### Annex to Tokyo Head Office



1-8-10 Higashi-Ohi, Shinagawa-ku,  
Tokyo 140-0011, Japan  
Phone: +81-3-3474-7281

## Domestic affiliates

### Doshisha Logistics Corporation



Sennan Distribution Center

In order to help achieve its vision to serve as a "distributor and service provider," the Doshisha Group implements fast, precise, high-quality logistics operations in partnership with warehouse and shipping companies in major cities nationwide from its distribution center in the city of Sennan in Osaka Prefecture.

Doshisha strives to provide fine-grained distribution services that meet the full range of customer needs by going beyond storage, packaging, and shipping to offer added-value services utilizing equipment such as a price tag issuing system, automated sorting equipment, and a portable scanner system.

### Karinpia Co., Ltd.



Karinpia plans and develops creative products that deliver value above and beyond their price, with a focus on lifestyle items, clothing, accessories, and miscellaneous merchandise priced primarily at either ¥100 or ¥300. The company provides high-quality products that excel in terms of both design and functionality under the watchwords of "cute, fashionable, convenient, and bargain-priced."



### Life Net Co., Ltd.



Life Net was founded in 1999, the year before the Long-term Care Insurance Act took effect, as a trading company specializing in products for senior citizens. It sells welfare products and operates a residential remodeling business with a focus on renting electric beds and wheelchairs. The company also develops its own original products. Ultimately, its services are oriented to ensure that customers can make use of welfare equipment safely and with a high level of satisfaction.



## Our overseas network



Victoria Well Holdings Limited

### Victoria Well Holdings Limited

● Trading business ● Ordering ● Production control

Trading company, plant investment, management, logistics center operation, wholesale, product financing

### Lianyungang Brilliant Daily Products Co., Limited

● Selection of Chinese manufacturers (quality, cost, capacity)  
● Quality control ● Production control  
● Purchasing ● Arranging of exports

Production and assembly of Christmas-related products, light bulbs, mug bottles, ice shavers, baby and pet products, other everyday items, bags and other sewn products

### Shanghai Comrade Trade Company

Importing and exporting of products, sales in China, quality control, process control

### Rainbow Warehouse (Shenzen), Limited

Logistics center (sewn products, miscellaneous daily goods, interior goods, sales promotion products, household appliances), inspection, checking, logistics processing, setup processing



## ISO policies

### Quality Policy

- Aim to build a company that will never fail, by continually responding to change.
- Increase the company's value through compliance and quality improvement.
- Focus on enhancement of training programs to develop excellent human resources.

### Environmental Policy

- Work proactively to establish an employee- and environmentally friendly workplace.
- Aggressively pursue reduction in the volume of waste products to eliminate waste of resources.
- Comply with legal regulations and continue to improve the environmental management system (EMS).
- Work on development of more environmentally friendly products.
- Contribute to local communities through environmental conservation and education activities.

## Major environmental conservation activities

### Energy conservation, safety, and clean-up activities

By minimizing overtime work, we seek to lower water, electricity, and gas consumption and reduce CO<sub>2</sub> emissions.

### Development of eco-friendly products

We are stepping up efforts to review product materials and packaging materials. We also plan and distribute cardboard carton-packed wines and LED lighting.

### Waste sorting

On each floor, different bins for cans, PET bottles, paper cups, and combustible waste materials are installed to enable sorting of wastes.

### Recycling activities

- We have recycling corners for collecting used stationery items for shared use throughout the company.
- We recycle cardboard cartons to minimize new-carton purchasing.
- We use double-sided printing and the reverse sides of used paper sheets to minimize consumption of copying/printing paper.



## Major community/social service activities

### Ecocap Movement

We collect used PET bottle caps and send them to the Ecocap Movement to help fund donations of vaccines for children in developing countries.

### Neighborhood street cleaning

Our employees periodically clean the streets in the neighborhoods of our sites.

### Participation in the Bell Mark movement

We have a box in our offices for collection of Bell Marks, which are donated to schools in our local communities.

## Website



[www.doshisha.co.jp](http://www.doshisha.co.jp)

### Providing corporate, product, and other information in a timely manner

Doshisha's website offers timely information ranging from corporate and investor data and a history of the company's operations to detailed information about its products and brands. Forms are available to accommodate inquiries from customers, including product requests and questions about new business relationships, and the company encourages visitors to make use of this online resource.



Product information



Showroom