

COMMUNICATING PASSION FOR FASHION

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www.languageonthemove.org

In early July, YM Fashion's CEO Mariko Watanabe flew in from Tokyo to Bangkok. She was scheduled to meet [Ingrid Pillar](#), who, on the way back from the Middle East to Australia, also just arrived in Bangkok to deliver a plenary speech at the [H.I.S. Research and Industry Forum on Linguistic Diversity and Tourism in Amazing Thailand](#) at [Assumption University](#).

Mariko and Ingrid first met in Tokyo back in 2010 when [YM Fashion Co., Ltd.](#) became an official supporter of *Language on the Move*. Collaboration between the fashion industry and academics is unique, originating from [the company's increasing interest in the role of language and communication in their global business operation](#).

The day after the Forum, the CEO and the sociolinguist celebrated the success of the event in Chit Lom, one of Bangkok's most fashionable neighbourhoods. Their conversation soon turned to YM Fashion's first overseas venture in Thailand, which began some 26 years ago and was a trail-blazing endeavour in Japanese-Thai joint ventures.

In 2012, Thailand overtook the US for the first time and ranked second, after China, as the most desired destination for international joint ventures by Japanese companies ([Japan External Trade Organization](#), 2013). At the time of Mariko's first visit in the 1980s, however, the situation was quite different and only a handful of large-sized Japanese companies had manufacturing operations in Thailand. Mariko says "Bangkok back then was a small touristy city without much of its skyscrapers, glamorous shopping centers and the Skytrains. During the rainy season, it once took us three days by taxi to get to the airport."



MARIKO WATANABE AND INGRID PILLER CELEBRATE THEIR REUNION AT YACCOMARICARD IN CHIT LOM



LEFT: YACCOMARICARD IN CHIT LOM. RIGHT: WITH H.I.S. MANAGING DIRECTOR MAKOTO KOKUBO AT THE H.I.S. RESEARCH AND INDUSTRY FORUM, 02 JULY, 2013

Japanese Business on the Move: Due to the ongoing scaling down of Japan's domestic market, Japanese companies are increasingly interested in expanding overseas. While large corporations such as Toyota, Nissan and Toshiba have been operating abroad for several decades already, it is the small and medium-sized enterprises (SMEs) that are intensely looking to global business opportunities. Seen largely as [pro-Japan and a key player among the Association of Southeast Asian Nations, or ASEAN](#), Thailand has rapidly emerged as a hot favorite among Japanese businesses in recent years.

Amid the growing desires and needs for going global by SMEs, one of the most obvious and persistent challenges in launching overseas has been the issue of language and communication. The [Small and Medium-Sized Enterprise Agency](#) of Japan (2013) reports that in the area of human resources, [language- and communication-related problems are seen as key risks by many Japanese SMEs who are operating or wish to operate in foreign countries](#). From lack of English-speaking Japanese employees who could set up and manage local operations, to inadequate skills of local translators, to the issue of cultural differences in customer service interactions, the survey demonstrates SMEs anxieties about language and intercultural communication diminishing the feasibility of and success in overseas expansion.

The survey points at an assumption that has long been present in the minds of the Japanese – to succeed overseas you need English. In the context of global business, the Japanese language is often considered as useless because, in the mentality of many Japanese companies, it is assumed to be only spoken by the Japanese in Japan. The trajectory of Mariko's company in Thailand, however, is a story that not only challenges this myth but also highlights the importance of setting aside pre-conceptions about linguistic deficits and of embracing cultural and linguistic diversity.

Mariko established YM Fashion in Tokyo in 1979 with her husband Isamu Watanabe and their long-time friend Yasuko Hayata. Ten years later, YM Fashion International Thailand was set up in 1990 with a young Thai partner. At the time of the launch of their business in Bangkok, none of the founders or their staff spoke English or Thai on a functional level. How did a Japanese medium-sized fashion retail company manage to find a local contact, secure a partnership, hire and train employees, and grow to operate a 7,000sqm factory with 400 employees and 10 retail shops in central Bangkok today? Mariko explains that the opportunity to

expand YM Fashion and develop its trademark brand *Yacomaricard* in Thailand originally came through an informal international network of hippies in the late 1980s. And their story in Thailand is a story of languages on the move, beginning with a business proposal from unlikely collaborators.

Hippie Connections: Back in the 1980s in Tokyo, two German internationalists, Guy and Helga Pachet, were producing European-style baby clothes at home. After a long trip around the world in the 60s and the 70s, the couple had settled in Tokyo where their first baby was born. As their home-made European children's clothes gained popularity in their local area, they wanted to commercialise their production. They turned to their friend Mariko to explore collaborative business opportunities.

Mariko initially turned down their proposal. Communication was a problem. Guy spoke German, French and English but had very little Japanese at the time. Mariko and her staff couldn't speak English, let alone German or French.

Mariko: *"I didn't think it would be possible to work together if they couldn't speak Japanese. I asked him to learn Japanese first. I promised that, in the meantime, we would try to learn English. But he learned Japanese better and faster than I ever learned English [laughs]."*

As Guy quickly taught himself Japanese, the couple and YM Fashion began collaborating, and soon their new brand, *Annya and Besna*, became a hit among fashion-conscious mothers in the upmarket town of Denenchofu, Tokyo. As sales increased, the need to secure a production site devoted to *Annya and Besna* emerged. The couple decided to turn to their old hippie connections in Bangkok, Thailand.



FROM LEFT: MARIKO WATANABE, HELGA AND GUY PACHET, AND PUNSURI REVIRAVA IN YAWARA, BANGKOK, 1989

Passion for Success: In 1989, the Pachets and Mariko flew to Bangkok to meet Punsuri Revirava, whom they knew from their travels during their hippie years. The three parties, the Pachets, YM Fashion and Punsuri, co-founded a company, Clair Moda. Punsuri, who is Chinese-Thai, provided a manufacturing site within her family-owned shop house and initially secured six seamstresses for the production. Mariko was responsible for teaching the six young Thai women how to sew and produce clothes that would satisfy the desires and tastes of highly discerning Japanese consumers. She recalls that in terms of language, training the Thai workers was not a problem.

Mariko: *“I couldn’t speak Thai, and these girls are from rural areas in Thailand, so they could speak neither English nor Japanese. Basically I taught these girls everything by using Japanese and through body language. These women still work for us today, and 26 years on at our factory, they have become leaders and teach apprentices how to sew using Japanese technical terms.”*

A year later, YM Fashion bought out Clair Moda in order to set up [YM Fashion International Thailand](#). That was also when they invited a young Thai woman, Ichaya Khamala, to come on board as co-owner and CEO. Under Thai business law, a foreign company must have a Thai partner who maintains a significant share in the company. While majoring in Business Studies with a minor in Japanese at Thammasat University, Ichaya had worked as a part-time interpreter for Mariko in the previous year. 22-year-old Ichaya had limited work experience and no experience whatsoever in running a company. Mariko recalls that it was unheard of for a Japanese company to partner with a fresh university graduate, and a woman to boot. However, she had no hesitation:

Mariko: *“What she had instead of experience was language proficiencies in Thai, Japanese and English and a passion for business success in her country on the verge of an economic boom. She had so much passion and desire to learn and grow with us.”*

As their collaboration began, Mariko taught Ichaya everything she knew about production and business management, and for all these years, Japanese has remained the language of their transnational partnership. From the beginning, Mariko not only instructed Ichaya how to do business, but also helped her improve her spoken and written Japanese.

At the same time, all the YM Fashion employees who have been transferred from Japan to Thailand to oversee the production are required to undertake a three-month

intensive course in Thai immediately upon their arrival. As Mariko explains: “How can Japanese managers win the heart of their Thai workers if they can’t speak Thai?”

Global Expansion and Family: On her trip to Bangkok this time, Mariko was accompanied by her daughter, Sei Watanabe. Together with her younger brother Kari, Sei established [YM Fashion UK](#) in 1997 and managed the operation until her return to Japan in 2012. The siblings will take over YM Fashion in Japan in the near future as Mariko and Isamu ready themselves for retirement. As the mother of a young girl herself, Ingrid asked Mariko how she had managed to raise her children while building a successful fashion company and expanding overseas.

Mariko explained that she always took her children along on her business trips, letting them directly experience culture and language of other countries so that they would develop a deep appreciation for diversity. It was also important for Mariko and Isamu to raise their children multilingually:

Mariko: *“After the war, we wanted to study English, but English education in Japan was really inadequate at that time. Early on in our overseas ventures, we did everything we could to succeed without English, but we always thought that our children must learn English AND other important languages to thrive even more in the 21st century.”*



THE DAY BEFORE THE FORUM: SEI AND MARIKO WATANABE SELECT OUTFITS FOR INGRID’S KEYNOTE SPEECH AT YACCOMARICARD IN CHIT LOM

Starting with English as a second language, their children went on to also learn French and Thai. While making sure their children learnt English is unsurprising, the insistence on French and Thai, too, is unusual. Mariko argues that French is the language of global fashion and continues to be important in international business negotiations and Thai is the

language of their close partner and first overseas expansion.

Not only did Mariko work to instil an appreciation of cultural and linguistic diversity in her own children but she's also committed to ensure that the children of production workers have similar opportunities. The nursery school that is located within the Thai production site, was established to cater for the young children of workers. The nursery teaches not only Thai but also English and the library provides children's books in different languages.

Over her long career Mariko has remained a passionate internationalist: "We live in Japan, we live in Asia and

we live in the world. Our perspective is global." She never let herself be held back by the limited opportunities available to women of her generation: where she lacked language resources, she responded with flexibility by drawing on Japanese, her passion for fashion, her commitment to capacity building in Thailand and the common humanity that binds us all.

Carrying on the legacy of the pioneering founders, the next generation of YM Fashion - Sei, Kari and Ichaya - are equipped not only with many more language resources, but also an appreciation of linguistic and cultural diversity characteristic of the 21st century business world in which they operate.

MARIKO WATANABE

Founder and CEO of YM Fashion Co., Ltd, Japan



Mariko was born in Hokkaido, Japan, in 1938. Having studied at the Kuwasawa Design Institute in 1957, Mariko worked as a freelance buyer, importing second-hand clothes to Japan, and later opened a vintage European clothes shop in Keio Limone Harajuku in 1975.

Mariko launched a new women's brand, Yacomaricard, with Yasuko Hayata and Isamu Watanabe in 1977 and established YM Fashion Co., Ltd. in 1979.

Having celebrated its 35th anniversary in 2012, YM Fashion today has 24 direct shops and 120 wholesale shops in Japan, 11 direct shops in the UK and Thailand, and 42 wholesale shops in Europe and the US.