

**Good Design: Mekong Design Selection**  
**~Travel to Lao P.D.R.~**

**Japan Institute of Design Promotion**

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● **The Purpose and Goal**

Through the *Good Design Award Mekong Design Selection* project, 6 companies from Lao P.D.R. were awarded. For this visit, two companies were matched with Japanese designers to have their preliminary meeting. In order for this project to progress smoothly, my mission was to accompany the designers and meet with the government officials of Lao P.D.R (specifically, Trade Product and Promotion Department, Ministry of Industry and Commerce) to explain about the project and to ask for their support and endorsement.

The *Good Design Award (G-mark)* has a long history of more than 60 years and is a trusted certification of design. The recognition rate of the G-mark is close to 90% in Japan, and is not only supported by business sectors, but also trusted by consumers. In recent years, the G-mark has established itself as a “quality standard”, the value of which is spreading all over Asia and in turn creates strong developments of design, high-quality products and the initiative of supporting cultural creations.

The *Good Design Award Mekong Design Selection* uses the mechanics of the G-mark, in order to promote exports to Japan, and improve the brand development of each country’s traditional crafts and techniques.

There are three main phases to be implemented for the two year span of the FY2014-2015.

1) Good Design Award (FY2014)

Companies with high potential traditional crafts from the CLMV (namely Cambodia, Lao P.D.R., Myanmar and Vietnam) region were recommended to apply for the *Mekong Design Selection* award. The *Good Design Award* juries appointed by the Japan Institute of Design Promotion (JDP) then selected those to be awarded.

2) Collaboration between CLMV awarded companies and Japanese designers (FY2014-2015)

Applications and design proposals from Japanese designers were reviewed by the *Good Design Award* juries. The most distinguished designs were chosen to have an opportunity to collaborate with the *Mekong Design Selection* awarded companies.

3) Development of a new brand product for the Japanese market (FY2015)

The awarded companies and the Japanese designers collaborate to produce new brand products that will be showcased in the annual *Good Design Award G-Mark Exhibition* in October, and exhibit the products at the *Tokyo International Gift Show* in February of 2016 to

Japanese buyers for business matching opportunities.

The mission for this visit is the second phase.

● **Meeting with the Trade and Product Promotion Department (TPPD)**

We visited the Ministry of Industry and Commerce in the morning of March 9. It happened to be a day of observance of the “International Women’s Day”, however Mr. Phan Vilaysom, the Acting Director General and Mr. Sysangkhom Khotnhotha, the Deputy Director General warmly welcomed us.

During the meeting, I briefly explained about the project’s purpose and ultimate goals. I also explained that this is also very much a business venture between the designers and companies as contractual agreements will bind the two parties in order to create a new brand product that will benefit both with the “investment in design” ideology.

The business aspect of the project has been well accepted and understood by the TPPD officials, especially by Mr. Khotnhotha who was the person in charge of the *ASEAN Design Selection* implemented in 2003. He also stated that in order for traditional craft companies to grow, this project will be a valuable business experience to take some risks in order to become established and successful in global business. However, he warned, that it will take time for Lao companies to take a leap of faith and take risks in order to develop products. Both officials have claimed that they look forward to the results and will continue to endorse and support the process.

After the meeting, we participated in a luncheon meeting joined by the owners of the two companies (Magic Carpets Handicrafts Co., Ltd. and Houey Hong Vocational Training Center for Women). The two companies are very well versed in global business as I explained the philosophy of “investing in design” and the reasoning behind royalty payments.

I felt that it was fate that they were selected to the collaboration project, because they both have high expectations and passion to grow their companies to become more competitive in the global market. This project as they described, has given hope to small enterprises that are often overlooked by foreign buyers or investors.

● **Visits to Lao P.D.R. Awarded Companies**

There were 6 awarded companies from Lao P.D.R. with only 2 companies that were selected for the collaboration aspect of the project with Japanese designers. The overwhelming reason that the other 4 companies were not chosen for the collaboration is because “there is little improvement needed in their products as the quality and design is already high”.

It was also my mission to explain the reasons and to gain their understanding by visiting the other 4 awarded companies as well.

\* **Maly Indigo**

Centered on indigo dyed products, Maly Indigo is a designer boutique shop. The owner’s son

who was educated in Australia does the main design and manages the shop. The main products are currently clothing, but the quality is very high and they incorporate traditional design patterns so there is high potential for it becoming a successful interior shop as well. Although they were not selected for the collaboration opportunity with a Japanese designer, they have high potential in furthering their design development.

The shop also has a café which serves organic coffee. A Frenchman was spotted leisurely enjoying his coffee. Perhaps this is a regular sight of business being done in Vientiane.

#### **\* Nikone Handcraft**

The company produces high quality silk woven products that are mainly for traditional formal wear use. Even during my visit, there were many Japanese customers. In this regard, they can be considered a successful business toward the Japanese market. However, in my opinion they will need to take on another step in order to broaden their business.

#### **\* Kanchana The Beauty of Lao Silk**

Their products are of high quality silk. They have a vocational training school (established with the support of both the governments of Lao P.D.R. and Japan) and also have a workshop facility for people to experience weaving techniques. The company is a pioneer of preserving traditional Lao techniques. It is said that since Laos is a socialist republic, establishing a company is difficult and often times will need to incorporate a for-profit organization system and human resource development incentive. Their products are of high quality, however global business seems to be challenging at the present. My opinion is that they will need to build a transitional momentum in order to become more successful in the global market.

#### **\* Phontong Co-op Handicraft & Cama Craft**

The scale of their shop is large and is located in a heavily tourist attraction area. Their products have a wide range of lifestyle products from kitchen items, table linens, bed linen, clothing, decorations, bags, and accessories. There was no end to the crowd of customers during my visit. They were even in the middle of negotiating between French buyers which is evidence to the strengths of product development and merchandising this company exemplifies. There is no doubt that this company will continue to grow to a more successful company and perhaps become successful in the Japanese market.

I was elated by viewing all of the companies proudly displaying the Mekong Design Selection Award in their shops and showcase. It brought a renewed sense of the importance of implementing the G-mark mechanism to help promote South East Asian enterprises.

In addition, the companies' owners have explained that with the display of the award, many customers especially Japanese have grown to trust the authenticity and the quality of their products. The appeal of the Good Design Award is that it simply creates results.

#### **● Design Development – Magic Lao Carpets Handicrafts**

On April 10, Mr. Kohei Takata an advisor and I went to Magic Lao Carpets Handicraft to support and facilitate the design production between Ms. Kana Nakanishi, the designer and the owners of the company. Ms. Nakanishi presented her design proposal and both parties were able to agree to start with the collaboration project.

Before further talks about product development, we were presented with a tour of the workshops and showroom and the kind of materials and techniques used. I was impressed when I discovered how the silk is spun and the work techniques of the 4 weavers that meticulously weave for 1 cm in a day's work. At the showroom, we were shown the textures of all sorts of carpets and were even shown samples of a failed sample product.

The question that was always on my mind, "Why is there a production of Persian carpets in Laos?" was answered when we were greeted by the owners. The female owner whom I met previously at last year's award ceremony is a very professional business woman. Her husband is originally from Turkmenistan who immigrated to Laos because he did not support the Soviet government at the time. He brought his knowledge and techniques of producing Persian carpets and this is how the company started.

A new potential was born in Laos with the use of Lao women's delicate hands weaving and dyeing the silk and the knowledge and skills of making carpets. These days in countries where Persian carpets are still in production, they are increasingly becoming mass produced by machines. Thus the meticulous craftsmanship of producing them by hand is less favored by workers and becoming rare.

Ms. Nakanishi's design proposal is rather simple. Persian carpets are a luxury item that only a marginal group can afford. However, in order for a wider group of people to easily obtain a piece of luxury, a new idea and product must be created. Of course, the idea is not to cheapen the new product, but to take the luxury and authenticity of the craftsmanship and make them into bags and accessories. Figuratively speaking, if the original carpet is worth USD100.00 per 10 cm<sup>2</sup>, than why not turn a profit by producing products of 10 cm<sup>2</sup> in size, and sell for USD200.00? Magic Lao Carpets Handicrafts was already trying out productions of bags made of carpet prior to the design proposal by Ms. Nakanishi so they were easily able to come to terms of agreements with the project. Another idea for a new product is making bangles. We were able to see the high potential of producing bangles when we witnessed the intricate weaving process at their workshop.

The owners' business knowledge and design sense is very professional, so they understood the overall aspects of the project and the potential for expanding their business. The aspects of royalty fees did not seem to surprise them when concluding a contract between Ms. Nakanishi. Both parties agreed to utilizing scrap, unused, and unsellable parts of carpets, and upcycle them into fashion products. They agreed on a scheduled plan and by June the prototype will be made.

The fact that the collaboration between the two parties flowed easily from the start is evident by

both parties ability to read one another by taking down the language barrier on the business and design level.

● **Design Development – Houey Hong Vocational Training Centre for Women**

On the 11<sup>th</sup>, I visited the Houey Hong Vocational Training Centre for Women that produces paper textile (cloth that uses paper string as the weft).

Houey Hong Vocational Training Centre for Women was established under the leadership of the Chanthasone sisters as a vocational training center to help support women in building skills and offering employment opportunities with the partnership of Laos and Japanese organizations.

The designer who will collaborate with Houey Hong is Mr. Koichi Idebuchi from the Shikoku island, and have known the Chanthasone sisters from a previous project that dealt with fans. This time, Mr. Idebuchi's design proposal with the theme "the appeal and potential of paper textile" was selected.

Originally, the production technique of paper textile has been prevalent in Japan. It was the cooperation of the elder Chanthasone sister who was able to expose Laos to the technique. She is married to a Japanese man and ever since she started living in Japan, she became aware of the potential of traditional techniques of Laos. Below is a brief summary of her experience and the process it took to introduce the technique in Laos.

...The Hmong people who reside in a mountainous region of Laos have for generations kept the traditional technique of papermaking. However, the tradition is slowly in the path of extinction because successors for the production of papermaking are dwindling. In order for this traditional technique to be passed on to future generations, there needs to be improvements made to the technique, and also a pipeline of marketing the finished products so that people can be employed through the crafts. Through a JICA sponsored project, the traditional Japanese papermaking technique known as "*nagashi-suki*" was introduced to Laos. However, the appeal of paper as a product is limiting. Therefore, the idea of creating fans was proposed. Furthermore, by the connection of Ms. Chanthasone's father-in-law, she was introduced to Japanese culture and "paper textile". She studied under one of the last remaining traditional weaver in Kochi prefecture and took her skills and experience back to her home country in Laos...

In the present, Houey Hong's paper textile is used to create *obi* sashes in small productions for the Japanese market. Ms. Chanthasone believes that the combination of paper and cloth have endless potential, therefore she is continually brainstorming on ideas where general use of paper textiles can be broadened. Mr. Idebuchi's design proposal also incorporates similar ideals of making products that appeal to future consumers. Rather than the focus be on just the development of the brand product, there is also emphasis on communication and promotion. Specifically, strong emphasis should be on the uniqueness of "paper textile" such as production

of a lampshade. In another example, creating handbags from the material can also promote the use of “paper textile” as a brand and focus. This project aims to conceptualize ideas that can in turn become brand products. Both Ms. Chanthasone and Mr. Idebuchi came to terms of agreement on royalty payments and decided to commence with the project. Mr. Takata gave advice on having a specific target group for the brand product and the work schedule that best helps to create high-quality products.

As with Magic Lao Carpets Handicrafts, Houey Hong Vocational Training Center for Women is also a leader in improving the work conditions of females. The attitude toward the importance of “craftsmanship”, the promotion of human resource and development of their employees, and the importance of acquiring skilled employees is their main mission to improve working conditions for all. “Craftsmanship” in any developing country is closely tied to the issues of human security and human rights. Fair-trade products create sound assurance, but “craftsmanship” is always aiming for the same assurance and in my opinion, Japanese designers seem to still be insensitive to the issues surrounding daily life at hand. It is thus important to gain basic knowledge and understanding of the environment in order for success to result from global cooperation such as what this project aims to do.

#### ● **Other Meetings**

##### \* **JETRO Vientiane**

In the afternoon of the 10<sup>th</sup>, we went to visit Mr. Shibata, the Chief Representative of JETRO Vientiane office who was familiar and worked closely with the establishment of Thailand’s *Design Excellence Award (Demark)*.

After briefly reporting about the progress of the trip, Mr. Shibata reported on the success of the “Laos Fair” exhibition that was held in Tokyo in February. Mr. Shibata also raised interesting views on manufacturing and trade of traditional handcraft goods. He suggested that perhaps collaboration between awarded companies and Japanese traditional craftsmen will further improve the manufacturing conditions that are present in Laos and make their products more competitive in the future. In the short term, this will result in the companies becoming OEMs for Japanese manufacturers. While in the long term, it will build a foundation for the Lao companies to become fully independent private enterprises.

##### \* **Dinner with Members of the Embassy of Japan in Lao P.D.R.**

On the evening of the 11<sup>th</sup>, through the good relations of Mr. Idebuchi, we were invited to the Embassy of Japan in Lao P.D.R. Ms. Yuko Futamoto, the Head of Culture, Education, and PR Division arranged a dinner gathering with Mr. Ryotaro Suzuki, the Minister Deputy-Chief of Mission in attendance. This year is the 60th Anniversary of Japan-Laos Diplomatic Relations and as such, the Mekong Design Selection project is accredited to promote the anniversary. The accreditation will further promote the collaboration between Lao companies and Japanese designers in PR materials, media outlets, and press releases from the Embassy of Japan in Lao P.D.R.

## ● **The Outcome and Impression**

Since this is just the beginning of the Mekong Design Selection collaboration project, I cannot comment on how this project will result. However, the two companies that were chosen to collaborate with Japanese designers have shown eagerness in collaborating and were able to smoothly start their partnerships. I was pleased to have been able to contribute in encouraging both the awarded companies and the Japanese designers along with the support from the Ministry of Industry and Commerce, Trade and Product Promotion Department (TPPD). I believe that my expectations were met prior to making this trip. Below are some of the points that left an impression.

### \* **The Creation of Technique Transference**

Both companies that were chosen to collaborate with the Japanese designers for this project have similar backgrounds. They were both established through the transference of techniques and skills from outside influences (Persian carpets for Magic Lao Carpets Handicrafts and paper making for Houey Hong Vocational Training Center for Women). The techniques may be foreign but the added domestic and tradition technique/skills such as indigo/vegetable silk dyeing is what made these two companies already experienced in collaboration efforts of two different sources.

### \* **Tourism and Manufacturing**

During this trip, I was able to visit all 6 awarded companies. All of the companies have their own showroom and shops where they sell their products. The Cama Crafts shop was filled with customers, and Maly Indigo was similarly busy tending to customers. For Nikone, the visitors are able to view the weaving and dying process of their products at their workshop. The visitors are then able to buy the products at the shop. The “Show (appeal of craftsmanship) and Sell” method and the atmosphere in the shop is not only about business, but also an area to share experiences through the “ideology of crafts”.

In Japan, we have long analyzed what it is to “Create” and to “Sell”. However, over time the demands of consumers began to lean toward “Experience” rather than just spending. While in Laos, I’ve observed that they have a very contemporary business model of “Create = Appeal (charm) = Share (experience) = Sell”. This business model works well with the tourism industry.

### \* **Japan as the Evaluator**

For three years starting from the year 2004, the *ASEAN Design Selection* was awarded to ASEAN companies and designers. Through the activity, a foundation of anticipation for the future of design in ASEAN has grown. The *Mekong Design Selection* is the successor to the earlier activity and with the foundation of anticipation, the G-mark system became about trust and belief. The background and foundation that strengthens this project is evident by the shops that displayed their award.

Japanese companies have built a widely held reputation of being trustworthy manufacturers. The essence of that trust can be said to be from the evaluation system such as the Good Design

award. This can also mean that the award can be a reference point for the quality of goods and services. This is a Japanese treasure, and it is only reasonable to strategically work with the system that is becoming more and more desired outside of Japan.

**For the original report in Japanese with pictures, please view this link:**

[http://www.asean.or.jp/ja/wp-content/uploads/2015/04/Lao-P.D.R.-Report\\_JDP\\_Mr.-Aoki1.pdf](http://www.asean.or.jp/ja/wp-content/uploads/2015/04/Lao-P.D.R.-Report_JDP_Mr.-Aoki1.pdf)