# Thailand



# Global Expansion

Introduction of an Overseas Affiliate: T.C.H. Suminoe Co., Ltd. in Thailand



In the automotive textile business, the Suminoe Textile Group has established 12 manufacturing and sales sites in six overseas countries to supply a total line of automotive textiles to customers around the world. To satisfy customer needs, we deliver our products to customers in a speedy and stable manner by applying manufacturing and management expertise we have cultivated in Japan to overseas operation sites. The respective global sites have also contributed to economic development and job creation in their local communities.

## Overseas Expansion of Each Category in the automotive textile business

#### **Fabric Category**

In December 2009, Suminoe Textile Co., Ltd. set up its subsidiary, Suminoe Teijin Techno Co., Ltd., jointly with Teijin Fibers Limited. This has enabled the Suminoe Textile Group to establish an integrated system covering from material procurement, knitting and

Since then, a similar system has been introduced at overseas operation sites so that we have displayed the Group's strength both in Japan and abroad. In recent years, while solution-dyed yarns have been increasingly used as raw materials, we have lowered environmental impact through a reduction in waste water and waste heat

#### **Carpet Category**

Automotive flooring textiles are largely divided into tufted carpets and needle punch carpets. As for flooring materials, currently the Suminoe Textile Group focuses on needle punch carpets, which are manufactured and sold in six countries in Asia and in North and Central America. Needle punch products are conducive to reduction of environmental impact for the following advantages: simple material constitution, a fewer number of processes, and relatively lightweight Besides floor carpets, we have applied this needle punching technique to textile products that reduce noise inside and outside cars. Through the development of mass-production of such products, we endeavor to help

#### **Mat Category**

Suminoe Koide (Thailand) Co., Ltd. was set up as our third manufacturing factory of car mats in Chiang Mai, Thailand, in 2018. Thailand is ranked top in vehicle production volume in the ASEAN region. The business objective of the company is not confined to producing products for Japan. It also aims to further enhance the Suminoe Textile Group' competitiveness to expand its trading area and sales in the local market.



## Global Establishment with the Longest History

T.C.H. Suminoe Co., Ltd. (TCHS) was set up as a joint venture in 1994 in Ayutthaya in the central part of Thailand. With the longest history among the global establishments of the Suminoe Textile Group, TCHS has been engaged in production and sales of mainly fabrics and carpets. Its production activities are supported by approximately 190 employees, about 36% of whom are female.

As part of its commitment to quality-oriented manufacturing in response to customer needs, TCHS obtained ISO/TS16949 certification in 2002. With regard to environmental impact reduction, the company also acquired ISO14001 certification in 2006. As a pioneer of the Suminoe Textile Group companies, TCHS is seriously working to reduce its global environmental impact.

### **Comfortable Working Environment**

Thailand is a mostly Buddhist country, whose people are characteristically polite and gentle and take good care of their parents. Being connected with neighboring countries by land, Thailand has deepened exchanges with other countries since olden times, making it a very conformable place for foreign people to live in. In a country that respects human diversity, including LGBT, TCHS takes it for granted to embrace workforce diversity, rather than considering diversity something to be achieved. The company therefore offers an environment where everyone can enjoy working.

# Social Contribution and Activating Intra-company Communication

TCHS is eager to contribute to society, such as by donating knitting machines to universities and making monetary donations to a school and a charity to help orphans in Kanchanaburi Province. In recent years, the company has been participating in a charity marathon. In Thailand, running is popular among people, indicating an increasing public interest in fitness. The company also strives to activate intra-company communication, on such occasions as Songkran, a large-scale water festival held to celebrate the start of the traditional Thai New Year during the country's hottest season. Employees pay respect to their seniors and superiors by spraying water on them. This cheerful event is greatly enjoyed by all members of TCHS, regardless of whether they are supervisors or subordinates. In addition to the Songkran festival, TCHS holds an annual company trip, a New Year party and other various events, through which employees are encouraged to deepen mutual communication.

The entire factory of TCHS was submerged during the great flood that hit Thailand in 2011. Nevertheless, thanks to the backup production and supply system from Japan and other overseas factories, TCHS was able to supply products without a hitch until the restoration of the factory, thereby gaining strong trust from customers.

In 2019, the company marked its 25th anniversary. TCHS will continue to commit itself to stable business operations and contribution to the local community in the future.



Social contribution activity: Charity marathon in June 2018, with 17 people participating from TCHS (TCHS employees and their family members at the Bang Pa-in Industrial Estate)



Thai traditional "Songkran" festival (a water festival in which younger people spray a small amount of water on their seniors to pay respect to them), held in the front yard of the factory on April 12, 2019.



Reclining Buddha Image at Wat Yai Chai Mongkhon, a world heritage site in Ayutthaya Province, against the crisp sky during the dry season

Yukihiro Yamamoto Joined the Company in 1992



In April 2017, I took up my new post here at TCHS. I am in charge of the development of carpets and other products to be delivered to automobile manufacturers inside and outside Thailand. In terms of technology, an increasing number of vehicle models have been developed for the global market in recent years, requiring us to develop automotive textiles with the same performance level as products made in Japan. On the cost front, we are also engaged in price competition with local capital manufacturers. Accordingly, TCHS needs to display comprehensive technological strength.

Since it is the first time for me to work at an overseas affiliate, I am faced with not only a language barrier but also unexpected cultural barriers, including the Thai way of thinking. I sometimes become slightly emotional when I have trouble communicating with local employees. In such a case, however, the next day I make it a rule to greet them in Thai with a smile, as part of my efforts to create a favorable atmosphere in the workplace. Through experience in working overseas, I have now developed a broader perspective of my work by considering how I can improve the performance of the local employees. I real feel myself growing little by little.

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