

LONDON JEWELLERY exports.....

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Report for Japan Mission Nov 2009

This is a checklist to help you to collect information for inclusion on londonjewelleryexports.com

Information may be collected by:

- Desk research prior to the market visit or afterwards.
- Publications and brochures collected at a show or industry event
- Discussions with local officials, jewellers, retailers etc
- Personal observations

Country Characteristics:

- Size of market (population, principal cities and regions/population centres etc)

As of June 2008, Japan's population is around 127.7 million, making it the world's tenth most populated country. Its size can be attributed to fast growth rates experienced during the late 19th and early 20th centuries. Japan is the third biggest market for UK fashion and accessories due to a large disposable income.

Tokyo	8.0 million
Yokohama	3.4 million
Osaka	2.5 million
Nagoya	2.1 million
Sapporo	1.8 million
Kobe	1.5 million
Kyoto	1.4 million
Fukuoka	1.3 million
Kawasaki	1.2 million
Hiroshima	1.1 million
Saitama	1.0 million
Kitakyushu	1.0 million
Sendai	1.0 million

- Language issues, eg Is English generally spoken, or is lack of language skills a barrier.

Japanese society is ethnically and linguistically very pure with 99% of the population speaking Japanese. It can be therefore difficult to conduct business in English. To avoid misunderstandings it is advisable to hire a translator

- What type of retail premises can you find and what styles of jewellery do they sell?

There are various types of retail premises:

Department stores like Isetan, Daimaru, Mitsukoshi, Takashimaya, Hankyu etc where you can find concessions

Specialty store groups like Beams, Ships, United Arrows etc

Independent boutiques like Via Bus Stop etc

- Are there any specific hallmarking requirements and are UK hallmarks accepted in this market?

UK hallmarks are generally accepted. In fact Japanese buyers are keen that products clearly state that they are made in UK.

- Are there any logistical issues e.g. customs, import tariffs, local taxes and carnets?

When taking jewellery to Japan you can either get a carnet in advance which costs about £200, which will allow you to claim back any duty you have to pay. The alternative is to declare goods on arrival (unlike America this is common), providing a commercial invoice stating the value. Duty is normally around 20%.

When sending jewellery to Japan it is important to use the duty tariff code, which varies depending on the type of jewellery you are importing (eg silver, costume), for silver jewellery the duty tariff is around 5%

Routes to Retail:

- How can UK exporters find relevant retailers? Eg trade associations, directories, what is the equivalent of Yellow Pages, yell.com etc

It can be very difficult to reach relevant retailers in Japan. Business etiquette is a priority. Introductions are normally made through a respected 3rd party and the process of doing business can be lengthy and involve questioning and 'testing'. The outcome will normally be a formal but long term relationship. Business cards are of outmost importance and are under no circumstances to be mistreated. The business is the first to be exchanged in a business meeting, it will be studied, acknowledged and then put on the table until the person has left.

I found it very useful to have commissioned UKTI to produce an OMIS for me as well as taking part in the organised showcase. Through the OMIS the British embassy in Tokyo invited relevant buyers to the showcase at the embassy and set up appointments afterwards.

- Which are the key shows attended by buyers, where are they and when are they held and for which types of jewellery/buyers?

Japanese buyers can also be reached through key European trade shows such as Premiere Class Paris. A new and exciting trade show in Tokyo is 'rooms' organised by H.P. France. However as an international designer it can be difficult to get the necessary exposure and it might be more successful to show as part of a group.

There is also Japan Fashion Week, Spring and Autumn www.ifw.jp/en

100% Design Tokyo, Oct/Nov, www.100percentdesign.jp/english/

Design Accents Tokyo, July, www.designtokyo.jp/en/

- Which are the key jewellery trade/fashion magazines, subscriptions, advertising, journalists (try to pick up copies)

WWD Jewellery

Parsnips

Miru Hanatsubaki

Roomservice www.roomservice-japan.org

Grand Magazine

Vogue Japan

- What pricing conventions do retailers expect? What is their normal mark up?

The mark up is usually around 2.5%

- What contractual conventions e.g. consignment contracts do retailers expect?

I normally only work on proforma but for Japan I make an exception as they like to pay on delivery. The Japanese are very conscientious and I have never had problem. Whatever you agree with in terms of shipment, delivery time etc it is important that you stick to it. Always reply quickly to e-mails and provide good customer service as this is how they will treat their clients

- Do retailers deal direct or do they prefer to use wholesalers/agents?

There are various routes to market:

You can work with a distributor. This can mean that some retailers will not want to deal with you directly anymore but solely through your distributor. If your product fits in different market niches it is possible to work with different distributors and/or retailers

You can work with a wholesaler who will normally have a showroom and sell your work on to relevant stores.

Or you can deal directly with retail outlets

- Relevant trade associations and websites

The JAPANESE STREETS directory offers a detailed background information about Japanese fashion brands, fashion designers, fashion schools and fashion magazines.

www.japanesestreets.com/directory/

www.directory.classifieds1000.com/Japan/fashion

Japan Fashion Association

www.japanfashion.or.jp

Japan Fashion Association was founded on April 4, 1990 with the main aim of strengthening the overall development of life-style and fashion related industries and creating a good life culture. The association has a total membership of 243 companies and organizations engaged in the production of fashion products.

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RIETI - Research Institute of Economy, Trade and Industry www.rieti.go.jp/en

J F A - J a p a n F a s h i o n A s s o c i a t i o n
www.japanfashion.or.jp/english/

JAPAN DEPARTMENT STORES ASSOCIATION www.depart.or.jp/

- Might products/specifications need to be redesigned/amended to stimulate demand.

I've noticed that a lot of jewellery sold in Japan is very delicate (eg Alex Monroe). Sizes might have to be adjusted to the Japanese market. British design is sought after. It is important that a product is clearly labelled, eg Made in UK

- How can UK exporters create press opportunities and publicity to stimulate demand.

It is difficult to reach relevant companies/buyers directly. I would recommend to work together with trade or other organisation that have knowledge of the market and speak Japanese, eg UK Fashion Exports, UKTI, British Embassy Tokyo.

