

**SELLING NEW ZEALAND PRODUCTS**

**IN JAPAN**

**R.G. Moffitt**

Views expressed in Agribusiness & Economics Research Unit  
Discussion Papers are those of the author and do  
not necessarily reflect the views of the Director,  
other members of staff, or members of the Management  
or Review Committee

Discussion Paper No. 111

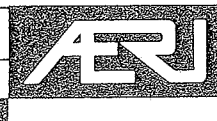
September 1987

Agribusiness and Economics Research Unit  
Lincoln College  
Canterbury  
New Zealand

ISSN 0110-7720

# AGRIBUSINESS & ECONOMICS RESEARCH UNIT

LINCOLN COLLEGE, CANTERBURY, NEW ZEALAND.



The Agribusiness and Economics Research Unit (AERU) operates from Lincoln College providing research expertise for a wide range of organisations concerned with production, processing, distribution, finance and marketing.

The AERU operates as a semi-commercial research agency. Research contracts are carried out for clients on a commercial basis and University research is supported by the AERU through sponsorship of postgraduate research programmes. Research clients include Government Departments, both within New Zealand and from other countries, international agencies, New Zealand companies and organisations, individuals and farmers. Research results are presented through private client reports, where this is required, and through the publication system operated by the AERU. Two publication series are supported: Research Reports and Discussion Papers.

The AERU operates as a research co-ordinating body for the Agricultural Economics and Marketing Department and the Department of Farm and Property Management, Accounting and Valuation. This means that a total staff of approximately 50 professional people is potentially available to work on research projects. A wide diversity of expertise is therefore available for the AERU.

The major research areas supported by the AERU include trade policy, marketing (both institutional and consumer), accounting, finance, management, agricultural economics and rural sociology. In addition to the research activities, the AERU supports conferences and seminars on topical issues and AERU staff are involved in a wide range of professional and College related extension activities.

Founded as the Agricultural Economics Research Unit in 1962 from an annual grant provided by the Department of Scientific and Industrial Research (DSIR), the AERU has grown to become an independent, major source of business and economic research expertise. DSIR funding was discontinued in 1986 and from April 1987, in recognition of the development of a wider research activity in the agribusiness sector, the name of the organisation was changed to the Agribusiness and Economics Research Unit. General policy direction is provided by an AERU Review Committee which meets annually. An AERU Management Committee comprised of the Principal, the Professors of the two associated departments, and the AERU Director and Assistant Director administers the general Unit policy.

## AERU REVIEW COMMITTEE

### **Professor B J Ross, M.Agr.Sc.**

(Principal, Lincoln College)

### **Professor R H Juchau, B.Com., B.Ed., M.A.**

(Professor of Accounting and Finance, Lincoln College)

### **Professor A C Rayner, B.Com. (Hons), M.Soc.Sc.**

(Professor of Agricultural Economics, Lincoln College)

### **P G Bushnell, B.Agr.Sc., M.Agr.Sc., Ph.D.**

(Director, Economics Division, Ministry of Agriculture and Fisheries)

### **B D Chamberlain**

(President, Federated Farmers of New Zealand)

### **R T J Clarke, M.Sc., Ph.D.**

(Chief Director, Department of Scientific and Industrial Research)

### **E J Neilson, C.B.E., B.A., B.Com., F.C.A., F.C.I.S.**

(Lincoln College Council)

### **P J Rankin, M.A., M.P.A.**

(Director, New Zealand Planning Council)

### **P Shirtcliffe, B.Com., A.C.A.**

(Nominee of Review Committee)

### **J G Pryde, O.B.E., M.A., F.N.Z.I.M.**

(Director, Agribusiness and Economics Research Unit)  
(ex officio)

### **R L Sheppard, B.Agr.Sc. (Hons), B.B.S.**

(Assistant Director, Agribusiness and Economics Research Unit) (ex officio)

## AERU MANAGEMENT COMMITTEE 1987

### **Professor A C Bywater, B.Sc., Ph.D.**

(Professor of Farm Management)

### **Professor R H Juchau, B.Com., B.Ed., M.A.**

(Professor of Accounting and Finance)

### **Professor A C Rayner, B.Com. (Hons), M.Soc.Sc.**

(Professor of Agricultural Economics)

### **Professor A C Zwart, B.Agr.Sc., M.Sc., Ph.D.**

(Professor of Marketing)

### **J G Pryde, O.B.E., M.A., F.N.Z.I.M.**

(Director, AERU)

### **R L Sheppard, B.Agr.Sc. (Hons), B.B.S.**

(Assistant Director, AERU)

## AERU STAFF 1987

### **Director**

J G Pryde, O.B.E., M.A., F.N.Z.I.M.

### **Assistant Director**

R L Sheppard, B.Agr.Sc. (Hons), B.B.S.

### **Visiting Research Fellows**

G R Griffith, B.Ag.Ec., M.Ec., Ph.D.

Professor L T Wallace, Ph.D.

### **Senior Research Economist**

S K Martin, B.Econ., M.A. (Hons), Ph.D., Dip. Tchg.

### **Research Economists**

G Greer, B.Agr.Sc. (Hons)

R G Moffitt, B.Hort.Sc., N.D.H.

### **Research Sociologist**

J R Fairweather, B.Agr.Sc., B.A., M.A., Ph.D.

### **Assistant Research Economists**

J E Chamberlain, B.Agr.Sc.

T P Grundy, B.Sc. (Hons), M.Com.

J C Robertson, B.Com.Ag., M.Com.

### **Secretary**

R Searle

## CONTENTS

	Page
LIST OF TABLES	v
PREFACE	vii
ACKNOWLEDGEMENTS	ix
CHAPTER 1	
JAPAN'S TRADE ECONOMY AND BUSINESS STRATEGIES	1
1.1    Japan's Buoyant Economy	1
1.2    Import Liberalisation	2
1.3    Key Japanese Business Practices	5
1.4    Japanese Distribution Systems	7
CHAPTER 2	
CONSUMPTION HABITS IN JAPANESE SOCIETY	11
2.1    Consumer Preferences	11
2.2    Japanese Compensation Systems	14
2.3    Consumer Housing	15
CHAPTER 3	
THE INITIAL RESEARCH TRIP TO JAPAN	17
3.1    Preliminary Research from New Zealand	17
3.2    The Preference for Foreign Goods	17
3.3    Market Research	20
3.4    The First Trip to Japan	22
3.5    Trade Fairs	23
3.6    Business Introductions in Japan	24
3.7    Business Correspondence	25



3.8	The First Business Meeting	26
3.9	Negotiations with Potential Partners	27
3.10.	Following up After the Initial Sale	29
CHAPTER 4		
	FINDING A JAPANESE SALES PARTNER	31
4.1	The Role of a Partner	31
4.2	Motivating the Importer	32
4.3	Types of Sales Partner	33
	4.3.1. An Import Agent, Wholesaler or General Trading Company	34
	4.3.2. Tie-ups with Japanese Manufacturers of Related Products	37
	4.3.3. Setting up a Sales Company	38
CHAPTER 5	CONCLUSION	41
	REFERENCES	43
APPENDIX A	List of Major Trade Fairs in Japan	45
APPENDIX B	List of Importers' Associations	57



## LIST OF TABLES

Table		Page
1	International Comparison of Private Capital Investment as a Percentage of GNP	2
2	Effective Average Tariff Rates	3
3	Total Wholesalers and Retailers per 1000 Population	8
4	Average Percentage Price Mark-up for Distribution Agencies	8
5	Ownership of Consumer Durables by Japanese Households (1985)	12
6	Changes in Composition of Consumer Spending (%)	13
7	Housing Conditions in Japan (1983)	16
8	Consumer Motives for the Purchase of Imported Goods	18
9	Source of Consumer Reluctance to Buy Imported Goods	19
10	Examples of Successful Foreign Companies Selling in Japan	20



## PREFACE

This Discussion Paper has been prepared to provide some insight into the commercial and cultural differences which affect business negotiations with the Japanese.

As a destination for New Zealand exports Japan has become increasingly important in recent years. In 1986 New Zealand sold \$1.7 billion worth of goods to Japan. While over three quarters of this trade has been in the form of raw materials and primary products such as unwrought aluminium, forest and dairy products, fish, fruit, vegetables and wool, there is a steady expansion in the export of finished consumer goods.

The rapid expansion of trade relations with Japan requires an increased understanding of not only the political and economic behaviour of Japan and the Japanese but also the ways of living, modes of thinking and other cultural differences of the people. It is hoped that the information and knowledge from this paper can be used to assist in developing marketing strategies for Japan.

J.G. Pryde  
DIRECTOR



## ACKNOWLEDGEMENTS

The author is grateful for the financial support from the Japan Centre, Christchurch. The author would also like to thank Professor Tony Zwart for his editorial comments.



## CHAPTER 1

### JAPAN'S TRADE ECONOMY AND BUSINESS STRATEGIES

#### 1.1 Japan's Buoyant Economy

Japan's prosperity and economic achievement has been dependent on the development and promotion of international trade. It is a trade-oriented country with limited natural resources. The strong expansion of export markets in recent years along with rapid technological progress has led to a growth in private consumption. This has helped stimulate an increase in import volume growth. Japan's share of world imports rose from about three per cent in the late 1950s to around seven percent by 1980.

Recently Japan's position as the second strongest economic power in the world has continued to improve as the yen strengthens and the United States dollar has fallen in value. In the 1986 calendar year Japan's gross national product was 330,752 billion yen (or US\$2,205 billion at an exchange rate of 150 yen to the US dollar). The average annual growth of real GNP between 1978 to 1984 was 4.4 percent. Within Japan disposable income and personal savings rates are among the highest in the world.

In 1986 Japanese GNP per capita was comparable with most of the EEC countries. Since the mid 1970s it has been rising steadily in real terms helped by a low rise in the consumer price index (an average annual increase of only three percent between 1980 and 1984).

In Japan there is a continuing high level of capital investment. In 1983 Japan invested 14.6 percent of its GNP in plant and equipment compared with 10.5 percent by the USA (Table 1).

Table 1: International Comparison of Private Capital Investment as a Percentage of GNP

	1970 %	1980 %	1983 %
Japan	21.1	15.7	14.6
USA	10.5	11.3	10.5
FR Germany	14.5	12.7	11.6
U.K.	8.6	9.8	-

Source: Bank of Japan, Comparative International Statistics

In recent years steady growth has occurred in small and medium scale industries. Active capital investment has been noticeable in the assembly and processing industries, transportation machinery manufacturers, and electrical machinery companies. Investment has also risen in a number of service industries, especially leasing companies. The most important reason for increasing capital investment by established firms has been the desire to expand to keep up with the rapid pace of technological progress (JETRO, 1985a).

Japan is a huge market with a prosperous well-educated population. It has a population of over 120 million. This is two fifths the size of the US market or nearly half the size of the EEC market. Japan's prosperity and economic progress has been encouraged by the high level of advanced education of the people. Over 35 percent of high school graduates enrol in some form of tertiary education.

There are many changes occurring in the Japanese marketplace. The economy has been undergoing major restructuring away from heavy industry towards a knowledge-intensive and expanding service sector. The changing situation in this very competitive market opens up many opportunities and challenges for foreign exporters.

## 1.2 Import Liberalisation

In the past the Japanese domestic market has had a reputation for being difficult for importers to enter.

However as Japan's economy adjusts to its position as the world's second largest market for consumer and industrial goods, changes are slowly occurring and Japan is becoming an

increasingly important market for imports. The rise of domestic incomes has also increased the public's demand for imported goods. In the 1986 year Japan's imports of manufactured goods increased by 31.4 percent in US dollar terms. But because exports have been increasing faster than imports, the government has moved to correct the trade imbalance problem by both expanding domestic demand and by improving trade structures. Tariffs have been revised, application procedures for import licences have been simplified and other non-tariff barriers are being reduced. Since 1979 tariffs on approximately 2600 industrial products have been cut by an average of 50 percent. Nearly 80 percent of Japan's imports carry duties of 5 percent ad valorem or less.

Table 2: Effective Average Tariff Rates

	Pre-Tokyo Implementation %	Post-Tokyo Round Implementation (1983 <sup>1</sup> ) %
Japan	3.7	3.0
USA	6.0	4.2
EEC	6.4	4.9

<sup>1</sup> Tokyo Round Mutual Tariff Reductions

Source: JETRO 1984a

The OECD Secretariat's analysis (OECD, 1985) concluded that "tariffs on manufactured goods are now low or non-existent and with few exceptions have no substantial impact on trade flows". As indicated in Table 2, in 1983 the average level of (import-share weighted) tariffs (at 3.0 percent) was less in Japan than in the USA (4.2 percent) and the EEC (4.9 percent). Although Japan's tariff schedules are among the lowest of any major nation the different method of calculating the tariff duty can often lead to a higher actual duty being charged. In Japan tariffs are imposed on the basis of cost plus insurance and freight. In most other countries tariffs are generally computed on the factory or FOB basis and exclude the insurance and transportation charges.

The Japanese domestic market is slowly becoming more open and the difficulties of access for manufactured goods are mainly non-official or non-tariff in nature. The principle non-official barriers are the different language, culture, behaviour and business customs.

The language barrier alone creates difficulties in understanding the often complex requirements for quarantine, fumigation, packaging and documentation (Larkin, 1981).

Japanese culture and the different codes of conduct in ethics and business manners are difficult for westerners to understand. Business success by foreign companies has been hampered by the problems of verbal and non-verbal communication. It is not easy to win the co-operation of Japanese business personnel and the various government authorities. The systems of standards and certifications seem to be more discriminating than those in Europe and North America. One example is the Japanese subjective interpretation of their quarantine laws. One New Zealand company which exports pasture seeds has found the quarantine officers flexible in their inspection and sampling procedures. There is a further problem which also must be met by exporters of pasture seeds. After unloading in Japan the produce is first cleared by Customs and the import duty is paid. Following this the quarantine inspection is made. If the consignment fails the inspection it must be re-exported from Japan but the paid import duty is non-refundable.

Yet despite these many non-tariff barriers foreign goods are becoming increasingly more competitive because the yen has appreciated so much to offset these barriers. In the two years since February 1985 the value of the US dollar has nearly halved against the yen. The Japanese high-margin distribution system has absorbed some of the yen's revaluation by increasing its margins on imported products. However, anecdotal evidence (Economist, 1987) suggests that most foreign goods have retained at least half their competitive edge due to the yen's "upvaluation."

The steady rise in the yen's value during the last two years ought to have reduced the price of imported foreign products in Japanese shops. Unfortunately although price increases are quickly passed on, price reductions for imported consumer goods are very slow to be passed on to the consumer. The Ministry of International Trade and Industry (Miti) surveyed the prices of 20 popular consumer items in March 1986, more than one year after the start of the yen revaluation. It found that only four items (shirts, sports shoes, watches and tennis rackets) had had "significant" price cuts, while eight had been "marginally" reduced and another eight were selling at prices unchanged from the previous year. These results contrasted with the results from another Miti survey undertaken in January 1987. "Significant" price reductions had occurred in 14 product classes with "marginal" cuts in 15 others. Only one product (eau de cologne) was selling at the same price as before the yen revaluation (Smith, 1987).

To help ease the difficulties and red tape confronting foreign businessmen wishing to export to Japan, the Government introduced a trade ombudsman in 1982. The Office of Trade and Investment Ombudsman (known as OTO) was set up to handle grievances and enquiries from importers who have run up against "non-tariff" barriers from government departments.

An American firm complained to the trade ombudsman that trade was being restricted because Japan had too low a maximum horsepower rating for imported fishing boat engines. The Japanese Ministry of Agriculture, Forestry and Fisheries replied to OTO's enquiry by agreeing to be more flexible in applying the regulations (Den, 1986).

In the past complaints to the OTO have helped in the acceptance of foreign test data; it has helped clarify import standards and certification requirements and also helped achieve a simplification of import inspection procedures. In the first four years of the ombudsman operation 231 complaints were processed. This program has gone a long way towards easing the friction of import entry. After the goods have landed the next hurdle the importer must overcome is to acquire an understanding of Japanese business practices.

### 1.3 Key Japanese Business Practices

In many world markets it is a competitive price that helps sell goods. However, in the Japanese marketplace high standards of competition in areas of quality, reliability, and after-sales service are equally as important. Foreign companies who wish to succeed in this market must adapt to match these standards. Products which may sell well in other western markets invariably need to be changed and the packaging improved to successfully sell in Japan.

Improvements to the packaging may include altering the size of the unit and the presentation of the product to conform to Japanese consumer expectations. Once the product is on the shelf it must be introduced in a way that appeals to the consumer. Packaging materials and also the product must be designed to withstand the differing extremes of Japan's weather. There are four distinct seasons with marked differences in temperature and humidity.

As an example, a successful foreign-owned biscuit enterprise in Tokyo spends 25 percent of the retail cost of the product on packaging (USDA, 1987).

In Japan both consumers and companies are very quality conscious. Successful foreign businesses often make a special effort with quality control and adherence to specifications for the Japanese market. It is rare to find

defective goods manufactured by Japanese companies. Defects among imported goods however are not uncommon. If a retailer finds a number of defects in a line of goods he is very likely to cancel future orders. The West German car manufacturer Volkswagon pays particular attention to the quality of the Golf cars it sells to Japan.

Japanese companies often have limited inventory storage areas so they require their suppliers to adhere strictly to agreed-on delivery dates. Overseas suppliers will quickly lose the co-operation of their Japanese clients plus their market share if they cannot maintain their delivery dates. One Christchurch company which manufactures and exports luxury sheepskin coats had an airfreighted order delayed for some weeks by the Japanese Customs Department. Eventually the coats were released but the delay resulted in the coats being delivered late for an in-store promotion.

Business relationships are based on long-term personal loyalty and trust. Once a Japanese company decides to handle a product, their energies tend to concentrate on obtaining a long-term market share. Unlike the western business attitude there is less emphasis on short-term profits or dividends. The signed contract in Japan is important but so too is the exchange of views and compromises that took place during the negotiations that led to the contract. Established foreign businessmen view contracts as guidelines only and find that flexibility and co-operation achieves stronger long-term business relations. Foreign exporters are forced to rely on the marketing skills and advertising advice of their Japanese importers.

Personal contacts such as regular face-to-face discussions are a frequent part of Japanese business activity. This helps build a bond of trust between businessmen. It often extends beyond the office environment to socialising in the evening at a local bar or onto the golf course. It is obviously difficult for foreign-based businessmen to participate in these regular contacts but whenever visiting Japan, time should be set aside for comprehensive face-to-face conversations with Japanese clients. It is also critical that exporters continue to send the same executive personnel to Japan. The fostering and development of personal relationships which are an essential requirement of Japanese business is seriously hampered if the exporting company periodically changes the representative it sends to Japan.

In Japan many goods which remain unsold are returned by the retailer to the supplier. This marketing of goods on a consignment basis reduces the risk to the retailer. Other trade customs include lengthy trade credit (usually 90 to

100 days for promissory notes), various systems of rebates and discounts, the extension of promotional aids and other incentives to encourage good relationships.

Before considering Japan as a potential export market it is worthwhile to keep in mind that it often takes four or five years for a new product to become accepted by retailers and consumers. In addition to a long lead time, heavy promotional investment will be needed and losses will be incurred before a product becomes established and profitable. There are enormous opportunities but it is a restrictive society for newcomers, and that applies to Japanese companies that are new also. In order to win entry into this market a new company must be prepared to persist with long-range marketing efforts. The Japanese are receptive to new ideas and new products, but it's difficult to convince the retailers to accept the product as a permanent shelf item. There are a wealth of opportunities available but the foreign firm must be prepared to take the time to make the required investment.

#### 1.4 Japanese Distribution Systems

For a marketing venture to be successful it is helpful to understand the different distribution system that exists in Japan. The Japanese retail industry is divided into two distinct groups; a few large retail stores (department stores and superstore chains) thinly spread among a large number of small outlets. Most of the small family-run retail shops have little or no storage areas, everything for sale is on display. Displays often spill out onto the sidewalk. The stores are regularly serviced (often daily) from the vast network of wholesalers. These wholesalers belong to the huge Japanese distribution system.

The Japanese distribution systems have been described as lengthy, complex, multilayered, and often inefficient and costly. The throughput of the average wholesaler and retailer is usually small and each distributor tends to be very specialised in the range of products carried. The small scale of the average distributor results in a very large number (an estimated 360,000 companies) of relatively inefficient wholesalers. A comparison of the numbers of retail and wholesale stores per 1000 population between countries appears in Table 3.

Because the distribution chain is long and circuitous, it is not uncommon for a product to pass through the hands of three or more wholesalers before reaching the retailer. The complexity of the Japanese distribution system contributes towards the uncompetitively high retail prices for imported goods. Other factors leading to high prices include the high unit sales expenses due to the small sales volume of imported goods and the importer's pricing policies which are

often designed to create a luxury or "high class" product image. The relatively high cost of after-sales services, foreign exchange risks, contingencies against possible increases in export prices and high advertising costs also influence the pricing policies of imported goods. (M.I.P.C., 1983).

Table 3: Total Wholesalers and Retailers per 1000 Population

	Wholesalers	Retailers
Japan (1976)	3.0	14.1
USA (1977)	1.6	6.7
UK (1966)	0.7	6.9 (1976)
NZ (1978)	1.9	8.4

Source: JETRO, 1985; Kitson, 1973; NZ Official Yearbook, 1984

The distribution margins for imported consumer goods vary according to the type of import contract. In Japan the markup for imports and corresponding domestic goods is the same at the wholesale and retail level. The following table lists the average price markup for various Japanese distribution agencies.

Table 4: Average Percentage Price Mark-up for Distribution Agencies

	High class, luxury goods	Non-luxury goods
	%	%
Sole Agents	30-40	10-20
Wholesalers	5-15	5-15
Retailers	10-20	10-20
Retail Prices	100	100

Source: A Survey on Distribution Channels for Imported Consumer Goods and their Competitiveness in Japan. Manufactured Imports Promotion Organisation, 1983

The multilayered distribution system not only increases the costs, it can also restrict the availability of some popular products to the retailer. The profit to manufacturers selling overseas may be higher than selling the same product on the domestic market (because of the costly domestic distribution system). One enterprising Nagoya camera shop circumvented the inefficient domestic distribution chain by "reversely importing" popular Japanese cameras exported overseas. The shop bought the cameras from New York, Singapore and Hong Kong. Even after taxes and transportation fees were paid it was still profitable for the shop to sell the reversely imported product for 25 per cent below the regular domestic price (Anon 1986b).

During the last two decades changes have been occurring in the Japanese market place. The distributors' long-held dominant position is being successfully challenged in certain areas. Some manufacturers have started to exert a stronger influence on improving the efficiency of the marketing of their products. Another trend has been the development of large supermarket chains in many suburban areas. These popular and progressive large stores stock a full range of products including foodstuffs. The supermarket chains (such as Daiei, Seiyu and Ito Yoko) have rapidly overtaken the major department stores in sales growth and total sales (Hundelby, 1984). To keep prices low these stores often buy direct from manufacturers or importers.



## CHAPTER 2

### CONSUMPTION HABITS IN JAPANESE SOCIETY

#### 2.1 Consumer Preferences

To succeed in any foreign marketplace it is necessary to understand the marketing and the logistics of getting the product to the consumer. But before this it is even more important to understand the consumers culture, their lifestyle, environment, consumption patterns and taste preferences. Within the Japanese marketplace, a comprehensive knowledge of the structure of Japanese society is needed to enable the development of the product to meet the needs and wants of the consumer. Japanese consumers are extremely demanding when it comes to the quality of products. Foreign companies which have achieved success in the Japanese market have provided products which have been competitive in price and quality.

For example, the Japanese company which imports Rossignol skis from France found that the design and colour of the skis had to be changed to meet the different needs of the Japanese market. The younger generation, especially young Japanese women are very fashion conscious and this extends even to sports equipment. What sells well in Europe does not necessarily sell well in Japan.

Although living standards are difficult to measure and to compare between countries Japan is an advanced industrialised country with a high standard of living. Today over 98 percent of all households own refrigerators, washing machines and colour television sets. Consumers tend to be very selective when spending their high real disposable incomes. They choose products which suit their lifestyles and meet their high quality standards.

During the 1960's consumption patterns were dominated by a consumer durables boom. In the late 1950's, the households which owned a vacuum cleaner, a washing machine and a refrigerator, were regarded as wealthy households. The Tokyo Olympic games in 1964 led to a boom in TV ownership. The number of families owning a TV set grew from virtually zero to 70 percent in the early 1960's. As incomes continued to rise in the 1970's patterns of consumer spending began to change. A demand for cars and "coolers" (air conditioning units) still existed but the demand for major kitchen consumer durables was reaching saturation (Table 5). While previously price had been an important factor influencing sales, product quality was becoming more significant.

Table 5: Ownership of Consumer Durables by Japanese Households (1985)

	Ownership Proportion	No. per 100 homes
	%	
Colour TV sets	99.1	176.6
Refrigerators	98.4	117.6
Washing Machines	98.1	105.3
Cameras	87.3	134.8
Kerosene Heaters	84.9	161.4
Passenger Cars	67.4	83.6
Air Conditioners, room	52.3	82.0
Video Cassette Recorders	27.8	29.1
Golf Bag and Club sets	25.4	29.9

Source: Consumption Expenditure of Households, Economic Planning Agency

Except for heaters and air conditioning units, ownership of major consumer durables is uniform throughout Japan. There is however some regional differences in consumer preferences and tastes throughout the country. Leading food manufacturers find that their food products must be seasoned in different ways to meet the varying tastes in different localities.

Over 75 percent of the total population and 85 to 90 percent of the purchasing power is concentrated geographically (Norbury and Bownas, 1974). There are five major population areas - Tokyo, Kyoto-Osaka-Kobe, Nagoya, North Kyushu and South Hokkaido. While there are some differences in consumer preferences this concentration greatly assists the economics of marketing and distribution.

The demand for better product quality has led to the development of brand consciousness. For many goods, especially luxury items, the demand is for quality, durability and reliability.

Domestic and foreign companies have quickly moved to improve the quality of their products to meet this demand. Brand labels were promoted especially on clothing. Direct mail and television were used to advertise international designs and brand-name fashions. This brand-oriented competition continues today, especially for sportswear. The size of the sports-related market was around 1,000 billion yen in 1980. It is estimated that it will increase to 3,000

billion yen by 1990 (JETRO, 1985a). Approximately half the sales in the sports-related market involves the sale of sportswear.

As incomes rise, the percentage of income spent on food, housing and fuel declines whereas the proportion spent on transportation and other expenditure increases.

A number of foreign companies have found that focusing on product quality above everything else has become a guaranteed strategy for doing well in the Japanese market. The American pen manufacturer, A.T. Cross, has a commitment of quality before volume. In 1985 more than half of all the ball-point pens priced over 3,000 yen sold in Japan were made by Cross & Co. In Japan the market for stationary goods is very competitive. Total imports of these products peaked in 1982 but they have now fallen by half. Cross's sales have remained strong throughout this period due to the company's emphasis on quality and the company's "eternal warranty" on all its pens sold. If any pen ever malfunctions the company undertakes to repair or replace it regardless of its age (Anon 1986a).

One importer has succeeded by selecting a position at the top end of the market for an otherwise standard item. Levi-Strauss prices its blue jeans 20 percent higher than the cost of regular Japanese-made jeans. The higher price along with massive advertising, helps promote Levi's image as a high-quality exclusive American original.

The emphasis on the quality of goods also extends to services. Recent consumption patterns in the 1980's reflect the increased spending on services in Japan.

Table 6: Changes in Composition of Consumer Spending (%)

	1963 %	1970 %	1980 %	2000 %
Food	39.7	33.6	29.3	22.2
Housing	9.8	10.6	9.5	11.1
Utilities	3.1	3.4	3.9	3.5
Clothing	12.5	11.3	9.3	8.3
Medical & Insurance	1.4	2.0	2.6	3.4
Transportation, Telephone etc.	2.8	4.9	7.9	8.3
Education & Entertainment	11.9	11.2	11.3	10.0
Other	18.8	23.0	26.2	33.2
	100	100	100	100

Source: Economic Planning Agency, Japan in the Year 2000

Table 6 shows the changes in the patterns of spending that have occurred since 1963 and attempts to forecast the pattern for the year 2000. By this date expenditure for food and clothing as a proportion of the total spent is expected to continue to decline. The demand for housing will remain strong with expenditure rising from 9.5 percent (in 1980) to 11.1 percent (in 2000) of total consumer spending (JETRO, 1985a).

During the 1980s increased spending on services in Japan has developed. This change in consumer consumption patterns is reflected in the increased popularity of dining out and the increased consumption of convenience ready-to-eat foods. As more women work, especially in part-time jobs, they have less time available for domestic chores. A recent trend is the practice of sending children to a private study school (juku) in the late afternoon after their regular school has finished. This has led to a demand from mothers for a quick, easily prepared meal which their children can eat before and again after attending their study school.

The generation born after World War II will soon be entering the affluent middle-age bracket. This is certain to result in further increases in consumption of leisure, sports and health related items. High fashion and sports clothing expenditure is also expected to increase.

This offers many opportunities for foreign importers. Expenditure patterns, especially of big ticket and luxury items is determined by the unusual Japanese compensation systems.

## 2.2 Japanese Compensation Systems

Many companies still work a six day week in Japan although the trend is falling. This trend has led to an increase in leisure time and this, combined with a rise in real income, has boosted expenditure levels in education, transportation, recreation and entertainment.

Consumer spending patterns are influenced strongly by the structure of the Japanese employment and compensation systems. Nearly one third of the male labour force work for companies which guarantee employment from graduation until retirement. Wages and salaries within this lifetime employment system steadily rise with age and seniority reaching a peak between 45 to 54. Compensation is very predictable and major expenditures can often be planned well in advance.

The seniority wage system leads to an increase in both income and consumption as age increases. The higher

incomes lead to more money being spent on home maintenance and improvements, furniture and fixtures along with a noticeable increase in discretionary expenditure for education, entertainment and leisure. (JETRO, 1980). Often senior employees need their higher wages to meet the costs of their children's college education and to prepare for their forthcoming retirement.

Monthly wages are paid on the 25th of every month and this leads to a surge in consumer spending during the last week of each month. Twice each year, in July and December, almost all salaried workers receive a bonus in addition to their monthly wages. The size of the bonus depends on the success of the company and is also related to the employee's performance in the company. It tends to vary between one and three times the monthly paycheck. Usually the employee saves half the bonus and the remainder is used for buying gifts, large consumer durables and for loan repayments. The two bonus payment periods coincide with the two major gift-giving seasons in Japan. It is during these two bonus seasons that consumers are likely to purchase expensive quality foods, accessories and gifts. Consumers sometimes use part of their bonus to try out different or unusual products. Importers and domestic manufacturers often target their marketing (especially of luxury goods) to these two occasions.

In addition to wages and bonuses, workers also receive a number of indirect compensatory benefits. Commuting expenses, lump-sum retirement benefits, low-interest housing loans and subsidised health insurance are often met by the employing company (Abegglen, 1971).

In Japanese society the housewife is the person who has the predominant purchasing power. Traditionally the husband hands over his monthly salary or wage packet to his wife and receives in return his "allowance". The housewife thus decides what will be purchased. Approximately 90 percent of department store customers are women and their children (JETRO, 1985b). Often advertising and promotion is directed at the housewife market. While Japanese men have little say in the purchase of clothing and goods for the home, their influence is stronger in the spending of the bonus for cars, stereos and televisions, and other big-ticket items.

The major cost confronting the Japanese family is the cost of land and a house.

### 2.3 Consumer Housing

Land and housing costs have risen substantially during the last three decades, much faster than wages. In Japan the average price of a house was 16.8 times greater than the average income per person. In the USA the average house price was less at 8.5 times the average annual income, and

it was 9.1 times greater in the UK (JETRO, 1985a). While housing loans at low interest rates are obtainable, the minimum deposit for the purchase of a house is 20 percent so substantial savings are needed. By international standards a high proportion of disposable income is saved (20 percent in 1981, compared to an average ten percent for most advanced nations). However, this proportion has been declining in recent years as wage increases and economic growth have slowed.

The high savings rate is due to the householder's desire to own a home, achieve a good education for their children, provide for the purchase of expensive consumer durables and eventually obtain a comfortable retirement. Japan is a cash society. Almost all purchases are still made by cash and hire purchase or the use of credit is uncommon.

There is a growing tendency for the tightly knit Japanese family group to split up and this has led to a multiplying of the domestic family units. The old three-generation household (grandparents, their eldest married son and his children) is slowly moving towards the new social pattern of the two-generation unit. The average number of persons per household has fallen from 4.68 in 1955 to 3.24 in 1980.

Due to the high cost of land and construction costs, houses are small in size. Approximately 60 percent of households own their own homes. Each year during the 1970's 1.5 million new homes were built. In recent years the number of housing starts have dropped to 1.2 million per year but this rate of new house building remains relatively high by international standards (OECD, 1985).

The increasing demand for housing has led to an increasing demand for interior furnishings (i.e. tablewear, furniture) and household appliances such as washing machines and vacuum cleaners.

Table 7: Housing Conditions in Japan (1983)

	All Japan	Tokyo, Yokohama
No. of Rooms per Dwelling	4.74	3.91
Floor Space per Dwelling (m <sup>2</sup> )	86.16	67.28
Land Area per Dwelling (m <sup>2</sup> )	258	208
Sewerage Ratio (%)	57.9	79.9
Ownership Ratio (%)	62.3	53.1

Source: Prime Minister's Office, Japan

## CHAPTER 3

### THE INITIAL RESEARCH TRIP TO JAPAN

#### 3.1 Preliminary Research from New Zealand

Once a decision has been made to try to sell in Japan the first requirement is to gather as much market related information as possible about Japan. There are many sources of information including libraries, Japanese trading companies, New Zealand branches of Japanese banks, Japanese consulate offices and the Auckland office of Japan External Trade Organisation (JETRO). Successful Japanese exporting companies methodically read and study foreign scientific and technical bulletins and company and trade fair publications to find the names of promising overseas companies which could be approached.

Often Western products exported to Japan have had to be changed to suit different Japanese tastes and preferences. Even the large multi-national companies of McDonalds Hamburgers and Japanese Kentucky Fried Chicken adjusted their recipes to meet the different Japanese preferences. It is often worthwhile to try to obtain a preliminary evaluation of a product from Japanese nationals who live in New Zealand. Sometimes Japanese businessmen employed by large Japanese trading companies are keen to give an opinion on a proposed export item. These trading companies are constantly looking for local products which could be profitably exported to Japan. The same businessmen may also be able to suggest alternate distribution channels and perhaps provide valuable introductions to Japanese companies and individuals to visit while in Japan.

Introductions and business opportunities are much more difficult to obtain once in Japan, and any assistance obtained while in New Zealand can be both valuable and time-saving.

It is not easy to introduce a new consumer product from overseas into the competitive Japanese market. Foreign companies face many obstacles and it takes a long time to become established. Sometimes promoting the unique and unusual qualities of foreign goods can help establish a product in the Japanese marketplace.

#### 3.2 The Preference for Foreign Goods

In recent years there has been a change in the way that Japanese consumers view foreign goods. Once foreign merchandise was believed to be superior but except for

certain expensive, imported products, this is no longer the case. Imported products which have succeeded have usually been carefully promoted to emphasise their special unique qualities which cannot be obtained from local sources. Millions of very expensive Louis Vuitton designer handbags (made of vinyl with an occasional leather trim) have been sold in Japan. This French manufacturer sells more of his designer-label handbags in Japan than in any other country in the world, including France. Another imported product which is promoted as a luxury good is Chivas Regal scotch whisky. A survey carried out by the Economic Planning Agency in December 1986 (reported by Smith, 1987) found a 750 ml bottle of Chivas Regal was selling in Japanese shops at an average price of 10,000 Yen (NZ\$117.65). The same brand could be bought in London for the equivalent of 3,530 Yen; in Washington for 2,969 Yen, and in Christchurch for 3,306 Yen.

Japanese consumers do not always prefer products "Made in Japan". Surveys suggested sales of many imported goods could be further increased if importers and overseas manufacturers increased their marketing effort (see Tables 8 and 9).

Table 8: Consumer Motives for the Purchase of Imported Goods

Motive	Ratio of Total Respondents %
I preferred to buy imported goods rather than Japanese goods	18.9
I chose the cheapest and best regardless of origin	47.3
The purchased goods happened to be imported	24.7

Source: Japan Industrial Policy Research Institute; Consumer Surveys in Metropolitan Areas (Feb, 1980)

Another recent survey which tested consumers' attitudes to imports (quoted by MIPRO, 1985), found that 67 percent had no preference between foreign and domestic goods when buying something. Only 27 percent preferred locally made goods. The younger the consumer the less distinction there was between foreign and domestic products.

Table 9: Source of Consumer Reluctance to Buy Imported Goods

Source of Reluctance	Ratio of Total Respondents %
Uncertainty over after-sales services	52
Too large a price difference compared with Japanese goods	43
Sizes and quality do not suit Japanese conditions	33
Instructions incomprehensible	31

Source: Japan Industrial Policy Research Institute; Consumer Surveys in Metropolitan Areas (Feb, 1980)

It is helpful to tailor your product to suit the preferences of the Japanese market. The product must suit the different Japanese life style and customs. For example, the size of houses is smaller and this has important implications for the design of furniture and other householder items.

In the past a number of western goods have achieved some initial sales in spite of being basically unsuitable for the Japanese environment. Their brief success was because equivalent products did not exist. If the product has potential, Japanese companies will quickly move to produce an improved model better designed to meet the market needs. The American company, Sears, met with some success when it began exporting large refrigerators to Japan (Zimmerman, 1985). Although consumers lacked sufficient space in their small kitchens they bought these large American models because there was no equivalent Japanese model being produced. Once domestic manufacturers realised that a demand for a bigger refrigerator existed, they expanded and improved their product line to meet this need and recaptured the lost market share.

Even though there have been many failures by foreign companies, there have also been many successes. A number of western companies have established a significant share of the market in Japan (see Table 10).

Table 10:                   **Examples of Successful Foreign Companies Selling in Japan**

Commodity	Brand Name	Estimated Market Share (%)
Safety Razors	Schick	About 70
Paper Diapers	Pampers	About 50
Typewriters	Olivetti	About 35
Photographic Film	Kodak	About 20
Black Tea	Lipton	About 30
Instant Coffee	Nestle	About 60
Soft drinks	Coca-cola	About 60
Heat Resistant Cooking Ware	Pyrex	About 30
Tomato Juice	Del Monte	About 30
Wax	Johnson	About 30
Tissue Paper	Kleenex	About 20
Computers	IBM	About 40
Photocopiers	Xerox	About 20

Source: Manufactured Imports Promotion Organisation, 1985

This example draws attention to the need for researching the market before selling to Japan. This research may cost some time and money but it's a wise investment if it helps avoid a future marketing blunder.

### 3.3 Market Research

There are many questions which should be asked in any new overseas market before a company commences exports. In Japan such market research will help focus attention on the different business cultural and social differences that exist. One list of marketing questions which could be asked include: (after Norbury and Bownas, 1974)

1.       Who distributes competitive products in Japan?
2.       What marketing channels are used?

3. How many people handle the product between the manufacturer and the consumer?
4. What credit, rebates, commission and compensation terms are extended by the manufacturer to the various wholesalers down the distribution line?
5. What other incentives are employed by competitor companies to motivate intermediary wholesalers and retailers?
6. Do manufacturers have their own sales forces? How are they organised and compensated? Which distributor or wholesaler handles transportation and/or storage?
7. How much investment is put into advertising and promotion and how is it organised?
8. If competitive products are imported, who imports them? What credit, pricing and other terms are offered by the foreign supplier?
9. If the product is manufactured locally, what are the licensing terms?
10. What share of the market is held by each competitor?
11. How do prices and packaging of competitive products compare?

This list is not complete but it does offer a useful starting point.

A feasibility study of competitive products in the market place will help provide the answers to many of the above questions.

There are many Japan based market research firms or advertising agencies which offer advice and consultations. These firms can offer a full range of services from product development and planning to market research and test marketing. Consumer feedback is used to provide information on consumer goods. Various techniques such as group discussions, awareness studies, theatre testing and testing of advertising copy and concepts are employed in the process of information gathering.

One well-known Tokyo based western professional marketing organisation, ASI Market Research has developed special skills in identifying market opportunities for new products and new market opportunities. This company charges from US\$2,000 for a simple ad. test to US\$250,000 for a comprehensive feasibility study (JETRO, 1985b).

Prior research of the different Japanese coffee drinking habits helped the foreign coffee-maker company, Melitta Japan Ltd. The company found that Japanese coffee cups were smaller in size and the Japanese usually only partly filled the cups when serving coffee. The European four-cup coffee-maker was altered on the outside to indicate that the water-tank held five-cups for the Japanese market (JETRO, 1983).

The results from quality market research will help the overseas manufacturer to tailor his products to meet the needs and preferences of the Japanese consumer. Because the Japanese body shape is different, clothing manufacturers must alter the size and cut of their product. The American jeans manufacturer, Levi Strauss had to make these changes to their original blue jeans before they marketed their product in Japan. A.P. Cross and Co, the American writing pen manufacturer adjusted the size of their pen-tips once they discovered that, unlike Americans, Japanese prefer pens and pencils with finer points (Chandler, 1987).

There have been many marketing failures in the Japanese market. Some have failed due to lack of simple basic observation. One foreign rug salesman was unaware of the cramped conditions of Japanese homes. His attempts to sell 9 x 12 feet carpets to department store buyers was naturally unsuccessful. Another marketing failure was the attempt to sell a new type of Betty Crocker instant cake mix. When marketing experts from the Betty Crocker American Company General Mills, learned that few Japanese homes have an oven, they devised a cake mix that could be prepared in a rice cooker. The product failed because, as research later revealed, housewives treat rice preparation as a priority kitchen activity and they feared that the cake mix may leave an alien after-taste in their rice cookers.

#### 3.4 The First Trip to Japan

The first business trip to Japan should be in the nature of a research trip, to study the Japanese market and lifestyle at close quarters and to assess the competition and the different marketing systems. It is important to carry plenty of product samples, catalogues, company brochures and name cards. The company leaflets and brochures should be of the best quality and contain graphs

or photographs of the most attractive products plus details of the company history. It is also useful to have details of price information, the time needed for delivery of the product and the terms of payment. A top quality company brochure will help sell the company. It is important that the Japanese client is assured of the reliability and continuity of the overseas company. The printed material will be closely studied later by other senior Japanese staff as part of the consensus decision-making process before a future trading agreement is negotiated (Jung, 1986).

The Japanese client is forthcoming with his own company details and would expect the overseas company to be equally forthcoming. Details of company history, relevant exporting experience, bank and trade references and a copy of the annual sales report will help establish the overseas company as a reliable source of supply.

The Japanese Government organisation, Japan External Trade Organisation (JETRO) can also arrange introductions to Japanese companies. JETRO will also provide on request a wide range of detailed English publications, trade directories and research reports on trade in the Japanese market.

The commercial section of the New Zealand Embassy is a useful first step for a brief introduction to trading in Japan. Some helpful company introductions may be obtainable and information on trade fairs and other assistance is available.

### 3.5 Trade Fairs

A visit to a Japanese trade fair or product exhibition related to the export product will provide valuable information about the competition. There are over 200 trade fairs and exhibitions held each year in Japan. A list of many of these trade fairs appears in the appendix. The fairs offer an opportunity to meet not only rival manufacturers but also importers and wholesalers who could become future partners.

Participation in trade fairs is an opportunity for exporters to show their products to a wide variety of buyers and it also demonstrates a commitment to exporting. While a Japanese company may not decide to import a product the first time it is exhibited, continued participation in trade fairs often is the key to finally attracting sales orders.

Although the participation as an exhibitor at a Japanese trade fair can be costly, the New Zealand Government,

through the NZ Trade Commission, may meet some of the costs. In addition to the stall rental and fitting-out costs, one or more interpreters would need to be hired. It will be necessary to teach these attendants about the product before the fair so they are able to answer any questions from interested visitors. Exhibitors should also have their company brochures and other printed material printed in the Japanese language.

In western countries trade fairs are often used as an unofficial venue for annual or semi-annual business negotiations. In Japan however it is unusual for orders to be placed at trade fairs. These trade fairs tend to be more in the nature of social events where manufacturers consolidate industry-wide friendships and express their appreciation to their distributors and others (JETRO, 1984b). Many of the visitors are local wholesalers and retailers who attend to meet prospective companies with which to begin a new business relationship and also to gather information about market trends, new technologies and new products.

A number of trade fairs do not allow overseas companies to participate on their own; they must be represented by a Japanese agent.

After the fair is over it is often worthwhile to contact some of the more promising visitors who left their business cards at the importer's trade fair booth. This will help continue the process of promoting the imported product and it provides a useful method of overcoming the difficulty of obtaining a business introduction.

### 3.6 Business Introductions in Japan

In business the Japanese would never approach someone directly, without an introduction from a mutual friend or business contact who acts as a go-between. Approaches without an introduction are considered rude and unwelcome. Introductions are always arranged by a third party. Although exceptions are made for foreigners, who sometimes show up at Japanese companies without an appointment or introduction, it is most unlikely that future business would result from such an approach.

When westerners are negotiating with a Japanese company that they have never dealt with before, they must establish their credentials first before beginning business discussions. This can be achieved by enlisting the help of a reputable third party who is well thought of by the Japanese firm. One method is to enlist the help from

someone to whom the target company or person is personally obligated. This is the most useful type of introduction.

In Japan business introductions arranged by a third party can be very important and must be acted on, especially if the introduction was initiated from a valued friend, a superior or an important business contact. This is in contrast to Western countries where business introductions need not be taken any further and can be politely declined without any of the parties being offended.

Almost everyone in Japan has an obligation to someone, perhaps a superior, an old University Professor, someone who has helped his family, a close relative or a personal friend. An introduction from a reputable third party such as a senior executive of a firm of important business clients or the vice president of the Bank of the person you wish to meet, is another popular type of business introduction. Foreign businessmen new to Japan without any Japanese contacts should enlist the help of some of the experienced western consulting or advertising firms based in Japan.

It may sometimes be possible for a foreign exporter to arrange for an initial appointment with a Japanese company by letter although Japanese companies seldom reply to unsolicited letters from overseas.

### 3.7 Business Correspondence

Unlike companies from western nations Japanese companies have a reputation for seldom answering initial correspondence enquiries. There are a number of reasons for this. Usually Japanese companies require extensive information about the exporting company and its products before deciding whether to enter a business relationship. A simple letter with a direct offer for doing business may encourage a response from a western company but in Japan different business customs (plus the problem of replying in English) may result in no answer.

The larger Japanese trading companies are usually more responsive. They have had many years experience of overseas trading and are keen to follow up promising business opportunities. Often they have overseas offices which the exporting company should consider contacting.

A failure to answer an overseas enquiry may not mean a lack of interest. In addition to the problem of English communication which still prevails in many Japanese companies, there is also a traditional problem of slow

decision making. The decision-making process in companies is somewhat slower and more dispersed. Consensus decision-making requiring lengthy intensive discussions is needed before deciding on the appropriate course of action. Unlike the western approach where the manager makes the final decision, in the Japanese company it is unlikely that a foreign businessman will receive a quick answer on important business proposals.

A failure to answer a written enquiry may also be due to the Japanese business preference for face-to-face contact. Nearly all business, especially new business, is conducted at a personal level where mutual trust and sincerity has time to develop. Most Japanese companies prefer to talk face-to-face with potential customers.

### 3.8 The First Business Meeting

Traditionally the first business meeting in Japan is a very polite and formal meeting. After the introductions and the exchange of business cards a general, often social, discussion begins. Foreigners often find these initial meetings very slow and time consuming. It may take some time before the topic of main interest is discussed, and even then in only a broad sense. It is rare for a Japanese businessman to make any important business decision at this initial meeting. At these first meetings both parties tend to keep their distance until they have decided on whether they wish to do business or not. The purpose of the first meeting is to establish a presence and to get acquainted and generally no discussions of matters of substance will be undertaken.

Whether the Japanese businessman agrees with the business proposal or not, he is unlikely to give a direct answer at this first meeting. There are two main reasons for this. Even if the Japanese businessman disagrees with the proposal, most Japanese would wish to maintain the appearance of harmony in business discussions. The second reason is due to the Japanese system of group decision making. Following the receipt of a business proposal, details are noted and later circulated among the interested parties within the company. Intensive discussions on the details and prospects of the plan follows. A consensus on the appropriate course of action to take in the Japanese company is eventually arrived at. While this decision-making process is very time-consuming it has the advantage of making the later implementation of the decision easier.

Unlike the first meeting, future business meetings tend to be more detailed and are often technical in nature.

### 3.9 Negotiations with Potential Partners

In Japan initial business negotiations are attended by the younger, less experienced executives. As talks progress middle and more senior management attend.

Negotiations will be easier and quicker if the foreign businessman indicates a willingness to be flexible and to be able to compromise. One area of frequent conflict is the minimum volume of the imports.

Because the population of Japan is large the exporter may be keen to ship a big initial quantity. Unfortunately in Japan it does not necessarily follow that a large population equates with a large market potential. Japanese tastes in a wide range of products are slowly becoming more westernised but it is a very competitive and discerning market. The importer is more cautious and would prefer a smaller sample to sound out the market. It is prudent to rely on the experience and knowledge of the importer when deciding on the volume of goods. The fact that a product sells well in its home market may not mean that it will succeed in the Japanese market.

An atmosphere of politeness must be maintained when negotiating with Japanese businessmen. Mitchell F. Deutsch (1983) tenders some helpful hints in his book "Doing Business with the Japanese":

1. Develop a calm, open, non-threatening attitude;
2. avoid sounding egotistical, and;
3. while being sensitive to their feelings, avoid flattery and saccharine compliments.

Other useful advice on negotiating contracts in Japan is offered by Mark Zimmerman (1985). It is important to try to quickly create an atmosphere of trust. This may not be easy because at first the Japanese tend to be suspicious of foreigners and especially suspicious if they bring along a lawyer. The American aggressive hard-selling attitude must be avoided. Instead the adoption of a self-effacing or humble role while at the same time being quietly forceful whenever necessary is more successful.

The foreign negotiating team should include some senior company personnel. Japanese businessmen are reluctant to negotiate contracts with younger people or women. Also the Japanese felt more confident that the negotiating team has the full backing and support of the foreign company's headquarters if a senior company member is present. It is helpful during negotiations to talk in terms of the future.

A useful analogy (suggested by Anthony Willoughby, 1986) that is worthwhile quoting in Japan is: "It will take a long time before we can reap the crops we plant today".

Questions should be asked about what the Japanese company wants rather than what the foreign importer wants. It is also important that the final conclusion should be downplayed; the conclusion should appear to be merely a small part of the overall relationship between the two companies. The mutual growth and strength of this relationship is further helped if any display of excitement or annoyance about some of the details of the business venture is avoided.

During the meeting the foreign manager must be careful with his comments especially if he agrees to any concession such as foregoing a royalty or accepting a reduction in product price. These concessions once given are regarded as fact by the Japanese and are almost impossible to retract later. If negotiations are lengthy it may be wise to avoid telling the Japanese of your exact departure date so you are not forced into giving way at the last minute.

Often following the days discussions the Japanese hosts will invite the foreign businessmen to an evening at an expensive restaurant. This generous hospitality combined with an abundance of free-flowing beer and whisky is another business ritual used to help assess and judge the worthiness and potential of the foreign guest as a future business partner. However the relaxed and friendly atmosphere of the restaurant is put to one side the following morning when business negotiations resume. It is not unknown for a new fresh negotiating team to be waiting to meet the somewhat jaded and overhung visitors. Japanese businessmen are very professional and tough negotiators. They enjoy business negotiations and they will push hard for a reduction in price.

Japanese importers of New Zealand produce and fish are very price conscious. A New Zealand representative of a Japanese trading company describes the daily haggling over price by Japanese importers as inevitable. It is the way business is done although if the quality is the very best and the importers want the product, they will pay the top rates.

An agreement on price is essential but the New Zealand exporter must also ensure that the goods meet the agreed specifications for quality and quantity. One example which proved expensive for the exporting company concerned the selling of a container of 275 gram fish fillets to Japan. Unfortunately some of the fillets were 300 grams in size. The Japanese buyer complained that some of the fish did not meet the exact specifications. In order to maintain the trading relationship with the customer, the exporting agent

paid the \$8,000 claimed. It was presumed that the Japanese importer was still able to sell the larger fish fillets.

Business negotiations can take several months depending on the importance of the business. Foreign businessmen who visit Japan for one or two weeks and expect to quickly conclude an agreement will probably be disappointed. It is not uncommon for some months delay before the final decision is made.

When selling a product to western countries overseas the first order is often easy to obtain but subsequent orders are much more difficult. Conversely in Japan the first order is very difficult and time consuming to negotiate but once achieved subsequent orders tend to be much easier. However once a breakthrough in sales to Japan has been achieved it is important that extra effort be directed towards maintaining product quality control and meeting deadlines for this market.

### 3.10 Following Up After the Initial Sale

After the importer or distributor has taken delivery of the initial sale it is critical for the overseas supplier to follow up by contacting the importer to ask the following questions:

- (a) Was delivery of the product satisfactory?
- (b) Did the correct product arrive?
- (c) Were there any defects or irregularities in the product?
- (d) Was it shipped according to specifications?
- (e) Was it packaged correctly?
- (f) Did it arrive on time?

Inform the importer that this approach is routine and service-oriented. This will help build a sound and lasting relationship with the Japanese importer.

Selling the product is only part of the sales process in Japan. It is becoming common for manufacturers or retailers to offer some form of after-sales service along with the goods they sell. This provision must be provided by foreign suppliers. A recent consumer consciousness survey (quoted by MIPRO, 1985) found that 36 percent of those who preferred not to use imported products, gave as their reason the inferior after-sales service offered. In another industrial survey 41 percent of the respondents believed that the after-sales service of imported goods needed improving.

One exceptional after-sales service is practiced by the Japanese subsidiary of the Swedish machine tool company Gadelius. This service is part of the process of maintaining friendly relations between the supplier and his clients. Periodically staff are sent out to visit their customers and inspect their machines. The inspection of the Gadelius' machines (in some cases the machines are 10 or 20 years old) is done as a free service by the Company and not at the request of the purchaser. The engineers prepare a report suggesting whatever maintenance is necessary. If any repair work is requested by the customer then a usual commercial charge is made.

## CHAPTER 4

### FINDING A JAPANESE SALES PARTNER

#### 4.1 The Role of a Partner

The Japanese agent or trading partner plays a critical role in the marketing venture. He has to handle sales, after-sales service and the promotion of the product. It is crucial that a good working relationship based on mutual trust be established with the partner. Agents usually deal in several products and are unlikely to spare the time and/or money required to concentrate on one product only.

At least half of the future success of the company's sales in Japan depends on the Japanese importer. While the importer has the knowledge and experience of the Japanese marketplace he may be unfamiliar with the imported product.

It may be necessary for the product and the sales strategy to undergo many modifications to suit this new market. If the partnership with the importer is to be a long term affair it is helpful to cooperate closely with one another. There will be differences in views but the future success of the venture depends on whether the two sides can frankly discuss the issues and reach agreement to the benefit of both.

Continuity and stability in business relationships are valued in Japan. Once an importing agent is selected it is considered a bad business practice to change: you can't change horses in mid-stream. If in the future you become dissatisfied with your partner it is almost impossible to find another reliable Japanese company willing to take over.

One well-known New Zealand freezing company, Alliance, in 1985 test-marketed a new high-quality expensive beef snack food in the northern Japanese city of Niigata. The southland meat processing company developed a number of special processed meat products such as smoked beef rolls and dried meat "Beef Jerky Viande". These new products have allowed the company to be less dependent on the commodity meat market with its problems of supply and demand fluctuations. The added value of further processing and packaging allowed the products to be directed to the stable-priced retail market.

The Japanese company which handled the test marketing, promotion and distribution was also asked to select the best type of packaging which would appeal to Japanese tastes. The New Zealand company relied heavily on the expertise and marketing skills of their Japanese partner. (Thomson, 1985)

One way of avoiding the monetary and market loss which would result from the selection of the wrong importer, is to set up a trial period, usually of one year. During this period no formal contract is signed. This gives both parties the opportunity to assess each other. The trial period also enables the importer to study the response of the consumers to the new product. If the response is promising it will be easier to motivate the importer in the future.

#### 4.2 Motivating the Importer

There are a number of ways of encouraging the importer to back your product (JETRO, 1985c). The product quality must be kept high, packaging must be good, delivery must be punctual, price hikes must be minimised, complaints must be responded to, repairs must be done quickly, and returned, unsold goods must be accepted.

The importer's enthusiasm for the product is often influenced by the pricing strategy. Most low price imports on the Japanese market come from neighbouring Asian countries. The lower wage levels in these countries make these goods very price competitive. Because it is difficult for imports from industrialised countries to compete on price, it is better for exporters from developed countries to increase the quality and value of the products and aim at a higher quality market segment. Importers aiming at this segment also face stiff competition from Japanese products. Increasingly Japanese manufacturers are boosting the quality and value of their products by improving their design and making them more attractive and higher priced.

The exporter who is able to match the quality of the domestic product but be more competitive in price will do well.

In the Japanese market the importer traditionally meets most of the advertising and promotional costs. The importer's profit margin covers these extra expenses. One area where the exporter could reduce the landed cost of his products is to reduce the ex-factory price of the goods destined for Japan. For the domestic market the product price includes an allowance to cover promotional and advertising expenses.

Any new entrant into the Japanese market has to overcome the resistance of the traditional established order of the marketplace. It is not easy for a foreign company to

motivate the importer to make the effort to overcome this resistance. In Japan, sales almost always pass through various wholesalers (and sometimes sub-wholesalers) before reaching the retailer. This established network can result in sales of new products becoming not so much a function of consumer demand as a function of wholesaler output (Ballon, 1969). The wholesaler may be reluctant to risk upsetting traditional relationships with old established domestic manufacturers as sources if he cuts into their markets with competitive new products.

It took a Christchurch manufacturer of sweets and confectionary items a long time and a lot of money to achieve a breakthrough in sales to Japan. The company had to change the size, the packaging and even the flavour of its most successful product - a snack bar. A long apprenticeship was served before the Company established a trusting and cooperative relationship with a Japanese distributor. The difficulties of communication made it hard to motivate and obtain a commitment from a Japanese agent who was also handling other domestic sourced products.

Once a decision is finally made on the choice of trading partner, it is important to clarify the joint business policy. The foreign exporter's objective may be to achieve a profit within a short time frame. The Japanese agent's primary interest may be to achieve a high market share for the first few years. In order to avoid such a serious conflict of interest, it is important that initial discussions clarify these objectives.

The exporter should aim at encouraging the importer to become keen and enthusiastic about the product. The two most important ingredients for success in this foreign market are as much the importer as the product itself.

The selection of a suitable importer or sales partner by the New Zealand exporter is more important in Japan than in most other countries.

#### 4.3 Types of Sales Partner

Once a decision has been made to export to Japan, and the market has been researched, the next task is to select a suitable trading or sales partner. This step should not be rushed even though it may prove difficult and time consuming.

The choice of trading partner and type of distribution network in the Japanese market has a number of long term implications which cannot be easily reversed. Very careful thought should be given to the alternatives for market entry.

Before the final choice is made, research should be undertaken into the potential partner's financial position, experience, expertise in the specific products to be marketed in Japan, the company's standing within its own industry and the proposed distribution system.

There are a number of types of companies which could provide a sales partner but finding the right one for a particular product is not easy. Often the choice of partner will depend on the type of product, volumes to be exported and other factors.

The distribution network from which to make a selection of an agent or sales partner is divided into three:

1. An import agent, wholesaler or general trading company.
2. Tie-ups with Japanese manufacturers of related products.
3. Setting up a sales company.

4.3.1. An Import Agent, Wholesaler or General Trading Company

For some product lines there are a number of importers or wholesalers who have widespread distribution connections. However most are much smaller. Before engaging in business discussions with a potential agent it is worthwhile to determine the number and scale of distribution contacts that the importer or wholesaler has. If the agent is relatively small they are unlikely to be interested in sharing the risks and costs of financing the venture.

In a study of 6,015 import contracts reported by Japanese companies between 1973 and 1981, 72.6 per cent were classed as sole agent contracts. For consumer products and machine capital goods, the ratio of sole import agents is increasing (MIPC, 1983). The foreign supplier relies on the knowledge and skills of the local trading partner for financing, promotion, customer service and storage.

In other countries sales can be maximised by having several importers compete with the same product over the same area. In Japan however, this is unlikely to work. Depending on the product, success with different importers will be achieved only where each has a separate, clearly-defined region.

If the imported product is a prestige item it may be possible to bypass wholesalers and rely on the importer to deal directly with retailers. This could occur if the product is to be sold by a limited number of specialty

stores. The importer will need a showroom/reception hall in Tokyo or Osaka to allow retailers to regularly visit and place orders. One big advantage of this arrangement noted by JETRO (1985c) is it allows the importer to meet the retailers face-to-face and to consolidate personal relationships. It also results in lower buying prices for the retailers.

Discussions will need to be held with the importer on the costs of clearing imported goods through customs, and the distribution costs and profit margins charged over the route from the importer to the retailer. It is helpful to compare the distribution costs required for comparable Japanese products over the same distribution routes. Once this information is known, discussions can be held with retailers on the recommended profit margin and selling prices of the imported goods.

Many overseas manufacturers which sell in smaller volumes deal with smaller distributors or specialised trading houses (senmon shosha).

Sometimes wholesalers also act as importers. Although appointing a wholesaler as an import-agent may appear to offer advantages in assisting the distribution of the imported goods, there are also disadvantages. The importer has the role of promoting and advertising the imported product whereas wholesalers specialise in distribution.

There are also disadvantages in appointing a big company. Even though a larger company may have a wide distribution network it is hard for one exporter to encourage the company to meet his own special promotional requirements.

If the overseas company plans to sell a large quantity of items to Japan then one of the nine big Japanese trading companies may be worth approaching (Mitsubishi Corporation; Mitsui & Co.Ltd.; C.Itoh & Co.Ltd.; Marubeni Corporation; Sumitomo Corporation; Nissho-Iwai Co. Ltd; Toyo Menka Kaisha Ltd; Kanumatsu-Gosho Ltd.; Nichimen Co. Ltd). Aggregate sales of these huge trading companies are around 70 trillion yen or 21 percent of Japan's gross national product per year. They have had many years experience in international trade. An American subsidiary of one of these general trading companies handles exports of nearly US \$4 billion a year. The company is the fourth largest exporter in the USA.

Trading companies can arrange to handle the imported product on a contractual basis. These companies have the knowledge to arrange the transportation of the goods to Japan, unloading, arranging customs clearance and then distributing the goods to wholesalers. But they are not equipped to undertake particular tasks such as promoting an extensive sales campaign, or providing specialised staff for installation or after-sales services.

The large Japanese trading companies have established expertise in the field of large-volume trade in raw materials. They have proven skills in helping the establishment of Japanese export business overseas but they may not be the best choice to promote foreign manufactured products in Japan. They are unlikely to import small turnover items because of their large company size. If the giant trading companies import consumer goods, they generally limit their business to well-known brand products. These large trading companies (sogo shosha) are widely diversified and have been known to have one of their manufacturing subsidiaries "make an excellent imitation that will undermine whatever limited market share the imported product has managed, against all odds, to achieve" (Zimmerman, 1985). However this risk is always present in any overseas market.

Sometimes, a general trading company may be well worth hiring because of its extensive knowledge of the Japanese distribution system. A British electronic component company was frustrated in its attempts to directly contact a number of potential clients in Japan. Eventually the company consulted one of the top nine Japanese general trading companies. Within three months this company had arranged a number of fruitful introductions. The commission charged by the trading company was quickly recovered from the business generated from these introductions (Kobayashi, 1984).

Another alternative is to sell the products directly to a department store, a supermarket, specialty chain store or even a mail-order sales company, for one year without signing an import agency agreement. If strong sales result this will help promote the product brand image. This in turn will make it easier to negotiate later with an importer.

Department stores often act as their own import agent and because they compete keenly with other department stores, they are always interested in handling new quality import items. They stock expensive products and this helps promote the prestige image of any imported products. There are however some disadvantages with this type of outlet. Appointing one department store as the sole importing-agent means that the imported product cannot be sold in other competing department stores or in other retail stores. The total sales of each imported product are also likely to be relatively small. Total sales from a department store are large but because of the wide variety of products sold, sales of each product item are much smaller.

The questions which need to be asked when assessing a potential agent or wholesaler include:

- (a) Does the agent or wholesaler have access to a sufficient number and to the right kind of outlet?

- (b) Is the candidate's sales force adequate for the product?
- (c) What are the margins of other products handled by the candidate company?
- (d) Will the salesmen be sufficiently motivated to handle the product?
- (e) Does the candidate handle items which may compete with the imported product, or are there complementary items handled?
- (f) To what extent is the candidate agent or wholesaler prepared to help meet the financial costs and risks of importing the overseas product?

#### 4.3.2. Tie-ups with Japanese Manufacturers of Related Products

If an overseas manufacturer can link in with a Japanese manufacturer of similar, but non-competitive goods, they may obtain access to established Japanese domestic distribution channels. Some manufacturers, especially in food lines, attempt to dominate their distribution channels by broadening their product lines (Kitson, 1973). Any additional similar product may therefore be welcome. Sometimes however, agreement will also involve private branding arrangements.

An example quoted by JETRO (1980b) describes the success achieved by an overseas manufacturer of medicinal face creams. This company contracted with a large Japanese producer of soaps and detergents and gained access to their distribution channels. Many of the products from the two companies complemented each other. Almost all the shops that sold soap were also suited to sell medicinal creams.

There are a number of advantages to Japanese manufacturers who import and market finished foreign products. It enables them to keep abreast of overseas developments, it offers a wider range of products to their customers and in the case of machinery manufacturers, they are able to provide repair and other after-sales facilities. The foreign manufacturer can expect to gain from both the technical cooperation from the Japanese manufacturer and also gain from the extensive distribution networks that are already established.

With this type of tie-up or partnership contract the following points need to be considered:

- (a) The Japanese partner's distribution network; especially the type and number of outlets.

- (b) The complementarity of the products
- (c) The size and suitability of the sales and retailing force of the company.
- (d) The size of margins, rebates and other incentives offered by the partner company.
- (e) The history of the partner in recent years as measured by market share and profitability.

#### 4.3.3. Setting up a Sales Company

Another alternative is the establishment of a wholly-owned sales branch office in Japan. This may provide greater flexibility but it will also be expensive. In 1983 the estimated cost for running a sales office in Tokyo was NZ\$200,000 per year (Hundleby, 1983). The sales office would have the responsibility of establishing distribution channels, planning and carrying out promotional programmes, handling the imports into Japan and providing a steady flow of information back to head office.

To achieve success with this option there would need to be sufficient future volume to justify the costs of maintaining a branch office in Japan. It would also be necessary to hire a number of competent Japanese employees who have skills in the marketing and distribution of similar products. Without these features establishing a Japanese based sales office is likely to fail.

The first task of the sales branch office in Japan is to establish distribution channels. The questions (suggested by JETRO, 1980b) which will need to be answered include:

- (a) What outlets should the product be distributed to? This will vary according to the nature of the product (its price range, turnover, margin and other factors)
- (b) Should a cut-off in terms of outlet size be considered at first? For example should the distribution start with smaller outlets and later be extended to large outlets?
- (c) Once the target outlets have been achieved, which candidate wholesalers have the most future promise (access to outlets, product knowledge, capable personnel, interest in distributing the product for a mutually agreeable margin/rebate structure, ability to share in the risk of financing retailers and return of goods under consignment sale)?

Overseas exporting companies which go to the trouble of establishing a sales branch office in Japan usually want to set up a long term strategy to preserve continuity.

Sometimes various problems develop which can disrupt this long term strategy. Often management personnel are assigned from overseas to the Japanese branch office for only a short period (only two to four years). New managers may be keen to achieve quick results because they haven't time to persevere with the long term goals. They may introduce changes in management policy and objectives which could damage relations with Japanese client wholesalers and retailers. For example a new manager may raise prices to improve profitability (in the short-term). However this could lead to a loss in market share in the longer term. The next manager will be left with the problem of a shrinking market share and declining performance.

Problems of this kind can be reduced if the overseas companies allow qualified Japanese personnel to become managers of the branch office. This will help motivate the staff and it indicates to both staff and business clients that the company has a long-term commitment to this market. The company should also encourage foreign staff who are competent in the Japanese language to remain at the Japanese branch office.

The wages paid by overseas firms to their Japanese staff will need to be higher than comparable Japanese companies. Japanese firms have a unique type of compensation system for their employees and it is unlikely that an overseas company could match all of these. Salaries grow with increasing age and seniority in the Japanese company. In addition to regular compensation, the employees would expect the company to conform with the traditional Japanese practice of the twice yearly bonus. Also a variety of other allowances (e.g. for commuting) and fringe benefits would be expected.

There are other more complex partnerships which could be arranged such as joint ventures. To become a successful reality these ventures require a great deal of detailed preparation and research. For future long-term success it is critical that the objectives are specified and agreed on and the responsibilities of both parties are clearly defined.

After deciding on the best type of sales partner for the product the exporter must next meet and negotiate a sales contract with the new Japanese partner.



## CHAPTER 5

### CONCLUSION

The New Zealand exporter must understand that both the needs of the Japanese market and the nature of Japan business practices differ from those of our traditional markets. The Japanese businessman when dealing with people doesn't think the same as we do. He lives and works by a different set of rules and he places a lot of emphasis on manners and maintaining face. In business negotiations the caution shown by the Japanese businessman is aimed at maintaining harmony and ensuring everything runs smoothly.

The Japanese market offers unlimited market potential. As a result of the dramatic economic success experienced by the country since the late 1950's, the Japanese people today are prosperous, well educated and experience a high degree of consumer awareness.

Information on new products and new fashions is quickly spread through a vast network of media. To succeed in this market the foreign businessman must study and understand the different cultural and business practices such as the complex, inefficient distribution systems. The close population density in the cities, the small houses and other lifestyle differences influence the consumer's preferences and spending patterns.

Market research including test marketing is an essential prior requirement for the Japanese marketplace. Research is also needed to help select and later negotiate with the most appropriate firms in the distribution channel to act as a sales partner.

This report has been prepared to help provide some guidance and insight into the complex world of the Japanese marketplace. Success in any overseas market is dependent on the ability of the exporter to be prepared to adapt and change to meet the different requirements of both the marketplace and the overseas consumer.



## REFERENCES

- Abegglen, J.C. (1971) "Business Strategies for Japan", Boston Consulting Group. Sophia University, Tokyo.
- Anon (1986a) The Japan Times Weekly, April 19, 1986, p 5.
- Anon (1986b) The Japan Times Weekly, December 13, 1986, p.5.
- Ballon, R.J. (1969) "Joint Ventures and Japan". Sophia University, Tokyo.
- Chandler, C. (1987) The Japan Times Weekly, April 5, 1986. p 7.
- Den, H. (1986) Bureaucratic Blues? Call the Ombudsman. The Japan Times Weekly, May 10, 1986, Tokyo, Japan.
- Deutsch, M.F. (1983) "Doing Business with the Japanese", New American Library.
- Economist (1987) 4 April 1987, p 67.
- Hundleby, J. (1983) pers. comm.
- Hundleby, J. (1984) "Marketing in Japan", Canterbury Chamber of Commerce Economic Bulletin 688(6).
- JETRO (1980a) "The Japanese Market in Figures", JETRO Marketing Series 10, Tokyo, Japan.
- JETRO (1980b) "Planning for Distribution in Japan", JETRO Marketing Series 4, Tokyo, Japan.
- JETRO (1983) "Keys to Success. Japan's Food Lifestyle", Keys to Success Series No. 7, Tokyo, Japan.
- JETRO (1984a) "20 Questions and Answers on Japanese Foreign Trade", Tokyo, Japan.
- JETRO (1984b) "How to Succeed in Trade Shows and Exhibitions in Japan", Tokyo, Japan.
- JETRO (1985a) "Selling in Japan, The World's Second Largest Market", Tokyo, Japan.
- JETRO (1985b) "Japan's Market Profile, A Look into Japan's Marketplace for Consumer and Capital Goods", Tokyo, Japan.
- JETRO (1985c) "Guidebook for Exporting to Japan", Tokyo, Japan.

- Jung, H.F. (1986) "How to do Business with the Japanese", The Japan Times, Tokyo, Japan.
- Kitson, G.W. (1973) "The Japanese Distribution System and Implications for New Zealand Traders", Agricultural Economics Research Unit, Market Research Report No. 4, Lincoln College.
- Keizai Koho Centre (1985) "Japan 1985, An International Comparison", Japan Institute for Social and Economic Affairs, Tokyo, Japan.
- Kobayashi, K. (1984) How to Win a Negotiation - Japanese Style, Japan Economic Journal, July 31, 1984, Tokyo, Japan.
- Larkin, T. (1981) "The Place, Directions and Future Needs of NZ Relations with Japan", NZ and Japan, The Papers of the 16th Foreign Policy School, University of Otago, Dunedin 90-99.
- Manufactured Imports Promotion Committee (MIPC) (1983) "An Analysis of and Recommendations Regarding the Japanese Distribution System and Business Practices", JETRO, Tokyo, Japan.
- Manufactured Imports Promotion Organisation (MIPRO) (1985) "Selling to Japan from A to Z".
- de Mente, B. (1981) "The Japanese Way of Doing Business", Prentice-Hall, New Jersey.
- Norbury, P. and Bownas, G. (1974) "Business in Japan, A Guide to Japanese Business Practice and Procedure", MacMillans Press Ltd, London.
- Organisation for Economic Co-operation and Development, (OECD) (1985) "Economic Surveys 1984/1985, Japan", Paris.
- Smith, Charles (1987) Far Eastern Economic Review, June 11, 1987, p.93.
- Thomson, G. (1985) Viande Takes Alliance Closer to Japanese Success, National Business Review, April 1, 1985, p 5.
- United States Department of Agriculture (1987), Foreign Agriculture 25(4):6, April 1987.
- Willoughby, A.W. (1986) The Japan Times Weekly. July 13, 1986. p. 3.
- Zimmerman, M. (1985) "Dealing with the Japanese", George Allan and Unwin, London.

## APPENDIX A

### LIST OF MAJOR TRADE FAIRS IN JAPAN

(Name of fair)

- (Approx. opening date)
- (Fair ground)
- (Organizing office)

#### All Japan Audio Fair

- Oct. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Audio Society  
Mori Bldg., 1-34-17, Jingumae  
Shibuya-ku, Tokyo 150  
Tel: (03) 403-6649

#### All Japan Optical Measuring Instruments Fair

- May (Annual)
- Tokyo Science Museum
- Japan Optical Measuring Instruments  
Manufacturer's Association  
Kikai Shinko Kaikan, 3-8-5, Shiba-Koen  
Minato-ku, Tokyo 105  
Tel: (03) 431-7073

#### All Japan Woodworking Machinery Fair

- Apr. (Biennial)
- Tokyo International Trade Fair Grounds
- All Japan Woodworking Machinery Fair Office  
c/o Kanto Woodworking Machinery  
Co-operative Association  
Naito Bldg., 3-5-8, Kiba, Koto-ku, Tokyo 135  
Tel: (03)

#### Amateur Radio Festival – HAMFAIR

- Aug. (Annual)
- Tokyo International Trade Fair Grounds
- The Japan Amateur Radio League, Inc.  
1-14-2, Sugamo, Toshima-ku, Tokyo 170  
Tel: (03) 947-8221

#### APEX TOKYO – Tokyo International Anti-Pollution Exhibition

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Otemachi  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

#### Auto Accessories Show

- May (Biennial, 1986)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Otemachi  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

#### Auto Service Show

- May (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Automobile Machine Service  
Equipment Association  
7-23-5, Shinjuku, Shinjuku-ku, Tokyo 160  
Tel: (03) 203-5131

#### Automated Assembly Promotion Fair

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

#### AUTOTECH

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311
- Automation equipment

#### BECOS – Better Confectionery Show

- Feb. (Annual)
- Osaka Merchandise Mart Bldg. (Osaka)
- The Weekly Confectionery Journal  
1-3-2, Osaka, Tennoji-ku, Osaka 543  
Tel: (06) 771-3773

#### BIOTEX

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111
- Biotechnology

#### CAD/CAM/CAE System Show

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

#### CAD/CAM Systems Show

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

Source: JETRO, 1985c

**Camping & R.V. Show**

- Apr. (Annual)
- Yoyogi Grounds
- Japan Autocamping Federation  
New Ueno Bldg., 1-24, Yotsuya  
Shinjuku-ku, Tokyo 160  
Tel: (03) 357-2851

**CATEREX JAPAN – Japan Catering Equipment Show**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen  
Minato-ku, Tokyo 105  
Tel. (03) 434-6211
- Catering equipment

**Ceramics Exhibition (CERAMEX)**

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**Clean Room Technology Exhibition**

- Feb. (Annual)
- Science Museum (Tokyo)
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**COMDEX in Japan**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- The Interface Group, Inc.  
Kashiwabara Bldg., 1-3-3, Kyobashi  
Chuo-ku, Tokyo 104  
Tel: (03) 271-0246
- Computer equipment & peripherals

**Communication Tokyo**

- Apr. (Annual)
- Tokyo Science Museum
- Communication Industries Association of Japan  
Sankei Bldg., Annex, 1-7-2, Ohtemachi  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-3156

**Data Show**

- Oct. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Electronic Industry Development Association  
Kikai Shinko Kaikan, 3-5-8, Shiba-Koen  
Minato-ku, Tokyo 105  
Tel: (03) 434-8211

**Data & Telecommunication Japan**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- Cahners Exposition Group  
222 West Adams St., Chicago, Il. 60606  
U.S.A.  
Tel: (312) 263-4866

**Electroengraving Machinery Exhibition**

- May (Biennial)
- Tokyo International Trade Fair Grounds
- Insatsu Shuppan Kenkyujo Co., Ltd.  
2-13-5, Shin-Ogawa-machi  
Shinjuku-ku, Tokyo 162  
Tel: (03) 267-6231

**Electronic Testing Machinery Fair**

- Sep. (Annual)
- Tokyo Ryutsu Center
- Cahners Exposition Group  
222 West Adams St., Chicago, Il. 60606  
U.S.A.  
Tel: (312) 263-4866

**Electro Optics/Laser Japan**

- Feb. (Annual)
- Tokyo Ryutsu Center
- Cahners Exposition Group  
222 West Adams St., Chicago, Il. 60606  
U.S.A.  
Tel: (312) 263-4866

**Engineering Design Efficiency Exhibition**

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**ESTA-Eastern-Stoff & Total Fashion Fair in Osaka**

- Feb. (Annual)
- Osaka Merchandise Mart Bldg., International Trade Fair Hall, Festival Hall
- Eastern-Stoff & Total Fashion Association  
c/o Osaka Chamber of Commerce & Industry  
58-7, Hashizume-cho, Uchihonmachi,  
Higashi-ku, Osaka 540  
Tel: (06) 944-6205

**Exhibition & Conference of New Electrical Insulating Materials**

- Nov. (Annual)
- Tokyo Industrial Center Otemachi Hall
- Japan Electrical Insulation Materials Industries Association  
Iwao Bldg., 1-16-2, Toranomom, Minato-ku,  
Tokyo 105  
Tel: (03)

#### HOSPEX JAPAN – International Hospital Engineering Exhibition

- Nov. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

#### HOTERES JAPAN – International Hotel & Restaurant Show

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

#### IGAS – International Graphic Arts Show

- Sep. (Biennial)
- Tokyo International Trade Fair Grounds
- Insatsu Shuppan Kenkyujo Co., Ltd.  
2-13-5, Shin-Ogawamachi, Shinjuku-ku,  
Tokyo 162  
Tel: (03) 267-6231

#### International Business Show

- May (Annual)
- Tokyo International Trade Fair Grounds
- Nippon Administrative Management Association  
Seikyo Kaikan Bldg., 4-1-13, Sendagaya,  
Shibuya-ku, Tokyo 151  
Tel: (03) 403-1331
- All kinds of office supplies and equipment

#### International Chemical Plant Engineering Exhibition

- Sep. (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

#### International Environment Preserving Machinery & Equipment Exhibition

- Oct. (Annual)
- Osaka International Trade Fair, Minato Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi, Chiyoda-ku,  
Tokyo 100  
Tel: (03) 231-7111

#### International Food Machinery Exhibition

- May (Annual)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

#### International Furniture Fair Tokyo

- Nov. (Biennial)
- Tokyo International Trade Fair Grounds
- International Development Association of  
The Furniture Industry of Japan  
c/o Tsuji Bldg., 1-30-10, Hamamatsu-cho,  
Minato-ku, Tokyo 105  
Tel: (03) 436-2691

#### International Industrial Robot Show

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

#### International Licensing & Joint Venture EXPO (TECHNO TOKYO)

- Nov. (Annual)
- Science Museum (Tokyo)
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

#### International Mechanical Handling Exhibition

- May (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

#### International Metalworking Machines Exhibitions (INTERMEX)

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**FA (Factory Automation) Systems Show**

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Fluid Power International Exhibition**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Food & Food Industries Fair**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Association of Food Industries  
1-20-20, Omori-naka, Ota-ku, Tokyo 143  
Tel: (03) 763-8268

**FOOD PACK**

- Apr. (Biennial)
- Tokyo International Trade Fair Grounds
- Nippo Co., Ltd.  
4-4-5, Iidabashi, Chiyoda-ku, Tokyo 102  
Tel: (03) 262-3461

**FOODEX JAPAN – International Food Exhibition**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

**General Construction Materials and Equipment Fair**

- June (Annual)
- Osaka Merchandise Mart Bldg.
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**General Exhibition of Medical Instruments**

- May (Annual)
- Tokyo Science Museum
- The Medical Instruments Society of Japan  
3-30-15, Hongo, Bunkyo-ku, Tokyo 113  
Tel: (03) 813-1062

**Hardware & Houseware Show**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- Tokyo Hardware and Household Appliance  
Trade Fair Association  
c/o Tokyo Kanamono Kaikan, 2-37-8,  
Nihonbashi-Hamacho, Chuo-ku, Tokyo 103  
Tel: (03) 661-6061

**Health Foods & Machinery Fair**

- Sep. (Annual)
- Osaka International Exhibition Center
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**Hi-Tech Osaka**

- July (Annual)
- Osaka International Trade Fair,  
Minato Grounds
- Marcom International Inc.  
Akasaka Omotemachi Bldg., #S05, 4-8-19,  
Akasaka, Minato-ku, Tokyo 105  
Tel: (03) 403-8515

**High-Temperature Processing Hightech Show**

- Sep. or May (Annual)
- Osaka International Exhibition Center
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**HITECHNO SENSOR**

- Sep. (Annual)
- Osaka International Exhibition Center
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**HITEX JAPAN**

- Apr. (Annual)
- Osaka International Trade Fair, Minato Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Home Reform Fair**

- July (Annual)
- Tokyo International Trade Fair Grounds
- Japan Home Reform Center  
Shinwa Bldg., 8F, 2-10-8, Akasaka,  
Minato-ku, Tokyo 107  
Tel: (03) 585-7131

**International Modern Hospital Show**

- May (Annual)
- Tokyo International Trade Fair Grounds
- Nippon Administrative Management Association  
Seikyo Kaikan Bldg., 4-1-13, Sendagaya,  
Shibuya-ku, Tokyo 151  
Tel: (03) 403-1331

**International Non-Destructive Testing Show**

- Oct. (Biennial)
- Science Museum
- Sanpo Publishing Inc.  
4-25-18, Higashi-Ueno, Taito-ku, Tokyo 110  
Tel: (03) 842-0511
- Testing equipment for radiography, ultrasonic,  
liquid penetrate, etc.

**International Plant Maintenance Show**

- Sep. (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

**International Professional Photo Fair**

- Mar. (Annual)
- Tokyo Science Museum
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100.  
Tel: (03) 231-7111

**International Sensor Technology Exhibition**

- Nov. (Annual)
- Tokyo Science Museum
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**International Spring Making Machinery Show**

- Sep. (Biennial)
- Tokyo International Trade Fair Grounds
- Metal Industrial News  
3-23-6, Nishi-Shinbashi, Minato-ku,  
Tokyo 105  
Tel: (03) 433-6813

**Internecon Semiconductor Japan**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- Cahners Exposition Group  
222 West Adams St., Chicago, Il. 60606  
U.S.A.  
Tel: (312) 263-4866

**Interphex Japan**

- Apr. (Annual)
- Osaka International Trade Fair,  
Minato Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111
- Equipment for pharmaceutical, cosmetic & soap/  
detergent industries

**Japan Bakers' Fair**

- Mar. (Biennial)
- Tokyo Industrial Center Taito Hall
- Nihon Bakers Kyokai  
Kojima Bldg., 1-5-3, Kojima, Taito-ku,  
Tokyo 111  
Tel: (03) 866-5492

**Japan Beddings Machinery Fair**

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Beddings Machinery Association  
14-5, Nihonbashi-Hakozakicho,  
Chuo-ku, Tokyo 103  
Tel: (03) 663-9530

**Japan Do-It-Yourself Show**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- Japan DIY Industry Association  
Toso Bldg., 4-9, Shinkawa, Chuo-ku, Tokyo 104  
Tel: (03) 553-6397

**Japan Electronics Show**

- Oct. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Electronics Show Association  
No. 24 Mori Bldg., 3-23-5, Nishi-Shinbashi,  
Minato-ku, Tokyo 105  
Tel: (03) 433-

**Japan Home Center Show**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Home Center Association  
Fukushima Bldg., 9%, 6-25-11, Nishi-Gotanda,  
Shinagawa-ku, Tokyo 141  
Tel: (03) 491-2055
- Household products

**Japan Home Show**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

**JEMIMA International Exhibition**

- Oct. (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Electric Measuring Instruments Manufacturer's Association  
1-9-10, Toranomom, Minato-ku, Tokyo 105  
Tel: (03) 502-0601

**Japan International Machine Tools Fair (Osaka)**

- Oct. (Biennial)
- Osaka International Trade Fair, Minato Grounds
- Osaka International Trade Fair Commission  
58 Hashizume-cho, Uchihonmachi,  
Higashi-ku, Osaka 540  
Tel: (06) 941-2661

**Japan International Machine Tools Fair (Tokyo)**

- Oct. (Biennial)
- Tokyo International Trade Fair Grounds
- Tokyo International Trade Fair Commission  
4-7-24, Harumi, Chuo-ku, Tokyo 104  
Tel: (03) 531-3371

**Japan International Welding Show (Osaka)**

- Apr. (Biennial)
- Osaka International Trade Fair, Minato Grounds
- Sanpo Publishing Inc.  
4-25-18, Higashi-Ueno, Taito-ku, Tokyo 110  
Tel: (03) 842-0511

**Japan International Welding Show (Tokyo)**

- Apr. (Biennial)
- Tokyo International Trade Fair Grounds
- Sanpo Publishing Inc.  
4-25-18, Higashi-Ueno, Taito-ku, Tokyo 110  
Tel: (03) 842-0511

**Japan Measuring Instruments Exhibition**

- Oct. (Biennial)
- Tokyo Science Museum
- Japan Measuring Instruments Federation  
25-1, Nando-cho, Shinjuku-ku, Tokyo 162  
Tel: (03) 268-2121

**Japan Meat Industry Fair**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- K.K. Nihon Shokuhin Keizaisha  
Belheim Tamachi Bldg., #401, 1-14-8,  
Shibaaura, Minato-ku, Tokyo 105  
Tel: (03) 455-4145

**Japan Mould & Die**

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**Japan Pack — Japan International Packaging Machinery Fair**

- Oct. (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Packaging Machinery Manufacturer's Association  
2-20-1, Nishi-Shinbashi, Minato-ku, Tokyo 105  
Tel: (03) 437-0883

**Japan Plastics Housewares Fair**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Industry Union of Plastics Housewares Manufacturers  
Miki Bldg., 6F, 2-3-5, Ginza, Chuo-ku,  
Tokyo 104  
Tel: (03) 561-8778

**Japan Refrigeration Air-Conditioning and Heating Exhibition/Solar System Exhibition**

- Mar. (Biennial)
- Tokyo International Trade Fair Grounds
- The Japan Refrigeration and Air-Conditioning Industry Association  
Kikai Shinko Kaikan, 3-5-8, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 432-1671

**Japan Shop**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Keizai Shimbun Co., Ltd.  
1-9-5, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 270-0251
- Store equipment, materials & systems

**JAPANTEX — Japan Interior Fabrics Trade Fair**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Interior Fabrics Association  
Fukuda Bldg., 6F, 2-3-23, Hamamatsu-cho,  
Minato-ku, Tokyo 105  
Tel: (03) 433-4521

**JPCA Show**

- June (Annual)
- Tokyo International Trade Fair Grounds
- Japan Printed Circuit Association  
Tshiro Bldg., 5-11-10, Toranomom,  
Minato-ku, Tokyo 105  
Tel: (03)
- Printed circuit boards

**Kobe Import Fair**

- Mar. (Annual)
- Kobe International Exhibition Hall (Kobe)
- Kobe Import Fair Council  
c/o The Foreign Trade Section  
Economic Bureau

**MOBAC Show – Machinery of Bakery and Confectionery Show**

- Feb. (Biennial, 1987)
- Tokyo International Trade Fair Grounds
- Japan Bakery and Confectionery Machinery Manufacturers' Association  
No. 3 Azuma Bldg., Kanda-Hirakawa-cho,  
Chiyoda-ku, Tokyo 101  
Tel: (03) 862-8478

**Modern Scientific Instruments Show**

- May (Biennial) 1986
- Aichi Sangyo Boeki Center (Nagoya)
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Nagoya Plastic Industry Show**

- Oct. (Annual)
- Nagoya Fukiage Hall
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**NC Machine Tool Fair, Robot & Automation Exhibition**

- Oct. (Annual)
- New Osaka International Fairgrounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**New Materials & Technology**

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**New Matex**

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111
- New materials

**Office Automation Show**

- Feb. (Annual)
- Osaka International Trade Fair, Minato Grounds
- Nippon Administrative Management Association,  
Osaka Office  
Osaka Kagaku Gijutsu Center Bldg., 1-8-4,  
Utsubohoncho, Nishi-ku, Osaka 550  
Tel: (06) 443-6961

**Optoelectronics Industry & Technology Exhibition**

- Sep. (Annual)
- Tokyo Ryutsu Center
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Osaka International Anti-pollution Exhibition/  
Wastes Treatment and Energy-Saving Equipment  
Exhibition/Sewage Industry Exhibition**

- Oct. (Annual)
- New Osaka International Fairgrounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Osaka International Trade Fair**

- Apr. (Biennial)
- Osaka International Trade Fair, Minato  
Grounds
- Osaka International Trade Fair Commission  
58, Hashizume-cho, Uchihonmachi,  
Higashi-ku, Osaka 540  
Tel: (06) 941-2661
- All kinds of products

**Osaka Medical Show**

- Oct. (Biennial)
- Osaka International Trade Fair, Minato  
Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Osaka Motorcycle Show**

- Apr. (Annual)
- Osaka International Trade Fair, Minato  
Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Patent Information Fair**

- Nov. (Annual)
- Science Museum (Tokyo)
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

Kobe City Office; 6-5-1, Kanu-cho, Chuo-ku,  
Kobe 650

Tel: (078) 331-8181

- Imported general merchandise

#### Kobe International Boat Show

- Apr. (Annual)
- Kobe International Exhibition Hall
- Japan Boating Industry Association  
2-5-1, Ginza, Chuo-ku, Tokyo 104  
Tel: (03) 567-6707

#### Laser Show

- Sep. (Annual)
- Osaka International Exhibition Center
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

#### Laser Technology Exhibition

- Nov. (Annual)
- Tokyo Science Museum
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi, Chiyoda-ku,  
Tokyo 100  
Tel: (03) 231-7111

#### LA Systems Show

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111
- Analytical Instruments & systems

#### Machine Intelligence Show

- Oct. (Annual)
- New Osaka International Fairgrounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

#### Mechatronics Japan

- Feb. (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Keizai Shimbun  
1-9-5, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 270-0251
- Electronic machinery

#### Mechatronics Robot Show

- June (Annual)
- Osaka Merchandise Mart Bldg.
- Japan Electronic Industry Development Assn.  
Kikai Shinko Kaikan, 3-5-8, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-8211

#### MET Coating & Show

- May (Annual)
- Tokyo Ryutsu Center
- The Metal Finishing Society of Japan  
Kyodo Bldg., 2, Kanda-Iwamoto-cho,  
Chiyoda-ku, Tokyo 101  
Tel: (03) 252-3286

#### Metal Finishing Show

- Oct. (Annual)
- New Osaka International Fairgrounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

#### Micro Computer Show (Osaka)

- June (Annual)
- Osaka Merchandise Mart Bldg.
- Japan Electronic Industry Development  
Association  
Kikai Shinko Kaikan, 3-5-8, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-8211

#### Micro Computer Show (Tokyo)

- May (Annual)
- Tokyo Ryutsu Center
- Japan Electronic Industry Development  
Association  
Kikai Shinko Kaikan, 3-5-8, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-8211

#### Micro Graphics Show

- Sep. (Annual)
- Osaka International Exhibition Center
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

#### Micro System Show

- Nov. (Annual)
- Tokyo Ryutsu Center
- Japan Micro Photography Association  
No. 2 Okouchi Bldg., 1-9-15, Kanda-Kaji-cho,  
Chiyoda-ku, Tokyo 101  
Tel: (03) 254-4671

#### Milk, Dairy Products, Ice Cream Fair

- Jan. (Annual)
- Tokyo Industrial Center Taito Hall
- The Food Times Co., Ltd.  
Nitta Bldg., 8-2-1, Ginza, Chuo-ku, Tokyo 104  
Tel: (03) 572-2001

**PACK OSAKA**

- June (Biennial)
- Osaka International Trade Fair, Minato Grounds
- NIPRO Co., Ltd.  
1-17, Minami-honmachi, Higashi-ku, Osaka 541  
Tel: (06) 262-2401
- Packaging equipment, materials, distribution equipment

**POWDERTEC JAPAN – International Powder Technology Exhibition**

- Sep. (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Management Association  
Kyoritsu Bldg., 3-1-22, Shiba-Koen,  
Minato-ku, Tokyo 105  
Tel: (03) 434-6211

**Printing Fair**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- The Japan Printing News  
Nihon Insatsu Kaikan, 6F, 1-16-8, Shintomi,  
Chuo-ku, Tokyo 104  
Tel: (03) 553-5681

**Professional Photo Fair (Osaka)**

- Sep. (Annual)
- Osaka Merchandise Mart Exhibition Halls
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**ROBOTEX**

- Sep. (Annual)
- Osaka International Exhibition Center
- The Nikkan Kogyo Shimbun, Ltd.  
1-8-10, Kudan-Kita, Chiyoda-ku, Tokyo 102  
Tel: (03) 263-2311

**Safety & Security Systems Exhibition**

- Sep. (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Scientific Instrument Show**

- Oct. (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Self Service Fair**

- Mar. (Annual)
- TOC Center
- Japan Self Service Association  
7-22-17, Nishi-Gotanda, Shinagawa-ku,  
Tokyo 141  
Tel: (03) 494-3836

**SEMICON JAPAN**

- Dec. (Annual)
- Tokyo International Trade Fair Grounds
- Semiconductor Equipment & Materials Institute Inc.  
625 Ellis St., #212, Nountail View,  
CA 94043, U.S.A.  
Tel: (415) 964-0511

**Sensing Systems Show**

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo, Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Sewage Works Show**

- May (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Space Industry Exhibition**

- June (Annual)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
1-7-2, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Store Automation Show**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Nihon Keizai Shimbun, Inc.  
1-9-5, Ohtemachi, Chiyoda-ku, Tokyo 100  
Tel: (03) 270-0251

**Sports and Outdoors Show**

- Date to be decided (Biennial)
- Tokyo International Trade Fair Grounds
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

**Test & Measuring Equipment Exhibition**

- Oct. (Annual)
- Tokyo Science Museum
- Japan Electric Measuring Instruments Manufacturers' Association  
1-9-10, Toranomom, Minato-ku, Tokyo 105  
Tel: (03) 502-0601

**Tokyo Exciting Car Show**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- The Enjoyment of Motor Sport  
c/o Sanei Shobo Co., Ltd.  
Sales Planning Dept., 4-8-16, Kita-Shinjuku,  
Shinjuku-ku, Tokyo 160  
Tel: (03) 364-3811

**Tokyo Fishing Show**

- Feb. (Annual)
- Tokyo International Trade Fair Grounds
- Tokyo Fishing Tackle Association  
J.A.C. Bldg., 4F, 3-31-4, Yushima,  
Bunkyo-ku, Tokyo 113  
Tel: (03) 831-1862

**Tokyo Health Fair**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Health Food News  
c/o Health Food News, International Health,  
Industry Office, 33, Kanda-Surugadai,  
Chiyoda-ku, Tokyo 101  
Tel: (03) 293-8631

**Tokyo International Automobile Show**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Automobile Importers Association  
Friend Bldg., 2F, 2-4-11, Nagata-cho,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 581-7574

**Tokyo International Boat Show**

- Mar. (Annual)
- Tokyo International Trade Fair Grounds
- Japan Boating Industry Association  
2-5-1, Ginza, Chuo-ku, Tokyo 104  
Tel: (03) 567-6707

**Tokyo International Good Living Show**

- Apr. (Biennial)
- Tokyo International Trade Fair Grounds
- Tokyo International Trade Fair Commission  
4-7-24, Harumi, Chuo-ku, Tokyo 104  
Tel: (03) 531-3371

**Tokyo International Security and Safety Exhibition**

- Nov. (Annual)
- Tokyo International Trade Fair Grounds
- Tokyo International Trade Fair Commission  
4-7-24, Harumi, Chuo-ku, Tokyo 104  
Tel: (03) 531-3371

**Tokyo International Toy Fair**

- June (Annual)
- Tokyo International Trade Fair Grounds
- Japan International Toy Fair Association  
3-14-11, Kotobuki, Taito-ku, Tokyo 111  
Tel: (03) 841-1275

**Tokyo International Trade Fair**

- Apr. (Biennial)
- Tokyo International Trade Fair Grounds
- Tokyo International Trade Fair Commission  
4-7-24, Harumi, Chuo-ku, Tokyo 104  
Tel: (03) 531-3371
- Exports & imports

**Tokyo Motor Show**

- Nov. (Biennial)
- Tokyo International Trade Fair Grounds
- Japan Motor Industrial Federation  
Ohtemachi Bldg., 1-6-1, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 211-8731

**Tokyo Shoe Fair**

- Jan. (Annual)
- Tokyo International Trade Fair Grounds
- Tokyo Shoe Fair Association  
Toyo Shinyo Kumiai Bldg., 6-1-13, Asakusa,  
Taito-ku, Tokyo 111  
Tel: (03) 874-7981

**Tokyo Sporting Goods Trade Fair**

- Feb. (Annual)
- Tokyo International Trade Fair Grounds
- Tokyo Sporting Goods Wholesalers' Association  
Tokyo Sport Kaikan, 5-8-6, Asakusabashi,  
Taito-ku, Tokyo 111  
Tel: (03) 851-5949

**Vacuum General Exhibition**

- Sep. (Annual)
- Science Museum (Tokyo)
- The Nihon Kogyo Shimbun  
Sankei Bldg., 1-7-2, Ohtemachi,  
Chiyoda-ku, Tokyo 100  
Tel: (03) 231-7111

Wire – Tokyo International Exhibition for Wire,  
Cable and Optical Fiber Industries

- Apr. (Annual)
- Tokyo International Trade Fair Grounds
- Mack-Brooks Exhibitions Ltd.  
Ginza NS Bldg., 3F, 3-7-16, Ginza,  
Chuo-ku, Tokyo 104  
Tel: (03) 567-3220

World Woodworking Japan

- Mar. (Biennial)
- Tokyo International Trade Fair Grounds
- Cahners Exposition Group  
No. 2 Shiniuku Mitsui Bldg., 3-2-11,  
Nishi-Shinjuku, Shinjuku-ku, Tokyo 160  
Tel: (03) 3-9-8501



## APPENDIX B

### LIST OF IMPORTERS' ASSOCIATION

#### Japan Federation of Importers' Organization

- Nihonbashi Daiwa Bldg., 6-1, Nihonbashi Honcho 1-chome, Chuo-ku, Tokyo 103  
Tel: (03) 270-0791

#### Japan Automobile Importers' Association

- Friend Bldg., 4-11, Nagata-cho 2-chome, Chiyoda-ku, Tokyo 100  
Tel: (03) 581-7574
- Automobiles (passenger cars, buses, trucks, and spare parts)

#### Japan Chemical Importers' Association

- Shuzokaikan Bldg., 1-21, Nishi-Shinbashi 1-chome, Minato-ku, Tokyo 105  
Tel: (03) 501-1304
- Chemicals and plastics

#### Japan Cosmetics Importers' Association, Inc.

- Azabu-Townhouse Bldg., 2-40, Nishiazabu 3-chome, Minato-ku, Tokyo 106  
Tel: (03) 408-7541
- Cosmetics, toilet preparations, and toilet soap

#### Japan General Merchandise Importers' Association

- World Trade Center Bldg., 4-1, Hamamatsu-cho 2-chome, Minato-ku, Tokyo 105  
Tel: (03) 435-3476/3477
- Toys, smoking goods, stationery, wooden and bamboo articles, footwear, rubber articles and rubber cloth, cutlery and tableware, articles for Christmas and Easter, sporting and leisure goods, musical instruments, personal ornaments, miscellaneous articles

#### Japan Machinery Importers' Association

- Koyo Bldg., 2-11, Toranomon 1-chome, Minato-ku, Tokyo 105  
Tel: (03) 503-9736
- All sorts of machinery, such as machine tools, textile machines, industrial machines, and medical machines

#### Japan Marine Products Importers' Association

- Yuraku-cho Bldg., 10-1, Yuraku-cho 1-chome, Chiyoda-ku, Tokyo 100  
Tel: (03) 212-8638
- Frozen shrimps, fish roe, cuttlefish, octopus, and other marine products

#### Japan Textiles Importers' Association

- Nihonbashi-Daiwa Bldg., 6, Nihonbashi-Honcho 1-chome, Chuo-ku, Tokyo 103  
Tel: (03) 270-0791
- Textile products (wool fabrics, cotton yarn and fabrics, woolen yarn and fabrics, man-made yarn and fabrics, knitwear and other clothing, carpets, blankets, ties, etc.)

#### Japan Vegetables Importers' Association

- (Kobe Office)  
1-14, Hamabedori 5-chome, Fukiai-ku, Kobe 651  
Tel: (078) 251-2565
- (Tokyo Office)  
6-14, Nishi-Shinbashi 1-chome, Minato-ku, Tokyo 105  
Tel: (03) 501-0745
- Vegetables

#### Japan Watch Importers' Association

- Chuo-Kohron Bldg., 8-7, Kyobashi 2-chome, Chuo-ku, Tokyo 104  
Tel: (03) 563-5901
- Watches

#### Japan Wines and Spirits Importers' Association

- Dai-Ichi Tentoku Bldg., 13-5, Toranomon 1-chome, Minato-ku, Tokyo 105  
Tel: (03) 503-6505
- Wines and spirits



## RESEARCH REPORT

158. **The Optimal Location of Egg Production in New Zealand**, A.C. Beck, J.P. Rathbun, C.D. Abbott, 1984.
159. **The Economics of Irrigation Development of the Amuri Plains Irrigation Scheme**, Glen Greer, 1984.
160. **An Economic Survey of New Zealand Wheatgrowers: Enterprise Analysis, Survey No. 8, 1983-84**, R.D. Lough, P.J. McCartin, 1984.
161. **An Economic Survey of New Zealand Wheatgrowers: Financial Analysis, 1982-83**, R.D. Lough, P.J. McCartin, 1984.
162. **Farmland Pricing in an Inflationary Economy with Implications for Public Policy**, K.L. Leathers, J.D. Gough, 1984.
163. **An Analysis of Production, Consumption and Borrowing Behaviour in the North Island Hill Country Pastoral Sector**, A.C. Beck, J.B. Dent, 1984.
164. **New Zealand's Inshore Fishery: a Perspective on the Current Debate**, R.A. Sandrey, D.K. O'Donnell, 1985.
165. **Land Policy and Land Settlement in New Zealand**, J.R. Fairweather, 1985.
166. **Farm Enlargement in New Zealand**, J.R. Fairweather, 1985.
168. **Market Prospects for Maize**, S.A. Hughes, R.L. Sheppard, 1985.
169. **Factor Cost Analysis of a New Zealand Meat Processing Company**, M.D. Clemes, L.D. Woods, 1985.
170. **An Economic Survey of New Zealand Wheatgrowers: Enterprise Analysis, Survey No. 9, 1984-85**, R.D. Lough, P.J. McCartin, 1985.
171. **An Economic Survey of New Zealand Wheatgrowers: Financial Analysis, 1983-84**, R.D. Lough, P.J. McCartin, 1985.
172. **Biological Control of Gorse: an ex-ante evaluation**, R.A. Sandrey, 1985.
173. **The Competitive Position of New Zealand Fresh Fruit Exports**, M.T. Laing, S.A. Hughes, R.L. Sheppard, 1985.
174. **Marketing Structures for the Horticultural Industry**, N.L. Taylor, R.G. Lattimore, 1985.
175. **An Economic Survey of New Zealand Town Milk Producers, 1983-84**, R.G. Moffitt, 1985.
176. **A Financial and Economic Survey of South Auckland Town Milk Producers and Factory Supply Dairy Farmers, 1983-84**, R.G. Moffitt, 1985.
177. **Optimal Pricing and Promotion for Agricultural Marketing Agencies**, S.K. Martin, L. Young, A.C. Zwart, 1986.
178. **A Contractual Framework for Evaluating Agricultural and Horticultural Marketing Channels**, S.K. Martin, A.C. Zwart, 1986.
179. **An Integrated Framework for Analysing Agricultural Marketing Issues**, S.K. Martin, A.N. Rae, A.C. Zwart, 1986.
180. **Labour Mobility Between New Zealand and Australia**, R.L. St Hill, 1986.
181. **Survey of New Zealand Farmer Intentions and Opinions, November 1985-January 1986**, J.G. Pryde, P.J. McCartin, 1986.
182. **A Financial and Economic Survey of South Auckland Town Milk Producers and Factory Supply Dairy Farmers, 1984-85**, R.G. Moffitt, 1986.
183. **An Economic Survey of New Zealand Town Milk Producers, 1984-85**, R.G. Moffitt, 1986.
184. **An Economic Survey of NZ Wheatgrowers: Financial Analysis, 1984-85**, R.D. Lough, P.J. McCartin, 1986.
185. **The Effect on Horticulture of Dust and Ash: Proposed Waikato Coal-Fired Power Station**, P.R. McCrea, October 1986.
186. **A Study of the Determinants of Fattening and Grazing Farm Land Prices in New Zealand, 1962 to 1983**, P.G. Seed, R.A. Sandrey, B.D. Ward., December 1986.
187. **Farmers' Responses to Economic Restructuring in Hurunui and Clutha Counties: Preliminary Analysis of Survey Data**, J.R. Fairweather, July 1987.
188. **Survey of NZ Farmer Intentions and Opinions, October-December 1986**, J.G. Pryde, P.J. McCartin, July 1987.
189. **Economic Adjustment in New Zealand: A Developed Country Case Study of Policies and Problems**, R.G. Lattimore, July 1987.

## DISCUSSION PAPERS

96. **Supply Response Parameters in New Zealand Agriculture — a Literature Search**, M. Wood-Belton, R.G.J. Lattimore, 1985.
97. **Papers Presented at the Tenth Annual Conference of the New Zealand Branch, Australian Agricultural Economics Society, 1985**.
98. **An Examination of Alternative Marketing Structures — a literature search**, D.E. Fowler, R.L. Sheppard, S.A. Hughes, 1985.
99. **Farm Structure Change in New Zealand and Implications for Policy**, J.R. Fairweather, 1986.
100. **Accounting Developments and Implications for Farm Business**, R.H. Juchau, 1986.
101. **Maori Fishing Rights in New Zealand: an Economic Perspective**, R.A. Sandrey, 1986.
102. **Government's Role in Adverse Events Assistance**, T.E. Dickinson, R.A. Sandrey, 1986.
103. **The Treatment of Taxation in Capital Investment Appraisal**, N.T. Williams, 1986.
104. **Farmlands Grain (N.Z.) Society Ltd — A Marketing Audit 1980-84**, R.G. Lattimore, 1986. (not available)
105. **Proceedings of the New Zealand Rural Economy and Society Study Group Seminar**, J.R. Fairweather (ed.), October 1986.
106. **Papers presented at the Eleventh Annual Conference of the New Zealand Branch of the Australian Agricultural Economics Society, Blenheim**. Volume 1 and 2. December 1986.
107. **Gorse and Goats: Considerations for Biological Control of Gorse**, R.A. Sandrey, January 1987.
108. **Red Deer: The Economic Valuation**, R.A. Sandrey, January 1987.
109. **Rural New Zealand; what next?** Ralph Lattimore and Tim Wallace (eds.), July 1987.
110. **Dairying in Japan and the Benefits of Adopting New Zealand Pasture Grazing Techniques**, R.G. Moffitt, April 1987.
111. **Selling New Zealand Products in Japan**, R.G. Moffitt, July 1987.

*Additional copies of Research Reports, apart from complimentary copies, are available at \$20.00 each. Discussion Papers are usually \$15.00 but copies of Conference Proceedings (which are usually published as Discussion Papers) are \$20.00. Discussion Paper No. 106 is \$20.00 per volume and Discussion Paper No. 109 is \$29.70.*