

# 12. Ceramic and Porcelain Tableware

## 1. Definition of Category

This category encompasses ceramic and porcelain tableware and kitchenware.

HS Numbers	Commodity
6911.10	Porcelain tableware, kitchenware
6912.00	Ceramic tableware, kitchenware

Notes: "Porcelain" refers to tableware with thin, translucent, non-absorbent surfaces fired at temperatures 1,300 -1,500°C. "Ceramic" refers to ceramic, stoneware, and semi-porcelain tableware.

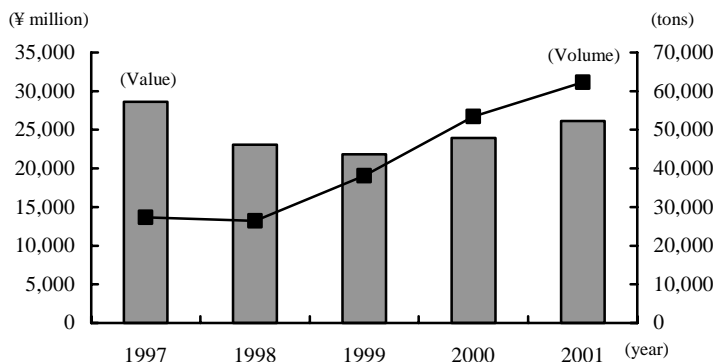
## 2. Import Trends

### (1) Recent Trends in Ceramic and Porcelain Tableware Imports

Imports of both ceramic and porcelain tableware topped previous year levels in 2001 on both a volume and value basis, as imports continue a pattern of steady growth. Porcelain tableware imports totaled 16,484 tons, compared to 45,800 tons of ceramic tableware, as the latter enjoyed substantial growth, nearly all due to increased imports from China.

Earlier, the growth in imports was supported mainly by 1) increasingly westernized personal lifestyles in Japan, 2) increased personal incomes, which stimulated demand for upscale products, 3) Japanese consumer preference for name brand products, and 4) the rapid appreciation of the yen. But, recent growth in imports of ceramics and porcelain tableware was actually supported by increased "development imports" from Asia. Compared with 1997 levels, 2001 imports of porcelain tableware have grown by 170% while imports of ceramic tableware have grown by 260% on a volume basis. On a value basis, porcelain tableware imports have increased by 80%, while ceramic tableware imports have increased by 120%. This reflects the sizable volume increase in imports of low-priced products.

**Fig. 1 Japan's ceramic and porcelain tableware imports**



	1997		1998		1999		2000		2001	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Porcelain tableware, kitchenware	9,422	20,624	7,167	16,233	10,751	15,349	15,607	16,430	16,484	16,581
Ceramic tableware, kitchenware	17,957	7,996	19,306	6,818	27,284	6,469	37,829	7,484	45,800	9,530
<b>TOTAL</b>	<b>27,379</b>	<b>28,620</b>	<b>26,472</b>	<b>23,050</b>	<b>38,035</b>	<b>21,817</b>	<b>53,436</b>	<b>23,914</b>	<b>62,284</b>	<b>26,111</b>

Units: tons, ¥ million

Source: Japan Exports and Imports

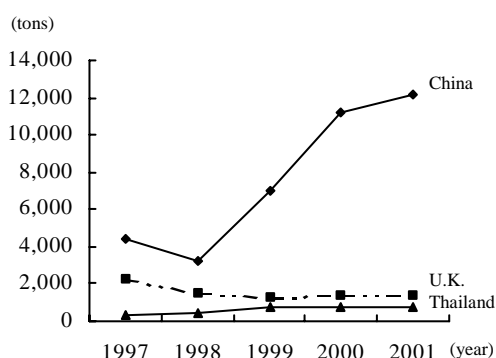
### (2) Imports by Place of Origin

#### <Porcelain tableware>

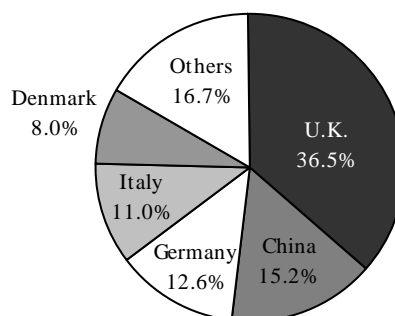
The porcelain tableware market is polarized between high-end products from EU nations and inexpensive products from China. The United Kingdom continues to hold the lead on a value basis with a 36.5% share, followed by Germany (12.6%) and Italy (11.0%). Collectively, EU nations account for 74.7% of Japan's imports on a value basis. In contrast, on a volume basis, China has posted astonishing gains, as its exports of porcelain tableware to Japan more than tripled between 1998 and 2001, soaring from 3,178 tons to 12,212 tons. Moreover, even on a value basis China managed to climb past Germany into second place in the rankings (with a share of 15.2%).

**Fig. 2 Principal exporters of porcelain tableware to Japan**

**Trends in import volume by leading exporters**



**Shares of porcelain tableware imports in 2001 (value basis)**



	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value	Volume	Value
China	4,383	3,178	6,952	11,239	1,910	12,212	74.1%	2,525	15.2%
U.K.	2,233	1,559	1,344	1,449	6,683	1,413	8.6%	6,045	36.5%
Thailand	332	454	739	742	325	722	4.4%	329	2.0%
Italy	532	416	465	516	1,443	546	3.3%	1,822	11.0%
Germany	307	234	241	344	2,101	350	2.1%	2,097	12.6%
Other	1,635	1,326	1,010	1,316	3,967	1,241	7.5%	3,763	22.7%
<b>TOTAL</b>	<b>9,422</b>	<b>7,167</b>	<b>10,751</b>	<b>15,607</b>	<b>16,430</b>	<b>16,484</b>	<b>100.0%</b>	<b>16,581</b>	<b>100.0%</b>
(E U)	3,676	2,685	2,470	2,789	12,864	2,747	16.7%	12,393	74.7%

Units: tons, ¥ million

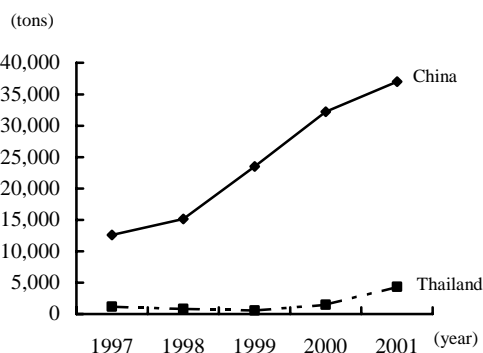
Source: Japan Exports and Imports

**<Ceramic tableware>**

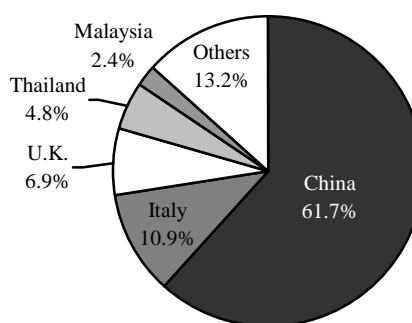
This same pattern is even more apparent in ceramic tableware. Development imports from China have grown dramatically. China's exports of ceramic tableware to Japan nearly tripled from 12,603 tons to 36,995 tons between 1997 and 2001, giving China an import share of 80.8% on a volume basis, and 61.7% on a value basis. In 2001 imports from Italy showed the highest growth, from 1,495 tons to 4,347 tons, aided partially by the "Italy in Japan 2001" project that sponsored events all across the country.

**Fig. 3 Principal exporters of ceramic tableware to Japan**

**Trends in import volume by leading exporters**



**Shares of ceramic tableware imports in 2001 (value basis)**



	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value	Volume	Value
China	12,603	15,180	23,480	32,246	4,488	36,995	80.8%	5,875	61.7%
Italy	1,165	825	551	1,495	479	4,347	9.5%	1,040	10.9%
Thailand	801	859	1,018	1,556	403	1,542	3.4%	461	4.8%
Malaysia	300	393	557	686	209	734	1.6%	232	2.4%
U.K.	1,128	610	430	411	691	342	0.7%	660	6.9%
Other	1,959	1,440	1,247	1,436	1,214	1,840	4.0%	1,261	13.2%
<b>TOTAL</b>	<b>17,957</b>	<b>19,306</b>	<b>27,284</b>	<b>37,829</b>	<b>7,484</b>	<b>45,800</b>	<b>100.0%</b>	<b>9,530</b>	<b>100.0%</b>
(E U)	3,068	1,993	1,442	2,485	1,858	5,334	11.6%	2,343	24.6%

Units: tons, ¥ million

Source: Japan Exports and Imports

### (3) Imports' Market Share in Japan

The share of imports in the market for ceramic and porcelain tableware and kitchenware has been rising, reaching 23.4% in 2000. As Japanese style tableware accounts for about 70% of total domestic production, imports' share in the western tableware category is estimated to have risen above 50%.

**Fig. 4 Imports' share in the Japanese market**

	1996	1997	1998	1999	2000
Domestic production	295,548	279,532	245,966	222,070	196,187
Imports	26,689	27,379	26,472	38,035	53,436
Exports	28,867	29,470	28,722	23,462	21,542
Market total	293,370	277,441	243,716	236,643	228,081
Imports' share	9.0%	9.7%	10.7%	18.3%	23.4%

Unit: tons

Source: Yearbook of Miscellaneous Goods Statistics, Japan Exports and Imports

## 3. Key Considerations related to Importing

### (1) Regulations and Procedural Requirements at the Time of Importation

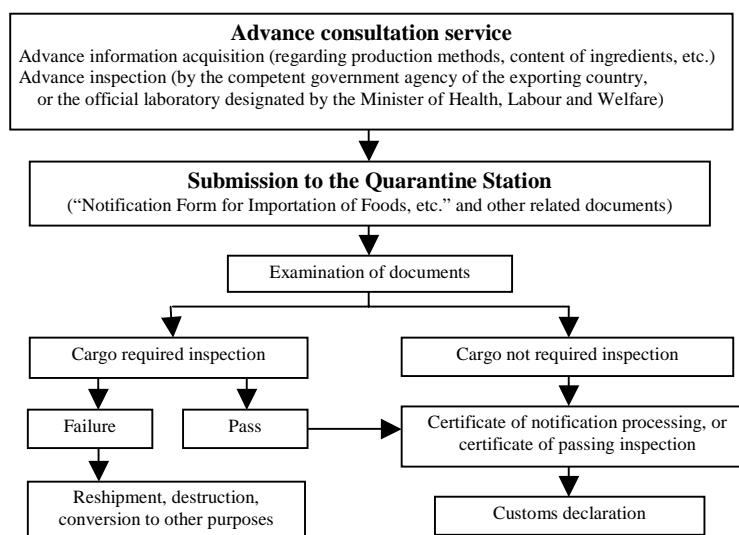
Provisions of the Food Sanitation Law apply to the importation of ceramic and porcelain tableware.

#### 1) Food Sanitation Law

Under provisions of the Food Sanitation Law, importation of apparatus and container-packages that pose a potential threat to the human health is prohibited. An import notification is required for ceramic and porcelain tableware being imported for the purpose of sale or for other commercial purposes. Importers are required to submit the completed "Notification Form for Importation of Foods, etc." to the Quarantine Station at the port of entry. Ceramic and porcelain tableware is subject to lead and cadmium leaching standards. A determination is made based on the document examination whether or not an inspection at the bonded area is required.

Prior to importing, the importer may take a sample of forthcoming imports to official laboratories designated by the Minister of Health, Labour and Welfare in Japan or in exporting countries. Those test results may be substituted for the corresponding inspection at the port of entry, which expedites the quarantine clearance process.

**Fig. 5 Administrative Procedures Required by the Food Sanitation Law**



### (2) Regulations and Procedural Requirements at the Time of Sale

The sale of ceramic and porcelain tableware is subject to provisions of the Food Sanitation Law.

#### 1) Food Sanitation Law

The Food Sanitation Law prohibits sale of apparatus and container-packages that pose a potential threat to the human health. Ceramic and porcelain tableware is subject to lead and cadmium leaching standards. Distribution stage is also subject to oversight and guidance by food sanitation inspectors from local government health centers.

### (3) Competent Agencies

- Food Sanitation Law  
Policy Planning Division, Department of Food Sanitation, Pharmaceutical and Medical Safety Bureau,  
Ministry of Health, Labour and Welfare

TEL: 03-5253-1111

<http://www.mhlw.go.jp>

## 4. Labeling

### (1) Legally Required Labeling

There is no legally required labeling for ceramic and porcelain tableware.

### (2) Voluntary Labeling based on Provisions of Law

#### 1) Industrial Standardization Law (JIS Law)

Heat-resistant ceramic or porcelain ware for use with an open flame manufactured at approved overseas production facilities in accordance with quality and performance standards may display the JIS Mark set by Japanese Standards Association

JIS Mark



- Japanese Standards Association

TEL: 03-3583-8005

<http://www.jsa.or.jp>

### (3) Voluntary Industry Labeling

#### 1) Ceramic Ware Safety Mark

The Ceramic Ware Safety Mark Supervisory Committee of the Japan Pottery Manufacturers' Federation authorizes the display of the Ceramic Ware Safety Mark on the label or packaging (for items sold by the box) of all products that are certified compliant with all legal regulations according to testing procedures set forth in the Food Sanitation Law.

Ceramic Ware Safety Mark



- Japan Pottery Manufacturers' Federation

TEL: 052-935-7231

## 5. Taxes

### (1) Customs Duties

Following table presents customs duties on ceramic and porcelain tableware.

**Fig. 6 Customs duties on ceramic and porcelain tableware**

HS No.	Description	Rate of Duty (%)			
		General	WTO	Preferential	Temporary
6911.1	Tableware, kitchenware of porcelain or china	3.4%	2.3%	Free	
6912	Ceramic tableware, kitchen ware and other household articles	3.4%	2.3%	Free	

Note: Refer to "Customs Tariff Schedules of Japan" (published by Japan Tariff Association) etc. for interpretation of tariff table.

### (2) Consumption Tax

(CIF + Customs duties) x 5%

## 6. Product Characteristics

### (1) Classification by Production Method

Every kiln produces ceramic ware with certain unique characteristics. However, the following broad generalizations can be made about ceramic and porcelain tableware from different parts of the world.

#### 1) European products

European products are known for their excellence of quality and design, and are sold mainly as luxury goods at department stores and specialty stores. Most European-made tableware consists of well-known brand name products. Japanese consumers generally favor cup-and saucer sets and seven-inch cake plates, which are already well accepted as part of Japanese life styles, over more expensive place settings (usually sold as settings for six).

- U.K.

The United Kingdom is the leading producer of high-quality bone china and other fine dinnerware. Its two best-known brands of fine china are favorites among Japanese consumers, and together account for roughly half of all imported china sales.

The United Kingdom also exports semi-porcelain ware, stoneware, and ornamental relief jasper ware (featuring white relief patterns laid over blue or green stoneware).

- Italy

Italy has a number of well-known makers of fine china. Especially popular are the uniquely Italian designs of the Majolica porcelain from the smaller manufacturers in Franca.

- Denmark

Most European makers of fine dinnerware have close ties to royalty. Danish handmade china is also popular for the high quality of its workmanship.

- Germany

Like Japan, Germany is noted for high technical skill in the production of white porcelain dinnerware. Its exports include a number of excellent new products known for their modern styling. Bavarian china is another popular German export. In addition, Meissen tableware from former East Germany is quite popular among collectors.

- France

Blue porcelain from the Limoges region of France is very well known. French exports are noted for their European aristocratic styling.

- Other European countries

Other European exports include fine china from Hungary and Austria and ceramic tableware from Spain. Tradition blue, white, and blue-white Chinese ceramics command very high prices.

## 2) Asian products

On the other hand, most imports from other Southeast Asian countries/areas tend to be inexpensive, mass-produced goods. The market for hand-made tableware from these areas is expanding as producers benefit from technology sharing and training from Japan, and there is some consumer interest in ethnic craft-style from these countries/areas.

## 7. Domestic Distribution System and Business Practices

### (1) Domestic Market Conditions

The market has been stabilized at low levels. Due to the sluggish overall economic situation, expensive products do not sell well any longer. Demand in the corporate gift market is very weak. Sales in the bridal market are not strong. Few people purchase ceramic and porcelain products for their own use. In the segment of premium goods for sales promotion, there is no strength in demand for ceramic and porcelain products although there is sign of a slight recovery. Among design-conscious young consumers, products with casual designs have been gaining popularity. In particular, products, which are sold by the piece, are very popular. Some department stores sometimes hold fairs for imported ceramic and porcelain products that are very popular among consumers. Recent times in the gift market have seen in the form of combination gift sets that include several different kinds of products (such as ceramic ware with pasta), in place of traditional gift sets, which offered the same item in larger quantities.

### (2) Distribution Channels

Japanese-made tableware is usually distributed through wholesalers to retail outlets or to volume industrial users. Upscale imported brands are generally sold through authorized dealerships, although this is merely one of several possible channels for import distribution, as illustrated in the following figure.

#### 1) Authorized Dealer Distribution

A Japanese trading company or importer contracts either with the manufacturer or an authorized dealer agent to handle goods for distribution to retailers. Many department stores and large retailers also function as authorized dealers. A decade or so ago many overseas makers had no Japanese dealer agents, but nowadays most of the well-known brands are under contract to authorized dealers in Japan. Some manufacturers have established Japanese subsidiaries or sales offices in order to sell their products directly to department stores and other large retailers.

#### 2) Direct Imports

The overseas manufacturer or wholesale agent sells directly to department stores and other retail outlets in Japan.

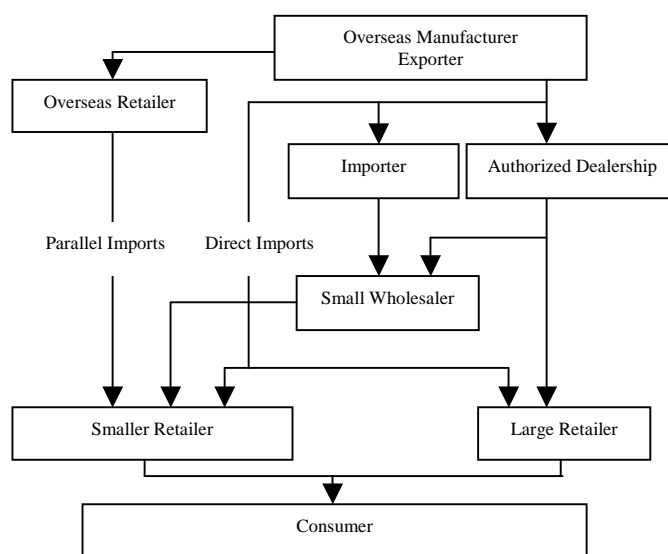
3) Trading Company

A specialized import trading company imports goods from manufacturers not under contract to an authorized dealer representative and distributes those goods mainly to wholesalers and retailers outside the major metropolitan areas.

4) Parallel Imports

As stated previously, products are purchased from wholesalers or retail outlets in Hong Kong, Singapore, or some other countries/areas and imported to Japan outside authorized dealer channels.

**Fig. 7 Distribution channels for ceramic and porcelain tableware**



**(3) Key Considerations for entering the Japanese Market**

The conventional view is that upscale European brands are well established in the Japanese market, that market opportunities for non-upscale brands are meager at best, and that it therefore is difficult to enter the Japanese tableware market. Japanese importers have actively sought to identify promising overseas brands, and most fine china makers already are under dealer contract.

**8. After-Sales Service**

Normally retail outlets simply replace any defective merchandise. Stocks can be replenished in the same manner for both single unit purchases or set purchases. Retail outlets will generally handle defective in the same manner as their competitors. However, if a particular item is out of stock in Japan and must be ordered to the place of manufacture, it may take some months before a replacement or stock replenishment can occur. In some cases stocks are replenished by Japanese subsidiaries, but manufacturers usually will not replace defective for products distributed through non-authorized dealer channels.

**9. Related Product Categories**

Glassware, wood products, processed resin products, enamel products and other similar products for dining room and kitchen use must also adhere to standards set forth in the Food Sanitation Law. Small ceramic statues and ornamental objects, as well as pots and bowls used for agricultural purposes, are not subject to any regulatory restrictions.

**10. Direct Imports by Individuals**

Individuals may directly import tableware in small quantities appropriate to personal use without being subject to regulations set forth in the Food Sanitation Law.

**11. Related Organization**

- Japan Pottery Manufacturers' Federation

TEL: 052-935-7231