

17. Fitness Equipment

1. Definition of Category

Cardiovascular and muscular strengthening equipment and other health promoting and strengthening devices used at sports clubs and other similar facilities.

HS Numbers	Commodity
9019.10	Mechano-therapy, massage, psychological aptitude-testing
9506.91	General physical exercise
9506.99	Other

Note: There are many different varieties of fitness equipment, ranging from simple health care devices used in the home to highly specialized equipment offered by health clubs. Because of this, this report uses original definition. But these HS Numbers include products not treated in this report. So statistics and graphs are not available.

2. Import Trends

(1) Recent Trends in Fitness Equipment Imports

Japanese trade statistics have no separate classification for fitness equipment. Therefore, it is impossible to get precise figures on imports. Japan only began importing fitness equipment about 30 years ago. This coincided with the first athletic boom in the early 1970s, and that was when Japan made its first imports of American-made Universal, Paramount and Nautilus equipment. The 1980s witnessed the advent of the second athletic boom, spurred on by increased leisure time, increased personal income, changing life styles and the popularity of aerobic exercising, especially among young women. During the 1990s, many fitness clubs scaled back on operations or closed down entirely, as recession caused a drop in membership enrollments (especially corporate memberships). Recent years have witnessed something of a rebound, as fitness clubs have been remodeled and redesigned as comprehensive entertainment facilities aimed particularly at health-conscious middle-aged and older adults.

(2) Imports by Place of Origin

According to industry observers, The United States has lead the markets in 1980s, but recently, imports from Germany, Italy, France, and the United Kingdom are increasing in terms of volume. In contrast, the Republic of Korea, Taiwan and China are far in the front when it comes to volume. Asia is supplying Japan with its lower priced equipment for home use, while the United States, Austria, Italy, and other western countries are supplying it with its higher end goods.

(3) Imports' Market Share in Japan

Domestic production is unknown, so it is difficult to calculate the share of imports. However, industry observers put the size of the market at ¥10 billion, with imports accounting for 70-80% of all sales. Demand for fitness club equipment has been down due to the effects of the chronic recession. But increased health-consciousness among consumers has increased their interest in fitness equipment, and imports of fitness equipment for home use have posted solid gains. The fitness club industry has been hit with a wave of consolidations, as larger companies absorb or merge with smaller firms. Leading fitness club companies are aggressively opening new club locations and trying to acquire other clubs.

3. Key Considerations related to Importing

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

There are no regulations that apply to the importation of most types of fitness equipment. However, the importation of vibrators (electric massagers) is subject to regulation under provisions of the Pharmaceutical Affairs Law.

1) Pharmaceutical Affairs Law

Importation of vibrators (electric massagers) is regulated as medical devices under provisions of the Pharmaceutical Affairs Law. Importers of medical devices in business must obtain an importer's license for each business office and import approval for each product category from the Minister of Health, Labour and Welfare.

<Importer's license>

Since vibrators are classified as medical devices, importers of vibrators in business must obtain an importer's license. Applications are submitted to the Minister of Health, Labour and Welfare via the pharmaceutical affairs division of the governor of the prefecture. Importers must meet physical facility qualifications for business office facilities as well as personal qualifications, etc.

<Product-specific approval>

Importers of vibrators as medical devices must obtain approval for each separate item (the product quality, effectiveness and safety are evaluated). Overseas manufacturers may apply for approval of manufacture. However, recipients of foreign manufacturer approval must station a domestic administrator in Japan capable of meeting requirements established by Ministerial Ordinance of the Ministry of Health, Labour and Welfare. Importers of products made by recipients of foreign manufacturer approval need not obtain separate approval to import those products.

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

The sale of vibrators (electric massagers) is subject to provisions of the Pharmaceutical Affairs and the Electrical Appliance and Material Safety Law. Any other device containing electrical components come under provisions of the Law.

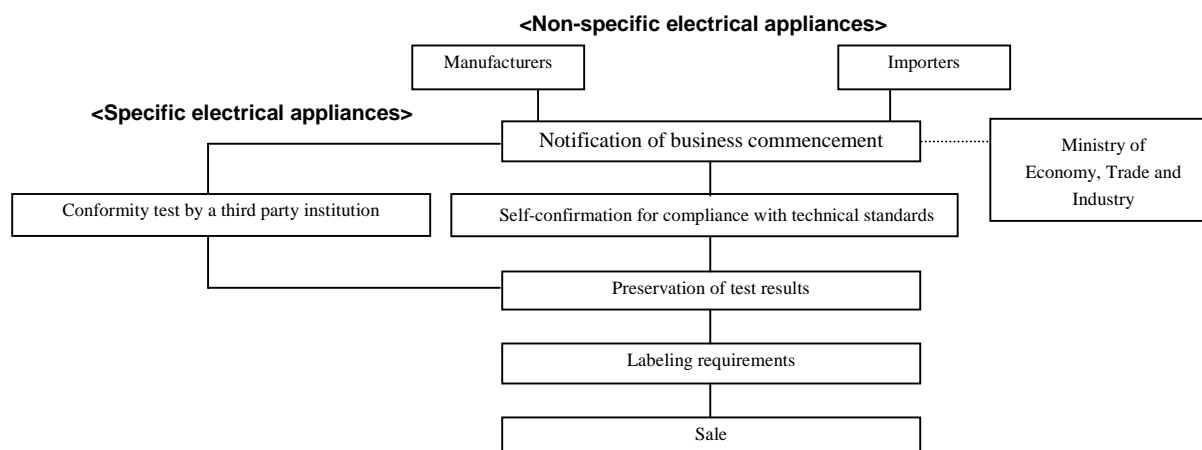
1) Pharmaceutical Affairs Law

In order to sell vibrators directly to consumers or to medical institutions, a pharmaceutical dealer's license must also be obtained. Applications for the dealer's license are submitted to the governor of the prefecture with jurisdiction for each place of business, via the pharmaceutical affairs division in the concerned prefecture.

2) Electrical Appliance and Material Safety Law

Under the revised Law, the manufacturer or importer shall undertake in-house testing, and be obligated to conform to technical standards through self-confirmation. Importer must notify the commencement of business by each type classification to the Director-General of the competent Bureau of Economy, Trade and Industry (or to the Minister of Economy, Trade and Industry, for importers with business sites in multiple areas) within 30 days of commencing import operations.

Fig. 1 Procedures required under the Electrical Appliance and Material Safety Law



1) Specific electrical appliances----- vibrators (electric massagers)

Specific electrical appliances are required to take a conformity test conducted by a third party institution certified or authorized by the Minister of Economy, Trade and Industry. Manufacturers overseas may have their products tested by an approved testing organization in their own countries. Also, when a specific electrical appliance with the same type classification is imported from the same manufacturer, it is only necessary to present a copy of the certificate of qualification. In other words, a new original certificate need not be obtained for each import shipment of the same item.

2) Electrical appliances other than “specific electrical appliances”

When importing an electrical appliance other than designated as “specific electrical appliance,” manufacturers or importers must confirm on their own that their products are compliant with technical standards (self certification), and must display required label items and PSE mark on the product.

(3) Competent Agencies

- **Pharmaceutical Affairs Law**
 General Affairs Division, Pharmaceutical and Medical Safety Bureau, Ministry of Health, Labour and Welfare (Pharmaceutical Affairs Law in general)
 Evaluation and Licensing Division, Pharmaceutical and Medical Safety Bureau, Ministry of Health, Labour and Welfare (Import approval procedures)
 TEL: 03-5253-1111 http://www.mhlw.go.jp
 Pharmaceutical affairs division, prefectural government
- **Electrical Appliance and Material Safety Law**
 Product Safety Division, Consumer Affairs Department, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry
 TEL: 03-3501-1511 http://www.meti.go.jp

4. Labeling

(1) Legally Required Labeling

1) Pharmaceutical Affairs Law

The Law requires that medical devices be labeled with the name of the importer, the approval (or permit) number, and other information and requires that labeling not be misleading.

2) Electrical Appliance and Material Safety Law

Products covered by the Electrical Appliance and Material Safety Law must be labeled with rated voltage, power consumption, frequency, name of the manufacturer, and PSE mark. In the case of specific electrical appliances, abbreviated name of testing organization that issued compliance certificate must be indicated.

**PSE Mark
(Specific electrical
appliance)**



**PSE Mark
(Non-specific elec-
trical appliance)**



Example labeling for vibrators

Name of type	
Rated voltage	100V
Rated power consumption	42/48W
Rate of frequency	50/60Hz
Testing organization	xxx
Manufacturer name	XYZ Co., Ltd.

(2) Voluntary Labeling based on Provisions of Law

There is no voluntary labeling based on provisions of law for fitness equipment.

(3) Labeling based on Voluntary Industry Standards

<Safety Certification Mark (S Mark)>

Third party certification organizations commissioned by the government, the Japan Electrical Safety & Environment Technology Laboratories (JET) and the Japan Quality Assurance Organization (JQA) conduct safety test on the individual products and check the quality control systems of the factories. Products conformed to be safe may be labeled with the following safety certification marks. Safety certification marks are combinations of the logo marks of the certification organizations with the common certification mark of the Steering Council of Safety Certification for Electrical and Electronic Components and Material of Japan (SCEA).

- Japan Electrical Safety & Environment Technology Laboratories (JET)
 TEL: 03-3466-5145 http://www.jet.or.jp
- Japan Quality Assurance Organization (JQA)
 TEL: 03-3583-9001 http://www.jqa.jp



5. Taxes

(1) Customs Duties

Custom duties on fitness equipment are free.

(2) Consumption Tax

CIF x 5%

6. Product Characteristics

Fitness equipment may be broadly classified into the following categories: (1) cardiovascular strengthening equipment, (2) stretching equipment, (3) muscle strengthening and training equipment, and (4) relaxation equipment. There are no significant differences in quality or features between fitness equipment from different countries. Because imported fitness equipment involves considerable distribution and maintenance costs, and because there are intangible forms of added value, equipment usually sells for double, and sometimes as much as triple, its retail price in the home country market. About 80% of all fitness equipment imported into Japan today consists of stacked weight resistance machines. Although resistance transfer machines and differential resistance machines are also available, mainstream equipment is designed to accommodate typical human bone and muscle structures and body types.

<Cardiovascular strengthening equipment>

These types of equipment are designed to elevate the heartbeat to a certain rate and maintain that rate for some period of time. Ergometers and running machines are effective both for cardiovascular training and for leg muscle strengthening. Stair-climber machines and stepper machines have become popular in the United States of late as a means of developing a balanced overall body profile and developing the upper body muscles. These products are now being imported into Japan as well.

- Ergometers (stationary bicycles)
- Running machines
- Stair-climber machines
- Rowing machines (stationary boats)
- Stepper machines (up and down motion)

<Stretching equipment>

These types of equipment are designed to stretch the muscles of the body after a warm-up routine on cardio-vascular equipment is complete. Stretching increases body flexibility and often improves problems with lower back pain.

- Benches
- Stretching machines

<Muscle strengthening equipment>

Weight resistance equipment is designed to provide more muscle or muscle group specific training with less risk of over exertion than is the case with dumbbells and barbells. Different machines are available for training the major muscle groups of the limbs and the midsection and for training the small muscle groups. Resistance comes from a stack of weights, oil pressure, air pressure or magnetic resistance.

- Weight machines
- Free weights (dumbbells, barbells)

<Relaxation equipment>

Massagers are designed to help the muscles cool down and relax after training. Meditation machines seek to bring mental tranquility through use of pleasant sounds, vibrations, light or fragrances. Toning machines provide a kind of passive training in which the equipment automatically moves user's own hands, legs and hips while in a reclining position. Because each piece of equipment provides specific training functions for a particular muscle or muscle group, a complete set of training equipment generally includes anywhere from 10 to 20 pieces of equipment. Sometimes equipment is designed with special features for men or women, for different strength levels or different levels of proficiency. Sometimes equipment even has distinctive styling or color combinations.

- Massagers
- Meditation machines
- Toning machines

7. Domestic Distribution System and Business Practices

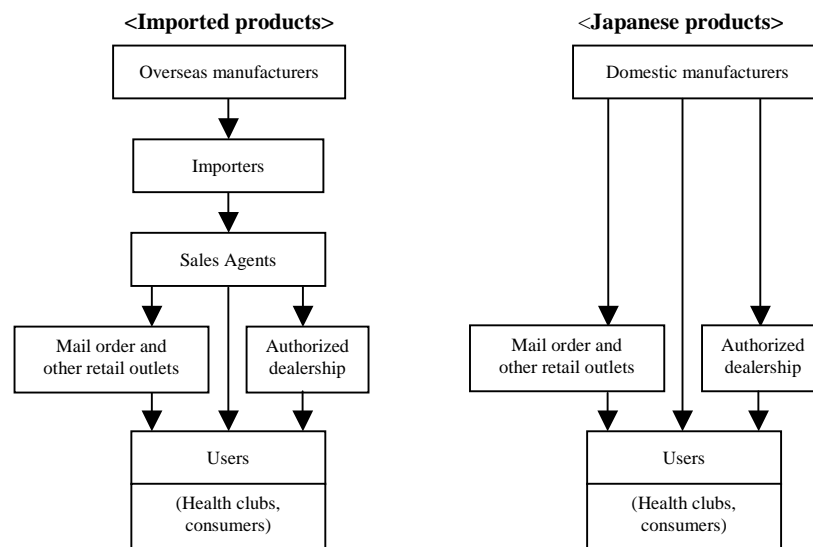
(1) Domestic Market Conditions

The number of members of fitness clubs that are a main market for fitness equipment has been declining in the past five years. Some fitness clubs are now trying to increase the number of members by offering free registration fee for new members, or by lowering membership fees. Some fitness clubs have been forced to close. On the other hand, some leading fitness club chains have recently began opening new outlets. The scrapping and rebuilding of fitness clubs has progressed in recent years. According to the Leisure White Paper, the size of the fitness club market in 2000 totaled some ¥303.0 billion (up 1.3% from a year earlier). There was little sales growth among existing clubs, but there was sizable growth at new fitness clubs, which registered growth in both membership and actual users. Increases were especially prominent among older adults and middle-aged women. The popularity of group exercise programs boosted demand for fitness equipment, prompted expansions in exercise studios, and spurred construction of more locker room facilities and relaxation spaces. According to the 2001 Specific Service Industries Survey published by the Ministry of Economy, Trade and Industry, most fitness clubs expect sales increases in 2002 and thereafter. Remarkable growth can also be seen in new projects by local communities to construct health centers or sports centers that include swimming pools, fitness equipment and communal baths. Privately run health clubs are now introducing new programs such as dumbbell exercises or group cycling programs.

(2) Distribution Channels

Most fitness equipment is sold direct by the manufacturer or an exclusive agent of the manufacturer. Purchasers almost never buy only a single piece of fitness equipment. It is far more common to acquire a 30-piece system with 20 different types of equipment. Importers and retailers often provide advice about equipment selection, physical layout and wiring as well as providing training in use of the equipment. Sometimes they will even bring in outside planning, consulting or management firms to assist with equipment acquisition and club operations. Running machines, household massagers designed for household use are usually sold through sporting goods stores or mail order companies.

Fig. 2 Distribution channels for fitness equipment



(3) Key Considerations for entering the Japanese Market

Importers need to be able to provide their customers with information they need to operate the equipment safely, such as whether or not the weights are covered, how to use weight adjustment pins safely, how strong cables are and how to perform simple maintenance. They also need to maintain adequate inventories of cables and other parts that need periodic replacement. Also, since the health clubs who comprise most of the customer base are in the business of providing a service, manufacturers need to be in position to respond quickly to any equipment breakdowns. Manufacturers who can establish a nationwide service network are better positioned, therefore, to gain market share.

8. After-Sales Service

The sole import agent, who generally has an exclusive sales contract for all of Japan, usually provides after-sales service. Such an arrangement is indispensable to remain competitive with Japanese products and with other imports.

9. Related Product Categories

Health care products such as sphygmomanometers are subject to provisions of the Measurement Law, and, massagers and other personal care products are subject to provisions of the Pharmaceutical Affairs Law and the Electrical Appliance and Material Safety Law.

10. Direct Imports by Individuals

There are no legal restrictions on direct imports by individuals. However, anyone considering such a step would do well to consider the high shipping costs involved in transporting heavy equipment, as well as the need for setup, adjustment and maintenance.

11. Related Organizations

- Fitness Industry Association of Japan TEL: 03-3237-5318 <http://www.alles.or.jp/~fitness>