

# 12. Ski Equipment

## 1. Definition of Category

Skis, ski boots, ski boot bindings and ski poles (Ski binding are used to fasten boots to skis).

### HS Numbers

9506.11  
6401.10-010, 92-010, 6402.12-010, 6403.12-010, 12-090  
9506.12  
9506.19

### Commodity

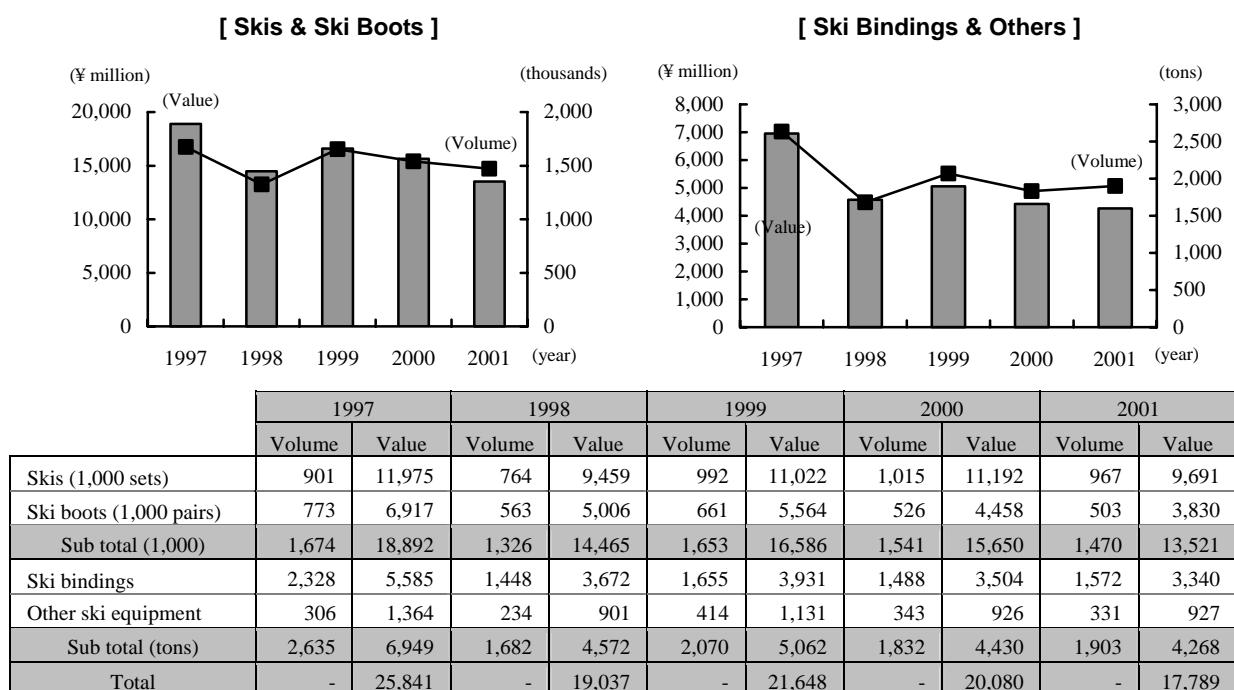
Ski  
Ski boots  
Ski bindings  
Other ski equipment

## 2. Import Trends

### (1) Recent Trends in Ski Equipment Imports

The two leading categories of imported sporting goods are ski equipment and golf equipment. Until around 1990, ski equipment imports rose by large margins both in volume and value, reflecting the new leisure time and steady growth of the economy. Imports of ski equipment plummeted in 1991, and since then have fluctuated up and down. 2001 marked the second straight year of import decline, ending the year at ¥17.8 billion (down 11.4% from the year before. The drop was larger on a value than a volume basis for skis and ski boots, although import volume also declined despite lower prices.

Fig. 1 Japan's ski equipment imports



Units: 1,000 sets/pairs, tons, ¥ million

Source: Japan Exports and Imports

### (2) Imports by Place of Origin

#### 1) Skis

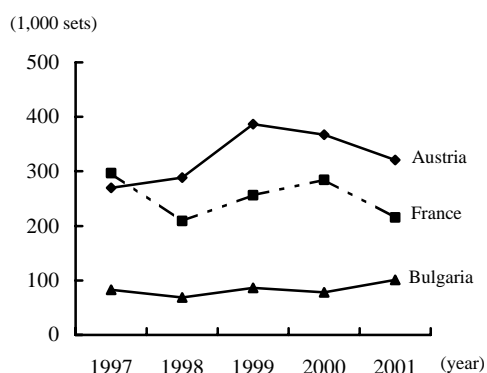
The leading exporters of skis to Japan are Austria (33.2%) and France (22.3%). Together these nations accounted for 70.6% of Japan's imports in 2001 on a value basis. However, both saw their exports decline. The drop was especially severe for France, whose exports include a number of higher-priced brands. Import growth occurred in lower-priced goods from Bulgaria, China and Slovenia. (see Fig. 2)

#### 2) Ski Boots

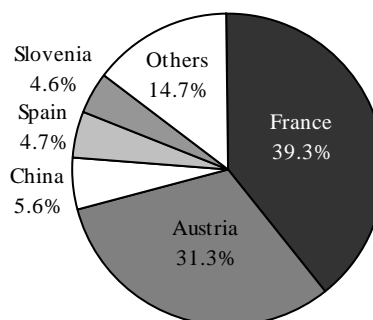
The top country of origin in recent years has been Italy. In 2001 Italy held the lead in ski boot import share on a value basis with 40.7%, and with 49.3% on a volume basis. In recent years, China and Romania have posted rapid gains in their exports of ski boots to Japan. (see Fig. 3)

**Fig. 2 Principal exporters of skis to Japan**

**Trends in import volume by leading exporters**



**Shares of ski imports in 2001 (value basis)**



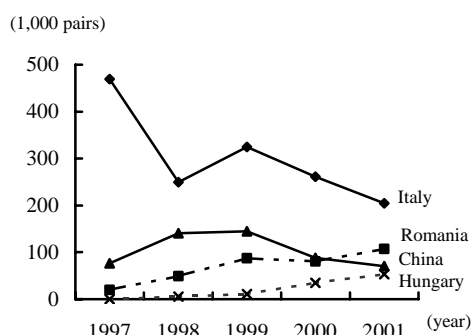
	1997	1998	1999	2000		2001			
	Volume	Value	Volume	Value	Volume	Value	Volume		
Austria	270	289	386	367	3,290	321	33.2%	3,029	31.3%
France	297	209	256	284	5,350	216	22.3%	3,804	39.3%
Bulgaria	83	69	86	78	248	101	10.4%	347	3.6%
China	17	37	31	43	257	99	10.2%	540	5.6%
Slovenia	70	58	89	61	402	68	7.0%	441	4.6%
Others	164	102	143	181	1,645	163	16.8%	1,530	15.8%
<b>TOTAL</b>	<b>901</b>	<b>764</b>	<b>992</b>	<b>1,015</b>	<b>11,192</b>	<b>967</b>	<b>100.0%</b>	<b>9,691</b>	<b>100.0%</b>
(E U)	644	561	717	762	9,691	612	63.3%	7,678	79.2%

Units: 1,000 pairs, ¥ million

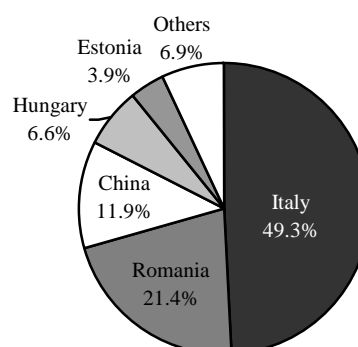
Source: Japan Exports and Imports

**Fig. 3 Principal exporters of ski boots to Japan**

**Trends in import volume by leading exporters**



**Shares of ski boot imports in 2001 (value basis)**



	1997	1998	1999	2000		2001			
	Volume	Value	Volume	Value	Volume	Value	Volume		
Italy	469	250	324	261	2,602	205	40.7%	1,887	49.3%
Romania	20	49	87	81	771	107	21.2%	820	21.4%
China	76	141	145	88	427	70	14.0%	457	11.9%
Hungary	0	5	11	35	215	53	10.6%	254	6.6%
Estonia	36	26	34	33	251	26	5.3%	148	3.9%
Others	172	91	60	29	192	41	8.1%	265	6.9%
<b>TOTAL</b>	<b>773</b>	<b>563</b>	<b>661</b>	<b>526</b>	<b>4,458</b>	<b>503</b>	<b>100.0%</b>	<b>3,830</b>	<b>100.0%</b>
(E U)	535	273	335	275	2,722	219	43.5%	2,043	53.4%

Units: 1,000 pairs, ¥ million

Source: Japan Exports and Imports

### 3) Ski Bindings and Other Ski Equipment

As same with skis, the leading exporters of ski bindings to Japan are France (53.3%) and Austria (28.4%). Together these nations accounted for 81.7% of Japan's imports in 2001 on a volume basis. On the other hand, other ski equipment mainly came from Taiwan (30.3%), China (19.9%), and Italy (10.2%).

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

Imported skis are believed to have an increasing share in the Japanese market due to the retreat by some Japanese ski manufacturers from production. Ski purchasing tends to be strongly driven by brand name preference, and imports owe much of their success to high levels of brand awareness. In ski boots, the leading Japanese brands have almost one-fourth of the market. Imports have a smaller share of the domestic market than skis, about 40%. In ski bindings, the world's three most famous brands (Solomon, Tyrolia and Marker) are also highly popular in Japan, and imports as a whole are believed to have almost 80% of the Japanese market. Imports have only a relatively small share of the market in other ski equipment, however, since there are many Japanese makers and also a considerable amount of manufacturing of foreign name brands in Japan under license.

## 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 ski equipment.

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

The sale of skis, ski boots and ski bindings is subject to provisions of the Act Against Unjustifiable Premiums and Misleading Representations. In addition, containers and packaging may be subject to provisions of the Containers and Packaging Recycling Law and the Law for Promotion of Effective Utilization of Resources. For more detailed information about the subject, scope, labeling method, etc., please consult the competent government agencies listed below.

#### 1) Act Against Unjustifiable Premiums and Misleading Representations

##### <Fair Competition Code Concerning Representations of Sporting Goods>

The Fair Trade Conference of Sporting Goods has voluntarily adopted labeling guideline in order to assure consumer product choice availability and preserve fair competition, based on the Act Against Unjustifiable Premiums and Misleading Representations. This applies to several types of ski equipment (including skis, ski boots, ski bindings and poles). The Code defines specific items of information that must appear in catalog listings, on sporting goods products themselves, on product packaging, in user manuals and in leaflets. This has compulsory force with respect to members. (see 4. Labeling)

### (3) Competent Agencies

- Act Against Unjustifiable Premiums and Misleading Representations (Fair Competition Code)  
Consumer Related Trade Division, Trade Practices Department, Fair Trade Commission of Japan

TEL: 03-3581-5471

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

- Containers and Packaging Recycling Law / Law for Promotion of Effective Utilization of Resources  
Recycling Promotion Division, Industrial Science and Technology Policy and Environment Bureau,  
Ministry of Economy, Trade and Industry

TEL: 03-3501-1511

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

Recycling Promotion Division, Waste Management and Recycling Department, Ministry of the Environment

TEL: 03-3581-3351

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

## 4. Labeling

### (1) Legally Required Labeling

There is no legally required labeling. But under the Law for Promotion of Effective Utilization of Resources, when paper or plastic is used as a packaging material for wrapping of individual product items, or for labels, tags, external packaging or elsewhere, a material identifier mark must be displayed with information where the material is used.

< Example >



External packaging



Tag

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

#### 1) JIS Mark

The Japan Industrial Standards Institute (JIS) has established industrial product standards based on the Industrial Standardization Law (JIS Law). Manufacturers may display the JIS Mark on the labels of products made in approved factories with the approval of the competent Minister. This applies to skis.

JIS Mark



Contacts:

- Japanese Standards Association      TEL: 03-3583-8005      <http://www.jsa.or.jp>

### (3) Voluntary Industry Labeling

#### 1) SG Mark

Skis, ski bindings and ski boots are covered by SG Mark system. Products that comply with safety criteria established by the Consumer Product Safety Association are eligible to display the SG (Safety Goods) Mark. When consumers are injured during the use of a SG-approved product, each injured party is eligible to receive up to ¥100 million in damages. The guarantee is only valid, however, for personal injuries.



There are two methods for obtaining compliance certification: the lot inspection method, under which a test facility performs compliance testing on behalf of the Association, or the type approval system, under which Association approval is granted to registered factories. Lot inspection and factory registration may both be conducted abroad.

Contacts:

- Consumer Product Safety Association      TEL: 03-5255-3631      <http://www.sg-mark.org>

#### 2) Fair Competition Code Concerning Representations of Sporting Goods

The Fair Trade Conference of Sporting Goods, which covers five sporting goods related trade organizations, defines the following labeling items which apply to the manufacture and sale of sporting goods. These are voluntary regulations for the sporting goods industry that apply to member companies of the Conference. While they are not legally binding on non-members, when the law is enforced they are considered equivalent to the Fair Competition Code, the legal effect of which often extends to non-members.

Contacts:

- The Fair Trade Conference of Sporting Goods      TEL: 03-3219-2531

**Fig. 4 Required label items for sporting goods**

Required items	Requirements for makers or importers			Requirements for retailers	
	Catalogue	Products	Instruction manual	Products at storefront	Flyers
1. Manufacturer name and trademark	O	O		O	O
2. Product and model name	O	O	O	O	O
3. Materials	O	O		O	
4. Dimensions or specifications	O	O		O	
5. Country of origin	O	O		O	
6. Description of accessories	O		O	O	O
7. Usage warning (only when required)	O		O		
8. Company name and address	O		O + Tel No.		O
9. Date of issuance	O				
10. Contacts for after-sales service and customer inquiries	O		O		
11. Retail price				O	O
12. Processing cost (only when required)				O	O
13. Sales quantity or sales term limitation, if applicable					O
14. Other items as required by regulation	O	O		O	

Source: The Fair Trade Conference of Sporting Goods

### 3) Industry Voluntary Labeling Practices

Size labeling generally follows the conventions described below:

#### <Skis>

Most skis have their length listed in centimeters on the sides. However, there is no unified definition for the start and end point of length measurement. In practice there sometimes are slight differences in actual length between skis of the same listed length from different manufacturers. Some manufacturers and importer agents include product codes and country of origin listings in product labeling.

**<Ski Boots>**

Most ski boot labeling includes sole size and country of origin listings. Different manufacturers use different sole size labeling conventions. Some list sizes in centimeters, but there are also separate American, European and British systems of size labeling in common use<sup>(Note 1)</sup>. Italy imports the largest number of ski boots to Japan, and Italian boots usually are labeled in centimeters. French boot makers, on the other hand, use their own labeling system<sup>(Note 2)</sup>. Manufacturers who design and build boots specifically for typical Japanese foot sizes and shapes usually list the sizes in centimeters. Almost all retail stores have conversion charts for different size labeling systems.

*Note 1: A 24 cm boot would be a size 6-6 1/2 in the American system, a size 4 1/2-5 in the British system and a size 38 in the European system.*

*Note 2: This system also lists boot width and length from ankle to heel along with boot length.*

**<Ski Poles>**

Most purchasers choose poles that are proportionate to their body size, and most are labeled in centimeters.

**5. Taxes****(1) Customs Duties**

Following table presents customs duties on ski equipment.

**Fig. 5 Customs duties on ski equipment**

HS No.	Description	Rate of Duty (%)			
		General	WTO	Preferential	Temporary
6401	Waterproof footwear				
6401.1	1. Incorporating a protective metal toe-cap				
-010	(1) Ski-boots	27%	(27%)		
	Other Footwear				
6401.92	2. Covering the ankle but not covering the knee				
-010	(1) Ski-boots	27%	(27%)		
6402	Other footwear with outer soles and uppers of rubber or plastics:				
6402.12	1. Sports footwear:				
-010	(1) Ski-boots	27%	(27%)		
6403	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather:				
6403.12	1. Sports footwear:				
-010	(1) Ski-boots and snowboard boots	27%	(27%)	*Free	
-090	With outer soles of rubber, leather or composition leather	30%	(30%)	*Free	
9506	Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table-tennis) or outdoor games, not specified or included elsewhere in this Chapter; swimming pools and paddling pools:				
	Snow-skis and other Snow-ski equipment:				
11 -000	1. Skis	Free	(Free)		
12 -000	2. Ski-fastenings (ski-bindings)	Free	(Free)		
19 -000	3. Other ski equipment	Free	(Free)		

*Note 1: “\*Free” in Preferential Rate is applicable only for Least Less Developed Countries.*

*Note 2: Refer to “Customs Tariff Schedules of Japan” (published by Japan Tariff Association) etc. for interpretation of tariff table.*

**(2) Consumption Tax**

$(\text{CIF} + \text{Customs duty}) \times 5\%$

**6. Product Characteristics**

Ski equipment is characterized by strong brand-name preferences. Average skiers tend to flock to equipment endorsed by Olympic champion skiers. In a sense, then, ski equipment may be regarded as a kind of fashion accessory. Ski equipment is broadly divided according to the mode of use into Alpine and cross-country ski equipment. In Japan Alpine ski equipment accounts for the vast majority of sales.

There are 3-4 different levels of Alpine ski equipment according to the skill level of the user. For example, racing skis are designed to quality and performance standards enabling the skier to execute high-speed turns and power skiing maneuvers. Most models are available in 2-3 different colors, which makes it possible for the user to color coordinate the equipment with skiwear. Leading European and American equipment makers are keenly interested in the sizable Japanese market, and many are now working actively to develop products that are better suited to typical Japanese body types.

**<Skis>**

Each manufacturer has its own distinct theory about how to make skis, but there is no board-based pattern of product characteristics that differentiate Japanese and foreign-made skis on their own. Product quality considerations (materials, structure, performance) make a big difference in purchase decisions by top-level skiers, but average skiers usually put more weight on styling, color and other fashion-related characteristics.

**<Ski Boots>**

Generally speaking, most imports consist of high-performance models, while Japanese products tend more to be mass-market products sold as part of ski sets along with skis or used as rental equipment. Most imported ski boots come from Italy and France. Italy is known worldwide as the leading maker of plastic ski boots, and its tradition of boot making gives it an unparalleled level of accumulated technical expertise. French ski boots, on the other hand, are noted for their high-fashion approach to styling and use of color. Correct fit is the most important selling point for any ski boot, and this includes not only the length of the boot but also the width and height. Some foreign boot makers now design boots specifically for typical Japanese body types (with wider calves, lower heights and altered ankle slots). In recent years young adults have come to favor imported boots over Japanese models, and many are quite willing to buy after trying them on.

**<Ski Bindings>**

Foreign manufacturers not only possess superior product development capabilities but also have patents on a number of key components. Most imports consist of high-performance equipment, and imports have a large Share in the Japanese Market. Ski bindings serve not only to strap the boots to the skis but also to hold the boots in place during turns, which minimizes chances of broken bones. Thus, since bindings also function as a type of safety device, almost all imported bindings are compliant with either German DIN standards or ISO standards. Recently there has been a trend toward making bindings lighter in weight and more visually striking in terms of color schemes and styling.

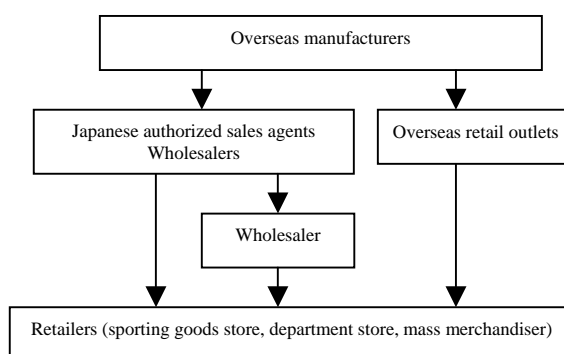
## **7. Domestic Distribution System and Business Practices**

### **(1) Domestic Market Conditions**

According to the Leisure White Paper, since the early 1990s, the market for snowboards has shown a rapid increase with sales of outdoor products rising sharply. In recent years, however, the boom for snowboards seems to have already peaked. Side-curve skis, which attracted industry attention for their new shape, do not show an expected growth. The slowdown in sales of ski equipment was caused by increasing varieties of leisure enjoyed by the young generation of consumers. At the same time, it costs too much to ski as families, resulting in a decline of family skiers. Importers of famous brand products are now restricting the supply of skis to wipeout inventories of unsold products. Despite these efforts, the retail prices of ski equipment are falling sharply. During the ski equipment sales season, some retailers launched bargain sales campaigns. Under these circumstances, sports retailer chains, which mainly depend on sales of golf products and ski products, are going through hard times.

### **(2) Distribution Channels**

Alpine ski equipment is sold mainly through sporting goods specialty stores, department stores and mass merchandisers, while cross-country ski equipment is sold mostly through sporting good stores. A high percentage of ski equipment, both domestic and imported, is sold through specialty outlets. Larger specialty stores are gaining in sales share as time goes on. (see Fig. 6)

**Fig. 6 Distribution channels for ski equipment**

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

Those considering entering the Japanese market should bear in mind the following points in relation to ski equipment:

#### 1) Seasonality of the product

Most ski equipment sales are concentrated during certain times of the year. Retail stores are often forced into steep price-cutting at season's end in an attempt to avoid carryover inventory storage costs, and even then some stores are not able to move all their inventory. New brands that have low brand awareness are more likely to have to rely on discounting in order to sell, and many stores will refuse to carry a new brand because store margins are likely to be unattractive.

#### 2) Effects of weather conditions

Although Japan does have some ski slopes with large snowmaking machines, sales still tend fluctuate with snowfall levels from year to year, which makes sales forecasting very difficult.

#### 3) Importance of brand image

Because ski equipment sales tend to be driven by brand preference, new brands have to launch a broad-based media campaign to establish their brand image in Japan, no matter how well known they may be in their home market. Moreover, because so many Japanese and foreign brands are already in the market and have established brand images, any new brand can expect to encounter intense market competition.

#### 4) Importance of product quality and after sales service programs

Product quality and reliability of after-sales service are important selling points for imported products, especially imports from Europe and the United States. Manufacturers and importers must make sure they offer the highest in product quality and have a complete after-sales service program in place.

## 8. After-Sales Service

The authorized import agent handles requests for repairs and other types of after-sales service through the retail stores. Some leading manufacturers offer product warranties that obligate importer agents to make repairs during the warranty period. "Parallel imports" often come without any type of warranty and with product codes missing or removed. In principle, authorized importer agents do provide after-sales service for these items. However, they often will not honor normal guarantees of free repair or replacement within one year of the date of purchase. Also, their repair turnaround "parallel import" items are often slower, and repair charges are typically higher.

## 9. Related Product Categories

Other winter sports equipment types include snowboards, mono-skis and ice skating equipment. As is the case with ski equipment, there are no legal regulations that apply to these products at the time of import. These products are not subject to provisions of the Fair Competition Code Concerning Representations of Sporting Goods, nor are they part of the SG Mark system. There are also no applicable JIS standards for these products. Skiwear is not subject to any type of regulation or restriction at the time of import. However, at the point of sale these products are subject to labeling requirements of the Household Goods Quality Labeling Law.

## 10. Direct Imports by Individuals

There are no legal restrictions on direct imports by individuals. However, given the size and weight of many types of ski equipment, individuals may want to consider the wisdom of doing so themselves. Individual importers should also be aware that they may find it difficult to get repair service on certain models of equipment purchased from abroad. In most cases, items with a customs value of ¥10,000 or less are exempt from customs duties and from consumption tax. However, this is not true for ski boots, which are subject to tariffs and consumption tax even when the customs value is under ¥10,000.

## 11. Related Organizations

- Association of Japan Sporting Goods Industries TEL: 03-3219-2041
- The Sporting Goods Importers Association of Japan TEL: 03-3265-0901