

# 11. Umbrellas

## 1. Definition of Category

This category includes Western-style umbrellas used for protection both from rain and from the sun. It does not include beach parasols or garden parasols.

HS Numbers	Commodity
6601.91	Umbrellas with telescopic shaft
6601.99	Other umbrellas

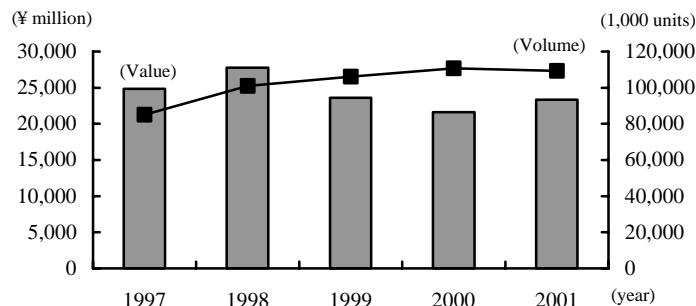
## 2. Import Trends

### (1) Recent Trends in Umbrella Imports

There are no official statistics that break down umbrellas by manner of use. However, industry sources say that most imported umbrellas are used for protection from rain except for some imports from China, which are used for protection from the sun.

In 2001, imports of umbrellas posted 109 million units (down 1.3% from the year before), worth ¥23.3 billion (up 8.1%). Imports of umbrellas has showed steady growth for four consecutive years from 1996, but the pattern for umbrellas in 2001 was for import decline on a volume basis and import growth on a value basis. Between 1996 and 2000 the average unit price of imported umbrellas fell from ¥296 to ¥195. But in 2001 the average price turned back upward to ¥213 partially because of the weaker yen. Umbrellas with fixed-length handle outnumbered those with telescoping handles among imports by a ratio of about 7:3, with the latter recording slight growth in 2001.

**Fig. 1 Japan's umbrella imports**



	1997		1998		1999		2000		2001	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Umbrellas with telescopic shaft	17,046	6,920	17,362	7,088	17,286	6,030	20,057	6,067	21,753	7,083
Other umbrellas	67,977	17,928	83,729	20,686	88,862	17,576	90,794	15,530	87,626	16,262
<b>TOTAL</b>	<b>85,023</b>	<b>24,848</b>	<b>101,091</b>	<b>27,774</b>	<b>106,148</b>	<b>23,605</b>	<b>110,851</b>	<b>21,597</b>	<b>109,379</b>	<b>23,345</b>

Units: 1,000 units, ¥ million

Source: Japan Exports and Imports

### (2) Imports by Place of Origin

China has a commanding lead in umbrella exports to Japan, giving it a 98.8% share on a volume basis, and 97.1% on a value basis. One of main reasons is that China has established a mass-production system for umbrellas with technology transferred from Japan. Many umbrella manufacturers in Taiwan have already moved their factories to China, resulting in a steady decline in umbrella imports from Taiwan. China became one of the world's leading producers of umbrellas due to increased investment from Japan and Taiwan in the umbrella industry. This has allowed China to expand its markets not only to Japan but to Southeast Asia, Europe and the United States as well. (see Fig. 2 & 3)

**Fig. 2 Principal exporters of umbrellas with telescopic shaft to Japan**

	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume		Value	
China	16,480	16,887	17,026	19,734	5,863	21,497	98.8%	6,874	97.1%
Hong Kong	138	267	137	111	88	123	0.6%	123	1.7%
Taiwan	327	80	35	132	49	61	0.3%	12	0.2%
Thailand	83	105	58	46	23	32	0.1%	16	0.2%
Italy	10	8	5	13	25	17	0.1%	32	0.5%
Others	10	15	26	21	18	23	0.1%	25	0.4%
<b>TOTAL</b>	<b>17,046</b>	<b>17,362</b>	<b>17,286</b>	<b>20,057</b>	<b>6,067</b>	<b>21,753</b>	<b>100.0%</b>	<b>7,083</b>	<b>100.0%</b>
(E U)	13	12	11	18	34	22	0.1%	47	0.7%

Units: 1,000 units, ¥ million

Source: Japan Exports and Imports

**Fig. 3 Principal exporters of other umbrellas to Japan**

	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume		Value	
China	65,118	80,968	85,901	88,598	14,707	86,539	98.8%	15,644	96.2%
Hong Kong	1,422	1,442	2,023	946	105	694	0.8%	61	0.4%
Taiwan	826	781	544	823	321	217	0.2%	219	1.3%
Italy	69	53	52	140	228	56	0.1%	184	1.1%
R. Korea	27	36	28	115	22	41	0.0%	16	0.1%
Others	515	451	314	172	146	79	0.1%	137	0.8%
<b>TOTAL</b>	<b>67,977</b>	<b>83,729</b>	<b>88,862</b>	<b>90,794</b>	<b>15,530</b>	<b>87,626</b>	<b>100.0%</b>	<b>16,262</b>	<b>100.0%</b>
(E U)	102	77	78	162	296	80	0.1%	279	1.7%

Units: 1,000 units, ¥ million

Source: Japan Exports and Imports

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

Imports' share in the Japanese umbrella market is increasing gradually in recent years and has reached to 95.4% on a volume basis in 2000. The most of them comes from China, and the product with a cheap unit price is imported in large quantities. Industry sources indicate that imports account for virtually 100% of umbrellas priced at ¥2,000 and under.

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

	1996	1997	1998	1999	2000
Domestic Shipment	9,791	8,148	7,269	5,758	5,405
Exports	108	104	85	106	71
Imports	74,951	85,023	101,091	106,148	110,851
Domestic market total	84,634	93,067	108,275	111,800	116,185
Imports' share	88.6%	91.4%	93.4%	94.9%	95.4%

Units: ¥ million

Source: Census of Manufacture, Japan Exports and Imports

## 3. Key Considerations related to Importing

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

Umbrellas are not subject to any import regulations, but imports may be subject to provisions of the Washington Convention (Convention on International Trade in Endangered Species of Wild Fauna and Flora, so-called CITES) if the handle section contains material from protected species (such as ivory or *bekko*), under terms of the Washington Convention. For more information on the specific content and applicability of these classifications, please contact the Trade Licensing Division, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry.

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

When selling umbrellas, they are subject to provisions of the Household Goods Quality Labeling Law. Sale of umbrellas with handles made from some special material (such as ivory or *bekko*) is subject to provisions of the Law for Conservation of Endangered Species of Wild Fauna and Flora. For more details, please contact the Wildlife Division, Nature Conservation Bureau, Ministry of the Environment.

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.

### (3) Competent Agencies

- Foreign Exchange and Foreign Trade Law (Washington Convention)  
Trade Licensing Division, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry  
TEL: 03-3501-1511 <http://www.meti.go.jp>
- Law for Conservation of Endangered Species of Wild Fauna and Flora  
Wildlife Division, Nature Conservation Bureau, Ministry of the Environment  
TEL: 03-3581-3351 <http://www.env.go.jp>
- Household Goods Quality Labeling Law  
Consumer Affairs Policy Division, Consumer Affairs Department, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry  
TEL: 03-3501-1511 <http://www.meti.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

When selling umbrellas, the Household Goods Quality Labeling Law requires that the following information be indicated at a location readily visible to the consumer.

- 1) Material composition of the fabric
- 2) Length of the handle
- 3) Cautions on handling  
(only for beach parasols and garden parasols)
- 4) Name and address or telephone number of labeler

#### Example label for umbrella

Fabric composition	Polyester 100%
Length of handle	58cm
Labeler's name	XYZ Co., Ltd. TEL:01-2345-6789

< Example >



External packaging



Tag

### 1) 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.

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

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

### (3) Voluntary Industry Labeling

#### <SG Mark>

School children's umbrellas are eligible for SG (Safety Goods) Mark designation by the Consumer Product Safety Association. Products that comply with safety criteria established by the Association are eligible to display the SG 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.



In order to receive permission to display the SG Mark, an application must be submitted to the Association and the product must be proven compliant with applicable standards. 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.

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

**<JUPA Mark>**

The Japan Umbrella Promotion Association has established its own umbrella quality standards, and any umbrella produced by a JUPA member, whether Japanese or foreign, which complies with these standards may display the JUPA Mark on its label.

JUPA Mark



• Japan Umbrella Promotion Association TEL: 03-3861-5924

<http://www.jupa.gr.jp>

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

Fig. 5 presents customs duties on umbrellas. In order to apply for preferential tariff rates, the importer should submit a certificate of origin issued by the Customs or other issuing agency in the country of export (not required if the total value of the shipment is no greater than ¥200,000). For more details, please contact the Customs and Tariff Bureau, Ministry of Finance.

**Fig. 5 Customs duties on umbrellas**

HS No.	Description	Rate of Duty (%)			
		General	WTO	Preferential	Temporary
6601	Umbrellas and sun umbrellas				
91-000	Having a telescopic shaft	6.4%	4.3%	Free	
99-000	Other umbrellas	6.4%	4.3%	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 duty) x 5%

**6. Product Characteristics**

Now that umbrella production technology has matured, there are fewer and fewer significant differences in product quality among umbrellas from different countries. Nevertheless, imported umbrellas are mostly sold in lower price ranges. Imports largely consist of plastic umbrellas and low-price standard umbrellas. European imports, on the other hand, consist mostly of name-brand products that sell in the ¥10,000-20,000 price range. Japanese umbrella makers increasingly focus on specialty umbrellas with higher added value in terms of features, materials or design, such as anti-ultraviolet umbrellas, rain/sun multi-use umbrellas and lightweight sports umbrellas.

- China

Most of imported products from China are sold in the ¥1,000 and under. Because many Chinese umbrella makers have joint venture deals with makers from Taiwan, there has been considerable production technology transfer from Taiwan to China, and this has mostly eliminated past differentials in product quality compared to other Asian producers. China also exports some lace and embroidered sun umbrellas to Japan which sell in the ¥5,000-20,000 price range.

- Taiwan

Production technology transfers from Japan and elsewhere has enabled Taiwan to accumulate considerable technical expertise for umbrella production, and its products are very high in quality. However, Taiwanese umbrellas have never been able to achieve name brand status, and now Taiwan is increasingly turning to license manufacturing of higher-status European brand names.

- Italy, France and United Kingdom

Most imports from these countries consist of name-brand merchandise, which appeal to customers based on their use of color and their styling. However, only a few brands have been able to establish the same brand name prestige of elite handbag brands. Many of the top umbrella brands are manufactured in Japan under license. While European umbrellas feature attractive and unique styling, they sometimes do not hold up well under the heavy rains and wind-blown rains common in Japan. Some retailers who sell European umbrellas simply accept that users have to avoid using them during the rainy season if they want their umbrellas to last.

## 7. Domestic Distribution System and Business Practices

### (1) Domestic Market Conditions

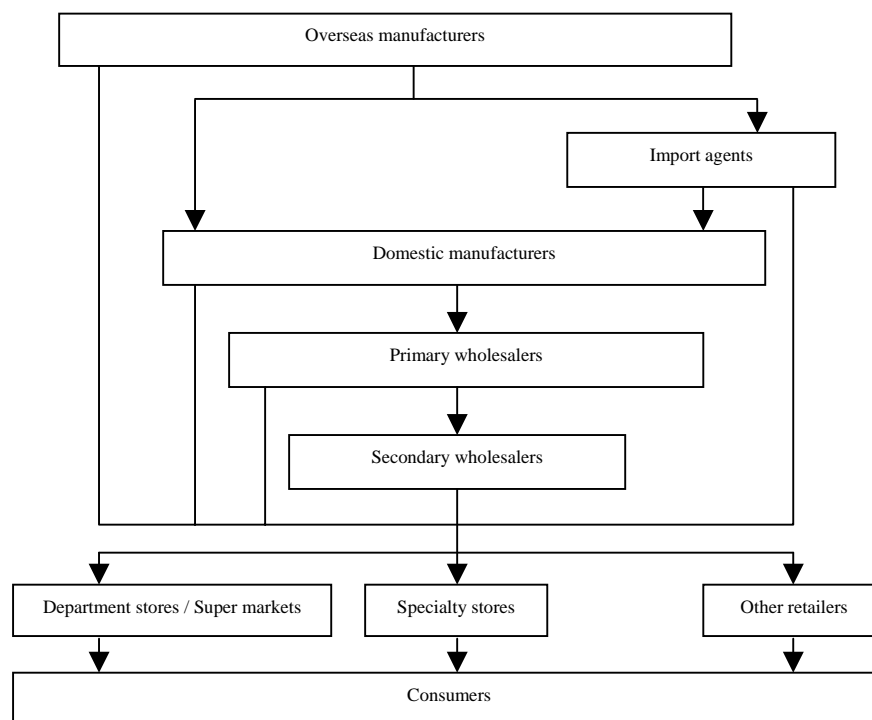
Japan once led the world in umbrella production, lasting until the late 1970s. From that time onward, though, domestic production steadily declined as production costs soared and the yen rose in value. More and more imports of inexpensive umbrellas from Taiwan and the Republic of Korea, and more recently from China, came into Japan, while domestic production has fallen to only a fraction of historical levels. Imports now account for more than 90% of the Japanese umbrella market. The boundaries within the domestic industry are breaking down as a result of pressure from imports and the entry of companies from other industries. As a result, it has become more difficult to determine the status of the overall market.

Industry observers estimate annual demand for umbrellas in the 15-20 million-unit range, which means that there actually is an oversupply. Prices remain low. In addition, more and more people are using umbrellas to make a fashion statement, and it is no longer unusual for Japanese people to own several umbrellas instead of just one or two. These consumers care more about umbrellas' fashion appeal rather than just their functionality. In the past demand for umbrellas was mostly concentrated in the late spring and autumn rainy seasons, but observers say that increased gift purchasing of umbrellas has eliminated much of the seasonal fluctuation in sales.

### (2) Distribution Channels

In the past umbrellas were mainly distributed from wholesalers to retailers and then to consumers. However, over the past several years a number of companies from other industries have gone into the umbrella business hoping to profit from selling inexpensive umbrellas imported from China and other low-price exporters. This has led to greater diversification in the distribution system. European models and high-end Japanese made models are mostly sold in department stores and specialty stores, while low-priced models in the under ¥1,000 range or the ¥1,000-2,000 range sell at a wide range of retail outlets, including supermarkets, convenience stores, railway station stores, bookstores, cosmetics shops and clothing stores. Thus, umbrella distribution tends to be polarized according to price range.

**Fig. 6 Principal distribution channels for umbrellas**



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

The umbrella market is already at or near the saturation point, and any prospective importer must establish good distribution channels and watch inventories carefully in order to succeed.

---

## 8. After-Sales Service

For more expensive models of imported umbrellas, the import agent normally handles repairs for any special parts. Most retail stores will accept repair requests, but specialty stores will often do repairs even on umbrellas purchase elsewhere.

## 9. Related Product Categories

Beach parasols and garden parasols are not subject to any import regulations, but they are subject to materials quality and proper usage warning labeling requirements under the Household Good Quality Labeling Law. These products are also eligible to display the SG Mark.

## 10. Direct Imports by Individuals

There are no longer restrictions on imports of umbrellas by individuals.

## 11. Related Organizations

- Japan Import Umbrella Association TEL: 03-3943-3350
- Japan Umbrella Promotion Association TEL: 03-3861-5924 <http://www.jupa.gr.jp>