

## 24. Writing Instruments

### 1. Definition of Category

Fountain pens, sliding pencils, ball point pens, marking pens (oil-based and water-based) and pencils. It does not include crayons, pastels, and watercolor painting instruments.

HS Numbers	Commodity
9609.10-010	Pencils (black)
9609.10-090	Pencils (color)
9609.20	Pencils (lead)
9608.40	Sliding pencils
9608.10	Ball point pens
9608.39	Fountain pens
9608.20	Marking pens
9608.31, 50, 9609.90	Other pens
9608.60, 91, 99	Parts

### 2. Import Trends

#### (1) Recent Trends in Writing Instrument Imports

Although 2001 saw a decline in imports of sliding pencils and fountain pens from the year before, there were continued increases in imports of ball-point pens and marking pens, the mainstay products in this category. Total imports of writing instruments rose by 4.9% to ¥15.1 billion. However, the growth is occurring mainly in low-priced products from China, which are made at Japanese-owned factories, or are being produced on an OEM basis for Japanese makers. Thus, China has become a major producer of low-end writing instruments for the Japanese market.

#### <Pencils and sliding pencils>

Sliding pencil import volume grew substantially in both 1999 and 2000, reaching 48.73 million units, but in 2000 import volume sank to just 27.96 million units. Of its part, there have been little fluctuations in imports trends of pencils both in value and volume in recent years, but reached the highest level in 2001. Imports of black-lead pencils surpassed those of color-lead pencils in both value and volume.

#### <Ball point pens and fountain pens>

Ball point pens held the largest share in the writing instrument import on a value basis, with 39.1% worth ¥5.9 billion in 2001 (up 17.6% from the year before). There are large in unit price between “decorated” pens (decorated ball point pens, fountain pens, sliding pencils, etc. - see note) and other regular pens. Almost all of these imports consisted of name brand merchandise from Europe and the United States. Imports of decorated pens have been stable every year due to the demand for luxury name brand merchandise in Japan.

*Note: “Decorated” writing instruments are described in official government documents as items “with holders or caps made of or combined with precious metal, metal clad with precious metal, metal plated with precious metal, precious or semi-precious stones, pearls, coral, elephants’ tusks or Bekko.”*

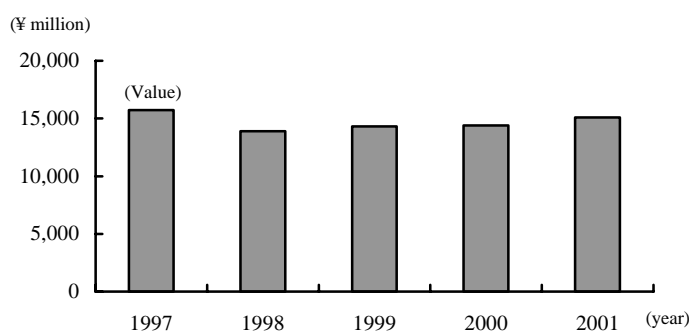
#### <Marking pens>

In terms of volume, the most common item is marking pens, some 200 million units of which are imported every year. These import statistics suggest that marking pens are being used and imported proportionately more than other pens as a result of computerization. On a value basis, marking pen imports set an all-time record of ¥2.25 billion, representing 14.9% of all imports.

#### <Parts>

Japan imports large amounts of ball point pen refills, pen tips, and other parts, but the value of these imports is small due to the low unit prices. Virtually all imports of parts are by Japanese manufacturers for inclusion in their own products. A small portion of imported parts consists of imports by authorized import agents for European or American name brands for use as repair or replacement parts.

**Fig. 1 Japan's writing instrument imports**



	1997		1998		1999		2000		2001	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Pencils (tons)	813	1,165	902	1,153	1,090	1,203	1,190	1,158	1,427	1,397
Sliding pencils	36,014	1,381	23,383	896	33,160	1,064	48,728	1,434	27,957	1,162
Ball point pens	92,031	5,826	101,336	4,877	101,520	5,102	113,629	5,021	162,307	5,906
Fountain pens	1,091	1,911	963	1,507	861	1,426	1,340	1,187	925	1,160
Marking pens	105,702	2,000	119,176	1,912	169,829	2,040	188,334	2,146	190,804	2,253
Other <sup>(*1)</sup>	1,312	177	923	182	1,033	109	1,024	101	2,133	247
Other <sup>(*2)</sup>	896	487	821	484	1,119	611	1,130	585	1,174	600
Parts <sup>(*3)</sup>	146,463	648	169,530	642	142,672	465	189,234	488	177,430	533
Parts <sup>(*4)</sup>	744	2,126	816	2,246	909	2,283	854	2,278	613	1,846
<b>TOTAL</b>	<b>385,067</b>	<b>15,722</b>	<b>417,849</b>	<b>13,898</b>	<b>452,194</b>	<b>14,303</b>	<b>545,463</b>	<b>14,398</b>	<b>564,769</b>	<b>15,104</b>

Value unit: ¥ million

Source: Japan Exports and Imports

\*1: HS No. 9608.31, 50, (unit = 1,000 units), \*2: HS No. 9609.90 (unit = tons) \*3: HS No. 9608.60, 91 (unit = 1,000 units),

\*4: HS No. 9608.99 (unit = tons)

## (2) Imports by Place of Origin

### <Ball point pens>

In ball point pens and fountain pens, the market is polarized between upscale products from the West and inexpensive products from other Asian countries. In the case of ball point pens, the leading exporters to Japan on a volume basis are China (52.0%), Taiwan (18.5%) and Thailand (7.8%), which together account for 78.3% of all imports. In 2001, imports from China nearly doubled, from 41.4 million units to 84.4 million units. On a value basis, though, the United States (16.5%) and EU nations (24.3%) such as France and Germany have a significant import share. Imports from the West have a reputation for high product quality and design excellence, and for a high level of performance and features. (see Fig. 2)

### <Marking pens>

Asian countries account for the bulk of Japan's imports of marking pens. China's exports of marking pens to Japan have rapidly increased in the past three years, rising from 57.4 million units to 129.2 million units. By 2001 China had a 67.7% import share on a volume basis in this category. Since China's products are even more inexpensive than those of other Asian nations, it has just a 37.8% import share on a value basis. Thailand (17.9%), the Republic of Korea (16.2%), and Taiwan (10.3%) comprise a second-tier group of exporter nations. (see Fig. 3)

### <Pencils>

In pencils, China has assumed an even more dominant role in the last three years. China now accounts for 68.2% of Japan's imports on a volume basis. In the category of colored pencils, products from Germany, Switzerland and other Western nations have a comparatively important position in the Japanese market. (see Fig. 4)

### <Sliding pencils>

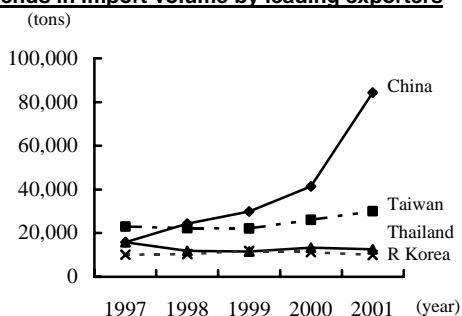
As its part, in 2001 imports from China, the leading exporter of sliding pencils to Japan, declined to the half level of the year before. But China still accounted for 66.6% of Japan's imports on a volume basis, and 55.9% on a value basis. The next leading exporter to Japan is Taiwan. (see Fig. 5)

< Fountain pens >

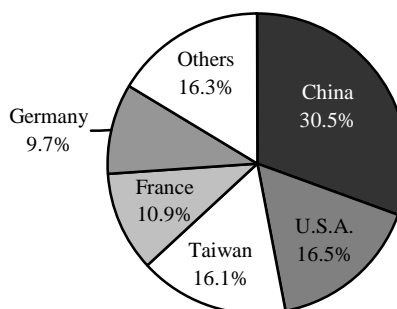
This tendency is even more pronounced in the case of fountain pens. In 2001 imports of fountain pens from China declined to 114,000 units from 528,000 units (import share 12.3%), whereas Germany held top position with a 37.0% import share on a volume basis, and 55.0% on a value basis. EU nations, including France and the United Kingdom, totally accounted for 67.7 in volume, and 99.1 in value in 2001. (see Fig. 6)

**Fig. 2 Principal exporters of ball point pens to Japan**

**Trends in import volume by leading exporters**



**Shares of ball point pen imports in 2001 (value basis)**



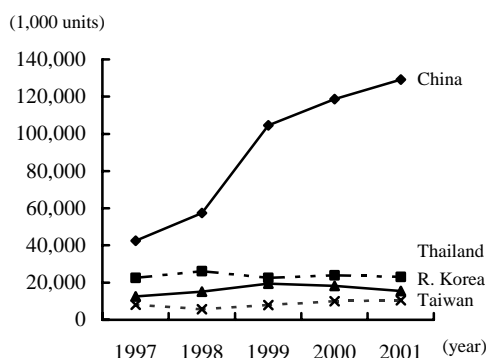
	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value		
China	15,843	24,236	29,883	41,415	1,082	84,383	52.0%	1,803	30.5%
Taiwan	23,056	22,217	22,180	26,040	943	29,976	18.5%	950	16.1%
Thailand	15,784	11,902	11,495	13,322	185	12,579	7.8%	176	3.0%
R. Korea	10,130	10,375	11,841	11,218	324	9,941	6.1%	319	5.4%
U.S.A.	9,242	6,931	6,308	3,985	838	6,176	3.8%	974	16.5%
Others	17,975	25,675	19,813	17,649	1,650	19,251	11.9%	1,685	28.5%
<b>TOTAL</b>	<b>92,031</b>	<b>101,336</b>	<b>101,520</b>	<b>113,629</b>	<b>5,021</b>	<b>162,307</b>	<b>100.0%</b>	<b>5,906</b>	<b>100.0%</b>
(E U)	11,539	7,850	6,554	5,956	1,388	5,983	3.7%	1,434	24.3%

Units : tons, ¥ million

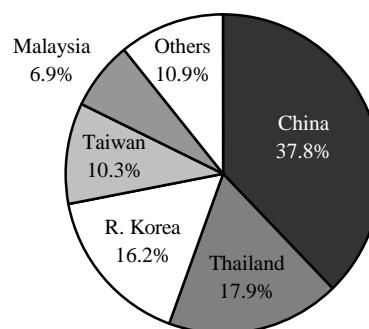
Source: Japan Exports and Imports

**Fig. 3 Principal exporters of marking pens to Japan**

**Trends in import volume by leading exporters**



**Shares of marking pen imports in 2001 (value basis)**



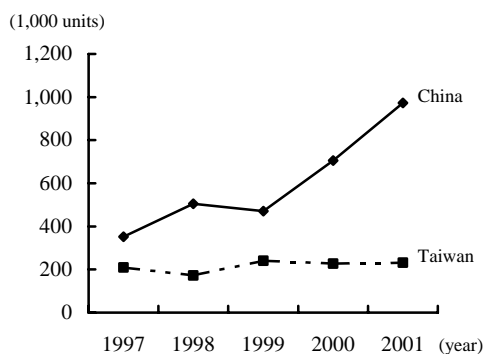
	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value		
China	42,446	57,445	104,516	118,658	703	129,161	67.7%	851	37.8%
Thailand	22,452	26,182	22,604	23,986	371	23,124	12.1%	404	17.9%
R. Korea	12,483	15,216	19,498	18,315	389	15,554	8.2%	364	16.2%
Taiwan	8,086	5,669	7,906	9,960	207	10,454	5.5%	232	10.3%
Malaysia	8,881	6,359	7,255	7,638	221	4,939	2.6%	156	6.9%
Others	11,354	8,304	8,052	9,777	256	7,572	4.0%	246	10.9%
<b>TOTAL</b>	<b>105,702</b>	<b>119,176</b>	<b>169,829</b>	<b>188,334</b>	<b>2,146</b>	<b>190,804</b>	<b>100.0%</b>	<b>2,253</b>	<b>100.0%</b>
(E U)	9,061	6,367	3,930	3,663	81	2,922	1.5%	88	3.9%

Units : 1,000 units, ¥ million

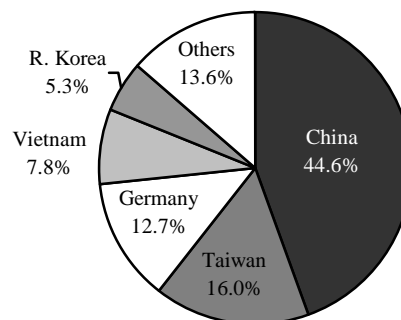
Source: Japan Exports and Imports

**Fig. 4 Principal exporters of pencils to Japan**

**Trends in import volume by leading exporters**



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



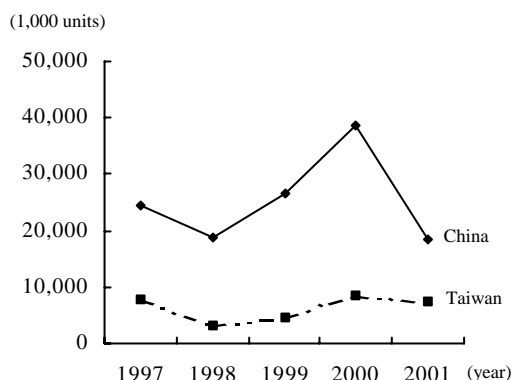
	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value	Volume	Value
China	352	505	470	705	411	973	68.2%	623	44.6%
Taiwan	209	173	241	227	214	232	16.3%	224	16.0%
Germany	83	66	78	74	229	53	3.7%	178	12.7%
R. Korea	34	15	34	18	39	39	2.7%	74	5.3%
Indonesia	14	12	27	40	62	32	2.2%	38	2.8%
Others	121	132	239	125	202	98	6.9%	261	18.7%
<b>TOTAL</b>	<b>813</b>	<b>902</b>	<b>1,090</b>	<b>1,190</b>	<b>1,158</b>	<b>1,427</b>	<b>100.0%</b>	<b>1,397</b>	<b>100.0%</b>
(E U)	103	79	94	103	289	82	5.7%	228	16.3%

Units : 1,000 units, ¥ million

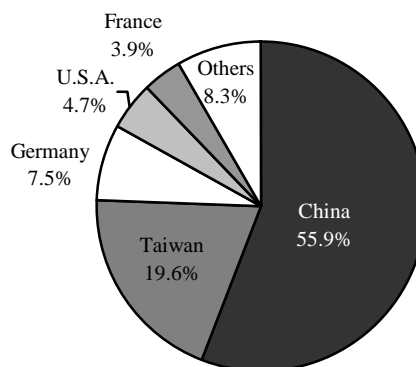
Source : Japan Exports and Imports

**Fig. 5 Principal exporters of sliding pencils to Japan**

**Trends in import volume by leading exporters**



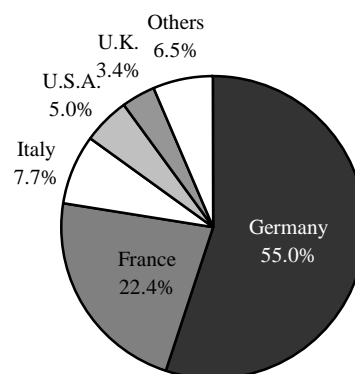
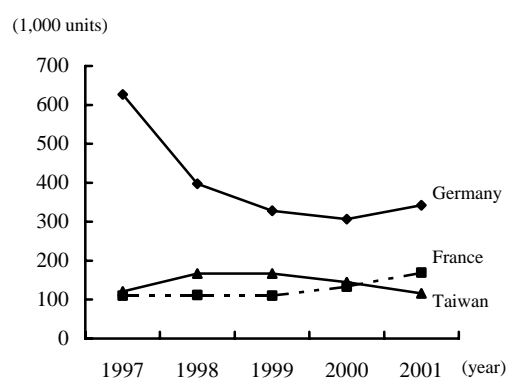
**Shares of sliding pencil imports in 2001 (value basis)**



	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value	Volume	Value
China	24,521	18,754	26,626	38,587	900	18,608	66.6%	649	55.9%
Taiwan	7,681	3,027	4,670	8,656	244	7,525	26.9%	228	19.6%
R. Korea	376	473	1,008	747	27	699	2.5%	29	2.5%
Thailand	1,443	456	358	174	11	486	1.7%	13	1.1%
Germany	878	210	125	251	79	283	1.0%	87	7.5%
Others	1,116	462	373	313	174	356	1.3%	155	13.3%
<b>TOTAL</b>	<b>36,014</b>	<b>23,383</b>	<b>33,160</b>	<b>48,728</b>	<b>1,434</b>	<b>27,957</b>	<b>100.0%</b>	<b>1,162</b>	<b>100.0%</b>
(E U)	1,429	443	342	499	183	551	2.0%	176	15.1%

Units : 1,000 units, ¥ million

Source : Japan Exports and Imports

**Fig. 6 Principal exporters of fountain pens to Japan****Trends in import volume by leading exporters****Shares of fountain pen imports in 2001 (value basis)**

	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume		Value	
Germany	627	398	328	307	495	343	37.0%	638	55.0%
France	111	112	110	133	397	169	18.3%	260	22.4%
Taiwan	121	167	167	145	26	116	12.6%	26	2.2%
China	21	120	164	528	12	114	12.3%	14	1.2%
U.K.	17	10	6	27	61	66	7.1%	40	3.4%
Other	195	157	85	200	196	118	12.8%	182	15.7%
<b>TOTAL</b>	<b>1,091</b>	<b>963</b>	<b>861</b>	<b>1,340</b>	<b>1,187</b>	<b>925</b>	<b>100.0%</b>	<b>1,160</b>	<b>100.0%</b>
(E U)	824	528	459	567	1,043	626	67.7%	1,034	89.2%

Units : 1,000 units, ¥ million

Source: Japan Exports and Imports

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

Fig. 7 below presents imports' share in the Japanese writing instrument market by category. Fountain pens gained the largest share around 40% level. Brand name preference is very strong in the fountain pen market, where the status value is just as important as the functional value of the product. European and American products command over half of the market for luxury-grade products. With reference to ball point pens, imports accounted for 13.8%, while the share of pencils, sliding pencils, marking pens import runs around 10% level.

**Fig. 7 Imports' share in the Japanese market**

		1996	1997	1998	1999	2000
Pencils	Domestic products	13,361	11,401	10,197	9,400	9,835
	Imports	1,250	1,165	1,153	1,204	1,158
	Total market	14,611	12,566	11,350	10,604	10,993
	Imports' share	8.6%	9.3%	10.2%	11.4%	10.5%
Sliding pencils	Domestic products	13,706	13,109	11,242	10,980	10,317
	Imports	1,520	1,381	896	1,064	1,435
	Total market	15,226	14,490	12,138	12,044	11,752
	Imports' share	10.0%	9.5%	7.4%	8.8%	12.2%
Ball point pens	Domestic products	32,190	33,823	29,900	30,094	31,287
	Imports	6,203	5,826	4,877	5,103	5,022
	Total market	38,393	39,649	34,777	35,197	36,309
	Imports' share	16.2%	14.7%	14.2%	14.5%	13.8%
Marking pens	Domestic products	27,856	27,476	26,974	25,897	25,642
	Imports	2,000	1,912	2,040	2,146	2,146
	Total market	29,856	29,408	29,014	28,043	27,788
	Imports' share	6.7%	6.5%	7.0%	7.7%	7.7%
Fountain pens	Domestic products	3,063	2,967	2,266	2,102	1,839
	Imports	2,105	1,911	1,507	1,426	1,187
	Total market	5,168	4,878	3,773	3,528	3,026
	Imports' share	40.7%	39.2%	39.9%	40.4%	39.2%

Unit: ¥ million

Source: Yearbook of General Merchandise Statistics, Japan Exports and Imports

### 3. Key Considerations related to Importing

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

There are no legal restrictions on the importation of writing instruments. However, some “decorated” writing instruments containing coral, ivory or *bekko*, at least in part are restricted and in some cases prohibited by the Washington Convention (Convention on International Trade in Endangered Species of Wild Fauna and Flora). 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.

Customs Tariff Law prohibits the importation of fake name brand items that infringe trademark rights, design rights and other intellectual property rights. Any Goods suspected of infringement are either confiscated, destroyed or returned to the shipper.

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

There are no legal restrictions on the sale of writing instruments. But writing instruments containing 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>
- 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 for writing instruments. 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.

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

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

#### (3) Voluntary Industry Labeling

##### <Carat Grade Labeling for Gold Products>

Gold fountain pen nibs and other gold products employ a voluntary industry-standard gold content code labeling system. Products from Europe and the United States typically come with their own unique gold content labeling. However, there are no unified international standards, and content labeling differs from country to country.

Example (in Japan):

- 14K-585 -----Gold content 14/24, 585/1000
- 18K-750 -----Gold content 18/24, 750/1000
- G14 -----“G” stands for “gilding,” and generally indicates 14K gold plated stainless steel

For more information, please contact:

- Japan Gold Metal Association      TEL: 03-3665-5891      <http://www.jgma.or.jp>

## 5. Taxes

### (1) Customs Duties

Writing instruments are subject to different tariff rates according to the product category, the presence of decoration, and the material used. 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. 8 Customs duties on writing instruments**

HS No.	Description	Rate of Duty (%)			
		General	WTO	Preferential	Temporary
9608.10	1. Ball point pens				
-010	(1) Ball point pens (decorated)	Free	(Free)		
-090	(2) Other ball point pens	6% or ¥1.51 / piece, whichever is the greater	5% or ¥1.25 / piece, whichever is the greater	Free	
20-000	2. Felt tipped pens and markers	4.6%	3.9%	Free	
9608.31	3. Fountain pens, stylograph pens and other pens:				
-010	(1) Indian ink drawing pens				
	a. Indian ink drawing pens (decorated)	Free	(Free)		
-090	b. Other indian ink drawing pens	6.6%	5.4%	Free	
9608.39	(2) Other fountain pens				
-010	a. Fountain pens (decorated)	Free	(Free)		
-090	b. Other fountain pens	6.6%	5.4%	Free	
9608.40	4. Propelling or sliding pencils				
-010	(1) Propelling or sliding pencils (decorated)	Free	(Free)		
-090	(2) Other Propelling or sliding pencils	6.6%	5.4%	Free	
50-000	5. Sets of articles from two or more of the foregoing sub-headings	6%	5%	Free	
60-000	6. Refills for ball point pens	6% or ¥0.60 / piece, whichever is the greater	5% or ¥0.50 / piece, whichever is the greater	Free	
	7. Other parts of pens or pencils				
91-000	(1) Pen nibs and nib points	Free	(Free)		
9608.99	(2) Other parts of ball point pens or of propelling or sliding pencils	4.1%	3.4%	Free	
-010	a. Parts and accessories of ball point pens or of propelling or sliding pencils				
-090	b. Other parts of ball point pens or of propelling or sliding pencils				
9609	Pencils				
9609.10	1. Pencils	Free	(Free)		
-010	(1) Pencils and crayons with black leads				
-090	(2) Other pencils, excluding with Black leads				
20-000	2. Pencil leads	Free	(Free)		
90-000	3. Other pencils	Free	(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

Consumer needs and preferences have changed and diversified over the past several years, and nowadays writing instruments must be able to satisfy consumer status and brand name preferences that have made these articles into fashion accessories as much as practical necessities. Brand name preference is strongest among older adults, while young adults tend to be less interested in the brand label and more interested in functionality, styling and fashion appeal. Men tend to prefer American styles while women prefer European styles (according to the JETRO Regional Survey of Consumer Import Purchasing Trends).

European and American writing instruments are characterized by excellence in features and product quality, superior materials and design, imaginative use of color and high fashion appeal. These products enjoy an established following within the Japanese consumer public.

Nevertheless, except for a small number of luxury-grade imports, in general it is difficult to differentiate imported products from domestically produced ones in terms of function, quality and prices. One product currently drawing attention is a color ball point pen using acid-neutral (gel) ink. It does not stick like oil-based inks, yet does not bleed like water-based inks. It can produce a wide variety of colors and can be used like magic markers. All of the major manufacturers have already introduced a variety of products using gel inks.

JIS Standards for pencils apply to lead brittleness, quality (casing flexibility, absence of toxic materials in casing coating etc.) and size. However, there are no standard measures for lead hardness, and the same pencil HB can have varying degrees of hardness. This is true regardless of brand or country of origin. The term “propelling or sliding pencils” is often used in Japan to refer to what are more properly called “mechanical pencils”. These products come in two varieties: rotating pencils, in which the user rotates the barrel to expose the lead, and click-type pencils. Most imported models are rotating-type pencils, but click-type pencils are in more widespread use in Japan today.

## 7. Domestic Distribution System and Business Practices

### (1) Domestic Market Conditions

The market for writing implements is estimated to be worth about ¥100.0 billion - ¥110.0 billion, of which ball point pens and marking pens make up almost two-thirds. Writing instruments may be broadly classified into those for household use and for business or office use. Household users buy writing instruments for use as gifts, for school work or for everyday use, although fashion appeal plays some role in purchasing. In contrast, office users consider writing instruments to be a consumable, and they put cost and economic considerations over fashion appeal. Household and business users frequently use both domestic and imported writing instruments as gift items both. Businesses often give luxury-model pens to honor executives on celebrated anniversaries with the firm or upon retirement.

In recent years the leading domestic writing instrument makers (Pilot, Platina and Sailor) have developed new and distinctive products in an effort to compete more strongly against luxury-grade name brand imports from Europe and the United States. These products include original pen and pencil sets incorporating traditional Japanese landscape art themes; India ink stones and scrolls painting series as well as retro design series made of celluloid. Japanese makers are also developing more designer label products under license with well-known overseas brands. In the past the writing instrument market was thought to be relatively immune to ups and downs in the economy. However, the character of the market has changed dramatically in recent years due to structural changes such as diversification of consumer needs, office computerization, which has reduced demand for writing instruments and other stationery products, and a declining birth rate. Moreover, writing instruments are a mature product category and tend to be in excess supply, leading to severe competition in the market.

The Law on Promoting Green Purchasing (officially, the Law Concerning Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities) went into effect in April 2001. Because pens and pencils have been designated as “designated procurement items,” and because specific evaluation criteria has been articulated, the stationary products industry is adapting by making green purchasing compliance the industry norm. The following standards and criteria have been adopted for stationery products.

**Fig. 9 Evaluation criteria on green purchasing**

Evaluation criteria common to all stationary		<ul style="list-style-type: none"> <li>With the exception of metals, the main material must meet one of the following criteria:               <ol style="list-style-type: none"> <li>Recycled plastic makes up at least 40% of weight.</li> <li>Thinning and other wood is used.</li> <li>At least 50% recycled paper content</li> </ol> </li> </ul>
Factors for consideration common to all stationary		<ul style="list-style-type: none"> <li>Ease of recycling packaging, and reduction of environmental impact upon disposal:</li> </ul>
Factors for consideration	Mechanical pencils	<ul style="list-style-type: none"> <li>Low amount of lead unused being left.</li> </ul>
	Ball-point pens	<ul style="list-style-type: none"> <li>Replaceable ink cartridges.:</li> </ul>
	Marking pens	<ul style="list-style-type: none"> <li>Consuming parts can be replaced or refilled:</li> </ul>

The Ministry of the Environment has published on the Internet information about products that comply with these criteria in order to provide reference information for those who prefer to acquire eco-friendly goods.

Environmental Economics Division, Environmental Policy Bureau, Ministry of the Environment

TEL: 03-3581-3351

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

Green Purchasing Network (GPN)

<http://www.gpn.jp/>

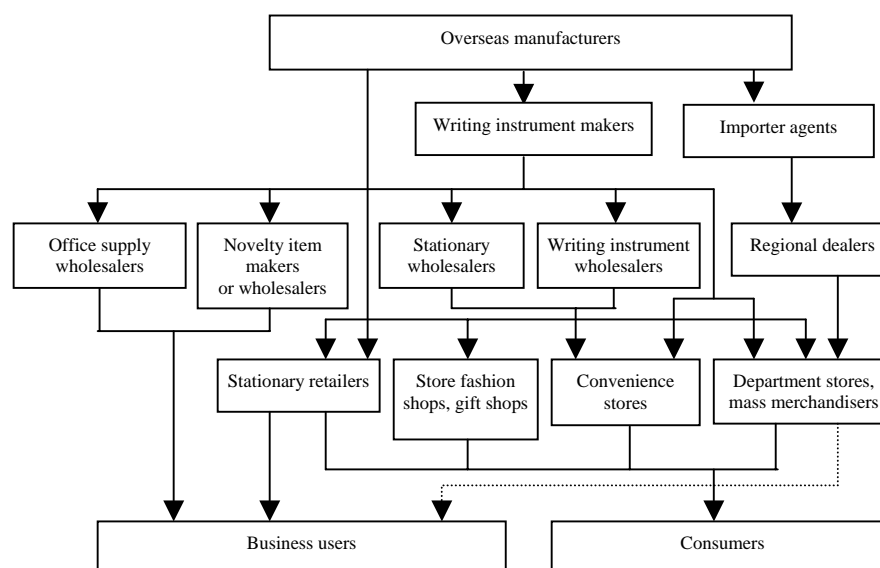


## (2) Distribution Channels

In the past manufacturers almost never dealt directly with retailers because of the diversity of product types, the large number of manufacturers and the tens of thousands of retail outlets all across Japan. Distribution usually proceeded from manufacturer to wholesaler to retailer. However, the growth of supermarkets, convenience stores and other new types of retail outlets in recent years has increased the incidence of direct sales from manufacturer to retailer.

Imported writing instruments are generally distributed from the authorized import agent to regional dealers (wholesalers) and then to retailers. In addition, some imports now have joint marketing arrangements with Japanese makers and distribute through their channels. Major metropolitan areas have a few specialty shops that carry only imported writing instruments and stationery. The most common type of retail outlet for brand name imports is department stores, which account for 70% of all sales in this category. Mass merchandisers, discount stores and ordinary stationery shops account for the remaining 30% of sales. Brand name imports are in strong demand as corporate gifts, but most of these sales take place through corporate sales operations of department stores, with gift and novelty wholesalers having only a small presence in this market.

**Fig. 10 Distribution channels for imported writing instruments**



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

In the past the writing instrument market was primarily masculine in its outlook and approach, with its main emphasis on functional considerations. However, young adults and women are drawn to products with more appealing materials and design, more imaginative use of color and higher fashion appeal, and imported writing instruments that incorporate these traits should do well in the future. New market entrants may want to consider marketing arrangements with fashion goods and interior products makers, which have recently joined more traditional import dealers and specialty retailers in the writing instrument market, as a way of establishing a market niche. Japanese consumers tend to demand superior performance of all products they buy. Retailers of writing instruments in all price ranges have to be able to provide product quality guarantees and a supply of replacement parts (ink refills, lead, etc.) and other types of after-sales service in order to succeed.

## 8. After-Sales Service

In the case of mass market sliding pencils and ball point pens, breakage or damage attributable to the manufacturer are handled by replacement or refund through the retail outlet. Because most writing instruments are treated as low-cost consumables, they usually come without any type of written warranty, except for some luxury-grade name brand products.

### 1) After-sales service by authorized importer agents

The importer (the authorized import agent) usually handles after-sales service on name brand merchandise. About seven-tenths of all importers stock their own supply of repair and replacement parts and has fairly solid after-sales service programs.

Repair turnaround is about 8.5 days if the parts are in stock. If parts have to be special ordered or the item has to be sent back to the overseas manufacturer for repair it can take as much as 50-60 days.

2) After-sales service for parallel imports, individual direct imports or items purchased abroad

Most Import agents will provide after-sales service for brands they carry even if the item was purchased outside the authorized channel. Foreign warranties are generally honored even in Japan. By the same token, a product purchased in Japan may be presented for repair abroad as long as accompanied by the warranty statement.

## 9. Related Product Categories

Related product categories include artists' supplies, pastels and crayons. Please refer to the following section on "III-25 Artists' Supplies" in this guidebook.

## 10. Direct Imports by Individuals

There are no restrictions on imports of writing instruments in quantities suitable for individual use. However, individual importers should be aware that fountain pens or ball point pens with decorative elements containing ivory or other materials proscribed by the Washington Convention might be prohibited.

## 11. Related Organizations

- |   |                   |   |
|---|-------------------|---|
| • Japan Imported Writing Instrument Association | TEL: 03-3847-9394 | <a href="http://www.pen.gr.jp">http://www.pen.gr.jp</a>       |
| • All Japan Stationary Association              | TEL: 03-5687-0961 | <a href="http://www.zenbunkyo.jp">http://www.zenbunkyo.jp</a> |