

Case Studies of Forest Products Exports -- Japanese Lumber to the World--



Wood Use Promotion Division
Forestry Agency

Preface

As forest resources in Japan have come to maturity, it is important to promote cyclical use of them through increasing the use of lumber. Besides the housing sector, the use of lumber is expected to grow in public facilities, office buildings and others. Outside Japan, demand for lumber is forecast to increase due to economic development and population growth in emerging economies. Japanese lumber is expected to meet such demand as well.

The Ministry of Agriculture, Forestry and Fisheries is promoting programs to reinforce exports of agricultural, forest and fishery products with the 1-trillion-yen target set for them in the Export Promotion Strategy of Agriculture, Forestry, Fisheries and Food Products it adopted in fiscal 2013. Exports of forest products (lumber and special forest products) increased to 27.4 billion yen in fiscal 2016. But there remain challenges with them as logs account for a large portion of exports , and the number of export destinations is limited.

In the meantime, efforts to boost exports of forest products are emerging in various parts of Japan. Among them is the production of highly durable lumber treated at high temperatures and high-performance wooden window products.

The Forestry Agency, in cooperation with prefectural governments, has collected such efforts underway to increase exports of forest products in various parts of the country and compiled this report as the “Case Studies of Forest Products Exports – Japanese Lumber to the World”. We hope this report will serve as a reference for efforts to increase exports of lumber and forest products.

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Ken TAMAKI

Director, Wood Use Promotion Division, Forestry Agency

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I. Housing Material (Structural material, interior material, etc.)

1. Export of Houses Using “Yamizo-zai” Lumber to Taiwan

K.K. Tosho in Ibaraki Prefecture

- The company exports Yamizo-zai lumber, produced in Ibaraki Prefecture, to Taiwan as housing material and builds and sells wooden houses through a local joint venture firm.
- As local procurement is difficult if a shortage of the material occurs at the building sites, the members of the houses are pre-cut with precise designing and then shipped to Taiwan.
- The company also develops programs to train local craft workers in Taiwan.

1. Major Products

Housing materials

2. Main Export Destination

Taiwan

3. Export Promotion Efforts

K.K. Tosho has processed Yamizo-zai lumber harvested in Ibaraki Prefecture into pre-cut housing material at the Miyanosato Industrial Park in the northern part of the prefecture for exports to Taiwan since 2014. Golden Health House, a joint venture that Tosho established in Taiwan in 2013 with local partners such as design and beauty care companies, builds and sells wooden houses with the Yamizo-zai lumber. Tosho not only exports the material but also develops programs to train local craft workers to build wooden houses.

4. Export Results

Two houses in 2015 (structural, decorative, interior and other materials (of Sugi and Hinoki (i.e. Japanese cedar and cypress)) for total floor area of 69m²)

5. Problems and Solutions

- Problems
 - (1) Lack of building techniques and necessary tools in Taiwan due to scarcity of wooden houses built by the Japanese conventional building method.
 - (2) Difficulty of procuring the building material within Taiwan when a shortage occurs.
 - (3) High cost of exports due to small export volume.
 - (4) High payroll cost of craft workers.
- Solutions
 - (1) Members of the houses are precisely designed and processed into pre-cut lumber to avoid an excess or shortage on the buildings sites in Taiwan as much as possible.
 - (2) Implementation of programs to train local craft workers.
 - (3) Studies on efficient packing of the materials for loading into containers and standardization of export products to reduce export cost.

6. The Way Forward

To promote wooden houses in Taiwan, reinforce marketing by advertisements and tours of the houses, mainly targeting wealthy people

7. Website

<http://www.kk-tosho.co.jp/>

8. Contact

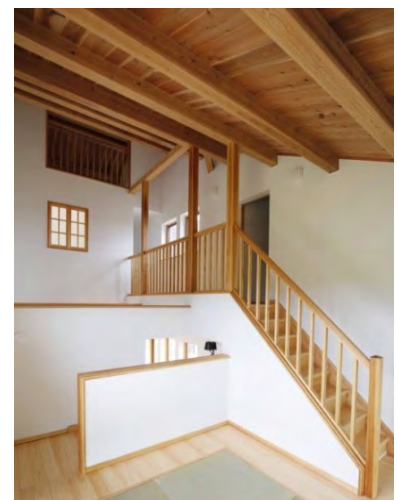
K.K. Tosho (TEL: +81-29-227-1040)



Loading of pre-cut lumber into a container



Wooden house construction site



Inside the completed wooden house

2. Export of Structural Laminated Wood to South Korea, China and Taiwan

K.K. Chuto in Ishikawa Prefecture

- Export of structural laminated wood to South Korea, China and Taiwan.
- Structural laminated wood is pre-cut for shipments. The company offers building instructions in the three countries.
- The company proposes use of Sugi (Japanese cedar), “Noto hiba” cypress, Karamatsu (Japanese larch) and other trees from Ishikawa Prefecture as well as other Japanese trees.

1. Major Products

Structural laminated wood

2. Main Export Destinations

South Korea, China and Taiwan

3. Export Promotion Efforts

- The company receives information/inquiries from overseas tie-up partners and firms and accepts orders if price estimates and terms are acceptable.
- Structural laminated wood is pre-cut for shipments. The company also offers building instructions in the three countries.

4. Export Results

February 2015	122.2m ³ of Norway spruce and Karamatsu structural laminated wood for a golf club house in South Korea
April 2015	33.7m ³ of Karamatsu structural laminated wood as curved material for the roof of Taiwan Station
November 2015	30.2m ³ of Karamatsu structural laminated wood for a multi-dwelling unit in Seoul, South Korea
July 2016	67.7m ³ of Sugi laminated wood and 30m ³ of Sugi decorative boards for a temple in Shanghai, China
August 2016	88.1m ³ of Karamatsu laminated wood for a national elementary school in Taipei, Taiwan
February 2017	61.4m ³ of Norway spruce structural laminated wood as curved material for the roof of Taiwan Station



Golf club house in South Korea



Temple in Shanghai, China

5. Problems and Solutions

- Difficulty in reaching an agreement on the price and payment for placing a contract.
- Frequent changes in designs and specifications with subsequent modifications in contracts.
- Deferred payment.
- Overall costs, including transportation, become higher than those in Japan. As the products seem to be expensive, contract negotiations often stumble.

6. The Way Forward

- To respond to inquiries/orders from abroad.
- With regard to types of trees, use of Sugi, “Noto hiba” cypress, Karamatsu and other trees from Ishikawa Prefecture as well as other Japanese trees are recommended in proposals.

7. Website

URL <http://chuto.jp/>

8. Contact

Laminated Wood Department, K.K. Chuto
TEL: +81-761-58-0100 FAX: +81-761-58-0210 Email: info@chuto.jp

3. Construction of the Conventional Wooden Post and Beam Houses Using Hinoki and Sugi in South Korea

KASAHARA Corporation in Gifu Prefecture

- Export of pre-cut Japanese lumber to South Korea to construct wooden houses.
- Dispatch of Japanese carpentry engineers to South Korea for completion of wooden houses to resolve the low local awareness of the conventional wooden post and beam construction method and scarcity of engineers.
- The company will exhibit its products at housing fairs held in South Korea and consider offering technical instructions to South Korean business partners.

1. Major Products

Wooden houses built with Japanese lumber

- Export of pre-cut Japanese lumber
- Supply of wood-based construction services

2. Main Export Destination

South Korea

3. Export Promotion Efforts

Export of pre-cut domestic Hinoki (Japanese cypress) and Sugi (Japanese cedar) lumber and structural and finishing carpentry work carried out by Japanese carpenters.

4. Export Results

Export of 18.5m³ of pre-cut Hinoki and Sugi material and 5.2m³ of pattern and decorative materials in December 2015. Dispatch of two Japanese carpentry engineers from the end of December 2015 until February 2016 to complete wooden houses (export of services).

5. Problems and Solutions

Most houses built in South Korea adopt the RC structure. The ratio of wooden houses is low and most of them adopt the platform framing. The Japanese conventional post and beam structure, matching Japanese lumber, is rarely known and there are few construction engineers familiar with the construction method.

Challenges lie in making the Japanese construction method more recognizable and training local construction engineers in South Korea.

6. The Way Forward

The company will exhibit its products at housing fairs and offer technical transfer and guidance to business partners in South Korea. It will also reinforce marketing in South Korea.

7. Website URL: <http://www.kasahara-ne-jp>

8. Contact
Housing Department
KASAHARA Corporation
TEL: +81-577-52-2525



A wooden post and beam house completed in Hwaseong, South Korea



Exported pre-cut material

4. Export of Hinoki and Sugi to China, South Korea and Taiwan Kuwabara Mokuzai Co. (Aichi Prefecture)

- Export of Hinoki and Sugi logs and lumber to China, South Korea and Taiwan.
- The company shows its processing plants and other facilities to customers from abroad and directly sells its products matching their needs without relying on intermediaries.
- To reinforce overseas marketing, the company has increased the number of employees fluent in foreign languages, training them at its own plant.

1. Major Products

Hinoki (Japanese cypress) and Sugi (Japanese cedar) logs and lumber

2. Main Export Destinations

China, South Korea and Taiwan

3. Export Promotion Efforts

- The company sells Japanese logs and lumber abroad using its networks with overseas lumber traders that has been built up through its over 15 years of experience of importing wood products from North America and Russia and ownership of a sawmill in Dalian, China until last year.
- It sells products directly to customers from abroad without relying on intermediaries by showing them its processing plants and other facilities to make deals.

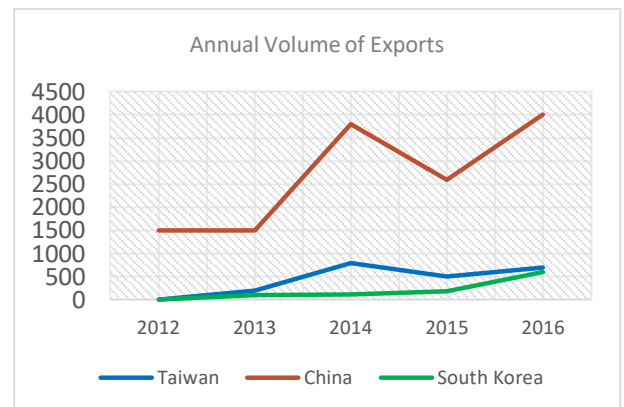
4. Export Results

In fiscal year 2016 (estimated)

- 4,500m³ of Hinoki lumber (boards) and 1,000m³ of Hinoki logs
- 60m³ of processed Hinoki products
- 345m³ of Sugi lumber(boards) and 320m³ of Sugi logs

5. Problems and Solutions

- Problems
 - (1) The export freight accounts for a high ratio of the total cost.
 - (2) Participation in overseas trade fairs, including those held in China and South Korea, has not led to new customer acquisition to realize sustained sales.
- Solutions
 - (1) To reduce transport cost and make efforts to raise the bulk ratio of containers.
 - (2) To reinforce in-house overseas marketing capacities. To increase employees fluent in foreign languages, training them at the company's plants to improve their marketing ability.
 - (3) To produce products matching local needs and enhance competitiveness of products.



6. The Way Forward

The company will focus on sales, especially interior materials produced in Japan. It will also pursue differentiation from products made by other companies in Japan and abroad by providing high value-added and high-quality products.

7. Website

[Http://www.kuwabara.co.jp](http://www.kuwabara.co.jp)



Lumber warehouse for exports

8. Contact

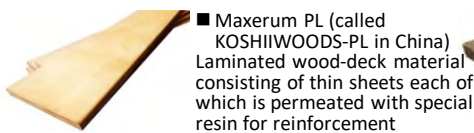
Trade and Special Sales Section of Lumber Business Department
TEL: +81-568-67-4046 FAX: +81-568-67-4763

5. Export of Highly Durable Wood Products to China Koshii & Co. (Osaka Prefecture)

- Exports of highly durable wood products to China
- The company began to pay attention to the Chinese market in 1990s. It has developed human resources and opened an office in Shanghai in 2010.
- The company promotes exports of wooden exterior materials to China as a countermeasure against heat-island effects, making use of Japan's existing experiment results.

1. Major products

Resin-impregnated laminated boards used as outdoor decks - material and high-heat processed lumber featuring high durability and dimensional stability



■ Magerum PL (called KOSHIIWOODS-PL in China)
Laminated wood-deck material consisting of thin sheets each of which is permeated with special resin for reinforcement



■ Koshii Super Thermo (called KOSHIIWOODS-DT in China)
Heat-processed lumber with high-temperature water vapor to realize high durability and dimensional stability. Main use is for outdoor applications such as exterior materials



■ Super Panel (called KOSHIIWOODS-FR in China)
Fireproof lumber made from Sugi for interior use. Certified by the Minister of Land, Infrastructure, Transport and Tourism. The product line has three types -- unburnable, quasi-unburnable and fire-retardant.

3. Export Promotion Efforts

Koshii & Co. began to pay attention to the Chinese market in the 1990s. It has developed human resources and opened an office in Shanghai in 2010. As sales activities, the company proposes its products to design offices and developers as part of their designs and specifications.

4. Export Results

About 400m³ of highly durable wooden products in 2015 (210m³ of resin-permeated laminated boards, 110m³ of high-heat processed lumber, 36m³ of fire-proof lumber and 40m³ of others)



Hongdu Housing Complex Deck in Nanchang
Product name : Magerum PL (resin-impregnated laminated board)
Area: 860m²
Order received: 2016



Henghe Housing Complex Deck in Xiamen
Product name: Magerum PL (resin-permeated laminated board)
Area: 18,000m² (by a series of order received from 2013 to date)
Order received: 2013



Private Condominium Exterior Wall in Xiamen
Product name: Koshii Super Thermo (of sugi) (high-heat processed lumber)
Area: 75m²
order received in 2016

5. Problems and Solutions

Problems: Differences in local business practices.

Solutions: To create a network with local business agents to utilize their local influence and carry out close marketing to local consumers.

6. The Way Forward

- (1) To maintain relationships with current local business agents and seek to acquire new agents.
- (2) To develop new products (e.g. wooden floors, products for middle-income people (Existing products are targeted exclusively at high-income people) and pre-cut products).
- (3) To devise finished products using Japanese lumber for the Chinese market and prepare for the future business chances.

7. Websites

www.jp-koshiiwoods.com (China)
www.koshii.co.jp (Japan)

8. Contact

TEL: +86-21-6236-2661 (China)
Address: Room 11A31, 2299 Shanghai Mart, An Xi Lu, Shanghai, China
TEL: +81-6-6685-2061 (Japan)
Address: 1-2-158 Hirabayashi Kita, Suminoe Ward, Osaka City

6. All-Okayama Export Promotion Okayama Federation of the Wood-industry Associations (Okayama Prefecture)

- Export of products using Hinoki (Japanese cypress) from Okayama Prefecture, to China, South Korea and other markets.
- Establishment of “Council of Promoting Sales Routes Products Using Wood from Okayama Prefecture” in the fiscal year 2012, hosting of export-related seminars and displays of products at trade fairs and business talk sessions overseas.

1. Major products

Products using Hinoki from Okayama Pref.

2. Main Export Destinations

China, South Korea and others

3. Export Promotion Efforts

For promoting exports of products using wood from the prefecture, the Okayama Federation of Wood-industry Associations founded the Council of Promoting Sales Routes for Products Using Wood from Okayama Prefecture in fiscal 2012 to back up member companies' export programs, to host export-related seminars and to display products at trade fairs and business talk sessions overseas.

For displays of products, the Federation solicits participants from member companies and holds exhibits and publicize them as an all-Okayama endeavor. It also provides support in business talks and other opportunities for member companies without export experience.

Okayama Prefecture has been Japan's largest producer of Hinoki lumber for four consecutive years since the fiscal year 2014. The Federation is promoting Hinoki lumber exports because many member companies produce it as main products. In 2015, the Federation made a logo with the catch phrase of “Okayama, Japan's No. 1 Hinoki State” and has been striving to enhance recognition of lumber produced in the prefecture at home and abroad.

There are companies that began exports following participation in overseas exhibitions and business talk sessions supported by the Federation. With the volume of exports increasing, more companies have become interested in exports, joined the Federation and newly begun to display their products at trade fairs and business talk sessions.

4. Export Results

Products using Hinoki from Okayama prefecture
(Interior material, furniture members, boards and other products)

5. Problems and Solutions

- The forestry and wood industry is an essential part of the economy in hilly and mountainous areas in the prefecture, where boosting demand for lumber is a key issue. The Federation accepts municipalities interested in wood products exports as its support members and provides them with information to serve as a bridge between the wood industry and local governments.
- To provide effective support for export promotion efforts, the Federation collaborates with the Mimasaka Council for Promoting Exports of Lumber, which is engaging in exports through an antenna shop in South Korea.

6. The Way Forward

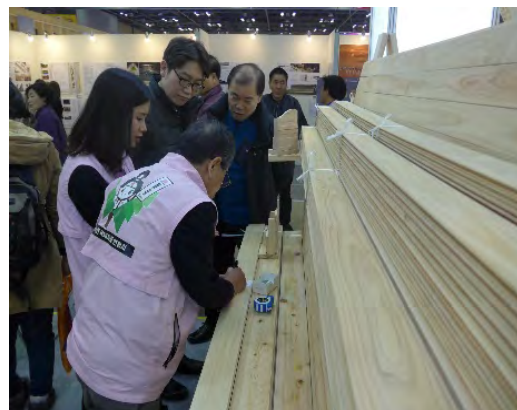
- To acquire new members of the Federation.
- To Collect information for developing new sales routes.

7. Website

<http://www.pref.okayama.jp/page/487663.html>

8. Contact

Forestry Policy Department,
Okayama Prefecture
TEL: +81-86-226-7452



Business talks at trade fairs



Visit to construction site of traditional house in South Korea

7. Opening of an Antenna Shop in South Korea

Mimasaka Council for Promoting Exports of Lumber (Okayama Prefecture)

- Export of lumber and furniture using Hinoki produced in Okayama Pref. to South Korea.
- Opened a permanent antenna shop in Seongnam City, South Korea in 2016, supported by Okayama Pref. and Tsuyama City.
- Active talks with local buyers to mediate differences in business practices in Japan and Korea such as experience sharing.
- Gather information to assess the possibility to use Hinoki lumber as building material for “hanok”, the traditional South Korean houses.

1. Major Products

Wood products and furniture using Hinoki (Japanese cypress) from Okayama Pref.

2. Main Export Destination

South Korea

3. Export Promotion Efforts

Prompted by the favorable results of Okayama Federation of Wood-industry Association’s program to expand sales routes in South Korea and other markets, the Mimasaka Council for Promoting Exports of Lumber, consisting of lumber-related businesses in Tsuyama City and the surrounding areas, was established in September 2015.

With a view to vitalizing the local lumber industry, goods with higher values such as *hinoki* lumber products, furniture and interior fittings are targeted for exports. After putting up a temporary showroom in a select shop in Seoul from January till March in 2016, the Council opened a permanent antenna shop in Seongnam City in August 2016 with support from Okayama Prefecture and Tsuyama City.

The council is soliciting members from companies inside and outside of Tsuyama and the surrounding areas to reinforce its organizational power under the banner of developing sales routes for the local brand “Mimasaka Lumber.” The number of participating companies is expected to increase.

4. Export Results

- Wood products using Hinoki from the prefecture (interior material, furniture members, untrimmed boards and others)
- Furniture and small items using Hinoki from the prefecture

5. Problems and Solutions

- Confusion often occurs over differences in business practices in export destinations, such as means of settling transport costs and sharing of expenses. Members thus visit South Korea on a regular basis for proactive talks with local buyers.
- While needs for interior material are extremely strong, those for hinoki lumber have yet to be stimulated. The Council is collecting information to assess the possibility of using *hinoki* lumber as building material for “hanok”, traditional South Korean houses.
- Visitors’ opinions on the furniture exhibited at the antenna shop are collected and analyzed.

6. The Way Forward

- To carry out extensive sales visits by capitalizing on the presence of the local marketing base
- To promote the brand in cooperation with furniture makers, builders and others.

7. Website

<http://www.pref.okayama.jp/page/487663.html>

8. Contact

Forestry Policy Department Okayama Prefecture
TEL: +81-86-226-7452



Exterior of the shop



Products exhibited inside the shop



Logo of the shop

8. Export of Indigo-dyed Building Materials to Singapore Dairi Lumber Co., Ltd. (Tokushima Prefecture)

- Export of building materials, furniture and other products using indigo-dyed Sugi (Japanese cedar) lumber to Singapore.
- Establishment of the Indigo-Dyeing Showroom, an antenna shop for lumber produced in Tokushima Prefecture, in Singapore.
- Cases involving changes along with designs can be accommodated by employing small-lot air transport carriers.

1. Major Products

Building materials, furniture, small interior products and others using indigo-dyed Sugi lumber, created through matching Sugi lumber and indigo dye produced in Tokushima Prefecture.

3. Export Promotion Efforts

As a company designing and selling Japanese-made apparel was to open a shop to display and sell indigo-dyed building material and small items, the Dairi Lumber has exported indigo-dyed building materials, furniture, lighting equipment and other products and set up an antenna shop for lumber produced in the prefecture, which should be called the Indigo-Dyeing Showroom.

4. Export Results

In 2016

- 3,538m³ of indigo-dyed building materials (of sugi)
- 19 other cedar-based small items (household goods and interior items)

5. Problems and Solutions

With the country functioning as a hub in the ASEAN region, export-related troubles are extremely rare. Transport-related services are also highly friendly to users, making it possible to deal with emergency cases requiring product changes due to designs because small-lot air transport carriers are available.

6. The Way Forward

To develop credible sales routes for made-in-Japan products into Southeast Asian countries through the antenna shop set up in Singapore for offering indigo-dyed building materials.

7. Website

<http://www.dairinet.com/>

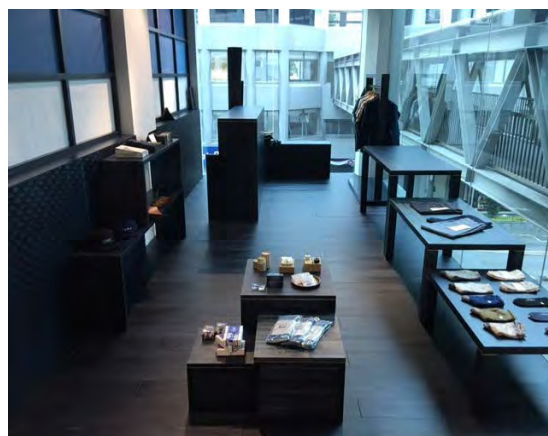
8. Contact

Dairi Lumber Co., Ltd.

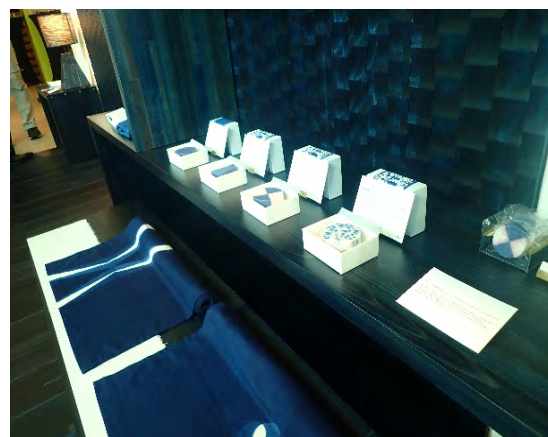
TEL: +81-88-662-5505/FAX: +81-88-663-4050

2. Main Export Destination

Singapore



Indigo-Dyeing Showroom in Singapore



Indigo-dyed products other than building material



Receiving an interview by local mass media

9. Export of Hinoki Lumber Products from Kochi Prefecture to South Korea

Ikegawa Mokuzai Kogyo Co., Ltd. (Kochi Prefecture)

- Export of Hinoki cypress lumber products from Kochi Prefecture to South Korea and Vietnam.
- Launch of an antenna shop in South Korea in 2007 to sell wooden household goods.
- Placing local staff at all times to realize communications improvement, quick response to customers and information collection.

1. Major Products

Sawn timber, interior materials and laminated lumber made from *Hinoki* (Japanese cypress)

2. Main Export Destinations

South Korea and Vietnam

3. Export Promotion Efforts

To make effective use of sawmill remnants, the company began to export them to its outsourcing plant in Vietnam in 1999. In 2007, the company opened an antenna shop in South Korea to start selling wooden household goods. Gaining further momentum from participating in INAP (International Network of Amicable Partnerships) held in South Korea in 2009, the company has expanded its business to larger-scale exports of building material.

4. Export Results

1,194m³ of lumber products from the prefecture (mainly of hinoki) in 2015



Plant in Vietnam and its inside

5. Problems and Solutions

- Vietnam
 - Difficulty in addressing Vietnamese systemic reforms because of delays in information gathering due in part to a shortage of Japanese-affiliated plants in the surrounding area.
 - Efforts focused on improvement of communications by placing local staff at all times.
- South Korea
 - Difficulty in selling the company's products due to different lumber specifications resulting from differences in lifestyles and architectural styles between Japan and South Korea.
 - Realization of prices that match the market through studies to optimize treatment of lumber remnants generated in processing
 - Quick response and collection of information by placing local staff at all times in South Korea.
 - Dissemination of information on features of Hinoki by setting up a website.

6. The Way Forward

- Further expansion of the existing business.
- Dispersion of risks through development of new business partners and diversification of sales.
- Trial production and shipment of products for North America.

7. Website

<http://www.ikemoku.co.jp/>

8. Contact

Ikegawa Mokuzai Kogyo Co., Ltd.
775-1 Doiko, Niyodogawa-cho, Agawa-gun, Kochi Prefecture 781-1606
TEL: +81-889-34-2015 FAX: +81-889-34-2545



Antenna shop in South Korea

10. Export Expansion of Lumber Produced in Kumamoto Pref. and Export Promotion of Value-added Wood Products Council for Promoting Exports of Lumber Produced in Kumamoto Prefecture (Kumamoto Prefecture)

- Export of lumber produced in Kumamoto Prefecture to Asian and other regions.
- Display at overseas exhibitions and other events to publicize lumber produced in the prefecture. Creation of opportunities for business talks by inviting buyers from abroad.
- Holding of seminar on basics of trade to improve members' trading business skills.

1. Major Products

Lumber and other wood Products from Kumamoto Pref.

2. Main Export Destinations

Asia and other regions

3. Export Promotion Efforts

- Objectives and operation of the Council (founded in 2012)
 - For stimulating demand for lumber produced in Kumamoto prefecture, people involved in production, processing and distribution of wood products in the prefecture seek to strategically advance exports of value-added wood products by facilitating mutual cooperation, working out means to increase exports of lumber and developing new sales routes in Asian and other regions.
 - The Council was reorganized in fiscal year 2016 and has been operated with financial contributions from its members. It supports the members with their export promotion activities.
 - The Council holds study panels with experts and others to discuss challenges in exporting lumber.
 - The Council implements overseas market research and local sales activities.
 - For raising publicity of wood products produced in the prefecture and promoting exports of lumber, the Council participates in overseas exhibitions and other events and creates opportunities for business talks by inviting buyers from abroad.



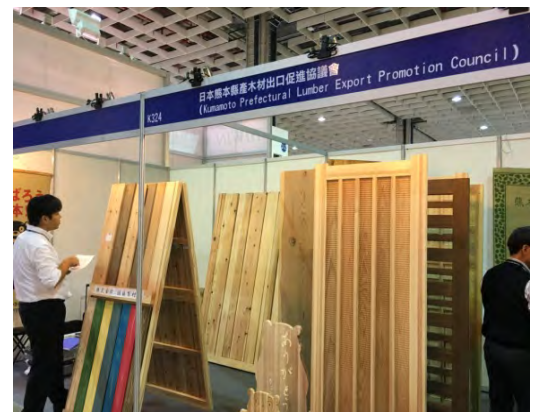
The Council and the Study Panel

4. Export Results (Outline of activities in 2016)

- Discussions and exchanges of opinions for export promotion in cooperation with the Japan Wood-Products Export Association.
- Seminars on China's needs for and uses of imported wood products.
- Seminars on basics of trade to improve members' trading business skills.
- Display at Taipei Building Show to enhance local recognition of wood products produced in the prefecture and conduct business talks with buyers.
- Creation of opportunities for business talks by inviting buyers from abroad (China, South Korea, Hong Kong and others).
- Local research conducted in Taiwan, Hong Kong, South Korea and others.
- Exports of samples to Hong Kong and others.

5. Problems and Solutions

- While it is considered that exports of value-added wood products will become important, many problems exist, such as difference between Japanese and foreign specifications, price discrepancies, requested lot sizes and competition with foreign lumber. Solutions will be sought in cooperation with the Council members.



Display at Taipei Building Show

6. Contact

Council for Promoting Exports of Lumber Produced in Kumamoto Prefecture
Secretariat : General Incorporated Association Kumamoto Prefecture
Association of Wood Society
TEL: +81-96-382-7919 FAX: +81-96-382-7893

II. High Value-Added Wood Products

11. Export of Products Made of Hardwood from Hokkaido (1)

Takizawa Veneer Co., Ltd. (Hokkaido)

- Export of original plywood called “PAPER-WOOD” made of colorful recycled paper and linden and white birch wood from Hokkaido to Europe and other markets.
- Export started this year due to appraisal as a plywood-based product with excellent design.
- To seek orders for not only products of in-house designs but also custom-made products using the PAPER-WOOD.

1. Major Products

Small interior items using original plywood called PAPER-WOOD made of colorful recycled paper and linden and white birch wood from Hokkaido

2. Main Export Destinations

The united States, Great Britain and France

3. Export Promotion Efforts

Exports began taking advantage of receiving the appraisal for the product as an ever unavailable item with excellent design.

4. Export Results

- 600 units of Paper Weight
- 100 units of Animal Puzzles

5. Problems and Solutions

- Much time needed to deal with contracts and other documents written in foreign languages.
 - Placing of staff members in charge of overseas operations.
- Small retail businesses are reluctant to import the products EXW is the only trade term currently offered.
 - The company only has short-term experience in exports and plans to adopt other trade terms once it becomes accustomed to the trading business.

6. The Way Forward

To seek orders for not only products of in-house designs but also custom-made products using the PAPER-WOOD.

7. Website

<http://www.takizawaveneer.co.jp>

8. Contract

100 Nokanan-cho, Ashibetsu City, Hokkaido 079-1372
TEL: +81-124-27-3111 FAX: +81-124-27-3113
E-mail: info@takizawaveneer.co.jp



Paper Weight



Animal Puzzle



Display at the Maison et Objet

12. Export of products Made of Hardwood from Hokkaido (2) Takizawa Veneer Co., Ltd. (Hokkaido)

- Export of laminated plywood (for acoustic speakers) made of white birch from Hokkaido to Indonesia.
- Export started as a result of receiving appreciation that sounds from white birch plywood speakers are better than plywood of other tree species.
- Conducting experiments on sounds from products using plywood of white birch and other wood, the company will propose plywood capable of generating sounds that cannot be copied by overseas products.

1. Major Products

Laminated plywood (for acoustic speakers) made of white birch from Hokkaido

2. Main Export Destination

Indonesia

3. Export Promotion Efforts

Export started as a result of receiving appreciation that sounds from white birch plywood speakers, which had not been produced in Japan before, are better than those from speakers using plywood of other tree species.

4. Export Results

15m³ per year

5. Problems and Solutions

When exports started, plywood warped due to a different degree of humidity in the export destination from Japan. The water content in the plywood was cut as a solution.

6. The Way Forward

Conducting experiments on sounds from products using plywood of white birch and other wood to present the evidence, the company will propose plywood capable of generating sounds that cannot be copied by overseas products.

7. Website

<http://www.takizawaveneer.co.jp>

8. Contact

1000 Nokanan-cho, Ashibetsu City, Hokkaido 079-1372
TEL: +81-124-27-3111 FAX: +81-124-27-3113
E-mail: info@takizawaveneer.co.jp



Laminated plywood using white birch



Speakers using laminated plywood of white birch
(Photo by courtesy of Yamaha Corp.)

13. Expansion of Overseas Sales Routes for Wooden Intellectual Training Toys Using Lumber from Yamagata Prefecture

K.K. New Tech Shinsei (Yamagata Prefecture)

- Export of wooden toy blocks made of lumber from Yamagata Prefecture to Europe and other markets.
- Displays of products at overseas trade fairs on a regular basis since 2015.
- Placement of inquiries with JETRO and inspection agencies to learn various countries' own safety standards and other matters.

1. Major Products

Wooden toy blocks calld "Moku Lock"
 -Utilizing unused lumber produced in Yamagata Prefecture, the company manufactures the products by chipping solid wood (cherry, maple, birch, zelkova, magnolia and hornbeam trees)

2. Main Export Destinations

Europe (member states of EU, Switzerland and Norway), United States, Canada, Australia, New Zealand, Singapore, Hong Kong, Taiwan and South Korea

3. Export Promotion Efforts



Maison et Objet
Paris, in January 2015



Maison et Objet
Paris, in January 2017

Responding to inquiries and orders from abroad, the company began overseas sales in 2013. The company has exhibited the products at overseas trade fairs on a regular basis since 2015.

4. Export Results

	Volume of exports (m ³)	Periods of shipment
Fiscal 2016 (estimate)	0.75m ³	Full year
Fiscal 2015	0.72m ³	



Series of products put on the market in 2016

5. Problems and Solutions

- Scarcity of information on the safety standards for wooden toys, qualifications and other matters necessary for enabling legitimate sales in the customers' countries and regions makes it difficult to export products to countries other than already established destinations despite reception of inquiries.
 → The company asks would-be customers to gather information on their countries and inquiries with JETRO and inspection agencies.
- The low-cost EMS is mainly used delivery. Depending on the countries, tariffs or VAT may be imposed, and there are cases in which delivers to the doors of customers fails.
 → We have increased options of delivery by introducing priority transport in addition to EMS to ensure prompt delivery to the doors of customers.

6. The Way Forward

To increase export destinations and client companies and win more orders by further upgrading overseas sales sites.

7. Website

<http://mukulock.biz/>

8. Contact

K.K. New Tech Shinsei
 3075-1 Oaza-Hanazawa, Yonezawa City, Yamagata Prefecture 992-0021
 TEL: +81-238-21-3155

14. Export of “Kendama” to the World

Yamagata Koubou Co., Ltd. (Yamagata Prefecture)

- Export of kendama made of beech and mountain cherry trees to countries worldwide.
- Export began due to increase in overseas demand for kendama to use it in performances.
- Branding for sales promotion is needed.

1. Major Products

Kendama (made of beech and mountain cherry trees)

2. Main Export Destinations

The United States, Hong Kong, Europe and 20 Asian countries.

3. Export Promotion Efforts

Export began due to increase in overseas demand for kendama as a tool for performance.

4. Export Results

5,000 units of kendama

5. Problems and Solutions

Branding for sales promotion is needed

6. The Way Forward

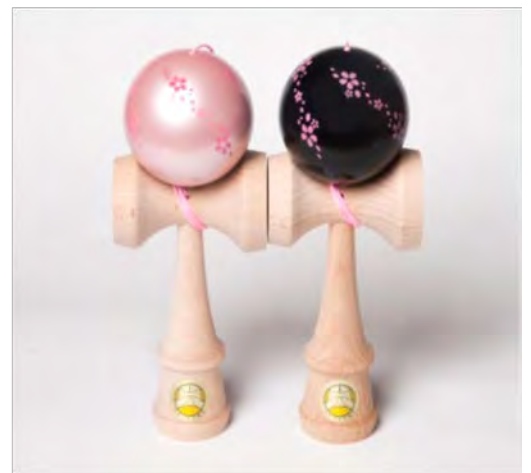
To help *kendama* take root in local communities through cultivating markets not only for the *kendama* made for performance contests but also for those with which beginners and the elderly can easily enjoy playing so that such *kendama* are used in welfare and other occasions.

7. Website

<http://www.kendama.co.jp>

8. Contact

Yamagata Koubou Co., Ltd.
TEL: +81-238-84-6062 FAX: +81-238-84-6061



The *Sakura Series* of “Ozora (big sky)”, *kendama* for performance contests
Certified by the Japan Kendama Association



The *Premier Series* of “Ozora”, *kendama* for performance contests
Certified by the Japan Kendama Association

15. Export of Original “Kokeshi” (wooden dolls) to the World

USABURO KOKESHI, Inc. (Gunma Prefecture)

- Export of original kokeshi, made of cornel, chestnut and other trees to the United States, Europe and other markets.
- Export initiated by inquiries from overseas wholesalers in response to opening a website in English.
- Display at gift shows, using Gunma Prefecture’s support program.

1. Major Products

Original kokeshi made of cornel, chestnut, zelkova and cherry trees

2. Main Export Destinations

The United States, Great Britain, France, Italy, Israel, Switzerland, Netherlands, Belgium, Germany, Spain, Australia and others

3. Export Promotion Efforts

The company opened a website to sell its products in 2001 and later added the English version of the site. At first, overseas sales to individual customers had been envisaged, but mails calling for wholesale gradually increased, which led to the start of wholesale in addition to sales to individuals.

4. Export Results

Shipment in 2016: about 18,000 units of original *kokeshi*

5. The Way Forward

To seek further popularity of kokeshi across the world.

6. Website

<http://www.usaburo.com/>

7. Contact

TEL: +81-279-54-6766 FAX: +81-279-54-8684

E-mail: info@usaburo.com



©Tsuburaya Productions Co.



Original kokeshi

16. Export of Noto Hiba Cypress Products from Kanazawa Port to Vietnam

Kagamoku Co., Ltd. (Ishikawa Prefecture)

- Export of Noto hiba boards to Vietnam.
- Tie-ups with local forestry cooperatives and lumber producers for stable supply of the raw material.
- To participate in industry trade fairs and enhance recognition of the products in order to widely announce the efficacy of Noto hiba.

1. Major Products

Shoe cabinets made of “Noto hiba” cypress, having antibacterial effects, grown in satoyama (village forests) in the Noto region, designated as a World Agricultural Heritage

3. Export Promotion Efforts

Processing of low-value thinned logs from satoyama in the Noto area into shoe cabinets in Vietnam, a country with high manufacturing skills and low-cost production capabilities. The products are completed through repeated trial production.

4. Export Results

About 50m³ in the fiscal year 2015

5. Problems and Solutions

- The company pursues designs, functions and prices that match the needs in Vietnam.
- The company ties up with local forestry cooperatives and lumber producers for stable supply of the raw material.

6. The Way Forward

- To actively participate in industry trade fairs and other events, widely announce the efficacy of Noto hiba and promote its recognition and use of products.
- To seek vitalization of the forestry and wood industry through development, planning, production and sales of “Noto hiba” products in cooperation with processors and distributors in and outside the prefecture.

7. Website

<http://www.kagamoku.co.jp>

8. Contract

Wood Building Business Department,
Kagamoku Co., Ltd.
TEL: +81-76-238-4131

2. Main Export Destination

Vietnam



Completed products



17. Development of Overseas Sales Routes for High-value-added Wood Products Made of Domestic Aromatic Lumber Yamazaki-ya Woodwork Mill (Nagano Prefecture)

- Export of high-performance wooden window products, made of “Kiso hinoki” cypress lumber to North America and Europe.
- Development of a strategy to export products to North America and Europe, the consumer countries of wooden window products.
- Four companies jointly solicited committee members and held the committee meetings and other events to consider problems and solutions in the fiscal year 2016.

1. Major Products

High-performance wooden window products made of “Kiso hinoki” cypress lumber

2. Main Export Destinations

The United States, Canada, Australia, New Zealand, Switzerland, Germany and France

3. Export Promotion Efforts

Development of the product strategy to export high-performance wooden window products made of “Kiso hinoki” lumber, which is a brand of domestic *Hinoki* lumber, to North America and Europe and to expand sales routes for domestically produced wood products.

4. Export Results

N/A

5. Problems and Solutions

Establishment of sales routes for high-performance wooden window products is expected to take time. Also, there are challenges in matters such as shipping, price setting and product guarantees.

6. The Way Forward

Four companies jointly solicited members for a committee and other gatherings in the fiscal year 2016 and convened the meetings. Despite that certain results were generated, the four companies are considering whether to continue the committee and other activities in the fiscal year 2017, as they have yet to decide on solutions to implement and the future directions.

7. Website

<http://www.yamazakiyamokko.co.jp/>

8. Contact

555-1 Naka, Chikuma City, Nagano Prefecture 387-0017
TEL/FAX: +81-26-272-2765
E-mail: s-yamazaki@yamazakiyamokko.co.jp



Photo of products

18. Export of “Yakisugi” (Japanese cedar boards with the charred surface) to South Korea

K.K. Forest Feeling (Shizuoka Prefecture)

- Export of Yakisugi boards, charred through special processing and painted colorfully, to South Korea.
- Export of the colorful and creative “UROCO”, the Yakisugi color panels, as the first step toward achieving worldwide recognition of Sugi from the Tenryu area.
- Exhibition at a trade fair in South Korea in cooperation with Shizuoka Prefecture.

1. Major Products

Sugi boards charred through special processing and painted colorfully. In Japan, they are sold at places such as DIY centers.

2. Main Export Destination

South Korea



Example of processing for UROCO

3. Export Promotion Efforts

Export of the colorful and creative UROCO color panels as the first step toward achieving worldwide recognition of Sugi from the Tenryu area.

4. Export Results

About 100m² of UROCO exported to South Korea in 2016.

5. Problems and Solutions

- Demand for the product in DIY is starting to emerge in South Korea. Unlike Japan, however, few centers display lumber inside the stores in South Korea, making it difficult to develop a distribution network .
- Prices do not fall to the level that make the product affordable to general consumers because of transportation costs and tariffs.

6. The Way Forward

To obtain recognition and promote branding in South Korea

7. Website

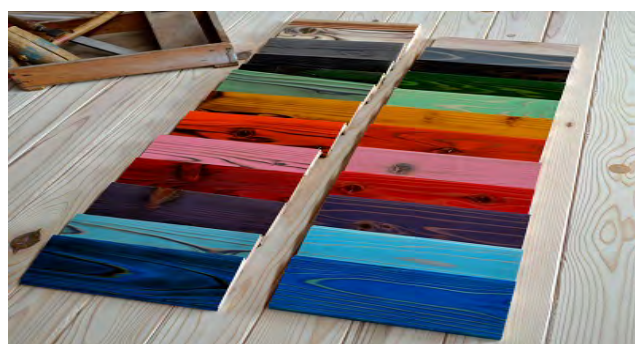
<http://uroco.org>

8. Contact

K.K. Forest Feeling
E-mail: access@uroco.org



Color samples



UROKO boards

19. Export of Memo Pads Made from “Kyogi” (paper-thin sheets of wood) to the World K.K. Forest Feeling (Shizuoka Prefecture)

- Export of memo pads made of “Kyogi” using Japanese red pine to five countries in the world.
- The export started with a request of an overseas buyer intrigued by the product exhibition at a trade fair.
- Seeking sales particularly in Europe to increase countries using Kyogi as memo pads in the world.

1. Major Products

Memo pads made of Kyogi using Japanese red pine

2. Main Export Destinations

Canada, The United States, Sweden, South Korea and Hong Kong

3. Export Promotion Efforts

Export started with a request of an overseas buyer intrigued by the product exhibition at a trade fair.

4. Export Results

Approximately 10,000 and 25,000 pads were exported in the fiscal years 2015 and 2016, respectively.

5. Problems and Solutions

- In case there are two or more sales agents overseas, trouble occurs unless fixed prices are set.
- Unauthorized sales occurred through online commerce networks, such as Amazon. For opening of sales sites and other services on online shopping malls overseas, sales agents need to be carefully selected.

6. The Way Forward

The company envisages to spread the use of Kyogi as memo pads around the world. It seeks to merchandise the products in more countries and is trying to boost sales especially in Europe.

7. Website

<http://kizara.jp/>

8. Contact

K.K. Forest Feeling
E-mail: access@uroco.org



Small, medium and large Kyogi memo pads



Each sheet can be cut off along the grain.



Example of use

(Presented by Forest Feelings)

III. Logs

20. Export of Sugi Logs to China Aizacc (Gunma Prefecture)

- Export of Sugi (Japanese cedar) logs to China.
- The export was initiated by a request from a lumber-related company in Shanghai for Japanese logs.
- Procured Japanese logs that meet the needs of the Chinese customers.

1. Major Products

Sugi(Japanese cedar) logs

2. Main Export Destination

China

3. Export Promotion Efforts

- As the company had been doing business in China, it received a request from a lumber-related company in Shanghai for procurement of Japanese logs and began exporting them.

4. Export Results

Fiscal year	Volume of exports (m ³)
2015	1,510
2016	3,315

5. Problems and Solutions

- It was often difficult to procure 4-meter logs that match the needs of the Chinese customers, since such logs are scarcely distributed in *Gunma* prefecture. The company found other sources and successfully met the customer's demand.
- To make up for a shortage of vehicles customized for the log transportation, general-use trucks (flat body) with special frames were used to carry the logs from the timber yard to the place of fumigation.

6. The Way Forward

- To secure the stable volume of logs for export, consideration will be given to establish a new organization tasked with the entire process from purchase of standing trees to log production, distribution, fumigation and other operations.

7. Website

<http://aizacc.com/index.html>

8. Contact

Aizacc
TEL: +81-27-265-5735



A scene of shipment



Exported Sugi logs

21. Export of Sugi Logs to China

Nagano Prefectural Federation of the Forest Owners' Cooperative Associations (Nagano Prefecture)

- Export of Sugi (Japanese cedar) logs to be used in civil engineering works to China.
- As demand for Sugi logs for civil engineering works is small in Nagano Prefecture, the Federation started exporting them as a new sales route.
- By analyzing the demand trend for unused lumber and other relevant matters in Nagano Prefecture, regions having advantages in collection and delivery of lumber are considered.

1. Major Products

Sugi logs meeting the standard of 4.0m in length and 8cm in diameter and larger

2. Main Export Destination

China

3. Export Promotion Efforts

As use of *Sugi* logs in civil engineering works is limited in Nagano Prefecture, the Federation collaborated with forestry cooperatives and lumber producers to develop a new sales route. The export started with logs from the Hokushin region via Naoetsu Port, which has advantages in terms of transport costs.

4. Export Results

Sugi logs: 9,916m³ in 2014; 5,121m³ in 2015 and 4,105m³ in 2016
(Japanese red pine logs were also delivered in 2014)

5. Problems and Solutions

- Timely lumber collection is requested with consideration to the exchange rate movements and other issues. As it takes time to collect 2,200m³ to 2,300m³ logs per shipment, planing shipments at the optimal timing is difficult.
- In winter, shipments become difficult due to rough conditions in ports.
- By analyzing the demand trend for unused lumber and other relevant matters in Nagano Prefecture, the Federation considers which regions would have advantages in collection and delivery of lumber.
- Few claims and other problems have come up concerning quality and specifications of logs.
- Measurement in specifications and other work need to be improved as the exported logs are for civil engineering works (small-diameter logs).

7. Website

<http://www.naganomoriren.or.jp/wp/>

8. Contact

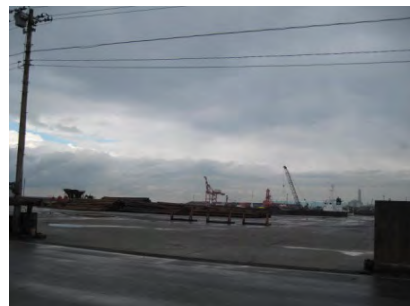
Operational Division, the Nagano Prefecture Federation of Forest Owners' Cooperatives Association
TEL: +81-26-226-2504



Stacked Sugi logs



Log selection according to quality



Loading for shipment from Naoetsu Port

22. Export of Sugi and Hinoki logs to China and South Korea SL World Co., Ltd. (Shizuoka Prefecture)

- Export of Sugi (Japanese cedar) logs to China and Hinoki (Japanese cypress) logs to South Korea.
- Tie-up with the Nagano Prefecture Federation of the Forest Owners' Cooperatives Association to export Sugi logs to China via Naoetsu Port.
- Faced with a difficulty of securing the required volume of domestic logs as their usages have been diversified in recent years, the company has made a proposal to the Association of Log Producers in the Tone-Numata Area in Gunma Prefecture to establish a new collection station with the aim of starting operation in the fiscal year 2018.

1. Major Products

2. Main Export Destinations

	Lengths	Diameters	Cargo Handling Ports	Destinations	Uses
• Sugi logs	3.0 - 4.0m	8cm -	Naoetsu Port	China	Blockboards
• Hinoki logs	2.4m	16cm -	Shimizu Port	South Korea	Interior material

3. Export Promotion Efforts

- Sugi logs
Export to Shanghai, China via Naoetsu Port in Niigata Prefecture, in cooperation with the Nagano Prefecture Federation of Forestry Cooperative Associations.
- Hinoki logs
Maritime container transportation to South Korea via Shimizu Port.



4. Export Results

Volume of Export

Year	2014	2015	2016	Total
<i>Sugi logs (m³)</i>	9,000	7,000	4,000	20,000
<i>Hinoki logs (m³)</i>	345	800	427	1,572

5. Problems and Solutions

Struggling to procure logs due to the difficulty in securing the required quantity amid diversified usages of domestic logs (for biomass, plywood, packaging, etc.) and the subsequent rise in the log prices.

6. The Way Forward

- For exporting logs to China, the company has made a proposal to the Association of Log Producers in the Tone-Numata Area in Gunma Prefecture to establish a new collection station with the aim of starting its operation in the fiscal year 2018.
- While the Tone-Numata Area ships out some 1/3 of the total logs collected in Gunma Prefecture, there is no nearby collection station. Taking advantage of the situation, the company will seek to increase the volume of export to China from Naoetsu Port.



(Prepared by SL World Co.)

7. Website <http://www.sl-world.co.jp/>

8. Contract SL World Co., Ltd. TEL: +81-54-335-5451

23. Endeavors to Increase Exports of Lumber

Mie Prefecture Council for the Promotion of the Exports of Agricultural, Forest and Fishery Products and Food (Mie Prefecture)

- Export of Sugi (Japanese cedar), Hinoki (Japanese cypress) and other logs to China, Taiwan and South Korea.
- The Council holds seminars on lumber exports to foster momentum for promotion of exports.
- The Council conducts demand surveys abroad to grasp overseas demand.

1. Major Products

Sugi, Hinoki and other logs

2. Main Export Destinations

China, Taiwan and South Korea

3. Export Promotion Efforts

(Fiscal 2014)

- The foundation of the Mie Prefectural Council for the Promotion of the Export of Agricultural, Forest and Fishery Product and Food in March
- Seminars on lumber export

(Fiscal 2015)

- Surveys of demand for lumber in South Korea, China and Taiwan
- Site visits to see examples of lumber usages in China

(Fiscal 2016)

- Study sessions on lumber export
- Trial export (planned)

Foster momentum

Grasp the demand

Marketing

<<Image of the steps to take>>

4. Export Results

Export of logs mainly for interior material to South Korea and for civil engineering material to China and Taiwan.

5. Problems and Solutions

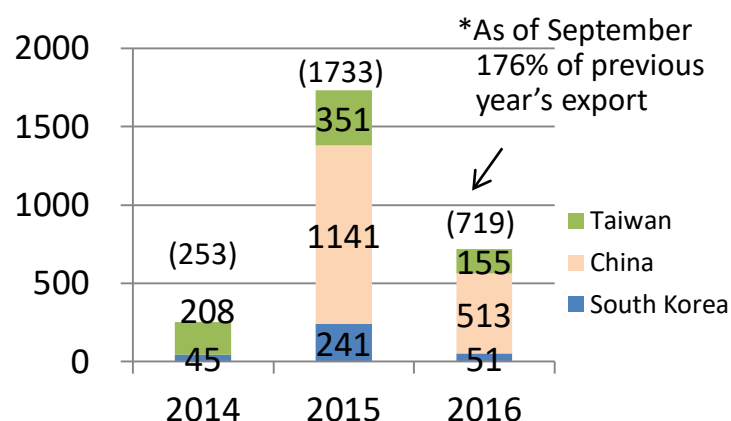
- Seminar on lumber export held to foster momentum for promotion of the exports.
- Surveys conducted to grasp overseas demand trends.

6. The Way Forward

- To expand export destinations for interior material.
- To promote exports of products with higher added values.

7. Contact

Forestry Industry Subcommittee, Mie Prefectural Council for the Promotion of the Export of Agricultural, Forest and Fishery Products and Food
(Secretariat)
Forest and Forestry Management Division
Agriculture, Forestry and Fisheries Department
Mie Prefectural Government
TEL: +81-59-224-2563



<<Export Volume>>

24. Export of Logs for the Interior Materials to South Korea K.K. Yamaichi Mokuzai (Wakayama Prefecture)

- Export of Hinoki (Japanese cypress) logs for interior materials of condominiums to South Korea.
- Export to South Korea began in 2014 at a trading firm's request.
- Establishment of a stable supply system in accordance with the demanded specifications and volume.

1. Major Products

Hinoki logs (2.4m and 16cm and over)
*For interiors of condominium units

2. Main Export Destination

South Korea

3. Export Promotion Efforts

The company has exported the logs to South Korea via Wakayama Port since 2014 when a trade firm made a request.

4. Export Results

100m³ per month on a regular basis since the fiscal year 2014

5. Problems and Solutions

Export greatly depends on prices due to the distance of more than 150km between the place of harvesting and the export handling port.

6. The Way Forward

The company has established its stable supply system of lumber in accordance with demanded specifications and volumes. It will take various orders from overseas.

7. Website

<http://www.yamaichimokuzai.com/index.html>
(Website of the K.K. Yamaichi Mokuzai)

8. Contact

K.K. Yamaichi Mokuzai
Address: 2-1-5 Shinmachi, Shingu City, Wakayama Prefecture
TEL: +81-735-22-8115



Operation at a log yard

25. Processing of “Kishu Hinoki” Logs and Sales of the Products in China

East Rise Transport Co., Ltd. (Wakayama Prefecture)

- Export of Kishu hinoki (a brand of Japanese cypress) logs to China.
- Noting the high quality and available resources of Kishu hinoki, the company began the export in the fiscal year 2014.
- The exported logs are processed into products at a sawmill in China for sale in China and South Korea.
- Forest roads and other infrastructures need to be improved for realizing stable supply.

1. Major Products

Kishu hinoki logs produced in Wakayama Prefecture

2. Main Export Destination

China

3. Export Promotion Efforts

- Noting the high quality and available resources of Kishu hinoki, the company considered selling its products in China.
- Export of Kishu hinoki to China began in the fiscal year 2014.
- The company has purchased forests in Wakayama Prefecture and logged out from there in cooperation with local log producers.
- Logs are shipped to Shanghai Port from Wakayama Port and processed into products at a sawmill in China to sell them in China and South Korea.

4. Export Results (Export of logs began in fiscal 2014.)

332m³ in 2014

949m³ in 2015

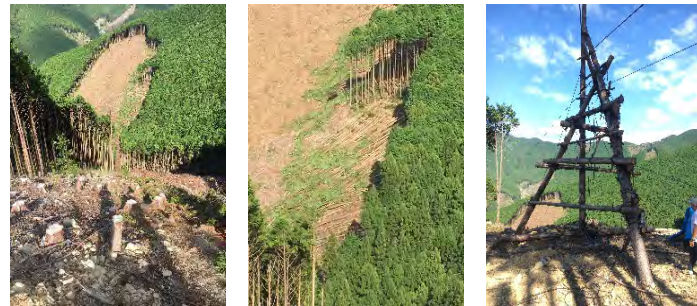
1,683m³ in 2016

5. Problems and Solutions

- To reduce costs of shipping logs out of forests.
- Forest roads and other infrastructures need to be improved for realizing stable supply.
- Procurement of timber and forests.

6. The Way Forward

- The sharing of information and reinforcement of cooperation with local and nearby forestry business, trading houses and other concerns.
- To increase volume of exports (by employing bulk ships) to meet the needs in China and South Korea.
- The nearby export port needs to be improved for exports by bulk ships.
- To bundle production of building material, furniture and other products, which makes it possible to propose reform of an entire house with *hinoki* (a showroom in suburban Shanghai was set up).
- Production and sales of furniture and miscellaneous goods (tableware, chopping boards, toys, etc.) made of Kishu hinoki.



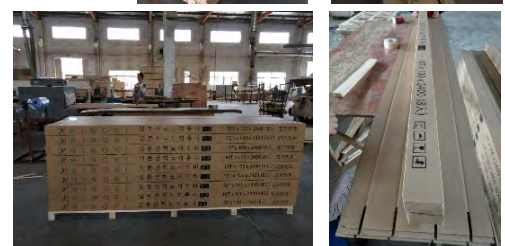
Logging sites in Wakayama Prefecture



Loading work (at Wakayama Port)
A 40' HQ container is capable of loading about 30m²



Showroom of the products in suburban Shanghai



Work at sawmill in China and the products

7. Website

<http://www.eastrise-t.com/>

8. Contract

East Rise Transport Co., Ltd.
E-mail: sakurai@eastrise-t.com
TEL: +81-6-6223-5080

IV. Non-wood Forest Products

26. Export of Dried “Shiitake” Mushroom to Taiwan Hironoya Co., Ltd. (Iwate Prefecture)

- Export of dried shiitake mushroom to Taiwan.
- The company launched the “Kita Sanriku Branding Project” and sells its products in Japan and abroad.
- Utilizing a project by the Ministry of Economy, Trade and Industry, the company invited buyers from Taiwan to the production site and held a workshop.

1. Major Product

Dried shiitake mushroom (called “donko”)

2. Main Export Destination

Taiwan

3. Export Promotion Efforts

The company launched the Kita Sanriku Branding Project to increase sales of mainly fishery products from the Kita Sanriku region and has sold them in Japan and abroad. As part of this project, the company started efforts to export dried *shiitake*, a specialty of Hirono Town.

4. Export Results

In the fiscal year 2015: 100 - 120kg of dried *shiitake* produced in Hirono Town

5. Problems and Solutions

Problem

The initial negotiations were not successful as the company’s explanation did not persuade Taiwanese buyers of the high quality of the dried *shiitake* produced in Hirono Town.

• Solution

Utilizing a project undertaken by the Ministry of Economy, Trade and Industry, the company invited the buyers to the production site and held a workshop to deepen their understanding on the dried *shiitake* produced in Hirono Town.

• Result

The deal was completed as the buyers were convinced of the high quality of the dried *shiitake* produced in Hirono Town.



Negotiation with Taiwanese buyers

6. The Way Forward

- To acquire clients in Hong Kong.
- To hold seminars for producers to learn important points and caveats in disseminating information on foods abroad and exporting them, with the aim of expanding overseas trading.

7. Website

<http://hirono-ya.com/>

8. Contact

Hironoya Co., Ltd.

TEL: +81-194-65-5556 FAX: +81-194-65-4432



Taiwanese buyers visit the production site

27. Offering High-quality Kishu Binchotan Charcoal to the world Kishu Tan Kobo (Wakayama Prefecture)

- Export of Kishu Binchotan (a brand of charcoal produced in Wakayama Prefecture) to Australia and Canada.
- Export began in 2015 receiving a request from a maker.
- Establishment of an arrangement to receive feedback from end users who actually use Kishu Binchotan.

1. Major Products

Kishu Binchotan (round and irregularly shaped charcoal)

2. Main Export Destinations

Australia and Canada

3. Export Promotion Efforts

Export started in 2015 following a request from the maker of sharpening stones for Japanese kitchen knives used at Japanese restaurants overseas.

4. Export Results

25 cases/month (15kg/case)
(Breakdown)

- 20 cases to Australia and 5 cases to Canada

5. Problems and Solutions

- Kishu Binchotan has traditional specifications which are different from the overseas concept of specifications. Troubles occurred when an upper-level specification was applied.
- The company has set up an arrangement to receive feedback from end users who actually use Kishu Binchotan.

6. The Way Forward

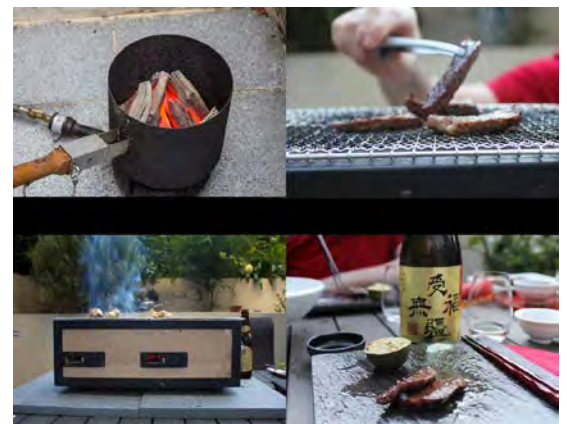
- To promote approaches to potential customers in the fields of tourism by capitalizing on the company's close location to Kansai International Airport as a geographical advantage.
- To seek expansion of market by offering experience programs to tourists from abroad.
- To disseminate the charm of *Kishu Binchotan* via SNS to the world.
- To propose the charcoal culture for "Washoku", or Japanese cuisine designated as UNESCO's intangible cultural heritage.

7. Website

<http://www.sumikobo.net/>

8. Contact

Kishu Tan Kobo
TEL: +81-73-457-2462



Kishu Binchotan used for grilling



Production of *Kishu Binchotan*
(removal of the charcoal from a fire pit)

28. Export of Boiled “Takenoko,” Vegetables and Mushrooms to ASEAN Member Countries

Kazue Bussan Inc. (Fukuoka Prefecture)

- Export of takenoko (bamboo shoot) and other foods to ASEAN member countries.
- The company is upgrading its operations in terms of both hardware and software and discussing tie-up with a major Japanese trading firm to earn certifications of the FSSC international standard and the halal screening system.

1. Major Products

- Boiled *takenoko*
- Pre-cooked ingredients (boiled vegetables) for “*chikuzenni*” and “*tonjiru*”, which are popular Japanese dishes
- Cooking kits for “*takikomi gohan*” (processed rice for fast cooking and the other ingredients)

2. Main Export Destinations

- ASEAN member countries, especially Singapore, Malaysia, Thailand and Vietnam



3. Export Promotion Efforts

Interests in Japanese cuisine, agricultural products and processed foods are growing due to increase of global needs for safe and healthy food and greater recognition of Japanese cuisine with more tourists visiting Japan from abroad. In particular, restaurants offering Japanese dishes and retailers handling Japanese agricultural products and processed foods are actively entering ASEAN member countries, which are expected to achieve major economic growth. The company is advancing plans to export and sell high-quality agricultural products and processed foods produced in Fukuoka Prefecture to such restaurants and retailers.

4. Export Results

- Export destination: Malaysia (Kuala Lumpur)
- 50 packs each of 10 products (total of 500 packs) as test export

5. Problems and Solutions

Problem 1

To establish a small-lot and low-cost distribution system to address the expiration date and other issues.

Solution 1

To ship the products in a break-bulk manner by cooperating with companies that have already established regular weekly cargoes for Hong Kong, Singapore and Malaysia to export and sell fruits and vegetables.

Problem 2

To effectively conduct surveys and acquire local sales agents to sell exported products.

Solution 2

To sell the products with Japanese companies operating local fruit and vegetable shops. Synergy effects can be expected as stable procurement is possible for the company's processed products.

Problem 3

It is necessary for smooth export and sales to address international quality specifications and standards as well as regulations in countries concerned.

Solution 3

To upgrade the operations in terms of both hardware and software to earn certifications of the FSSC international standard and the halal screening system. Consultation on tie-up with a major Japanese trading firm is underway.

6. The Way Forward

The company is planning experimental export and sales as part of marketing. As the transportation route and retail places have already been secured, it is to work out the product lineup matching the needs of export destinations and promptly bring the export and sales up to a commercial basis.

7. Website

<http://www.kazue-inc.com/>

8. Contact

Kazue Bussan Inc.
TEL: +81-943-30-1137

29. Export of Mushrooms Produced in Okinawa the Prefecture to Asia

K.K. Odac (Okinawa Prefecture)

- Export of mushrooms produced in Okinawa Prefecture to Asia.
- Development of sales routes in Asia where demand is expected all year round.
- In addition to the “safety and security” of the mushrooms as Japanese brand food, their freshness is publicized utilizing the airfreight via *Naha* Airport serving as the air hub.

1. Major Products

Mushrooms produced in Okinawa Prefecture (enokitake and bunashimeji mushroom)

2. Main Export Destinations

Taiwan, Malaysia, Singapore and Thailand

3. Export Promotion Efforts

While mushrooms can be produced using fungal bed cultivation in factories, fresh mushrooms tend to be seen as a “seasonal product” and the demand in summer falls in comparison with winter in Japan. In the Asian region, the demand is expected to be stable all year round, so the company will develop sales routes there to take in greater demand for the mushrooms from the prefecture and stabilize production.

4. Export Results

In the fiscal year 2015: 483,900kg

5. Problems and Solutions

(Problem)

Production of mushrooms in export destinations and neighboring countries is active. As large-scale and low-cost production using inexpensive labor is possible in those countries, price competition is unfavorable to mushrooms produced in Okinawa.

(Solutions)

In addition to the “safety and security” of the mushrooms as Japanese brand foods, the company publicizes the freshness as they are exported by air via *Naha* Airport serving as an air hub, and seeks to differentiate the customer base through promotion prioritizing quality over price.

6. The Way Forward

Based on the experiences to date, the company will adequately figure out which markets have good export potentials and develop sales routes there.

7. Website

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

8. Contact

Resources Utilization and Dissemination Team
Forest Management Division
Okinawa Prefectural Government
TEL: +81-98-866-2295



Factory-produced bunashimeji



Tasting is offered for sale at a supermarket in Thailand

(Appendix)

Efforts of Prefectures

Iwate Prefecture

1. Outline and the Context of Efforts

- In the fiscal year 2015, hosted by the Japan Wood-Products Export Association, the “Study Session for Export Expansion of Wood Products Made in Japan” was held in Morioka for forestry and wood industry business operators in the prefecture to provide information relevant to exports of wood products and foster momentum.
- In the fiscal year 2016, a seminar on exports of wood products was held. Efforts were made for PR activities to promote wood products produced in the prefecture such as an exhibition and business talks in Dalian, China.



Study Session for Export Expansion of Wood Products Made in Japan

2. Export Targets

Targets are China, Taiwan, South Korea and other markets where the volume of Japanese wood product imports has been increasing in recent years. Development of markets will be pursued for products using various symbolic tree species of Iwate Prefecture such as *Sugi* (Japanese cedar), Japanese red pine, *Karamatsu* (Japanese larch), hardwoods and others.

3. Results of the Export Promotion Efforts

- *Sugi* logs have been exported aboard by bulk carriers from the port in the prefecture to China.
- Wood industry companies in the prefecture began to explore their export of sawn timber to China.

4. The Way Forward

Efforts will continue on raising awareness among people concerned in the prefecture through collection of the latest information and holding seminars and other events for wood product exports.

5. Contact

Forestry Promotion Division
Agriculture, Forestry and Fisheries Department
Iwate Prefectural Government
TEL: +81-19-629-5772

Gifu Prefecture

1. Outline and the Context of Efforts

A council was established to promote exports of wood products with high added values produced in the prefecture, mainly to Asia where the volume of exports of Japanese wood products is showing an increasing trend.

● The Council for Promotion of Exports of Wood Products Made in Gifu Prefecture

- Date of Foundation: March 20, 2015
- Members: 41 wood industry business operators, financial institutions, relevant organizations and others
- Activities
 - Exhibitions at trade fairs in South Korea and production of leaflets and DVDs in several languages
 - Seminars on wooden post and beam houses held for architects in South Korea



An exhibit at a trade fair in South Korea

2. Export Targets

- For the time being, to engage in activities mainly focused on South Korea, a country where Japanese wood products, especially of Hinoki (Japanese cypress), are popular.
- To educate architectural engineers through seminars and training programs to spread wooden post and beam houses, which have been showing increasing popularity in recent years, in addition to interior material, furniture and other products with high added value.



Seminar held in South Korea

3. Results of the Export Promotion Efforts

- The number of companies exporting wood products to South Korea were seven in the fiscal year 2015 and nine in the fiscal year 2016, and houses were built in South Korea using lumber produced in the prefecture.
- Companies in the prefecture actively displayed their products at trade fairs in South Korea. They occupied half of JETRO's Japan pavilion at the fair held in 2016.
- Reinforcement of collaboration with the Wooden Architecture Technology Association of South Korea led to introduction of the wooden post and beam construction method to some 100 participants in a seminar held in South Korea.



A house built in Hwaseong, South Korea, using lumber produced in the prefecture

4. The Way Forward

- To increase the number of exporting companies by sharing the pioneers' achievements and methods at the Council.
- To invite overseas home builders to Gifu Prefecture, train engineers through training courses and other programs and secure reliable partners.
- To arrange a PR base overseas promote wood products produced in the prefecture.

5. Contract

Gifu Wood Products Distribution Division
Gifu Prefectural Government
TEL: +81-58-272-8487

Shizuoka Prefecture

1. Outline and the Context of Efforts

- Holding of study panel meetings on exports of lumber produced in the prefecture.
With a view to increasing exports of lumber from the prefecture, the Study Panel for Exports of Lumber Produced in the Prefecture was established in the fiscal year 2012. Through the panel meetings, the prefecture has been working to share information with companies in the prefecture that are interested in wood product exports and foster a sense of the exports.
- (Members) 22 lumber companies, manufacturers, distributors, log producers, the prefectural government officials and others.
- (Activities since the fiscal year 2015)

Fiscal year	No. of meetings held	Activities
2015	3	<ul style="list-style-type: none"> - Learning the activities of leading exporters to South Korea (outside lecturers invited). - Learning the situation of wood products exports (outside lecturers invited). - Reports on exhibitions at trade fairs held in China and South Korea.
2016	2	<ul style="list-style-type: none"> - Research in Taiwan conducted by the prefecture and the Study Panel. - Sharing the findings on local needs with the Study Panel members.

2. Export Targets

- (China) Highly creative and novel products and others
- (South Korea) *Hinoki* (Japanese cypress) interior materials, highly creative and novel products and others
- (Taiwan) *Hinoki* interior materials and others

3. Results of the Export Promotion Efforts

- (China) Emergence of companies starting coordination with trading firms
- (South Korea) 3 companies have established local agents to develop sales routes



Exhibit in the Japan booth of the Japan Wood-Products Export Association at the 2015 Green Building and Building Material Show (China)

4. The Way Forward

- To work for developing sales routes in Taiwan in the fiscal year 2017.
- To devise usages of high-quality lumber produced in the prefecture and propose them to Taiwanese customers.

5. Website

- Introduction of lumber produced in Shizuoka Prefecture with Korean translation is posted on YouTube
https://youtube.be/-bgcB4V_mqg

6. Contact

Team for Use of Lumber Produced in the Prefecture
Forestry Promotion Section
Economy and Industry Department
Shizuoka Prefectural Government
TEL: +81-54-221-2691



Market research in Taiwan
(Business talks in Taiwan and China hosted by the Japan Wood-Products Export Association)

Mie Prefecture

1. Outline and the Context of Efforts

- Efforts made against the backdrop of the increase in demand for lumber in China and other countries, the growing popularity of *Hinoki* (Japanese cypress) in South Korea and other developments.
- Establishment of the Mie Prefectural Council for the Promotion of the Exports of Agricultural, Forest and Fishery Products and Food in March 2014.



Loading *hinoki* logs for export

2. Export Targets

The export destination targets are China, Taiwan and South Korea. As a producing area of high-quality lumber, the prefecture attempts to promote exports of the A-grade lumber and wood products with high added values.



Putting stamps on logs to enhance recognition as a producer of high-quality lumber

3. Results of the Export Promotion Efforts

- Two companies in the prefecture supplied logs for export .
- The council held seminars on lumber exports.
- Surveys on overseas demand for lumber were conducted.

4. The Way Forward

As logs account for the majority of exports of lumber produced in the prefecture, efforts will be made to push forward exports of products with high added values.

5. Contact

Forestry Management Team
Forest and Forestry Management Section
Agriculture, Forestry and Fisheries Department
Mie Prefectural Government
TEL: +81-59-224-2563

Nara Prefecture

1. Outline and the Context of Efforts

(The Fiscal Year 2015)

- Market research in East Asia
→ Market research was conducted on the occasions of local trade fairs in China, South Korea and Taiwan.
- Support for exhibiting at a large-scale trade show in Europe

(The Fiscal Year 2016)

- Studies on means of developing overseas sales routes meeting conditions in Nara Prefecture
→ Appointment of expert advisers.
Matching of companies in the prefecture and domestic trading firms.
- Identification of highly motivated companies
→ A seminar focusing on lumber exports was held.



Overseas market researches: FY2015
(from left: China, South Korea and Taiwan)



Seminar on the development of overseas sales routes for lumber produced in Nara Prefecture: FY 2016

2. Export Targets (items and strength)

- High-quality interior material and processed products (furniture, tabletops and others)
→ Lumber produced in Nara Prefecture, prominently exemplified by Yoshino lumber, features beautiful colors and scarce knots as well as good strength thanks to even and fine annual ring widths.
- Publicity of sustainable man-made forests in harmony with the environment
→ The Yoshino forestry has a history of 500 years (an effective selling point in particular for Europe, which has strong interests in history and culture)

3. Results of the Export Promotion Efforts

(The Fiscal Year 2015)

- Understanding current conditions and problems concerning lumber exports
→ Differences in contracts and business practices, needs for lumber and others were identified.
- Exhibit at the *Maison et Objet* in France
→ Furniture made of Yoshino lumber were publicized and sold.

(The Fiscal Year 2016)

- Increase in momentum among companies in the prefecture to develop overseas sales routes
→ A seminar which invited advisers and successful firms in domestic lumber exports was attended by 130 people.



Exhibit at the *Maison et Objet*: FY 2015(France)

4. The Way Forward

- Studies on developing overseas sales routes based on guidance and advice from advisers (continued from the previous years)
- Creation of networks with overseas buyers, local lumber companies, home builders and others
- Support for collection of information on overseas lumber markets, responding to strong requests from companies in the prefecture

5. Website

Official website of Nara Prefecture
<http://www.pref.nara.jp/27678.htm>

6. Contact

General Affairs and Distribution Expansion Section
Nara Lumber Branding Division
Agriculture and Forestry Department
Nara Prefectural Government
TEL: +81-742-27-7470 FAX: +81-742-27-2070

Okayama Prefecture

1. Outline and the Context of Efforts

Okayama Prefecture has been Japan's biggest producer of *Hinoki* (Japanese cypress) logs for the 4th straight year since 2012, and the amount of available resources is increasing year after year. On the other hand, the demand for lumber in Japan is anticipated to fall due to the drop in the number of housing starts as a result of the declining population. Given the situation, efforts on log exporters have been made to create a new demand.



"Top sales" by the deputy governor



Inside of the showroom



Display at a trade fair in South Korea

2. Export Targets

To export wood products made of *Hinoki* produced in the prefecture to China where the revised rules for wooden architects are expected to create a new demand for Japanese lumber, and to South Korea where the popularity of *Hinoki* as a material for interiors, furniture and others has been rising due to the prevalence of health-consciousness.

To continuously collect information in order to develop new markets in Taiwan and other areas.

3. Results of the Export Promotion Efforts

Companies strongly interested in exports are increasing, and some have newly started exports as a result of efforts for exhibitions at overseas trade fairs, business talks and seminars held by wood industry organizations. To strengthen efforts for more practical collection of information and development of markets based on the achievements to date, a showroom was opened in South Korea by a wood industry organization, which is expected to help the industry to increase exports that meet the needs of the export partner countries.

4. The Way Forward

To prepare a catalogue and a PR video clip especially for South Korea where *Hinoki* is highly popular and conduct market research and a questionnaire for buyers there, with the aim of enhancing recognition of *Hinoki* produced in Okayama Prefecture and meeting the local needs.

5. Website

<http://www.pref.okayama.jp/page/487663.html>

6. Contact

Forestry Policy Department Okayama Prefecture
Government TEL: +81-86-226-7452

Tokushima Prefecture

1. Outline and the Context of Efforts

In order to create a new demand for increasing production of lumber in the prefecture, the lumber together with carpentry and joinery techniques was exported to Taiwan in cooperation with partner companies on the occasion of establishing an information center on the campus of National Taiwan University of Science and Technology in Taipei in the fiscal year 2016.

The university has adopted Japanese wooden building technology to revive Taiwan's wooden architecture and is training engineers. The prefecture conducted technical training sessions for students and construction business people on the building site for transmitting wooden building technology and also offered information on the attractiveness of Tokushima Prefecture including lumber produced in the prefecture.

The completed facility is deemed to be a "showroom of lumber produced in the prefecture." Similar facilities have been completed in South Korea and Singapore in addition to Taiwan.



Showroom of lumber produced in the prefecture

2. Export Targets

Wooden houses (including the interiors) in East and Southeast Asia (South Korea, Taiwan and Singapore)



Technical training guided by Japanese carpenters (in Taiwan)

3. Results of the Export Promotion Efforts

With building the showrooms of the lumber produced in the prefecture on a permanent basis, overseas bases for information on lumber produced in the prefecture and exchanges have been established.

4. The Way Forward

To make effective use of the showrooms, wood products produced in the prefecture which are unique to Tokushima are placed in the showroom as a permanent display so that they function as facilities to offer direct experiences. The prefecture will also hold symposiums to demonstrate the attractiveness of lumber produced in the prefecture, with a view to gaining fans of the "Tokushima brand" and support sales promotion activities that match the needs of export destinations.

5. Website

Under construction (planned to be opened at the website of the Tokushima Kizukai Kenmin Kaigi, the conference of Tokushima citizens for using wood)

6. Contact

Tokushima Federation of the Lumber Cooperative (General Information Desk, Support Center for Exports of Lumber Produced in Tokushima)

TEL: +81-88-662-2521/FAX: +81-88-662-2224

New Dimension Project Promotion Office

Forestry Strategy Section

Agriculture, Forestry and Fisheries Department

Tokushima Prefectural Government

TEL: +81-88-621-2484/FAX: +81-88-621-2861

Ehime Prefecture

1. Outline and the Context of Efforts

- Amid expectations that domestic demand for lumber will drop due to the dwindling birthrate and other factors, Ehime Prefecture has been promoting exports of lumber in quest of future promising markets since the fiscal year 2013.
- In cooperation with the Council for Market Development for Lumber Produced in Ehime Prefecture (members are 2 industry organizations and 13 operators including sawmills), which has the experience in developing markets in Japan, the prefecture is engaged in activities such as participating in trade fairs and marketing with local sales representatives in the targeted countries.

2. Export Targets

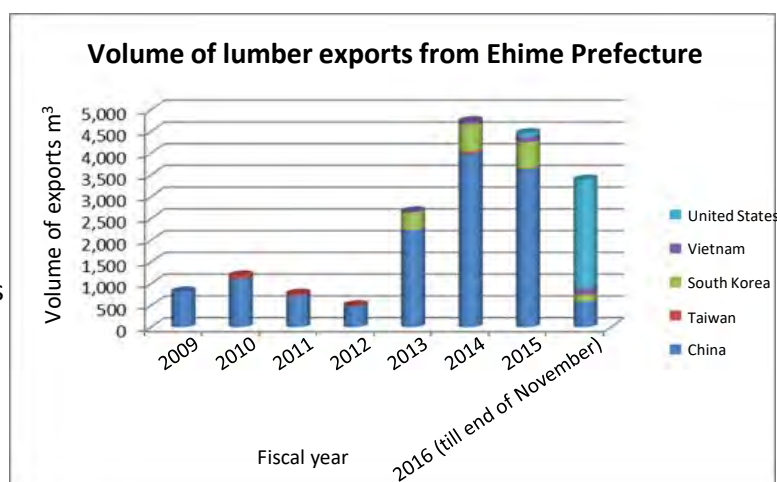
- Target destinations: China, South Korea and Taiwan
- Export items: Sawn timber and pre-cut timber as structural and interior material
- Advantage: Exports of sawn timber and other wood products with higher added values with a view to spillover effects on the prefectural economy



Business talk on *hinoki* logs

3. Results of the Export Promotion Efforts

- Volume of wood products exports from the prefecture has increased sharply since the fiscal year 2013.
- To meet the large-volume shipment orders from the buyers, a joint shipment arrangement has been established under which lumber companies produce boards of the same sizes and dry them in the same facility.
- The momentum for lumber export is rising, as companies in the prefecture have been collaborating with trading firms and others to export their wood products on a trial basis.



4. The Way Forward

- To conduct activities including new market research in Southeast Asia, where the economy is rapidly growing, and North America, where strong demand for lumber is expected.
- To reinforce dissemination of and publicizing activities for wooden houses built with the post and beam method in countries of wood housing demands.

5. Contact

Lumber Distribution Strategy Section
Forestry Policy Division
Forestry Bureau
Agriculture, Forestry and Fisheries Department
Ehime Prefectural Government
TEL: +81-89-912-2589 FAX: +81-89-912-2594

Kochi Prefecture

1. Outline and the Context of Efforts

- The establishment of the Council for Promoting Distribution of the Lumber Produced in Kochi Prefecture
- Members of the Council : 40 companies and industry organizations (Export subcommittee : 14 companies and organizations)
- Backgrounds
The Council had been established to carry out marketing for lumber produced in the prefecture toward outside customers intensively and efficiently and to increase its sales in the markets outside the prefecture. Within the Council, an export subcommittee was set up to promote efforts by business operators in the prefecture to export lumber.
- Activities
The Council and its members conduct business talks, invite buyers to the prefecture, develop products that meet the specifications of the export destinations and export trial products.

2. Export Targets

- Target destinations
South Korea, Taiwan, Vietnam, Philippines and others
- Products planned to be exported
Lumber as well as wood products such as furniture, fittings and others processed in the prefecture

3. Results of the Export Promotion Efforts



Business talks in South Korea

- Efforts
Until the end of 2016, 12 business operators in the prefecture held business talks, inviting 57 overseas buyers (the number is the simple sum of the participants in each event).
- Results
The business talk brought about conclusion of a deal. (In addition, multiple developments were made such as inquiries about price quotations.)

4. The Way Forward

- To put up displays at lumber trade shows overseas.
- To support publicity building and other activities overseas.

5. Website

<http://www.pref.kochi.lg.jp/soshiki/030501/>

6. Contact

Wood Industry Promotion Division
Forestry Promotion and Environment
Department
Kochi Prefectural Government
1-7-52 Marunouchi, Kochi City 780-0850
TEL: +81-88-821-4858 FAX: +81-88-821-4594



Buyers invited from Taiwan

Fukuoka Prefecture

1. Outline and the Context of Efforts

- Fukuoka, Saga and Nagasaki Prefectures, which produce relatively small amounts of lumber, have joined hands to export from Imari Port located at the center of the three prefectures.
- Efforts are aiming at securing lots for lumber exports, achieving stable supply, and proving improvement in bargaining capability in price negotiations with overseas buyers to increase exports of lumber produced in the prefecture.



Logs collected at Imari Port

2. Export Targets

- Target destinations : China and South Korea
- Tree species: *Sugi* (Japanese cedar) and *Hinoki* (Japanese cypress)
- Product type: logs
- Specifications
 - C-grade logs (for palettes, packing and other uses) to China
 - B-grade logs (for interior, furniture and other uses) to South Korea



Loading logs at Imari Port

3. Results of the Export Promotion Efforts

- The coordinated shipments of lumber by the three prefectures has enabled to secure the lots of required volume for export and stable supply.
- With the profits from the exports returned to forest owners, momentum for export is being fostered, as can be seen in the result that forest cooperatives have acknowledged exports as a sales route.

4 . The Way Forward

- To continue the coordinated lumber exports by the three prefectures and to prove improvement of bargaining power in price negotiations by securing lots and achieving stable supply.
- To understand interests in Japanese-made lumber and needs of local users in export destinations.
- To develop demand for high-quality lumber in China and *Sugi* lumber in South Korea.

5. Contract

Export Promotion Division
Agriculture, Forestry and Fisheries Department
Fukuoka Prefectural Government
TEL: +81-92-643-3525



Loading logs onto a bulk ship

Saga Prefecture

1. Outline and the Context of Efforts

- In September 2014, the three prefectures in northern Kyushu (Fukuoka, Saga and Nagasaki : FSN) set up the Study Group on FSN Alliance for Shipments Logs to analyze and consider the possibility of lumber export through the prefectures' cooperation and challenges therein such as large-lot shipments for large mills and woody biomass power plants. The prefectures study possibilities of exports, sort out problems and implement study results.

- Name: Study Group on FSN Alliance in Shipping Logs
- Main members : Fukuoka Prefecture, the Fukuoka Prefectural Federation of the Forest Owners' Cooperative Associations, Saga Prefecture, the Saga Prefectural Federation of the Forest Owners' Cooperative Associations, Nagasaki Prefecture and the Nagasaki Prefectural Federation of Forest Owners' Cooperative Associations.



Members of the Study Group on FSN Alliance in Shipping Logs are interviewed by reporters



Loading of lumber

2. Export Targets

For China: C-grade *Sugi* (Japanese cedar) and *Hinoki* (Japanese cypress) logs

For South Korea: B-grade *Hinoki* logs

3. Export Results

Name of Prefecture	2014	2015	Total
Fukuoka Prefecture	0m ³	1,102m ³	1,102m ³
Saga Prefecture*	42m ³	0m ³	42m ³
Nagasaki Prefecture	20,338m ³	17,192m ³	37,530m ³
Total	20,380m ³	18,294m ³	38,674m ³

*Saga Prefecture exported 1,555m³ during April 2016 to January 2017(1,084m³ C-grade *Sugi* and *Hinoki* logs to China, and 471m³ B-grade *Hinoki* logs to South Korea)

4. The Way Forward

To consider exports of lumber with higher added values in addition to logs.

5. Contact

Wood Products Promotion Section
Forestry Division
Agriculture, Forestry and Fisheries Department
Saga Prefectural Government
TEL: +81-952-25-7133

Nagasaki Prefecture

1. Outline and the Context of Efforts

- (1) The Council for Doubling Supply of Lumber Produced in Nagasaki Prefecture.
 - Consisting of 54 upstream to downstream concerned parties in the prefecture.
 - Founded in June 2014 as a means of matching supply, demand and distribution for lumber produced in the prefecture. For exports, the council undertakes coordination for joint shipments and works.
- (2) The Study Group on FSN (Fukuoka, Saga and Nagasaki) Alliance in Shipping Logs
 - Motivation of the establishment: The volume of lumber produced in the three prefectures in northern Kyushu is smaller than that in southern Kyushu. As it was essential to increase the lot sizes for export with the growing demand for lumber from China and South Korea, the panel was established to promote cooperation among the parties concerned in the three prefectures.
 - Panel members: Fukuoka Prefecture, Saga Prefecture and Nagasaki Prefecture, the Federations of Forest Owner's Cooperative Associations in Fukuoka Prefecture, Saga Prefecture and Nagasaki Prefecture.



Loading for shipping



The Study Group meeting of the three prefectures

2. Export Targets

China: Log
South Korea: Logs and sawn timber (laminas)

3. Results of the Export Promotion Efforts

Three companies in the prefecture have exhibited and promoted their products at the Kyunghyang Housing Fair, the largest housing show in South Korea. Though no deal was concluded through business talks there, the exhibition has led to spread use of products made of *Hinoki* (Japanese cypress) produced in the prefecture.



Exhibition of product at the Kyunghyang Housing Fair

4. The Way Forward

- Targeting Vietnam as the next export destination following China and South Korea, the prefecture and business operators plan to jointly conduct a survey on demands and arrange business talks in Vietnam.
- To seek to increase export of sawn timber.

5. Contact



Planning Coordination Team
Forestry Policy Division
Agriculture and Forestry Department
Nagasaki Prefectural Government
2-13 Edo Town, Nagasaki City, Nagasaki Prefecture 850-8570
TEL: +81-95-895-2983 FAX: +81-95-895-2596

Kumamoto Prefecture

1. Outline and Context of Efforts

(Background and development of efforts)

- Differences in the product specifications and wide gaps in prices resulting from different housing conditions in respective countries became big problems for promotion of exports of lumber, particularly sawn timber, produced in the prefecture.
- Meanwhile, against the background of the Japanese cuisine boom, increase in foreign tourists to Japan and other developments, interests in not only Japanese food but also Japanese culture including architecture has grown much stronger. Kumamoto Prefecture therefore began research in the fiscal year 2016 to assess the possibility of exporting “*washitsu*”, or Japanese rooms, to Asian countries in order to promote *washitsu* using lumber and straw matting produced in the prefecture.

(Outline of the efforts in the fiscal year 2016)

- Market research via exhibition at overseas trade fairs.
- Surveys on needs conducted on tourists arriving from aboard cruise ships.
- Trial transportation to test quarantine clearance and other issues.



Exhibition at the Taipei Building Show
15-18 December 2016

2. Export Targets

- East Asian (China, Taiwan and Hong Kong) and ASEAN countries
- Condominiums for wealthy people and luxury hotels (renovation material and the *washitsu* kits)
- Commercial facilities and restaurants (the interior material)

3. Problems Identified

- Measures to cope with regulations (quarantine and others) and high tariffs imposed by countries on exports of “*washitsu*.”
- Establishment of networks with overseas users (importers, developers, architects and others).
- Attainment of local operation management and labor.
- Shortage of carpenters at home in the aftermath of the Kumamoto Earthquake.



Surveys of needs conducted on tourists
arriving from aboard cruise ships

4. Results of the Export Promotion Efforts

- For export to China, Taiwan and Hong Kong, respective groups of business operators have formed in the prefecture and networks with local users (importers, designers and others) have been established. Coordination for further overseas operations is underway.

5. The Way Forward

(To create environments that facilitate challenges by business operators in the prefecture)

- To collect and sort out information on quarantine and other issues in export destination countries and provide the information to business operators in the prefecture, which cannot be obtained by operators' individual efforts.

(To reinforce the linkage among business operators in the prefecture and establish a production system)

- To reinforce the network of business operators in the prefecture and establish a production system for export in line with overseas business developments, since cooperation is essential between relevant industries such as lumber, construction, straw mat, fitting and other industries.

(To create an overseas network as the Kumamoto prefectural government)

- To establish trusted relationships with overseas users through interacting with them as Kumamoto Prefecture (prefectural government) and create a network with them to propagate “*washitsu*” overseas.

6. Contact

Team for Promoting Use of Kumamoto Wood Products Forestry Promotion Division Agriculture,
Forestry and Fisheries Department
Kumamoto Prefectural Government (TEL: +81-96-333-2446)

Oita Prefecture

1. Outline of Efforts

- Sawn Timber
 - 4 business operators are engaged in export.
 - Efforts have been made for their putting up displays at overseas business exhibitions.
- Logs
 - Establishment of the Council for Promoting Export of *Sugi* Logs and Others Produced in Oita Prefecture in 2008 (consisting of wood industry operators, forest cooperatives, etc.).

2. Results of the Export Promotion Efforts

- Sawn Timber
 - The volume of export increased, as business operators appeared that newly began exports to South Korea in 2015.
- Logs
 - Volume of export is increasing due to the strong demand in China.

(m ³)		
Export destinations	2014	2015
South Korea	3	788
Philippines	1,885	1,924
Others	0	50
Total	1,888	2,762

(m ³)		
Export destinations	2014	2015
China	47,308	56,284
Others	4,101	2,019
Total	51,409	58,303

3. The Way Forward

For promoting export of sawn timber, the following activities are planned in 2017.

- Exhibitions at overseas trade fairs
- A workshop to be jointly held with JETRO (Japan External Trade Organization)



Loading logs onto a bulk ship for export

4. Contact

Team for Promoting Wood Industry and Lumber Distribution
Forest Products Promotion Office
Agriculture, Forestry and Fisheries Department
Oita Prefectural Government
TEL: +81-97-506-3833

Miyazaki Prefecture

1. Outline and Context of Efforts

- For the purpose of increasing the export of not only logs but also products with higher added values by promoting use of lumber as a housing material in destination countries, it is essential to make parties concerned including architects and building contractors in the export destinations widely accept Japanese lumber combined with the homebuilding method as a “material and construction method package”.
- Efforts to spread the wooden post and beam construction method in South Korea are underway.

2. Export Targets

South Korea has an architectural style for traditional houses called hanok, which is similar to the Japanese wooden framework construction method. Because of its similarity, South Korea is targeted for export. Pre-cut products, having higher added values, will also contribute to cost reduction by shortening the building period.



Hanok made of lumber produced in the prefecture (Seoul, South Korea)

3. Results of the Export Promotion Efforts

To promote the construction method, entry-level seminars were held in four places in South Korea, which received more than 500 attendants in total. Practical training was held in Miyazaki Prefecture in February 2017 for participants to learn the construction method in more detail and other practices on site.



Training for South Korean building engineers (16 February 2017)

4. The Way Forward

Based on the knowledge and experiences gained in South Korea as well as the needs of the respective markets, exports to Taiwan, China, Vietnam and other markets will be pursued through spreading the wooden framework construction method as the “material and construction method package” and other means.

5. Contact

Office to Promote Use of Miyazaki *Sugi* Products
Mountain Village and Wood Products Promotion Section
Environment and Forest Department
Miyazaki Prefectural Government

TEL: +81-985-26-7156/FAX: +81-985-28-1699

Kagoshima Prefecture

1. Outline and Context of Efforts

With the forest resources getting mature and an expected subsequent increase of log production, Kagoshima prefecture, located close to China and other East Asian markets and having geographical advantages such as the presence of Shibushi Port that serves as an international distribution base, has positioned wood exports as the key means of utilizing wood and strived to facilitate arrangements for export from early on.

The prefecture has supported various endeavors to increase exports since the fiscal year 2008. In 2011, the Council to Promote Exports of Lumber Produced in Kagoshima Prefecture was established, consisting of the Kagoshima Prefectural Federation of the Forest Owner's Cooperative Associations and eight other organizations in order to share information and strengthen cooperation among exporters.



The 2nd Jetty of Shibushi Port

2. Export Targets

- Export destinations
East Asian countries where demand for lumber is strong (China, South Korea and Taiwan).
- Advantages of Kagoshima
In addition to the geographical advantage due to its closeness to China and other markets, use of Shibushi Port makes it easy to charter bulk ships suitable for wood exports. Furthermore, the prefecture has ample forest resources, and extensive collection of lumber from within the prefecture as well as the neighboring prefectures is possible, which contributes to reducing the distribution costs through short-time collection of shipments and exports.



Loading *Sugi* logs onto a bulk ship at Shibushi Port

3. Results of the Export Promotion Efforts

Exports of lumber produced in the prefecture totaled 87,000m³ in the fiscal year 2015, which is about 30 times larger than 3,000m³ in the fiscal year 2009.

The number of businesses exporting lumber produced in the prefecture increased to 14 in the fiscal year 2015 from 3 in the fiscal year 2011.

(Data on the volume of exports and the number of exporters were compiled by Kagoshima Prefecture.)



Hinoki logs forklifted to a container

4. The Way Forward

While low-grade *Sugi* (Japanese cedar) logs used for civil engineering and packing account for the majority of the exports at present, the prefecture is aiming to increase exports of high-quality lumber and other products with higher added values.

To raise recognition of wood products produced in the prefecture and further increase exports, relevant business operators actively engaged in lumber exports from the prefecture are registered as the “supporters for exports of lumber produced in the prefecture” (17 companies as of the end of February 2017). Information on wood exports has been shared among the supporters and cooperation will be reinforced among them to increase exports.

5. Contact

Kagoshima Wood Products Promotion
Division Environment and Forestry Department
Kagoshima Prefectural Government
TEL: +81-99-286-3366

Case Studies of Forest Products Exports
-- Japanese Lumber to the World --

Supply and Demand Information Section, Wood Use Promotion Division, Forestry Agency
2-1, Kasumigaseki 1-chome, Chiyoda-ku, Tokyo 100-8952 Japan
TEL: +81-3-6744-2299 (Direct) FAX: +81-3-3502-0305

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**Contact: Supply and Demand Information Section, Wood Use Promotion
Division, Forest Policy Planning Department, Forestry Agency**
2-1, Kasumigaseki 1-chome, Chiyoda-ku, Tokyo 100-8952 Japan
Tel: +81-3-6744-2299 (Direct)

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