Supply Trends

Historical Perspective

In Japan, actual industrial production of wooden flooring commenced with the import of wood processing equipment in the late Meiji era (a 45-year period beginning in 1868). The development and introduction of artificial drying methods in wood processing significantly contributed to the growth of the industry.

From the early Taisho era (1910s), solid-strip flooring has been in common use. As a result, it is one of the only architectural components in the country for which clear-cut Japan Agricultural Standards have been set. The standards were largely established to eliminate the problems in quality which arose from the natural drying process required for wood flooring. These standards acted as guidelines for the development of wood flooring products and coating methods in Japan. The improvement of coating techniques allowed the introduction of wood flooring other than hardwood.

Following the Second World War, the market for hardwood flooring enjoyed substantial growth boosted by strong demand brought about by the U.S. occupation forces, the Korean War and the recovery of the construction industry. To meet the demand growth, Japan began importing hardwood from the South Asian region to produce artificially dried flooring.

With the start of domestic mosaic parquet production — made possible with the import of processing equipment from Germany — and a shortage of suitable hardwood materials, Japan's hardwood flooring production declined. Consequently, the industry was compelled to focus on the development of composite flooring and flooring tiles.

The production of solid-strip flooring in Japan has continued to decline over the years. Conversely, the production of composite flooring has been growing strong in conjunction with steadily increasing housing starts over the last three years. The primary reasons as to why solid-strip flooring has been decreasing are limited domestic resources, regulation of log shipments by exporting countries and competition from plywood, plastic and other artificial materials.

The greater production capacity and extensive marketing network of major building materials manufacturers — the principal suppliers of plywood and other composite materials — have resulted in the dominant position of non-solid wood products in the building and housing industry. This is reinforced by traditional strengths in veneer and adhesive know-how. These factors will continue to play significant roles in the continuing growth of the composite flooring market.

Profile of Flooring Manufacturers

The overall number of factories for solid-wood flooring has been declining since 1969. Between 1983 and 1988, the number declined from 68 to 55 factories. The number of factories specializing in natural drying totalled 18 in 1983 and 8 in 1988.

There are only two factories in existence today capable of handling both natural and artificial dry processing.

The exact number of composite flooring manufacturers in Japan is not known but there are 24 manufacturers registered as members of the Japan Composite Flooring Industry Association.

Composite flooring manufacturers operate on a larger scale than solid-strip flooring manufacturers. This is due to the fact that manufacturers handling composite flooring are not restricted to the flooring industry, but also handle other products such as veneer and laminated wood building components.

Table 9 shows estimated monthly production capacities and volumes of the seven leading Japanese composite flooring manufacturers, as of 1989, listed in order of production volume. These companies account for over 55 per cent of production.