

products, excluding wood furniture, were third highest in sales. Items such as toasters, fry pans, and other small appliances are usually sold in department stores and supermarkets, and are not sold in the DOITO DIY centres. Knock-down kitchen cabinets tend not to be popular because ready-made products are reasonably priced. Drywall is usually contracted to professionals.

Energy-saving devices are very popular. Among the items for sale are window-film, insulation materials, and solar panels. Weather-stripping is available in Japan, but product is generally sourced from domestic manufacturers in Hokkaido.

As an importer, the Hinode Corporation sells to 45 distributors. Because of the Japanese business ethic, that of not by-passing the wholesaler, 95 percent of purchasing is from distributors and not directly from the manufacturer. Decisions to purchase a new product for Hinode owned stores are made at Hinode's headquarters. New products are occasionally tested for consumer reaction; the DOITO DIY Centers have areas designated for DIY-type demonstrations.

At the East Omiya DOITO DIY store visited by the mission, 3 percent of sales merchandise is imported, mainly from the United States (approximately \$US180,000). Mission members identified wood, hardware, and windows from the United States, and wood spindles from Canada and the United States for sale among the items imported to the East Omiya store.

The layout of this store locates the DIY demonstration area and hard products on the first floor. Soft products such as those sold in grocery stores are on the second floor, as are lighting and bathroom fixtures, wallpaper furniture, floor coverings, and some toys.

Visitors to the DOITO DIY Centres are 70 percent male and 30 percent female.

The Hinode representative noted that the consumer response to the Canadian label appears to be favourable, but added that Canadian brands are often equated with those from the United States.

#### The Japan DIY Association Briefing

The Japan DIY Association presentation began with a general statement that Canada, is perceived as an uncomplex healthy clean country with an abundant resource