Demand in Japan for imported machinery, electronics equipment products, computer software and telecommunications equipment is also strong, especially where these products are technologically advanced and/or highly specialized. Indeed, such products form one of the fastest growing segments of Japan's import market.

Regional Markets

Japan is undoubtedly one of the world's more centralized nations, both economically and administratively. Nevertheless, like most large economies (Japan's economy is 60% the size of that of the USA) the Japanese market is sometimes best viewed in terms of its regional markets. These markets are not small. The Kansai area (Osaka and vicinity), for instance, has a GNP of over US$400 billion - slightly larger than Canada's. The southern island of Kyushu, centre of Japan's semi-conductor industry, has a GDP exceeding that of Holland. And the GDP of Nagoya, between Tokyo and Osaka, equals that of Korea. Such markets are substantial and worthy of individual attention. In developing their Japan strategies, Canadian exporters are well advised to investigate and consider regional options, including regional distribution rather than the more traditional Tokyo-centred arrangement.

Canada has established Trade Offices in Osaka, Fukuoka and Nagoya. These offices, managed by Canadian officers, will assist exporters to assess the regional markets for which they are responsible and to establish marketing connections in these regions. In addition, Honourary Commercial Representatives have been appointed in Hiroshima, Sendai and Sapporo, serving as commercial extensions of the Tokyo Embassy in these three regions.

Marketing Fundamentals

Certain fundamental requirements should be borne in mind when considering entry into the Japanese market. Among these are:

Patience and Commitment: Becoming established in the Japanese market requires wholehearted commitment, considerable patience and often substantial expense. Success rarely, if ever, comes quickly. Japanese businesses generally put a premium on stable, long term relationships with their business partners. In addition to price and product, therefore, they will usually wish to understand the background, personalities and business strategies of prospective associates and their companies. Staying power is of prime importance and potential Canadian exporters should be financially prepared to carry the