



Market viability and advice for your company supplying product to Japan

Prepared by Spectrum Group



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Turf grass product

Cost in New Zealand is from \$5.50 per m²

50m² will fit into a pallet 1.5m X 1.5m

Each piece of lawn is 0.45m X 2.2m

2 kinds of Grass Tough / soft for domestic use.

In this report commercial use is not considered.

Needs to be planted within 3 weeks from removal if kept in a refrigerator container at between 2-7 degrees

All documentation and technical specs for installers we have received and will use for comparison for Japanese conditions.

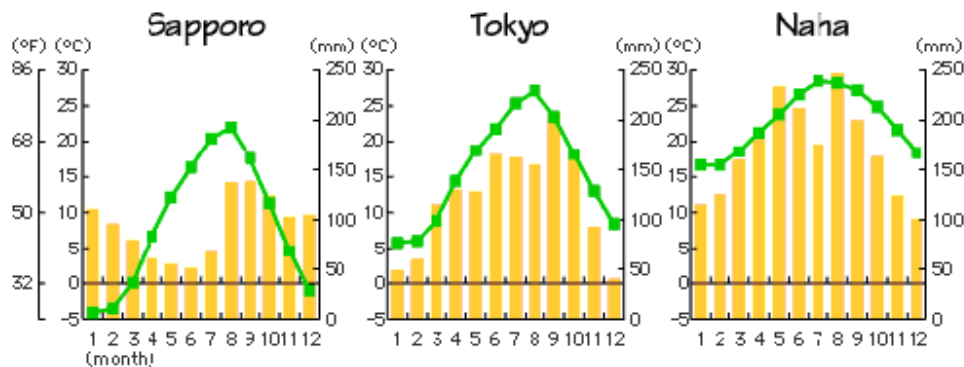
Use

Most Japanese houses when new use Rolled lawn. Grass does not grow freely in Japan as it does in New Zealand. And often dries up in winter to return again in Spring.

Climate

Summer very hot and wet. Winter very cold and dry. Most of Japan will receive snow at some time.

Market size

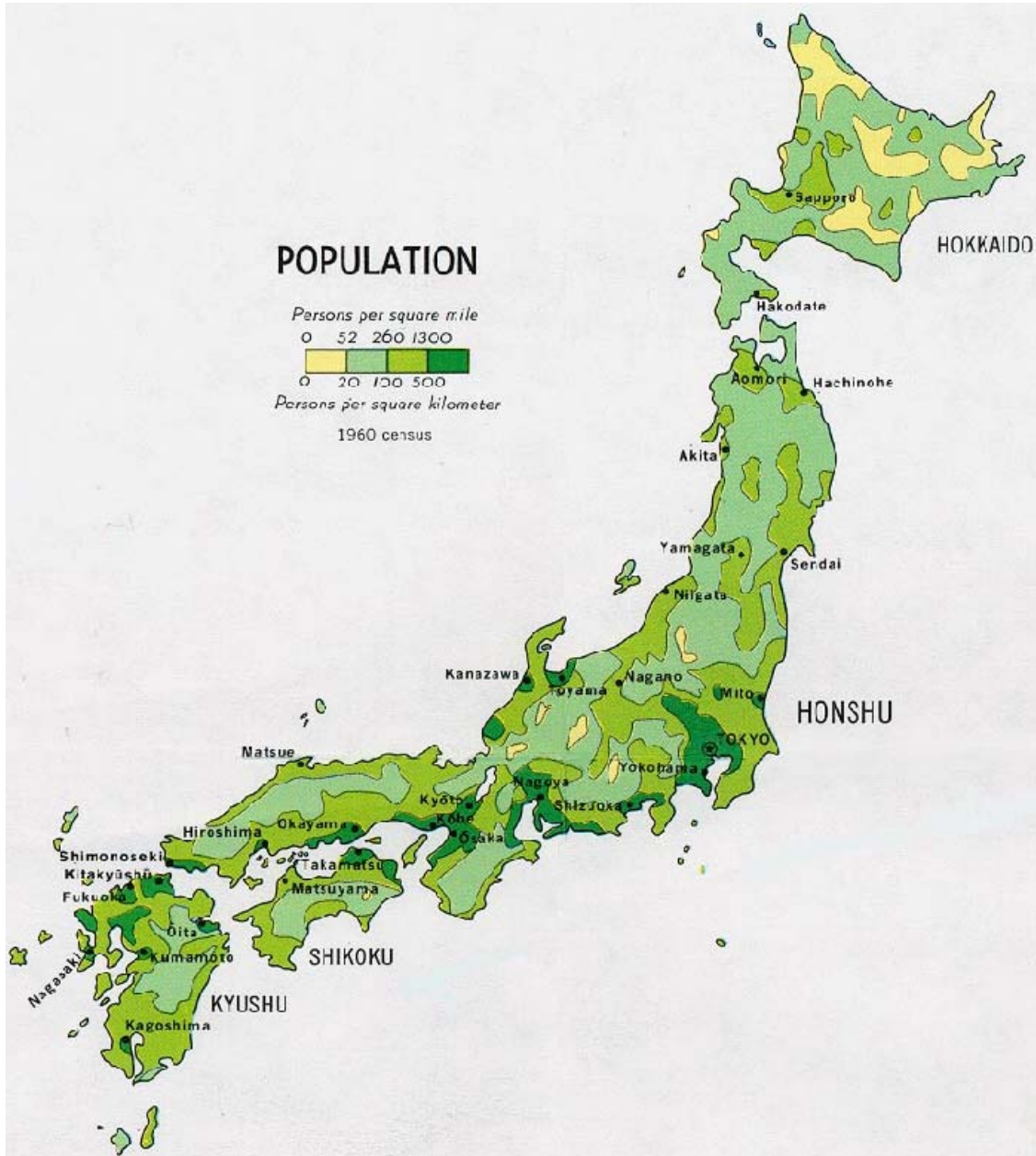


Source: Nihon no Tokei, edited by Statistics Bureau.

Sellers/wholesalers

There are many small wholesalers around Japan, that supply to local markets. As far as our research shows, there is no one importing or exporting rolled lawn in Japan, and product is grown and supplied domestically. Due to lack of flat land, there are no large scale production areas. Most areas are small paddocks

The size of the market is around 20,000,000,000 @54 \$370million NZ.
Of this the largest supply would be around the 3 main centers. Tokyo /
Nagoya / Osaka



Present selling methods

Selling season is from March to May (3 months) due to the climate. We estimate that 70% of lawn is sold through to the trade. Gardner's, builders, landscapers. 20% from large department stores, 10% online

Cost of the product in Japan

Retail

- 650yen(\$12NZ) per 37.1cm X 30cm square approximately \$108NZ per square meter.
- Wholesale price Unsure
- Distributor price unsure
- Ways to sell
- Contacting Builders, gardeners and distributors
- Contacting large Department stores
- Selling online
- Japanese have very little land and very small amounts of grass. Most houses will only have 2-8 square meter of land for grass, so the grass is looked after well. There would be very few people except the occasional farmer that have lawn mowers



Conclusion

There is a 1000% price difference between the retail price of grass in NZ and Japan. The potential for profits are high however the hurdles which will need investigation further before taking the next step are.

Grass compatibility with Japan

Shipping process

Season timing

Product size, quality, and assurance.

We would expect that most buyers would want to know the product has been tried and tested in Japan before considering purchase.

Supplementary information

Japan statistics beau.

Wikipedia

<http://item.rakuten.co.jp/oosumi/himekoh/>

<http://www.mapsofworld.com/japan/climate-japan.html>



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