

Where is Japan's Traditional Craft Industry Going? – In the Shadow of Globalization and Localization –

By Urushihara Takuya

A number of problems have arisen in response to globalization, which can be defined as “the phenomenon in which political, economic and social issues traverse national boundaries and the world becomes one on a global scale.” One of the effects of globalization is the inclination towards homogenization that has affected cultures and lifestyles. Japanese traditional craft industries, which deal in daily wares, are also seeing the effects of globalization. Though they are benefiting to some extent from the current Japan craze taking place in Europe and the United States, the influx of cheap foreign-made products is a negative force, which is creating a significantly disadvantageous climate for the Japanese traditional crafts industry, and this effect has been accelerating the industry's slump in recent years.

This report examines Iwate Prefecture's Nambu *Tekki* (iron ware) counterfeiting problem and the registration of a collective mark for Akita Prefecture's Odate *Magewappa* (bent wood crafts), which serves as the traditional craft industry's strategic response to globalization, and it also considers the industry's vision for the future.

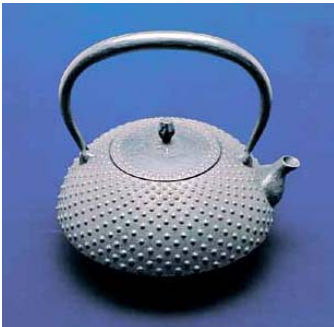
Nambu comprises two branches: the Morioka area, which developed iron pots and kettles for the tea ceremony, and the Mizusawa area, which was mainly involved in the development of household goods. Both production areas have become victims of foreign-made reproductions. Counterfeits that imitate not only design, but also incorporate replicated logos are being uncovered. Ten makers of cast iron crafts from Iwate Prefecture displayed their wares at the “International Housewares Show” exhibition, held in Tokyo in 2001. At that event, it was discovered that a Chinese maker was exhibiting reproduced craft products bearing the logo of a Japanese maker. And in 2002, there was a verified case in which a firm in Tochigi

Prefecture importing counterfeit Mizusawa cast iron craft from China was distributing catalogs to gift shops in Hokkaido, Tohoku, Kanto and Chubu, and taking sales orders. The Mizusawa Cast Iron Foundry Coop Association requested that Iwate Prefecture halt sales of China-made cast iron art and crafts, and in response, Iwate Prefecture consulted the Japan General Merchandise Promotion Center. The Center dispatched a legal advisor to the Association, and a counterfeit countermeasure seminar was held at the House of Cupola (Traditional industrial Hall) in Mizusawa City. The Mizusawa Cast Iron Foundry Coop Association issued a letter of warning stating that the import and sales of counterfeits is tantamount to a violation of copyrights and the act of unfair competition defined in the Unfair Competition Prevention Law. The importer agreed to stop importing the products in question and to completely discard the existing inventory. And in the presence of the Association's representatives, four types of forged products (iron kettles, tea pots, wind chimes, bear-repelling bells) totaling roughly 26,000 pieces were scrapped at an industrial waste disposal facility in Tochigi Prefecture.

In recent years, the commercial environment in the production area of Odate, which uses natural Akita cedar, has faced challenges as a result of cheap Chinese counterfeits flooding the market as well as the economic slump. For this reason, some claim that perhaps it is necessary to create a clear distinction from other products and to raise demand by establishing a brand and appealing to consumers who insist on authentic products. Having received these suggestions, the Odate *Magewappa* Cooperative Association created an original Odate *Magewappa* trademark for its production area, and in May 2001, it applied for a collective mark at the Japan patent office. The registration of collective marks was made possible by a 1997 revision of the Trademark Law. It is intended to advocate the revival of the regional products industry, and when a cooperative association registers a mark, the association's members are authorized to use it. In April 2002, a registration certificate was issued by the Japan Patent Office, and the Association's members are presently selling and shipping their wares affixed with a trademark seal, “Traditional Art and Craft Odate *Magewappa*.”

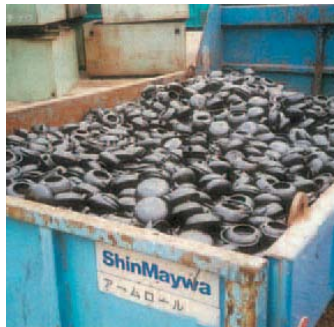
In Japan, the rising awareness of intellectual property rights is a recent phenomenon, and the vulnerability caused by a lack of knowledge about trademarks and design has yet to be remedied. Amid such conditions, Nambu *Tekki*'s approach to the counterfeiting problem could be summed up as industry unification aimed at prompting government action in the interest of the production area's traditional

Photo: The Association for the Promotion of
Traditional Crafts Industries



Traditional craft, Nambu Tekki (iron ware, left) and forged products

Photo: Mizusawa Cast Iron Foundry Coop Association
Courtesy: Iwate Nambu Tekki Coop Association



crafts and the gaining of assistance from special organizations to resolve the problem. The episode of the mark being registered by Odate Magewappa fulfills the fundamental function of a cooperative association, which is to back the individual members so they can unite as an association to improve the production area as a whole. Asian countries are expanding their forays into markets in which their products can demonstrate price competitiveness based on a foundation of cheap labor. In order to effectively respond to these tactics, there is a need to establish a supply of products that are distinguished in a manner that meets consumer needs, including design development, branding of products and the like. For this reason, the securing of intellectual property such as design has been called for, and the prevention and elimination of economic damage resulting from duplication and the collapse of credit and prices are being sought. Of course, a Chinese company cannot be prevented from marketing its own original design in Japan; however, copying the design of a Japanese product and labeling it in such a way that suggests the product was made in Japan could tarnish the image of Japanese traditional crafts, and therefore cannot be overlooked.

With this type of counterfeiting on the rise, it is important for craftsmen to approach the matter with patience in order to uphold their intellectual property rights. However, patent applications and the prohibition of counterfeits are not only time consuming but also costly. For some production area associations and individual companies, the potential rewards do not justify the efforts. City of Mizusawa and the Mizusawa Cast Iron Foundry Coop Association have requested measures from Iwate Prefecture and the Ministry of Economy, Trade and Industry to protect them against counterfeiting. It is necessary to promote awareness of this problem in every strata of society. Awareness on the part of the general public is especially vital. Unless appropriate information is provided to the very citizens who utilize traditional crafts, there will be no improvement in the situation. Moreover, given the advances in globalization, it is not possible to bar the entry of products from overseas. In fact, within the Japanese traditional crafts industry, there are also ambitions stemming from an overseas vision. In light of this, countermeasures will have to shift from the present emphasis on the association, corporate and local government level to an emphasis on federal and international agencies.

I believe there is a need for a vision of global governance, or “a cooperative policy management mechanism in which a number of agents seek the best solution through adjustment in interest and value for the common purpose of finding solutions for global issues.” It is necessary to treat the problems related to traditional crafts as global issues and for the many agents involved in traditional crafts both domestically and abroad to unite, over and above the individual companies or single production area associations, in the interest of finding solutions. We cannot conclude

Photos: Odate Magewappa Cooperative Association



The collective trademark of Odate Magewappa (left) and its registration certificate

Photo: Terasaki Michiru



Odate Magewappa, fruit bowl, produced by Kurimori Shunji

that the causes of these problems are attributed solely to the exporters from China and other Asian countries. As illustrated in the Nambu Tekki counterfeiting episode, it is a known fact that Japanese firms that import and sell products are playing a role. Keeping these points in mind, mutual cooperation among the many agents involved in the traditional crafts industries of Japan and the rest of the world may appear at a glance to be a roundabout solution. In actuality, however, is it not the most direct method of resolution? I believe that the clues leading to the solution will become evident when we consider the issue not from the angle of the traditional crafts of Japan but rather from the perspective of nurturing all of the world's traditional crafts.

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