



Japan: Native American Jewelry

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Summary

Silver jewelry (HS Number 7113.11-000) has been a popular fashion accessory for many years, and Native American (NA) silver jewelry has been particularly popular among men. However, NA jewelry does not fall into the category of “mainstream” jewelry and so has a distinct, but limited, market potential. NA silver jewelry by Navajo tribes was first brought into the market in early 1980s; today, NA products are available at various retail locations and are also found easily at various shopping sites on the Internet.

The number of the NA jewelry shops increased in the late 1990s to early 2000s, but NA style silver jewelry made by Japanese craftsmen is also available in the current market. These NA and NA style jewelry retailers are currently competing with each other for this small, niche market. In addition, there is an increasing number of imported and national designers whose silver jewelry is available today. Silver jewelry will continue to be popular fashion items for male consumers in the future; however, the Native American jewelry market is not expected to grow dramatically.

Market Demand

Among precious metal jewelry, silver jewelry has been the most popular precious metal for men to wear for several generations. Western lifestyles have influenced fashion diversity and preferences in Japan.

Though there is a limited market for NA products, NA silver jewelry remains popular with a certain group of male consumers. “Amekaji,” a Japanese word for describing American style casual fashion, has been popular among younger male consumers since the 1980s and reflects recent fashion trends in the United States. Silver jewelry pieces have long been popular among young male consumers in their teens and 20s as they are affordable fashion items.

A few Native American silver jewelry shops appeared in Japan around 1980. Silver jewelry and turquoise silver jewelry from the Navajo was introduced in early 1980s, turquoise silver jewelry from the Zuni entered the market in the late 1980s, and was followed by silver jewelry from the Hopi in the 1990s. Currently there are other NA jewelry products available from some other tribes, but the majority of the NA jewelry sold in the market is from the South West. Many Japanese consumers find the designs, use of colors, and the motifs and stories behind the artwork from the South West NA cultures and lifestyles very attractive.

In addition, there has been comparatively more media and consumer exposure to the Native American arts and crafts from the South West. In the late 1990s to early 2000s, silver jewelry was a hot trend. There were several Native American novels, books on NA cultures and history to be found at bookstores, and a few consumer publications also featured Native American culture and arts. These covered various tribes, including some Plains Indian tribes from the North West, but the popularity of the South West tribes was very strong.

Silver jewelry has been popular among the younger generation for many years as it is generally affordable, but designer and brand items in precious metals, including silver, are currently considered to be “cool” items and are attractive. Much designer silver jewelry has entered the market, starting with Chrome Hearts in 1990s. Current designer silver jewelry brands include Loree Rodkin, Royal Order, and the like. In addition, retailers of high-end jewelry in gold, platinum, or using diamonds, from both prestigious international or national brands, are also targeting these wealthy consumers.

The average retail price range of popular NA silver rings might be from \$100 to \$300, while quality Native American jewelry at much higher price points are also sold at stores. These quality NA jewelry items have also been available on a limited scale through a few major department stores in Tokyo targeting mature, male consumers in the past few years. Male consumers tend to choose jewelry that appeals to them, rather than by brand recognition alone, and often have favorite stores that they visit that reflect their sense of their own style. And they often express interest in the stories behind pieces of jewelry or art. From this aspect, NA jewelry has an appeal as “one-of-the-kind” jewelry with unique designs and natural motifs, symbolic of each tribe or family tree.

Market Data

The estimated size of the overall jewelry market in Japan in terms of retail sales in 2005 was about \$11.52 billion, or 1.267 trillion yen (at 110 yen/1USD), and the estimated overall male jewelry market is only 1 percent or less. Total imports of precious metal jewelry products in 2006 (gold, platinum, and silver) were about \$1.57 billion or about 183 billion yen (116 yen/1USD). Of this, silver jewelry was \$305 million or 35.46 billion yen, which accounts for 20 percent of all imports of precious metal jewelry. The U.S. has been the top supplier of silver jewelry for many years with about a third of the market in 2006. There are no market estimates for NA silver jewelry, specifically, as this is a nice market.

Silver jewelry Imports (HS 7113.11-000)

(Volume in tons; Value in \$1,000)

		1998	2000	2002	2004	2005	2006
Total Imports	Volume	115.1	168.1	202.8	230.8	237.1	236.2
	Value	\$147,317	\$219,538	\$255,386	\$318,984	\$302,316	\$305,737
U.S. Imports	Volume	34.4	32.6	36.9	28.3	27.4	32.01
	Value	\$ 69,785	\$ 95,331	\$106,198	\$100,149	\$98,798	\$99,962

Source: Japan Tariff Association

Key Suppliers

There are no large-scale players in the market. NA silver jewelry has primarily been sold at Native American jewelry retail stores. Nowadays, Native American jewelry can be easily found at various Internet shopping sites as well. Most of the retailers of NA jewelry have only one retail location and their operations are pretty small. Many import and sometimes act as a distributor of the products.

Prospective Buyers

Generally, NA silver jewelry has been sold at Native American jewelry retail stores in Japan.

With growing Internet use, Native American jewelry, as well other jewelry products, can now be easily found at various Internet shopping sites as well. Most NA jewelry retailers have small operations, often taking the form of a single store that directly imports the jewelry. Some also act as a distributor of NA products to other small retailers. Most retailers in the market feature silver jewelry products and few small items such as dream catchers, sand paintings, or other decorative accessories. Large items are often used as simply as display items at the store. There were a few retailers who carried a broader range of items, but they largely discontinued this as large items and non-jewelry products in the higher price ranges did not sell well.

Silver jewelry has been considered to be among the more affordable items for younger male consumers since the 1980s. When the popular fashion trend called “Amekaji” meaning American style casual fashion, took root among male consumers in their teens and twenties in the 1980s, silver jewelry was often worn as a trendy fashion item. In 2000, silver jewelry, as well as Native American silver jewelry, became trendy among male consumers in 20s and 30s when many fashionable silver jewelry brands for men, such as Chrome Hearts, were introduced to the market. A turquoise jewelry boom started among young female consumers in 20s to 30s in 2004. As the “Amekaji” youth in 1980s have moved into their 30s and 40s, male consumers from their 20s to their 50s may be good potential customers for silver jewelry and quality Native American silver jewelry.

In last few years, middle-aged male consumers (30s to 50s) have been focused on and featured in magazines as fashionable end-users and potential consumers of luxury items. These range from apparel and jewelry to lifestyle products. This group is considered to be high profile and to have disposable income to spend on themselves. These middle class and middle-aged male consumers, as a generation, have been strongly influenced by American culture, since they grew up with cowboy movies and rock music.

Again, Native American jewelry has a limited market in Japan, and competition may continue to increase between true NA jewelry and NA style and designer silver jewelry. However, NA jewelry is not only attractive to the younger consumer of more affordable products, but may sell to a broader range of buyers, particularly males in their 30s to 50s, as long as fine products are provided to the market.

Market Entry

With the ongoing Amekaji boom, and the interest in designer silver jewelry among consumers, the number of NA jewelry stores increased until the early 2000s. In the last several years, the competition over a small piece of the jewelry market pie has increased, as original NA - influenced silver jewelry has begun to be made by Japanese craftsmen. Japanese-made, well-designed, NA style jewelry with detailed and high quality workmanship and stone settings is very competitive. It is not easy to find the differences between these NA-influenced pieces and those with NA origin. In addition, a growing number of fashionable designer silver jewelry is available in the market. As a result, while more NA style jewelry stores by Japanese craftsmen can be found in the market, the number of shops selling Native American jewelry has diminished at the same time.

Effective promotion of Native American jewelry lies in not only selling the products, but in promoting the Native American culture and the story behind each piece. There are a large number of silver jewelry pieces in different designs now available at stores and on Internet sites.

Many consumers, including the male consumers who may be the best targets for NA jewelry, are looking for products that have stories in addition to other elements such as design, price, etc.

Please note that high quality workmanship in even the smallest details, such as in stone settings, is important for Japanese consumers, as the life span of jewelry products is generally considered to be long. Japanese consumers expect high quality workmanship as a general rule.

NA jewelry importers are different from the usual jewelry importers in Japan. Importers of NA jewelry tend to be owners of a shop with just one retail location. They periodically visit the United States to purchase NA jewelry directly from NA artists or at NA events. As most of the NA jewelry sold in the market is from the South West tribes, Pow Wow in New Mexico, for instance, which is held in every August, is a popular event for many importers. Exhibiting at this event might be an opportunity to meet with Japanese buyers. In Japan, the Tokyo International Gift Show, which is held every spring and fall (see "Trade Events" below), may be the primary show that NA retailers looking to purchase NA jewelry in country would visit.

Market Issues & Obstacles

1) Customs Duties:

Jewelry products are currently subject to the general tariff rate, as follows. These rates are applied to all jewelry items, with or without precious stones or pearls. If you have any specific questions, please consult with the Customs and Tariff Bureau, Ministry of Finance.

Import duty rates are:

HS Code 71.13.11-000 5.2%

Source: Customs Tariff Schedule of Japan (Japan Tariff Association)

2) Consumption Tax: (CIF+ customs duty) x 5%

3) Import Regulations:

There are no particular legal restrictions on the import of jewelry; however, Japanese laws and regulations prohibit the importation of counterfeit coins and products that infringe upon trademarks or design rights. In addition, products made from certain species containing ivory or coral may be restricted or strictly prohibited under the Washington Convention (Convention on International Trade in Endangered Species of Wild Fauna and Flora or CITES).

4) Financing: Transactions between domestic importers and overseas suppliers are usually done through letters of credit. When the amount involved is small, bank transfers are often used.

Trade Events

Tokyo International Gift Show (trade show) - February 5-8, 2008 / September 2008

Organizer: Business Guide-sha, Inc.

Web: <http://www.giftshow.co.jp/english/65tigs/outline.htm>

The following Exchange rates were used in this report (yen currency equivalent to US\$1.00):

1998	131 yen	2000	125 yen
2002	125 yen	2004	108 yen
2005	110 yen	2006	116 yen

For More Information

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Phone: +81-3-3224-5038; Fax: +81-3-3589-4235; or visit our website: <http://www.buyusa.gov/japan/en/>

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