ISSUE

MONTHLY NEWSLETTER **FOCUSING ON JAPANESE** CONSUMER CO-OPERATIVES

JCCUNews

Japanese Consumers' Co-operative Union



this issue

East Japan Earthquake Update P.1

Major CSR Activities in 2012 P.2

News from member co-ops P.3

Tour of African Cooperative Leaders P.4

Support Activities by Co-ops Nationwide

1. "Let's Get Connected" Co-op Action Campaign.

Under this campaign JCCU calls on its member co-ops to organize fund raising for specific issues concerning the reconstruction of the stricken areas.

The life support funding is one of them and it is being used for Children Recreation Project. In this fiscal 2013 an amount of 22.32 million JPY has been donated as of August 28.

2. Visit to disaster stricken areas

JCCU member activities division plans the visit, which aims at getting members familiarized with the situation at the stricken areas.

3. Activation of local agriculture

Iwate Co-op organized a Festa under the theme "local production for local consumption" in May 18-19, which was supported by 74 organizations with 30 providing booths.



Miyagi Co-op also continues its effort towards local agricultural recovery through the "Local Miyagi Food and Reconstruction Project Network".

Under this project co-op members assisted in planting Japanese beans, which was harvested on September 15 and sold, in Miyagi co-op stores from September 20.

Updates: East Japan Earthquake at affected areas

Two and a half years have passed since the accident of the Great East Japan Earthquake and the Tokyo Electric Power Fukushima Daiichi nuclear power plant accident.

However, the road to recovery is still facing grim situations.

The living condition of the victims in the affected areas is still not the best. Many of them have no choice but to continue to live in temporary housing and unfamiliar land. And the worse of all, they are still living with worries about the effect of radiation.

In Fukushima prefecture about 150,000 people still continue to live in temporary shelter.

One of the activities nestling in the heart of people in the Fukushima prefecture is the "Fukushima Children Recreation Project" which is been sponsored by co-ops nationwide through fund raising campaign launched by JCCU in collaboration with its members nationwide.



The nationwide co-ops, under the slogan "do not forget and don't get weathered" promote initiatives such as conveying information of the current situation in the affected areas to its members and the local government, engaging in volunteer activities such as handling of products in the affected areas and providing reconstruction assistance through its business operations. Co-op continues to keep the thought of the needs of the people in the stricken areas.

Problems to overcome:

Production site – In Fukushima Prefecture the damage caused by the Fukushima Daiichi nuclear power plant accident still remains deep-

The effect of radiation poses a problem to producers involved in the primary industry, as well as for food manufacturers using the harvested items as raw material for production.

Reputational Damage

Inspection system of radioactive material of agricultural products are set across the country, but still, reputational damage is not eliminated.

In the supermarkets, for traceability reason, the origin and the production site of fresh meat and other agricultural products are declared through POP displays to help consumers make purchasing decision.

However, consumers refrain from purchasing goods of Fukushima prefecture origin for the fear of radioactive contamination.

Fighting the radiation

JCCU in collaboration with the local government, NGO's continue effort in producing map information regarding the level of contamination by radioactive materials of farmlands in the Fukushima area.



Popularity of JCCU CO OP Brand Products Increases

JCCU runs an internet site for its CO·OP brand products. During the first half of the fiscal 2013 page review of customers who visited the site per month was 1.4 million.

In addition, page view of CO·OP brand products through an external site during the same period was 1.14 million, making it a total of 2.5 million page viewers of JCCU CO·OP brand products in a month, which is about 268%, compared with the previous year.

In commemoration of the 25th anniversary of the sale of "CO·OP soybean dry pack", COOKPAD, which manages recipe site and offers advertising services to JCCU put on its site some recommended recipes including that of JCCU recipes using "CO·OP soybean dry pack". A total of 468 people used the CO·OP recipes during the period of the campaign from August 5 to September 2.



" CO·OP soybean dry pack" Cooking example

JCCU has also introduced CO·OP brand products on Facebook since June 2013.

Taken advantage of the Facebook social media, JCCU gets useful data about user activity, including how many likes the products and comments. This data is really useful for understanding the characteristics of the JCCU's customer base, the demographic break-downs that help to plan improvements.

Since its introduction in June, 776 people have expressed their satisfaction and like of CO·OP product.

The information also helps to know which product has popularity among all the co-op products.

Major CSR Activities in 2012

This section of the news introduces the initiatives that the JCCU and Member Co-ops carried out in fiscal 2012 to help realize a sustainable society.

<u>Contribute to the creation of Consumer Civil</u> <u>Society</u>

While tackling the creation of consumer network across the country, Co-op also worked towards enhancing and strengthening consumer administration, exchange of opinions and policy recommendations to the government. Holding of symposium or study meetings, information dissemination, educational activities, etc. were simultaneously performed towards enhancing "consumer power".



Concluding agreement on educational activities for the elderly consumers in Kobe (May 9 2012)

Food safety

Co-op made great effort towards fixing the social mechanism for ensuring the safety of food. Co-op participated in exchange of opinions about food safety with the local governments from the point of view of consumers.

Member leaders food safety seminar was organized and public comment was submitted to the government on food safety.

Co-ops held continuous study meeting on "risk communication and food safety".



Dietary education activities

As part of JCCU's effort to promote food education especially among children and parents, it advanced a program under the theme "importance of eating".

In addition, in cooperation with the co-op nationwide, JCCU developed distance learning

program for children's food education under the theme "Taberu Taisetsu Kids Club" literary translated as "Importance of Eating Kids Club". Interested members were required place an annual registration and teaching materials were sent to them to offer them the opportunity of dietary education at home. From 40 co-op members, 2,405 kids participated in the 2012 fiscal year.

Child Rearing Support

In order to support the society and the community to think, "child rearing is pleasant" JCCU and member co-ops have expanded the child rearing support schemes to encourage children's free activity and interchange as well as parents' spontaneous mutual learning.

In the 2012 fiscal year, "child rearing saloon" was held in 54 co-ops across the country with 125,919 parent-child participation.



Review of life, household activities

Under the cooperation of co-op across the country, JCCU is engaged in "National cost-of-living survey".

Co-op carried out activities to provide members an opportunity to review their lives. 1,867 members from 50 co-op participated in the 2012 national cost-of-living survey.

With more than 1,800 members registered as monitors, co-op becomes the second largest study group after the Family Income and Expenditure Survey of the Ministry of Internal Affairs and Communications (about 9,000 people).

Welfare activity

Since 1983, as part of mutual help activities among members, JCCU and member co-ops have been providing assistance to child rearing families and the elderly.

In fiscal 2012, more than 1.7 million hours (109.7% year-on-year) were spent as activity time and a total of 28,181 activities were performed (100.9% year-on-year).

56 co-ops have signed "Community Protection Agreement" with 382 organizations including the local governments.

Co-op Sapporo expands shelves for Allergy-Free Food

Co-op Sapporo has helped the elderly with their catering business for about two years. Since 2012, the co-op also delivers kindergarten lunches to provide balanced, safe, and secure food to respond to demands of children who have allergies.

There are approximately 40 products available including bouillon, sauces, and margarine amongst many others.

In the course of this initiative, the co-op has found that there are a considerable number of children who have allergies in Hokkaido, mostly in populated areas.

Allergy-conscious products are only available in online stores and a handful of mass-market retailers, so it is easy to imagine that many families with children who suffer from allergies have a hard time preparing meals.

From August 19 2013, Co-op Sapporo has launched an exclusive corner of food, which does not contain causative agent "allergen" in 45 of its 108 stores as a part of the co-ops child care support.

From now on, according to the request from a user, expansion of an installation store or the number of handling goods will also be considered.
Establishment of shelves with the sign of the "allergy-friendly products" will be installed in each



Co-op Sapporo opens Farmers' Market

Co-op Sapporo has expanded their "*Gokinjo Yasal*" ("Neighborhood Farmers' Market") department.

Through this, the co-op has committed to promoting safe, secure, locally grown fresh produce where producers are traceable.

The co-op has also encouraged more interactions between their members and the fresh food producers in the region.

Ceremony to launch the opening of the "Fujino Farmers Market" was held on July 5,2013 attended by representatives of co-op members and officials from the Hokkaido prefectural government and the Sapporo municipal government.

Co-op members highly approve this effort by the co-op, stating they can "see the producers' faces" through the vegetables they produce.

In all the stores, the total number of the registered producers exceeded 1,000.

Co-op Sapporo had established "The Co-op Sapporo Agricultural Award" in 2004, to highlight dedicated producers from a consumer's perspective along with the recognitions from the Hokkaido government and the Sapporo City government. Fujino Neighborhood Farmers' Market is another cornerstone.

The space in the store that was previously used by a tenant was taken over for this initiative.

60 farmers and producer groups from the Fujino district, as well as neighboring Makkari Village and Kimobetsu Town, participated.

This event is expected to boost the store's sales, and also to further support the hard working producers.

Co-op Sapporo's market's annual sales target is 32.5 million JPY.

The co-op intends to continue to move forward in this direction, modeling after Fujino store's initiative.



A typical display

Co-op Net launches new business "home delivery of cooking kits

Three of the affiliated members of Co-op Net Business Federation, Co-op Mirai, Ibaraki Co-op and Co-op Gunma have started a home delivery service "Co-op Deli" that delivers cooking kits to co-op members on weekdays from Monday to Friday to help them make food choices, which are nutritionally balanced.

The service started from October 21 2013 under the promotion slogan "Sorotte GOOD" meaning "good to have all necessary ingredients in one pack".

This is a new business following the dinner home delivery service by Co-op Net that delivers 24,237 meals per day.

Co-op Net aims at realizing four billion JPY from the two businesses in the fiscal 2013.

Since the new business "Sorotte GOOD" is refrigerated food, it does not take the time and effort of defrosting.

Set of pre-cut vegetables, meat, fish, sauce are used that make cooking simple. Only heating is required making it possible to shorten cooking time. It is convenient for young families between 30-40 busy raising children.

There are two types of menus "basic course menu" and "a choice menu". The cooking time for the basic menu is about 10 minutes and the unified price including tax is 780 yen. For the case of the choice menu the cooking time and price depend on the type of menu.

One can choose from two types of menus every day.

While looking at the business situation of the three co-ops, Co-op Net would decide any possible expansion of supply area.



Business Statistics of Consumer Co-ops in 2012.

(Sales and profit growth in four years)

The fiscal 2012 business financial highlights released by JCCU on September 20, revealed a total business turnover of 3,319 billion JPY for the nationwide consumer coops, a decrease of 0.8% compared to the previous year.

The net profit also decreased by 17% to a value of 37 billion JPY in the fiscal 2012.

The home delivery serevice sales which include sales to member groups and individual members recorded a value of 1.64 trillion JPY, an increase of 0.4% compared to the previous year.

The individual delivery sales alone increased by 2.6% to a value of 1.4 trillion JPY, still leaving the sales value in the trillion range.

The online business recorded sales of 214 billion JPY up 12% over the previous year.

The internet ordering users keep increasing and becoming more popular especially with coop members in their 30's and 40's.

With the introduction of mobile sites and the use of QR code scanning system, web search has become easier for members leading to the increase in sale of online users.

Co-op membership nationwide increased by 379,000 to 27 million which is 1.4% increase over the previous year.

The number of household rate for community-based co-ops decreased by 0.3 point from 35.8% in 2011 to 35.5% making it the first time in four years that the value has decreased.

News in Brief 2013 ILO-JCCU Study Tour for African Cooperative Leaders

Five senior co-operative leaders from two African countries, South Africa and the United Republic of Tanzania participated in the study tour in Japan organized by ILO in collaboration with JCCU from 3-10 September 2013.

The participants were Ms. Gloria Anaclet Mazoko, Tanzania Federation of Cooperatives Ltd., Ms. Mgeni Mohammed Salum, Zanzibar Fresh Vegetable Cooperative, Ms. Mirna de Hart, IMAC Services South Africa, Mr. Mhlobo Mbane, National Emerging Red Meat Producers Organization and Mr. Nkenke Mxhosana, Nkwanca Primary Agricultural Cooperative & Chris Hani Agribusiness Secondary Cooperative (CHABSCO).

They arrived on September 3rd and on the 4th a short opening ceremony was organized at CO-OP PLAZA where the president of JCCU, Mr. ASADA Katsumi and the Director of the ILO Office in Tokyo, Ms. KAMIOKA Keiko welcomed them.

The trainees received various lectures including an introduction to the Japanese cooperative movement, governance in Japanese co-operatives, which emphasized on the seven principles of ICA. They also deepened their understanding on the involvement of members' participation in co-op business.

The training program incorporated production site visit. Trainees visited a farming unit of JA Sagami in the Kanagawa prefecture and interacted with a tomato producer who fascinated the trainees with his farming methods. They also visited a farmers' market where farmers control the prices of their own produce.

On the fifth day, participants visited U Co-op Shin-Yamashita center, one of the depot's for the home delivery business and later to U Co-op Shonan-Tsujido-Ekimae store to get an insight to consumer co-operative business.

A public seminar, which marked the concluding of the training program, was organized on the September 10 where trainees introduced their respective organizations and give their views on the study tour. The gathering attracted more than 30 participants including the South African Ambassador to Japan and some official representatives from the Tanzanian Embassy in Tokyo.

There was a strong feeling expressed by the participants that the study tour had helped broadening their scope about co-operative business especially members' participation and more especially gave them the chance to re affirm their understanding about the ICA seven principles which forms the basis of good cooperative governance.





Upcoming Event

● Training program for Managers of Consumer Co-operatives
The second batch of the 2013 training program for managers of consumer co-operatives organized by ICA-AP in collaboration with JCCU will be held at Co-op Net Business Federation and Co-op Kobe from November 22 to December 8.

Co-op Plaza 3-29-8, Shibuya, Shibuya-ku Tokyo, Japan 150-8913 +81(3)5778-8103 tel +81(3)5778-8104 fax http://jccu.coop/eng/ email:kokusai@jccu.coop

JCCUNews is published by the International Department. For inquiries contact the address on the left:

Download the previous issues from: http://jccu.coop/eng/jccunews/index.phd