

CO-OP Product Museum with new Exhibition Display

JCCU launched on March 31, 2014 "CO-OP Product Museum" at its headquarters Co-op Plaza, Shibuya Tokyo to introduce to members, producers, co-op staff and the general visitors, the history and the characteristic of CO-OP products developed at each time from the 1960s to present through watching videos and photographs displayed on panels in the museum.

Following the complete renewal of co-op brand products that was launched on June 1, the exhibition contents and the internal display of items in the museum have been changed to conform to the new products.

This time, a video explaining the complete renewal efforts and exhibition of items with the new design and the sub-brand "the CO-OP Quality" have been added.



Co-op Product Museum



Co-op product of the new design



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JCCU CO-OP Brand Product Renewal

Japanese Consumers' Co-operative Union (JCCU) has since 1960 been developing CO-OP Brand Products with the first product being "CO-OP Butter". Since then, JCCU has developed a variety of co-op products that respond to the voice of the members of that era.

In recent years, lifestyle have changed significantly due to the aging and the declining birth rate, the increase in working women, the spread of the Internet business and SNS.

In response to these changes, JCCU has strengthened the development improvement of its brand products.

A new brand message for co-op products "Making thoughts a reality (SMILING CO-OP)" and a brand statement consisting of five commitments to members as summarized below have been formulated.

1. Pursuing the development of better quality products by placing importance to safety and reliability
2. Pursuing the development of valuable products by listening to and incorporating the opinions of members
3. Fostering empathy by connecting thoughts
4. Bringing smiles and good health at dining table
5. Contributing to the community and the society

There is also a new package design having a common label that shows the product name and summarizes information about the product. The new package makes it easy to understand and select items.

In this reform, co-op brand product has been classified as regular brand and sub-brand. The regular brand (SMILING CO-OP) represents co-op products that are used in daily life with composition ratio of 80-90 percent, and the

sub-brand composition ratio of 10-20 percent, that meet diverse needs and preferences, for example products with specific themes and richer in taste.

Sale of the new co-op products started in June 1, with 530 regular brand and 8 sub-brand being the first version of the sub-brand, while advancing improvement of the existing 4,000 items in a period of three years.

Regular Co-op Brand



Sub-Brand



Expanding CO-OP Product visibility

JCCU has launched a two-year "Love Co-op Campaign" from March 21, 2014 to March 20, 2016 to promote members loyalty for CO-OP brand products under the theme "Love Co-op".

More than 2 million members' are anticipated to join in this campaign.

Events to expand the campaign are being carried out in various places nationwide.

One of such events was carried out by Co-op Sapporo between April 22 and May 5 in designated Co-op Sapporo store outlets under the theme "Co-op product general election" which involved a popularity vote of Co-op products by co-op members.

The higher rank products selected will be introduced as good co-op products and exchanged between the areas to promote inter-regional exchanges and the strengthening of ties between members.

Love Co-op campaign character ("Love Co-op") was displayed in the store to attract attention during the period of the campaign.

Love Co-op News is also produced featuring various assortments of co-op products and CO-OP product brand renewal efforts in member co-ops public relations magazine



Campaign character ("Loveko")

JICA Sponsored Program: African trainees visited the agricultural products logistics center of Pal system Co-op

The Japan International Cooperation Agency (JICA) has been organizing the "African Regional Market-Oriented Agricultural Development Overseas Training Program" for trainees from African countries for four consecutive years with the Consumer Co-operative Pal system allowing its logistics center to be used as one of the training grounds.

On May 21, the FY2015 training program was held for 12 trainees from 10 African countries to learn about the distribution system of Japanese Agricultural Produce.

The trainees paid a visit to Pal system logistics center in Saitama city which is being operated by GPS Co. Ltd, the subsidiary of Pal system.

The participants were from Cameroon, Ethiopia, Kenya, Lesotho, Malawi, Rwanda, South Sudan, Sudan, Uganda and Zimbabwe.

The visit to the facility was performed around the receiving and inspection of agricultural products, cutting of cabbage, lettuce, tomato, determining sugar content using light sensor, cold storage chamber and shipping ports, examining the products set line and the back yard operation.

After the facility tour, there was time for question and answers.

The trainees asked questions about how to continue long-term partnerships with agricultural producers, the nature of the contract in case of crop failure and a good harvest, number of orders and price setting method of the home delivery business, the cultivation standards and the method to raise the quality and the method of recycling waste food.



State of the Agricultural Products Distribution Center tour

Learning session on consumer trial procedure law for exceptional rules held

The Osaka Prefectural Consumer Co-operative Union in collaboration with the Kansai consumers support organization (KC's) held a learning session about Consumer judiciary proceedings special law (law about special provision of a civil court proceedings for the collective recovery of the damage of property of consumers on March 17 2015.

This law which was concluded in the Extraordinary Diet Session of December 2013, will be in force by December 2016.

The law is expected as a system for achieving damage recovery of individual consumers but publicity of the system to consumers is behind schedule.

This learning session was organized to help consumers understand the system and get familiarized with it by using tale and comic dialogue by the Osaka University drama club.

The Osaka Prefectural Consumer Co-operative Union is encouraging JCCU member co-ops to hold learning meetings this year for their members.



State of the learning session

Ibaraki Co-op wins consumer support Merit Award, "Minister of State Award"

At the ceremony held at the Prime Minister's Office on May 26, Ibaraki Co-op was awarded the "Minister of State Award" in the Consumer Agency 2015 consumer support Merit's commendation contest.

The Prime Minister's commendation award honors organizations, individuals or groups with distinguished services remarkable in consumer support service such as rendering advocacy and the promotion of consumer interest.

The main activities that resulted in the award include; providing telephone consultation counter that opens from Monday through Thursday to provide counseling for persons having difficulties in daily living.

In addition the co-op concluded agreement with 38 municipalities to supply emergency relief items in the event of a large scale disaster and also strengthened its elderly watch activities by signing agreement with 42 municipalities and providing learning sessions for raising dementia awareness with the cooperation of business groups in the prefecture.

The co-op also cooperated in consumer awareness publicity activities in Ibaraki Prefecture by organizing lecturers in disaster prevention and food education. In addition, the co-op provided a resource person to give lectures about food education and disaster reduction in elementary schools and kindergartens, etc.

From 2000, the co-op has given a total grant of 35.93 million JPY to 511 consumer organizations and individuals engaged in environmental conservation activities to tackle environmental problems.

Nara Co-op held Earth Day 2015

On April 19 2015, Nara Co-op held the "Earth Day 2015" at the Asuka Historical National Government Park to demonstrate support for environmental protection.

Nara Co-op has been holding Earth Day events since 1990 as part of its effort to counteract environmental problems associated with climate change. This year marks the 26th holding of the event.

The Earth Day is set to think and act for the environment by raising awareness of the local people through booth exhibitions and lectures about the environmental protection initiatives of Nara Co-op and other environmental support organizations.

Including Nara Co-op, Asuka village, the Yoshino area administration, environmental support organizations and the Nara Consumers' Co-operative Union, a total of 42 groups provided booths with various themes attracting about 2,000 participants.

This year also Nara Co-op continued to introduce its environmental protection activities under two major projects; "Yoshino Symbiosis Project" and "Field Mustard Eco Project" as themes in the booth to demonstrate the co-ops initiative to suppress the generation of greenhouse gases that are the cause of global warming.

There were also exhibitions by local farmers demonstrating the importance of local production for local consumption including sale of food items produced in the area together with environmental quiz rally that attracted the attention of the crowd.

There was also a walking event participated by about 80 people in a course of about 5km.

A fund-raising presentation ceremony was held where an amount of about 1 million JPY was donated for protecting the forest and water of Yoshino.

There was also a stage drumming by a group from Asuka village entertaining the audience with traditional folk songs.

After the bingo game lottery, the "Earth Day 2015" was brought to a closing by final greetings from the Vice President of Nara Co-op.



Co-op detergent environmental donation campaign

In 2011, "Co-op Environmental Campaign Fund" was established by Japanese consumer co-ops and every year donation campaign is organized through the sale of Co-op detergent to raise funds to support environmental activities.

This year, the campaign is conducted between April 21 to October 20 2014, where for every purchase of a particular laundry detergent, one yen will be donated to the fund. Donation target for this year's campaign is 5 million JPY.

The amount will be donated to environmental groups in and outside Japan such as the NPO Borneo Conservation Trust (BCT) Japan for biodiversity conservation activities in Borneo.

Borneo has oil palm plantations where JCCU gets its raw materials for the production of laundry detergent.

In 2014, the campaign was organized between May 21 to November 20, with the participation of 108 co-ops across the country, donating about 4.44 million JPY.



2015 *Sanchoku* Report for Co-ops Nationwide

Co-ops nationwide keep expanding ties with local residence, local governments and various organizations in the region, in a joint effort, working on a variety of fields related to food and agriculture.

Regional Co-ops nationwide, while fostering such connections have continued the efforts of the "Co-op *Sanchoku*" business.

JCCU after 2009 and 2012, has issued "Co-op *Sanchoku*" "Nationwide Co-op *Sanchoku* Report 2015", summarizing the current state of the production area from a variety of viewpoints and information about Co-op *Sanchoku* products.

The report also appeals the value of *Sanchoku* products from the point of view of safety and reliability in a context that is easy to understand.

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*"Sanchoku", direct transaction and co-operative activity between producers and consumers.

News in Brief

JCCU Releases Business Summary

JCCU summarizes the April 2015 business turnover of the 62 community-based co-ops nationwide. Total turnover is higher than the value recorded in the same month last year with an increase of 3.6% to a value of 200.70 billion JPY. The store turnover increased by 3%, while the home delivery increased by 3.7%

The amount of home delivery sales was 123.107 billion JPY accounting for 61.3% of the total turnover of the community-based co-ops.

Of these, the individual delivery sales alone increased by 5.7% to a value 81.742 billion JPY. For year-on-year comparison it is the first time in two months the amount has been plus.

The store turnover escaped minus for the first time in six months. The total turnover exceeded that of last year because of the depressed reaction by last year's consumption tax increase.

Co-op Kobe records surplus for the first time in three years

Co-op Kobe on April 1, announced its financial results for the fiscal 2014 ended in March 2015 (March 21, 2014 – March 20, 2015).

The net profit switched from a deficit of 360 million JPY in the previous fiscal year to a surplus of 1.45 billion JPY in the current fiscal year. The impairment loss of low profitable stores has decreased significantly from the previous fiscal year, thus, accounting for the final surplus for the first time in three years.

The sales turnover was 234.8 billion JPY, recording a decrease of 2.8% from the previous year.

The store business decreased in sales by 4.9% due to the effect of the consumption tax hike. On the other hand, due to the increase in the number of users/outlets and the decline in the

purchase price, the sales volume of the home delivery business decreased by only 0.2%.

Cost reduction due to the review of delivery route contributed to the increase of the ordinary surplus by 33.7% to a value of 2.08 billion JPY.

The Chairperson of Co-op Kobe, Mr. Honda Eiichi mentioned that, in the next fiscal year ending March 2016, the sales turnover, the ordinary surplus and the net surplus is expected to be 234.2 billion JPY, 1.01 billion JPY and 244 million JPY respectively, by strengthening assortment of local products in the store business and pursuing appropriate services that meet local characteristics to the members.

U Co-op returns to profitability by management reinforcement

U Co-op returns to profitability, however, future prospects still remains severe.

Co-op Kanagawa, Co-op Shizuoka and the Citizen Co-op Yamanashi which merged in 2013 had a general meeting of representatives on June 5th, to announce the fiscal 2014 performance and presented the 2015 fiscal year management policy which were approved by majority votes.

The sales turnover was down by 1.3% from the previous fiscal year to a value of 177.1 billion JPY, however the target for the year was exceeded.

The ordinary surplus is 3.55 billion JPY recording an increase of 2.92 billion JPY compared to the previous year.

Strengthening of the management structure was the purpose of the merger, in which there has been an achievement however, the sales target for the fiscal 2015 could not be met with a decrease of 2.7% year-on-year at a value of 172.2 billion JPY. The ordinary surplus also recorded a large decrease with a value of 1.7 billion JPY with the situation having a severe viewpoint for management.

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