

Co-op reconstruction effort (Photo Report)

Reconstruction through Co-op business



Distribution of revival pray towel at all the stores in the affected areas on March 11, 2012 (Miyagi Co-op)

Co-operation between Co-op and Producers



Beans project promoted by the local Miyagi Food and reconstruction network

Fighting the Radiation



Producing map information regarding the level of contamination by radioactive materials of farmlands in the Fukushima area.



this issue

Co-op "the power that connects" **P.1**

Business Highlights **P.2**

Miyagi Co-op opens Reference Library **P.3**

News in Brief **P.4**

Co-op "The Power that Connects"

Two years have passed since the earthquake and tsunami that devastated the northeastern coast of Japan.

However, the recovery and reconstruction of the affected areas is still ongoing. With Co-operation and coordination, JCCU and co-ops nationwide have been working very hard towards the reconstruction of the disaster areas.

Support activities through co-op business as well as with producers were continued in 2012. This includes planning and support for recreation activities for people living in temporary housing, those taken refuge outside the Fukushima prefecture and children in the affected areas.

The battle with the radiation from Fukushima Daiichi Nuclear Power Station accident still continues.

Co-ops continue to accelerate the reconstruction of the disaster-affected areas and make concerted efforts to create a newly revitalized Tohoku.

Many consumer co-ops nationwide responded to JCCU appeal for funds for the reconstruction of the earthquake hit areas and as at January 2013 a total of 295 million JPY has been raised under the project "Co-op let's get connected". The funds have been used in many ways including funding of Fukushima Children Recreation Project, the School Library 'GENKI' Project, etc.

The revival situation seen numerically

Disaster waste disposal (rubble)

The destruction of the main lifelines and the public services, including transportation, from the earthquake has been restored. However, out of the 18 million tons of the disaster waste only one-third equivalent to about 34% has been processed as at end of November 2011.

Farmland

The farmlands of Aomori, Iwate, Miyagi, Fukushima, Ibaraki, and Chiba prefectures that were damaged by the tsunami amounted to 21,480 ha. Out of this only 8,190 ha (about 38%) can resume farming.

Fishing port

Out of the 319 fishing ports damaged by the tsunami, only 111, equivalent to about 35% has been restored for business activities as at the end of October 2012.

Urban development

With regards to urban development, progress has been made in the restoration of health care facilities and schools.

On the other hand out of the 21,000 units of the required disaster public housing released by each prefecture only 5,651 equivalent to 27% have been started.

Large-scale land reclamation is required for the construction of residential house but only about 3% has been achieved.

The number of evacuees (as at Dec 2, 2012)

Total (Person)	People in shelter	People housed
321,433	159	305,048

Situation of temporary housing (as at end of 2012)

	Number of Residents (persons)	Number of Occupancy (units)
Public Housing etc.	30,082	10,790
Private-Sector Housing	156,272	61,241
Temporary Housing	112,330	48,310

There is still a strong demand for the continued support to the affected areas in the future.

Announcement of the birth of Co-op “Mirai”

On March 21, 2013, Co-op “Mirai” the largest consumer co-operative in Japan was officially inaugurated in the Tokyo metropolitan area through the merger of Co-op Tokyo, Saitama Co-op and Chiba Co-op. Full business operation commenced from the day of the inauguration.

Consumer Co-operative “Mirai” has a membership of 2.9 million and business turnover of 350 billion JPY. The business is being run on members share capital at the value of 66.5 billion JPY. Business facilities include 145 store outlets and 75 delivery centers for the home delivery business.

Mr. TAI Shuji who had been the chairman of board of directors of Co-op Chiba was elected as the chairman of the board of directors of the new co-op at the executive board meeting held on the same day of inauguration.

While competition in the retail industry intensifies, it is highly expected that through business integration the management function of the organization would be increased resulting in a more efficient management and increasing speed of decision-making.

In particular, focusing on innovation of the home delivery along with the store business would be a top priority since both divisions are facing severe competition as a result of the expansion of online grocery shopping and the development of new super-markets respectively. The new co-op would strengthen the competitiveness of co-op brand products to increase its market share.



Mr. TAI Shuji (Chairman, Co-op Mirai)

The measure against competition and future concept for non-store (home delivery) business



YANO Kazuhiro
Managing Director (CEO)

Mr. Yano was interviewed about his view regarding the home delivery business. The following are his comments:

With the rapid expansion of the online grocery shopping and others, the environment situation surrounding the co-op home delivery business is changing to a full-blown competition from the former monopoly.

Since 2007, the turnover for the co-op home delivery business has gradually been decreasing, and the rate of the ordinary surplus has also been showing decreasing tendency.

The reduction of sales per customer, per delivery, has also decreased from 6,000 to 4,000 yen and it is predicted that the average

purchase per customer is likely to further reduce to 3,000 yen in the future.

From the management structure it is necessary to have a sense of crisis, working on new business models, or an entirely business transformation.

Short-term measure against competition

Strengthening product competitiveness is one of the key issues under our short-term measures. We would continue to emphasize on the improvement of sanchoku and Co-op brand products as well as improving the functions of the existing logistics to increase speed and reduce cost.

Long-term measure against competition

Under this measure JCCU would personalize its e-Business initiatives in the pursuit of one to one marketing, also known as customer-relationship marketing (CRM), where through our website we can track our member's interest and make suggestions to help them make choices that would meet their individual needs.

With our wealth of customer data compared to other companies, we still lack behind our competitors in the level of use of IT.

Business reform has been addressed in various ways and now the improvement of logistics and expansion of assortment becomes

Lectures on life consultation and money lending business

Based on the current situation in which people who are facing isolation in the community and having difficulties in making a living are rapidly expanding, JCCU with the support of the government in 2010 entrusted to Consumer Co-operative Institute of Japan (CCIJ) to form a study group with the support of Co-op nationwide to conduct a research to review a possible social welfare business model “life consultation and loan business in co-op” to help the poor and the needy.

In this business, anyone who has problems related to livelihood can receive a free consultation from a counselor designated by co-op. The counselor discusses the problem with the consuler and suggests an improvement plan. Under the recommendation of the counselor, JCCU, in cooperation with the local welfare organizations, the local government and the NPO's may grant a loan to the consuler for the purpose of improving his/her livelihood.

The first public lecture to introduce this new business model was held on March 26, 2013 in Sendai, Miyagi Prefecture and was attended by

a large number of Miyagi Co-op employees, the general public and co-op stakeholders to deepen their understanding about the main concept of this lending business.

In September 2013, this business would be launched to help regenerate the lives of the victims of the Great East Japan Earthquake.

JCCU aims at achieving its purpose of realizing a new society in which everyone can live everyday in comfort and with a smile through this life consultation and money lending business.



Scene of public lecture held in Sendai

Message from Co-op Fukushima



NONAKA Shunkichi,
CEO, Co-op Fukushima

Two years have passed since the explosion of the Fukushima Daiichi Nuclear Power Station. 160,000 people have been forced to take shelter outside the prefecture. Still, people forced to evacuate, continue to live in temporary housing. To add to this, there is little feeling that reconstruction of the nuclear accident is being advanced. With the assistance of co-op nationwide, we keep our regular visits to temporary housing and provide various forms of assistance to the refugees.

Through co-operation with Japanese Agriculture Co-operative (JA), co-ops in the prefecture are promoting initiatives that would facilitate the claim for damages to protect the agricultural products in Fukushima Prefecture.

Regarding the "Measurement of radioactive material contained in the diet" our appreciation does not only go to the participants but also to many local governments in Fukushima Prefecture who offered a hand. The investigation has helped reduced people's anxiety about food products from Fukushima.

For the reconstruction from the nuclear accident, which is not converged, Co-op Fukushima would continue to demonstrate its power. At the same time, I think to continue the reconstruction of Fukushima Prefecture without the support of the nation is impossible.

Co-ops support for the dealing with commodities from Fukushima Prefecture is well appreciated.

Miyagi Co-op opens a Reference Library for the Great East Japan Earthquake

On March 11, 2011 at 2:46 pm, the northeastern coast of Japan (Tohoku) was hit by the Great East Japan Earthquake, (magnitude 9), resulting in the death or missing of more than 20,000 people and the total destruction of more than 350,000 homes.

Miyagi Co-op, on March 5, 2013 opened an Earthquake Reference Library in Sendai, Miyagi Prefecture, to commemorate the tragic event and to convey the experience of the earthquake, the lessons learned and co-ops effort in the reconstruction exercise to succeeding generations.

The reference library, which, is housed in the cultural and living center building, (With) at the headquarters of Miyagi Co-op has exhibited videos, photo images and related materials of the earthquake and the tsunami.

At the opening ceremony, the Managing Director of Miyagi Co-op, Mr. MIYAMOTO Hiromu mentioned that earthquakes are unpredictable therefore it is important to keep these important documents to serve as reference manuals should there be any future occurrence.

The library is built so that succeeding generations would understand how Miyagi Co-op and co-ops nationwide fought against the earthquake disaster.

The library is oval in shape and it shows the sequence of events that took place from the time of the earthquake to reconstruction.

There is a circular theater room in the center and exhibition space is provided in the passage around the periphery.

On the wall of the passage are exhibited in chronological order, photographs that capture the disaster situation, recovery and reconstruction efforts and the support activities from across the country at the time of the earthquake.

There is also a corner to introduce sanchoku products and food items from the "local Miyagi Food and reconstruction project network" as well as various forms of volunteer activities.

In the theater room is 120-inch big screen that displays a 15-minute video recording that summarizes the kind of role Miyagi Co-op played in the midst of the chaos in the aftermath of the earthquake disaster.

There is also DVD showing the events of the Great East Japan Earthquake where visitors can freely watch.

The reference Library can also serve as a disaster training room for new employees.



Towards Zero Victims

The Osaka Yodogawa Citizen Co-op on March 13, organized a disaster prevention study meeting with Professor ENSHU Hiromi, Department of Economics, University of Osaka as a resource person.

While two years have passed since the Great East Japan Earthquake, the measure for revival in the stricken areas is still being advanced.

On the other hand, while the report about the earthquake disaster also decreases, there is tendency that our consciousness about disaster prevention would fade out.

The seminar was organized to refresh memories about the disaster and to learn from the lessons of it and the efforts taken to protect lives, schools and the community. Since no one knows when a disaster would strike it is important not to lose conscience about the disaster. It was attended by over 40 participants.

Publication Announcement

The ICA Committee on Consumer Cooperation for Asia and the Pacific has published a report titled "The Present Status of Consumer Co-operatives in Asia and the Pacific: 2012"

JCCU would like to introduce this report to interested readers.

You can find information about co-operatives in the Asia Pacific including the Japanese consumer co-operatives.

The URL address is:

http://jccu.coop/eng/public/asia_2012.php

Or just click on the image of the book below.



News in Brief

ICA-AP Training Program for Managers of Consumer Co-ops

The second batch of 2012 fiscal year Asia Manager Training Program was held in Co-op Net Federation and Co-op Kobe from Feb 22 to March 7, 2013. Five co-operative managers from two Asian countries; Singapore and Vietnam participated in the training program.

An orientation program was organized at JCCU headquarters for two days prior to the practical training at Co-op Net Federation and Co-op Kobe. The managers received lectures on Japanese consumer co-operative business and paid a visit to the Kagawa Archives & Resource center to learn about the history of co-operative movement in Japan.

At Co-op Net, trainees were introduced to the co-op's new business, meal home delivery service, by visiting Itabashi distribution center. Visits to the eco recycling center and eco-friendly store were also made and the trainees got familiarized with the environmental initiatives to realize a sustainable business by the Japanese consumer co-ops.

In Co-op Kobe trainees received various lectures including home delivery business, private brand product development, quality assurance, merchandizing support system, customer services, and staff education.

Trainees were impressed about Co-op Kobe's human resource development program that instills co-operative spirit in employees.

Training at SEER, the largest store of Co-op Kobe, was also very informative. Trainees expressed that they got inspiration for their store management and hope to implement it upon returning to their respective co-operatives.

At the end of the program trainees made presentation to the board members of Co-op Kobe. They expressed their ideas about how they could use the training experience to solve practical solutions in their respective co-ops.



Trainees and Co-op Kobe Executive Officers pose for a group picture. Seated in the middle is Mr. HONDA Eiichi (President & CEO)

Workshop on food safety

Akita Prefecture Consumer Co-operative Union held a workshop on food safety for managers and employees of consumer co-ops in the prefecture on March 15 2013. Fifty participants attended the workshop which aimed at deepening the participants understanding of food safety and security.

Two resource persons, Mr. SHIZUKUISHI Kiyoshi and Ms. TODA Mari from Miyagi Co-op Food Safety Promotion Division were invited to give lectures.

Mr. Shizukuishi's lecture, which was centered on the "voluntary standards of food additives", explained in detail the report on the risk management policy of chemical substances by JCCU.

He mentioned that while Co-op food safety policy is fundamentally based on the risk management by the government, JCCU continues to perform its own food safety management and take measures against food additives and new risks where government checks have been insufficient.

Ms. Toda also gave a lecture under the title "additives and chemical safety". She discussed with the participants what actually a chemical substance means and whether consumers must feel insecure about it.

She dismissed participants' misconception about the saying that "natural things are safe and synthesized things are dangerous" and that "regulation will become loose if the number of the chemical substances used as an object of management becomes fewer". She explained in simple language about the above misconception and participants felt very reassured.



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