# JCCUNEWS Co-operative enterprise built a better world



Japanese Consumers' Co-operative Union

**UNICEF** fundraising

JCCU and its member Co-ops in cooperation with the Japan

Committee for UNICEF have been organizing UNICEF donation

In the fiscal 2014 (April 2014-

nationwide gathered through the

consisting of general fundraising,

designated donations came to 220

The general fundraising amount

On the other hand, the designated

donation realized through the milk

cooperation of their members,

March 2015), the UNICEF donation that consumers co-ops

emergency donations and

was about 76 million JPY.

million JPY.

achievement

campaigns nationwide.



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### JCCU held the 65th Annual General Assembly

JCCU on June 12, 2015, held the 65th General Assembly in Tokyo. Out of the 662 representatives to the General Assembly, 444 attended in person, 7 by proxy and 203 by document.

The meeting was honored to receive congratulatory messages from many dignitaries including Dame Pauline Green, the President of ICA, Mr. Guy Ryder, Director-General of ILO, Mr. SATO Jun, Ministry of Health, Labor and Welfare (MHLW), and Mr. BANZAI Akira, Chairperson, JA-ZENCHU (Central Union of Agricultural Cooperatives).

All the five bills including "the 2014 business and financial reports", the 2015 business plan and the budget", were all passed by majority votes.

At the opening remarks, the President of JCCU, ASADA Katsumi, expressed his appreciation to the co-ops nationwide for their effort towards the reconstruction exercise of the Great East Japan Earthquake and further asked the co-ops to strengthen their effort to continue the goodwill.

In addition, he mentioned that bearing in mind 2015 is the 70<sup>th</sup> year since the atomic bombings and the end of the World War II, Co-op should further expand the community-based grassroots peace activities in accordance with its basic philosophy of "for peace and better life" to inform the younger generation the realities and inhuman nature of the atomic bombing as well as war.

There was a debate session after the bill was proposed, in which 15 representatives gave a

Also among the major discussions that took place in a wide range of themes include, co-ops commitment to energy issues, initiatives towards "regional protection of the elderly", peace efforts, the strengthening of business solidarity and the "Love Co-op" campaign initiatives.

Representatives from the co-ops in the areas affected by the 2011 earthquake also gave appreciation remark for the warm support from co-ops nationwide, followed by the appointment of new officers.

President: ASADA Katsumi (re-elected). Vice-President: HONDA Eiichi and ARAI Chitose

(newly elected).

Managing Director/CEO: SHIMADA Hiroyuki (re-elected).

Managing Director: WADA Toshiaki (reelected)

**Executive Director (Administration):** YAMAMOTO Katsuya (re-elected). Executive Director (Business): FUJII

Yoshitsugu (newly elected)

Full-time auditor: FUKUSHIMA Hiroki (newly

elected)





Top pic: Mr. ASADA, Bottom pic: Mr. SATO

project of Co-op Net and U Co-op business federations, where one ven from the sale of each pack of CO-OP brand milk is donated to the fund, and another project, the "CO-OP core non roll school project" in which also one yen from the sale of each pack of "CO-OP brand toilet paper is donated to UNICEF to help improve the education environment for school kids in the Republic of Angola and the amount of donation obtained through fund-raising activities organized by members in various areas for specific purposes amounted to about 88 million JPY.

The emergency donation was about 59 million JPY including donation for the Ebola outbreak in West Africa (46 million JPY) and the Philippines Typhoon Haiyan emergency fund (13 million JPY).

JCCU and co-ops nationwide have engaged in UNICEF activities and fundraising since 1983.

The total fundraising amount to date is 7,980 million JPY.

#### Amount of order of Co-op Internet online shopping site "e-Friends" exceeds 100 billion JPY

JCCU is providing five business federations and one community based consumer co-op a common online shopping service, "e Friends" for the home delivery business.

The use of e Friends had continued to expand with membership reaching 2.08 million (111% year-on-year) as at the end of fiscal 2014, with the turnover of 103.2 billion JPY (111% year-on-year).

A recent publication of the top 100 Internet mail order survey report for the fiscal 2014 published by the Impress Research Institute, indicated that Co-op's Internet circle "e Friends" took the second position after Amazon Japan.

e Friends can be viewed on any internet terminal using any iOS and Android devices such as personal computers, smartphones and tablets, for ordering of goods, search for recipes and in particular, posting of opinions and impressions on products.

In fiscal 2014 the total number of comments from users increased by 10% (110% year-on-year) and in addition, the comments and opinions posted on the site by users increased significantly from the previous year to 117%.

The opinions and comments are shared with other users for the purpose of information exchange.

With the increase in the smartphone ordering, JCCU will further strengthen product search function to ensure that the necessary information and product display could be more easier even on small smartphone screens.

JCCU and member co-ops plan to make the service more attractive through the expansion of community features.

#### Co-op Members gathering "expanding Love Co-op"

JCCU held the second members gathering of "Love Co-op" campaign in Tokyo on June 11, 2015. It was attended by 387 people from 37 co-ops nationwide. The first event which was organized last year was attended by 314 members from 44 co-ops across the country. The campaign which intends to promote members loyalty for CO-OP products is being held as series of events at various places.

The days event included food tasting to deepen understanding and experiencing the value and quality of CO-OP products especially the new brands, exhibition corner showing initiatives and activities of co-ops nationwide.

There was a corner where the image characters of various co-ops have been gathered and an area for members to interact with co-op staff.

There were smiles and feeling of satisfaction on the faces of the members while enjoying food tasting and engaging in talks with co-op staff.

The occasion was also a good chance for co-op members to interact with producers.

A two-year campaign which started in March 2014 and ending March 2016 is expected to be taken part by 2 million Co-op members.

Valuable comments and hints that would be gathered through this campaign will be used to

reflect on Co-op products development and improvement.



State of exchanges with producers of shrimp



Grand assembly of Co-op campaign character

#### JCCU President & Reconstruction Minister in a round-table talk

ASADA Katsumi, President of JCCU on June 25, 2015, visited the Reconstruction Agency to have an informal talk with Mr. TAKESHITA Wataru, the Reconstruction Minister, under the theme "reputational damage dispel on the local food produce" in the earthquake affected areas, with a focus on Fukushima Prefecture.

After the Fukushima Daiichi Nuclear Power Plant Accident that followed the East Japan Earthquake, people's anxiety about radioactive contamination of food products especially from Fukushima and Miyagi prefectures have increased.

JCCU in collaboration with its primary co-ops, for four consecutive years, have been conducting investigation on the radioactive material intake from domestic meals to fully comprehend the situation and disseminate the right information to members and the general public.

In this informal talk, Mr. Takeshita mentioned that he hopes to cooperate to overcome the harmful rumors, and he expects co-op which has high consciousness for food safety and security, and also has connection all over Japan to continue its effort to calm down the rumor.

Asada spoke about the importance of cooperation

between the government, the agricultural co-ops and consumer co-ops, while talking about his visit to Fukushima Prefecture to get a first-hand information regarding the current state of food production and distribution in the area.

Finally, they agreed on providing accurate information, ensuring commercial value of products from the affected areas to dissolve rumors about radioactive contamination.



Mr. Takeshita (R) and Asada pose for a pic holding local produce from the stricken area

#### Co-op Tohoku Sunnet opens a new logistics facility

A provider of distribution facilities announced on June 24, the completion of a distribution facility, in Tomiya Town north of Sendai, built for exclusive use of Co-op Tohoku Sunnet.

The new logistics center will serve the co-ops in 6 prefectures, i.e. Aomori, Iwate, Akita, Miyagi, Yamagata and Fukushima, which are all members of the Tohoku Sunnet Federation.

The logistics facility is a 3-story structure of approximately 43,000 square meters with total site floor area of about 28,700 square meters.

A track berth is established in the first and the second floors, with also a slope installed that allows a 40ft container trailer to ride in onto the second floor directly.

It is also equipped with a vertical conveyance machine on each floor that allows efficient logistics operations.

For the purpose of business continuity, the facility is equipped with private power generation equipment for the emergency.

In addition the facility is installed with LED lighting in the entire building and rooftop solar panels that make the facility environmentally friendly.

Preparations for full operation is underway.

The facility has been named "Coop Tohoku integrated logistics center" and would enable intensive integration of the dry center owned by Co-op Tohoku Sunnet to realize increase in efficiency.



Picture of the new logistic facility

#### 15th ICA-AP Regional Workshop held in Singapore

The 15th ICA Asia-Pacific Regional Workshop on "Management of Consumer Co-operatives" was held by ICA-AP Consumer Committee, in Singapore from June 2-5, 2015.

NTUC Fairprice (Singapore) hosted the workshop, which was attended by 19 cooperators from Japan, Malaysia, South Korea, Sri Lanka and Vietnam.

The objectives of the 4-day training workshop were to promote understanding of socio-economic role of consumer co-operatives, to study the practical use of Social Media and to establish an international network of consumer co-operative leaders and managers.

After a welcome address by Seah Kian Peng, CEO, NTUC Fairprice two lectures were given, the "Overview of National Trades Union Congress" and the "Overview of NTUC Fairprice".

After that, a group discussion was held under the themes "What do you want to learn from the workshop?", and "What are the strengths, weaknesses, threats, and opportunities of your co-op?" On the second and third days, participants visited 4 different retail format stores of NTUC Fairprice and received lectures on "Retail Operation", "Purchasing, Merchandising & International Trading", "Supply Chain Management" and the "Practical use of Social Media".

On the fourth day, a group discussion and presentation session on what participants learnt from the workshop was held followed by a debriefing on the presentation by Ms. Juliana Tan, Training & Development Manager, NTUC Fairprice.



Participants pose for a group picture

#### 2015 Co-op members gathering held

Co-operative societies in Kanagawa prefecture have been holding "Co-operative gathering" each year since 1987, as a platform where co-operative societies in the prefecture could interact with each other and think of the common issues to advance the co-operative movement in the region.

This year, is the 20<sup>th</sup> year since ICA enacted the current Cooperative Principles at the at the Congress, held in Manchester (UK) in 1995.

For this reason, the gathering of 2015, as the year of the cooperative principle milestone, was held for the purpose of providing an opportunity to reconsider the value of cooperative in the contemporary point of view.

Currently in Japan, the legal revision of Agricultural Co-operatives which denies the cooperative under the name of regulatory reform is being advanced.

Today, the market principle supremacist is sweeping the world, among which disparity and poverty problem is becoming serious and people who have anxiety about the future are increasing.

Under such circumstances, expectations and the role of co-operatives for the realization of true wealth and human life are increasing more than ever.

Against this backdrop, it is important for co-op members, officers and employees to deepen their understanding of cooperative principles along with transmitting the fact that co-operative exist to support the development of the social economy.

Four years have passed since the Great East Japan Earthquake, however the reconstruction exercise of the affected areas is still ongoing with about 225,000 people still living as refugees.

The memory of the earthquake disaster is gradually fading, however, there is the need to re-recognize the mission of cooperative as conjugate between people and continue to render support for the reconstruction.



Scene at the gathering

## Mutual cooperation agreement

Upon the occurrence of largescale natural disaster, it is anticipated that, more adequate response could be met through mutual cooperation for the recovery and reconstruction of the affected areas, as well as the smooth execution of business activities and support of the lives of the victims, than working individually for the same goal.

For this reason, mutual cooperation agreement relating to emergency disaster response, etc. was concluded between Japanese Consumers' Cooperative Union (JCCU) and the Association of National Labor Bank on June 16, 2015.

The content of cooperation set forth in the agreement includes:

- Strengthening of mutual cooperation in preparation for large-scale natural disasters and developing communication systems for the exchange of information.
- 2. The implementation of a mutual exchange of information at the time of large-scale natural disasters, emergency assistance and cooperative planning based on the individual business (exchange meetings and financing consultations, etc.)
- The consultation for the capital needs for business continuity at the time of large-scale natural disasters



(Right) Mr. NAKAE Kimito, Chairman of the Association of National Labor Bank, and President of JCCU, ASADA Katsumi.

#### **News in Brief**

#### Staff of Thailand Ministry of Commerce paid a visit to JCCU

On June 6, 2015, 13 delegates from the Department of Commerce, the Kingdom of Thailand, including Ms. Chutima BUNYAPRAPHA the permanent secretary, paid a courtesy visit to JCCU to discuss the mutual cooperation for handling Thai products and the improvement of the distribution network.

The Kingdom of Thailand is an important trade partner for Japanese consumer co-operatives, occupying a significant ratio of the total import goods the consumer co-ops handle.

The delegates received briefings from Mr. ITO Jiro, the Director of the Public Relations Department, on the organization of consumer coops in Japan, the current business situation, the co-ops social role and JCCU's handling of Thai products.

In addition, explanation was given on the mechanism of co-op's home delivery business, the elderly watch activities in the region, the maturity of the market due to aging and the situation of Japan's elderly, that places importance to quality rather than quantity during the session for questions and answers.

Ms. Chutima BUNYAPRAPHA also mentioned her intention to introduce various Thai producers to Japan and to promote the export of Thai manufacturing goods to consumer co-ops.





Session for Q&A

#### Korea Hanshin University students visits Osaka Izumi Co-op

On June 19 2015, a Professor of Social Innovation, School of Management Social Enterprise Leader Training course and 18 students from the Hanshin University, Korea visited the Osaka Izumi Citizen Consumers' Co-operative.

Last year the university started offering a course in theory and business about the social economy. The university lays emphasis on upbringing of leaders working in a social enterprise.

As one of the objectives to learn advanced cases from a variety of social enterprises of Japan, Osaka Izumi citizen consumers' co-operative was visited.

They first observed the new "co-op laboratory for healthy eating museum" which has just been opened in April, 2015, followed by receiving outline explanation of the co-op by Mr. FUJII Katsuhiro, the chairperson and finally inspected one of the co-op stores in Osaka Prefecture.

The students were with the view that the business

scale and various efforts of the co-op, such as the contributions to members and others are important examples to learn and advance and that what they've learned at Osaka Izumi Co-op would be a good learning material for Korean social enterprises as well as being a good learning material for cooperative leaders.

The students expressed that "it was a very valuable time".



Participants observing "healthy eating museum"

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