

**Fukui Prefectural Cooperative Association Post-Award Activities Report**

**Challenging the Creation of Value  
Through our Business Network**

**Fukui Prefectural Cooperative Association**  
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# I. Overview of Fukui Prefectural Cooperative Association

## 1. Organization

### (1) Corporate Development

1971 Established as Fukui Labor Cooperative General Merchandise Division

1978 Formally accredited as Consumer's Cooperative

2001 Began management quality activities

2005 Received Fukui Quality Award Governor's Award

2007 Received Japan Quality Award (Large-Scale Division)



### (2) Business Details

Non-store operations (4 offices, 124 units), Store operations (6 stores),

Mobile store operations (8 vehicles), Elderly care business (8 offices)

Child rearing support business (5 offices), Mutual aid program



### (3) Number of Employees

635 (Regular – 204; Part-time – 431)



# I. Overview of Fukui Prefectural Cooperative Association

## 2. Post-Award Business

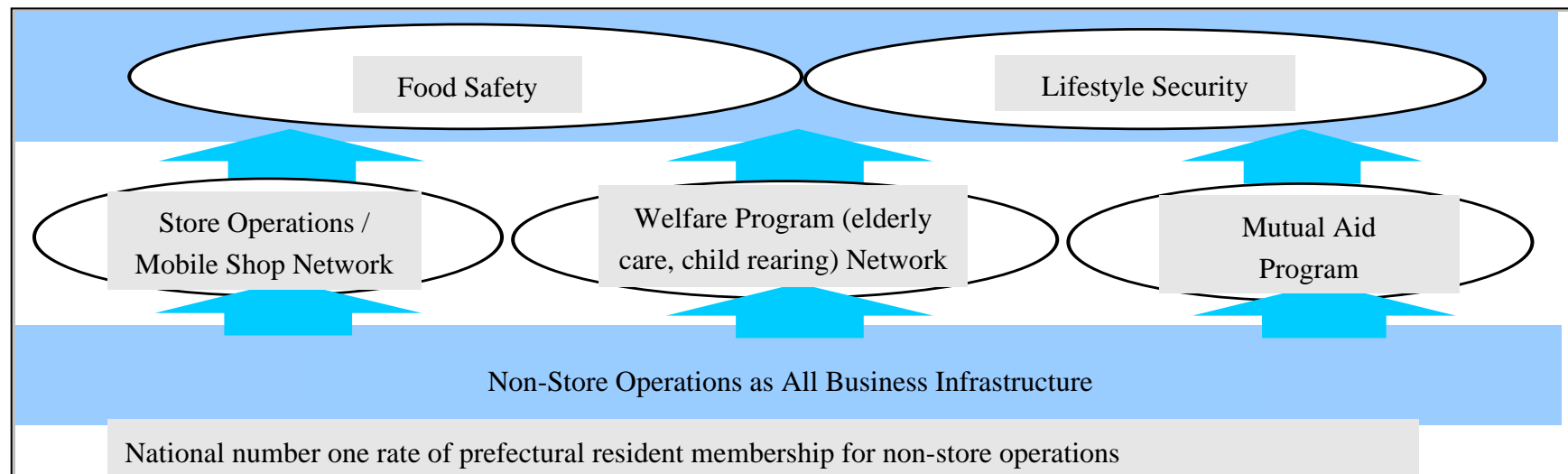
		FY2007	FY2008	FY2009	3-year growth rate	Nationwide Coop
Number of members	people	119,981	125,059	128,945	107.5%	105.5%
Household membership rate	%	43.7%	45.4%	46.7%	+ 3.0%	34.8%
Business income	million yen	18,942	19,381	19,634	103.6%	98.3%
(Non-store)	million yen	12,240	11,876	11,686	95.5%	100.4%
(Store)	million yen	5,777	6,399	7,075	122.5%	95.7%
(Welfare )	million yen	337	487	598	177.3%	119.5%
(Mutual aid)	million yen	588	618	275	46.9%	9.4%
Ordinary surplus	million yen	390	247	174	44.7%	48.2%
Investment	million yen	6,989	7,220	7,467	106.8%	102.2%
		○ Received Japan Quality Award (Large-Scale Division)	○ Mutual aid portion separated with revision of the Cooperative Law (FY2009~)			

## II. Fukui Prefectural Cooperative Association Ideal Image and Business Network Strategy

### (1) Target ideal image for Fukui Prefectural Cooperative Association

Continual challenge of new heights using the collective strengths of members and employees to achieve synergy through our network of “food / welfare / mutual aid” businesses and activities, and building a safe and secure Fukui that offers long healthy lives our members and the local society.

### (2) Basic business network strategy image



# III. Business Network Strategy Development Process

## (1) Promotion of 4R Management

Repeat / Relation / Referral / Revive the 5 businesses (non-store / store / elderly care / child rearing support / mutual aid)

## (2) Finding Core Members and Strategic Expansion

Core members are members that use (majority of food purchased through the cooperative) more than 500,000 yen annually in the non-store and store purchase business.

Core member business management contribution level is high with a continued usage rate of 84.4% and a direct surplus rate of 10.4%.

Core member configuration, as a combination of non-store and store, using CRM is:

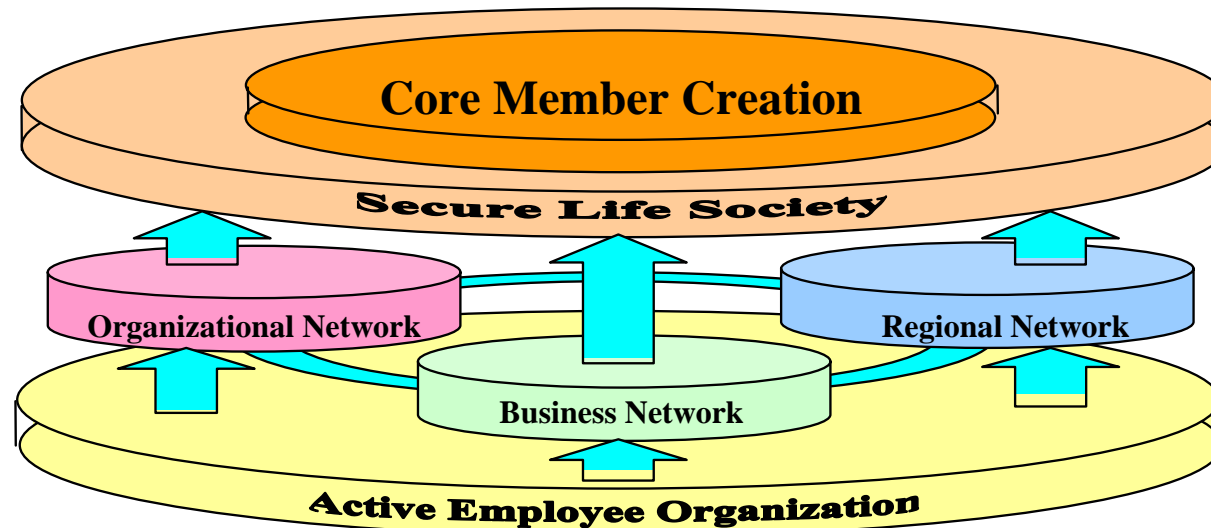
		FY2007	FY2008	FY2009	3-year growth rate
Non-store + Store users	people	27,241	29,752	32,295	118.5%
Number of Core Members	people	19,517	19,967	20,347	104.2%
Number of Purchasers + Welfare Users	people	1,223	2,459	2,935	240.0%
Number of Purchasers + Mutual Aid Users	people	26,806	26,728	26,984	100.7%

# IV. New Value Creation through Business Network Evolution

## 1. Concept and Fundamental Image

The cornerstone of the business network is value creation through collaboration between member organization networks and regional networks (Core member creation, Secure life society building)

The impetus for this is active employee organization (healthy organizational climate)



# **IV. New Value Creation through Business Network Evolution**

## **2. “Hearts” – Mobile shop project born from business cooperation**

### **(1) Objective**

Core member creation in rural districts where it is difficult to open stores  
Shopping support for elderly in mountain regions (sparsely populated)

### **(2) Development Status and Future Outlook**

Supply system utilizing non-store organization base and Hearts shop MD

Three trial units were implemented in the latter half of 2009 and 5 new units were introduced from FY2010. Currently serves 2,500 people per week. Designated as a prefectural mountain village revitalization model business. Goal is to have 20 units operating in FY2014 with a business income of 800 million yen.

The market expands with supermarket closures. We want to contribute not only to shopping support, but also to revitalizing local communities through our network of member organizations.

**Founded 40 years ago**

**From now on, we will continue to develop our business network, striving to become more valuable to each and every member and creating businesses / services that can significantly contribute to the improvement of local society.**

**Thank you for your attention.**

***THE END***