Direct Marketing Business based on Fruits & Vegetables Distribution Center

JA Zen-Noh Group abridges producers and consumers through supply of safety foods

JA ZEN-NOH Chiba
Tie-up Activities Among Cooperatives

JA Zen-noh Chiba was in cooperation with Chiba Coop-COOP NET Business Union on August 26, 2008

1. We actively promote production and distribution of safe, reliable and fresh farm products, and try to expand its consumption.
2. We protect members’ lives and health, and promote regional agriculture to enhance self-sufficiency ratio.
3. We contribute for revitalization of local community by means of information exchange and development of activities for each other.
4. We support “Local Production for Local Consumption” campaign by developing a network among production areas and regional agriculture. Moreover, we make jointly use of production and distribution facilities, and establishment of strengthen safe and reliable Chiba brand farm products.
5. We contribute to wealthy lives of consumers and producers through implementing exchange meeting of production areas, faming experience, food education activity and event activities.
What is Consumer Cooperative Business Union·COOP NET?

- It is a federation which is composed of consumer cooperatives in Tokyo and 7 other prefectures (Chiba Coop, Coop Tokyo, Saitama Coop, Ibaraki Coop, Tochigi Coop, Coop Gunma, Coop Nagano, People’s Coop Niigata) and subsidiaries of COOP NET.

- No. of members of COOP NET(FY2016)

<table>
<thead>
<tr>
<th></th>
<th>Mirai</th>
<th>Ibaraki</th>
<th>Tochigi</th>
<th>Gunma</th>
<th>Nagano</th>
<th>Niigata</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>No. of members</td>
<td>325.1</td>
<td>33.6</td>
<td>24.2</td>
<td>29.5</td>
<td>28.6</td>
<td>10.4</td>
<td>451.4</td>
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</tbody>
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- No. of stores: 154 stores  No. of home delivery centers: 120 places

- Location of Fruits & Vegetable Distribution Center for joint purchasing run by COOP NET Business Federation
  1) Kashiwa F & V Distribution Center: Coop Mirai (Chiba)
  2) Sakanoshita F & V Distribution Center: Coop Mirai (Tokyo)
  3) Ishioka F & V Distribution Center: Ibaraki Coop, Tochigi Coop
  4) Kawashima F & V Distribution Center: Coop Mirai (Saitama), Coop Gunma
  5) Shiojiri F & V Distribution Center: Coop Nagano
  6) Niigata F & V Distribution Center: People’s Coop Niigata
Flow chart of Coop Deli (Home delivery business)

Consumer Cooperative Federation COOP NET Business Union

Order

JA Zen-noh Chiba (JAs in the prefecture) • Production Corporations in the prefecture
JA Zen-noh F & V Distribution Center, Others

Delivery

Kashiwa F & V Delivery Center

Delivery

Coop Deli Home Delivery Center (25 centers in the prefecture)
(Subdivision of goods, such as farm products, cold/frozen food, daily delivery goods, daily necessities to each member)

Order of next week

Members of Coop Mirai
Business Activity of Kashiwa Fruits & Vegetables Distribution Center

- Receipt of products & inspection...Checking the name of products, production area, and quantity of the farm products which were sent from production center or vendors, after that keeping them.
- Process & packing...Checking the quality of products (standard, quality, expiration date, etc.), and then work for weighing, cutting, packing, labeling, etc.(starting from 9:00, during the daytime).
- Sorting work...Subdividing items according to members’ order (items, quantity), putting them into delivery box (or convert box). (starting from 17:00)
- Washing...Assembling delivery boxes for the members and washing all of them (21,000 boxes per day)
- Recording...Writing a record of products from production area to member consumers for traceability.
Characteristics of Kashiwa Fruits & Vegetables Distribution Center

- Workers as food factory: Implementation of keeping things tidy and in order, promoting hand-washing, wearing a hat and mask.
- Temperature control: Receipt and shipment room: 13°C, workroom: 15°C, refrigerator: 5°C.
- Keep freshness: Putting refrigerants into delivery box to keep freshness (April ~ October).
- Sorting works: 4 Setting Lines and capacity of sorting 188 items.
- Delivery box: Using folding convert box, with considering efficiency of delivery and environment by using reusable materials after disposal.
Outline of Kashiwa Fruits & Vegetables Distribution Center (FY2012)

1. No. of sorting line: 4 lines
2. Operation days per year: 259 days
3. No. of items to be ordered per year: 8,286,058 items
4. No. of items to be sorted per year: 25,196,840 items
5. No. of items to be assorted separately per year: 1,236,299 items
6. No. of items to be processed per year: 13,105,707 items
Expansion of Activities through Business Cooperation with Consumer Cooperatives

1. We promoted production of the crops that are many orders in the home delivery business of consumer cooperatives, but not planted a lot in the prefecture.
   (egg plant, Mini-tomato, cucumber, Kidney-beans, etc.)

2. Direct sales corner was set in the Consumer Cooperative stores, fresh local farm products were sold.
   (Higashi-Terayama store (Chiba City), Shin-Matsudo store (Matsudo City), Kamagaya Store (Kamagaya City), Yachiyo store (Yachiyo City), Minami-Nagareyama store and Higashi-Fukai store (Nagareyama City) Total :7 stores)

3. Exchange meeting with members of Consumer Cooperatives was held to expand “Local Products for Local Consumption” campaign that values local food and production.

4. We participate in “Kiyasse Products Exhibition” run by Head Office of Coop Mirai Chiba, and dispatch information on production of safe and reliable farm products.