

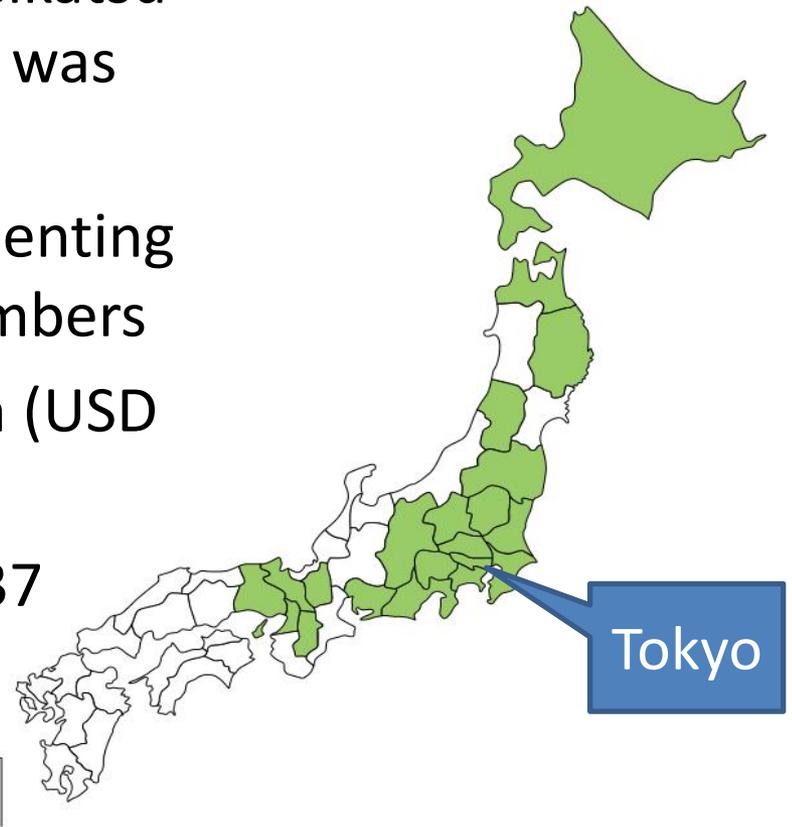
The Seikatsu Club Movement for “Consumers who Produce”



Seikatsu Club Consumers' Co-operative Union
President
Koichi Kato

Facts and Figures

- The Sekatsu Club (SC) was born in a town in Setagaya Ward, Tokyo in 1965.
- Seikatsu Club Consumers' Co-operative Union (SCCCU, a federation of Seikatsu Clubs in different parts of Japan) was launched in 1990.
- 32 member co-operatives representing a total of 341,000 individual members
- Annual turnover: 82.3 billion yen (USD 823 million)
- Accumulated members' share : 37 billion yen (USD 370 million)



Three Distribution Systems

- ◆ Delivery for groups (30% of members)
- ◆ Individual delivery (55%)
- ◆ Small scale shops (15%).



“Consumer Materials”

- SC created its own term “consumer materials” for our collective purchase goods instead of calling them “commodities”.
- Over 90% of our consumer materials are food.
- 1800 regular items



Basic Principles of Our Collective Purchase

1) Movement to Create “Consumer Materials” with Producers

- Six requirements for our consumer materials
 1. pursuit of “use-value”
 2. fair price to ensure sustainable production
 3. information disclosure of the whole process from raw materials, production process, distribution, to disposal
 4. usefulness for daily lives, safety for human health, and environmental soundness
 5. solidarity among producers and consumers based on equality, mutual benefit and mutual understanding, and
 6. self-sufficiency and natural circulation (a sustainable and self-governed food system which does not deprive anybody of food).



Basic Principles of Our Collective Purchase

2) The Main Items to Drive Our Collective Purchase

- six pillars of our collective purchase: milk, rice, egg, pork, beef, and chicken
- focus on fruits, vegetables and fishery products



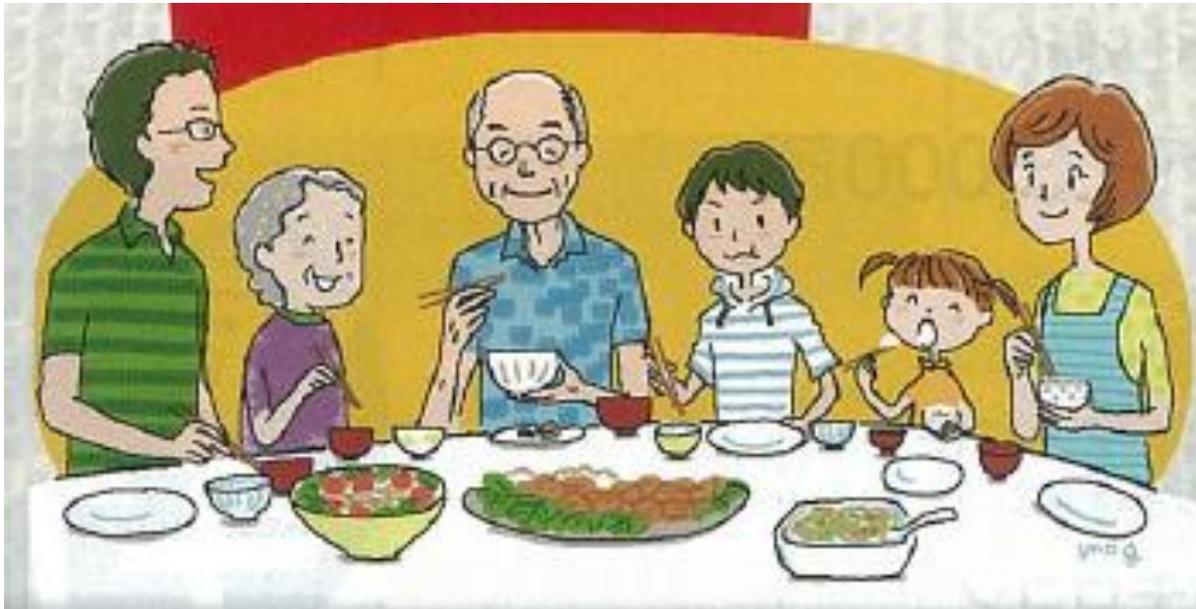
The Indicator to Show Our Members' Sympathy for Our Main Items

- “percentage of the members using the items”



A Fair Price for Food we Know the Origin of

- information disclosure and fair price
- “A Fair Price for Food we Know the Origin of” vs. “lower prices for better products”



Subjective Consumers

- It might be better to have cheaper products, but subjective consumers understand why they are cheap.
- They can objectively evaluate their own consumption behavior and they can manage their consumption based on their values.



Workers' Collective Movement and Network Movement



Workers' Collective Movement

Network Movement

Teikei between SC and Yuza Town

◆ Toward a
Sustainable
and “Ethical
Economy”



The farming in Yuza

1. promotion of eco-friendly farming (expansion of government-certified specially-cultivated rice, 1,300 hectares)
2. ensuring the sustainable production and consumption of alternative crops such as soybeans
3. diversifying production by introducing greenhouse horticulture, and
4. partnership between farmers and ranchers, where farmers produce rice for animal feed.

Rice Production in Yuza Town (2012)

	Acreage (ha)	Amount (1 bag=60kilos)	Notes
total	3,102.3	156,319.0 bags	Total shipment of rice

◆ Rice and alternative products for the Seikatsu Club (not including horticulture crops)

The rice paddy reduction program covers one third of the paddy fields.

Items	Acreage (ha)	Amount (1 bag=60kilos)	Notes
Co-developed Rice	1,224.8	105,498.0 bags	67.5% of total shipment
Brewer's Rice	5.0	288.0 bags	Sugiisami Brewer
Rice for Processing Uses	16.3	100.0 t	Aoki Miso, Kojima Rice Confectionery
Soybeans	322.3	347.0 t	Aoki Miso, Taihei Soy Sauce, Kajinoya Natto, Kyosei Foods, Keihoku Foods
Rice for Animal Feed	261.1	1423.2 t	Hirata Stock Farm
Canola	6.2	4.7 t	Yonezawa Oil
Buckwheat	33.5	12.4 t	Obinata
Total	1,869.2		60.3% of total rice paddies over 60% of reduced acreage

Sustainable Farming Aimed at by “Co-developed Rice”

- Biological diversity in rice



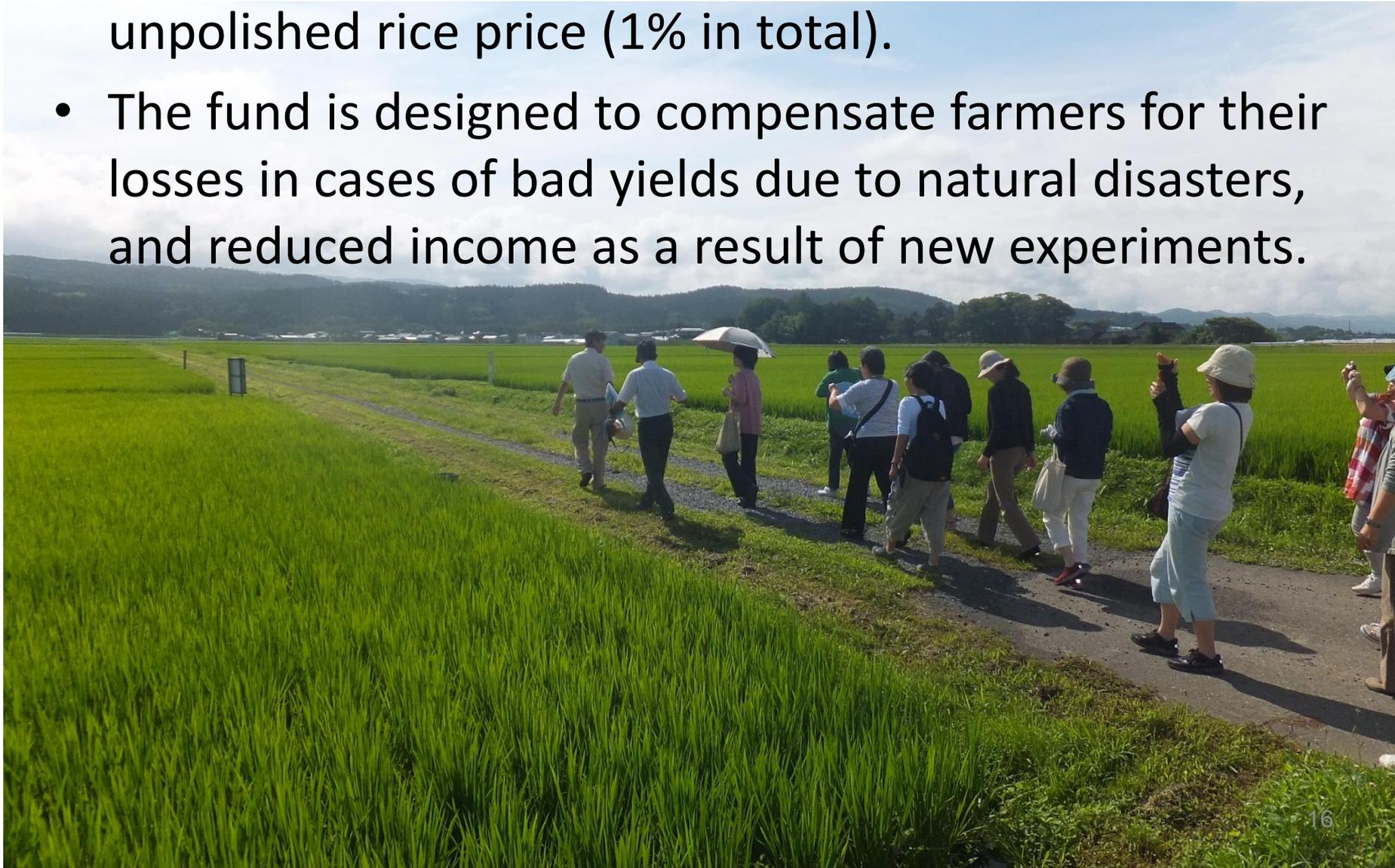
Producer Cost Guarantee

- We decide the price depending on the producer's costs, which are presented by our farmers, to ensure that their farming is sustainable.



Co-developed Rice Fund

- Both our members and producers save 0.5% of the unpolished rice price (1% in total).
- The fund is designed to compensate farmers for their losses in cases of bad yields due to natural disasters, and reduced income as a result of new experiments.



Toward Future-oriented Farming

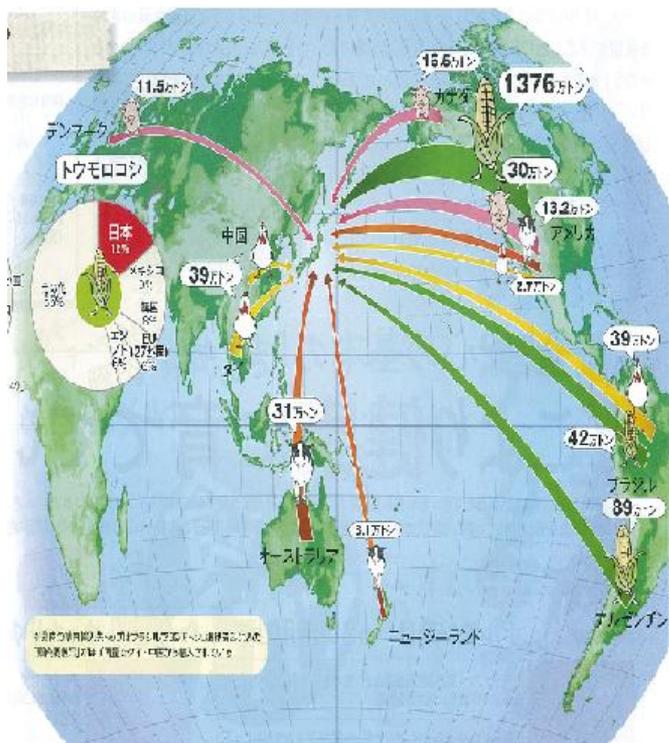
Significance and Potential of Rice Production for Animal Feed

- The government policy to reduce rice production
- 40 % of rice paddies are covered by the policy
- Farmers are forced to grow other crops

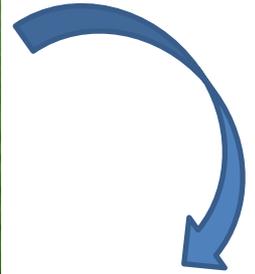
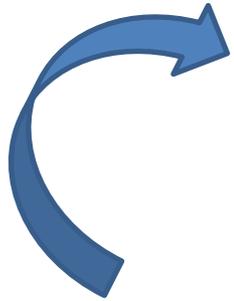


NON-GM Corn and Soya from U.S.A

- Japanese animal production depends heavily on other countries.
- SC imports GMO free corn and soy meal from U.S.A.



Increasing Our Self-sufficiency Rate in Animal Feed



成平田牧場の豚



北海道チタレシ農協の肉用牛(付ルスタイン)

A photograph of a wind farm. Several white wind turbines are visible, receding into the distance on a green, grassy hill. The sky is a clear, bright blue. In the foreground on the right, a portion of a larger turbine tower and blade is visible. The text "Thank you." is centered in the upper half of the image in a brown, sans-serif font.

Thank you.