

Making Hunger History



SECOND
HARVEST
セカンドハーベスト ジャパン

An innovative entrepreneur shows how thinking twice before disposing of unwanted product can fuel a company's bottom line



Charles E. McJilton

Founder and Executive Director
Second Harvest Japan

By Jonathon Walsh & Rob Goss
– *Business Grow*

Food is so abundant in Japan that most of us take it for granted and never consider what it would be like if there was little, let alone none.

But scarcity of this invaluable resource is a very real problem for a growing number of people living below the poverty line in Tokyo and other Japanese cities.

Currently, 15.3% of Japan's population lives below the poverty line according to a 2005 OECD report. At the same time there are more than 650,000 people who live without food security, while an estimated 6,000 metric tons of food waste is thrown away in Tokyo each day largely for cosmetic reasons.

Thankfully **Second Harvest Japan** (2HJ), Japan's first incorporated food bank, and its **Executive Director Charles E. McJilton** are taking the lead in creating the infrastructure to save food from destruction and get it to those in need. But how exactly is 2HJ doing that?

Food security for the nation

To secure safe and nutritious food for all, 2HJ has adopted a four-pronged approach. The first activity is a hot meal service, in which 2HJ prepares and distributes 500 hot, tasty and nutritious meals in Ueno each Saturday. The second activity – launched in 2006 – is Harvest Pantry, in which 2HJ delivers groceries directly to close to 100 individuals and families in need via a courier service every week. "Harvest Pantry is the first step to creating a national network of pantries where those in need can go to get emergency groceries," Charles says. "We are always looking for churches, community groups, and agencies who will partner with us to support those in need."

The third activity and "the heart of the business," as Charles calls it, is food banking. Food banking can be considered as the wholesale business of 2HJ's multi-faceted "food for all" operation wherein they take large donations of edible food that have been designated for disposal from food companies and then distribute them to other agencies. In the process, 2HJ offers benefits to companies such as a reduction in disposal costs – the average cost for disposal of food is 100 yen per kilo – free marketing, and the satisfaction of seeing edible food rescued from the incinerator and put in the hands of those who need it. Finally, 2HJ works to promote the development of food banking in Japan and advocates on behalf of those living without food.

Putting 2HJ together

2HJ started out in 2000 as Food Bank Japan, a coalition of groups involved with the homeless and day laborers. After two years in the coalition, what is now 2HJ decided to legally restructure as a non-profit organization (NPO) and the Tokyo Metropolitan Government officially approved 2HJ as Japan's first legally incorporated non-profit food bank on July 25, 2002. But gaining NPO status was not easy. Once 2HJ had come up with a business plan, they had to go about the process of submitting paperwork. And there was plenty of it – a charter that followed government specifications, a list of board members with their



Food for all people ^{PTO}

Organization Profile

Founder: Charles E. McJilton
Based in: Tokyo, Japan
Revenue 2006: 220 million yen
e-mail: info@2hj.org

Industry: Nonprofit
Date Established: March 11, 2002
Number of Employees: 6
URL: www.2hj.org

FACT: Tonnage of food deliveries increased from 114 tons in 2004 to 255 tons – about the same weight as 190 new Toyota sedans – in 2006

2HJ OPERATIONS

addresses and official residence registration, a list of at least 10 voting members along with their addresses, a detailed list of activities to be engaged in along with a budget, a list of current assets, a budget for the current fiscal year, an explanation of why they were incorporating, and the minutes from their inaugural meeting.

But the paperwork didn't stop there – after 2HJ were recognized they had to officially register the organization with the local justice office with a further detailed description of their activities and also buy and register a company seal (hanko). 2HJ is also expected to submit a long list of documents annually, so for entrepreneurs who are thinking about setting up an NPO, it is best to be prepared.

Good things are easy to market

Between 2004 and 2006, 2HJ's total revenues and financial support rocketed 157% from 85.7 to 220 million yen, while over the same period the wholesale value of food distributed by 2HJ leaped nearly 125% from 68.4 million yen to 153 million yen. This mirrors the growth in food deliveries, up from 114 tons in 2004 to 255 tons – about the same weight as 190 new Toyota sedans – in 2006 that saved donating companies an estimated 27.7 million yen on return and destruction fees. Considering such growth, it

comes as a surprise when Charles says that 2HJ does not market itself. "The closest thing we do is participate in networking events at the American Chamber of Commerce Japan," he says. "Our best 'marketing' has come from introductions from other companies that have chosen to donate to us." Once 2HJ has been introduced to a potential donor, the benefits they offer donor companies market themselves.

On a personal level, Charles is an example of how active and passionate leadership is vital for promoting an organization. His accessibility to the media sees 2HJ regularly featured in both Japanese and English language print media, giving 2HJ great free exposure. Charles and 2HJ were also featured in a documentary that was broadcast on national television on March 26, 2007. The program, which gave a clear explanation of food waste and the status of food banking in the U.S. and Japan, had an immediate effect.

"Since that program aired, we have had many, many food companies contacting us inquiring about donating," Charles says.

How you can help

There are four key ways to assist 2HJ:

- **Volunteer time**
2HJ is currently seeking volunteers to help with a variety of activities.
- **Donate food**
2HJ can pick up food from donating companies and ensure that it is handled safely and professionally.
- **Donate money**
2HJ welcomes financial sponsorship of all sizes.
- **Donate equipment**
2HJ is seeking equipment to enhance their operations, including paper cups and other kitchen equipment.



Volunteers serving food in Tokyo's Ueno Park



Bottles of donated juice



2HJ staff load a van with food donated by Costco



Hot meals for Ueno Park



www.businessgrow.net

What's Your Story?

Like to be featured in a business newsletter, feature article or business biography? – If you have a product or service you want to promote, or an eye-catching success story you would like to share with Japan's foreign business community while promoting your business at the same time – contact **Jonathon Walsh** to discuss options. e-mail: info@businessgrow.net