



Keio University Business School

Akikawa Bokuen Co., Ltd.

In early summer 1999, President Minoru Akikawa of Akikawa Bokuen, Co., Ltd. 5
turned his thoughts to expansion into new areas as he cast his mind over the past 25-odd
years since he set out on his own. Having broken new ground in November 1997 as the
first person in Japan to publicly list a dairy farming, poultry and agriculture company,
Akikawa was considering an action plan to propel the company forward in the midst of
Japan's prolonged economic slump. 10

Company Profile

Akikawa Bokuen is a livestock company that produces and markets poultry, eggs,
milk and processed foods, located in the outskirts of Yamaguchi City. In the March 1999
quarter, sales by the company totals ¥3.83 billion, ordinary profit is ¥193 million, and net 15
profit is ¥88 million (Exhibit 1). A breakdown of sales figures shows that the company's
own products, such as eggs, chicken, pork, beef, and processed foods including chicken
cutlets, *yakitori* sets, chicken soup, chicken nuggets, and yogurt, accounted for 79.5%,
while the remaining 20.5% are made up of sales of various goods purchased externally,
and sales of feed, fertilizer, and merchandise used in livestock and agricultural production 20
to cooperative farms (Exhibit. 2). The company sells its products through diverse
marketing routes that consist of consumer cooperatives, supermarket chains, general
wholesalers and retailers, food producers, and direct sales to consumers (Exhibit. 3).

In early summer 1999 Akikawa Bokuen has 177 employees (64 part-time), of whom 25
70% are women. The company is organized into a headquarters, six departments, and one
corporate staff office (Exhibit. 4). As of 1999, the company is linked to about 100
cooperative farmers (six egg, 23 chicken, and 11 milk producers and one pig farmer, while
the remainder are mainly farmers producing organic vegetables). Functioning as the core

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