Glocal Strategy Launched from Hokkaido

Kitaichi Meat Co., Ltd. President and CEO: Mr. Kenichi Tamura

Food Value Creation Study Group Report The Food Value Creation Study Group (field seminar), hosted by Tanabe Consulting, operates under the slogan:

"Now that we've experienced a once-in-a-century pandemic together with fellow professionals in the food industry, let's discuss the value food companies should create with a vision for the next 100 years."

The group explores new dimensions of food value creation through the EAT Market Network.

This report is based on the site visit and lecture held in Hokkaido on August 29, 2023. The theme was "Glocal Strategy Launched from Hokkaido."

As diversification accelerates and once-in-a-century economic crises are now occurring every few years, global awareness is shifting. From the perspective of regional revitalization, this seminar highlights what is happening on the front lines where the local and global intersect.

These examples are shared from Hokkaido, Japan's largest food production base.

E: Engineering (technological advancement and food tech)

A: Association (new combinations and open innovation)

T: Transformation (digital transformation and business model shifts)

Introduction

Kitaichi Meat Co., Ltd., headquartered in Sapporo, Hokkaido, is engaged in the wholesale of meat for commercial use, the manufacture of processed meat products, and the operation of restaurants. Mr. Kenichi Tamura, the second-generation president who inherited the business from his founding father, values a "culture of enjoyment" in the company. The company's unique characteristics can be summarized in the following three points:

- 1. A fanatically passionate group that thoroughly enjoys their work
- \rightarrow A team of professionals devoted to delicious meat, offering added value that makes them the customer's choice
- 2. Creating "flagship products" that tell the brand story
- \rightarrow Even great products don't sell easily! That's why a flagship product is essential
- 3. A human resources policy that fosters talent
- → A system that nurtures talent under the principle: "Those who cannot make their subordinates happy will never be promoted"

Learning Point 1: A Fanatically Passionate Group that Thoroughly Enjoys Their Work

Mr. Tamura joined the company at a young age with the goal of becoming the secondgeneration leader. He worked diligently on-site, expanding the business through experience in meat processing factories and sales. At the time, the company's annual sales hovered around 1.1 billion yen and struggled to break through the 1.2 billion yen mark.

Back then, the corporate culture was one of strict quotas, no laughter, and a serious workplace where only the most competitive survived. Senior and junior employees kept quitting, leading to a repeated cycle of hiring and turnover. The turning point came when Mr. Tamura was 33 years old and a sales manager. He became motivated by a personal goal of building his own house and went on to achieve the best sales performance in the company's history. That experience taught him that externally imposed goals don't last each person needs a dream, and it is essential that supervisors and the company sincerely support it.

As a result, he implemented two major reforms: abolishing quotas and shifting the culture from excessive seriousness to one where work is genuinely enjoyed. Over the next six years, the turnover rate dropped to zero, and annual sales grew by 100 million yen each year, achieving double-digit growth.



Kitaichi Meat practices "management from the heart," enjoying their work. With a reformed corporate culture, they achieved a zero turnover rate and double-digit sales growth over six years.

Learning Point 2: Creating "Flagship Products" that Tell the Brand Story

While steadily growing through "heartfelt management that enjoys work," the company was hit hard by the COVID-19 shock in 2020. Since their main business was meat wholesale to restaurants, they were directly affected. Although they also produced and sold carefully crafted processed foods, they realized that no matter how good the flavor was, it wouldn't sell in Tokyo without name recognition or brand awareness. In a quiet factory, they began to think about what to do next.

Mr. Tamura came up with the idea of commercializing the raw ham he had been making as a hobby and immediately took action. Only 17 craftsmen in Japan can make authentic raw ham using only salt and meat—of whom only two are in Hokkaido, including Mr. Tamura

himself. Realizing the rarity, he decided to follow the path he found most exciting. After work, alone in the factory, he kept making eight hams every week.

When the number of aged hams in inventory exceeded 500, public attention grew, and inquiries poured in: "When will it be available?" "Will you sell it?" The small venture named "Sapporo Craft Raw Ham" became a flagship product, contributing to the existing business. Offers from restaurants and retailers also began to increase.



At a dedicated factory taking advantage of the cool climate, "Sapporo Craft Raw Ham" is produced. It is the flagship product of Kitaichi Meat, born from President Tamura's passion.