How JATCO's Eco Knife was born (Birth Edition)



Lead

JATCO's first BtoC (Business to Consumer) project is about to begin. The Eco Knife, which was first conceived in 2022, will be available for general sale from September 28th.

Why did JATCO, a manufacturer specializing in transmissions, start the knife business? We will delivere two articles.

In the first part, we will introduce the story behind its creation. (Interview and photography provided by Arcade Hotel)



Mr. Hasegawa from SCM department

Why did you decide to start a knife business?

Hasegawa:

First of all, Japan's camping equipment market is expected to be worth approximately 100 billion yen in 2022. The global camping equipment market is expected to grow at a CAGR of 4.9% during the forecast period, reaching USD 7,205.3 million by 2027.

Knives and kitchen knives in particular are popular with tourists from overseas, and expensive Japanese-made knives have been selling as souvenirs for campers, so as part of the sales department's initiatives for fiscal 2022, we have begun planning and considering "products made from recycled materials."

The rules that the team decided on were:

- Utilizing waste materials
- 2 Utilizing JATCO's assets (facilities and technologies)
- 3 Environmentally friendly products (SDGs: 12 Responsible Production)

There are three types:

Focusing on camping equipment, the market of which has expanded since the post-COVID-19 era, the company has completed the 2022 model of its camping knife as an "all JATCO product" that does not require capital investment.

Since then, we have received a lot of feedback from within Fuji City, and we are now planning to complete the 2023 model as an "All Fuji Product" that incorporates Fuji's specialty products and to fully deploy it (for sale) outside the company.



How did you connect JATCO with knives?

Hasegawa:

The knives we make serve several purposes.

(1) For SDGs education

Nowadays, SDGs are taught in elementary school classes, but rather than being passive, we wanted to provide hands-on education using knives.

② For regional revitalization

We had originally planned to create this product using JATCO's own technology, but along the way, more and more partners began to join in. With the cooperation of local government officials and businesses in Fuji City and Fujinomiya City, we believe we have created a product that will liven up the entire region.

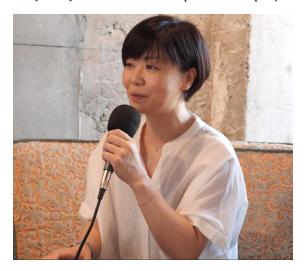
(3) To monetize

There was a reason why we didn't just run this project as a novelty or volunteer activity, but instead pursued it with monetization in mind. To continue business, it is necessary to be fully independent and generate profits. We wanted this to continue forever, even though we (as

people in charge) had changed. Rather than trying to make a lot of money, we considered how much revenue we could generate as a business that was self-sustaining at a minimum level.

Of course, our main business is the most important and difficult part, but the key point was that our employees themselves spoke up, came up with plans, and got to the point of selling the product. One of the reasons for choosing this product was that it would interest people at manufacturing companies and be enjoyable for the whole family.

Why did you decide to take part in this project?



Ms. Matwichuk Aftersales Department:

It all started when Hasegawa asked me, "Would you like to make knives together?" That's what I was told. The knives are made using scraps from CVT pulleys, and I was impressed with the environmentally friendly approach to making recycled products.

Also, wouldn't it be cute to make a knife with a wooden handle? I was starting to get excited about this, and that was what prompted me to participate.

<A message from the original project member currently on maternity leave! > After-sales Department, Ms.Hasegawa (Yu):

The main reason I first got involved in this project was because I really wanted this product. Because I thought so. Our products are primarily installed in mobility devices, so there are not many opportunities to see them in everyday life. Therefore, just imagining having a "logoemblazoned product made with JATCO's own parts and technology" like the Eco Knife in my hands is exciting, and this is my biggest motivation. We hope that this opportunity will allow more people to learn about the appeal of JATCO. We will continue to take on new challenges,

so we appreciate your continued support.



Ms. Hasegawa (right), currently on childcare leave

What were some of the challenges you faced this time?

Hasegawa:

As a specialized transmission manufacturer, JATCO has shipped over 129 million ATs and CVTs to date. As this was part of a new business venture, we struggled with the process, but we were able to get to this point thanks to the cooperation of not only the JATCO Group, but also the companies around Fuji. We hope that our products will be purchased by customers who can relate to the adorable design and the story behind our manufacturing.

<Pre><Product Introduction>



<About the naming>

Matwichuk:

It is written as ARUNEMO and pronounced as "Arunemo". JATCO Eco-knife is written as "ARUNEMO".

The name is a combination of the Greek words "Aruhi" (beginning) and "Nemos" (small forest). It means "the small forest of the beginning."

From the developer's perspective,

- ① Launched a business that makes knives from waste materials as a part of JATCO's activities to realize a sustainable society.
- ② Companies that produce Fuji City's specialty products and crafts agreed with this purpose and became collaborators, establishing the concept of "Eco & Fuji."
- The beginning of our activities with our partner companies is like a small forest. I hope that this will grow into a large forest and that people will become more environmentally conscious.

I hope so.

Advertised in various places!

Kambara Festa (November 2023)



NISMO FESTIVAL2023 (2023.11)



JATCO Alumni Association (2024.06)



 $Milkland\ Event\ (scheduled\ for\ September\ 2024)$



September 13 JATCO Press Release https://www.jatco.co.jp/release/2024/20240912 1540.html

In the next issue, we will be teaching about the JATCO Group's bond and how to use it in the process and at the campsite!