

## Japan IFC 2017: What 43 HBS Students Learned From Entrepreneurs in Tohoku

The Japan IFC (Immersive Field Course), an HBS MBA elective course taught by Professor Hirotaka Takeuchi, was completed with another huge success in January 2017. The program started as a response to the Great East Japan Earthquake in 2011 and has been offered for the six consecutive years. This year, the program was held under the theme of “Tohoku: The World’s Test Market for Authentic Entrepreneurship” from January 4 to January 13.

43 second-year students from 14 countries – USA, Canada, China, India, Israel, Korea, Lebanon, Honduras, Croatia, Taiwan, Bangladesh, Latvia, Malaysia, and Japan - participated in the program. The students were involved in three types of activities: 1) team-based consulting for nine Tohoku-based organizations; 2) full-group activities in Tohoku, and 3) full-group activities in Tokyo.



Japan IFC 2017 participants at INTILAQ Tohoku Innovation Center



Dinner at Ryokan (Japanese traditional hotel with hot spring)  
with Professor Hiro Takeuchi

### Consulting to Project Partners in Tohoku

Each of the nine student teams worked with a project partner in Tohoku. The nine project partners had a good mix of nonprofit, social enterprises, startups founded after the 2011 disaster and a traditional company with a long history of operation in the region. They had shared aspirations of empowering their communities through their businesses and activities.

The nine project partners were:

- **Akiu Winery** (a newly developed winery in the Akiu hot spring community)
- **Hyakusen Renma** (a travel service provider aspiring to bring more inbound tourists to Tohoku)
- **Ichinokura** (a sake brewery with a long history of operation)
- **MORIUMIUS** (a nature school based in Ogatsu town)
- **Tohoku Taberu Tsushin** (a media company offering an integrated business of agricultural journalism and online food retail business)
- **Ai Sansan** (a meal service provider for the elderly, hiring physically and developmentally challenged people in the community)
- **Asu eno Kibo** (a nonprofit organization with the focus on community development in Onagawa)
- **Minatomachi Ceramica Kobo** (a social enterprise manufacturing and retailing Spanish pottery arts products)
- **Tohoku Food Marathon** (a social enterprise organizing a marathon in which runners can enjoy local food while running)

After conducting preliminary market research in Tokyo, the student teams spent three days with their project partners in Tohoku and developed recommendations that addressed key issues for the growth of their partners' businesses.

One of the nine project partners was Ai San San, a company offering meal delivery and elderly care services with employing many developmentally challenged adults. The team started the three-day program with accompanying Ai San San's staff and visiting the company's customers. On the final day, the team recommended an organizational process change that Ai San San could pursue to maintain the core of their corporate culture while scaling up their business. Anthony Terrizzi from the student team said that he was inspired by Ai San San's ambitious challenges in solving two social challenges simultaneously: providing excellent care to ever increasing elderly population and putting people with disability into workforce. Sunitha Reddy, another member of the team, said Ai San San's business was more than just food delivery because the company delivered kindness and joy to its customers and employees. Mr. Obi as the CEO and Mr. Kato as an executive director of the company said that the HBS students brought energy and stimulus to the company and they would like to meet the students again in five years.



Team Ai San San



Team Tohoku Kaikon

### **Full-Group Activities in Tohoku**

#### ***Visiting the Town of Onagawa***

Onagawa was one of the most severely affected areas in the Tohoku earthquake, having lost 9% of the town's population with Tsunami reaching as high as 14.8 meters. Despite the severe damage the town suffered, Onagawa recovered the function of the town at a surprising speed and is recognized as a model town for disaster recovery. Onagawa was also known for one of the three best fishing grounds. The HBS group spent a half-day in this town to meet the mayor, have a discussion with a director of a local fishery company and explore a shopping center constructed after the disaster. Asu eno Kibo hosted the session at the Future Center.

In the first session, Mayor Suda shared his experiences of rebuilding the town after the disaster and his vision for the future of the town. Mayor Suda responded to questions

from HBS students with a great sense of humor. The students were inspired by his leadership, vision and execution capabilities.

In the next session, Mr. Futoshi Oi from Senrei, a local fishery business company, shared the overview of the fishery industry in Onagawa, where warm and cold currents met to produce a variety of high quality seafood. He also introduced how freezing technologies helped Senrei to build a competitive advantage. After his presentation, Professor Takeuchi facilitated a brain storming session in which students generated innovative ideas on how the fishery industry of Onagawa could reach the highest of its potential.

Students ended their visit to the town by enjoying the shopping center full of local specialties.

### ***Interaction with Local Entrepreneurs at INTILAQ***

INTILAQ, a local organization cultivating and advancing entrepreneur communities in Tohoku and headed by Takashi Takekawa (HBS MBA 2006), hosted a special event for HBS students with a generous support from the city of Sendai. In the event, three local entrepreneurs were invited to have interactive discussions with HBS students. The first speaker, Mr. Osuke Kajiya from Sessionable Inc., shared why and how he started a guitar manufacturing and retail business using locally available woods. Since Mr. Kajiya was eager to enter into the U.S. market, HBS students provided specific suggestions on the market entry strategy, such as targeting music festival and working with independent musicians who would help the company to reach customers who would appreciate the value of innovative guitar products. The second speaker, Mr. Takayuki Furuyama from Itonabu did a presentation on his organization's activities for local young people to learn programming and engage with each other for pursuing innovations. During the discussion, HBS students provided interesting ideas on partnering with educational institutions for issuing certification, involving women to increase female participations in engineering, and encouraging participating students to start clubs at their schools to increase retention. Mr. Junichi Koike from Material Concept Inc. did a presentation on how his company's copper paste technology could significantly reduce material costs of solar cells by replacing silver pastes. HBS students discussed with him issues such as intellectual properties and possible plant relocations in the future. Overall, HBS students were very much inspired by the three entrepreneurs and also by the beautiful space and community that Mr. Takekawa as our alum had created in Sendai.

### ***Visiting Yakult Fukushima and Fukushima Seikei High School***

On the final day in Tohoku, HBS students spent a day in Fukushima to visit Yakult Fukushima and Fukushima Seikei High School. They received warm welcome at both locations.

Yakult Fukushima Sales Company: Yakult is a food company known for its fermented drink products with probiotics and a unique direct-to-home delivery model. HBS students opportunities to learn about its unique business through accompanying "Yakult ladies" who deliver Yakult drinks to local homes and also through listening to

presentation by Mr. Watanabe as Chairman of Yakult FUKushima. HBS students were impressed by Yakult ladies' skills in building trust with their customers. Further, Chairman Watanabe's speech about his leadership in crisis management inspired all students. The speech was followed by a vigorous Q&A session in which students asked Chairman Watanabe many questions on Yakult's unique business model and his bold action for protecting employees and customers at the sacrifice of short-term profits.

Fukushima Seikei High School: The program at Fukushima Seikei High School, a local private high school, had three parts: (1) student presentation, (2) tea ceremony hosted by the school's tea club and (3) consulting on student initiatives such as safe energy and mentoring programs for girls. The high school students facilitated all the programs and served as wonderful hosts for HBS students. Many HBS students said that the moment they listened to the Seikei HS students singing a song "Flowers will Bloom" was one of the highlights in the entire IFC trip. Avilia Guardiola also said, "It's impressive how committed the students at Seikei are to preserving their cultures traditions. They are extremely bright and driven. It breaks my heart to know that after the nuclear explosion due to the earthquake, many students had to leave parts of Fukushima and now they face extreme bullying. I strongly believe that this community is building leaders that will become resilient beyond expectation." The high school students were also inspired by the HBS students and described their interactions with them as "eye-opening" and "life-changing". One male student commented, "HBS students listened to our stories so attentively and gave us ideas that we could never come up with on our own. They are wonderful role models for us".



Fukushima Seikei High School

### **Full-Group Activities in Tokyo**

#### ***Business and Cultural Immersion in Tokyo***

While in Tokyo, HBS students explored the city and enjoyed various cultural activities. They observed intense morning practices of sumo wrestlers, learned how to make sushi and walked like models wearing kimono in the streets of Asakusa. One of the

highlights of the cultural activities was a visit to Suntory where students enjoyed the taste of the finest Japanese whiskey. Another highlight was a karaoke night hosted by local alums.

Students also visited Mr. Tadashi Yanai, CEO of Fast Retailing, the company known for its Uniqulo and Theory brands. Mr. Yanai and HBS students had candid conversations on various topics such as Uniqulo's global strategy, the company's athlete sponsorship, entrepreneurship and U.S. politics.

### ***Reflections and Closing Dinner***

On January 13, the final day of the Japan IFC 2017, all the 43 students did individual presentations on their most meaningful takeaway by selecting one photo that best represented their Japan IFC experience. The audience included HBS alumni, IFC partners, and Ark Hills Club members. Some students shared inspirations they had gained from their project partners and other IFC partners. Kristin Rhodes and Ilene Rafii talked about how Alvin Mori, CEO of Akiu Winery, taught them another way of leadership. Other students shared their thoughts on Japan as a country and also on the resilience of people in Tohoku.



Mr. Mori and Team Akiu Winery

The Japan IFC 2017 closed with dinner cruise on Yakatabune, a Japanese old-fashioned houseboat running on the Tokyo waterfront. The party was of course closed with Karaoke!



Party on Yakatabune

HBS Global Experience Office and Japan Research Center are grateful for the nine project partners, Fukushima Yakult, Fukushima Seikei High School, City of Sendai, Suntory, Fast Retailing, Mr. Jeff McNeill (MBA 1980), Mr. Takashi Takekawa (MBA 2006), Mr. Kohei Shiozawa, Mr. Yuta Taniguchi and other partners who offered wonderful learning opportunities to HBS students, and also for a team of ten amazing volunteer translators led by Ryosuke Koyabashi (Harvard College, 2014) who made Japan IFC so special. Finally, we would thank the 43 students who chose Japan as their IFC destination and truly hope that they will return to Japan in the future.