

AG Connect

Connecting People and Agriculture for Rural Economic Development

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June 17, 2004

Mr. Gary Huber
PNMWG
PO Box 349
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Re: Grant PN1-03B

Informational Meetings on Pork Niche Marketing Opportunities for New & Existing Pork Producers

Final Report

As Executive Director of Ag Connect, Tim Ennis carried out this Pork Niche Opportunities project to conduct five informational meetings targeted to pork producers with interest in value-added niche marketing. Five meetings were conducted at the following Iowa locations and reached a total audience of 110 people:

1. Airport Holiday Inn, Des Moines	January 9, 2004	42 participants
2. Audubon County Extension, Audubon	January 27, 2004	13 participants
3. Chamber of Commerce, Kalona	February 24, 2004	18 participants
4. Flapjacks Restaurant, Maquoketa	February 24, 2004	18 participants
5. American State Bank, Osceola	March 18, 2004	19 participants
Total number of participants		110 participants

The first meeting was scheduled as one of a series of workshops within the two-day annual conference of Practical Farmers of Iowa (PFI). This special collaboration with PFI offered the advantage of drawing attendance from the assembled PFI membership body. Attendance at this meeting was in excess of 42 people including the discussion panel representatives, Paul Willis of Niman Ranch Pork, Lisa Seibrecht for Eden Natural Certified Berkshire Pork, and Jude Becker for Organic Valley.

Expected attendance at meeting number two was depressed by weather conditions that included 12 inches of snow and strong wind. Despite low attendance, the meeting was well received according to evaluation ratings and comments provided by attendees. Those able to stay for an extended discussion and lunch enjoyed "the best pork tenderloin sandwich in Iowa" at Darrell's Restaurant in Hamlin.

Rich Pirog of Leopold Center provided a short videotape which we used to start meetings two through five. This short program served as a very good introduction to the subject of pork niche marketing and, at the same time, introduced a number of organizations and individuals who have been leaders in the Pork Niche Market Working Group (PNMWG).

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The main body of information presented at these meetings was directly from reports received at various PNMWG meetings or from individual members of PNMWG. Ennis interviewed and recruited panelists for each of the meetings. Paul Willis of Niman Ranch Pork was interviewed at his office on December 30, 2003 and served as a panelist at meeting number one. Kelly Biensen of Eden Natural Certified Berkshire Pork served as a panel member at meetings three and four. Organic Valley was represented by Allen Moody at meeting number three. Experienced niche pork producers, other than Siebrecht and Becker, who served as panelists were Vic Madsen (Niman, 2), Ron Snakenburg (Niman, 3), Brian Tabor (Eden, 4), Marlin and Judy Mowry (Niman, 4), and Doug England (Eden, 5). All interview contacts in preparation for these scheduled meetings were used as opportunities to test collect and update survey information.

Our original goal was to concentrate meeting locations within the Southwest quadrant of Iowa. Two factors caused us to modify that plan to expand our outreach efforts to East-central Iowa for meetings three and four. Ag Connect learned Niman Ranch Pork had previously scheduled its own informational meeting in the heart of the area at Villisca for the same time frame and believed that it would be counter productive to compete for the attention of a limited audience. Secondly, a group of Berkshire hog producers in West-central Iowa redeveloped markets for their hogs in the area which reduced their interest a search for new niche marketing opportunities. Consultation with Niman Ranch, Eden Natural and Organic Valley pointed to Kalona and Maquoketa as better outreach target areas which could most efficiently add new participants to their existing programs in Iowa.

Our procedure to develop personal and public notice of each meeting varied slightly from meeting to meeting, but included personal letters of invitation to sixty or more individuals for each meeting. Each list of names was developed by Ag Connect, PFI, ISU Extension personnel, pork niche groups, and other individuals. PFI provided member addresses in the targeted areas, especially for those who indicated a connection to pork production. Iowa Pork Producers and appropriate county Farm Bureau offices were notified and invited to add names to our invitation lists. Over three hundred individuals were identified and mailed personal invitations. For three of the meetings, we achieved good publicity through several local county news pages in the Iowa Farm Bureau "Spokesman" magazine. This was layered with personal contacts to targeted individuals by Ag Connect.

The Pork Niche Market Survey (Ag Connect provided \$6,900 to fund 61% of parts 2, 3 and 4 of this four part PNMWG project) conducted by Cooperative Development Services of St. Paul, Minnesota, was the foundation document for information presented at these meetings. Summary results from other PNMWG sponsored studies such as the DeHaan survey titled "Study On Iowa-Based Differentiated Pork" were used more prominently in the first two meetings, but discontinued when producers demonstrated little interest in the details of distributor and consumer surveys. The greater interest of the audience of pork producers was in niche marketing alternatives and the mechanics of production protocol, price and delivery. The opportunity provided by a question and answer exchange with experienced niche pork marketers and official representatives of niche pork marketing groups was the most highly valued portion of each meeting.

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The workshop meeting at the PFI conference was conducted over a two hour period. The other meetings each included a meal with a pork entree and each was completed in approximately 2.5 hours. In each case the first hour featured presentation on facts, options and the presenters conclusions regarding pork niche marketing opportunities in Iowa. In summary, the prospective producer of differentiated pork was presumed to have a choice among three broad options: 1. direct market processed pork to local consumers as an individual producer, 2. organize fellow producers to develop a new value-added pork marketing group, or 3. accept an opportunity to market differentiated pork through existing pork niche groups which are currently in need of more producers. Choice number three was offered as the superior choice in the opinion of the presenter.

A series of selected handout materials were presented to each attendee to represent or summarize key aspects of information and services available through PNMWG or PNMWG member organizations. The relationships of other organizations involved in PNMWG were identified with a detailed chart of activities. In addition to conclusions from "A Survey of Pork Niche Marketers in the Midwest", materials included general information about the distribution of the retail pork dollar to the various segments of the production and distribution chain. A study titled "Great Lakes Pork Initiative" was the source of charts on this subject. Other handouts detailed information about Niman, Eden Natural, Organic Valley and other niche marketing groups. Niman's quality standard affidavit statement, Eden Natural's letter of authenticity and Organic Valley's production requirements were presented as handout material and discussed for comprehension and comparison. Cost of production issues were emphasized with a handout "Hoops vs. Confinement" on research by Professor James Kliebenstein and others.

One of the most colorful and instructive handouts was the "Pork Quality Standards" chart for official texture, color and marbling standards. Panelist Biensen added a unique feature at meeting number four by presenting a fresh bone-in Berkshire loin section for first-hand observation by the attendees. The dramatic dark color of the loin and the firm conformation of the cut served as good reference points in the discussion of pork quality and differentiation.

Darcy Dougherty Maulsby of Farm News publication, Fort Dodge, Iowa attended our Audubon meeting. Her article published on Friday, January 30, 2004 covered the content and issues of the meeting well, and served as an additional handout at subsequent meetings.

At meetings one through four Rick Exner from PFI presented an opportunity to pork producers to identify needs for and participate in further research on alternative pork production systems.

The first two meetings attempted to cover too many PNMWG sponsored studies in too much detail and to acknowledge the various roles of too many organizations in the limited time available. One major adjustment was to eliminate coverage of the Business Planning Service Providers review, which had been conducted by Cooperative Development Services, and replace it with information about Iowa State University's Value-Added Agriculture program, including availability of assistance with business planning. Although adjustments were made, the struggle to reserve enough time for the panel discussion scheduled for the last hour of each meeting continued through all the meetings.

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According to comments provided by participants, the question and answer session with a panel of organization representatives and niche pork producers was very well received. The information provided in the first half of each meeting set the stage for a good exchange during the meal and in the panel discussion period. We experimented with the schedule at the Kalona meeting by starting at noon, then breaking at 1:00 pm for the meal between the two main portions of the program. This worked well, but did not seem appropriate for evening meetings. Organization of the panel discussion period was improved by offering each attendee the opportunity to pose a question to the panel before anyone was allowed to pose their second question or comment.

On an evaluation form, participants were asked on to answer four questions with a numerical rating on a scale of 1 to 5 with 5 indicating the highest rating of "great".

The questions and corresponding average of responses were as follows

To what extent has the meeting

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|--|------|
| - identified the organizations cooperating in the Pork Niche Market Working Group? | 4.47 |
| - presented information useful to prospective pork niche marketers? | 4.17 |
| - addressed questions about opportunities with existing Marketing groups? | 4.00 |
| - identified resources for development of a business plan? | 3.65 |

Examples of the written comments are quoted here:

"Good meeting and comments from people and interaction."

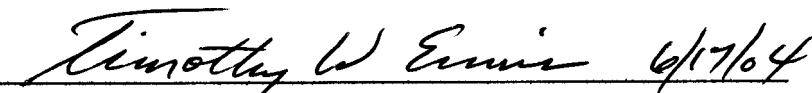
"I appreciated the producer comments."

"Enjoyed information. Thanks for the meal. It was good. Need to figure out a way to make these programs work."

"Informative. Good information on different groups."

"Needed more time for panel discussion & interaction between farmers."

In conclusion, the objective of this project was to present, in a public forum, information selected from the research and conclusions of the PNMWO to interested pork producers for practical application. Ag Connect accomplished the objective by presenting and promoting the current opportunities for pork niche marketing in Iowa to 110 participants, primarily producers. The invitation process alone raised awareness of the possibilities of this concept with more than 300 individual producers and supporters of pork niche marketing. News coverage of the meetings and word of mouth information passed on from meeting attendees added another level of awareness. The efforts of Ag Connect in inviting primary pork niche marketing organizations to participate as panelist and to network with potential producers provided an opportunity for both groups to strengthen and grow pork niche markets. By successfully planning and conducting five Pork Niche Opportunities for New and Existing Pork Producers meetings in Iowa, Ag Connect carried out the objective of the project to present the organizations, research and opportunities which PNMWG collectively represents.



Timothy W. Ennis

June 17, 2004