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Transitioning the Pork Niche Market Working Group to self-sufficiency

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Transitioning the Pork Niche Market Working Group to self-sufficiency

Abstract
A case study and business plan were created to support continuation of the Pork Niche Market Working Group (PNMWG).

Keywords
Business management distribution and marketing, Niche meat dairy and poultry

Disciplines
Agribusiness | Business Administration, Management, and Operations | Entrepreneurial and Small Business Operations | Marketing | Meat Science

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How can a working group of niche pork companies, niche pork producers and stakeholder groups transition to new leadership and a new organizational home that will assure it continues to provide value to its members?

The project used a participatory process to gather input from PNMWG members for a business plan for the group. This plan is being used as a framework for a transitioning process being led by the Iowa Pork Industry Center at Iowa State University to assure that the PNMWG continues into the future.

Background

The Pork Niche Market Working Group was the first Value Chains Partnership working group formed in 2001. Its mission has been to foster the success of niche pork value chains that are profitable to all participants, incorporate farmer ownership and control and contribute to environmental stewardship and rural vitality. Members have included more than a dozen niche pork companies, several major pork commodity groups, various state and federal agencies, several nonprofit groups, an assortment of private businesses and individual farmers.

With the conclusion of the Value Chain Partnership project funding and coordination by the Leopold Center in 2011, the group needed a business plan to shape its actions for the future. The project first developed a case study that used issues related to the initiation, management and funding of a working group for use by others interested in this approach to value chains. Then they devised the business plan for future support of the PNMWG.

Approach and methods

Strategies used to achieve the goals of the project were to:

- Draw on the experiences of the PNMWG and historical documents from its past to develop a case study document,
- Interview PNMWG members to determine what activities they feel should be priorities and how to best structure and fund its organization and operations,
- Use this information to develop a detailed business plan,
- Discuss this plan with PNMWG members, and
- Begin to implement the plan during the final six months of the project.

Results and discussion

The case study included a statement framing the situation prior to the initiation of the PNMWG, plus a series of questions related to the topics of initiating, managing and
funding a working group along with answers to these questions from the PNMWG’s experience.

An interview script was developed that included ten possible services for inclusion in the business plan. The script was used in interviews with representatives of seven of the key participating organizations who were not part of Iowa State University. This was intended to determine what these members felt, so this information could be used to discuss options with ISU representatives and the PNMWG members.

Strong support was found for continuing two PNMWG functions:

• sharing information, developing strategies to address challenges and writing grants for projects to address priority challenges; and

• helping niche pork producers raise pigs.

These actions were considered desirable for the next phase of the PNMWG, and they have been included in the business plan.

Little or mixed support was found for four possible PNMWG services:

1) developing a shared identity that could help reduce the ability of customers to play PNMWG members off each other to lower prices;

2) taking control of the standards and production protocols issue by developing appropriate and justifiable standards;

3) instituting a system to “discover” retail prices for niche pork products; and

4) providing industry intelligence through a regular electronic “digest” of relevant information gleaned from public sources.

Based on the interviews, discussions at PNMWG meetings, and consultation with ISU representatives, these possible services were dropped from consideration.

There was some support for four possible PNMWG services for niche pork companies:

1) developing “values-based value chains” that use the story and values of companies to help create durable relationships between supply chain partners;

2) assisting with continuity planning to find and place people with skills to support the continuation of the businesses;

3) helping companies use benchmarking on certain variables, such as percent carcass utilization or percent of sales to largest customers, to assess performance; and

4) investigating contracting options to facilitate better relationships up and down the supply chain.

Based on the interviews, discussions at PNMWG meetings, and consultation with ISU representatives, these products were included in the business plan as part of a service area concerned with business development issues.

The planners then created an organizational structure that included an overall PNMWG group that would continue to meet on a regular basis to share information and identify priorities for future projects. It also included two work teams; one on niche pork production topics to be led by the Iowa Pork Industry Center (IPIC) at ISU, and another to focus on niche pork business development topics with coordina-
tion by the ISU Extension Value Added Agriculture Program.

The final step was finishing the business plan. This included collecting background information on the pork industry and relevant trends, plus PNMWG’s role in the pork industry. Another segment was the marketing plan, which included a description of the PNMWG’s products and an analysis of the markets for these products.

**Conclusions**

Members of the PNMWG were actively engaged in planning for its future. They saw great value in the group and its activities and wanted it to continue its work. Their input on what the group should do and how it should be organized was critical to developing a business plan for the future of PNMWG, including the commitment of human and financial resources.

**Impact of results**

A case study and a business plan for the PNMWG were the products of this project. The significant impact was the development of commitments from key partner groups to keep the PNMWG operating after the exit of its current leader and the end of financial support from the Value Chain Partnerships project.

**Education and outreach**

This was a planning project and outreach was limited to the members of the PNMWG.

**Leveraged funds**

The Iowa Pork Producers Association provided $2,000 to secure the help of Pete Lammers at the National Center for Appropriate Technology to continue work on the transition.

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