

News Release

Identifying opportunities to improve the competitiveness of Canada's pork industry

Using knowledge to implement change

Guelph, ON (July 8, 2009) A case study, released today by the Value Chain Management Centre, provides insight into the current state of the pork industry as well as several opportunities for improvement.

The case study focuses on a specific Canadian pork value chain and concludes that major improvements could be realized by making changes at various stages of the chain. Furthermore, an improvement in performance reporting is required in order to enhance profitability and long-term competitiveness.

Martin Gooch, Director of the Value Chain Management Centre, led the study and stresses the importance of understanding the relationship between value chains and the broader system. According to Gooch, "Competitiveness is a function of the system in which businesses operate. Opportunities to capture value from the market are missed when participants in a chain focus too much on efficiency and too little on effectiveness."

A great deal of work has been done so far to identify and quantify consumer value with regard to pork. The next logical step is to implement changes that capitalize on opportunities to improve quality, increase consumer satisfaction, and enhance margins, rather than seeking to remain competitive by placing undue emphasis on reducing costs.

Fresh pork moves from farms to consumers through a series of steps. If participants at any one of those steps do not focus on maximizing the value proposition for consumers, the negative impact on individual businesses and the entire chain can be significant. Gooch notes that "the results of this study provide opportunities to benefit value chain participants and consumers alike".

The case study can be accessed through the Value Chain Management Centre website: www.vcmtools.ca.

The Value Chain Management Centre, part of the George Morris Centre, supports the creation of sustainable, profitable value chains through leadership and innovation in research, education, and demonstration.

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