
Marketing and value-added opportunities with alternative swine systems (Session 1C)

PRESENTERS: Jan O'Donnell, Minnesota Food Association, Minneapolis, Minnesota; Paul Willis, pork producer, Thornton

MODERATOR: Jeff Zacharakis-Jutz, ISU Extension communities specialist, East Central Area

RECORDER: Mary Swalla Holmes, Extension organizational specialist, ISU

Jan O'Donnell is the executive director of the Minnesota Food Association, a non-profit membership organization dedicated to forming a coalition of food producers and consumers to build a more sustainable food system.

She opened the session with examples of successful marketing cooperatives in Germany. As a participant in the "Marketing Sustainable Agriculture" European tour, O'Donnell had the opportunity to meet farmers involved in both processing and marketing cooperatives, such as members of a wheat cooperative who owned a bakery, several restaurants and a retail outlet. In Germany, market research shows that consumers buy regional labels more readily than labels that identify the product as "ecological" (equivalent to our "organic").

A German swine cooperative with a regional label is devoted to reviving an almost extinct land race. This old breed was developed in a particular region of Germany, and is now making a comeback due to a strong market demand. Processing is not as heavily regulated in Germany, due to a belief that quality can be maintained through market pressure.

She also discussed two alternative marketing programs, biomobiles and community supported agriculture (or CSAs).

Biomobiles are farmer-owned delivery trucks that go on established routes in residential areas to sell organic produce and meat. One CSA joined 23 farms in producing food for 600 households, with guaranteed weekly delivery of fruits and vegetables. All produce is grown biodynamically, a production system that was developed in Germany in the early 1900s. It is a distinct system, with specific preparations to build the soil.

Europe has many types of eco-labels; Germany alone has more than 30 different labels. Eco-labeling encompasses regional labels, animal welfare claims, production systems such as integrated production, organic and biodynamic labels, and "farmer's face" labels.

Paul Willis shared his experiences in developing a relationship with a West Coast company to market high-quality pork. Willis became aware of the California company, Niman Ranch, through a lamb producer. At the time, Niman Ranch was supplying premium cuts of meat to upscale restaurants in the San Francisco Bay area. Willis met with the owner after

he found out the company was looking for a pork supplier. The owner was impressed with the samples Willis supplied, and a deal was struck. Willis works with Sioux-Preme Packing, Sioux City, where loins are cut to order, for delivery to California every week.

Willis believes the customer base for his type of pork is not in Iowa or Japan, but urban centers on both coasts. His "free range" pork appeals to customers who are concerned with animal welfare and their own health. The meat is antibiotic-free, and the pigs spend most of the time in open pasture. As demand for Niman Ranch pork has grown, Willis has filled the need by developing a producer network. Producers must follow a strict protocol, and all meat goes through rigid quality control. Not every pig will meet the criteria, and some have to be pulled and sold through conventional markets. Just recently, Willis formed Niman Ranch Company of Iowa, which will buy the whole pig from the producer, process at Iowa

Pack in Des Moines, then ship to Niman Ranch in California for distribution.

The decision to distribute through the existing Niman Ranch label was made to capitalize on the long-term relationships that Niman Ranch has built in the industry. If Willis had chosen to start his own label, it would require a great deal of time and money to build a reputation. Willis is in the process of further developing protocol for production. His production system is based on the native, natural behavior of pigs, and has elements of the Swedish deep-bedded system. He has worked with the Humane Society to develop an endorsement from that organization for Niman Ranch meats.

Willis believes that listening to the customer is the most important thing a producer can do. Having an attitude that "the customer is always right" leads to market opportunities. The producer must find ways to get feedback from the consumer, and pay attention to their tastes and preferences.