

## **“The left hand not knowing what the right hand is doing”**

Christoph E. Weder – SVR Ranch Consulting

After a summer of staying relatively close to home, I rolled into a week that was hectic with a big H. It was a week of meetings that started with consultation in Edmonton with Alberta Agriculture Staff that then switched to menu planning with Chefs in Whistler, followed by distribution and food manufacturer planning in Vancouver and that ended with trade planning with exporters and packers in Calgary. Needless to say the nights were short, the pace was fast and the perspectives relating to agriculture and the beef industry often varied and polarized.

Monday started with a full day of presentations from Alberta Agriculture staff that were responsible for laying the framework for the next round of Growing Forward. This past April, I was asked if I would co-chair the Agriculture Competitiveness Initiative with George Groneveld. The initiative is focused on identifying the factors and barriers that are restricting the competitiveness of Alberta’s grain and oilseed industry. The meetings were to see if there was overlap relating to the conclusions we made after the meetings with other industry stakeholders. Besides from the ideas we had previously heard there were also comments that were new. Comments that I felt were skewed with little balance from those that would be affected by their outcomes should those ideas get implemented. Two themes in particular were those relating to food safety and traceability.

The main jest of the idea was that food safety and traceability in Canada and for that matter in Alberta needed to be elevated to an even higher level and that Canada was not keeping pace with its neighbors to the south.

I believe that to create your own destiny in business you need to be an innovator and at minimum be an early adopter of technology and innovation. This said it also has to pay the bills and at minimum add to your bottom line and not take away from it. I commented that I am all for these ideas provided that the customer pays for it and that it do not come off the primary sectors bottom line which is already at minimum to say the least. Six years of selling a branded beef program I have found that consumers are and can be hypocrites, they want the bells and whistles but are most often not willing to pay for it. Food safety in this country at the Federal inspected level is already high and needless to say its costs are not cheap either... adding even more stringent inspections will cost even more to this industry and I believe take away from the bottom line rather than adding to it. The argument that was made was that other countries have higher levels of food safety, which I am sure can be true, but there are also those that have lower levels and they are competitors of ours in the industry and in our own backyard.

The next 2 days the perspectives I dealt with were from the end users in food service and from distribution. Their concerns were consistency, commitment to supply and price. Yes they want innovative products but they there is a limit to what people will pay. Food safety and traceability are important but no one wanted to know which specific steer my beef products came from. They wanted unique selling points; they wanted to have something that would differentiate themselves in the market, but the price had to be within reason.

Finally the last 2 days of the week were spent at the annual general meeting for the Canada Beef Export Federation. At the annual meeting the members review the successes, failures and challenges of the previous year and plan the tactics, target levels and budget for the coming year. It was two days of presentations from industry stakeholders and meat experts

trying to find the next most logical step in order to improve trade and improve returns. Needless to say regulatory burdens were the number one issue identified that was holding back the members from capitalizing on market opportunities. The issues were everything from bans on bone in beef to over 30 months of age restrictions on trade, to how documents and health certificates were written. CBEF members include packers, exporters and producers and during the round table focus groups it was interesting to see the variances in perspectives. I guess it reinforces the old saying that you cannot make conclusions until you have walked in someone else's shoes. It was also apparent that many of the challenges that the beef industry faced could be blamed on a lack of industry and stakeholder consensus which caused focus and conclusions by the regulatory and government agencies to drift off course. This is a major issue!

Looking back there was lots to think about and it was clear that many times the right hand does not know what the left hand is doing. We need to work as one, to get on the same page in order to properly engage those that can side track issues. End users are still price driven, forgetting this will make it tougher to stay competitive on both a domestic and global basis.

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