

U.S. Pork Industry STATE DISCUSSION GUIDE

BACKGROUND

In September 2020, the National Pork Producers Council (NPPC) formed a task force comprised of 16 industry leaders to lead the development of a long-range strategic plan (LRSP). The mission of the task force, which was supported by a third-party strategic planning facilitator, was to identify NPPC's priority goals and a path to achieve them over the next three-to-five years. NPPC's board of directors approved the LRSP on Feb. 15.

The LRSP has identified five primary goals, including:

1. Strengthening advocacy outreach to address legislative, regulatory, judicial, trade and targeted business issues;
2. Preserving pork production's license to operate by establishing its commitment to environmental and social responsibility;
3. Increasing revenue to address a growing number of complex issues facing the industry;
4. Establishing an industry association structure that best addresses the needs of pork producers today; and
5. Improving NPPC's organizational effectiveness, including agile decision-making and succession planning.

In 2019, the National Pork Board completed a similar strategic planning process at the direction of producer leadership. It identified the need for an annual industry planning cycle, designed to collect producer input on needs and opportunities, and ultimately, direct the funding priorities of your Checkoff investment. NPB's Board of Directors will use the feedback from this discussion as a component of the Checkoff's annual planning process.

2016-2020 Revenue Distribution

■ NPPC SIP Revenues ■ State SIP Revenue ■ State Checkoff Revenue ■ Checkoff Revenues



DISCUSSION PRIORITIES

GOAL #3: UNRESTRICTED FUNDING

Successfully respond to the growing number of governmental and marketplace issues impacting our industry by securing additional unrestricted funding.

GOAL #4: INDUSTRY ASSOCIATION STRUCTURE

Lead the effort to determine the most effective long-term industry association structure to best use our collective resources to serve the needs of pork producers and the industry.

Key Objectives:

1. Establish a committee of industry leaders
2. Support the committee financially and administratively
3. Identify industry needs

2021 Budget Allocation



The graphs to the right break down producers' total contributions into Checkoff, Strategic Investment Program dollars and allocation to their respective organizations.

NEXT STEPS

To accomplish NPPC LRSP Goal #4 and NPB's annual strategic planning process, both organizations are asking states during the months of June, July and August to review and complete the exercise below. In this exercise, we ask that you **allocate \$100,000 to the 17 industry priority areas listed.** This input is key for the committee to evaluate the total need for resources and their allocation. States should identify programming needs for the next three to five years.

SUSTAINABILITY

Advocate for common sense legislation and regulation for all aspects of pork production to lessen pork's impact on the environment and its people. Engage and receive credit for what producers are doing as stewards of the land by promoting soil health, conserving water, efficiently using nutrients and caring for their animals

Finance and develop scientific evidence and third-party experts to address negative claims about public health impacts near pig production.

Fund research, pilot projects and on-farm tools so all producers can get credit for their environmental practices by quantifying reductions in land and water use, GHG emissions and improvements in soil health.

TRADE

Continue to expand export markets by gaining access to new markets by eliminating tariffs, non-tariff barriers (e.g., Sanitary and Phytosanitary issues, Import Permits, etc.), establishing sound international standards, and keeping existing markets open.

Use partnerships and USDA matching funds to identify, develop and expand key international markets for U.S. Pork as well as provide consumer trends within those markets.

SOCIAL LICENSE TO OPERATE

Partner with state associations to develop and fund trust and image campaigns designed to overcome myths, protect your freedom to operate and ensure consumers see pork as a nutritious product they feel good about buying.

Preventing burdensome mandates by engaging regulators, legislators, retail and foodservice, and the public to limit or eliminate marketplace disruptions (e.g., Ballot Initiatives (CA Proposition 12), activist pressure, EPA Waters of the US, etc.) and when necessary, litigate on behalf of producers.

FOREIGN ANIMAL DISEASE PREVENTION + PREPAREDNESS

Advocate for governmental measures and resources to prevent the introduction of an FAD. Also, advocate for policies, at the state and federal level, in the event of an outbreak to allow for consistency of response, including permitted movements, in control areas and continuity of business outside of control areas.

Prepare for FAD response by developing and distributing tools, resources and emergency response training for producers and animal health officials, including Secure Pork Supply Plans, AgView, and funding mass euthanasia and disposal techniques.

Prevent FAD entry by identifying risks, funding research and developing mitigation efforts to be deployed at the state and federal level (e.g., through USDA and Customs and Border Protection)

BUSINESS/COMPETITION PRESSURES

Seek increased transparency in the marketplace through programs like Livestock Mandatory Reporting (LMR): Defend and protect producers against undue tax burdens.

Use unique consumer insights and market research inform grocery stores and restaurants about the products, like ground pork, that will increase sales.

Support legislative and regulatory change in the following areas: Streamline the visa application process for additional labor sources outside of the U.S..

Develop and fund studies to describe the impact of various policies or regulations affecting pork production, which in turn, can be used by others to advocate for the industry.

Partner with and fund coalitions to monitor, anticipate and provide strategic responses to attacks on the meat industry.

GRASSROOTS ENGAGEMENT

Build a continuous pipeline of diverse leaders to speak on behalf of the industry in a variety of venues.

Activate producers through industry programs that engage elected officials to tell our story.

SUMMARY

Goal #4 of the NPPC LRSP is asking for State input on the best association structure for the US pork industry. This discussion should evaluate the current structure and resource needs and provide guidance for where future resources should be set for long term success of the US pork industry. This should include a look at Checkoff resource needs and SIP un-restricted funding to tackle the challenges listed above.