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Black Creek Ranch  Aboriginal Agriculture
Project Contact Sheet

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What is a Value Chain & What does it do?

The value chain business model is a concept from business management that was first described and popularized by Michael Porter in his 1985 best-seller, Competitive Advantage: Creating and Sustaining Superior Performance.

A value chain can be the underlying infrastructure that supports the product from Field to Plate, in this case, for the Grass fed beef industry. It replaces individual efforts along the supply chain process with a more connective infrastructure that supports all members of the value chain and provides efficiencies, cost reductions and economies of scale that would not ordinarily be available to individual components of the supply chain network.

That infrastructure is in place in the Black Creek Ranch pilot project in the Thompson region of BC. The pilot, spearheaded by the First Nations Agricultural Association and currently managed through the services of the Western Regional Management Team and operated by Black Creek Ranch staff, is the first of its kind at the forefront of the grass-fed beef (GFB) industry. This pilot, and the value chain which has been developed along with it, has the potential to be the catalyst in supporting the GFB industry province-wide with additional support for increased infrastructure development.

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1 Wikipedia [www.wikipedia.org](http://www.wikipedia.org)
The above chart illustrates the networks of the Black Creek Ranch Grass-fed Beef Value Chain from producer to consumer. The full Value Chain Mapping Powerpoint can be found in Appendix D.

What is a Value Chain Analysis?

Is a “tool for identifying the greatest possible value for your customers.”

1. Identifies elements of value for inclusion in the value chain
2. Identifies how to move product from producer to consumer in the most cost effective, efficient and beneficial way
3. Assesses strengths of the existing value chain
4. Assesses areas of weakness or need which are required for successful outcomes

Throughout the following document each identified element of the value chain is assessed and reviewed; both in the context of the existing Value Chain pilot model, Black Creek Ranch, and in consideration of expansion to a potential Provincial model, based on cluster networks developed in other geographic areas.

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2 Value Chain Development, Investment Agriculture Foundation of BC
7 Steps to Value Chain Development

1. Identify the Opportunity: Bringing Supply and Demand Together

Grass fed beef is an historic and long-standing industry in BC with origins dating back to before the first white settlers, who came and homesteaded on vast tracts of ranch lands throughout the province. It is a wholesome industry, meeting the most basic of needs. Within the First Nations community, it has been a means of providing for families, once the restrictions of the reservations limited the traditional hunting and gathering routes and seasonal routines of the BC First Peoples.

The beef industry has suffered in the past decade in BC, along with other Canadian provinces, with the challenges of BSE, price volatility, economic downturns and health-wellness consciousness. What was once a thriving and mainstay industry in the province has now seen numbers of beef cattle dwindle to fewer than 200,000.

One of the challenges for beef producers is access to markets. Changes to the beef industry have left producers at the mercy of large processing companies, who through regulations and sheer size of operations, have capitalized on the market. These processors are located primarily in Alberta, forcing producers to sell at auctions while their beef is taken to Alberta for slaughter. The market also has seen a great deal of volatility and many ranchers have sold off herds and turned to other revenues, or grandfathered out of the business. Large tracts of farm lands lay unused, or have been transitioned or portioned off into commercial and residential developments. Life is not as it used to be.

Changing times call for changing measures.

Throughout all of this, comes the discerning consumer. New generations of individuals want a better life for themselves and their children. Concerned with health, with a focus and priority on impacts to the earth, wellness and food safety issues; this is the new demanding public. Identified as a trend, many believe it is a new belief system here to stay. This is the new opportunity for the future of grass-fed beef in BC.

This new consumer wants a chemical free, more natural product. They are looking for home grown and grown closer to home. They want to be connected to their food supply. They want to know more about the make-up of the products they purchase. And for this, they are willing to pay a premium. They shop at natural and health-oriented food stores and specialty shops where they are able to get the story behind the product. To this end, farm market-style stores have sprung up province-wide, catering to a more natural, locally produced, and healthful diet.
First Nations and other grass-fed beef producers have been raising their cattle in just this way for many generations. They are anxious to continue a lifestyle they enjoy and believe in, if it can be profitable. Processors of grass-fed beef are interested in supporting this development. They have been challenged by ongoing restrictions and new provincial and federal regulations for the past decade and would benefit from a secure and increasing supply of meat for processing.

First Nations Agricultural Association and its co-organizations have been looking for ways to support FN agriculture for more than 3 decades. They watched the impacts of the BSE, deflated markets and the overall decline of the industry within FN communities. They saw the detriment to FN producers, their families, and their lifestyles, and they determined to do something about it. Acting as a catalyst, FNAA took the lead in developing an operating entity and the Black Creek Ranch brand. Under this brand they market grass-fed beef products and bring producers and processors together to serve a new retail food market and their consumers.

These are the elements that have come together to create the Field-to-Plate Grass-fed Beef Value Chain.
2. Evaluating your market

a.) On-going and extensive market research has been a priority. Much of the work has come out of the Black Creek Ranch pilot project. The team at Black Creek Ranch have successfully identified markets through a very intensive, on-the-ground approach to market development. This has occurred through attending local and regional food safety meetings, providing product samples at high-profile events such as BC beef day, talking to the beef consumers at every level and working closely with existing markets to expand product lines and availability to meet the needs of retailers and the consumer.

New market opportunities have been identified and are being developed more fully. These include new potential grocery retailers such as Whole Foods and new market demands such as Muslim “halal” processed beef.

b.) Economic Gardening

This new trend in market identification and development is a tool that Field-to-Plate is exploring and plans to incorporate. The process uses highly sophisticated technological data regarding consumer profiles, demographics, GIS locations and purchasing preferences to identify where market densities are and how best to reach new markets. The resulting comprehensive and detailed market data allows very specific and targeted marketing. This will increase existing markets and develop new markets through more cost-efficient means. More information on the Economic Gardening approach is provided on page 25 and a full presentation is included in Appendix F.
c. Competition

The table below shows a sample comparison between Black Creek Ranch and 4 other BC Grass-fed beef producers in the market place in the same region, with similar product lines. Colors indicate who is high and low in each category. As you can see, Black Creek Ranch is positioned very competitively and is the lowest in several of the categories.

<table>
<thead>
<tr>
<th>Producer</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Black Creek Ranch</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Side</strong></td>
<td>200-300 lbs @ $5.29</td>
<td>160 lbs @ $5.75</td>
<td>X</td>
<td>179-211 lbs @ $5.45-$6.43</td>
<td>$3.89 lb before cutting/wrapping</td>
</tr>
<tr>
<td><strong>Ground Beef</strong></td>
<td>10 lbs+ $5.99</td>
<td>25 lbs+ $4.75</td>
<td>$5.90 lb</td>
<td>$9.10 lb</td>
<td>$3.85 lb wholesale $4.99 lb retail</td>
</tr>
<tr>
<td><strong>New York Strip Loin</strong></td>
<td>X</td>
<td>X</td>
<td>$17.15 lb</td>
<td>$24.95 lb</td>
<td>$13.60 lb</td>
</tr>
<tr>
<td><strong>Cross Rib Roast</strong></td>
<td>X</td>
<td>X</td>
<td>$8.00</td>
<td>$10.95</td>
<td>$9.98 lb retail $6.35 lb wholesale</td>
</tr>
<tr>
<td><strong>Freezer Packs</strong></td>
<td>X</td>
<td>30 @ 6.17 lb</td>
<td>25-40 @ $7.00 lb or build your own 33 lb or more @ $6.65</td>
<td>X</td>
<td>13 lb @ 7.69 lb for $100</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pack B $150 = $9.64 lb (@14.5 lbs total)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pack C $250 = @ $10.73 per pound (about 23.25 lbs)</td>
</tr>
<tr>
<td><strong>Pepperoni</strong></td>
<td>X</td>
<td>10 lb min $7.25 lb</td>
<td>$9.50 lb</td>
<td>$18.64 lb</td>
<td>$6.85 lb whole sale $9.57 lb retail</td>
</tr>
</tbody>
</table>
3. Assess resources, risks, and capacity
   
a. Supply:

   Estimates suggest a supply of approximately 20,000 available head of cattle with Aboriginal producers in BC with access to 5000 for the GFB Value Chain, including all producers. Product research identifies that Black Creek Ranch can ramp up quickly for the coming season to 1000 head if demand required it.³

b. Other resources:

   Resources required for a successful GFB Value Chain are varied and different for each member of the Value chain. A resource assessment and sourcing plan should be in place at each level and should include: human capital, financial capital, land and equipment capital, and animal capital.

c. Risks:

   The agriculture industry and beef industry specifically are typically plagued with risk, by their very nature. From the impacts of Mother Nature to global economics; agriculture industries are historically some of the most vulnerable and volatile. Mitigation strategies combined with response plans are the most effective means to manage risk.

   **Producer level:**

   Disease, reduced number of producers, regulatory issues.

   **Processor:**

   Lack of facilities leading to uncompetitive pricing, increased fuel costs due to distance to/from processor, contamination, and regulatory issues.

   **Marketing and Delivery:** (i.e. Black Creek Ranch)

   Staff changes, staff shortages, loss of a key retailer such as Choices (cancels or closes shop), increasing transportation costs, breakdown of transport vehicle/spoilage due to delays.

   i. Mitigation Strategy

   Have a well established, strong leadership/management organizational model such as FNAA with the capacity, strong political support, and secure funding base to allow constant support to address risks and value chain needs on-going over the long-term.

³ Source: FNAA
In addition:

- A solid, practical marketing plan with risk mitigation strategies.
- Legal, contractual agreements between all parties
- Transition the GFB Value chain steering committee to a legally formalized entity
- Strong lobbyist committee to bring industry challenges to government attention

d. Capacity

FNAA's pilot Black Creek Ranch is best positioned to move the GFB value chain forward in the Province. Internal capacity is strong and processes for the value chain are already in place. FNAA has developed networks and existing support systems which are more quickly available to this organization than others, who may be looking at just beginning such a process. FNAA is easily able to ramp up and add key strategic partners who support the project. A strong GFB Value Chain committee has been formed and is prepared to champion the project, and have completed a strategic planning session to this end.

Financial capacity for the project needs to be supported through the next growth phase of the value chain. FNAA is not capable of independently supporting the project, nor should they be expected to. They have invested a great deal in getting the project up and running and bringing key partners together. They continue to provide support to the Steering Committee with in-kind, information resources and with infrastructure pieces. Outside support at the Provincial level and through various funding partnerships are critical in optimizing the potential for success of GFB Value Chain development in B.C. for the benefit of all.
4. Build Relationships

Relationship building is well underway with value chain members and support and funding stakeholders. All member groups are represented at the steering committee level. (See list of steering committee members in appendix A). Communication protocols are being developed to insure inclusion for relationship development. (See newsletter in Appendix C)

New Market Development

FNAA, WRMT, BCR continue to seek, and include, ongoing, new partners and supporters for the value chain. Interest in the project is strong. Steering committee members share their enthusiasm for the value chain within their extended networks resulting in a ripple effect of interest and information about this GFB value chain. New markets are being developed throughout the process. Examples are new retail outlets interested, new unique niche product markets are being identified such as halal beef for the Muslim community, and return trip efficiencies are occurring through value added products coming back to the Thompson region as a result of beef deliveries to the Fraser valley and greater Vancouver regions.
How is this done?

Through meetings, tastings, talking it up, newsletters/press releases etc, (see appendix B) information sharing by steering committee members, surveys and interviews, TRU research results releases, project spin offs.
5. Get support of key chain members

The current GFBVC initiated by the FNAA has strong support from value chain members as evidence by the level of success to date. This includes strong producer support, key processors, an organizationally linked and managed marketing and sales department and strong and growing wholesale and retail purchasing/markets.

Looking at a provincial model, the following are key areas of consideration:

Create a provincial GFB producers association, or similar entity, which has the capacity to make decisions and interest in facilitating change through influencing and affecting government and agency regulations

a. Insure inclusion and input from producers, processors, retailers and consumers. Develop a consistent communication plan to insure a collaborative attitude amongst members.

b. Develop a management system to oversee the value chain, which can continue to promote the concept and grow the organization, and organizational capacity

c. Promote this as a duplicable model, with BCR as the pilot model, to other areas of province and potentially other provinces

6. Ensure group commitment and resources

Some of this is in place with the commitment of the steering committee and the available resources of the lead organization, FNAA, which provides meeting rooms, and some infrastructure, and has taken the lead in applying for funding, such as the REDI funds to advance the GFB Value chain initiative. Ongoing support is needed to further develop and expand the VC.
Aug. 2011 Grass-fed beef Value Chain Steering Committee members and REDI project members: Back Row L to R: Tracey Elias, BCR staff; Trevor Kemphaltone, Manager, FNAA; Jack Pennell, BCR Field manager; Dr. John Church, Thompson River University; Patti K. Phillips, REDI Project Coordinator. Front Row L to R: Betty Peters, Beef producer; Lesley Dale, Project Manager, AAESBC; Kristy Hough, Producer and WRMT President; Geri Collins, beef producer and Operations Manager CFDC of CIFN; Marla Ronquist, Manager, Black Creek Ranch. Missing: Chief Harold Aljam, President FNAA and beef producer; and Dave Fernie, beef processor Rodear Meats.

a. Develop protocol/membership agreements

Some of this is in place already through FNAA. Producer agreements have been drawn up, and are being revised as needed. Steering committee membership has been initiated through FNAA and a TOR has been developed. This group is leading the direction of the Value Chain and has completed a strategic plan to further guide development. (See Appendix E)

b. Secure long-term funding support

“We will invest $2 million to expand domestic and export markets and facilitate research to ensure B.C.’s cattle industry remains competitive in the expanding world market for beef and beef products. The Ministry of Agriculture and Lands will also continue the $9.347 million Beef Cattle Industry Development Fund.” (Excerpt from Column by Vernon-Monashee MLA Eric Foster, B.C. Beef Day June 9, 2010)
Various options for funding are being assessed. With the constantly expanding network of new relationships and interested supporters, new opportunities for financial support are ongoing. Steering committee will make recommendations to this end; however, it is evident through the analysis process that the success of the GFB VC, particularly on a provincial level, will require significant infrastructure and ongoing investment over a span of a decade or more. While support may come from many areas, the scope of this VC is of a nature which would ideally be supported by provincial and potentially federal funding.

7. Define a clear project focus

Strategic direction determined by steering committee.

Note: Analysis shows this value chain has in place the key elements required, and is well positioned to continue and expand successfully with the right support. It can act as a replicable model for development of GFB value chains in other regions, or act as the apex for satellite pods for GFB activity in other areas of BC under a cluster development approach.

“Farmers need a tool that will empower them in the market place. It is critical that all of the parties in the market place benefit from the process of producing, processing, selling, distributing and consuming. Properly constructed value chains can be the tool that will facilitate the accomplishment of these goals.” Garnet Etsell Chair, BC Agriculture Council

Elements of Value Identified

Value Chain: Industry Attractiveness /Unattractiveness

- Beef industry public profile and perception
  - Slaughterhouse images
  - BSE
- Vegetarians
- Health concerns
- 100 mile diets, close to home
- Organic beef

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4 From Investment Agriculture Foundation of BC, Growing Value Chains Brochure
Value Chain: Competition

- Who is the competition?
  - Independent producers
  - Commercial feedlots
  - Organic meats
- Product differentiation
  - Sampling, flavour, branding
- Market position (place)
- Price point
- Marketing (promotion)

Value Chain: Drivers

- Market volatility
- Increasing costs
- Consumer demand for:
  - More localized food sources
  - Food safety
    - Hormone free
    - Connection to source
    - Consumer trust
  - Reduced carbon footprint

Value Chain: Trends/Opportunities

- Health concerns and research
  - Omega 3-6
  - Fats
  - CLA’s
- 100 mile diets, close to home
- Food safety
- Reduced carbon foot print
- Organic beef is a trend (educate consumers on the difference)
- Health/Wellness information

Value Chain: Increased Profitability and Value

- Reduced advertising costs
  - With the marketing being centrally managed by the Black Creek Ranch sales department, the shared costs for promoting the Black Creek Ranch brand are reduced for the individual members.
Shared market development

- No one individual producer or processor needs to spend the resources to develop, research and target new markets. All of this is handled centrally at Black Creek Ranch.

Decreased transportation costs

- Combining several purposes in transporting beef decreases costs per suppliers, and develops new opportunities with return trip inventory.
- Moving greater amounts as the value chain grows will reduce per supplier and per pound costs, and potentially provide employment and opportunity to grow a transportation division.

TRU research and testing value

- The value of the work that Thompson Rivers University is doing under the leadership of Dr. John Church is invaluable. He and his team have provided information on health benefits, CLA content, omega 6-3 ratios, and nutritional information for labelling on value added products. Dr. Church is dedicated to ongoing research with grass-fed beef and has a number of proposals in to various funding sources to support ongoing research and education projects involving Grass-fed Beef. A sample of two of four posters developed by Dr. Church and his research team is shown below. Others can be found in Appendix C.
FNAA infrastructure development and support

- First Nations Agriculture is providing key and core pieces needed for the development of the value chain. Without this, the costs of individual processors and producers would be higher and access to greater market share opportunity would be reduced.

United approach to government

- As the Value chain grows and develops, under the strong leadership shown by the established steering committee, there is potential for development of a legal entity which can represent members of the value chain with a shared voice and united vision. This strength in numbers approach can serve to change legislation and regulations impacting the industry.
Value Chain: Members /Partnerships/stakeholders

- Members
  - Stakeholders
    - Project funders
    - Industry organizations/educational institutions
    - Steering committee
  - Participants
    - Producers
    - Processors
    - Scientific research partner
    - Sales/marketing/wholesaler
    - Retailer
    - End consumer

One of the key partners and stakeholders in this project is Thompson Rivers University, represented by Dr. John Church.

Dr. Church’s research, commitment to ongoing support and involvement at the steering committee level is commendable and a huge asset to the Grass-fed Beef Value Chain initiative going forward.

Photo Courtesy FNAA
Pilot Projects
- Black Creek Ranch
- Connecting Commons

Value Chain: Challenges and Restraints

Through input provided by individual interviews, community input meetings throughout the province and industry research and trends, the following have been identified as key restraints and challenges for the Grass-fed Beef industry as a whole in B.C.

- Matching supply with demand
- Calving Seasons/Holding beef/timing
- Aging rancher population (average rancher age is currently over 65. Sons/daughters are not embracing their traditional way of life in farming, due to increased costs, decreased profits, hard work with little return and the increased value of farm lands as a real estate commodity.
- Regulatory Issues
  - Interprovincial regulations
  - New federal regulations
  - Changing regulations
- Lack of Regional BC abattoirs
- Price volatility
- New market development
- Coordinating and connecting members
- Communications
- Sustainable infrastructure – funding support

Opportunity Analysis

Existing Strengths

“Competitors underestimate our potential, our products, and our market. We are the only collaborative GFB Value Chain established in B.C. We have the experience of the committee members and staff. We have an established niche market. Much of our marketing costs are collaborative as our retailers promote our products to increase their own sales.” Marla Ronquist, Sales and Marketing Manager, Black Creek Ranch

What is/are the opportunities?

a.) expanding existing wholesale markets
   i. Increasing demand from consumers
b.) Continue developing new markets, both geographically and niche-wise New markets
   i. (i.e. halal beef)
c.) Continue to build on successes with established reputation
d.) Continue demonstrating product at regional events
e.) Increase efficiencies (i.e. return trip products) which is also leading to new relationship development and therefore resulting in network expansion.

f.) Network Expansion

Network expansion is occurring on an on-going basis through the efforts of the sales and marketing of Black Creek Ranch, along with the commitment of the steering committee to further the development of the GFBVC throughout the various regions of BC.

Black Creek Ranch current sales stats:
**Economic Gardening**

Using economic gardening processes will help to narrow the target market for strategic marketing activities. This will reduce the cost of trying to appeal to all markets and entering into expensive and costly unproductive marketing activities. Economic Gardening uses sophisticated research tools to identify client demographics and targets, and focusing on specific niche attributes of the GFB product line.

Slide from Economic Gardening Presentation identifies 7 key strategies:

**HOW? – 7+ strategies**

1. Search Google, Bing, Yahoo for Trade Articles, Academic Research, Press Releases, Industry reports to find all industry related info.
2. Establish market profile.
3. HOOVER the company, the competitors, if b2b, potential customers (Dunn & Bradstreet Database)
4. Map existing and potential customers using GIS.
5. SEO audit to analyze online position.
6. Analyze industry keywords using Google Insight to establish language for website.
7. Analyze competitor web sites to help establish brand identity.
Provincial Geographic Areas of Opportunity

The map below shows the existing value chain at both a functional systems level and a geographic level.

Again, the FNAA is perfectly positioned to play a lead in developing other areas in the province on the GFB value chain. They are a province-wide organization with directors and contacts throughout each region of the province. They are centrally located in the primary beef-producing region of the province.

The potential for the growth of the GFB industry throughout BC is dependent on infrastructure. The Gitxsan Nation near the Hazelton region has huge unused tracts of ranch lands waiting for cattle. An initiative such as GFB ranching in this area is a truly golden opportunity; with a strong available human resource. This would provide a local protein-rich diet for the 6,000+ band members, not to mention provide employment, training opportunities in agriculture, ranching, processing and added value products. Along with the employment and health benefits is the self-sustainability possible through participation in the GFB industry. The four bands are currently involved in development of a bulk foods store, commercial gardens and berry processing initiatives. As demand for the GFB grows, this region shows exceptional potential for industry expansion at the First Nations level, and would be a natural addition to their agricultural focus.
The Southeast Kootenay Region is another potential area for chain development; however, more research would need to be completed. This area is geographically separated from the rest of western BC and relies heavily on the Alberta markets, due to the close proximity. Some grass-fed producers exist in the region, as do some First Nations producers; however, the population of the region is sparse and spread out geographically and presents challenges for transportation. In addition, there is no abattoir beyond private processors.

The beef industry Province-wide is diminishing. Steps are needed immediately to ensure BC is able to continue to play a role in the beef market nationally and beyond. The opportunity exists to support an established infrastructure, rather than trying to re-invent the wheel. The grass-fed beef niche-market is a perfect launch and expansion point for that support.

Value Chain: Infrastructure Elements Identified as Needed

“Using the BCR brand as a launch point, develop a strong infrastructure that will support cluster development of value chain “pods” in other regions of BC. Over time these could lead to independent value chains; however, initially the infrastructure has to be created to sustain the core value chain, which is already established in the Thompson – Fraser Valley Regions.”

Patti Phillips, Project Coordinator

Based on the existing model and case study of BCR, there are a number of infrastructure pieces identified which need to be in place before sharing the model outside of the current region. Expanding the value chain throughout other areas of the province would require investment in these key infrastructure pieces. This would ensure a strong foundational core on which to build and grow the VC beyond the current operation. These fundamental infrastructure pieces will provide greater opportunity for success outside of the current scope of operations. Through research, interviews and surveys, the following 9 areas of infrastructure development have been identified:

Relationship criteria and protocol development

- Regulatory criteria established/reviewed
  - All regulations and criteria in the industry which impacts the value chain members and system needs to be identified and collected within a framework which can be easily referred to. This needs to be part of the guiding principles under which the value chain develops over time.

- Process development (i.e legally binding producer agreement drafts)
  - Producer agreements have been developed for the BCR value chain, but will need to be updated on an on-going basis. These agreements need to be legally binding to protect both the producer and the purchaser to ensure success within the value chain structure.

- Policies/procedures manuals, clear accounting and accountability, job descriptions
Each level of the value chain should be able to provide clear records regarding the animals and the financial information required by law. Policy and procedure manuals should be developed for the organizational pieces of the chain. Accountability and transparency is critical in order to maintain trust and confidence amongst all levels of the value chain participants. BCR and any other “business’ elements of the chain, need to have business plans, work plans, marketing plans and job descriptions developed and easily accessible to new employees and/or value chain members. In order to maintain a credible reputation, the operations piece must be very well organized.

Integral Management Pieces

- A strong Steering Committee or legalized entity (i.e. society) to provide direction to the Provincial coordinator
  - A steering committee representative of a broad collective of industry players has been developed. The intention of the group is to forma legalised entity which can be a legal, decision making entity, which can play a role in approaching other industry organizations and government.
- A dedicated GFBVC Provincial coordinator
  - In order to ensure consistent growth and well-rounded development, it is critical to have an individual who is connected to, and can oversee, all elements of the Grass Fed Beef value chain system. This individual will have a strong background in the industry and have a strong and vast network of industry and political connections, as well as management expertise.
- Beef market monitoring and response
  - The Provincial coordinator will also monitor and be in a position to respond to beef product markets regionally, provincially, nationally and internationally.

Communications strategy/implementation

- Communications Plan, including education piece
  - In addition, on a marketing side, an education plan needs to be developed to provide consumers with the health and other benefit information about grass-fed beef that they require to make informed decisions. Again, the FNAA has begun this with the AAESBC Education Society who has made applications for funding pieces to create just such an education program specific to First Nations. Education pieces have also been collaboratively established through retail marketer’s websites and newsletters. (see www.choices.com)
Established means for communication between value chain members, with opportunity for input (two way communication)
  - Development of a lateral communication plan to keep value chain members connected and abreast of developments, including challenges and opportunities is needed.
  - Communications plans for PR and linkages with other Provincial organizations and agencies.
    - Connectedness between value chain members and other organizations such as links to other organizations on the BCR or FNAA websites. Promotion of cross-linkages wherever possible. Increased linkages between industry associations and value chain members and supporters.

Capacity Development

- Increased provincial slaughter capacity: processors/abattoirs (1-2 in 5 years)
- Centralized location to bring producers product to.
- Business plan in place for Black Creek Ranch
  - Development of a 3-5 year business plan based on the strategic planning of the steering committee. As the centralized piece of the value chain, this element of them all needs a tight and well organized foundation on which to build province-wide.
  - Dependence on a single individual in this process is a risk. Mitigating strategies need to be developed to lessen the impact on the entire chain should a particular individual cease to participate in the BCR sales and distribution piece. On the other hand, developing networks of trust and relationships is very often most successful on a one-to-one basis. In this particular model that individual represents many other elements of the VC and can ... as the voice and face of the project, it is critical to have the right individual at the helm and to support that person in the ways necessary to ensure they are able to be successful in growing the business and moving the chain forward.

Marketing strategy/implementation

- Business plan for Black Creek Ranch as the marketing catalyst for the Value chain development, with 5 year cash flow projections, break-even analysis, and operations budget
- Focussed marketing plan including economic gardening assessment
- Distribution plan and transportation/delivery capacity defined. Maximized return trip process developed.
New market development

- Economic Gardening study for identification of potentials for new markets from (i.e. flavoured beef, wine beef, Falal beef market etc.)
- Return trip market established and grown
- Cluster development plan for 3 other BC regions in next 5 years
- A deliverable hard copy document of how to replicate in other areas, based on BCR case study

New relationship/partnership development

- Implementation of an independent Provincial grass-fed beef growers association. Task force to address government regulations and wholesale/retailer requirements.

Strategic direction determined/implemented

- Minimum 5 year Strategic plan developed with annual work and operations plans

Financial support

- Funding secured to continue to develop the infrastructure needs to grow the Value Chain
- Continued partnership development with financial supporters
Current Project Funders and Supporters
- Western Economic Diversification Canada
- CFDC of CIFN
- TRU
- VanCity
- SIBAC
- New Relationship Trust
- NACCA
- FNAA

Project Contacts and Linkages
- Black Creek Ranch
  - www.blackcreekranch.com
  - marla@fnala.com
- FNAA
  - www.fnala.com
  - trevor@fnala.com
- Heartland Quality Foods
  - www.heartland.ca
- WRMT
  - www.wrmt.ca
- AAESBC
  - www.aaesbc.ca
  - lesley@fnaa.com
APPENDICES

Appendix A – References and Sources

Appendix B - List of Steering Committee Members

Appendix C - Media

Press releases, advertising, video link, newsletter, and two other TRU posters

Appendix D – Mapping Presentation

Appendix E – Economic Gardening Presentation

Appendix F – Power Point Presentation from input session with Committee Members Aug. 2011

Appendix G – GFB V.C. Committee Strategic Plan (being formalized: to follow)
Appendix A: References and sources used:

BC Cattlemen’s Association  
Ranching Task Force  
BC Ministry of Agriculture  
BC Agriculture  
BC Livestock association  
Investment Agriculture Foundation of BC  
Wikipedia  
Stats Canada  
BC Statistics

www.cattlemen.bc.ca  
www.ranchingtaskforce.gov.bc.ca  
www.gov.bc.ca/al/  
www.agf.gov.bc.ca  
www.bclivestock.bc.ca  
www.iafbc.ca  
en.wikipedia.org  
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www.bcstats.gov.bc.ca

www.eatwild.com/products/canada.html  
www.foodtree.com  
www.bcgrassfedbeef.ca  
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www.grassfedfarms.com  
www.grassfedbeef.com  
www.brookersmeat.com/beefgrassfed  
www.tallgrassbeef.com  
www.lucintels.com/value_chain_analysis.asp  
www.disruptive-analysis.com/value_chain.htm  
http://apps.develebridge.net/amap/index.php/Costaleo_Value_Chain_Analysis_Example  
http://www.more-for-small-business.com/value-chain-analysis.html  
http://tutor2u.net/business/strategy/value_chain_analysis.htm  
www.dobsonfarm.com  
www.bestbcbeef.com/  
www.Shopzilla.com

Dr. J. Church, Thompson Rivers University

First Nations Agricultural Association
Strategic Planning For Dummies by Erica Olsen

Eat wild Canada

Heartland Quality Foods (Website, Staff interviews)

Vancouver Island Heritage Foodservice Traceability Project

Study of Grass Fed Beef as a Value Chain in North Central New Mexico and the San Luis Valley: AISDevelopment, LLC

**Private Grass-Fed Beef Producers Websites:**

Mt. Leahman Farm
Back Valley Ranch
Steveston Stock and Seed farm
Vale Farms
Sumas Mountain
Buse Creek Ranch
Morning Mist Ranch
Fleisher’s Grass-Fed & Organic Meats

**Documents referred to:**

Carving a Niche for Aboriginal foods in 2010, (Beverly O’Neil)

Marketing Plan and Analysis (June, 2006 by JKG Marketing)


First Nations Agricultural Association Strategic Plan (2011)

FN Needs Assessment (2011)
Appendix B: Grass-fed Beef Value Chain Steering Committee Members

Chief Harold Aljam, President FNAA and beef producer  
Dave Fernie, beef processor Rodear Meats  
Dr. John Church, Thompson River University  
Betty Peters, Beef producer  
Christy Hough, Producer and WRMT President  
Geri Collins, beef producer and Operations Manager CFDC of CIFN  
Marla Ronquist, Manager, Black Creek Ranch  
Trevor Kempthorne, Manager, FNAA  
Jack Pennell, BCR Field manager  
Lesley Dale, Project Manager, AAESBC
Appendix C: Media and Communications

Thompson Rivers University Additional Posters:

**Cattle and Cancer: Debunking The Dietary Myths**

By: Ross Marchant, Elias Turbideus, Alon Ekpennyong, Jeesan B., Dr. John Church

**Introduction**

- Beef has been accused of being a major cause of cancer in North America, a perception that is not based on credible scientific evidence.
- Beef has numerous health benefits including naturally occurring anti-carcinogens and antioxidants.
- Many researchers suggest that most North Americans are not eating dangerous amounts of red meat.

**CLA (Conjugated Linoleic Acid)**

- What is CLA? CLA is a fatty acid found naturally in all dairy and beef products. (Cats and salmon have highest levels of CLA)
- Studies have shown that CLA reduces carcinogenesis (cancer causing).
- National Academy of Sciences stated that CLA was the only fatty acid shown unequivocally to inhibit carcinogenesis in experimental animals.
- Active anti-carcinogens with early studies showing that 99% CLA/DAY is enough to show positive effects in the reduction of breast cancer in women.
- Scientists say that the population currently does NOT consume enough CLA to have significant impacts on cancer prevention.

**How to Utilize CLA?**

To maximize the potential CLA in our beef, we should be consuming grass, and flax fed cattle.
- Flax fed animals have shown to have twice as much CLA in their meat products.
- Grass fed beef has high levels of CLA compared to grain fed. It also produces leaner cuts of meat.
- Lean cuts are not necessarily the best sources of CLA.
- Some studies have suggested that fatter cuts of beef actually contain more CLA.

**Conclusion**

An increase in the consumption of flax during the finishing phase and/or grass fed beef as opposed to strictly grain finished beef would greatly boost the usable levels of CLA in the North American diet.
- These meats have also been shown to have higher levels of cancer fighting Vitamin E and various other antioxidants.
- The link between beef and cancer is a result of poor lifestyle choice, as opposed to beef consumption.
- (Overconsumption etc.)
- Beef is not inherently carcinogenic and was proven to be an excellent source of anti-carcinogens.
Grass-Fed vs Organic & Conventional Beef

**Benefits to Health**
- Organic farmers try to preserve the nutrient balance within the beef.
- No artificial growth hormones. Hormones have been shown to cause pituitary problems and other serious health conditions such as cancer.

**Benefits to Environment**
- Farming without the use of dangerous toxins
- Will keep all aspects of the environment healthy.
- Organic farming promotes the preservation of the soil.
- No use of conventional pesticides, herbicides, and other chemicals in organic feed.
- No chemicals mean no residue.
- By not using growth hormones, cattle aren't contributing to hormones contaminating the water.

You Tube Videos Links

- **1:16** Add to Black Creek Ranch - Premium Grass Fed Beef - Ka...by BlackCreekRanch 16 views

- **1:32** Add to First Nations Agricultural Association by BlackCreekRanch 16 views

- **1:47** Add to Keeping The Land Alive - Ranching Grass Fed Beef by BlackCreekRanch 30 views
• Add to Health Benefits of Grass Fed Beef - TRU’s Dr Jo...by BlackCreekRanch 13 views
• Add to Black Creek Ranch Premium Grass Fed Beef (6 min)by BlackCreekRanch 34 views
**Newsletter Sample:**

**Grass-fed Beef Featured at BC Beef Day June 1, 2011**

Aboriginal-owned Black Creek Ranch’s grass-fed beef got a chance to shine at the recent BC beef day on the legislature grounds in Victoria. Prepared by the well-known chef’s at House of Q, grass-fed beef sliced roast on a bun was served to the Premier, government staff and guests at this prestigious event.

Members of the FNAA initiated grass-fed beef chain were well represented at the event, including Trevor Kemphorne, FNAA GM; Geri Collins, Steering committee member, and manager of CFDC of CIFN. Chief Harold Aljum, President FNAA, Dr. John Church, TRU Research Team lead, Marla Ronquist, Manager, for Black Creek Ranch; Dave Fernie, with Rodear Meats; Patti Phillips, Grass-fed Beef Value Chain Project Coordinator, and Shelley Humble, project consultant. The event was held to raise the profile of Beef producers and to promote the industry in general in BC. The event provided an opportunity to get the Black Creek Ranch product into the limelight and into the mouths of people who may not have had grass-fed beef before.

Premier Christy Clark indulged in the grass-fed beef on a bun as well, and commented, “I encourage all British Columbian families to add beef to their menus and shopping lists and help support a strong, vibrant, and sustainable beef industry in the province.”

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**Quick Stats**

- There are just under 200,000 beef cows in BC
- 29 grass-fed beef producers participate in this value chain
- Value chain is a business concept started by Michael Porter in 1985

Sources: FNAA, Government of BC Newsroom, Wikipedia.org

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**Coming Events**

- Local farmers markets into September
- Eat Fraser Valley, Sept. 16-18th at the Abbotsford Tradex
- FNAA AGM, Oct 27th 2011
Researces Grass-fed Beef Benefits

Dr. John Church, Ph.D., P. Ag., Assistant Professor, BC Regional Innovation Chair, Cattle Industry Sustainability, Department of Natural Resources with Thompson Rivers University, has been a strong supporter and partner in the Grass-fed Beef Field to Plate project. He and his team of researchers have provided valuable scientific and research-based information that can be shared to educate consumers in the value and benefits of grass fed beef.

In an earlier interview with Dr. Church, he says, “grass-fed beef contains a healthier ratio of omega-6 to omega-3. We tend to take in too much omega-6 (found in grains) this competes for space with omega-3. Balance is the key,” he explains. Grass fed beef contains a ratio of about 4:1 omega-6 to omega-3. Chicken breast in comparison is much higher, about 21:1. He continues, “CLA’s which fight cancer are naturally occurring in grass-fed beef. The greater number of days cattle are on grain, the greater reduction in CLA’s,” he says, quoting the Leone Heart Study.

Dr. Church mentions that, according to research, eating grass-fed beef 3 times per week will show improved health over a short period of time. Other advantages include the fact that GFB is equally or more tender than other beef and lower in fat over-all. “On average Grass-fed beef has 10% less saturated fat,” he adds.

Dr. Church’s research has provided nutritional value information for Black Creek Ranch labelling and he showed us some of the high tech equipment they are using, including the new -80 degree freezer they recently acquired which allows storage of more samples. He says testing is ongoing, and adds one of his primary goals with the Grass-fed Beef value chain is product optimization.

The project is fortunate to have Dr. Church onboard, along with the support of TRU.

TRU Students Showcase Grass-Fed Beef at Beef Day

TRU has been a strong partner and supporter of the Grass-fed Beef Value Chain initiative, performing valuable testing and research on health benefits of Grass-fed beef. This spring, students at TRU featured grass-fed beef at their beef day and showcased 4 posters they developed citing results of some of their research and testing. The event was a collaborative effort bringing research and cooking together, as beef dishes were prepared and sampled by students and staff. The full posters the students prepared can be viewed at:

www.blackcreekranch.com


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Project Manager: Trevor Kempthorne
trevor@fnlala.com

Unsubscribe
If you do not wish to receive this newsletter in the future, please email philipsp@exporthet.com

Related Links:
www.blackcreekranch.com
www.fnla.com
www.heartlandfoods.com
www.aerbc.com
**Press Release Sample:**

Community Futures Development Corporation

**Interior First Nations**

215-345 Yellowhead Hwy

Kamloops, BC

V2H 1H1

FOR IMMEDIATE RELEASE
Wednesday, September 7, 2011

**New Coordinator Hired**

**Kamloops, B.C.** – The groundbreaking Grass-Fed Beef Field to Plate Value Chain program has a new coordinator, Ms. Patti Phillips. The program, which is funded in part through Western Economic Diversification Canada’s Rural Economic Development Initiative (REDI-BC), seeks to develop a value chain model for expanding the sales of grass fed beef throughout BC. Originating with a lead First Nations Agricultural organization supporting First Nations ranchers, the program has the potential to leverage the grass-fed beef industry to new levels for all producers province-wide.

“I would like to congratulate Patti Phillips on her new position with the Community Futures Development Corporation of Central Interior First Nations,” said the Honourable Lynne Yelich, Minister of State for Western Economic Diversification. “Ms. Phillips will be a great asset to the local agricultural economy.”

Ms. Phillips was directly involved in developing the original rationale for the Grass Fed Beef Value Chain Initiative. Working under the direction of the project lead, Trevor Kempthorne, General Manager for the First Nations Agriculture Association, Phillips is once again involved in the Value Chain project. She brings 10 years of economic development and project expertise to the initiative.

“I am very excited to be involved with this part of the work,” states Phillips. “To consider an eventual Province-wide, sustainable, value chain infrastructure that would support the grass-fed beef industry is monumental in terms of food security, health and wellness, and economic development; particularity at the First Nations level” she adds.

The project team is basing much of their work on the showcase pilot project, Black Creek Ranch, which Phillips believes is a model that can be duplicated in other regions of BC using a cluster approach.

“There are of course, many components to the value chain, but the one that has really brought the pieces together for the producers in the Thompson and Caribou region is Black Creek Ranch, the marketing and sales element,” notes Ms. Phillips. Black Creek Ranch Manager, Marla Ronquist, acknowledges it has taken some time to get to where they are now, but the hard work is really starting
to pay off this year. “We are four years into this project and we are now starting to see the benefits with new market sectors and increasing sales, month-over-month,” says Ronquist in an interview.

The project, which will report out in January, has strong leadership through a committed steering and advisory group who bring numerous skill sets and diverse backgrounds within the agriculture and First Nations communities. Along with Western Economic Diversification support at the Federal level, the project team recognizes a number of other integral partnerships, support and funding which have made this Field-to-Plate Grass fed beef value chain project work possible. These include key project sponsor CFDC of Central Interior First Nations; as well as Southern Interior Beetle Action Coalition, (SIBAC), Thompson Rivers University (TRU), National Aboriginal Capital Corporation Association (NACCA), New Relationship Trust, (NRT), VanCity Credit Union, First Nations Agriculture Association and the Aboriginal Agricultural Education Society of BC.

Geri Collins, Director of Operations for the CFDC of Central Interior First Nations, co-Project Funder and Project Administrator, and member of the project steering committee, says she is extremely pleased that Western Diversification is supporting this initiative. “The Aboriginal people have land, however they have not had the opportunity to gain the resources and experience to be effective and competitive in this market place,” Collins states. “This project will provide the opportunity for my people to change that. It will leave a legacy of Aboriginal Producers with sustainable operations.” She adds, “My thanks to all involved.”

The entire steering committee, with newly appointed chair Chief Harold Aljam, met mid-August in Kamloops with the new project coordinator and confirmed their on-going commitment to a sustainable grass-fed beef value chain beyond the life of this particular project and funding. They will be developing a long-term strategic plan in the coming months.

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**Media Contact:**

Patti K. Phillips

Project Coordinator

Grass-Fed Beef Field to Plate Value Chain Program

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