

**Beef Industry Partnerships
Project Concept: September 2014**

Project title

Partnerships to improve the livelihood and wellbeing of farmers and the cohesion and resilience of rural and regional communities: focus on beef

Project overview

The project will aim to contribute to improving the livelihood and wellbeing of farmers, and the cohesion and resilience of their communities. The project will bring together groups of beef producers aged 30-45 who are at the critical stage of assuming increased responsibility for beef enterprise planning and management. Over 3 days, they will share information on how alliances, co-operatives and other partnerships can operate in the beef industry. Emphasis will be placed on the need to have a sound knowledge of markets, and supply chains associated with targeted markets, before moving to a consideration of alliances. The forums will highlight the principles of being part of a shared cause including commitment, ethics, loyalty, responsibility, trust, and social inclusion. Case studies will be used to illustrate the features of successful and unsuccessful alliances.

By participating in the forums, producers will gain new knowledge of different enterprise structures and this will help them make informed and better decisions on how to plan their business to achieve the best personal, family and community outcomes. The project will help to build lasting personal and professional relationships and trust amongst contemporaries and peers. Participants will be encouraged to continue to work with a mentor, either individually or as groups. Hence, the project will act as a catalyst for ongoing individual, family and community building and support. The project will use social media and other contemporary communication platforms so that the experience of the forums can be shared widely, both nationally and internationally. Included will be videos that can be posted on the web and the use of YouTube, facebook and Google. This will provide a legacy platform for ongoing communication. Partners in the project are achieving positive outcomes with different communication platforms in agriculture and they will contribute their knowledge and expertise.

Project genesis

Many beef producers in Australia receive the smallest relative percentage of product retail value compared with other major beef producers elsewhere in the world. This situation is not sustainable, it should not be accepted, and needs urgently to be fixed. There is no single reason why beef producers are not sufficiently rewarded but contributing factors are the structure and operation of beef enterprises and the often disjointed and adversarial relationships in beef supply chains. This has resulted in an industry where many producers are in financial difficulty and there are high levels of personal, family and community stress and distress. The particularly difficult circumstance across much of the northern beef industry has led the Federal Minister for Agriculture to convene a beef industry rural debt roundtable in Canberra on 23 September 2014.

The argument can be made that too many beef producers do not think past the farm gate with the result that they simply produce a bulk commodity, rather than a distinctive product. They often also do not seek ways to implement change to optimize their profitability. The latter is often due to the lack of knowledge and also awareness of

potential alternatives to managing their enterprise and market opportunities. The geographical isolation of many producers, the single-enterprise model of operation, inadequate engagement with contemporaries and peers, and lack of wider social interaction, no doubt contribute to the difficult circumstance currently faced by many producers.

Somewhat paradoxically, the situation in the beef industry has coincided with a period of unprecedented increase in global demand for beef. Beef producers aged 30-45 are therefore assuming responsibility for managing enterprises at a time when the industry is facing both major challenges and opportunities.

Simply continuing with traditional thinking and conventional approaches is unlikely to be sufficient for many beef producers to achieve their personal, family and professional goals. By way of example, new thinking will be needed to adequately respond to, and benefit from, emerging markets based on changing consumer preferences (e.g. increasing demand for organic beef, 100% pasture fed, animal welfare, low carbon footprint and/or soil carbon storage, sustainability). These markets are projected to grow rapidly and an adequate response from industry will require both scale and continuity of production. It could become rare for single enterprises that operate in isolation to participate in new and emerging markets that return a premium. There will also be a need for a more productive dialogue and greater cooperation between producers and processors for mutual benefits that are based on better integration of supply chains which are linked to targeted markets.

There are existing programs that seek to embrace and recognize future generations of beef producers. These programs typically target a relatively young cohort that is some years from gaining responsibility for managing beef enterprises, and are very general in nature. Other programs are available to a relatively small cohort and also do not have the clear focus of the current project on partnerships and supportive structures that improve the livelihood and wellbeing of farmers, their families and their communities.

An important distinctive feature of the current project is that it will target beef producers aged 30-45 who have entered a period in their life when they are assuming primary responsibility for beef enterprises, and are required to make major decisions. These producers are in a window in time when many may need to make transformative decisions on how to structure their beef enterprise for profit and sustainability. Most of the producers who will participate in the project are relatively isolated and do not have many opportunities to meet with their contemporaries and peers to share their goals and aspirations and consider alternate ways to plan their future. They also have limited opportunities to access information because of restricted communication technology.

The project will bring groups of these producers together and provide them with new knowledge and awareness of alternative ways to structure beef enterprises. In particular, the project will encourage dialogue with contemporaries and peers who face the same challenges and opportunities. This will assist in building both personal and professional relationships. By selecting groups from specific geographic locations the project will encourage a continuing dialogue and thereby help to facilitate broader positive community outcomes. This will be further encouraged by mentors and social media.

There is an expectation that certain individuals who participate in the forums will become champions and leaders in their community, and that they will stimulate and lead ongoing thinking and change. Potential leaders have been identified. The project will therefore help to build lasting social engagement and cohesion which is often lacking but is vitally important for the beef industry.

Project plan

Forum structure

A facilitator with knowledge and experience in the beef industry will be engaged to conduct a series of forums in regions judged to be in most need.

Day 1

Participants will be invited to indicate their expectations from participating in the forum. This information will be used to develop a shared understanding of the conduct of the forum and expectations will be re-visited during and at the end of the forum to ensure they have been met.

Participants will be invited to give their views on the beef industry and what they see as the major challenges and opportunities at an enterprise, community and industry level. This will create an environment for the forum where thoughts are openly shared and there is recognition and respect for differing paradigms and perspectives.

An overview will be provided on structures in the beef industry and national and global market trends. This will be followed by information on the guiding principles of alliances, co-operatives and partnerships. Case studies will be presented of alliances (e.g. Greenham Pty Ltd, OBE Organic) and co-operatives (e.g. Bega Cheese, Murray-Goulburn). Participants will be invited to provide feedback on the information presented using an open session format.

Day 2

Participants will be invited to reflect on Day 1 and raise issues for further clarification. Knowledge will be shared on processes used to (1) identify markets, (2) understand supply chains and (3) identify participants in the production, supply chain, market continuum. This will be followed by information on the commitments associated with alliances, co-operatives and partnerships. It will be important for participants to develop a clear understanding of the strengths and weaknesses of different types of alliances. They should also be left with no uncertainty on the effort and commitment required to achieve a shared longer-term benefit in successful alliances.

Participants will be invited to form groups and consider whether alliances could be factored into their enterprise planning. Groups will give a report and common themes will be further discussed in an open session format. A summary of pros and cons will be produced.

Day 3 (half day)

Participants will be invited to reflect on Days 1 and 2 and raise issues for further clarification.

Information will be provided on the roles of a mentor and will include specific examples. Participants will be invited to indicate whether they wish to have a mentor, either as individuals, as a group(s), or both.

The process of identifying mentors will be started.

Information will be provided on social media platforms with specific examples on how these are being used in the beef industry.

The process of establishing social media as a legacy of the project will be started.

Participants will be invited to indicate how they will share the new knowledge they have gained within their personal and professional networks.

Participants will be invited to share their overall thoughts on the forum and how it might be improved.

Who will benefit and how

The overarching goal of the project is to help benefit farmers, their families and their communities. The benefits will be in livelihoods, wellbeing, and social cohesion and resilience.

Specifically:

- Producers aged 30-35 will have new knowledge to make informed and hopefully better decisions on the structure and management of their enterprise(s); producers who participate will subsequently share knowledge in their local region
- Producers and their families will benefit through improved enterprises, greater profit, and more assurance of remaining in their industry of choice
- Producers and their families will be part of supportive groups and will have greater social engagement
- Rural and regional communities will have greater social coherence and resilience
- There could be potential benefits to the environment if alliances are partly based on parameters that include natural resources such as soil carbon storage, sustainability, and similar.

Expected outcomes

The outcomes will include:

- The building of new networks and relationships amongst producers who are part of the next phase of the beef industry
- Lasting mentor relationships
- Producers empowered with new knowledge that will help them make informed and better decisions on how to structure their enterprise(s)
- Producers who are aware of potential alternatives in enterprise structures, are keen to seek innovation, and have the confidence to make decisions
- Improved livelihoods and wellbeing for rural and regional families and communities
- Broad dissemination of the experience of the forums through social media platforms including www, YouTube, facebook and Google; the audience will be both national and international
- A legacy platform for ongoing communication following the project
- A template for building trust and recognition in the development of integrated supply chains that appropriately benefit farmers and their families
- A template for engagement, collaboration and social capacity building