



ONTARIO PORK

Industry Benchmarking Tool November 17, 2010

University of Guelph professor lends a virtual hand

Years of research have produced an exciting new tool designed to help the Ontario hog sector for years to come. Ken McEwan, production economics and agribusiness researcher with the University of Guelph, Ridgetown Campus, is creating a new online pork industry model. His online tool is being developed to assist pork producers in benchmarking their operations and providing help making critical decisions.

Producers will enter their farm information and be benchmarked against the “model” farms. When the assessment is completed, the producer will know where his/her farm could improve compared to the group average. The tool will enable producers to target their cost of production and guide them in making sound business decisions.

The pork industry has been hit hard by several factors, including high feed costs, country of origin labeling (COOL) and a strong Canadian dollar. Producers in Ontario need help determining what makes them competitive and profitable in the long term. An increased awareness of real farm problems and how to work through them is key. If a producer can see where their farm stacks up to other comparable farm operations, they can also see where improvements are needed. The tool will also indicate areas where the farm is excelling.

For this project, McEwan is working with Lynn Marchand, a research associate who will collect and analyze the data to be used in the model. McEwan and his team have collected production and financial data from farrow-to-finish operations over a 20-year period.

When the free online tool is ready for public use in 2012, a booklet will be created to show the group average and those at both the top and bottom. Promotion for the project will begin in 2011 at the Ontario Pork Annual General Meeting and the London Swine Conference so producers are aware of the tool and are prepared to use it when it becomes available.

Ideally, McEwan and his team would like to see all pork producers accessing the tool. “It will be a tremendous resource for those producers who want to make changes to their operations and to those who are having a tough time making production decisions,” says McEwan.

In the long run, McEwan thinks there is a bright future for the hog industry. Short-term work is needed now to make it more competitive. This tool will certainly be a positive step in making that happen.

This project was funded in part through Growing Forward, a federal-provincial-territorial initiative. The Agricultural Adaptation Council assists in the delivery of several Growing Forward programs in Ontario.