



## *News Release*

### **Value Chain Management: Increasing the Long-Term Competitiveness of Canada's Agri-Food Sector**

**Guelph, ON (November 14, 2005)** “The development of successful value chain alliances is a management approach that can assist Canada’s agri-food sector compete against increasingly capable international competitors”, says Martin Gooch, Research Associate – Value Chains, George Morris Centre, in a special report released today. Through the formation of value chain alliances, which benefit all members of the chain, businesses of any size can innovate and compete in ways that would not be possible on their own.

Gooch explains that, in this changing world, the economy is impacted more by knowledge than by physical factors. This includes knowledge of consumer values. Remaining competitive in an increasingly consumer-driven business environment relies on the ability to serve consumers better by understanding them intimately and cost effectively supplying them with products that reflect their changing perceptions of value.

The report outlines the drivers, benefits and critical success factors required in the formation and management of value chains. According to Gooch, the establishment of a successful value chain alliance depends on the existence of certain critical success factors. These include the development of company cultures conducive to operating as alliances and the establishment of an effective governance system. Principled leadership and vision, as well as the ability to interpret and respond to changing market trends, is essential to the maintenance of successful alliances.

The complete report, *Drivers, Benefits and Critical Success Factors of Developing Closely-Aligned Value Chains*, is available on the George Morris Centre website, [www.georgemorris.org](http://www.georgemorris.org).

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