

Overview

Value chains have become a common topic of discussion in the Canadian agriculture and agri-food industry, but greater understanding of the benefits is required. Value chains create opportunities for businesses to adapt to an increasingly challenging environment.

The *Value Chain Management Centre* will work with Canadian and international value chain initiatives to share lessons learnt and identify critical success factors surrounding value chains operating in Canada and internationally. It will also examine reasons behind the failure of value chain initiatives, and will assess current agricultural and agri-food policy to determine support for the creation and operation of closely-aligned value chains that can benefit all members, including primary producers.

Located at the George Morris Centre, the *Value Chain Management Centre* will work together with the College of Management and Economics at the University of Guelph, as well as industry partners representing agriculture, marketing, processing, retail and foodservice.

An independent advisory council, comprised of appointed stakeholder representatives, will determine the *Value Chain Management Centre's* strategic direction and activities.

The *Value Chain Management Centre's* approach will assist in enhancing the competitiveness of Ontario and Canada's agricultural and agri-food sectors, and promote the adoption of value chain business approaches amongst sector executives and farm leaders.

VALUE CHAIN MANAGEMENT CENTRE Objectives

- ✚ Increase industry awareness of value chain management practices, including:
 - Benefits that can be obtained from adopting a systems-based approach to business management
 - Lessons learnt from initiatives undertaken in Canada, North America and worldwide
 - Impacts of legislation for both enabling and hindering the development of successful value chains

- ✚ Coordinate research and analysis from a systems-based perspective in order to:
 - Develop tools to assist businesses reduce the risks associated with trialing value chain strategies
 - Learn from the application of lean thinking and process management techniques to agriculture and agri-food
 - Identify opportunities and methods to create stronger inter and intra business relationships

- ✚ Disseminate the results of such research to increase the capabilities of industry stakeholders operating within commercial businesses, associations and government agencies through:
 - Interactive workshops designed to encourage farmers and agri-food business managers to look differently at their businesses and at opportunities to create sustained long-term competitiveness, and enable government representatives to support the creation and management of closely-aligned chains
 - Informed presentations to industry and government on value chain management strategies and approaches from an operational, commercial and regulatory viewpoint

Benefits:

- ✚ Raise stakeholders' awareness of the benefits of looking at the production, processing, delivery and marketing of food and agri-products as one integrated system, and the ways in which such approaches could be applied to their situations.
- ✚ Use results from initiatives undertaken in other countries to identify the weakness of operating as a fragmented series of business activities, and the benefits that can be realized through working collaboratively as a chain to encourage more objective, less antagonistic relationships.
- ✚ Rural economies benefit when local companies take greater control of their commercial destiny by developing closer, more proactive links with businesses situated along the chain. In doing so, these businesses gain greater access to information and insights that enable them to make more informed management decisions.
- ✚ Provide an opportunity for those wanting to explore the opportunities provided by chain-level business approaches to receive trustworthy and objective information and assistance.

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