# Mississippi River Forum

**Spring 2013**

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**GNP Company™, makers of**
**Gold'n Plump™ and Just BARE Chicken ™**

# Presentation Overview

- GNP Company Background
- Corporate Sustainability
- Carbon Foot Print: GHGs and LCA
- Responsible Crop Certificate
- Discussion

# Background Information

- GNP Company is a fully integrated poultry processor
- Partnerships with over 350 family farmers and operations in Minnesota and Wisconsin
- Founded in 1926 and family owned
- Multiple brands

# Our Commitment to Citizenship

We thrive by embracing safety and balancing the need for economic Progress with the needs of our People, Planet and Poultry.

# Environmental Mission

Our environmental mission remains focused on lessening the impacts across the entire supply chain, making positive change in the areas we directly control while proactively expanding our influence in the areas we don't.

# 2 Main Types of Carbon Footprints

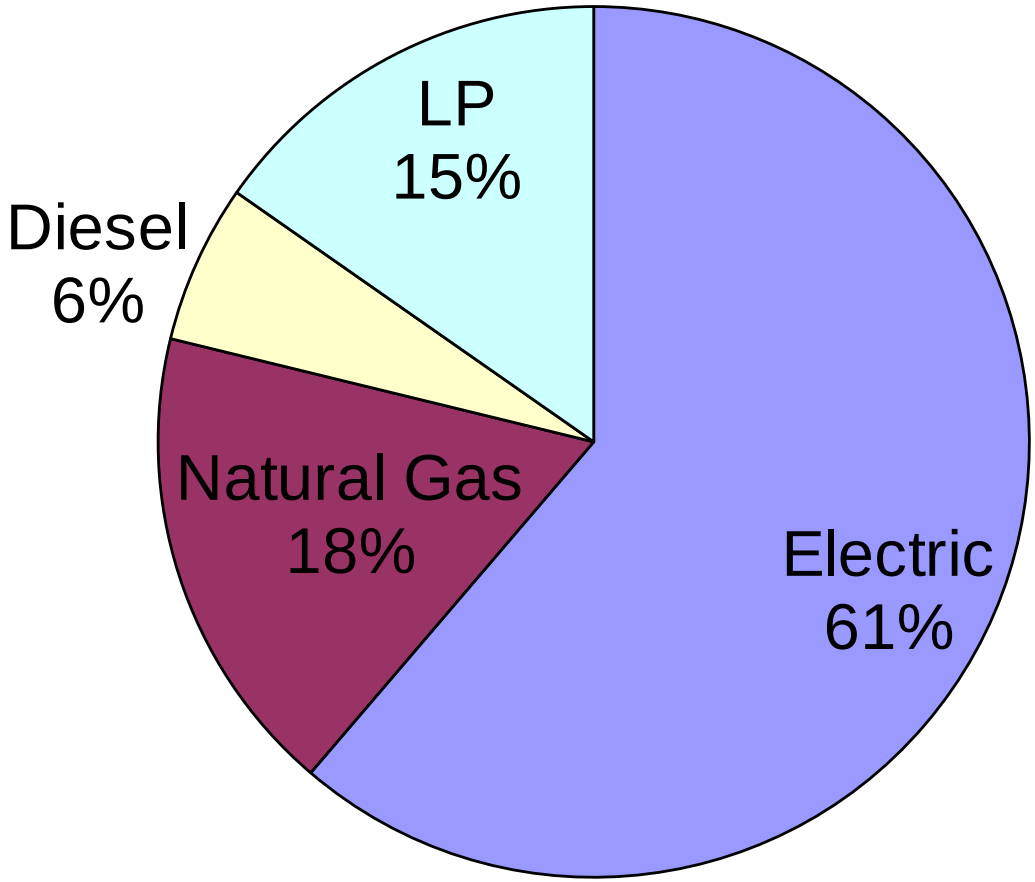
**Green House Gas (GHG) Inventory**

- A company level carbon footprint.
- A GHG Inventory takes into account the emissions for a specific company or facility.

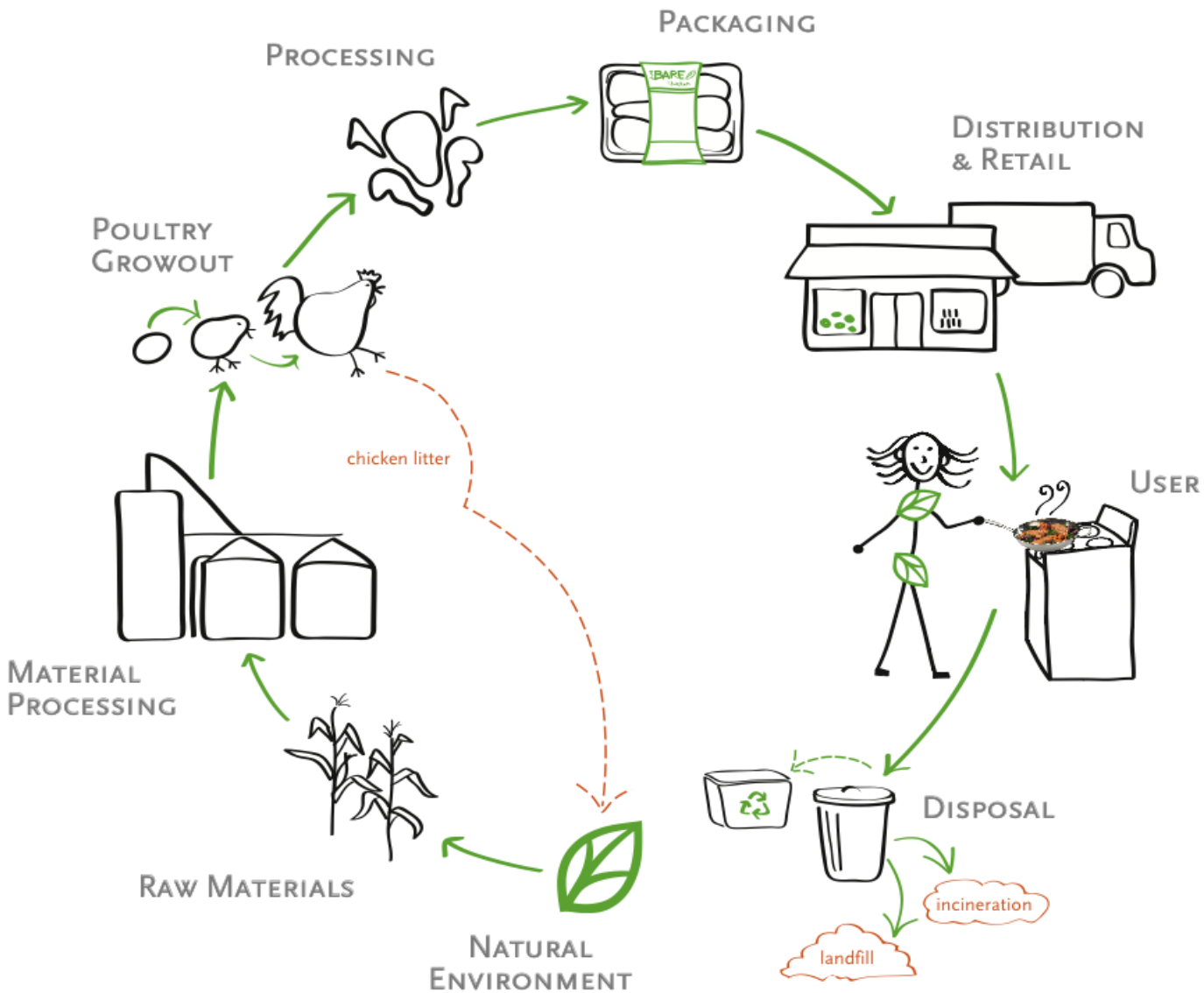
**Life Cycle Assessment (LCA)**

- A product level carbon footprint.
- An LCA takes into account the all emissions, from cradle to grave, for a specific product.

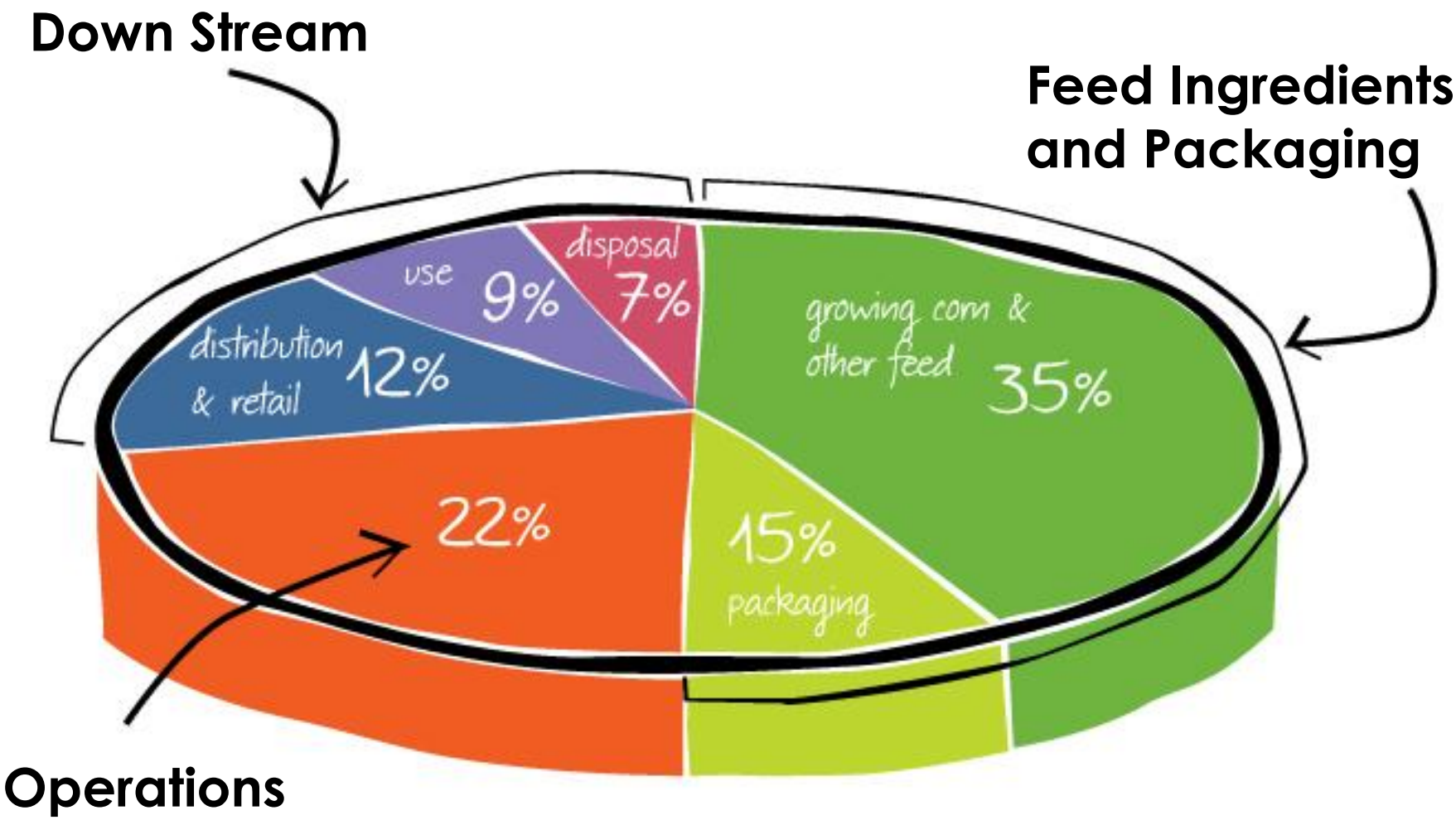
# GNP's Greenhouse Gas Inventory



# the lifecycle of Just BARE® products



# LCA of Just Bare's Carbon Footprint



The Economist

"Engaging suppliers is vital, because many firms have direct control over only a small part of their products' footprints."

-- Economist, "Following the Footprints", June 2nd 2011

# Responsible Crop Certificate

A market based approach to create a more environmentally sustainable food system.

A credit for environmental stewardship will create incentive for farmers who grow corn, soybeans or other crops, to reach predetermined level of performance.

# RCC Trades Separately from Crop

**Crop**

Physical Crop

**Grain Elevator**

Physical Crop

**Food Manufacture**

**Food Marketer**

**Consumer**

RCC Preference

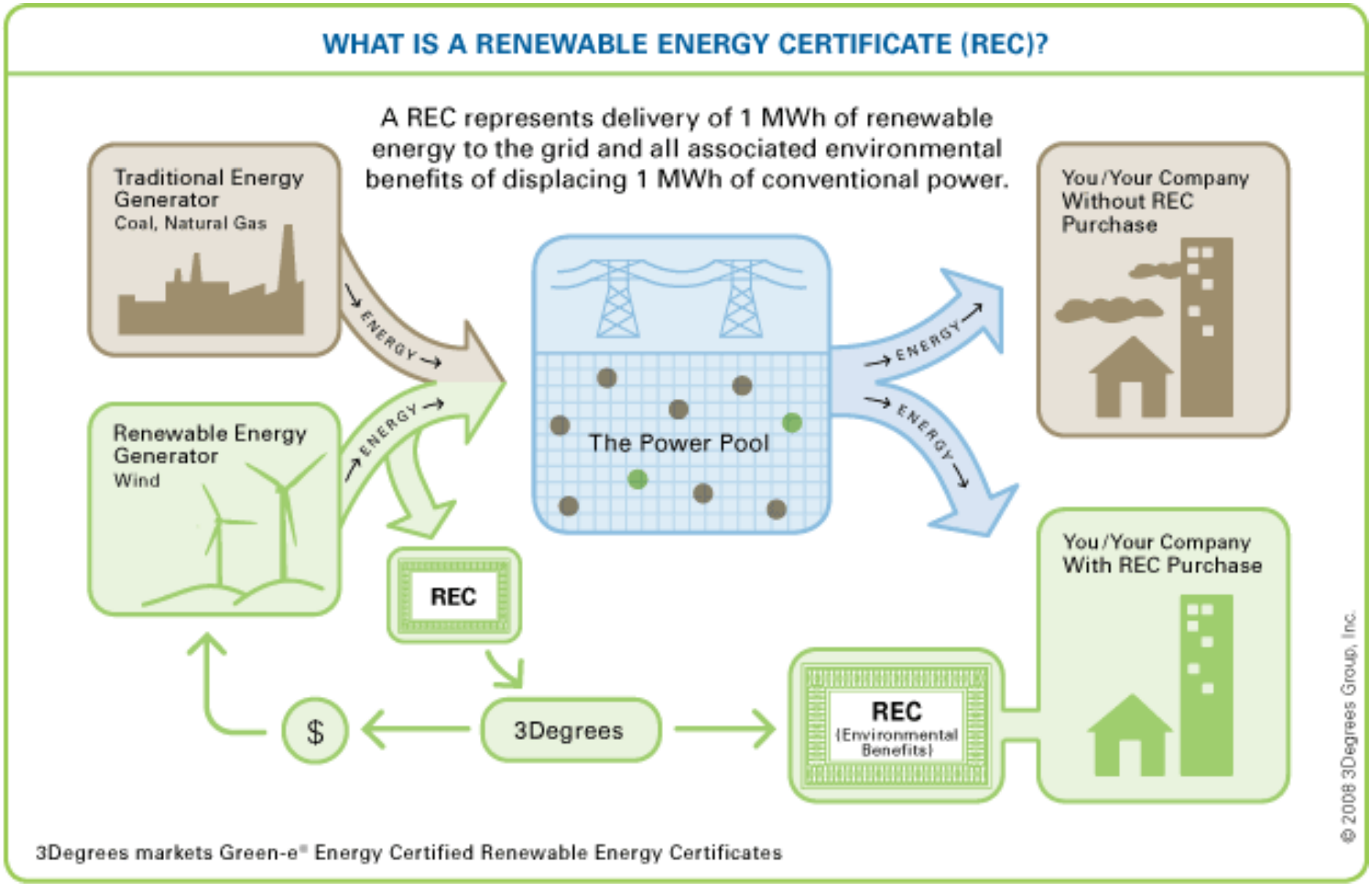
RCC Payment

**Farmer**

Improves and maintains environmental performance

Environmental Benefit

# The RCC would be similar to a renewable energy certificate



# RCC Development Timeline

## Stakeholder Engagement 2012-13

- Agricultural Producers/Farmers
- Food Marketers
- Agricultural Trade Organizations
- Environmental Advocacy Groups
- Others

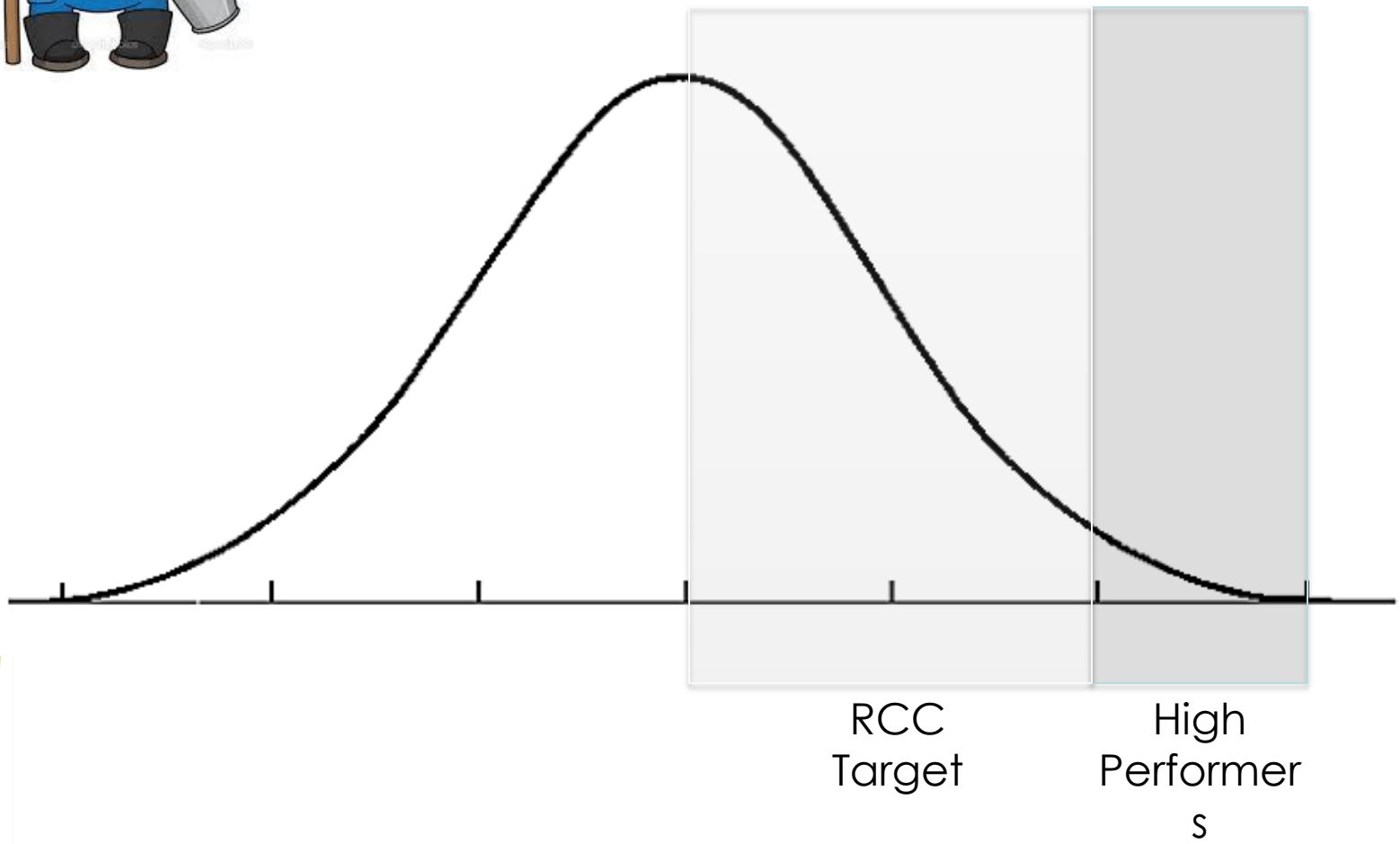
## Framework Design 2013

- Market Feasibility
- Technical Feasibility
- Benchmarking Other Programs
- Producer Incentives
- Credit Structure

## Phase 2 2014

- Full Design
- Small Pilot Project
- Benchmarking Other Programs
- Additional Partners

# Farmers Performance



# Stakeholder Learning - Farmers

- Farmers want to tell an environmental stewardship story
- Farmers do not want more government regulations, programs
  - Are motivated by financial incentives (e.g. farm bill, crop insurance, CRP)
- Confidentiality of on-farm practice data a concern
- Farmers want to better understand the sustainability of their practices
- Farmers are highly motivated by local competition
- Achieving the best yields, having a "good looking" crop
  - Can be at odds with on-farm economics

# RCC Farmers Perspective

- tell their sustainability story
- Non-governmental program
- Financial incentive for performance
- Differentiator in local land market

# RCC Farm Group Perspective

- Like the non-governmental approach
- Wary of market bifurcation
  - Prefer “continuous improvement” to “responsible”

# RCC Government Perspective

- Encourage environmental performance without additional regulation or resources
- Can work to incent performance within new and existing programs

# RCC Food Marketers Perspective

- Can provide way to demonstrate sustainability within supply chain
- Can validate performance within existing data gathering initiatives (Field to Market)
- Can provide way to connect with consumers looking for sustainable products
- Support will depend on voice of the customer.
  - Consumers pressuring retailers, retailer pressuring food marketers.

# Concept Discussion (1 of 3)

- Initial thoughts on RCC concept?
- Suggestions for what we need to do to be successful?

# Concept Discussion (2 of 3)

- Would this approach lead to meaningful environmental change?
- How do we ensure meaningful environmental performance / change?

# Concept Discussion (3 of 3)

- Is there a market for a RCC?
- What can we do to increase consumers willingness to pay for or request environmental performance?

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# Thank you

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