



## Vision for Iowa's Pork Industry: IPIC Advisory Committee Meeting



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## Pork Industry in Iowa

- More than just production of pigs
  - Processing, feed grain usage, buildings, equipment, supplies, jobs, soil nutrients, tax generation, etc.
- Massive structural change recently
- Rural economies are supported by the pork industry, could grow larger
- Need a clear and progressive vision to grow the industry



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## Long Term National Outlook

- Per capita consumption is stable while population is increasing and exports are growing
  - Demand for commodity pork should grow
- More food is being eaten out of the home
  - Potential demand for value added pork should grow
- Potential to grow in bioscience area



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## USA Pig Production

- Currently, 20% pigs on east coast
  - This will probably decrease (more people, less farm land, real tourism industry, long term moratorium)
- Production will either move somewhere else in USA or be imported
- Why not move it to Iowa?



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## Iowa Advantages for Pork

- Primary use of Iowa farmland will be for crops which need high quality nutrients
- Center of pork processing
- History of pork production excellence
- Rural economies in need of development
- Must be sustainable growth

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## Key Issues/Assumptions

- Environmental stewardship
- Communications between rural and urban populations
- Food safety and security
- How to develop the next generation
- Policy development/farm programs
- Information transfer
- Labor availability
- Energy costs

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## Potential Growth Areas

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- Commodity pork
  - Demand should grow and production could shift location
  - Expand farrowing, expand finishing
- Must be sustainable
  - Economic, environment, social aspects

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## Sustainability Factors

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- Economic sustainability requires adequate size, good management and technology utilization
- Key factor for both environmental and social sustainability appears to be the size of the operation
- Therefore, growth in the commodity side of pork production must be done via “Low Density Expansion”

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## Potential Growth Areas

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- Attribute based niche markets
- Demand in this area grows as the affluence of the consumer grows
- Attribute areas
  - Based on production system (pasture reared), eating quality (Berkshire, Niman Ranch), health perceptions (no sub therapeutics), diet (organic)
- Real need for economic information

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## Potential Growth Areas

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- Bioscience based industries
- Many different areas
  - Biological research, development, manufacturing, genetics, internet applications, feed products, research tools, etc)
- These bring high paying jobs to communities where they are located
- Require research university assistance

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## Potential Growth Areas

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- Harvesting and further processing
- Large harvesting industry now, difficult to locate new plants
- Increasing demand for further processed foods
- Further processing can be done in rural communities
- These jobs pay above average wages



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## Vision for Iowa's Pork Industry

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What do you agree or disagree with in the vision for Iowa's Pork Industry?

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## U.S. and Iowa Sow Herd

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- In 1980, Iowa had 2.2M sows or 23% of the US sow herd
- In 1990, Iowa had 1.7M sows or 24% of the US sow herd
- In 2000, Iowa had 1.16M sows or 19% of the US sow herd
- In 2005, Iowa had 1.1M sows or 18% of the US sow herd

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## Growth in Iowa's Swine Industry?

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- Will we see a reversal to the decline in the number of sows and see growth in the number of sows in Iowa?
- If so, what is a reasonable target for number of sows in Iowa?

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## Growth in Iowa's Swine Industry

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- What is reasonable growth in the number of hogs marketed in Iowa?

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