5-Year Goal... Met and Surpassed

Checkoff boosts real per capita pork expenditures... page 8

4 Chris Hodges joins National Pork Board as CEO

33 Pork Checkoff’s 2014 annual report
DISCOVER
A variety of in-depth tools allow advanced utilization of diagnostics and data analysis. The most important tool we use, however, is listening.

SOLVE
Solving problems is rarely a one-size-fits-all situation. Our solutions are field-proven and ever-evolving. Plus, we provide a variety of options to fit your specific needs.

SUPPORT
From on-going education and training to tech implementation, we’re here with support when you have questions.

One Number. Endless Solutions.

Choose Merck Swine 360° for science-based solutions that are best for your animals and best for your business.

THE SCIENCE OF HEALTHIER ANIMALS
www.Swine360Solutions.com
The pork industry chalked up some pretty impressive achievements last year. Some of these successes included the launch of the Common Swine Industry Audit, exports that again topped $6 billion, key research findings to help fight PEDV and creative new ways to share today’s pork production methods with consumers.

Also last year, real per capita pork expenditures were up 15.7 percent from 2009 levels, soundly surpassing the goal outlined in the Pork Checkoff’s 2010-2014 strategic plan for a 10 percent bump over the five-year period. Focusing on “pork champions” and introducing the Pork Be inspired® integrated marketing campaign played a major role in meeting – and exceeding – the aggressive goal.

While it’s good to take time to reflect on these accomplishments and others from 2014, pork producers continue to ask: What’s next? How can we improve animal care and sustainability? How can we better serve our customers? How can we build trust with the public?

To help answer these questions, the Pork Checkoff implemented a new strategic plan in January that will guide new programs and initiatives through 2020. Focused on anticipating and managing the changing world facing U.S. pork producers, the new vision is to “elevate U.S. pork as the global protein of choice by continuously and collaboratively working to do what’s right for people, pigs and the planet.”

This is not an easily achievable task. But with pork producers’ long history of perseverance and determination, we can be sure that the industry is up to the challenge and poised for success.

— Jan Jorgensen, Editor
National Pork Board Names Chris Hodges as New CEO
By Kevin Waetke

Chris Hodges, a pork industry leader with substantial senior management experience in agriculture, assumed the role of National Pork Board chief executive officer in mid-February. Previously, Hodges was senior vice president – business development of Smithfield Farmland. He has decades of experience in pork production, marketing and brand development.

“When I first joined what was then Farmland Industries as a grain division manager, I joined a farmer cooperative,” Hodges said. “Over the years, I’ve grown to understand the needs and challenges facing pork producers. From product marketing to disease management to sustainability, I look forward to working with staff and the Pork Board on developing tangible tools and grassroots programs on behalf of America’s pig farmers.”

Hodges has decades of in-depth knowledge and innovation in marketing pork to key U.S. food retailers and to international markets. His fresh-pork marketing experience includes direct producer outreach and involvement related to adopting on-farm practices designed to improve overall meat quality.

Focus on the Strategic Plan
A few immediate goals will demand attention at the start of his Pork Checkoff career.

“My new bosses are America’s pork producers. ... I look forward to meeting with producers across the country and to demonstrating my commitment to being a good steward of their resources.”

Chris Hodges, National Pork Board CEO

“First and foremost, I look forward to giving life to the new five-year strategic plan announced late last year. As a team, we will execute the plan on behalf of the 63,000 producers who contribute to the Pork Checkoff,” he said.

Expo, Hodges publicly endorsed the Pork Checkoff’s swine industry audit and its single, common approach to streamline how pork is produced. The new industry standard for auditing pork production, which aligns diverse practices into a common protocol, is supported by producers, packers, processors, retailers and others throughout the pork chain.

Hodges is a retiring board member of the National Pork Producers Council. He served as chairman of its Packer Processor Industry Council since 2013.

Right Person to Lead
“As we move forward with our new 2020 strategic plan, Chris is the right person to lead the organization,” Norton said. “He brings not only years of professional work experience, but firsthand knowledge and insight into our changing industry. We welcome him on board.”

Prior to his current role, Hodges advanced at Smithfield Foods—a $14 billion global food company and the world’s largest pork
processor and hog producer. He previously served as senior vice president, fresh pork and industrial sales at Farmland Foods and led the sales and marketing teams for its Smithfield® and Farmland® brands.

His industry expertise includes business development, sales and marketing, retail and foodservice outreach, new equipment and processing specifications management, risk management, feed and grains oversight and development of integrated information and technology systems.

Raised in Laurens, Iowa, he is a graduate of Drake University, Des Moines, Iowa, with a focus in international relations. He has a masters of arts in international affairs from Columbia University. Upon obtaining his graduate degree, he was a USDA project manager assigned to the U.S. Agency for International Development where he managed Extension projects in international grain markets.

He also has a doctorate in agricultural and applied economics from the University of Minnesota.

**Working for Producers**

“My new bosses are America’s pork producers,” Hodges said. “I am not a ‘desk CEO,’ and I look forward to meeting with producers across the country and to demonstrating my commitment to being a good steward of their resources. I have always felt that you do not talk your way into trust; you act your way.”

Hodges replaces Chris Novak, who is now CEO of the National Corn Growers Association after serving six years as National Pork Board CEO.

Consumers rely on us to produce high-quality pork in a responsible manner, so it’s important they know the principles that guide pork producers, such as our commitment to public health. Everyone involved in pork production – from farm owners to animal caretakers – has an obligation to use management practices that are consistent with producing safe food.

Let’s show the world how much we care. Visit [pork.org](http://pork.org) to learn more about best practices to ensure the pork you produce is safe for everyone.
New Award Spotlights We Care℠ Principles to Help Build Trust

By Mike King

The National Pork Board recently announced its new America’s Pig Farmer of the Year℠ award program. The award will honor the U.S. pork producer who best excels at raising pigs using the We Care℠ ethical principles and wants to share how he or she does it with the public. The program builds on many elements behind the successful 20-year run of the now-retired Environmental Stewards Award program.

“The public is the main audience rather than our own industry because that’s who has questions about how we raise pigs,” said Brad Greenway, vice president of the National Pork Board and chairman of the Stewards Task Force, which oversaw creation of the new program.

“Producers demonstrate the We Care ethical principles on their farms every day, and the new award is a unique way to share that with the public,” he said. The intent is to establish the winner as a national expert in pig handling and pork production, according to Kevin Waetke, vice president of strategic communications for the Pork Checkoff.

“Consistent with the National Pork Board’s new strategic plan, we want to build consumer trust through on-farm transparency and accountability,” Waetke said. “The focus is on environmental sustainability, along with animal welfare, production efficiency, the adoption of best practices and a commitment to continuous improvement.”

Applications Open April 1
All U.S. producers are welcome to apply April 1 to May 15, with instructions found at americaspigfarmer.com or via the link on pork.org. Specific details also will be available through state pork associations.

Two groups of third-party judges will help determine the recipient, with the winner announced during National Pork Month in October. The public will be engaged during the process via the Pork Checkoff’s social media outlets. Short video clips of the finalists will be displayed at americaspigfarmer.com, where people can vote for their favorite.

The winner will serve as spokesperson for America’s pork producers about 30 days during the year by sharing their farm’s story in venues across the country. To help compensate for time away from the farm, the winner will receive an honorarium.

Be the First Winner
“I encourage producers to consider applying or to encourage other producers who would be great candidates to do so,” Greenway said. “This new award will showcase what we do best – raise pigs in an ethical, responsible and transparent way.”

Ethical Principles
- Produce safe food
- Protect and promote animal well-being
- Ensure practices to protect public health
- Provide a work environment that is safe
- Safeguard natural resources
- Contribute to a better quality of life in our communities
It was a goal so big it wasn’t for the faint of heart. The target? Boost real per capita pork expenditures by 10 percent within five years. While industry leaders clearly raised the bar when they created the Pork Checkoff’s 2010-2014 strategic plan, their vision has become a reality.

“As pork producers, we have always set our goals high, and we don’t stop until we reach them,” said Dale Norton, National Pork Board president and a pork producer from Bronson, Mich. “We believe ambitious goals allow us to control the direction of change in our favor.”

Increasing real per capita pork expenditures by 10 percent in five years is nothing short of remarkable, according to Steve Meyer, president of Paragon Economics and a Checkoff consultant.

“We haven’t moved demand upward by this magnitude since the 1990s,” Meyer noted. For 2014, real per capita pork expenditures rose by 7.6 percent from one year earlier. That follows a 5.5 percent year-on-year increase in 2013.

“The last two years have been outstanding,” Meyer said. “December’s performance caps another great year and puts annual real per capita expenditures 15.7 percent higher than in 2009, eclipsing the Pork Board’s goal quite easily.”

Recent trends, such as the rise of foodies and a passion for protein, worked in favor of pork producers. “Capitalizing on these opportunities was no accident,” Meyer said. “You have to be positioned to take advantage of trends, and that’s what the Pork Checkoff has done over the last five years.”

Getting the job done

Increasing per capita pork expenditures by double digits in the past five years required a multi-pronged strategic plan, including the following:

Market research – It’s vital to understand what motivates today’s consumers. These factors go much deeper than price alone and change over time, noted Ceci Snyder, vice president of domestic marketing for the Pork Checkoff.

“In the past five years, we’ve dug below the surface to see what messages resonate with consumers,” Snyder said. “Our research findings influenced how we...
“AS PORK PRODUCERS, WE HAVE ALWAYS SET OUR GOALS HIGH, AND WE DON’T STOP UNTIL WE REACH THEM.”

– Dale Norton, National Pork Board president

narrowed our focus and developed inspiring, integrated messages that speak to our target market through advertising, public relations, social media, foodservice marketing and retail promotions.”

Focus on pork champions – The Pork Checkoff’s market research identified “pork champions” as a key target market. These people are interested in cooking and are creative in the kitchen. They’re comfortable cooking pork but are open to using the product even more. Reaching out to pork champions has paid tremendous dividends in the past five years, Snyder said. By the completion of the Pork Checkoff’s November 2014 tracking study, for example, the target market of pork champions grew to over a third (35 percent) of American households. That marked a significant jump from the 2010 segmentation study, when only 27 percent of Americans met the criteria to be considered a pork champion target.

Launch of Pork Be inspired® message – The Pork Checkoff’s Pork Be inspired® integrated campaign

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<th>Year</th>
<th>Pork Champions</th>
<th>Pork Expenditures</th>
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<tr>
<td>2010</td>
<td>27%</td>
<td>15.7%</td>
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<td>2014</td>
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<tr>
<th>Year</th>
<th>Number of Eatings</th>
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<tr>
<td>2010</td>
<td>2.9</td>
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<td>2014</td>
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“We haven’t tried to convert people who don’t eat pork,” Snyder said. “We’ve been fishing where the fish are, which has helped boost real per capita pork expenditures.”

Number of Eatings
Medium to heavy user of pork over a two-week period

Increase in per capita pork expenditures

Pork Champions
Percent of American Households

Spring 2015
that debuted in 2011 has been central to the success of the last five years.

“With a new focus on reaching creative, flavor-seeking home cooks who already prepare, eat and love pork, we were excited to share pork’s new identity: Pork Be inspired,” Snyder said.

“The positioning celebrates pork’s place in almost any menu, cuisine and lifestyle, thanks to pork’s unique combination of flavor and versatility,” she added. “The campaign is unapologetically optimistic about the unique attributes of the world’s most popular protein, which is pork.”

**Increased support for foodservice** – Pork’s growth in foodservice has been phenomenal, Snyder said. In fact, pork’s growth rate outpaced all other proteins in the last few years, according to Technomic, Inc.’s 2013 Volumetric Assessment of Pork in Foodservice.

According to the study, total pork sold through foodservice outlets reached a record-breaking 9.25 billion pounds, reflecting a volume increase of 462 million pounds over 2011 when the survey was last undertaken.

“There’s more openness to pork among consumers, and foodservice trends reflect this,” Snyder said.

**Eye on food trends** – The Pork Checkoff made pork photos more prominent in advertisements and explored new flavors.

“Recipes like Cider Brined Porterhouse Pork Chops or Pork Quinoa Salad with Cherries and Balsamic might have been too exotic 10 years ago, but they offer the right blend of tradition and innovation that today’s consumers crave.

“We try to be very thoughtful in how we present our recipes,” Snyder said. “We want to be on trend but not too far out as we feature new flavors and recipes.”

**Keeping the Momentum Going in 2015 and Beyond**

The Pork Checkoff is shaking up the creative style of its advertising for 2015 to build on the efforts and success of the last five years.

New integrated campaigns will showcase seasonal themes, such as Grill Crashers, which will run from April through September.

“Our ads will feature a new look to make them stand out even more from the crowd and catch people’s attention,” said Laurie Bever, director of consumer advertising for the Checkoff.

The Pork Checkoff also is evaluating lively ways to engage with consumers, with events inspired by popular makeover shows.

“With Grill Crashers, ideas could include fun ways to enhance people’s...

continued on page 12 ...
The Story Behind the Big Goal

What motivated members of the Pork Checkoff’s Domestic Marketing Committee to set a five-year goal of boosting per capita pork expenditures by 10 percent by 2014? We asked Dianne Bettin of Minnesota, David Newman of North Dakota, and Jan Archer of North Carolina, each of whom played a key role in developing the Pork Checkoff’s 2010-2014 strategic plan.

Q: What did you think of the 10-percent goal when it was first proposed?

A: Archer: I thought this was a very aspirational goal, especially since pork expenditures had been flat for many years.

Newman: It was a monumental task to take on, but the Pork Checkoff has a tradition of setting ambitious goals and applying the right tools to reach them.

“It was a lofty goal, but we thought it was attainable. Even if we fell short of the goal, we knew we’d still come out far ahead.”
- Dianne Bettin, Minnesota

Q: What were some key strategies/initiatives that helped the Pork Checkoff reach its goal?

A: Bettin: The Pork Be inspired campaign definitely made a positive difference. The Pork Checkoff’s renewed focus on foodservice, chefs and restaurants also was important. Celebrity chefs are so influential now, and they appreciate pork’s flavor, versatility and affordability.

Archer: Our collaboration with major retailers, a focus on pork champions and new advertising were positive. The fact that bacon developed a cult following and that pork has offered such good value also has helped.

Q: How important are Pork Checkoff programs in spurring more pork demand?

A: Bettin: The programs are immensely important to help us reach goals we can’t achieve on our own. We’re in a really good place right now and will build on this success, thanks to the hard work of the Domestic Marketing team and producers’ continued investment in the Checkoff.

Newman: One thing is certain – the marketplace will continue to change. Playing offense, rather than defense, is a smart strategy for the pork industry. Pork Checkoff investments in promotion, research and education give us the right tools to meet our goals.

“Focusing on the right target audience is very important. Launching an entirely new campaign with Pork Be inspired® with its fresh look and new advertising showcased pork’s versatility. These strategies, along with more emphasis on multicultural marketing, helped us connect more effectively with foodservice professionals, retailers and consumers.”
- David Newman, North Dakota

“The Pork Checkoff represents all producers, all production methods and all geographical areas of the country. It’s a key tool for accessing markets and venues that individual producers, packers and processors can’t.”
- Jan Archer, North Carolina
picnics, family reunions or backyard barbecues and make pork the star of the show,” said José de Jesús, multicultural marketing director for the Pork Checkoff. He added that social media would be used to promote the events.

“A new television advertisement, which will debut mid-May, will feature delicious and inspiring pork recipes and upbeat, fun music written specifically for the Checkoff,” Bever said. “We want to tie into the enjoyment our target has for cooking with pork.”

This builds on the Pork Checkoff’s 2014 market research, which tested a variety of pork images to see which ones appeal to today’s consumers. When people saw a pulled-pork pizza, for example, they responded positively and wanted to learn more.

“We want to present new ideas for cooking with pork that appeal to our consumers’ interests and creativity,” Bever said.

The Pork Checkoff will measure consumer responses to the new advertising through tracking studies in the months ahead. The Pork Checkoff is also updating its market segmentation study in early 2015 by surveying 3,500 households.

“We want to better define our target and gather data to guide our future marketing efforts,” Snyder said.

Looking ahead, Norton said, “We’ve had tremendous success in promoting our product during the last five years. As a producer, I look forward to seeing how pork’s role with consumers will continue to expand and evolve in the months and years to come.”

The Pork Checkoff will debut new print ads this May in popular consumer magazines. The ads will encourage consumers to let pork star at everything from backyard barbecues to family reunions. The publications will run editorial content in the space shown here.

“As a producer, I look forward to seeing how pork’s role with consumers will continue to expand and evolve.”

– National Pork Board President Dale Norton

continued from page 10
New Names, New Recognition
Major meat reference lists new pork cut names
By Stephen Gerike

Names have power. That’s why the meat industry is literally rewriting the book, with new pork cut names becoming the industry standard being offered to restaurant operators and their guests.

Terms such as “porterhouse pork chops” appear in latest edition of The Meat Buyer’s Guide®, which represents a breakthrough achievement for the North American meat trade.

The newly revised edition, published by the North American Meat Institute, is the first universal meat cut reference for the United States, Canada and Mexico. It’s also endorsed by 33 industry and foodservice associations.

Why is this such a big deal? Since 1961, The Meat Buyers Guide has been the premier resource for foodservice professionals who buy, sell, cut, cook, eat and enjoy meat. With trusted information and color photography, the guide remains the foodservice industry standard for authoritative guidance on meat nomenclature.

Pork Checkoff staff have served on the revisions committee for The Meat Buyers Guide for the past 10 years. The new pork cut names in the eighth edition of the guide, which debuted in December, reflect changes that started taking shape in 2011.

Nearly two years of consumer research found that consumers often are confused by different names for similar cuts of meat. As a result, they didn’t know how to cook many cuts available in the meatcase.

The Checkoff began revamping pork cut names to help consumers understand what they’re buying and how to cook it. The new names evolved from common meat names that consumers already were familiar with from other livestock species.

Now when people talk about a pork porterhouse chop (formerly the bone-in pork loin), they relate it to a porterhouse steak. This suggests that the cut is good for grilling, as well as tender and high quality.

Adding Value to Pork

The updated guide aligns the new pork cut names being used by retailers with foodservice. Now restaurateurs can use the distinctive names to differentiate pork chops on the menu in a way people recognize.

The new pork cut names are changing the way retailers talk about meat. And instead of featuring “assorted pork chop” packages in the meatcase, retailers can promote specific cuts of pork to help drive demand and add value to loin chops.

To keep the momentum going, the Pork Checkoff has showcased the new pork cut names in recent consumer promotions and will highlight the new chop names this summer. The Checkoff also is working with top U.S. retailers who are at various stages of adopting the new names.

The buzz continues to build now that the latest edition of The Meat Buyer’s Guide includes revised names for all bone-in and boneless pork chops cut from the pork loin. From T-bone pork chops to ribeye pork chops, we’re building awareness and demand with consumers.
What Does Growing Demand Mean to Pork Producers?

By Steve Meyer

The past two years have been remarkable for pork demand. Real per capita expenditures (RPCE) for pork, a measure of pork demand, have increased 13.5 percent since 2012. That remarkable run put the increase since 2009 at 15.7 percent, easily outpacing the National Pork Board’s 2010 Strategic Plan goal of increasing RPCE for pork by 10 percent.

Higher demand provides two opportunities for pork producers. In the short run (one to two years), higher demand provides higher profits. In the long-term, it provides the opportunity for industry growth.

The increase in demand means that U.S. consumers, on average, were willing to pay 13.5 percent more in stable, deflated dollars than just two years ago to consume the same amount of pork per person. This is a pretty accurate description of what transpired, with per capita availability 1.8 percent higher in 2013 and then 0.8 percent lower in 2014. Real retail prices rose by 12.1 percent over the two-year period.

The higher retail price levels allowed the net farm value of each retail pound of pork to increase from $104.89 per cwt in 2012 to $110.07 in 2013 and $131.80 in 2014. This drove revenues higher in 2013 and then, when combined with lower costs, resulted in record profits in 2014.

Stronger demand thus provided for clear gains in producer profitability in the short run. The gains would have been even larger had it not been for very high 2013 costs following the short 2012 crop.

Conversely, the RPCE growth implies that U.S. consumers would have purchased 9.1 percent more pork if real (deflated) prices had held steady at 2012 levels. Consumption growth and price stability could only have occurred if domestic pork availability (production less any increases in net exports and cold storage stocks) had grown by 9.1 percent. We can’t consume more than we produce!

So, the past two years’ higher pork demand has provided an opportunity for the U.S. production sector to grow. The degree of growth will depend on cost levels.

The industry could grow by that 9.1 percent and expect to see real retail prices at 2012 levels. If producers’ share of those prices remains steady, the production sector will remain profitable since costs are, at present, forecast to be almost $20 per cwt carcass, lower in 2015 than in 2012.

The bottom line is that individual pork operations must grow at rates that result in a collective industry output that does not outstrip the healthy demand gains of 2013 and 2014. Does this mean the emphasis on demand improvement is misplaced? Absolutely not.

In the absence of progress comes complacency and, eventually, withering. Demand progress protects the gains of the past, establishing “opportunities” as part of the ongoing industry. How producers react to these successes is as important as the actions they took to achieve them. Let us all consider those reactions carefully in these times of opportunity.
IF YOU HAD A DAY LIKE MINE, YOU’D NEED A DRINK TOO.

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2014 Pork Exports Top $6 Billion

By Claire Masker

For the fourth year in a row, U.S. pork exports eclipsed the $6 billion mark. In 2014, 4.803 billion pounds of pork and pork variety meats valued at $6.674 billion were exported, up 2 percent and 10 percent, respectively from 2013. Over 100 countries around the world imported U.S. pork.

“We saw a dynamic environment for U.S. pork exports last year,” said Brian Zimmerman, chair of the Pork Checkoff’s International Trade Committee and a pork producer from Beatrice, Neb. “Our strong global partnerships and rising global demand for our product meant that despite record high prices, we continued to see the growing revenue we enjoy from exports.”

Strong pork variety meat demand around the world continues to increase exports and positively impact producer profitability. For every $1 million of pork variety meats exported, the live value of hogs increases by $0.20 per cwt, according to a regression analysis conducted by Iowa State University economist, Dermot Hayes.

Navigating Challenges

“While 2014 exports remained strong, the industry faced many challenges, such as market closures, increasing competition, a high-valued U.S. dollar and global trade shifts,” said Becca Hendricks, vice president of international marketing for the Checkoff. “Checkoff resources were extremely important in monitoring and reacting to situations to allow for continuous trade.”

Current negotiations for two additional free trade agreements – the Trans-Pacific Partnership and Transatlantic Trade and Investment Partnership – could positively impact U.S. pork exports. The Trans-Pacific Partnership of 12 nations, including Japan, Mexico, Canada, and China/Hong Kong, is expected to increase global trade and open new markets for U.S. pork producers.

In 2014, 26.5% of U.S. pork and pork variety meat production was exported. This added $62.45 per hog marketed.

Top U.S. Pork Export Markets in 2014

<table>
<thead>
<tr>
<th>Top five markets in total pounds exported:</th>
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<tbody>
<tr>
<td>Mexico</td>
<td>1.501 billion lbs., up 9%</td>
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<tr>
<td>Japan</td>
<td>1.033 billion lbs., up 10%</td>
</tr>
<tr>
<td>China/Hong Kong</td>
<td>743.6 million lbs., down 19%</td>
</tr>
<tr>
<td>Canada</td>
<td>457.2 million lbs., down 9%</td>
</tr>
<tr>
<td>Korea</td>
<td>298.5 million lbs., up 36%</td>
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<table>
<thead>
<tr>
<th>Top five markets in total value exported:</th>
<th></th>
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<tbody>
<tr>
<td>Japan</td>
<td>$1.932 billion, up 3%</td>
</tr>
<tr>
<td>Mexico</td>
<td>$1.558 billion, up 27%</td>
</tr>
<tr>
<td>Canada</td>
<td>$904.7 million, up 7%</td>
</tr>
<tr>
<td>China/Hong Kong</td>
<td>$775.4 million, down 14%</td>
</tr>
<tr>
<td>Korea</td>
<td>$444.6 million, up 61%</td>
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Source: USDA statistics compiled by the USMEF; compared with 2013
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For the latest Pork Checkoff news, go to pork.org on your mobile phone or tablet.

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Pork Leaders Visit Top Market for U.S. Pork

By Darcy Maulsby

Mexico, consistently the top volume market for U.S. pork exports, recently offered a great “classroom” to help members of the Pork Leadership Institute (PLI) gain a better understanding of the importance of international trade. The PLI is a joint leadership development program offered by the National Pork Board and the National Pork Producers Council.

During a trip in late 2014, PLI members learned that the U.S. pork industry exports about 40 percent of its ham production to Mexico. They had the opportunity to tour the largest ham processing company in the country. In 2014, U.S. pork exports to Mexico totaled 1.5 billion pounds, up 9 percent compared with 2013.

The PLI members toured a “wet” market in Mexico City, where small grocery stores and restaurants purchase imported pork, and a modern supermarket, where they viewed a U.S. Meat Export Federation promotion for U.S. pork. The PLI members also learned about economic benefits of free trade, how trade partnerships work and how market access challenges are addressed by the industry.

“It’s important for producers to see how the pork they produce fits in an international marketplace,” said Becca Hendricks vice president of international marketing for the Pork Checkoff.

Vietnam and Australia, represents 40 percent of global gross domestic product.

The Transatlantic Trade and Investment Partnership, is a trade agreement with the European Union. Checkoff research and education about the potential of free-trade agreements continue to be important contributors in moving the agreements forward, said Hendricks.

Exploring Opportunities

To help U.S. pork meet growing international consumer demand, the Pork Checkoff conducted a study to explore alternatives for promoting pork’s quality and sustainability benefits with international consumers.

The study, conducted by SIAM Professionals, LLC, evaluated the effectiveness of current global marketing efforts and identified potential partnerships and marketing tools for promoting U.S. pork. Results of the study are being evaluated by the Checkoff board of directors.
Swine Health Information Center to Focus on Disease Threats

By Dr. Paul Sundberg

The experience of Porcine Epidemic Diarrhea Virus (PEDV) is offering us many lessons. How the virus got into the United States was one of the first questions asked. We still don’t have the answer.

But we have learned that the logistics of today’s pork production is so large that the likelihood of being able to protect against the entry of another disease is, at best, extremely small. International travel has dramatically increased, and pork producers import a wide variety of inputs onto their farms. We have to be better prepared for more of these types of production diseases getting into the United States.

Being prepared means that the U.S. pork industry has to take seriously the need for a coordinated response to these diseases or we will repeat the PEDV experience. We can’t rely only on state or federal animal health officials, including USDA, to protect pigs. Resources to be able to do this are not available.

We need a coordinated state-federal-industry response – things that we can do together. And we need a planned industry response – things that we do for ourselves.

The first is being worked on. We’re not there yet, but much progress has been made. The second is being answered by the formation of the Swine Health Information Center.

The National Pork Board’s directors have approved the use of $15 million of supplemental Checkoff money to form the center and support that industry response. These funds are outside of the normal Checkoff budget and budgeting process, so other research, education or promotion programs won’t be affected.

The money will be used during the next five years. At the end of that time, the center will either sunset, or it will have demonstrated enough return on that investment to look for additional sources of funding.

And, to be clear, the center will be its own, separate corporation. Although initially funded with Checkoff supplemental funds, it also will look for other funding.

The center has its own board of directors. All this will help ensure the security of any information and analysis. The center will add to and not duplicate the efforts and abilities of the National Pork Board, the National Pork Producers Council or the American Association of Swine Veterinarians.

Focus on Three Goals

The center has three big goals. The center will monitor foreign and endemic disease risks and vulnerabilities. It will gather and coordinate swine disease risk information from a variety of private, company

Swine Health Center Board Announced

The board members for the new national Swine Health Information Center represent the National Pork Board, the National Pork Producers Council (NPPC), the American Association of Swine Veterinarians (AASV) and at-large U.S. pork producers. The members are:

- AASV – Matt Anderson, Algona, Iowa; Daryl Olsen, Audubon, Iowa
- NPPC – Howard Hill, Cambridge, Iowa; Bill Luckey, Columbus, Neb.
- Pork Board – Brett Kaysen, Nunn, Colo.; Mark Greenwood, Carlyle, Ill.
- At-large producers – Mark Schwartz, Sleepy Eye, Minn.; Mike Terrill, Burnsville, Minn.; Matthew Turner, Clinton, N.C.
and government resources and will inform producers of emerging swine disease risks, helping them be better prepared. The center also will focus research resources.

Second, the center will fund and manage research needed to improve diagnostic capabilities to detect emerging production diseases. The research will help fill diagnostic and information gaps identified by global monitoring. And, as diseases change and priorities change, the center will ensure the right focus on the highest-risk diseases.

Third, using new technology without the need to capture producer information into a separate database, the center will support epidemiological analysis of diseases that will help improve swine health on the farm. This also will give producers the information they need to help make decisions on their farms that will affect biosecurity and biocontainment.

As the center progresses, it can provide support for the Secure Pork Supply plan to enable producers to provide the health assurances needed for pig movement in the face of some diseases. And it can give the industry a way to manage national swine health information to support international trade of U.S. pork products.

The center’s development hasn’t really been “behind the scenes.” The National Pork Board’s directors thought about and debated its formation for the last year. In the end, the board concluded that the one-time investment of extra Checkoff funds will give us better pig health tools and better prepare us for the future. Learning lessons from PEDV may help us to not repeat that piece of our history.

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EuroTier Offers Insights into EU Pork Industry

By Mike King

Editor’s Note: Mike King, director of science communications for the Pork Checkoff, attended the 2014 EuroTier. As a guest of the German Agricultural Society, he represented the Pork Checkoff and shares insights from his visit.

The barns and equipment may not look quite the same on farms near Ottumwa, Iowa, and Düsseldorf, Germany, but with today’s increasing technology and maturing global markets, the challenges that U.S. pork producers and their European counterparts face aren’t nearly as different as they were in the past.

One-stop, Mega-fair

Billed as the world’s leading trade fair for livestock production, EuroTier provides a crash course in all things related to raising pigs, cattle, sheep, chickens and more. The massive fair, held every two years, is located in Hanover, Germany, and draws nearly 2,400 exhibitors from about 50 countries.

The 2014 EuroTier was eye-opening in terms of the show’s size alone. The show also underscored the innovations that producers and allied industry are initiating and adopting.

About half of the exhibitors were from Germany, the third-largest pork producer after China and the United States. Germany produces more than 5 million metric tons of pork each year from about 60 million pigs. As recently as 2000, however, Germany raised fewer than 12 million pigs. Statistics reveal that the increase to today’s 60 million pigs is primarily the result of an increase in finishing piglets from other countries, such as Denmark and the Netherlands.

According to the German Agricultural Society, future growth in pig production in Germany will continue, but regulations will tamp down some of the upside potential. The organization predicts that extra welfare costs will be borne primarily by the farmers and not consumers, making increased efficiency at the farm level critical.

Innovations recognized

As a long-standing tradition, EuroTier’s innovations commission of experts reviews entries to receive the fair’s gold medal. For 2014, the commission reviewed 270 entries from all species. Here are the gold-medal winners in the swine category.

• The PEF-System from Big Dutchman breaks down corn silage by using an electrical pulse field. This makes the corn more digestible for pigs since they lack the enzyme to use all components of corn in their normal digestion.

• Meier-Brakenberg won for its “Porky’s Pick Up” device, shown here. The self-propelled vehicle...
As part of a communications outreach plan to the German public, a “Schweine Mobil,” or in English, “Pig Mobile,” is in its second year of traveling around the country to give German consumers a realistic insight into modern animal husbandry.

“It helps create a transparent opportunity for dialogue with consumers and consumers on critical issues about how pigs are raised,” said Monika Larch, public relations specialist with the Foundation for Sustainable Agriculture, the Berlin-based organization that oversees the mobile display.

“Hardly anyone knows today how pigs are produced,” Larch said. “Unfortunately, visiting pig farms isn’t always easy for the public as requirements for biosecurity must be maintained to guard against the introduction of disease.”

The pig mobile – with its integrated bay for piglets – serves as a realistic way to show interested consumers about how pigs are raised and invites questions and dialogue. Depending on the venue, the display is being used with live animals or mannequin-like pigs. The mobile’s realism centers on showing young pigs living in a modern barn, complete with a ventilation and heating system, feeders and slatted concrete and plastic flooring.

According to Larch, the interest by various groups to bring the mobile to their town or specific location surged in 2014, with high interest again this year.

The sign above the pig display says “Pigs feel great with their five freedoms.” As part of the EU, Germany adheres to the five freedoms that are part of EU regulation: 1. Freedom from hunger or thirst; 2. Freedom from discomfort; 3. Freedom from pain, injury or disease; 4. Freedom to express (most) normal behavior; and 5. Freedom from fear and distress.

can collect adult pig mortalities without any manual labor. The farmer can ride on a footboard as the machine does the heavy lifting and transporting for disposal.

- Schippers’ “HyCare” housing concept, using transportable, easily cleaned piglet pens, was another gold-medal winner. Standing on a metal base, the pens consist of a plastic tub and open plastic flooring, which allows manure to be captured in a self-contained base and piped out of the building. The housing allows farmers to move the portable pens with an existing automatic transport system.

For more about the winning swine equipment from the 2014 EuroTier, visit eurotier.com/innovations.
For pig farmers in Europe, determining how to raise their animals isn’t merely up to them and their veterinarians. Today, it also involves what consumers think should happen, which even means keeping pigs from becoming “bored.”

Thomas Blaha, a professor of epidemiology at the University of Veterinary Medicine Hanover Foundation, Bakum, Germany, spoke about this at the German Federal Association of Practicing Veterinarians meeting, which was adjunct to EuroTier. He said the focus on animal welfare in the EU has led to increased regulations for pork producers due to increased societal expectations.

“Livestock producers must not only base production strategy on input criteria for their farm, but also on output criteria from consumers,” Blaha said. “Consumers are increasingly the driver of how we raise animals.”

For today’s veterinarians, increased pressure from society must not impair good technical advice to farmers, Blaha said. “However, we must foster community support for what we do on the farm and don’t take shortcuts on animal welfare or using antibiotics when needed,” he said.

“Distraction Materials” Now Required

Pigs in much of Europe can now look for more than mere feed, water and their penmates to keep occupied. Since January of 2013, pig farmers in the EU must provide “distraction materials” to sows and pigs.

To help them comply with this mandate, many exhibitors at EuroTier offered various version of enrichment products, which also help to achieve the EU’s “five freedoms” of livestock, outlined on page 21.

Whether it was a brightly colored ball, a straw bucket, ropes, chains with wooden blocks or swinging plastic novelties, fairgoers at last November’s EuroTier could find what they liked, or more importantly, what they believed their pigs would like.

One interesting choice at EuroTier 2014 was a product called Porkyplay, which is made from biodegradable material and provides antibacterial properties. Impex, the Dutch provider, claims that it kills 99.9 percent of E. coli. The dangling disc-like object also gives off scents ranging from apple to chocolate for the sensory delight of pigs age four weeks and older.

For producers, finding the required distraction materials needs to be done with consideration of the total impact to the pig environment, according to experts. Straw-based options are often a favorite, but they can clog a manure system.

Other options may avoid that problem but may not keep pigs’ long-term interest. Regardless, EU producers are experimenting every day to find the right mix to meet the required standard.

EU producers are required to provide “distraction materials” to sows and pigs. These options were on display at the EuroTier trade show.
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Checkoff Continues to Focus Research on Sow Productivity

By Chris Hostetler

Ask a pork producer about sow productivity and he or she will often point to pigs per sow per year, with 30 as the target. However, that measure tells a limited story, largely because it doesn’t include sow retention rates or piglet quality and survival.

The number of quality pigs that sows produce from the time they become eligible to breed until they leave the herd is a more comprehensive measure. It more fully represents the overall efficiency with which a sow produces pigs and the impact it has on the profitability of the entire enterprise.

In fact, sow lifetime productivity is a more inclusive number that not only addresses the economic factors, but also animal well-being. That’s because two things primarily drive sow lifetime productivity – the number of high-quality pigs weaned per litter and how long a sow remains in the herd.

To find common ground to measure sow productivity and to prioritize research to provide farm-level solutions, the Pork Checkoff created the Sow Lifetime Productivity Task Force in 2010. Its producer and allied industry members elected to focus on gilt selection, development and socialization because these factors are important in keeping females in the herd longer and in weaning large litters of healthy, robust pigs.

With a seven-year timeline, the task force set a goal of improving sow lifetime productivity by 30 percent. This would equate to improving an average parity of 3.5 to 4.6, resulting in an additional 10 to 15 pigs produced in a sow’s lifetime.

According to Iowa State University research, the average parity at culling is now 3.5 to 3.8, and the annual replacement rate for the U.S. sow herd exceeds 50 percent.

A Costly Predicament

Pork producers have made tremendous productivity gains. The number of pigs per litter has risen steadily since the mid-1980s due to the use of artificial insemination, implementation of animal health and biosecurity measures, indoor production, better sow nutrition and improved genetics.

Yet, about 40 percent of the gilts selected to enter the breeding herd have nine or fewer pigs in their productive lifetime. And producers invest a significant amount of resources in terms of purchase price, labor, housing, animal health and vaccination programs, among other expenses to get a gilt ready to enter the breeding herd.

Depending on the farm’s actual cost profile, the first litter could carry $45 to $50 per weaned pig in gilt development.
Checkoff-Funded Sow Lifetime Productivity Research Trials

Evaluation of a physiological test for sow longevity

Development of strategies to improve sow productive lifetime

Reproductive performance and longevity in replacement gilts allowed different amounts of floor space during the nursery phase of rearing

Effects of preweaning factors on sow lifetime productivity

The impact of the timing of relocation of replacement gilts from pens to stalls on gilt fertility and sow longevity

Optimal dietary energy and protein for the development of gilts

Dietary effects on sow productivity to three parities

Impact of in utero heat stress on subsequent growth, composition and reproduction

Understanding the biology of seasonal infertility to develop mitigation strategies for swine

Impact of in utero heat stress on subsequent lactational performance and performance of offspring

Capturing genetic potential for greater sow lifetime productivity

Optimal dietary protein for the development of gilts

The Pork Checkoff has funded two large-scale, long-term projects and several smaller projects that fit the overall goals of:

1) Identifying early in development the gilts with the greatest potential of staying in the herd longer.
2) Strategically managing females for maximum retention.
3) Identifying risk factors associated with removal and mitigating those risk factors.

Project results are starting to be returned and look promising. Early results include:

• Of gilts that reached first estrus by 200 days of age, a weak but statistically significant correlation between body weight at 75 days of age of first estrus was observed.
• Changes in vulva development during 95 to 115 days of age may help identify gilts to include or exclude in a gilt replacement pool.
• During development, gilts adjust feed consumption to meet daily energy requirements. This results in similar growth performance and body composition regardless of dietary metabolizable energy or lysine concentrations. This may indicate that lysine concentrations in diets typically fed during the development phase are greater than needed.

Read about the trials shown below by searching pork.org/research for the research topic.
BRIEF SUMMARY:
Before using Baytril® 100, please consult the product insert, a summary of which follows:

CAUTION:
Federal (U.S.A.) law restricts this drug to use by or on the order of a licensed veterinarian.
Federal (U.S.A) law prohibits the extra-label use of this drug in food-producing animals.

PRODUCT DESCRIPTION:
Each mL of Baytril® 100 contains 100 mg of enrofloxacin. Excipients are L-arginine base 200 mg, in-vitro alcohol 30 mg, bétamethanol (as a preservative) 20 mg and water for injection q.s.

INDICATIONS:
Cattle - Single-Dose Therapy: Baytril® 100 is indicated for the treatment of bovine respiratory disease (BRD) associated with Mannheimia haemolytica, Pasteurella multocida, Histophilus somni and Mycoplasma bovis in beef and non-lactating dairy cattle and for the control of BRD in beef and non-lactating dairy cattle at risk of developing BRD associated with M. haemolytica, P. multocida, H. somni and M. bovis.

Cattle - Multiple-Day Therapy: Baytril® 100 is indicated for the treatment of bovine respiratory disease (BRD) associated with M. haemolytica and Histophilus somni in beef and non-lactating dairy cattle.

Swine: Baytril® 100 is indicated for the treatment and control of swine respiratory disease (SRD) associated with P. multocida, M. haemolytica, Haemophilus parasuis, Streptococcus suis, Bordetella bronchiseptica and Mycoplasma hyopneumoniae.

RESIDUE WARNINGS:
Cattle: Animals intended for human consumption must not be slaughtered within 28 days from the last treatment. This product is not approved for female dairy cattle 20 months of age or older, including dry dairy cows. Use in these cattle may cause drug residues in milk and/or in calves born to these cows. A withdrawal period has not been established for this product in pre-ruminating calves. Do not use in calves to be processed for veal.

Swine: Animals intended for human consumption must not be slaughtered within 5 days of receiving a single injection dose.

HUMAN WARNINGS:
For use in animals only. Keep out of the reach of children. Avoid contact with eyes. In case of contact, immediately flush eyes with copious amounts of water for 15 minutes. In case of dermal contact, wash skin with soap and water. Consult a physician if irritation persists following ocular or dermal exposures. Individuals with a history of hypersensitivity to quinolones should avoid this product. In humans, there is a risk of user photosensitization within a few hours after excessive exposure to quinolones. If excessive accidental exposure occurs, avoid direct sunlight. For customer service or to obtain product information, including a Material Safety Data Sheet, call 1-800-633-3796. For medical emergencies or to report adverse reactions, call 1-800-422-9874.

PRECAUTIONS:
The effects of enrofloxacin on cattle or swine reproductive performance, pregnancy and lactation have not been adequately determined.
The long-term effects on articular joint cartilage have not been determined in pigs above market weight.
Subcutaneous injection can cause a transient local tissue reaction that may result in trim loss of edible tissue at slaughter.
Baytril® 100 contains different excipients than other Baytril® products. The safety and efficacy of this formulation in species other than cattle and swine have not been determined.
Quinolone-class drugs should be used with caution in animals with known or suspected Central Nervous System (CNS) disorders. In such animals, quinolones have, in rare instances, been associated with CNS stimulation which may lead to convulsive seizures. Quinolone-class drugs have been shown to produce erosions of cartilage of weight-bearing joints and other signs of arthropathy in immature animals of various species. See Animal Safety section for additional information.

ADVERSE REACTIONS:
No adverse reactions were observed during clinical trials.

ANIMAL SAFETY:
In cattle safety studies, clinical signs of depression, incoordination and muscle fasciculation were observed in calves when doses of 15 or 25 mg/kg were administered for 10 to 15 days. Clinical signs of depression, inappetance and incoordination were observed when a dose of 50 mg/kg was administered for 3 days. An injection site study conducted in feeder calves demonstrated that the formulation may induce a transient reaction in the subcutaneous tissue and underlying muscle.

In swine safety studies, incidental lameness of short duration was observed in all groups, including the saline-treated controls. Musculoskeletal stiffness was observed following the 15 and 25 mg/kg treatments with clinical signs appearing during the second week of treatment. Clinical signs of lameness improved after treatment ceased and most animals were clinically normal at necropsy. An injection site study conducted in pigs demonstrated that the formulation may induce a transient reaction in the subcutaneous tissue.

SOW PRODUCTIVITY

opment costs. It isn’t until the sow reaches the more productive parities (three plus) that costs flatten out. If too many sows leave the herd before the fourth parity, it cuts into the operation’s profitability. Consequently, you get a very poor return on your investment.
The 30-pigs-per-sow-per-year number, although it’s easy to track, can misrepresent productivity as well. Not only does it fail to address the sow’s longevity, it also does not account for the quality or viability of the piglets. Consider these two scenarios.

• A sow that farrows 16 pigs, of which several are small and questionable to survive, and the sow is culled by the third parity.

• A sow that regularly farrows a dozen robust pigs and reaches five parities or more.

This demonstrates why sow lifetime productivity is a more inclusive definition and continues to be a research priority area for the Pork Checkoff.

Bringing It into Focus
Conducting sow research is no small task, but particularly when evaluating lifetime productivity. To provide valid answers, sow studies are large-scale, time-consuming and expensive to conduct, which means few institutions attempt research in this area.
The task force has identified and funded research in sow nutrition, selection, environment, animal welfare and animal health and other factors that can affect sow lifetime productivity (see page 25).

With continued research, a 30 percent improvement in sow lifetime productivity is an attainable goal that will help ensure long-term profitability not only for the sow farm, but also through other production phases.
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Survey: Pork Producers Optimistic About State of the Industry

By Kevin Waetke

Since 2002, the National Pork Board has conducted an annual survey of pork producers to gain insight to the condition of the industry, general attitudes about pig farming and their support of the Checkoff. The most recent survey was conducted last fall and shows great optimism.

Producer Checkoff support up 2 percentage points to 89 percent

For the fifth consecutive year, producer support for the Checkoff increased. In this last survey, support reached 89 percent, up 2 percentage points from last year’s results. Meanwhile, opposition to the Checkoff declined 1 percentage point to a low of 5 percent. The results are the most positive in the survey’s history.

Other highlights include:

• **Right direction/wrong track:** 83 percent of producers feel the industry is heading “in the right direction,” growing from a 2013 score of 75 percent. Of those surveyed, 9 percent feel the industry is “on the wrong track,” dropping from a 2013 score of 13 percent.

• **The biggest overall challenge facing pork producers is managing hog health and disease.** A recently announced $15 million investment in the Swine Health Information Center directly addresses this concern.

• **The most important thing the Checkoff can do to help producers’ operations is to educate consumers about the safety of pork.** “Educating consumers about the safety of pork is a shift from previous years’ results when top-of-mind desires were focused first and foremost on advertising and marketing pork,” said Dale Norton, president of the Pork Checkoff and a producer from Bronson, Mich.

  “This change stems from the increasing conversations people are having about food production,” he said. That sentiment also was evident in embarking on the recent five-year strategic planning process. The survey found the stated goals of the new plan resonate with producers. On a 10-point scale:

  • “Build consumer trust” rated a mean score of 8.85, the highest result and growing to 9.05 among large producers.

  • “Grow consumer demand” rated a mean score of 8.39.

  • “Drive sustainable production” rated a mean score of 7.86.

  “This tells the Pork Board that the development of our strategic plan is in sync with the concerns, interests and thoughts of producers,” Norton said.

The survey is based on phone interviews with 550 pork producers in November 2014.
The faster we spread the word, the faster we can stop the spread. Go to www.PEDreSOURCE.com to learn how you can help manage PED.
Students Join the Conversation

By Lindsay Black

College students from across the country have enthusiastically joined the conversation about pork production with consumers through the Pork Checkoff’s #RealPigFarmingSM social media outreach program.

“Social media is ingrained in young people’s daily lives, and it’s easy for them to share their thoughts about an industry that they are proud to be a part of,” said Claire Masker, public relations manager for the Pork Checkoff.

“Students use social media so naturally, and since they are our future leaders, it’s great to have them connect with consumers about how pigs are raised today.”

Lexi Marek, a student at Iowa State University, is one of the students who is helping to dispel misconceptions about the food people eat. She is majoring in public service and administration in agriculture.

“It’s great as a college student to really feel like you are making a difference,” Marek said. “To be part of a group that is saying so many positive things about the industry that I love is exciting.”

Collaborative Effort

The students have a Facebook group where they can share stories and ideas with each other before posting for the public on social media.

“This group really helps generate content ideas,” said Marek, whose family farm is in Washington, Iowa. “I like to see what other people are doing and saying so I can keep my content related to #RealPigFarming fresh.”

A group of the students who have shared multiple original #RealPigFarming posts recently were hosted by the Pork Checkoff on an industry tour, which included attending the AgChat National Collegiate Congress in Indianapolis, Ind.

“The students visited the National FFA Center, JBS United and Elanco, all of which provided insights into pork production and overall agriculture today,” Masker said. “At the AgChat National Collegiate Congress, they networked with other college students and met professionals in the agriculture industry.”

The conference was designed to challenge passionate ag-related college students from across the United States to expand their social media experiences and shorten the bridge between consumers and their food.

“These students have been great to work with and have been so excited to share their stories through #RealPigFarming,” Masker said. “I can’t wait to see what ideas and stories future students have to share with engaged consumers.”
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Bacon, PEDV and the Media

By Cindy Cunningham

What are the hot topics? Who is covering the pork industry? What kind of news articles does the public see about pork and pig production? These are all great questions and ones that the Pork Checkoff closely monitors.

In 2014, the National Pork Board interacted 459 times with media about pork and pig topics. Either a reporter reached out to the Pork Checkoff or a conversation was initiated with a reporter to offer them a story idea. Interactions ranged from a simple phone call with a quick answer to extensive work over several weeks as reporters build their stories.

From Ag Media to the Wall Street Journal

So, who are the reporters with questions about pigs and pork? They include international, national and regional media, as well as print and broadcast ag reporters. Work with reporters is tailored to their specific needs and audiences. For instance, the Wall Street Journal may want more of a business angle, while a farm broadcaster may want details about a production issue to share with pork producers.

Not surprisingly, during 2014, the most requested topic by reporters was Porcine Epidemic Diarrhea Virus (PEDV), with 38 percent of all media interactions focusing on the hot topic. Other topics included the strategic plan, animal welfare and bacon, as shown below. When a reporter calls, the topic could be anything from feral hogs to hog thefts to consumer trends.

Building a Relationship

A typical media interaction begins with an inquiry to the Pork Checkoff communications department. The goal is to understand the reporter’s news angle, audience and deadline. From that point, the best person to address the reporter’s questions can be determined.

With each reporter, Checkoff staff works to build a relationship that demonstrates that the Pork Checkoff is a credible source of information. Most reporters are looking for a good story with accurate information. Establishing a strong relationship with the media helps share facts about modern pork production.
2014 Pork Checkoff
Annual Report
Dear fellow pork producers:

As I reflect on the past year, the one constant I recall is change.

The past year was marked by two key turning points. The first was the development and introduction of a new strategic vision for the National Pork Board. Our defined commitment to “elevate U.S. pork as the global protein of choice by continuously and collaboratively working to do what’s right for people, pigs and the planet” has never been more important.

Additionally, we face a transition of leadership with the recent announcement of a new chief executive officer to move our industry forward. I am so proud to have played a role in both of these changes, but we are also moving forward in many other watershed areas, including:

- Introduction of a common swine industry audit to streamline and improve consistency of on-farm practices
- Investment of $15 million in the Swine Health Information Center to identify and manage emerging disease threats
- Research and communications to understand Porcine Epidemic Diarrhea Virus
- Research that provides insight into the minds of consumers to guide our advertising and promotional plans, as well as scientific research to improve pork production practices and sustainability
- Aggressive moves to build transparency through social media outreach, collaboration with foodservice and retail partners and an ongoing involvement with the U.S. Farmers & Ranchers Alliance (USFRA). Our industry is well represented by having two pork producers named as national USFRA Faces of Farming and Ranching.

Of course, we still face challenges. Trade barriers, which limit our ability to grow markets in some parts of the world, often are politically charged or not based on sound science. And our critics have not changed; in fact, some have become even more prominent. Social media activism, undercover videos shedding false light on animal care and uninformed people questioning our environmental efforts continue to remind us that we need to diligently share our story.

It has never been more important to work together. As our new mission states, we will unite pork producers with key stakeholders to build a bright future. And we will do that through our three key tenets of research, promotion and education.

Please review the past year’s highlights. If you have any questions, my fellow board members and I are ready to respond. You can find our contact information on pork.org or contact the Pork Checkoff Service Center at (800) 456-7675.

Your investment makes our collective success possible.

Thank you,

Dale Norton
President, National Pork Board
Vision

The National Pork Board will elevate U.S. pork as the global protein of choice by continuously and collaboratively working to do what’s right for people, pigs and the planet.

2014 National Pork Board of Directors

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Mission Statement

The National Pork Board is the catalyst that unites pork producers with key stakeholders focused on building a bright future for the pork industry through research, promotion and education.
Operating Freedom*

The National Pork Board will protect the rights and ability of U.S. farmers to produce pork in a socially responsible and cost-competitive manner.

New Swine Health Information Center

The Pork Checkoff invested $15 million to fund a new Swine Health Information Center for five years. The autonomous venture will focus its efforts on implementing industry preparedness for disease challenges that could affect U.S. swine herds.

The center will be instrumental in creating a unique, collaborative system to help the United States prepare for the next emerging disease.

A board consisting of representatives from the National Pork Board, the National Pork Producers Council and the American Association of Swine Veterinarians, along with at-large producers, will govern the center.

New Tool Cuts Through On-Farm Auditing Maze

The development of the Common Swine Industry Audit was facilitated by the Pork Checkoff for use by pork producers, packers and processors. The overarching goal is to provide consumers greater assurance of the care taken by farmers and pork processors to improve animal well-being and food safety.

The audit tool builds on the existing Pork Quality Assurance® Plus (PQA Plus®) program and expands it to serve as a single, common audit platform for the pork industry. The common audit process is designed to avoid duplicative, costly and inefficient audit programs that are commonplace in some countries. The Professional Animal Auditor Certification Organization (PAACO) certified the audit process in 2014.

Transport Quality Assurance® Program Updated

The revised Transport Quality Assurance® program provides an increased focus on biosecurity protocols and puts in place a protocol to help the pork industry fight the spread of disease. The updated program also offers a new approach to understanding basic pig behavior and body language and how it contributes to a safe and positive experience for both pigs and handlers.

#RealPigFarming

Consumers continue to have questions about how pigs are raised, and no one knows the answers better than pork producers. The Pork Checkoff created a social media outreach program to help real farmers share real stories with consumers through #RealPigFarming.

The hashtag (#) before Real Pig Farming helps people search social media posts with the same phrase, making it easier for them to follow conversations.

In the first SIX MONTHS, #RealPigFarming was used in 14,148 POSTS 14.8 MILLION TOTAL IMPRESSIONS

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Northeast Pork Association

In 2014, Connecticut, New Hampshire, Maine, Massachusetts, Rhode Island and Vermont formed the Northeast Pork Association (NEPA). As a single pork association, the NEPA will serve pork producers and promote pork in consumer markets in the Northeast.

Youth PQA Plus® Revised

The Pork Checkoff's Youth Pork Quality Assurance (Youth PQA Plus®) program consists of two main elements: food safety and animal well-being training. Revisions were made to include online training, testing and a certification option to accompany the current in-person process. Delivered to students in the form of an engaging, interactive online learning module, the new online option allows participants to learn, test and become certified in Youth PQA Plus.

PEDV Research and Collaboration Continues

The Pork Checkoff continues to focus on defining the source of Porcine Epidemic Diarrhea Virus (PEDV) and on providing knowledge and research to limit its spread.

The National Pork Board issued the PEDV Update Newsletter to more than 30,000 pork producers on a regular basis, with links to Checkoff-funded research and resources. Since 2013, the Pork Checkoff has invested more than $3 million in research, education and the communication and coordination of efforts to better understand the disease.

Farmland Film Features Minnesota Pork Producer

Minnesota pork producer Ryan Veldhuizen helped shine the spotlight on modern livestock production through Farmland, a feature-length documentary film produced by Academy Award®-winning filmmaker James Moll.

Veldhuizen is one of six farmers and ranchers, all in their 20s, who shared their stories and chronicled the high-risk/high-reward nature of farming by offering a firsthand glimpse into the lives of producers as they begin their farming careers.

The film was made with support from the U.S. Farmers & Ranchers Alliance (USFRA). The USFRA consists of more than 80 farmer- and rancher-led organizations and agricultural partners, including the National Pork Board.

Pain Management Research in Neonatal Pigs

Pain management, particularly as it relates to the piglet processing procedures of castration, tail docking, teeth clipping and ear notching, has been a research priority of the National Pork Board. A literature review identified research on these processing procedures in regard to pain management. The review findings will help identify future research needs.
Enhance Demand*

The National Pork Board will refresh and reposition pork’s image to increase domestic and international consumer demand.

Real Per Capita Consumer Pork Expenditures Continue To Grow

The Pork Checkoff’s key measure of domestic marketing, real per capita consumer pork expenditures, continues to grow. Using USDA data, consumer pork expenditures measure both the volume (in pounds) and value (in dollars) of pork sold in the United States. Data through December 2014 showed per capita pork expenditures grew by 15.7 percent from 2009 to 2014.

Advertising by the Numbers

The national advertising campaign garnered resounding results in 2014 for the Checkoff’s brand, Pork Be inspired.@

TV Advertising
- 827 million ad impressions
- 38% ad recall for brand (a record for TV advertising)
- 27 cable networks
- 10-week advertising period

Online Advertising**
- 229 million ad impressions
- 2.5 million+ ad clicks
- 65,000+ recipe prints
- 170,000+ new Facebook fans

Print Advertising
- 421 million ad impressions
- 49 ad insertions
- 19 total publications

**combined online and paid search results

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Foodservice Marketing

One portion of the foodservice marketing plan covers events, associations and sponsorships where restaurant and menu decision-makers gather to learn about trends and industry issues, as well as to learn about possible new menu ideas for their operations. The public relations goal was a 10 percent increase in editorial coverage from 2013 levels. As of January 2015, 5.4 million impressions were achieved, or 104 percent of the foodservice marketing goal. Foodservice media outreach resulted in 12 print editorial features and an additional 11 digital media placements.

State Marketing Collaboration

The state matching funds program extends the national advertising (TV, print, radio, billboards and online ads) into locations that may not be accessible by the National Pork Board. The program creates marketing consistency for the pork industry. The cohesive brand message to consumers and customers results in a more impactful marketing investment. In 2014, 19 state pork associations participated in the cooperative program.

Multicultural Marketing

About 92 percent of the population growth in the United States from 2000 to 2010 can be attributed to multicultural audiences, according to the 2010 U.S. Census. The nation’s multicultural audiences have an estimated combined purchasing power of $3 trillion.

The National Pork Board defined a plan to tap into that purchasing power. Marketing initiatives were aimed at promoting pork awareness and consumption, as well as addressing health and safety concerns and being culturally relevant. A marketing campaign, called Sabrosos Momentos or Flavor-Filled Moments, delivered key pork messages to Latino consumers with the help of celebrity chef Lorena Garcia.

Retail Marketing

The Pork Checkoff retail team continued its top retailer strategy in 2014. Efforts and resources were focused on the retailers that account for 80 percent of the pork sold in the United States. The goal is to make the Pork Checkoff staff the first resource for pork industry issues.

In a supply-challenged year, demand for pork was kept strong with the completion of 16 seasonal marketing programs with top retailers, including Walmart, Kroger, Costco, Sam’s Club, Albertson’s, Safeway, Delhaize America, Ahold and H-E-B.

PorkBelInspired.com

PorkBelInspired.com total page views rose to more than 8.4 million in 2014. Growth was seen across all of Pork Be inspired® social communities and platforms.

Pork Bel Inspired

- YouTube video views more than doubled to 535,429
- Facebook fan base grew to more than 415,000
- Pinterest followers climbed to 7,225
- Twitter followers grew to more than 10,000
- Instagram followers grew to 560
Competitive Global Advantage*

The National Pork Board will pursue strategies to enable U.S. pork producers to remain highly competitive, long-term, on a global basis.

Secure Pork Supply Piloted

A Secure Pork Supply (SPS) plan provides producers and the pork industry with the best opportunity to maintain business continuity in the event of a foreign animal disease (FAD) outbreak on U.S. soil. Under funding from USDA and the Department of Homeland Security, the Institute for Infectious Animal Disease’s Ag Connect technology was used to successfully pilot real-time sharing of industry movement, production and surveillance data with state animal health officials necessary for the SPS plan.

The Pork Checkoff also increased producer awareness for detecting and reporting suspect cases of the major FADs through development and distribution of FAD materials that contain illustrations and other information about the diseases.

Sustainability Framework For Swine Production

The Pork Checkoff developed a Sustainability Framework for swine production that includes:

- Adopting the definition of sustainability – “Showing how we care: Doing more to benefit people, pigs and the environment.”
- Creating a set of key performance indicators.
- Developing a set of critical metric points for benchmarking and measuring future industry progress.

New Emphasis Placed on Pork Quality

A Pork Quality Task Force was convened to design a strategy for decreasing the percentage of lighter-colored pork chops at retail markets. Lighter pork chops are an indication of poor-eating quality for consumers. A nationwide study also was funded to characterize the pork quality variation at retail markets.

Pork Board Hosts USPCE

The U.S. Pork Center of Excellence (USPCE) was established for the purpose of bringing about a higher level of cooperation and collaboration among and between universities, the pork industry and government partners. The USPCE continues to be successfully housed at the National Pork Board.

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International Trade Research

The Checkoff supports international trade by funding objective research to counter non-tariff barriers to international marketing of U.S. pork. Through science-based research and analysis, the projects help open new and reinforce existing export markets.

In 2014, projects included:
- Providing science-based evaluations of non-tariff export-limiting policies of certain countries.
- Identifying export competitors’ regulatory structures, compliance and regulatory violations.
- Assessing foreign country animal health infrastructure and on-farm practices.
- Evaluating in-plant pathogen reduction treatments, which are unjustifiably prohibited in importing countries.
- Conducting technical research on shelf-life, packaging and treatment of variety meats for human consumption.
- Providing scientific and technical expert representation at international standard-setting body meetings and in importing country consultations.

In March 2014, board members traveled to Brazil and Colombia to investigate emerging market opportunities and create new partnerships to increase exports of U.S. pork.

Safe Pig Handling Program Debuts

The Pork Checkoff debuted the Safe Pig Handling tool. It is designed to help employees understand pig behavior and animal handling.

The Safe Pig Handling materials reinforce fundamental safety concepts while depicting real-life, specific situations encountered daily in pork production. The National Pork Board worked with producers to identify key areas where guidance is needed. Educational materials, including a video, photos and handouts, were designed to help provide training in barns.

Official PIN Tags Required by Packers

The USDA’s official premises identification (PIN) tag was adopted as part of the industry’s effort to enhance the pre-harvest traceability system. The tags will increase the reliability of identification methods and provide benefits to producer herd health programs. PIN tags are a condition of sale for sows and boars purchased by nine major pork packers.

Students, Employees Participants in PSM Program

The Professional Swine Manager (PSM) program was created in partnership with the U.S. Pork Center of Excellence (USPCE). The work-study program combines classroom study and hands-on learning. Since the Pork Checkoff and the USPCE launched the program, 209 students and employees from 21 farms and 10 states have participated in the program.
During 2014, pork producers invested $0.40 for each $100 value in hogs sold from January through December. The National Pork Board ended 2014 with revenues of $98.1 million, total spending of $83.9 million and a surplus of $14.2 million.

The National Pork Board allocates Pork Checkoff funds according to producer priorities determined through various methods. In 2014, 67 percent of Checkoff funds were allocated for national promotion programs, 30 percent for national research and education programs and 3 percent for consumer information programs.

The Pork Act mandates that a percentage of Checkoff funds collected annually be returned to state pork producer associations for use in their own promotion, research and consumer information programs. The Pork Act delegate body determines the percentage of Pork Checkoff funds returned to each state. In 2014, state Pork Checkoff funding collectively represented about 20 percent of all market deductions.

### 2015 Program Dollars

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Dollars (in millions)</th>
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<tbody>
<tr>
<td>Domestic Marketing</td>
<td>40,496</td>
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<tr>
<td>Science and Technology</td>
<td>11,807</td>
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<tr>
<td>Communications</td>
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<td>Shareholder Outreach</td>
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<td>Social Responsibility</td>
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<td>State Funding/PASLWOCO</td>
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<td>Interest Expense</td>
<td>1,673</td>
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<td>TOTAL EXPENSES</td>
<td>91,841</td>
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### Statement of Revenues and Expenses

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<thead>
<tr>
<th>Source</th>
<th>2013 (000)</th>
<th>2014 (000)</th>
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<tr>
<td>REVENUE</td>
<td>87,441</td>
<td>98,065</td>
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<tr>
<td>EXPENSES</td>
<td>91,841</td>
<td>83,865</td>
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<tr>
<td>TOTAL (DEFICIT) SURPLUS FOR PERIOD</td>
<td>$(4,400)</td>
<td>$14,200</td>
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Common Swine Industry Audit

Check out the variety of producer resources that are available at Pork.org/commonaudit.

Audit Instructions – Outline the audit’s scope and objectives, the importance of biosecurity, animal selection for an accurate observation and guidelines for conducting an audit.

Audit standards – Detail 27 key aspects of swine care and preharvest food safety through all phases of production included in the audit.

Audit tool – Contains the specific audit questions and point values that will be used to evaluate compliance with the designated standard.

Safe Pig Handling

The Safe Pig Handling tool helps keep animal caretakers safe using intuitive, engaging, task-oriented lessons. Content from the Pork Quality Assurance® Plus and the Transport Quality Assurance® programs have been incorporated. The Safe Pig Handling materials reinforce fundamental safety concepts while depicting real-life, specific situations encountered daily in pork production.

Use the materials, available in USB format (jump drive or flash drive), in one-on-one meetings, small groups and self-study training sessions, all with or without electronic capabilities. To order the tool, contact the Pork Checkoff Service Center at (800) 456-7675.
Commercial vaccines contain a generic selection of disease isolates from around the country. How can you be sure you are vaccinating with isolates antigenically similar to what is in your client’s herd?

Custom Made Vaccines from Newport Laboratories give you the confidence that your herd is vaccinated against the specific isolates found in your area and allows you to address strain variation. Combine that with the ability to customize your vaccine to fit your animal health program and you just found the missing piece.

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