



# SOCIAL LICENCE IN AGRICULTURE

## **Social Licence in Agriculture Conference Synopsis**

March 11 and 12, 2015

Leduc, Alberta

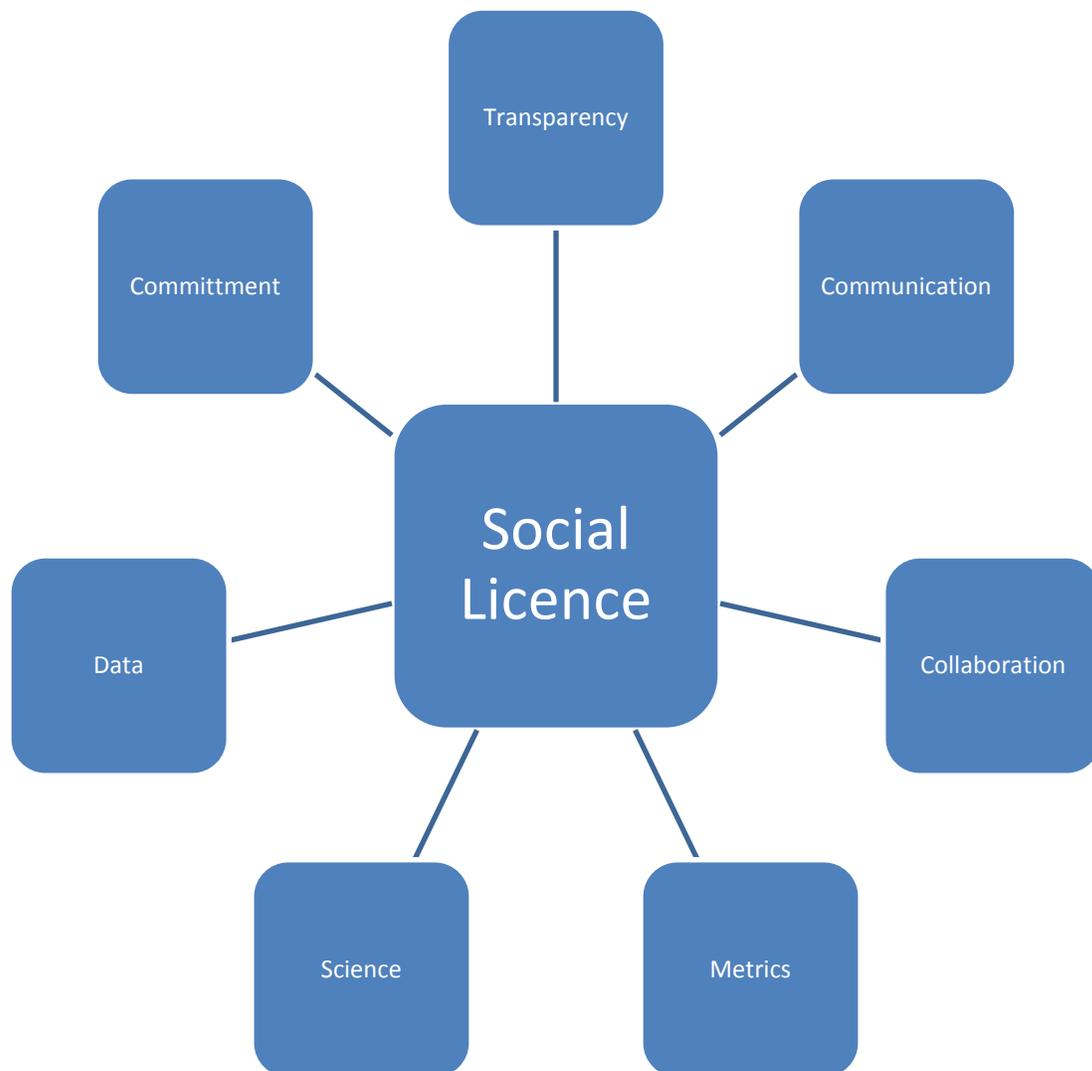
Hosted by Alberta Agriculture and Rural Development and the  
Agri-Environmental Partnership of Alberta

## Table of Contents

Table of Contents.....	2
The path to social licence for agriculture – what can we do? .....	3
Introduction .....	4
Speaker Presentations – March 11, 2015 .....	5
Insights from Charlie Arnot on Social Licence – An Interview .....	5
Farm & Food Care: Social Licence in Agriculture and Food .....	7
Speaker Presentations – March 12, 2015 .....	9
Earning Your Social Licence in the Age of Radical Transparency and Unbridled Social Media .....	9
Agriculture and Rural Development, Minister’s Address .....	12
We’re Only As Good As They Think We Are – McDonald’s and Sustainability .....	13
Activist Influences on Public Perceptions: Challenges and Opportunities .....	15
Trust and Transparency as Social Licence Enablers .....	17
Consumer Engagement and Sharing Our Story .....	19
Social Licence and Modern Food Production .....	21
Social Licence in Dairy Farming: the proAction® Initiative .....	23
Are Farmers Good and Ready for Everybody? Alberta Crops Sustainability Certification Pilot Project .....	25
Islands of Angst: Recent Ag Social Licence Lessons From Hawaii for Alberta .....	27
Conference Wrap Up and Summary Comments.....	30
Conference Participant Evaluation Summary .....	32

## The path to social licence for agriculture – what can we do?

- Collaboration and participation from everyone across the entire value chain is essential.
- Tap into the experience of and work done by others.
- Building trust through transparency is the path to social licence.
- Using fact-based, science-based information is vital to building transparency and trust.
- Setting and maintaining standards, and using third-parties to verify those standards are being met, is also critical to building trust.
- Farmers must be the ones to tell their story and if they don't someone else will.
- Achieving social licence takes commitment.
- Don't anticipate receiving a premium for "doing the right thing"; this is what your customers and consumers expect.



## Introduction

### Social Licence

*“Social licence is the privilege of operating with minimal formalized restrictions (legislation, regulation, or market requirements) based on maintaining public trust by doing what’s right.”*

-The Centre for Food Integrity-

It’s not new. In fact, the phrase ‘social licence’ itself was coined in 1997 by Jim Cooney. But it is one subject that has, in recent years, been making people in the food and agriculture industry sit up and pay greater attention to the public voice.

In response to the rise of “social licence,” the more traditionally consumer-oriented side of the industry (retail and food service) has been on the leading edge of incorporating corporate social responsibility means and measures into all aspects of their operations. The primary agriculture industry, once shielded by the public’s positive perception of ‘farming’ and ‘farmers’, is also facing increasing, direct consumer scrutiny around how the industry now operates. As retailers and large food companies are being even more responsive to their customers’ demands, they are raising their expectations of primary agriculture to ensure that farming practices and the resulting products are produced in a way that aligns with the values and expectations of consumers in the areas of environment, food production and safety, and animal welfare.

On March 11 and 12, 2015, primary producers, producer organizations and agriculture stakeholders from across the value chain came together at the *Social Licence in Agriculture Conference* in Leduc, Alberta to listen to ideas on how to respond to social licence issues related to the environment, food safety, animal welfare and other concerns. Speakers representing think-tanks, retailers, leading food companies and producer organizations, provided their insight, perspectives and knowledge born of experience as they work towards achieving social licence for not only their businesses/organizations, but the food and agriculture industry as a whole.

This document provides a detailed summary of the speakers’ presentations. The views and opinions expressed in this conference synopsis are those of the conference presenters only. They do not necessarily represent the views of Alberta Agriculture and Rural Development or the Agri-Environmental Partnership of Alberta.

## Speaker Presentations – March 11, 2015

### Insights from Charlie Arnot on Social Licence – An Interview

As a primer to the Social Licence in Agriculture conference, Kim McConnell, founder and former CEO of AdFarm, interviewed Charlie Arnot, CEO of the Center for Food Integrity, to get his high-level thoughts and insights on social licence in agriculture.

#### Key Themes and Opportunities:

- The Center for Food Integrity is a not-for profit with a sole focus of building trust and confidence in today's food system (since 2007).
- The organization encompasses everyone in the food system who shares the long-term vision of building consumer trust; it is non-partisan and non-protectionist.
- Center for Food Integrity is unique; it encompasses diverse stakeholder groups building trust instead of defending interests.
- The old way we used to communicate about agriculture was to defend science; attack our attackers; use traditional PR, but to build trust we need to change how we communicate.
- How do you transition from defending interests to building trust? It requires a shifting mindset from protecting interests and position to building trust and support for who we are and what we do which requires different skills and a different approach.
- We began as an ag organization but transitioned to including the rest of the value chain.
- Examples of Centre initiatives that worked well:
  - Farmers Feed Us – gave consumers the opportunity to come to a website, meet a farmer and learn what was taking place in farming today; used advertising to drive people to the website; had millions of consumers visiting; research found consumers saw farmers as knowledgeable, approachable and the kind of person I want producing my food.
  - Best Food Facts – an online platform for consumers where academics answer consumer questions; provide information to help consumers make informed choices.
- We have the ability to inform and shape what's happening within food companies – this is where we can have impact; these are the organizations driving what's happening in the industry.
- We are providing 3<sup>rd</sup> party credibility
- We provide support to Walmart, McDonald's with their various campaigns, specifically with questions about inputs that aren't related to their brands.
- We impart communications values instead of just communicating information; helping people understand the system has changed but the people involved are still driven by their values.
- We impart the importance of transparency; the industry can send conflicting messages i.e. we have nothing to hide but none of your business; we need to move past this; if we have nothing to hide we need to find better ways to share the information and give people access to our farms.
- There are lots of great ways to give people what they want without opening the "floodgates."

- Collaboration is not something the agriculture industry is traditionally good at and it is still an issue. Introducing the Center into this environment involved getting the industry to understand that the Centre wants to make other organizations in ag and food better at what they do. This approach has enabled the Centre to build very strong relationships.
- The Center for Food Integrity's approach is: You're great at what you do but we can give you information to help you do a better job at what you do.
- Advice to Canada as we look at building public trust and earning social licence:
  - Have to adjust our perspective and expectations – the cultural expectation is “we’re going to fix the problem with the public next year.” It seeks out a way to use science to fix it the following year, but for this to work we need a 25 year vision and a three year plan; you can’t expect 25 year results in 12 months.
  - Keep your eye on the ball; don’t be distracted by the lunatic fringe. When dealing with issues you need to respond but you also need to be consistent; be strategic with responses; don’t take it personally; look at it strategically; don’t respond viscerally.
- Are we winning? No but we’re making progress?
  - We’ve been taking a knife to a gun fight for a long time.
  - We can look at improving how we address the issues and use values to turn the tide.
  - Social media is the opportunity for the industry to be a part of the conversation.
- The cost of doing nothing is high. There is a direct economic return for maintaining social licence, but we also have a moral obligation.
- The public loves “farmers” but they’re not sure they love “farming”; that is the disconnect.
- Farming: the public doesn’t like size, scale, use of technology, impact on health, environment, and animals.
- Farmers: they like values and the commitment of farmers to doing what’s right.
- Three big messages:
  - Our public communications must lead with values; this must be the foundation of our communications.
  - The voices of men and women in this room matter; they make a difference; building trust is time consuming; need to stay the course and be committed over time;
  - There will be successes, but there will also be challenges; the road to success will not be smooth.
- The people who are raising questions about what agriculture does don’t fit the industry’s demographic; we need to encourage others (e.g. women, young people, people of colour) to be involved by giving them a meaningful seat at the table – an opportunity to make a difference.
- Final message: take the enthusiasm and passion you have for the industry, and channel it to get involved in a positive way; use your commitment to do what’s right to make a difference; exposing people to your passion and commitment will make all the difference in the world.

## Farm & Food Care: Social Licence in Agriculture and Food

Kim McConnell is the founder and the former CEO of AdFarm, one of the larger agricultural marketing communications firms in North America. Over the years, Kim has led many national and international brand and marketing assignments for many companies including Farm Credit Canada, Dow AgroSciences, Bayer CropScience, Agrium and RBC Royal Bank. He has been the catalyst behind many industry initiatives including advancing the Canadian beef industry, the Canadian seed industry and recently has spearheaded an initiative to build greater public trust in food and farming.

### Key Themes and Opportunities:

Kim provided an overview of the Farm & Food Care Canada initiative; a new, pro-active coalition that has been established to help build public trust in food and farming.

- Successfully building public trust in food and farming in Canada requires a three-pronged approach:
  - Plan defence
  - Do the right thing
  - Have a conversation
- The ag industry needs to work together at this; investing in all three of these approaches, especially in response to those who aim to break down the trust.
- This is a team sport; there are already various groups and organizations out there doing good things to reach out to diverse target audiences (agriculture, classroom, consumer).
- With a strong consumer focus, Farm & Food Canada complements what others are doing by providing a coordinated, national, multi-year initiative endorsed, supported and resourced by Canada's agriculture and food industries, focused on building public trust and confidence in food and farming.
- Farm & Food Canada's vision:
  - A united, proactive, Canadian initiative that's respected by the public and the agri-food community, and is the recognized 'go-to source' for credible information that helps Canadians make informed decisions about food and farming in Canada.
- Farm & Food Canada's long-term (25 year) goals:
  - Elevate the level of trust and confidence Canadians have in Canada's food production and processing systems
  - Increase the number of Canadians who are able to make 'informed decisions' about their food choices
  - Be recognized and respected as a valuable, trusted information resource to the public, supply chain partners, regulators and influencers.
- Farm & Food Care Canada will also be the home of the Canadian Centre for Food Integrity; a joint effort of the Center for Food Integrity with Farm & Food Care Canada.
- To date, Farm & Food Care Canada has engaged in a number of proactive activities including producing the "Real Dirt on Farming – Issue #3" distributed as a Globe & Mail insert across Canada, national advertising and media relations, a Speakers Bureau, social media efforts, and Breakfast on the Farm (a co-promotion with retailers and food service).

- Farm & Food Care Canada will also be seeking out, engaging and developing a network of provincial champions to coordinate regional Farm & Food Care programs, and to align Farm & Food Care activities with 'sister' and other regional/sector ag awareness and education programs.
- We are currently seeking dollars to support these efforts; we'll be seeking initial funding and support from food companies and the food industry.
- Next steps include tightening up the business plan, preparing a three-year budget and bringing in some funding, as well as conducting market research, launching a national research summit and moving communications initiative forward.
- Get involved by telling us what you need, what your members need, what your customers think; help us create opportunities for the message and the vision with stakeholders and potential funders; become a founding member, project partner or donor.

## Speaker Presentations – March 12, 2015

### Earning Your Social Licence in the Age of Radical Transparency and Unbridled Social Media

Charlie Arnot has more than 25 years of experience working in communications, public relations and issues management within the food system. He serves as CEO of the Center for Food Integrity, a national non-profit organization dedicated to building consumer trust and confidence in today's food system.

#### Key Learning:

Achieving social licence requires the ag industry's mutual commitment to understanding and embracing shared values, being transparent, and engaging the public.

#### Key Words:

ethics, shared values, science, transparency, confidence, competence, perspective, attitudes, opinions, expectations, public engagement, ethics, communication, mutual commitment, shared obligation, responsibility, respect, truth, objective, measurable, credibility, obligations

#### Key Issues and Challenges:

"Today food is safer, more available, more affordable. But the system is more under scrutiny than ever before," said Arnot in his opening words. With this, he set the stage for a presentation that explored how social licence has evolved; where we've come from as a society, how we arrived at where we are today, and how industry is being compelled to respond.

- Charlie led with examples of how history – particular historical events over the last 45 years (e.g. Vietnam War, Iran Contra scandal, Three-Mile Island, Jim Baker, Enron, etc.) have led to the public being skeptical and questioning whether or not various institutions (e.g. government, businesses, religion, education, industry, banks, etc.) are worthy of public trust.
- Public access to information has also been a critical factor in the rise of social licence. "The internet is to food as television was to the Vietnam war," offered Arnot. "Because it has fundamentally changed access to information."
- Food is deeply and intrinsically important to people. "Food is personal; people are willing to fight for it; we need it for survival; we feed it to our most vulnerable (children, elderly); food is part of our culture and celebrations; it helps connect us," explained Charlie.
- Although the consolidation, integration, industrialization and application of technology has made food safer, more available and more abundant, it has increased the public perception that agriculture has become an institution and as such is no longer worthy of public trust.
- How people access information, who they defer to as an 'authority,' the incredible amount of information that is available today and the diversity of audiences has significantly changed how people need to communicate today.
- These significant social shifts in authority, social consensus, communication and progress, combined with the importance of food, provide the context that helps us understand how society got to where it is. Having an appreciation for this helps inform strategy about where to go from here to begin to change that perception.

## Key Themes and Opportunities:

There is significant economic value to maintaining social licence, but to do so effectively the ag industry needs to think differently about how we approach the issues and challenges we face. The following summarizes the key points offered by Charlie to illustrate where the opportunities lie and what actions the industry needs to take to be successful in our new reality.

- The economic argument for investing in social licence lies in understanding the difference between social licence vs. social control:
  - Social licence = lower cost, more flexible, more market responsive (granted to you when you operate in a way consistent with the ethics, values and expectations of your stakeholders, and you demonstrate that you're committed to doing what's right).
  - Social control = more rigid, bureaucratic and higher cost (involves regulation, legislation and litigation and compliance).
- Trust in the food system is fragile. The actions (or mistakes) of one impact the whole. Social licence is a shared obligation that requires us to raise the bar together across the industry/sectors so we are collectively meeting our social licence obligations.
- Understand that there is no premium for doing what's right, but there is a significant cost to violating public trust.
- Trust, as the primary driver of social licence, is driven by three key things: influential others (e.g. dietitians, doctors, veterinarians, friends), competency (knowledge, science, academics) and confidence (perception of shared values and ethics). Shared values (confidence) are 3-5 times more important than demonstrating competency in building trust, so understanding this helps influence strategy.
- Understanding the demographics (i.e. gender, age, etc.), perceptions and values (how they feel and what they believe) of the audiences who want to be engaged in this conversation is critical to understanding "how" we need to communicate with them to build credibility and trust.
- How effectively we communicate with these audiences also lies in understanding the difference between "can" vs. "should" – science will tell us if we "can" but society will tell us if we "should". The industry's historical response to dealing with public skepticism and mistrust has been "science says we can". The opportunity in social licence lies in improving our ability to answer the "should" question.
- Traditional communications don't work today; historical communications model is not effective in this environment. There is no single source of information that people will go to because society is hyper-connected today and information is instantaneous.
- We need to change the tide to become a trusted food resource. To build trust we need to be transparent.
- Increasing transparency has the greatest positive impact with those who are skeptical of what the agriculture industry does. There are seven primary components of building trust through transparency:
  - Motivation – Act in a manner that is ethical and consistent with stakeholder interest. Show you understand and appreciate issues and take action that demonstrates you put public interest ahead of self-interest.

- Disclosure – Share information important to stakeholders, both positive and negative, even if it might be damaging. Make it easy to find; helpful in making informed decisions; easy to understand and timely.
- Stakeholder Participation – Ask those interested in your activities and impact, for input. Make it easy to provide; acknowledge it has been received and explain how and why you make decisions.
- Relevance – Share information stakeholders deem relevant. Ask them. Show you understand.
- Clarity – Share information that is easily understood.
- Credibility – Admit mistakes; apologize; accept responsibility; engage critics; share plans for corrective action. Demonstrate you genuinely care and present more than one side of controversial issues.
- Accuracy – Share information that is truthful, objective, reliable and complete.
- The new reality:
  - The social decision-making process is complex and multidimensional.
  - Decisions are not made on facts and rational thought alone.
  - Mistrust of institutions has become the social norm.
  - Growing trend of questioning the motives and data of experts.
  - Tribal communication and “relational expertise” influences trusted sources and messages.
- What are the implications?
  - Who you are is as important as what you know. Communicating shared values makes technical information more relevant and accessible.
  - Embrace consumer skepticism; it’s not personal, it’s a social condition; this is an opportunity to have a conversation about who we are and what we do. Skepticism is the fuel for scientific discovery.
  - The public wants information from academics but not academic information. Learn to speak the language of social media.
  - Transparency is no longer optional. Authentic transparency is the path to building trust in today’s food system
- The three things you can do:
  - Begin your public engagement using shared values; “People don’t care how much you know until they know how much you care.” T. Roosevelt
  - Open the digital door to today’s food system; find ways to make what you do transparent to illustrate your commitment to do “what’s right”.
  - Commit to engaging online, in person and through your company; your voice, your knowledge and your credibility matter. You can make a difference in building public support for today’s food system.

## Agriculture and Rural Development, Minister's Address

### Minister of Agriculture and Rural Development

The Honorable Verlyn Olson, QC, was elected to his second term as a Member of the Legislative Assembly for Wetaskiwin-Camrose on April 23, 2012. On May 8, 2012 he was named Minister of Agriculture and Rural Development. In addition to his role as MLA during his first term, he was appointed Minister of Justice and Attorney General as well as Deputy Government House Leader on February 18, 2011. Mr. Olson also served as deputy chair on the Premier's Council on the Status of Persons with Disabilities and chair of the First Nations, Métis and Inuit Workforce Planning Committee and as a member of the Cabinet Policy Committee on Public Health & Safety. Previously, Mr. Olson served on the Standing Committees on Public Accounts, Private Bills and Health. Prior to serving as a Member of the Legislative Assembly of Alberta, Mr. Olson was a partner with the law firm Andreassen Olson Borth, where his practice focused primarily on real estate, wills, estates and counselling small businesses, assisting farmers, families, seniors and dependent adults.

### Key Themes:

Minister Olson provided conference attendees with a high-level perspective of the importance of social licence and an overview of the Ministry's activities that are supporting agriculture in this area.

- The huge crowd in attendance at the conference says a lot about the importance of issue of social licence and evidence that people in the industry are taking this very seriously.
- Social licence is becoming a pervasive topic within the industry.
- Agriculture and Rural Development is a great ministry; very service oriented; passionate about agriculture.
- There are huge opportunities in industry; Alberta and Canada well placed to do more; 2<sup>nd</sup> largest industry; approximately 90,000 Albertans work in some piece of the industry
- Traditionally people have good thoughts about agriculture; but increasingly the agriculture industry can't just rest on its laurels; it can't just trade on tradition; agriculture is not a quaint industry, it is a high tech, science-based global business.
- Other industries facing the same social licence issues.
- The ag sector has to be proactive, aggressive and be in front of issues.
- My mandate is to position the industry for growth by focusing on:
  - protecting and developing markets (market access);
  - rural development; and
  - innovation
- The Ministry's job is to be a facilitator to help position the industry for success; the Ministry is also a regulator; assists in research and extension; invests in strategic initiatives (GF2 funding).
- A lot of resources are being devoted to social licence issues.
- Industry needs government's help and government cannot do this on its own – this is a partnership.
- There are huge opportunities, but in order to succeed attention has to be paid to social licence.

## **We're Only As Good As They Think We Are – McDonald's and Sustainability**

Jeffrey Fitzpatrick-Stilwell is the Senior Manager, Sustainability for McDonald's Canada, responsible for directing all activities in support of the company's goals under the McDonald's Global Sustainability and Corporate Social Responsibility Framework. He develops and leads the implementation of sustainability strategies across the company's five sustainability framework pillars (Sourcing, Food, Planet, Community, and People). He represents the company on the global sustainability teams responsible for shaping McDonald's sustainability policies and practices. He also manages the company's external relations with key sustainability stakeholders and influencers.

### **Key Learning:**

Only authentic transparency has the power to really change customer perceptions.

### **Key Words:**

food integrity, consumers, trust, global, urban, transparency, authenticity, sustainability, certification, verification, ethical, economic, environmental, measure, verify, communicate

### **Key Issues and Challenges:**

Jeffrey set the stage by providing some statistics to illustrate McDonald's size, global scope and impact. He then shared general and consumer insights into the challenges of achieving social licence as faced by a global company with a significant presence and impact around the world, and how those issues changed as the company grew and evolved.

- Consumers express little trust in global companies. As a global company, we have a trust deficit with customers. People aren't sure about us and there is the perception that "McDonald's is big enough they could hide stuff from us".
- People are most concerned with the integrity of what they're eating, and just offering more fruit and veggies to the menu doesn't cut it.
- Five years ago we answered questions differently; we were more defensive back then.
- Millennials are and will become a more significant influence on purchasing decisions now and in the future.
- Globally urban – these people no longer have the reference point i.e. direct connect to agriculture any more. As a result, consumers want/need to know more information and we need to be able to deliver that information in a transparent way.
- We (McDonald's) are not the experts; we need you (farmers) to tell us your story; educate us; allows us to go back to consumers with confidence that everything we are doing is about a determination to do things the right way (for everyone in the value chain).

### **Key Themes:**

The following summarizes the key points Jeffrey used to illustrate how McDonald's has proactively and systematically addressed the issues and challenges to secure their social licence to operate. He also highlighted McDonald's commitment to Canadian agriculture.

- Despite their mistrust, consumers are still coming to McDonald's to ask questions. This led to the development of McDonald's "Our Food, Your Questions" initiative that involved a two prong approach where 1. Experts trusted by consumers answer consumers' questions about

McDonald's food, and 2. McDonald's answers questions differently than it has in the past (i.e. not defensively). This approach has changed consumers' perceptions of their authenticity and transparency.

- It took some time put together a strategic global coordinated direction, but McDonald's now implements all of their sustainability strategies across the following five sustainability framework pillars (Corporate Social Responsibility and Sustainability Framework):
  - Sourcing – source all food and packaging sustainably
  - Food – provide balanced choices
  - People – commitment to our people
  - Planet – develop and operate most environmentally efficient restaurants
  - Community – give back to the community
- Shared values and a value-chain approach – being focused on all partners in the chain and supporting all along the way – are critical to the company's success.
- McDonald's has identified sustainable sourcing priorities and uses third parties (that additional layer of transparency) to verify or certify those sustainable sources.
- With a multitude of certification/verification options, the challenge was deciding which is the right verification or certification system for McDonald's. The bottom line for McDonald's was focusing on positive "outcomes" not just "practices" and being able to demonstrate that these practices changes have positive economic, environmental and ethical/social outcomes.
- The biggest thing McDonald's has underway now is their verified sustainable beef pilot project. Why focus on sustainable beef? Because it's 1. Important in a business sense (McD's sells \$billions annually), 2. It is the right thing to do, and 3. It means sustainability for the company as well.
- Why a pilot project? A pilot project enables testing, evaluation (successes and failures) and continuous improvement in the area of sustainability. The purpose is to engage in a learning opportunity to understand how we can measure, verify and communicate to consumers about the sustainability of beef production, and use the principles and criteria of the Global and Canadian Roundtables on Sustainable Beef to meet realities of Canadian beef production.
- Canada was chosen for the pilot because it has been and continues to be a leader in sustainability in the agriculture sector, led by industry support, industry developed and supported tools, existing collaborations and McDonald's commitment to Canadian Beef.
- This is verification, not certification (info sharing vs. policing). Verification is not a pass/fail; it aims to allow producers to demonstrate how they meet the sustainability indicators (outcomes).
- Multi-stakeholder collaboration (across the value chain) is key, and the key to successful collaboration is knowing we aren't the experts; we need to learn as well.
- Agriculture value chain needs to be better organized to respond to multiple market requirements; there is a critical need to provide transparency and build trust with consumers.
- Creating consumer confidence requires the entire value chain to demonstrate and communicate sustainability performance.
- McDonald's wants and needs to tell your story; continue to educate us; it will help maintain social licence to operate and help advance the sustainability of Canada's agriculture sector.

## Activist Influences on Public Perceptions: Challenges and Opportunities

Kay Johnson-Smith, President and CEO of the Animal Agriculture Alliance, is an advisor to the agriculture and food industry on farm animal welfare issues. She serves as a national spokesperson and has provided hundreds of presentations and media interviews on related matters. She serves as the industry liaison to USDA on farm animal welfare matters and coordinates U.S. agriculture input to international farm animal welfare initiatives. She has coordinated national coalition efforts and regularly works to engage media, government and broader industry stakeholders about agriculture's animal care initiatives, as well as provides strategic guidance to managing activist campaigns.

### Key Learning:

Do not let the activists be the only messenger on the minds of customers, consumers, policy makers, legislators and investors.

### Key Words:

opposition, activism, undercover, distrust, perception, sensationalism, influence, transparency, communication,

### Key Issues and Challenges:

Since 1987, the Animal Agriculture Alliance has been monitoring animal rights and detractor groups, engaging in those same spaces and providing a voice for agriculture (across the food chain) in this area in an effort to protect the ability of producers to continue to operate. Kay's presentation brought a different perspective to the discussion of social licence, talking about shared issues of dealing with activists and the impacts they are having on the agriculture industry.

- The activist community is extremely loud, very engaged and very active.
- Often times, the "public" face and the "real" agenda of the opposition (activists) are different i.e. will publicly say they want to protect animals vs. privately promote veganism.
- The opposition works strategically with one another; radical or extreme groups work hand in hand with less radical or softer groups.
- Activists target consumers, customers, policy makers and investors. Activists may have different approaches, but their strategies are all the same. Their goal is to drive a wedge between the farm community and the consumer, create distrust and take away agriculture's social licence to operate.
- One of their primary tactics is undercover videos which are used predominantly in the animal rights community. In each case, the person who took the video was hired by a farmer to do a job, but also paid by activist organization to take the video.
- Videos are used for multiple purposes including fundraising, creating a need for legislation change, and to influence business decisions.
- Activists are making it easier for anyone to become an 'investigator' by actively hiring, creating aps and using technology, and employing whistle blowing incentive programs.
- The greatest concern with these programs is how the data is being collected and how the is being used. Who collected it? How do you verify it?
- They are looking to create a perception about ag and farms; all about the 'spin' put on the story
- These organizations have huge social media reach and this means their impact is significant.

- Videos are intended to create distrust and create the need for change, and this has led to many changes that have impacted the agriculture industry.
- In what is called the “business side of animal rights”, through their various tactics, activists are impacting and influencing the business decisions of publicly traded companies. For example, activists are creating business benchmarks for animal welfare that grade companies on their animal welfare policies and practices and then distributing this information to shareholders and retailers to put pressure on them to change.
- Activists accomplish their wins by playing to both the fears and desires of corporate executives. Fear because corporate brand means everything (it’s their reputation) and desire because of the false belief that if a company does all activists ask for they will support us.
- But ultimately if you work with them the pressure just continues; they just want more.

### **Key Themes and Opportunities:**

So what can we do? Transparency is key. Kay offered the following recommendations to farmers to support and strengthen efforts to improve transparency.

- Look at your business from an outside perspective; what does it look like to the consumer?
- Look at your environmental/animal care policies. Are there things you can do to improve animal care or environmental programs on your farm? Implement formal animal care programs because it’s the right thing to do.
- Do your own self audits so you can measure what you’re doing. Conduct your own undercover audits; work with someone who can give you an honest assessment of your operations.
- Train your employees; it is so important they know what your expectations are; hold employees accountable if they are not doing the right thing; reward employees for good behaviour and doing the right thing.
- Hold briefings for all team members (include admin and financial staff) so they are aware of your commitment to the care of your animals and the environment.
- Crisis preparation is important – don’t wait until something happens; be prepared, have a plan in place before you need it.
- Engage in proactive communications and build relationships – get to know the people you may need before you need them; don’t let the activists be the only resource on the mind of legislators; engage your local community; talk about your business and your farm; this builds good will and establishes a perspective different from the activist-engendered one
- Be transparent – take away the mystery; be present so people can connect with you i.e. social media, open houses (live or virtual), regular meetings with customers; welcome interest by public to know more about where their food comes from.
- Share your story – put a face on agriculture; connect the food with the people who create the food; you’re the only one who can tell the real story.
- Activists are active on social media so you need to be active on social media. Use social media to share your stories. Why? 1/3 of millennials liked a brand more when it uses social media. This is the generation you need to engage with to ensure the future of agriculture.
- Everyone in the room has to lend their voice to counter the voice of the activists.

## Trust and Transparency as Social Licence Enablers

Bob Chant, Senior Vice President, Corporate Affairs and Communication, is responsible for managing the corporate face of Loblaw including corporate social responsibility, public relations, government and industry relations, and communication to the company's 192,000 colleagues and franchise employees. For its leadership in the areas of waste reduction, health and nutrition, and sustainable sourcing, Loblaw has been recognized as one of Canada's Greenest Employers and Canada's 50 Most Responsible Corporations for the past two years. In addition, through the establishment of the Loblaw Companies Limited Chair in Sustainable Food Production at the University of Guelph and the Conference Board of Canada's Centre for Food in Canada, Loblaw is contributing to the development of a sustainable national food strategy.

### Key Learning:

Be as consultative, thoughtful, fact and science-based as possible, because the reward for transparency is consumers' trust.

### Key Words:

dialogue, trust, transparency, consultation, engagement, consumers, stakeholders, fact-based, science-based, perspective, trends,

### Key Themes and Opportunities:

Composed of six separate independent businesses, and owning the two largest (leading sales/revenue) consumer brands in Canada, Loblaw is Canada's largest family of companies. Bob shared the Loblaw story, citing examples of what this economic driver for the country has done to establish and maintain social licence in Canada. Others in the agriculture industry can readily learn from Loblaw's long-time experience and expertise in establishing and maintaining social licence.

- For Loblaw, establishing corporate social responsibility agenda in Canada has meant establishing a dialogue, building trust and transparency and delivering on our promise.
- We've always been asking "What's next?", "What does our future have in store?" Identifying trends and what's coming is part of our job.
- Loblaw takes the consultation process very serious and all stakeholders who should have input into the process including consumers (they really are the centre of what we do).
- Consumer trends informing consultation include:
  - Demographic shifts
  - Health, wellness and emerging food issues
  - Technology – transparency is critical and technology is going to help drive that transparency
  - Local concerns
  - Massive debt and deficit
  - Health care costs
  - Environmental realities
  - Reduce the cost of government
- If we don't understand our customer (the consumer) we can't reflect back to producers, vendors and suppliers what it is our customers want.

- So we ask consumers for their perspective on areas that they think should be a priority for any large retailer. Their top responses were: 53% local sourcing, 49% healthier choices, 41% waste reduction, and 40% animal welfare – this last one was not on the list in 2012!
- The importance of trust and transparency – according to the Edelman Trust Barometer, trust in business is plummeting. It has dropped significantly from 2014 to 2015.
- Reasons that drive trust up/down?
  - 55% contributes to greater good / 53% fails to contribute to the greater good
  - 66% produces economic growth / 43% does not help me and my family live a healthy life
  - 47% allows me to be a productive member of society / 40% does not help me and my family live a fulfilling life
- The good news is consumers want us to succeed; they want us to deliver on these things that drive trust up.
- Loblaw prides itself on making best efforts to be fact-based or science-based in all we do, trusting in science and using fact-based action e.g. sourcing sustainable palm oil – Loblaw is working closely with World Wildlife Fund on this and thought about it for a long time before making the commitment to sourcing sustainable palm oil.
- Loblaw applies fact-based action in the areas of:
  - Palm oil
  - Health care
  - Sustainability
  - Animal welfare
- Customers want transparency in an easy to digest way; this led to the development of Loblaw's product rating system.
- Work closely with vendors to make sure the company are on the right track regarding sustainability and sourcing sustainably produced products.
- We employ fact-based consultation; engaging academics and using them as advisors, participating as members on various round tables and working/partnering with other organizations. We're also looking at where things may be 10 years from now and using the facts, input and information from groups like this to guide what we should be doing.
- Loblaw works closely with the scientific community on many corporate social responsibility issues and partners with scientific advisors for expert opinion and guidance in specific areas.
- Transparency example – April 24, 2012 – Bangladesh factories collapse; Joe Fresh (a successful Loblaw brand) sources from one of these factories. The key message here is “when you mess up, fess up”; acknowledge when you haven't done a good enough job; lay it out there right away and then be committed to making changes and then talking about the changes you've made to improve the situation.
- Our reward for all that we do is our customers' trust (collectively).
- The more active you are, the more you reach out, the better.

## Consumer Engagement and Sharing Our Story

For over 16 years, Carrie Selin has worked with the agriculture industry or government on several multi-stakeholder initiatives and has also worked with the Agri-Environmental Partnership, the Intensive Livestock Working Group or the Alberta Livestock and Meat Agency. She is an advocate for agriculture, and as a liaison between industry and media for Taste Alberta she works to ensure consumers have relevant and interesting information about food produced in Alberta.

### Key Learnings:

Producers have a story to tell and it's critical they tell it. The key to successfully telling that story is to be real, relevant and targeted, build relationships with consumers and find out what they value.

### Key Words:

values, consumers, engagement, sharing, relationships, communications, technology, Internet, social media, third-party credibility, influencers, measurement, evaluation

### Key Themes and Opportunities:

Carrie began her presentation with an overview of how the digital world, the Internet and social media have dramatically changed how people access information, followed by timeline and details of Taste Alberta's activities over the past few years.

- The evolution of communicating with consumers in Alberta:
  - 1990 – no Internet available
  - 2004 – Food for Thought magazine
  - 2008 – What's on Your Plate – livestock industry partnering with media (Edmonton Journal/Calgary Herald); print media with content focused on environment, animal care, food safety
  - 2010 – Taste Alberta – represents a wide variety of organizations within the Alberta food industry that have come together to encourage consumer loyalty to locally produced food; a partnership with media (Edmonton Journal/Calgary Herald) to distribute industry messages through print, online platforms
  - 2013 – Gastropost – continued media partnership that focuses on social media engagement; builds and sustains a food community of value around data and content.
  - What's next? To infinity and beyond!
- The digital life will be predominant but the need to tell the story has not changed; what has changed is how people tell their story and the different tools they will use.
- Changing the conversation – the means of these conversations has changed, in particular around consumer demand to know more about food and the story behind the food. Recent industry efforts have allowed industry to speak directly with consumers and influencers about the things that matter to them.
- The farm-to-plate knowledge gap – there is an increasing cultural and social divide between urban and rural populations, at a time when agriculture is becoming more scientific, progressive and change-oriented in order to evolve. If this knowledge gap isn't addressed, and consumers' questions about issues aren't answered (e.g. antibiotics, food safety, hormones, animal welfare, pesticides, etc.) this results in fear and mistrust.

- Who is managing the conversation? Who is telling the story and how are they telling it? If producers are not, then somebody else is. A good example is the Chipotle video which has received 8 million views – they are telling their story; but it’s not necessarily your (producer) story.
- Enlisting third party credibility – Taste Alberta and Gastropost help tell producers’ stories through events, TV ads, and campaigns that share how food is produced in Alberta.
- Gastropost represents food lovers in Edmonton and Calgary. It is an online community of over 5,000 members and an example of using social influence to reach the public.
- Measuring sentiment – In 2013 we commissioned a benchmark report examining the media impact and themes around Taste Alberta and certain Alberta foods in the traditional and social media space across the province. We then followed up a year later with another report to view the changes in consumer sentiment, and we have seen negative sentiment decreasing; moving to neutral and neutral moving to more positive.
- We also measured traditional media; the “tastes like chicken” example was used to show how disseminating positive messages through Gastropost have helped to shift people’s perspectives (from negative to positive) about chicken in Alberta.
- Talking with local influencers – focus groups were conducted to learn about Gastroposters’ perceptions about modern agriculture and triggers that lead to making local food choices. Key learnings included: consumers want to hear directly from producers, they understand they can’t have local product at all times of the year, they have a strong sense of community, chefs can be strong advocates (they have a lot of credibility with this audience).
- Guiding the conversation – the first step is listen and learn then build relationships with your audience; when you have done that, you’re ready to guide the conversations. This is what Taste Alberta does. If you’re ready to tell your story, use what we’ve learned, use our audiences of local influencers and what we’ve learned about those audiences, and use the relationships we’ve build with media to share information that’s relevant to consumers.

## Social Licence and Modern Food Production

Ted Menzies joined CropLife Canada in January 2014. Ted served as Member of Parliament since 2004 for the riding of Macleod, Parliamentary Secretary for International Trade for the Canadian International Development Agency, and in 2007, Parliamentary Secretary for Finance, appointed to the Queens Privy Council as Minister of State for Finance in 2011. He retired from federal politics in November 2013. During a lengthy career in primary grain, pulse and oilseed production, he played an active role in agricultural policy development through various commodity organizations as president of the Western Canadian Wheat Growers, Vice President of Grain Growers of Canada, President of Canadian Agri-Food Trade Alliance.

### Key Learning:

Consumers may be challenged to understand it, but it's important the ag industry continue to focus on talking about the benefits of our technologies.

### Key Words:

social licence, public trust, stakeholders, expectations, values, engagement, technology, benefits

### Key Issues and Challenges:

Ted opened his presentation with a concise definition of social licence, introduced CropLife Canada, outlined the aspects of sustainability, and identified how the industry is challenged to meet consumers' expectations.

- Social licence refers to the level of public trust granted to a corporate entity or industry sector by the community at large and its key consumer base. Public trust is the belief that activities are consistent with social expectations and the values of stakeholders, and earned through industry engagement, operating practices, and expressed values.
  - Social licence is slow to build, but can erode quickly
  - Industry tacitly garners this public trust by 'doing what is right'
- The three aspects to sustainability and how plant protection products and plant biotechnology contribute to three pillars of sustainability:
  - People – access to safe, nutritious and affordable
  - Planet – reduce the environmental impact of agriculture
  - Prosperity – better yields and quality = overall economic benefits
- Customers and consumers expect and demand sustainability. At the same time, consumers are challenged to understand the benefits of modern agriculture and they often question if pesticides and plant biotechnology is safe.
- Farmers make good spokespeople but it is a challenge to encourage farmers to reach out to people.

### Key Themes and Opportunities:

Ted provided a record of statistics, facts and science-based data and information that provides the rationale, sets the tone, and is helping to tell the story of how modern agriculture (science and technology) is contributing to positive environmental outcomes and, as a result, is becoming more sustainable.

- Farmers today produce 262% more food with 2% fewer inputs (i.e. seed, labour, fertilizer) than they did in 1950.
- Affordability of food has decreased from 50% to 7% of every household dollar spent.
- Innovations improve the bottom line for farmers and stimulate economic activity throughout the rest of the economy.
- Agriculture contributes significantly to the economy: \$103 billion in economic activity (2012) and one in eight jobs (2 million jobs total).
- Farming is a business; profit is not a dirty word.
- We can grow more food than we can consume; Canada exports to 150 countries; our country benefits and the developing world benefits; about 65% of Canada's \$10 billion food surplus is due to increased yields from crop protection products and plant biotechnology.
- Who else benefits? Tax revenue (from agriculture) contributes to other key elements of the economy e.g. hospitals, roads, schools, infrastructure, etc.
- Canadian families save 58% on their weekly grocery bills due to crop protection and plant biotechnology, making healthy food more affordable.
- More crop per acre means more room for nature. Without crop protection products and plant biotechnology, Canada would need to turn 37 million more acres into farmland to produce what it does today.
- Technologies help protect wetlands by making farmland more productive allowing farmers to leave marginal land in its natural state. Thanks to plant science, some land that in decades past had been farmed has now been returned to its natural state.
- Although there is a long and positive history of and examples of how reduced or zero tillage has contributed significantly to soil conservation, this is a story that farmers still struggle to tell (dirty 30s vs. today); conservation and no-till practices are used on 72% of the field crop land in Canada.
- No-till has resulted in reduced demand for pesticides/fertilizer inputs, increased carbon capture, reduced fuel consumption = all positive results of zero till/reduced tillage = savings to farmers and savings to environment.
- Early years of biotech research focused on delivering benefits to farmers; new focus will be to deliver consumer benefits such as foods with disease-fighting properties like Tomatoes rich in lycopene, corn and soybeans with increased Vitamin C and E, foods that stay fresher, longer or which have enhanced flavour or with reduced browning, bruising and longer shelf life, or foods with allergenic proteins removed.
- The ag industry delivers economic, environmental and social benefits, and we have a compelling story to tell that should earn us the social licence we need to operate.
- CropLife has been working hard to reframe how we explain what we do and why we matter and we'll continue to focus on talking about the benefits of our technologies.
- CropLife is helping to tell this story.

## Social Licence in Dairy Farming: the proAction® Initiative

Guy Séguin is a Professional Engineer who works for Dairy Farmers of Canada (DFC) as Assistant Director, Dairy Production and Policy. Before joining DFC, Guy worked as a Dairy System Engineer and Field Service Representative for ten years at Dairy Farmers of Ontario. Guy graduated from the University of Guelph with a B.Sc. (Eng.) in Agriculture and a B.A. in Computer Science. He has also worked with DeLaval Canada for nine years as a Product Manager for milking equipment systems. Guy lives in Casselman, Ontario with his wife Kathleen and their four children.

### Key Learning:

Being transparent provides assurance to customers about what the dairy industry does.

### Key Words:

customers, assurance, transparency, trust, commitment, perceptions, professional, expertise, food safety, traceability, consistency, brand equity, proactive, self-regulating, credibility, third-party, evaluation, assessment

### Key Themes and Opportunities:

Setting the stage with statistics that convey the significance of the Canadian dairy industry and how population demographics are changing consumer relations, Guy provided a detailed overview of the DFC's efforts to secure social licence for the dairy industry through their soon-to-be-launched proAction® program.

- Canada: Dairy is one of the top two agriculture sectors in 7 of 10 provinces; \$6.733 billion cash receipts; Alberta is 4<sup>th</sup> largest dairy province
- Alberta: \$580 million; 600 farm families; 80,000 dairy cows producing 650,000,000 litres; 20 processing plants; creates 10,000 jobs.
- What dairy farmers are: the average Canadian dairy farmer milks 70 cows; runs a family business/is family oriented; works 7 days/week, 8-16 hours/day; is committed to his animals; loves the land and working outside; has a myriad of other experience and expertise (not just a dairy farmer).
- The proAction® initiative is dairy farmers' social licence – their approach to being transparent – it provides assurance to their customers about what they do; it is also their 'insurance' policy.
- Canada's population is changing – there are more and more foreign born Canadian citizens; this is changing the clients, the values and the connections you make.
- Canadian households allocated 9% of their total household expenditures to food.
- The public esteem for farmers is very high (95%), but this is very fragile. This perception is built on their views of an agrarian farm vs. a factory farm. DFC's aim is to perhaps shift the perception of farming to a "profession" and the perception of farmers as "professionals," based on their ethics, duties (to the customer, to the environment, to animals) and values (based on Dr. David Fraser).
- Dairy Farmers of Canada are aiming to have 100% of dairy farmers adhering to a sustainability program to protect the brand equity of Canadian milk.

- We need minimum standards adhered to by all dairy farmers that will strengthen our already solid reputation with consumers.
- proAction® provides assurance to customers. There are six program modules: milk quality, food safety; Canadian Quality Milk (CQM) program (HACCP), traceability (animal traceability), animal care, biosecurity, environment (asking every farmer to do EFP).
- Using 13 guiding principles proAction® will:
  - Be designed by farmers for farmers;
  - Striving for continuous improvement, will provide reasonable time periods to allow farmers to meet the programs' targets
  - Be mandatory for all dairy farms in Canada;
  - Be transparent and recognized by regulators, stakeholders and society;
  - Improve the sustainability of Canadian dairy farms;
  - Be cost-efficient, user-friendly and valuable to farmers;
  - Use existing expertise to minimize the number of on-farm visits;
  - Have the same timelines for all dairy farms in Canada;
  - Have the same obligations and consequences for all dairy farms;
  - Use the existing CQM program framework and infrastructure to facilitate consistent administration;
  - Use credible and independent audits;
  - Partner with governments in the implementation of the programs;
  - DFC and member organizations will provide the necessary resources to implement the programs.
- It will take an estimated \$160 million in cash and in-kind to implement this program over the next 10 years.
- This won't give any particular food company a marketing advantage, so why do this?
  - Commitment to Canadians – consumers expect that milk and dairy products are safe and produced responsibly
  - Setting up our own agenda
  - Being transparent
  - Using existing expertise
  - 100% Canadian Milk: Branding; build brand equity
- Additional messages/advice from Guy:
  - Be careful of overreacting to shaming.
  - Be careful of certification overload.
  - Be careful of paperwork overload.
  - Recognize the farmer when congratulations are due.
- In short, proAction® provides assurance to customers:
  - It uses existing infrastructure that will allow future integration of programs/modules.
  - There is strong support from our farmers, processors, stakeholders and clients.
  - Effective communication to all levels is key to the success of this program.
  - proAction® is building equity for the support for our national branding.

## Are Farmers Good and Ready for Everybody? Alberta Crops Sustainability Certification Pilot Project

Karla Bergstrom has been the Policy Analyst with the Alberta Canola Producers Commission for over three years. Her primary role is to tackle the issues that are important to farmers, but are also often dreaded by farmers. Karla has worked on a wide-range of files for Alberta's canola producers from transportation, trade, regional planning, grain contracts, variety registration, lobbying, food strategies, grain bag recycling, farm safety, labour, rural development, and bees, to Life Cycle Analysis and Social Licence otherwise known as Sustainability. She spoke about the Alberta Crops Sustainability Certification Pilot Project.

### **Key Learning:**

Increasingly, sustainability standards will contribute to the food and agriculture industry achieving social licence to operate.

### **Key Words:**

proactive, sustainability, triple bottom line, footprint, data, pilot project, farmer input, assessments, standards, science-based, record keeping, innovative, adaptive,

### **Key Themes and Opportunities:**

As multinational food companies establish their sustainability plans - and as they move to adopt environmental, social, ethical, and food safety standards - they will be requiring their entire supply chain to do the same. In an effort to help prepare producers for this eventuality, Alberta's Wheat, Barley, Pulse, and Canola Commissions are leading the way with the development and implementation of new pilot project of to gauge the 'readiness' of farmers to meet the terms of various global sustainability platforms – the first project of its kind in Canada. To set the tone, Karla provided perspective on the scale and scope of the food companies that are driving the need for change before providing an overview of the Alberta Crops Sustainability Certification Pilot Project and what they hope to achieve with the initiative.

- This project will give a preliminary understanding and indication of how farmers rank against these international sustainability standards (environmental, social, ethical, economical, food safety) that have been adopted by food companies to demonstrate their performance to their customers and consumers.
- Sustainability standards are what give companies their social licence to operate. It's not just about profit anymore; the triple bottom line is the new reality and it's essential for brand protection.
- Two-thirds of the world's food production is purchased by 10 massive, multi-national food companies.
- With the largest footprint in the supply chain, farmers are a focal point; as consumer scrutiny of farming practices increases, to continue farming, producers must define and defend what sustainability means to maintaining consumer trust.
- The greatest challenge is to develop a sustainability metrics platform for Canada's grain sector; through this proactive approach producers will have the opportunity to knowledgeably influence the development of this platform.

- Was a lack of farmer buy in at the beginning, but here are 35 committed participants in the sustainability pilot; on-farm visits will be conducted by Control Union and results are expected later this spring.
- These are not on-farm audits but producers will receive a personalized assessment of how they rank against these global standards.
- Sustainability certificates – how important will this be for the future? Are they the way to go in Canada? Some markets have stringent sustainability requirements.
- The pilot will give an understanding of the process and an idea of where Alberta farmers rank on world platform (against international standards).
- The pilot will evaluate the following international standards on-farm:
  - Unilever Sustainable Agriculture Code (ULSAC).
  - International Sustainability and Carbon Certification Plus (ISCC PLUS).
  - Sustainable Agriculture Initiative (SAI) Farmer Self-Assessment 2.0.
  - The Sustainability Consortium’s (TSC) Key Performance Indicators.
- Messages to all farmers:
  - We need you to start answering the questions being asked in the pilot (not just the pilot project participants).
  - Companies are looking for hard data on farms (e.g. Canadian Field Print Calculator).
- Take away messages:
  - The four standards are top down systems; farmers don’t have to do anything more than their good, day to day practices; the auditor does the work; this is a top down vs. bottom up approach.
  - The field print calculator is a bottom-up approach; relies on famers to provide their own data and self-evaluating against benchmarks that are created on optimal best practices.
- Agriculture is moving to a data rich environment; it is more important than ever before to keep good data/good records.
- At the end of this pilot, if we find we are ready, let’s announce it to the world. But if we find we’re not ready, what are the key learnings, what are the associated costs, who pays, and what will the next steps be?
- Some may see all of this as another hurdle with increased costs; some may see this as an opportunity to invest in continuous improvement.
- Will there be a premium? Not sure, but there is a fundamental shift in what’s being asked of farmers; the marketplace today is different than what it was, but Canadian agriculture is innovative and adaptive.
- For food industry to be sustainable, farming has to be sustainable; for farming to be sustainable farmers have to be able to earn a living.
- Consumers are increasingly aware of where their food comes from.
- “Sustainability is more than just claims on a package: it must be rooted in the agricultural system we already have, allowing for the continuation of farmers’ rights, adaptation of science in agricultural systems, and the food preferences and cultural shifts of the consumer.”  
Al Mussell, Agri-Food Economic Systems

## Islands of Angst: Recent Ag Social Licence Lessons From Hawaii for Alberta

Steve Savage, Speaker/Writer/Myth buster, has over 30 years of experience with diverse technologies having worked for a university, a large company and a start-up biocontrol company. Since 1996 Savage has been an independent consultant and since 2009 has also been an active blogger and speaker on food and ag issues. Recent work with agriculture in Hawaii served as a frame for the Alberta context of Steve's talk.

### Key Learning:

Can the farming community regain control of its story in a hostile world?

### Key Words:

fear, activism, outdated perceptions, footprint, limitations, engagement, community, proactive, interaction, science-driven, sustainability metrics, data, multi-stakeholder, large players, control

### Key Themes and Opportunities:

Through his personal and professional experiences, and using an example of the major challenges and issues faced by agriculture on the island of Kauai, Steve presented an outline of social licence lessons to be learned, what works and what doesn't, and how Alberta's agriculture industry can benefit from these experiences as it pursues its social licence to operate.

- Agriculture in Hawaii – on the island of Kauai, a large majority of acres that used to be farmed as part of large plantations is no-longer farmed; what remains are some small farms, one large coffee farm and 12,000 acres of corn seed nurseries.
- North Shore Activism – no history of farming; many people are recent immigrants; they went ballistic when they realized that 'the dreaded' GMO corn seed companies were on their island. Their movement gained traction when they came across a list of restricted-use pesticides, some of which were used in corn seed nurseries.
- The issue was compounded by some earlier 'footprint' issues on the island:
  - "Pesticide-laden" dust from agricultural production
  - Perceived spray drift incident
- Although the realities were different than the perceptions, the angst over these incidents was palpable; as a result, a bill was introduced in an effort to drive GMO companies off the island.
- The data/facts presented worked for some of the more rational people, but not all.
- What we learned from this:
  - People will assume the worst
  - Proactive community interaction is key
  - Pesticide perceptions are out-dated; the ag industry hasn't done a good job explaining how different things are now
  - Pesticide/GMO fear creation synergy – the combination of pesticide and GMO fear is synergistic
  - Regulators are held in low esteem
  - The ag community has very little political clout
- Social licence is compromised when politics trumps science for regulation.

- Lions of the market – there are major players in the various segments of the food industry who are big enough to exercise a great deal of leverage over the entire sector. These are the lions in terms of market power. And even a small activist group can effectively control the food supply as long as there is a high leverage player that is sensitive to brand defamation.
- Importers acting badly – the example of Roundup Ready wheat, fusarium headblight resistant wheat – European and Japanese importers threatened to boycott North American wheat. Importers blackmailed the industry into not planting any GMO wheat and as a result, Canadian wheat growers asked Syngenta and Monsanto to halt GMO programs.
- This all begs the question “who controls the food supply?” Will the next generation of biotech crops be suppressed or allowed (e.g. non-browning apples, new biotech potatoes that will help reduce food waste) or will parts of the industry (e.g. Florida citrus) just die because big companies may not allow biotech?
- Redefining sustainability in terms of outcome-based metrics:
  - Science –driven
  - Outcome based
  - Yield as the denominator
  - Cover all footprints
  - Multi-stakeholder input
- Limitations of sustainability initiatives:
  - Key parameters are hard to measure (i.e. soil health)
  - Pesticide risk assessment is complex and already implemented
  - Some results are uncomfortable for certain stakeholders
  - Water isn’t all the same
  - Commodity flow complications
  - Will it be used as a carrot or a stick?
  - Will there be any consensus system?
- Another problem is the issue of land tenure; if we’re really going to have a conversation about sustainability, the “land owner” needs to be in the room as well (i.e. many farmers rent land).
- Modern society feels out of touch with their sources of food; if people don’t have direct contact then who tells the story? It’s told by people who don’t have direct contact with agriculture and who will often put a “spin” on the story. Other “contributors” to the story include: food movements, celebrities, anti-GMO movement (well-funded), self-proclaimed “food experts”, entertainment (extreme caricatures of agriculture, presented as entertainment or in extreme cases becoming effectively hate speech for profit).
- Fortunately, there are real farmers who are speaking up e.g. Nurse Loves Farmer, but telling our story is still a challenge.
- “My Grandpa’s Organic” – focused on the fundamental idea of building soil quality; a positively focused thing; major focus was on building soil health. What we have today is NOT “my grandpa’s organic”. Unfortunately, promotion of organic can be done in a way that’s toxic to conventional agriculture. A good deal of the organic brand today is not driven by producers of

organic but by consumer organizations, and involves a tendency to promote organic based on inaccurate information and unfair comparison with conventional agriculture.

- Today's organic:
  - Is defined in the negative
  - Has become a lucrative upsell segment for retailers
  - Involves the guilting of parents
- Organic farmers also need to speak up against this type of marketing.
- What does it take to support a reasonable opportunity for social licence for agriculture?
  - Manageable climatic, biological realities
  - Adequate R&D support
  - Functional infrastructure
  - Reasonable demands from downstream markets
  - Viable economic drivers and constraints
  - Acceptable footprints and externalities
  - Soundly based, trusted regulations and laws
  - Fair societal voices
  - Accurate public reputation
- The biggest threats to social science:
  - Erosion of regulatory environment (distrust).
  - Leverage of downstream customers which can be manipulated by small, outside forces.
  - Will sustainability become Balkanized (the violent process of fragmentation or division of a region or state into smaller regions or states that are often hostile or non-cooperative with one another)?
  - Can the farming community regain control of its story in a hostile world?

## Conference Wrap Up and Summary Comments

Kim McConnell

This was a great conference with excellent topics, excellent speakers, excellent presentations, and an excellent crowd of engaged participants. The following are key 'learnings' that I took away from the Social License in Agriculture Conference.

### 1. It's all about trust

- To build trust, we learned that it starts with 'shared values' – shared values are 3-5 times more important than demonstrating competency.
- We learned that "can" and "should" are not the same question. Science will tell us if we 'can' but society will tell us if we 'should'.
- The consequences of a 'bad actor' don't just affect the bad actor; it affects all of us.

### 2. Transparency is critical

- Transparency is a key to building trust.
- Transparency has the power to really change perceptions.
- We were shown some great examples of what we can do to be more transparent: windows in barns so that people can see in; tours of farm and processing facilities; virtual tours, etc.
- "In a world where everything is visible, you better not have anything to hide."

### 3. The 'activist' community is very engaged and very loud

- Activist groups are organized and well-funded – in fact \$400 million is devoted to activist activities against agriculture and food.
- Activist activities are relatively consistent: they like under-cover videos; then they leverage their videos with strong social media activity; and they are targeting major influences including public corporations, governments and the investment community
- Activists have been successful in advancing their mission and objectives. We learned that Animal Welfare was not on the Loblaw monitoring ratings in 2012; had a rating of 20% in 2013; and 40% in 2014.

### 4. The agriculture and good industry MUST convey its story and commitment to a healthy, affordable food system

- The public / consumers are seeking knowledge ... and "crowd sourcing knowledge" is a new means of knowledge collection.
- Producers are respected and credible – and they must be at the table. And participation means active involvement individually and not just relying on their associations, government agencies or grocery stores.
- Everyone in the agriculture and food industry has a role to play.
- The industry needs to 'speak up' – proactively, verbally, online, and by retweeting messages you support.
- "When you mess up, fess up!"
- When confronted by someone who may not agree with your opinion, start by embracing their skepticism.

**5. 2/3rds of all food production is purchased by a few, very large food companies**

- These large companies are ‘the lions’ of the industry – their power is massive.
- These companies know food but are considerably weaker in their knowledge of food production.
- These lions are very protective of their brands. Sustainability is important to them. They are developing and advancing sustainable programs – these programs often vary considerably ... and not always with input from the agriculture and production sectors.
- There is an opportunity to develop some consistency in these sustainability programs. We were reminded that programs need to be practical and with standards that meet the needs of both the producer and the ‘lion’ but also enhance public trust and confidence.
- Guy Seguin reminded the conference participants of the importance of “certification overload, paper overload, and that farmers aren’t social licensees, corporate marketers or professional communicators.”

**6. The ‘hyphen’ in agri-food needs to become a bridge – the agriculture and food industry must work together as a complete food chain**

- All sectors of the chain need to be on top of their game
- Training is important – and more is required throughout all sectors
- Collaboration is important
- Communications is critical: sector communications; agriculture industry communications through programs like Agriculture More Than Ever; education and youth communications through programs like Ag in the Classroom; and general public communications to build public trust and confidence through initiatives like Farm & Food Care Canada and the Canadian Centre for Food Integrity.

**7. We can’t rest on our laurels**

- We’re an industry that is influenced by biology, environment, technology and humans.
- Continuous improvement is the goal and the journey.

**8. The measurement of a ‘great’ conference includes:**

- Good attendance – measured by the number of attendees.
- Good speakers / presenters – measured by the quality of the presentation and the seniority and influence of the presenters.
- Good engagement by the conference participants – measured by their interest in the presentation and the number of notes taken.
- And it’s also what we do AFTER the conference concludes and we return home.
- The Social Licence in Agriculture was indeed a GREAT conference.

## Conference Participant Evaluation Summary

An electronic submission form was used to enable participants to evaluate the conference. At the conference participants were notified the evaluation link would be emailed to them 24 hours after the conference in order to give them time to mull over all the material that was presented.

One third of participants completed the conference evaluation within one week. Most of the respondents agreed or strongly agreed that the conference increased their awareness and understanding of social licence. Three quarters of respondents agreed or strongly agreed that the conference changed their thinking on social licence.

Eleven questions were asked, three of which had several sub-questions. A summary of the evaluation answers is provided here.

**Who responded?** The top five categories were:

- Farmers – 25%
- Commodity organization staff – 15%
- Government – 22% (note more than half the government registrants were from municipalities)
- NGOs – 10%
- Food processors/retailers/companies – 5%

**What do you think are the top drivers of social licence in agriculture?**

- Public/consumer understanding and trust
- Tribal pressure (interest groups)
- Transparency
- Regulations
- Farm practices

**What do you think are the top actions or solutions for maintaining or improving social licence in agriculture?**

- Industry and/or 3<sup>rd</sup> party collaborative to do outreach
- Communication – 2-way (educate and understand their consumers)
- Build trust and transparency
- Emphasize standards and good practice

**What do you think should be the main role of the following groups in maintaining or improving social licence in agriculture?**

- Primary producers and commodity organizations – share stories; tell things right; lead the story/initiative/discussion; speak up!
- Grocery retailers – Support local/Canadians; source from social licenced achievers (and reward them); challenge consumers; provide clear/accurate information.

- Agri-food processors – Transparency; best practices, exceed standards; support good actors; communication.
- Governments – Support – science, development, education, funding; watchdogs.
- NGOs – Coordinate discussion; facilitate messaging; develop united voice; commit to truth, accuracy and develop a trusted voice of the industry.

**What would you like to see happen to continue industry engagement on social licence in agriculture?**

The most popular answer was “establish an on-going multi-stakeholder committee”. This was followed by “organize a specific topic workshop”, “organize another conference” and “establish an industry subgroup.”

**How will the information you received at this conference influence your business actions in the next year?** (Sample of verbatim comments from participants)

- Focus more on building trust and increasing transparency; approach to addressing consumer complaints will be different.
- More aware of my part insuring that the proper ag story is told and supported.
- Be more active in the community; probably speak more online defending the practice of ag.
- I will encourage producers to change their practices and look for ways to improve.
- Will change how I approach producers to participate in BIXS – Beef Information Exchange System.
- Increased the knowledge of need for a culture shift.
- Need to change our approach and way of thinking. Need to take this serious and build some better skills.
- Going to expose the practice of our farm to the general public.

**A BIG THANK-YOU to all who responded to the evaluation questionnaire! You are key to helping us with continuous improvement!**