

TRUST THROUGH TRANSPARENCY



Process-verified programs provide third-party verification of claims that add value.

by Whitney Whitaker, American Angus Association

It can be hard to know what information to trust in today's world. In a 2019 study, 42% of American respondents said trusting a brand is important. The study also revealed 82% of U.S. respondents will be loyal to brands they trust. The data show just how important trust is in the marketplace.

To build trust with customers, one area that can make a difference is transparency.

Being transparent can prove valuable when selling a car, a bottle of milk or a load of cattle. When buyers have trust and confidence in the cattle they are buying, they will keep coming back.

In the past, buyers put their trust in "reputation cattle."

"These were cattle that had performed extremely well for a buyer or a set of buyers so that they knew of their reputation and were

willing to pay more for them in the marketplace," explains Troy Marshall, director of commercial industry relations for the American Angus Association. "The trouble with selling cattle based on this definition of reputation is that your reputation was usually limited to a relatively small subset of buyers, and the buyers had no incentive to help you spread your reputation, as that just increased the competition for your cattle."

Today, there are objective, verifiable and accurate ways to

describe a set of calves, he says, to build their reputation through more than just first- or secondhand experience. That can increase competition for calves beyond bidders who have experienced feeding them in the past, helping the seller capture added value.

Third-party verification

One way to do this is through USDA Process Verified Programs (PVPs). This verification service offers applicants, such as the American Angus Association, a unique way to market their products to customers using a clearly defined, implemented and transparent process.

"A USDA PVP is a marketing tool that a company can utilize in order to help their company or their producers/clients market their products," explains Steve Ross, senior agricultural marketing specialist for the USDA. "In the case of the USDA PVP, USDA has

oversight of the company's quality management system to verify that marketing claims are being met."

When products are marketed with the PVP shield, customers are assured of the consistent, high-quality product they purchase. Marketing cattle with the shield allows buyers to trust the claims being added are accurate and true, because the USDA oversees verification of the process.

Why enroll?

"Enrollment in a livestock PVP allows the producer to market their animals as meeting specific raising claims, which hopefully earns the producer more money for the animals," says Ross.

The objective verification allows buyers to spend more on PVP cattle because they trust that the cattle are what the claims say they are. Most of the time, producers are already completing requirements for the PVPs, but they need to take the extra step to verify those requirements are being met. Now they can get paid for doing that work.

"Money is one of the biggest motivators for producers to enroll in any value-added program," says Ginette Gottswiller, director of verification services for the Association. "While premiums are a motivator for enrollment, at the end of the day, the PVPs were designed to provide market transparency from farm to market."

There are several programs to enroll in under the PVP umbrella. USDA provides a list and description of approved PVPs offered by various service providers at <http://bit.ly/PVP-service>. Producers can select the programs that best suit their operation, differentiating their product from others by the claims in which they enroll.

The American Angus Association offers AngusLinkSM, a PVP with six claims approved by USDA, says Gottswiller.

The uniform and consistent process that comes along with the PVP is the same, whether it be for poultry, pork or beef. The process is the same, regardless of with which provider the producer chooses to enroll. The difference, says Gottswiller, is in the service the enrolling company provides.

How does one enroll?

Earning the verification certificate that gives producers access to the PVP shield is a simple process. Enrolling in the AngusLink PVP offered by the American Angus Association starts with completing an enrollment form about two months prior to when calves will be marketed.

Enrollment forms can be completed online, emailed or faxed to the office, Gottswiller explains.

"We encourage producers to send in copies of their calving records with their enrollment forms. Once the completed enrollment form and records are received, a program administrator schedules a phone training, which averages 30 minutes and should be completed by someone who actively manages the day-to-day activities," she says.

Following the completion of all required documentation and the phone training, the rest of the enrollment can look different for producers, depending on the claim(s) in which one enrolls. Certain claims require an on-site visit and audit; while others require a few more items be submitted, such as registration numbers or other documents.

Following the on-site visit, the auditor will submit the report to the quality manager for approval. If all

cattle meet the qualifications, a verification certificate is administered with approval dates for the specific PVP claims. Once a certificate is given, producers can use the PVP shield to market their cattle.

Who can enroll?

Enrolling in the PVP is a simple process with a good return on investment, but is it available to every producer?

Anyone with an interest in the PVPs can submit an enrollment form, Gottswiller explains. Any beef producer can enroll in AngusLink, but there are requirements that must be met to receive the PVP verification certificate.

For example, to qualify for the Non-Hormone Treated Cattle (NHTC) verification certificate, the operation must not administer hormones such as growth implants or estrous synchronization products to their calves. If they use those products on other animals in the herd, they have to document their proper use.

Each claim differs in its requirements and necessary documentation.

Create trust

Making purchases with conviction and trust means there is no hesitation. Word of mouth may have worked in the past, but PVPs are changing the course. Utilizing objective, third-party verification services will give producers a unique marketing strategy that can provide additional premiums to their bottom line. |

Editor's note: Whitney Whitaker is a communications specialist for the American Angus Association. For more information about USDA PVPs, visit <https://www.ams.usda.gov/services/auditing/process-verified-programs>.