

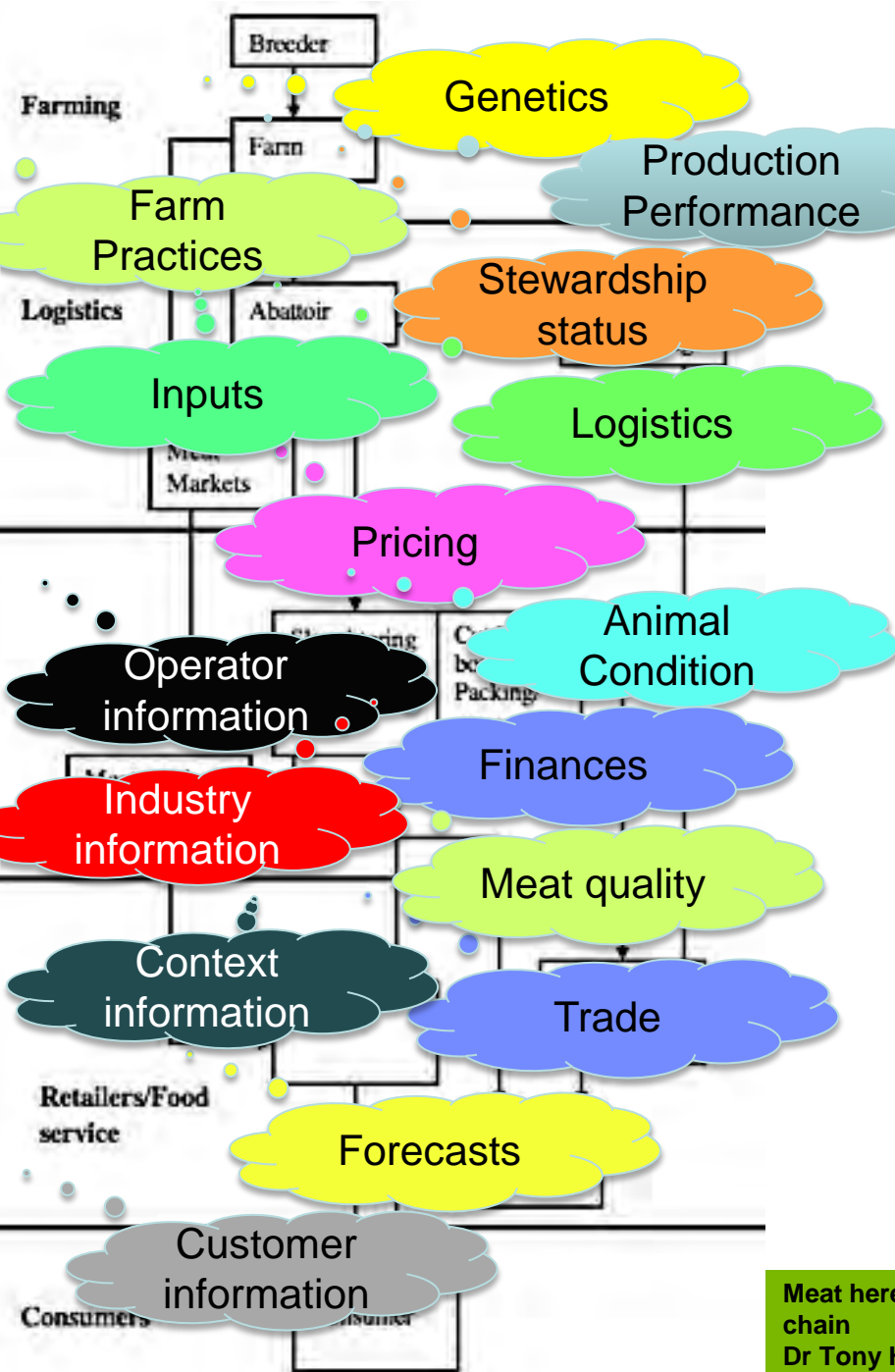
Positioning the meat industry for (digital) opportunities

(while managing digital risks)

A strategic approach to managing the legal issues of the industry's technological future.



Change is /will be pervasive.

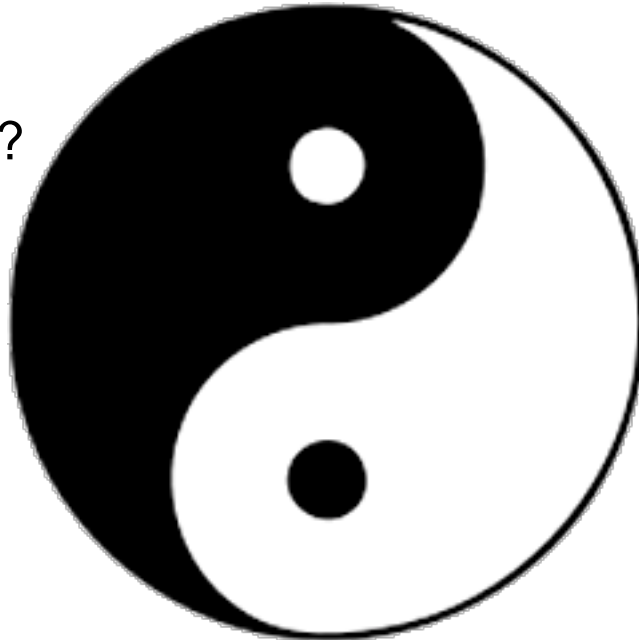


- The meat value chain works through very many transactions.
- All transactions = signals + decision => signal or resource flow.
- All signals use a technology, and (all?) will change significantly.
- **Choosing which battles not to fight is fundamental !**

The 2 sides to industry strategy

Manage risk


- What risks for individual farmers?
- What industry risks ?
- What risks to industry bodies?
- What policy about the various risks?
- What legal tools to manage risks ?



Exploit opportunity

- Distinguishing between genuine & mythical opportunities.
- What legal tools can be used to command genuine opportunities?
- What are the effects of using legal tools to pursue mythical opportunities?

What innovation effects ?

- Data gathering.
 - Precision agriculture.
 - Service and support.
 - Contract compliance.
 - Regulatory compliance.
 - Meta-analysis.
 - Reliable forecasts.
 - Arbitrage/trading
 - Reduced transaction costs.
 - Easier and faster transactions.
 - Richer, precise insights.
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- New intelligence.
 - Operations.
 - Markets.
 - Evidence.
 - Closer supervision.
 - Better services.
 - Faster and more complex interactions.
 - Wealth creation & wealth transfer.
 - Many power shifts.
 - Systemic and surprising effects.

Possible ‘upsides’– strategy ?

- What priority: to grow opportunities, or technology or information?

- Farmer interest?
- Industry interest?
- Industry body interest?
- Technologist interest?

- 2 dangerous mindsets.

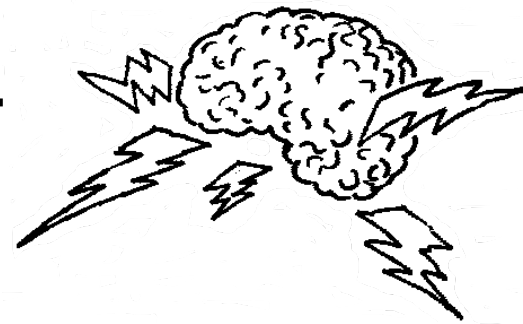
- “It’s my/our data so I/we (should) have a right to its’ value”.
- “Inventions create the value, and must be protected”.

- 3 key elements for a legal strategy.

1. Intellectual property / ownership strategies.
2. A network of contracts / interest allocation.
3. Public regulation/public interests.

If it was my problem ...

1. “Intelligence-based value” focus ?
2. Principles for opportunity sharing?
3. Public protection of public interests?
4. Industry/govt. IP investment plan ?
5. Tailor tactics to specific opportunity.



Possible 'downsides' – strategies ?

Farmer risk.

- Intensified oversight.
- Market power shift.
- Political action.
- Privacy.

Industry risk.

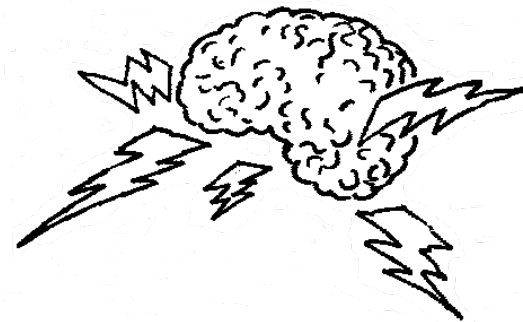
- Social license risks.
- Member legal issues.
- Information liabilities.
- Cost / complexity.

Legal risk management.

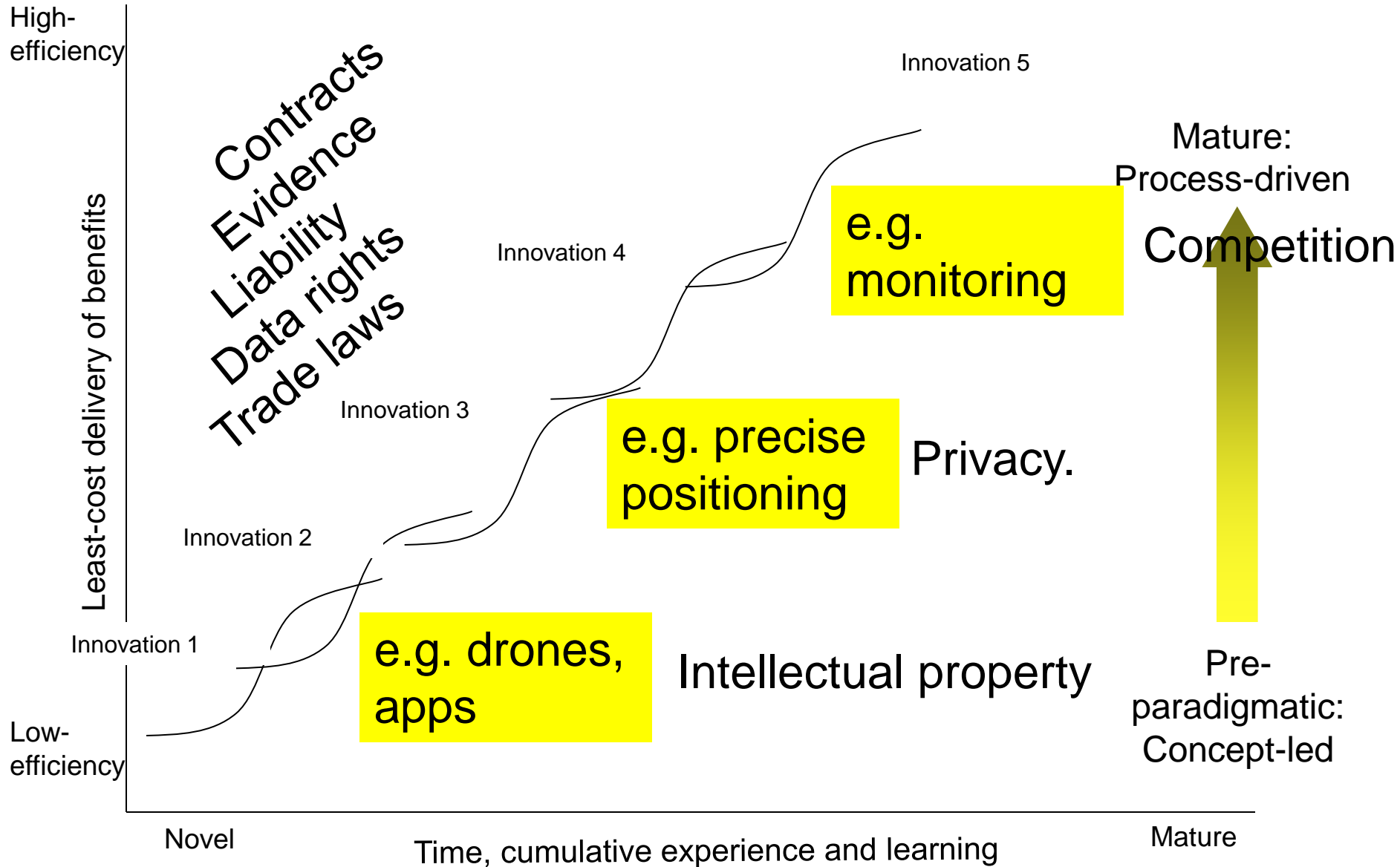
- Contracts, public policy.

If it was my problem ...

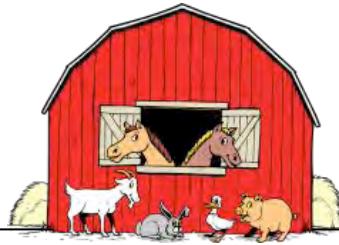
1. Conduct in-depth strategic risk assessment: industry and farmer.
2. Implement a risks management plan.
3. Strengthen integrity mechanisms to defend industry social license.
4. Industry advice/resources to better enable farmers.



Strategy and legal issues vary with technology



Google Ag



My strategy considerations



1. Competition: creation, aggregation, control and exploitation of many data streams => power.
2. Low cost, high quality evidence for public and private enforcement => accountability.
3. Technology / data => many innovations in industry transactions and contracts.
4. Where is competitive advantage: strategy/capacity and/or selective data/technology control ?
5. Opportunity and risk require different strategies and different tactics.

Sophisticated legal tools are needed, regardless

A possible plan?

- Commit to:
 - create the pie before competing for the the pie.
 - Focus on the industry strategy, not the ‘boy’s toys’.
 - Involve the industry(ies) and governance stakeholders.
- Map the key transactions and key flows, analyse technology effects and implications.
- Use 2 high powered ‘skunkworks’
 - Maximising industry opportunity.
 - Minimising industry risk.
- Implement
 - Use best available specialists for all the technical issues.
 - Negotiate principled positions, including public policy.
- Continue to modify and adapt the strategy.