

WHAT WE HEARD:

HIGHLIGHTS OF PROTEIN INDUSTRIES CANADA'S CAPACITY BUILDING CONSULTATIONS

In February 2020, Protein Industries Canada (PIC) held a series of workshops to engage stakeholders on our Capacity Building priorities. This is a summary of what we heard. The feedback will help to inform Protein Industries Canada's Capacity Building Program to assist the sector's growth and sustainability.

CONSULTATION OBJECTIVES:

1. Build awareness of PIC's Capacity Building priorities. Affirm the relevance of PIC's strategy.
2. Seek out new ideas from stakeholders. Gauge willingness to collaborate and lead.
3. Gain insights on how PIC can execute its ecosystem strategy.

KEY FINDINGS:

1. **Reaffirming the importance of the ecosystem:** Governments (all levels) are not seen as optimizing the plant protein or value-added opportunity because of regulatory hurdles, not addressing or planning for infrastructure needs and often competing against each other to attract companies. Moreover, sector players (including producers, industry organizations and academia) require greater clarity about how they can better respond to the needs of a sector that is rapidly evolving. In short, stakeholders believe the investment in Protein Industries Canada and the sector's long-term success will depend on how enabling conditions are addressed.
2. **Affirming PIC's catalytic role:** PIC is not expected to resolve all issues, but stakeholders regard PIC as fulfilling three roles:
 - a. PIC is the sector **ambassador**. Breaking down the silos requires deploying a narrative to sustain attention from regulators, investors, companies, academia, etc.
 - b. PIC is the **advocate** for good enabling policy.
 - c. PIC is an **authority** on what the sector can do. Being the "keeper of the plan" requires translating the big picture into signals for organizations to respond. PIC's convening power and ecosystem investment can incent action and collaborations.
3. **Informing Capacity Building investment:** Over the course of the sessions, stakeholders did not identify "big solutions" but offered a broad variety of ideas. The most promising of which are captured on the Enabling Roadmap.

PIC found that the most fruitful discussions (where stakeholders were especially focused on ideas to enable collaborations) were those with the most diverse representation in the room, particularly with companies and those in leadership positions in attendance.

HIGHLIGHTS OF CONSULTATIONS:

1. The feedback largely affirmed PIC’s Capacity Building strategy and priorities. Highlights:

- a. No participant challenged PIC’s Capacity Building framework, the eight priorities. (Note: for purposes of the dialogue, these priorities were grouped into six.)
- b. Participants ranked the importance of each priority, an informal self-assessment of what was important to them (see chart 1). Not all stakeholders ranked each item. Colour coding flags the top five mentions.

Chart 1: # of mentions by participant: 1= higher priority; 6 = lower priority						
Priority	1 st	2 nd	3 rd	4 th	5 th	6 th
People (labour, skills, talent)	10	6	19	8	8	1
Regulation	9	9	9	15	9	2
Data / IP	1	8	4	8	8	19
Infrastructure	11	11	8	8	10	4
Access to capital	20	17	5	2	6	2
Brand / international engagement	7	5	11	7	4	15

- c. “Access to capital” received the most mentions for being a priority. Yet, during the conversations, stakeholders devoted more time to other issues.
- d. “Data/IP” was deemed to be the lowest priority, particularly in one session but it consistently ranked low. Nevertheless, many discussions revealed the cross-cutting importance of data, metrics and benchmarks to catalyze change.
- e. Despite a low ranking for some, the importance of “brand” as an enabling priority came up frequently, such as relating to the positive story of plant proteins and its role in positioning Canada (to attract talent, capital and receptive policy-making).
- f. “Regulation” prompted many specific (and familiar) issues to be raised. Discussion often focused on the policy disconnects, such as the lack of harmonization and execution of strategy across departments and governments. Municipal government was also flagged as key to local infrastructure and labour, a level that is often under-resourced and lacks the sophistication to engage companies strategically.

- g. The tenor of the sessions seemed positive and encouraged informal networking among a broad number of players in each city (see chart 2).

Chart 2: Total representation by segment at PIC ecosystem sessions							
Producer; Producer Organization	Processor; Processor Organization	Research, Education, Training	Investor, Business Advisor	Technology, Services Provider	Government	Economic Development Organization	Other
12.7%	31.6%	15.2%	5.1%	12.7%	6.3%	12.7%	5.1%

2. Stakeholders consistently revisited these key themes, as presented in a SWOT:

Strength:

- Global demand for sustainable, quality plant proteins; world looks to Canada as a key supplier.
- Canada's trusted reputation & plant protein potential.
- Creation of protein Supercluster; government and industry support.

Opportunity:

- Fostering new collaborative spirit.
- Culture of learning & sharing: e.g., co-ops for youth, mentoring for entrepreneurs, inter-sector dialogues for organizations.
- Metrics & benchmarks to instil new discipline: regulatory responsiveness, talent needs, brand claims.

Weakness:

- Sector in transition: effectively translating marketplace *signals* to align players across the food system.
- Awareness of sector's potential to enable better access to capital.
- Not leveraging data's potential; not recognizing data as an enabler.

Threat:

- Government policy disconnects & responsiveness.
- Matching opportunity with "supply": of labour, of differentiated ingredients, of capital, of infrastructure.
- Duplication across sector organizations; lack of urgency to change behaviour.

3. Stakeholder perspectives and ideas can inform how PIC executes its strategy:

- a. **Advancing ecosystem action:** To support collaboration, PIC should consider forming diverse advisory teams or working groups to advance Capacity Building Priorities. Such groups could offer important guidance, create unity and support stakeholder inclusion.

- b. **Share the vision:** PIC needs to crystalize the opportunity, create the narrative and opportunities for industry collaboration.
- c. **Create linkages:** PIC’s investment criteria should consider how to encourage consortiums to link multiple priorities (e.g., leveraging data can enable brand, access to capital and regulatory issues). Many stakeholders acknowledged that PIC’s ecosystem priorities are connected and that acting on one can enable another.
- d. **“Enable” becomes a key PIC pillar:** Capacity Building priorities “enable”, “create”, “grow”, “make”, “sell”.
- e. **“What ecosystem success looks like”:** *Every hurdle prompts new collaborations.*

Enabling Roadmap to Support Canada’s Plant Protein Sector

(Compilation of selected ideas shared at PIC ecosystem consultations, Feb. 2020)

Note: ideas include what stakeholders from across the sector could undertake, including by industry & others + ideas for PIC

Action	People	Regulation	Data/IP	Infrastructure	Capital	Brand
Insight	Benchmark talent gaps & progress	Identify (map) current regulatory issues	Clarify academic IP policies	Develop an asset map (all capacity)	Database of ag funders & VCs	Document plant protein value proposition & “sustainability story”
	Assess co-op, intern programs	Benchmark Canada’s regulatory performance	Pre-competitive strategic plan for sector	Document role of municipalities to sector growth	Peer country comparison on capital access	Perceptions of Canada’s brand abroad
	Company best practices: hiring, retaining youth	Regulatory implications of new technology	Best practices on IP-use	Assessment of company infrastructure growth needs		Traceability practices, issues & opportunities
	Academic case studies showcase sector success	Overview of international standards (to enable exports)				Brand claims guidelines or standards (synch with national effort)

Outreach	"Sustainability story" to sell sector to youth	Industry coalition to align on priorities & change agenda	Dialogues with lenders on valuing IP	Infrastructure plan across gov't		Tailoring brand pitches to markets
	Engage diversity of other sectors: common issues	Dialogues on whole-of-gov't roadmap to enable regulatory shifts		Fee-for-service use of academic infrastructure	Build relationship with appropriate VC firms.	Pan-Prairie + federal collaboration on value proposition
	International outreach, partnerships				Educate lenders on plant protein opportunity	Sector brand-use training: to ensure integrity
Programs	Entrepreneur mentoring	Hub for regulatory ideas - sharing/collaboration/learning of best practices	IP training for entrepreneurs (IP literacy)	Path finding – to help companies find the resources they need (across jurisdictions)	Access to capital info sessions for entrepreneurs & pitch training	Validate quality standard & claims + metrics
	Programs to upgrade skills /retrain	Regulator sets up innovation centre/advocate	IP registry		Investment hub, working with accelerators	Sustainable packaging ideas
	Innovation labs link companies & academia				More VC info sessions on Canada. agri-food sector	Export readiness training
	Co-op / intern / graduate placements					