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# Waitrose Farming Partnership: Eco Pig

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# Valuing Capitals in the JLP – Eco Pig case study

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Principle 6: The Partnership aims to conduct all its business relationships with integrity and courtesy and scrupulously to honour every business agreement

- Three case studies of Capitals:
  - Natural capital at Waitrose stores
  - Human capital (store employees)
  - Social capital (relationships in pork supply chain)
- Social Capital is *the knowledge and capacity of the relationships between different groups involved in JLP's business that produce value.*



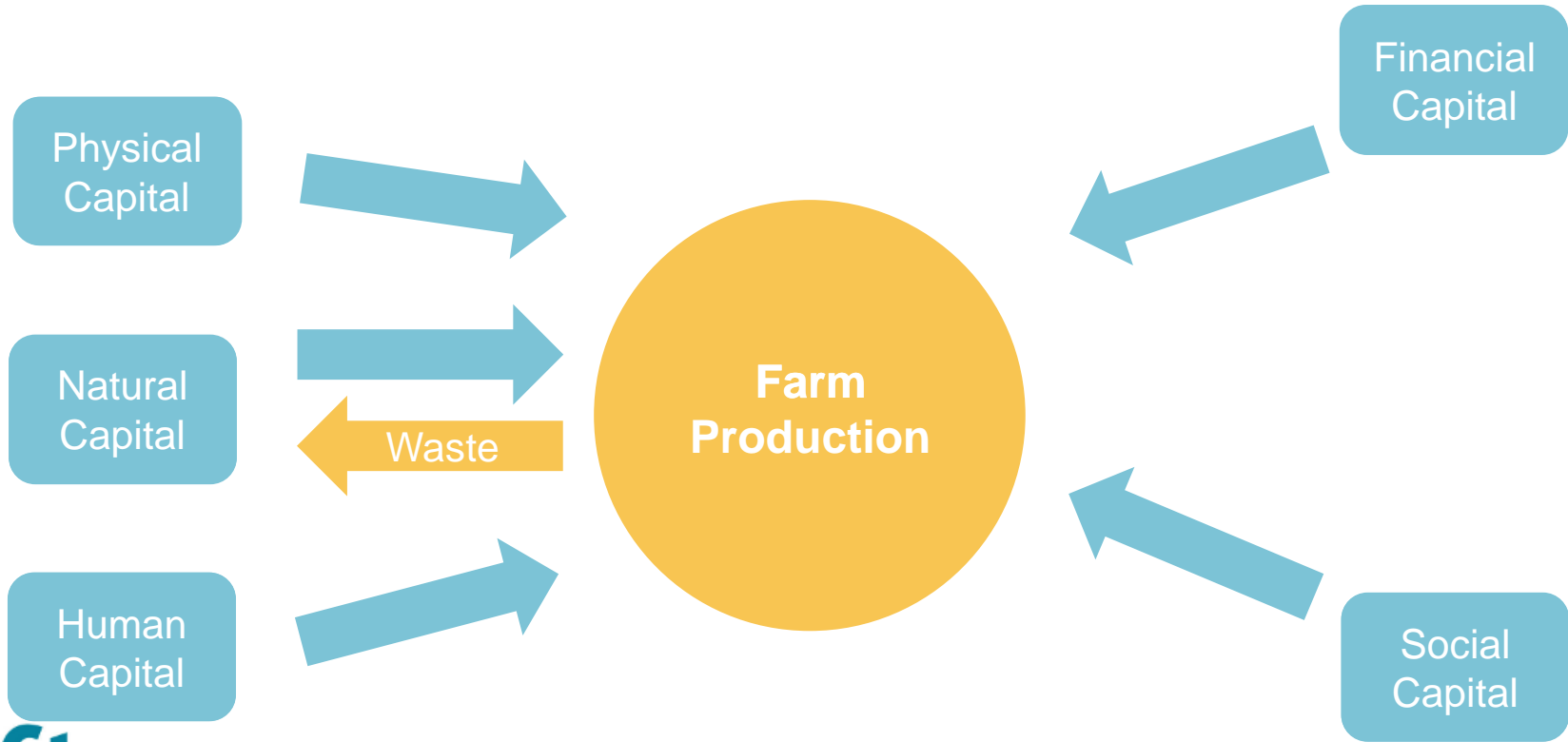
# Social Capital

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- BQP (Subsidiary of Dalehead Foods) is Waitrose' only supplier of fresh pork
- A Waitrose supplier for more than 30 years
- Social Capital built through:
  - A partnership approach over a competitive buyer and seller relationship
  - Transparent pricing formula that means prices are more stable (roughly half the variability of UK market price)

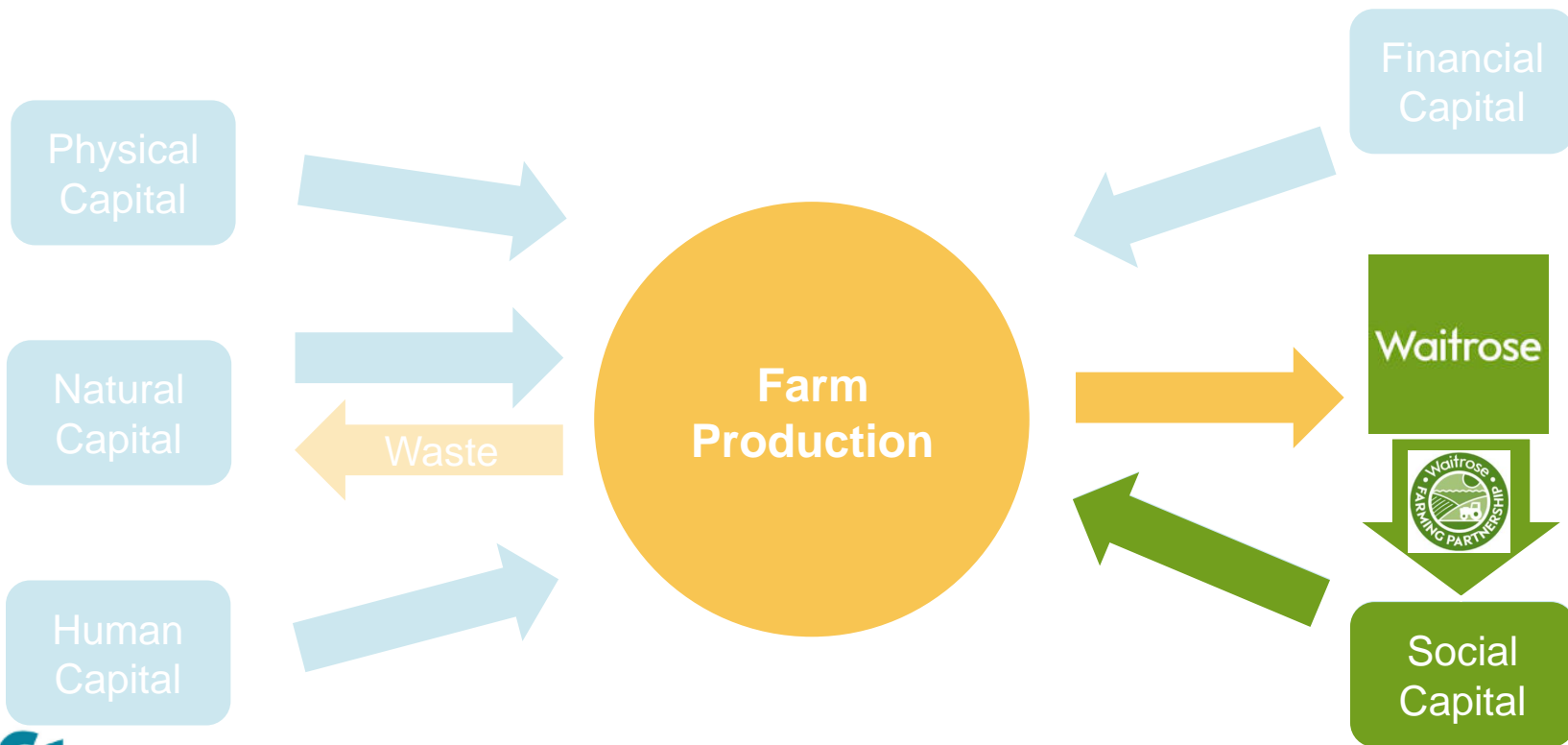


# Farm Capitals



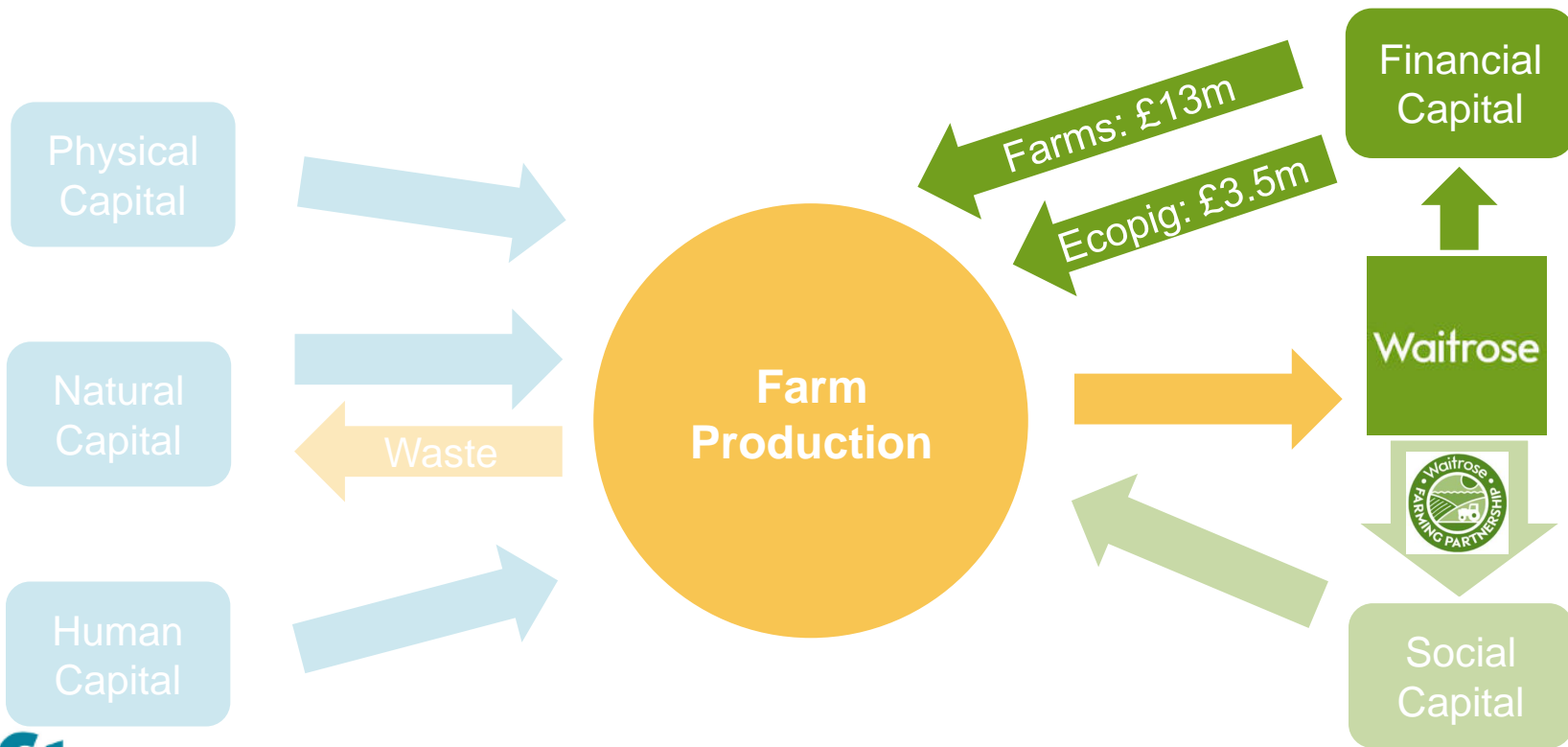


# Farm Capitals



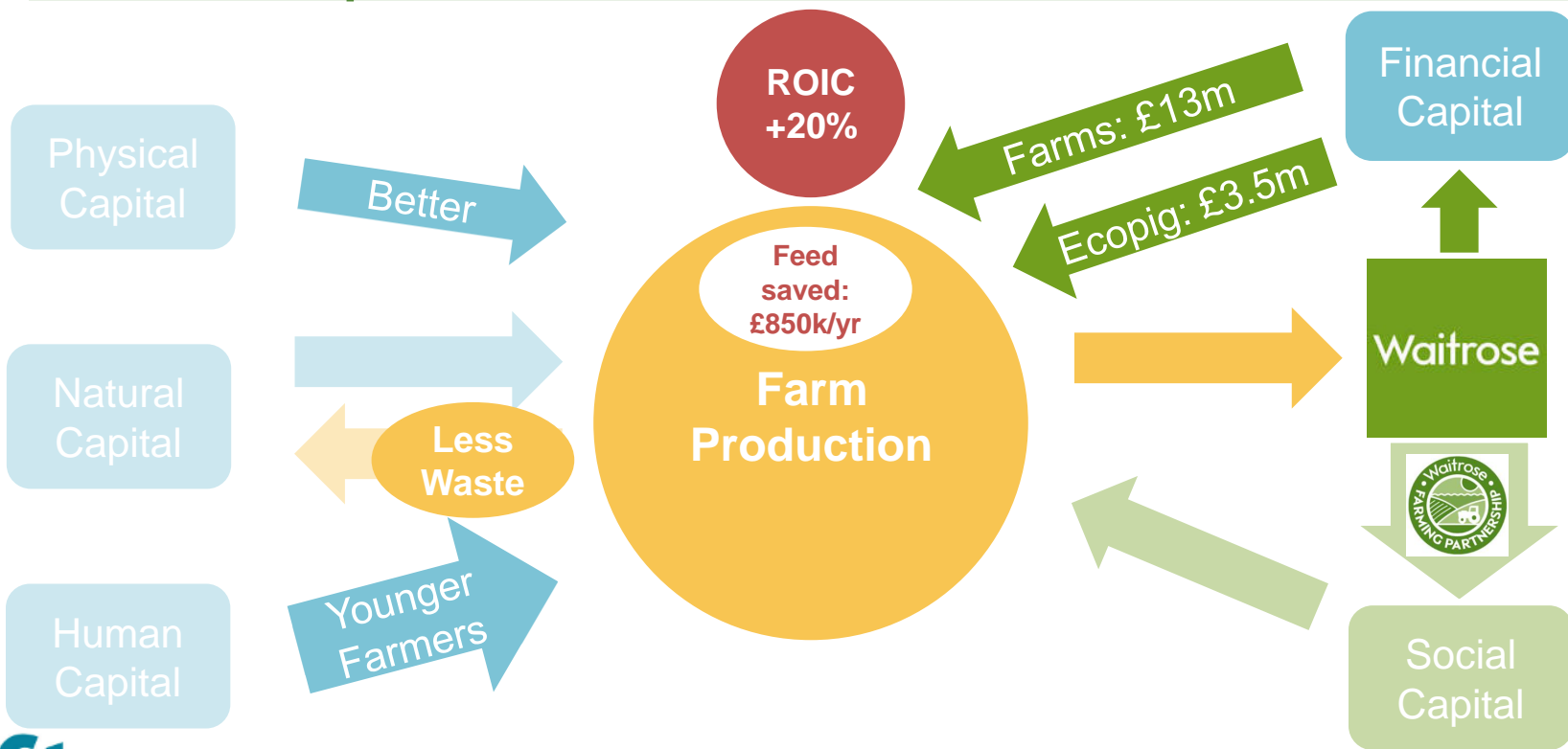


# Farm Capitals





# Farm Capitals







# Win-win story

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- Suppliers to invest in environmentally friendly management options – which save money and reduce environmental impact
- Confidence to existing contractors to be willing to expand their business, and encourages new entrants to the market, helping to sustain farming in the UK
- Enables better returns on capital through longer-term investment options
- Sustains Waitrose' high standards
- Waitrose' has increase market share 2013-2014, when quality standards in market as a whole fell



## What they said:

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*“Through the stability the pricing model provides, our farmers have had the confidence to invest in new capacity, with the support of the banks, to help meet our increased demand for high welfare pig meat. ...”*

Duncan Sinclair, Agricultural Manager, Waitrose

*“Our farmers have significantly greater confidence in their supply chain to Waitrose through Dalehead that allows longer term investments and... greater efficiencies..”* Howard Revell, BQP Production Manager

*“I want to be an Eco Pig.”* Siegi Arndt, Office Manager, eftec



# Waitrose Farming Partnership

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Responsible Retailing: Responsible Farming