

# ADVOCATE FOR SUSTAINED GROWTH IN PROCESSING VEGETABLES.

**ONTARIO PROCESSING VEGETABLE GROWERS  
STRATEGIC PLAN  
2026-2030**



**Ontario Processing  
Vegetable Growers**



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**CELEBRATING 80 YEARS!**

## INTRODUCTION

In 2021, OPVG developed a strategic plan that has served it well and resulted in key accomplishments. With several new developments in the market environment of the processing vegetable industry, we have crafted a new plan to guide the organization and industry to the next level.

Before we outline the new strategic plan, it's important to review some of the accomplishments achieved on the previous plan covered in **2022-2025 Plan and Accomplishments** (page 4).

The next section **Potential for the Future** (page 6) contains a description of changes in the industry's market along with aspirations of the Board for the next five years.

The final section **2026-2030 Strategic Plan** (page 8) describes the overall plan for achieving those aspirations including individual actions, accountabilities and timelines required for success.

This plan was formulated with the current Board and staff of OPVG.

## APPROACH TO PLANNING

The facilitator of the planning process follows a process based on Harvard University's Michael Porter, as explained in Joan Magretta's book, *Understanding Michael Porter*. A significant aspect of the approach is that it does not start with a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. In fact, it turns that around and starts with Opportunities – how can we as an organization add value for our customers or improve the environment for our industry?

The logic of this approach is that examining strengths and weakness before deciding what the organization wants to accomplish can be counterproductive. An example from an individual farm can be illustrative. A farm that has traditionally followed a strategy of being a low-cost commodity producer would likely have strengths and weaknesses in production skills. But if, after examining opportunities, it decided to start selling directly to consumers or branding its products through established retailers, it would not find its production skills to be sufficient; necessary probably, but would have missed a whole series of weaknesses around marketing, communication and people management.

So, OPVG began by deciding where it wants to go and then determined if it has the wherewithal to get there, not the other way around.

At a very high level, the process consists of these five steps.

1. Assess the external environment to determine the opportunities available.
2. Decide which opportunities to pursue – i.e., define a value proposition: what customer needs will be fulfilled, for what set of customers, at what price.
3. Assess the internal environment and what you control. What are the current strengths and weaknesses of the organization for delivering consistently on the value proposition?
4. Determine what three or four strategic factors need to change in order to deliver consistently.
5. Decide what actions OPVG needs to take, by whom and by when to accomplish those strategic outcomes.

In a for-profit world, the success of the plan that emerges from these five steps is judged in large part by the relative profitability of the organization. OPVG is a not-for-profit. A similar process is used but measuring performance needs alternative measures.

# THE 2022-2025 PLAN AND ACCOMPLISHMENTS

OPVG's previous strategic plan was built around four strategic intents. These intents are outlined below including the measures set out to gauge their success, and a report card of how well OPVG has done on each strategic intent.

## Strategic Intent 1: Improve effectiveness of OPVG's governance structure.

### Measures

- Did we do what we said we would do – e.g., improve the district process, add crop committees, define meeting and budget guidelines?
- Have we improved grower engagement as a result – probably needs to be ongoing and regular engagement surveys to see if approvals improve?
- Do people want to be on the Board?

### Report card

OPVG did what it set out to do in changing the election and governance structure. Three “commodity committees” were created so growers of the same products from different geographic regions can meet. In addition, especially for tomatoes, speakers on extension topics of immediate interest were added to the meeting agenda.

Grower participation has been excellent because of the commodity focus. In a grower survey, 81% of respondents expressed satisfaction with the Board's performance. Improvements were cited in communications, better representation of growers, and growers are happier with the Board's research focus and its communication activities. The Farm Products Marketing Commission is quite satisfied with OPVG's performance. The improvements have allowed the Board to substantially cut costs while simultaneously improving the amount and quality of analysis provided to it for its core activities.

Grower engagement, as measured by willingness to be involved with Board membership and committees, has not improved, though that is not seen as a result of anything the Board has done. It seems to follow a general trend where organizations are looking for more involvement from fewer people who already have less time to offer because of the requirements of their increasingly complexity businesses that require more and more management.

## Strategic Intent 2: Improve effectiveness and efficiency of the negotiating process.

### Measures

- Reduced time spent in negotiations.
- In post-negotiation surveys, negotiators perceive less conflict and are higher level of satisfaction with the process.
- More growers want to step up for negotiations.

### Report card

OPVG invested in more negotiation training for growers. We've also focused on opening positions in negotiations that are based on market circumstances for each crop. This approach has reduced wasting time, effort and good will to get to the obvious middle.

In general, OPVG feels there is less time spent in negotiations, and they have been less conflictual, and positions are presented and defended with greater confidence. The amount of arbitration has not been reduced, but parties have arrived at their arbitration positions more quickly, the positions have been closer, and both the negotiation and arbitration processes have been better informed by the improved analysis provided.

Even with these considerable improvements, negotiations remain an area of focus. As a central function of OPVG, it is extremely important to both growers and processors, and requires continuous improvement. OPVG must continue to provide timely and accurate information on market conditions and values of the products.

## Strategic Intent 3: Improve communication with growers and processors.

### Measures

- Same ideas as for Strategic Intent 2 – did we do what we said and are there improvements in attitudes?

### Report card

OPVG made conscious efforts to increase and improve communications with growers and processors as well as with other organizations and companies in the vegetable supply chain. One of the areas growers commented on favourably in the survey was communication and they continue to ask for more.

There are several benefits for processors that come from improved communication.

- Partnering with processors on promotion has improved sales and resulted in new investments. These promotions include messaging on the benefits of processed vegetables, improving consumers' knowledge of the benefits of locally and sustainably produced products, and improving consumers' ability to identify local products.
- OPVG has worked with processors to improve environmental processes and turned additional costs into benefits for the processors. In general, there is more trust, less conflict and more joint problem solving.
- There is considerable evidence that people with specific issues are much more willing to come forward with problems because there is more focus by both parties to find solutions jointly, with less fanfare and negative publicity.

## Strategic Intent 4: Build long-term confidence in the processing vegetable industry.

### Measures

- More growers wanting contracts or larger contracts.
- Improved research process to enhance our industry.
- New processors entering or existing ones expanding.

### Report card

The achievements on the previous strategic intents illustrate that confidence and cooperation in the industry is on the upswing. This is because of a mindset at OPVG, as well as at some of our partners, of working together to minimize conflict between growers and processors, finding solutions to problems that increase supply chain costs and thinking of how to grow the industry.

Taking this approach to industry regulation has helped to improve its progress. It is now time to build on what we have started and continue to grow.



# POTENTIAL FOR THE FUTURE: WHAT'S CHANGING AND WHAT CAN BE ACHIEVED

A number of factors have changed in the processing vegetable industry that will affect its growth path for the future.

## **There is increasing consumer interest in locally produced plant-based products in their diets.**

Many consumers have changed their preference toward reduced meat, sugar and products with “unnatural” compounds such as preservatives in their diets. This means the fruit and vegetable industry has and will continue to benefit from improved demand going forward. To date, much of that benefit has been to the fresh component of the industry, including exporting countries, and much less to the preserved component. The issues facing the processing vegetable industry are complex – lack of knowledge of preserved vegetables’ benefits, a regulatory system that has not kept up, and production and distribution processes used by processors that do not contribute to maintaining identity of raw materials.

Complex problems require research to improve product and processes, regulatory reform and improvement, and promotion to inform people of the benefits of improved demand for processing vegetables.

## **The emergence of technology and innovation in vegetable production and processing.**

Labour costs continue to be significant in the fruit and vegetable industry. The vegetable industry is constantly striving to find robotics and automation to replace labour while maintaining product quality. Some breakthroughs have had major impacts on saving labour or increasing production per unit of labour, such as high tunnel production for berries and improved seeding, harvesting, weeding and processing equipment. With these changes comes the need to consistently evaluate and update regulatory policies and programs to ensure they keep pace with the technology and encourage innovation.

Research is needed in a number of areas – finding the breakthroughs, adapting output and increasing technology to Ontario’s farm and processing operations, and finding creative ways to finance and operate technology to fit with Ontario operations.

## **The international trade environment.**

The international trade environment has moved from a strong focus on increased globalization to a strong tendency toward protectionism. The latter can be beneficial for those wanting protection, but as technology, trade policies of other countries or market factors change, it is necessary to understand the changes, their implications for this industry and to ensure that Canadian policies and programs are appropriate for the changed environment.

## **Canadian focus on improved productivity.**

Canadian industrial and agricultural policy has not historically emphasized productivity. In fact, institutions such as the Canadian Food Inspection Agency (CFIA) have operated very inefficiently, placing major regulatory cost burdens on the agriculture and food sector. It is a major factor in Canada’s relatively low ranking in industrial and agricultural productivity.

The current federal government appears to be undertaking reform to improve the situation. There appears to be a mandate for the ministry of agriculture to make improvements in regulatory policy, along with the emphasis for removing interprovincial trade barriers. The processing vegetable industry needs to participate and be prepared to identify and negotiate the most favourable outcomes.

All these factors dovetail with what OPVG’s grower survey reveals, along with the desires of the Board as expressed in this strategic planning process.

This is what the Board wanted to accomplish with this new strategic plan.

- Refocus on a number of intents from the last plan and take them to the next level.
- Have a conscious plan to keep research infrastructure in place for vegetables.
- Approach politicians more directly to highlight research needs.
- A clear focus on what we need in regulation and to identify other groups/organizations to work with so that we can:
  - improve the disconnect between producers and consumers.
  - improve consumer confidence in Ontario products – especially for processed vegetables, including how to improve info for consumers to know it is an Ontario product.
- Continue to get growers engaged on Board and committees.
- Evaluate our existing relationships in deciding who to work with and how.

The Board also emphasized the need to provide information and leadership that unites growers so OPVG can continue to improve confidence in the industry.

The Board does feel it has been successful in quietly solving problems between growers and processors, and between the processing vegetable segment and others in the sector. This approach has built confidence in the industry, but also has meant the positive outcomes are not as known or appreciated as much. This creates a dilemma for how and how much to celebrate positive outcomes in the next plan.

# THE 2026-2030 STRATEGIC PLAN

There are three basic elements of a strategic plan. The organization's **vision** for the future. Its **value proposition** – what value you offer to your customers. And its **strategic intents** – what you hope to achieve in the next planning period that will deliver that value.

Based on the strategic planning process, OPVG has created the following guideposts for the next five years.

## OPVG Vision

Vision describes the long term and overall impression that the organization wants its presence and the results of its actions to achieve.

**OPVG: Advocate for sustained growth in processing vegetables.**

## OPVG Value Proposition

A value proposition describes what value an organization provides to its customers/members as it accomplishes its vision. For OPVG, its value proposition includes three elements.

### Which customers do we serve?

- Vegetable growers in Ontario.

### Which service needs will we meet?

- Encouraging industry confidence and growth through contract negotiations with processors, conflict resolution on contract performance, regulatory administration, market analysis and crop information for growers, representation to government, promotion of products, research and grading services.
- The information component for growers is particularly important. OPVG should be a one-stop shop for information growers need on subjects ranging from markets to worker safety requirements to understanding grade standards.

### How will we finance our operations?

- Producer fees and investment income. Fees will be set at rates that provide value for money for growers and provide steady growth of investment income.

## OPVG Strategic Intents

Strategic intents are the major outcomes the organization plans to accomplish during the next planning period. OPVG's intents and the way it plans to accomplish them are described below. These actions form the basis for how OPVG's staff will design its annual operating plans during the next five-year period from 2026 to 2030.

### Strategic Intent 1: Continue to improve communication and relationships with growers and industry partners.

- Get individual districts to meet regularly.
- Set up commodity-focused groups to meet annually.
- All Board members go to district meetings.
- Add subjects of interest to growers (extension activities) at meetings.
- Re-evaluate OPVG's structure, should we move from Districts to commodity groups?
- Conduct consultative process on suggested re-structuring after review.
- Conduct consultative process for grower satisfaction on Board's activities. Could use this as a way to get feedback on any proposal for structural change.
- Start a chat group for each commodity group – for producers only.

### Strategic Intent 2: Encourage long-term growth in the industry.

- Improve consumers' confidence in and ability to identify processing vegetable products produced in Canada/Ontario.
  - Identify and use influencers.
  - Continue working with Foodland Ontario.
  - Work with Food policy committees.
  - Invest in write-ups on nutritional value, safety and quality.
- Invest in and advocate for research and development in our products, production technologies and economic access to production technologies.
  - Continue three advisory committees.
  - Review the research portion of check-off to decide whether to increase.
- Work with others in the industry to find supply chain enhancements.
  - Develop a standard process to identify issues that reduce joint productivity.
  - Use advisory committees to identify issues.

**Strategic Intent 3: Improve capacity to urge governments to adopt policies and programs to support long-term growth of our industry. The objective is to improve policies and programs that impede the industry's competitiveness.**

- Approach provincial government and universities to have appropriate research infrastructure. Consider hiring our own researcher(s)/contract with research companies.
- Identify issues that processors have that we can help on.
- Review effectiveness of how we are doing working with others.
- Formalize our government relations programs to ensure we have appropriate priorities, including regulation.

**Strategic Intent 4: Continue to improve the negotiating process and contract implementation.**

- Resolution to have a three-year overarching tomato and carrot agreement. How does the Board do that since it doesn't do tomato negotiations?
- Also, there is a resolution that OPVG assist growers with pre-contract negotiation planning for tomatoes.
- Should we have a growers' meeting to discuss these?
- Continue dialogue with growers and processors to identify improvements.





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