



RECIRCULATING AQUACULTURE SYSTEMS WORKSHOP

APRIL 23, 2012

MISSION:

Niman Ranch and its U.S. family farmers and ranchers raise livestock traditionally, humanely, and sustainably to deliver the finest tasting meat in the world.



Niman Ranch Formula:

**Breed + Feed + Land + Care + U.S. Farmers =
Consistently Superior Taste!**

- Communicate and share with our target consumers and chefs the brand's uniquely meaningful values and beliefs to substantiate our superior taste:
 - Sustainable Agriculture
 - Humane Animal Care
 - U.S. Family Farming and Ranching

Niman Ranch Story





Niman Ranch is a Network of over 700 Family Farmers & Ranchers in the U.S.





Niman Ranch Products: Provide Comprehensive Solutions for Customers (Scope)

PORK



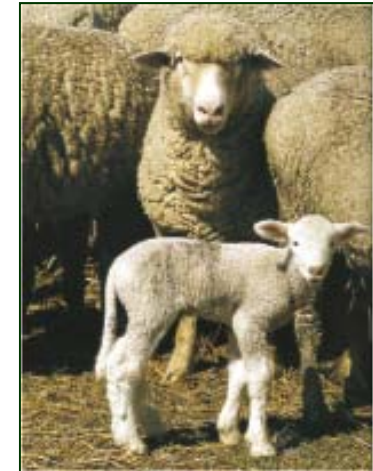
- Average Age: 6 Months
- Average Live Weight: 270
- Average Carcass Weight: 198
- Breeds: Chester White, Duroc, and Berkshire
- Geography: 11 Midwestern States
- 8 Field agents helping to insure adherence to our protocols

BEEF



- Average Age: 22 Months
- Average Live Weight: 1375 lbs
- Average Carcass Weight: 885 lbs
- Breeds: Angus

LAMB



- Average Age: 7 Months
- Average Live Weight: 135 lbs
- Average Carcass Weight: 69 lbs
- Breeds (Ewes): Dorset, Polypay, Targhee and Rambouillet
- Breeds (Rams): Suffolk, Hampshire, and Shropshire



Niman Ranch Processed Products: Balance the Carcass (Profitability)

A complete line of prepared products: hot dogs, sausages, hams, deli meats, Canadian bacon, and more



(6 of more than 50 specialty smoked and prepared items)



More than just “Natural”: Values & Beliefs

	USDA “NATURAL”	NIMAN RANCH REQUIREMENTS
FINISHED GOODS PROCESSING	Minimally Processed No artificial ingredients, including coloring, flavoring, preservatives or other synthetic ingredients	Minimally Processed No artificial ingredients, including coloring, flavoring, preservatives or other synthetic ingredients
RAISING PRACTICES	No Requirements	Animals and their mothers are born & raised entirely in the U.S. Animals are naturally & humanely raised Animals are allowed to move freely and express their natural behaviors Animals are protected from the stresses of hot, cold and wet weather Animals’ environment is designed to eliminate risk of injury and prevent undue stress
ANTIBIOTICS	No Requirements	No antibiotics - EVER
HORMONES	No Requirements	No added hormones - EVER
FEED	No Requirements	Animals are fed only vegetarian feeds, never any animal by-products
LAND PROTECTION	No Requirements	Ranches, farms and feedlots are designed to have no negative impact on the environment Manure is managed as a beneficial resource and never allowed to negatively impact the local environment Sewage sludge is never used on land on which animals are raised



Pasture-Raised vs. Confinement (Uniquely Meaningful)

NIMAN RANCH



INDUSTRY STANDARD





Sustainable Farming vs. Industry Standard (Differentiate in a Meaningful Way)

NIMAN RANCH



INDUSTRY STANDARD





Sustainable Agriculture Statement & Best Practices: Pioneering & Transparency

Sustainability Statement:

Sustainability at Niman Ranch incorporates sustainable agricultural practices with economic sustainability for the farmers, the ranchers, our customers and our employees; all of which are an integral part of Niman Ranch's overall business philosophy of RAISED WITH CARE.

Top 10 Sustainability Best Practices:

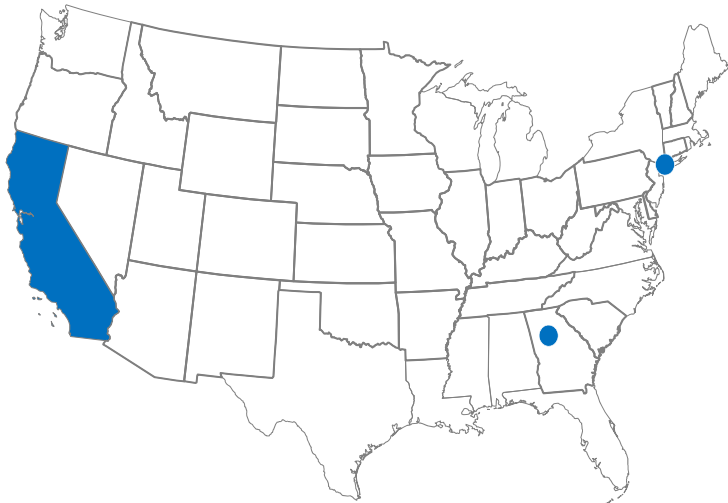
1. Mitigate soil erosion and/or loss through: maintaining pasture with coverage for livestock, crop rotation, rotational grazing and responsible waste/manure management.
2. Prohibit the use of concentrated liquid manure systems.
3. Utilize buffer strips and grassed waterways.
4. Promote agricultural biodiversity by using breeds which thrive in their natural environment.
5. Practicing genetic diversity to keep breeds healthy over generations.
6. Maintain livestock density well below conventional industry standard so not to overburden the land.
7. Raise livestock in geographies where feed is locally available to reduce carbon footprint incurred during feed transport.
8. Pay farmers a premium in accordance to our strict raising protocols.
9. Establish a floor price for our farmers tied to the cost of inputs of feed and fuel.
10. Provide robust and growing marketplace for their livestock.



Route to Market

- Embrace business fundamentals required to succeed and create “win-win” scenarios

2006



- Farms: 400
- Distributors: 3
- Distribution: California, New York City, Atlanta

2013



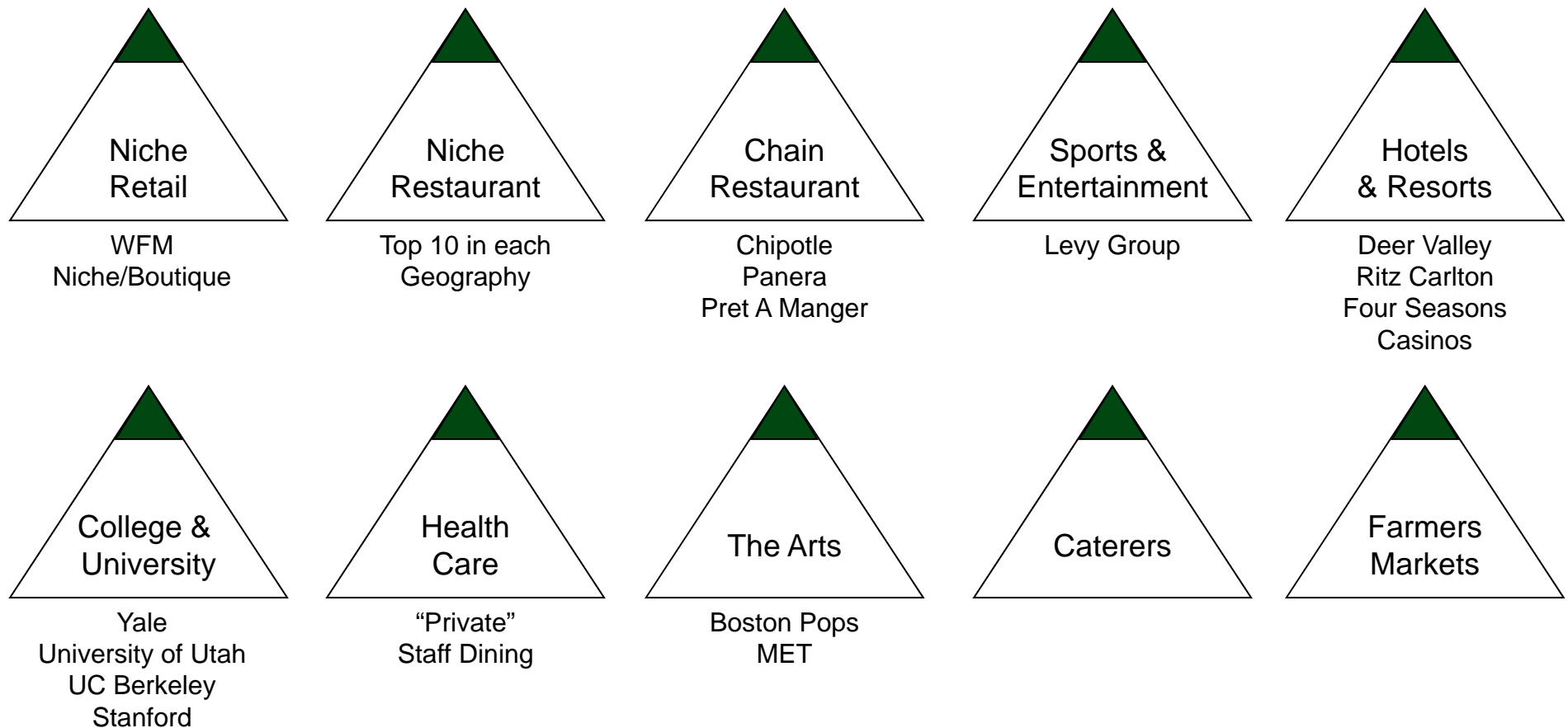
- Farms: 700+
- Distributors: 60
- Distribution: Across the United States



“Skimming” Strategy: Proven Keys to Success

Target “best-in-channel/apex customers”

Leverage shared “premium positioning” as competitive advantage





Niman Ranch Positioning Statements Drive All Successful Business Activity

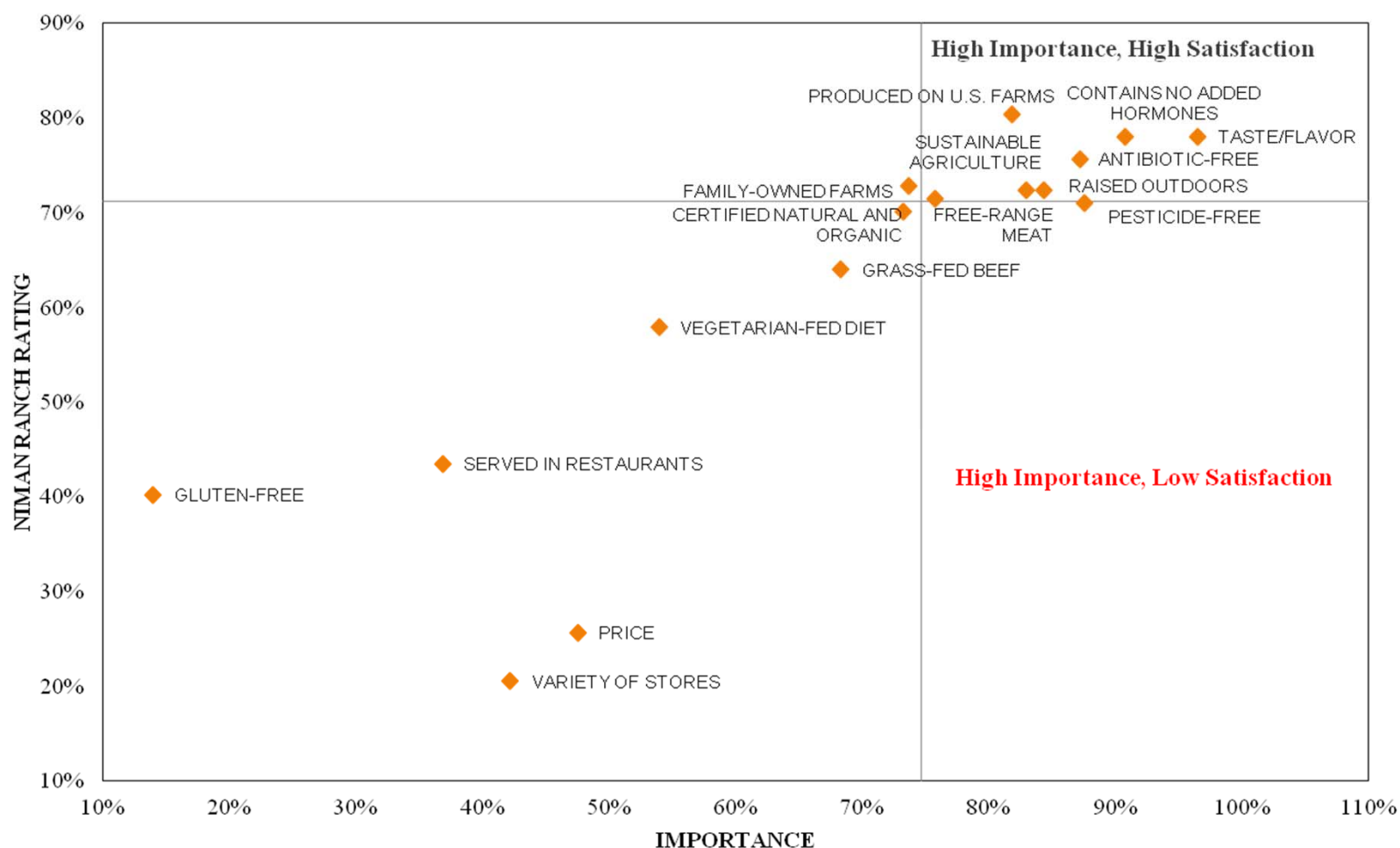
To Chefs and Consumers: To mission-driven/values-aligned Foodies, Niman Ranch delivers the finest tasting natural meats in the world because Niman Ranch's unique network of small, independent U.S. family farmers and ranchers that raise livestock traditionally, following the strictest protocols within the industry emphasizing humane animal care and sustainable agriculture.

To Distributor Customers: to progressive local/regional meat distributors, Niman Ranch delivers a multi-protein, "never-ever" natural, branded partner to help grow their business by attracting the best mission-driven chefs/customers (in both existing and emerging channels) who demand the finest tasting meats in the world.



Overlapping Perceptions: Brand & Consumer

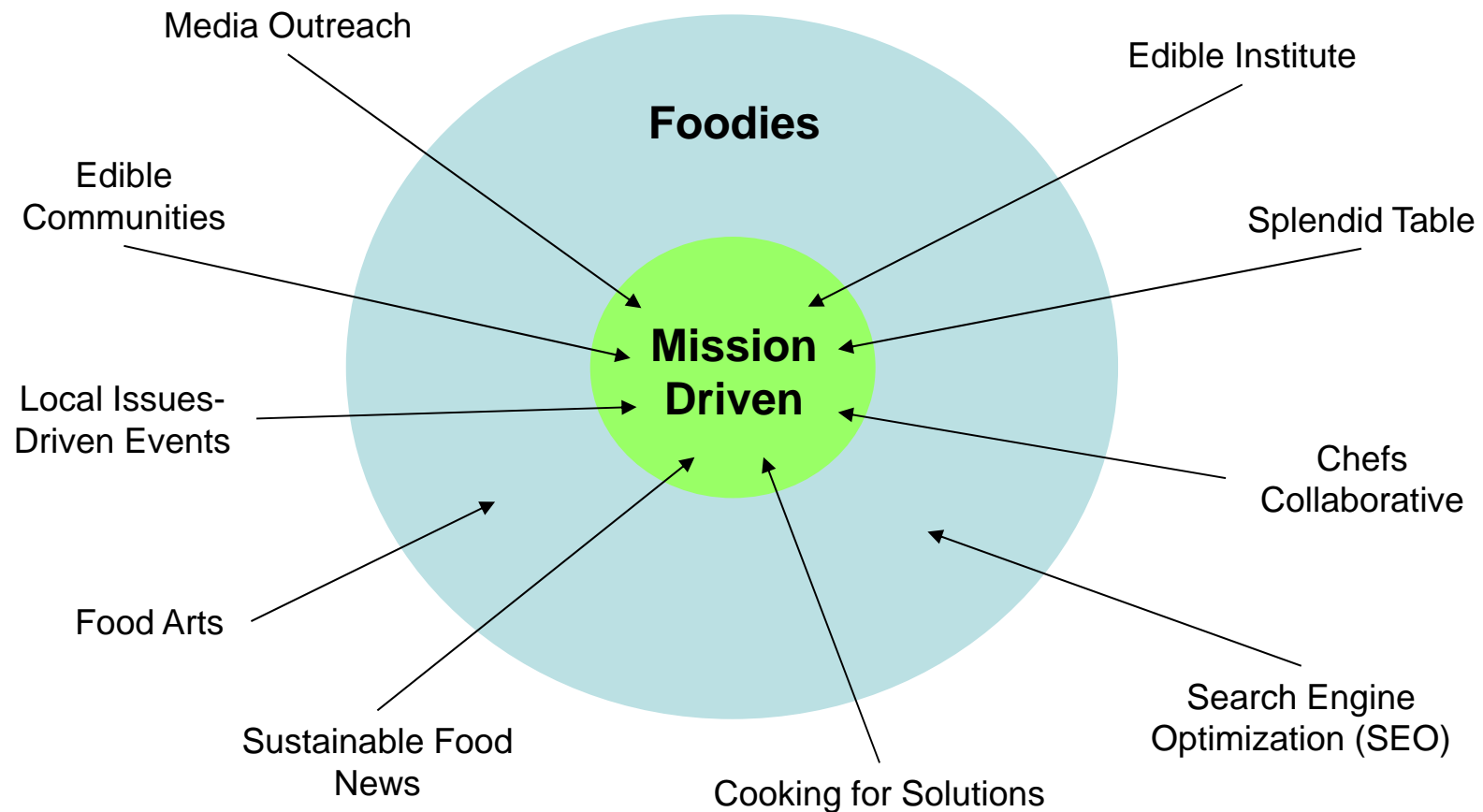
- Niman is perceived to be delivering strongly against all of the important consumer needs
 - Availability and price are the two features Niman is rated low on; however, these are of lesser importance to consumers



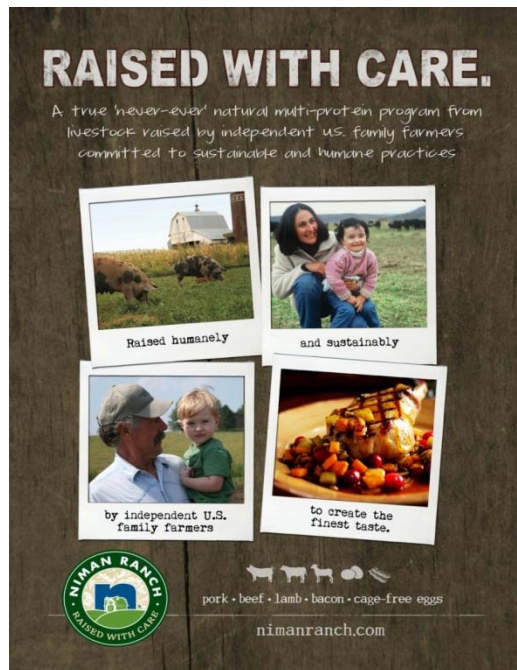


Branding Activities – 2 Target Consumers (Stay Focused)

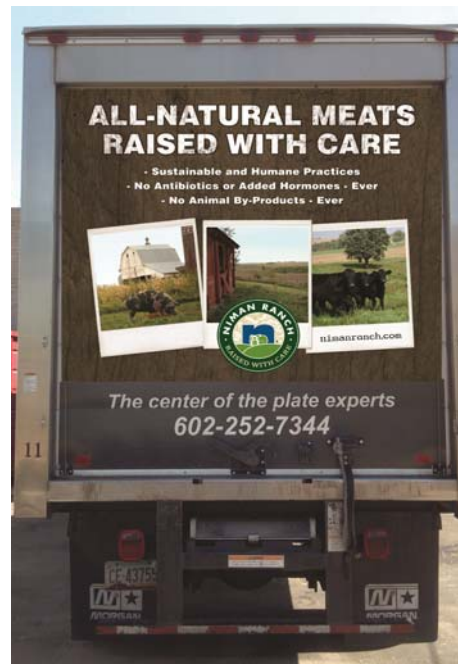
- Optimize our message with our core consumer – Mission-Driven Foodies



Communicate One Compelling Message – Every Time...



Ad Creative



Ad Creative used on a truck



Co-branding



Sample radio spot: “The Splendid Table is supported by Niman Ranch, providing sustainably and humanely raised all-natural meats, from small U.S. family owned farms. Available at specialty retailers and restaurants nationwide. Learn more at Niman Ranch dot com.”

...Everywhere



Banners



Static Clings



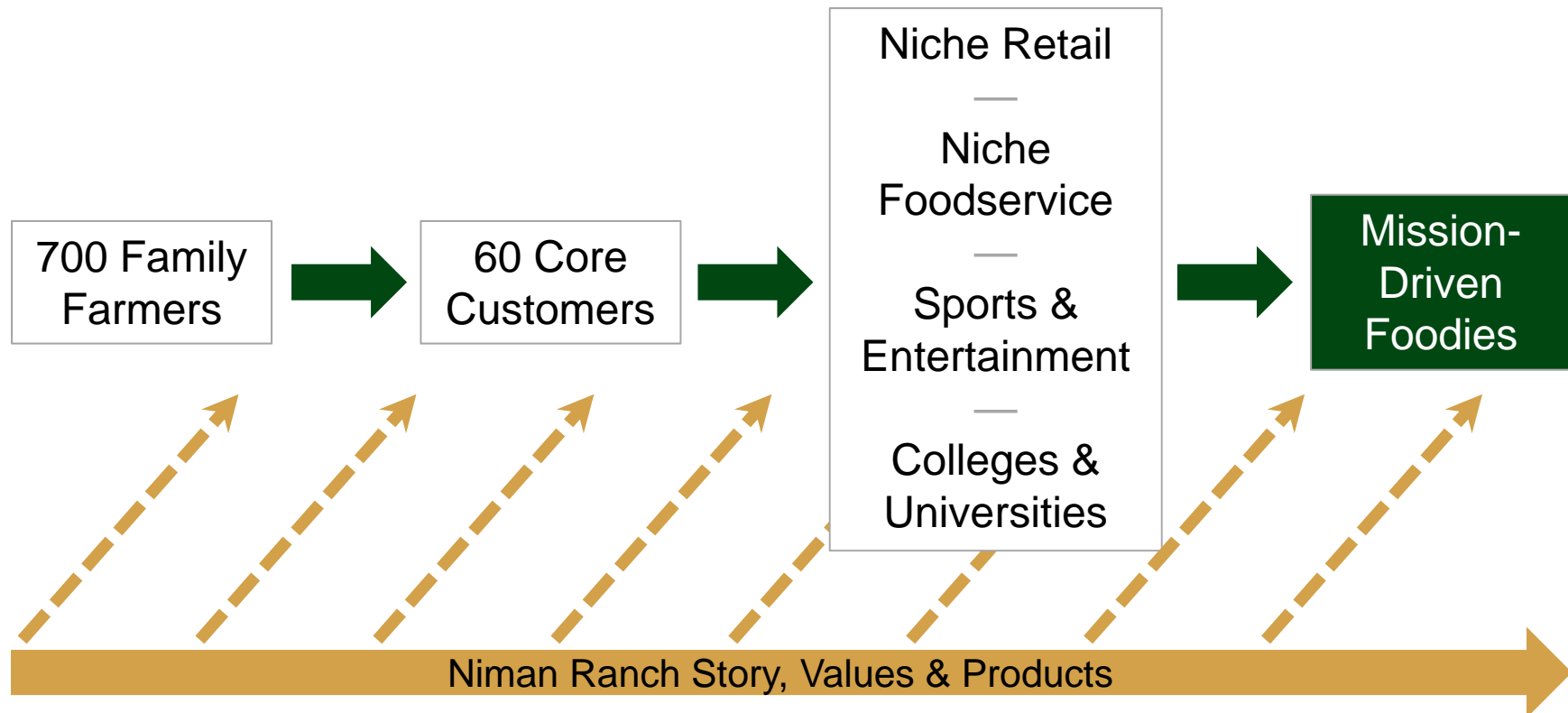
Meat Case Dividers





Niman Ranch Path to Profitability

- Utilizing niche distributors and niche customer partners to increase our share-of-stomach of mission-driven foodies
 - Goal of increasing our share of their 1,092 meals per year
 - From “holiday” to “everyday”





It's all about creating a sense of Family and Shared Responsibility





5 Things to Consider:

- How are you uniquely positioned to succeed?
- Is it relevant/meaningful to your target?
- Is it ownable?
- Is it profitable?
- Is it sustainable?