



## FOCUS: STRATEGY

### Know where you stand – Benchmark

In the book, “The Art of War, Strategic Attack”, Sun-tzu wrote, “It is said that if you know your enemies and know yourself, you will not be imperiled in a hundred battles. If you do not know your enemies, but do know yourself, you will win one and lose one. If you do not know your enemies or yourself, you will be imperiled in every battle.”



Context Partner,  
Mike Borel

In the ag industry, many companies are acting on careful assessment of their own relative positioning in the industry to advance opportunities in their strategic positioning. Context is providing them with the knowledge they need to understand where they stand.

*“There is high value in understanding your company’s performance relative to competitors; and knowing where the industry-leading performance bar stands in the various metrics. This information enables focused attention on the areas of highest impact, and accurate feedback on the relative effectiveness of changes implemented in current and prior years.”*  
Context Partner. Mike Borel.

Context has the capability and integrity to do benchmarking studies for the participating companies in an industry. Delivery of just such a study for Crop Protection Manufacturers in North America was made in individual reports to subscribers during the month of May.

A quality study represents a supermajority of the industry involved, contains accurate consolidated costs, uses workable definitions consistently applied (to assure apples to apples comparisons), and incorporates process steps to test and retest accuracy and adherence to definitions. In addition, the company doing the analysis has to have the proven integrity to assure and deliver full confidentiality of individual company information; a solid experience base to understand the industry and know what is important is also highly valuable. Context delivers on all those points!

Context completed its third benchmarking of the CPC industry in North America this year. 2008 was an incredible year for most companies in this industry; and shifts in what constituted “best in metric” were common and significant. Relative position shifts were also common. Subscriber feedback was very positive. Included in the individual company reports were:

- Comparisons, by metric, of the subscribing company to the range and average of the top 10, Basics and Generics, and covering 2008 and 2007.
- Analysis of 2008 vs. 2007, how did the range and weighted averages change
- Basics compared to Generics
- Discounts and Rebates, how are they trending both overall and by product type.
- Which metrics show the highest variability
- Which metrics increased the most, which decreased the most
- Recommendations, i.e., based on the data, what should be recognized and celebrated; what should be evaluated for value realized or cost saving; what should be evaluated for additional resources.

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If you value an accurate external dimension in business performance, and are therefore interested in benchmarking your industry and company, contact Mike Borel, Partner – [mike.borel@contextnet.com](mailto:mike.borel@contextnet.com) or call 925-937-4180.

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**The Context Network** provides business management and strategy consulting services to the world's leading agriculture, biotechnology and food companies and government agencies and institutions. Major areas of expertise include strategy, merger and acquisition support, valuation of new technologies, formation of alliances, and market research. The West Des Moines-based firm is composed of a core of professional consultants that is complemented by a network of more than 200 industry and subject-area experts.

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