Abstract

In the Philippines, Asia Brewery Incorporated (ABI) is the second main producer of beer and generates a volume of 85% brewer spent grain (BSG) of the total by-product. Studies show that BSG is a good source of nondegradable protein and water soluble vitamins for both ruminant and some monogastric animals like pigs and horses. This study investigates the gaps on the distribution channels of BSG produced by ABI using community surveys and key informant interviews to gather the data. Due to time constraints and a limited number of BSG users, the respondents were purposively selected from current users in selected areas of El Salvador City, Misamis Oriental, Philippines. Recklie’s value chain model was used to evaluate which particular activity adds value to the organization’s products. Result shows that there are three major direct buyers of BSG, namely, beef cattle growers, milk cattle growers, and retailers. BSG can be purchased directly from ABI plant at PhP0.50/kg including labor and transportation costs. The direct buyers sells the product at PhP0.83/kg to the retailers (62.5% mark-up), and the retailers sells the by-product to the market at PhP1.40/kg (59.29% mark-up). It further shows that BSG is a good feed alternative and very economical for the farmers to use. The city government should endorse an ordinance that would address the concern of prioritizing the small buyers/farmers in the distribution of spent grain and make it more accessible to the small farmers as part of the company’s initiatives under its corporate social responsibility.