



OCA Weekly Update – February 19, 2010



**Ontario
Cattlemen's
Association**
Committed to Cattlemen

2010 ANNUAL GENERAL MEETING

PROGRESS STARTS WITH PARTNERSHIP

"Committed to Cattlemen"

2010 OCA Annual General Meeting Agenda

February 24 and 25, 2010 - Doubletree International Plaza Hotel, 655 Dixon Road, Toronto, ON

7:30am - 9:00am *Registration (South Lobby)*

Wednesday, February 24, 2010 – Plaza AB Room

- 9:00am *Welcome and Convene*
Adopt and Approve Agenda and Elect Scrutineers
Approve Minutes of 2009 Annual Meeting
2009 Audited Financial Statement - Curtis Royal, OCA Vice-President
- 9:30am Nominations/Election of Cow/Calf Rep. to 2010 OCA Board of Directors
- 9:45am Executive Director's Report - Dave Stewart, OCA Executive Director
- 10:00am Nominations/Election of Feedlot Rep. to 2010 Board of Directors
- 10:15am *Coffee Break – sponsored by Bio Agri Mix LP*
- 10:35am Nominations/Election of Southern Rep. to 2010 Board of Directors
- 10:40 am OFAC Update
- 10:50am Announcement re: CCA Nominations and Feedlot and Cow/Calf Committee Nominations
- 10:55am Nominations/Election of At-Large Rep. to 2010 OCA Board of Directors
- 11:10am President's Message - Gord Hardy, OCA President
- 11:25am Nominations/Election of balance of Cow/Calf Committee
- 11:30am Presentation of TESA Award – *sponsored by RBC Royal Bank*
- 11:40am Nominations/Election of balance of Feedlot Committee
- 11:55am Presentation of the Ontario Pasture Award – *sponsored by MAPLESEED*
- 12:15pm *Lunch - Plaza C Room*
- 12:15pm Board of Directors Meeting – Ottawa Room (election of President/Vice-President)**
- 1:15pm *Reconvene – Plaza AB Room*
- 1:15pm Nominations/Election of CCA Representatives

1:25pm Debate on Resolutions
Announce Directors to CCA and Request Motion to Destroy Ballots
Debate on Resolutions (cont'd)

2:30pm *Coffee Break - sponsored by Elanco Animal Health*

2:50pm Debate on Resolutions (cont'd)

4:00pm Adjourn

5:30pm Cocktails - Plaza Foyer

6:30pm 2010 OCA ANNUAL BANQUET – Plaza AB Room

“It’s a Kinda Magic”

After-Dinner Performer: ***Brian Michaels, Illusionist***

Thursday, February 25, 2010 – Plaza AB Room

7:00am OCA Board of Directors ANNUAL MEETING - Ottawa Room

7:30am OCA Advisory Council and Board Meeting/Breakfast - Montreal AB Room

7:30am Voting Delegate Breakfast – Plaza C Room

9:00am *Reconvene Annual Meeting – Plaza AB Room*

Keynote Speaker: Peter Chapman – “Connecting with Our Customers: Trends in Retailing”

9:45am CCA Update

10:15 am *Coffee Break – sponsored by: RBC Royal Bank*

10:30am Panel Discussion: “The Power of Partnerships” - moderated by Dan Ferguson, OCA

11:30am Guest Speaker – Dr. Al Mussell, George Morris Centre – “Cost of Production”

12:00pm *Lunch – Plaza C Room*

1:00pm Environmental Issues Update – Chris Attema, OCA

1:20pm Board Q and A

2:20pm Debate on Resolutions (cont'd)

Adjourn (late afternoon)

Doubletree International Plaza Hotel, 655 Dixon Road, Toronto

RESERVATIONS: 1-800-222-8733

Call by February 12th and ask for the “Ontario Cattlemen’s Association” block of rooms

15th Annual Pfizer Cattlemen’s College

Sponsored by Pfizer Animal Health in conjunction with the 2010 OCA Annual General Meeting.

Doubletree International Plaza Hotel, 655 Dixon Road, Toronto, Plaza C Room

7:00pm

- Welcome
- Greetings from Pfizer Animal Health Canada
- Julie Stitt, Beef Information Exchange Program - “The Value of Information Sharing in the Beef Industry”
- Dr. Derek Haley, Ontario Veterinary College, University of Guelph - “Strategies to Reduce Weaning Stress”

**Please note that the Cattlemen's College is an optional program for the 2010 OCA Annual General Meeting. There is no registration fee and no pre-registration is required for this event.

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A) Cost of Production Calculator Available Online

OMAFRA's cost-of-production calculator is now available online at <http://www.omafra.gov.on.ca/english/busdev/bear2000/Budgets/budgettools.htm>, and clicking "Livestock," then clicking your commodity. Cost-of-production calculators are also available for other commodities.

B) Growing Forward News - OMAFRA

Environment and Climate Change

We are encouraging the adoption of environmentally sound practices to improve the quality of our soil, water, air and biodiversity. The [Canada-Ontario Environmental Farm Plan](#) (EFP) is an education and awareness program delivered by the [Ontario Soil and Crop Improvement Association](#). It helps producers assess their farm's environmental strengths and weaknesses.

Growing Forward offers cost-share opportunities to assist farmers in implementing environmental improvement projects identified in their EFP action plans. We will continue to support the agri-food processing sector with the development of environmental risk assessment initiatives. Before producers can access cost-share funding under COFSP, they must participate in an EFP workshop and have a peer-reviewed Third Edition EFP Action Plan. To sign up for an EFP workshop in your area, or to learn more about the Environment and Climate Change program, please contact Cathy Dibble at 519-463-9737.

Food Safety and Traceability

We are helping the sector respond to heightened consumer awareness of food safety by supporting the adoption of practices that enhance food safety on farms and in the food and beverage processing industry. We are also helping producers and processors respond to market demands, and improve product tracking, by supporting facility-level traceability systems.

Program Update

Applications will be accepted after 9:00 a.m. on March 1, 2010. Applications received prior to this date and time will not be processed and will be returned to the applicant. Early submission is strongly encouraged as applications will be received and assessed on a first-come, first-served basis until all available funds are exhausted.

What's New for 2010

- Increased cost-share funding maximum of \$25,000, with a cap of \$15,000 for either food safety or traceability expenditures to encourage the adoption of both food safety and traceability projects
- Increased participant numbers through a change in cost-share ratio to 50 percent
- [Premise Identification](#) is a program eligibility requirement that strengthens Ontario's agriculture and food processing sectors by supporting a strong agri-food traceability system

How Does FSTI Work?

FSTI provides 50% reimbursement of eligible expenses up to a maximum of \$25,000 to:

- implement written food safety programs
- implement a working traceability system
- assist in the purchase and installation of equipment that improves food safety or traceability
- train staff to increase the adoption of food safety and traceability

Growing Forward FSTI proactively manages risks and responds to market demands by providing cost-share funding to individual producer and processing facilities to support the implementation of written food safety programs and working traceability systems.

For complete details on the FSTI, visit <http://www.omafra.gov.on.ca/english/food/foodsafety/grants/fsti.htm>

2010 FSTI Information Session Schedule

All sessions will run from 9:30 am to approximately 1:30 pm EST. All sessions are Food Safety and Traceability for Food Processors and the Agriculture Industry. Note that some sessions have already occurred in Western Ontario.

To Register: A listing of scheduled sessions is provided below. To pre-register for one of these scheduled information sessions - or to request the scheduling of a session in your region - call toll free 1-888-479-3931 (1-888-GRWFWD1).

Date: Monday, February 22, 2010	Location: Mount Forest
Date: Tuesday, February 23, 2010	Location: Lindsay
Date: Wednesday, February 24, 2010	Location: Belleville

** For the sessions offering participation via WebEx, a computer and internet connections is required. More information will be given upon registration.

NOTE: Under OMAFRA's Food Safety and Traceability Initiative, applications will be accepted as of 9:00 a.m. on March 1st. Applications will be accepted at all regional offices of OMAFRA and will be time stamped when received at those offices. A list of all the OMAFRA regional offices is posted at http://www.omafra.gov.on.ca/english/offices/rural_ont_ad.htm

C) New BIC Nutrition Podcasts Focus on Health Benefits of Canadian Beef

This March, the Beef Information Centre (BIC) launches five new podcasts as part of its Nutricast Radio series. Three of the podcasts are geared to consumers and focus on including nutrient-rich Canadian beef as part of a balanced diet. Two additional podcasts are geared to health professionals.

This innovative program was developed in collaboration with registered dietitians, leading scientists, and the Heart and Stroke Foundation of Canada's Health Check program.

The new podcasts are composed of 10-15 minute radio style clips, found on the BIC consumer website (www.beefinfo.org) that focus on nutrition issues facing Canadians today. In the podcasts, key experts provide current, evidence-based information on nutrition and beef's contribution to a balanced diet.

In 2009, BIC released its first series of Nutricast Radio podcasts, geared toward health professionals. Since that launch last summer, there have been 450 downloads of the podcasts. The information presented allows health professionals to pass along positive beef nutrition information to their clients and patients.

According to Judy Nelson, BIC's vice-chair and a cow-calf operator at Lundbreck, Alta., the new consumer-focused podcasts in particular will help increase positive attitudes towards beef.

"These podcasts help to support the Canadian beef brand while emphasizing the importance of including nutrient-rich foods, like beef, in the diet," says Nelson. "With the consumer podcasts, we are hoping to see greater download rates as they will be available on multiple websites." The podcasts will be launched to complement the Canadian beef consumer campaign that highlights the nutritional goodness of Canadian beef.

The consumer podcasts feature registered dietitian Helene Charlebois who discusses the importance of choosing nutrient-rich lean Canadian beef. The health professional podcasts focus on hot topics in the scientific community, including the health benefits of natural trans fat found in ruminant animals and the importance of including protein in a person's diet throughout his or her lifespan. Both health professional podcasts highlight the healthfulness of beef and the importance of including beef in the diet.

"BIC's Nutricast Radio ensures continuous positive, evidence-based and credible information on Canadian beef's role in a healthy diet in an enticing way," notes Nelson. "These innovative programs continue to reinforce the fact that BIC is a leader in beef nutrition communications."

BIC's collaboration with the Heart and Stroke Foundation's Health Check program on two of the consumer podcasts further enforces beef's healthfulness and BIC's credibility. The new podcasts complement an already impressive list of beef health and nutrition communications tools BIC offers to Canada's health professionals, including the annual Nutrition Perspective newsletter, Nutricast online seminars, and the monthly HealthLink e-newsletter.

Anyone is able to listen to a podcast by visiting BIC's website for health professionals and clicking on the podcast link. The three consumer podcasts will go live during the first week of March, while the two podcasts geared toward health professionals will go live in mid-March. All will be posted to BIC's consumer and health professional websites. To listen to past podcasts, visit <http://health.beefinfo.org/en/research/nutricast/radio.aspx>, and visit often to check for the new podcasts in March.

BIC's efforts to maximize demand for Canadian beef and optimize the value of Canadian beef products is funded in part by cattle producers through the National Beef Check-Off, and through beef industry market development funds provided by the Government of Alberta and the Government of Canada.

D) Rural Summer Job Service

The 2010 Rural Summer Jobs Service program will begin accepting applications on February 24 and will continue until April 16, 2010. Each eligible applicant has an equal opportunity regardless of when the

application is submitted so long as it is received before the deadline. The online application form can be completed in 10 minutes and we will acknowledge your online application via email.

Paper applications can be obtained upon request by calling 1-888-588-4111 or visit www.omafra.gov.on.ca/english/rural/rsj/rjs_index.htm.

E) Farm Innovation Program

The Farm Innovation Program (FIP) is a \$12,000,000 program that is part of Growing Forward, a federal-provincial-territorial initiative. The FIP is one of the Innovation and Science Suite of programs for Growing Forward in Ontario. The FIP is aimed at boosting agricultural research, competitiveness, and productivity in Ontario's agricultural sectors. The FIP is administered by the Agricultural Adaptation Council (AAC) on behalf of Agriculture, Agri-Food Canada (AAFC) and the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). The AAC have issued this Intake of Proposals to solicit project proposals for funding consideration under the FIP.

The overall goal of FIP is to increase the development, adaptation, assessment, and adoption of on-farm innovative technologies that help agricultural producers respond to changing demands. Approved projects will undertake research and innovation to:

- Increase awareness and access to credible, Ontario-based information on applicable innovative on-farm technologies in each sector.

- Provide industry-directed funding to agricultural commodity organizations and to individual farmers or groups of farmers for applied research projects and on-farm demonstrations that focus on innovative technologies for on-farm application.

Eligible recipients must be a Canadian legal entity and may include:

- Non-supply managed organizations designated by the Ontario Agricultural Commodity Council OACC . Applications must be submitted by the organization.
- Individual farmers or groups of farmers may access FIP funding but must apply in partnership/collaboration with a non-supply managed organization of OACC ([click here for a list of non-supply managed organizations of OACC](#)). **Applications must be submitted by the organization.**

For more information, visit <http://www.adaptcouncil.org/e/current-programs/fip.php>

F) Grower Pesticide Safety Course

If you are an Ontario farmer and want to buy and use Class 2 or 3 pesticides your farm, you must be a Certified Farmer. There must be at least one Certified Farmer for each farm operation. Click <http://www.opep.ca/growertraining/courses.cfm> for a list of courses and exam-only sessions offered across Ontario. You can pick up a manual from the Woodstock OMAFRA Resource Centre. To register for a Grower Pesticide Safety Course or GPSC Exam-Only Session call 1-800-652-8573, fax 519-674-1589 E-mail: opep@ridgetownc.uoguelph.ca, or click [Register](#) to E-mail your request.

G) Better Business Decisions with BIO

It's a fact that informed beef producers make intelligent decisions. The amount of information you need to know in order to run your business effectively continues to grow - and it can become overwhelming to manage this information effectively.

So let BIO help! Our new bioTrack system, developed with OCA support, lets you capture and use information on an animal – from pedigree to cooler - easily and the way you want to! bioTrack not only let's you manage data, it provides: easy and automatic age verification with linkage to the CCIA database every 6 hours; the ability to easily get information (within herd indexes or across herd EPD's) on your cows; help with sire selection; and feedlot health, management tools and carcass data . Another important benefit of bioTrack is that you don't have to worry about losing information if your computer crashes.

If you would like to learn more about bioTrack, please call Brittney Livingston at (519) 767-2665 Ext. 316 or Jamie O'Shea at (519) 400-8974. Ask for a free demonstration of bioTrack either by phone or in person and enjoy special introductory pricing.

H) Information meeting for Cow/calf Producers

March 3, 7pm

Dr. Mac Littlejohn will host an information meeting for producers in Elgin, Kent, Essex, Lambton and Middlesex counties on a proposed cow/calf club.

To be held at the Legion, Newbury.

I) Farm Credit Canada Forum – "Big Ideas for Your Future"

March 9

Woodbridge, ON

The Royalton

10:00am - 3:00pm

March 11

Kingston, ON

Kingston Gospel Temple

10:00 am - 3:00pm

Cost: FREE

Deadline: February 28, 2010

Sponsored by: Farm Credit Canada

Join us for this special event. FCC Forums are an opportunity to learn, inspire big ideas and network with business owners and operators just like you. Peter Mansbridge, award-winning anchor and interviewer, is keynote speaker at this year's FCC Forum. Lunch is provided.

Contact: 1-800-332-3301

J) Profitable Pastures

Profitable Pastures will be held in Elmwood March 29th, Elmvale March 30th and Cobden March 31st.

Key Speakers: Duane McCartney recently retired from Agriculture Canada in Saskatchewan and Alberta & Bill Gallagher from Gallagher Animal Management Systems

Their vast experience will provide a practical take home message

Call 1-877-892-8663 to register by March 26th

Visa or Mastercard Pre-registration is necessary to ensure dinner. Conference registration is \$35 and includes a hot roast beef dinner. For more info visit www.ontarioforagecouncil.com

CEU Accredited

See attached flyer

K) Date Changes: OnTrace Producer Traceability Workshops

OnTrace has adjusted its Producer Traceability Workshop series dates for the remainder of the spring, so as not to interfere with spring planting season and to better serve their producer audience.

The new schedule has all workshops ending by the end of March 2010.

Please see attached the revised ads, one with location detail information and one with workshop detail information.

Please be aware that the Guelph and Kemptville sessions are very close to being at capacity, so please sign up without delay.

L) FIT Program

Posted as a Service Announcement to Producers

Pioneer Solar is now offering to lease your roof space, or land for up to \$40,000. The new solar (FIT) program offered by the Ontario Government has made it possible for Pioneer to give farmers a guaranteed lease payments if their land, or roof space qualifies. You will be given a 20-year contract that is transferable.

The more lucrative way to go is to purchase the system. We have a turn- key solution for the 2.5kw to 10KW solar system.

Rate of return for 10KW is \$11,319 per year. Total earnings of \$226,380 over 20-year contract with OPA/ Ontario Government (at \$0.80 per kW).

Larger roof mounted systems:

<i>Size</i>	<i>Annual earnings</i>	<i>Total earnings (20 years)</i>
100kw	\$85,000	\$1,700,000
250kw	\$212,000	\$4,250,000

The system will pay for it's self in 5 to 6 years. These figures are based on the annual sunlight for Southern Ontario, given by the Ministry of Natural Resources Canada.

- A 25-year warranty on panels.
- Referral fee eligible.
- TD Bank financing.

Please contact Steve Fox at 1-888-314-3677, steve.fox@bellnet.ca or visit our Website at www.pioneersolar.ca

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This report is prepared and distributed with the assistance of Dr. Doug Powell's team at Kansas State University. This service does not allow emails to be sent by responding to this email directly. If you have questions or comments, please contact Lianne Appleby at lianne@cattle.guelph.on.ca

A) Industry to Offer Input on USDA's New Framework for Animal Disease Traceability

COLORADO SPRINGS, CO – Following USDA Secretary Tom Vilsack's announcement that his department is changing its approach to developing a national animal identification system, the National Institute for Animal Agriculture (NIAA) has announced it will dedicate a portion of its annual meeting, to be held in Kansas City, MO March 15-17, to having industry representatives and participants offer needed input to State and Tribal officials as they begin the task of developing identification programs that will be compatible across state and tribal boundaries.

As announced on Feb. 5th, the USDA is changing its course from developing a national system to providing the "framework for animal disease traceability" in which States and Tribes will determine their own specific programs and, presumably, their own standards. As part of the announcement Sec. Vilsack indicated State and Tribal animal health officials will hold a two-day forum in Kansas City March 18-19 to initiate a dialogue about the possible ways of achieving the flexible, coordinated approach to animal disease traceability USDA envisions.

Immediately preceding the forum, the NIAA Animal Identification and Information Systems Committee is convening a panel of animal agriculture representatives to discuss what this new approach will mean to their sector of the industry as well as offer input to the State and Tribal officials to incorporate into their later discussions.

"The USDA's announcement that it will no longer pursue the NAIS strategy is something that has left many in animal agriculture asking for answers," said Dr. Michael Coe, co-chair of the committee. "Given the new direction there are many questions as to what producers, marketers, and processors of livestock in the U.S. should expect as a result of the shift in policy."

The committee's panel will include a representative from each of the major food animal sectors as well as the livestock auctions and processors. "We anticipate there will be a substantial amount of discussion that will provide valuable input to USDA, the States and the Tribal Nations on the concerns and ideas from these representatives," added Coe. The committee's meeting is scheduled for Wednesday, March 17, from 1:00 to 5:00 p.m.

"NIAA has been very involved in convening such panels and conferences over the past two decades in order to assist in developing consensus across animal agriculture on animal identification issues," states Dr. Leonard Bull, chairman of the NIAA board of directors. "This is yet another opportunity for NIAA to provide the needed forum for animal agriculture to proactively work toward a positive solution to a very difficult and contentious issue."

NIAA's annual meeting will take place at the Westin Crown Center in Kansas City, Mo., with a block of rooms reserved at a special nightly rate of \$130/room, single or double occupancy. To receive this special rate, rooms must be reserved by Friday, Feb. 19, by calling 816-474-4400 and specifying that you are with the National Institute for Animal Agriculture.

A schedule of events for NIAA's 2010 annual meeting, meeting registration, list of NIAA committees and hotel information are available at the NIAA website: www.animalagriculture.org. Individuals are also welcome to call NIAA at (719) 538-8843.

The National Institute for Animal Agriculture (NIAA) is a non-profit, membership-driven organization that unites and advances animal agriculture—the beef, dairy, equine, goat, poultry, sheep and swine industries. NIAA is dedicated to programs that work towards the eradication of diseases that pose risk to the health of animals, wildlife and humans; promote a safe and wholesome food supply for our national and abroad; and promote best practices in environmental stewardship, animal health and well-being. Farmers, ranchers, veterinarians, scientists, state and federal officials, and business executives comprise NIAA's membership.

B) Aussie winemaker rattled by donation backlash

By Kathleen Dyett

Posted Fri Feb 19, 2010

Animal protection: Yellow Tail Wines donated \$100,000 to the Humane Society of the United States. (Flickr: Clearly Ambiguous)

A major Australian wine exporter facing a backlash in the United States for donating to a key animal rights group says it will take its support elsewhere in the future.

The \$100,000 donation by Yellow Tail Wines to the Humane Society of the United States' (HSUS) animal rescue program has prompted a flurry of angry online postings in the US calling for people to boycott the wine.

The HSUS describes itself as the United States' largest and most effective animal protection organisation and it sponsors workshops that teach people how to lobby for animal protection laws.

In response to the donation, a page called Yellow Fail has been set up on the Facebook social networking site and has attracted more than 3,000 fans.

A rancher from South Dakota has posted an online video of himself pouring the wine onto the snow in front of his cattle and urging others to do the same.

The issue has also prompted an article in the New York Post newspaper and comments in various US blogs.

Yellow Tail, owned by the Casella Wines company based at Yenda in the New South Wales Riverina, says it is the first time it has given money to the HSUS.

In a statement to ABC News, the managing director of Casella Wines, John Casella, says the company will look to non-political groups in the future.

"Yellow Tail is committed to the plight of animals in need and as a result, we can confirm that through any future activity, we will be looking to other non-profit organisations without lobbying interests that best deliver on our intended outcome of saving animals," the statement said.

Mr Casella says he never anticipated any negative criticism of the donation and the intention of the partnership with the HSUS was to celebrate and save animals.

"Being farmers ourselves, we acknowledge those who care for their land and their environment, just as we do," he said.

"We are proud of our rural heritage and value a solid relationship with agricultural communities around the world."

The HSUS says the partnership is about celebrating animals and the money will support the organisation's rescue team, which saves animals from natural disasters or cruelty.

C) Packer co-op leader 'disappointed' by Tribunal ruling

February 18, 2010

'We could be back to where we were in 1990,' says spokesman for new generation co-op by BETTER FARMING STAFF

The spokesman for Conestoga Meat Packers and Progressive Pork Producers Co-operative Inc., isn't ruling out an appeal of this week's Tribunal decision on pork marketing.

The board will meet to discuss the issue next week says Bob Hunsberger, while expressing his disappointment in the Tribunal's decision.

"I think the Commission made a business decision and the Tribunal made a political decision. It leaves the industry in a great state of uncertainty for a couple of years," says Hunsberger.

"We don't know what is going to happen," he explains. "Ontario Pork has 18 months to decide what they want to do and they go to a producer vote at some stage. What the terms of that vote will be we don't know. Theoretically we could be back to where we were in 1990."

"We have long believed that (Progressive Pork Producers) should have an exemption from Ontario Pork," Hunsberger says. "We don't want to have an exemption and continue to pay the fee. There's nothing (in the Tribunal decision) to say the fee will be reduced.

"This has probably cost the industry a few million dollars" in terms of excess fees and double fees, he says. Since the Commission decision in 2008, Conestoga has set up to do direct settlement with producers and so are other packing companies.

"We will be paying for Ontario Pork (to make settlements on sales) and we will be paying for us to settle it." Hunsberger also expressed disappointment in changes ordered in the Hog Industry Advisory Committee. The Appeal Tribunal had ordered that a new chairman be named to the committee and that its structure as set out in regulations be maintained. "I think (the HIAC committee) will be a less effective group and unable to make effective recommendations," he says. The structure set out in regulations "has not been followed for 25 years."

The Tribunal heard complaints last December that only large producers were represented on that committee that set directions for the industry following the Commission ruling in 2008. Hunsberger disputed that claim during the hearings

D) 'Undiscussabulls' need to be talked about

Posted By HEATHER RIVERS, SENTINEL-REVIEW

It can be a tough decision to hand over the family farm to the next generation.

Author Elaine Froese helped to ease that burden Thursday by offering local farmers advice to overcome barriers they face before an intergenerational transition.

Froese, a guest speaker during the South Western Ontario Dairy Symposium on Thursday, spoke about how farmers can leave "a lasting legacy" after they retire.

While everyone wants a happy family, it's difficult to admit there may be problems affecting the transition, she said.

And those issues or "undiscussabulls" need to be talked about by the entire family, said Froese, who also farms.

One of the biggest barriers that farmers report about succession is financing.

Part of the transition process involves figuring out an acceptable and reasonable income stream for retiring farmers and how to maintain a new home.

"Lots of parents are hesitant to tell their kids what if I don't have enough money," she said.

Froese explained that farmers need to take charge of their future.

"Have you been to your banker or lender of choice?" she asked. "If this is your biggest barrier, what are you doing to fix this problem?"

Froese also urged farmers to have a personal financial advisor to develop wealth outside of their farm.

E) Other Market Sensitive News: Cattle

(Reuters) - Canadian beef exports will increase slightly this year despite the cattle industry's decline, as exports to Mexico and Asia offset fewer shipments to the United States, a top export official said on Thursday. Farmers and ranchers have downsized their herds of hogs and cattle to the smallest levels in more than a decade due to high feed costs, a strong Canadian dollar and a U.S. meat-labeling law that has reduced livestock exports to the United States.

Canadian beef shipments topped 414,000 tonnes in 2009, a less than 1 percent increase over the previous year but an encouraging sign given the implementation of the U.S. country of origin labeling law for meat, which has discouraged imports by packers and retailers.

"We were able to end up in a stable year when by almost any other measurement the economy went backwards," said Ted Haney, president of the Canada Beef Export Federation. "It absolutely is an amazing outcome."

In 2010, Canadian beef exporters plan to ship 421,000 tonnes of beef, a 1.7 percent increase over last year, Haney said. They expect to ship 306,000 tonnes to the United States -- a 4 percent reduction because of the labeling law.

Shippers will send an estimated 19 percent more beef, or 100,000 tonnes in total, to Asia and Mexico combined, he said. Mexico is coming off a year in which the H1N1 flu held back beef consumption, while Japan and Taiwan are buying more from Canada.

A new age-verification system in the western province of Alberta produced more cattle last year to supply Japan, which accepts Canadian beef from animals under 21 months.

Higher exports are possible because shrinking beef supplies are partly offset by lower demand in Canada and the United States, Haney said.

Canada's pork export prospects for 2010 hinge on whether downsizing of the country's hog herd cuts into slaughter volumes, said Jacques Pomerleau, executive director of Canada Pork International.

Currently, Canadian packers have ample supplies because the labeling law has resulted in fewer livestock moving to the United States for processing, Pomerleau said. With slaughter volumes holding steady, exports have not fallen with the herd size.

It's not clear if those supplies will still be adequate in 2010 as farmers continue their exit, Pomerleau said.

The trend in Canadian pork consumption will also help determine how much pork is available for export, Pomerleau said. Domestic pork consumption is currently high because store prices are low.

Resolving export barriers to Russia and China will also be important. China continues to ban Canadian pork over last year's H1N1 flu concerns. Russia is accepting pork from only some Canadian plants.

F) Cattle herds dwindling

The Meridian Booster

Fri Feb 19 2010

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Section: News

Byline: BY MARKUS ERMISCH

Canadian cattle herds have shrunk to their lowest headcount in more than a decade, culled by a high loonie, protective U.S. legislation and a global loss of appetite for beef because of the recession.

As of Jan. 1, Canadian cattle producers reported 13-million head, a decrease of 1.3 per cent from one year ago, Statistics Canada reported Tuesday.

Herds were smaller across the country, except in Ontario and Saskatchewan.

In Alberta, Canada's largest cattle producer, herds had declined 4.3 per cent to 5.2 million.

Also, the number of cattle farms had, for the first time on record, fallen below 100,000 to 99,265 farms, the federal agency said.

"It's getting to the point where starving isn't much of a lifestyle," said CanFax analyst Scott McKinnon.

"It's coming down to the last man standing. The few players that are left in it should have a good interest in the product they're producing. It's just that we need that demand to turn around."

Canadian cattle producers have been in tough times since the BSE crisis gripped the globe.

The recession, combined with country-of-origin legislation in the U.S. and the high loonie, has exacerbated a situation that has forced many producers out of an increasingly less profitable industry.

"What we really need to turn this thing around is we need to stimulate demand," McKinnon said. Beef consumption has been contracting globally over the past year, as people cut their consumption of more expensive foods, including high-quality beef cuts.

Canadian exports of live cattle and calves dropped by almost 32 per cent last year, the first full year country-of-origin legislation was in effect in the U.S.

McKinnon said the legislation has added an extra cost of \$2.17 per hundredweight.

Ottawa has launched a challenge with the World Trade Organization over legislation it deems a barrier to trade between the two NAFTA countries.

"We took the time to work with Canadian ranchers and farmers to put together a rock-solid case and we're absolutely confident that we're going to win this challenge," federal Agriculture Minister Gerry Ritz said in an e-mail.

"We have a strong trade relationship with our American neighbours and we're going to continue to work with them respectfully to resolve this issue."

Canadian Cattlemen's Association vice-president Travis Toews showed similar optimism, albeit more tempered.

"It's a challenging case to argue," he said.

"We're hopeful of a positive outcome."

G) Associated Auctioneers Inc. Fined \$5,000 For Employment Standards Violation

February 18, 2010

London, Ont. - Associated Auctioneers Inc. was fined \$5,000 on February 10, 2010, for violating the Employment Standards Act (ESA).

On April 24, 2007, an employment standards officer issued an order to Associated Auctioneers Inc. requiring the company to comply with the ESA regarding hours of work and overtime pay.

On November 27, 2007, the officer reviewed a portion of the company's payroll records. The officer found that an employee had worked overtime hours since April 24, 2007, but had not been paid the appropriate overtime pay as set out in the ESA.

Associated Auctioneers Inc. pleaded guilty to failing to pay an employee overtime pay.

The fine was imposed by Justice of the Peace Robert Gay. In addition to the fine, the court imposed a 25-per-cent victim fine surcharge on the total, as required by the Provincial Offences Act. The surcharge is credited to a special provincial government fund to assist victims of crime.

H) Clean, green and powered by cow patties

On an isolated Prairie feedlot, a cattleman is overseeing a \$100-million operation that converts manure into energy and fuels an ethanol plant while making feed and high-grade fertilizer

The Globe And Mail

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Page: B1

Section: Report On Business Column

Byline: Gordon Pitts

gpitts@globeandmail.com

Two dome-like structures rise out of the thick ice fog of a Prairie winter day. From a distance, a science-fiction city seems to be taking shape on the rolling grasslands of east-central Alberta.

Then, as you draw near, another sensation takes hold - the oppressively pungent odour of cow manure.

On this day, the enveloping fog is making the smell worse than usual, explains Bern Kotelko, the mastermind behind this olfactory assault. But this is, after all, a feedlot, and the odour, he maintains, is actually the sweet smell of Canada's energy future.

The domes are Mr. Kotelko's monument to manure, the first stage in an ambitious power plant and bio-refinery based on animal waste that is taking shape beside his beef feedlot a 90-minute drive east of Edmonton. The goal, he says, is to "move manure off the balance sheet as a liability and turn it into an asset." Mr. Kotelko is among the leaders in a manure-to-megawatt movement which, at its most visionary, lays on pie-in-the-sky rhetoric as thickly as the stuff collecting in cattle pens. Yet he is no wide-eyed dreamer operating on the fringes of capitalism, but a hard-headed cattleman.

The planned \$100-million venture, which he hopes to complete in two years, will convert cattle excrement - whose disposal is a chronic challenge in large farming operations - into green power. The facility will also fuel an ethanol plant, turn out valuable cattle feed, and produce a more efficient cocktail of nutrients to spread on the land.

With dung as feedstock, "we don't have to worry about the hurricane that's going through Houston or someone having a hissy fit in the Middle East," Mr. Kotelko says.

This highly integrated operation, Mr. Kotelko predicts, offers up an alternative to an energy base tied to the vagaries of hydrocarbons.

Mr. Kotelko, part of a long line of Ukrainian farmers who came to Canada in the early 20th century, has two children working in the business, and he sees the plant as a role model to help arrest the long sorry trend of rural decline. "If you don't make the agriculture interesting, young people aren't interested in working at the bottom of the food chain," he says.

From a small homestead in 1918, the Kotelko family's Highland Feeders Ltd. has grown to 6,000 acres, 50 employees, a feedlot of 36,000 cattle - considered about the sixth largest in Canada - and \$60-million in annual revenue from operations that include an antibiotic-free, non-hormone beef brand, Spring Creek Ranch, run by his daughter Kirstin.

Yet Mr. Kotelko, 55, insists his core product is information. He holds an agriculture science degree from University of Alberta. Brother Mike is a farm engineer, and MBA graduate Page Stuart runs their feedlot operations. For the biogas plant, they are working with a team of scientists at U of A, led by Xiaomei Li, a soil specialist born in China.

These days, their primary focus is on the Highland Feeders' cattle pens that extend over two kilometres. The cattle are kept in what are, by industry standards, clean, spacious corrals, where feed is continually replenished with computer-aided monitoring. "I think these cattle are comfortable for their time in this world," Bern Kotelko says.

About 20 per cent of the feedlot manure is being fed into the dome-like anaerobic digester that function like a high-tech version of a cow's stomach. A large biogas plant by North American standards, it transfers methane and carbon dioxide to a small power plant linked to the power grid - enough now to electrify a village of 1,200 people.

When the plant is completed, Mr. Kotelko expects it will take 80 per cent of his manure, enough to power a town the size of Vegreville, population 5,500, which lies 20 kilometres to the south.

Mr. Kotelko insists the process also solves the tricky economics of ethanol fuel, whose production typically eats up a lot of external energy. In his model, biogas from the feedlot will also power an ethanol refinery on the site, providing big energy savings.

The refinery, using cattle-feed wheat as an input, will also turn out distillers' grains that go back to the feedlot for cattle nourishment. Thus, the plant operates as a closed loop - from manure to energy to feed back to manure. Mr. Kotelko says it will take the ethanol plant four years to be weaned off government support. While ethanol's detractors often cringe at its profligate use of energy and precious wheat and corn, Mr. Kotelko argues ethanol is a key piece in the food production puzzle. It will help feed the world, he says, because it will stabilize demand for grain, thus protecting farmers from volatile markets.

There are other manure-based power operations in North America, but observers say this plant will stand out for its size and integration. "I don't think there will be anything like it in Canada," says Bruce Bowman, a retired Agriculture Canada scientist, who runs information website ManureNet.

Another model is advanced by Toronto-based Stormfisher Ltd., which is planning a centralized digester in London, Ont., that will take biowaste from Loblaw supermarkets and food processing firms, as well as manure from dairy farms.

The plant, scheduled for completion at the end of 2010, will cost about \$20- million, and will feed into Ontario's power grid, capitalizing on an attractive tariff structure for alternative energy providers. Stormfisher, with about \$350- million to invest, is backed by Boston-based Denham Capital, a private equity group. Meanwhile, the Kotelkos have raised equity from local producers and an undisclosed energy company, as well taking on debt. They have already spent about \$30-million, and expect green incentives to provide about 20 per cent of the total \$100-million cost. For help with technology and business development, they teamed up with Evan and Shane Chrapko, Alberta brothers who made a killing in computers in the 1990s.

Mr. Kotelko points out that the Alberta oil sands were heavily financed by governments 30 years ago, but today, they stand on their own. And the oil sands, he argues, are simply a stop-gap on the way to more sustainable energy solutions, such as his biogas plant.

The strength of the Kotelko model lies in its holistic nature, says Joseph Doucet, professor of energy policy at University of Alberta. The operation uses cow manure to generate electricity and fertilizer, and even the excess water will be recycled back to the cattle. "So they are not only getting the electrical value but reducing the waste problem."

The Kotelko operation is marginal in the big picture of electricity and energy in Alberta, he says, "but it is possibly the door opening to a broader suite of technologies and solutions."

Other feedlots in Alberta are interested, and the Kotelkos and Chrapkos are working out a joint venture with a public power authority in Karachi, Pakistan.

"They have a city of 18 million and they have 400,000 dairy cattle in the city limits," Bern Kotelko says. Most of the waste is hauled to a river. "It is just a mess," he says excitedly - and nothing gets this farmer more excited than a mess of manure.

1) Abattoir Owners Join Forces

Posted By DONAL O'CONNOR

Small abattoir operators in the Perth-Oxford area have established a committee aimed at resolving issues around what they feel are unreasonable meat inspection regulations.

The committee was formed Thursday following a meeting of abattoir owners, other butchers, farmers and Ontario Federation of Agriculture (OFA) executives held at Thames Bend Farms near Tavistock.

"The small abattoirs are going to organize and band together as a group," said Mitchell sheep farmer Kevin McComb, who attended the meeting. "Evidently they haven't had that kind of organization in the past."

"They feel they would have some power in meeting with the head of meat inspection at OMAFRA and discussing their frustration."

Mr. McComb said the committee has the backing of area farmers, the National Farmers Union (NFU) and producer groups such as the Ontario Pork Producers, Ontario Cattlemen's Association, the Veal Association and Sheep Marketing Agency.

The meeting was triggered by a recent audit of Mogk's Custom Killing and Butcher Shop south of Tavistock. To meet current regulations, the father and son operation would be required to carry out renovations they say they can't afford.

Mr. McComb, who has been supplying Stratford restaurants with lamb and who sells meats at the Stratford Farmers Market, uses the services offered at Mogk's.

Bert Vorstenbosch, president of the Perth County FOA, attended the Thursday meeting as well and offered the support of the Perth county federation.

In a related development, executive members of the Perth-Oxford NFU met Friday morning with Perth-Wellington MPP John Wilkinson to bring him up to speed on the issues small abattoirs are facing.

Farmers Andy Megens, Bob Passmore, Mr. McComb and local NFU executives George and Mary Lynn Stevers were included in the delegation.

"We did present our case," said Mr. Stevers. "I'm not sure if he was quite understanding of all that's involved."

Mr. Wilkinson was presented with a copy of the NFU brief on small abattoirs the NFU had earlier presented to Oxford MPP Ernie Hardeman. The NFU had been advocating a differential in the requirements for smaller abattoirs as compared to those for larger, high-volume operations.

"I thought we did move ahead," Mr. Stevers said of the meeting, although he said there were no specifics from Mr. Wilkinson about possible action to resolve the issues that have been threatening the future of small abattoirs.

Mr. Stevers is a beef and pork producer who farms about midway between Gadshill and Bornholm.

All parties are agreed that food safety is paramount.

Ken and Ken R. (Butch) Mogk have asserted there has never been a product quality problem at Mogk's, an operation that typically kills animals two days a week with government inspectors present.

J) Loblaw sees tough times ahead

Marina Strauss

Executives at Loblaw Cos. Ltd. , the country's largest grocer, are warning of tough times in the next couple of years.

"We are three years into our renewal program and making progress with two of the toughest years ahead," Galen G. Weston, executive chairman and scion of the controlling Weston family, said Wednesday. "As we enter 2010, we continue to expect sales and margins to be challenged by deflation and increased competitive intensity."

The warning comes as Loblaw reported that its fourth-quarter profit slid to \$165-million or 60 cents a share from \$190-million or 70 cents. Sales slipped to \$7.3-billion from \$7.7-billion.

On an equivalent 12-week basis, same-store sales dipped 0.7 per cent in the latest quarter, which had one less week than a year earlier.

To try to improve its situation, Mr. Weston said Loblaw plans to step up its investment in information technology and supply chain. However, that will squeeze operating profit by about \$185-million this year over 2009. At the same time the company will keep its capital spending at about \$1-billion.

The fourth-quarter results mirrored the supermarket chain's general trend of relatively weak sales and strong profit-margin control, Perry Caicco, retail analyst at CIBC World Markets, said in a note on Wednesday.

"On the positive side, the ex-inflation same-store sales trend improved for the first time, and gross margins are strong," Mr. Caicco said. "On the negative side, the company continued to give a grim outlook due to deflation and increased competition. However, we have learned to take these warnings with a small grain of salt."

Loblaw and other grocers have been hit by a drop in food inflation over the past several months after having enjoyed in early 2009 the benefits of higher food prices.

In its fourth quarter, Loblaw said on Wednesday that it experienced internal retail food price deflation compared with modest food price inflation, as measured by the Consumer Price Index for food purchased from stores.

Still, some analysts have predicted a gradual return to higher food prices by mid-2010, which should result in better days for supermarket chains.

Retail food inflation typically lags manufacturer cost inflation by five to nine months, analyst Jim Durran at National Bank Financial wrote in a report last month. "We expect to see a significant ramp up in food inflation by Oct/Nov 2010."

Still, Loblaw thinks that the combination of internal restructuring costs and competitive discount pricing will continue to pinch its bottom line.

It said on Wednesday that without taking into account the one less week in 2009, its fourth quarter same-store sales tumbled 7.8 per cent. Those sales exclude the impact of store openings and closings, and are considered an important measure of a retailer's health.

Sales were also squeezed in the latest period by the shift of Thanksgiving into the third quarter, from the fourth quarter in 2008 – a time when consumers tend to shop for a lot of food.

On an equivalent 12-week basis, sales in the fourth quarter didn't grow in food, were "moderate" in the drugstore aisles and dropped "significantly" in general merchandise. However, a silver lining was strong sales in the company's Joe Fresh fashion department.

Also on a brighter note, Loblaw's gross profit as a percentage of sales improved in the fourth quarter. It was 23.6 per cent compared with 22.5 per a year earlier. The company attributed the improvement to savings in purchasing, more disciplined supplier management, lower fuel costs and more efficient transportation operations.

However, continued investments in pricing, which essentially means price discounting, offset the improvements, it said.

Its fourth-quarter operating profit fell by 13.4 per cent to \$43-million, mainly because of the additional selling week in 2008. Operating margins in the latest quarter were 3.8 per cent compared with 4.1 per cent in 2008.

Included in operating profit is a charge of \$27-million (\$29-million in 2008) for fixed asset impairments tied to asset carrying values in excess of fair values for some stores, and an incremental charge of \$12-million related to the investment in information technology and supply chains.

K) Cattlemen selling off herds; Feed shortages and high prices driving a number of cattle farmers out of the industry

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Byline: Andrew Serba

Source: Town & Country

While the number of cattlemen getting out of the business has slowed since the end of the growing season, high feed prices, feed shortages and the prospects of a dry spring continue to see herds sold off.

Last Wednesday, Triple J Livestock's auction market in Westlock saw another six herds dispersed. Owner and manager Gary Jarvis estimated that about 20 per cent of the cattle sold were going to the slaughterhouse despite being ready to calve in March or April.

Former rancher Richard Seatter was among Wednesday's sellers. He sold the 76 head he was left with after culling a herd for two years. The economics of the industry led him to gear his farm more towards grain than cattle over time. Seatter finally made the decision to get out of the cattle business before handing the farm, located near Dapp, over to his son.

"That means these guys don't even think it's worth it to feed them (for two months)," he said of the number of cattle likely to go to slaughter. "You can take that as a sign of the confidence they have in the industry."

Ken Assenheimer, an assistant manager at Triple J, has seen feed shortages drive many ranchers out of the business in the last month. News that many areas of northern Alberta have seen the lowest soil moisture levels in 12 to 25 years is not helping matters.

"There's no feed and (the price) is just too high for them to buy and make it work," he said. "The other thing is that with moisture levels being so low...we don't know what our grass will be like during the spring."

Many cattle farmers in northern Alberta have found the government's help to be too little too late to keep them in the game. The news is concerning for many small communities that rely heavily on agriculture.

Walter Schmidt, who owns a feedlot northeast of Barrhead, has been in the cattle business for 57 years. He saw Alberta grow its cattle industry to be the biggest beef-producing province in Canada. The current sell off has him worried about the industry's future, and the future of the communities that rely on it.

"It's a real shame because we're crumbling the foundation of the cattle industry, which is the cow-calf man," Schmidt said. "If we're going the way of the hogs, I don't know, but if you told me five years ago that there'd be no hogs in Neerlandia, I wouldn't have believed you."

STILL HANGING ON

But not all cattle producers are ready to get out. John Schryver and his son Brian are cattle farmers near Jarvie in Westlock County. Both attended the Feb. 10 auction at Triple J hoping they could get a deal on a few good cows. John said growing grain isn't an option on their land and he's hoping that by weathering the bad times there will be dividends in the end. Their feed situation is better than many other farmers; over the years they've rented all the land they could to grow hay. And thanks to some flooding from beaver dams, his pasture has enough moisture to provide a good yield.

"That's what's keeping us going," Schryver said. "People have to reach the point where they figured they've killed enough cows. It's got to turn around at some point."

Leonard Hein of Champion Feeds in Barrhead said many cattle farmers who have decided to tough it out are supplementing their feed with grain pellets to get as much as they can out of what little they have left. Using pellets is more expensive and labour intensive, however, and while Champion Feeds has seen more business Hein has noticed a steady decline in the size of most cattlemen's herds.

"We're selling a lot more this year than we have in the past, but we're also seeing cattle farmers reducing their numbers drastically," he said.



If you would like to post your cattle industry news or event, send your information by Thursday at 4pm to lianne@cattle.guelph.on.ca or submit through the OCA Web site: <http://www.cattle.guelph.on.ca/calendar/calendar.asp>.

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