

# 2017-18 BUSINESS PLAN



Canadian Beef Cattle Research, Market  
Development and Promotion Agency



# TABLE OF CONTENTS

Agency Profile ..... 1

Partner Profiles - The Beef Cattle Research Council ..... 2

Partner Profiles - Canada Beef ..... 3

Partner Profiles - The Canadian Cattlemen’s Association ..... 4

Executive Summary ..... 5

Budget ..... 15



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# AGENCY PROFILE

## ACT AND PROCLAMATION

The Farm Products Agencies Act, which was proclaimed in 1972 allows for the creation of the Farm Products Council of Canada (FPCC). The Act also provides the legal foundation for the creation of the Canadian Beef Cattle Research, Market Development and Promotion Agency (the Agency).

The Agency was created with the directive to promote the research, marketing and promotion of Canadian cattle and beef products, both domestically and abroad. The Agency was proclaimed on January 17, 2002 and the registration published on January 30, 2002.

## LEVIES AND IMPORT ORDER

The Federal Levies Order was registered April 14, 2005. The import levy allows for equitable treatment between domestic beef producers and beef importers.

The amendment to the Beef Cattle Research, Market Development and Promotion Levies Order to include an import levy was announced on July 30, 2013. Since January 1, 2014, all imports of beef and beef products into Canada were subject to the levy of \$1 per head or carcass equivalent.

## 2017-18 BOARD OF DIRECTORS

The Board of Directors consists of 16 members from across Canada. 10 director seats are allocated to beef cattle producers nominated by their provincial cattle associations, and six are representatives from the packers/processors, importers and foodservice/retail operators, also nominated from their respective associations, or by the delegates at the Annual General Meeting in August each year.

- Linda Allison, British Columbia - Chair
- Heinz Reimer, Manitoba - Vice Chair
- Doug Sawyer, Alberta
- Jeff Smith, Alberta
- Chad Ross - Saskatchewan
- Garnet Toms, Ontario
- Kirk Jackson, Quebec
- Larry Weatherby, Nova Scotia
- David Francis, Prince Edward Island
- Jennifer MacDonald, New Brunswick
- Coral Manastersky, IE Canada
- Arthur Batista, Canadian Meat Council
- Mike Kennedy, Canadian Meat Council
- Anthony Petronaci, Canadian Meat Council
- David Colwell, Canadian Meat Council
- Lonnie Lake, Retail/Foodservice



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# PARTNER PROFILES

## RESEARCH - THE BEEF CATTLE RESEARCH COUNCIL

The Beef Cattle Research Council (BCRC) is Canada's national industry-led funding agency for beef research. The BCRC is funded through a portion of a producer-paid national levy as well as government funding, and is directed by a committee of beef producers from across the country.

The BCRC's mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer national check-off funds allocated to research.

As the only national beef cattle industry research agency, the BCRC plays an important role in identifying the industry's research and development priorities and subsequently influencing public sector investment in beef cattle research.

The BCRC receives funding from the Canadian Beef Cattle Check-Off, and leverages funding from Agriculture and Agri-Food Canada (AAFC) through the Beef Cattle Industry Science Cluster.

As a leader in the development of a National Beef Research Strategy, the BCRC also facilitates and encourages collaboration and coordination among researchers, other funding agencies and industry in order to maximize the benefits obtained from all investments in beef cattle research.

The BCRC operates as a division of the Canadian Cattlemen's Association (CCA) and was established by the CCA in 1997.

Learn more at [www.beefresearch.ca](http://www.beefresearch.ca).



## MARKET DEVELOPMENT AND PROMOTION - CANADA BEEF

As the Agency's internal marketing division, Canada Beef works to promote all Canadian beef products collectively on a global scale.

The organization's purpose is simply to increase the demand that the global consumer has in Canadian beef by making sure they know what the Canadian beef industry stands for and what the industry's values are. Canada Beef works to improve mind-share, which can be defined as how often consumers think about Canadian beef when they are hungry for beef.

Canada's beef industry has an amazing story to tell the world about world-class standards, leadership in sustainability, the hard-working and dedicated beef producers and, of course, the great quality products that the Canadian beef industry produces. These are the four core pillars that support the Canadian Beef Brand, which Canada Beef works to promote around the world with consumers, brand partners, packers, trade commissioners and more.

Canada Beef receives a large percentage of its funding through the Canadian Beef Cattle Check-Off. The remainder of Canada Beef's funding is received through programs from government development funds, and leveraged dollars with brand partner investment both domestically and around the world.

Learn more at [www.canadabeef.ca](http://www.canadabeef.ca).





## ISSUES MANAGEMENT - THE CANADIAN CATTLEMEN'S ASSOCIATION

The Canadian Cattlemen's Association (CCA) is a non-profit advocacy organization, acting as the “national voice of Canadian cattle producers”. Founded by producers and led by a producer-elected board of directors, the CCA advocates on a wide range of national beef industry issues, both at the domestic and international levels. Representation on the board from 8 provinces and all stages of beef production system (seedstock, cow/calf, and feedlot sector) allow the CCA to advise governments at the national and international level on issues of importance to the Canadian beef industry.

CCA also helps manage production level and consumer issues facing the industry by collaborating with other industry groups to create and implement communication strategies, gather production or market research, create key messages for industry and more.

CCA and other groups have also acted as a liaison for communicating research, new innovations, and tools to help cattle producers improve production practices. The traditional advocacy role is now being added to by an increasing effort in public engagement especially in communicating how cattle are raised and where they come from.

Learn more at [www.cattle.ca](http://www.cattle.ca).



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# EXECUTIVE SUMMARY

The Canadian Beef Cattle Research, Market Development and Promotion Agency (the Agency) is pleased to present the 2017/18 Canadian Beef Cattle Check-Off Business Plan.

Through the Canadian Beef Cattle Check-Off, Canadian beef cattle producers collectively invest in research, market development and promotion to achieve the industry's long-term vision of a dynamic and profitable Canadian industry with Canadian high quality beef products recognized as the most outstanding by Canadian and world customers.

In 2017/18, the Canadian Beef Cattle Check-Off investment is estimated to bring in \$6,372,000 at \$1.00 per head. Of that total, approximately 63 per cent will be directed towards national market development and promotion, 17 per cent to national research, 15 per cent to be retained by the provincial cattle organizations for marketing and research programs in their regions, and 5 per cent to administration.

The National Beef Strategy was developed in 2014 by provincial and national organizations with the aim to achieve targeted industry goals that are aligned with the industry's vision and mission under four key pillars:

- I. Beef Demand
- II. Competitiveness
- III. Productivity
- IV. Connectivity

The pillars identify key areas of focus where industry stakeholders will work together to collectively achieve the outcomes identified.

Under each focus area, specific outcomes have been defined that work towards meeting the goals established by industry. The goals established are benchmarks to measure industry performance between 2015 and 2020.

Momentum continues to build across the country for a \$2.50 Canadian Beef Check-Off, as provincial associations undergo their unique processes with members and governments to enable the funds to flow in support of the objectives set out in 2014.

It will remain in the best interest of the industry, especially Canadian producers, to have the Import Levy increased to \$2.50/head. This will be particularly true with any further declines in cattle marketings.

The Canadian Beef Check-Off Agency is committed to providing producers and industry stakeholders with transparent administration of the Canadian Beef Cattle Check-Off, and delivering measurable value through research, market development and promotion to those who invest check-off dollars.

## THE BEEF CATTLE RESEARCH COUNCIL - RESEARCH

Developing research priorities for the Beef Cattle Research Council's (BCRC) current five-year (2013-2018) funding plan under the Cluster and additional initiatives has been an extensive process that was guided by the 2012 National Beef Research Strategy. The research strategy developed by the BCRC and Beef Value Chain Roundtable incorporates priority research outcomes identified by key stakeholders. The research programs in 2017/18, many of which are funded under the Beef Cluster II and extend the duration of the five-year Cluster program, are directly aligned with the research outcomes in the 2012 National Beef Research Strategy.

Investments focus on a portfolio of research that contributes to the industry's ability to meet the growing global demand for high quality, safe beef through responsible and profitable production practices that support a sustainable future for the Canadian beef cattle industry.



To maintain or improve competitiveness in the production of beef cattle, 2017/18 research projects examine issues related to animal health, feed efficiency and feed production. Project areas include research into innovative swath grazing and development of native plant material (grasses, legumes) and mixtures for forage production in the prairie region, as well as increasing forage research capacity.

BCRC research projects in 2017/18 also focus on science-based policy, regulation and trade. For example, antimicrobial use and resistance continue to receive considerable negative, inaccurate attention in the media. Research will evaluate whether antimicrobial use contributes

to antimicrobial resistance in cattle, downstream environments, retail beef and humans. This research and project findings demonstrate the Canadian beef industry's continued leadership role in promoting responsible antimicrobial stewardship.

Research to support science-based public education and advocacy continues to address concerns regarding modern beef production. A project defining the environmental footprint of the Canadian beef industry will quantify the positive contributions forages and cattle make to watersheds, biodiversity, ecosystems, critical wildlife habitat, and natural carbon sequestration. These final research results will provide a more informed perspective of the beef industry's environmental footprint and identify opportunities for improvement.

Research in 2017/18 will continue to support the Canadian Beef Advantage - an industry-wide, global brand strategy differentiating Canadian beef and beef products. A National Beef Quality Audit project continuing



into 2017/18 is measuring consumer satisfaction and product quality and identifying opportunities to increase the value of the carcass.

The knowledge dissemination and technology transfer strategy initiated under the first Cluster will be enhanced in 2017/18 to focus on encouraging increased industry adoption of new innovations, improving beef production economics knowledge and expanding current extension tools. Several cluster research themes also focus on maintaining and investing in research expertise, which is integral to ensuring that advancements in long-term research continue and that professionals are in place to respond to emerging issues in an expedient manner.

The Canadian beef cattle industry will rely on research to meet the rising global demand for food in a sustainable and competitive manner. The BCRC is confident that the collaborative investment by Agriculture and Agri-Food Canada (AAFC), provincial governments and industry, including producer Canadian Beef Cattle Check-Off dollars, will help elevate an already highly productive and successful industry to an even higher plane of competitive advantage in global food production.



## **CANADA BEEF - MARKET DEVELOPMENT AND PROMOTION**

Canada Beef is the organization responsible for marketing and promotion for the Canadian beef and veal industry, a division of the Canadian Beef Check-Off Agency. Canada Beef works together with Canadian farmers, ranchers, industry champions and brand partners to drive, enhance and sustain loyalty to Canadian beef.

Producers, brand partners and the beef industry as a whole play a major role in ensuring a commitment to producing world-class beef. Everyone works together to create a Canadian beef brand that is memorable and remarkable for consumers at home and around the world. Canada Beef strives to grow brand loyalty to Canadian beef through emotional connections with end use partners, consumers and the public.

With recent additions like the Canadian Beef Centre of Excellence, social media initiatives and a refreshed digital strategy to reach domestic and international consumers, Canada Beef has taken a global approach unlike ever before, to continue building strong relationships with brand partners around the world.

It is up to Canada Beef and their partners to increase the value consumers see in Canadian beef by building a brand they can truly believe in. The Canadian beef brand is built and tested around both technical

and emotional elements. We will help protect, preserve and increase trust from consumers so that future generations may maintain their social license to operate and consumers experience Canadian beef at its best.

Canada Beef will be run as a business, making fact-based decisions to understand where value will be created with the focus on brand development and connectivity with consumers both domestically and internationally. Fund allocation will be centered on markets where the most value can be created. The domestic market will be the cornerstone of the plan, as the demand for Canadian beef within Canada continues to grow.

Canada is not only the largest and most important market for Canadian beef – it is home. Canada is the foundation from which the Canadian Beef brand will reach the furthest corners of the globe. Canada Beef continues to invest domestically to ensure Canadian beef remains a staple of Canadian diets and is adapting to evolve with the ever-changing needs of the consumer.

Key Canadian restaurant partnerships will continue to be a priority, focusing on Canadian beef messaging and branding alignment. In the Canadian retail landscape, Canada Beef will continue to host the gate-to-plate “Canadian Beef Experiences” for industry partners, and find alignments with strong national brands like Loblaws, Costco, Federated Co-Op and more.

An integral part of domestic marketing lies in culinary development and education, as well as health and wellness messaging. Canada Beef will continue to extend the “power of beef as a protein” message to consumers by partnering with recognizable brands and personalities, which provide and extended reach to household grocery shoppers.

Beef will continue to be challenged in the key domestic market by other proteins for share of consumer spend, so understanding consumer needs, and creating demand through brand loyalty will be vital.

International markets will continue to be a key focus for Canada Beef, with funds appropriately allocated where Canadian Beef can play a niche role with the consumer, and also where product values and overall



return enhance what exists today. This is paramount, as not all markets are equally valuable. Canada Beef will ensure the resources and funds required to attain business continue to represent a return on investment that the industry would support.

In export markets, it is about understanding the culture and connecting with the consumer accordingly. Despite the challenges in international trade, the year ahead represents exciting times and great opportunity for Canada Beef. The continued evolution to a marketing and branding organization and further connection with consumers is a path headed in the right direction.



## THE CANADIAN CATTLEMEN'S ASSOCIATION - ISSUES MANAGEMENT

It was recognized that to achieve the goals in the National Beef Strategy, increased funding will be required. The recommended increase to the Canadian Beef Cattle Check-Off includes a component for Issues Management under the Connectivity Pillar. To fulfill the goals of the Connectivity pillar, The Canadian Cattlemen's Association (CCA) has developed an issues management and consumer engagement/public relations strategy (PR), to deal with issues as effectively and efficiently as possible, to strengthen producers' social license/public confidence to operate.

A successful issues management program will result in increased public confidence of the Canadian beef industry, and a solid social license to operate. It will be dependent on collaborating with many industry and stakeholder groups coordinating the messaging on the industry's production practices, research, and continuous improvement, which will enable the industry to communicate effectively with the public. Currently, the CCA is working with its partners in the National Beef Strategy, and other stakeholders in the industry, for the implementation of a strong issues management program for 2018/18.



Issues management will act as a bridge between research and marketing, with a specific focus on communicating the beef industry's production practices to the consumer, public, and other end users. Traditional marketing of Canadian beef has been mainly focussed on beef attributes such as quality, taste, and nutrition, as well as building a strong brand recognition. Now, consumers are demanding more information, particularly how the beef is raised, and whether it is raised humanely, ethically, and with efforts to minimize environmental impacts.

For a successful issues management program, it will be very important to collaborate and coordinate with both the Beef Cattle Research Council and Canada Beef, helping to ensure that production practice information from BCRC is pulled together for Canada Beef to use when marketing of product attributes, bringing in the "production story" into the mix. This is one example of how the coordination effort in issues management will work. Issues Management will have a strong focus on communicating production practices to the public, to instill trust and public confidence. The communication effort will be done through many stakeholders and partnerships.

Additionally, it is important to note that it is not just about marketing, but it is also about public relations, which means having a conversation with consumers, and actively listening to their concerns. By engaging the consumer, listening to them, and actively showing improvements or changes in production practices will instill buy-in from the consumer, thereby strengthening social license. This will involve careful coordination again with BCRC, but also other groups like the Canadian Roundtable for Sustainable Beef, and promoting programs to producers like the VBP+. This is again where strong collaboration and coordination will be necessary, as outlined above to fulfill the goals of Connectivity in the National Beef Strategy.

## PROVINCIAL ALLOCATIONS

In 2017/18, the Canadian Beef Check-Off Agency will transfer check-off funds back to six provinces for regional research, and beef and veal marketing programs, which will benefit the industry nationally.

The investments made by the New Brunswick Cattle Producers (NBCP) in 2017/18 will focus on building cattle capacity in the region, and implementing systems that encourage the industry to work together to build a stronger, more profitable beef industry in the Maritime Provinces.

Production research and technology and knowledge transfer will support the plan for a herd expansion in the province. Expansion of this extent has national benefits for operations across the country, and NBCP will continue to use the results of the commercial cow-calf viability assessment to educate producers on the model of production to increase profitability of producers, and *competitiveness*, which is a key pillar of the National Beef Strategic Plan.

Work will continue by the NBCP on encouraging producers to align with the Premise ID program. A robust traceability program is essential to the Canadian Beef Advantage and the National Beef Strategic Plan's *competitiveness* pillar, maintaining Canada's reputation as a nation with high safety standards and technological expertise ensuring the quality of the beef produced from coast to coast.

The NBCP will continue initiatives around handling practices and herd health programs to improve overall quality of beef produced and to increase herd profitability, aligning with the National Beef Strategic Plan *productivity* pillar. Part of the initiative also ties into the VBP+, and encourage producers to seek verification and other value added opportunities. Canada continues to be a world leader in beef quality, and successful programs in this area from the NBCP will ensure that producers are knowledgeable and consistent in this respect.



The National Beef Strategic Plan also calls out Connectivity, and the NBCP will take steps to enhance industry synergies and encourage the producer's ability to speak to and advocate for the Canadian beef industry through investment in the Maritime Beef Conference.

The Prince Edward Island Cattle Producers (PEICP) will invest Canadian Beef Cattle Check-Off funds to support initiatives that encourage the consumption of Canadian beef, and increased productivity of producers through feed efficiency research.



The PEI Burger Love campaign will again make its return in 2017/18, designed to promote 100 per cent Island Beef. The campaign has continued to grow since the inception in 2011, and was developed as a way to encourage consumers to eat more beef while showing their support for beef producers. The social media outreach of the campaign encourages consumers to enjoy Canadian beef across the country. The campaign enhances the public image of Canada's beef industry and boost consumer confidence in Canadian beef, as laid out in the National Beef Strategic Plan's *beef demand* pillar.

Also in the *beef demand* pillar in alignment with boosting consumer confidence, the PEICP will continue investment in the promotion and marketing of the Certified Island Beef (CIB) program. The brand was developed to reflect the story of PEI's small family farms and landscape, which appeals to consumers looking to connect with the story behind their food. PEICP continues to focus also on increasing the supply of cattle marketed under the CIB program, which has positive effects nationally. The program has shown strong commitment from farmers, processors, distributors, retailers, chefs and customers. PEICP intends to grow the brand to include feeders from outside the province, so producers in other regions can take advantage of the financial opportunities the CIB brand can offer.

Research around improving feed efficiencies will contribute to the overall improvement of the Maritime beef herd, increasing Productivity. The beef industry is challenged with reducing feed costs that represent the largest production expense, and also challenged with minimizing the environmental impact from resource use and greenhouse gas emissions. Improving the efficiency of feed utilization through the research supported by PEICP could mitigate these challenges.

The vision of the National Beef Strategy is to create a dynamic and profitable Canadian beef and cattle industry. Beef producers are striving to increase the productivity of their operations and, in turn, increase the competitiveness of the entire industry, helping to ensure its long-term sustainability through forage research pertaining to beef production. In 2017/18, the Manitoba Beef Producers (MBP) will invest in two forage research projects with national benefits.



MBP led the way in the establishment of the Manitoba Beef & Forage Initiatives Inc. (MBFI) in 2016. This resource will continue help beef and forage industries reach goals set out through the pillars of the National Beef Strategic Plan, including *productivity*, *beef demand* and *competitiveness*. Through the three MBFI sites, the goal is to increase awareness of beef and forage production, and support the uptake of new, improved or innovative ranch management strategies. This facility is a Centre of innovation engaging in science-based research that can improve producer profitability and build social awareness around the beef

and forage industry across the country. MBFI also has many other national ties, including collaborations between Canadian researchers, and partnerships being cultivated with other groups, including the Alberta Beef Producers.

In order to remain competitive and productive, Canada's beef producers need access to high-quality, high-yielding forage varieties. MBP will continue to support BCRC research that focuses on building long-term capacity for cow-calf production systems. Forage management is both a critical resource to beef producers, and provides a number of environmental benefits that ensures a sustainable industry. Collaboration on this initiative reaches across the Prairie provinces, and yields results beneficial to producers from coast-

to-coast. MBP contributes specifically for communications and extension work, ensuring that producers can connect to and implement research results and recommendations.



Beef Farmers of Ontario (BFO) investments focus on capacity-building, provincial value chain alignment and priority research funding, in alignment with the National Beef Strategic Plan's *productivity, competitiveness and beef demand* pillars.

BFO's investment into the Livestock Research Innovation Centre (LRIC) will have continued far-reaching benefits for beef production in eastern Canada. By committing to the facility,

BFO is supporting innovative research needed to drive components of the National Beef Research Strategy, being mindful not to duplicate research initiatives currently in progress across the country. By leveraging the BFO investment, the LRIC has encouraged the University of Guelph to update aging facilities, benefiting the national beef industry with increased research capacity. Ground will also break on the new Elora Research Barn in 2017, with BFO facilitating the producer investment commitment required for the facility.

Increasing the cow herd in Ontario continues to be an area of focus for BFO in 2017/18. To continue to meet consumer demand for locally produced beef, BFO will work with value chain partners to build on the Premium Northern Beef System, called "Beef North." The program focuses on attracting new producers and herd expansion, which has benefits for producers, and producer-focused resources such as financial models, land information, production tips and best practices.

BFO will partner with the Ontario Independent Meat Processors (OIMP) in the promotion of Ontario beef, and to share resources to build a strong working relationship with the processing sector of the industry. By partnering with OIMP and its 300 members, BFO will align efforts of all four National Beef Strategy pillars by fostering innovation, highlighting food safety and strengthening the availability and competitiveness of locally grown and raised beef.



The Nova Scotia Cattle Producers (NSCP) will continue to invest Canadian Beef Cattle Check-Off funds in a variety of projects and initiatives focusing on increasing beef quality, bull feed efficiency, producer engagement, consumer education and check-off education/industry improvement.

The beef industry has begun utilizing a value-based marketing system, where cattlemen are rewarded for producing a high quality, consistent end product that meets consumer demands. One tool that aids producers in the efficient and profitable production of beef cattle is live animal carcass ultrasound. NSCP will invest in ultrasound technical training, producer education and technology transfer events to increase access to ultrasound imaging and qualified personnel for on-farm imaging.

Over the past 43 years, the annual bull sales held at the Maritime Beef Testing Society (MBTS) has provided Maritime beef producers the opportunity to purchase performance-tested bulls for their herds. In 2017/18, NSCP will invest in research to determine the characterization of the economic values of tested factors for bulls purchased at the annual bull sale held at MBTS.

By investing in consumer-facing events, NSCP will continue to connect beef producers with the consumers through educational information on beef production practices and innovative food practices. In alignment with the National Beef Strategic Plan's *beef demand* and *connectivity* pillars, the events will provide positive results in boosting consumer confidence in beef production.

In previous years, Canada's VBP+ program has been overseen by the PEICP in Atlantic Canada, which has led to reduced accessibility and enrollment for Nova Scotia producers. VBP+ implementation by NSCP in 2017/18 will expose over 60 producers to the program, and ensure that producers are meeting animal health and welfare standards to enable the verification program. Investment will be made into technical support, producer education and program delivery.

The investment in education by NSCP will encourage producers and dealers to better understand the importance of an accurate check-off collection and administration process. By prioritizing efficient and robust collection practices and conducting industry inspections, NSCP aims to reduce the amount of check-off slippage for local, regional and national initiatives by 10 per cent by year end.

Les Producteurs de bovins du Québec (Quebec) operate in a unique industry environment, with a heavy dairy influence. The Quebec association continues to commit funds to improving the quality of beef in both commercial beef herds and dairy herds. Projects and programs that include producer education and training, enhanced marketing strategies, research and development of the veal code of practice and more.



Focus on promotion of the veal industry remains a high priority in Quebec. Certification and promotion of veal is an integral part of the association's business plan, ensuring that social license issues around production are addressed with the consuming public.



Investment into the [boeufquebec.com](http://boeufquebec.com) website will connect consumers with producers selling beef at the farm gate in Quebec, ensuring that the demand for Canadian beef in the area is sustained and grown.



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# OPERATING BUDGET

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## CANADIAN BEEF CATTLE RESEARCH, MARKET DEVELOPMENT AND PROMOTION AGENCY

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### OPERATING BUDGET FOR THE YEAR ENDED MARCH 31, 2018

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#### REVENUE

Government of Canada - Growing Forward 2	2,500,000
Western Economic Diversification (Centre of Excellence)	771,200
Canadian Beef Cattle Check-Off	6,409,500
Import Levy	850,000
Others	50,000
	<b>10,580,700</b>

#### EXPENSES

Board of Directors	285,000
Agency Administration*	560,000
Provincial Investment	947,776
Research*	1,123,182
Issues Management*	100,000
Marketing*	10,092,600
	<b>13,108,558</b>

Surplus/(Deficit) to be funded out of unrestricted accumulated reserves	<b>(2,527,858)</b>
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\* Organization budgets attached

# AGENCY TACTICS & BUDGET

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## OPERATION & ADMINISTRATION

378,500

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## ENSURE TRANSPARENT ADMINISTRATION

160,000

- Distribute an annual report to provincial and core partners and Farm Products Council
- Develop sound structure, policy and procedures for Board and Staff
- Manage service agreements in cooperation with provincial partner leadership and core partners
- Report quarterly to provincial partner leadership
- Host an Annual General Meeting to review the business of the Agency
- Maintain separate and distinct governance and operation from the Agency's core partners
- Manage a lean, efficient budget to conduct the business of the Agency
- Legal fees (\$100,000) to finalize agreements for 2017-18 and every five years thereafter.

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## DELIVER MEASURABLE VALUE

5,000

- Conduct regular value assessments to determine the benefit of check-off
- Audit Annual Reports of provincial and core partner check-off programming
- Submit an annual business plan to provincial and core partners, and Farm Products Council
- Advise provincial and core partners of check-off investment inconsistent with Proclamation
- Identify areas where value for the industry can be increased
- Communicate and promote the success of check-off wins

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## EDUCATE AND ENGAGE STAKEHOLDERS

5,000

- Communicate regularly with stakeholders based on the measurable value delivered
- Educate grass roots producers on check-off basics
- Engage active producers to provide feedback and share check-off successes
- Assist provincial partners on check-off administration, collection and management
- Provide resources and tools to check-off collectors
- Strengthen the identity of the Agency within stakeholder groups
- Encourage feedback from all stakeholders at the Agency Annual General Meeting



**GROW CONNECTIONS WITH INDUSTRY**

**11,500**

- Engage in national conferences, events and networking opportunities
- Connect with key leaders of industry organizations regularly
- Collaborate on the National Beef Strategy, Roundtable and other national discussions
- Continue open dialogue with other check-off administration groups
- Foster positive working relationships with regulatory entities and stakeholders
- Attend annual meetings of Provincial and Core Partners when prudent to do so

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**TOTAL**

**560,000**

**BOARD OF DIRECTORS**

**285,000**

- Per Diems
- Travel Expenses
- Orientation & Training
- Meeting Expenses

## Beef Cattle Research Council 2017-18 Budget

<b>Net Assets, beginning of year (July 1, 2016)</b>	<b>3,556,374</b>
<b>Projected excess (deficiency) of revenue over expenditure 2016/17</b>	<b>(517,000)</b>
<b>Net Assets, June 30, 2017 projected</b>	<b>3,039,374</b>
<b>Projected 2017 - 2018 Revenue</b>	
National Check-Off	1,100,000
ABP Beef Science Cluster	67,500
Prov. Science Cluster Grants	35,000
Interest Earned	27,000
Projects managed by BCRC	
AAFC ARI - MISC.03.15 Remote Sensing	329,644
AAFC - On Farm Food Safety	42,059
AAFC - Enhanced VBP Plus	613,825
Enhancing traceability phase II	19,800
Subtotal	1,005,328
<b>Total Revenue</b>	<b>2,234,828</b>
<b>Projected 2017 - 2018 Expenses</b>	
<b>BCRC Operations</b>	348,536
<b>Projects funded (non-Cluster)</b>	
CgFarad	7,500
Misc. 03.12 Elanco Barley Straw	20,000
Research Program Development	200,000
Subtotal	227,500
<b>Projects managed by BCRC</b>	
AAFC ARI - MISC.03.15 Remote Sensing	329,644
AAFC - VBP Plus Growing Forward 2	42,059
AAFC - Enhanced VBP Plus	613,825
Enhancing traceability phase II	19,800
Subtotal	1,005,328
Verified Beef Production Program - operations	237,500
Cluster Projects funded - Industry contribution	805,567
<b>Total Expenses</b>	<b>2,624,431</b>
<b>Excess (deficiency) of revenue over expenditure</b>	<b>(389,603)</b>
<b>Projected net assets , June 30, 2018</b>	<b>2,649,771</b>



**CANADA BEEF MARKETING BUDGET****OPERATING EXPENSES FOR THE YEAR ENDED MARCH 31, 2018**

<b>EXPENSES</b>	<b>PROGRAMS</b>	<b>OVERHEADS</b>	<b>TOTAL</b>
Centre of Excellence	760,000	555,300	1,315,300
Global	1,129,000	1,286,400	2,576,400
Latin America	500,000	304,000	804,000
Japan	500,000	405,000	905,000
Korea	50,000	-	50,000
China	480,000	371,000	851,000
South East Asia	220,000	108,000	328,000
Middle East & Europe	75,000	122,700	197,700
North America	1,587,000	1,478,200	3,065,200
	<b>5,462,000</b>	<b>4,630,600</b>	<b>10,092,600</b>

## 2017/18 BUDGET

	2017-2018 Annual Budget
<b>Revenue</b>	
National Check-off Funds	\$100,000
<b>Total Revenue</b>	<b>\$100,000</b>
<b>Expenses</b>	
Operations <sup>1</sup>	\$62,950
Expenses (travel, meetings, workshops) <sup>2</sup>	\$25,050
Team Development and training <sup>3</sup>	\$10,000
Communication materials <sup>4</sup>	\$2000
<b>Total Expenses</b>	<b>\$100,000</b>
<b>Net Surplus (Deficit)</b>	<b>\$0</b>

*INTERIM BUDGET NOTES AND COMMENTARY:*

The proposed interim budget is to address bridge funding until the issues management program can be fully funded by the NCO, which is anticipated to come into effect for the fiscal year 2018/2019.

- 1) Operations:** Operations includes the part time salary for the Issues Manager, office and phone expenses. Once the program can be fully funded, the Issues Manager position will be a full time position, and additional operation funding will be intended for additional issues program staff. See the proposed 5 year budget for a fully funded Issues Management program (on page XX).
- 2) Expenses:** Expenses include travel, meeting, workshop facilitation, and presentation expenses for the Issues manager, and for the Advocacy Coordinator (Stina Nagel). It is anticipated that a significant amount of travel will be necessary to engage not only with our consumers and the public, but to develop relationships with other key partners, including governments and other organizations who are stakeholders in the beef industry. The Advocacy coordinator is considered an in-kind staff contribution by CCA into the Issues management portfolio, and will assist in the activities undertaken by the issues manager, to further develop the program. The Advocacy Coordinator will also lead the further development and growth of the Beef Advocacy Program, which will be a key resource for issues management.
- 3) Team Development:** An "Issues Management team" will be key in developing a collaborative and coordinated issues management program. This will require several meetings and workshops, to set up and engage the IM core team which will have a representative from the 5 National Beef Strategy organizations, plus others deemed necessary (ie CCA Communications team and government representation). In addition, it will be important to engage the provincial associations, through National-Provincial Communications Managers meetings, for example, to create a workable plan and issues management process. These meetings would also include "issue debriefs" for the purpose of improving upon how a particular issue was managed. Lastly,



funds can also be used for **media training** of team members, as well as provincial association spokespeople.

**4) Communication Materials:**

- a. **Factsheets/ Information Resources:*** Efforts are currently underway to build our information and key message resources. Initially, up to date factsheets will be further developed with associated back up research for key issues, particularly environmental impacts of beef production, animal health and welfare, and antibiotics.
- b. **Promotional Materials:*** This will include print material targeted at the public in easy to understand and visually appealing promotional items. These will be developed in collaboration with Canada Beef, and other industry groups. They will include brochures, factoids, videos, and promotional items (ie fridge magnets, household items)

**5) Other Funding Sources (Cash & In-Kind):** As mentioned in note 2 and 3 above, CCA is contributing other staff time as an in-kind contribution to the initiative. In addition, there will be other in kind contributions from our partner organizations, as they will help develop and refine further iterations of the Issues management strategy and annual work plans, through the IM team.

