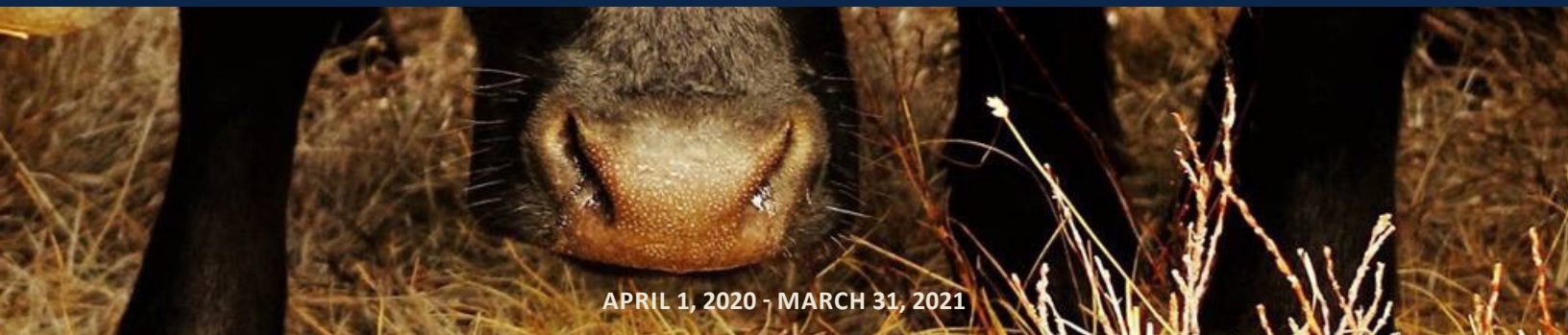




# 2020/21 BUSINESS PLAN

Canadian Beef Cattle Research, Market Development and Promotion Agency  
operating as the Canadian Beef Check-Off Agency



APRIL 1, 2020 - MARCH 31, 2021








## TABLE OF CONTENTS

1	Vision, Mission and Purpose
2	Regulatory Framework and Governance
3	Service Provider Profiles
5	Market Outlook
7	Executive Summary and Budgets
8	Agency Administration
10	Administration Budget
11	Marketing
14	Marketing Budget
15	Research
17	Research Budget
18	Public and Stakeholder Engagement
20	Public and Stakeholder Engagement Budget
21	Provincial Investmet
26	Operating Budget
28	Appendix
	Appendix I- Marketing Business Plan
	Appendix II- Research Business Plan
	Appendix III- Public and Stakeholder Engagement Business Plan
	Appendix IV- Provincial Investment Business Plans

# REPRESENTING THE AGENCY

## WE ARE STRONGEST TOGETHER

The 16 Agency Members represent our stakeholders - grassroots producers, beef importers, packers and processors, and retail and foodservice organizations - and are your voice at the table.



Canadian beef producers and beef importers can be proud of their representation at the national table.

### MISSION

To deliver measurable value to the Canadian beef industry through prudent and transparent management of the Canadian Beef Cattle Check-Off.

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### PURPOSE

The Canadian Beef Check-Off Agency (the Agency) manages and administers the Canadian Beef Cattle Check-Off. By working with core partners, the Agency ensures that check-off dollars are invested into research, market development and promotion programs that deliver measurable value to the Canadian beef industry.

### VISION

A unified and sustainable national funding strategy for Canadian beef cattle research, market development and promotion.

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The Agency is responsible for communicating the value of the check-off investment, as well as training and education of producers and funding partners, regulatory management, collection and administration of check-off dollars.

# REGULATORY FRAMEWORK AND GOVERNANCE

Maintaining governance structure focused on oversight of the check-off, while ensuring regulatory compliance and transparency is a key to achieving success for our industry.

## REGULATORY FRAMEWORK

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.

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.

## GOVERNANCE

The Agency is governed by 16 Agency Members from across Canada. 10 member seats are allocated to beef cattle producers nominated by their provincial cattle associations. The remaining six are: four from packers/processors through the Canadian Meat Council (CMC),

one importer (I.E. Canada) and one retail/foodservice operator. These six directors are nominated from their respective associations, or by the delegates at the Annual General Meeting in August each year.





# CANADIAN BEEF CHECK-OFF AGENCY SERVICE PROVIDERS

## DELIVERING VALUE FOR OUR INDUSTRY

Three national service providers and six provincial cattle associations are invest check-off and import levy dollars to provide national benefits for our industry.



**MARKET  
DEVELOPMENT &  
PROMOTION**



**RESEARCH**



**PUBLIC AND  
STAKEHOLDER  
ENGAGEMENT**



**6 PROVINCIAL  
CATTLE  
ASSOCIATIONS**

## MARKET DEVELOPMENT AND PROMOTION

As the Agency's internal marketing division, Canada Beef works to promote the Canadian Beef brand on a global scale. The organization's purpose is simply to increase the demand that the global consumer has in our 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 mindshare, 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.

The organization focuses on four main global market hubs: North America, Latin America, Asia and Emerging Markets. These hub teams work with Canada Beef's brand and go-to-market teams to achieve key strategic goals, ensuring that the Canadian beef industry sees returns for their investment into marketing and promotion.

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.

## RESEARCH

The Beef Cattle Research Council (BCRC) is Canada's national industry-led funding agency for beef, cattle and forage research. The BCRC is funded through a portion of a producer-paid national levy as well as government and industry 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 Canadian Beef Cattle Check-Off funds allocated to research. The BCRC also leverages funding from Agriculture and Agri-Food Canada (AAFC) through The Sustainable Beef and Forage Science Cluster.

As the national beef cattle industry research agency, the BCRC plays an important role in identifying the industry's research and development priorities and subsequently driving investment in beef, cattle and forage research. As a leader in the development of the Canadian Beef Research and Technology Transfer Strategy, the BCRC facilitates and encourages collaboration and coordination among researchers and extension specialists, other funding agencies and industry in order to maximize the benefits obtained from all investments in beef research.

In addition to funding research and technology transfer in support of the Canadian beef industry, the BCRC supports the Verified Beef Production Plus (VBP+) program.

The BCRC operates as a division of the Canadian Cattlemen's Association (CCA) and was established by the CCA in 2001.

## PUBLIC AND STAKEHOLDER ENGAGEMENT

An increasing emphasis toward building public trust and confidence in how cattle are raised and where they come from led to the creation of the Public and Stakeholder Engagement Program in 2016.

The Public and Stakeholder Engagement Program (formerly Issues Management) is administered by the Canadian Cattlemen's Association (CCA) in partnership with Canada Beef and under the oversight of the Canadian Beef Advisors. The Public and Stakeholder Engagement team works with national and provincial beef organizations to address consumer questions and issues that could erode consumer and public confidence in the beef industry.

The Beef Advocacy Canada program is an additional platform under the Public and Stakeholder Engagement program to share resources and information, training and opportunities, and give producers across the country the tools to positively and consistently speak about beef production in Canada to the public.

The Public and Stakeholder Engagement team is advised by CCA, Canada Beef, and the Canadian Beef Advisors. Funding is allocated at 75 per cent to CCA and 25 per cent to Canada Beef.

## PROVINCIAL INVESTMENT

Under the Agency's regulatory framework and agreements, provincial cattle associations may opt to have a portion of the Canadian Beef Cattle Check-Off retained in their province. These funds must also be invested into marketing, research or public and stakeholder engagement efforts that provide benefits to beef producers and the Canadian beef industry as whole. Currently six provincial associations allocate funds to this function.

# CANFAX RESEARCH SERVICES

# MARKET OUTLOOK

Canadian beef production continued to grow in 2019 despite a smaller cow herd. Beef prices were supported by strong international demand.

Overall, larger marketings in 2019 and 2020 will support investment in marketing, research and stakeholder engagement.

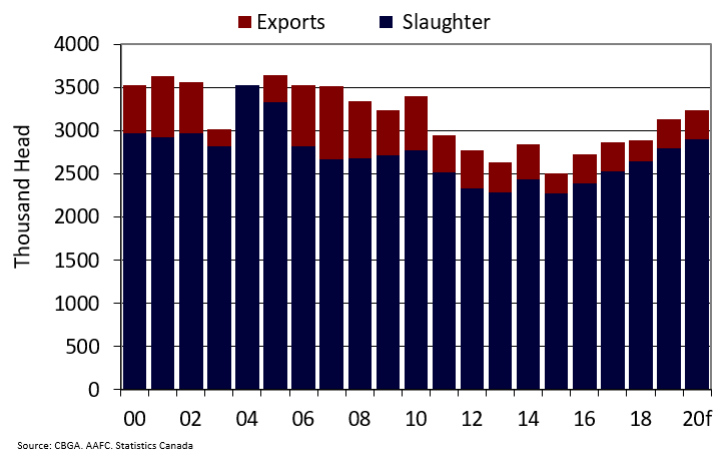
## 2019 MARKET HIGHLIGHTS

On July 1, 2019 beef cow inventories were down 1.7% at 3.67 million head and total cattle inventories were down 1.3% at 12.26 million head. Beef replacement heifers were down 4.8% at 637,800 head.

Feeder imports were up 38% to 145,400 head in the first nine months of 2019, continuing the trend started in the second half of 2017. This has supported fed cattle marketings, which are projected to be up 8.3% in 2019 to 3.13 million head; with slaughter up 5.6% to 2.8 million head and exports up 38% to 330,800 head. Non-fed marketings are projected to be up 0.7% to 759,000 head; with slaughter up 1.4% to 586,000 head and exports down 1.5% to 173,000 head. Overall slaughter cattle marketings are projected to increase by 6.8% to 3.88 million head.

Total beef production is projected to be up 7.9% to 3.32 billion pounds, following a 2.7% increase in 2018. Domestic production is projected to be up 6% to 2.9 billion pounds. Live slaughter exports are projected to be up 23% to 420 million pounds.

The growth in Canadian beef production was mostly absorbed by the international market. In the first nine months of 2019, Canadian beef exports were up 12.3% with increases to most of the major markets, such as the U.S. (+8%), Japan (+59%),



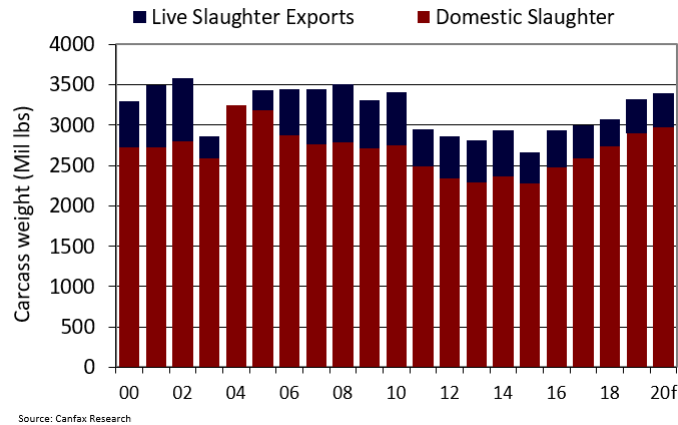
## CANADIAN FED CATTLE MARKETINGS



Mainland China (+103%) and Mexico (+7%). Strong international demand supported domestic beef prices with boxed beef prices up 4% from a year ago in the first ten months. This combined with steady fed cattle prices improved packer margins and encouraged cattle slaughter.

## 2020 OUTLOOK

Globally, the shortage of pork supply in Mainland China due to the AFS outbreaks pushed all meat prices to record high in that country and boosted strong import demand. As the virus is sweeping through Asia, production losses are expected to grow and the impact on the global animal protein market will be dramatic and long-lasting. While global meat prices are expected to be supported by reduced supply; market access and trade policies will be key drivers affecting trade flows.



## CANADIAN FED CATTLE MARKETINGS

the first quarter of 2020.

In 2020, fed cattle marketings are forecast to be up 1% at 3.2 million head with slaughter up 2% at 2.9 million head and exports down 7% at 326,500 head. Non-fed marketings are forecast to be up 0.4% to around 772,000 head with slaughter up 0.4% at 594,000 head and exports steady at 177,000 head. Overall, slaughter cattle marketings in 2019 are forecast to be up 1% at 3.97 million head. Total beef production is forecast to be up 1% at 3.4 billion pounds. Domestic production is forecast to be up 2.3% around 3 billion pounds and live slaughter exports down 5% around 420 million pounds.

Domestically, a smaller beef cow herd is a constraining factor for growing cattle marketings. However, larger U.S. feeder imports have supported fed cattle marketings over the last couple of years. The July 1, 2019 feeder and calf supply outside of feedlot was down 3%. But cattle on feed inventories were up 2% from last year on November 1st and have been above year-ago levels since May 2018. Barley prices in western Canada fell sharply in the second half of 2019; while U.S. corn prices were relatively stable. Lower feed costs could support feeder imports going into

## BUSINESS PLAN

# EXECUTIVE SUMMARY

## ALIGNING OUR PLANS WITH INDUSTRY'S STRATEGY

The National Beef Strategy sees global opportunities ahead and meets industry challenges head on. The Agency's business plan works to deliver on the goals and objectives of the Strategy to foster growth and profitability.



Canadian beef producers and beef importers can be proud of their representation at the national table.

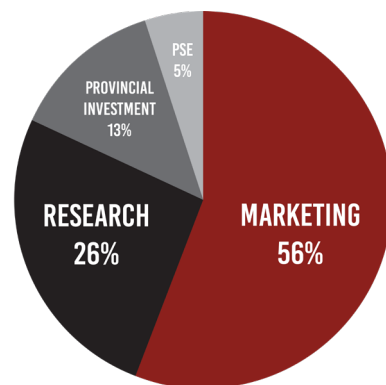
## INTRODUCTION

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 2020/21, the Canadian Beef Cattle Check-Off and Canada's Beef Import Levy is estimated to bring in approximately \$17,040,00 in gross revenue, which includes the addition of levies from Veal Farmers of Ontario.

Moving into the 2020/21 fiscal year, eight of nine provinces are collecting a \$2.50 national check-off, with Ontario and the Import Levy collecting \$1 per head or equivalent.

The Agency projects the total revenue, net administration, to be allocated as 56% to market development and promotion, 25% to research, 13% to provincial initiatives and 6% to public and stakeholder engagement (PSE). These allocations are set annually by each provincial cattle association one full year in advance.



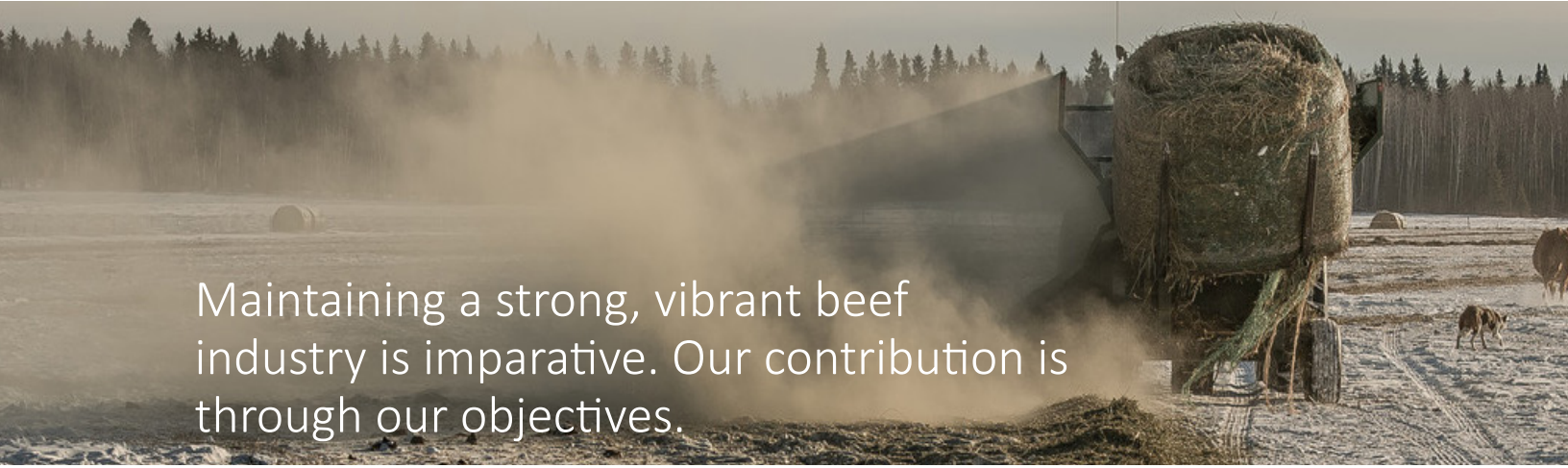
## REVENUE ALLOCATION



# CANADIAN BEEF CHECK-OFF AGENCY ADMINISTRATION

## PROJECTED REVENUE: \$822,000

Our four key objectives keep us focused on the unique needs of the provincial cattle associations and I.E. Canada, representing our nation's beef producers and beef importers.



Maintaining a strong, vibrant beef industry is imperative. Our contribution is through our objectives.

The Agency moves into the 2020/21 fiscal year with goals to administer the Agency with separate and distinct governance, reduce check-off slippage, and reach more Canadian producers about the mechanics and value of the national check-off. The Agency Members approved a balanced 2020/21 administration budget at \$822,000. This will support the operations and Board, as well as the Agency's four strategic objectives:

1. Sound Governance and Administration
2. Structured Reporting and Compliance
3. Educated and Engaged Stakeholders
4. Strategic Communications and Collaboration

The ability to collaborate with our partners gives the Agency an advantage when it comes to communication: the ability to be flexible in channel and delivery, but consistent in message when targeting Canadian beef producers. By strategically amplifying the Agency's messages through traditional and innovative channels, we are able to grow our reach.

The current governance structure the Agency is managed under, provides clear direction for both the Agency and its Committees, and continues to move forward on a path of stronger governance and operational separation from the internal marketing division of the organization. The Marketing Committee is fully functional and evolving to tap into the expertise of its entire membership and continues to operate independently, but still under the general oversight of the Agency.

A business continuation plan will be a priority for the Agency this year, which will include an analysis of potential threats to revenue and exploring potential prevention or recovery systems to minimize impacts to the Agency's business. Plans for both long and short term revenue challenges will be developed and shelved for any future business impediments, whether likely or unlikely. The plan will allow the Agency to carry out business with service providers to ensure continued benefit to Canada's beef industry.

The Agency's inspection program will continue to grow in 2020/21, as inspectors become more visible during routine audits, and visits to areas where slippage is a known issue across provincial borders. The Agency's appointed inspectors will work closely with provincial cattle associations to ensure aligned priorities and transparent audits.

In tandem with the inspection program, the Agency will strengthen the communication and education components around check-off and import levy collection and remittance processes. This should reduce barriers to collection and remittance that arise with complicated processes and regulatory framework. This will also increase data integrity, therefore strengthening the Agency's reporting and honing in on projections and budgeting.

The Agency will also begin researching innovative collection and reporting tools, which promise increased data integrity, reduced errors and real-time access to collection and remittance data for stakeholders across Canada. Long term benefits could include a reduction in collection and remittance reporting time, standardized collections and remittances, increased reporting accuracy, real time marketing and movement statistics, ensuring a level playing field for all stakeholders.

In addition to the research of new tools and systems, the Agency aims to increase the level of training for provincial cattle associations on regulatory and collection mechanisms that are currently in place. Training will provide a standard baseline which will be accepted and understood by all provincial cattle associations, which will reduce errors, increase compliance and again level the playing field.

The Agency will ensure that Canadian beef producers have accessible information and resources to show the value of the Canadian Beef Cattle Check-Off. This will come in the form of an enhanced online presence, the development of print tools and resources available on multiple platforms, in-person presentations, and by providing simple forums for producers to communicate with those who are administering and investing their check-off dollars.




## 2020/21 ADMINISTRATION BUDGET

	2020/21	2019/20
<b>SOUND GOVERNANCE AND ADMINISTRATION</b>	113,500	109,000
- ensure federal regulatory requirements are met		
- cultivate a strategic and focused governance structure and culture		
- deliver accurate and valuable measurements and reportables		
- support the prudent administration of check-off and import levy management		
<b>STRUCTURED REPORTING AND COMPLIANCE</b>	42,500	19,500
- standardizing remittance requirements for check-off remitters		
- growing inspection portfolio to include import levy		
- strengthen remitter compliance through inspections and education		
- reduce slippage on cross-border marketings		
- research and testing of innovative collection and remittance systems		
<b>ENGAGED AND EDUCATED STAKEHOLDERS</b>	15,000	17,600
- support comprehensive learning on collection of levies at provincial level		
- create resource material for provincial cattle associations to support check-off collection		
- communicate value of national check-off programing		
- engage targeted industry stakeholders to champion value of check-off messages		
<b>STRATEGIC COMMUNICATIONS AND COLLABORATION</b>	10,000	33,600
- target Canadian beef producers to increase awareness of check-off basics		
- strengthen existing and foster new collaborations to amplify messages		
- increase check-off visibility and recognition to Canadian producers		
- utilize innovative channels and platforms to target producers		
<b>OPERATIONS</b>	398,000	365,300
- reserve	10,000	10,000
<b>BOARD OF DIRECTORS</b>	233,000	244,500
- per diems		
- travel and meeting expenses		
- orientation and training		
Total	822,000	799,500

# CANADA BEEF MARKETING

## PROJECTED REVENUE: \$9,062,193

As the marketing division of the Agency- Canada Beef is the stakeholder funded and run organization responsible for domestic and international beef and veal market development.



Delivering value for the industry  
by generating consumer loyalty to  
Canadian beef worldwide.

Canada Beef works to build consumer and customer loyalty to the Canadian beef brand and strong relationships with trade customers and partners around the world. These efforts ultimately increase demand for Canadian beef and veal, and the value producers receive for their cattle. Canada Beef delivers its business strategy by leveraging the Canadian beef brand through consumer marketing and business development activities in Canada and key export markets around the world.

Canada Beef has built its strategic focus in parallel with the National Beef Strategy developed by a broad industry coalition including all the major national and provincial beef industry associations. The National Beef Strategy is about positioning the Canadian beef industry for greater profitability, growth and continued production of high-quality beef products. The National Strategy incorporates all sectors of the beef value chain and sets strategies and targets for increasing productivity, competitiveness, beef demand and industry/public connectivity.

Canada Beef's strategy also aligns with the Federal Government's Agricultural Policy Framework that aims to increase and diversify exports to international markets and seize market opportunities through industry-led promotional activities that differentiate Canadian products and producers, and leverage Canada's reputation for high quality and safe food. Canada Beef's Canadian beef brand positioning also aligns closely with the Federal Government's Brand Canada strategy.

Canada Beef is primarily funded by producer check-off dollars and is able to further leverage the check-off investment by accessing government industry development funds and private partner investments to maximize the impact of promotion and market development efforts and the benefits cattle producers receive from their check-off investment.

In 2019, a new President joined Canada Beef and introduced a refreshed global strategy for the organization with five **key directives**:

1. Promote the product to increase the awareness of Canadian beef brands, improve competitive position, expand volume, value and market share,
2. Enable premium quality brands and co-brand programs to be built on the Canada Beef brand platform,



3. Focus on both functional and emotional attributes to differentiate Canadian beef and veal in the marketplace,
4. Improve competitive position through technical marketing tools, yield and financial performance benchmarking, and
5. Invest in market development programs and services that deliver measureable results and return on investment back to funding partners.

Four **keys to success** were identified in order to successfully deliver on the new global strategy:

1. Segment the market to identify the opportunity gaps that fit Canadian supply partners and deliver solutions to the marketplace,
2. Differentiate Canadian beef and veal against best in-class competitor offerings,
3. Support Canadian beef and veal supply partners and end-user customers with programs and services that promote premium quality Canadian beef brands, and
4. Engage end-user customers and their valued consumers in meaningful ways that are culturally acceptable.

With this direction, the 2020/21 Investment Plan was developed to deliver measureable results and return on investment in priority markets with key customers. The \$12.3 million Plan is organized into 14 separate business units designed to increase the clarity and transparency of the plan for industry stakeholders.

#### **Domestic – Generic**

The Import Levy (collected on beef and veal imports at the equivalent rate of \$1 per head) continues to provide funding for positive, generic, non-branded beef messaging across Canada. With consumers' diminishing food skills, concerns over healthy diets and public trust issues, Canada Beef will develop targeted initiatives to positively influence consumer preference for beef and veal over other proteins and positively influence health professionals.

#### **Public and Stakeholder Engagement**

Closely related to consumer marketing are efforts to build the beef industry's social license with the public. Canada Beef continues to partner with the CCA and other beef industry groups to address public and consumer concerns about beef and veal production, while also building/reinforcing the Canadian beef brand.

#### **Global Marketing**

Development and production of science-based technical marketing resources to promote the Canadian beef advantage, differentiation against competitors, benchmarking and proof points to improve Canadian beef and veal's competitive position.

#### **Domestic – Channel Marketing**

Programs focus on retail and foodservice sale promotions, retail and foodservice demand building programs, marketing programs that drive sales and awareness of the Canadian Beef Advantage in Canada to build loyalty and commitment to Canadian beef and veal among trade partners and consumers thus generating sustained demand and increased value for producers.

#### **Domestic – Consumer Marketing**

With consumers' diminishing food skills, concerns over healthy diets and public trust issues, Canada Beef will deliver targeted initiatives to positively influence consumer preference for Canadian beef and veal over other proteins. Utilize various media to extend the reach and awareness of Canadian Beef messaging to support consumption, nutritional benefits, sustainability and convenience of Canadian beef and veal in the consumer marketing space.

#### **Communications**

Canada Beef will connect with industry, stakeholders, end-user customers and consumers through media, digital platforms and print to create and deliver seamless, timely and cost effective communication of the Canadian Beef story, Canada Beef team activities back to funding partners, stakeholders and social media streams.

#### **Export Market Development**

Provide funding support for Canadian beef and veal representative companies to expand their Canadian beef business in the export marketplace through a variety of essential marketing initiatives that supports industry needs to expand, explore and innovate to improve competitive position.

### **Japan Market Development**

Create and deliver seamless, cost effective retail and foodservice sales promotions that will drive sales, increase brand awareness and expand product assortments for Japan with particular focus on carcass utilization, value optimization, expanded distribution, retail sector growth, promotion of the grades versus U.S./Australia.

### **Mexico/ Latin America Market Development**

Create and deliver seamless, cost effective retail and foodservice sales promotions that will drive sales, increase brand awareness and expand product assortments for Mexico and Latin America with particular focus on recapturing the retail channel, and value and sales growth through sales promotions.

### **China / Hong Kong Market Development**

Create and deliver seamless, cost effective retail and foodservice sales promotions that will drive sales, increase brand awareness and expand product assortments for China and Hong Kong with particular focus on developing business relationships with Chinese retail and foodservice operators best suited for Canadian supply partner execution capabilities.

### **Taiwan / Southeast Asia Market Development**

Create and deliver seamless, cost effective retail and foodservice sales promotions that will drive sales, increase brand awareness and expand product assortments for Southeast Asia with particular focus on promote Canadian beef quality grades. And developing new retail and foodservice clients.

### **South Korea Market Development**

Create and deliver seamless, cost effective retail and foodservice sales promotions that will drive sales, increase brand awareness and expand product assortments for South Korea with particular focus on retail and foodservice channel promotions, export partner programs, and volume and value growth.

### **Emerging Market Development**

Support emerging market development opportunities as needed in the export marketplace by supporting export market development program users, and volume and value building sales promotions in markets of interest to Canadian beef and veal supply partners and end-user clients.

### **Canadian Beef Centre of Excellence**

The Canadian Beef Centre of Excellence is a teaching/training demo theatre featuring: fabrication room, commercial and home kitchen, boardroom and dining room, world-class equipment and HACCP standards. The Centre provides a place where staff can offer merchandising solutions to beef category challenges for existing customers, and introduce new customers and markets to Canadian beef for the first time. Focus will be on Canadian Beef Advantage education, training, new product innovation, E-learn digital platform for industry and CBCE extension of programs and services beyond Calgary.

## 2020/21 MARKETING BUDGET

<b>Revenue</b>		<b>\$</b>		
1	Check Off – Marketing	8,160,000		
2	Check Off – Public and Stakeholder Engagement	226,000		
3	Import Levy	902,000		
4	Government of Canada – Canadian Agricultural Partnership	1,818,600		
5	Alberta Agriculture and Industry	225,000		
6	Export Market Development Administration Fee	25,000		
7	Interest	50,000		
8	Deferred Revenue Amortization (CBCE)	106,000		
		<b>\$ 11,512,600</b>		
<b>Expenses</b>				
	Board of Directors – Marketing Committee	65,000		
	Marketing	12,296,730		
		<b>12,361,730</b>		
<b>(Deficit) to be funded out of unrestricted accumulated reserves</b>		<b>\$ (849,130)</b>		
<b>Marketing</b>		<b>2020/21</b>		
		<b>Programs</b>	<b>Operating</b>	<b>Total</b>
1	Domestic – Generic Beef	827,000	75,000	902,000
2	Public and Stakeholder Engagement	189,400	36,600	226,000
3	Global Marketing	800,000	1,138,400	1,938,400
4	Domestic – Channel Marketing	950,000	380,000	1,330,000
5	Domestic – Consumer Marketing	825,000	75,300	900,300
6	Communications	620,000	179,800	799,800
7	Export Market Development	500,000	135,800	635,800
8	Japan Market Development	600,000	530,000	1,130,000
9	Mexico / Latin America Market Development	450,000	316,000	766,000
10	China / Hong Kong Market Development	550,000	434,000	984,000
11	Taiwan / Southeast Asia Market Development	175,000	133,000	308,000
12	South Korea Market Development	100,000	50,000	150,000
13	Emerging Market Development	200,000	-	200,000
14	Canadian Beef Centre of Excellence	510,000	799,500	1,309,500
15	Calgary and Mississauga	-	716,930	716,930
		<b>\$ 7,296,100</b>	<b>\$5,000,630</b>	<b>\$12,296,730</b>



# BEEF CATTLE RESEARCH COUNCIL RESEARCH

## PROJECTED REVENUE: \$4,124,330

The BCRC's important role in identifying the industry's research priorities subsequently drives investment in beef cattle research.



Strategic investment in research will help our industry achieve the goals of the National Beef Strategy.

The BCRC revenue for the period July 1, 2020 to June 30, 2021 is projected at \$5.2 million and expenses are projected at \$6.0 million, for a 2020/21 net deficit of \$782,880. The annual reserve at June 30, 2021 is projected at \$6.3 million, down from \$7.1 million projected for June 30, 2020. As the BCRC program continues to ramp up with annual call for proposals, and multi-year projects get underway, the reserve will continue to be drawn down over the coming years and will be managed towards reaching the required restricted reserve of \$2 million.

As Canada's largest national beef cattle industry research agency, the BCRC takes a leadership role in the development and implementation of Canada's National Beef Research and Technology Transfer Strategy. The Canadian Beef Research and Technology Transfer Strategy 2018 – 2023 was developed with ongoing engagement of researchers, funders and grassroots producers which helped to identify needs in research capacity, infrastructure, programming, funding and coordination, and to ensure priority industry outcomes are being addressed.

Working to meet the objectives identified in the Canadian Beef Research and Technology Transfer Strategy 2018 – 2023, the BCRC continues to work closely with other industry and government funding agencies to increase coordination, reduce duplication and to ensure priority research outcomes are addressed.

The three core research objectives identified in the Strategy and supported with the BCRC's programs are:

1. To enhance industry sustainability and improve production efficiencies, priority outcomes are to enhance feed and forage production, increase feed efficiency and decrease the impact of animal health issues and production limiting diseases.
2. To improve beef demand and quality, priority outcomes are to reduce food safety incidents, define quality and yield benchmarks supporting the Canadian Beef Advantage, and improve beef quality through primary production improvements and the development and application of technologies to optimize cutout values and beef demand.

To improve public confidence in Canadian beef, outcomes are to improve food safety, strengthen the surveillance of antimicrobial use and resistance, develop effective antimicrobial alternatives, ensure animal care, demonstrate the safety and efficacy of new production technologies, improve environmental sustainability and measure the beef industry's environmental benefits.

These core objectives are supported by the BCRC funding in 2020/21 for research under the following industry-identified priority areas:

- **Beef Quality** - Both the consuming public and our competitors continue to change, and the beef industry recognizes the importance of strengthening our competitive advantages through improving product consistency and continuing to enhance carcass and meat quality through research.
- **Food Safety** - In order to maintain consumer demand for beef domestically and internationally, research and innovation focus on improving food safety interventions, methods to quantify their effectiveness, and the development of strategies that counteract multiple pathogens.
- **Animal Health and Welfare** - Applied research works to develop effective and economical management practices, and diagnostic and treatment tools. These reduce costs and losses associated with animal health and production limiting diseases in primary production sectors.
- **Antimicrobial Use, Resistance and Alternatives** - Research in this area provides a better understanding of how antibiotics are being used on farm and how fast resistance is happening. With changing consumer expectations and antimicrobial purchasing regulations, prudent use of antimicrobials is more important than ever. Research into antimicrobial alternatives can help prevent animal disease as well as decrease input costs for producers.
- **Feed Grains and Feed Efficiency** - Research in this area provides identification and validation of economical methods of identifying seedstock with improved feed efficiency and the development of new feeds and alternative feeding strategies.
- **Forage and Grassland Productivity** - Research is focused on the development of strategies that will improve grassland management to increase productivity and sustainability. Research also works to develop annual and perennial forage varieties with increased biomass yield per acre, maintained or improved nutritional value, improved water efficiency, and appropriate economic characteristics.
- **Environmental Sustainability** - Research on the interface between beef production and the environment in which it is produced is important to providing producers the tools and knowledge they need to be optimal stewards of their land and livestock. Research also demonstrates the environmental benefits of cattle production by measuring its contributions to plant and animal biodiversity, carbon sequestration, reduced soil erosion and watershed protection. It also supports the advancement of science-based regulations.
- **Knowledge and Technology Transfer** - Effective knowledge dissemination and technology transfer to influencers of beef production is critical to realize the value of investments in beef research. It enables producers and other industry stakeholders to make informed decisions and adopt innovations to maintain the sustainability and competitiveness of the industry.

In addition to sponsoring research and technology development in support of the Canadian beef industry, the BCRC oversees the Verified Beef Production Plus (VBP+) program. The BCRC funding facilitates the ongoing operation of the national VBP+ program, including the maintenance of a national standard, maintenance of the national CORS data management system and national website, and coordination of provincial delivery, audit systems and record keeping.

The VBP+ program is a core pillar in championing and verifying sustainable beef production. VBP+ will continually increase its ability to deliver knowledge and practices related to sustainable production to producers while concurrently, in concert with entities like the CRSB, Public and Stakeholder Engagement, and Canada Beef, help communicate the great job Canadian beef producers are doing on their farms and ranches to consumers and the public through various forms of verification and reporting.

Opportunities for continued improvements in productivity exist across a variety of disciplines including enhanced feed and forage production, improved animal health and welfare, a reduction in the reliance on antimicrobials, improved genetics and feed efficiency, and knowledge and technology transfer.

Investments in research must also provide science-based information to address public trust. Access to new technologies are essential to meet global food demand. At the same time there is growing perception that the industry should abandon technology and return to previous production practices due to perceptions of innovations' impacts on food safety, the environment and animal welfare. Research is key to providing independent peer-reviewed science to inform public and policy discussions, which can ultimately impact the beef industry's ability to remain competitive and sustainably contribute to global food security. In order to preserve and increase consumer demand for beef domestically and internationally, research and innovation are important in terms of strengthening Canada's competitive advantages through improving product consistency, enhancing carcass and meat quality and addressing food safety concerns.

Maintaining and enhancing industry and government investments in beef and forage research and extension programming, capacity and infrastructure is a top priority for the Canadian beef industry. The Canadian beef industry views innovation as integral to advancing its competitiveness and sustainability. Recognizing this, the Canadian beef industry, through the Canadian Beef Cattle Check-Off, invests approximately one-third of the Check-Off revenue into research.

## 2020/21 RESEARCH BUDGET


<b>Net Assets, beginning of year (July 2019)</b>	<b>6,447,683</b>
<b>Excess (deficiency) of revenue over expenditure - June 2020</b>	<b><u>619,947</u></b>
<b>Net Assets, June 30, 2020</b>	<b>7,067,630</b>
 <b>Projected 2020 - 2021 Revenue</b>	
National Check Off	4,200,000
Industry - Cluster	86,000
Interest Earned	40,000
Industry - Non Cluster	137,625
VBP Stripe Transfer payments	10,000
AAFC Cluster projects	520,030
AAFC VBP+ and industry	200,829
 <b>Total Revenue</b>	 <b>5,194,484</b>
 <b>Projected 2020 - 2021 Expenses</b>	
BCRC Division Services	1,021,495
Projects	2,734,540
VBP+ Management	612,000
Cluster III Projects	1,422,511
Enhanced VBP+ Industry & Market Align	186,818
<b>Total Expenses</b>	<b>5,977,364</b>
 <b>Excess (deficiency) of revenue over expenditure</b>	 <b>(782,880)</b>
 <b>Projected Net Assets, June 30, 2021</b>	 <b>6,284,749</b>



# PUBLIC AND STAKEHOLDER ENGAGEMENT

## PROJECTED REVENUE: \$907,131

Now in its second year of full funding, the Public and Stakeholder Engagement (PSE) program works to fulfill the public trust objectives of the National Beef Strategy under the beef demand and connectivity pillars.



Transparency and accountability are key in a time when the public has a growing desire to know more about where their food has come from.

Public trust initiatives under the beef demand and connectivity pillars include enhancing industry synergies, forming strategic partnerships, and connecting positively with consumers and the public by actively addressing industry issues. In addition, under the goal of increasing beef demand, key outcomes include increasing public confidence and building a strong social license to operate. This has a direct impact on the industry's competitiveness by assuring the public that the production practices we utilize contribute positively to the welfare of the animals, food safety standards, and the broader environments in which PSE operates.

Public trust objectives focus on enhancing industry synergies, forming strategic partnerships, and connecting positively with consumers and the public by actively addressing industry issues. In addition, under the goal of increasing beef demand, key outcomes include increasing public confidence and building a strong social license to operate. This has a direct impact on the industry's competitiveness by assuring the public that the production practices we utilize contribute positively to the welfare of the animals, food safety standards, and the broader environments in which PSE operates.

Projected revenue from the allocations, along with the 25% portion to Canada Beef, are summarized in the 2020-2021 Budget. It is anticipated that there will be \$907,000 overall allocated to the PSE program for the fiscal year April 2020 to March 2021, based on projected marketings. Of this, \$680,250 will be allocated to CCA to administer, and the remaining \$226,750 to Canada Beef.

The PSE team at CCA works closely with the Canada Beef staff in strategic planning and delivery of public trust in beef and beef production. A critical element of the team is the stakeholder groups who participate in the Communication Manager activities. The in-kind support from stakeholders such as but not limited to; Beef Cattle Research Council (BCRC), Canadian Roundtable for Sustainable Beef (CRSB), Canadian Meat Council (CMC) and the Provincial Cattle Organizations help amplify and deliver messages.

Although the PSE program is administered through the CCA, it is important to note where PSE work lies in relation to other organizations in the National Beef Strategy. In practice, it will act as a neutral collaboration between CCA, Canada Beef, and other provincial and national beef associations. Because PSE involves answering consumer concerns about beef production, where it is necessary to communicate practices and science in a way that the public will understand and trust what we say is true, it requires careful coordination of people

from both production and communication/marketing points of view to tell the production story. The PSE program has a strong focus on communicating production practices and how beef is raised to the public, to instill trust and public confidence. The communication effort continues through many stakeholders and partnerships, including Canada Beef.

The main outcomes will be increased consumer confidence, trust, and support of Canadian beef production practices, which will result in maintaining beef demand over competing proteins. PSE strives to position beef and beef production in a positive light to garner public support of the industry and social license to operate.

The PSE program strategy for issue response, communications, and campaigns is created out of corresponding industry research that points to a widening disconnect between the general public and those involved in primary production. From the Canadian Centre for Food Integrity research for 2019, there is a consistent trend with 91% of respondents indicating that they know little or nothing about modern farming practices but that 60% would like to know more.

This is coupled with the research also demonstrating that a strong majority have no hesitation consuming meat from humanely treated animals and feel that farmers are credible sources of information on food and livestock production. Maintaining this trust while addressing areas of concern such as environmental impacts and climate change as well as negative media coverage, is outlined in the core activities for the program over the next year.

For the 2020-2021 year, PSE will focus on two key areas of deliverables, with ten associated core activities:

1. Supporting Issues Response
2. Proactive Media Strategies & Partnership Investment

Ten core activities are critical in the delivery of the program business plan:

1. Response Intelligence: On the issue management front, this program will inform if and how a response is formulated to issues by quantifying the size and potential risks incurred. It will also provide metrics to support when issues are not pursued with a response, especially when desired by stakeholders.
2. Media Advisory Group: The media advisory group provides insight and direction on media relations strategy and influence tactics. It is expected to continue in the same format as the past year with three to four members, chosen for their expertise in this area, serving a one-year term by attending quarterly meetings.
3. Social Media Content: This next year will see the growth and expansion of Content Corral, from approximately 90 end users to a goal of 250. Vital to the success of Content Corral is ensuring exclusive, curated, and original content for users to disseminate.
4. Communications Plan Delivery: This plan includes a Crisis Management Tabletop exercise and assess the current ability to manage a crisis and provide an opportunity for learning and improvement, growth of the Spokesperson Alliance and a summer student to implement administrative tasks to deliver the communications plan.
5. Video Series with Key Partners: The focus of this year's video projects will be feedlot operations, which is the logical next step following the success of Guardians of the Grasslands. The project will shoot in various locations across the country, in partnership with provincial and feeder associations.
6. Training and Industry Consultations: PSE will execute at least two media training sessions, national-provincial communications managers meetings (at the CBC), as well as the introduction to public relations presentation.
7. Key Contacts/Partnerships: There will be significant efforts conducted to create and build upon relationships with new and existing experts in topics related to beef cattle production, including the Canadian Centre for Food Integrity and the Simpson Centre for Agricultural and Food Innovation and Public Innovation.
8. Beef Advocacy Canada Improvements: This includes website and material updates and promotion/advertising of the new social media module.
9. Public Outreach: A core component of public outreach for the year will be continuing to promote Guardians of the Grasslands, through additional screening events, the development of school resources, tours of the Waldron ranch and in partnership with influencers.
10. Long Term Strategy Refinement: adding specific performance measures and tracking, to help define both return on investment in the program, and improvements (if any) in public perception of beef and raising cattle. In addition, reporting protocols and year end measures will be developed for annual reporting.

A successful PSE program will result in increased public confidence of the Canadian beef industry. It will be dependent on collaborating with many industry and stakeholder groups coordinating the messaging on production practices, research, and continuous improvement, which will enable the industry to communicate effectively with the public.

## 2020/21 PUBLIC & STAKEHOLDER ENAGEMENT BUDGET

### 2020/2021 BUDGET

	Q1	Q2	Q3	Q4	2020/21 TOTAL PSE Budget	CCA – SE Program	Canada Beef
Revenue							
Projected National Check-off Funds	81,630	253,960	208,610	362,800	907,000	680,250	226,750
Other Revenue- Carry Forward	20,000						
Other Revenue- Grants/sponsorships							
Total Revenue	101,630	253,960	208,610	362,800	907,000	680,250	226,750
Expenses							
Operations <sup>1</sup>	79,150	84,150	81,650	81,650	326,600	290,000	36,600
Communications	28,500	22,500	22,500	28,500	102,000	62,000	40,000
Partnerships	5000	0	67,500	10,000	82,500	67,500	15,000
Training	5000	10,000	10,000	3,000	28,000	18,000	10,000
Administration	5187	5187	5188	5188	20,750	20,750	-
Public Outreach/ Project Development	102,000	71,150	77,000	77,000	327,150	202,000	125,150
Expenses	224,837.00	192,987.00	263,838.00	205,338.00	887,000	660,250	226,750
Net Surplus (Deficit) <sup>9</sup>	-123,207.00	60,973.00	-55,228.00	157,462.00	40,000	20000	
Issues Reserve Fund					20,000	680,250	

ACTIVITY	CCA – SE PROGRAM	CANADA BEEF
Operations and Administration	310,750	36,600
1. Response Intelligence/Social Listening	60,000	
2. Media Advisory Group	15,000	
3. Content Corral – Social Media Platform	26,000	
4. PSE Communications Plan	28,000	40,000
5. Key Partners Video Series	25,000	
6. Training and industry consultations	18,000	10,000
7. Seek out and invest in key partnerships/projects for building public trust	67,500	15,000
8. Further Develop Beef Advocacy Canada	8,000	
9. Public Outreach	97,000	125,150
10. Further refine the SE Program long term strategy	5,000	
11. Issues Response Reserve	20,000	
<b>TOTAL</b>	<b>\$680,250</b>	<b>\$226,750</b>




# PROVINCIAL CATTLE ASSOCIATIONS

# PROVINCIAL INVESTMENT

## PROJECTED REVENUE: \$2,015,096

Provincial allocation programs are currently delivered by six provincial cattle associations and must promote the marketing and production of beef cattle, beef and beef products or conduct and promote research.



The unique needs of nine provincial cattle associations invite the opportunity to invest regionally with national benefits.

### MANITOBA BEEF PRODUCERS: \$72,566

The Manitoba Beef Producers (MBP) will undertake four production related research activities that invest check-off dollars directly into producer-focused research, and one public trust promotion and awareness program to close the gap between the general public and beef production. These projects will come from the 6.5% of Manitoba check-off retained for provincial investment.

Environmental factors like changes in land use and climate change have led to the modifications in the geographic distribution of many plant and animal species, including pests like ticks, along with the pathogens they can carry. The two most common tick species in Manitoba are the American dog (wood) tick and the blacklegged (deer). This project will help us understand the relationship between different types of pastures and the exposure of livestock and workers to two species of ticks to help us evaluate the health risks and the economic risks associated with ticks on pastures. MBP will contribute \$15,000 per year for 3 years.

MBP will also contribute \$15,000 per year for two years to a research project to estimate the impact of grazing on water cycling and nutrient export in pasture landscapes in the Canadian Prairies. Understanding the relationships between climate, water cycling, nutrient sources and land management in grasslands will equip producers to better manage their landscapes, enable risk management analysis under periods of feed shortage, and provide the industry with science based information necessary to identify the merits of grassland and pasture systems in achieving whole-farm sustainability. The information could also later be used to develop effective public communication regarding environmental goods and services provided by the industry.

An MBP provincial investment program will explore the use of strategic supplemental feeding using unique infrastructure to improve the performance of cattle in pasture-based production systems. During extreme winter weather events in western Canada, there are periods during which animals may lose weight and supplementing relatively low-quality feedstuff is necessary to meet energy and protein requirements. Effective supplementation will enable the industry to utilize extended

grazing strategies for not only dry beef cows, but also other classes of animals including lactating cows, first-calf heifers, and backgrounded cattle. The potential also exists to extend the use of this technology to improve the value of cull cows to increase meat quality and potential profitability. This program has been allocated \$10,000 per year over three years by MBP.

As part of a Manitoba strategy to engage the research community, some funding provided by the provincial investment portion of the beef check-off will go towards supporting the Manitoba Beef and Forage Initiative programs with national beef industry value. Support will be focused towards public and producer facing programs like student training on agriculture and research related duties, student and producer workshops and tours, applied, demonstration and discovery research, media relations and communications through the website, publications and social media. MBP will contribute \$20,000 to MBFI programs.

The last set of projects that MBP plans to investigate in 2020/21 are public trust programs aimed at driving stronger engagement with the public. The first is the development of a beef cattle story book, that demonstrates beef cattle's influence on grassland habitat. With similar messaging to the Guardians of the Grasslands mini-documentary, the story would present the message simply to engage young children. MBP is researching potential partners for the program, where funds would be invested in development, printing and distributing to classrooms across the province. In addition, funds will also be allocated to improving MBP's presence at the Farm and Food Discovery Centre south of Winnipeg to drive more engagement with attendees.

## **BEEF FARMERS OF ONTARIO: \$425,790**

The Beef Farmers of Ontario (BFO) have allocated 49.8% of their net national check-off dollars back to their province for investment for four high level strategies; some with multiple activities.

Provincial investment funds will help fund BFO's \$40,000 annual membership in the Livestock Research and Innovation Corporation (LRIC), an organization that provides leadership to the Ontario livestock sectors in research and innovation. One of LRIC's deliverables to BFO in 2020 will be to work with BFO to update their research and investment strategy and priorities document that will help direct future funding. This priority setting process will involve the Beef Cattle Research Council (BCRC) to ensure national priorities are reviewed to prevent duplication and promote enhanced coordination with the Canadian Beef Research and Technology Transfer Strategy, as well as to support the specific research-focused goals contained in the National Beef Strategy. A major deliverable for 2020 will be to increase extension and dissemination of beef research results from all funders in the province, including BFO. Extension and dissemination activities for the beef sector provided by LRIC would not be possible in the absence of BFO membership in the organization. This will provide value to the Canadian beef industry as a whole. Information obtained by provincial research Centre's will be shared nationally with BCRC.

BFO intends to invest \$100,000 in the development and undertaking of the BFO Research Investment Strategy. The overarching goal of the strategy is to increase the development, adaptation, assessment, and easy adoption of on-farm technologies that help beef producers respond to changing demands, and to quantify and investigate emerging issues of importance to the Ontario and broader Canadian beef industry through targeted investments in research and innovation projects. The BFO Research Committee will consider both opportunities and problems facing the industry as well as current industry research priorities. The goals of the Strategy complement the goals and priorities contained in the Canadian Beef Research and Technology Transfer Strategy developed by the BCRC, as well as research-focused goals contained in the National Beef Strategy. The industry wants to explore all avenues that will provide it with a secure future in Ontario, through the investigation of new regional production systems, better utilization of gene technologies, nutritional advances, forage breeding and management and market intelligence specific to Ontario's varied and diverse production regions and consumer market segments.

Less than 60% of the beef on Ontario shelves is Ontario or Canadian beef with the balance of the market filled by imported beef, which is significantly affecting our industry's competitiveness. The Ontario Beef Marketing Strategy was developed to enhance market share and growth for Ontario branded beef at home and abroad. The provincial investment of \$175,000 for 2020 will help expand marketing efforts and reach a broader portfolio of markets and market segments, which will provide increased opportunities for growth of local beef brands domestically and internationally. The Strategy complements work being done and proposed by Canada Beef under the National Beef Strategy and through Canada Beef's own domestic and international market development strategy. Dialogue between BFO/Ontario Cattle Feeders Association (OCFA) to identify opportunities to further collaborate and leverage resources with Canada Beef in both domestic and international markets will help maximize value for Canadian beef producers.

BFO has committed \$130,000 to a consumer engagement strategy, aimed at increasing market share against other proteins, and providing a positive and credible voice on all things beef and beef production related in the consumer and public space within Ontario. The strategy will focus on gaining support, awareness, demand and trust in Ontario beef through online

engagement, direct face-to-face engagement at events, resource development and school outreach. Success will be measured in a variety of ways, including online/event engagement numbers (e.g. audience reached but also level of engagement with audience and relevance of that audience), market share of beef in the Ontario marketplace against other protein competitors, and engagement/activity metrics in public discussion on beef and topics such as environmental impact, nutrition/health, and animal welfare.

## **LES PRODUCTEURS DE BOVINS DU QUEBEC: \$1,455,000**

Les Producteurs de bovins du Québec (PBQ) collect levies based on various classes of cattle, and in turn, their plans to invest their provincial allocations into classes of cattle/beef as well. The association allocates 100% of net check-off back to their province.

In 2019, PBQ completed their feeder calf sector strategic plan, which brought six main objectives to the forefront. Projects in the feeder calf sector will include research in genetics and efficiency, improving feeder calf health, and establishing desirability criteria for calves. Also on planned for 2020 is the promotion of the VBP+ program specifically to feeder calf producers, and the attraction of young farmers to the specific sector.

The main areas of focus for the fed cattle sector is continuing work in strategic planning for market development and research, implementing the VBP+ action plan, and work to enhance income security and farmer profitability. A strategy is also being developed to align the supply chain in Quebec, and provide a steady, predictable beef supply.

Market development and promotion activities for Québec milk-fed and grain-fed veal are again a top priority for PBQ, as suggested by the total overhaul of their strategy for the coming year, promoting on-farm production and placing farmers at the heart of activities at the core of the new strategy.

For cull cattle and bob calves, PBQ has a strong plan to drive initiatives to add value in these cattle classes. This includes finalizing the work of the Bob Calf Health Working Group, establishing stronger producer networks to share views and establish common priorities, and a continuing evaluation of the potential to develop a Holstein fed cattle production sector in Québec. There is a strong desire to work towards a sustainable beef designation for much of Quebec's cull cows, as well as new market development. Research around utilizing beef semen in dairy herds, significant impact diseases and health of cull cattle and bob calves continues to be a priority for PBQ.

## **NEW BRUNSWICK CATTLE PRODUCERS: \$19,000**

While the majority of investments made by the New Brunswick Cattle Producers (NBCP) in 2020/21 will focus on joint programs with the other Maritime provinces through the Maritime Beef Council, (MBC), NBCP will also fund provincial programs aimed at building a stronger, more profitable beef industry in the New Brunswick.

The NBCP has recognized that the province represents a key animal movement corridor for livestock entering the United States from Canada and/or the entry of livestock to Canada from the United States. New Brunswick also manages ports of entry for the provinces of Quebec, Nova Scotia and Prince Edward Island, and any animals imported or exported from Newfoundland and Labrador are likely to travel through New Brunswick. The New Brunswick Cattle Producers Association has recognized the importance of developing and maintaining an Animal Health Emergency Management plan. NBCP will complete the plan and communicate the results of the plan development process to all New Brunswick cattle producers. It will also encourage strengthened communication, awareness of critical gaps and encourage a further action plan to minimize risk with foreign animal disease outbreaks.

Based on significant feedback from members regarding tight margins that growers are experiencing in their cow-calf enterprise, the New Brunswick Cattle Producers has developed a series of workshops to support the development of a cost of production model for individual farms. A series of short, interactive workshops will be delivered across New Brunswick. Workshop presenters offer one-on-one support to growers to identify opportunities to decrease expenses, maximize revenues and boost overall profitability. The workshop series is designed to be applicable to the largest and smallest operators, regardless of financial management skillset, with potential for increased profitability.

In order to ensure a high level of producer accountability for public investment in on-farm infrastructure, NBCP implemented a requirement to have the farms' attending veterinarian complete a handling system review and make recommendations for



updates that will allow the farm to comply with all aspects of the Code of Practice for the Care and Handling of Beef Cattle. While this has been a welcome step forward in program design, and has supported the development and maintenance of viable Vet-Client-Patient-Relationships among NBCP members, veterinarians are not necessarily trained in handling system assessment, nor qualified to make update investments to support compliance with the Code of Practice for the Care and Handling of Beef Cattle. A successful project will include completion of a comprehensive assessment tool for use by NBCP members and their professional advisory team members in identifying necessary and/or most appropriate handling system upgrades to support adherence to the Code of Practice for the Care and Handling of Beef Cattle.

*Additional support will be provided to the Maritime Beef Council- Combined Maritime Initiatives below.*

## **NOVA SCOTIA CATTLE PRODUCERS: \$23,750**

A cornerstone of the Maritime Beef Industry Development and Expansion Strategy is to improve genetic evaluations and herd performance, and Nova Scotia is home to the only public genetic evaluation station in Atlantic Canada. Each year more than 100 bulls from across the region are tested for performance traits such as average daily gain (ADG) and Residual Feed Intake (RFI). This project is designed to encourage breeders to have bulls evaluated and improve awareness and purchase of bull selection based on genetic performance measures. As a whole, the beef industry will benefit through the growth of the Maritime beef sector, and increased producer productivity and knowledge. This ongoing project will receive \$8,000 in provincial investment dollars.

The Nova Scotia Cattle Producers will also invest \$3,000 in extending their reach to additional consumer audiences within the province. NSCP will partner with other provincial commodity organizations, local farmers and processors as well as the Taste of Nova Scotia to promote beef consumption and the importance of the beef industry in Nova Scotia. Funding will be used to promote beef consumption and two consumer events, the Spring Ideal Home Show and the Halifax RV Show.

*Additional support will be provided to the Maritime Beef Council- Combined Maritime Initiatives below.*

## **PRINCE EDWARD ISLAND CATTLE PRODUCERS: \$19,000**

The Prince Edward Island Cattle Producers (PEICP) will invest in two provincial strategies with the national check-off funds allocated back to their province, with the goal of showing national benefit through these activities.

The PEI Burger Love campaign will again make it's return in 2020/21, designed to promote 100 per cent Island Beef. 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. The PEI Burger Love campaign originated in 2011, while the effects of BSE were lingering, and proved a positive way to encourage Canadian consumers to eat more beef, and show strong support for local beef producers. Since 2011, the campaign has grown from 11 restaurants to 82, and has promoted other related campaigns in the region which have contributed to increased demand for Canadian beef.

To ensure a strong and robust check-off system in Canada, regulatory compliance is paramount on all levels. In PEI, the PEICP will invest in regulatory compliance strategies to ensure the requirements in the Cattle Marketing Board Order and Canadian Beef Check-Off Agency's Collection and Service Agreements are being met and check-off is being collected consistently and fairly. In turn, this will enable PEICP to continue to invest in innovative, strategic programing to support the beef industry.

*Additional support will be provided to the Maritime Beef Council- Combined Maritime Initiatives below.*

## **MARITIME BEEF COUNCIL - COMBINED MARITIME INITIATIVES**

The Maritime Beef Council (MBC), which includes the New Brunswick Cattle Producers (NBCP) the Nova Scotia Cattle Producers (NSCP) and the Prince Edward Island Cattle Producers (PEICP) have submitted a joint, co-operative plan within the three Maritime provinces. Funding for these joint programs totals \$40,700 in check-off.

Together, the MBC is aiming to expose 90 new producers to the Verified Beef Production Plus (VBP+) program and increase the number of audited operations by 10. By increasing the number of producers participating in the VBP+ program, the Council will encourage producers to meet animal health and welfare standards, as well as improve the value of cattle by accessing specific markets.

MBC plans to add value to Maritime cattle by evaluating the herd health status of the cow herd and feeder calves entering

regional or export destination feedyards through production clubs, providing a networking and education platform and production applications. MBC aims to have 100 producer members across five production clubs by the end of 2020/21.

The Maritime Beef Conference is held annually to train and educate beef producers on current and future trends in the industry, and how producers can better prepare their farms for the future. The joint MBC funding will support the event in its sixth year, with over 150 attendees projected. The conference will enhance the capacity of participants to better understand and manage their businesses both financially and technically while being provided with both networking and learning opportunities. Beef producers need to be aware of new advances in science and markets that will affect the demand for their product and the way they manage and produce beef.

Maritime provinces will continue to educate regional producers on various technology platforms with respect to traceability, record keeping and enhanced herd health. This year, the 25 pilot program participants will trial different pieces of technology and share their experiences with other producers. By supporting the use of comprehensive data management and technology, MBC sees the opportunity to create additional farm gate value through VBP+, and market attribute programs.

An identified gap in the beef and dairy industry is producers' ability to get small, newborn calves that they are not equipped to handle, to a 400lb marketable weight. The dairy beef program through MBC saw nursery pilots set up in key regional areas to determine the economics of scale and procedures before replicating in more locations. Last year's project gained some traction in terms of developing education, protocols and better alignment between stakeholders. This continuation will ensure that essential support and resources are delivered for the nurseries, maintaining forward momentum with the program. The goal is to provide viable education and production options to the local dairy bob calf producers through strategy sessions and a resource manual. This is of particular interest to capture and communicate check-off value for dairy producers in this region. An emerging market analysis will be developed to ensure that any infrastructure that develops has a long term success rate.

The Maritime Beef Sector Development and Expansion strategy was developed as a means to support the growth of the Maritime beef industry. It has been determined that local processors will require an additional 10,000 carcasses to fulfill current and emerging markets. The goal of the strategy is to expand the Maritime cow herd by 20,000 cows to support local processors. This project will support the implementation of the strategy to develop and deliver the strategy programming through MBC, including a risk management strategy to ensure long term, measurable benefits.

The Atlantic Beef school will be delivering six new modules in summer 2020, through eight schools and aiming to educating 200 producers in the Maritimes. The focus of the beef schools is to increase efficiency in production practices and business management decisions in the region, increasing efficiencies and profitability. Outcomes will be measured through the next Atlantic Cow/Calf Survey and any measurable increase in herd size as producers become more competitive and effective in utilizing resources. The Atlantic Beef School will run every two years following the completion this summer.

MBC is developing a consumer strategy in collaboration with Canada Beef to increase the demand for high quality Canadian beef in the region. Funding for this project in 2020/21 would kick start a strategic plan for a consumer engagement project, aligning with processors, food service and culinary institutes in Atlantic Canada, which would begin in 2021/20.

## **VEAL FARMERS OF ONTARIO**

The Veal Farmers of Ontario (VFO) is projected to begin remitting levies to the Agency in spring of 2020, and have elected to allocate 100% of these funds to provincial investment. VFO will provide the Agency a detailed business plan for the projected funds to be invested this way in early 2020.

# CANADIAN BEEF CATTLE CHECK-OFF AGENCY

# OPERATING BUDGET

FOR THE YEAR ENDED MARCH 31, 2021

## REVENUE

Canadian Beef Cattle Check-Off	16,090,000
Import Levy	950,000
	<b>17,040,000</b>

## EXPENSES

Board of Directors	233,000
Agency Administration	589,000
Provincial Investment	2,124,346
Research	4,124,330
Public and Stakeholder Engagement	907,131
Marketing	9,062,193
	<b>17,040,000</b>

Surplus/(Deficit)	<b>0</b>
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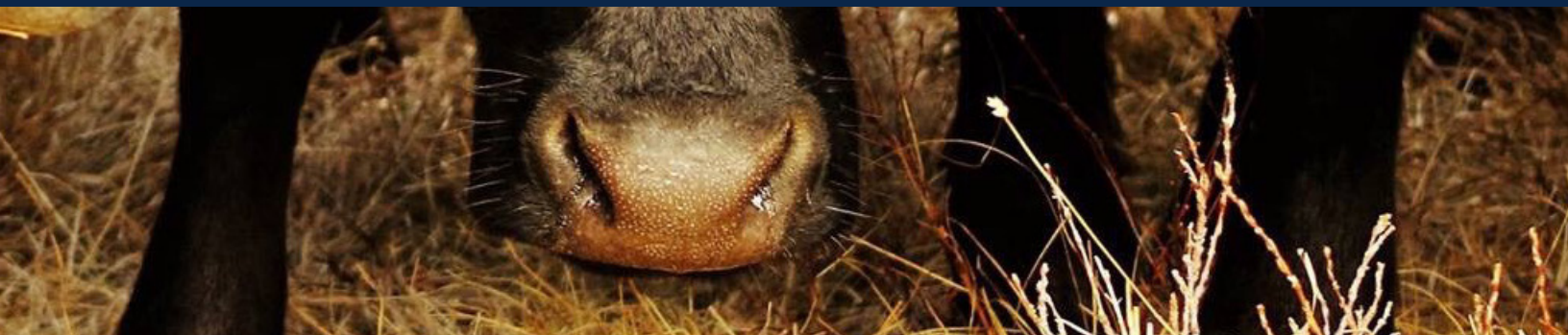






# APPENDIX: FULL BUSINESS PLANS

- I: Marketing
- II: Research
- III: Public and Stakeholder Engagement
- IV: Provincial Investment







## VISION

Deliver measurable value to the Canadian beef industry through prudent and transparent management of the Canadian Beef Cattle Check-Off.

## MISSION

A unified and sustainable national funding strategy for Canadian beef cattle research, market development and promotion.

It is important that we manage producer and industry dollars transparently and prudently. Our board of grassroots producers and industry representatives are committed to deliver the best possible return for our industry, enabling growth, profitability and sustainability.

As a Canadian beef producer or industry stakeholder, your voice matters. Whether it is electing your representative, voting at our annual meeting, attending a provincial cattle organization meeting or connecting with us on social media, we take each interaction to heart every day.

Whether you write letters or tweets, we want to hear from you. We have an open door policy and pride ourselves on transparency, so stop in, ask questions and provide feedback! Sign up for our monthly newsletter The Gatepost on our website.



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