

Canadian Beef Check-Off Agency Annual Report

FOR
2020
AN

The Canadian Beef Cattle Check-Off is managed and administered by the Canadian Beef Cattle Research, Market Development and Promotion Agency, operating as the Canadian Beef Check-Off Agency (the Agency).

The Canadian Beef Cattle Check-Off is a mandatory levy collected on cattle sales throughout Canada to fund research and marketing activities on behalf of the entire industry. It is collected from cattle producers by provincial organizations when they market their cattle, using their existing collection systems involving auction markets, order buyers, brand inspectors and others who handle cattle sales.

The goal of the Canadian Beef Cattle Check-Off is twofold – to increase sales of domestic and export beef and to find better and more efficient methods of producing beef and beef cattle. The Canadian Beef Cattle Check-Off is a critical source of revenue to fund initiatives that advance the industry and build strong markets for Canadian cattle and beef.

By working with service providers, the Agency ensures that check-off dollars are invested into research, market development and promotion programs that deliver measurable value to Canadian producers.

The Agency also collects an Import Levy on beef cattle, beef and beef products. Import levy dollars are invested into generic beef programs that do not bear the Canadian Beef brand mark, such as culinary skills, and health and wellness.

This 2019/20 annual report of the Agency provides a summary of programs and results of Canadian Beef Cattle Check-Off funded activities between April 1, 2019 to March 31, 2020.

Message from the Chair

This past year as the Chair of the Agency, I have witnessed our organization hit it's full stride and take hold of the matters important to producers. It is our job to oversee the check-off administration and investments on behalf of Canadian beef producers and I can confidently say that I am proud of what these investments continue to accomplish.

I am also pleased to say, that near the end of the 2019/20 fiscal year, we were able to sign agreements with the Veal Farmers of Ontario (VFO) as a check-off collector in Ontario. We have worked hard to structure the agreements in a way that ensures we can work together to bring more value for veal producers in Canada. It is important that we are committed to measurable returns for the check-off and import levy that are invested in our country, and that includes our veal producers.

It has been one of my priorities to strengthen relationships between the Agency and provincial cattle associations, national organizations and stakeholder groups that we work closely with. We are transparent and team-oriented, and know that the only way to grow our industry is working side by side pulling in the same direction. I am confident that we are at a place now where we can move forward and face any challenges together.

We were able to have our Marketing Committee fully functional for it's second year. The group is incredibly dedicated and producers can rest assured that this committee has their best interests at heart. The Committee

operated at arms length from the Agency, while guiding the strategic direction of Canada Beef, the organization investing check-off dollars into market development and promotion. The Committee ensured continued separation from the Agency administration, and clear lines of governance and communication.

With a record amount of check-off being collected this year, I know that we have an important job to do. The check-off investments made to research, marketing and public and stakeholder engagement need to make a measurable difference to the industry, and help our beef and veal producers see valuable returns. It is up to our Agency Board to ensure that the dollars are invested into programs and strategies that will make a difference today, tomorrow, and down the road. The Agency also spent time on some of our regulatory framework this year, reviewing the Proclamation under which we operate. We worked with our provincial partners to ensure that the framework continued to allow us the freedom to provide the best possible value for Canadian beef and veal producers.

Regards,



Chad Ross
Chair

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watch video:



Message from the General Manager

It has been four years since our provincial cattle association partners drove the change that created the Agency in the form as we know it today.

Since then, we have grown into our roles as staff and board, and have carved out a more defined place in the industry.

The Agency’s own administration and programming are focused on areas like regulatory compliance and stakeholder communication. These areas are important to ensuring that check-off dollars are collected in a fair way, and that the ways they are invested deliver the most value possible for Canada’s beef and veal producers. Activities like our audit and inspection program, which helped us reach a new audience of producers and dealers, and our communication strategies, help the Agency maximize the dollars that can be invested into research, market development and promotion. We have found new ways to reduce slippage of check-off and import levy dollars, and continue to support our provincial partners in doing the same.

The Agency’s programs, while important, are only a fraction of the dollars invested into the industry by producers. The bulk of the funds are invested into research, marketing, and public and stakeholder engagement programs that deliver measurable

value. The service providers behind these areas, the Beef Cattle Research Council, Canada Beef, the Public and Stakeholder Engagement program have an exceptional amount of talent and industry knowledge that help them find the best ways to deliver value to our industry. It is these service providers who do all the heavy lifting and producers can be proud of the dedication these leaders have to deliver programs on their behalf.

The Agency’s goals can be achieved if we continue to work together with our provincial and national partners, and stay connected with the 60,000 Canadian beef and veal producers from coast to coast. I know we are committed to this, and to the open and transparent management of our organization and of check-off dollars.

I am looking forward to working through our new strategy, and to working closely with all of our great industry partners.

Regards,



Melinda German
General Manager

Greetings from Our Agency Members

The Agency's Board consists of 16 Agency Members from across Canada.

Ten seats are allocated to producers nominated by their provincial cattle associations, and six are representatives from the Canadian Meat Council, importers and retail and food-service operators. These six representatives are nominated by their respective organizations, or by the delegates at the Annual General Meeting.

The Board works both as a whole, and through focused advisory and operational committees to achieve its mandate. The Governance Committee and Finance Committee operate as advisory committees, and are made up of Agency Members only. The one operational committee, the Marketing Committee, is made up through an appointment of Agency Members, and an election of producers and members-at-large. The Marketing Committee is responsible for the oversight of Canada Beef, the organization tasked with investing check-off dollars into market development and promotion. The members of this committee are appointed and elected from the best of the best in beef and marketing, ensuring that the Canadian beef industry receives strong value from their marketing investment through check-off.



Chair – Chad Ross – Saskatchewan



Vice Chair – Jeff Smith – Alberta



Doug Sawyer – Alberta



Mary Paziuk – Manitoba



Jack Chaffe – Ontario



Kirk Jackson – Quebec



Trevor Welch – New Brunswick



Larry Weatherby – Nova Scotia



David Francis – Prince Edward Island



Coral Manastersky – I.E. Canada



Russ Mallard – Canadian Meat Council



Mike Kennedy – Canadian Meat Council



Alexandre Fontaine – Canadian Meat Council



Leslie Bielak – Canadian Meat Council



Stephen Christie – Retail and Foodservice Sector

MARKET

419M
pounds in live slaughter exports

8611

MARKET OVERVIEW

Cattle Inventories Still Down, but Beef Production Up and Canada Becomes a Net Importer of Feeders

In 2019 Canadian beef production continued to grow but inventories were shrinking.

Growth was supported by increasing domestic slaughter rates and rising carcass weights. Total cattle inventories declined 1.9 per cent to 11.22 million head on January 1, 2020. Despite beef cow inventories declining (-2.6 per cent), the western feedlot sector has grown with 72,050 head more bunk space. Canada became a net importer of feeder cattle to the tune of 74,105 head after importing 257,300 feeders in 2019.

The percentage of animals slaughtered domestically shrunk to 87 per cent in 2019 from 89 per cent in 2018. Canadian beef production in 2019 (domestic plus live slaughter exports) was up 8 per cent to 3.3 billion pounds. Domestic production was up 6 per cent at 2.9 billion pounds. Live slaughter exports were up 23 per cent to 419 million pounds. Fed beef production was up 9.6 per cent to 2.76 billion pounds with larger volumes and steer carcass weights that were 13 pounds heavier than in 2018. Non-fed beef production was down 0.6 per cent to 559 million pounds.

Top Growth Markets:

VALUE
VOLUME

International beef demand up

5.8%

Beef exports volume up

10%

Beef exports value up

17%



The beef breeding herd (beef cows and replacement heifers) dropped 3.1 per cent to 4.08 million head on January 1, 2020. This is down 3.8 per cent from the 4.24 million head that was a stable breeding herd between 2015 and 2018. The beef cow culling rate increased to 13.54 per cent from 13.29 per cent in 2018 as herd liquidation occurred.

**DOMESTIC DEMAND SOFTENS
BUT RECORD BEEF EXPORTS
HELP SUPPORT PRODUCTION**

Total Canadian beef consumption in 2019 is estimated to be up 0.9 per cent to 950,686 tonnes (carcass weight). This includes the provincial slaughter that was missing in the official Statistics Canada numbers. Per capita domestic consumption is projected to decline by 0.6 per cent to 17.98 kgs, with population growth. Eighty-one per cent of domestic beef consumption was sourced from Canadian beef in 2019, up from 78 per cent in 2018.

Deflated retail beef prices were down 1.2 per cent in 2019 resulting in retail beef demand down 1.6 per cent with reduced consumption. This is still historically strong, sitting higher than everything seen from 1991 through to 2013. Demand reflects consumer willingness to pay and as the North American beef industry has been providing a consistently higher quality product with a higher percentage of AAA, Choice and Prime product – that has supported demand in recent years. Wholesale demand was up 2.7 per cent in 2019 with a strong foodservice sector. Wholesale demand has been relatively steady since 2016 ranging narrowly between 85.2 and 87.6. This reflects a fairly stable retail and foodservice sector in

Canada that has been shaken by COVID.

The AAA/Choice price spread widened to -\$13.68/cwt from -\$8.45/cwt in 2018. The AA/select spread widened to -\$9.96/cwt from - \$5.13/cwt in 2018.

International demand was up 5.8 per cent from 2018 with beef exports up 10 per cent in volume to 438,500 tonnes and up 17 per cent in value to \$3.22 billion. This was the seventh consecutive year of growing exports volumes and a fourth consecutive year of record export values. Growing exports in 2019 were mostly supported by North American markets, Japan and South Korea. Despite a protein gap in China resulting from African Swine Fever, Canada was locked out of the Chinese market for the second half of 2019.

The U.S. remains the dominant export market, accounting for 73 per cent of total export volumes in 2019, followed by Japan (11 per cent), whose market share of Canada’s export market grew 3 per cent from 2018. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) reduced Japanese beef tariffs to 26.6 per cent in April 2019 on both fresh and frozen beef. Japan lifted its over 30-month (OTM) age restriction for beef exports in May 2019. Mainland China & Hong Kong account for 6.6 per cent of 2019 volumes, Mexico 3.7 per cent, Southeast Asia (including Taiwan) 1.4 per cent, and South Korea 1.3 per cent.

Exports to the U.S. were up 7 per cent in volume and 15 per cent in value at 317,000 tonnes valued at \$2.33 billion. Exports to Japan were up 54 per cent in volume and 65 per cent in value at 49,000 tonnes valued at \$353 million. Exports to Mexico were up 7 per cent in volume and 15 per cent in value at 17,000 tonnes valued at \$127 million. Exports to South Korea were up 27 per cent in volume and 41 per cent in value at 5,600 tonnes valued at \$43 million.

Exports to Mainland China and Hong Kong were down 6.2 per cent in volume and 4.4 per cent in value at 29,000 tonnes valued at \$260 million. Most products to China were exported from January to June 2019; less than 1,000 tonnes were exported to China during the last 6 months of 2019. Exports to Southeast Asia (including Taiwan) were down 19 per cent in volume and down 13 per cent in value at 6,000 tonnes valued at \$37 million.

Canadian beef imports were down -12 per cent in volume at 154,000 tonnes, but up 8 per cent in value at \$1.23 billion. The U.S. remains the main supplier accounting for 69 per cent of total import volume, followed by Australia (9 per cent) and New Zealand (7 per cent).

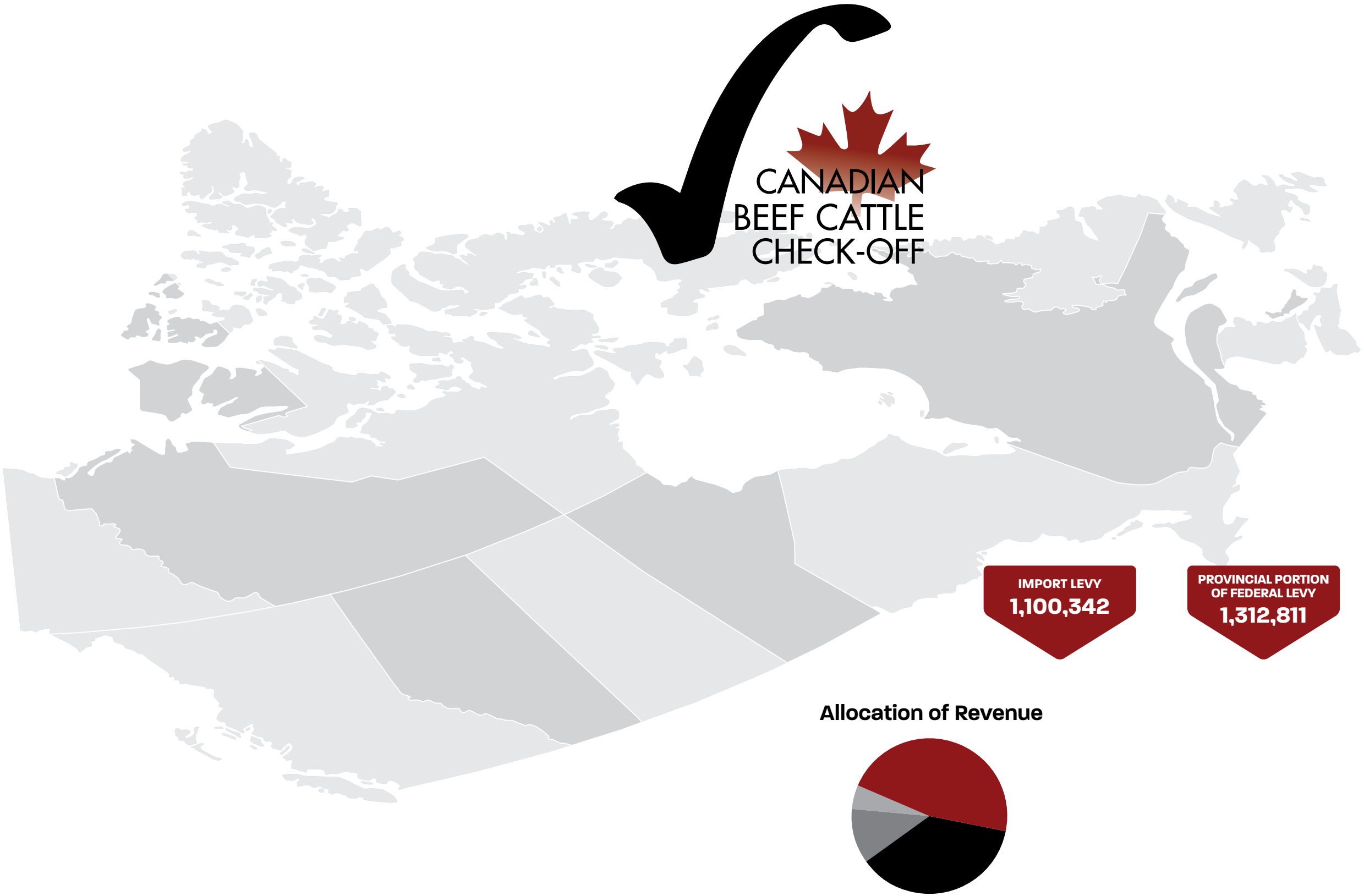
As markets recover from the recent demand and supply shocks, further volatility is expected. Production capacity, consumer behaviour at home and abroad as food service re-opens, and domestic and foreign public health policies will continue to influence the market in 2020.



3.1% ↓

drop in size of beef breeding herd
(beef cows and replacement heifers):
4.08 million head on January 1, 2020

Agency Overview



MARKETING

32

countries have had visitors
to the Canadian Beef
Centre of Excellence

Marketing Overview

Total Allocation: \$8,422,270 (check-off)
+ \$1,038,809 (import levy)
Service Provider: Canada Beef

Canada Beef works to enable and sustain consumer and customer loyalty to the Canadian Beef brand and build strong relationships with trade customers and partners around the world.

These efforts increase demand for Canadian beef 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.

By focusing on brand partners with large volumes and influence, Canada Beef ensured that these partners are well-versed in Canadian beef, and can leverage the value of the Canadian Beef Brand. These programs build loyalty and commitment to Canadian beef among trade partners and consumers, generating sustained demand and increased value for producers.

Getting the beef story out to the world:



Canadian Beef Centre of
Excellence



Make it Beef monthly
e-newsletter



Independent Retail
Operators Program



Canada Beef Export
Market Development
Program

Last year, Canada Beef introduced two new domestic trade marketing programs.

The Domestic Market Development Program provides cost-shared funding support for partners with eligible projects categories essential for facilitating export market growth. The program is cost shared 50/50 for eligible generic, branded and co-branded projects within Canada.

The Independent Retail Operators Program supports regional retail operations, butcher shops, gourmet boutiques and on-line distributors. The program includes custom point of sale materials, merchandising materials and access to consumer marketing resources. This program utilizes a non-licensed Canada Beef and Veal branding strategy and can be partnered with national or provincial cattle or veal associations.

With over 61,000 followers and 7.2 million impressions, Canada Beef continues to build relationships and drive demand. On the website www.canadabeef.ca, visitors can find recipes, beef know-how, media releases, beef campaigns and events in both official languages. The Make it Beef (MIB) monthly e-newsletter has nearly 40,000 subscribers covering topics that are both culinary and brand focused. The Roundup App is now offered in English, French and Spanish and was adapted for the Chinese market, and has nearly 37,000 downloads in all languages.

THE ONE & ONLY BEEF

The Import Levy collected on beef imports continues to provide funding for positive beef messaging across Canada. With consumers’ diminishing food skills, concerns over healthy diets and public trust issues, Canada Beef developed targeted initiatives to positively influence consumer preference for beef over other proteins. Activities supported by the import levy included print advertising, social media, television and radio interviews, and generated over 24 million consumer impressions. The ThinkBeef.ca website continues to be the home for positive beef messaging supported by import levy investments.

The Canadian Beef Centre of Excellence (CBCE) provides a place where staff can offer solutions to beef category challenges for existing customers, and introduce new customers and markets to Canadian beef for the first time. To date, the CBCE has had visitors from more than 32 countries, hosted over 90 international and 140 domestic missions, representing over 450 companies from across the globe.

Canada Beef’s work in export markets is creating opportunities for the Canadian beef industry to realize greater value for the carcass than could be realized in the domestic market alone. Canfax Research Services estimates that well over \$600/head in additional value is added to the carcass by export markets.

With heightened competition from other beef exporters, there is a need to intensify business development programs in export markets where Canada Beef is currently present. Canada Beef introduced a new export program this year called the Canada Beef Export Market Development Program that provides cost-shared funding support for eligible Canadian Beef representative company initiated projects and activities essential for facilitating export market growth.



\$600+

per head in additional value is added to the carcass by export markets



RESEARCH



Canada's Beef Science Cluster

A unique partnership between
Agriculture and Agri-Food Canada
& the Beef Cattle Research Council

OVERVIEW

Research Overview

Total Research Allocation: \$5,851,638
Service Provider: Beef Cattle Research Council

The Beef Cattle Research Council (BCRC) is funded in part through a portion of a producer-paid national levy, the Canadian Beef Cattle Check-Off. In 2019/20, the BCRC received on average \$0.85 of every \$2.50 of the Canadian Beef Cattle Check-Off collected by the provinces.

This funding was leveraged with the Agriculture and Agri-Food Canada (AAFC) Canadian Agricultural Partnership (CAP) funding, where industry contributed 29 per cent or \$1.34 million and government contributed 71 per cent or \$3.3 million. In addition, the BCRC leveraged the Canadian Beef Cattle Check-Off for an additional \$1.6 million in research funding from government and industry partners through initiatives outside of the Beef Science Cluster.

There were 24 research and extension Cluster projects reporting activities between April 1, 2019 and March 31, 2020. All projects covered areas relating to one of the following priority areas: Beef Quality and Food Safety; Animal Health, Welfare and Antimicrobial Resistance; Feed Production and Feed Efficiency; Forage Productivity and Environmental Sustainability; or Knowledge and Technology Transfer. With 2019/20 being only the second year of the five-year Cluster program, the reportable results are very limited; however, there were some preliminary findings. Relating to food safety, analyses of 750 STEC isolates collected from cattle and processing plants indicate that E. coli are not becoming more resistant to heat-based food safety interventions. Specific to animal health, preliminary data indicates that aside from body energy status, a rest stop did not benefit the welfare, health or performance of weaned, conditioned calves transported for 12 or 36 hours.

BCRC open calls
for proposal
in 2019/20:

74
letters of intent
from researchers



35
full proposals submitted



32
full proposals
forwarded for funding



16
approved



Related to feed efficiency, findings have helped researchers better understand how bacteria use substrates such as pre and probiotics.

In 2019/20 researchers were awarded funding through an open call for proposals where BCRC received applications from researchers. This marks the BCRC's second annual open call for proposals in over a decade. The Check-Off funding awarded for these projects is matched with government and other industry funding at a minimum 1:1 ratio. Under the open call for proposals, the BCRC received 74 letters of intent from researchers representing 31 different institutions. Of these, 35 researchers were invited to submit a full proposal, with 32 forwarding a proposal for funding. The BCRC engaged internal and external peer reviewers in the proposal selection process, and in February 2020 funding was approved for 16 projects. Several projects, expected to start as early as April 2020, will be delayed due to COVID-19 impacts including limited ability to procure matching funds and/or to start projects given the severe restrictions on research facilities.

In addition to the knowledge and technology transfer activities under the Beef Science Cluster, such as the development and distribution of articles, decision tools, videos, blog posts and webinars, Knowledge and Technology Transfer is being advanced through a Canadian Beef Technology Transfer Network. In 2019/20 the network continued to facilitate greater communication and collaboration, resources and expertise were shared, and collaborative groups developed effective resources and strategies. Funding was also approved for five 2019 Proof of Concept (POC) projects - short-term (six months to

one year) proof of concept-based research to help inform whether it is worth pursuing as a larger, more defined research investment in that area. As well, the BCRC continued to support the Cost of Production Network managed by Canfax Research Services. This Network, through its development of economic baseline data and analysis, supports industry competitiveness with a goal to have Canadian beef cattle cost of production data in every province/ ecoregion to guide technology transfer and research priorities. It is difficult to measure or qualify the adoption of innovative knowledge, especially in the short term. BCRC's technology transfer efforts appear to be successful based on consistently positive feedback from producers and other stakeholders, increasing website traffic, increasing subscribers and followers to BCRC newsletters and social media, and continued growth in the redistribution of our resources by other publications and organizations.

Webinar registrations and recording views have increased, and social media networks continue to grow. Survey feedback from the 2019/20 webinar series has been very positive, with the expectations of the majority of participants being met or exceeded. Participants also noted on the surveys that they had learned something new and/or intended to make production changes based on the information or motivation provided. The 2019/20 year was one of preparation, including the set up of provincial coordinators, ecoregions, and processes.

To support the implementation of long-term research capacity in research priority areas identified by the Canadian beef industry, two Research Chairs selected in 2018/19 successfully procured matching funds and were contracted during 2019/20. These Chairs include a Beef Production Systems Chair at the University of Alberta and a Chair in One Health and Production-Limiting Diseases at the University of Saskatchewan. BCRC investments for each of these two Chairs are 10-year investments of \$1.5 million (\$150,000/year), leveraged by a minimum of \$1.5 million from external funding.

The BCRC continues to oversee the Verified Beef Production Plus (VBP+) program. In 2019/20 BCRC funding facilitated 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.



29+71

BCRC funding contributed by industry (29 per cent, \$1.34 million) and government (71 per cent, \$3.3 million) through the Agriculture and Agri-Food Canada (AAFC) Canadian Agricultural Partnership (CAP)

PUBLIC AND STAKEHOLDER ENGAGEMENT

21M

estimated reach from videos
& articles covering the Weather
Network issue response

Public and Stakeholder Engagement

Total Allocation: \$807,970
Service Provider: Canadian Cattlemen's Association &
Canada Beef Joint Program

The 2019-2020 fiscal year represented immense growth of the Public and Stakeholder Engagement (PSE) program, just into its second term with full funding. The team focused on carrying out the objectives of the 2019-2020 work plan, concentrating on the areas of operational governance, issues management, strategic partnerships, and the creation of promotional content.

Managing and responding to issues remained a key area of responsibility for the PSE team, in coordination with Canada Beef and the national communications managers. In July of 2019, the Weather Network published a video on its social media channels encouraging a reduction in meat consumption. PSE coordinated a meeting with the CEO of Palmorex, the parent company of the Weather Network, who was interested in learning more about the environmental benefits of beef production. Following the discussion, The Weather Network posted a statement on their website, explaining, "the purpose of this article was merely to focus on sustainability and upon further review, we determined that our video and post did not reflect that intention."

The interest from the media in covering this story was immediate and widespread. Broadcast TV stations, Global, CTV and CBC all covered the story as well as mainstream print publications in Vancouver, Calgary and into Ontario. The top ten videos and

articles covering the Weather Network issue response had an estimated reach of over 21 million. While the message of the original video was unfortunate, it provided an immense platform with which to communicate the sustainability commitment of the Canadian beef industry to consumers and the public.

The 3% Project, spearheaded by Steve Lee, aims to reach one million young adults across the country through school presentations on climate change and sustainability. The PSE team reached out to Lee after being alerted to false information in his presentation on how cattle are raised in Canada. A series of on-farm visits were facilitated with various producers across the country including the Maritimes, Ontario, and Alberta. Following the tour, Lee decided to highlight several outstanding young beef producers in his blog posts, celebrating their innovations on farm and efforts to conserve native grasslands.

Responses to the beef consumption story:

CBC NEWS

660NEWS

CALGARY HERALD



While Lee has not yet become an outspoken advocate for all sectors of the beef industry, it is notable that there was considerable progress made between his original position to cattle being positioned as a solution for preserving grasslands and sequestering carbon. Moving the needle in a positive direction is still a win and allows for future opportunities to advance beef advocacy narratives.

Building on a new connection with the Royal Ontario Museum (ROM), two videography students from the museum travelled to southern Alberta last summer. PSE coordinated interviews with representatives from Ducks Unlimited Canada and the Nature Conservancy of Canada as well as local ranchers. The final video is a permanent addition to the biodiversity exhibit at the museum and represents a complete turn-around from the original display that stated cattle were destroying native grasslands, to cattle being vital to their preservation.

Establishing strategic partnerships is essential to building public confidence in the Canadian beef industry and reaching non-agricultural audiences. Alongside the annual membership with the Canadian Center for Food Integrity at \$17,500, the PSE program is supporting the Simpson Centre for Agricultural and Food Innovation and Public Education, which works to strengthen public education and independent dialogue around food and agriculture by delivering sound research to the public. The PSE program specifically supports the Public Outreach pillar of the program, working to amplify ongoing efforts in disseminating beef industry information and resources as part of a credible public trust partnership.

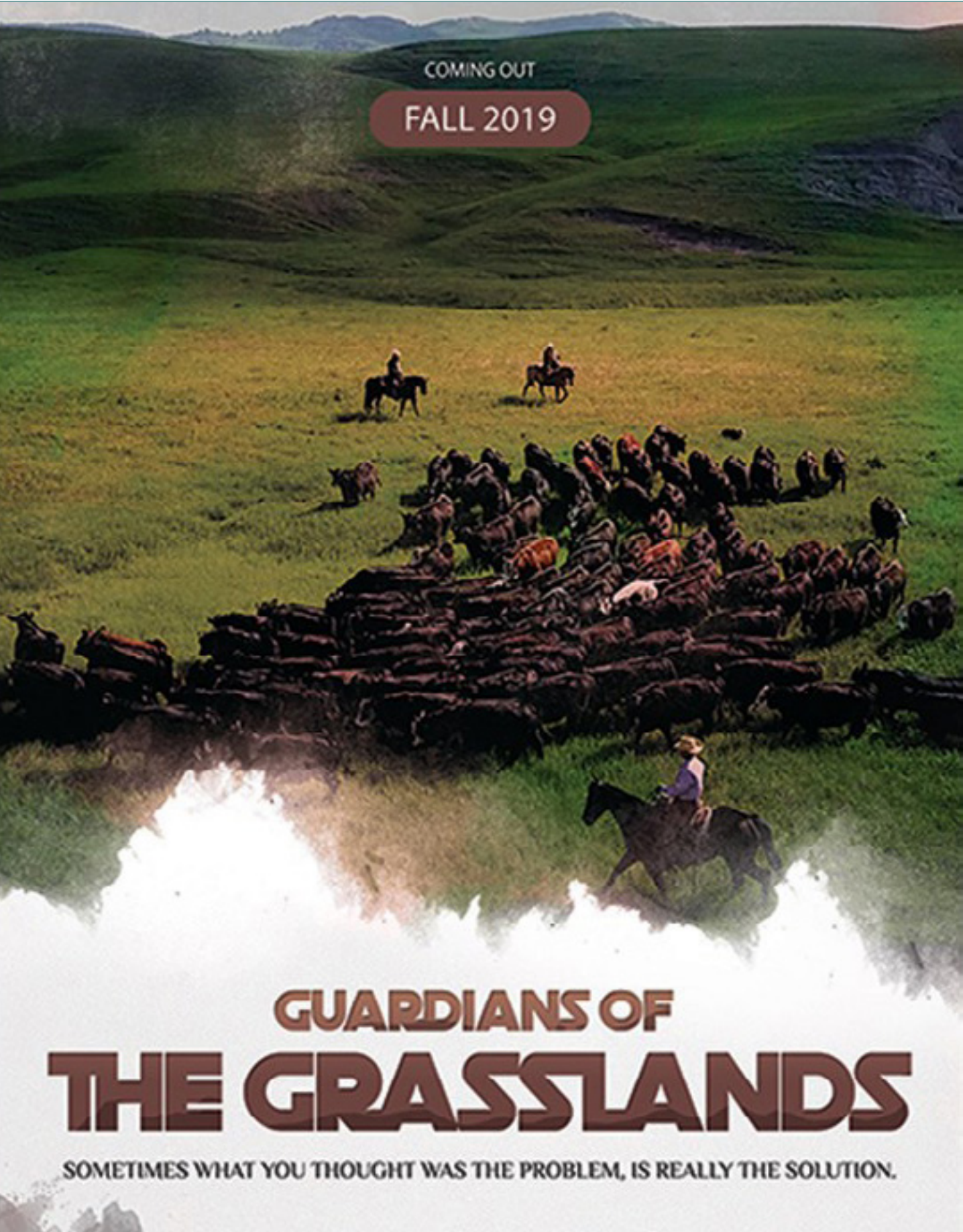
The area of proactive projects saw the largest growth this past year, in terms of both scale and scope. The Beef Advocacy website has grown to over 500 registered users and has received positive feedback on the new social media modules. Content Corral, a new social media sharing platform, was launched in mid-August to coincide with the Canadian Beef Industry Conference (CBIC). Over 210 pieces of content have been shared resulting in a potential reach of over 173,000 people including an earned media value of \$12,000. Over 130 users are registered on the program, which will also act as a conduit for campaigns created by the PSE team and be critical for quickly disseminating key messages for arising issues.

This year brought the short documentary Guardians of the Grasslands, produced in collaboration with Ducks Unlimited, the Nature Conservancy of Canada and the Waldron Ranch Grazing Co-op. The film showcased how cattle are essential to the preservation of the one of the most endangered ecosystems in the world - the temperate grasslands. Promotion of the film included large screening events in Calgary, Ottawa, Regina, Saskatoon, Winnipeg, and Toronto with partner organizations in conservation, agriculture, and food production.

To reach urban audiences, the target demographic of the project, the film was submitted to Canadian film festivals for consideration and has been an official selection at six separate festivals in Montreal, Toronto, and Vancouver. Over 200 requests for film screenings have been received by various schools, community groups, government agencies and agricultural events with an estimated 25,000 people reached thus far.

25K

views (so far) of the short documentary *Guardians of the Grasslands*, produced in collaboration with Ducks Unlimited, the Nature Conservancy of Canada and the Waldron Ranch Grazing Co-op.



PROVINCIAL INVESTMENT

Total Allocation: \$2,064,467

Provincial allocation programs are currently delivered by six provincial cattle associations who allocate a percentage of check-off dollars back to their own province to undertake research, market development and promotion activities in their own province. The investments must promote the marketing and production of beef cattle, beef and beef products or conduct and promote research activities related to those products.



**Nova Scotia
Cattle Producers**
TOTAL ALLOCATION: \$25,304

Vaccination Administration
Validation

Genetic Marketing Program

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**New Brunswick
Cattle Producers**
TOTAL ALLOCATION: \$20,566

Improving Cattle
Handling Systems

Workshops

[READ MORE](#)



**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 to increase beef demand, productivity, competitiveness and connectivity within the three Maritime provinces. Funding for these joint programs is contributed through each of the three province's provincial investment allocations listed above.

Verified Beef Production Plus

**Maritime Beef Strategy
Implementation**

Production Clubs

Maritime Beef Conference

Data Management

**Dairy Beef Value
Chain Alignment**

Atlantic Beef School

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**Les Producteurs de bovins
du Québec**
TOTAL ALLOCATION: \$1,467,487

Feeder Calf Programs

Fed Cattle Programs

Veal Programs

Cull Cattle and Bob Calf Programs

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Manitoba Beef Producers
TOTAL ALLOCATION: \$91,711

Manitoba Beef and
Forage Institute (MBFI)
Resewarch Support

Strategic Supplementation Grazing
System

Awareness and Innovation

Perennial Forage Grain for
Fall Grazing

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Beef Farmers of Ontario
TOTAL ALLOCATION: \$438,000

Livestock Research and Innovation
Corporation (LRIC)

Elora Research Barn (Ontario Beef
Research Centre)

Research Projects (BFO Research
Investment Strategy)

Consumer Engagement Program

[READ MORE](#)

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION



March 31, 2020, with comparative information for 2019

	2020 <i>(note 15)</i>	2019
ASSETS		
Current assets:		
Cash <i>(note 3)</i>	\$ 4,808,590	\$ 4,541,619
Internally restricted cash <i>(note 12)</i>	3,000,000	–
Accounts receivable <i>(note 4)</i>	6,073,979	6,328,487
Prepaid expenses and deposits	92,303	66,276
Due from related party <i>(note 8)</i>	70,410	–
	14,045,282	10,936,382
Capital assets <i>(note 5)</i>	682,346	883,867
Investments <i>(notes 2(a) and 8)</i>	100	100
	\$ 14,727,728	\$ 11,820,349
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities <i>(note 6)</i>	\$ 2,810,884	\$ 2,407,997
Due to related parties <i>(note 8)</i>	260,453	232,672
Deferred revenue <i>(note 7)</i>	155,455	–
	3,226,792	2,640,669
Deferred capital contributions <i>(note 9)</i>	416,169	522,425
	3,642,961	3,163,094
Net assets:		
Unrestricted	6,132,971	3,705,459
Internally restricted <i>(note 12)</i>	4,000,000	4,000,000
Consolidation reserve <i>(note 12 (b))</i>	951,796	951,796
	11,084,767	8,657,255
Commitments <i>(note 10)</i>		
	\$ 14,727,728	\$ 11,820,349

See accompanying notes to financial statements.

Approved on behalf of the Board

Chad Ross, Director

Kirk Jackson, Director

NON-CONSOLIDATED STATEMENT OF OPERATIONS



Year ended March 31, 2020, with comparative information for 2019

	2020 <i>(note 15)</i>	2019
REVENUES:		
Canadian Beef Check-Off:		
Domestic Beef Check-Off <i>(note 13)</i>	\$19,219,377	\$ 18,300,229
Import levies	1,100,342	1,094,435
Other income	156,935	42,300
	20,476,654	19,436,964
Marketing:		
Government of Canada – Canadian Agriculture Partnership	1,470,819	1,208,183
Amortization of deferred capital contributions <i>(note 9)</i>	106,256	250,073
Government of Alberta – EMD	11,316	–
Government of Canada – Canadian Agriculture Adaptation Program	–	61,068
Government of Canada – Growing Forward II	–	(145,768)
	1,588,391	1,373,556
	22,065,045	20,810,520
EXPENSES:		
Canadian Beef Check-Off:		
Board of Directors	227,809	210,208
Canadian Beef Check-Off Operations	491,061	449,202
	718,870	659,410
Programs:		
Public Stakeholder and Engagement	748,380	736,624
Marketing <i>(note 14)</i>		
Marketing – Generic Beef	1,016,608	818,190
Marketing – Branded	7,924,759	8,193,415
Research	5,851,638	5,589,419
Provincial Investment <i>(note 13)</i>	2,064,467	2,003,887
Provincial Portion of the Federal Levy	1,312,811	1,143,405
	18,918,663	18,484,940
	19,637,533	19,144,350
Excess of revenues over expenses	\$ 2,427,512	\$ 1,666,170

See accompanying notes to financial statements.

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