

2012 BC Pork Report to Producers

Report from BC Pork Producers Association Chair

A year that was expected to be a year of recovery for the hog industry in North America turned out to be a disappointment for producers in many ways.

The drought in the USA drove feed prices to record highs, resulting in large losses in the latter part of 2012 for the hog industry. The Canadian dollar remained at par with the US dollar which has made it very attractive for American processors to export product into Canada. Our domestic market has now been displaced by up to 30 per cent with US product. In the export market Canada also has pressures from our neighbours to the south of us that we did not have to deal with when our dollar was below par. For a country that exports 70 per cent of its

production to countries all over the world, this has impacted our advantage that we enjoyed in the years past.

In BC, producers continue to struggle with the same challenges that all Canadian producers face. As we see our production numbers drop it makes one wonder what the industry will look like in the years ahead. Pressures from different sources are trying to change the way producers raise their animals. Implementation of new production methods come at a large cost to producers. The way sows are housed is an example of the huge capital costs that will need to be invested on many of the existing farms to bring them up to par. Producers need to see positive returns before these added costs can be absorbed.

Changes have also taken place within our day to day operations. After the departure of Jack Wessel and Dianne Driessen, at the beginning of 2012, Geraldine Auston was hired to manage the affairs of both the association and the commission. Geraldine has had a very busy year doing all the projects and the administration work that needs to be done to keep things running smoothly. Thanks for a job well done and also thanks to Sandy Dunn who helps you with some of these tasks.

Dr. Chris Byra continues to work with producers and at times with processors to help implement some of the changes producers need to make to their operations. Chris has also been very involved with the Canadian Swine Health Board in Ottawa which gives him an opportunity to participate on some of the national projects.

Our swine specialist with the Ministry of Agriculture, Tom Droppo, attends our board meetings and helps us with various projects.

The APP Program will end on March 31, 2013. Producers need to call Manitoba Pork Corporation to make arrangements for repayment of monies or work out a repayment schedule for the years ahead.

Geraldine and I had the opportunity to meet with producers in the Peace River area of BC in June of 2012. Hogs continue to come to the lower mainland for processing from that region and some participate in the BC Pork marketing programs.

The CPC continues to work hard for Canadian hog producers. This past year has been very busy meeting with government to try to find solutions that could help the industry through another crisis. Many meetings were held with Minister Ritz and his staff and the answer was loud and clear that producers needed to work within existing programs. Many other files are ongoing and receive the attention of the CPC board, such as: domestic marketing, Code of Practice, COOL, Canadian Swine Health Board, and traceability (PigTrace) are works in progress.

The staff at CPC works very hard at getting everything done that comes to their attention. It seems that the last 5 years have been spent on many issues related to the industry crisis and not much time is left for ongoing projects. Hopefully that will change in the near future.

In conclusion I would like to thank fellow directors, producers and staff for the good working relationship we enjoyed this past year. It is our hope that the industry will recover in the year ahead so that lost equity may be rebuilt.

Respectfully submitted,

Jack Dewit, March 2013





Report from BC Hog Marketing Commission Chair

2012 was certainly a year of challenge and change for the hog industry at virtually every level.

George Leroux's term as Chair of the HMC ended in March, with my appointment to the Chair effective July 31, so I can only speak to the latter half of the year. It certainly takes some time to figure out the roles of the organizations and how they contribute to the industry.

The Commission's job is to look at the industry "from the 50,000 foot, sorry 16,000 meter, elevation" and to ensure that there is a strategic direction in place for the industry and the tools to allow the industry to move in that direction. Finally, the Commission needs to work closely with producers and others in the industry to make it happen on the ground.

Clearly, the industry has faced some enormous challenges in the past year. It is very difficult to look at the big picture when everyone is fighting fires all the time. Even so, we have made minor progress towards updating the General Orders and election procedures, identifying more relevant measures for monitoring the economic health of the industry, and building relationships with processors and consumers. It is, admittedly, difficult to plan for tomorrow in times like these but those plans are still necessary. The Commission will continue to work on these in the coming year but clearly will continue to work with the industry to deal with the current challenges.

I'd like to recognize George Leroux for his past time and commitment to the hog industry. I'd also like to thank fellow directors, producers and staff for their dedication to the industry and for helping me assume this role during very challenging times. The industry should be proud of its ability to work together and move forward in times like these.

Sincerely,

Gary Rolston, March 2013

Extension Review

Chris has done a terrific job for BC pork producers and we very much appreciate having him available to assist our farmers and farms.

In 2012, valuable BC pork extension work carried out by Dr. Byra included:

- The second annual BC Pork Congress
- Implementation of the National Biosecurity project
- Dealing with regular health issues on farms
- Regular CQA, ACA and Biosecurity
- Slaughter checks last March/April and again in August.
- The Swine Health Intelligence Network

Thank you, too to Josh Waddington for the work he is doing on biosecurity through the supply chain. We are fortunate to have two excellent supporters for our industry!

In 2013, in addition to herd health, CQA, ACA an biosecurity Chris is assisting our Industry Relations Committee us to develop cost of production numbers that we hope will assist in a pricing model for hogs at processing.



Manager's report to BC pork producers

I have known many of you for a few years now and in 2012 I was offered the opportunity to work more closely with, and for, your industry as your general manager. It has been a privilege to represent the BC hog industry this past year. I certainly had big shoes to fill with the departure of Dianne & Jack and, with help from Sandy Dunn, my hope is that we are finding our place. We will continue to do our best and will work hard for all of you.

While the hog industry has had many difficult years no one could have predicted what would occur last summer when a drought in the US became our crisis. Immediately, all of our everyday work became secondary and we began to react to impacts on our farmers to try to find ways to relieve some of your pressure. It has been with admiration that I have watched how each one of you handled such a difficult year with grace and resilience. I am sure many of you are thinking it was resignation that I saw, but I choose to disagree. You truly are ambassadors of our brand...BC Pork, Proudly Grown...Close to Home.

As you go about your daily tasks to put food on consumer's tables, the commission and association had work to do, too. From policy and 'housekeeping' for FIRB, to promoting the BC Pork brand, and everything in between, the year seemed to fly by! I was kept busy attending many meetings both locally and nationally, thanks to Jack and Gary for attending many of these with me. Through these meetings, I have begun to develop relationships with our sister organizations in the other provinces and we communicate regularly to share information and to work on ways to hopefully improve situations for our farmers. It is good to know that the other provinces are willing to try and find ways to work together. I am grateful to Jack DeWit for helping me to feel comfortable and get to know those at the national level. It has indeed been a year of a very steep learning curve.

As well as all of the meetings and 'office' work, I was able to focus on some promotions to further the BC Pork brand. A brief outline of some activities at the end of this report (as well as images scattered throughout).

We continue to look ahead and remain positive about opportunities for our industry. I, with the support of both the commission and association boards, will do my best to represent all of you and keep your best interests as my primary priority.

Thank you for the privilege of working for all of you. Thank you, too, to both boards for their assistance, support and encouragement over the last year. All of you have inspired me to try harder for you.

With much appreciation,

Geraldine



Your industry representatives: BC Hog Marketing Commission

Chair Gary Rolston Vice Chair Ron Boes

Members Scott Doerksen

Mike Soth

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Chair Jack DeWit
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BC Pork Brand Awareness



Amongst all of the issues that affected BC Pork Producers in 2012, we did have the opportunity to find ways to positively promote the BC Pork Brand and BC Pork products. The BC pork brand is becoming well recognized by consumers through our direct efforts as well as through market development initiatives support by BC Pork and delivered by Johnston's, Gelderman and



Verard Farms. All together, these programs are resulting in getting more awareness, attention and interest from consumers in BC pork products

We had great success at the **Grillz Gone Wild** promotion through CFOX radio. Known as the only drive through barbecue in the world, the turnout to the barbecues on a Friday morning from 6am on was tremendous and the exposure for BC pork was truly incredible. We also had a presence at the Vancouver Wellness Show where local chefs used BC pork in cooking demonstrations to the public.

"The Take A Bite Program sent ground BC pork in 2010. The students were assigned the task of finding the 'best pork recipe ever'. The winner, Greek Pork burgers with olives/tomatoes and feta mixed in and a garnish of Tzatziki Sauce. This item is now a regular feature on our menu. We had no idea how versatile ground pork is. We buy it all the time now" ~ Chef Instructor Lori Pilling, Delta Secondary.

We continue to participate in the high school teaching program **Take a Bite of BC**. The images on this page demonstrate just how creative these students have become with ground pork. One school even built their own smoker for sausages! This program reaches over 60,000 students and staff in 37 high schools. This program is an excellent vehicle to gain exposure for BC pork and also for a product that many people might not think about or consider when grocery shopping—ground pork.

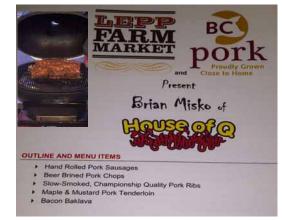


Other events that we participated in to build recognition for BC Pork products included: **BC Premier's Leaders Golf Tournament**—Vernon provided product for pulled pork which turned out to be the hit menu item for the whole event. Not only did the 160 guests rave about them. Even the kitchen staff 'helped themselves' to them and preferred them to their own menu!



BC AgriFoods Strategy Launch—we attended the launch of the provinces Agr-Food Strategy with a pork display and BC Pork industry information.

Lepp Farm Market hosted a BC pork barbecue event with **Brian Misko of the House of Q**. It was an all pork extravaganza! With almost all men in attendance and it was the night where I discovered Bacon Baklava is delicious!





"We have been influenced by the Take a Bite of BC program. I now get all my pork from Johnston's, as I know it is BC." ~ Chef Brian Smith, Thomas Haney Secondary