



BC CHICKEN MARKETING BOARD UPDATE for September 2016

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1. Live Pricing for Quota Period A-139 (September 4 – October 29, 2016)

Mainstream:

The live price in BC for period A-139 (marketing's from September 4, 2016 to October 29, 2016 inclusive) has been set by the Board at **\$1.6467** per kilogram live weight. This represents an increase of **\$0.0208** from the previous period.

Organic:

The live price for certified organic price for period A-139 has been set by the Board at **\$3.85 per kilogram live weight** which represents 100% of the cost of production for the period and is a decrease from the previous period of 3 cents/kg live weight (which was set at \$3.88). The decrease is attributed to lower feed costs

Specialty Chicken:

Taiwanese:

The long awaited update to the Taiwanese chicken cost of production formula has been completed, endorsed by the members of the Specialty Markets Advisory Committee and passed by the directors of the BCCMB.

BRITISH COLUMBIA CHICKEN MARKETING BOARD

You will notice a number of changes including:

- The pricing categories have changed to four from the previous version that had three.
- There are three age groups for each category that contain price adjustments for shipments that occur outside of the range that the actual COP is based on, the middle price for each category. **Example:** Loong Kong TC (LK) between 69 and 93 days.
- Each category is based on the nomenclature used in the approved list of breeds in the Chicken Farmers of Canada Specialty Chicken Policy. **Example:** Shondon or Hong Kong Golden (TC). This will assist in the proper tracking of each placement and shipment and ensuring that CFC is able to audit program compliance in our office.

It should be noted that while the updated cost of production formula was unanimously supported by the members of the SMAC, there was a difference of opinion on the percentage of the COP that should be used to set the TC prices.

Please do not hesitate to call the BCCMB office and ask for Bill Vanderspek if you have any questions or concerns.

The following prices have been set by the Board for Taiwanese chicken for quota period A-139 at:

Category	Age up to (days)	Price per kilogram Live weight	Age Between (days)	Price per kilogram Live weight	Age Over (days)	Price per kilogram Live weight
Loong Kong (LK)	68	\$2.65	69 & 93	\$2.59	93	\$2.61
Bradner Special Dual (BSD)	52	\$2.71	53 & 65	\$2.65	65	\$2.66
Bradner Long cycle (BTC)	71	\$2.82	72 & 86	\$2.76	86	\$2.77
Shondon or Hong Kong Golden (TC)	68	\$2.63	69 & 83	\$2.57	83	\$2.59

Silkies:

The following prices have been set by the Board for Silkie chicken for quota period A-138 consultation with the SMAC which represents an increase of 4 cents from the previous period.

- Silkie Chicken: **\$4.02** per kilogram.

Linkage:

The price linkage calculations done by Serecon for period **A-139** reflect the live chicken price of **\$1.6467** per kilogram live weight. The calculations indicate that cost recovery parity of **96.16%** and a return on assets (minus quota) of **2.43%** will be achieved at the following prices:

Live Chicken @ \$1.6467 per kilogram	up \$0.0208 per kg
Hatching Eggs @ \$5.3079 per dozen	up \$0.0228 per dozen
Day-Old Broiler Chicks @ \$0.7422 per chick	up \$0.0024 per chick

2. BC Formula for the Pricing of Live Mainstream Chicken

The Board, by way of letter dated June 20th, as part of good governance and sound marketing policy had determined that it is now time to review the current pricing formula that has been in place for over 5 years. The Board has no preconceived outcomes on the issue of pricing and is not contemplating change unless the review and industry consultation supports it. Any changes to the existing model will require consultation with PPAC and approval by BCFIRB.

The Board is requesting written submission from the PPPABC, BCCGA and other interested parties by **September 30, 2016**. All submissions will be posted on the BCCMB website shortly thereafter. Industry will then have until November 30th to comment on the posted submissions. During the time period October 1 to November 30th, the Board anticipates meeting with interested parties to discuss their submissions and obtain clarification if required. These deadlines may be extended if more time is required to complete the process fully.

It is the intention of the Board to then undertake a review of all submissions and documents and provide a decision no later than January 17, 2017.

The full letter can be found on the BCCMB website at www.bcchicken.ca on the home page under "industry news"

3. BCCMB Strategic Planning

The Board has completed a series of meetings with the facilitator assisting the Board in the creation of its new 3 year Strategic Plan. Below is the timeline for consultation comment on the draft strategic plan – specifically its mission, purpose, values, guiding principles and goals.

TIMELINE:

TASK	Date for completion
Review of Mission, Purpose, Values, Guiding Principles & Goals	July 14, 2016
Consultation of BCCMB strategic goals <ul style="list-style-type: none">• Processor meetings• BCCGA meetings• Other stakeholders	October 15, 2016
Posting of Draft Strategic Plan on website for comment period	Oct 30 – Nov 30, 2016
Board review all input	December 31, 2016
Board finalizes Strategic Plan	January 17, 2017

It is important that the BCCMB Strategic Plan is reflective of industry concerns. The Board proposes meeting with the BCCGA and processors to discuss the proposed strategic plan's goals and how they may impact growers and processors. The Board looks forward to receiving input for all interested parties.

4. Appeals Update

There are no appeals or decisions pending.

5. Allocation Setting Dates

Future allocation dates will be published in monthly Board updates so that growers can be aware when the next unallocated period is being set.

The dates will assist growers in determining when to give notice to change processors, or to have discussions with processors prior to allocation setting with respect to Market Development allotments.

The last available day to give notice of changing processor and to return the completed BC99 form to the BCCMB offices is the day **BEFORE the BCCMB sets the allocation.**

<u>Period</u>	<u>BCCMB sets Allocation</u>
A-141 (December 25, 2016 – February 18, 2017)	September 27, 2016
A-142 (February 19 – April 15, 2017)	November 16, 2016
A-143 (April 16, 2017 – June 10, 2017)	January 17, 2017
A-144 (June 11, 2017-August 6, 2017)	March 22, 2017

6. Total Flock Mortality Statistics

*The total flock mortality includes condemnations and does not include DOA's

Total Flock Mortality Stats 2015 & 2016

2015	A-128	A-129	A-130	A-131	A-132	A-133	A-134
< 2%	2%	5%	2%	3%	5%	2%	1%
2 - 4%	13%	14%	16%	14%	17%	17%	12%
4 - 6%	20%	28%	23%	22%	26%	26%	25%
6 - 8%	44%	39%	41%	41%	36%	39%	41%
8 - 10%	11%	8%	10%	10%	11%	8%	7%
10 - 12%	9%	3%	6%	6%	2%	5%	8%
12 - 14%	0%	0%	0%	0%	0%	0%	0%
14 - 16%	1%	1%	1%	1%	1%	1%	1%
16 - 18%	0%	1%	1%	1%	1%	1%	1%
18 - 20%	0%	0%	0%	0%	0%	0%	1%
> 20%	1%	2%	0%	1%	1%	1%	2%

Averages

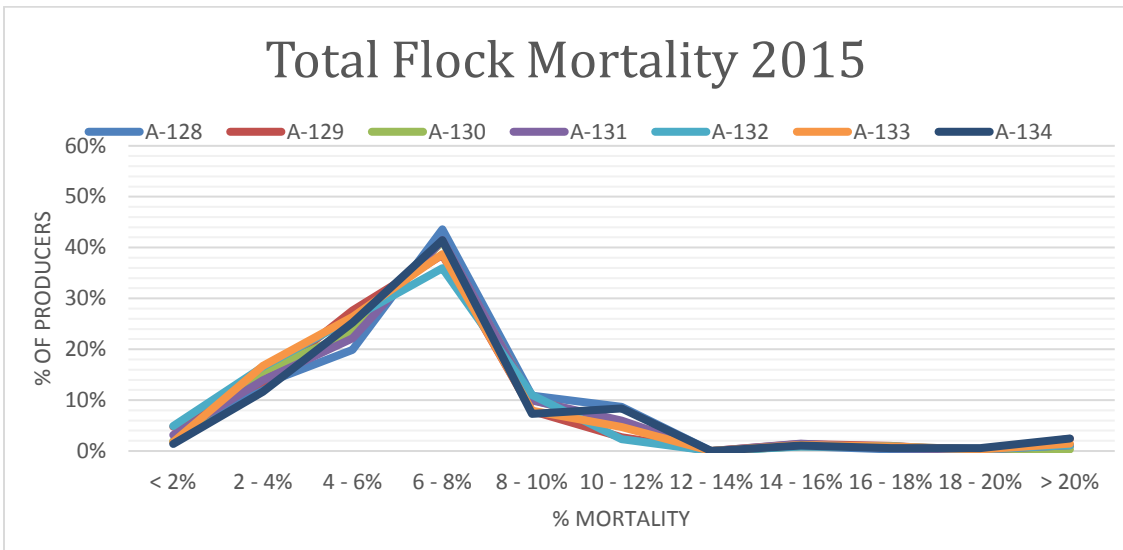
A-128	7.09%
A-129	6.93%
A-130	6.51%
A-131	6.89%
A-132	6.14%
A-133	6.78%
A-134	7.37%

2016	A-135	A-136	A-137	A-138	A-139	A-140
< 2%	3%	1%	1%			
2 - 4%	11%	9%	9%			
4 - 6%	23%	21%	18%			
6 - 8%	43%	45%	49%			
8 - 10%	11%	13%	13%			
10 - 12%	7%	6%	7%			
12 - 14%	0%	0%	0%			
14 - 16%	2%	2%	2%			
16 - 18%	0%	1%	1%			
18 - 20%	0%	1%	0%			
> 20%	1%	2%	1%			

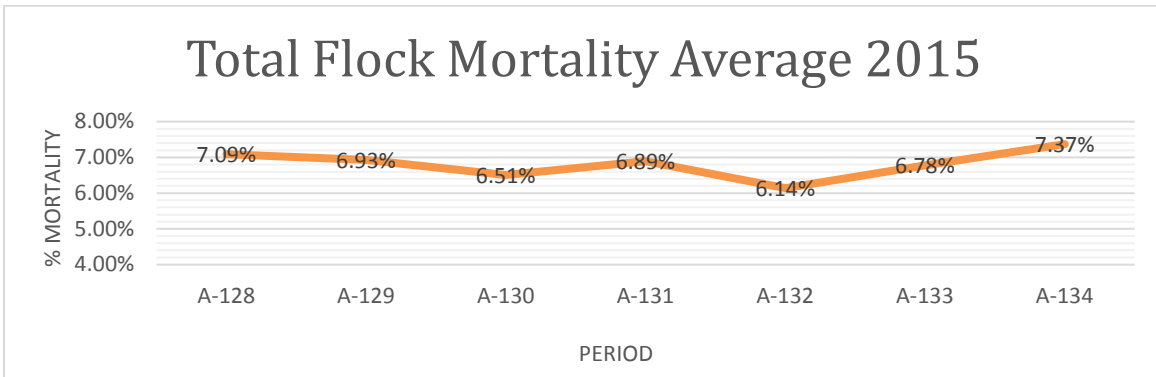
Averages

A-135	6.70%
A-136	7.47%
A-137	7.22%

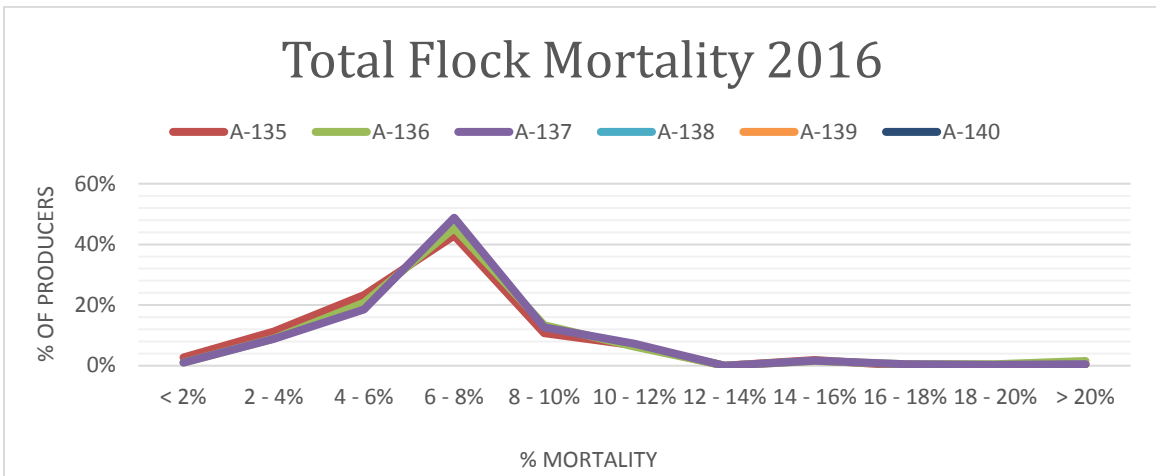
Total Flock Mortality 2015



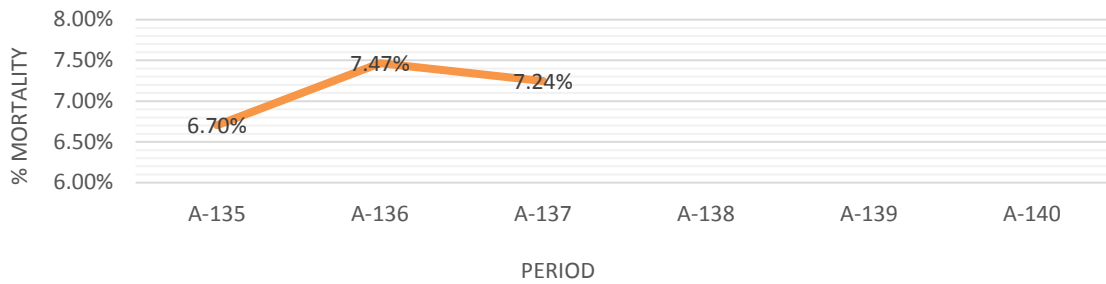
Total Flock Mortality Average 2015



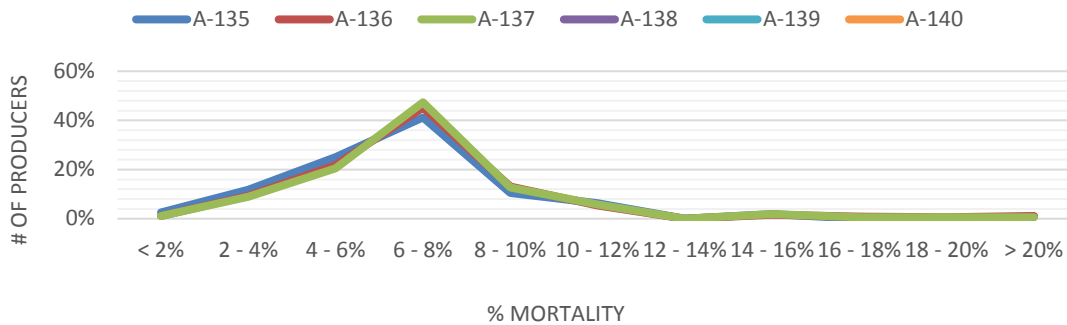
Total Flock Mortality 2016



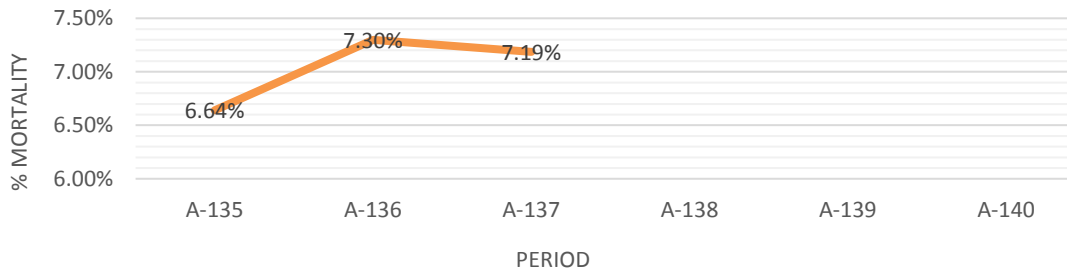
Total Flock Mortality Average 2016



Total Flock Mortality 2016 (RWA not included)



Total Flock Mortality Average 2016 (RWA not included)



7. A-137 (May 15 to July 9, 2016) Production Statistics

Mainstream Growers Only	A-137			
	# Growers	% of Total Growers	Kgs Over/(Under)	% Of Allocation
Mainstream Growers Receiving Allotment	258			
Growers over 110% of allotment	12	4.65%	169,198	3.53%
Growers over 106% of allotment	44	17.05%	431,309	13.55%
Growers between 100% and 105.9% of allotment	92	35.66%	287,794	37.38%
Growers between 94% and 99.9% of allotment	83	32.17%	-349,715	34.20%
Growers between 90% and 93.9% of allotment	20	7.75%	-200,708	7.58%
Growers below 90% of allotment	19	7.36%	-393,909	7.28%
Growers below 94% of allotment	39	15.12%	(594,617)	14.87%
Column Totals	258	100%	(225,229)	100%
BC Utilization	98.74%			

Growers Cycle Length	A-137			
	# Growers	% of Total Growers	Kgs Live Wt	% Of Allocation
Mainstream Growers Receiving Allotment				
7 Week Cycle	6	2.33%	471,102	1.36%
8 Week Cycle	216	83.72%	31,639,386	91.25%
9 Week Cycle	12	4.65%	1,412,612	4.07%
10 Week Cycle	8	3.10%	389,753	1.12%
11 Week Cycle	1	0.39%	87,137	0.25%
12 Week Cycle	9	3.49%	592,515	1.71%
16 Week Cycle	6	2.33%	79,929	0.23%
Column Totals	258	100%	34,672,434	100%

Average Live Weight	A-137			
	# Growers	% of Total Growers	# Kgs Produced	% Of Production
Mainstream Growers Rec'd Allotment	258			
1.600 kg and below	0	0.00%	0	0.00%
1.601 – 1.700 kg	7	2.71%	542,540	1.60%
1.701 – 1.780 kg	4	1.55%	164,017	0.48%
1.781 – 1.850 kg	3	1.16%	255,774	0.75%
1.851 – 1.950 kg	8	3.10%	1,070,268	3.15%
1.951 – 2.020 kg	11	4.26%	1,648,312	4.85%
2.021 – 2.100 kg	31	12.02%	5,224,942	15.39%
2.101 – 2.170 kg	35	13.57%	4,938,858	14.55%
2.171 – 2.250 kg	50	19.38%	7,956,984	23.43%
2.251 – 2.500 kg	88	34.11%	10,729,693	31.60%
2.501 – 2.730 kg	19	7.36%	1,352,786	3.98%
2.731 – 3.180 kg	2	0.78%	71,535	0.21%
3.181 kg and above	0	0.00%	0	0.00%
Column Totals	258	100.00%	33,955,709	100.00%

8. Board Membership Changes

Please be advised that effective September 1, 2016, Mr. Greg Gauthier's term as a director of the BCCMB has expired. During his six years with the Board, Greg has served as Vice Chair, CFC alternate Director for BC, and Chair of the BCCMB finance committee, led the BCCMB 2012 strategic planning process and represented the Board on various other industry committees.

We will miss Greg's many contributions to the BCCMB and the chicken industry but wish him well in his next adventure. By Order in Council of the Lieutenant Governor of British Columbia, Greg Gauthier has been appointed to serve as the Chair of the British Columbia Broiler Hatching Egg Commission effective on August 31, 2016 for a two year term ending August 31, 2018.

We expect to receive news of Greg's replacement on the BCCMB in the near future. We will send out a separate notice as soon as the Order in Council is announced.

9. Forum for Young Canadians program for 2017

Chicken Farmers of Canada was a title sponsor of the Forum for Young Canadians program earlier this year. This program brings together students from across the country to spend a week in Ottawa and learn about the parliamentary process, the public service, lobbying, and many other aspects of government.

Below is the link to the 2017 application in hopes that you have students in your families, friends, and networks that you can share with and encourage to apply. We have also shared on social media.

The application and more information can be found here: <http://forum.ca/the-program/application/?lang=en>

The British Columbia Chicken Marketing Board monthly update is published by BCCMB staff and forwarded by e-mail and fax to all growers and a number of industry stakeholders on our contact list. Should you have any questions or suggestions regarding the content of any monthly update, please contact me directly at: Phone 604-859-2868 or E-mail to billvanderspek@bcchicken.ca

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