



June 18, 2018

Industry Communiqué

IMPORTANT – PLEASE READ CAREFULLY.

The directors of the British Columbia Chicken Marketing Board have made the following orders and decisions that will be effective as of July 1, 2018.

1. Part 35, *Quota Transfer Assessment* of the August 26, 2011 General Orders will be amended to reflect the following changes as a result of the February 2, 2018 BCFIRB Quota Assessment Tools Review Supervisory Decision (QTAR):

- Last In, First Out (LIFO) will be eliminated for all growers with the exception of all existing and future new entrants that have or will take advantage of offers for matching quota (buy one/get one or BOGO) from the Board. All other growers will have the option to transfer any of their quota holdings regardless of when the quota was acquired.
- The declining quota transfer assessment for all quotas issued by the BCCMB at no cost (incentive or growth quota) to growers will be amended from 10/10/10 to 10/10/0. This means that all incentive or growth quota issued to a grower by the board at no cost will be 100% vested to a grower after ten years from the date of issuance.
 - This will apply to all existing and future issuances of incentive or growth quota.
 - A grower wishing to transfer a portion of their quota will have the option of transferring quota acquired prior to the issuance of incentive or growth quota and retaining the quota subject to 10/10/0. As stated above, the exception to this will be existing and future new entrant growers that are issued matching quota in a buy one, get one offer. The quota matched by the board will be considered as the “last in” and would be the first quota to be transferred unless additional quota has been acquired by the grower subsequent to the issuance of the matched quota.
 - A grower wishing to transfer their entire quota or in the case of a full farm and quota transfer 10/10/0 will apply to the quota that is growth or incentive quota.

Amendments to Part 35 of the August 26, 2011 BCCMB General Orders will be circulated to the industry by separate email in the near future.

2. All holders of BCCMB mainstream quota will be eligible to be granted a 20% pro rata increase to their base quotas effective with shipments in period A-164 (marketing from July 5 to August 29, 2020).

- Period A-155 will be the final period that quota transactions can take place without impacting a grower's eligibility to receive an increase to their quota no earlier than period A-164.
- Fully completed and signed documents for period A-155 quota transfers must be received at the Board office no later than 12:00 PM November 9, 2018.
- Growers transferring quota to another grower after November 9, 2018 will be ineligible for **any** portion of the A-164 pro rata quota increase. This will affect the transferor, not the transferee. In accordance with the BCFIRB QTAR decision there will be no exceptions; any quota transfer will render a grower who is the transferor ineligible for growth quota.
- Consistent with the QTAR decision, any grower has the right to decline any or all of the A-164 quota increase offer by advising the Board office in writing.
- Growers having sufficient space for the increase at their registered density will be eligible for allotments beginning in period A-164. Growers with insufficient space will be given until July 5, 2021 to provide the required space. Failure to meet this deadline will result in forfeiture of any portion of the growth quota that cannot be accommodated.
- All new production space to be measured and approved by BCCMB staff and added to the grower's profile prior to any growth quota and corresponding allotments being issued by the board.

3. Effective with period A-164, the maximum farm size described in Part 34 *Quota Limits and Quota Transactions* will be increased from 750,000 to 900,000 kilograms.

Amendments to Part 34 of the August 26, 2011 BCCMB General Orders will be circulated to the industry by separate email in the near future.

Thank you for your attention to this matter.



Mr. Robin Smith, Chair
BRITISH COLUMBIA CHICKEN MARKETING BOARD

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