



MEMO

TO: BC Broiler Hatching Egg Producers
FROM: Stephanie Nelson
DATE: June 22, 2018
SUBJECT: Industry Update

Good afternoon,

Before summer starts I would like to ensure all Hatching Egg producers are aware of some pressing issues and updates.

Egg Flow:

At our regularly scheduled hatchery meeting the Hatchery Managers all expressed that the next 2 weeks may run long: this is typical for this time of the year. The Managers have agreed to leave the kill dates as is and to roll eggs in lieu of flocks going out early. Hatcheries have also shut off all import product for the next few weeks. The Commission staff is in communication with the hatcheries and is monitoring the situation.

COP Survey Updates:

Bob Burden will be calling and interviewing several Hatching Egg Producers to update the cost of production. Please ensure you take that call and schedule your interview as soon as possible. It would also be very helpful if you have up to date information on your costs. Many costs such as labor and catching have increased. Please know those numbers and convey them to the Serecon team to ensure we have an accurate COP.

Spiking Male Testing:

The Inspection staff members have received training on conducting spiking male tests. Starting on July 3, 2018 please email kaitlyn@bcbhec.com to book your spiking male test for use in the Registration Program. Now that the testing and lab fees are covered, if you use Commission staff, I would like to see more Hatching Egg Producers use the Registration Program.

Managing Growth Recommendation:

Producers have asked questions regarding the recent Managing Growth Recommendation Report. Staff has developed the attached FAQ for your review and will continue to add to it via the website.

Additionally, I would encourage Producer's to investigate the Animal Care Program as it may allow Producer's to use more of their quota. Please email Kaitlyn@bcbhec.com to book an Inspection Staff member to guide you through the requirements.

Upcoming Coffee meetings:

Staff is hosting our June coffee meetings on June 26th & 27th possibly the 28th if there is demand. Please email Naylene@bcbhec.com to RSVP yourself a spot!

Industry Survey:

The Commission has their annual Strategic Planning session booked for September and would like to hear from industry stakeholders on a variety of topics. Watch for the Industry Survey that will be circulated in early September to ensure that your thoughts are heard on where the industry should be headed in the next 5, 10 and 20 years.

Please feel free to contact me directly if you have any follow-up questions and/or concerns.

Regards,



Stephanie Nelson
Executive Director

[2018-06-19 FAQ's re: Managing Growth and the Strategic Vision for the Hatching Egg Sector Work Action Plan](#)

1. Can I sell Quota to make room for the increased utilization?

Answer: Yes, because the increase is utilization and not growth quota you can currently sell your quota to make room.

Some considerations for this option:

- a) The 5% assessment is still in place as the Commission is still considering the development of the Quota rules as per BC FIRB's February 2, 2018 QATSR decision.
- b) Utilization may move up or down with the required allocation across Canada.
- c) All potential Quota Sales must be posted to an industry Quota Billboard. Your name, phone number or email, the amount of quota for sale and your placement dates must be included. The quota must be posted for a minimum of 14 days.
- d) Unplaceable hens will expire annually and are not eligible able to be carried over into the following year.
- e) All sales are subject to the Quota Transfer Checklist and the appropriate production planning conducted by Commission staff.

2. Can I lease out the unplaceable birds that I have due to the increase to utilization?

Answer: Yes, the Commission is allowing you to lease out the unplaceable birds for the duration of the transition plan. This will give producers time to make decisions on building to increase their capacity.

Some Considerations for this option:

- a) All potential Quota leases must be posted to an industry Quota Billboard. Your name, phone number or email, the amount of quota for lease and your placement dates must be included. The quota must be posted for a minimum of 14 days.
- b) Unplaceable hens will expire annually and are not eligible able to be carried over into the following year. Birds not placed will be cancelled and put into the BLOGO bank for New Entrants Producers to use up on a first come, first serve basis.
- c) All leases are subject to the Quota Lease Checklist and the appropriate production planning conducted by the Commission staff.
- d) Long term leases will be considered past the 2 year current timeframe for the transition period.
- e) Producers may lease up to 20% of their quota during the transition period as an interim measure.

3. When can I post to the Quota Billboard?

Answer: We anticipate the Quota Billboard going live July 3, 2018. Producers can send their information to staff right away to ensure they are on the board immediately at launch. The Quota Billboard is a virtual listing of all the quota currently for sale or lease. The Quota Billboard is to be posted on the public side of the Hatching Egg website and will ensure that the staff is aware of quota movement and that all Producers have a chance to consider all the options.

Some considerations for this option:

- a) Please ensure staff knows all the required details of your post. This should include:
 - Your name
 - You preferred contact- email or cell number
 - Clarification if you are selling or leasing
 - The amount of quota for sale or lease
 - Your current placement “dates”
 - This post must be up for a minimum of 14 days and is subject to production planning
 - Posting must be made by June 1st each year to ensure you reach the amount of time required and staff can do the appropriate production planning.

4. When do the unplaceable hens expire?

Answer:

Placement timeline:	Cancellation Date
2018 placements (July 1, 2018 - June 30, 2019)	June 30, 2019
2019 placements (July 1, 2019 - June 30, 2020)	June 30, 2020
2020 placements (July 1, 2020 – June 30, 2021)	June 30, 2021

Some considerations for this option:

- a. Producers can allow birds to expire
- b. Please see appendix number 1 for the diagram

5. Am I a New Producer with access to the Buy one, lease one – get one (BLOGO) bird bank?

Answer: Were you allotted Placement Quota via the New Producer Program and remain below minimum farm size? If yes – you are eligible to access the BLOGO account.

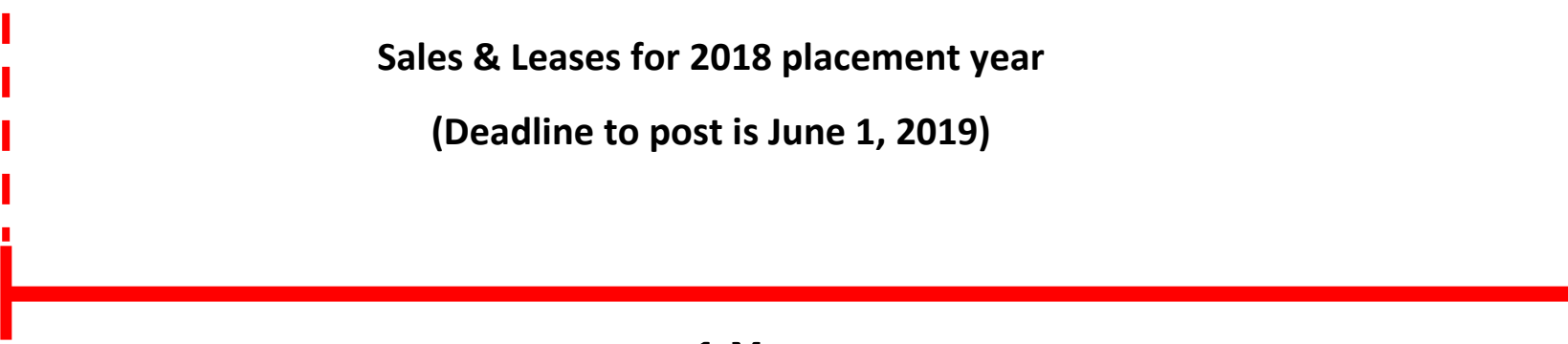
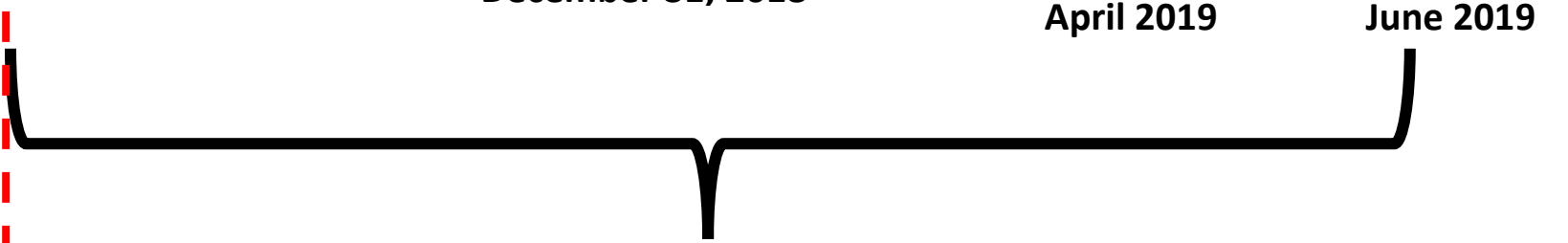
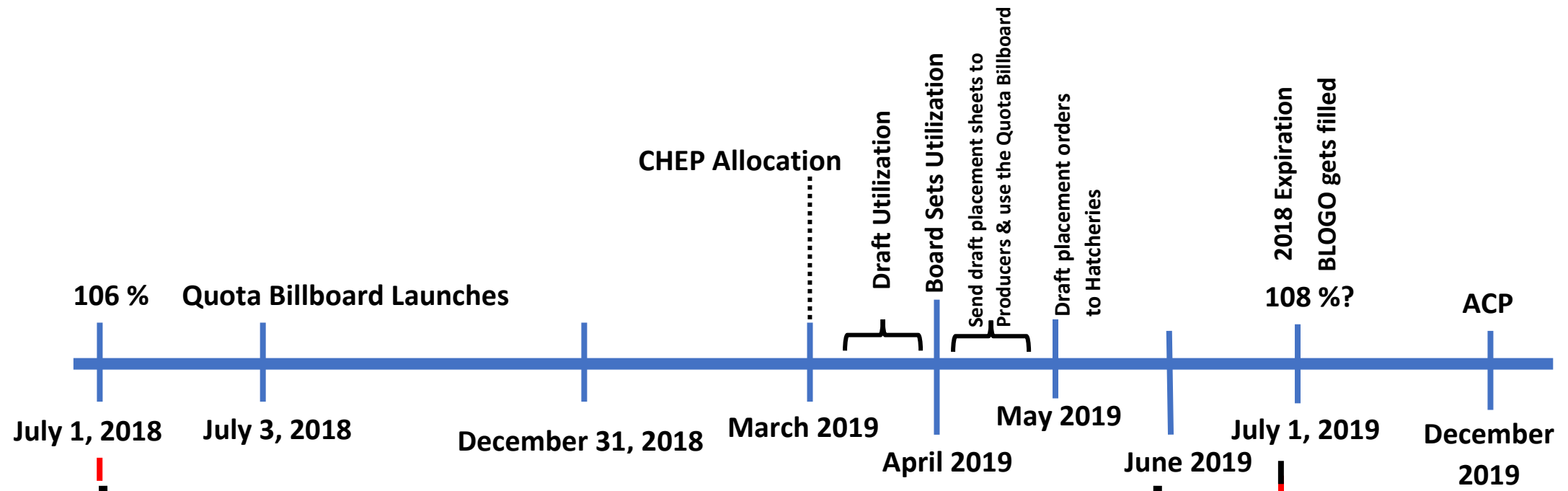
Some considerations for this option:

- a. BLOGO is based on the expired birds from other producers to fund it. There is no guarantee that there will be birds available to you.

- b. If BLOGO birds are awarded to you it is for one production year and cannot be guaranteed year over year.
- c. BLOGO is meant to assist you in reaching minimum farm size by providing you with some extra income.
- d. BLOGO will be matched 1:1 on previous year's purchases or lease-ins by New Producers farmed amount in order of date of sale or lease.

6. Why is there no posted pricing for sale and lease on the Quota Billboard?

Answer: Producers set their price. Please contact them directly for more information.



BLOGO:
 Matched 1:1 on previous year's purchases or leases-in by New Producers (farmed amount).
 First-come first-serve based on signed dates.

