

At the outset, AOCF suggested that it is prudent for the province to make arrangements that keep harmony in the entire national system, since it is AOCF’s view that keeping the national system intact and working is imperative.

Update on Trade Issues

The Commission reviewed the outcomes of recent trade discussions from the October Federal Provincial Agriculture Ministers’ meeting, and the world trade leaders meeting in Doha, Qatar.

DFO Review

Representatives from Dairy Farmers of Ontario (DFO) met with the Commission for a review of operations.

DFO’s attention to the Raw Milk Quality Program was discussed and the Board’s attention to food safety is obvious as the number of on-farm infractions is declining. At the same time, DFO has a new generation of bactoscan testing equipment in use which will make raw milk testing more efficient.

DFO’s board and staff are currently reviewing their vision and strategic plan.

The Commission discussed the financial status of the Board and its plan for the next fiscal period.

Wheat Marketing

The Ontario Wheat Producers’ Marketing Board has developed procedural policies to better address the collection of fees. OFPMC has agreed to amend Regulation 442 to reflect these changes. ■

Upcoming Annual Meetings and Conventions 2002			
Date	Organization	Telephone	Location
Jan 7	Ontario Coloured Bean Growers' Association - Annual Meeting	(519) 348-4141	Woodstock
Jan 8-10	Dairy Farmers of Ontario - Annual Meeting	(905) 821-8970	Toronto
Jan 21	Food and Consumer Products Manufacturers of Canada - Food Service Conference	(416) 510-8024	Toronto
Jan 22	Dairy Farmers of Canada - Annual Policy Conference	(613) 236-9997	Montreal
Jan 24	Ontario Canola Growers' Association - Annual Meeting	(519) 291-4811	Alliston
Feb 6-8	Canadian Meat Council - Annual Meeting	(613) 729-3911	Ottawa
Feb 17-19	Canadian Food & Beverage Show	(416) 923-8416	Toronto
Feb 27	Ontario Broiler Hatching Egg and Chick Commission - Annual Meeting	(519) 837-0005	Guelph
Feb 27-28	Ontario Horticultural Crops Conference	(519) 763-6160	Toronto
Mar 1-3	Ontario Independent Meat Processors - Annual Meeting	(800) 263-3797	Hamilton
Mar TBA	Ontario Seed Corn Growers' Marketing Board - Annual Meeting	(519) 352-6710	Chatham
Mar 7	Ontario Fresh Grape Growers' Marketing Board - Annual Meeting	(905) 688-0990	St.Catharines
Mar 8	Ontario Turkey Producers' Marketing Board - Annual Meeting	(519) 748-9636	London
Mar 11-12	Ontario Egg Producers' Marketing Board - Annual Meeting	(905) 858-9790	Toronto
Mar 13-14	Ontario Pork Producers' Marketing Board - Annual Meeting	(416) 621-1874	Toronto
Mar 18	Chicken Farmers of Ontario - Annual Meeting	(905) 637-0025	Mississauga

This information is provided strictly for our readers' convenience. Please note that organizations may restrict attendance to some or all of their agenda items. Please contact each organization for more information on programs, agenda items open to non-members, and location. While the Commission endeavours to ensure this information is correct, readers are responsible for confirming its accuracy with individual organizations before making any plans to attend. ■

O F P M C

Ontario Farm Products Marketing Commission
N e w s l e t t e r

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Tri-Party Agreement Sells More Ontario Tomatoes

“We are in the business of making our market grow,” says John Mumford, Secretary-Manager of Ontario Processing Vegetable Growers (OPVG).

That message was seen on the bottom line when tomato producers stepped up to bat with an investment that should reach \$250,000 for a new production line at Heinz’ Leamington plant. The new line will package a 2.84-litre plastic jug of ketchup nicknamed, “Big Red,” for the foodservice market.

The investment is a ‘no-lose’ situation for growers. As John Mumford explains, “the 60 growers involved only pay if the volume of tomatoes sold to Heinz increases.” For each extra ton of

tomatoes, the grower contributes a \$10 check-off. The maximum investment is capped at \$250,000. If Heinz’ sales projections are on target, they will be buying 30,000 additional tons of tomatoes in 2002 so the grower investment will come in year one of the plant expansion.

The grower investment comes from those 60 producers growing for Heinz and is not a monetary investment by the marketing board itself or any other vegetable producers although staff and director resources went into negotiating the deal and will be involved in follow-up.

For Heinz, the corporate decision of where to locate the new production line was not as clear-cut. The tangible, money-on-the-table investment by growers and financial support from OMAFRA’s Healthy Futures Program convinced Heinz to pick their Leamington plant. “It could have just as easily been lost to the Freemont, Ohio,

plant,” according to John Mumford. “The government and grower investment was the deal maker. It is truly a joint venture on this \$4-million expansion.”

The “Big Red” line incorporates new technology in Ontario food processing that is unique to the world and ultra efficient.

“The government and grower investment was the deal maker.”

John Mumford, Ontario Processing Vegetable Growers

According to Heinz spokesperson, Anna Relyea, the new line features an “automated clean-in-place (CIP) system”

which means the line never shuts down for cleaning.

Instead it constantly cleans itself. It also enables easy switching of products being filled on the line, which will include ketchup, mustard and sauces. With the addition of the new 100-ounce, “Pour, Store &

Pump Jug,” Heinz has convenience and time saving features that deliver what the foodservice market wants.

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Electronic Newsletter Available

Commission Revamps Newsletter Service

Can we share information with you electronically?

This newsletter can be e-mailed to you. The electronic version can do things that we can't offer you in the print edition.

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- Full **colour** photographs
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Tri-Party Agreement Sells More Ontario Tomatoes

With projections that Ontario growers will sell Heinz an additional 30,000 tons of tomatoes in the first year of the project, the producers' gross annual revenue will increase by approximately \$3-million.

Under the terms of the deal, Heinz decides which producers will supply the increased tonnage they'll need. Heinz has guaranteed increased volume for the next five years, which sends the needed message to producers that the effect of this new line's expansion won't be negated by the reduction of other lines.

This style of collaboration by growers isn't new to Ontario's tomato industry. In the mid-1980's, a similar action was taken to expand the province's tomato paste market. At that time, three companies participated: Heinz was one of them . Each company got a discount on incremental tonnage and a provincial government investment program also pitched in.

For its part, OPVG is trying to maintain a level playing field with its other processor partners. According to John Mumford, “the board is interested in other proposals like this one where everybody wins.” ■



- 1600s* People in the Pacific Rim developed a sauce made from fish, spices and vinegar. The Chinese called it “ke-tsiasp” and it was “kechap” in Malaysia.
- 1700s* European explorers taste the oriental sauce and introduce it to their English countrymen. The Brits continue experimenting with it.
- 1812* A recipe for tomato-based ketchup was published in Nova Scotia.
- 1872* H.J. Heinz, then a pickle-maker from Pennsylvania, starts selling bottled tomato ketchup. It is a big seller worldwide.
- 1983* Heinz introduces the squeezable bottle. Parents breathe a sigh of relief over the less messy bottle and kids find a creative tool for decorating their plates.
- 1997* Heinz introduces a sparkly ketchup aimed at the youth market. It flops.
- 2001* Heinz introduces green ketchup as a limited edition. It is a hit capturing 5.4% of the market. They are now following up with a purple colour of the popular condiment.
- 2001* Canadians consume 4 litres of ketchup per household every year. That's enough for a fourth place ranking behind Sweden, Australia and the U.S. ■

OFPMC Update

The following is a summary of issues recently addressed by the Ontario Farm Products Marketing Commission.

CFO Review

Members and staff of Chicken Farmers of Ontario met with the Commission to review its operation.

The concerted efforts of CFO to move from a micro-managing board to a policy setting board were applauded by the Commission. The Board of Directors has taken steps to make better use of staff skills and knowledge to enact Board policies. As a consequence, the board of directors is more cohesive and staff morale has improved. CFO Chair, Tom Posthuma, summed it up saying, “last time we were here, we were a Board in transition.”

In its report, CFO noted proactive steps it is taking on several fronts. In research, for example, they are placing more emphasis on business research, which is a change from the traditional focus on technical research.

The CFO drive to establish an audited national system also speaks to the renewed vision in the industry. Mr. Posthuma stated CFO's first priority was to have every province sign the FPA and have provincial activity audited. That has been achieved.

Bill 95 – Ethics and Transparency in Public Matters Act

The Commission learned that references to marketing boards have been withdrawn from draft legislation dealing with ethics and transparency in public matters. The draft act, known as Bill 95, received input from Ontario's marketing boards and as a consequence, the MPP responsible has decided that this draft Act will not apply to the Boards.

Commission Tour

Each year the Commission tries to get out and meet with clients and stakeholders on their home turf. This year's mid-October tour took the Commission to Eastern Ontario.

The Commission toured the farm of DFO member, Wayne Edwards, who is the latest producer to invest in a robotic milking operation.

The Commission also met with a dairy processor and a further manufacturer. While at Ivanhoe Cheese, the Commission got an opportunity to tour a small dairy processor carving out a niche for itself in the foodservice, retail and gift markets. The business is owned and

operated by Bruce Kingston in Madoc. The Hersey's chocolate plant in Smith Falls is a major confectioner using Ontario's dairy supply in the production of its milk chocolate products. The majority of the plant's production of chocolate ingredients for further processing and retail snack foods are exported to the United States.

While in Brighton, the Commission met with Peter Coughler, an expert in the area of succession planning for farm businesses. The Commission's focus dealt mostly with the effect of producer demographics on the future governance of the province's regulated commodities.

Commission members met with their counterparts from Quebec during a stopover in Ottawa. Three representatives of la Régie des Marchés Agricoles et Alimentaires du Quebec discussed the work of their Commission in Quebec.

Meeting with AOCP

Association of Ontario Chicken Processors (AOCP) representatives presented the Commission with an update on the status of the primary processing sector.

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