



Ontario

Ontario Farm Products
Marketing Commission

Newsletter

Spring 2004 - Issue #110

Government Approves New Marketing Board for Apples

Ontario's commercial apple growers have a new marketing board: Ontario Apple Growers. That's great news to the growers who hoped their strong show of support in a recent Producer Expression of Opinion Vote would persuade the provincial government that a new marketing plan for apples would benefit growers and the industry.

Meaford-area apple producer, Brian Gilroy, says "apple growers in Ontario welcome this announcement. By working together through this new marketing board, we will help the Ontario apple industry meet the many challenges it faces – at home and internationally. It'll be one of the keys to our future success."

Gilroy did more than just vote to support this outcome. Together with other concerned growers, Gilroy was part of the self-described Ontario Apple Growers' Steering Committee that worked on developing a plausible model for a new marketing plan for apples. One that would appeal to both growers and the Ontario Farm Products Marketing Commission.

In making the announcement about the new marketing board, Ontario's Minister of Agriculture and Food, Steve Peters, said he feels, "commercial apple growers will be able to design an effective organization that allows them to speak with a single voice". The bottom line, according to Peters, is the desire for "a sustainable apple industry that is able to compete and win in the global marketplace. The Ontario government appreciates the commitment of this

province's apple growers. We will work with them to establish the kind of organization they require."

The Ontario Apple Growers has been established by a new regulation under the *Farm Products Marketing Act*. "In order to get the organization up and running, an interim board of directors has been appointed by the Ontario Farm Products Marketing Commission,"

according to Commission Chair, Rod Stork. With two directors from each of five districts, the interim board of directors contains many names associated with commercial apple production in the province: Keith Wright, Steve Versteegh, Marshall Schuyler, Murray Porteous, Brian Gilroy, David Maxwell, Bob Bell, Art Moyer, Jim Rickard and Steve Koning. This interim board of

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Sharing Regulated Marketing News with Producers

Understanding the structure and workings of regulated marketing can be especially challenging for producers who haven't spent time on the board of directors of their marketing board.

At the same time, a recent survey of marketing boards revealed that 85 percent of boards think it is important that members understand how the system works.

To supplement each board's own information services to members, the Ontario Farm Products Marketing Commission will gladly add members to the electronic mailing list for this newsletter. Boards can choose to forward it themselves to interested members or members can get it directly from the Commission. As long as the producer has an e-mail address, we can get it to them in a cost efficient manner. That address is treated as confidential and will never be released for any other purpose.

The file size of the Commission's monthly newsletter has been pared down to around 163K. That means it will download readily while supplying graphics and photographs in colour.

“85% of boards say it's important for producers to understand the relationship between their marketing board and the Ontario Farm Products Marketing Commission.”

Source: 2003/04 Marketing Board Survey

For more information, contact newsletter editor, Graham Howe at

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OFPMC Business File

Governance Workshop

Staff and directors from 13 boards came together on April 29th for a popular Commission workshop called *Governance Best Practices*. Feedback from the fifty participants included:

- "This gave me a lot of ideas on how to improve my role on the board."
- "Great opportunity to hear perspectives from other board members."
- "An important venue for the future success of farm organizations."

In the fall of 2004, the Commission wants to tailor a governance workshop specifically for marketing board Chairs, Vice-Chairs and General Managers. According to Commission Chair, Rod Stork, "this will be an opportunity to focus on the unique responsibilities and challenges facing the Chair, Vice-Chair and GM/CEO of marketing boards." Jacques Levesque from Renaud Foster will lead the workshop. Participation will be limited to twenty-one people. The Commission hopes to see seven "teams" of three consisting of a Chair, Vice-Chair and GM/CEO from each participating board.

Review Meetings

As part of its supervisory responsibility to the Government of Ontario and the Ontario public, the Commission meets with marketing boards and Section 12 representative associations to review their operations on an annual or bi-annual basis, depending on the complexity of each board's marketing authorities.

During the months of April and May, the Commission held review meetings with the following boards:

- Ontario Pork Producers' Marketing Board
- Ontario Greenhouse Vegetable Growers
- Ontario Sheep Marketing Agency
- Ontario Broiler Hatching Egg and Chick Commission
- Grape Growers of Ontario.

producer license fees. It is also looking for evidence that the board takes a whole-industry-approach with industry issues and consequently, involves stakeholders in a responsible manner. Governance is another important subject that is discussed. Overall, the Commission wants to confirm that the board of directors is carrying out its fiduciary duties in a responsible manner.

While issues in all commodities are dealt with as they arise, review meetings are a time to ensure that all aspects of the operation of each marketing board are in order.

Amending Regulation of Milk Beverages

Representatives from Ontario's milk industry met with the Commission to discuss a proposed amendment to Regulation 753 to

allow Omega-3 fatty acids to be added to milk beverages and to allow nutrient claims, as approved by the Food and Drugs Act, to be made.

While one dairy is already processing a milk with naturally occurring Omega-3 fatty acids derived from a particular feed program, the request facing the Commission dealt with allowing fats

Chris Gervini of Ontario Greenhouse Vegetable Growers role plays with Jacques Levesque.



Group discussion with Jacques Levesque.



Don Copeland from Ontario Broiler Hatching Egg and Chick Commission.



(L to R) Andy DeWeerd, Paul Renkema, Harry Pelissero and Carolynne Griffith from Ontario Egg Producers.



During a review meeting, the Commission determines if a marketing board or Section 12 association has a vision of where it needs to go within its industry and a strategic plan and business plan to lay out what it intends to do to get there. How the board or association communicates with its members and industry stakeholders is also front-and-centre in the review. The Commission wants to confirm that the board or association is acting in a fiscally responsible manner with

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directors will be in place until fall, 2004, when growers will participate in elections.

As laid out in the information put before growers prior to the Producer Expression of Opinion Vote, the new marketing board will receive financial support through licence fees from commercial-sized operations of 10 acres or more.

The Ontario Apple Growers will have:

- authority to negotiate the price of apples for juice with processors;
- leadership responsibility for activities related to research, promotion and education;
- a board of directors comprised of 10 elected producers;
- authority over all producers who own or rent 10 or more acres of apple trees; and
- the ability to assess and collect an annual licence fee of \$20 per acre.

Apple marketers and processors will not be licensed under the marketing regulation, but will be required to co-operate with the new board by providing information on the industry and, if necessary, deduct outstanding acreage fees for the board.

With an annual budget of approximately \$320,000 to support its activities, Ontario Apple Growers will be responsible for the collection of acreage fees and any

enforcement that might be required to collect these fees. The activities of the new board will be supervised by the Ontario Farm Products Marketing Commission. ■

OFPMC Business File *continued from page 3*

containing Omega-3 fatty acids to be added directly to milk to create a new milk beverage.

The outcome of the Commission's deliberation is expected to be made public by the summer.

General Discussion with Ontario Dairy Council

Members of the Ontario Dairy Council met with the Commission to discuss broad issues and directions in the dairy industry. Topics ranged from fees levied on the industry for the environmental blue box program to the *Edible Oil Products Act*. The Council's new strategic plan was discussed to give the Commission a context for the Council's priorities in the next year.

Agreements Brought Into Force

The Commission brought agreements into force which were negotiated by the Ontario Potato Board with companies processing potatoes. The agreements cover processing for soups and stews, pre-peel and potato chips. Only one negotiation went to arbitration and the arbitrator accepted the board's final offer.

The Commission also brought into force a number of negotiated agreements involving vegetables for processing, including: tomatoes, green peas, carrots, peppers, green and waxed beans, butternut squash, cauliflower, pumpkin, beets, lima beans, cabbage, cucumbers, and sweet corn. All the agreements were negotiated by the Ontario Processing Vegetable Growers.

The agreement for marketing of the 2004 soybean crop was also brought into force by the Commission. ■

Upcoming Annual Meetings and Conventions 2004

Date	Organization	Location	Telephone
June 13-15	Ontario Dairy Council - Convention 2004	Gravenhurst	(905) 542-3620
June 21-22	Ontario Agri-Business Association - Grain Conference	Huntsville	(519) 822-3004
July 8	Ontario Flue-Cured Tobacco Growers' Marketing Board - Annual Meeting	Delhi	(519) 842-3661
August 31	Ontario Wheat Producers' Marketing Board - Annual Meeting	Stratford	(519) 767-6537

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.

Ontario Farm Products Marketing Commission

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