

**ALBERTA BEEF PRODUCERS  
MINUTES OF THE BOARD OF DIRECTORS MEETING  
THURSDAY APRIL 15, 2010 8:30 a.m.  
AT THE ABP BOARD ROOM, CALGARY, ALBERTA**

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**Present:** Chuck MacLean - *Chair*  
Doug Sawyer - *Vice Chair*  
Dave Solverson - *Finance Chair*  
Rick Burton - *Past Chair*  
Bob Lowe - *Zone 2*  
John Bland - *Zone 3*  
Judy Fenton - *Zone 4*  
Charlie Christie - *Zone 5*  
Greg Bowie - *Zone 6*  
Kelly Olson - *Zone 7 (at large)*  
Ben Schrader - *Zone 7*  
Brian Chomlak - *Zone 8*  
Roland Cailliau - *Zone 9*  
Ted Ford - *CCC Chair*  
Larry Delver - *CIC Chair*

**Staff:** Rich Smith - *General Manager*  
Rosanne Allen - *Executive Assistant*  
Fred Hays - *Policy Analyst*  
Laura Proconier - *Controller*  
Barb Sweetland - *Promotion Manager*

**Absent:** Brad Calvert - *Zone 1*  
Brent Carey - *Zone 2 (at large)*  
Howard Bekkering - *CFC Chair*

The Chair called the meeting to order at 8:30 a.m.

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### 1. Adoption of Agenda

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(a) Approval of Agenda:

Addition: 4(j) AgriStability Plus:

Motion by Cailliau/Bowie:

**“That the Agenda be approved with the changes discussed.”**

Carried

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### 2. Approval of Minutes

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(a) Minutes of the March 18, 2010 Meeting:

Motion by Cailliau/Lowe:

**“That the Minutes of the March 18, 2010 Board of Directors meeting be approved with changes.”**

Carried

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### 3. Financial Report

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(a) Financial Statement ending March 31, 2010:

Solverson presented the financial statement and the directors discussed the return and safety of the ABP investments. Proconier will look into the amount of risk ABP faces with its current and future investments.

Motion by Sawyer/Fenton:

**“That the Financial Report be accepted as presented for information purposes.”**

Carried

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### 4. Decision Items

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(a) Disposition of 2009/2010 Budget Funds:

On final review, the 2009/2010 budget had a \$1.5 million surplus due to higher than estimated marketings and cost savings in ABP operations. There was a discussion of options for disposition of these funds.

Motion Olson/Ford:

**“That ABP put \$1 million into the Trade Advocacy Reserve Fund and \$500,000 into the 2011/2012 Operating Reserve Fund.”**

Defeated

Motion by Lowe/Olson:

**“That ABP put \$500,000 into the Trade Advocacy Reserve Fund and \$1 million into the 2011/2012 Operating Reserve Fund.”**

Carried

(b) Marketing Organization Integration:

The Board discussed the CBEF/BIC integration proposal that had been supported in Ottawa by the CBEF Board, the BIC Committee, and the CCA Board of Directors. The next step is for the three parties to sign a letter of intent to move forward with the integration and CCA wants approval from the funding organizations, including ABP, for the proposal. The Board carefully considered this situation before making a motion.

Motion by Lowe/Fenton:

**“Be it resolved that ABP accept the BIC/CBEF integration proposal conditional on a transitional working group being assigned full responsibility, authority and funding for the development and delivery of comprehensive governance, structure and transition plans for the integrated marketing organization.”**

Carried

(c) BCRC appointments:

ABP has four representatives on BCRC and needs to select people to fill these positions for 2010/2011. We typically have been represented by the Research Committee Chair, at least one of the CCA directors from ABP, one member of the Cattle Feeder Council, and one other ABP director or delegate. All four of the current representatives (Charlie Christie, Larry Delver, Brian Edge and Rob Somerville) are willing to continue on BCRC, but Ben Schrader and John Buckley also have expressed an interest in sitting on BCRC. Charlie Christie is the current Vice Chair of BCRC, sits as the Research Committee Chair and has been appointed by the CFC as their representative. The Board of Directors decided to appoint Charlie Christie to BCRC and hold an election to select the other three representatives.

Motion by Sawyer/Bland:

**“That the ABP Board of Directors appoint Charlie Christie to sit on the Beef Cattle Research Council.”**

Carried

Procnier conducted the election in her role as Chief Returning Officer and after a close vote among five good candidates; the Board selected three additional representatives.

Motion by Olson/Chomlak:

**“That the ABP Board of Directors appoint Larry Delver, Brian Edge, and Ben Schrader to sit on the Beef Cattle Research Council.”**

Carried

(d) Veterinary Act (AH&W Working Group):

Directors discussed a resolution that was brought forward at the fall meetings to investigate allowing ultrasound technicians to determine pregnancy. Currently the Veterinary Act is open and Chomlak has asked Adrienne Waller to look into the act and report to the working group. Board agreed to let Animal Health and Welfare continue to pursue this and report to the Board with the results.

(e) Traceability Principles:

ABP has been working with CCA, ARD, ALMA, and other organizations on a set of principles that will form the foundation for an Alberta industry/government position on traceability systems. The Board reviewed a document, Guiding Principles for Beef Cattle Traceability, which summarizes these principles. These principles are completely aligned with principles that have been approved by ABP and CCA in the past. The directors also discussed a resolution passed at a fall meeting and carried at the AGM to oppose RFID tracking. This resolution will be discussed at the Semi-AGM.

Motion by Lowe/Delver:

**“That the ABP Board of Directors sign the ‘Guiding Principles for Beef Cattle**

**Traceability’ and send it to the other signatory’s to sign.”**

Carried

(f) Own Your Industry Brochure Approval:

With input from several directors, ABP staff members have developed a brochure that describes the importance of the check-off, the value that producers receive from investment of check-off funds, and the cost to producers and the industry of check-off refunds. The Board approved the brochure with minor changes and the brochures will be printed for distribution to producers at meetings, trade shows, auction markets, and with refund cheques.

**DIRECTION to send the brochure to the Zones, Auction Marts and feedlots as soon as the changes are made and it is printed.**

(g) Ottawa Fly-In – May 4, 2010:

The Board will be sending Doug Sawyer, Dave Solverson, Ted Ford, and Bob Lowe on an Ottawa Fly-In for meetings with MPs on May 4, 2010. The fly-ins provide a valuable opportunity to meet with MPs and address national and provincial issues while parliament is in session. Ryder Lee and John Masswohl will be making arrangements for the meetings and Smith will be talking to them to ensure that the ABP representatives meet with the right MPs and are able to focus on the AgriRecovery issue.

(h) BC Cattlemen’s AGM:

ABP will be sending Chuck MacLean and John Bland as Board representatives to this meeting at Williams Lake in May. Erik Butters also will be at the meeting and Laura Procnier will be attending the meeting to discuss inter-provincial marketings with BCCA staff members.

(i) CFC Delegate at Large Appointment:

Bryan Thiessen of Zone 3 has agreed to sit on CFC as a delegate at large and this appointment was recommended by the CFC.

Motion by Bland/Olson:

**“That the ABP Board of Directors approve the appointment of Bryan Thiessen as a Delegate at Large to the Cattle Feeder Council.”**

Carried

(j) AgriStability Plus:

Ford informed the directors about a proposal from Manitoba for a new business risk management program that will work in conjunction with AgriStability and use individual costs of production for each producer. The AgriStability Sub-committee is looking for support from the Board to bring Murray Downing from Manitoba in to

meet with the Cow/Calf committee before determining whether to support the program.

Directors agreed to let the Cow/Calf Council and the AgriStability sub-committee pursue the issue and return to the Board with a recommendation.

## 5. In Camera

### 6. Discussion Items

#### (a) National Check-off Situation:

CCA and the National Check-off Agency have issued a news release describing the results of an economic study showing the substantial benefits that producers receive from check-off dollars invested in marketing and research activities. The study shows that every dollar invested in these activities earns \$9 back for cattle producers and every dollar refunded in Alberta will cause producers to lose \$11 in benefits. The case for a non-refundable federal levy is strong, but the Alberta government is unlikely to take action on this issue until there is agreement among the cattle organizations here. ABP is continuing to work on this issue. Maclean is trying to arrange a meeting with the Executive of Alberta Cattle Feeders' Association, while Zone 7 delegates and producers have discussed this issue with Minister Hayden.

#### (b) AgriRecovery Update:

Ford and Hays provided an update on recent conversations with Minister Hayden. They heard that work is still proceeding on the implementation of AgriRecovery, but this is moving too slowly. The impression that Smith received in conversations with some bureaucrats is that the government has the mistaken belief that producers are coping with the impact of the drought, but will be facing a desperate situation if the drought continues through the spring. Many producers already are desperate and the Board decided that we needed to continue stressing the need for quicker action.

Motion by Solverson/Cailliau:

**“That the ABP Board of Directors send an updated letter to Minister Hayden and Minister Ritz stressing the urgency of initiating AgriRecovery soon.”**

Carried

#### (c) Governance Excellence Model (GEM) Assessment:

At the Board Governance Workshop attended by some ABP directors, ABP won a draw for a GEM assessment. With the Board approval, Marketing Council will proceed with a confidential survey of directors and present the results of the assessment at the Board meeting before the Semi-AGM.

#### (d) CCA AGM report:

The ABP representatives who attended the CCA AGM reported to the Board on the meeting. The Parliament Hill reception was very successful with 600 people, including a large number of MPs, in attendance. The CCA meetings ran smoothly and Travis Toews was elected as CCA President. John Schooten was appointed to the CCA Executive by the ABP representatives, while Dave Solverson and Rob Somerville were elected to the Executive by the CCA Board of Directors

#### (e) ALMA Board meeting:

While the ABP representatives were attending the CCA AGM, MacLean and Sawyer had a good meeting with the ALMA Board.

#### (f) BSE Class Action Lawsuit

Bowie attended the BSE Class Action rally as a cattle producer and spoke to the Board about the rally and the progress of the lawsuit. Directors recognize that ABP may receive pressure to take a position on this lawsuit and they discussed how ABP should respond. The Board agreed that ABP should not get involved in the action, but must stay informed about the issue.

#### (g) Committee and Council Reports:

##### (i) Research Committee:

Committee is considering one research project that is being leveraged through CAAP and will cost the committee \$3000 a year for three years.

##### (ii) Environment Committee:

Laverdure is working on a proposal for ALMA funding to support the Environmental Stewardship Award.

##### (iii) Animal Health & Welfare WG:

The AFAC conference was held on March 26<sup>th</sup> and there was good attendance. Doug Sawyer continues as the chair of AFAC. Chomlak and Sawyer were impressed with the presentation made by Bruce Vincent from Montana. The government is still flying the area surrounding Wood Buffalo Park and Jamie Curran from ARD is asking for another meeting with the interested parties.

##### (iv) Cow/Calf Council:

No meeting since the last Board meeting. Ford has done two interviews about the drought.

##### (v) Cattle Feeder Council:

Smith provided the Board with an update on the results of the April 7<sup>th</sup> meeting. CFC has passed a motion supporting, in principle, funding for a second year of a study on the central nervous systems disorders in feedlot cattle.

(vi) Cattle Industry Council:

Delver briefly informed the Board on the activities of CIC and a situation that has arisen in Manitoba where an auction mart is being charged for selling an animal without an ear tag. The CIC has Hays continuing his work on the regulatory burden assessment.

(vii) Communications Committee:

Nothing to report at this time.

(viii) Promotion Committee:

Sweetland has submitted the ALMA application for the next phase of the Raised Right campaign. There have been no meetings. Bland and Carey have a meeting set up at the end of April to discuss the producer loyalty services program.

(ix) Audit Committee:

Met yesterday for the first time and has developed its Terms of Reference. The ABP audit is scheduled to begin on May 10, 2010. When the committee has appointed their non-delegate representative they will hold an election to determine a chair.

(x) Governance Committee:

Met yesterday with the Audit committee but are still working on the Terms of Reference. The committee will be approaching John Kolk to sit as an outside representative on the committee.

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**7. Reading Material**

- (a) BOD resolutions and action items:
- (b) Beef Supply at a Glance:
- (c) Notes for website on refunds
- (d) International Livestock Congress Information and registration:
- (e) Audit Committee Terms of Reference:

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**8. Next Meeting**

- (a) Board Meeting – June 7, 2010, Delta South, Edmonton, AB
- (b) Semi-Annual – June 7-9, 2010, Delta South, Edmonton, AB
- (c) Board Meeting – July 15, 2010, ABP Board Room, Calgary (tentative)
- (d) ILC – August 11, 2010, Deerfoot Inn & Casino, Calgary, AB
- (e) Staff Appreciation BBQ – August 18, 2010, Erik Butters Ranch

- (f) Board Meeting – August 19, 2010, ABP Board Room, Calgary, AB
- (g) Board Meeting – September 16, 2010, ABP Board Room, Calgary, AB
- (h) Board Meeting – October 21, 2010, ABP Board Room, Calgary, AB
- (i) Resolutions Committee Meeting – November 17, 2010, ABP Board Room, Calgary, AB
- (j) Board Meeting – November 18, 2010, ABP Board Room, Calgary, AB
- (k) New Delegate Orientation – November 24, 2010, ABP Board Room, Calgary, AB
- (l) AGM – December 6-8, 2010, Sheraton Cavalier Hotel, Calgary, AB

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**9. Adjournment**

Motion to adjourn by Bland at 2:30 p.m.