

**ALBERTA BEEF PRODUCERS  
MINUTES OF THE BOARD OF DIRECTORS MEETING  
THURSDAY JANUARY 15, 2009, 8:30 a.m.  
AT THE ABP BOARD ROOM, CALGARY, ALBERTA**

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<b>Present:</b>	Rick Burton	- Chair	
	Erik Butters	- Past Chair	Carried
	Kevin Boon	- Vice Chair	
	Doug Sawyer	- Finance Chair	(b) <u>Minutes of the December 9, 2008 Meeting:</u>
	Gerald Maser	- Zone 1	Motion by Sawyer/Carey:
	Brent Carey	- Zone 2	<b>“That the Minutes of the December 9, 2008 Board of Directors meeting be approved with changes.”</b>
	Brian Edge	- Zone 3	
	Frank Murphy	- Zone 4	
	Rob Somerville	- Zone 5	
	Greg Bowie	- Zone 6	Carried
	Roy Eckert	- Zone 6 (at large)	
	Ben Schrader	- Zone 7	(c) <u>Minutes of the December 10, 2008 Meeting:</u>
	Brian Chomlak	- Zone 8	Motion by Bowie/Maser:
	Darcy Eddleston	- Zone 8 (at large)	<b>“That the Minutes of the December 10, 2008 Board of Directors meeting be approved with changes.”</b>
	Janys Boyte	- Zone 9	
	Stuart Thiessen	- CFC	
	Dave Solverson	- CFC	
	Darryl Carlson	- CIC	
	Larry Delver	- CIC	Carried

<b>Staff:</b>	Rich Smith	- General Manager
	Rosanne Allen	- Executive Assistant
	Barb Sweetland	- Promo Manager
	Lori Creech	- Comm Manager
	Adrienne Waller	- Legal Counsel

**Absent:** Chuck MacLean - CFC

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### 3. Financial Statement

(a) Financial Statement ending December 31, 2008:

Sawyer updated the Board on the current finances of ABP as of December 31, 2008.

Motion by Sawyer/Edge:

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

Carried

The Chairman called to order at 8:40 a.m.

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### 1. Adoption of Agenda

Additions: 4(l) Alberta Sports Hall of Fame; 4(m) International Livestock Congress; 6(b) AFSC Margin Coverage; 6(c) Auction Marts 6(d) BIC/CBEF merger 6(e) Traceability

(a) Approval of Agenda:

Motion by Carey/Delver:

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

Carried

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### 2. Approval of Minutes

(a) Minutes of the December 8, 2008 Meeting:

Motion by Eckert/Chomlak:

**“That the Minutes of the December 8, 2008 Board of Directors meeting be approved with changes.”**

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### 4. Decision Items

(a) ALMS/ALMA Update and strategy:

The government has established a number of groups working on different aspects of the Livestock and Meat Strategy. ALMA will be incorporated as a non-profit group. Butters is a part of the LISA group, Eddleston is a member of --- and Smith will be a part of the ---. We are also in the process of sending out a second letter stating our position on ALMA with some mention on the check-off.

Boon met with Kucharski where they discussed age verification, made them aware of some of the programs we already have on and the need to communicate that better with the government. There will be a meeting on the 26<sup>th</sup> to show where they are in regards to ALMA. Overall they were very receptive and offered to attend our Board or Executive meetings. Boon stressed with them that ABP would not support anything mandatory but that there is room for negotiation. Boon confirmed that ABP supported the other aspects of the strategy.

Burton met with Jason Kripps, ADM Ag, to discuss the Animal Health Act regulations and age verification. They recognize that they need ABP on side to get this program to move forward and are looking for opportunities to create a better working relationship. Burton appreciated this but reiterated that we could not support mandatory as it went against the producer's wishes. They are redrafting and preparing to rethink the strategy. If there is actual value to age verification the calves without will be lower in price and should show that this can be market driven. If there is no discrepancy this would be a good indication that there is no value in it.

There was some concern with the current concept of the RFID tag. It was developed for disease control but now the tag is identified with age verification. ABP has tried to explain to the Board the differences without success.

Are we going to look into adapting current technology to read the tags faster and in larger groups? Board members do not see any market value in tracing the movement of livestock to the degree asked on the owners range.

Because of concerns heard from producers and delegates the Board discussed the challenge to the mandatory check-off. Schrader and Somerville attended the Montana Stock Growers Association conference and saw firsthand the problems that arise when funding is not secure and a number of organizations are fighting for the check-off. Somerville suggested that we create another committee that would show producers the value of their check-off dollars by developing a competitiveness/value committee. We need to be proactive and take the credit for our ideas.

Adrienne Waller, Legal Counsel, joined the meeting to discuss because of the possibility of conflict of interest in regards to the check-off discussion. Board members that come from other organizations have to act in the best interest of the Board that they are sitting on. If the conflict is unresolved then the member in conflict should resign. Burton stressed that he would not entertain any resignations. How best to resolve the problem is what needs to be determined. The members have to act in the best interest of two organizations with completely opposite opinions on this issue. Burton noted that we could leave this topic to the Executive to decide how to handle the problem. The reality is that these members are here and it is written into our regulations but this does not override the common law issue of conflict of interest.

Motion by Eddleston/Murphy:

**“Due to the potential conflict of interest in discussions and decisions with respect to ABP’s response to the Beef Industry Alliance’s check-off campaign and the reluctance of the Board to have Directors put in a conflict of interest and in breach of their fiduciary duty to two organizations, it is hereby resolved that the ABP’s response to this issue be delegated to the Executive.”**

Carried unanimously

(b) Standing Committee Decisions:

Smith clarified the recommendations made by the Board at the January 14<sup>th</sup> meeting regarding the composition and types of standing committees.

Sawyer recommended that someone from the Animal Health and Welfare Advisory Group sit on the Research Committee either by invitation or appointment.

Somerville revisited his suggestion that a committee be created to inform producers on what ABP has done with their check-off. It was suggested that maybe a steering committee would achieve the same results.

Motion by Somerville/Saywer:

**“That Alberta Beef Producers create a Competitiveness/Value Creation Ad Hoc Committee.”**

Carried

The committee would focus on the different areas that the committees and councils are working on to be communicated to the producers.

Motion by Murphy/Eckert:

**“That the Alberta Beef Producers Board of Directors accept the committees as outlined on page 2 of the ‘Standing Committee Proposal’ developed on January 14, 2009 with the addition of the new Competitiveness/Value Created Ad Hoc Committee.”**

Carried

Burton asked for nominations for a Chairman for the Cow/Calf Committee. Brent Carey nominated Frank Murphy.

Burton called for nominations three times.

Motion by Eckert/Solverson:

**“That nominations cease.”**

Carried

Frank Murphy was elected by acclamation.

Burton asked for nominations for Governance Committee Chair. Maser nominated Darcy Eddleston.

Burton called for further nominations three times.

Motion by Maser/Edge:

**“That nominations cease.”**

Carried

Darcy Eddleston was elected by acclamation.

Burton asked for nominations for the Audit Committee Chair. Thiessen nominated Doug Sawyer.

Burton called three times for further nominations.

Motion by Thiessen/Carey:

**“That nominations cease.”**

Carried

Doug Sawyer elected by acclamation.

Burton asked for nominations for the Research Committee Chair. Bowie nominated Brian Edge.

Burton called three times for further nominations.

Motion by Carey/Somerville:

**“That nominations cease.”**

Carried

Brian Edge elected by acclamation.

Burton asked for nominations for the Promotion Committee Chair. Edge nominated Roy Eckert.

Burton called three times for further nominations.

Motion by Bowie/Solverson:

**“That nominations cease.”**

Carried

Roy Eckert elected by acclamation.

Burton asked for nominations for Communications Committee Chair. Roy Eckert nominated Gerald Maser; Greg Bowie nominated Brent Carey.

Burton called three times for further nominations.

Motion by Eddleston/Carlson:

**“That nominations cease.”**

Carried

Motion by Thiessen/Sawyer:

**“That Barb Sweetland and Laura Procunier be appointed as ballot counters.”**

Carried

Brent Carey was elected.

Motion by Sawyer/Eddleston:

**“That the ballots be destroyed.”**

Carried

Burton asked for nominations for the Environment Committee Chair. Carey nominated Greg Bowie.

Burton called three times for further nominations.

Motion by Carlson/Delver:

**“That nominations cease.”**

Carried

Greg Bowie elected by acclamation.

Burton asked for nominations for the Animal Health and Welfare Advisory Group. Sawyer nominated Brian Chomlak.

Burton called three times for further nominations.

Motion by Murphy/Bowie:

**“That nominations cease.”**

Carried

Brian Chomlak elected by acclamation.

Burton asked for nominations for the Competitiveness/Value Added Ad Hoc Committee. Schrader nominated Rob Somerville.

Burton called three times for further nominations.

Motion by Eddleston/Carey:

**“That nominations cease.”**

Carried

Rob Somerville elected by acclamation.

(c) Postponed Animal Health Act Resolution 5(b) from AGM:

Motion by Murphy/Delver:

**“Be it resolved that ABP oppose the new Animal Health Act regulations.”**

Motion by Carey/Thiessen:

**“That the motion be amended to read “Be it resolved that ABP oppose the Animal Health Act regulations that came into effect on January 1, 2009.”**

Motion by Carey/Thiessen:

**“That the motion be withdrawn.”**

Carried

Motion by Thiessen/Carey:

**“That the motion be postponed until the Board can get advice from Cattle Feeder Council, Cattle Industry Council and the Cow/Calf Committee.”**

Carried

(d) Resolutions from Fall meetings directed to Board:

The resolutions debate has been deferred to the February Board meeting.

(e) Resolutions Carried at AGM:

This item has been deferred to the February Board meeting.

(f) Beef Cattle Research Council (BCRC) Appointments:

The Board appoints four delegates to the BCRC Board. Two are directors one of which is usually the Tech Chair – now Research Committee Chair, the third from CFC and the last one of ABP’s CCA representatives. The CFC had not met prior to the Board meeting and Charles Christie, the CFC representative, had not confirmed his acceptance of standing for another term. Christie is the acting Chair of the BCRC Board and Thiessen believed that he would stand again but needed to wait for a CFC meeting to confirm this.

Burton asked for nominations for BCRC representatives. Thiessen nominated Brian Edge; Carey nominated Larry Delver.

Burton called three times for further nominations.

Motion by Chomlak/Bowie:

**“That nominations cease.”**

Carried

The Board was informed that they appointed one of their CCA representatives and therefore needed one more. Thiessen nominated Rob Somerville.

Burton called three times for further nominations.

Motion by Carey/Eddleson:

**“That nominations cease.”**

Carried

Brian Edge, Larry Delver and Rob Somerville were elected by acclamation.

(g) BIC Alternate appointment:

Smith pointed out that the alternate is appointed while the BIC representative is elected at the AGM. It was determined that this was not a position that necessarily needs to be filled. The Board waived the right to appoint an alternate.

(h) Intellectual Property Ownership Agreement:

ABP owns the intellectual property dealing with CPIP. Gibson’s was paid by the Federal government through ABP but has no interest in the intellectual property derived from this. We need to assign whatever rights we have to AFSC so that they can do the work. We are signing off our rights to any future profits that may develop.

Motion by Thiessen/Murphy:

**“That Alberta Beef Producers assign their rights under the contribution agreement to the Cattle Price Insurance Program to Alberta Financial Services Corporation.”**

Carried

(i) What’s on Your Plate sponsorship request:

Creech spoke to the Board about the “What’s on Your Plate’ sponsorship. It is an initiative of ALIDF. A four page feature appears once a month in the Edmonton Journal and the Calgary Herald. They would like to continue to do this program and are looking for funding from us. Thiessen asked why Promo was not looking at this. ABP has never provided funding for this initiative. Sawyer suggested that we let Promo handle this.

Motion by Sawyer/Thiessen:

**“That the ‘What’s on Your Plate’ request for sponsorship be deferred to the Promotion Committee.”**

Carried

(j) ABIC Sponsorship:

This year CFC agreed to sponsor one of the speakers at the conference for \$5000. ABIC is asking if we would also like to be involved in the Suppliers Circle again this year. Registration is \$1300. This gives us one free ticket to the conference and allows us to set-up an unmanned booth near the entrance of the conference. After some discussion the Board decided that the speaker sponsorship was enough and decided not to be involved in the Suppliers Circle.

(k) Red Meat Reception:

Yesterday Creech spoke with the Alberta Pork and Alberta Lamb producers to determine a date for the next reception. Creech asked the Board if they wished to continue to support the reception. This year it will be held at the Royal Glenora on April 29<sup>th</sup>. There is no evening session sitting allowing the government to attend without conflict.

Motion by Solverson/Thiessen:

**“That Alberta Beef Producers proceed with the Red Meat Reception on April 29, 2009 with a budget of up to \$20,000.”**

Carried

(l) Alberta Sports Hall of Fame:

This was on the agenda at the November Board meeting asking for sponsorship at the dinner and was defeated at that time. Smith received a call this week from an organizer who expressed their displeasure at our not sponsoring again this year. The Board recognized that this was a worthwhile event but we are pulling back from a lot of sponsorship’s and unfortunately this is one of them.

Motion by Somerville/Sawyer:

**“That Alberta Beef Producers support the Alberta Sports Hall of Fame dinner in the amount of \$4500.”**

Carried

(m) International Livestock Congress (ILC):

Motion by Bowie/Eckert:

**“That Alberta Beef Producers investigate to possibility of sharing with the Provincial government and the Canadian Embassy’s the cost of inviting two representatives from American producer associations from at least 10 of the American states.”**

Motion by: Sawyer/Carey:

**“That the motion be postponed until the February Board meeting.”**

Carried

(n) National Agency Representatives:

ABP submits three names every year to CCA to sit on the National Agency Board. Burton asked for nominations for representatives. Murphy nominated Dave Solverson; Delver nominated Gordon Graves; Carey nominated Kevin Boon.

Burton called three times for further nominations.

Motion by Sawyer/Boyte:

**“That nominations cease.”**

Carried

Dave Solverson, Gordon Graves and Kevin Boon were elected by acclamation.

## **5. In Camera**

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### **6. Discussion Items**

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(a) Land Use Framework:

Nothing new has come up yet in regards to LUF.

(b) AFSC Margin Coverage:

Solverson attended a meeting yesterday in regards to MCC. AFSC is trying to improve the AgriStability and are asking for input from different producer representatives. It is a margin based program to handle disasters such as BSE. There is the potential for problems such as seeding numbers. There are also offering coverage for pure bred cattle. This external focus group will met ever couple of months with the next meeting in mid March. Solverson believes that we should be definitely involved in these meetings.

(c) BIC/CBEF merger:

On January 6<sup>th</sup> Eddleston attended the BIC/CBEF meeting. Deloitte has been retained to oversee the merger and how it will work. There were three facilitator from Deloitte and about fifteen representatives from industry. They are on a fairly tight timeline as CCA is expecting to report something at their AGM.

(d) Traceability:

On Dec 18<sup>th</sup> Eddleston attended the first meeting of the cattle steering workshop. There was not a very big turnout due to the weather. The general consensus is that it is quicker her in Canada. Most of the meeting was spent deciding who should be there. They have to meet the Ministers timeline of June 2010. Should the replacement tags be the same colour as the original tags? One of the tasks was to identify high risk areas – cattle are co-mingled and there is a higher risk of disease. Spoke about linked premises. The steering committee will look into who determines what a linked premise is. There was a general feeling that individuals who are not complying now will have to face some consequences.

(e) LICA:

LICA is enforced as of two weeks ago. Everything is going well so far considering there was no lead time on it. There are new manifests and livestock forms. Waller would like to organize training sessions for the producers. There is no a protection against conversion for dealers and producers. LIS should be encouraged to do this.

Bowie informed the Board that he was told if the Premise Id is not on the manifest the auction mart will not accept the cattle.

Butters was on a LISA conference call this morning and asked David Moss about this and was informed that it would not be enforced and is not required at this time.

## **7. Reading Material**

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- (a) BOD Resolutions and Action Items
- (b) Beef Supply at a Glance
- (c) MSGA Conference Report

## **8. Next Meeting and Upcoming Events**

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- (a) Board Meeting – Wednesday February 18, 2009 – Capri Hotel, Red Deer
- (b) Board Meeting – Thursday March 26, 2009 – ABP Board Room
- (c) Red Meat Reception – Wednesday April 29, 2009 – Royal Glenora, Edmonton, AB
- (d) Board Meeting – Thursday April 30, 2009 - TBD
- (e) Semi-Annual Meeting – June 8 – 10, 2009 – Delta South, Edmonton, AB
- (f) ILC – July 10, 2009 – Round-Up Centre, Stampede Grounds, Calgary, AB
- (g) Board Meeting – July 16, 2009 – ABP Board Room, Calgary, AB TENTATIVE

**9. Adjournment**

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The meeting was adjourned on a motion by Thiessen at 5:50 p.m.

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Chairman

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General Manager