

**ALBERTA BEEF PRODUCERS
MINUTES OF THE BOARD OF DIRECTORS MEETING
THURSDAY, MARCH 15, 2007
AT ABP BOARDROOM, CALGARY, ALBERTA**

PRESENT: Erik Butters - *Chair*
Rick Burton - *Vice-Chair*
Kelly Olson - *Finance Chair*
Darcy Davis - *Past Chair*
Gerald Maser - *Zone 1*
Judy Nelson - *Zone 2*
Ernie Israelson - *Zone 3*
Judy Fenton - *Zone 4*
Millie Boake - *Zone 5*
Doug Sawyer - *Zone 5*
Diane Panrucker - *Zone 6*
Rick McKnight - *Zone 7*
Darcy Eddleston - *Zone 8*
Donna Noullett - *Zone 9*
Shelley Morrison - *Zone 9*
Stuart Thiessen - *CFC Chair*
Dave Solverson - *CFC*
Steve Primrose - *CIC Chair*

STAFF: Rich Smith - *Env. Mgr*
Adrienne Waller - *Corp. Counsel*
Laura Procnier - *Contoller*
Mike Spear - *Comm & Mrk Mgr*
Reynold Bergen - *AnHlth&Wlf Mgr*
Rosanne Allen - *Exec. Asst.*
Elaine Deeg - *Recording Sec.*

GUESTS: Travis Toews - *CCA Rep*
Mike Cook - *BIC Chair*

ABSENT: Peggy LeSueur - *G.M.*
Brent Carey - *Zone 2*
Tony Saretsky - *CIC*
Chuck MacLean - *CFC*

Chairman Butters called the meeting to order at 8:40 a.m.

1. Approval of the Agenda

Additions: 6(viii) CBEF update added to Committee Reports; Include Marketing Council Update to Beef Promotion Report.

Motion by Sawyer/Israelson

“That the Agenda be adopted with additions marked above, plus any other additions or deletions that are deemed necessary throughout the course of the meeting.”

Carried.

2. Minutes of Previous Meetings

(a) Minutes of February 22, 2007 Meeting:

Correction: Add to 6 (i)(i) Producer Liaison Report – Maser requests that Adrienne Waller sit on the web-site sub-committee.

Motion by Boake/Maser

“That the Minutes of the January 18, 2007 Board of Directors meeting be adopted.”

Carried.

3. Finance Report

(a) Olson presented the Financial Report ending February 28, 2007.

Motion by Fenton/Morrison

“Be it resolved that ABP pay \$375,000 to Beef Information Centre before the end of this fiscal year.”

Carried

Motion by Israelson/Morrison

“That the Alberta Beef Producers Board of Directors agree to make a \$500,000 transfer from the general bank account to the Trade Advocacy Reserve prior to the end of this fiscal year.”

Carried

Motion by Olson/Solverson

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

Carried.

(b) 2007/2008 Budget Review

Olson provided a copy of the 2007/2008 Operational Budget. Thiessen explained the needed increase to CCA.

Motion by Thiessen/Fenton

“That the Alberta Beef Producers Board of Directors revise their budget to include a Canadian Cattleman’s Association Special assessment of \$500,000 and a General Assessment of \$1.417 million for the 2007/2008 fiscal year.”

Carried

Motion by Fenton/Morrison

“That the Alberta Beef Producers Board of Directors agree to remove \$100,000 from the Enhanced Federal Lobbying item and \$200,000 from the U.S. and International Trade Management item in the 2007/2008 budget based on estimated marketings of 4.25 million cattle.”

Opposed – Stuart Thiessen
Carried

“Be it resolved ABP contact CFIA to request the use of CFIA’s facilities at border crossings to effectively manage downed animals.”

ZONE 2

Carried

4. Items for Decision

- (a) North American Institute for Beef Economic Research (NAIBER) draft letter of support:

Thiessen explained that the purpose of NABIER is to establish a group of economists, a think tank, which could help producers analyse the beef industry and move the industry forward. Dave Plett met with the ABP Executive to explain the proposal.

Motion Thiessen/Panrucker

“That the Alberta Beef Producers Board of Directors agree to send a letter of support to the North American Institute for Beef Economic research in the form of the letter drafted by Chairman Eric Butters.”

Carried

- 2) Moved by Maser/Fenton

Be it resolved ABP undertake initiatives to ensure that all imported beef meet the same health standards that Canadian beef must meet.”

ZONE 1

Defeated

- 3) Moved by Burton/McKnight

Be it resolved ABP recommend Health Canada accept Canadian and U.S. data for regulatory approval for all animal health products.”

ZONE 2

Carried

- 4) Moved by Burton/Thiessen

Be it resolved ABP lobby the Federal Government to eliminate the supplementary beef import permits.”

ZONE 2

Carried

- (b) Per Diem Policy:

Fenton explained that during the Marketing Plan meeting the per diem for paid to delegates who manned a trade booth was discussed. Policy until now was that if a delegate manned a booth in their zone there was no per diem, but if they had to travel out of their zone to man a booth there was a per diem allowed.

At the Promotion Committee meeting on March 14, 2007 the following resolution was passed: “That the Beef Promotion Committee recommend that all delegates manning an Alberta Beef Producers (ABP) trade booth have the option of charging a per diem rate equal to that of the daily ABP delegate honorarium plus expenses, and that Beef Education Association and/or ABP Zone Coordinators be allowed a set up and take down honorarium”. The motion was carried.

Motion by Fenton/Morrison

“That the Alberta Beef Producers Board of Directors support the recommendation of per diem passed at the Beef Promotion Committee meeting of March 14, 2007.”

Carried

- 5) Moved by Burton/Boake

“Be it resolved ABP lobby with the rest of industry on access to foreign labour for the cattle industry.”

ZONE 2

Carried

- 6) Moved by Israelson/McKnight

“Be it resolved ABP lobby the Federal Government, that for tax purposes, cattle producers be allowed to defer income from the sale of cattle into the following year, similar to the option available to grain producers.”

ZONE 3

Defeated

- 7) Moved by Eddleston/McKnight

“Be it resolved the feed prohibition be expanded from meat and bone meal, to exclude *all animal by-products* in ruminant rations.”

ZONE 8

Defeated

- (c) Board/CCA Resolutions:

- 1) Moved by Burton/Panrucker

- 8) Moved by Eddleston/Solverson

“Be it resolved ABP and CCA place ads in the National papers in Canada and the USA explaining the Food Safety and Quality of Canadian beef.”

ZONE 8

Defeated

9) Moved by Eddleston/Maser

“Be it resolved ABP request CCA to lobby the Federal Government to change the beef grading system to reflect:

- 1) The changes in consumer preferences. For example: Food safety
- 2) The superior quality of our beef.”

ZONE 8

Defeated

Direction to Darcy Eddleston to report back to the Board on the current beef grading system.

(d) CCA Fees:

Davis explained about memorandum from Kelsey Loran to the CCA Executive and Provincial members dated March 13, 2007. In the past CCA based assessments on the farm cash receipts. The memo suggests that from now on CCA will use marketings to base assessments.

(e) SRM Update:

Olson and Bergen explained this issue. Of the \$80 million that the Federal government has allocated for this Alberta will receive only \$20 million. In a meeting between John Donner and the Executive it was indicated that Alberta already has a better infrastructure than other provinces and is more prepared for SRM removal. Bergen confirmed that Alberta has already signed the Federal/Provincial agreement. Bergen spoke to some of the packers to see if they had any concerns they would like brought to the Executive meeting. Though they were concerned, they did not seem to be panicked about the deadline.

Bergen also explained that CCA was involved in an Enhanced Feed Ban Industry Liaison Team. Davis said there is an option to ask the Federal Government for funds for on-farm pick-up of dead animal stock. Davis felt that CCA should lobby CFIA to have the regulations make more sense.

DIRECTION to review the SRM findings of Bergen and CCA once they return from Ottawa.

5. In Camera Session

6. Items for Discussion

(a) CCA Review:

Toews explained that there are still a couple of issues on the table one of those is Directorship. Clarification is needed regarding the current 27 Member Representatives on the CCA Board. Under the proposed new structure the question is whether those representatives would become Directors with an Executive. Another issue is sectoral representation. The meeting in March, 2007 will give direction for Bylaw drafting. A vote on the amendments will take place in August.

The majority of these changes will happen in 2008. The decision making in March is form bylaw drafting. The real amendments will be voted on in August.

Motion by Olson/Morrison

“That the Alberta Beef Producers Board of Directors take the position the Canadian Cattleman’s Association (CCA) directors be determined only from the provincial organizations that are members of CCA.”

Opposed – Diane Panrucker

Carried

A Notice of Motion to Amend the Constitution of the Canadian Cattlemen’s Association (CCA) at the Annual Meeting of the Board of Directors on March 30, 2007 was included in the Agenda package and was explained by Davis and Waller.

(b) Ottawa fly-in:

Olson and Thiessen gave a brief summary of the fly-in. Olson said that they were well received overall though the MP’s had not previously heard of the negative impacts of biofuels. The supplementary import issue was not that well understood.

Direction to the Board the next time we do a fly-in to contact MP Art Hanger and let him know when ABP will arrive and he will arrange a meeting with the Ag. Caucus.

Morrison believes the trips are very valuable but would like it to see them better coordinated. She spoke to the MP’s about Humane Transportation. Overall the members who attended the fly-in believe that their presence there helped answer questions that the MP’s had and to raise awareness in areas that the MP’s were not well versed on. The MP’s were interested in CFIA and requested more information on them.

DIRECTION that a team leader needs to be appointed during the next Ottawa fly-in.

(c) Red Meat Reception:

Mike Spear explained that during the first two weeks of April the Legislature does not sit in the evenings. At this time it looks like April 12th would be the best time to have

the reception if we still wish to go ahead with it. ABP would need to invite the entire legislature, including the Opposition, not just the government MLA's. Erik pointed out that April 12th may be a busy time for some producers and therefore we would need to decide whether to have the Board meeting at the same time or at a later date.

Motion by Maser/Boake

That the Alberta Beef Producers Board of Directors will hold the Red Meat Reception on the evening of April 12, 2007.

Carried

Motion by Sawyer/Panrucker

“That the Alberta Beef Producers Board of Directors agree to combine the April/May Board meeting and hold the meeting on May 3, 2007 with the proviso that if anything arises beforehand, the Board will either meet briefly on April 12, 2007 or by teleconference call.”

Carried.

Butters learned during the meeting that April 12, 2007 was not available to meet with the MLA's.

Motion by Maser/Solverson

“That the motion to hold the Red Meat Reception on April 12, 2007 be withdrawn.

Carried.

Motion Solverson/Panrucker

“That the Alberta Beef Producers Board of Directors agree to hold the Red Meat Reception on April 18, 2007.”

Carried

Motion by Sawyer/Panrucker

“That the motion to hold the combined April/May Board meeting on May 3, 2007 with the proviso to either meet briefly on April 12, 2007 or hold a teleconference call be withdrawn.”

Carried.

Motion by Solverson/Panrucker

“That the Alberta Beef Producers Board of Directors agree to hold the April Board of Directors meeting on Thursday, April 19, 2007 in Edmonton after the Red Meat Reception.”

Carried.

(d) Check-off with LIS:

Olson explained that LIS had approached us about the check-off collection. A letter will be sent to LIS requesting a formal proposal for collecting the check-off.

(e) Humane Transportation update:

Primrose said their group met with the packers, and XL has agreed to work on this issue. Primrose and Morrison explained the Benchmarking study and how it will proceed. The study will be developed by Dr. Karen Schwartzkopf-Genswein, Lethbridge Research Centre, and the resulting booklet/guide will be in place for use at Perlich Auction Mart for a 30-day trial. This two-year project (2007/08) is being very well received. Some of the points in the study are; loading density, time to load, and time for cattle to reach destination. The study will also involve mortality rate, origin of cattle, and any delays in reaching destinations.

(f) CAFTA update:

Davis provided a background of CAFTA and its member organizations. Cargill and Pioneer Hi-Bred International both dropped off the membership list. He explained the outcome of the Doha Round of talks. There needs to be a clarification in the CAFTA Bylaws on whether the President of CAFTA is there representing an organization or is there in his/her own right.

Motion by Thiessen/Burton

“That the Alberta Beef Producers Board of Directors agree to support Canadian Agri-Food Trade Alliance by providing the annual membership for the next fiscal year in the amount of \$20,000.”

Carried

(g) Review of credit card proposal and Ford proposal

Sterritt provided an explanation of the proposal from the Bank of Montreal (BMO) Mosaik Affinity MasterCard for an ABP MasterCard. Waller explained the legal view on the credit card proposals and how they would impact on ABP. A rebate equal to 0.25% of every purchase will come back to ABP. CCA has had a Mosaic MasterCard for a couple of years but have never really promoted it. CCA gets a check every quarter and receives approximately \$18,000 a year.

There is no paperwork on our part but BMO has requested a list of our members (we would have to amend our policies to allow the card company access to our delegate information). BMO would also expect ABP to actively promote the card.

Motion by Solverson/Fenton

“That the Alberta Beef Producers Board of Directors participate in the Bank of Montreal

Mosaic Credit Card program with limited obligations.”

Noulett moved that the motion be postponed to the next ABP Board meeting.

Carried

DIRECTION to staff to obtain more information on ABP's involvement and obligations required with the BMO Affinity MasterCard program.

Sterritt advised that an individual Ford Dealer proposed to offer fleet discounting prices to any delegates that purchased Ford vehicles from his dealership. Olson said that it is only a bargain if the offer comes from Ford Canada and not an individual dealership.

Motion by Solverson/Boake

That Alberta Beef Producers Board of Directors agree to decline the opportunity provided by the individual Ford dealer for fleet discount.

Carried

(h) RFID Tag rebate:

McKnight was under the impression that a RFID tag rebate was passed and had anyone heard about this. Thiessen said that ACFA has passed a motion to look into using Legacy Funds to reimburse producers who can provide age verification.

According to Sawyer many producers are confusing the cost of tags with age verification. This is not the case. This is the first year that the RFID can actually be a benefit because there was no infrastructure in place to use the information previously.

Motion by McKnight/Boake

“That the Alberta Beef Producers Board of Directors create a task force to encourage the cow/calf producer to age verify their calves.”

Carried

The Task Force will be made up of Steve Primrose (or alternate), Stuart Thiessen (or alternate), Rick Burton, Rick McKnight, Diane Panrucker and Darcy Davis. The Task Force will bring their recommendations back to the Board for their approval.

(i) Website Sub-committee appointees:

Maser stated that there was still a little work to be done so that they do not need yet need the Committee names. When the Committees have the names please call Gerald Maser or Millie Boake. Promo Committee has appointed Cathy Sharp and CIC appointed Jason Dainer.

(j) Committee Reports:

(i) Government Affairs

Darcy Eddleston had nothing to report at this time. The next meeting is March 22 and 23rd.

(ii) Cattle Feeder Council

Thiessen advised that the CFC Terms of Reference have been approved. The Committee agreed not to appoint a Vice-Chair, but rather pick a Vice-Chair if and when needed. There was a discussion on ethanol. The Committee heard a LICA presentation in which it was explained that whoever feeds cattle for another is required to be a licensed dealer, have a trust account and hold a bond. The Committee is working on mandatory price reporting and considering improvements to voluntary price reporting as an alternative.

The ABP Executive met with AB Barley Growers and AB Barley Commission and found that they agree on the many issues. The Executive thought that the barley growers would express opposition to our position on ethanol, but the issue was not raised.

The Ombudsman investigated a Practice Review Committee decision regarding the practices of a hog farm near Bentley and recommended that the Minister of Agriculture set aside the Practice Review Committee recommendations. The outcome is that Practice Review Committees now have new policies and protocols that should make the process stronger..

The Bioenergy sub-committee met and suggested bringing speakers into semi-annual meeting. The Board agreed to hire a speaker, and PL will work to set that up for the Semi-Annual. Rich Smith and Thiessen will provide names of suggested speakers for the Producer Liaison Committee to book.

(iii) Cattle Industry Council

No report.

(iv) Beef Promotion

Fenton advised that their Committee met yesterday. They reviewed the draft Terms of Reference and the proposed changes will again be discussed at the next meeting. They are also starting to work on the Marketing Plan. The Committee agreed to proceed with the Tune-Into Program and Fenton requested additional time from ALIDF to get this program started. The remainder of her Report was in the binder.

(v) Public Affairs

No report.

(vi) Producer Liaison

Maser advised that their next meeting will be April 17. The website sub-committee will be meeting this month.

(vii) Technical

Panrucker reported that no formal meeting has been held since the last Board meeting. March 15 is the deadline for proposal submissions, and from there the proposals will be going out for referee. At the next meeting on May 15, the Committee will select which ones they are going to fund and work with.

(viii) Canada Beef Export Federation

Israelson handed out news clips dealing with risk categories and provided a background explanation on each. Davis spoke about a trade mission to several Asian countries. A written report will be forthcoming. Ron Bobocel will be looking for a letter of support from ABP to allow the opportunity to get funding to put together a pre-feasibility study on a new beef processing/adventure tourism project in Smoky Lake County.

Motion by Israelson/Eddleston

“That the Alberta Beef Producers Board of Directors agree to send a general letter of support for a ‘Beef Processing and Adventure Recreation Tourism: A Shared Equity Joint Venture between Chinese and Alberta Partners’ to allow for funding of a pre-feasibility study.”

Motion by Israelson/Eddleston

“That the motion to send a general letter of support noted above be withdraw.”

Carried.

DIRECTION that the ‘Beef Processing and Adventure Recreation Tourism: A Shared Equity Joint Venture between Chinese and Alberta Partners’ be forwarded to the Government Affairs Committee for recommendation and that they take particular care to investigate the grazing lease issue.

(ix) Alberta Beef Quality Starts Here

Boake handed out an Alberta Beef Quality Starts Here report.

- (a) Board Resolution Table;
- (b) Beef Supply at a Glance;
- (c) AAFC
- (d) Domestic Ag Policy & Regulations Agenda
- (e) Prime Ministers Announcement

8. Next Meeting Dates

- (a) Board Meeting – April 19, 2007 – Edmonton
- (b) Board Meeting for May to be determined at April Board meeting
- (c) Semi-Annual Meeting - June 11 – 13, 2007, Fantasyland Hotel, Edmonton
- (d) Board Meeting (July/August) – Possibly July 12, 2007 – Calgary (to coincide with International Livestock Conference, if it proceeds)
- (e) Board Meeting – Thursday, September 20, 2007 – Calgary
- (f) Board Meeting – Thursday, October 18, 2007 – Calgary
- (g) Board Meeting – Thursday, Possible November 22nd or 29th depending on fall meetings schedule – Calgary (to be selected)
- (h) Annual General Meeting – December 9 – 12, 2007 – Calgary, Sheraton Cavalier Hotel

9. Adjournment

The meeting was adjourned on a motion by Shelley Morrison at 4:35.

CHAIRMAN

GENERAL MANAGER

7. General Information
