

A YEAR OF CHANGE

2014 Annual Report



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GREG BOWIE
ABP Chair

ABP CHAIR REPORT

In a business requiring the long-term view and commitment of the cattle and beef industry, there is a real risk in placing too much importance on the events of a single year. History has shown us that what may look like a dramatic alteration of the industry can turn out to be just a temporary shift in markets, production, or finances. Nevertheless, this has been, and will be, a year of substantive changes for prices, producers, supply chain businesses and industry organizations. So perhaps this may not be the pivotal year it is being called by some industry watchers, but it surely is a year of change.

After two years of good prices for feeder cattle, prices have soared to record high levels in 2014. Fed cattle prices also have been strong and the cost of feed grain has declined so both cow/calf and cattle feeder operations have been profitable this year, after a very hard year for feeders in 2013. Short supplies of feeder cattle, strong future prices for fed cattle, low feed costs, and a lower Canadian dollar should support strong prices through the remainder of the year. We know that prices won't remain at record levels, but we hope that we will have a long strong period.

Of course, these high prices do not come without some challenges. Certainly, the high cost of feeder cattle creates large investment requirements and substantial risks for cattle feeders. Demand for beef has remained relatively strong, even

with higher prices, but there will be a point of consumer resistance to rising beef prices. Feeding and processing cost advantages in the U.S. have made Canadian cattle very attractive for U.S. buyers. With Canadian cattle already in short supply, increased exports of feeder and fed cattle are placing pressure on our cattle feeding and processing operations here.

Low cattle inventories are a growing concern for many in the industry. Even after three years of good calf prices, our cow herd is still declining slightly and is definitely not showing any signs of expansion yet. Many producers have not rebuilt the equity lost during a decade of financial challenges. Older producers are taking advantage of high prices to sell their cows. Younger producers wanting to enter the industry or expand their herds are facing strong competition for grassland from a prosperous cropping sector that is supported by solid business risk management programs.

In order to add more cows, new and existing producers need affordable land, access to water, and available labour, all resources that are quite scarce in Alberta. Cow/calf operations are the foundation of our cattle industry and we will need more cows to retain the cattle feeding and processing capacity we have in the province. Cattle feeders and beef processors are already struggling with severe labour shortages caused by the strong Alberta economy and barriers to finding foreign workers. With volatile markets, tight margins, and high risks, these operations must have a sufficient supply of cattle to remain viable.

Cattle and beef producers are not the only people facing significant changes this year. All Albertans will be getting to know a new Premier and a new provincial cabinet during the fall. We were very pleased to hear that Premier Prentice said he would take steps to provide better protection for the rights and

interests of landowners, an issue of great importance to cattle producers. We also are pleased that the Honourable Verlyn Olson will remain as Minister of Agriculture and Rural Development. Alberta Beef Producers (ABP) knows that one of our most important activities is ensuring the voice of cattle producers is heard by the Government of Alberta and we will be working hard to influence the Premier and his ministers for the benefit of the industry.

One area where ABP believes changes are needed this year is industry funding. There is growing evidence that funding from cattle and beef producers in Canada is not at a sufficient level for our industry to remain nationally or globally competitive. The national levy that supports marketing and research activities across the country has remained at the same level for over 20 years. ABP is losing more than \$2 million per year in service charge refunds and we are not seeing any evidence that these refunds are being invested in other industry organizations or programs that benefit a large number of producers. As we talk with producers, industry organizations, and governments through the Plan Review, we will be looking for ways to increase industry funding so our industry can remain competitive.

In the remaining pages of this Annual Report, there are detailed descriptions of the work being done by ABP and our partner organizations to help producers remain sustainable and competitive in this year of change. ▼

Sincerely,

Greg Bowie, Chair



RICH SMITH
Executive Director

EXECUTIVE DIRECTOR REPORT

In his report, Alberta Beef Producers (ABP) Chair Greg Bowie described the conditions in which cattle and beef producers are operating in this year of change. He talked about the unprecedented prices producers have seen, the challenges we are facing in rebuilding the cow herd and maintaining our cattle feeding and processing capacity, and the new people in the Government of Alberta. These are certainly not the only areas where the industry and industry organizations will see changes this year. Our industry is facing significant challenges, but also tremendous opportunities. It is critically important that the industry and industry organizations such as ABP make the changes necessary to allow producers to take advantage of these opportunities.

One of the areas that could represent either a challenge or an opportunity for the industry is the overused and little understood concept of sustainability. Defining sustainability was the theme of our 2012 Annual Report and two years later, we still have not reached an agreement on the definition of sustainability that will be acceptable to producers, processors, retail and foodservice companies, and consumers. Sustainability could be a daunting challenge for our industry if we have to meet a definition imposed on us by the retail and foodservice

sector. Conversely, it could be a very good opportunity for us if we are able to work with the retail and foodservice sector on a definition that enhances the consumer perception of our industry without placing undue burden on producers. In this case, we don't think that producers will have to make significant changes in their production practices. Instead, the industry will need to do a better job of identifying and verifying the sustainable practices that are being used by producers already.

The opportunity presented by sustainability is the reason the Canadian Cattlemen's Association has led the establishment of the Canadian Roundtable for Sustainable Beef (CRSB) and ABP has become a member. The CRSB is a national, multi-stakeholder initiative, with representation from across the beef supply chain, that is working to advance sustainability efforts in the industry. It has engaged Deloitte to prepare a sustainability assessment of the Canadian cattle industry, a rigorous and scientifically robust life cycle analysis that will provide the foundation for our definition of sustainability.

This opportunity is also why our industry was so pleased that McDonald's has chosen to work with the Canadian cattle industry on the pilot project supporting their commitment to begin sourcing verified sustainable beef by 2016. ABP Vice-Chair Bob Lowe is one of the Canadian producers who will be working with McDonald's on this pilot project. The CRSB is holding an Annual General Meeting this fall where members will hear about the work being done by the roundtable and set the future direction of the organization.

The topic of sustainability is an obvious fit with the ABP mission to enhance the sustainability and competitiveness of the beef industry for the benefit of beef producers in Alberta. However, if we are going to fulfill this mission, it is

clearly important that ABP also remains sustainable and effective as an organization. We see our 2014 Plan Review as an opportunity to renew and refresh the organization so that we can be a stronger and more effective voice for the cattle and beef producers in this province. ABP is an organization of producers, run by producers, working on behalf of producers for a more vigorous and profitable beef industry.

The Plan Review is a process of reviewing and renewing the regulations and by-laws that govern the mandate, structure, operations and funding of ABP. As part of the Plan Review, we hosted 13 town hall meetings in our nine zones across the province this summer. The meetings were facilitated by Calder Bateman Communications and we will be using the report on the meetings and the input we received from our Plan Review Discussion Paper to guide the development of proposals for regulation and by-law changes that we will be presenting to producers at our fall meetings. With further recommendations from the fall meetings, the ABP delegates will be making decisions on the regulation and by-law changes at the Annual General Meeting in December so these changes can be implemented by the deadline of June 30, 2015.

As Greg Bowie noted in his report, a lot of attention in the Plan Review will be devoted to addressing the funding challenges that cattle and beef industry organizations are facing. The following pages of this Annual Report contain detailed explanations of the work that is being done with industry funding and I encourage producers to read these reports. I know that I can speak for the dedicated and enthusiastic ABP staff members when I say that we are proud to work on your behalf. ▼

Sincerely,

Rich Smith, Executive Director



DAVE SOLVERSON
CCA President

CCA REPORT

With harvest underway it is a good time to reflect on what an unusual year 2014 has been and to look forward to the potential it holds for the beef industry. Cattle prices held strong all summer and into the fall, giving cow/calf producers opportunity to sell into a red-hot market during the fall calf run. The unprecedented market highs experienced during this period have been particularly rewarding for beef producers. The short supply of animals in general will be good for yearlings off of grass as well. All animal types are deriving incredible value as cull cow and bull prices are also adding significant returns to cow/calf producers. It is these types of prices and profitability levels that will have more people considering expansion. Still, with fewer replacement heifers around and current market factors, expansion will likely be approached slowly in 2015, leaving feedlots to continue to face high feeder prices this fall.

The run-up in the cattle market has created an interesting scenario for consumers too. In June, retail beef prices in Canada were 17 percent higher than last year, while pork gained 26.4 percent and poultry rose one percent. High protein prices are a concern for consumers but according to Canfax it is often the relationship between the protein prices that creates shifts in consumption. While high pork prices have been supportive to beef consumption so far this year, Canfax cautions that could change as the hog industry gets a handle on PEDv and pork cutout values have come down while the poultry

industry which has had difficulties expanding also makes adjustments to increase supply. This increase in pork and poultry supplies is expected to be slow in the final half of 2014 and moving into 2015.

The market outlook and supply impacts were among the issues discussed at the Canadian Cattlemen's Association (CCA) Semi-Annual Meeting in Charlottetown, PEI in August. It was a busy and productive meeting that concluded with a CCA Town Hall presentation. Plenty of work got done including resolutions concerning the timely implementation of AgriRecovery and other programming during disasters like flooding and excess moisture that affected the livestock sector in 2014. CCA also agreed to lobby governments to implement a long-term solution for flooding issues in Manitoba.

Resolutions were also passed regarding price reporting. Producers, programs and trade all require robust price data yet price reporting continues to dwindle. Canfax is taking steps to improve price reporting and CCA will also be working on this file.

Special guests included Agriculture and Agri-Food Canada Minister Gerry Ritz, PEI Deputy Minister of Agriculture John MacQuarrie, PEI Minister of Ag and Deputy Premier George Webster, and Malpeque Member of Parliament Wayne Easter.

Minister Ritz was the guest speaker at a special semi-annual lunch event and in his speech reiterated the Government of Canada's position on U.S. Mandatory Country of Origin Labelling (COOL). CCA appreciates the strong relationship it has with Minister Ritz especially when dealing with difficult ongoing matters like COOL.

The Minister has been very active and effective on the COOL file. In July, Minister Ritz was on hand at the National Cattlemen's Beef Association summer conference in

Denver, where COOL was discussed at length by many including myself and CCA Vice President Dan Darling.

In reference to the ongoing WTO dispute, Minister Ritz told delegates that if successful in its challenge, Canada will seek to retaliate as quickly as possible and will target everything from California wine to Minnesota mattresses.

CCA has also been busy working with its allies to raise the issue of the potential for targeted retaliatory tariffs with members of the U.S. Congress. In mid-2014, 110 Members of Congress sent a letter to the U.S. Secretary of Agriculture and U.S. Trade Representative requesting that, should the WTO rule against the U.S., the Secretary of Agriculture 'rescind the final rule while Congress works to permanently resolve the issue.'

Concerns over the negative impact of Canadian and Mexican retaliation to the state of Iowa – a leading supporter of COOL – were raised by the Corn Refiners Association in Washington, D.C. The association said \$300 million worth of annual exports could be impacted, including commodities such as pork, corn, some prepared foods while the corn wet milling industry could lose \$500 million in annual sales to Mexico if corn sweeteners are targeted.

Their suggested solution is that should the WTO find that COOL is in violation of the U.S.'s international trade obligations, the Secretary of Agriculture should immediately suspend COOL until Congress can take legislative action to resolve the dispute.

In regards to the COOL lawsuit, the coalition of meat and livestock organizations in the U.S., Canada, and Mexico, including CCA, lost its appeal in the ongoing litigation. The CCA legal counsel will review the decisions and plaintiffs will discuss what the next steps should be. Meantime, the U.S. District Court has yet to schedule a hearing of the

case on its merits for a permanent injunction, as per the original coalition lawsuit filed last July.

On the trade front, it's only a matter of time before the Canada-European Union (EU) Comprehensive Economic and Trade Agreement is enacted, now that Canada and the EU have reached a complete text for a free trade agreement. Progress is also being made on a market access agreement with China and the Canada-Korea Free Trade Agreement.

Full market access to Jamaica was regained in August. While this market is small, every single market access win means producers can realize a better price for their cattle.

At the Federal, Provincial and Territorial Agriculture Ministers meeting in Winnipeg in July, I met with Minister Ritz and held side meetings with provincial agriculture ministers and deputy ministers and their staff.

Topics discussed included the labour issue as it relates to the changes in the Temporary Foreign Worker Program reforms. Labour is an issue for processors, particularly in Alberta, given the large processing plants in Brooks and High River, but also in agriculture in general across the provinces. The CCA emphasized the fact that if the beef cattle industry hopes to take advantage of the increased opportunities for trade the Government of Canada has worked so hard to achieve, the packers require a work force sufficient in numbers and training.

CCA urges Employment Minister Jason Kenney to consider exemptions or other methods to allow targeted access beyond the levels spelled out in the recent reforms. Improvements to the timelines for moving from temporary worker to resident status and increasing the immigration allocations of areas of the country where unemployment levels are low may help. CCA is concerned with

the reforms as laid out and encourage consideration of further improvements and to work toward a suitable solution that does not impede business.

The impact of the 2014 floods in parts of Saskatchewan and Manitoba and how best to mitigate the damage in the short and longer term was also discussed. The parts of Saskatchewan and, to a greater extent, Manitoba devastated by flooding and crop and pasture loss will make winter feeding an issue. Hay prices have already started to rise.

CCA remains committed to improving disaster response programs. Addressing the short term production and infrastructure challenges as well as the long term drainage and water management issues are needed. Tax deferral for temporary herd reductions, help in repairing damages through AgriRecovery and major infrastructure investment in water management are all needed soon to keep the Manitoba beef cattle industry moving positively toward the opportunities provided by new market access agreements and the current price outlook.

Work continues on the five-year strategic plan on behalf of industry. The comprehensive draft strategy aims to achieve targeted industry goals that are aligned with the industry's vision and mission under four key pillars. An advisors group was appointed to guide and carry forward the strategy and has put forward several recommendations, including the development of a communication strategy around the national beef strategy. As well a consolidated funding plan, outlining the various sources of funding including national check-off, provincial assessment and other sources is currently being developed. The advisors group next meets on October 1 in conjunction with the Beef Value Chain Roundtable in Calgary.

Other related issues need to be addressed in order to sustain a

competitive industry going forward. Prior to attending the CCA semi-annual I participated in a research tour of various forages and feed efficiency projects at Agriculture Canada's Research Facility in Nappan, Nova Scotia. Travelling through Atlantic Canada, I was struck by the great opportunities for expansion in New Brunswick and Nova Scotia. I believe there is real opportunity to work with the cash croppers in PEI also, and to ultimately increase the size of the feeding and finishing sector in Atlantic Canada.

I participated in a video about BSE surveillance for producers this fall. I feel strongly about Canada meeting its commitment to the OIE to maintain surveillance and testing levels in order to meet the expectations of Canada's domestic and international customers. It is something that we must do in order to continue selling our beef around the world.

I'm doing my part and I'd urge producers to submit any eligible animals including all deadstock for testing as this is another way for Canada to meet its international commitments. It's easy to do and this is the perfect time of year for producers to take stock of their animals and make culling decisions.

The experts say cattle between 30 months and 10 years of age provide the most valuable information in terms of monitoring the cattle population for BSE. However, any animal older than 30 months of age that fits into one of the categories of dead, down, dying or diseased are potential candidates for testing.

Meeting our testing commitments will help put Canada in a position to apply for negligible risk status in the fall of 2015 for approval at the OIE meeting in 2016. ▼

Sincerely,

Dave Solverson, CCA President



CHUCK MACLEAN
Canada Beef Inc. Chair

CANADA BEEF INC. REPORT

National Check-Off

The collection of the national check-off on domestic marketings continued apace in 2013/14. Service agreements between the provinces and Canada Beef are currently being reviewed with a view to updating them to align with the practice and administration of the check-off.

In 2014/15, Canada Beef will engage with the provinces in order to address opportunities around reporting and accounting for the check-off dollars returned to the provinces as claw back of the Federal Levy.

Following the announcement by the Honorable Minister Gerry Ritz on July 30, 2013 of the introduction of the beef Import Levy, Canada Beef conducted a series of information sessions with importers to provide information on the collection mechanism. Effective January 1, 2014, all imports of beef and beef products into Canada will attract a levy of \$1 per head or carcass equivalent.

As of July 31, 2014, import levy invoices totalling \$431,878 have been sent to importers and of this \$301,605 has been collected, representing a collection rate of about 70 percent. With the recent addition of human resource to the finance department, the target is to improve collection to at least 90 percent by the end of March 2015.

Domestic Marketing

As our largest and most mature market, efforts in Canada focused

on building enhanced synergies within the retail and foodservice sectors as well as working strategically and collaboratively with other Canada Beef teams to maximize our efforts in building brand loyalty.

This year, Canada Beef has seen tremendous movement across Canada in all food sectors to highlight Canadian content and attributes, notably Canadian branded beef programs with additional marketing dollars behind them. Through a combination of ideation and market updates, we are seeing real interest in previously undervalued beef cuts coming to market. Sirloin Flap Meat, Teres Major (Petit Shoulder Tender) and others have made their way to retail and foodservice counters and have been included in feature activities.

The Canadian beef brand mark, our visual symbol of the promise we make to our customers, has generated over 500 million flyer impressions via our partners with zero Canada Beef investment. This marks a deep understanding on their part of the value the Canadian Beef Brand has.

Priority has been placed on enhancing the relationships and commitment of our brand licensed partners. The total of licensees who are committed to the Canadian beef brand in the domestic market increased from 103 to 124. Brand licenses continue to dominate the share of the domestic retail and foodservice distribution segments and through investment from the domestic marketing team, beef producers are seeing a high return on investment for these collaborative efforts.

United States Marketing

During a point in time when overall North American beef availability was historically tight and prices stretched to record-high levels, Canada Beef was already positioned to contribute greatly in leveraging the Canadian Beef Advantage (CBA)

to the benefit of all stakeholders. As beef buyers in the United States broadened their scope of source options, Canada Beef was networked to respond quickly and effectively to new demand and foster connections to supply alignment for Canadian packers. By demonstrating and educating on Canadian beef's premium quality and exceptional value to all sectors, the options for selecting clients truly appreciating the CBA, and are willing to pay accordingly, expanded exponentially for Canadian packers selling into the U.S. market.

Engaging with trusted and true partnered clients, we undertook branded initiatives promoting Canadian beef under the umbrella of the CBA. Focusing on upholding the attributes of the Canadian beef brand, we insured accurate and comprehensive messaging of relevant attributes at the foodservice, retail and consumer levels (through partner messaging to consumers).

Vallarta Markets featured Canadian beef at the meat case on media screens. Reinhart Foodservice undertook a re-branding of their exclusive beef label and incorporated Canadian beef for the first time in their long history. Unified Grocers Beef Roundup campaign garnered huge results for Canadian beef during their slowest beef sales period of the year and Canadian was also prominent during their two major selling events to retail in the U.S. southwest (moving over 80 loads of Canadian beef in two days). Harvest Meats were trained on leveraging the CBA within the JBS Canadian brand La Herencia. Wegman's, a flagship U.S. retailer, featured Canadian Ribeyes exclusively for the busiest time of year for this cut during the Thanksgiving/Christmas holidays. Tony's Fine Foods (Sacramento, CA) entered strategic discussions with Canada Beef around sourcing an exclusive branded position for Canadian beef in their distribution operations. Five major U.S. further processors

(Consumers Meat Packing, Beaver Street Fisheries, Gold Star Manufacturing, Rastelli, J&B – WW Johnson Meat Company) were educated on the CBA and are poised to process Canadian beef for the Reinhart initiative plus explore opportunity for their own beef category growth.

Finally, Canada Beef innovated new roles and built significant credibility in key industry associations (NAMA and AMI) on important committees where influencers were influenced around the CBA and Canadian beef's role in the North American marketplace.

The U.S. market remains our single largest export market. Canada Beef continues to work in a coordinated manner with packers and has developed a basis to drive values and successfully position Canadian beef to fully leverage the opportunity in this market.

Hispanic Hub Marketing

Canadian beef reached new heights in the Hispanic hub this year, due in part to the significant promotion and partnerships with Karisma Hotels & Resorts, Jackson Family Wines, and Air Canada Vacations. The "Canadian Beef Culinary Series" has captured both local, and international media attention, and reaches a wide variety of consumers, chefs, and has a direct impact on the Mexican foodservice industry, especially high-end hotel chains. This innovative project leveraged funds, technical resources and in-kind contributions from four world-class brands and proudly and positively associated the Canadian beef brand with other world class brands, Air Canada, Jackson Family Wines and Karisma Hotels.

Despite enhanced global access for Canada Beef, Mexico continues to deliver the best value for Canadian chucks, clods and skirts. Significant yield testing was conducted for the first time in Mexico and yield consistencies are capturing the attention and recognition of key

retail accounts such as BAFAR's Carnemart stores. BAFAR- Carnemart brand positioning at retail allowed consistent flow of Canadian priority cuts through over 70 retail units in Central and Northern Mexico.

In addition, there was development of value added programs and one new marinated skirt program "Carnes Selectas Ali" which is one of Canada's most important priority cuts. Enhancement of a value added/marinated program "Los Asados" to incorporate skirts, chuck rolls (aguas) and currently testing Tri Tips for the year to come.

The Latin Hub is poised to continue to drive value back to Canada's beef producers and build brand loyalty in these valuable global export markets.

Asian Hub Marketing

In Japan, Canada Beef focused on consumer marketing in 2013/14 to leverage the emotional and functional attributes of Canadian beef. In Japan's strategic approach, Canada Beef collaborated with culinary experts to provide innovative brand positioning to differentiate its brand marketing in both retail and foodservice segments. The greatest marketing success was Canadian Hamburger Steak Fair at Gusto with over 640 stores at nation-wide. Gusto is the largest casual dining restaurant chain in Japan. This had a great impact on the Japanese consumer to increase exposure and recognition of quality and taste of Canadian beef.

BBQ events in cooperation with retailers as part of Canadian Beef fairs were a constructive marketing tool. Japan also introduced mascots "Rocky" and "Maple", Canada Beef Ambassadors who are used at cooking classes and educational/promotional events. Rocky and Maple have been very positively received.

In Hong Kong and Macau, in collaboration with key retail partners City Super and Yata,

Canada Beef contributed to their customer magazine called 'Culture Club' to educate consumers on the Canadian Beef Advantage messages around the Canadian beef brand, the quality and taste of Canadian beef and new recipe ideas. This innovative marketing approach was a great success as the activity led to increased Canadian beef recognition versus the other imported beef in the Hong Kong market.

In China, Canada Beef tried a new media platform via the iPad for the first time. Canada Beef partnered with the chief editor and copyright owner of the bestselling book "Western Cuisine Teaching - Beef Volume" and produced it into an iPad application. This app allows food lovers to download over 80 beef recipes free of charge. The app includes one "Made in Canada" video, four Canadian beef cooking videos, five pages of Canadian Beef Advantage advertising, logo exposure, and a message from the Canada Beef President. This will support efforts to build the Canadian beef brand with both foodservice professionals and consumers who love cooking and food.

The 2013/14 was the first year for delivering marketing programs in Korea after resumption of Canadian beef imports. To help re-establish Canadian beef in the marketplace, Canada Beef partnered with the largest retail chain in the Korea market and a major Canadian packer to increase Canadian beef brand recognition differentiated for its premium quality, safety, and value in the Korean retail sector.

Moving to a strategic 'Asian Hub' approach has allowed for significant areas of alignment and has allowed the teams in these markets to flourish in their efforts to build Canadian beef brand loyalty in these valuable (and growing) export markets. ▾

Respectfully submitted,

Chuck MacLean, Chair

BCRC REPORT

The Beef Cattle Research Council (BCRC) is Canada's industry-led funding agency for beef research. Its mandate is to determine research and development priorities for the Canadian beef cattle industry and to administer national check-off funds allocated to research. BCRC is led by a committee of beef producers who represent each province's research allocation of the national check-off. It operates as a division of the Canadian Cattlemen's Association (CCA).

BCRC was established to sponsor cattle and beef research and technology development in priority areas. The council also facilitates collaboration and coordination among researchers, other funding agencies, and industry in order to maximize the benefits obtained from investments made in research.

The first Beef Cattle Industry Science Cluster was a four-year initiative with research funding allocated between April 1, 2009 and March 31, 2013. Industry and government funding commitments through the first Cluster totalled approximately \$10.5 million directed to 32 research projects.

The Cluster proved to be a very successful step towards improving coordination of beef research funding in Canada while generating meaningful, applicable results. It enabled industry to successfully encourage the development of effective teams of researchers spanning multiple Agriculture and Agri-Food Canada (AAFC) and non-AAFC institutions across Canada. In addition to strengthening research results and reducing duplication, this collaboration trained new research expertise to ensure that key research areas were maintained and strengthened. It also allowed improved technology transfer and knowledge dissemination efforts aimed at the successful development and adoption of key research results by Canada's beef industry.

Joint industry and government

commitments to the second Beef Cattle Industry Science Cluster (2013 – March 31, 2018) total \$20 million, including \$14 million in funding from AAFC and \$5 million in funding from the research allocation of the national check-off and provincial beef industry groups, in addition to investments by provincial governments. Funding has been directed to 26 research projects. A summary of each project can be found at: http://www.beefresearch.ca/files/pdf/beef_science_cluster_2_research_project_details.pdf

A Knowledge Dissemination and Technology Transfer Strategy was developed and initiated during the first Cluster to convert applied research into effective, utilized tools that drive industry competitiveness. BCRC continues to advance the implementation of the strategy under the second Cluster.

Summaries of completed and in-progress research projects, advice on adopting technology and innovation into production practices, and commentaries that address misconceptions about modern beef production are continually made available through the BCRC blog. These articles are regularly referenced and redistributed by media and other industry organizations.

Videos that highlight the results of past research and encourage producers to adopt science-based management practices are produced regularly. Webinars are also held for producers during winter evenings. Recordings of webinars and videos are available at www.beefresearch.ca.

BCRC recently launched a Beef Researcher Mentorship Program. Currently in a pilot phase, the program has paired three applied researchers with innovative producers and industry leaders. The experience will help them to build the skills, network and confidence necessary to participate in or lead applied research and technology transfer efforts that enhance and accelerate innovation in Canada's beef industry.

Communications from BCRC can also be found through the CCA's Action

News, a regular research column in Canadian Cattlemen magazine, staff presentations at industry events, and through provincial cattle organizations' newsletters and e-mail updates.

In order to demonstrate the value of national check-off investments in research, as well as to encourage government to enhance their own research investments, industry takes a leadership role in communicating the value of those investments. Due to the limited number of research dollars and a large number of research priorities, industry must also consider the short-term and long-term returns to various investment options during its priority and research program planning process.

BCRC partnered with Canfax to develop and implement an economic assessment tool that aids in assessing the economic returns to beef research in Canada, developing BCRC research priorities, and tracking the economic benefit of BCRC funded research over the long term.

See the inaugural report, developed and released in February 2014: http://www.beefresearch.ca/files/pdf/BCRC_results_report_jan2014.pdf

BCRC oversees and supports the beef industry's on-farm food safety program, Verified Beef Production™ (VBP).

VBP reports continued growth with increasing numbers of beef cattle operations trained each year. More than 18,200 beef operations across Canada are currently trained. This represents an estimated 72 percent of all Canadian beef production. In addition, more than 1050 cattle operations have participated in the optional validation audit to become registered with the VBP program.

Learn more about ongoing beef, cattle and forage research that benefits Canadian producers by joining our free e-mail list at www.beefresearch.ca/blog/subscribe. ▼

Respectfully submitted,

Tim Oleksyn, BCRC Chair



HOWARD BEKKERING
CFC Chair

CFC REPORT

The Alberta Beef Producers' (ABP) Cattle Feeder Council (CFC) was created to provide a forum for discussion and recommendations on issues of particular importance to the cattle feeding sector of our industry.

After a very difficult year in 2013, the economic outlook for cattle feeding operations improved significantly this year. However, with low cattle inventories, increased feeder cattle exports, and the high risks associated with expensive feeder cattle and volatile markets, the feeding sector will be challenged to hold on to positive margins. In this climate of risk and uncertainty, there are clearly many issues for the council to address and the following four topics have been a focus of attention through four meetings this year.

Role of Cattle Feeder Council

The three sector councils in ABP, including the Cattle Feeder Council, are established in the ABP By-laws. The ABP Plan Review is an opportunity for producers to review the need for the sector councils and the role that these councils play in the organization. There are membership organizations that are seen as providing representation to sectors of the industry and it is appropriate for ABP to ensure that our sector councils still provide meaningful and valuable sector representation.

The council has spent a significant amount of time discussing this issue at meetings this year. There is a strong feeling among CFC members that the council is a vital part of ABP that provides effective representation of the cattle feeding sector, particularly those cattle feeders who do not belong to a membership

organization. They believe that the CFC makes ABP a more fully representative organization and the work being done in areas such as feed grains research, cattle price insurance, and competitiveness has generated substantial benefits for the industry.

Price Discovery

Price discovery is an essential element of properly functioning markets. Price discovery is needed for producers and packers to make marketing decisions, for policy makers to determine the impact of trade actions, and for governments to deliver programs such as livestock price insurance and disaster relief.

With growing concerns about reduced cash volumes reported to Canfax and the negative implications this could have on price discovery in the Canadian fed cattle market, the Canadian Cattlemen's Association (CCA) appointed a Price Discovery Task Force in March 2014.

CFC member Bryan Thiessen was named Chair of the Price Discovery Task Force. The task force produced a report at the end of July and made presentations to the CCA Semi-Annual Meeting in August and the recent CFC meeting. The task force is proposing a framework with voluntary reporting of negotiated cash/spot, negotiated grid (net), formula (net) and forward contract (base) prices. The task force will be conducting an ongoing review of the process to ensure that price discovery and reporting are meeting industry needs.

Farm Safety

The health and safety of farm workers in Alberta is a topic that receives a considerable amount of attention in the media and puts pressure on the government. Currently, most farm and ranch operations are exempt from the Occupational Health and Safety Act and there is no requirement for mandatory Workers' Compensation Board coverage for workers on these operations. There are many people in the media and the Alberta legislature who see changes in legislation as a solution to this issue.

The council does not believe that changes in the legislation affecting farm and ranch workers will actually improve their health and safety. Other industries have shown that creating a culture of safety, not simply compliance with regulations, is the key to improving the health and safety of workers. The CFC is prepared to participate fully in creating this culture of safety on farms and ranches and we have joined other industry organizations in supporting enhanced investigation of farm fatalities and assessment of the feasibility of providing baseline insurance coverage for all farm workers.

Agricultural Labour Issues

With a very strong economy and high levels of business activity in Alberta, employers across the province face tremendous challenges finding enough workers to operate their businesses. The unique requirements of primary agricultural operations, skilled and physically demanding every day work in rural locations, make these challenges even greater for our producers. The future of many agricultural operations, particularly in the cattle feeding and beef processing sectors, depends on the ability to find labour. Through the CFC, ABP is a member of the Agriculture Industry Labour Council-Alberta (AILCA), an organization of many commodity groups in the Alberta agriculture industry. AILCA is presenting an Agriculture Labour Summit in Red Deer on October 30, 2014 to address current labour concerns. ▼

Sincerely,

Howard Bekkering, Chair

Jimmy Nelson, Zone 2
Bryan Thiessen, Zone 3
Craig Ference, Zone 4
Charlie Christie, Zone 5
Dave Solverson, Zone 6
Ken Stanley, Zone 7
Sheldon Hauca, Zone 8
John MacArthur, Zone 9
Garth Porteous, Zone 1 at large
Danny Tonhauser, Zone 7 at large



TIM SMITH
CCC Chair

CCC REPORT

The following representatives were elected or appointed:

- Tim Smith - Chair, Zone 4 Safety-net Sub-committee
- Brad Osadczuk - Zone 1 Alternate to Wildlife Predator & Shot Livestock Compensation
- Jake Meyer - Zone 2
- John Bland - Zone 3
- Walter Suntjens - Zone 4 Wildlife Working Group, DEMAG alternate, Wildlife Predator & Shot Livestock Compensation Committee, ESCC alternate
- Arnie Tateson - Zone 5
- Gary Seutter - Zone 6
- Bernie Regner - Zone 7 AARD Drought & Excess Moisture Advisory Group
- Gordon Graves - Zone 8 Research Committee, Dead Stock Sub-committee, Safety-net Sub-committee, Endangered Species Conservation Committee
- Dee Parke - Zone 9
- Chris Simpson - at Large Audit Committee, Chair of Safety-net Sub-committee
- Lyndon Mansell - at Large Governance Committee, Representative to AFIN
- Rick Friesen - Board Rep Safety-net Sub-committee

The Canadian Cattle Identification Agency (CCIA) was asked to explore alternative means of identification for unruly stock. Often producers are put at risk tagging unruly cattle. These cattle compromise the health and well-being of producers who are shipping livestock, often from remote facilities. There have been cases where producers have become paralyzed in the tagging process. The age of producers, handlers and facilities also play a role with this. We would like to find an acceptable tagging solution for the future. Best

management practices are those that reduce stress so the council will continue to lobby regulators to find appropriate solutions for this.

Safety-net Sub-committee

The committee requested Fred Hays, Alberta Beef Producers (ABP) Policy Analyst, prepare an informative presentation assessing livestock and forage insurance programs from other countries and provinces. We continue to search for better livestock and forage insurance options for Alberta producers.

Participation in forage and hay insurance in Alberta is low. ABP delegates were surveyed for views on insurance and AFSC met with producers to discuss livestock insurance needs. The lack of livestock production insurance has led to focus primarily on forage and pasture insurance possibilities to protect cow/calf production risks. Many producers have mitigated this risk with carryover or stockpiled forage as a form of self-insurance and this has allowed herds to be fed during droughts. The prior allocation of resources has provided stability for the industry where insurance has served more as maintenance of equity than as a remedy to rising feed prices and lack of availability in a drought. AFSC is challenged with 'not' providing insurance products that offer benefits, which become capitalized into land prices. The sub-committee believes the grain sector has had greater benefit from the insurance of the actual product produced than the less pronounced value of forage that is needed to feed the herd. Herd values diminish with less forage available and greater costs to purchase required feed during droughts. Discussion and continued open communication with AFSC is appreciated.

The council continues to review the issue of wildlife damage on stored feed. The council referred the issue to the Wildlife Working Group for further study and recommended action in the area of compensation for damage to property by wildlife. Loss of management options (i.e., swath

grazing), and expensive wildlife proof feed stack yards fencing are increasingly problematic for producers in many areas. AFSC continues the position that swath grazing is a management decision and not suitable for everyone, some producers are always at excessive risk.

Rick Friesen had provided information about the implications of the Species at Risk Act (SARA) and the effect on ranchers with lease land in southeast Alberta. Sage grouse began to decline when the government re-introduced swift fox to the area. Ravens are also a contributing factor causing reduced sage grouse populations. Ranches are being looked at as a potential reason for a decrease in sage grouse, but the industry is not being consulted on how to fix the problem. Some of the recommendations that have been made are unreasonable and the implications of the Species at Risk Act are far reaching beyond the sage grouse issue. The Canadian Cattlemen's Association (CCA) has done a considerable amount of work on SARA and ABP representatives spoke to federal government officials during their last trip to Ottawa. There is a motion before the federal government to alter SARA. It was also recommended to have someone from CCA attend the meetings. A meeting was held in Medicine Hat on June 26 to address the issue.

Alberta Forages Industry Network

A sainfoin field day set up by Alberta Agriculture at the Lethbridge Research Centre and on site at Bill Newton's ranch west of Fort MacLeod at the end of July. Mansell and Hays attended.

Cow-Calf Economics Fall Producer Meetings Continuing with the program from last year, Alberta Agriculture and Rural Development has developed one-day seminars for the cow/calf sector. We will continue our support through student sponsorships for attendance. ▼

Sincerely,

Tim Smith, Chair



LARRY DELVER
CIC Chair

CIC REPORT

The Cattle Industry Council (CIC) was established by Alberta Beef Producers (ABP) to provide a forum for broad industry consultation and input on matters of importance and concern to the beef cattle industry. Under ABP's Plan Regulation, cattle industry stakeholders are made up of industry representative groups whose members provide services to the cattle industry in Alberta.

During the past year CIC held a mini-conference dealing with the management use of RFID technology beyond regulatory requirements. CIC Chair Larry Delver, ABP Policy Analyst Fred Hays and Glenn Kathler from South Institute of Technology (SAIT) in Calgary coordinated the session.

The initial idea for the conference was to illustrate traceability applications that could be made in addition to the primary reason for its introduction emergency response and possible trade support. The initial expectation was minimal, considering what we learned is actually being achieved with developing technology.

Paul Laronde, CCIA Technical Advisor, presented, in considerable detail, advances being made in ear tag technology, both in upgraded tag materials and the testing going on to address ear tag consistency among companies. They have been addressing problems dealing with tag longevity, readability and field ear retention.

Brad and Ryan Smith from IMSAR, TagSmyth Division described how they actively track tagged cattle movement in rugged terrain using

an active ear tag with a 10 mile range. Ear tags are being read using transmission towers that triangulate the signal indicating an animal's location on a grid. This facilitates the study of animal behaviour and detects animals that are sick, dead, being harassed by predators or escaping the pasture. More applications for this technology are limited only by our imagination.

Tom Lynch-Staunton from Gentec-AFNS at the University of Alberta showed us how they are using ear tag technology to assist in genomics combined with expected progeny differences to improve efficiency and profitability in beef production. The need for accurate, reliable, readable animal identification is critical for progress in this exciting field.

We heard from Glenn Kathler at SAIT on the advantages of ultra-high frequency ear tags. They have developed one with very acceptable readability, and so far it's shown to have very reliable retention. Liner and chute mounted reader panels are accurate and reliable with the results available immediately online. A tour of the lab facilities gave us an idea of what can be achieved by a committed team with all the tools needed.

Camiel Huisma, GrowSafe Systems at Airdrie, enlightened us about ear tag and software technology when coupled with practical facilities. This is not merely a research tool but a system for practical cattle management. Sensors in feedlot bunks and waterers in Texas and Idaho indicate in real-time when an animal reduces its feed or water intake: this in turn suggests a health problem well in advance of any clinical evidence. Information can be provided to the feed yard days ahead of on the ground inspection. Animals can be checked early, possibly saving its life. Provision of the information is a valuable tool in training pen checkers about the signs before an animal looks sick.

Larry Thomas, CBA InfoXchange System explained the re-vamped BIXS 2.0 model which shows much improvement over the original in capturing, exchanging and tracking information on individual animals as they progress from birth on the ranch through to yield and grade at the packing plant. This can provide producers from seed stock onward with information about the efficiency, marketability and profitability of their cattle and clues as to how that can be improved.

Finally we heard, via Skype, from Kevin Boon how the BC Cattlemen's Association has developed a practical system of providing retailers and consumers with differentiated beef using the current traceability system. The desired product must be from calves born in BC and never have been treated with antibiotics or growth promotants. They can be fed and slaughtered in other provinces but must have been processed in a federally inspected plant. Consumers are willing to pay a premium for this.

Personally, and on behalf of the members of the Cattle Industry Council, I must thank everyone who contributed for a very enlightening conference. I foresee that some synergies will grow between those who have developed these ground-breaking initiatives for the benefit of all our producers and our consumers. ▼

Respectfully submitted,

Larry Delver, Chair, WSGA

James MacLean, ALDOBA
Dan Rosehill, AAMA
Lorrie Jespersen, AMP
George L'Heureux, FAA
Dr. Brian Edge, WCABP, ABP Board of Directors representative



CHRIS SIMPSON
Audit Chair

AUDIT REPORT

Audit committees are viewed as a critical component of the overall corporate governance process. The Alberta Beef Producers' (ABP) Audit Committee was appointed by the Board of Directors to assist the board in fulfilling its oversight role and to help discharge its fiduciary responsibilities. The primary tasks of the Audit Committee are to:

- Identify and monitor the management of principle risks that could impact financial reporting.
- Monitor the integrity of the financial reporting process and the system of internal controls regarding financial reporting and accounting compliance.
- Monitor the independence and performance of the external auditors.
- Provide an avenue of communication between the auditor, management, and the Board of Directors.

The Audit Committee is comprised of:

One member appointed by the Board of Directors;

One member appointed by the Cattle Feeder Council;

One member appointed by the Cow Calf Council;

One member appointed by the Cattle Industry Council; and

One non-delegate member appointed by the members of the Audit Committee.

The Audit Committee has reviewed and considered ABP's internal control and risk management procedures as well as the financial reporting and disclosure

procedures. The committee met with the auditors to review the final audited financial statements prior to the commencement of the ABP Semi-Annual Meeting.

The members of the Audit Committee are dedicated to the beef industry in Alberta and have demonstrated that commitment through a willingness, not only to offer their time and hard work for the greater good of the industry, but more importantly, to offer it with enthusiasm and good humour. ▼

Regards,

Chris Simpson, Chair, CCC

John Buckley, Board of Directors
Ernie Israelson, Non-delegate member

Lorrie Jespersen, CIC

Garth Porteous, CFC



JUDY FENTON
Governance Chair

GOVERNANCE REPORT

As one of two standing committees prescribed in the Alberta Beef Producers (ABP) By-laws, the ABP Governance Committee is responsible for oversight of the governance policies and practices of the organization. In this role, the committee reviews ABP corporate governance guidelines and practices, monitors trends and best practices in corporate governance, and makes recommendations to the ABP Board of Directors regarding appropriate changes in corporate governance. These changes could affect the governance provisions of the ABP Plan Regulation and ABP by-laws, as well as the policies and practices of the board.

The Governance Committee is appointed by the ABP Board of Directors and consists of five members, supported by the Executive Director. Four of the members are appointed by the Board of Directors, Cow Calf Council, Cattle Feeder Council, and Cattle Industry Council; respectively. The fifth member is appointed by the committee and is an independent person from outside the organization, not directly involved as a delegate with ABP. This year, the Governance Committee appointed Chuck MacLean, a past delegate and past Chair of ABP, as the non-delegate member of the committee. On the committee's recommendation, the ABP Board of Directors appointed Judy Fenton as the Governance Committee Chair.

Over the past four years, the Governance Committee has

completed a thorough review of ABP governance policies and practices, as well as developing a number of important and useful governance documents. The committee has prepared documents describing delegate, director, and zone committee responsibilities. The committee prepared the Code of Conduct and Conflict of Interest Policy that each director signs every year, as well as a Concerns and Complaints Procedure that the board approved in 2012. Last year, the primary focus of the Governance Committee was finishing work on the ABP Governance Manual. The ABP delegates approved this manual at the Annual General Meeting in December 2013.

Through the development of the Governance Manual, the committee held ongoing discussions with the Policy Manual Working Group that is chaired by John Buckley. The committee was considering how the Governance Manual would fit with the Policy Manual that the working group is preparing. Key elements of the Governance Manual will become formal policies on board governance, board delegation to management, and executive limitations. Clearly, the Governance Committee will have a role to play in reviewing and enhancing the policies related to governance of the organization. When the ABP Policy Manual is completed, hopefully later this year, the Governance Manual will become a companion document for the Policy Manual containing a level of detail not found in formal policies.

A second key activity of the Governance Committee this year will be to take the opportunity of the ABP Plan Review to carefully review the regulations and by-laws that govern the mandate, structure, operations, and funding of the organization. Not all of the elements in the regulations and by-laws directly pertain to governance, but the committee will be ensuring that these documents are consistent with the rules and

practices by which we have chosen to govern ourselves. Meetings and discussions with producers will form the basis for most of the changes to the regulations and by-laws, but we will want the oversight of the Governance Committee as we move to implement these changes.

The Governance Committee will also be working with Maryann Urbanowski, of the Agricultural Products Marketing Council, on a session dealing with the specific governance requirements of the committee itself. Committee members will be examining the roles and responsibilities of the Governance Committee and making sure that the committee charter is still valid. Just as the committee provides oversight to ABP in the area of governance, it is important for the committee to take the time to review its own policies and practices.

Corporate governance was defined by the original committee chair as the framework of rules and practices by which a board of directors ensures accountability, fairness, and transparency in the organization's relationship with all stakeholders. Governance is a journey and ABP has made considerable progress on that journey over the past four years. The Governance Committee is dedicated to continuing to provide guidance for ABP along that journey. ▼

Sincerely,

Judy Fenton, Chair, ABP Board

Lyndon Mansell, CCC
George L'Heureux, CIC
Sheldon Hauca, CFC
Chuck MacLean, Non-delegate member



CECILIE FLEMING
Communications Chair

COMMUNICATIONS COMMITTEE

The Communications Committee has been hard at work this year getting information to producers while making the best use of producer dollars. The committee is constantly working towards more effective communications and increasing stakeholder engagement.

We are constantly working to increase our e-mail database and have made this a top priority for the last year. Printing numbers for our Grass Routes quarterly newsletter will continue to decrease as the number of copies sent electronically increases saving producer dollars and lessening our environmental footprint. Producers are encouraged to go to www.albertabeef.org and sign up for our weekly and quarterly e-mail news so we are able to provide you with current information faster.

The committee was tasked with developing a communications plan for ABP's Plan Review. A discussion paper was developed and reviewed by the delegates at the Semi-Annual Meeting. Thirteen town hall meetings took place throughout the summer with over 200 producers attending to provide input on the future direction, structure, and operations of ABP. The facilitators are preparing a report based on what they heard from producers at the meetings and the comments sent in on the discussion paper. This report will guide the development of proposals for changes to the regulation that will be reviewed at this year's fall meetings. Then it will go to the delegate body for approval

at the Annual General Meeting in December.

The annual Young Guns Award was launched earlier this year and judging took place at the Semi-Annual Meeting in June. The theme this year was to show us how you advocate on behalf of the beef industry. The committee wanted to know what youth saw as the biggest challenge going forward for beef producers in Alberta and how to overcome it as an industry. The First prize was \$1,000, second was \$500 and the third place winner received \$250.

Jade Nelson, from High River, AB, came in first place by putting together a thoughtful video highlighting not only the challenges in the industry but how we can overcome them as well. Melanie Krupa, Vimy, AB, put together an informative poster for the second place entry. The poster detailed the impacts of the high Canadian dollar, the weather and land prices on Alberta's beef industry. The third place entry came from Rivers Osadczuk near Jenner, AB, who submitted her 2014 4-H speech. It was focused around the A&W Better Beef campaign that came out late last year. Osadczuk didn't agree with what she felt was messaging that encouraged fear around traditional production practices. She then went on to point out the amount of hormones in beef compared to others foods.

The annual beef and dairy media tour took place in May, after having to cancel it last year. We partner with Alberta Milk and Canada Beef Inc. every year to engage media from all over the province through touring different locations relating to beef and dairy that provide them with interesting insight while highlighting different aspects of the industries. This year we had a wide range of media from rural reporters to urban TV and food bloggers. The day consisted of tours of the Leduc Food Processing Centre, the University of Alberta Dairy Research Centre, lunch with the

Sawmill Group, and finished up at Matejka Farms, a purebred beef cattle ranch near Ponoka. These tours are a great way to build on ABP's media relations and connect media outlets to share perspectives on a common theme.

Most of the growing pains have been worked out of the website since the refresh so it is easy to navigate and full of information for producers, consumers and industry alike. Our twitter account, [@AlbertaBeef](https://twitter.com/AlbertaBeef), is going strong with over 2,600 followers and we recently launched an ABP facebook page so like us at www.facebook.com/ABBeefProducers. Cattle Country with Jim Fisher is running across Alberta radio stations every Wednesday with up-to-date, relevant information for producers.

The committee was a AA sponsor for the Cattlewomen for the Cure golf tournament again this year, which raised \$51,500 for The Arthritis Society last year and donated an extra \$1500 to local charities like Girls and Boys Club Lethbridge and the Elm Street School Nutrition Program as part of the tournament prizes. This year the charity of choice was STARS air ambulance.

As always, we are open to new ideas, thoughts and suggestions on communications. Please feel free to offer them up to myself, committee members or staff. ▼

Regards,

Cecilie Fleming, Chair

- Rick Friesen, Zone 1
- Peg Strankman, Zone 3
- Tim Smith, Zone 4
- Nanita Blomquist, Zone 5
- Tim Sekura, Zone 6
- Colin Campbell, Zone 7
- Lyndon Mansell, Zone 8
- Roland Cailliau, Zone 9



JUDY FENTON
Environment Chair

ENVIRONMENT REPORT

The Environment Committee held a mini-conference in June dealing with various environmental issues including:

Shell Oil provided \$3 million in funding for the Shell Buffalo Hills Conversation Ranch. The rance is southeast of Calgary and managed by Ducks Unlimited to offset wetlands in northern Alberta. The original owner sold the land that was designated as a permanent conservation property so it could continue to be grazed but not cropped and they maintain the right to use the land as cattle pasture.

Land Trusts presented by the Southern Alberta Land Trust Society described their method of conserving rangeland. This is a charitable non-profit group with a program to protect the environment and ranch production base for grasslands, woodlands and wetlands along the Eastern Slopes of Alberta. Conservation easements are used and usually funded from donations.

Alberta Environment and Sustainable Resource Development (ESRD)
Rangeland Health: There are 6.8 million acres of public rangeland with 7,600 dispositions on the land that are responsible for a healthy grazing ecosystem. Rangeland assessment is done on native grasslands, forested rangeland and tame/seeded pastures. Vegetation inventory data plots are used throughout the landscape to determine growth activity. An animal carrying capacity assessment is used to stock cattle on crown land.

Managing biodiversity with livestock was a look at prairie grasslands in southeast Alberta that are using sage

grouse as a indicator of grazing regional health. From this research sage grouse can be used as an indicator only. A reduced bird count shouldn't be indicative of extensive overgrazing requiring government regulation to preserve the species.

Agri-Environmental Partnership of Alberta was started as a forum for the provincial government and the agriculture sector to deal with environmental issues and policy development in the sector. Membership includes Agriculture and Rural Development, ESRD, most sectors of the agriculture industry and municipalities. Policy areas include land use development and water systems that effect agriculture. Alberta Beef Producers (ABP) is a member for the livestock sector.

Land Use Framework Sub-committee: Work continues with the South Saskatchewan (SSRP) and North Saskatchewan (NSRP) Regional Plans. The SSRP was approved by Cabinet in the summer and implementation was September 2014. The NSRP working timeline release is Summer 2015.

Alberta Land Use Institute (ALI) is a group from the University of Alberta that deals with Alberta's land trends. These include preservation of farm and ranch land, conversion and fragmentation, wetlands, habitat, property rights, urbanization and other related fields. ALI held a conference in Edmonton in May. Greg Bowie, Judy Fenton, Rich Smith and Fred Hays represented ABP. Sessions included models dealing with urbanized development infringement on rural areas and associated costs.

Environmental Stewardship Award (ESA): ABP announced Round Rock Ranching as the 2014 Environmental Stewardship Award recipients at the Annual General Meeting last December. Each year ABP recognizes an operation that demonstrates leadership in environmental stewardship – who contribute to the land while maintaining productivity and profitability. The diversity of Alberta's ranchlands presents challenges and opportunities for beef

producers. Working with the land is vital to ensure long-term sustainability. The McGrath family runs a fifth generation cow/calf operation near Vermilion, located north of the Battle River. Sean McGrath, along with his wife Tanya and their three kids, work in partnership with his father Fred, and his wife Anne, on the management and operations of the ranch. Their vision focuses on being environmentally, socially and economically responsible while working to provide 'the best beef in a better world'. Round Rock Ranching also took home the national award at the Canadian Cattlemen's Association Semi-Annual Meeting this summer.

The ESA judging team was out at the beginning of September looking for next year's recipient. Range management, riparian area and water management, animal welfare and community involvement are a few of the areas taken into consideration during evaluation process. The winners of the 2015 Environmental Stewardship Award will be announced at ABP's Annual General Meeting this December in Calgary. The ESA highlight video is a compilation of the past winners and highlights the importance of the environment to beef producers in Alberta. Copies are available through the ABP office.

Cows & Fish held their Annual General Meeting on May 12, 2014. Judy Fenton stepped down as President but will continue as an ABP representative. Peggy Strankman was elected President. ABP has been a proud supporter of this society since its establishment in 1992. ▼

Regards,

Judy Fenton, Chair

- John de Groot, Zone 1
- Bob Lowe, Zone 2
- Darren Bevans, Zone 2
- Chris Israelson, Zone 3
- Peggy Strankman, Zone 3
- Rose Wymenga, Zone 5
- Greg Bowie, Zone 6
- Rick McKnight, Zone 7
- Danny Hozack, Zone 8
- Ron Wieler, Zone 9



MARK FRANCIS
Marketing &
Education Chair

MARKETING & EDUCATION REPORT

December 2014 will mark the end of year three in Alberta Beef Producers' (ABP) "Alberta Beef Famous Taste" marketing campaign. It will also mark the third time in as many years we have received the kind of million-dollar funding that makes such a high-profile effort even remotely possible.

That funding, in large part, came from the Alberta Meat and Livestock Agency (ALMA) with CEO Gordon Cove's team not only providing money, but also the expertise necessary for us to speak to consumers and speak so they listened. In a marketplace awash in bright lights, bloated promises and just plain chicanery, this is no small feat. So thank you ALMA for your help. We mean that. It made it possible for us to work toward industry sustainability - something we believe is important not just to beef producers but to all Albertans.

In order to recap the 2014-15 marketing campaign, we need only look at the two years previous to see this year's goal and its strength are essentially a continuation of the successes we achieved in the first year. Because event metrics showed we were on the mark with our television ad and Taste Express retail appearances in 2012 and 2013, we decided to simply continue with a good thing in 2014. This strategy has proven cost-effective and yet still meaningful in the current marketplace. It's cost

effective because it avoids new creative and production expenses. It endures and thrives because it was quality work to begin with.

So, in summary then, the 2014 campaign used the following proven tactics to tell consumers in Alberta and British Columbia the Alberta Beef Famous Taste story:

Television: In May masses of consumers saw our TV ad following the Stanley Cup finals and the Hockey Night in Canada playoff games. In June thousands more saw our logo and cooking demos on a program called "Best Recipes Ever" streaming on CBC satellite feeds like CBRT, CBXT, and CBUT.

Digital Ads: From May through August we had an online presence (recipes and visuals on stills) in the Greater Vancouver area, plus in Calgary and Edmonton via Casale Media distribution. Also from June through August our ads appeared online via Calgary Avenue Magazine, Avenue Weekender and Avenue Food & Drink e-newsletter. This same reach was delivered in mirror copy in the Edmonton area. Impressions for this tactic alone were documented in excess of six million viewers.

Tasting Events – Launch, June 26, 2014, downtown Calgary: Media-tagged "Battle of the Sauces" this Alberta Beef promotion was a partnership endeavor between ABP and the SAIT's Culinary Arts program. While gold star chefs competed to create the best barbequed beef samples, local luminaries like food blogger, John Gilchrist; Calgary Mayor Naheed Nenshi; and Calgary Stampede CEO, Bob Thompson acted as judges ultimately declaring one chef the winner. It was a fun event, thousands of samples were handed out to happy Calgarians and our story was told essentially for free via community news coverage.

Tasting Events - Retail and PR appearances: From July to the time of publication of this report, our Famous Taste Express BBQ

continues to appear across Alberta and BC promoting our product to consumers wanting to enjoy local food. Save-On Foods has been a particularly active retail partner, supplying us with literally thousands of dollars worth of free beef and grocery shopping coupons for beef product.

Although our marketing campaign reaches the most consumers at one time and arguably reaches them in the most memorable way possible, there are other tactics we use to promote the Alberta Beef brand. Tradeshow attendance; participation in educational programs such as Beef in the Classroom and the Classroom Agriculture Program; plus investment in sponsorship and partnership initiatives all allow us to not only deliver our messages to consumers but to receive them as well. Accessing this two-way communications street has always been a priority for ABP. How else can we hope to interact directly with consumers and then respond to their needs in a timely fashion? There is and only ever has been one way: face-to-face.

In summary then, 2014 has been a new year but, because it reflected past values, traditions and methods, an old one as well. All of which points to the fact that beef producers have basically been doing the right marketing thing for a very long time. It's why they call our product legendary, after all. In keeping with this theme, thank you then to the committee members for all their hard and wise work. It's what they do; it's what they've always done. ▼

Regards,

Mark Francis, Chair

- Jake Meyer, Zone 2
- Tyler Sawley, Zone 2
- John Bland, Zone 3, Vice Chair
- Pat Rutledge, Zone 4
- Cathy Sharp, Zone 5
- Gary Seutter, Zone 6
- Danny Tonhauser, Zone 7
- Michael Lutzak, Zone 8



BRIAN EDGE
Research Chair

RESEARCH REPORT

The target call for Letters of Intent held earlier this year resulted in 14 submissions in the following priority areas:

1. Reduced incidence of reproductive failure through improved nutritional management, diagnostic tests, vaccination, and biosecurity; and reduced neonatal loss through improved maternal nutrition, timing of vaccinations and extension/technology transfer to the cow/calf sector.
2. How grazing and forage management practices on tame and native forages affect plant and animal biodiversity, soil erosion, and watershed protection.

The call was designed to fulfill a very specific purpose, namely the leveraging of funds from other organizations for projects focused on one of two specific priority areas. The maximum amount of funding allocated to any one project (regardless of project duration) will not exceed \$25,000.

Out of the 14 Letters of Intent received, the committee chose to ask for six full proposals. All six were related to the first priority area. These proposals are currently undergoing peer review and final funding decisions will be made later this fall.

The Alberta Forage Beef Centre initiative has undergone a name change and is now referred to as the Alberta Forage & Grazing Centre. Contract negotiations are

taking place as this is being written. This joint federal-provincial-industry program is intended to coordinate and focus beef and forage systems research and extension within the province, and is expected to collaborate with like-minded organizations in Saskatchewan and Manitoba when appropriate. Alberta Beef Producers has agreed to provide \$25,000 of cash funding per year for the first two years of the agreement, and potentially longer, subject to availability of funds. This money can be used to leverage other sources of funding, fund activities unable to be covered by soft project money (i.e. core operations), or to support extension activities.

One of the first orders of business for the people involved in the Centre will be the creation of an extension plan to support previous and current research in beef and forage. This is expected to improve producer adoption of research results and new management techniques – when it makes economic sense to do so. We also expect that the applied research organizations throughout the province will play a big role in the extension plan, especially when it comes to sharing research results with producers.

Sampling kits for the antimicrobial resistance diagnostic screening tool project have been provided to a number of veterinary clinics and feedlots. Sampling will continue through fall run. Results from this project will be available early next year.

The amount of mis and disinformation circulating about the beef industry and related production practices is astounding. We are currently in the preliminary stages of a project designed to bust some of those myths, using scientific information, but packaged in a way that appeals to consumers. Hopefully we can get at least some consumers to come to us when they're looking for information. Stay tuned as this project progresses –

after the pilot phase we hope to involve the rest of the provincial organizations.

Again, don't forget to visit www.albertabeef.org/page/research and www.beefresearch.ca for everything related to beef research.

Alberta Beef Producers strongly believes in supporting research that improves the viability, competitiveness, and sustainability of the beef industry in Alberta and Canada. Substantial long-term investments in feed grain breeding (\$1.7 million over seven years) and the Beef Industry Science Clusters (\$1.2 million over nine years) demonstrates our commitment to that guiding principle. ▼

Brian Edge, Chair

- Darren Bevans, Zone 2
- Tim Smith, Zone 4
- Charlie Christie, Zone 5
- Ralph Buhler, Zone 6
- Colin Campbell, Zone 7
- Gordon Graves, CCC
- Howard Bekkering, CFC
- Larry Delver, CIC



BRIAN CHOMLAK
Animal Health and
Welfare Chair

AH&W REPORT

Brucellosis testing results from the Northern Alberta Bison project (six cows and three bulls) have come back negative. Tuberculosis results are still pending. The next step will be to confer with CFIA epidemiologists to determine whether more disease testing is necessary in the herd that has not been confirmed as infected. In addition, more discussion has occurred at the federal and provincial levels regarding an intergovernmental working group, much like the one set up to discuss options regarding the tuberculosis infected elk in Riding Mountain National Park in Manitoba.

BSE surveillance remains important as BSE testing numbers remain low in western Canada. Surveillance is an integral part of the application for negligible risk status, and to prove to our trading partners that the system we have in place is working. Remember, if you shouldn't ship her, test her.

We are one step closer to having improved diagnostic capacity in the province. Alberta Agriculture and Rural Development is partnering with the University of Calgary and the other western provinces to improve producer access to diagnostic facilities. More information will be provided as it becomes available.

A number of Growing Forward 2 (GF2) programs provide producers with the ability to access funding to help them improve their operations. Please visit <http://www.growingforward.alberta.ca/GF2Search/index.htm?role=Farmer-Rancher-Producer> to access the

application forms for any of the GF2 producer programs.

Earlier this year, the Veterinary Drug Directorate released a notice to stakeholders announcing the intention to remove growth promotion/production label claims from medically important antimicrobial drugs as well as the development of options to strengthen veterinary oversight of antimicrobial use in feed and water. While cattle are minimally affected by the removal of growth promotion claims from labels (six oxy- and chlortetracycline drugs carry a growth promotion claim, and two of those have another label claim) it is unclear what "strengthened veterinary oversight" may mean for producers at this point in time. We do know that ionophores are not part of this discussion. Consultations are likely to take place in early 2015.

Alberta Farm Animal Care is currently undergoing some strategic planning to give the organization more concrete three and five year goals and direction. This can only strengthen the organization's ability to promote responsible animal care in the province.

We would like to provide a friendly reminder that unfit animals should not be shipped to auction markets, but rather euthanized on farm or sent directly to a local abattoir. Long hauls can be difficult on old, thin or weak animals and by the time they reach their destination, and they may no longer be suitable for sale at auction. With the prevalence of videophones, this is an area that has the potential to leave a black eye on the entire industry. If you are unsure if an animal is fit to load, consult the Code of Practice for the Care and Handling of Beef Cattle (at <http://www.nfacc.ca/codes-of-practice/beef-cattle>) or your veterinarian.

The Animal Health & Welfare Working Group is dedicated to issues related to animal health

and humane animal care. We are working hard to serve the best interests of Alberta's beef producers and ensure that your check-off dollars are spent wisely to help prepare producers for emerging issues in these areas. We will continue to do our best to keep you informed on important topics, as well as the results from projects we are involved with.

Stay up-to-date by subscribing to Alberta Beef Producers' weekly e-mail updates at www.albertabeef.org. ▼

Regards,

Brian Chomlak, Chair

- Garth Porteous, Zone 1
- Brian Edge, Zone 3
- Pat Rutledge, Zone 4
- Rose Wymenga, Zone 5
- Ralph Buhler, Zone 6
- Danny Tonhauser, Zone 7
- Maarten Braat, Zone 9



RICK MCKNIGHT
Wildlife Working
Group Chair

WILDLIFE REPORT

Membership on the Wildlife Working Group (WWG) is made up of two members from the Cow Calf Council, two members from the Environment Committee and one from the Animal Health and Welfare Working Group.

The Miistakis Institute presented the Economic Impact of Wildlife Survey in regards to agriculture last year. Preliminary information was released in September stating over 80 percent of Alberta's beef producers had wildlife damage.

Ranchers continue to have losses to crops and pastures plus increased cost of fence repairs due to wildlife. The Miistakis Institute project on the cost of wildlife will be addressing the issue of compensation for these damages.

Alberta Game Management Advisory Group (AGMAG) is a government-industry committee. Rick McKnight and Walter Suntjens are the Alberta Beef Producers' (ABP) representatives on AGMAG. Livestock losses from coyotes continue to be a regional issue. In 2012, a request was made to AGMAG for them to present a submission to have coyotes placed on the wildlife predator list to the provincial government; this was not accepted and an appeal was to be resubmitted. Other ABP issues brought to AGMAG included limits on white geese, WMU bag limits for elk and cougar problems. The concept of having a 'toolbox of strategies' to help manage wildlife problems was introduced.

Paid access during hunting season continues to be a discussion for

producers who provide a land base for sport hunting. However, the legal process prohibits farmers from charging for hunting on their property. The WWG continues to push for changes to the legislation by exploring this as an ecological service. Legal council will also be consulted on process for the changes required. Areas have been defined that can be hunted beside roads on private property. Hunting outside road allowances without the landowner's permission is clearly defined as trespassing in the Petty Trespass Act.

A meeting has been held with Alberta Environment and Sustainable Resource Development (ESRD) to deal with the Grizzly Bear Recovery Plan for 2014-19. Bob Lowe and Rick McKnight attended and an ABP follow-up meeting took place and a letter was developed. Clarification of the plan was presented at the Waterton Biosphere Reserve meeting in Chain Lakes during the summer. Accuracy of grizzly bear numbers is a serious technical problem.

The Cardston compost facility was assessed as a possible way to deal with deadstock, but the facility was to be closed in May. The project appeared to be working except there were problems dealing with compost still defined as SRM. Presently, compost should not be used on pasture or forage farmland. This summer the CFIA was assessing redefining animal compost/SRM legislation.

Migratory bird hunting season falls under Environment Canada. There are 104 to 106 days allowed for hunting snow geese that are fairly prescriptive. In some cases hunting periods could be modified due to situations with early or late migration, but the number of days could not be changed. However, short-term hunting permits for problem situations can be obtained. The WWG is reviewing action taken for migratory bird management and certain costs. They are also reviewing the accountability of power plants for crop damage.

Rick Friesen discussed the implications of the Species at Risk Act (SARA) and the effect on ranchers with lease land in southeast Alberta. Ranches were being looked at as a potential reason for a decrease in sage grouse, but the industry was not being consulted about the alleged problem. The implications of SARA are far reaching beyond this issue. The Canadian Cattlemen's Association has worked on SARA and ABP representatives spoke to federal government officials during their last trip to Ottawa. There is a motion before the federal government to alter SARA. A meeting was held in Medicine Hat on June 26 to address the issue.

Some regions have large damage from elk. There was direction for the working group to have ESRD improve wildlife counts and explore having readily obtained hunting permits for inventory control.

A resolution was reviewed with the provincial government dealing with producer claims for livestock losses caused by wildlife predation. Alberta Conservation Association (ACA) has a history of slow payments; this was being reviewed with them. The plan, strategy and consequences of dealing with stored feed losses were also being reviewed with AFSC and ACA.

AFSC does not have insurance protection for bale or swath grazing or stockpiled forage for losses from wildlife. The WWG and the Cow Calf Council were exploring legislation around this: what should be changed by AFSC to have some protection and who could implement these changes? The WWG was coordinating this with the Safety-net Sub-committee. ▼

Rick McKnight, Chair

Darren Bevans, EC
Gordon Graves, CCC
Walter Suntjens, CCC
Danny Tonhauser, AH&W
Gordon Graves, Rep to Endangered
Species Conservation Committee

ABP OPERATIONS BUDGET FOR 2014-2015

Alberta Beef Producers

Operations Budget for the year ending March 31, 2015

National Policy and Trade Advocacy Programs:

Canadian Cattlemen's Association	\$ 1,431,200
National Governance and Oversight	30,000
Enhanced Federal Lobbying	35,000
U.S. and International Trade Management	40,000

Board and Delegate Expenses, ABP Governance, and Provincial Initiatives:

Board of Directors and board appointed representatives	133,000
Industry Partnerships	120,000
Annual General Meeting	115,000
Fall producer meetings & resolutions policy development	90,000
Zone Committees	76,500
Semi-annual Meeting	70,000
Sponsorships	60,000
Executive Committee	55,000
Annual Report	55,000
Provincial Advocacy	50,000
Canfax Membership and Services	53,400
Audit Committee	2,000
Governance Committee	2,000

Council, Committee, Staff and Project Expenses in Priority Areas:

Salaries and benefits, related to priority areas	532,500
Marketing and Education Committee	315,000
Communications Committee	261,000
Projects Reserve Fund	140,000
Feed Grain Research Project	100,000
BCRC Science Cluster	100,000
Research Committee	65,000
Environment Committee	58,000
Cattle Feeder Council	30,000
Animal Health and Welfare Working Group	25,000
Cow Calf Council	18,000
Cattle Industry Council	11,000
Wildlife Working Group	10,000

Office, Legal, and Financial Administration:

Rent, office supplies and equipment	400,000
Salaries and benefits	347,500
Plan Review	100,000
Legal, audit, and consulting	50,000
Amortization of capital assets	25,000

5,006,100

Capital Budget

4,900

Total operating budget

\$ 5,011,000

ABP REFUND REPORT

Refund Report

Refund Period Ending	Number of Refund Requests	Number of Marketings Refunded	Net Amount Refunded	Number of Cow Calf Refund Requests	Amount Refunded to Cow Calf Producers	Number of Feedlots Refund Requests	Amount Refunded to Feedlot Producers
December 2013	491	624,396	\$ 1,217,511	335	\$ 172,129	156	\$ 1,045,382
June 2013	432	615,941	\$ 1,204,360	262	\$ 155,077	170	\$ 1,049,283
December 2012	532	547,308	\$ 1,061,739	365	\$ 152,667	167	\$ 909,072
June 2012	407	569,901	\$ 1,109,397	243	\$ 116,053	164	\$ 993,334
December 2011	572	599,038	\$ 1,173,105	381	\$ 157,504	191	\$ 1,015,601
June 2011	414	516,204	\$ 1,008,705	243	\$ 114,357	171	\$ 894,348
December 2010	647	584,075	\$ 1,586,157	476	\$ 304,527	171	\$ 1,281,630
June 2010	396	364,789	\$ 1,042,110	247	\$ 170,155	149	\$ 871,955
Totals	3,891	4,421,652	\$ 9,403,084	2,552	\$ 1,342,469	1,339	\$ 8,060,615
Percentages of Refunds Allocated					14%		86%

Refund Rates

\$3 per marketing until November 30, 2010

Thereafter, only the \$2 Alberta Service Charge is refundable

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INDEPENDENT AUDITOR'S REPORT

June 9, 2014
Edmonton, Alberta

To the Directors and Delegates of Alberta Beef Producers

We have audited the accompanying financial statements of Alberta Beef Producers, which comprise the statements of financial position as at March 31, 2014 and the statements of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alberta Beef Producers as at March 31, 2014 and the results of its operations and its cash flow for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

A handwritten signature in black ink that reads 'Kingston Ross Pask LLP'.

Kingston Ross Pask LLP
Chartered Accountants

ABP STATEMENT OF OPERATIONS

ALBERTA BEEF PRODUCERS

Statement of Operations

Year Ended March 31, 2014

	2014	2013
REVENUE		
Alberta service charge and levy revenue (Note 2)	\$10,814,716	\$10,279,626
Less dealer rebate	(185,924)	(169,332)
Less Alberta service charge refunded	(2,421,871)	(2,171,137)
Interprovincial marketings (Note 2)	142,949	91,100
	8,349,870	8,030,257
Canadian Beef Cattle Research, Market Development and Promotion Agency (Note 9):		
Canada Beef Inc.	2,974,782	2,709,317
Beef Cattle Research Council	743,695	677,329
	3,718,477	3,386,646
Excess of revenue over expenses before the undernoted	4,631,393	4,643,611
OTHER REVENUE		
Grants (Note 8)	408,011	1,027,935
Interest and other income (Note 4)	250,575	223,493
Economic Impact of Wildlife Study	13,426	-
Producer Loyalty Partnership Program	10,000	20,005
	682,012	1,271,433
OTHER EXPENSES		
Grant funds expended (Note 8)	408,011	1,027,935
CCA legal assessment (Note 9)	318,633	264,368
Research commitments, prior year	300,000	442,000
ABP matching funds for Marketing Campaign	271,119	386,719
Conditionally approved projects, prior year	154,520	-
Economic Impact of Wildlife Study	13,426	-
Producer Loyalty Partnership Program	-	9,605
Youth bursaries	-	1,750
	1,465,709	2,132,377
EXCESS OF REVENUE OVER EXPENSES BEFORE OPERATING EXPENSES	3,847,696	3,782,667
OPERATING EXPENSES		
Operating Expenses (Schedule 1)	4,573,004	4,285,590
Amortization of furniture and equipment (Note 6)	29,092	35,648
	4,602,096	4,321,238
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (754,400)	\$ (538,571)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Statement of Changes in Net Assets Year ended March 31, 2014

	Trade Advocacy Reserve (Note 3)	Operating Reserve Following year (Note 3)	Operating Reserve Future years (Note 3)	Conditionally Restricted Reserve (Note 3)	Project Reserve Fund (Note 3)	Invested In Furniture and Equipment	Unrestricted	2014 Total	2013 Total
Balance, beginning of year	\$ 4,500,000	\$ 5,170,000	\$ 1,375,000	\$ 154,520	\$ 680,300	\$ 61,338	\$ 2,063,156	\$14,004,314	\$14,542,885
Transferred to current year operations	-	(5,170,000)	-	-	-	-	5,170,000	-	-
Internally restricted for following year operations	-	5,011,000	(65,200)	-	-	-	(4,945,800)	-	-
Internally restricted transfers	-	-	-	(149,520)	258,000	-	(108,480)	-	-
Deficiency of revenues over expenses	(318,633)	-	-	-	(571,650)	(46,239)	182,122	(754,400)	(538,571)
Invested in furniture and equipment	-	-	-	-	-	60,351	(60,351)	-	-
Balance, end of year	\$ 4,181,367	\$ 5,011,000	\$ 1,309,800	\$ 5,000	\$ 366,650	\$ 75,450	\$2,300,647	\$13,249,914	\$14,004,314

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS
Statement of Financial Position
March 31, 2014

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 1,736,833	\$ 1,119,508
Restricted cash	371,650	680,300
Operating Reserve Fund, Following year (Note 3)	5,011,000	5,170,000
Investments (Note 4)	7,204,842	7,099,125
Service charge receivable	1,297,832	1,165,103
Interest and other receivables	193,836	128,404
Goods and Services Tax receivable	21,977	-
Prepaid expenses	119,601	67,614
Inventory (Note 5)	8,762	6,630
	15,966,333	15,436,684
OPERATING RESERVE FUND, Future years (Note 3)	1,309,800	1,375,000
FURNITURE AND EQUIPMENT (Note 6)	75,450	61,338
	\$ 17,351,583	\$ 16,873,022
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,902,237	\$ 1,239,140
Goods and Services Tax payable	-	12,291
Alberta marketings funds held	1,807,262	1,465,498
Deferred revenue (Note 7)	392,170	151,779
	4,101,669	2,868,708
COMMITMENTS (Note 10)		
NET ASSETS (Note 3)		
TRADE ADVOCACY RESERVE FUND	4,181,367	4,500,000
OPERATING RESERVE FUND, Following year	5,011,000	5,170,000
OPERATING RESERVE FUND, Future years	1,309,800	1,375,000
CONDITIONALLY RESTRICTED RESERVE FUND	5,000	154,520
LONG-TERM PROJECTS	366,650	680,300
INVESTED IN FURNITURE AND EQUIPMENT	75,450	61,338
UNRESTRICTED	2,300,647	2,063,156
	13,249,914	14,004,314
	\$ 17,351,583	\$ 16,873,022

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Statement of Cash Flow

Year Ended March 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Deficiency of revenue over other expenses	\$ (754,400)	\$ (538,571)
Add items not affecting cash:		
Amortization of furniture and equipment	29,092	35,648
Loss on disposition of furniture and equipment	17,147	-
Change in unrealized (gain) loss on investments held at year end	(4,822)	7,007
	(712,983)	(495,916)
Changes in non-cash working capital accounts:		
Service charge receivable	(132,728)	(446,230)
Interest and other receivables	(65,432)	(28,301)
Inventory	(2,132)	7,987
Goods and Service Tax	(34,178)	-
Prepaid expenses	(51,987)	(39,953)
Accounts payable and accrued liabilities	663,008	142,294
Alberta marketings held in trust	341,764	(127,032)
Deferred revenue	240,391	(909,027)
	958,706	(1,400,262)
Cash flow from (used by) operating activities	245,723	(1,896,178)
INVESTING ACTIVITIES		
Purchase of investments	(2,304,674)	(2,985,147)
Proceeds from sale of investments	2,203,777	2,849,885
Purchase of furniture and equipment	(60,351)	(7,439)
Cash flow used by investing activities	(161,248)	(142,701)
INCREASE (DECREASE) IN CASH FLOW	84,475	(2,038,879)
CASH - BEGINNING OF YEAR	8,344,808	10,383,687
CASH - END OF YEAR	\$ 8,429,283	\$ 8,344,808
CASH CONSISTS OF:		
Cash	\$ 1,736,833	\$ 1,119,508
Restricted cash	371,650	680,300
OPERATING RESERVE FUND, Following year	5,011,000	5,170,000
OPERATING RESERVE FUND, Future years	1,309,800	1,375,000
	\$ 8,429,283	\$ 8,344,808

Cash included in the operating bank account bears interest at prime less 2% per annum.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

1. DESCRIPTION OF BUSINESS

Alberta Beef Producers ("ABP") was incorporated under the Marketing of Agricultural Products Act for the purpose of initiating and carrying out projects and programs to stimulate, increase and improve the production and marketing of cattle and cattle products. Effective since November 30, 2010, ABP is authorized under its Plan Regulation and Commission Regulation to collect a \$2.00 refundable Alberta service charge and a \$1.00 non-refundable National Levy from producers who sell or who are in the business of feeding and slaughtering their own cattle ("Alberta Service Charge and Levy").

Since April 1, 2000, \$1.00 (the "National Levy") of the per head service charge collected has been paid to the Canadian Beef Cattle Research, Marketing Development and Promotion Agency ("the Agency"). The National Levy is paid to the Agency by all the provincial cattle associations to fund research, market development and promotion projects for the benefit of Canadian producers.

Effective July 1, 2011, the ABP Board of Directors allocate the National Levy as follows: \$0.80 to Canada Beef Inc. (C.B.I) and \$0.20 to Beef Cattle Research Council (BCRC).

ABP meets the qualification of a not-for-profit organization as defined in paragraph 149(1) of the Income Tax Act, Canada and as such is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

Financial statement presentation

ABP has chosen to continue to present net assets invested in furniture and equipment as a separate category of internally restricted net assets.

Revenue recognition

The Alberta Service Charge (Note 1) collected is held in trust until such time as the refund period is complete. When the number of marketings retained is known, the revenue is recognized. The revenues reported represent Alberta Service Charge collected and management's best estimate of uncollected fees. Due to the uncertainties in the industry reporting, there may be adjustments in future periods and such adjustments may be material to the financial position of ABP.

ABP pays a dealer rebate of \$0.05 per head to those who collect and remit the Alberta Service Charge and Levy collected on behalf of ABP.

ABP follows the deferral method of accounting for contributions, which includes government grants. Grant revenue is recognized in accordance with the terms of the grant agreements when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Investment income includes interest and realized and unrealized gains and losses on investments. Revenue from investments and other income is recognized on an accrual basis as it is earned.

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Budgeting process

The net revenue remaining from the Alberta Service Charge and Levy collected less refunds of the Alberta Service Charge and payments to the National Agency in one year are to be used for the following year's draft budget. This process of collecting net revenue one year for the following year's expenditures will enable ABP to budget effectively and ensure there are funds available for core operations. The budget is finalized once the total amount available to be spent is known.

Refunds

The Alberta Service Charge and Levy is payable by producers who sell cattle and by producers who feed and slaughter their own cattle. The Alberta Service Charge paid by or on behalf of a producer is refundable to that producer on request of that producer. A producer could request a refund of all or a portion of the \$2.00 Alberta Service Charge. The \$1.00 Levy is non-refundable. The refund is only available to Alberta residents selling or feeding and slaughtering cattle in Alberta.

Interprovincial marketings

When non-Alberta residents sell cattle in Alberta, the purchaser or livestock dealer is deducting and remitting a \$3.00 Federal Levy and not the Alberta Service Charge and Levy. The \$3.00 Federal Levy is collected by ABP on behalf of the Agency. Payments of the Federal Levy are forwarded to the Agency for national beef cattle research, marketing and promotion projects for the benefit of Canadian producers. The Agency pays a portion of the Federal Levy to the provincial cattle association in the province where the seller resides. When an Alberta resident sells cattle in another province, the provincial cattle association in that province is, in turn, collecting the Federal Levy from the Alberta producer. The Federal Levy is non-refundable.

Investments

Investments are recorded at market value. ABP's investments consist of government bonds which are held primarily for trading purposes. The portfolio is managed by a third party investment manager and is subject to an investment policy set by the Board of Directors and which has as its main objective the growth and preservation of capital. Transition costs are recognized immediately in the statement of operations.

Inventory

Inventory is valued at the lower of cost, determined on an average cost basis, and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated selling costs. Cost of inventories includes materials and other costs incurred in bringing the inventories to their present location and condition.

Furniture and equipment

ABP provides amortization on its furniture and equipment using the straight-line method at the following rates:

Furniture and fixtures	10 years
Computer equipment	3-4 years
Audio-visual equipment	5 years

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

All financial instruments are initially measured at fair value, and, unless otherwise noted, the company subsequently measures its financial instruments at amortized cost.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. These estimates included the useful lives of the furniture and equipment, collection of Alberta Service Charge and collectability of accounts receivable.

Disclosure of allocated expenses

ABP has chosen to continue to classify their expenses by function and allocate their expenses to a number of functions to which the expenses relate. ABP has allocated salaries expenses to Council, Committee Staff and Project expenses in Priority Areas and to Office, legal and financial administration (Note 13).

3. INTERNALLY RESTRICTED NET ASSETS

Trade Advocacy Reserve Fund

In 2005, the Board of Directors passed a motion to establish a reserve fund for the purpose of future trade advocacy and legal defence projects.

In 2014, the transactions in the fund consisted of expenses of \$318,333 incurred (2013 - \$264,368) and a transfer from the Unrestricted Fund in the amount of \$nil (2013 - \$264,368).

	Withdrawal	Transfer	2014	2013
Balance, beginning of year	\$ -	\$ -	\$ 4,500,000	\$ 4,500,000
Payment of CCA legal assessment	(318,633)	-	(318,633)	(264,368)
Motion to transfer funds into fund	-	-	-	264,368
	\$ (318,633)	\$ -	\$ 4,181,367	\$ 4,500,000

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

3. INTERNALLY RESTRICTED NET ASSETS *(continued)*

Operating Reserve Fund

On April 30, 2009, the Board of Directors passed a motion to establish a reserve fund for the purpose of allocating operational funds for the following budget years.

	2014	2013
Balance, beginning of year	\$ 5,170,000	\$ 5,435,000
Transferred from the fund for operations in current year	(5,170,000)	(5,435,000)
Allocation from the current year to the following year's operations budget	5,011,000	5,170,000
	\$ 5,011,000	\$ 5,170,000

Operating Reserve Fund, future years

The Board of Directors established this fund to cover budget shortfalls caused by short-term declines in cattle marketings during the cattle cycle. The purpose of this fund is to allow ABP to maintain high level of services for the benefit of producers during these periods. The cattle herd in Alberta is currently at a low level and the Board of Directors expects that the number of marketings will be low over the next few years as the herd is rebuilt.

	2014	2013
Balance, beginning of year	\$ 1,375,000	\$ 1,375,000
Motion to transfer funds out of fund	(65,200)	-
	\$ 1,309,800	\$ 1,375,000

The operating reserve funds are held in cash

Conditionally Restricted Reserve Fund

In 2012, the Board of Directors passed a motion to establish a conditionally restricted reserve fund. When the board passes a motion to fund a project where certain conditions must be met, the funds will be placed in this fund until the conditions are satisfied. If the conditions are not satisfied the funding will return to the unrestricted net asset fund.

	2014	2013
Balance, beginning of year	\$ 154,520	\$ 239,520
Motion to transfer funds out of fund	(149,520)	(85,000)
	\$ 5,000	\$ 154,520

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

3. INTERNALLY RESTRICTED NET ASSETS *(continued)*

Project Reserve Fund

In 2007, the Board of Directors established a project reserve fund for the purpose of segregating all multi year commitments. The Board established a policy that the full value of long-term commitments would be removed from the current year budget and placed in this fund. This policy was modified in 2013 and modified again in 2014. Now, the policy on long-term projects is when all the funding for a long-term project is available in a current budget year, this funding will be moved to the Project Reserve Fund (for long-term projects), but when all the funding is not available in a current budget year, the ABP Board of Directors may make long-term project commitments on a year to year basis subject to the availability of funding in future years.

	2014	2013
Balance, beginning of year	\$ 680,300	\$ 1,242,000
Current year research obligations expensed	(300,000)	(442,000)
Current year marketing campaign obligations expensed	(271,650)	(405,725)
Current year commitments	258,000	286,025
	\$ 366,650	\$ 680,300
Consists of:		
Current commitments	\$ 324,150	
Long term commitments	42,500	
	\$ 366,650	

Comprised of:

Research projects

As of March 2014 the Board of Directors had allocated \$95,000 to various research projects over the next two years

	\$ 95,000
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Marketing and Education Committee

Balance, beginning of year

As of March 2013 the Marketing and Education Committee had a commitment to fund phase II of the Alberta Beef: Famous Taste Campaign, to be expensed over two years.

Recognized in 2014

Addition in 2014

Balance, beginning of year	\$ 380,300
Recognized in 2014	(271,650)
Addition in 2014	163,000
	\$ 271,650

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2014

4. INVESTMENTS

	2014	2014	2013	2013
	Cost	Fair Value	Cost	Fair Value
Bonds:				
Provincial government, bearing yield rates ranging from 3.45% to 4.82%, due between June 2014 and December 2016	\$ 7,041,821	\$ 7,204,842	\$ 6,940,923	\$ 7,099,125

Although some of the bonds have maturity dates beyond one year, due to their ability for prompt liquidation, all have been classified as current assets.

Interest and other income is comprised of the following:

	2014	2013
Interest on investments	\$ 101,027	\$ 133,001
Change in unrealized gain (loss) in investments held at year end	4,822	(7,007)
Interest on bank balance	105,849	125,994
Other income	89,778	92,738
	54,948	4,761
	\$ 250,575	\$ 223,493

5. INVENTORY

	2014	2013
Inventory consists of the following:		
Promotional items	\$ 8,762	\$ 6,630

During the year ended March 31, 2014, ABP expensed \$8,121 (2013 - \$22,893) of its inventory in the regular course of operations and had no inventory write-downs.

6. FURNITURE AND EQUIPMENT

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Furniture and fixtures	\$ 103,303	\$ 53,052	\$ 50,251	\$ 46,085
Computer equipment	26,945	11,695	15,250	13,251
Audio-visual equipment	11,055	1,106	9,949	2,002
	\$ 141,303	\$ 65,853	\$ 75,450	\$ 61,338

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2014

7. DEFERRED REVENUE

	Opening	Additions	Recognition of Revenue	2014	2013
Alberta Beef: Famous Taste Campaign	\$ -	\$ 454,000	\$ (252,150)	\$ 201,850	\$ -
Technological Communications Grant	-	81,000	-	81,000	-
Environment Grant	113,724	-	(45,280)	68,444	113,724
Body Condition Scoring Grant	-	50,000	(12,400)	37,600	-
AHI Investigation summary and producer education information program (1)	3,276	-	-	3,276	3,276
Other	34,779	-	(34,779)	-	34,779
Wood Buffalo Bio Security Grant	-	68,181	(68,181)	-	-
	\$ 151,779	\$ 653,181	\$ (412,790)	\$ 392,170	\$ 151,779

(1) Funds from the Animal Health Investigator (AHI) program are earmarked for producer education and awareness programs regarding the effects of the oil and gas industry on cattle health.

8. GRANTS

	2014	2013
Alberta Beef: Famous Taste Campaign	\$ 252,150	\$ 866,175
Wood Buffalo Bio Security Grant	68,181	109,064
Environment Grant	45,280	35,175
Business Management and Assessment Grant	30,000	-
Body Condition Scoring Grant	12,400	-
Auction Market Grant	-	17,521
	\$ 408,011	\$ 1,027,935

Alberta Beef: Famous Taste Campaign

In 2012, Alberta Livestock and Meat Agency (ALMA) provided ABP with a grant for \$866,175 to assist with costs related to a marketing campaign executed in the 2012-2013 year. A balance of \$866,175 was recognized as revenue in 2013 which agrees to eligible expenses incurred. In 2014, ALMA provided ABP with a \$504,300 grant to implement Phase II of this campaign over a two year period. A balance of \$252,150 was recognized as revenue which agrees to eligible expenses incurred.

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

8. GRANTS (continued)

Wood Buffalo Bio Security Grant

In 2012 Growing Forward provided ABP with an initial grant to assist with costs related to a study on tuberculosis and brucellosis present in bison outside Wood Buffalo National Park. A balance of \$109,064 was recognized as revenue in 2013, which agrees to eligible expenses incurred. In 2014, Growing Forward 2 provided ABP with a second grant of \$425,450 to continue work on this project. A balance of \$68,181 was recognized as revenue which agrees to eligible expenses incurred.

Environment Grant

In 2012 ABP received a grant from Alberta Agriculture and Rural Development (ARD) for an Overwintering Sites project. A balance of \$45,280 was recognized as revenue in 2014 (2013 - \$35,175), which agrees to eligible expenses incurred.

Business Management and Assessment Grant

In 2014 Alberta Agriculture and Rural Development approved a grant of \$30,000 under the Business Opportunities Grant Program for the purpose of Executive and Board coaching. A balance of \$30,000 was recognized as revenue in 2014 and agreed to eligible expenses incurred.

Body Condition Scoring Grant

In 2014 Growing Forward 2 provided ABP with a \$112,500 grant for the purpose of educating producers about body condition scoring. A balance of \$12,400 was recognized as revenue in 2014 and agreed to eligible expenses incurred.

Auction Market Grant

In 2010 ALMA provided ABP with a grant for \$187,600 to assist with communicating current industry events to producers. No balance was recognized as revenue in 2014 (2013 - \$17,521).

AMR Diagnostic Panel

Subsequent to year-end, ALMA provided ABP with a \$149,900 grant for the purpose of providing a tool to measure antibiotic resistance in the field.

9. RELATED PARTY TRANSACTIONS

National Organizations:

The Alberta Beef Producers Plan provides for ABP to become a provincial member of and to contribute funds to the national organizations. As a contributing organization, ABP is entitled to representation as follows:

1. Canadian Cattlemen's Association (CCA)

- a) The number of seats on the Board of Directors of the CCA is based upon the proportionate share of the CCA annual assessment. Effective July 1, 2012, ABP will be entitled to seven of the twenty-eight seats.

2. Canadian Beef Cattle Research, Market Development and Promotion Agency (the "Agency"), operating as Canada Beef Inc. As a contributing organization, ABP is entitled to representation as follows:

a) Canada Beef Inc.

Alberta is entitled to two of sixteen seats on the Board of Directors of Canada Beef Inc. and by agreement, these seats are divided between ABP and the Alberta Cattle Feeders' Association.

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2014

9. RELATED PARTY TRANSACTIONS *(continued)*

b) Beef Cattle Research Council

A number of representatives to the Beef Cattle Research Council based on its proportionate share of total funding. For the year ending March 31, 2014 ABP was entitled to four of the eleven seats.

3. Payments

	2014	2013
CCA Monthly Assessments		
Payments	\$ 1,400,000	\$ 1,437,273
Payable at year-end	72,972	-
	\$ 1,472,972	\$ 1,437,273

CCA, Other		
CCA Legal Assessment	\$ 318,633	\$ 264,368
Sponsorship of Young Cattlemen's Council	3,000	-
Canadian Round Table for Sustainable Beef Membership	1,500	-
Research project funding, BCRC	152,500	75,000
Research project funding, other	-	5,419
	\$ 475,633	\$ 344,787

ABP made additional payments to the foregoing parties for contracted services as follows:

	2014	2013
Sponsorship of Canada Beef Inc. Forum	\$ 1,000	\$ -
Payments to Canfax, a division of CCA:		
Membership and services	\$ 53,400	\$ 53,400
Communications Committee, services	10,200	10,200
Research projects	1,100	7,286
	\$ 64,700	\$ 70,886

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Amounts payable at March 31, 2014 to the following:

Canadian Beef Cattle Research, Market Development and Promotion Agency	\$ 1,305,807	\$ 321,515
Canadian Cattlemen's Association Assessment	72,972	-
Canadian Cattlemen's Association - Operations	710	667
	\$ 1,379,489	\$ 322,182

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

9. RELATED PARTY TRANSACTIONS *(continued)*

Amounts receivable and payable at year-end are in the normal course of operations. The amount owing to and from Canadian Beef Cattle Research, Market Development and Promotion Agency includes the monthly collection of the National Levy and the province of origin amounts.

CCA Assessment

The ABP assessment from CCA is based on the CCA budget and the percentage of total cattle marketing's that occur in Alberta. The ABP Board of Directors approved \$1,400,000. CCA assessments based on funds retained for the budget year. The CCA assessment was \$1,472,972. This has resulted in a shortfall of \$72,972. This balance is reflected as an accounts payable in the financial statements. The ABP Board of Directors does not intend to pay an amount over \$1,400,000 approved in the budget. It is the CCA policy to write off outstanding balances after 3 years.

10. COMMITMENTS

Operating leases:

ABP leases office space and equipment under various operating leases. The future minimum lease payments over the next five years and thereafter are as follows:

2015	\$ 148,959
2016	148,959
2017	148,959
2018	155,607
2019	145,076
Thereafter	790,934
	<u>\$ 1,538,494</u>

(continues)

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS Notes to Financial Statements Year Ended March 31, 2014

10. COMMITMENTS *(continued)*

Funding of research projects:

Funding of research projects is contingent upon researchers meeting certain criteria prior to payments being advanced. The obligations for payments are only recorded in the financial statements when such criteria have been met. If the researchers meet such criteria for all projects outstanding as at March 31, 2014 the additional charges will be \$366,650 (2013- \$680,300).

In 2013, a \$500,000 funding agreement has been signed payable to BCRC to continue the National Science Cluster Projects and will be funded out of retained funds over five years commencing in 2014. In 2014, one payment was made for \$100,000 and a balance of \$400,000 remains.

In 2013, an agreement was made to continue funding the Feed Grain Research Project in the amount of \$200,000. This project will be funded out of future retained funds in 2014 and 2015. In 2014, one payment was made for \$100,000 and a balance of \$100,000 remains.

In 2013, a \$200,000 agreement was signed with BCRC to fund various research projects over four years. A balance of \$52,500 was expensed in 2014 (2013 - \$52,500). During the year, the Board of Directors passed a motion to transfer the balance of the funding (\$95,000) for this project into the long term project reserve fund to be paid as follows:

- \$52,500 upon progress report year three being approved;
- \$25,000 upon progress report year four being approved;
- \$17,500 upon final report being approved.

Balance of these research commitments \$500,000 (2013 - \$847,500).

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

11. DIRECTOR, DELEGATE AND NON-DELEGATE EXPENSES

With respect to payment of honoraria and the reimbursement of expenses to producers elected as a delegate or a director and to the payment of the daily allowance and reimbursement of expenses to producers not elected as a delegate or director of ABP who worked as a delegate or director of ABP with respect to authorized ABP programs or activities, the following director and delegate honoraria, and non-delegate daily allowances, and expenses are included in each of the categories is as follows:

	2014	2013
Board of Directors and Board Representatives	\$ 115,529	\$ 116,383
Annual General Meeting	60,510	65,091
Executive Committee	56,883	52,012
Semi-annual Meeting	36,850	41,651
Enhanced Federal Lobbying	31,709	41,914
U.S. and International Trade Management	23,601	27,658
Environment Committee	19,411	26,853
Zone Committees	17,407	17,677
Animal Health and Welfare Working Group	16,337	25,415
Provincial advocacy	15,880	6,469
Canadian Cattlemen's Association	14,962	16,143
Cattle Feeder Council	14,872	16,788
Marketing and Education Committee	14,742	22,154
Fall producer meetings and Resolution Policy Development	6,806	10,074
Cow Calf Council	6,189	14,405
Canadian Beef Cattle Research, Market Development and Promotion Agency	4,519	1,881
Cattle Industry Council	3,972	3,307
Research Committee	3,516	3,746
Communications Committee	2,920	7,143
Wildlife Working Committee	1,420	5,578
Beef Cattle Research Council	898	1,740
Canada Beef Export Federation	-	6,456
Audit and Governance Committees	-	5,708
Sponsorships	-	1,316
	\$ 468,933	\$ 537,562

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Notes to Financial Statements

Year Ended March 31, 2014

12. FINANCIAL INSTRUMENTS

ABP is exposed to various risks through its financial instruments. The following analysis provides information about the company's risk exposure and concentration as of March 31, 2014. Unless otherwise noted, ABP's risk exposure has not changed from the prior year.

Credit, liquidity and price risk

ABP has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed in investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk, and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates, and market prices. ABP does not use derivative financial instruments to alter the effects of these risks. ABP manages these risks using extensive risk management policies and practices, including various Board-approved asset mix strategies and risk management limits.

Changes in interest rates and credit ratings are the main cause of changes in the fair value of government bonds resulting in a favourable or unfavourable variance compared to book value. Credit risk is mitigated by investing in securities with a rating of BBB or better and diversifying the securities. Interest rate risk is mitigated by managing maturity dates and payment frequency. ABP is also exposed to interest rate fluctuations on its cash balances. A sensitivity analysis for interest rate risk has not been performed for the year ending March 31, 2014 as the effect of a change in interest rates would have been minimal as the interest on the existing cash on hand is not a material amount. ABP limits credit risk associated with accounts receivable by dealing with counterparties that it believes are creditworthy. ABP has a significant number of customers which minimizes concentration of credit risk.

13. ALLOCATION OF EXPENSES

The salaries of the Executive Director and Controller have been allocated proportionately as determined by the Board of Directors on an annual basis. Costs that can be directly attributable to the individual programs and functions have been allocated to the specific programs and functions.

	Council, Committee Staff and Project Expenses in Priority Areas		Office, Legal and Financial Administration	
	2014	2013	2014	2013
Executive Director	40%	40%	60%	60%
Controller	30%	30%	70%	70%

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

ABP FINANCIAL STATEMENTS

ALBERTA BEEF PRODUCERS

Operating Expenses

(Schedule 1)

Year Ended March 31, 2014

	2014	2013
National Policy and Trade Advocacy Programs:		
Canadian Cattlemen's Association (Note 9)	\$ 1,472,972	\$ 1,437,273
U.S. and International Trade Management	49,258	58,108
National Governance and Oversight	24,691	28,168
Enhanced Federal Lobbying	35,466	47,663
Board and Delegates Expenses, ABP Governance and Provincial Initiatives:		
Board Meetings and Board appointed representatives	139,589	141,432
Partnership Projects	118,500	116,500
Annual General Meeting	112,873	116,592
Fall producer meetings and Resolution Policy Development	84,306	84,620
Semi-annual Meeting	64,691	66,077
Executive Committee	58,547	52,543
Zone Committees	54,018	65,186
Canfax Membership and Services (Note 9)	53,400	53,400
Annual Report	49,445	56,027
Provincial Advocacy	40,407	27,995
Sponsorships	15,119	13,047
Audit Committee	408	1,606
Governance Committee	-	4,919
Council, Committee Staff and Project expenses in Priority Areas: (Note 13)		
Salaries and benefits - relating to programs	517,450	529,132
Communications Committee	259,323	278,774
Project reserve fund	183,483	122,468
Marketing and Education Committee	149,688	103,030
Feed Grain Research Project	100,000	-
BCRC Science Cluster	100,000	-
Environment Committee	45,581	71,223
Cattle Feeder Council	26,116	19,998
Animal Health and Welfare Working Group	19,343	31,210
Research Committee	10,993	6,793
Cow Calf Council	10,487	12,771
Cattle Industry Council	7,639	3,928
Wildlife Working Committee	3,394	7,145
Office, Legal and Financial Administration:		
Rent, office supplies and equipment	399,213	380,735
Salaries and benefits	319,093	319,102
Legal, audit and consulting	47,511	28,125
	\$ 4,573,004	\$ 4,285,590

CBCRMPA FINANCIAL STATEMENTS

CANADIAN BEEF CATTLE RESEARCH, MARKET DEVELOPMENT & PROMOTION AGENCY, OPERATING AS CANADA BEEF INC.

For the year ended March 31, 2014 and the fifteen month period ending March 31, 2013

	2014		31-Mar-13	
			RESTATED	
Check off revenue, net of interprovincial reconciliations				
Alberta	\$4,128,396	27.1%	\$4,451,567	30.9%
Saskatchewan	1,172,678	7.7%	1,207,195	8.4%
Ontario	1,051,657	6.9%	1,413,019	9.8%
Quebec	723,339	4.8%	709,504	4.9%
Manitoba	578,154	3.8%	678,733	4.7%
British Columbia	234,775	1.5%	258,023	1.8%
New Brunswick	48,126	0.3%	-	0.0%
P.E.I.	35,252	0.2%	-	0.0%
Nova Scotia	16,853	0.1%	19,467	0.1%
	7,989,230	52.4%	8,737,508	60.6%
Canadian Cattlemen Market Development Council	6,840,754	45.0%	5,603,057	38.9%
Import Levies	181,807	1.2%	-	0.0%
Interest	55,997	0.4%	70,949	0.5%
Miscellaneous	150,411	1.0%	8,940	0.0%
Total Revenue	15,218,199	100.0%	14,420,454	100.0%
Expenses:				
Operations, Canadian	4,126,950	29.3%	5,511,275	37.3%
Operations, Foreign	1,762,357	12.5%	1,993,928	13.5%
	5,889,307	41.8%	7,505,203	50.8%
Market Development, North America:				
Canadian market development	1,474,840	10.5%	1,340,505	9.1%
Customer service support	158,647	1.1%	449,193	3.0%
Issues Management	26,000	0.2%	70,607	0.5%
Market Outreach Initiative	110,224	0.8%	84,804	0.6%
Mexico Market Development	2,999	0.0%	365,473	2.5%
Nutrition Communication	217,280	1.5%	252,374	1.7%
Public Relations	180,595	1.3%	103,666	0.7%
Stakeholder Communications	254,854	1.8%	326,905	2.2%
United States Market Development	513,834	3.6%	411,866	2.8%
Branding Campaign	71,476	0.5%	-	0.0%
Value Added Initiatives	(1,679)	0.0%	1,679	0.0%
Market Development, Global Markets				
China	317,240	2.2%	99,450	0.7%
Hong Kong	141,829	1.0%	36,330	0.2%
Emerging markets	386,193	2.7%	342,550	2.3%
Japan	433,855	3.1%	339,971	2.3%
Korea	139,743	1.0%	165,368	1.1%
Taiwan	-	0.0%	40,994	0.3%
Southeast Asia	95,765	0.7%	-	0.0%
Latin America	706,640	5.0%	-	0.0%
Global Markets	303,457	2.2%	-	0.0%
	5,533,792	39.2%	4,431,735	30.0%
National Check-off Allocations				
Manitoba Cattle Producer's Association	58,186	0.4%	63,960	0.4%
Beef Farmers of Ontario	667,270	4.8%	815,952	5.5%
Federation des Producteurs de Bovins du Quebec	725,563	5.2%	715,887	4.8%
New Brunswick Cattle Producers	49,143	0.3%	28,785	0.2%
Nova Scotia Cattlemen's Association	16,852	0.1%	21,868	0.1%
Beef Cattle Research Council	1,131,055	8.0%	1,177,167	8.0%
Prince Edward Island Cattle Producers	32,314	0.2%	2,161	0.0%
Saskatchewan Cattlemen's Association	2,274	0.0%	7,830	0.1%
Other	(302)	0.0%	3,594	0.0%
	2,682,355	19.0%	2,837,204	19.2%
Total Expenses	14,105,454	100.0%	14,774,142	100.0%
Excess (deficiency) of revenue over expenses	1,112,745		(353,688)	
Net assets, beginning of period	5,358,655		4,947,890	
Consolidation reserve transfers	-		764,453	
Net assets, end of period	\$6,471,400		\$5,358,655	

CCA FINANCIAL STATEMENTS

CANADIAN CATTLEMEN'S ASSOCIATION

Schedule of Revenue, Expenditure and Net Assets (Unaudited)

Year ended June 30, 2014, with comparative figures for 2013

	2014		2013	
Revenue:				
Assessments				
Alberta	\$1,491,842	37.4%	\$1,416,364	41.5%
Saskatchewan	575,157	14.4%	708,620	20.8%
Ontario	416,910	10.9%	383,448	11.2%
Manitoba	267,870	6.7%	261,944	7.7%
British Columbia	93,510	2.3%	111,012	3.3%
Nova Scotia	12,084	0.3%	12,240	0.3%
New Brunswick	10,070	0.2%	10,200	0.3%
Prince Edward Island	9,783	0.2%	9,908	0.3%
Quebec	-	0.0%	-	0.0%
	2,877,226	72.4%	2,913,736	85.4%
Legal assessments	781,386	19.6%	303,379	8.9%
Young Leaders Development Program	126,251	3.2%	139,134	4.1%
CYL Second Step	82,824	2.1%	-	0.0%
Other	39,345	1.0%	44,475	1.3%
Sponsorship	28,000	0.7%	-	0.0%
Town Halls	16,000	0.4%	-	0.0%
Young Cattlemen's Council	11,330	0.3%	-	0.0%
Interest	9,055	0.2%	13,984	0.3%
Sustainable Beef	5,335	0.1%	-	0.0%
Total Revenue	3,976,752	100.0%	3,414,708	100.0%
Expenses:				
Calgary Office	1,002,094	25.8%	923,971	26.3%
Legal Reserve	781,910	20.1%	303,379	8.6%
Advocate Services	522,481	13.5%	733,146	20.8%
Ottawa Office	347,647	9.0%	348,274	9.9%
CCA Division Services	327,994	8.4%	319,944	9.1%
Executive and Finance Committee	163,004	4.2%	214,652	6.1%
Young Leaders Development Program	126,252	3.3%	139,134	4.0%
Annual Meeting	100,999	2.6%	94,909	2.7%
Foreign Trade Committee	83,623	2.2%	58,257	1.7%
Animal Health and Meat Inspection	82,828	2.1%	133,471	3.8%
CYL Second Step	82,824	2.1%	1,918	0.1%
Environment	53,812	1.4%	44,268	1.3%
Semi-Annual Meeting	52,406	1.3%	57,460	1.6%
Communications	46,714	1.2%	46,381	1.3%
Five Country	32,809	0.8%	48,749	1.4%
Town Halls	19,909	0.5%	527	0.0%
Animal Care Committee	19,875	0.5%	27,562	0.8%
Young Cattlemen's Council	11,330	0.3%	-	0.0%
Domestic Agriculture Policy	8,881	0.2%	3,333	0.0%
Convention	6,665	0.2%	13,113	0.4%
Sustainable Beef	5,335	0.1%	-	0.0%
Value Creation & Competitiveness	2,761	0.1%	4,036	0.1%
Auction Market System	-	0.0%	150	0.0%
Total Expenses	3,882,153	100.0%	3,516,634	100.0%
Excess (deficiency) of revenue over expenses	94,599		(101,926)	
Net assets, beginning of year	443,718		545,644	
Net assets, end of year	\$538,317		\$443,718	

BCRC FINANCIAL STATEMENTS

BEEF CATTLE RESEARCH COUNCIL

Schedule of Revenue, Expenditures and Net Assets (Unaudited)
Year ended June 30, 2014, with comparative figures for 2013

	2014		2013	
Revenue				
National Check Off	\$1,228,922	53.3%	\$760,769	71.8%
Other Project Funds	737,342	31.9%	132,808	12.5%
ABP Beef Science Cluster	252,500	10.9%	139,967	13.2%
Verified Beef Program Plus (previously called On Farm Food Safety)	49,980	2.2%	-	0.0%
Interest Revenue	39,763	1.7%	27,059	2.5%
Total Revenue	2,308,507	100%	1,060,603	100.0%
Expenses				
Projects	957,703	70.8%	287,741	28.5%
Cluster Projects	283,188	20.9%	249,928	24.8%
Quality Starts Here	96,806	7.2%	80,639	8.0%
On Farm Food Safety	35,069	2.6%	20,725	2.1%
Expenses	(20,413)	-1.5%	369,121	36.6%
Total Expenses	1,352,353	100.0%	1,008,154	100.0%
Excess of revenue over expenses	956,154		52,449	
Net assets, beginning of year	2,795,856		2,743,407	
Net assets, end of year *	\$3,752,010		\$2,795,856	

* The majority of the net assets are committed to future year projects and are essentially held in trust for these projects.

ELECTION BACKGROUNDER



ZONE 1 INCLUDES:

Vulcan County; County of Newell No.4; County of Forty Mile; Cypress County; M.D. of Taber; Special Area No.2 South of the Red Deer River.



Rick Friesen
Vauxhall
403.654.2941



John de Groot
Vauxhall
403.725.2143



Brad Osadczuk
Jenner
403.898.2132



Howard Bekkering
Vauxhall
403.654.2903

Zone 1 Candidates: Acclaimed

Brodie Haugan was born and raised on a family mixed farming operation south of Medicine Hat by the town of **Orion**.

“Growing up I was active in 4-H and numerous community activities. Following my high school graduation I attended the Medicine Hat College and later transferred to the University of Saskatchewan where I graduated from the College of Agriculture with my AgriBusiness Degree. The year following I worked for the Farm Management Consulting Team at MNP in Lethbridge, and then decided to move back to the family farm where

I currently live and work full time. My family and I operate a mixed cow/calf commercial herd and grain operation, which has been in our family for over 100 years. I am a graduate of the Cattlemen’s Young Leaders program and currently a board member on the Young Cattlemen’s Council. I look forward to bringing a youth perspective to the ABP board and the opportunities presented in an effort to develop a sustainable and prosperous cattle industry.”

Garth Porteous was born and raised in southern Alberta. He graduated from Olds College with a diploma in Land Resource Management

and a certificate in Environmental Reclamation. Garth, along with his wife Karla and their four young children, his wife’s family, Bob and Maureen Laidlaw and Wes Laidlaw, operate the Laidlaw Ranch, a ranch and finishing feedlot along the South Saskatchewan River near **Bow Island**.

“I am honoured to be nominated as a delegate for the Alberta Beef Producers, not only as our heritage comes from the grass roots agricultural sector, but as we wish to continue to provide this way of life for our future generations. I would like to help build the present and future beef industry by putting both feet forward.”



ZONE 2 INCLUDES:

County of Warner No. 5; County of Lethbridge No.26; Cardston County; M.D. of Pincher Creek; M.D. of Willow Creek; M.D. of Ranchlands; Improvement District No. 4 (Waterton); Kananaskis Improvement District.



Darren Bevans
Raymond
403-752-4551



Bob Lowe
Nanton
403-646-0051



Tyler Sawley
Nanton
403-549-2201

Zone 2 Candidates: Acclaimed

Cecilie Fleming: “I have been in the livestock industry my entire life. Yes, I have experienced the highs and the lows and I have had plenty of lessons along the way, but I have no regrets about being a beef producer. These are very exciting times in the livestock industry and I look forward to the future opportunities. Along with my husband, Duncan Fleming, we run a purebred Angus herd west of **Granum** and focus on mixed forages.

I have been and continue to be a dedicated volunteer. I have experience as a board member at the local, provincial, and national level. I am seeking re-election for my fifth term as a delegate to Alberta Beef Producers. As a sitting delegate I have worked diligently to bring the views of producers forward and I am keenly aware of the issues that face our industry. I value all producers and sectors of the livestock industry and I do not believe one sector is superior

to another. We must work together with all sectors in the beef production chain to maximize our opportunities. We must strive to be innovative, collaborative, take smart risks, stay informed, and continue to be lifelong learners.

As a Zone 2 delegate I have been your director on the ABP Board of Directors for the past two years. I have been the chair of the Communications Committee for the past year. At the board I am not afraid

ELECTION BACKGROUNDER

Zone 2 Candidates continued

to tackle the hard issues and I strive to bring diversity to the table. I have a common sense approach; I value hard work, honesty and I respect others points of view even if we don't agree. I have always been an advocate for the livestock industry. I would welcome your support at the Zone 2 ABP Fall Producer Meetings."

Jake Meyer, from **Welling**, runs a cow/calf operation with the help of his amazing wife, Tanya, and their three boys. Their operations are located near Lethbridge and

Pincher Creek, where they raise cross bred cattle. Jake has been an ABP delegate for two years now and is looking forward to another term representing Zone 2. Jake has also been a representative for the Five Nations Beef Alliance for the last two years. Currently he sits as Vice Chair of CCA's Young Cattlemen's Council where he represents Alberta's young producers.

Cattle Feeder Council Delegate: Acclaimed

Jimmy Nelson is the fourth generation on Nelson Family Ranches in **Sterling**.

He, along with his wife, six children, three brothers, brother-in-law, and father run a mixed farm and cow/calf to finish operation. Jimmy feels fortunate to have been raised on a farm and is grateful to give his own children the same experience and opportunities.

"I am hopeful that the successful cycle that we are in will attract and retain more young producers."



ZONE 3 INCLUDES:

Improvement District No. 9 (Banff), M.D. of Bighorn, Mountain View County, Rockyview County, Wheatland County, M.D. Foothills, Calgary.



John Buckley
Calgary
403-932-2486



Chris Israelson
Didsbury
403-335-9667



John Bland
Strathmore
403-934-3012



Bryan Thiessen
Strathmore
403-934-6122

Zone 3 Candidates: Election

Brian Edge is predominately a cow/calf producer in the **Cochrane** area where his family has been raising beef for over 125 years. As a Veterinarian he has been practicing large animal medicine for over 45 years.

"Most of my experience as a delegate for ABP has been in the research area including the BCRC Committee. I would appreciate your support in allowing me to continue with the ABP."

Kevin Krebs operates Greenview Farms with his wife, Louise, and brother, Darren.

"Our farm has been in the family for 65 years. I'm a third generation farmer. We run a 270 cow/calf operation along with hay, silage

and grain land. Our farm is located four miles west of **Didsbury** and I have always been involved in the Didsbury community. I believe in the grass roots level of the Alberta beef industry; these are exciting times to be in the cattle business and I look forward to working with ABP."

Peg Strankman lives on a small farm northeast of **Airdrie** and is learning how to manage her grass pastures to maximize cattle production.

"Complex issues face the beef industry including competition for land and demands for more productivity and accountability. Agriculture, environment, and sustainability are the primary focus of my consulting business and formed the basis of my former position as Environment Manager with the Canadian Cattlemen's

Association. From that work and my education I bring to the table expertise in strategic planning, policy development, environment/agriculture issue management, and communication. As well, I volunteer for a variety of organizations including the Calgary Stampede, the National Music Centre and public service organizations.

With your support I would like to continue representing the producers of Zone 3."

ELECTION BACKGROUNDER



ZONE 4 INCLUDES:
 Flagstaff County, M.D.
 Wainwright, County
 of Paintearth, M.D. of
 Provost, Special Area
 No. 4, Special Area
 No. 2 North of the Red
 Deer River, Special
 Area No. 3, M.D. of
 Acadia.



Judy Fenton
 Irma
 780-754-2257



Tim Smith
 Coronation
 403-575-2246

Zone 4 Candidates: Acclaimed

Walter Suntjens and his wife run a mixed operation with between 400-500 cows depending on conditions and they crop 3,000 acres in the **Hanna** area.

“We raise our own bulls and built in calving ease. We have pulled four calves out of the last 2,000 born. We think this is good for Charolais cross bulls. I serve on several boards and committees and received an award from the Coronation Seed Cleaning Plant for 35 years of commitment. Time flies when you are having fun.

I believe businesses and organizations are only as good as the people representing them. I hope I am up to the task. I do believe the cattle business has a great future.”

Zone 4 can appoint up to one Zone Delegate for the 2014-2015 term.

Zone 4 can appoint up to one Zone Delegate for the 2014-2016 term.

Cattle Feeder Council Delegate:

Zone 4 can appoint up to one CFC Zone Delegate for the 2014-2016 term.



ZONE 5 INCLUDES:
 Clearwater County,
 Lacombe County,
 County of Stettler,
 Red Deer County,
 Kneehill County,
 Starland County.



Charlie Christie
 Trochu
 403-442-2470



Rose Wymenga
 Leslieville
 403-729-2360



Arnie Tateson
 Endiang
 403-579-2107



Nanita Blomquist
 Big Valley
 403-323-1111

Zone 5 Candidates: Election

Kelly Fraser: “Together with my parents Gary and Kristine Smith, and husband Scott, we operate NuHaven Cattle Co. in Red Deer County at **Pine Lake**. We raise purebred Maine-Anjou and commercial Angus cattle. Currently I serve on the Board of Directors for the Canadian Maine-Anjou Association as First Vice President. I hold a Bachelor’s Degree in Marketing from Texas Tech University.

I believe that the future of our industry lies in the hands of today’s youth. Ensuring that younger

generations can earn a sustainable income and enjoy the benefits of an agriculture lifestyle is key to our future. Through education and marketing programs I believe that we can improve our industry by keeping our family farms strong and the younger generations involved. I look forward to the opportunity to serve as a delegate, and continue promoting our industry on a larger scale.”

Rob Somerville, his wife Laurie and son Stuart run a mixed grain and cattle operation with 200 cow/calf pairs in the **Endiang** area. Rob has served 12 years as a Zone 5

delegate, three of which he has served on the Board of Directors, chairing the Competitiveness and Value Creation Committee for one year. Rob has served eight years as a Director of the Canadian Cattlemen’s Association where he co-chairs the Domestic Ag Policy and Regulations Committee. Rob sat on the CCA Executive Committee for three years. While a CCA board member, Rob has worked to encourage youth to be involved in our cattle organizations. Rob has been an officer in the Canadian Forces for eight years where he was nominated for Officer of the Year.

ELECTION BACKGROUNDER

Zone 5 Candidates continued

“Although we are enjoying record high prices for our livestock, our livestock organizations are facing challenging times as the need to take advantage of the opportunities before us increase while the dollars available provincially and nationally decrease. So with your support I am committed to working hard to represent Alberta producers at home and in Ottawa.”

Dick Wymenga and his wife own and operate a cow/calf and backgrounder operation in **Clearwater County**. Dick has been active in many agricultural organizations for many years, including the local 4-H beef club until their children were finished.

Dick has also been involved as a volunteer with the local Ag Society for more than five years. He currently co-chairs the Alberta Barley

Commission Environmental Policy Committee. He has also been a member of Clearwater County Ag Service Board for six years and has volunteered for their local community centre for many years.

Dick would like to see ABP continue to lobby provincial and federal government to expand international markets and reduce trade barriers.



ZONE 6 INCLUDES:

Parkland County, Edmonton, Strathcona County, Brazeau County, Leduc County, Beaver County, County of Wetaskiwin, County of Camrose, Ponoka County, Improvement District No.13.



Tim Sekura
Rocky Rapids
780-542-3174



Ralph Buhler
Armena
780-893-0274



Gary Seutter
Millet
780-387-4832

Zone 6 Candidates: Acclaimed

Assar Grinde: “Over the past decade, I studied geology and water resource management while working seasonally in forestry. I returned home after my father’s cancer diagnosis and scaled up our commercial operation to 300 cow/calf pairs, calving May/June.

Over the past two years the challenges of learning how to run a business have made me grateful for the support and understanding of my community and encouraged me to learn more about beef production, marketing, and the sustainability of the industry.”

Zone 6 can appoint up to one Zone Delegate for the 2014-2016 term.

Cattle Feeder Council Delegate:

Zone 6 can appoint up to one CFC Zone Delegate for the 2014-2016 term.



ZONE 7 INCLUDES:

M.D. of Opportunity, M.D. of Lesser Slave River, Athabasca County, Woodlands County, County of Barrhead, Westlock County, County of Thorhild, Lac Ste. Anne County, Sturgeon County, Yellowhead County, Improvement District No. 12, Municipality of Jasper.



Ken Stanley
Westlock
780-349-1936



Rick McKnight
Jarvie
780-681-2165



Colin Campbell
Bon Accord
780-921-2180



Ted Ford
Westlock
780-954-3788

Zone 7 Delegates:

Zone 7 can appoint up to two Zone Delegates for the 2014-2016 term.

ELECTION BACKGROUNDER



ZONE 8 INCLUDES: Smoky Improvement District No. 24, Regional Municipality of Wood Buffalo, Lac la Biche County, Improvement District No. 349, Smoky Lake County, County of St. Paul, M.D. Bonnyville, Lamont County, County of Two Hills, County of Vermilion River, County of Minburn.



Lyndon Mansell
Innisfree
780-592-2262



Brian Chomlak
Beauvallon
780-366-2180



Gordon Graves
Iron River
780-826-2796

Zone 8 Candidates: Acclaimed

Mike Lutzak runs a mixed cow/calf grain operation near **Hairy Hill**.

“This fall marks the end of my two-year term as an elected delegate for Zone 8. It has been a privilege to work on behalf of the grassroots producers in Zone 8. I believe it is very important that ABP continues to evolve and improve itself and as a whole organization so it can be the effective voice we need for our industry.”

Zone 8 can appoint up to one Zone Delegate for the 2014-2016 term.

Cattle Feeder Council Delegate:

Zone 8 can appoint up to one CFC Zone Delegate for the 2014-2016 term.



ZONE 9 INCLUDES: M.D. of Mackenzie, Mackenzie County, County of Northern Lights, Clear Hills County, Northern Sunrise County, Saddle Hills County, M.D. of Fairview, M. D. of Peace, M.D. Spirit River, Birch Hills County, M. D. of Smoky River, M. D. of Big Lakes, County of Grande Prairie, M. D. of Greenview, Improvement District No. 25.



John MacArthur
Fairview
780-835-5862



Dee Parke
High Prairie
780-523-4412



Maarten Braat
Fort Vermilion
780-927-3800



Norman Hennigar
Grande Prairie
780-814-3595

Zone 9 Candidates: Acclaimed

Roland Cailliau and his wife run a cow/calf operation near **Valleyview** where they have lived and worked since 1980. They have four wonderful children and four grandchildren. Roland has been and is a member of other organizations. This will be his

fourth term as an ABP delegate and he has served as the Zone 9 representative to the board for the past five years.

“Long-term profitability in ranching must be achieved to encourage the next generation to take over the reins.”

Ron Wieler and his wife, Agatha, farm 500 acres and run a 30 head cow/calf operation in **Fort Vermilion**. They have two wonderful children, Kaitlyn and Brooklyn. Ron is looking forward to returning as a Zone 9 delegate.

2014 FALL MEETING & ELECTION SCHEDULE

ZONE 1 (ALL MEETINGS 7 p.m. START FREE SUPPER AT 6 p.m.)

OCT 27 **MEDICINE HAT, FEEDING COMPANY**
Ryder Lee, CCA
OCT 30 **BROOKS, BOW SLOPE AUCTION**
Rich Smith, ABP

ZONE 2 (MEETING 7 p.m. START FREE SUPPER AT 6 p.m.)

OCT 27 **FORT MACLEOD, SOUTHERN AB LIVESTOCK EXCHANGE**
Kim Good, Miistakis Institute

ZONE 3 (ALL MEETINGS 7 p.m. START)

OCT 28 **STRATHMORE, GOLF COURSE**
Rich Smith, ABP
OCT 29 **CROSSFIELD, COMMUNITY CENTRE**
Ryder Lee, CCA
OCT 30 **COCHRANE, RANCHEHOUSE**
Kim Good, Miistakis Institute

ZONE 4 (ALL MEETINGS 7 p.m. START FREE BEEF ON A BUN SUPPER AT 6 p.m.)

OCT 28 **YOUNGSTOWN, COMMUNITY HALL**
Kim Good, Miistakis Institute
OCT 29 **CZAR, COMMUNITY HALL**
Kim Good, Miistakis Institute
NOV 4 **CASTOR, LEGION HALL**
Kim Good, Miistakis Institute

ZONE 5 (ALL MEETINGS 7 p.m. START WITH FREE BEEF ON A BUN SUPPER AT 6 p.m.)

OCT 27 **SPRUCE VIEW, COMMUNITY HALL**
TBA
OCT 29 **BIG VALLEY, COMMUNITY HALL**
TBA
OCT 30 **LESLIEVILLE, COMMUNITY HALL**
TBA

ZONE 6 (ALL MEETINGS 7 p.m. START FREE SUPPER AT 6 p.m.)

OCT 29 **BRETON, COMMUNITY HALL**
Plan Review

OCT 30 **PONOKA, LEGION HALL**
Plan Review

NOV 3 **CAMROSE, REGIONAL EXHIBITION**
Plan Review

ZONE 7 (ALL MEETINGS 7 p.m. START FREE SUPPER AT 6 p.m.)

OCT 28 **SANGUDO, COMMUNITY HALL**
Plan Review

OCT 29 **HAZEL BLUFF, COMMUNITY HALL**
Plan Review

ZONE 8 (ALL MEETINGS 7 p.m. START DOORS AT 6:30 p.m.)

NOV 3 **FLAT LAKE, COMMUNITY HALL**
Plan Review

NOV 4 **KITSCOTY, COMMUNITY HALL**
Plan Review

NOV 5 **ANDREW, TOWN OFFICE MEETING ROOM (IN SCHOOL)**
Plan Review

ZONE 9 (ALL MEETINGS 7 p.m. START WITH FREE BEEF ON A BUN SUPPER AT 6 p.m.)

OCT 28 **VALLEYVIEW, MEMORIAL HALL**
Kim Good, Miistakis Institute

OCT 30 **MANNING, LEGION HALL**
Kim Good, Miistakis Institute

NOV 4 **GRANDE PRAIRIE, POMEROY HOTEL**
Kim Good, Miistakis Institute

**ELECTIONS ARE BEING HELD
IN ZONES 3 AND 5.**



www.albertabeef.org

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Alberta Beef Producers 165, 6815 – 8 Street NE, Calgary, AB T2E 7H7