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The mission of Alberta Beef Producers is to strengthen the sustainability and competitiveness of the beef industry for the benefit beef producers of Alberta.

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CHUCK MACLEAN
ABP Chair

CHAIR REPORT

This year like all others has its challenges and rewards. From our very first board meeting, through the executive and board meetings that followed and the many meetings with government and industry organizations, being Chair of ABP has been a very rewarding experience. As we approached the current budget, the board had the benefit of using reserve funds that had been set aside for operating this year, but still faced the challenge of remaining an effective organization while operating with considerably less funding than we had before. Through the direction of the Board of Directors and Executive, along with the hard work of the staff members, we have managed to keep the core business plan in place and keep ABP functioning at a very high level.

As ABP Chair, I have placed a high priority on building relationships with producers, cattle organizations, and government representatives. This strategy has led to a year defined by events, meetings, and travel through Alberta and across North America, including trips to the NCBA convention in San Antonio, the inaugural Annual General Meeting of the Saskatchewan Cattlemen's Association, and a Canada Beef Export Federation (CBEF) trade meeting in Wichita.

Closer to home, I have had meetings in Edmonton and Calgary with new Agriculture & Rural Development Minister Jack Hayden where we discussed the most important industry issues. Vice-chair Doug Sawyer and I attended an ALMA board meeting where Doug carried a message that impressed and drew

appreciation from the board. Over the winter, spring, and summer, I spoke at eight town hall meetings covering seven of the nine ABP zones. The attendance levels at these meetings were varied, but the meetings were largely successful and gave producers a forum for delivering a message directly to zone delegates and myself.

As with all organizations, ABP is here at the pleasure of the producers who support us by leaving their check-off funds with the organization. We know that we need to be responsive, nimble and passionate in as large a way as possible to retain this support. For a number of years, but especially this year, ABP has focused on better ways to communicate with producers, government and other industry organizations. We have achieved success and made progress in a number of key areas and it is important for us to inform producers about these results.

One example of these successes was the announcement of the Canada-Alberta Pasture Recovery Initiative (CAPRI), \$114 million in AgriRecovery funding support for primary producers in Alberta and Saskatchewan affected by the disastrous drought of last year and this spring. ABP and the cow calf producers who received assistance appreciate the work of the directors and staff members, particularly the Cow Calf Council, Council Chair Ted Ford, and Policy Analyst Fred Hays, for the positive outcome of the AgriRecovery funding.

Another one of the priority projects that we are working on is an agreement with the Alberta Cattle Feeders' Association, encouraged by Alberta Agriculture & Rural Development, for the implementation of a non-refundable levy to support national market development, promotion, and research programs. The benefits of the national check-off for the cattle and beef industry are well-recognized and the cattle producers of Alberta have supported

this check-off as part of the ABP service charge. With the service charge now being refundable, a non-refundable levy will restore stable and predictable funding for vital marketing and research programs, as well as allowing Canada to collect a levy on imported cattle and beef. By the time you are reading this report, it is my hope that a non-refundable levy will be a reality.

One of the defining moments in the process of seeking the reinstatement of a non-refundable levy occurred when ABP developed a flow chart that clearly showed the distribution of the service charge between the \$1 that goes directly to the National Agency for the marketing and research programs of CBEF, BIC and the BCRC and the \$2 that is used for the national and provincial policy, advocacy, and production work of ABP and CCA.

There are a number of other projects that were identified as high priorities for the current year. Most of these are described in other sections of this report and they reflect our commitment to working on behalf of cattle producers and providing value to these producers for their check-off investment. It is also ABP's commitment that we will continue to support CCA to the best of our ability given the financial restrictions of a refundable check-off. It is through national organizations such as CCA that your concerns are delivered at the federal level and ABP will not lose sight of this.

ABP is your organization and needs producer support. We are all producers that are trying hard to do the right things. Check-off funds make your organization and your industry stronger, but the most important part is your support in bringing your time and expertise to the delegate, committee, council, and board level. ▼

Sincerely,

Chuck MacLean, Chair



RICH SMITH
Executive Director

EXEC. DIR. REPORT

The German philosopher Friedrich Nietzsche said, “that which does not kill us makes us stronger.” Over 100 years later, we seem to have far too many chances to test the wisdom of this statement. The past two years have seen Alberta Beef Producers (ABP) join many Alberta cattle producers in facing extraordinary events that will make us stronger. The imposition of a refundable check-off has had a significant impact on the level of funding available for both ABP and the Alberta cattle industry, just as the financial challenges of the past eight years have affected the economic stability of cattle producers across the province. Now is our chance to prove that Nietzsche was right.

How do you make a democratic, representative producer organization such as ABP stronger?

You start with good governance and accountability. The Board of Directors must direct and protect the organization in the interests of the owners, with the owners in this case being the cattle producers of Alberta. The board must be strategic in its planning and establish clear objectives for the performance of the organization. The organization must have dedicated and capable staff members who are able to achieve the results that the owners and the board need. The organization must listen to the producers and communicate with them. Finally, the organization must use its limited financial resources wisely and focus on delivering value to producers for their investment of check-off funds.

While ABP has always been committed to being responsible and responsive, a very strong emphasis on governance and performance has been the dominant feature of our operations in the past year. It began with the zone meetings last fall where over 1,200 producers heard about our activities, reviewed our plans, and provided direction to the people and policies that guide the organization. Through elections at the fall meetings and the Annual General Meetings, we welcomed 14 new delegates, including a number of young producers, seven new directors and two new members of the Executive. This renewal in our body of delegates and directors reflected a willingness to accept change that prepared us for the funding and operational challenges we have faced this year.

At the first two board meetings, the directors set the course for this year. A sound decision by the previous board created an operating reserve that provided funding for our operations without the need to use check-off revenue that may be subject to refund requests. The new board still had to deal with a significantly reduced budget, but knew how much money was available to support our programs and projects. The directors made careful choices to invest this money in activities that would provide the greatest benefits for cattle producers and the industry.

The directors also devoted a substantial amount of time to reviewing our plans and priorities. They determined that the long-term goals in our strategic plan are still valid, while our industry priorities for sustainability and competitiveness continue to represent good solutions for producers. The directors then took the next step of establishing strategic objectives for the year, the specific goals for 2010/2011 which support the ABP mission, the industry priorities and our long-term goals. All the components of this plan were combined in a single

document that has been placed on our website and forms our performance standards for the year.

Once again, this Annual Report contains detailed descriptions of the work being done by ABP and our national organizations on behalf of cattle producers in Alberta. The reports here will show our wide range of activities and the depth of our involvement in this work. Our strategic objectives address the priorities that we have heard from producers and recognized for the industry, while the Annual Report is one place where we can show producers that we have listened to them and delivered results. We also have used our Grass Routes newsletters and the weekly updates on our website to inform producers about the results we have achieved. Of course, we will use the upcoming fall meetings as another forum to demonstrate the value that producers receive from the investment of their check-off funds and encourage producers to leave these funds with ABP, in their industry and their organization.

Earlier in this report, I noted the contribution of good staff members to the strength of our organization and the refundable check-off has only increased their importance. With reduced funding for committees, projects and outside resources, ABP depends even more heavily on our staff members to achieve the results set out in our strategic objectives. Through all the challenges and turmoil of the past two years, ABP staff members have maintained positive attitudes, good spirits, and an enthusiastic commitment to our organization and the industry. The cattle producers of Alberta, the delegates and directors of ABP, and me personally are all fortunate to have such great people working with us.



Sincerely,

Rich Smith, Executive Director



TRAVIS TOEWS
CCA President

CCA REPORT

While we continue to deal with many industry issues and challenges, there have been some positive developments and some indications that we may be rounding the corner to better economic times. The abnormal weather on the Prairies, leaving many areas saturated with water, will no doubt be one of the major stories of 2010. Unseeded crops as well as increased mud conditions in feed yards, and in some cases pastures, have created and will continue to create incredible challenges for some producers in the short term. At the same time, we are beginning to see stronger price fundamentals for cattle in North America, but these have been tempered to some degree for Canadian producers due to our appreciating dollar.

On the supply side, tighter cattle numbers in North America and around the world are improving market fundamentals. As economies recover and restaurant demand rebounds, prices for beef and cattle are expected to steadily improve. To ensure that Canadian cattle producers are able to take full advantage of future opportunities, the CCA continues to work on critical issues to further promote improvement in our industry.

We have made some headway on the market front. The groundbreaking agreement with China marks the first time China has resumed imports of beef from a country that has had a case of bovine spongiform encephalopathy (BSE).

Under the staged, full market access agreement, China will first resume imports of Canadian tallow and boneless beef from cattle under-thirty-months (UTM) of age. Shortly after

this announcement, China agreed to formally lift its ban on these products, a key regulatory step in activating the market access agreement. We hope the remaining technical steps can be completed quickly so that product can move this fall.

The market access agreement with China is directly attributable to confidence in Canada's strong regulatory controls and the efforts of the Canadian cattle and beef industry to ensure the safety of its beef. Of course, the substantial efforts of the Government of Canada and specifically Agri-Food Minister Gerry Ritz to regain trade played a key role.

I spent Canada Day in Shanghai with Minister Ritz and Governor General Michaëlle Jean, promoting Canadian beef at the 2010 Expo event. The event was the first opportunity for Chinese citizens to eat Canadian beef since May 2003 and the beef was very well-received. With the fastest growing economy in the world, China provides significant potential for the Canadian beef and cattle industry in the next decade.

With respect to the U.S. Country of Origin WTO case, the CCA remains fully engaged with the Canadian Government team. In August, the U.S. government responded to The Canadian and Mexican submissions. By the time this report is published, the first round of oral hearings in Geneva will have been completed. We will be in Geneva during these hearings, continuing to assist our legal team. While it is a challenging case, we believe that the Canadian submission presents a very compelling argument to the panel.

There has been some good progress in Russia, including access for some boneless OTM products. Remaining work here includes getting additional facilities approved for export since Russia has not yet approved a systems approach.

The Canada-Colombia FTA was ratified by Parliament in June, after the last Colombian BSE restrictions on live cattle were removed. Once the

Colombian legislature ratifies the agreement, we will have preferential access over U.S. beef to that market until the U.S. Congress acts to ratify their agreement.

In August, the Philippine Government agreed to open its markets to Canadian animal-rendered by-products, including bone meal, blood meal, poultry meal and fats. Securing key new markets for the bovine by-products goes a long way in helping Canadian producers maximize returns.

The CCA remains engaged on our other important market access files including Korea, Japan, and Mexico. Canadian carcass value potential will not be fully realized until these markets are fully opened.

Our work to expand the customer base for Canadian beef through the negotiation of a comprehensive economic and trade agreement with the European Union continues. The CCA strongly endorses the negotiation of such an agreement with the EU, which could be the biggest single opportunity for the Canadian cattle and beef industry since the Canada-U.S. FTA.

At present, Canada has virtually no access to the EU due to prohibitively high tariffs and many layers of technical barriers. We have discussed these in great detail with the negotiators and feel confident that an ambitious outcome for Canadian beef is feasible.

The CCA continues to press for a National Cattle Price Insurance Program. A national program would give all Canadian producers access to this important market-based risk management tool in what has become an increasingly volatile business environment.

The Cattle Price and Basis Insurance Program and the EU trade negotiation were among the many points I raised during my presentation to federal and provincial agriculture ministers at the FPT Ministerial Meeting in July. My comments to the Ministers also included the following:

- The CCA welcomed the recent announcement from the federal government outlining the latest details of the SRM programs first announced in the 2010 Federal budget. The cost of SRM collection and disposal is reducing the competitiveness of Canadian processing plants, particularly for smaller provincial abattoirs. The programs assist in offsetting the costs of SRM disposal and provide funding for processors to implement new technologies to reduce the volumes and costs of disposal. Costs at most small provincial abattoirs are higher than the maximum program allowances. We urge provincial governments to consider adding to this funding to ensure slaughter capacity doesn't move away from cattle. Expanding market access opportunities for provincially inspected beef across provincial borders would also provide relief to this sector.
- The FPT Ministerial group's pledge to full traceability by 2011 looms; however it is still not evident that the technology can economically deliver full movement tracking at the speed of commerce. There is also great concern that producers will pick up the ongoing costs. The CCA remains committed to improving and enhancing our traceability system, but we believe timelines and methods must be considered carefully to ensure that we don't simply add another regulatory cost that will leave our producers less competitive.
- AgriRecovery has been activated several times in the past few years. While the program has been very helpful, we believe that triggers should be clearly defined and science-based. This will improve the transparency and predictability of the program, and will enable producers to make timely decisions.
- Cattle producers could face a tough time this fall if millions of acres of farmland go unseeded. The widespread wet conditions on the prairies may result in feed shortages, particularly with respect to feed

grains. For the benefit of both grain growers and cattle producers, we asked the Ministers to ensure the crop insurance programs do not provide any disincentive to seed when conditions allow. We also asked that any other program response that may be considered be tailored in the same manner.

- And finally, our longstanding AgriStability recommendations remain outstanding. In our view, AgriStability will work better for all producers by redefining or temporarily eliminating the viability test, increasing negative margin coverage to 70 per cent from 60 per cent, improving reference margin calculations by allowing the best of Olympic or last three years and eliminating caps.

Looking ahead, industry competitiveness will continue to be the CCA's fundamental objective as we move forward.

Playing a big role is the Beef InfoXchange System or BIXS. BIXS facilitates the sharing of individual animal performance, genetic, animal health and detailed carcass data through the entire beef chain. BIXS will enable better communication between the cow-calf, marketing, feedlot and packing sectors on an individual animal basis and will offer another mechanism for producers to develop business opportunities.

BIXS is aiming for a September roll-out for foundation partners followed by cow-calf producers on high-speed Internet. BIXS may be the most exciting initiative currently in the industry and we look forward to seeing the program roll-out.

Research is another important piece in improving industry competitiveness. I was very pleased when Minister Ritz announced more than \$6 million in funding for the Beef Cattle Science Research Cluster in March.

Finding new ways to reduce production costs, as well as new ways to improve product value is the focus of Beef Cattle Research Council (BCRC) research funded by the National

Check-off and Agriculture and Agri-Food Canada through Canada's Beef Science Cluster.

This research focuses on improving productivity through better feed efficiency, economical SRM disposal alternatives, improved animal health and welfare, and more productive forage and grasslands. Improved product value is achieved through research focused on improved food safety and improved product quality.

Of course, attracting young people to the industry is crucial. In August, 20 students were on hand for the ILC Calgary Beef 2010, including students from Brazil, Australia, the U.S. and across Canada. For many students, meeting seasoned cattle industry leaders was the highlight of the event. Participating producers were equally enthused, with many saying they were truly encouraged by the enthusiasm for agriculture being exuded by this eager younger generation.

This same level of enthusiasm is evident in the huge response to the new national youth initiative announced by the CCA. The Cattlemen's Young Leaders (CYL) Development Program was developed to provide industry-specific training and mentorship opportunities to young producers between the ages of 18 and 35. The program is being well-received by both applicants and industry leaders.

I share their optimism. I believe we are heading into an exciting time to be involved in the cattle industry. Supplies are tight, market access is improving, and we are beginning to see price fundamentals improve. In order to fully benefit from these future opportunities, Canada's cattle producers must have the most competitive industry environment possible. The CCA remains committed to improving the competitiveness of the cattle industry for the benefit of Canadian producers. ▼

Sincerely,

Travis Toews, President



JUDY NELSON
BIC Committee Chair

BIC REPORT

The Beef Information Centre (BIC) works with key partners and stakeholders to develop effective marketing strategies and programs that benefit and contribute to a strong, viable Canadian beef industry. In co-operation with industry and government funders, BIC focuses resources on building awareness for the Canadian beef brand; achieving growth in the domestic and U.S. markets; and maximizing value through optimization of carcass values.

Domestic and Commercial Beef Markets

Awareness of the Canadian beef brand
The Canadian beef brand is integral to BIC's marketing initiatives for both consumers and the beef trade. The consumer brand positioning focuses on the nutritional benefits of beef supported by taste and convenience messages; while the trade brand positioning focuses on the Canadian Beef Advantage (CBA) – those tangible attributes that differentiate our product from our competitors. CBA attributes include: producing superior quality beef in a pristine and natural environment; rigorous regulatory and inspection systems; world leading mandatory individual animal identification systems; beef that is recognized for exceptional flavor, tenderness and juiciness; stringent grading system to ensure superior quality and consistency; higher saleable yields that increases profitability; strategic global marketing material and merchandising programs to optimize profitability; a healthful and naturally nutrient-rich choice.

As at September 7, 2010, BIC has worked with 160 industry partners and has signed 87 brand license agreements (including 15 with U.S. partners) with retail, foodservice and

processing operations, including: XL Fine Foods; Costco Canada; Canada Safeway; McDonald's; Boston Pizza; Panago Pizza; Freson's IGA; Cargill Meat Solutions; Sobey's; Quiznos.

Achieve growth in the domestic and U.S. markets

The Canadian beef brand consumer marketing campaign ran from March-May 2010, focused in Alberta and the Greater Toronto Area (GTA). The goal of the campaign was to increase awareness of the Canadian beef brand and to increase positive attitudes towards the healthfulness of beef. The campaign targeted beef consumers who eat beef 1-2 times per week with a specific focus on mothers 25-49 years of age who are the family's food decision makers. The campaign reached 95 per cent of the target group who heard or saw the campaign about 27 times, resulting in 100 million impressions. The campaign drove a strong call to action to purchase Canadian beef by utilizing cross-functional programs at BIC such as a radio contest, public relations campaign, recipe booklets and health professional initiatives, and leveraging external trade partners through grocery store and quick-service restaurant programs. Campaign results: Awareness of the Canadian beef brand mark increased significantly following the consumer brand campaign – in the GTA, 30 per cent awareness was achieved, 15 per cent higher than before the campaign and seven per cent higher than post 2009 campaign. In Alberta, 20 per cent awareness was achieved. Consumer perception of the healthfulness of beef was nine per cent higher in both the GTA and Alberta among consumers aware of the campaign compared to those not aware of the campaign. Several key beef attributes were higher among consumers aware of the campaign including, "Beef is an important part of a healthy eating plan" (11 per cent higher in Alberta and five per cent higher in the GTA); "Ground beef is nutritious" (nine per cent higher in Alberta); "Canadian beef is a nutritious and healthy product" (10 per cent higher in Alberta).

Public relations initiatives targeting

food and lifestyle media reached over 30 million Canadian consumers with positive beef messaging. Since its January launch, the new Canadian beef Facebook page has attracted over 4,000 fans. BIC's Make it Beef (MIB) Club initiatives reached over 3.5 million consumers through recipe booklets at retail and leading consumer magazines. The MIB monthly e-newsletter has almost 20,000 subscribers.

BIC protects beef producer interests by working with government in areas such as food safety, nutrition recommendations and labelling. Examples include participation in food industry meetings on sodium reduction, the Heart and Stroke Foundation's Health Check program, leading the Nutrient Rich Working Group meetings, collaboration with the Dietitians of Canada, the Dairy Farmers of Canada and the Egg Farmers of Canada, and meetings with Health Canada and Agriculture and Agri-Food Canada.

To maintain credibility and strengthen relationships among the health professional community, over 3,250 health professionals receive BIC's HealthLink newsletter containing nutrition information and positive messages about beef's contribution to a healthy diet. A subscriber survey found 79 per cent of respondents consider the information to be evidenced-based and 87 per cent consider the information timely. Overall, consumer confidence in Canadian beef remains high with 89 per cent of Canadians expressing confidence in the safety of Canadian beef.

Total disappearance was lower in 2009, but Canadian share of the domestic market held steady. Overall, the recession resulted in Canadians eating less meat in 2009 – down 1.3 per cent, the lowest since 1997. Expected in difficult economic times, the largest declines were seen in higher priced proteins such as beef. Beef also had to contend against large supplies of domestic pork due to international market closures related to the H1N1 outbreak. Average retail beef prices in 2009 increased to \$12.87/kg (\$12.17/kg 2008). Beef demand also increased in 2009, by 3.8 per cent.

Maximizing value through optimization of carcass value

BIC's work with trade partners (retail, foodservice, processing) resulted in increased beef sales by featuring new beef menu items, introducing branded beef programs at retail and foodservice outlets, and increasing carcass use through new cuts.

BIC provides training to retail operators, distributors, processors, end users and education partners to communicate the CBA and increase use of Canadian beef. In the current year, BIC has worked extensively with leading retailers such as Costco, Canada Safeway and Sobeys.

BIC works with foodservice industry partners to build awareness and comprehension around the brand positioning while leveraging Canadian beef brand attributes, and assisting supply chain alignment where required. BIC educates the foodservice trade through focused seminars, trade shows and editorials; and works directly with national foodservice distributors and chain restaurants to build awareness of the CBA. This year, BIC worked extensively with leading foodservice operators such as McDonald's, Boston Pizza, abc Family Restaurants, Quiznos, Jack Astors and White Spot.

A key to increasing market size and maintaining a higher share of the domestic market is development of new products and reformulation of existing products to utilize Canadian beef. BIC has worked with industry partners on 11 new product development initiatives; since the inception of the Product Development and Reformulations Partners Program six years ago until the end of the previous fiscal year (2009/10), 111 projects involving fed and commercial beef with a total value of more than \$7.04 million have been managed by BIC. Of that total, approximately \$1.8 million was funded through BIC.

U.S. Market

The United States continues to be the world's largest beef consuming nation and largest importer of beef. It is also Canada's largest export market accounting for 73 per cent of Canada's beef exports. While country of origin

labelling (COOL) has impacted beef and cattle trade, BIC works aggressively to mitigate the COOL impact, and increase brand awareness, demand and value.

BIC continues to work with U.S. trade clients to build awareness of the CBA. BIC's approach is alignment with Canada's packers and U.S. distributor partners to communicate key points of differentiation, and provide educational resources and market development support that leverage the CBA. This year, BIC has made presentations to over 300 key U.S. meat trade contacts and reached over 30,000 U.S. meat trade professionals through trade shows.

BIC developed a comprehensive communications package around COOL and is delivering the message to small to mid-sized U.S. retail operations with U.S. packer participation via education seminars in strategic U.S. markets. BIC launched a COOL website (www.meatcool.info) to communicate details of COOL regulations, and placed trade advertisements about COOL mitigation in leading U.S. trade media publications.

Research reveals 91 per cent of U.S. buyers indicate BIC enabled their organization to better understand the overall quality of Canadian beef; while 92 per cent confirm BIC helped them better understand the overall value of Canadian beef.

The global recession impacted U.S. meat sales, even more so than in Canada. U.S. beef disappearance declined in 2009 by 2.4 per cent, beef demand was down 3.4 per cent and retail prices dropped 1.2 per cent. In 2009, Canada exported 348,000 tonnes to the U.S., a decrease of 10,500 tonnes over 2008. Value of Canadian beef exports to the U.S. in 2009 were \$933 million, a decrease of \$80 million.

Strategy to Optimize Demand for Canadian Cattle with U.S. Plants
Despite COOL, market intelligence suggests opportunities exist for Canadian market development initiatives to positively impact the marketing of beef from Canadian fed

cattle exports within the U.S. market. BIC's Live Cattle Strategy involves work with U.S. packers to identify key customers in target markets and segments, to maintain and enhance demand, and to optimize competitive bidding for Canadian live cattle. Efforts include enhancing the U.S. industry's awareness around quality and safety assurance systems in the Canadian cattle production industry, enhancing understanding of Canadian cattle production systems, increasing understanding of consumer perceptions regarding mixed origin beef products, and development of branded elements to support retailer brand initiatives utilizing B labelled products (multiple countries of origin).

In Conclusion

An environmental scan of check-off programs in Canada and competing jurisdictions, conducted by Dr. John Cranfield at the University of Guelph, evaluated how Canada compares globally to other commodities' check-off investment and addressed key questions around producer return on investment, impact on industry competitiveness and demand for Canadian beef. The study found on average from 2005 to 2008, that every check-off dollar invested in research and marketing activities earned \$9 for Canadian beef producers. This is higher than the check-off return for either Australia (5:1) or the United States (5.5:1). Marketing activities specifically delivered an average return of \$7.55 in producer benefits for every check-off dollar invested.

In 2008/09, over half of BIC's revenue was derived from non check-off sources. BIC's domestic programs are funded solely from producer check-off dollars, while commercial beef and U.S. programs are leveraged 3:1 against Federal and Alberta Legacy funds. BIC can often bring further value to producers by leveraging producer and legacy funds against private industry partner contributions for an overall benefit of 9:1 on partner programs. ▼

Respectfully submitted,

Judy Nelson, Committee Chair



GIB DRURY
CBEF Board Chair

CBEF REPORT

The promise of export prosperity which the global marketplace holds for Canadian beef was amply demonstrated in the first half of 2010. From January to June of this year, Canadian beef exports to key markets in Asia and Mexico increased 50 per cent by volume and 70 per cent by value. Canadian beef exports to Russia also showed a significant increase, up 12 per cent by volume and 70 per cent by value.

Specifically, Canadian beef exports to Mexico increased 34 per cent for a total 25,000 tonnes (\$100.3 million); exports to Japan increased 99 per cent to 4,000 tonnes (\$24.8 million); exports to Hong Kong/Macau increased 86 per cent to 9,200 tonnes (\$37 million); and exports to Taiwan increased 52 per cent for a total 1,900 tonnes (\$8.1 million).

These export results were achieved in the key markets where, for the past two decades, the Canada Beef Export Federation (CBEF) has operated offices of local representation and delivered comprehensive market development programs. Achieving these results in the current global climate of economic turmoil and a rising Canadian dollar serves to significantly underscore the effectiveness of CBEF programs in these key markets.

The export results indicate Canada is shipping a higher-valued mix of products and achieving full international value premiums on its exports in these key markets. By comparison, total Canadian beef exports to the world are up 15.6 per cent by volume and 18 per cent by value (January - May 2010).

Commercially viable access to key international markets has the ability to add \$85 per head in added value for beef derived from under-30-months (UTM) cattle over what can be generated in Canada. This stands in comparison to the reality that those same products sold in the U.S. are sold at a \$15 per-head discount as compared to the domestic market – a total value difference of \$100 when selling in Asia plus Mexico as compared to the U.S.

CBEF STRATEGIC BUSINESS PLAN FOCUSED ON MARKET ACCESS & MARKET RECOVERY

The Canada Beef Export Federation's 2010/11 Strategic Business Plan, ratified by its general membership at its Semi-Annual Meeting held March 23, 2010, is targeted at the active pursuit of market access and market recovery on behalf of Canada's cattle and beef industry. The plan calls for the completion of specific market access efforts in Japan, South Korea, Taiwan, Mainland China, Mexico, Russia, the European Union (EU) and other key international markets. It is also designed to deliver augmented market development efforts in those markets that have provided commercially-viable access to Canadian beef – specifically the markets of Japan, Taiwan, Hong Kong and Macau, Mexico, Russia – and now Mainland China.

The Canadian cattle and beef industry has focussed its long-term development targets on increasing and diversifying international markets and sales. In its previous fiscal year, the Federation created a 'New Markets' section within its strategy that targeted programs specifically at Russia, the Middle East and the EU. The current plan continues this strategy and will see Canadian beef represented at the SIAL food show in Paris, the ProdExpo Show in Russia and the Gulfood Show in the United Arab Emirates. As well, Canadian beef demand building seminars will be held in Russia – and a Russian VIP beef awareness mission will bring key Russian meat industry executives to

Canada to foster long-term relationships with Canadian suppliers and the commitment to developing and growing Canadian beef business in Russia.

The strategic market development programs of the 2010/11 Business Plan continue to be:

- local market representation
- Partner Market Development Program
- VIP beef awareness mission
- Canadian beef seminars
- retail and food service promotions
- food shows
- promotional materials
- newsletters and websites
- market research
- advertising and public relations

In its 2009/10 fiscal year ended March 31, 2010, the Federation completed 526 such individual market development projects. The Federation's Export Members attributed 41 per cent of their export sales outside of the U.S. in 2009 to the Federation's program and services – indicating that the Federation was directly responsible for \$143 million in Canadian beef and veal exports in 2009. In terms of return on investment, every dollar invested in CBEF resulted in over \$19 in beef exports last year.

CURRENT EXPORT OUTLOOK

Despite the market interruptions of the last seven years, Canada remains one of the top beef producing and exporting nations in the world. In 2009, it ranked tenth in the world in terms of total global production. In terms of global exports, it ranked third with the inclusion of live exports. On the basis of beef and veal products alone, it ranked seventh following Brazil, Australia, the U.S., Argentina, India and New Zealand. Canada was also the largest grain-fed beef exporter in the world with the inclusion of live cattle. On the basis of only beef and veal products, it ranked third following the U.S. and Australia (assuming that at least one-third of Australia's exports are grain fed).

While Canadian beef has experienced a partial trade recovery, our exports are still 139,000 tonnes (\$870 million) below our pre-BSE highs.

The mood of our industry is reflected in the goals set annually by our Export Members. Their view of the achievable is a reflection of market realities. In 2006, our Export Members set the goal for the year 2015 of exporting 800,000 tonnes, with 384,000 tonnes going to markets outside of the U.S. By 2010, that 2015 goal had been decreased by 45 per cent to 437,000 tonnes with 137,000 tonnes – a 65 per cent decrease – going to markets outside the U.S.

With these lowered expectations, our Export Members are telling us that , all other things being equal, they are going to process 350,000 fewer tonnes of beef for export in 2015 than they planned to do just four years earlier. This means that 875,000 fewer head of cattle will be processed in Canada – and either these extra cattle will be exported to the U.S. or our cow herd drops by 950,000 head. As we've seen since 2005, our cow herd and national beef processing capacity have both decreased significantly.

CAUSE FOR OPTIMISM

The Federation believes that we have reached the turning point and are now firmly on the road to recovery. Since 2006, exports to our key markets in Asia and Mexico have demonstrated strong and steady growth. In 2009, the world financial crisis and H1N1 gave pause to this growth. However as we have seen in 2010, exports to these markets are rebounding.

The Federation believes that by re-establishing trade with South Korea and China, and expanding access to Japan, Taiwan, Mexico, Russia and the EU, we have the ability to fundamentally change our fortunes. Fixing trade to these seven markets is more important to our industry than the normalization of trade in all other markets outside of the U.S. put

together. Fixing trade to these seven markets has the ability to move our industry from a survival mode to a renewed focus on expansion and prosperity. This belief is strongly borne out by the export intentions of our Export Members. In our 2010 Export Member Survey, they indicated that their future export growth lies outside of the U.S. and primarily in these markets.

The reopening of Mainland China and the eventual normalization of trade in Canadian beef represents a major step on the road to recovery. Prior to BSE, Canada in 2002 sold a peak \$35 million of bovine tallow to Mainland China market alone; and \$3.5 million in beef and veal products to the combined markets of Mainland China, Hong Kong and Macau.

The Federation's primary clients believe they will be able to double their current \$65 million in sales to Hong Kong and Macau when the Mainland market fully opens – indicating that an additional \$65 million will move directly to Mainland China – bringing total Canadian beef and veal sales to the combined Mainland China, Hong Kong and Macau markets to approximately \$130 million. On the tallow side, recovering previous export levels in tallow to Mainland China will – based on today's prices – result in sales of approximately \$45 million. Taken

together, the Federation expects to see sales of bovine products to the combined markets of Mainland China, Hong Kong and Macau increase by \$110 million to \$175 million when this market access has been normalized.

In summary, it has been an active and productive year for CBEF. Canada's beef export volumes have substantially increased and so have their values. We can obtain an extra \$85 per head in the export markets compared to the domestic market or a \$15 discount selling into the U.S. CBEF has hosted a record-breaking 526 market development activities - giving our members a 19:1 return on investment. We are continuing to actively pursue market access normalization in our key Asian and Mexican markets as well as developing new markets in Russia, the EU and the Middle East. As CBEF enters the 20th year of its existence, the rationale for creating an independent organization based on a partnership between beef producers, beef processors and beef distributors has not lost its validity or effectiveness. As CBEF continues on its mission of beef promotion and market development in our export markets, it will lead to renewed prosperity for the entire Canadian beef industry. ▽

Sincerely,

Gib Drury, Board Chair





CHARLIE CHRISTIE
BCRC Chair

BCRC REPORT

Currently, 10 cents of every national check-off dollar collected in Alberta is allocated to the Beef Cattle Research Council. A recent report [Evaluating the Economic Benefits from the Canadian Beef Check-Off](#) indicated that every national check-off dollar invested in marketing and research earned \$9 for Canadian cattle producers. It also noted that there was a considerable underinvestment in research. Increasing the resources allocated to research would increase the benefits of the national check-off to Canadian cattle producers. Current BCRC research activities are focused on areas with the greatest potential to improve the competitiveness of Canada's beef industry. These six priority areas (and an estimate of their potential economic importance) are:

Reduced Production Costs

1. Animal Health and Welfare:

Respiratory disease is a leading cause of death and treatment costs in feedlot calves. Reduce the death loss in fall placed feeder calves from two per cent to 1.5 per cent would save the Canadian beef industry more than \$10 million annually (over and above treatment and feed savings).

2. Forage and Grassland:

Approximately 80 per cent of Canada's beef production occurs while animals consume only forage. Keeping all of Canada's beef cows and replacement heifers on pasture for one more day every winter would save the cow-calf sector \$3.8 million annually.

3. *Feed Efficiency:* Reducing winter feeding costs by one per cent would save Canada's cow-calf sector \$6 million annually, and improving feed:gain by one per cent would save Canada's feedlot sector \$10 million annually.

4. *SRM disposal:* Costs of specified risk material (SRM) disposal have escalated since 2003. Deadstock pickup services for farms and feedlots have increased from \$0 to over \$75 per head. SRM disposal under the enhanced feed ban is costing small abattoirs close to \$30 per head.

Improved Product Value

1. *Food Safety:* Saving one cent per pound (carcass weight basis) due to reduced food safety recalls would save Canada's beef industry \$21 million per year.

2. *Beef Quality:* A one per cent improvement in the value of cuts from the loin, rib and sirloin would be worth \$27 million per year to Canada's beef industry. A one per cent improvement in the value of cuts from the hip, chuck, brisket and shank would be worth \$39 million per year to Canada's beef industry. Reducing the incidence of dark cutters to 1999 levels would save the Canadian beef industry \$13 million annually.

More information on BCRC funded research is available at www.cattle.ca/learn-about-the-bcrc.

Verified Beef Production (Quality Starts Here)

The Verified Beef Production (Quality Starts Here) program is also under the auspices of the BCRC. This supports the industry's vision to have high-quality Canadian

beef products recognized as the most outstanding by Canadian and world customers. In 2009 in order to save administration costs it was determined that VBP should report directly to the BCRC committee, instead of the QSH producer sub-committee. Efforts continue to streamline administration and keep costs low, including the revised VBP Producer Manual which received a technical re-review from CFIA in 2009.

VBP reports continued growth in the last year, with the number of beef cattle operations attending workshops now totalling nearly 14,400. This represents an estimated 35-45 per cent of beef cattle production in Canada. Growth in the past year has largely been a result of interest from feedlot operations. In addition there are now nearly 500 cattle operations who have participated in the optional validation audit to become registered with the VBP program.

For further information please visit the national website at www.verifiedbeef.org or the provincial VBP website at www.beefsafety.ab.ca.

As progressive beef producers are likely to be among the first enrolled and audited on VBP, provincial coordinators may also be a valuable conduit for communicating the importance of research and disseminating relevant research results to the producer community. ▼

Respectfully submitted,

Charlie Christie, BCRC Chair





HOWARD BEKKERING
CFC Chair

CFC REPORT

The role of the Cattle Feeder Council (CFC) is to address issues of specific relevance to the cattle feeding sector of the Alberta industry. With the challenges facing this sector, there has never been a shortage of issues for the council to consider. Over the past year, the council has held five meetings and a conference call to deal with a wide range of topics. While the council would like to see greater participation from large feedlot operators in southern Alberta and more cooperation between the CFC and the Alberta Cattle Feeders' Association (ACFA), the CFC still provides a valuable forum for cattle feeders in Alberta, particularly those who are not members of the ACFA. Following is a brief summary of CFC's areas of interest and activities over the past year.

Beef Grading

CFC has been following the work of the Canadian Beef Grading Agency on methods and practices to improve the consistency of beef grading. The introduction of the E plus V grading camera has been positive start and as technology improves, so will the consistency of the beef that we market. The CFC supports the use of the E plus V camera and the standard reference chips for identifying meat colour.

Cattle Price Insurance Program (CPIP)

CFC worked with Gibson Capital on the development of the CPIP and has continued to monitor the implementation of the CPIP by AFSC. The program has grown steadily since its inception and earlier this year, 13 per cent of fed cattle in Alberta were covered by CPIP policies. This can be

an effective tool for cattle feeders to minimize risk and receive coverage in case of a market collapse.

Environmental Issues/Manure Management

Through the Policy Advisory Group and the Technical Advisory Group, CFC has been engaged with the NRCB and ARD to ensure that any AOPA regulations involving confined feeding operations are practical and science-based. CFC also is working with the Intensive Livestock Working Group (ILWG) and the Agri-Environmental Partnership of Alberta (AEPA) to address the manure management issues that will arise through the Land Use Framework (LUF).

CCIA Traceability

The council submitted a series of recommendations to CCIA regarding animal identification, traceability and age verification. CFC opposed the de-listing of barcode tags because forcing producers to re-tag mature animals with RFID tags creates risks for both animals and handlers. CFC also offered to work with CCIA to improve the procedures for age verifying calves to enhance the efficiency and integrity of the system.

Feed Grains Research

CFC has been committed to feed grains research for many years and sees the need for varieties of grain that will both improve returns to grain producers and reduce the cattle feeders' cost of production. On the recommendation of the CFC, ABP has invested 1.5 million dollars over five years in feed grain research. A report on the first year of this project was presented to the council this summer. The recent announcement by ALMA to invest a further \$8 million through its Feed Grain Initiative is encouraging.

Occupational Health and Safety

After reviewing occupational health and safety on farms and ranches in consultation with industry stakeholders, the Government of Alberta is working on a model for agricultural health and safety education and training that would include a new organization for

agricultural safety and health. The CFC has led the ABP involvement in this initiative and believes that education and training will do far more to improve health and safety than costly and onerous legislation.

Water Licensing and Allocation Transfers

Alberta Environment is reviewing the water licensing process and looking at an upgraded system for water allocation transfers. CFC believes that the historical basis for the current allocation system (first in time, first in right) provides the most effective and practical starting point for a fair and reasonable water allocation transfer market that will allow continued economic growth and development in Alberta.

ABP Feedlot Mortality Study

ABP provided funding for the first year of a two-year study by Dr. Eugene Janzen, of the Faculty of Veterinary Medicine, University of Calgary, that investigates unusual feedlot mortalities. The CFC has received the report from the first year and is now supporting the second year of the project in cooperation with other funding agencies.

Canada-U.S. Fed Cattle Basis Study and Packer Market Power Study

CFC provided a portion of the funding to CanFax Research Services for the fed cattle basis study and reviewed the final report at our April meeting. The council is also following the progress of CanFax Research Services on the Packer Market Power Study that is being funded by the ALMA. ▼

Sincerely,

Howard Bekkering, Chair

- Chuck MacLean, Zone 1 at large
- John Schooten, Zone 2
- Don Evans, Zone 3
- Bryan Thiessen, Zone 3 at large
- Craig Ference, Zone 4
- Charlie Christie, Zone 5
- Dave Solverson, Zone 6
- Chad Meunier, Zone 7
- Sheldon Hauca, Zone 8
- Pat Eaton, Zone 9



LARRY DELVER
CIC Chair

CIC REPORT

CIC initiated a project to update analysis on the cost of regulatory burden this year. It addresses the competitiveness of our industry. Fred Hays, ABP Policy Analyst, is analyzing the direct and indirect costs and benefits that impact the cattle industry from gate to plate.

The review of regulatory burden of animal traceability and age verification work was begun as part of the CIC directive. From the financial modeling, the overall cost of traceability for the cow calf sector was a range between \$5 for large cow herds of 1,500 head to \$10 for smaller herds of 50 head. The average cost for traceability in Alberta is \$6.41 per cow. Overall the regulatory cost for producers for traceability and age verification was \$11 million per year without any financial incentive. On May 17, 2010 the Government of Alberta initiated a support program of \$15 million between the period January 1, 2009 and December 31, 2012 to offset the costs of age verification in the provincial herd of up to \$3 for each RFID tag purchased. With this incentive the cost of traceability and age verification for cow calf producers has been temporarily reduced to between 43 cents to \$5.36 depending on herd size, with a provincial average of \$2.28 per cow. The overall provincial herd cost to the 22,000 cow calf producers is still \$4 million with the age verification incentive.

As an adjunct to the review a cost-benefit assessment of this area is being considered. This study would be a “next level” analysis that would weigh the costs of producer and

industry inputs against the financial returns to producers through increased access to domestic and export markets. How much financial return does accrue to players in the industry with a traceability program by opening or maintaining export markets and what is the financial importance for this? How much financial return is offset if something happens to the market by having a sophisticated traceability program in place that helps open the border one day earlier? And who benefits from the program?

Certainly consumers who depend on producers to provide a safe and nutritious food benefit, and regulators that depend on a program to carry out their mandate to protect human and animal populations from disease. These financial offsets are important for Alberta’s beef producers to know to be able to compete successfully in a highly competitive global market arena.

The entire evaluation of regulatory burden is far beyond the scope of CIC. However, review of the more expensive regulations will help define, and hopefully reduce, some of the more excessive costs.

The costs of traceability are only one part of regulatory burden that impacts producers. As a beef industry, cow-calf producers and, in turn feedlot operators, are dependent upon other sectors in the chain such as medication and vaccine producers, the livestock feed processing industry, auction market operators, the packers and the rendering industry. All are subjected to regulations which impact their bottom lines. As expenditure inputs, regulation costs have a direct impact on the price of cattle. Most of the regulations are necessary, some are excessive and others may be interpreted as damaging. It is our hope to reduce burden without risk.

During the year, CIC received an update from Dr. Gerald Hauer, the Chief Provincial Veterinarian, on the Animal Health Act Regulations. They had the opportunity to provide

industry input and receive information to share with their industry sectors. CIC is aware of the significance that all industry groups send a consistent message to government and that all sectors receive the same information from the government. CIC’s overall goal is to ensure that regulations benefit the industry as a whole.

Dr. Stephen Moore provided an update on the genetics research being conducted at the University of Alberta. Genome mapping is being used to develop a marker-assisted selection system to discover which animals produce more efficiently and provide a more acceptable product. A large number of breed or type specific beef cattle are needed to further the accuracy and efficiency of the current RFI markers and to produce more accurate markers.

Eileen Leslie provided an update on the Canadian beef industry’s national on-farm food safety program Verified Beef Production (VBP). In Alberta, the national program is delivered through Alberta Beef Quality Starts Here program. This dynamic program is designed to uphold consumer confidence in the products and good practices of this country’s beef producers. The VBP program is recognized by the Canadian Food Inspection Agency (CFIA) as being technically sound. The VBP program is also part of a broad, global trend in food production, both in Canada and internationally, toward verified food safety standards. This includes many on-farm food safety programs in different sectors of food production implemented in Canada. ▼

Respectfully submitted,

Larry Delver (WSGA), Chair

Ted Quist - FAA

Darryl Carlson - WSGA

Craig Dorin - WCABP

Danny Rosehill - AAMA

Lorrie Jespersion - AB Milk

James MacLean - ALDOBA

Brent Carey - ABP Board Rep



TED FORD
CCC Chair

CCC REPORT

The Cow Calf Council (CCC) had a busy time during the fall, winter and spring 2009/2010. Terms of Reference for the Cow Calf Council were developed and carried.

ABP response to drought: Through this period ABP worked with Alberta Agriculture and Rural Development, Agriculture and AgriFood Canada, AFSC, Alberta Sustainable Resource Development and conservation organizations to improve their response to the drought and enhance the support for producers.

The weather in Alberta during this period was truly a natural disaster. ABP and the CCC worked to have a disaster program implemented. Over 70 per cent of the cow herd in the province was in a designated drought area. On behalf of close to 27,000 cattle producers, ABP requested the Alberta Minister of Agriculture contact the Federal Minister of Agriculture to initiate the AgriRecovery process. The meetings and ongoing reports were tedious and long. In the end, a \$114 million assistance program called the 2010 Pasture Recovery Initiative as part of AgriRecovery was announced on May 31, 2010 by ARD and AAFC to provide producers in the drought-declared regions of Alberta and Saskatchewan with \$50 per breeding animal.

Some resolutions were dealt with and carried:

- that ABP lobby the provincial and federal governments to continue to recognize hide branding (hot or freeze) as an effective and economical method of livestock identification
- that ABP lobby Alberta Hail and Crop Insurance to increase the

- dollar-per-acre coverage for the “Pasture Lack of Moisture” program
- that ABP lobby the government to ensure in future that AFSC crop insurance be held accountable for prompt assessment and release of insured crops and be utilized in any manner the producer feels viable
- that ABP lobby the government to allow landowners to charge a fee for anyone wishing to access to their property
- that ABP lobby the provincial and federal governments to achieve a higher retention in Canadian Cattle Identification Agency tags or other alternatives.

Regulatory Burden: Andre Tremblay, Policy Strategy and Intergovernmental Affairs Division, ARD reported to CCC on the Province of Alberta Acts and Regulations affecting competitiveness of the cow-calf producers. They reviewed reforms such as Canadian/U.S. veterinary drug protocols that impede beef trade. They reviewed federal and provincial beef processing plant regulations. There are some opportunities for smaller Alberta abattoirs to market products into other provinces but cannot do so now because of the current provincial regulations.

Wildlife Subcommittee: Chair, Rick McKnight attended the Alberta Game Management Advisory Group (AGMAG) meetings on behalf of ABP. Members did question the use of strychnine verses 1080 to control coyotes. The product 1080 is available through the agricultural fieldmen in each region. The Wildlife Subcommittee will review the safety issue of this product.

A priority with AGMAG is the problem of illegal road hunting with corresponding dangers to livestock and the agricultural population, and this needs to be resolved. Another issue is grizzly bears. There needs to be further research on problems in agriculture and bear inventories.

Safety Net Subcommittee: Insurance (forage, moisture deficit) AFSC: A research study was set up to look into the programs offered by AFSC. AFSC holds 12 to 15 meetings every year

throughout the province to get producer feedback on programs that are about to be released. AFSC plans to add 60 new weather stations across Alberta over the next 2.5 years.

Disaster Insurance: There is a need to develop better insurance programs and well defined triggers that would set a program into effect. Some issues for a program are a) should not have to pay another premium, b) need to meet with AFSC to consider various options c) could add on to pasture program, d) could have something similar to hail insurance, e) producers should be in charge of program and f) trigger for any program could be AgriRecovery, and g) should be transparent.

Blair Neal, AFSC, spoke to the CCC about the Margin Coverage Concept (MCC) and the AgriStability suite of programs. They are currently working on new programs that will come into effect in 2013. These are based on stabilizing income, not increasing income. There will be an opportunity for the CCC to be involved.

Alberta Forage Industry Network:

Lyndon Mansell, who represents ABP and CCC, updated the Council on the work of the Network . At present there are about 30,000 forage producers in Alberta, and many more affiliated with the industry.

Cattle Price Insurance Program: The CCC has two representatives sitting on the CPIP advisory group. Feeder cattle and calf price insurance is being developed. The feeder cattle program was rolled out the fall and the calf version will be in 2011. ▼

Ted Ford, Chair

- Gerry Fowlie, Zone 1
- James Hargrave, Zone 1
- Bob Lowe, Zone 2
- Tom Lynch–Staunton, Zone 2
- David Lowe, Zone 3
- Ross Skori, Zone 4
- Rose Wymenga, Zone 5
- Greg Bowie, Zone 6
- Adam Moseson, Zone 6
- Rick McKnight, Zone 7
- Lyndon Mansell, Zone 8
- Lori Kinnee, Zone 9



BRENT CAREY
Communications
Chair

COMMUNICATIONS

The Communications Committee has had a strong year. Even with a reduced budget, we felt we could accomplish all our goals to help create dialogue with producers and the media. We made tough decisions and made cuts or reductions to programs including radio, the Grass Routes newsletter and magazine advertising. However, we made a few tweaks to our projects and we feel we will get more “bang for our buck” this financial year.

The committee introduced an award titled the “Carl Lewring Contest.” With money bequeathed to ABP several years ago by the late Carl Lewring, our committee was able to set up the contest for youth aged eight to 21. First prize received \$1,500, second received \$1,000 and third was awarded \$500. Each entrant had to communicate “What Alberta Beef Producers means to me.” There were many fantastic entries. The committee enjoyed evaluating them.

Our big project of the year was installing monitors into 22 auction marts across Alberta. These monitors are a digital display system featuring real-time news and cattle prices. Our partner, the Canadian Cattlemen’s Association, provides national information and news. We would encourage all producers to take a look at the monitor in their local auction mart and provide feedback on what they see. There is a monitor in the ABP lobby as well. The monitors allow us to advertise programs and funding that is available to producers. There are times we may not have the funding to sponsor an event, but we

are able to help with in-kind promotion by using the monitors. Funding for the project was provided by the Alberta Livestock and Meat Agency.

Cattle Country on the radio has been reduced to once-weekly. Pre-BSE, we aired one segment a week but bumped it up to twice-weekly when we needed to reach producers more often. We were able to cut our budget in half by reducing airtime.

Grass Routes will also see two less publishings annually. It is now mailed three times a year instead of five times.

The committee prepared a brochure this year titled “Own your Industry.” The aim of the brochure is to talk about ABP, what it does for producers and the money we put back in their pockets. This at-a-glance publication is economical to print and easy to read and distribute.

We sponsored one major event this year, the Alberta Farm Writers Association annual summer tour.

This event provides editorial and photo opportunities for every farm writer and communications specialist in the province.

The committee made use of free social media this year as well. We had a Facebook page for the Carl Lewring Award and we Tweet on a regular basis. You can find us at www.twitter.com/albertabeef.

All in all it was a good year. We accomplished new goals and were able to come up with new ideas to help reach producers and the media. We are looking forward to next year and what it holds. ▼

Regards,

Brent Carey, Chair

- Rick Friesen, Zone 1
- Cecilie Fleming, Zone 2
- Sara Arthurs, Zone 3
- Henry Fenton, Zone 4
- Arny Tateson, Zone 5
- Tim Sekura, Zone 6
- Gene Brown, Zone 7
- Danny Hozack, Zone 8
- Roland Cailliau, Zone 9





JOHN BLAND
Promotion Chair

PROMOTION

Television mogul Ted Turner once explained his astonishing success with this quote: “Early to bed, early to rise, work like hell and advertise.” This bit of advice seems to be intuitive to 2010 Promotion Committee members as it not only describes their work ethic and drive, it also speaks to their determination to promote our world-class product no matter what the obstacles.

Undaunted by the governmental and financial issues of the day, the committee determined early in the year that, if it were to have an effective Marketing Program for 2010, it simply had to leverage its operational budget. It did that through a successful application to ALMA which ultimately more than doubled its resources and which made possible the continuation of its fledgling “Raised Right” campaign. Two consumer-focused tactics consequently hit the Alberta marketplace in March through May of this year. The first was a semi-trailer truck initiative including 16 trailers, 53 feet long, ad-wrapped on three sides, which garnered 35 million impressions (a single sighting by anyone, consumer or not) and which operated out of five major hub cities. The second was a grocery cart ad program featuring 60,000 grocery carts per month in 133 Alberta stores, attaining 12 million impressions for the total run. These statistics represent excellent exposure for the leveraged producer dollars invested.

Once these tactics were underway, the committee set about seeking further funding for a long overdue consumer research program

designed to discover why beef consumption is declining in this province. The committee is pleased to announce the application was successful and that ABP has now nearly completed this foundation study. Of special interest to beef producers is the fact that the research was funded at an unprecedented rate of 25 per cent producer dollars to 75 per cent ALMA dollars.

The information provided so far indicates that ABP needs to focus on advertising the exceptional “taste of our product” and needs not focus so heavily on the image of our industry, which, current study participants assume produces a safe product in a responsible and humane way.

In addition to launching two successful tactics and achieving milestone funding for a province-wide consumer study, the Promotion Committee and zone delegates also executed a highly successful 2010 Tradeshow Program. During the year, about 1.45 million Albertans attended 19 provincial shows at which ABP interacted face-to-face with tens of thousands of our target audience. Although many delegates worked extremely hard to achieve this success, one name stands out amongst the rest and that name is Chuck Groeneveld. I would like to personally thank him for the outstanding job he continues to do representing our industry at major tradeshows across the province. In addition, Chuck ensures our message is delivered through the tireless work he and his wife Lorraine do attending dozens of parades in Alberta. Nicely done, Chuck; your enthusiasm is inspirational.

During 2010, the committee also executed its Beef in the Classroom Program which featured two nutritionists teaching approximately 1,900 high school students how to cook quick and tasty beef meals and how to incorporate them into an active, healthy lifestyle. Given young people are inundated with messaging opposing animal

products in the diet, Promo believes it’s important to not only educate them but to also promote our product in a way that speaks to their common sense and sophisticated world view. With this highly popular program, we believe we are achieving that goal.

One final initiative I would like to mention is the Producer Loyalty Program which is being rolled out in this Annual Report. Although strictly speaking it is not a Promotion Committee program, it did come about through some original vetting and discussion at that level. Consequently, as Chairman of Promotion, I have been afforded the opportunity to work with Brent Carey, Chairman of Communications, plus staff Lori Loree and Barb Sweetland on this exciting new project. Brent and I believe strongly in its ability to provide beef producers with the kind of tangible reward for their ongoing loyalty and support that they truly deserve. We hope you will take the time to read the enclosed brochure which outlines what ABP can do right now to give back to you, our check-off supporter.

In closing, I would like to say a heartfelt thank you to the 2010 Promotion Committee for all its hard work, to staff support Barb Sweetland, and to a Board of Directors who have supported us and believed in the work we do. I am convinced that, together, we have more than successfully met the challenges presented to us in 2010 and will continue to do so in 2011. ▼

Regards,

John Bland, Chair

- Mark Francis, Zone 1
- Judy Nelson, Zone 2
- Chuck Groeneveld, Zone 3
- Brad Pierson, Zone 4
- Cathy Sharp, Zone 5
- Roy Eckert, Zone 6
- Stephen Jarema, Zone 8
- Linda Messner, Zone 9



GREG BOWIE
Environment Chair

ENVIRONMENT

The Environment Committee has had a challenging but successful year. It has been a fine balance of working with a reduced budget while effectively maintaining programs the committee deemed necessary. A lot of time has been committed to developing new ideas to increase involvement on issues the committee has outlined as priorities, and to increase the profiles of ABP's environmental programs. Producers face many different environmental issues on a daily basis and it is the Environment Committee's purpose to stay involved and promote awareness.

The primary goal of the Environment Committee is to advocate best management practices in the areas of land, air, and water use. The Environment Committee promotes the goals of Cows and Fish and reviews and directs ABP's involvement with them. The committee works to enhance, protect, and promote the overall image of the cattle industry. Our objectives include: watersheds, land-use, airsheds, ABP's Environmental Stewardship Award, biodiversity, carbon credits, and energy sector issues.

Committee members represent ABP on various watershed groups throughout the province, and in doing so, ABP has assisted in the creation of numerous mapping projects and state of the watershed reports. Through involvement in these watershed groups, ABP gains involvement in Alberta's Water for Life strategy. As demand on Alberta's water resources grow, we must continue to work to preserve them for the long-term.

Alberta's Land-use Framework has made some progress with the Lower Athabasca Regional Advisory Council (RAC). Their recommendations were submitted and at the time of publication the government was planning for public consultation and the committee planned on submitting ABP's positions. The "vision" document presented by the RAC and a feedback workbook were available online until early October. The South Saskatchewan Regional Advisory Council's mandate was extended until December 2010.

The judging tour for ABP's Environmental Stewardship Award (ESA) took place in August and a winner has been selected and will be announced at the Annual General Meeting in December. Nominations came in from across Alberta this year and each had their own unique management practices. The Environment Committee has been working closely with ABP's marketing department to develop some new ideas to share producers' environmental awareness with the rest of Alberta. The ESA video highlighting the award and all of the past winners is due to be updated this budget year if funds are available. The video is a great tool to spread the award's message to the general public.

Not much movement has occurred with airsheds, but the committee continues to keep it on their radar. ABP's input can be beneficial in determining how to work on air issues and how they will be tied to both watersheds and land-use.

In a province with both a large energy and agriculture sector there will be issues that arise between them. Involvement in resolving these issues with the land, water and air are also part of what the Environment committee will be dealing with in order to find that balance between the economy, the environment, and social values.

The Environment committee will continue to work hard in these challenging times on behalf of the beef producers of this province. Thanks to all the committee members and staff for their commitment to the long-term goals. Better times are on the horizon. ▼

Greg Bowie, Chair

- Lance Cavan, Zone 1
- Tom Lynch-Staunton, Zone 2
- Gordy Cunningham, Zone 3
- Judy Fenton, Zone 4
- Charlotte Johnson, Zone 5
- Kelly Olson, Zone 7
- Bill Fox, Zone 8
- Gordon Graves, Zone 8
- Bruce Jack, Zone 9





BRIAN CHOMLAK
Animal Health and
Welfare Chair

AH&W REPORT

The Animal Health and Welfare Working Group (AHW) is an advisory group tasked with providing direction to ABP in the areas of animal health and welfare and specific direction to ABP's representation to the Alberta Farm Animal Care Association (AFAC).

AFAC

AFAC has undergone a few changes this year. Lorna Baird has taken over the Executive Director role and they have settled into their new location in north Calgary. The Alert Line now has 12 on-call veterinarians across Alberta and AFAC is working closely with Alberta's Agriculture Fieldmen to keep their eyes and ears on the countryside. Doug Sawyer, ABP Vice-Chair, was re-elected as Chair of AFAC for another year. Brian Chomlak, AHW Chair, was re-appointed ABP's representative to the AFAC board.

2009 Fall Meeting Resolution

One resolution from the 2009 ABP fall meetings was referred to AHW.

"Be it resolved that ABP lobby the Alberta government to change regulations to allow ultrasound technicians to determine pregnancy status." Zone 6

Adrienne Waller, ABP Legal Counsel, was asked by the working group to look into the review of the Veterinary Profession Act and the process of amending the regulation. Waller informed AHW that any amendment to this regulation would require support of the AVMA and the Alberta Association of Animal Health Technologists as well as public consultation. Waller also informed the working group that the previous review of the Act had since fallen off and no changes were made that

would affect producer's ability to perform minor procedures. The working group is in close discussion with Alberta's Chief Veterinarian on allowing ultrasound technicians to test animals for pregnancy.

Animal Health

AHW is also working closely with the Chief Veterinarian to create policy regarding positive testing for trichomoniasis to prevent the spread of the disease. The working group would like to see policy come into effect where any animal that tests positive be marked for slaughter immediately.

AHW is working with the Alberta Government to eradicate brucellosis and tuberculosis-infected bison that leave the Wood Buffalo National Park. The government has completed a couple of flyovers of the corridor, and another is said to be taking place during the winter season. Producers in the area were notified to contact Fish & Wildlife with bison sightings. We need to make sure that Alberta does not compromise Canada's trade status by allowing diseased animals to roam out of the park and infect domestic cattle. Canada's beef herd is free of tuberculosis and brucellosis

and it is important that this status be maintained in order to keep access to export markets, particularly for live cattle and breeding stock. The working group will be meeting with the Alberta Government in the near future to decide the next steps on eradicating the disease surrounding the Wood Buffalo Park.

We are in the beginning stages of doing some work with the Alberta Veterinary Medical Association to create awareness among producers regarding biosecurity and the steps that need to be taken to minimize risk on their operations.

AHW is also working closely with CCA to monitor anaplasmosis and blue tongue. ▼

Regards,

Brian Chomlak, Chair

- Brad Calvert, Zone 1
- Tom Toney, Zone 2
- John Buckley, Zone 3
- Pat Rutledge, Zone 4
- Heidi Lee, Zone 5
- Diane Panrucker, Zone 6
- Murray Kerik, Zone 7
- Martin Braat, Zone 9

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CHARLIE CHRISTIE
Research Chair

RESEARCH

With uncertain funding, the role of the Research committee continues to evolve. The goals however, remain focused on the Alberta beef industry. We are working towards a quick return of results and the dissemination of practical, usable information to our producers. Our budget this year is \$20,000, as well as a \$66,500 surplus carried over from the previous year's budget. We will strive to leverage every ABP dollar with other industry funds from sources such as the Alberta Livestock and Meat Agency (ALMA), the Canadian Agricultural Adaptation Program (CAAP), and the Agricultural Research and Extension Council of

Alberta (ARECA). If a major research commitment is warranted, the committee would approach the Board of Directors for additional money from the reserve funds.

To date in 2010, new research commitments are:

1. \$3,000 annually for three years for a "Triticale Swath Grazing Demonstration Project" being done by the West Central Forage Association in the County of Barrhead. The WCFA is partnering with Gateway Research, Lakeland Research Association, and the Barrhead County Ag service Board. ABP's commitment here helped secure CAAP funding of \$81,000.
2. \$14,000 a year for three years for a project entitled "Using residual feed intake to improve the lifetime productivity of beef cows under forage-based beef cattle production systems" headed up by Dr. John Basarab, Alberta Ag and Rural Development, Dr. Kim Ominski, University of Manitoba, and Dr. Bart Lardner of the

Western Beef Development Center in Humbolt, Saskatchewan. ABP's commitment will be leveraged with other industry dollars to access \$375,023 of CAAP funding, obtained through a Manitoba Rural adaptation Council application spearheaded by the Manitoba Cattle Producers and Dr. Kim Ominski.

We as a committee, and ABP as a whole, are pleased to be involved with leading-edge research and researchers of this caliber. While we are not a primary funder, our contribution of producer dollars continues to be a cornerstone of present and future initiatives. This enables us to play an integral role in the direction and evolution of our industry!

Previous research projects, both completed and ongoing, can be viewed on the ABP website. ▼

Charlie Christie, Chair

Larry Delver, CIC
Howard Bekkering, CFC
Bob Lowe, CCC

AUDIT COMMITTEE

Audit committees are viewed as a critical component of the overall corporate governance process. The 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 ABP 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 ABP 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;
- One non-delegate member appointed by the members of the Audit Committee.

The Audit Committee held its inaugural meeting in April. At this time the Committee defined the Terms of Reference and developed a working agenda for 2010/11 year. This working agenda specifies timelines and identifies milestones to be achieved. The committee used these documents to guide their activities throughout the year.

The Committee held conference calls and meetings including one conference call and one meeting with ABP's external auditors. The committee reviewed and considered ABP's internal control and risk management procedures and the financial reporting and disclosure procedures. No significant areas of concern were identified. The external auditor issued a 'clean audit' report and expressed the fact that they are very comfortable with the processes and controls in place at ABP.

The members of the Audit Committee are strongly committed to Alberta's beef industry and have demonstrated that dedication through a willingness, not only to offer their time, considered opinion, and hard work for the greater good of the industry, but, more importantly, to offer it with enthusiasm and good humour. ▼

Dave Solverson
Chad Meunier
Lori Kinnee
Lorrie Jespersen

GOVERNANCE COMMITTEE

Corporate Governance is defined 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. Key elements of good corporate governance principles include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect, and commitment to the organization.

Commonly accepted principles of corporate governance include:

- **Rights and equitable treatment of stakeholders:** Organizations should respect the rights of stakeholders and enable stakeholders to exercise those rights by effectively communicating information that is easily understood and accessible, and by encouraging stakeholders to participate.
- **Interests of other stakeholders:** Organizations should recognize that they have legal and other obligations to all legitimate stakeholders.
- **Role and responsibilities of the board:** The board needs a range of skills and understanding to be able to deal with various business issues and should have the ability to review and challenge management performance. The Governance Committee needs to be of sufficient size and should have an appropriate level of commitment to fulfill its responsibilities and duties.
- **Integrity and ethical behavior:** Ethical and responsible decision making is not only important for public relations, but it is also a necessary element to manage risk management and avoid lawsuits. Organizations should

develop a code of conduct for their directors and executives that promotes ethical and responsible decision making. It is important to understand that reliance by a company on the integrity and ethics of individuals is may lead to eventual failure.

- **Disclosure and transparency:** Organizations should clarify and make publicly known the roles and responsibilities of board and management to provide stakeholders with a level of accountability. They should also implement procedures to independently verify and safeguard the integrity of the company's financial reporting. Disclosure of material matters concerning the organization should be timely and balanced to ensure that all investors have access to clear, factual information.

The Governance Committee is appointed by the Board of Directors and consists of five members. Four members are appointed by the ABP board, Cattle Feeder Council, Cow/ Calf Council, and Cattle Industry Council. The fifth person is an outside member recommended by the Governance Committee.

The Governance Committee had its inaugural meeting in the spring of 2010 where the Committee's Terms of Reference were developed. Since

this first meeting, the Committee has held a number of conference calls for the purpose of reviewing ABP policies and procedures and presenting recommendations to the Board of Directors for approval or comment. The first area addressed was the Roles and Responsibilities of Delegates.

Prior to the Governance Committee being struck, the Board of Directors took part in a working group assessment of the Board's governance practices and procedures. The Governance Committee members were invited to observe the presentation when the comments resulting from this assessment were presented to the Board.

The Committee thanks ABP staff for the timely and competent support - in particular Adrienne Waller and Laura Procnier. The members of the ABP Governance Committee are committed to the beef industry in Alberta and to the process of strengthening ABP through good governance practices in the face of changing expectations. ▼

Sincerely,

John Kolk, Chair, Independent

Don Evans, Cattle Feeder Council
Doug Sawyer, Board of Directors
Larry Delver, Cattle Industry Council
Lyndon Mansell, Cow Calf Council



ALBERTA BEEF PRODUCERS

Draft Operations Budget for 2011/2012

	Proposed 2011 - 2012 Budget	Notes	Final 2010 - 2011 Budget Note 7	Actual Expenses 2009 - 2010
National Policy and Trade Advocacy Programs:				
Canadian Cattlemen's Association: Operations	1,000,000	3	1,504,560	1,503,012
Canadian Cattlemen's Association: Legal Contingency				
Trade Advocacy and Government Relations	250,000		45,440	215,014
National Governance and Oversight	70,000		100,000	44,694
Enhanced Federal Lobbying	40,000		50,000	34,080
U.S. and International Trade Management	40,000		50,000	58,847
Board and Delegate Expenses, ABP Governance and Provincial Initiatives:				
Board meetings and board appointed representatives	145,000	4	155,000	179,343
Annual general meeting	140,000		140,000	139,146
Partnerships projects	120,000		120,000	120,000
Fall producer meetings & resolutions policy development	115,000		115,000	101,971
Zone activities	108,000		108,000	68,310
Provincial initiatives	100,000		100,000	71,230
Semi-annual meeting	95,000		95,000	98,678
Executive Committee	75,000		75,000	68,312
Annual report	71,600		71,600	75,008
Canfax membership and services	53,400		53,400	53,400
Provincial advocacy	30,000		30,000	12,875
Audit Committee	5,000		5,000	-
Governance Committee	5,000		5,000	-
Council, Committee, Staff and Project Expenses in Priority Areas:				
Cattle Feeder Council		5	20,000	3,095
Cattle Industry Council			20,000	(10,754)
Cow Calf Council			30,000	34,208
Communications Committee			300,000	406,210
Promotion Committee			347,000	398,932
Feed Grain Research Project			-	300,000
Research Committee			90,000	196,493
Environment Committee			96,000	73,145
Animal Health and Welfare Working Group			38,000	22,787
Project Reserve			224,000	-
Competitiveness Value Creation Working Group				4,000
Council, Committee, and Project Expenses	890,000			
Salaries and benefits related to programs	577,500		577,500	515,592
Office, legal and financial administration:				
Salaries and benefits	372,500	6	372,500	323,029
Rent, office supplies and equipment	460,000		460,000	340,717
Legal, audit, plan review and consulting	190,000		190,000	102,768
Amortization of capital assets	40,000		40,000	41,500
	4,993,000		5,628,000	-
Capital Budget	7,000		7,000	-
	<u>5,000,000</u>		<u>5,635,000</u>	<u>-</u>
			<u>5,595,640</u>	<u>5,595,640</u>

NOTES TO OPERATIONS BUDGET FOR 2010-2011

1 **Budgeting Process**

The net revenue remaining from the \$3 Federal Levy and the \$3 Alberta Service Charge 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.

2 **Payments to the Canadian Beef Cattle Research, Market Development and Promotion Agency (The National Agency)**

ABP collects a \$3 Federal Levy on cattle sold in inter-provincial trade in Alberta (out of province cattle) and a \$3 Alberta service charge on cattle sold in intra-provincial trade in Alberta (Alberta cattle). Pursuant to the Agency Agreement and the Services Agreement with the National Agency, ABP collects and remits to the National Agency \$1 out of every \$3 Alberta service charge collected and retained on Alberta cattle marketed in Alberta. This \$1 is known as the "National Check-Off". The National Agency retains 2 cents of every dollar for operating expenses and distributes the balance to the *Beef Information Centre*, the *Canada Beef Export Federation* and the *Beef Cattle Research Council* based upon an allocation determined annually by the ABP Board of Directors. The amendment to the Marketing of Agricultural Products Act and the Cattle Marketing Regulation will not change the collection of the Federal Levy on out of province cattle sold in Alberta or on Alberta cattle sold out of province. The Federal Levy collected on the interprovincial sale of cattle will continue to be non-refundable.

3 **National Policy and Trade Advocacy Programs**

Alberta Beef Producers' is committed to the notion that the national organization, CCA, must have resources available to continue to effectively execute trade and market access programs.

4 **Board and Delegate Expenses, ABP Governance and Provincial Initiatives**

This category of expenses reflects the costs involved in running a democratic organization and specifically addresses the monies required to provide remuneration to delegates and to directors; to hold meetings; and to ensure that ABP is represented at all industry events having the power to impact Alberta's cattle producers.

5 **Council, Committee, Staff and Project Expenses in Priority Areas**

ABP business is conducted through one of three councils, through the Board of Directors or through working committees depending upon specific needs and/or the issues of the day. This budget area reflects funds allocated to ongoing endeavours such as stewardship, animal health, promotion, research and communications. Within these areas, ABP will continue to work for market access; to provide leadership on research initiatives and environmental policy; and to promote the Alberta beef industry's image. ABP's structure will enable the Board of Directors and delegates to respond quickly and effectively to emerging issues, thereby ensuring the competitiveness and long-term sustainability for our industry for the benefit of all Alberta beef producers. The amount budgeted also includes the costs associated with having staff in these program areas.

6 **Office, Legal and Financial Administration**

This budget item represents the costs associated with employing staff; running an office; auditing the financial statements; and hiring legal counsel and consultants as required.

7 **Final 2010 - 2011 Budget**

The Board of Directors passed a motion to add the unspent 2009 - 2010 program budget to the 2010 - 2011 program budget thus allowing programs underway to continue. Whereas a \$5,000,000 draft budget was presented to producers during the 2009 fall meetings, the final budget for the 2010 - 2011 year is \$5,635,000.

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May 13, 2010

Edmonton, Alberta

Auditors' Report

To the Directors and Delegates of Alberta Beef Producers:

We have audited the statement of financial position of Alberta Beef Producers ("ABP") as at March 31, 2010 and the statements of operations, changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of ABP's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of ABP as at March 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Kingston Ross Pasnak LLP
Chartered Accountants

ABP STATEMENT OF OPERATIONS

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

	2010	2009
Revenue		
ABP Service charge and Federal Levy	\$ 13,432,941	\$ 13,891,624
Less dealers' rebates	227,148	233,573
	13,205,793	13,658,051
Grants (Note 9)	345,727	355,748
Recognition of deferred revenue (Note 8)	13,886	4,280
Interest and other income (Note 5)	93,553	305,571
	13,658,959	14,323,650
EXPENSES		
Canadian Beef Cattle Research, Market Development and Promotion Agency (Note 10):		
Beef Information Centre	2,904,899	3,079,579
Canada Beef Export Federation	1,145,410	1,270,098
Beef Cattle Research Council	401,792	228,930
National Check-off Agency	90,859	93,441
National Policy and Trade Advocacy Programs:		
Canadian Cattlemen's Association (Note 10)	1,503,012	1,419,991
Legal Contingency (Note 10)	215,014	-
U.S. and International Trade Management	58,847	124,313
National Governance and Oversight	44,694	87,509
Enhanced Federal Lobbying	34,080	44,373
Board and Delegates:		
Board Meetings and Board appointed representatives	150,469	150,221
Annual General Meeting	139,146	150,658
Partnership Projects	120,000	-
Fall producer meetings and Resolution Policy Development	101,971	113,106
Semi-annual Meeting	98,678	99,098
Annual Report	75,007	61,261
Provincial Initiatives	71,230	194,627
Executive Committee	68,312	81,996
Zone activities	68,310	78,686
Canfax Membership and Services	53,400	53,400
Board Sponsorships	28,875	22,649
Provincial Advocacy	12,875	11,602
Council, Committee Staff and Project expenses in Priority Areas (Note 12):		
Cattle Feeder Council	3,095	90,417
Cattle Industry Council	(10,754)	33,465
Cow Calf Council	34,208	25,234
Communications Committee	406,210	404,581
Promotion Committee	398,932	795,511
Feed Grain Research Project	300,000	-
Research Committee	196,493	10,789
Environment Committee	73,145	-
Animal Health and Welfare Working Group	22,787	-
Competitiveness Value Creating Working Group	4,000	-
Salaries and benefits - relating to programs	515,592	518,199
Government Affairs	-	27,626
Public Affairs	-	241,363
Office, legal and financial administration:		
Salaries and benefits	323,029	310,155
Rent, office supplies and equipment	340,717	367,563
Legal, audit, plan review, and consulting	102,768	124,158
Amortization of furniture and equipment (Note 7)	41,500	48,955
Research commitments, prior year	377,626	325,744
Youth bursaries, Estate of Carl Lewring	2,846	-
Livestock health investigator (Note 8)	13,886	4,280
Grant proceeds expended (Note 9)	345,727	355,748
	10,878,687	11,049,326
Excess of revenue over expenses	\$ 2,780,272	\$ 3,274,324

ABP FINANCIAL STATEMENTS

Statement of Changes in Net Assets

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

	Operating restricted (Note 4)	Operating 2010-2011 (Note 4)	2011-2012 (Note 4)	projects (Note 4)	furniture and equipment	Unrestricted	2010 Total	2009 Total
Balance, beginning of year	\$ 5,000,000	\$ 3,000,000	-	\$ 2,152,900	\$ 183,780	\$ 1,326,822	\$ 11,663,502	\$ 8,389,178
Transfers	(500,000)	2,635,000	\$ 1,000,000	202,100	-	(3,337,100)	-	-
Excess of revenues over expenditures	-	-	-	(377,626)	(41,500)	3,199,398	2,780,272	3,274,324
Invested in furniture and equipment	-	-	-	-	7,828	(7,828)	-	-
Balance, end of year	\$ 4,500,000	\$ 5,635,000	\$ 1,000,000	\$ 1,977,374	\$ 150,108	\$ 1,181,292	\$ 14,443,774	\$ 11,663,502

ABP FINANCIAL STATEMENTS

Statement of Financial Position

ALBERTA BEEF PRODUCERS

March 31, 2010

ASSETS

	2010	2009
CURRENT ASSETS		
Cash and internally restricted cash	\$ 1,482,118	\$ 2,447,896
Investments (Note 5)	5,432,549	5,379,246
Service charges receivable	1,369,045	1,209,500
Interest and other receivables	324,059	175,613
Inventory (Note 6)	11,658	36,163
Prepaid expenses	19,763	46,555
	8,639,192	9,294,973
OPERATING RESERVE FUND 2010-2011 (Note 4)	5,635,000	3,000,000
OPERATING RESERVE FUND 2011-2012 (Note 4)	1,000,000	-
FURNITURE AND EQUIPMENT (Note 7)	150,108	183,780
	\$ 15,424,300	\$ 12,478,753

LIABILITIES

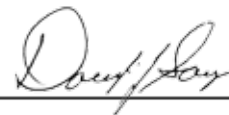
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 682,208	\$ 752,574
Deferred revenue (Note 8)	298,318	62,677
	980,526	815,251

NET ASSETS

COMMITMENTS (Note 11)		
INTERNALLY RESTRICTED (Note 4)	4,500,000	5,000,000
OPERATING RESERVE FUND 2010-2011 (Note 4)	5,635,000	3,000,000
OPERATING RESERVE FUND 2011-2012 (Note 4)	1,000,000	-
LONG-TERM PROJECTS (Note 4)	1,977,374	2,152,900
INVESTED IN FURNITURE AND EQUIPMENT	150,108	183,780
UNRESTRICTED	1,181,292	1,326,822
	14,443,774	11,663,502
	\$ 15,424,300	\$ 12,478,753



Director



Director

ABP FINANCIAL STATEMENTS

Statement of Cash Flow

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 2,780,272	\$ 3,274,324
Add items not involving cash:		
Amortization of furniture and equipment	41,500	48,955
Obsolete furniture and equipment written off	55	354
Change in unrealized gain on investments held at year end	32,462	(90,661)
	2,854,289	3,232,972
Changes in non-cash working capital accounts:		
Service charges receivable	(159,545)	(66,723)
Interest and other receivables	(148,445)	(5,585)
Inventory	26,792	53,265
Prepaid expenses	24,505	(3,844)
Accounts payable and accrued liabilities	(70,368)	(3,273)
Deferred revenue	235,641	27,889
Cash from operating activities	2,762,869	3,234,701
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of investments	(3,841,964)	(8,399,129)
Proceeds from sale of investments	3,756,199	6,845,912
Purchase of furniture and equipment	(8,132)	(17,064)
Proceeds on sale of furniture and equipment	250	-
Cash used in investing activities	(93,647)	(1,570,281)
NET INCREASE IN CASH AND RESTRICTED CASH	2,669,222	1,664,420
CASH AND RESTRICTED CASH, BEGINNING OF YEAR	5,447,896	3,783,476
CASH AND RESTRICTED CASH, END OF YEAR	\$ 8,117,118	\$ 5,447,896
CASH AND RESTRICTED CASH CONSIST OF:		
Cash and internally restricted cash	\$ 1,482,118	\$ 2,447,896
Operating reserve fund 2010-2011	5,635,000	3,000,000
Operating reserve fund 2010-2012	\$ 1,000,000	\$ -
	\$ 8,117,118	\$ 5,447,896

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

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 1

Description of Business

Alberta Beef Producers ("ABP") was incorporated under the Marketing of Agricultural Products Act ("the 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 producers. Under the Alberta Beef Producers Plan Regulation and Cattle Marketing Regulation, ABP is authorized to collect a \$3.00 service charge from producers who sell or who are in the business of feeding and slaughtering their own cattle.

Since April 1, 2000, \$1.00 of the \$3.00 per head service charge collected has been paid to the Canadian Beef Cattle Research, Market Development and Promotion Agency (the "Agency") for national beef cattle research, market development and promotion. The Agency retains \$0.02 of every \$1.00 for administration expenses and then pays the balance of the funds to the Beef Information Centre, Canada Beef Export Federation, Beef Cattle Research Council in accordance with the allocation determined annually by ABP.

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.

Note 2

Significant Accounting Policies

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. These financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the accounting policies 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

Revenue from service charges is recognized at the time of sale, at which time collection is reasonably assured. The organization 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. 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.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 2

Significant Accounting
Policies Continued...

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 and which has as its main objective the growth and preservation of capital. Transaction 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

Furniture and equipment are recorded at cost less accumulated amortization. ABP provides amortization on its furniture and equipment using the straight-line method at the following rates:

	<u>Rate</u>
Furniture and fixtures	10 years
Computer equipment	3-4 years
Audio-visual equipment	5 years

Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incident to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases, wherein rental payments are expensed as incurred.

Statement of Cash Flow

ABP is using the indirect method in its presentation of the Statement of Cash Flow.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the collectibility of service charges receivable and interest and other receivables, the net realizable value of inventory and the useful life of furniture and equipment for amortization purposes. Actual results could differ from those estimates.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 2

Significant Accounting
Policies Continued...

Disclosure of allocated expenses

ABP has adopted CICA Handbook Section 4470 in the year, which establishes disclosure standards for not-for-profit organizations that classify their expenses by function and allocate their expenses to a number of functions to which the expenses relate.

Financial instruments

Financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are measured in the Statement of Financial Position at fair value except for loans and receivables, held-to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in excess of revenues over expenses. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in the statement of changes in net assets until the instrument is derecognized or impaired.

ABP has made the following classifications:

- Cash and internally restricted cash, and investments are classified as held-for-trading and are measured at fair value. The investments which consist of Provincial government bonds are capable of prompt liquidation.
- Service charges receivable, and Interest and other receivables are classified as loans and receivables and are measured at amortized cost using the effective interest method.
- Accounts payable and accrued liabilities are classified as other liabilities and are measured at amortized cost using the effective interest method.

ABP has chosen to continue to apply Section 3861, Financial Instruments – Disclosure and Presentation, instead of adopting Section 3862, Financial Instruments – Disclosure and Section 3863, Financial Instruments, Presentation.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 3 Future Accounting Standards

Developments in Not-for-Profit Accounting Standards

The Accounting Standards Board (AcSB) is currently reviewing the entire set of accounting standards for not-for-profit organizations. The proposed strategy for changes to these standards is currently under discussion, and the AcSB's deliberations in this area are ongoing. It is therefore likely that these changes would not become effective until fiscal 2011 at the earliest.

Note 4 Internally Restricted Net Assets

During 2005, the Board of Directors passed a motion to establish a reserve fund of \$1,500,000 for the purpose of future trade advocacy and defence projects and accordingly \$1,500,000 has been restricted to the reserve fund. Prior to 2010, ABP contributed \$5,000,000 to the fund. In 2010, an additional \$500,000 was contributed, and a total of \$1,000,000 was transferred to the 2010-2011 Operating Reserve Fund, for a total reserve of \$4,500,000.

During 2009, the Board of Directors passed a motion to establish a new reserve fund of \$3,000,000 for the purpose of allocating operational funds for the 2010-2011 budget year. In 2010, another \$1,635,000 was contributed, and \$1,000,000 was transferred from the Internally Restricted Reserve Fund, for a total reserve of \$5,365,000. This action was taken as a result of the Government of Alberta introducing legislation that would allow the check-off to become refundable. See Note 17 for further information.

During 2010, the Board of Directors passed a motion to establish a new reserve fund of \$1,000,000 for the purpose of allocating operational funds for the 2011-2012 budget year. This action was taken as a result of the Government of Alberta introducing legislation that would allow the check-off to become refundable. See Note 17 for further information.

During 2007, the Board of Directors passed a motion to establish a reserve fund for the purpose of segregating all multi-year commitments. The Council or Committee making this commitment will have the current year's budget reduced by the amount of the commitment. The cash required to meet these current and long term obligations is disclosed separately in the financial statements.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 4 Internally Restricted Net Assets Continued...

	2010	2009
Balance, beginning of year	\$ 2,152,900	\$ 459,357
Current year obligations expended	(377,626)	(325,744)
Current year commitments	202,100	2,019,287
Balance, end of year	\$ 1,977,374	\$ 2,152,900

Note 5 Investments

	2010 Cost	2010 Fair Value	2009 Cost	2009 Fair Value
Bonds:				
Provincial government, bearing yield rates ranging from 3.26% to 4.61%, due between June 2010 and December 2012	5,279,947	5,432,549	3,716,772	3,895,421
Federal government yield rates ranging from 1.65% to 3.01%, matured August 2009	\$ -	\$ -	\$ 1,477,409	\$ 1,483,825
	\$ 5,279,947	\$ 5,432,549	\$ 5,194,181	\$ 5,379,246

Interest and other income is comprised of the following:

	2010	2009
Interest on investments	\$ 105,900	\$ 110,592
Change in unrealized gain on investments held at year end	(32,462)	90,661
Interest on bank balance	73,438	201,253
Other income	17,105	104,128
	3,010	190
	\$ 93,553	\$ 305,571

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 6 Inventory

	2010	2009
Inventory consists of the following:		
Promotional items	\$ 11,658	\$ 36,163
	<u>\$ 11,658</u>	<u>\$ 36,163</u>

During the year ended March 31, 2010 ABP expensed \$56,330 (2009 - \$87,905) of its inventory in the regular course of operations and had no (2008 - \$nil) inventory writedowns.

Note 7 Furniture and Equipment

	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and fixtures	\$ 280,323	\$ 151,973	\$ 128,350	\$ 156,966
Computer equipment	30,383	17,205	13,178	15,658
Audio-visual equipment	49,533	40,953	8,580	11,156
	<u>\$ 360,239</u>	<u>\$ 210,131</u>	<u>\$ 150,108</u>	<u>\$ 183,780</u>

Amortization provided for in the current year totaled \$41,500; (2009 - \$48,955).

Note 8 Deferred Revenue

	2010	2009
Deferred revenue is summarized as follows:		
Livestock Health Investigator:		
Balance, beginning of year	\$ 17,162	\$ 21,442
Recognition of deferred revenue	(13,886)	(4,280)
Balance, end of year	3,276	17,162
Other	10,000	45,515
Auction Market Grant (Note 7(a))	84,076	-
Transition to Refundable Check-off Grant (Note 7(b))	200,966	-
	<u>\$ 298,318</u>	<u>\$ 62,677</u>

(a) In 2010, ABP received a grant from the Alberta Livestock and Meat Agency Ltd. ("ALMA") for a total of \$187,600. During 2010, ABP spent \$103,524 on qualifying activities, and the balance of \$84,076 has been deferred.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 8
Deferred Revenue
Continued...

(b) In 2010, ABP received a grant from Alberta Agriculture and Rural Development for a total of \$252,000, to assist with costs related to the transition to a refundable check-off system. During 2010, ABP spent \$51,034 on qualifying expenditures, leaving a deferred balance of \$200,966.

Note 9
Grants

	<u>2010</u>	<u>2009</u>
Transition to Refundable Check-off Grant (Note 8(a))	\$ 51,034	-
Auction Market Grant (Note 8(b))	103,524	-
Beef Education Ag Initiatives Grant (Note 8(c))	37,419	-
ABP Raised Right Campaign Grant (Note 8(d))	153,750	-
Cattle Price Insurance Program	-	\$ 355,748
	<u>\$ 345,727</u>	<u>\$ 355,748</u>

(a) In 2010, Alberta Agriculture and Rural Development provided ABP with a grant for \$252,000 to assist with costs related to the transition to a refundable check-off system. \$51,034 was recognized as revenue in 2010, which agreed to eligible expenses incurred.

(b) In 2010, ALMA provided ABP with a grant for \$187,600 to assist with communicating current industry events to producers. \$103,524 was recognized as revenue in 2010, which agreed to eligible expenses incurred.

(c) In 2010, ABP recognized \$37,419 of deferred revenue relating to a grant received in 2009 from Alberta Agriculture and Rural Development for the purpose of developing education resources for children in kindergarten to grade six.

(d) In 2010, ALMA provided ABP with a grant for \$153,750 to assist with the ABP 2010 marketing campaign. The entire amount was recognized as revenue in 2010, which agreed to eligible expenses incurred.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 10 Related Party Transactions

(a) National organizations

The Alberta Beef Producers Plan provides for ABP to be the provincial member of, and to contribute funds to national organizations. During the year ABP provided funding to the Canadian Beef Cattle Research, Market Development and Promotion Agency and the Canadian Cattlemen's Association ("CCA"). As a contributing organization, ABP is entitled to representation as follows:

- (i) Canadian Beef Cattle Research, Market Development and Promotion Agency:
 - (a) A number of seats on the Board of Directors of the Canadian Beef Cattle Research, Market Development and Promotion Agency. For the year ended March 31, 2010 ABP was entitled to three of the sixteen seats.
 - (b) A number of representatives to the Beef Information Centre committee based on its proportionate share of total funding. For the year ended March 31, 2010 ABP was entitled to six of the twelve seats.
 - (c) A representative on the Executive Committee of Canada Beef Export Federation, as a non-government organization annually contributing \$500,000 or more. For the year ended March 31, 2010 ABP was entitled to one seat on the ten member executive.
 - (d) A number of representatives to the Beef Cattle Research Council based on its proportionate share of total funding. For the year ended March 31, 2010 ABP was entitled to four of the eleven seats.
- (ii) Canadian Cattlemen's Association (CCA)
The number of seats on the Board of Directors of the CCA is based upon provincial marketings. For the year ended March 31, 2010, ABP was entitled to eight of the twenty-eight seats.

	2010	2009
CCA Assessments	\$ 1,503,012	\$ 1,419,991
CCA Special Assessments		
US trade defence and advocacy lobbying	\$ 215,014	\$ -
Research project funding	200,674	-
	<u>\$ 415,688</u>	<u>\$ -</u>

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

Year ended March 31, 2010

Note 10
Related Party
Transactions
(continued...)

ABP made additional payments to the foregoing parties for contracted services and for special beef marketing opportunities as follows:

	2010	2009
Payments to Canfax, a division of CCA:		
Communication committee	63,600	63,600
	<u>\$ 63,600</u>	<u>\$ 63,600</u>

Note 11
Commitments

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

2011	\$ 161,401
2012	164,361
2013	170,281
2014	116,904
	<u>\$ 612,947</u>

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 March 31, 2010 the additional charges will be \$1,977,374 (2009-\$2,152,900).

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

March 31, 2010

Note 12 Director and Delegate Expenses

Director and delegate honoraria and expenses are included with the costs of the national organization and committee expenses. The amounts included in each of the categories are as follows:

	<u>2010</u>	<u>2009</u>
Board of Directors and Board Representatives	\$ 118,787	\$ 129,155
Annual General Meeting	90,188	92,459
Executive Committee	65,956	80,543
Semi-annual Meeting	61,323	62,210
Promotion Committee	34,301	69,733
Environment Committee	34,202	-
U.S and International Trade Management	33,209	81,031
Enhanced Federal Lobbying	32,458	40,001
Cow Calf Council	29,642	20,428
Zone Committees	27,378	31,899
Fall producer meetings and Resolution Policy Development	23,460	30,829
Canadian Cattlemen's Association	20,717	60,914
Cattle Feeder Council	15,255	15,610
Beef Information Centre	11,045	15,155
Communications Committee	12,656	12,824
Animal Health and Welfare	11,544	-
Research Committee	7,410	15,661
Cattle Industry Council	6,552	6,229
Canada Beef Export Federation	4,816	4,725
Board Sponsorships	3,868	12,259
National Check-off Agency	2,951	1,665
Competitiveness Value Creation	2,610	-
Beef Cattle Research Council	2,039	2,672
Public Affairs	-	44,137
Government Affairs	-	16,911
	<u>\$ 652,367</u>	<u>\$ 847,050</u>

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

March 31, 2010

Note 13 Financial Instruments

Fair value

Investments in government bonds are recorded at fair value on a settlement date basis. The government bonds represent the year-end quoted market bid prices.

The fair value of ABP's accounts receivable, and accounts payable and accrued liabilities are measured at amortized cost, and do not differ significantly from their carrying values.

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, 2010 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. Of the \$324,059 of interest and other receivables, \$153,750 or 47% is owing from one entity.

Note 14 Capital Disclosures

ABP's objectives in managing capital are to ensure sufficient liquidity to meet monthly operating requirements and undertake selective expansion initiatives while at the same time taking a conservative approach towards management of financial risk.

ABP's capital is comprised of net assets. As at March 31, 2010 ABP's net assets totaled \$14,443,774. The organization's primary use of capital is to finance capital expenditures for leasehold and information technology system improvements and to fund programs to stimulate, increase, and improve the production and marketing of cattle producers. The organization currently funds these requirements through service charges, federal levys, government grants and internally generated cash flows.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

March 31, 2010

Note 15 Comparative Figures

Certain 2009 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Note 16 Allocation of Expenses

The salaries of the General Manager 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	
	2010	2009	2010	2009
General Manager	40%	40%	60%	60%
Controller	30%	30%	70%	70%

Note 17 Subsequent Events

As a result of Bill 43, "The Marketing of Agricultural Products Amendment Act 2009", the service charge collected by Alberta Beef Producers becomes refundable at the request of the producer effective April 1, 2010.

The amendments to the Marketing of Agricultural Products Act will have a significant impact on the financing of Alberta Beef Producers and the money available for the provincial policy, promotion, communications, research and production activities that are done on behalf of the producers in Alberta.

This amendment will impact ABP's ability to pay the provincial assessment from the Canadian Cattlemen's Association.

ABP FINANCIAL STATEMENTS

Notes to the Financial Statements

ALBERTA BEEF PRODUCERS

March 31, 2010

Note 17 Subsequent Events Continued...

The national marketing, research and promotion agency was established by all the provincial cattle associations across Canada. A refundable service charge jeopardizes the work of the National Check-off Agency and the programs that are supported by the \$1.00 National check-off that ABP contributes to the National Check-off Agency from its \$3.00 service charge. A refundable service charge in Alberta will adversely affect the marketing and research programs executed by the Beef Information Centre, Canada Beef Export Federation, and the Beef Cattle Research Council by both reducing the contributions made by ABP to the National Check-off Agency and the ability of BIC, CBEF, and BCRC to use those fund to access the matching grants available from the federal and provincial governments.

A refundable service charge in Alberta will make it impossible for the National Check-off Agency to collect the federal levy on imported beef and cattle.

Alberta Beef Producers pays five cents per head to each remitter as compensation for their time to collect and remit the Alberta service charge and federal levy. This means that for each marketing ABP actually collects \$2.95 yet the entire \$3.00 fee charged will be refundable.

CCA FINANCIAL STATEMENTS

CANADIAN CATTLEMEN'S ASSOCIATION

Schedule of Revenue, Expenditure and Net Assets (Unaudited)
Year ended June 30, 2010, with comparative figures for 2009

	2010		2009	
Revenue:				
Assessments				
Alberta	\$1,522,566	42.1%	\$1,444,348	47.8%
Saskatchewan	555,888	15.4%	482,781	16.0%
Ontario	404,432	11.2%	394,535	13.1%
Manitoba	225,670	6.2%	235,893	7.8%
British Columbia	92,498	2.6%	91,211	3.0%
Nova Scotia	11,896	0.3%	11,250	0.4%
New Brunswick	9,914	0.3%	9,375	0.3%
Prince Edward Island	9,630	0.3%	9,107	0.3%
	2,832,494	78.4%	2,678,500	88.7%
Legal & Special assessments	737,354	20.4%	281,768	9.3%
Other	23,214	0.6%	29,529	1.0%
Memberships	20,500	0.6%	26,500	0.9%
Interest	564	0.0%	4,423	0.1%
Total Revenue	3,614,126	100.0%	3,020,720	100.0%
Expenses:				
Calgary Office	761,656	24.0%	710,999	23.0%
Legal Reserve	737,354	23.2%	281,768	9.1%
Advocate Services	538,451	17.0%	990,075	32.2%
Ottawa Office	324,097	10.2%	318,561	10.3%
CCA Division Services	202,399	6.4%	238,081	7.7%
Executive and Finance Committee	188,838	5.9%	149,303	4.8%
Annual Meeting	92,897	3.0%	68,586	2.2%
Communications	70,331	2.2%	40,148	1.3%
Animal Health and Meat Inspection	66,925	2.1%	65,349	2.2%
Semi-Annual Meeting	49,435	1.6%	46,303	1.5%
Foreign Trade Committee	36,348	1.2%	59,905	1.9%
Environment	34,800	1.1%	46,291	1.5%
Five Country	26,168	0.8%	7,668	0.2%
Animal Care Committee	16,585	0.5%	25,295	0.8%
Domestic Agriculture Policy	15,449	0.5%	27,416	0.9%
Convention	6,810	0.2%	9,723	0.3%
Value Creation & Competitiveness	3,938	0.1%	3,374	0.1%
Total Expenses	3,172,481	100.0%	3,088,845	100.0%
Excess (deficiency) of revenue over expenses	441,645		(68,125)	
Net assets, beginning of year	206,459		274,584	
Net assets, end of year	\$648,104		\$206,459	

BIC FINANCIAL STATEMENTS

BEEF INFORMATION CENTRE

Schedule of Revenue, Expenditure and Net Assets (Unaudited)
Year ended June 30, 2010, with comparative figures for 2009

	2010		2009	
Revenue				
Assessments				
Alberta	\$2,125,810	21.9%	\$2,732,868	25.0%
Saskatchewan	763,281	7.9%	897,341	8.2%
Ontario	540,424	5.6%	477,013	4.4%
Manitoba	348,623	3.6%	360,792	3.3%
British Columbia	161,158	1.7%	193,047	1.8%
Prince Edward Island	6,000	0.0%	6,000	0.0%
Nova Scotia	4,000	0.0%	4,000	0.0%
New Brunswick	1,338	0.0%	1,289	0.0%
	3,950,634	40.7%	4,672,350	42.7%
CBCMDF Commercial Beef	3,250,508	33.5%	2,893,335	26.4%
CBCMDF US	2,361,179	24.3%	2,548,043	23.2%
ALIDF	100,000	1.0%	400,000	3.7%
CCMDC Live Cattle Strategy	36,118	0.4%	-	0.0%
Interest	8,539	0.1%	75,187	0.7%
National Check Off US	-	0.0%	310,341	2.8%
Pfizer Partnership	-	0.0%	50,000	0.5%
Total Revenue	9,706,978	100.0%	10,949,256	100.0%
Expenses				
Commercial beef	4,334,010	43.2%	3,857,780	32.3%
U.S. Market development	2,689,283	26.8%	3,397,391	28.4%
Foodservice marketing	389,102	3.9%	506,178	4.2%
Retail marketing	387,268	3.9%	662,858	5.5%
Consumer culinary services	378,724	3.8%	564,333	4.7%
Brand management and research	363,209	3.6%	634,674	5.3%
Nutrition	274,929	2.8%	416,387	3.5%
Consumer communications	251,407	2.5%	480,632	4.0%
Customer service centre	204,078	2.0%	400,714	3.4%
Stakeholder communications	197,416	2.0%	190,547	1.6%
Mississauga office	103,371	1.0%	163,705	1.4%
BIC Corporate planning	96,514	1.0%	130,538	1.1%
Live cattle strategy	87,473	0.8%	-	0.0%
Trade communications	82,321	0.8%	184,388	1.5%
Calgary office	74,773	0.7%	120,027	1.0%
Food safety program	70,900	0.7%	116,189	1.0%
BIC Committee	27,146	0.3%	30,216	0.3%
Processing development	17,895	0.2%	100,207	0.8%
Total Expenses	10,029,819	100.0%	11,956,764	100.0%
Deficiency of revenue over expenses	(322,841)		(1,007,508)	
Net assets, beginning of year	3,382,926		4,390,434	
Net assets, end of year	\$3,060,085		\$3,382,926	

BCRC FINANCIAL STATEMENTS

BEEF CATTLE RESEARCH COUNCIL

Schedule of Revenue, Expenditures and Net Assets (Unaudited)
Year ended June 30, 2010, with comparative figures for 2009

	2010		2009	
Revenue				
National Check Off	\$571,538	50.0%	\$488,371	22.9%
On Farm Implementation	389,118	34.1%	1,426,346	67.1%
ABP Beef Science Cluster	125,000	10.9%	-	0.0%
On Farm Food Safety	52,939	4.6%	43,664	2.1%
Miscellaneous Revenue	3,994	0.4%	26,536	1.2%
Vitamins Class Action Funds	-	0.0%	143,638	6.7%
Total Revenue	1,142,589	100.0%	2,128,555	100.0%
Expenses				
On Farm Implementation	389,118	53.9%	1,426,346	67.1%
Projects	154,084	21.4%	490,995	23.1%
Quality Starts Here	79,466	11.0%	52,932	2.5%
BCRC division services	71,935	10.0%	112,148	5.2%
On Farm Food Safety	27,019	3.7%	43,665	2.1%
Total Expenses	721,622	100.0%	2,126,086	100.0%
Excess of revenue over expenses	420,967		2,469	
Net assets, beginning of year	1,570,244		1,567,775	
Net assets, end of year	\$1,991,211		\$1,570,244	

CBCRMPA FINANCIAL STATEMENTS

CANADIAN BEEF CATTLE RESEARCH, MARKET DEVELOPMENT & PROMOTION AGENCY

Schedule of Revenue, Expenses and Net Assets (Unaudited)

Year Ending June 30, 2010 with comparative figures for 2009

	2010		2009	
Revenue:				
Alberta	\$3,354,864	48.8%	\$4,481,507	53.4%
Saskatchewan	1,557,717	22.7%	1,831,309	21.8%
Ontario	1,085,787	15.8%	1,036,085	12.4%
Manitoba	624,828	9.1%	709,229	8.5%
British Columbia	244,493	3.6%	316,569	3.8%
Nova Scotia	1,382	0.0%	1,939	0.0%
New Brunswick	1,365	0.0%	1,315	0.0%
Interest Earned	1,095	0.0%	9,186	0.1%
Total Revenue	6,871,531	100.0%	8,387,139	100.0%
Expenses:				
Administration	196,122	2.8%	210,611	2.5%
Beef Information Centre	3,940,633	57.0%	4,662,350	55.3%
Canada Beef Export Federation	1,900,796	27.4%	2,432,813	28.9%
Beef Cattle Research Council	571,538	8.2%	488,371	5.8%
Beef Information Centre – U.S. Market Development	-	0.0%	310,341	3.7%
Other	320,060	4.6%	316,519	3.8%
Total Expenses	6,929,149	100.0%	8,421,005	100.0%
Excess (deficiency) of revenue over expenses	(57,618)		(33,866)	
Surplus, beginning of Year	258,906		292,772	
Surplus, end of Year	\$201,288		\$258,906	

CBEF FINANCIAL STATEMENTS

CANADA BEEF EXPORT FEDERATION

Schedule of Revenue, Expenditure and Members' Surplus (Unaudited)
Year ended March 31, 2010 with comparative figures for 2009

	2010		2009	
Revenue:				
Cdn Beef & Cattle Mking Development Fund	\$4,460,290	62.5%	\$4,424,424	57.9%
International, Intergovernmental and Aboriginal Relations (formerly AED)	250,000	3.5%	500,000	6.5%
Partner (Export Members) contributions	159,648	2.2%	117,849	1.5%
Memberships	104,250	1.5%	104,750	1.4%
Other	20,864	0.3%	54,304	0.7%
Saskatchewan Agriculture and Food	10,000	0.1%	10,000	0.1%
National check off:				
Alberta	1,063,595	14.9%	1,196,783	15.7%
Saskatchewan	621,183	8.7%	714,955	9.4%
Ontario	212,571	3.0%	221,977	3.0%
Manitoba	173,131	2.4%	204,683	2.7%
British Columbia	66,069	0.9%	85,995	1.1%
Total revenue	7,141,601	100.0%	7,635,720	100.0%
Expenses:				
Market development:				
Japan market development programs	1,597,237	21.7%	1,491,900	20.5%
Mexico market development programs	1,262,122	17.2%	1,289,031	17.7%
China market development programs	965,664	13.1%	864,585	11.9%
Partner market development program	638,592	8.7%	471,395	6.5%
Taiwan market development programs	529,308	7.2%	411,094	5.6%
Canada market development programs	405,554	5.5%	1,032,230	14.1%
Korea market development programs	312,654	4.3%	449,054	6.2%
Russian market development programs	190,097	2.6%	-	0.0%
Other markets	137,212	1.9%	-	0.0%
	6,038,440	82.2%	6,009,289	82.5%
Operations	1,313,047	17.8%	1,272,357	17.5%
Total expenses	7,351,487	100.0%	7,281,646	100.0%
Excess (deficiency) of revenue over expenses	(209,886)		354,074	
Members' surplus, beginning of year	5,129,851		4,775,777	
Members' surplus, end of year	\$4,919,965		\$5,129,851	

Election Backgrounder

At the ABP 2009 semi annual meeting, the delegate body approved the Alberta Beef Producers By-laws that included a reduction in the size of the delegate body. The following implementation process has been used for the transition in the delegate body. The ABP By-laws can be amended by the delegate body at general meetings of the commission.

Note 1: Zone delegates – the by-laws state that ABP shall have minimum of 27 and a maximum of 45 zone delegates, a reduction of two zone delegates from previous regulations. A transition process has been implemented over a two-year period by eliminating one zone delegate position in each of the 2009 and 2010 elections. Now, elections for zone delegates are conducted so that up to two delegates are elected in one year (2010) and up to three delegates are elected in the following year (three delegates were elected in 2009 and three delegates will be elected in 2011).

Note 2: Cattle Feeder Council (CFC) delegates – According to the by-laws, each zone may now have one cattle feeder council delegate and up to seven cattle feeder delegates-at-large may be elected at the Annual General Meeting from among the zone delegates and eligible producers, provided the total number of cattle feeder council delegates does not exceed 12 delegates. In the transition, zones 2, 4, 6, and 8 are holding elections in 2010. The CFC delegates in Zones 1, 3, 5, 7, and 9 had the 2009 term extended for a one year period that will not count towards the consecutive terms counted for the wipe out calculation. Zones 1, 3, 5, 7, and 9 will then hold the elections in 2011.

Note 3: Chuck MacLean from Zone 1 and Bryan Thiessen from Zone 3 are currently completing terms as Cattle Feeder Council delegates-at-large and are eligible for election again as CFC delegates-at-large at the 2010 Annual General Meeting.

Note 4: The by-laws extended the number of consecutive two year terms a delegate could serve, from three terms (six years) to five terms (ten years), before the delegate would be required to take a year off, referred to as the wipe-out year.

Sitting Delegates



Lance Cavan
Cypress County
403.839.2225



Rick Friesen
Vauxhall
403.654.2941



James Hargrave
Walsh
403.937.2228



Howard Bekkering
Vauxhall
403.654.2903

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.

Zone 1 Candidate:

Elected by Acclamation

Brad Calvert and family run a mixed farm and commercial cow operation near **Bow City**. They primarily raise cattle and hay but also background their calves. Brad just completed his eighth year as an ABP delegate where he served as zone director on the Board of Directors.

“We need to take a positive, proactive approach to solving the problems and promoting the beef industry.”

Mark Francis is a fourth generation rancher and operates a cow/calf operation with his brother near **Taber**. Mark is returning for his third term and is very interested in continuing to serving as a delegate where he can assist his fellow cattle producers to help ensure the future of the cattle industry in Alberta.

Election Backgrounder

Sitting Delegates



Bob Lowe
Nanton
403.646.0051



Tom Lynch-Staunton
Lundbreck
403.628.2344



Judy Nelson
Lundbreck
403.628.2381

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.

Zone 2 Candidates:

Brent Carey and his family run a cow/calf operation west of **Stavely**. With your support, this will be Brent's fourth term as an ABP delegate where he has served on the Board of Directors for the past five years.

"It is my pleasure to serve the beef producers of Alberta. I will continue to stress active communications at all levels. I hope to see as many producers as possible at the fall meetings and discuss the issues facing the cattle industry."

Darren Bevans of **Raymond** manages Deseret Ranches of Alberta, located along the Milk River Ridge.

"I am currently involved in cow/calf, backgrounding, stocker yearlings, and finishing cattle. I am optimistic about the future and believe that my involvement in multiple segments of the industry can provide perspective that will help represent the interests of all cattle producers. If elected, you will have my ear and I will strive to represent you in achieving our goals of profitability, environmental stewardship and traditional rural values."

Cecilie Fleming has lived the ups and downs of the livestock industry her entire life. Cecilie, along with husband Duncan and adult children Cooper and Ricki, run a purebred Angus herd,

commercial cows and a mixed grain farm in the **Granum** area.

"I have been, and continue to be, a dedicated volunteer. I have experience as a board member on local, provincial and national levels. I am seeking election for my third term with 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 don't believe one sector is superior to another. We have to work as a "BEEF TEAM" to maximize our opportunities to be sustainable. We must strive to be innovative, try new concepts, stay informed and continue to be lifelong learners. I have a common sense approach; I value hard work, honesty and respect others points of view. I have always been an advocate for the livestock industry. I would welcome your support at the zone 2 ABP Fall Producer Meetings"

Allan Minchau was born and raised on the prairies and spent most of his life in the parkland. In 2007, with his wife Jean, Allan was fortunate to buy a ranch south of **Spring Coulee** on the Milk River Ridge. They have deep roots in the cattle industry. Both Jean and Allan were raised on a ranch and their daughters are sixth generation Albertans.

Allan has served a six-year term as an ABP delegate in zone 6 and now wishes to get back into cowboy politics.

"I have always believed if you are going to be involved in something, get really involved. I have served on numerous boards and organizations from 4-H to church, to Ag societies to purebred cattle associations. The beef business is our business and we treat it like a business. I am not afraid of change; in fact believe it is necessary. There are industry issues to be addressed such as government intervention and over-regulation. I also believe each sector needs each other. We have to work out our differences and speak with a common voice. With your support, I will try to make a difference."

Cattle Feeder Council Delegate:

John Schooten has been appointed by the Zone Committee of delegates and approved for a two-year term by the Board of Directors commencing November 8, 2010.

John and wife Patty live, and have raised, their four sons near **Monarch** and have been in the feedlot business for over thirty years. They custom feed, background and finish Alberta beef. John is ABP's representative on CCA's executive as well he chairs the Value Creation and Competitiveness Committee and works on the Animal Care and Foreign Trade committees. John is also CCA's representative to CBGA and ILC.

John's commitment to CFC is to listen to zone 2 producers' concerns and objectives: to be their voice at CFC meetings, while gaining knowledge for staff and the council to make informed decisions which will impact the industry today as well as secure a vibrant future cattle industry for our families and the next generation.

Election Backgrounder

Sitting Delegates



John Bland
Strathmore
403.934.3012



John Buckley
Calgary
403.932.2486



Chuck Groeneveld
High River
403.938.7843



Don Evans
Airdrie
403-860-4556

ZONE 3 INCLUDES: Wheatland County; Mountain View County; M.D. of Bighorn; M.D. of Foothills; M.D. of Rockyview; Improvement District No. 9 (Banff); Calgary.

Zone 3 Candidates:

Elected by Acclamation

Gordy Cunningham has been ranching southwest of **Sundre** since the early 70's. At present he is in partnership with his brother running 500 commercial cows and backgrounding a percentage of their own calves that are not sold off the cows. Gordy has been a delegate for the past six years and finds the involvement very challenging, despite the difficulties facing the cattle industry.

"I look forward to serving another term as an ABP delegate. The experience of working alongside very committed, enthusiastic, quality people for the good of the industry is very rewarding."

Dr. Brian Edge is a member of a pioneer ranching family residing in Alberta for over 100 years. Brian is a practicing large animal veterinarian and as well runs a cow/calf operation and backgrounds in the **Cochrane** area.

Brian has served six years as an ABP delegate including two years as the zone director. Brian just completed his wipe-out year and is looking forward to returning to ABP as a zone delegate.

"My various committee involvements include chair of the Research Committee and a member of the Beef Cattle Research Council. I am currently a director on the Canadian Cattlemen's Association, a director on the Calgary Feeder Association, a past president of the Alberta Veterinary Medical Association and have served on the Canadian Large Animal Practice Committee for the CBMA. Animals and agriculture have been my life-long passion. I would be honoured to be an ABP delegate again."

Election Backgrounder

Sitting Delegates



Judy Fenton
Irma
780.754.2257



Ross Skori
Kinsella
780.386.2386



Walter Suntjens
Hanna
403.779.2212



Craig Ference
Kirriemuir
403.552.3755

ZONE 4 INCLUDES: County of Paintearth; Flagstaff County; M.D. of Acadia; M.D. of Provost; M.D. of Wainwright No. 61; Special Area No.2 North of the Red Deer River; Special Area No. 3; Special Area No. 4.

Zone 4 Candidates:

Daniel Gray is a fourth-generation rancher from **Big Stone**, where he currently owns a 300 head Angus cow/calf operation in Special Area No. 3. Daniel along with wife Lucinda and son Brendan run a certified organic operation and are deeply involved in their community, Daniel is president of the Big Stone Community Club and serves as a director on the Berry Creek Ag Society.

“I am concerned with the prosperity and sustainability of the cattle industry, the challenges facing producers in the Special Area as well the hurdles faced by young producers. If elected, I hope to represent the concerns of the Special Areas producers and be an advocate for positive changes within the industry.”

Margaret Kvigstad operates a cow/calf operation near **Metiskow**. To remain part of the ranching industry has always been her lifetime goal.

“Ranching has seen many challenges but the old saying ‘Where there is a will there is a way’ prevails. My philosophy in life is: With determination and hard work you can succeed. I bring this belief to any organization I belong to. A producer

organization is not about one individual standing out from the rest, but rather it is a group of individuals working together for the benefit of the whole.”

“I am committed to the beef industry and ABP. If elected, my commitment to Alberta ranchers will be to work hard and ensure decisions concerning our industry are made by the beef industry and not by individuals in government with no knowledge of the everyday working of an Alberta ranch. With your support, I will represent your interests.”

Pat Rutledge runs a cow/calf operation along with his wife, daughter and son-in-law near **Kirriemuir**. They background their calves through the winter then grass the yearlings to 900 pounds at which point they are finished in a custom feedlot.

“I have been a delegate in the past and am running in year five of my current term. This past year I served on the Animal Health Committee as well as chairing the Alberta Quality Starts Here program. This is the group that does the On Farm Safety Program that producers must complete to qualify for Growing Forward money. With your continued support I look forward to serving as a zone 4 delegate.”

Cattle Feeder Council Delegate:

Craig Ference has been appointed by the Zone Committee of delegates and approved for a two-year term by the Board of Directors commencing November 8, 2010.

Craig and family operate Double F Farms, which includes a feedlot and farm at **Kirriemuir** and a property at Biggar, SK. Craig and his father run a 1,700 head cow/calf and a 2,500 head backgrounding/finishing lot. Craig was a part of Beef 4-H while in grade school and was active in numerous clubs and organizations at university. Craig hopes to provide a younger person’s perspective of the cattle business and the challenges it presents. Craig looks forward to being involved in ABP and the future of the Alberta cattle industry.

Election Backgrounder

Sitting Delegates



Heidi Lee
Blackfalds
403.885.5423



Doug Sawyer
Pine Lake
403.886.2525



Rose Wymenga
Leslieville
403.729.2360



Charlie Christie
Trochu
403.442.2470

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

Zone 5 Candidates:

Elected by Acclamation

Cathy Sharp and her family own and operate a purebred and commercial cow/calf operation east of **Lacombe**. Cathy has been a delegate for six years and has served on the Promotion Committee as well as Zone Coordinator. Cathy was elected to represent ABP on the Beef Information Centre for five years.

“With the many industry issues up for debate we need a strong voice provincially and nationally. We need to support ABP as the voice of the beef producers of this province.”

Arny Tateson was born and raised in the Brooks area and now ranches together with his wife Donna and his son Matt at **Endiang**. Arny takes an active role in community events most especially in local hockey either coaching or reffing.

Arny is looking forward to continuing to having a more active role in the beef industry.

Election Backgrounder

Sitting Delegates



Adam Moseson
Ferintosh
780.361.7470



Don Mosicki
Warburg
780.848.7778



Tim Sekura
Rocky Rapids
780.542.3174



Dave Solverson
Camrose
780.672.7141

ZONE 6 INCLUDES: Ponoka County; Beaver County; County of Wetaskiwin; Strathcona County; County of Camrose; Leduc County; Parkland County; Brazeau County; Improvement District No. 13; Edmonton.

Zone 6 Candidates:

Elected by Acclamation

Greg Bowie has a purebred and commercial cow/calf operation near **Ponoka**. He also has a livestock consulting business which focuses on a wide range of operations covering all segments of the cattle industry. Greg has competed six years as an ABP delegate, of which he has served as the zone 6 representative to the Board of Directors. Greg is serving as Chair of the Environment Committee and is the Chair of the Environmental Stewardship Award program. He is also the board rep. on the cow/calf council and a member of the International Livestock Congress committee.

“I believe we need to work together to build a strong, stable, and profitable beef business in which we all take pride. This is necessary to encourage our youth to be involved in this industry in the future.”

Chris Simpson, with his wife and four children, farm in the Rimbey area and operate a fourth-generation 150 head cow/calf operation.

“I am a chartered accountant and work on a number of agricultural clients. I have been the president of the Medicine Lake Grazing Association and am a past 4-H

member. I am running as an ABP delegate because I want to contribute back to the beef industry. I want to ensure that my kids and future generations have the same opportunities to farm and be part of an important industry in our province. I feel with my background, I would be an excellent ABP delegate.”

Cattle Feeder Council Delegate:

Elected by Acclamation

Dave Solverson and family operate the Woodwind Ranch southwest of Camrose. It is a cow/calf to finish outfit, marketing about 1,000 head per year. Dave has served as ACC and ABP delegate for 11 years in a number of positions, most recently as a CFC delegate-at-large on the Board of Directors and the ABP Finance Chair. Dave has also been a CCA director for a number of years, serving on the Foreign Trade and Animal Health committees.

“I am proud of Alberta Beef Producers and intend to work to keep our producers competitive.”

Election Backgrounder

Sitting Delegates



Gene Brown
Sangudo
780.785.2589



Rick McKnight
Jarvie
780.681.2165



Ben Schrader
Jarvie
780.954.2119



Chad Meunier
Barrhead
780.674.2299

ZONE 7 INCLUDES: County of Thorhild No. 7; County of Barrhead; County of Athabasca; Lac Ste. Anne County; Woodlands County; M.D. of Opportunity No. 17; Sturgeon County; Westlock County; Yellowhead County; M.D. of Lesser Slave River; Improvement District No. 12; Municipality of Jasper.

Zone 7 Candidates:

Elected by Acclamation

Ted Ford and his wife Kaye have a cow/calf and backgrounder operation at **Fawcett**. They occasionally finish their own cattle in custom feedlots. Ted has been a delegate for two years, serving on the Cow Calf Council of which he was the chair last year and the Cow Calf Council representative to the Board of Directors. A great deal of time and energy were spent gaining assistance for cow calf producers affected by the severe drought in 2009. Ted also served as the Chair of the AgriRecovery Sub Committee and the Chair of the Safety Net Committee.

“The impact of the refundable check off has just started. ABP needs to further prioritize what it does to deal with lower budgets. Regulatory burden plaques the industry and needs to be reduced to enhance competitiveness. I would like to continue to work on behalf of the beef industry and the cow/calf sector in particular on these and other issues.”

Kelly Olson and family operate Ole Farms in the **Athabasca** area. Ole Farms is a cow/calf and purebred Red and Black Angus operation. Kelly has sat as a delegate on ABP

for the past six years, of which he served on the Board as a director for four years, two of which he was the Finance Chair. Kelly looks forward to continuing to work towards the improvement of the Alberta cattle industry.

Election Backgrounder

Sitting Delegates



Brian Chomlak
Beauvallon
780.366.2180



Gordon Graves
Iron River
780.826.2796



Danny Hozack
Streamstown
780.875.5962



Sheldon Hauca
Vegreville
780.367.2404

ZONE 8 INCLUDES: Smoky Lake County; County of St. Paul; County of Two Hills No. 21; County of Vermilion River No. 24; County of Minburn No. 27; Lamont County; Lakeland County; M.D. of Bonnyville; Regional Municipality of Wood Buffalo; Improvement District No. 24.

Zone 8 Candidates:

Edward Doktor and family have run a cow/calf operation for over fifty years near **Vilna**. They have always produced their own feed and forage.

“I have seen many ups and downs in the beef industry over the years. The last several years have been the worst I have seen but I know that things will improve. As ABP delegates, it is our responsibility to the beef industry and particularly the cow/calf producers and the young farmers to ensure the industry does improve. During my last term at ABP, I was instrumental in establishing the Cow/Calf Council that carries the interests and concerns of the cow calf producers forward. Over the years I have served on the Board of the Vilna Seed Cleaning Coop-REA where I established Part 2/REA Finance Structure. I have also served as a 4-H club leader for many years. With your support, I will work to the best of my ability to serve the interests of cow/calf producers.”

Bill Fox operates a mixed farm in the area north of **Elk Point** and west of Bonnyville. During his time as an ABP delegate he has worked with the Environment Committee. He served as the ABP delegate on the North Saskatchewan Watershed Alliance (NSWA) and on the Beaver River

Watershed Alliance (BRWA), which is directly north of the NSWA in the eastern part of Zone 8. Bill has been the zone 8 Zone Coordinator for the past three years. He is also a director on the Alberta Conservation Tillage Society and is a graduate of Lakeland College's Agriculture program and is the vice-president of the Lakeland College Alumni Association.

“This past year I have been involved with testing approximately 400 water wells on farms across Alberta to examine ground water safety for human and livestock consumption. I believe, if re-elected, with my background and experience I can make a positive contribution to the organization.”

Lyndon Mansell runs a cow/calf, backgrounder operation near **Innisfree**. Lyndon served as a zone and Cattle Feeder Council delegate for nine years. Lyndon hopes to continue to represent the producers as a zone delegate.

“The ALMS announcement seems to be a step back for democracy, and without guaranteed improvement in the price of our calves, the increased regulatory burden only increases our costs. I look forward to your support and the opportunity to continue to bring the zone 8 producers voice to the table.”

Cattle Feeder Council Delegate:

Elected by Acclamation

Sheldon Hauca, along with wife Denise and sons Layton and Keyton, operate a small mixed farm in the **Willington** area. They have a cow/calf operation, background calves, and grow canola and cereals.

“I am involved in the local 4-H multi-club as well as the Alberta Fish and Game Association. I have served with ABP as a CFC council delegate for the past two years. I believe we all have to do our part to help this industry. I think ABP is a very good organization which is helping to strengthen the industry through dialogue and representation.”

Election Backgrounder

Sitting Delegates



Martin Braat
Fort Vermilion
780.927.3800



Bruce Jack
Spirit River
780.864.2297



Linda Messner
Berwyn
780.338.2281



Pat Eaton
Valleyview
780.524.2332

ZONE 9 INCLUDES: M.D. of MacKenzie No. 23; M.D. of Northern Lights; North of Chinook Valley Road; M.D. of Clear Hills; Northern Sunrise County; M.D. of Peace; M.D. of Fairview; Birch Hills County; Saddle Hills County; M.D. of Smoky River; M.D. of Spirit River; County of Grande Prairie; M.D. of Greenview; M.D. Big Lakes Zone; Improvement District No. 25.

Zone 9 Candidates:

Elected by Acclamation

Roland Cailliau and wife run a cow/calf operation and a cattle hauling business near **Valleyview** where they have lived and worked since 1980. They have four wonderful children and two granddaughters. A past chairman of the former Valleyview & District Forage Association, Roland has also been a member of other industry organizations. This is Roland's second term as an ABP delegate and he has served as the zone 9 representative to the Board of Directors for the past year.

"Long-term profitability in ranching must be achieved in order to encourage the next generation of ranchers to take over the reins."

Lori Kinnee has been appointed by the Zone Committee of delegates and approved for a two-year term by the Board of Directors commencing November 8, 2010.

Lori was raised on a mixed farming operation in Central Alberta. She and her husband and children now ranch in the Peace Country near **Brownvale**. They run a cow/calf backgrounding operation. They are active in the local Ag Society and Forage Associations. Lori has

recently returned to the ranch full time and looks forward to where the industry is headed not only for herself, but for the next generation of beef producers.

2010 FALL MEETING & ELECTION SCHEDULE

ZONE 1

(ALL MEETINGS 7 p.m. START)

OCT 26 **BROOKS, HERITAGE INN**
OCT 28 **MEDICINE HAT, STAMPEDE GROUNDS**
NOV 2 **MILO, COMMUNITY CENTRE**

ZONE 2

(MEETING 7 p.m. START WITH FREE SUPPER AT 5:30 p.m.)

NOV 1 **FORT MACLEOD, AUCTION MARKET**
Rick Burton, ABP Past Chair

ZONE 3

(ALL MEETINGS 7 p.m. START)

OCT 25 **SUNDRE, LEGION**
OCT 26 **LONGVIEW, COMMUNITY HALL**
NOV 1 **STRATHMORE, GOLF AND COUNTRY CLUB**
NOV 3 **COCHRANE, RANCHEHOUSE**

ZONE 4

(ALL MEETINGS 7 p.m. START)

OCT 25 **POLLOCKVILLE, COMMUNITY HALL**
Ryder Lee, CCA
OCT 28 **VETERAN, COMMUNITY HALL**
Chuck MacLean, ABP Chair
NOV 1 **HUGHENDEN, COMMUNITY HALL**

ZONE 5

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

OCT 28 **LESLIEVILLE, COMMUNITY HALL**
Ryder Lee, CCA
NOV 1 **BIG VALLEY, COMMUNITY HALL**
John Masswohl, CCA
NOV 4 **SPRUCE VIEW, COMMUNITY HALL**
Travis Toews, CCA President

ZONE 6

(ALL MEETINGS 7 p.m. START)

OCT 25 **CAMROSE, REGIONAL EXHIBITION**
Brian Perillat, CanFax; Jennifer Woods, AFSC
OCT 27 **BRETON, COMMUNITY HALL - SUPPER 6 p.m.**
Ryder Lee, CCA; Jennifer Woods, AFSC
NOV 2 **PONOKA, LEGION**
John Masswohl, CCA; Jennifer Woods, AFSC

ZONE 7

(ALL MEETINGS 7 p.m. START WITH FREE SUPPER AT 5:30 p.m.)

NOV 2 **MAYERTHORPE, LEGION HALL**
Brian Perillat, CanFax
NOV 4 **WESTLOCK, MEMORIAL HALL**
John Masswohl, CCA

ZONE 8

(ALL MEETINGS 7 p.m. START)

NOV 1 **MINBURN, COMMUNITY HALL - SUPPER 6 p.m.**
NOV 2 **VILNA, AGRICULTURE SOCIETY HALL**

ZONE 9

(ALL MEETINGS 7 p.m. START WITH FREE BEEF ON A BUN SUPPER AT 6 p.m. - EXCEPT FORT VERMILION)

OCT 27 **PEACE RIVER, SAWRIDGE HOTEL**
OCT 28 **FORT VERMILION, COMMUNITY HALL**
- LUNCH 12 p.m. MEETING 1 p.m.
NOV 3 **GRANDE PRAIRIE, STONEBRIDGE HOTEL**
John Masswohl, CCA
NOV 4 **VALLEYVIEW, MEMORIAL HALL**



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