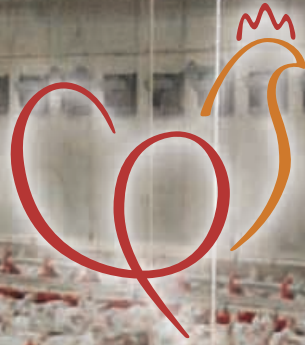


Alberta



Chicken

PRODUCERS



Annual Report

2013

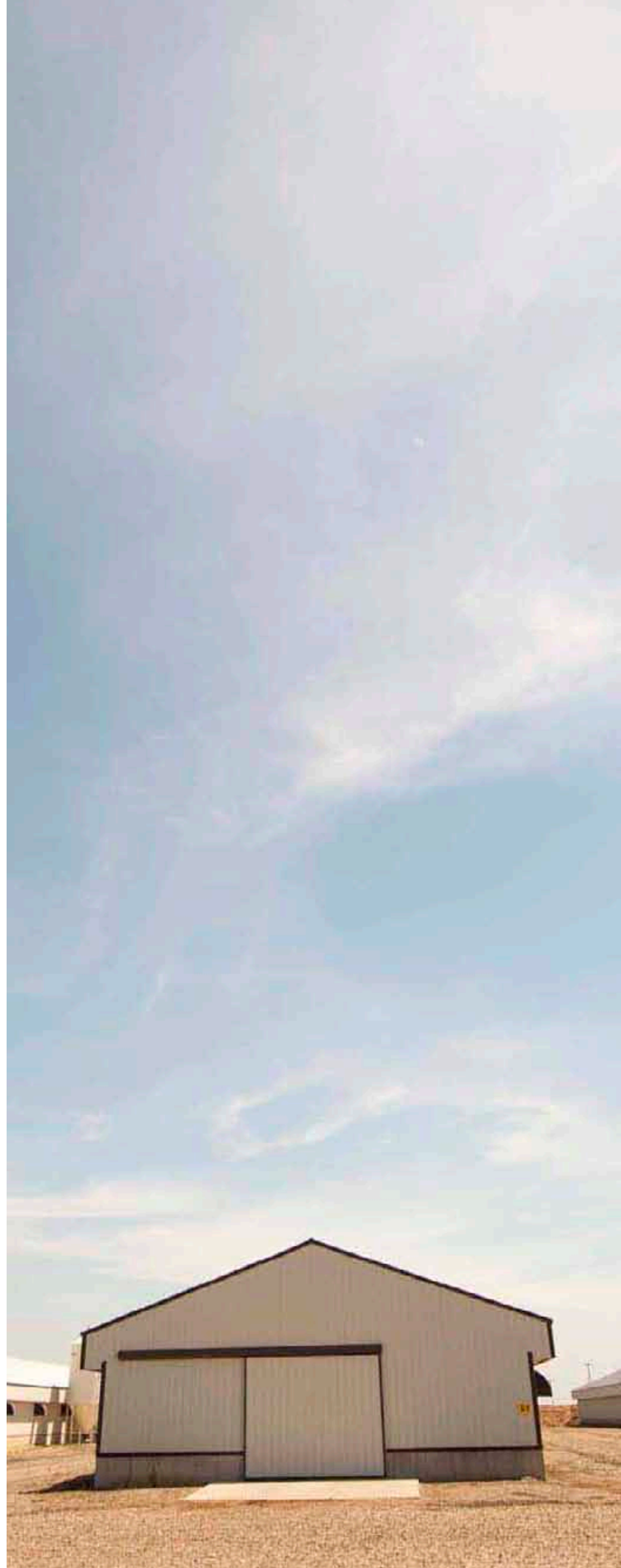




Table of Contents

Vision, Mission, Standards of Leadership	2
Staff	3
Board Structure	4
Roles & Responsibilities	5
Tribute to Jacob Middelkamp	6
Chair & Executive Director Report	8
Strategic Priorities	10
Activities & Achievements	11
Food Safety & Animal Care Programs	14
Broiler Chick Quality Committee	15
Governance Committee	16
Direct Marketing Lease Program	17
Lloyd Johnston Scholarship	17
Government Relations	18
Public Relations	19
Chicken Farmers of Canada	24
Canadian Broiler Council	28
Processors' Updates	29
Producer Representatives	32
Tribute to Ryan Isaac	32
Industry Advisory Committee	33
APIEMT	34
Research	36
Poultry Research Centre	38
Poultry Health Services	40
ALMA	42
Alberta Farm Animal Care	43
Agri-Environmental Partnership of Alberta	44
Intensive Livestock Working Group	45
Policy Advisory Group	46
Market Reports	48

Financial Statements (inside back cover)



Vision

Alberta Chicken Industry's Shared Vision:

By working together, Alberta's Chicken industry will continue to grow, be profitable, and satisfy consumers by providing safe, high quality chicken products.

Mission

Alberta Chicken Producers serves our producers by:

- Providing an environment for profitable chicken production.
- Encouraging a competitive, consumer-focused chicken industry.

Standards of Leadership

In working toward the industry vision, Alberta Chicken Producers is committed to:

- value our people
- behave fairly and legally
- be efficient and cost-conscious
- be open and transparent
- be a good corporate citizen in the community
- consult with producers industry and consumers
- be positive and future-focused
- be responsive to markets
- actively create new opportunities

Staff



Karen Kirkwood
Executive Director

Karen oversees operations and serves the Board of Directors. She implements and administers the Board's Regulations and Policies, and executes the strategic priorities of the Board. She conducts regular coaching sessions with staff and serves as a public liaison.



Vera Ward
Office Manager

Vera manages all personnel and office requirements; provides support to the Executive Director; and oversees the administration of Board meetings and documentation. She also serves as coordinator of the Alberta Poultry Industry Emergency Management Team, and represents our organization on the Condo Board.



Trevor Prout
Producer Programs Manager

Trevor oversees our team of field Auditors and coordinates the *On-Farm Food Safety* and Animal Care Programs. He serves as data management coordinator for the Emergency Response Team, and is coordinator of the Research Committee.



Karen Miller
Policy and Market Specialist

Karen performs statistical analysis, oversees the Grower Program, updates and communicates market information, prepares reports to support the Board and Committees, and liaises with the market information team at Chicken Farmers of Canada.



Laurie McAvoy
Producer Services Coordinator

Laurie is our primary contact for producers. She updates and maintains the Grower Program, processes quota lease and reallocation (sale) requests, and manages weekly reports for Marketing and Placements by working with producers, hatcheries, and processors.



Twila Martin
Administrative Assistance

Twila is the primary point of contact in our office. She is in charge of reception and office administration duties, which include: general office communications, meeting arrangements, and supporting fellow staff members.



Wendy Jevne
Bookkeeper

Wendy is Alberta Chicken Producer's part-time contracted Bookkeeper who administers receivables and payables; maintains financial records; prepares for the annual audit and budget; and provides Financial Statements to the Board on a monthly basis.



Dana Penrice
Marketing & Communications Specialist

Dana is contracted part-time to update the Alberta Chicken Producers' website, sit on the SM-5 Communications Working Group, manage Alberta Chicken Producers' social media accounts, prepare the Annual Report and execute the Marketing & Communications Strategic Plan.



Rita Cherniak
Project Assistant

Rita is contracted part-time to provide assistance to office staff in the areas of administration, market information and research.



Board

Left to Right: Rudy Froese (Director), Erna Ference (Chair), David Hyink (Vice Chair), Karen Kirkwood (Executive Director), Jason Born (Director), and Ite Veurink (Director)

Board Structure

Erna Ference, Chair

Completes her first 3-year term in 2015

David Hyink, Vice Chair

Completes his second 3-year term in 2014

Rudy Froese

Completes his first 3-year term in 2014

Ite Veurink

Completes his first 3-year term in 2016

Jason Born

Completes his first 3-year term in 2016

Roles & Responsibilities

Agri-Environmental Partnership of Alberta

Martin Van Dieman (Poultry Industry Representative)
David Hyink

Alberta Farm Animal Care (AFAC)

Ite Veurink

Broiler Chick Quality Committee

Jason Born, Chair
Rudy Froese

Chicken Farmers of Canada (CFC)

David Hyink, Director
Erna Ference, Alternate

Canadian Broiler Council (CBC)

Erna Ference

Food Safety and Animal Care Committee

Ite Veurink, Chair
Rudy Froese

Governance Committee

Jason Born, Chair
Ite Veurink

Intensive Livestock Working Group (ILWG)

David Hyink

Policy Advisory Group

Erna Ference
David Hyink

Research Committee

Ite Veurink, Chair
David Hyink

Specialty Production Committee

Rudy Froese, Chair
Jason Born

Western Meetings

Erna Ference
David Hyink

Alberta Chicken Producers periodically offers Leadership Development Courses to producers to encourage producer engagement in the industry and build a strong foundation for industry leadership.

Tribute to Jacob Middelkamp

Jacob Middelkamp served on the Alberta Chicken Producers Board for four, three-year terms. Over the twelve years Jacob served on the Board, he assumed the roles of Quality Committee Chair, Research Chair, Joint Venture Group Chair, Governance Committee Chair, Finance Director, Promotions Lead and Alberta's Director to Chicken Farmers of Canada (CFC), and also served on the Organic Production and Direct Marketing Committees. Nationally, Jacob also served as Chair of the Canadian Poultry Research Center (CPRC), and was a member of the CFC Consumer Relations and Production Committees, and the Finance Committee and Chair of Joint Venture Group. Quality Committee Chair --- regularly attended Western Meetings.

Jacob's passion for the chicken industry enabled him to provide leadership in many areas. Jacob proudly represented Alberta Chicken Producers, often being called upon to recollect policy and regulations of past years. As a true team player and living example of ACP's Standards of Leadership, Jacob approached decision-making with a view to bettering the industry as a whole. Jacob's passion, enthusiasm, and influence have contributed greatly to the successes of ACP over the years; and, we appreciate the talents he has shared with our Board over the years.

We also wish to extend our appreciation to Jacob's wife, Janny Middelkamp and son Harco, for their contributions on-farm while Jacob was away attending 'chicken' meetings.

In addition to his service on the ACP Board, Jacob has also served as Director on the United Farmers of Alberta Board, Chief of the Red Water Fire Department, and as a volunteer in his community providing services in hay cutting/baling and snow removal.

Jacob, your Board of Directors and Staff members wish you all the best as you strive to keep busy with your farming, travels, volunteering in your community, and spending more time at home now with your family and grandchildren.



Jacob Middelkamp



Chair & Executive Director Report

It is an honour and genuine pleasure for us to report on the successes of the chicken industry over this past year.

The Board of Directors and Staff have maintained a clear focus in addressing the 2012-2013 Strategic Priorities. Significant progress has been made in achieving this year's goals, including:

- addressing Alberta's allocation issue;
- working with CFC to develop an industry wide approach to ensure responsible antibiotic use in the poultry sector;
- establishing a Broiler Chick Quality Committee;
- completing the Ammonia and Humidity Study in Alberta broiler barns to support the effective delivery of the Animal Care Program;
- developing promotional videos to educate the public about chicken farming.

During the year a number of meetings were held to work toward reaching an agreement at the national table on differential growth and addressing Alberta's allocation concerns. As of December 31, 2013, our letter of withdrawal from the Federal Provincial Agreement with the Chicken Farmers of Canada came into effect. We are actively participating in a third-party mediation process of the ten provinces that is scheduled for completion in early 2014. We are cautiously optimistic that a workable long-term solution based on sound principles can be achieved. Collaboration and information sharing has continued

through our participation in meetings with the Alberta Hatching Egg Producers Board (AHEP), Alberta Hatchery Association (AHA), and Processors during the last year. With the completion of the Balance of Supply agreement between the AHA and AHEP, the parties are now focusing efforts on the development of an Alberta Chick Price Memorandum of Understanding (MOU). Considering the interim increase to live price of \$.0025/kg to compensate for the higher cost of chicks and the expiration of our current Live Price MOU in March 2014 (period A122), the Alberta Chick Price MOU is a timely endeavor

In addition to addressing its Strategic Priorities, the Board and Staff have also undertaken many other important industry initiatives in 2013. The Board held two meetings with processors and the Canadian Food Inspection Agency to address challenges and achieve common understanding related to the Compliance Verification System Task 1102 in Alberta's processing plants. The Board has been working in collaboration with the Alberta Hatchery Association and Alberta Hatching Egg Producers Board to develop a Broiler Chick Quality Manual. The Governance Committee continues to refine the Board's governing practices and leads the Board in regular board development exercises. A Board Governance manual has been developed and implemented, and new Directors receive a formal orientation following the Annual Meeting.

Thank you to all producers who completed the Producer Survey in 2013. The feedback and information provided is being utilized to refine our communications efforts and develop producer workshops for 2014.



Erna Ference, Chair



Karen Kirkwood, Executive Director

Under production remains a high priority for the Board leading into 2014. The Board has consulted with producers and processors in considering all options to address this issue, and changes will be implemented in 2014 to achieve the goal of 100% utilization performance.

Looking forward, antimicrobial use (AMU) will remain a critical issue that the chicken industry has taken a proactive role in addressing. We appreciate the engagement and commitment of our producers and industry partners to supporting the strategies to control antimicrobial use and the action plans that will be implemented in 2014. We are also proud of our producers for leading the country in implementing the Animal Care Program and making the necessary upgrades to your facilities to prepare for the implementation of the stocking density requirement, which became mandatory as of December 1, 2013. Your leadership in implementing the On-Farm Food Safety Assurance and Animal Care Programs is exemplary. We again have an opportunity to assume a leadership role in the area of AMU.

Dynamic customer trends and the focus at retail and in food service on product differentiation as a competitive advantage in the marketplace will only continue to drive our industry to strive for continuous improvement in quality, size, and spec to respond to the needs of the consumer. Led by our Vision and Mission, we can remain on the pulse of today's ever changing consumer needs by listening and responding to the needs of the market. We appreciate the positive, supportive working relationship we continue to build with the provincial government. In addition to continuous dialogue with Marketing Council and the Department of Agriculture and Rural Development in addressing Alberta's allocation

issue, we have also participated and provided input into the development of the South Saskatchewan Regional Plan, a broiler Salmonella Enteritidis Plan, Growing Forward II and the Policy Advisory Group (PAG). Work on a number of these topics is ongoing. This year we saw a number of government employees retire, including Deputy Minister John Knapp and Assistant Deputy Minister, Colin Jeffares. We wish them well in the next stage of their lives and extend a warm welcome to our new Deputy Minister, Jason Krips.

The achievements over this past year would not have been possible without the dedication, talents and teamwork of our Staff and Board of Directors. We are privileged to work with such accomplished individuals and a high-performing team. Thank you for your continued leadership and commitment to ensuring the long-term success of Alberta's chicken industry for future generations.

Strategic Priorities

Alberta Chicken Producers held its annual Strategic Planning Session on September 23 and 24, 2013.

Industry partners, including representatives from the Alberta Hatching Egg Producers Board, Sofina Foods Inc., Sunrise Farms, Maple Leaf Foods, and provincial processors were invited to the first day's session to provide input and feedback into the Board's strategic plan for the upcoming year. Our Board values the strong relationships we have with our industry partners and appreciate their participation and contributions to this important annual planning session.

All input received from our industry partners was considered in the Board's establishment of its Strategic Priorities and development of Alberta Chicken Producers 2013/2014 Strategic Plan.

2013/2014 Strategic Priorities:

- Alberta's Allocation
- Antimicrobial Use
- Public Relations and Communications
- Strong Supply Chain Relationships
- Strong Industry Partnerships

The Alberta Chicken Producers detailed goals and objectives for 2013/2014 are available on our website: www.chicken.ab.ca

Activities & Achievements

Board Meetings

- Eleven (11) Board Meetings took place over this past year.
- Twelve (12) Conference Calls were held to discuss matters of allocation, pricing, differential growth, and policy.
- The Board, Executive Director, and a staff member participated in ACP's Annual Strategic Planning session this past fall. Also in attendance were representatives of three major processors, provincial processors, and the Alberta Hatching Egg Producers Board.

Allocation meetings have required much focus in 2013. An independent Mediator was secured by Chicken Farmers of Canada in the late Fall to assist in moving the process forward to conclusion in early 2014.

Board Training

- Board Team Building is an important component of Board development. The Board and Executive Director held a formal Team Building Workshop in April with facilitator, Ken Smith.
- The Board and Executive Director regularly conduct Board Governance exercises, with a focus on moving from "Good to Great".
- A Director Orientation Session is held at the Board office for newly elected Directors following the Annual General Meeting elections. Newly elected Directors conduct a full-day session at the Board office to become acquainted with the Board's Governance Manual, policies, operations, and team culture.

Industry Relations

- The Board continues to focus on Strong Industry Partnerships as a strategic priority. The Executive Director, Chair and Vice Chair met with Sofina Inc., Maple Leaf, and Sunrise at various times throughout the year to discuss and collaborate on issues of common interest. The Board has met with the Hatching Egg Producers Board on several occasions throughout the year to collaborate on and address common issues.
- At various times throughout the year, meetings were held with: Alberta's Agricultural Products Marketing Council; Deputy Minister and Assistant Deputy Ministers of Alberta Agriculture and Rural Development; and Minister of Agriculture and Rural Development, Verlyn Olson.
- Regular Western Meetings were held in British Columbia, Alberta, Saskatchewan and Manitoba, with each province taking a turn in hosting the meeting. In addition, two meetings of the Western Boards and Processors were held.
- Alberta Chicken Producers attended the annual general meetings of the chicken marketing boards in British Columbia, Saskatchewan, Manitoba, and Ontario; the Chicken Farmers of Canada; Poultry Research Centre, Alberta Milk, Alberta Pork and the Poultry Service Industry Workshop.
- The CFC Director and Alternate and the Executive Director attended a National Forum in Ottawa
- The CFC Director and Alternate and the Executive Director participated in the Chicken Farmers of Canada Lobby Day on Parliament Hill.

Activities & Achievements cont'd

Stakeholder Relations

Board Director(s) and/or the Executive Director participated in the following activities throughout the year;

- Meetings with Canadian Food Inspection Agency to address the CVS Task 1102
- Poultry Service Industry Workshop
- ALMA Future Fair
- Agriculture and Food Exchange Security Workshop
- Marketing Council's Board and Commissions Workshop
- AFAC Livestock Care Conference
- SM5 Meeting with Alberta Beef, Alberta Pork and Alberta Agriculture and Rural Development
- Farm Tour for Alberta's Premier and Alberta's Minister of Agriculture and Rural Development

Producer Relations

- Regional Meetings were held in late October in Edmonton, Red Deer and Lethbridge.
- A Producer Survey was conducted in July – August 2013. Producers provided excellent feedback to the Board and staff to guide our focus for refining producer communication tools and developing leadership development and training opportunities for producers.
- The Alberta Chicken Producers Website has been enhanced to provide Hatcheries and Processors access to Grower Program reports, facilitating enhanced planning and communication for our industry partners.
- Staff refined and implemented procedures and a communication framework for our producers who volunteer in agricultural trade shows throughout the year, streamlining the process and improving efficiency.

Development & Enhanced Learning

Alberta Chicken Producers supports and encourages Directors and Staff to expand their professional and personal skills. The following Courses, Workshops, and Webinars were attended in 2013:

- Platinum Brooding Course
- Ammonia Emissions Workshop
- Manure Management Workshop
- Annual OFFSAP Auditor Training Course
- Facilitation Training Level 1: Personal Strengths Canada
- Master of Negotiations Seminar
- Microsoft Excel 2010 – Level 3
- Administrative Assistant Conference
- Leadership Development Workshops
- Business Writing & Grammar
- Webinars:
 - Breaking Bad Communication
 - Developing your Emotional Intelligence
 - Mastering the Art of Minute Taking
 - Magical Excel Formatting

Other:

- Regular staff cross-training is conducted to support the Board Office operations.
- Formal Staff Meetings are conducted monthly to discuss strategic actions, day-to-day operational activities; and any topics pertinent to the team
- An open door culture is maintained in the office: informal meetings are conducted throughout the month to ensure all staff members are informed of important matters that arise, upcoming meetings, individual staff activities, and to plan cross-training.

On-Farm Food Safety & Animal Care Programs

This past year has seen significant progress for Alberta Chicken Producers with respect to the *On-Farm Food Safety Assurance* (OFFSAP) and Animal Care Programs.

The incorporation of the stocking density requirements of the Animal Care Program became mandatory as of December 1, 2013, as a condition of a producer's license to produce chicken. Much activity took place in the implementation of the program in Alberta including certification of renovated and new facilities and coordination with hatchery staff and producers in order to plan for placements commencing December 1, 2013. As audits on the new density requirements commence, the auditing team will be working closely with producers to ensure the program is audited in a fair and equitable manner. The Alberta Chicken Producers would like to thank producers, hatchery staff and the audit team for the cooperation shown in making this transition as smooth as possible.

Additionally, the baseline assessment of humidity and ammonia project data collection phase was completed in August 2013, and the data analysis and report drafting phase is underway. The goal of the project is to assess the levels of humidity and ammonia levels within Alberta broiler barns given the unique Alberta climate, to ensure that the Animal Care Program is audited in a fair and consistent manner. In early 2014 the project report will be completed and circulated to producers for their review. On-going technology transfer activities and expanded data analysis will continue into 2014.

As part of the OFFSAP management framework the program is open for review every 36 months. During the last year recommendations from the 3rd Party audit as well as the previous three years feedback from the yearly OFFSAP management reviews have been considered for addition to the existing version of the program. CFC has incorporated this feedback into the OFFSAP program manual, flock records and auditing materials. Circulation of these updated materials will commence in early 2014 for implementation May 15, 2014.

Included in these changes to the OFFSAP program is the addition of requirements and a baseline survey on antimicrobial use. Concern over antimicrobial use (AMU) in the agriculture sector and the resulting potential effect of antimicrobial resistance in the human population has resulted in increased media attention and consumer concern. CFC has been pro-actively addressing this concern through the development of a sector wide antimicrobial strategy. The sector wide strategy includes: (1) baseline use and resistance trends information, (2) best management practices, (3) ensuring effective controls of AMU in Canada, (4) educating stakeholders on AMU/AMR, and (5) research into alternative products. The changes to the OFFSAP program are aimed at enhanced Antimicrobial Stewardship including the limitation of prophylactic use of Category 1 antimicrobials throughout the supply chain. In an effort to educate and support producers and the poultry supply chain to the impacts of the national antimicrobial use strategy, the Alberta Chicken Producers Research Committee will be hosting a Research Symposium in conjunction with the 2014 Annual General Meeting focusing on current topics in antimicrobial use.

A special thank you is relayed to auditors Boyd Bresnahan and Rodney Swanek for their diligence and commitment to Alberta Chicken Producers.

Broiler Chick Quality Committee

Submitted by Jason Born, Committee Chair

The Broiler Chick Quality Committee was formed in the spring of 2013 as part of our industry discussions in the spring around the quality of chicks in Alberta. The discussion was timely given the move to restrict the use of Antimicrobials in May 2014 our national feather agencies have in fact encouraged this type of collaboration in their letter to industry in September 2013, thus, we are glad we have a head start on this project.

The Committee's members include representatives from Alberta Hatching Egg Producers, Alberta's hatcheries and Alberta Chicken Producers.

The Committee's mandate at the time it was created was:

- To identify and prioritize quality issues
- To define the scope of the quality standards manual in addressing the issues identified.
- To identify roles, responsibilities and accountabilities of broiler hatching egg producers, hatcheries, transporters and broiler producers.
- To establish standardized quality targets for broiler chicks based on credible, objective and verifiable metrics
- To define best management practices for broiler hatching egg producers, hatcheries and broiler producers
- To develop a governance structure and accountability mechanism for addressing quality issues

Over the course of 6 months, the committee worked towards its mandate and has created a draft manual that is focused on 4 key areas:

1. Consistent Programs (Including Chick/Egg Quality Assessment at hatchery, Egg Washing)
2. Vaccination Protocols (Vaccination programs, Training for Administration of Vaccine, Transport standards, Titre Checks)
3. Field Service (Training and Producer Education)
4. Information Exchange & Communication (Standardized Reporting, Identifying what is important and useful for each party).

With a draft manual substantially complete as of the end of 2013, the Committee's focus in the early New Year will be on reviewing the manual with industry experts to address any "gaps" and validate the focus and content of the manual to ensure effectiveness.

Next steps include:

- Clarifying an industry vision and mission for Chick Quality in Alberta
- Further refining the draft manual
- Developing accountability mechanisms
- Developing education and communication tools to support each sector's members.

This Committee's work has been complex and at times difficult, however, I have truly appreciated the time and effort contributed by each of our industry partners as we continue to strive for excellence in the Alberta Poultry Industry value chain.

Governance Committee

Submitted by Jason Born, Committee Chair

The Governance committee is comprised of two Directors of the Board and the Executive Director. As one of its first activities this year, the Governance Committee reviewed and refined its mandate and work plan for the year and identified additional ways in which the Committee may add value to the functioning of both the Board and ACP.

The Committee has been in the process of drafting Governance Policy around an Executive Director Succession Plan and a Board Chair Succession Plan to ensure continuity and smooth transitions in the various leadership positions within ACP. In addition, the Committee has drafted Board and Director (Peer) evaluation processes to assist in ensuring the Board itself is operating effectively and to continuously strengthen our teamwork, to identify areas for improved performance, and to assist in assessing the Board's effective utilization its time and resources.

Planning has commenced around the development of a Leadership Development Program for Producers. The Committee has met to consider the feedback provided by producers as part of the recently completed producer survey and has developed a program outline that reflects that feedback. Producers can look forward to further information on this exciting opportunity in the spring.

The Governance Committee also plans board development activities to build leadership and governance capacity amongst Board members. This year the Board held a team development workshop with a facilitator that provided Board members with a greater understanding of the strengths and communication styles of their colleagues. The Governance Committee also leads the Board in reviewing its effectiveness on a more regular basis at Board meetings. This year's theme has been "Good to Great," which has focused our discussions on putting excellence into action to drive continuous improvement in our functioning as a Board.

I would like to thank the Committee members Ite Veurink and Karen Kirkwood for their diligent work on behalf of the Committee this year.

Direct Marketing Lease Program

The Direct Marketing Lease Program was implemented in 2012 to assist direct marketers in developing a sustainable business through the provision of production quota for direct marketing purposes. All applications are assessed by the Specialty Production Committee for compliance with Policy. First-time applicants submit a business plan outlining their Direct Marketing activities. Approved applicants must keep proof of Direct Marketing sales for two years should an audit be requested by the Board.

In the first two years of the program, the Program has been well utilized by three applicants on a consistent basis, and each applicant meets the program requirements. Interest in the program remains healthy. While the number of applicants have not increased, the volume of kilograms requested has increased by 17,000 kilograms annually.

Lloyd Johnston Scholarship Award

The Lloyd Johnston Scholarship Award in Graduate Poultry Science Studies is now in its third year of this seven year Funding Program. The Scholarship is awarded annually to a Masters Student enrolled in the Department of Agricultural, Food and Nutritional Science, with a focus on Graduate studies in Poultry Science.

The 2013 recipient is Carlos Lozano, who joins the growing list of students receiving this \$2,000 Scholarship. Mr. Lozano is an experienced poultry researcher who has brought tremendous insight to Dr. Martin Zuidhof's research team at the University of Alberta. Carlos is an exceptional student, completing his coursework with a perfect GPA of 4.0. He is a dedicated and enthusiastic student with a commitment to make a difference in the poultry industry, and we look forward to his valued contributions to our industry in the years ahead.



Carlos Lozano, Award Winner

Alberta SM5

Work continues with our supply managed partners: Alberta Hatching Egg Producers, Alberta Turkey Producers, Alberta Milk, and Egg Farmers of Alberta, to coordinate communication efforts and attend events that relate to this industry.

AdFarm was hired to complete a focus group study of consumer perceptions about supply management, which is being utilized to guide the communications and marketing activities of the Alberta SM5.

The SM5 hosted a thank-you breakfast in July for Alberta Agriculture and Rural Development staff, which provided opportunity to speak about supply management and showcase our products. A Farm Tour was attended by Alberta's Premier, Alison Redford, and Minister of Agriculture and Rural Development, Verlyn Olson. Similar strategies are planned for 2014.

Events attended throughout the year include:

- Alison Redford Golf Tournament
- Verlyn Olson Golf Tournament
- Cal Dallas Golf Tournament
- Ted Menzies Golf Tournament
- Dave Quest Golf Tournament
- Prime Minister's BBQ
- Premier's Dinners in Fort McMurray and Edmonton
- Alberta Chicken Producers provided chicken sausages for the Dave Hancock, Steve Young, and Dave Quest functions.

The Alberta SM5 met with Alberta Beef, Alberta Pork, and Alberta Agriculture and Rural Development to provide an update on CETA, TPP, WTO, and Canada's Bi-Lateral negotiations with Japan and South Korea. These meetings provide a positive and collaborative forum to discuss matters of trade and achieve common understanding among industry partners.

We acknowledge and appreciate the efforts and contributions of the SM5's contracted government relations expert, Bill Donahue, for his leadership and guidance in coordinating meetings, functions, and events with our elected officials

Public Relations

Promotion

Alberta Chicken Producers participated in several tradeshow and events this year including: the Lethbridge and Calgary Aggie Days, the Calgary Stampede, and the Stony Plain City Slickers.

The chicken barn and chick pen were showcased at these events and elementary school-aged children were provided with resource materials, a storybook about chicken farming, and activity booklets, along with promotional materials to communicate our key messages and connect them with our producers. These events provide us with an opportunity to educate the public about rural life and chicken production.

The Alberta Chicken Producers website was updated this year to include a Promotional Materials Request form for producers to request materials for their personal use or event.

Key Messages Wallet Card

A wallet-sized Key Messages card was developed for producers and distributed at our annual general meeting and regional meetings. The card provides Producers with quick access to key messages around themes of "Quality You Can Trust", "From Our Families to Yours" and "Supply Management".



New Alberta Chicken Producers Website

The development of a new Alberta Chicken Producers Website was a major focus in 2013. The site design, navigation and content has a consumer focus with emphasis placed on the recipes section and the incorporation of 'how to' cooking demonstration videos. The official launch of the website will take place at the 2014 Annual General Meeting, supported by a social media campaign pre and post-launch.



Public relations cont'd

Social Media

A social media strategy was developed to compliment the launch of the website and maximize direct interaction with consumers. Facebook, Twitter and Pinterest accounts were developed as valuable channels to push key messages and engage consumers to interact with the videos, recipes, cooking tips, and nutrition information on our website.

Video Series



With the assistance of Amplomedia, eight short videos were produced that target a consumer audience. The videos, which are uploaded on YouTube and integrated into the new ACP Website and social media, focus on the following themes:

- Alberta Chicken Is Fresh, Quality Chicken You Can Trust
- Alberta Chicken: From Our Family to Yours
- Chickens Raised In Alberta and Across Canada Eat a Grain-Based Diet That Is Hormone Free
- Alberta Chickens Are Free to Roam in the Safe Shelter of Our Barns
- The Chicken Industry's Supply Management System Has Benefitted Consumers for over 40 Years



Nutritional Brochures

Five Nutritional Brochures were created to provide consumers with information about the nutritional benefits of chicken. These brochures were designed as 'infographics' to be used on the Web and for print media. Through funding received by Alberta Livestock and Meat Agency, a dietician was contracted to provide credible, accurate information for these brochures, which focus on:

- General Health Benefits of Chicken
- Chicken and Immunity
- Chicken and Heart Health
- Chicken and Diabetes
- Chicken As Part of an Active Lifestyle

Alberta Chicken Producers' Barn Upgrade

Through funding received from the Alberta Livestock and Meat Agency, Alberta Chicken Producers barn display is being redesigned to provide the public with an experiential opportunity to learn about chicken production in Alberta. This redesign also includes the development of a new children's display to be used specifically for Aggie Days in Lethbridge and Calgary. A new educational children's booklet entitled, "*Emma Visits a Chicken Farm*," has also been developed and is supported by an accompanying activity sheet.



Taste Alberta

Submitted by Carrie Selin

Taste Alberta is an innovative partnership with the Alberta food industry and media to communicate with and engage consumers about Alberta food. This partnership brings unparalleled opportunities to leverage assets to create, manage and implement Taste Alberta projects. The Alberta consumer is inundated with information about food – its use, its safety, and its benefits. Taste Alberta serves as a gateway and link that makes it easier for Albertans to access complete and reliable information.

As a significant producer of Alberta food, the Alberta Chicken Producers partnered with Taste Alberta to leverage resources and increase consumer awareness that chicken is produced by local producers. Taste Alberta has promoted chicken in food stories, through consumer-focused events and in targeted television and radio ads.

This year Taste Alberta has partnered with Postmedia to bring Gastropost to the Edmonton Journal and Calgary Herald. Gastropost sends its membership of food lovers on weekly "food missions" where Albertans are taking pictures of their completed mission to be displayed in their social media places, on the Gastropost website, and potentially as part of the two-page story in the newspaper. Each mission is given a Taste Alberta inspiration that encourages people to use Alberta food in their missions. These inspirations are helpful hints, links, knowledge and facts about the industry, preparation and where to find local food.

A broad industry partnership provides a platform to communicate with a significant urban audience. In 2013 Taste Alberta shared 44 Alberta food stories through the Edmonton Journal and Calgary Herald. Through our media partnership with CityTV, Taste Alberta was a monthly guest on Breakfast Television in both Calgary and Edmonton and aired 14 commercial ads. Taste Alberta is also actively involved with social media, consumer related events and a weekly radio interview. The total value of Taste Alberta is estimated at \$1,725,000.

Through our partnership with Taste Alberta, the Everything Chicken Commercial aired on City TV in early spring. A link to this video can be found on YouTube.

Public relations cont'd

Classroom Agriculture Program

Submitted by Karen Spelay

The Classroom Agriculture Program (CAP), launched in 1985, has now been delivered in classrooms for 27 years. CAP has continued to grow for a fourth year straight, school, classroom, student and volunteer registrations have all increased over last year's numbers.

The highlights from this program year have been:

- In the fall of 2013 CAP became incorporated as an independent Society
- CAP increased 2013 program registrations by over 20%, an additional 4,428 students were signed up for CAP this year
- 64 new volunteer classroom presenters registered with CAP this year
- CAP completed a volunteer database to help improve and increase communication and relations with our more than 200 active volunteers
- With funding from ALMA, CAP completed a new classroom DVD that is used by volunteers in their classroom presentations and is also available for viewing on the website.

Along with these highlights CAP continues its core effort, reaching out to grade four students across Alberta and sharing positive messages about agriculture. The Classroom Agriculture Program was created to enhance the understanding of agriculture and where food comes from, thereby fostering a greater respect for the industry and the individuals who make Alberta-based food production a reality. This purpose continues to drive CAP today.







Chicken Farmers of Canada Report

Alberta Withdraws From the National Agency

Alberta continued to pursue a strong and comprehensive allocation agreement in 2013 with the other provincial marketing boards. In 2012, Alberta sent Chicken Farmers of Canada a letter indicating its intention to withdraw from the national agency if the issue of differential growth was not resolved. Differential growth was a critical priority for the Board in 2013 but was not resolved before the end of the year. At that point, Alberta's notice became effective.

A Service Agreement was signed with Alberta on September 10, 2013, to cover the majority of 2014, including the periods A-121 to A-126. This agreement is contingent on a successful conclusion to the mediation efforts CFC is pursuing to solve this issue.

Differential Growth

Differential growth remains a critical priority for the CFC Board in 2014.

Further to the temporary six allocation period service agreement on differential growth reached on September 10, 2013, the Chicken Farmers of Canada Board of Directors continues to work toward a long-term agreement to address differential growth.

Negotiations are bringing the provinces into closer alignment to develop a formula-based approach to allocating future growth based on pro rata, population, economic, and performance based factors.

Antimicrobial Use

Chicken Farmers of Canada is actively working with the federal government and industry stakeholders on antimicrobial use and resistance (AMU and AMR). Working groups also met through the year to discuss results and analyze contributing factors.

The Canadian Integrated Program for Antimicrobial Resistance Surveillance (CIPARS), with Chicken Farmers of Canada support, has initiated on-farm surveillance of AMU and AMR to further our knowledge of use and resistance within the sector.

This on-farm surveillance component will monitor antibiotic usage and antibiotic resistance levels on Canadian chicken farms which will help to develop antimicrobial use baseline levels and to determine future antibiotic use and resistance policies.

Furthermore, an industry policy has been developed to eliminate the preventive use of Category I antibiotics. Effective May 15, 2014. Category I antibiotics are those considered by Health Canada to be those most important for use in human health.

Animal Care

CFC's Animal Care Program is an auditable program designed to demonstrate the high level and standards of the Canadian chicken industry's on-farm animal care. The program is based on the Canadian Recommended Code of Practice for the Care and Handling of Chickens, Turkeys and Breeders from Hatchery to Processing Plant.

A memorandum of understanding (MOU) for the implementation and maintenance of the Animal Care Program was signed by Chicken Farmers of Canada and all 10 provinces at the 2012 Chicken Farmers of Canada Directors meeting in Winnipeg, Manitoba.

On-Farm Food Safety

Chicken farmers have been applying CFC's on-farm food safety assurance program (OFFSAP) on their farm for the last decade and our national program is the first to achieve full federal, provincial and territorial (FPT) government recognition.

This recognition was formally announced at the Chicken Farmers of Canada Annual General Meeting by the Minister of Agriculture and Agri-Food, the Hon. Gerry Ritz. To date, over 2,600 farmers (96% of producers) are certified under OFFSAP and are audited on an annual basis. In addition, all 10 provinces have developed enforcement mechanisms through regulations and policies.

Corporate Social Responsibility

Chicken Farmers of Canada's annual contribution to the Ottawa Food Bank, through the Chicken Challenge food donation program, provided nearly \$50,000 worth of frozen chicken products to the Ottawa Food Bank. In addition, \$4,367 was collected through staff payroll donations and matching Chicken Farmers of Canada donations. Finally, proceeds from the sale of chicken sandwiches and salads at CFC's Great Canadian Chicken Barbecue and additional donations collected on Canada Day, totaling \$4,147, were also given to the food bank: a total of \$58,424 for the year.

This brings the total contribution to the food bank since 2007 to \$258,000.

Outreach & Influences – Communications

Consumer health and their interest in making healthy food and lifestyle choices continue to be big drivers of Chicken Farmers of Canada's outreach. Health attributes have been a major emphasis as we strive to educate consumers about the health benefits of chicken. These outreach activities are carried out through the promotion of CFC's online and print resources at health conferences and trade shows, and through social media.



Chicken Farmers of Canada Report cont'd

Nutritional Factsheet Series

There continues to be strong demand and uptake for these nutritional tools that were created for free distribution for health professionals.

Chicken Farmers of Canada has been working closely with dietitians to enhance its two main sources of print material, namely its recipe booklet and nutritional factsheet series. There are now 12 nutrition factsheets in the series, as well as a snack and beverage, and weekly food journal.

The factsheets are also available for provincial boards and consumers to view or download on our patient resources page: http://www.chicken.ca/health/patient_resources.

Government Relations

On the policy front, the importation of spent fowl, and the impact on our industry, was by far the most active topic in 2013. Numerous meetings, briefings, lobbying efforts and committee presentations took place throughout the year on the file.

Agriculture Minister Ritz took charge and was diligent at encouraging fellow ministers and senior bureaucrats to work on finding a resolution to this serious issue. Border Services, Health, Finance, the Canadian Food Inspection Agency, International Trade and Agriculture and Agri-Food Canada were all represented at various meetings and working sessions. There was no resolution of the issue in 2013 but there was much advancement.

A Lobby Day was held on May 9th which resulted in 56 meetings on the day, or leading up to it, and a further 24 more took place shortly after. That's a 14% increase over the previous one and represents about 20% of MPs and Senators.

Two receptions were held in 2013, one with the other national poultry groups in the spring and one in November.

Poultry Research in Canada

The Canadian Poultry Research Council (CPRC) was established back in 2001 with a mandate to create and implement programs for poultry research and development that address current and future industry needs. Ed O'Reilly, from Newfoundland & Labrador, is Chicken Farmers of Canada's representative on the CPRC Board of Directors. The annual contribution from Chicken Farmers of Canada to CPRC was \$40,000 in support of the Agriculture and Agri-Food Poultry Research Cluster. Additional funding was used towards AMR and AMU projects.

Since 2001, CPRC has allocated approximately \$2.8 million to foster poultry research and these funds have been leveraged to over \$13.1 million. Furthermore, CPRC is considering new projects worth \$130,000 for matching funding and these could be leveraged for another \$850,000.

International Trade

World Trade Organization

The 9th Ministerial Conference of the WTO, held roughly every three years, took place from December 3–7 in Bali, Indonesia. Members signed an agreement, in this the 12th year of the Doha Development Agenda (DDA or Doha Round). The Bali-package is not a final agreement but serves notice that progress is being made on the international trade front and that the WTO is not dead, as many had predicted after 12-years of stalled Doha Round negotiations.

Bilateral and Multilateral

Canada worked extensively on two bilateral and multilateral trade agreements in 2013. The Comprehensive Economic and Trade Agreement (CETA) is a free trade agreement between Canada and the European Union. It was signed in principle on October 18, 2013 by Prime Minister Stephen Harper and José Manuel Durão Barroso, president of the European Union.

Chicken Farmers of Canada has significant concerns with certain provisions within CETA. The EU and Canada recognized early in the negotiating process that there was no commercial interest in poultry meat or eggs. Despite this, CFC finds the significant and unprecedented market access concessions granted to the European Union for fine cheese troubling, given that the government was unable to conclude the CETA using the same successful model employed in previous trade agreements – ones that achieved substantial market access gains for Canadian exporters while preserving the integrity of Canada's supply management systems.

Canada's dairy farmers spoke out vigorously against the deal and the increase of EU cheese imports. The full economic impact remains to be seen, but the Canadian government has promised compensation to address any adverse effects.

The Trans-Pacific Partnership (TPP) is another active trade agreement that Canada is pursuing. Canada and the other 11 members (Australia, Brunei Darussalam, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States and Vietnam) met regularly in 2013 and concluded the year with a meeting of ministers and chief negotiators in Singapore immediately after the WTO Ministerial in Bali.

Talks continue, but an agreement was not signed, which means another missed self-imposed trade negotiation deadline. The lack of an agreement came as little surprise to most observers, given the number of outstanding issues that were still considered far from being resolved. Challenging issues remain and the ministers stopped short from setting a new deadline to conclude the talks, which are bogged down on items such as intellectual property (IP), state-owned enterprises (SOEs), and market access.



Chicken Farmers of Canada Report cont'd

Spent Fowl

There continues to be excessive imports of spent fowl into Canada. As the item is not subject to import controls (the birds are not raised for their meat so, according to current import rules, these birds – and their meat – are considered by-products of the egg-laying process) and there are no limits to how much may be imported. Some importers have used this circumvention measure to import spent fowl, instead of using Canadian chicken, to be used in the manufacturing of processed products that can then be labeled as chicken products. There are also cases where fresh chicken is incorrectly labelled as spent fowl for import, then sold here in Canada as fresh product. This is a serious threat to our industry because it represents a loophole which displaces a significant amount of domestic production. Imports of spent fowl products will again exceed 100 million kilograms in 2013, which represents 10% of the Canadian chicken production. This is a considerable loss to the Canadian economy as it will result in 8,900 fewer jobs being created, over \$590-million lost from Canada's GDP and a further loss of \$66 million in tariff evasion.

Canadian Broiler Council

The Canadian Broiler Council (CBC) continues to meet on a regular basis in conjunction with the Chicken Farmers of Canada allocation setting meetings. Representatives from each province make up the council and Alberta's representative this year was Erna Ference. The provincial members, with a couple of exceptions, tend to be either the Provincial CFC Representative or Alternate.

The current Chair of the CBC is Danny Wiebe, CFC Alternate, Manitoba. The CBC continues to provide an opportunity for farm representatives to share information, data and perspectives on Provincial and National issues. In addition to providing an opportunity to share provincial updates during the year, national table items discussed include the Specialty Market Program, the Market Development program, Chick Quality, Imports, CFC's 2014 – 2018 Strategic Plan, Promotions, Ontario Live Price model and the role of the CBC.

Processor Updates

Sunrise Farms Report - Ten Years of Growing Together!

Submitted by Ed Fetting

This year represents our 10th successful year of operation in the Wild Rose province. It seems like just the other day that we turned sod at the Lethbridge processing plant and hatchery, and began an excellent relationship with many Alberta growers. Looking back, we have been consistent in our approach and supportive of many initiatives.

Differential Growth - Alberta's and western Canada's increasing population, influence and economic weight within Canada over the last 10 years has been clear and supportable justification for securing a more equitable share of chicken production for Albertans. We have strongly supported the ACP Board in their efforts on the national stage, and will continue to do so in the future.

Investment – Sunrise has been a leader at both the plant and hatchery in investing heavily in new technology and infrastructure to provide excellent product(s) to our customers and producers. We have completed major expansions at both operations, and continually upgrade our fleets to meet current and future demand. Grower-Centered - We continue to promote and experience a positive relationship with our growers, who provide our plant with excellent chicken. We thank our growers for the past 10 years and look forward to working together in the future. Sunrise Farms will again be providing our producers with significant kilos of New Market Development (Export) for this processing year.

As always, Sunrise would like to thank our Alberta Grower Committee for their excellent work over the last 10 years: Current members Rob van Diemen, Marty Vredegoor, George Hofer, Mark Oostenbrug and Paul Veurink. We also recognize the past efforts of Scott Van't Land and Allan Van Zeggelaar who provided years of service to the committee to 2013. We wish them both well.

We also thank the Alberta Chicken Producers Board and Staff for a good 10 year relationship and wish all growers success and prosperity for 2014.

Maple Leaf Foods

Submitted by Gary Raycroft

In 2013, Maple Leaf Foods remained strongly focused on both the Retail and Food Service sectors, through investment in technology and product innovations that continued to drive growth for these sectors in all chicken categories, fresh, frozen and further processed.

Maple Leaf in the Retail segment, for 2013 we continued to leverage the positive momentum that we have successfully built from prior years to further support our Maple Leaf PRIME® brand as we continue the focus on the brands transformational journey from owning "special occasions" to expanding frequency in "everyday dinners".



Processor Updates cont'd

This initiative was supported by:

1. TV, digital and in-store campaigns to emotionally connect consumers with the message "Dinnertime is Prime time" and highlight innovation
2. New packaging graphics with recipe ideas and a new Canadian Farm Raised claim
3. Product and Packaging Innovations in Fresh
4. Product Innovation in Frozen
5. Product and Packaging Innovations in Further Processed

The transformational journey for the Maple Leaf PRIME® brand successfully continued in 2013 as we experienced both sales and market share growing for the 3rd year in a row.

For our Schneiders® brand, the retail segment grew further with the launch of Schneiders® Country Naturals frozen chicken nuggets, strips, breaded burgers and wings, the first naturals launch in the frozen chicken category. This naturals offering was further improved in the latter part of the year and in early 2014 by moving to Raised Without Antibiotics and fried product formulas. The launch was supported with TV advertising, coupons and in-store demos. In addition, the Schneiders® value offerings were renovated via a downsize and new packaging graphics.

For our new Mina Halal brand targeted at Muslim Canadians, the retail portfolio was expanded from the fresh only portfolio launched in Aug 2012 to a fresh and frozen portfolio with the launch of Mina Halal frozen chicken nuggets, strips, breaded burgers and wings. Mina Halal was supported with TV and print advertising on ethnic channels and newspapers, coupons, in-store campaigns and grassroots marketing.

Maple Leaf Foodservice has had a very successful 2013 and continues to outpace foodservice market growth. Growth of both branded innovation and key customer innovation has contributed to this success. Our chicken dippers launch has made their way onto the menus of many national and regional chains, and in 2013 we continued to develop signature extensions of this product for our key customers. We continue to see growth from raw to fully cooked, particularly in wings, as operators seek ways to speed up service, reduce back of house labour, and offer consistency throughout their businesses.

The demand for healthier food choices in foodservice continues to drive 2013 volume for our chicken strips, reduced sodium items and for 2014, innovation will include fully cooked items that are baked not fried with reduced sodium and fat. The increased demand for gluten free will be addressed through our "New and Improved" chicken breast strips that will be gluten free and reduced sodium. This will also meet the needs of the growing healthcare segment.

We will build on the success of our 2013 launch of Halal chicken for our foodservice customers, and launch several new offerings under the Mina Brand in 2014, including both white and dark meat. The new Presliced Chicken targeted at Asian chains is offering many operators a value-added solution to their back of house preparation, and we have modified packaging and product to meet the needs of our customers.

2014 will be another year of great growth for Maple Leaf Foodservice as our key



customers roll out some of their new products across Canada, and as we continue to innovate our branded business to meet the needs of the changing industry.

By maintaining our focus on areas of growth for chicken, Maple Leaf will remain a company of choice for years to come.

At Maple Leaf – we value the strong working relationship that we have with the ACP Board and staff. As well we would like to take this opportunity to say Thank You, to our valued Alberta producer partners, who play a key role in driving our progress and growth. Your continued support and commitment is greatly appreciated and we Thank You for that.

Sofina Foods Inc.

Submitted by Jeff McDowell

We continued to see significant transformation of our business in 2013. While Lilydale continues as a flagship brand in our portfolio, our company will now be known as Sofina Foods. A new structure was implemented early in 2013 to create “centers of excellence” in fresh foods, deli, frozen foods, fresh pork, and foodservice. These business units specialize in their respective areas providing superior support, innovation, and council to our retail and foodservice partners across Canada.

Some exciting leadership changes also took place during 2013. Michael Foster took on the role of Vice President, Chicken Operations, and Fritz Helbig joined our company as Plant Manager in Calgary. With Mike’s poultry processing experience and Fritz’s technical background, the Calgary plant is operating as efficiently as ever and a renewed focus and commitment is evident throughout the facility.

We hosted our first Poultry Advisory Committee meeting at our Edmonton Office. An excellent mix of producers, plant operations, and procurement folks attended and the response was very positive with some excellent follow up items and great dialogue.

If all goes according to plan, John Van Kampen will return in early March. Both John and our organization are very grateful for all the visits, calls, and inquiries about John’s progress. John’s return will provide some much needed support, and we are looking forward to his contribution. The Board and staff of Alberta Chicken Producers have collaborated very effectively with the Sofina organization, and this relationship is as important as ever, specifically during the uncertainty around future differential growth discussions at CFC.

Producer Representatives



Left to right: Dennis Steinwand (North of Wetaskiwin to Fox Creek), Arjan Spelt (North of Calgary to Wetaskiwin), and Scott Van't Land (Calgary South)

Tribute to Ryan Isaac



Ryan Isaac was elected by his peers at the Alberta Chicken Producers 2012 Annual General Meeting to serve as the Producer Representative for the North of Fox Creek Region.

Although Ryan's tenure with Alberta Chicken Producers was brief, he devoted much time and shared his talents with our Board and Research Committee. Ryan was a strong voice for the producers in his Region and he contributed effectively to our Research Committee, Producer Representative Meetings, Industry Advisory Committee Meetings, and Annual General Meetings.

Ryan resigned from his role in July 2013 to serve, along with his family, in a three-year missionary aid project in Leshan, China. Ryan, Arlene, and their two daughters, Samantha and Maddy, are now settled in their new surroundings. They report their mission is humbling yet very rewarding; and, they are especially excited that the entire family is learning Mandarin.

Alberta Chicken Producers would like to thank Ryan for his involvement and dedication to the industry in serving as a voice for the producers in his Region. We wish Ryan and his family a rewarding experience as they share their hearts and talents to help others.

Industry Advisory Committee



Left to right front to back:

*Freda Molenkamp-Oudman, Erna Ference, Karen Kirkwood, Shannon Park, Nancy Fischer
David Hyink, Mike Pearson, Bob Smook, Dennis Steinwand, Frank Maenhout, Rick Weiss,
Tom Inglis, Ite Veurink, Jason Born, Sunny Mak, Martin Zuidhof, Arjan Spelt, Jan Van
Lieshout, Ed Fetting, Scott Van't Land, Rudy Froese*

The Industry Advisory Committee (IAC) is comprised of members from the University of Alberta, Poultry Health Services, Alberta Agriculture and Rural Development, Marketing Council, Animal Nutrition Association of Canada (Feed Mills), Hatcheries, Processors, Alberta Hatching Egg Producers, Alberta Chicken Producers' Producer Representatives and Alberta Chicken Producers' Board of Directors.

The IAC meets two times per year to collectively report and discuss issues impacting the Alberta chicken industry. Producer Representatives consult with producers in their Region and provide topics for discussion either to the ACP Board or the Industry Advisory Committee.

Alberta Poultry Industry Emergency Management Team

The Alberta Poultry Industry Emergency Management Team (APIEMT), which consists of members of the province's four poultry Boards, the Chief Provincial Veterinarian's Office, Canadian Food Inspection Agency (CFIA), feed, processor, hatchery and egg grader representatives, met once this year to discuss and incorporate changes that have occurred within the industry and the structure of the team, and to update the response plan accordingly.

The Team's focus in 2013 continued to be on non-disease related emergencies such as barn collapse, fire, and transportation issues. Outcomes included the development of standard operating procedures for initial response at the board office level, incorporation of non-disease related emergencies into the producer manual, and the engagement of Alberta Farm Animal Care (AFAC) to provide support through the recently launched emergency response trailers and ALERT line. In 2013 AFAC launched three euthanasia projects that tie-in with the APIEMT. AFAC has worked closely with APIEMT members to ensure that project results and technology transfer occurs back to the APIEMT group.

With the changes in the APIEMT representatives the committee is planning a training session for the Response Team to evaluate the plan and train the Team members. Initial planning has begun and the Team hopes to conduct a table top training exercise in 2014 with a 3rd party expert to review and assess the Team's implementation of the Emergency Response Plan through this simulated exercise.

Over the course of 2013 the Emergency Response Plan was activated to respond and update producers on several ILT outbreaks in backyard flocks. All commercial poultry producers within a 20 km radius were advised to increase their biosecurity to an 'alert level'. Furthermore, in 2013 the APIEMT Management Plan and communication framework served as an effective tool for the transfer of information in regards to the AI outbreaks in China and Mexico as those situations developed. Fortunately, the disease cases were contained and the impact minimized. These events serve as a test of our Emergency Response Plan, and, the APIEMT Team appreciates the vigilance and cooperation of producers.



Research

Research Committee

This past year has seen a number of committee members change; previous chair Jacob Middelkamp has moved on and Ite Veurink has taken over the role of Chair of the Research Committee and David Hyink has stepped into the vacant Alberta Chicken Producers second director position. As well, Dr. Jenny Fricke from Poultry Health Services accepted a position in Saskatchewan leaving an open spot on the committee that was filled by Dr. Darko Mitevski of Poultry Health Services. During the yearly review of the committee's Research Priorities the committee discussed its membership expansion to add expertise in the area of Poultry Nutrition as it was felt that the committee lacked representation in this important area. The committee unanimously agreed to invite Shawn Fairbairn of Poultry Partners to join the committee, and Shawn is now a full time committee member. Alberta Chicken Producers would like to thank Jacob Middelkamp and Dr. Fricke for their contributions and formally welcome David, Dr. Mitevski and Shawn to the Research Committee.

Research Committee Members:

- Ite Veurink, Chair, ACP
- David Hyink, Director, ACP
- Sunny Mak, Vice President, Live Operations Division, Sofina Foods
- Dr. Darko Mitevski, Poultry Veterinarian, Poultry Health Services Ltd.
- Shawn Fairbairn, Poultry Nutritionist, Poultry Partners
- Dr. Valerie Carney, Poultry Production Specialist, Alberta Agriculture and Rural Development.
- Trevor Prout, ACP Staff Coordinator

Research and development of innovative technologies and techniques are essential to the competitiveness and sustainability of our industry. The money we invest in research and development benefits all stakeholders and moves our industry forward.

The Board thanks all researchers, industry partners, and committee members for their on-going commitment to research and development.

Agriculture Funding Consortium

Alberta Chicken Producers is one of twelve associate members of the Agriculture Funding Consortium. The associate members represent various commodity groups in Alberta. Along with the twelve associate members are three major funding consortium members: Alberta Innovates – Bio Solutions (AI-Bio), Alberta Crop Industry Development Fund (ACIDF) and the Alberta Livestock and Meat Agency (ALMA).

As an associate member, Alberta Chicken Producers Research Committee provides a voice for the broiler industry's research priorities and helps guide the focus for the future research and development in Alberta.

The funding consortium provides many efficiencies and joint funding opportunities otherwise not possible for the Alberta Chicken Producers as a single identity.

The Agriculture Funding Consortium received 180 letters of intent (LOI) requesting funding for the 2013/2014 call for proposals. During the fall consortium LOI review meeting, seventy-eight LOI's were identified by the consortium and full proposals requested from the researcher. Prior to the fall consortium meeting the Alberta Chicken Producers Research Committee, with the feedback from our three Producer Representatives, met to review ten proposals that pertained to the chicken industry and selected seven letters of intent for full proposals. Following the fall consortium letter of intent review, four proposals were supported for full proposal request and were part of the seventy-eight total proposals selected for full proposals.

Full proposals must meet technical standards and guidelines to be awarded funding; and, this review process takes place from January through March 2013. The Agriculture Funding Consortium will meet to announce the supported projects to the successful applicants on March 4, 2014.

The 4 full proposals to be further reviewed at the 2013/14 funding consortium, in order of importance to the Alberta Chicken Producers Research Committee Research Priorities:

1. Effect of hatching egg shell quality on hatchability and chick quality;
2. Automated, rapid detection and identification or rule-out of high priority influenza viruses;
3. Optimizing lighting for precision broiler breeder feeding;
4. Reduction of *Campylobacter* contamination in poultry using food-grade antioxidants.

Poultry Research Centre Support

In addition to the funding consortium, Alberta Chicken Producers supports the Poultry Research Center (PRC), which conducts on-going research that benefits egg and poultry producers and processors in Alberta. As a funding partner of the PRC, our 2013 commitment was \$92,016. The Alberta Chicken Producers Research Committee also focuses on connecting its priorities with the strategic plan and activities of the PRC. The Research Committee held a meeting with the PRC to review Letters of Intent prior to submission, to align research projects with the priorities of the Alberta Chicken Producer's Research Committee. This process has had a positive impact on guiding the focus of research as well as the transfer of research and technology.

Research cont'd

Poultry Research Centre Report

Submitted by Dr. Valerie Carney

The students, staff and researchers thank you for your partnership and collaboration in 2013. The most successful research centers are characterized by highly involved partnerships where interactions and information flow from the university to industry but also vice versa. We are thrilled to be working together with the Alberta chicken industry to collectively address challenges. In 2013, the PRC team was involved in many research projects with promise for the poultry industry. Below are samples of what the team has been working on. Visit our website at: www.poultry.ales.ualberta.ca for more information.

Vitamins for health and performance

Research teams of Drs Korver and Zuidhof have investigated the effects of HyD, either fed to broilers or breeders, on broiler performance and immune function. Dr. Korver's team found that supplementing breeder diets with HyD reduced embryonic mortality, increased broiler breast yield and immune function (phagocytosis). Dr. Zuidhof's team further showed that HyD fed directly to broilers aids in mitigating stress of inflammatory responses.

Precision feeding...a look into the future

Dr. Zuidhof's research team now includes engineers as they work together to develop a feeding system for broiler breeders that will provide "the right bird the right amount of food at the right time." Every year broilers are heavier and the competition for feed increases...along with the challenges of managing their parents to produce high numbers of chicks. This new equipment has gone through many modifications and the latest prototype enabled a 100% of a small pilot flock to achieve bodyweights that were within 5% of the mean bodyweight. This is a significant improvement as typically, flocks are considered to have good uniformity if 80 to 85 per cent of the flock is within 10 percent of the mean. Bodyweight uniformity is a key to managing a flock for optimal production. With a 100% uniform flock, each management decision can optimally affect each bird.



Embryonic skeleton...opportunities for growth

Cible Torres, a Ph.D. student with Dr. Doug Korver, investigated the effects of maternal trace mineral nutrition on embryonic and post-hatch bone development as influenced by incubation temperature. Cible found that maternal nutrition and hatchery management may provide opportunities to improve skeletal health of chicks, especially those from young flocks. Targeting specific incubation profiles for eggs from young breeder flocks may help to increase chick quality at the hatchery.

Flavour favor

The consumption of high levels of dietary sodium is linked to many health issues. Therefore, a reduction of salt level in foods is recommended by public health organizations such as WHO and it is a priority for Health Canada and the Canadian food industry. In recognition of World Salt Awareness Week, Associate Minister of Health, Dave Rodney introduced Dr. Betti to his colleagues in the Legislature and highlighted Dr. Betti's research. Dr. Betti has developed a new process of producing amino acids, peptides and glycopeptides that have salty or kokumi tastes from poultry byproducts. The purpose is to use these ingredients as salty replacers or enhancers of salty taste and flavor in processed meats and processed foods.

A Fine Feather Filter

Dr. Aman Ullah is the newest edition to the PRC research team. Dr. Ullah's work supports the sustainable growth of the poultry industry by developing products that efficiently utilize poultry byproducts. Although challenging, Dr. Ullah's research has developed water purification filters from feathers to remove toxic metals. He is also developing nano-structured biodegradable food and non-food packaging. These projects are yielding large social, economic, and environmental benefits.

Poultry Health Services

Submitted by Dr. Tom Inglis

In 2013 it is fair to say that we have seen some significant new challenges for the industry and veterinary team at the Poultry Health Centre of Excellence. The diagnostic service has worked closely with Alberta Chicken Producers and allied industry to understand new emerging challenges like REO virus arthritis as well as ongoing work to understand and treat age old conditions such as cases of high early mortality. While omphalitis and yolk sac infection are not new challenges to chicken production, the discussion on how best to treat these infections has moved from one with individual growers, to the Provincial and National levels. As strategies for antimicrobial therapy for farm animals continues to change and evolve it is clear that the foundation for responsible and sustainable use of antimicrobials in human and veterinary medicine is a good understanding of the diseases and pathogens being controlled. The voluntary restriction of antimicrobial use by the industry announced this last year will create new challenges for maintaining bird health and we will have to work closely to coordinate our veterinary, nutritional, and management efforts to maintain the welfare and health of our flocks. To ensure that medications are being used at the right time in the right way it is important to consult with your veterinarian. Understanding the role of health management products in the development of antimicrobial resistance in poultry pathogens will be important to protect bird health and preserve our access to medications.

On the disease front, the diagnostic service provided by The Poultry Health Centre of Excellence saw a steady number of cases submitted from Alberta Chicken Producers relative to the previous years. Having identified, the introduction of variant Infectious Bursal Disease Virus (IBD) and an emerging challenge with REO virus in 2012 we continued to work on cases related to the control and management of these diseases. The REO virus strain isolated from the cases in Alberta is less than 50% similar to the strains available in commercial vaccines, which explains why these infections have overcome the control programs. A significant advance in the efforts to control REO virus infections in broilers was made this year by working together with technical service teams and their veterinarians in the isolation, identification and approval for a permit to introduce REO virus strains into Breeder vaccination programs in 2014. Strategies for controlling variant IBD using commercially available vaccines appear to be working on the farms where they have been implemented. As in other years we have supported producers and processors through a series of investigations to prevent residues in chicken products in accordance with the CFIA food safety and humane handling requirements. One area that we must maintain particular focus on is the prevention of losses and Dead On Arrivals (DOAs) associated with endemic metabolic diseases such as Ascites and Right Heart Failure. Metabolic conditions are associated with rapid growth rates and while influenced by a number of management and nutritional

factors birds with these conditions will be present in the healthiest and highest performance flocks. To ensure that we are preventing all types of disease it will be important to fine tune our production systems and management to balance the needs and potential of our modern birds.

At the company level we are continuing to grow our lab and professional team to enhance diagnostic and consulting capabilities for our clients. After 10 years of working to enhance veterinary support for the industry at the Poultry Health Centre of Excellence we have been successful in securing Provincial and National funding to add significant advanced diagnostics and vaccine research to the Western Canadian Poultry Industry. On October 19th 2013, the Honorable Minister for Western Economic Diversification, Michelle Remple, Wild Rose and Gordon Cove, President and CEO of The Alberta Meat and Livestock Agency announced the funding of the Institute for Applied Poultry Technologies (IAPT). The IAPT is a not for profit diagnostic and research organization focused on application and commercialization of technologies for the commercial poultry industries. The IAPT will operate as an extension of the Poultry Health Centre of Excellence based in Airdrie and help us to bring cutting edge technologies, diagnostics, food safety and welfare initiatives to Western Canadian poultry operations.

From the farm level to Ottawa we are working hard to understand and address the needs of poultry producers so as we look back at 2013 and forward to 2014 we are proud to work with the Alberta Chicken Producers and the Canadian chicken industry in a number of capacities. We look forward to a productive, profitable and healthy year in 2014 for the birds and people served by our industry. On behalf of our team I would like to thank you for these opportunities to contribute and your ongoing support.

Alberta Livestock and Meat Agency

Submitted by Gordon Cove

The Alberta Livestock and Meat Agency (ALMA) is committed to stimulating new ideas for a sustainable livestock and meat sector and its partners. Partnering with industry on key pursuits encourages a strategic approach to addressing industry challenges and opportunities, while collaboration between committed partners inspires creative thinking and actions.

ALMA has been a sustaining partner of the Alberta chicken industry for more than five years. Last year, ALMA partnered with the chicken sectors on 19 projects and committed almost \$1.9 million to transformative projects; projects that focus on the fundamental areas of food safety, animal health and welfare, best practices, consumer awareness, innovative product and market development, and automation and efficiency improvements .

Direct partnerships between ALMA and Alberta Chicken Producers (ACP):

- Consultative workshops on antimicrobial usage reduction.
- ACP website redesign to increase visual impact and provide access to information on chicken farming.
- Update of the Chicken Barn Tour exhibit to demonstrate modern agricultural practices in an interactive manner.

ALMA provided support for innovative research projects that benefit the chicken industry:

- Re-gain value of Heritage chickens to ensure genetic preservation and sustainability and establish a new self-sustaining market. Principal applicant: University of Alberta (U of A).
- Scale up a platform of technologies on the extraction of valuable compounds from mechanically deboned poultry meat and poultry biomass for skin care. Lead researcher: Dr. Mirko Betti, U of A.
- Identify sources and factors of Enterococcus infections in chicken embryos and neonatal broiler chickens. ,Lead researcher: Dr. Susantha Gomis, University of Saskatchewan.
- Formulate three vaccines for reducing Salmonella and Clostridium in poultry. Lead researcher: Dr. Christine Szymanski, U of A.
- Apply high pressure processing (HPP) to control Listeria monocytogenes in uncured, antimicrobial-free, ready-to-eat poultry product. This will extend shelflife, preserve nutrient content and organoleptic properties, using a highly environmentally friendly processing method. Lead researcher: Dr. Lynn McMullen, U of A.
- Develop live-attenuated vaccines to prevent Campylobacter colonization in poultry. Lead researcher: Dr. Byeonghwa Jeon, U of A.
- Innovative opportunities to utilize poultry waste material for packaging application (biopolymer nanocomposites). Lead researcher: Dr. Aman Ullah, U of A.

Alberta Farm Animal Care

Submitted by Lorna Baird

Alberta Farm Animal Care (AFAC) is an organization formed by the livestock and poultry industry in Alberta. AFAC's vision is that Livestock in Alberta are respected and well cared for, resulting in good animal welfare.

Our Mission:

- Provide a coordinated approach for the livestock industry to work together to advance and promote responsible animal care and welfare
- Be a credible, committed, legitimate, responsible, broad-based voice of farm animal care in Alberta
- Develop collective, unified, harmonized, consistent message, activities and resources

It has been another busy year at AFAC. Here are some of the key activities we've been working on in 2013:

- Launched the Livestock Handling Trailers and Training program
- Poultry Emergency Preparedness
- Information Leadership Initiative
- Developing a sustainable AFAC
- Canadian Livestock Transport (CLT) Training and Certification Program
- Annual Livestock Care Conference
- ALERT Line
- AWWERT – Animal Welfare Veterinary Response Team

For more information on these and other initiatives at AFAC, please visit www.afac.ab.ca.

One of the key strengths of AFAC is in our ability to represent the livestock and poultry industries with a collective voice. Working together, we can demonstrate strength in numbers and it's through the dedication and commitment of board members and their home organizations that we can accomplish our goal of promoting responsible animal care. Thanks to the AFAC member groups and individuals for their continued support and participation.

The Agri-Environmental Partnership of Alberta

Submitted by Janet Dietrich and Van Diemen

In 2013, the AEPA continued working on the three strategic priorities under its 2012-15 Strategic Plan, with a particular focus on addressing land-use and water issues.

In regards to land-use issues, AEPA provided input on the draft South Saskatchewan Regional Plan (SSRP). This included hosting a draft SSRP Industry Roundtable, developing a briefing on the plan for agricultural stakeholders, and developing consensus feedback to be forwarded to the Ministers of Alberta Agriculture and Rural Development (ARD), and Alberta Environment and Sustainable Resource Development (ESRD). AEPA representatives also participated in the public consultation sessions and in a stakeholder discussion session regarding surface water and air quality management frameworks for the SSRP.

In regards to water issues, along with the water issues addressed in the feedback to the draft SSRP, AEPA developed feedback on Alberta's Irrigation – A Strategy for the Future, also to be forwarded to the Ministers of ARD and ESRD. AEPA also worked with Ducks Unlimited Canada to partner in planning a pilot Wetland Management Course, to be held in 2014. AEPA representatives also participated in provincial water conversations.

To further engage and build understanding with members and industry partners on agri-environmental policy issues, AEPA held an Ecosystem Services Forum, and communicated with partners through the tools identified in its Communications Plan, including the AEPA website, On Common Ground e-newsletter, and email communication (i.e. Messages from the Manager).

AEPA also updated internal processes in 2013. This includes reviewing and renewing the Board Procedural Guidelines, and updating the Water Advisory Team and Land-use Framework Advisory Team Engagement Strategy and Terms of Reference.

Looking forward, AEPA aims to keep current and engaged in developing Land-use Framework and water policy processes in 2014. This will include responding to the outcome of the provincial water conversation, staying engaged in the implementation of the Wetland Policy, and participating in the Regional Advisory Council nominee process for the remaining regional plans.

Critical to the continuing work of AEPA has been the involvement and participation of the various agriculture commodity groups. These groups, including the Alberta Chicken Producers, Egg Farmers of Alberta, Alberta Turkey Producers, and Alberta Hatching Egg Producers, have been actively involved both at the Board and advisory team levels.

For more information on AEPA, visit our website: www.agpartners.ca.

Intensive Livestock Working Group

Submitted by Ron Axelson

The Intensive Livestock Working Group (ILWG) is a strategic alliance of eight of Alberta's mainstream livestock and poultry organizations with a mandate to collaborate on overarching issues to maximize the industry's influence on policy development and get the most value out of scarce resources. Broad priority issues include:

- Water and air quality policies
- Water rights and allocation policies
- Land Use Planning
- Farm Safety

Current Activities/Projects

Sub Basin "Phosphorus" Pilot Project – This project is a long-term, research initiative between Alberta Agriculture (ARD) and the ILWG to develop and test an approach to mitigate phosphorus (P) migration from land to water bodies. The primary component of the project is the development of a tool that can both assess risk and recommend practice change that will reduce impacts on water quality from any land base. The project is working directly with producers in Acme and Tindastoll Creek sub watersheds.

Bow River Phosphorus Management Plan – The ILWG is working with Environment & Sustainable Resource Development (ESRD) and other stakeholders on this project with a goal to identify strategies and actions to improve water quality by reducing phosphorus loading into the Bow River. It is considered a pilot project of the water quality management frameworks approach that will be developed under each of the seven regional plans.

Ecosystem Services Assessment Project – This project being facilitated by the Alberta Biodiversity Monitoring Institute will make a significant contribution to the effectiveness and viability of provincial ecosystem service policy that is sure to evolve over the next few years.

The project has two principal objectives:

- Develop a credible system for measuring, valuing, and mapping ecosystem services across
- Promote environmental innovation and competitiveness in Alberta's natural resource sector by developing applications and tools using ecosystem services information

Water Allocation – The ILWG is collaborating with other agricultural organizations to improve our knowledge on Alberta's water allocation system, to build an understanding of the processes to improve effectiveness of influencing future policy development.

Farm Safety – The ILWG is acting as a catalyst to have the agricultural commodity groups and senior ARD officials develop a farm safety strategic framework, utilizing the recommendations of the "Alberta Farm Advisory Council" as the basic platform. A number of livestock/poultry operations are participating in a "Farm Safe" pilot project. The pilot will take farm operators through a step by step process to develop a health and safety plan. Farm operators will learn how to identify the hazards specific to their operations and how to take steps to eliminate or control them.

Policy Advisory Group

Submitted by Peter Woloshyn

The Policy Advisory Group is a multi-stakeholder advisory body to the Natural Resources Conservation Board and Agriculture and Rural Development, to support effective delivery of the Agricultural Operation Practices Act (AOPA) and the development of appropriate legislative and regulatory changes. The focus to date has been on providing advice to the Natural Resources Conservation Board on the development of operational policy, to help ensure consistent and transparent delivery of the act. Erna Ference, Chair, Alberta Chicken Producers and David Hyink, Vice Chair, are the poultry sector representatives. Ference and Hyink were appointed in 2012 and 2009, respectively.

The Policy Advisory Group normally meets two to three times each year. In 2013 it met on Wednesday, May 29. An October meeting was scheduled to be held in conjunction with an accountability session with the ministers of Agriculture and Rural Development and Environment and Sustainable Resource Development. The meeting and accountability session were later rescheduled to January 28-29, 2014.

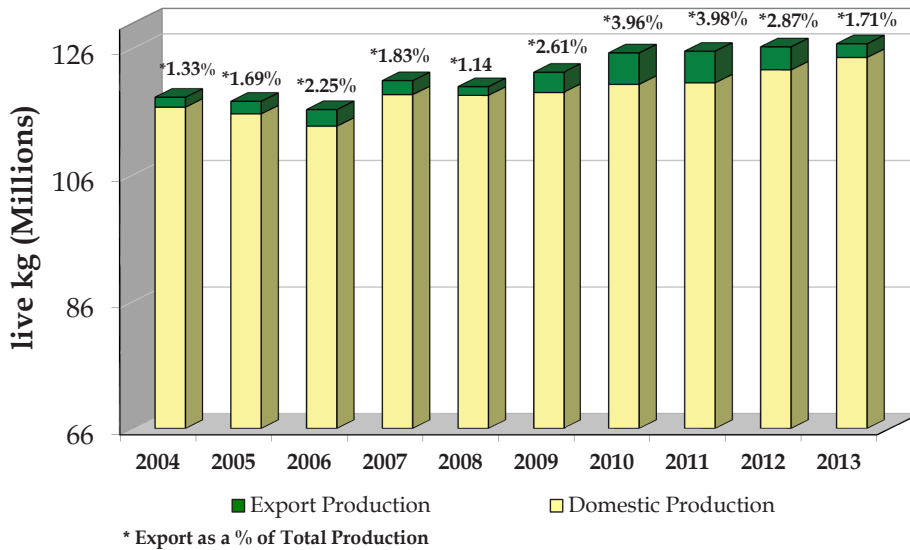
Discussions at the May 2013 meeting focused on the Natural Resources Conservation Board's draft operational policies for construction deadlines, abandoned facilities, and amendments to municipal conditions (attached to permits prior to 2002). Members also discussed the process being used by the Natural Resources Conservation Board to determine grandfathered status for operations. Members were briefed by Environment and Sustainable Resource Development on how water licence applications are processed. New forms and decision documents to improve the transparency of approval officer decisions were also presented.

Discussions that will be carried forward to 2014 include the draft Natural Resources Conservation Board policies on abandoned facilities, construction deadlines, amendments to municipal conditions and grandfathering determinations, and an update of the 2008 approval policy. Operational policies that have been developed through consultation with the Policy Advisory Group and that are now in effect are available on the Natural Resources Conservation Board website, at www.nrcb.ca.



Market Reports

**ALBERTA'S ANNUAL PRODUCTION
2004 - 2013**



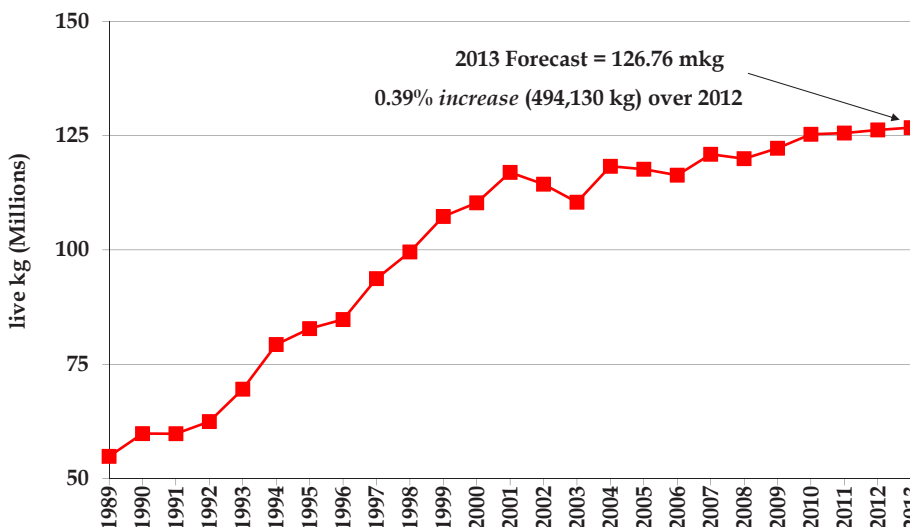
Alberta's Domestic Production in 2013 is estimated to be 124.6 million live kg, an increase of 1.95 million live kg, or 1.59%, over 2012. Canada's 2013 domestic production is estimated to be 1.36 billion live kg, an increase of 25.24 million live kg, or 1.89%, over 2012.

Alberta's Market Development in 2013 is 2.17 million live kg; a decrease of 1.46 million live kg or 40% below 2012.

Alberta's Market Development represents 1.71% of Alberta's total production in 2013 versus 2.87% in 2012.

Comparatively, Canada's Market Development represents 4.14% of Canada's total production in 2013 versus 3.98% in 2012.

**ALBERTA'S ANNUAL
TOTAL CHICKEN PRODUCTION**



Canada's Total Chicken Production in 2013 is estimated to be 1.42 billion live kg, an increase of 2.06% over 2012, and 1.31% over the average total production between 2011 and 2013.

Alberta's Total Chicken Production in 2013 is estimated to be 126.76 million live kg, an increase of 494,130 live kg (0.39%) over 2012, and 0.44% over the average between 2011 and 2013. This modest growth in 2013 is attributed to the decline in use of the Market Development Program.

An increased demand for dark meat in the domestic market has resulted in lower market development volumes over the past couple of years.

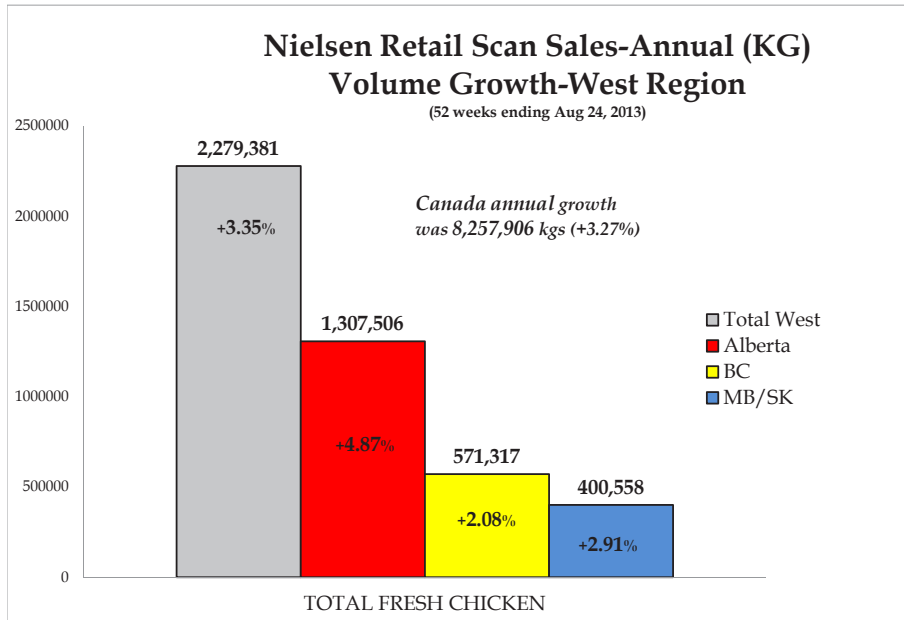
Alberta's Quota Utilization (2012-2013)							
Period	Dates		Utilization			AB Compared to Canada	AB Compared to Western Canada
			Alberta	Western Canada	Canada		
A108	12/04/11	01/28/12	102.5%	101.9%	100.9%	1.6%	0.6%
A109	01/29/12	03/24/12	100.2%	100.3%	99.5%	0.7%	-0.2%
A110	03/25/12	05/19/12	99.7%	100.2%	99.9%	-0.2%	-0.5%
A111	05/20/12	07/14/12	98.8%	100.6%	98.6%	0.2%	-1.8%
A112	07/15/12	08/09/12	95.7%	98.5%	97.0%	-1.3%	-2.8%
A113	09/09/12	03/11/12	100.2%	101.0%	101.1%	-0.9%	-0.9%
A114	04/11/12	12/29/12	101.7%	101.5%	101.4%	0.3%	0.2%
A115	12/30/12	02/23/13	102.0%	102.9%	101.9%	0.1%	-0.9%
A116	02/24/13	04/20/13	98.9%	100.7%	100.8%	-1.9%	-1.8%
A117	04/21/13	06/15/13	98.4%	100.6%	99.8%	-1.4%	-2.2%
A118	06/16/13	08/10/13	97.9%	98.7%	98.5%	-0.6%	-0.8%
A119	08/11/03	10/05/13	100.1%	99.0%	99.7%	0.4%	1.1%
A120	10/06/13	11/30/13	99.1%	101.4%	101.2%	-2.1%	-2.3%
2 YEAR AVERAGE			99.6%	100.6%	100.0%	-0.4%	-0.9%

The table above compares Alberta's Utilization Performance to Western Canada and Canada.

In 2013, Alberta's Utilization Performance declined 0.4% (99.4%) compared to 2012 (99.8%). In 2013, Alberta's performance was driven by under production in A-116, A-117 and A-118 or March to August which was impacted by a chick supply issue in the United States, heat and humidity in the summer, and chick quality issues.

Over the past 2 years, Western Canada has performed slightly ahead of the national average, achieving 100.6% utilization vs. 100.0% respectively. Alberta's 2 year utilization average was 99.6% during this timeframe.

Market Reports

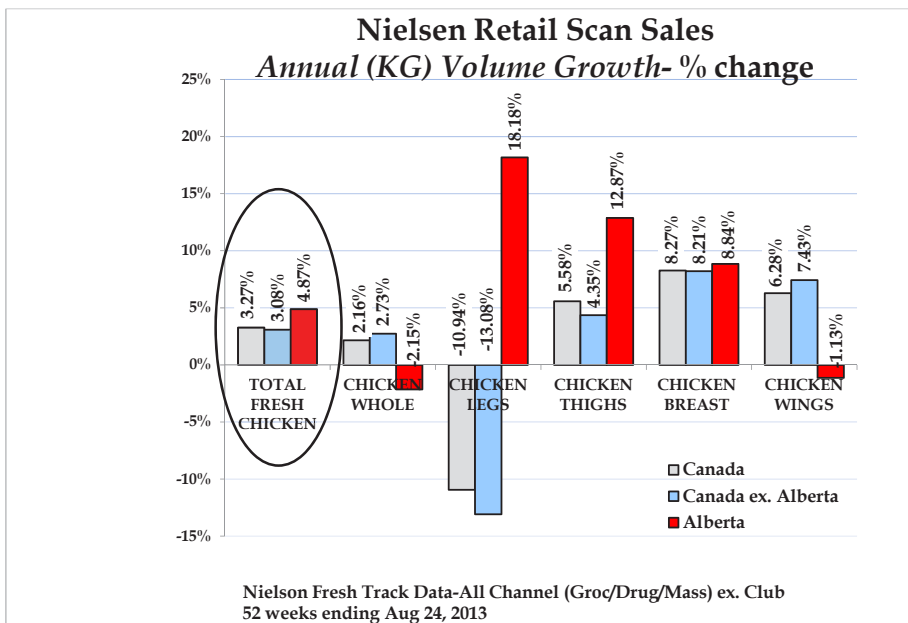


Nielsen data is used extensively in Canada by retailers, food manufacturers and processors to measure consumer spending and demand for products in the Canadian grocery industry.

Nielsen data shows growth in the fresh chicken category of 3.27%, or 8.26 million kilograms in Canada for 2013.

Western Canada represented 28% or 2.28 million kilograms of the total volume growth in Canada.

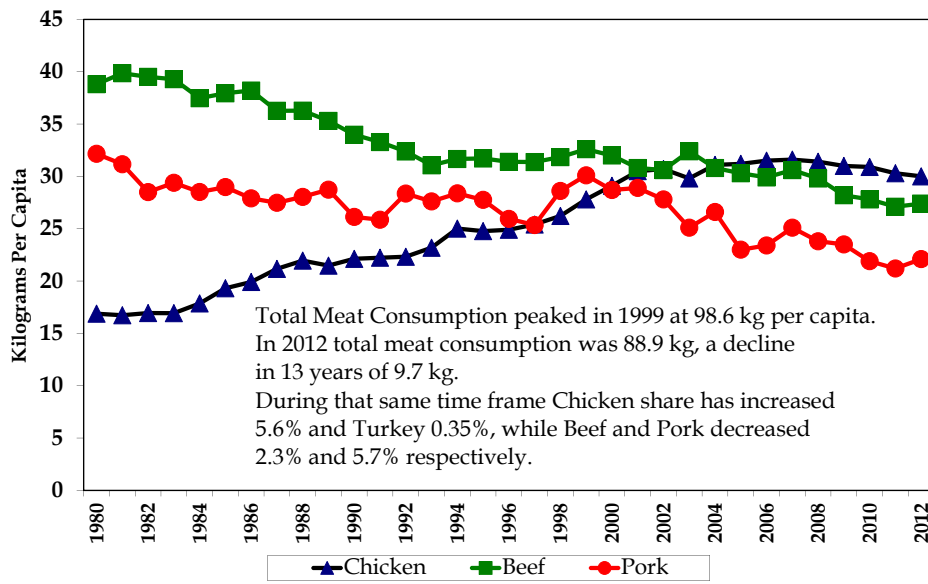
The fresh chicken category in Alberta continues to have the highest year over year volume growth in Canada's retail sector. Alberta's year over year volume growth is 4.87%, a full 1.6% ahead of the national growth rate for 2013. In terms of kilograms, Alberta contributed over half (57.36%) of the gains in the West, and a 15.83% share of the total incremental gains in Canada.



Retail scan data, as provided by Nielsen Fresh Track, shows Alberta's volume growth in sales of fresh chicken at 4.87%, compared to 3.27% national growth. National growth, excluding Alberta in 2013, is 3.08%. Total Canada's year over year volume growth is 3.27%.

This chart illustrates the increased demand in dark meat cuts, with thighs and legs in Alberta increasing 12.87% and 18.18% respectively. The demand for white meat is equally impressive in Alberta. Alberta's volume of breast meat growth is pacing at 8.84%, while Canada, excluding Alberta, grew by 8.21%.

Canadian Meat Consumption (Per Capita)



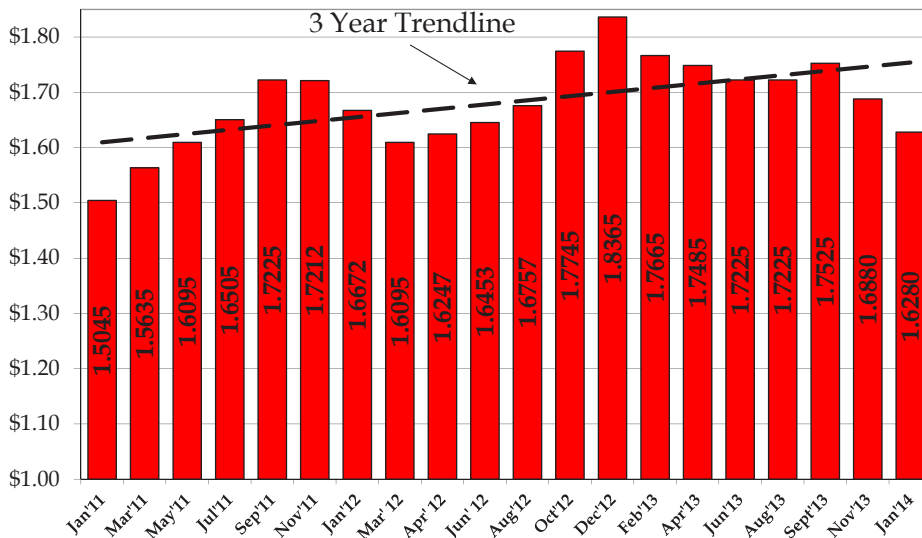
As of 2012, per capita consumption of chicken in Canada was 30.0 kg. Chicken remains the number one consumed protein in Canada with beef at 27.4 kg and pork at 22.1 kg per capita consumption for 2012.

While per capita chicken consumption has declined since 2007, this trend has been seen across all meat sectors since 1999. Total meat consumption in 2012, which excludes fish, is 88.9 kg. This is a drop of 9.7 kg from the peak of 98.6 kg in 1999.

Chicken continues to see the highest per capita consumption of all the meats, since it surpassed beef in 2004. When looking at per capita consumption as a share % of total meats consumed, chicken maintains a 33.75% share, beef 30.82%, and pork a 24.86% in 2012. Chicken's share of total meat has continued to increase, gaining 2.48% in 10 years, while beef declined 3.18% share and pork 1.48% share in that same time period.

Market Reports

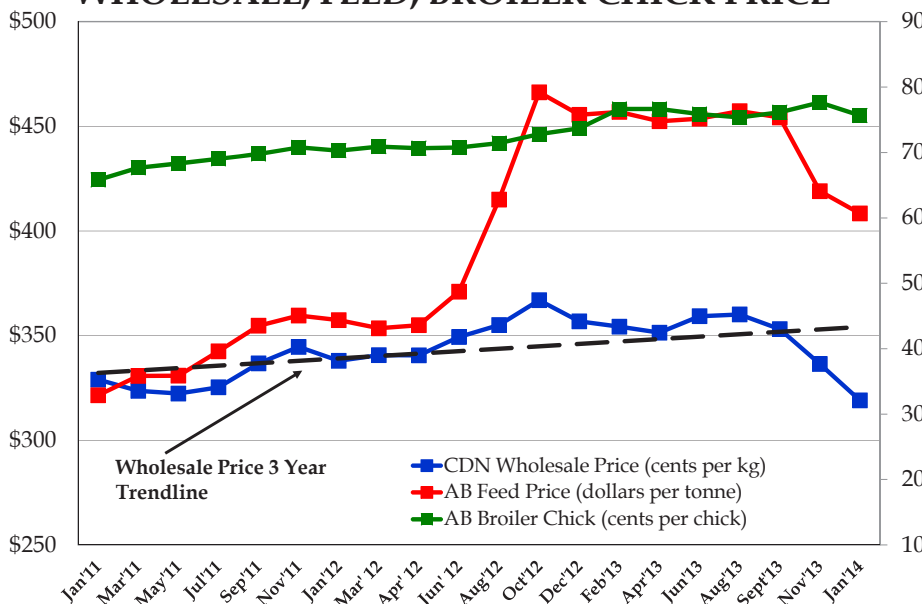
ALBERTA LIVE PRICE



Alberta's average live price for 2013 was \$1.7184/kg, an increase of \$0.024/kg from the 2012 average. Alberta was on par with the Canadian average increase in 2013. This year, higher feed and chick costs have been the main drivers for live price increases across Canada.

In 2013, Alberta's live price started the year at its peak in Period A-115 (Jan/Feb 2013) at \$1.7665/kg; and over the year, live price declined to \$1.6280/kg in Period A-121 (Dec/Jan 2014). The difference between the high and low in 2013 was \$0.14/kg.

WHOLESALE, FEED, BROILER CHICK PRICE

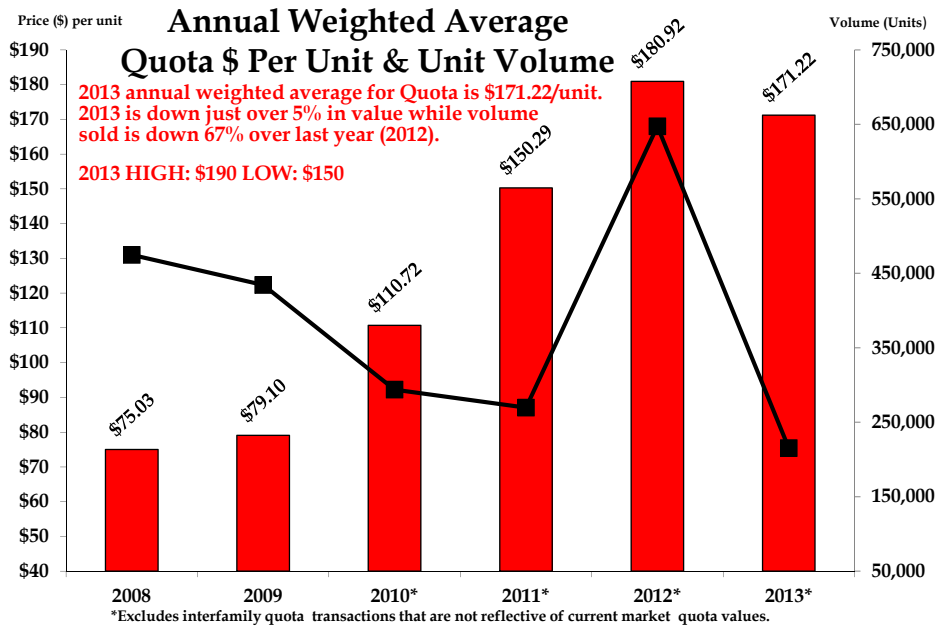


Canada's market composite wholesale price (simple average of five sub-composites that represent the various cuts of chicken) for 2013 was \$3.50/kg, a relatively flat change from \$3.51/kg in 2012.

A spike in feed prices that began mid-summer 2012, lasted well into the fall of 2013. As the 2013 fall harvest finished, significantly higher production yields compared to the 2012 drought year were reported.

Feed prices and, in turn, the market composite wholesale price are responding to this drop in input costs (live price). Broiler chick prices are slower to respond and remain high; we anticipate these prices too will drop as long as feed prices remain at or below current levels.

Feed and chick represent just over 70% of the cost components in live price.



Year		\$/Quota Unit	Volume of Sales	Number of Sales
2010	QTR 1	\$ 105.95	102,799	14
2010	QTR 2*	\$ 109.05	58,775	7
2010	QTR 3	\$ 110.91	47,034	4
2010	QTR 4	\$ 117.52	85,212	18
2011	QTR 1	\$ 128.39	49,577	8
2011	QTR 2*	\$ 133.95	25,967	10
2011	QTR 3	\$ 148.65	88,768	10
2011	QTR 4*	\$ 166.01	105,321	9
2012	QTR 1	\$ 182.70	243,551	12
2012	QTR 2	\$ 186.06	198,837	19
2012	QTR 3*	\$ 178.67	88,577	11
2012	QTR 4*	\$ 170.11	116,417	9
2013	QTR 1*	\$ 168.12	34,300	4
2013	QTR 2*	\$ 169.04	66,207	14
2013	QTR 3*	\$ 168.42	82,459	7
2013	QTR 4	\$ 186.13	32,292	7

*Indicates interfamily quota transactions below market value prices were excluded from this quarter to better reflect true market conditions.

The volume of Quota units sold in 2013 as of December 31st, 2013, totaled 215,258, down 432,124 units or 67% from the record high volume sold in 2012.

Quota transactions as of December 31st, 2013, totaled 32, down 19 from 2012. Three were sold "with" facilities and twenty nine "without" facilities.

Alberta's weighted average price of quota in 2013 was \$171.22 down \$9.70/unit or 5.36% from \$180.92 in 2012.

Alberta's 2013 quota price high was \$190.00 and low was \$150.00.



Alberta Chicken Producers

2518 Ellwood Drive SW

Edmonton, AB T6X 0A9

Telephone: (780) 488-2125

Fax: (780) 488-3570

www.chicken.ab.ca