

## FAQs:

# The National Highbush Blueberry Promotion and Research Agency/Council

Last updated February 2011

### Why do we need another organization?

There are numerous opportunities to build a strong, efficient and competitive industry that require more funds and resources than are currently available.

**Highbush blueberry production is increasing and new domestic and global markets need to be accessed.**

By 2013 BC production will be over 120 million; other provinces production rates have doubled since 2005.

**An equitable contribution system is needed to support industry**

**growth.** Over 36% of the highbush blueberries sold in Canada are from importers who do not share the costs of any of the promotion, marketing and research we do. Importers need to make equal investments in the cost of building highbush blueberry markets as they as they do, and will continue to, benefit from local efforts.

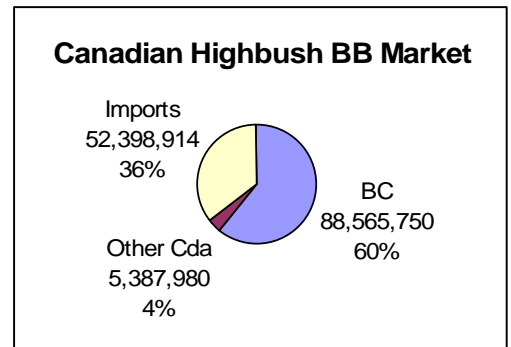
**Sell more in Canada.** BC produces 95% of all highbush blueberries in Canada, Ontario, Quebec and Nova Scotia produce most of the remaining 4%. With the growing interest in highbush production more domestic promotion would increase domestic sales.

**Consumers are increasingly looking for products that are good for their health that are affordable.**

**Buyers want new products which are delivered with low carbon foot prints and in recyclable packaging.**

**Governments are nurturing self-supporting industry efforts.**

**Importers “want a say” in market development.**



### What are the benefits?

Historically a few provincial organizations have provided the means for growers to benefit from research, promotional activities, market development and consumer education. The creation of a National Agency/Council provides an opportunity to:

1. **Increase export and domestic sales**
2. **Increase research** for production, health-claims, and innovation purposes
3. Establish an **equitable contribution process**
4. **Supply matching funds** to leverage Government funding
5. Create a cooperative environment to **build a sustainable industry** for the future

### What will this cost me and what is the potential revenue?

It is true that all good things cost something. In our case you will be part of that decision making process. The proposed program levy would be \$0.006 per pound or higher. Other national programs have experienced at least a 5 cent price impact from a 1 cent investment.

	Total Production (lbs)	National Levy Options		
		\$ 0.005/lb	\$ 0.008/lb	\$0.01/lb
Canada	93,953,730	\$469,769	\$751,630	\$939,537
Imports	<b>52,398,914</b>	<b>\$261,995</b>	<b>\$419,191</b>	<b>\$523,989</b>
Potential Revenue	146,352,644	731,763	1,170,821	1,463,526

### What will the levy be applied to?

The levy will be applied to domestic and imported processed and fresh highbush blueberries certified organic and not certified organic.

### What about operators who grow berries in Canada, ship to US to process and then import them back to Canada?

A rebate system is being designed as part of the program.

***What is a National Promotion and Research Agency/Council?***

It is a national body which works to conduct marketing, promotion and research activities in order to benefit all its producers, consumers and importers. Under the Farm Products Agency Act it has the authority to access customs information but will not regulate the quantities or price of highbush blueberries or license producers.

***Will this program be competitive?***

The United States Highbush Blueberry Council (USHBC), which has had their levy program in place since 2001, collects a levy of \$0.006 per pound on producers and importers of fresh and frozen highbush blueberries.

***Who will collect the levies?***

Defining this process is in progress. The national levy will be collected domestically for sales within a province and between provinces by arrangements with the provincial organization or directly by the National Council. We would like to work with Canadian Border Services Agency to collect on the levy on imports.

***Why do we need a domestic system?***

A key World Trade Organization trade principle states that a national levy collection system must be established before a levy can be imposed on imported product.

***What is the process to establish a National body?***

A proposal is being developed by industry and will be presented to the Farm Products Council of Canada (FPCC) for review. If satisfied that the majority of industry is "in favour" the FPCC will make recommendations to Parliament via the Minister of Agriculture and Agri-Food. Cabinet can proclaim the agency.

***Why will the process take so many months?***

A national agency/council requires producer engagement, provincial participation and federal-provincial co-operation. Therefore, time for meaningful communication, feedback and decision making is required from stakeholders across the country.

***Who will be on the Agency/Council Board of Directors?***

The Board will consist of three to sixteen directors who are primary producers and importers. A representation formula will be set agreed to by participating parties and set out in the by-laws.

***Is the Agency/Council a Government department?***

The Council will operate like any other not-for-profit organization; it is not a government body. The board of directors is elected by the eligible producers and importers and the Chair is elected by the board.

***What can you do to help this process along?***

Grower involvement and guidance is crucial to the establishment of the program

- ] Talk: Discuss the idea and issue with to those you know
- ] Read: You will be receiving more information as the weeks and months go by
- ] Attend: We are planning several public meetings over the next months
- ] Respond: We will be doing some surveys for you to fill in.
- ] We want to know what you think; contact the BC Blueberry Council office at 604 864 2117.