

Strategic Plan 2018-2023

for

British Columbia Blueberry Council

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Canada

—Confidential—

Prepared by

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Growing Forward 2, a federal-provincial-territorial initiative



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Executive Summary

Opportunities abound for the B.C. blueberry industry as demand for high-quality, great tasting blueberries grows domestically and internationally. As a mature region and the largest producing jurisdiction in North America with an ever growing and highly competitive world market, the BC Blueberry Council (BCBC) must ensure efficiency and effectiveness in its operations. BCBC has the potential to remain a major leader in this market and a valued support to the blueberry industry.

Over the past six months, BCBC has gone through an operational change whose process determined a need for a unifying vision and mission, an agreement on purpose and value, and most critically, the formation of objectives necessary for the future growth of the organization to best serve its membership. As a result, BCBC initiated the start of a Strategic Plan to define the organization's direction for the next five years.

In preparation for this Strategic Plan, Farm Food Drink Business Advisory Team conducted an Environmental Scan of similar agricultural councils, a BCBC Member Survey, and interviews with BCBC board and council members to better understand how BCBC can serve its membership. These Pre-Session results were compiled into a plan which identified where the gaps and opportunities within the organization and sector reside. The full Pre-Session Plan is available for review; however, summaries of the research are included in the appendices.

As a result of the Strategic Planning process, an updated Mission, Vision, Values, and Mandate were established to help guide BCBC's purpose. As well, the below five Strategic Objectives were identified for BCBC to pursue over the next five years.

Strategic Objectives

1. **Programs & Member services:** BCBC provides value to its members by promoting the BC highbush blueberry industry domestically and internationally, undertaking innovative research and delivering educational programs based on the specific needs of its members.
2. **Operations:** BCBC is a professional, fiscally responsible organization.
3. **Communications:** BCBC produces and distributes regular and effective internal and external communications.
4. **Culture:** BCBC fosters an inclusive environment sensitive to the needs of its diverse members and stakeholders.
5. **Governance:** The BCBC board governs the operation of the Council as per the B.C. Farming and Fishing Industries Development Act.

Planning Session Framework

Two planning sessions were held for this project. The first session, what is defined as the Stakeholders Session, took place on February 5th, and included several board members, packers, stakeholders, BCBC staff, and Berry Industry Specialist. This session reviewed the Pre-Session planning results (which covered research, interviews and assessments), to gather industry/stakeholder perspectives and input on key issues, opportunities and objectives that would then lay the groundwork for the Board planning session. It also included a SWOT analysis exercise to gather the groups perspective on BCBC's strengths, weaknesses, opportunities and threats.

The second planning session took place on February 22, with the board of directors for the BC Blueberry Council and focused on updating and refining the Mission & Vision statements to ensure their continued relevance for BCBC for the next five years (and beyond). It also established BCBC's Strategic Objectives for the long and short-term.

Both sessions were facilitated by Greg McLaren, of Farm Food Drink – Business Advisory Team.

To the best of Farm Food Drink – Business Advisory Team's abilities, this document reports the plans and outcomes from BC Blueberry Council's 2018 strategic planning sessions. Input, draft corrections and/or additions were collected from the Board of Directors and incorporated into the strategic plan, as directed. The Board of Directors acknowledges that the planning and intentions captured in this report were contributed by members of the sector who attended the February 5 and February 22 planning sessions.

Board Session, Priority Issues and Opportunities

At the start of the Planning Session, Board members were asked to share their individual perspectives on the top issues facing the blueberry industry, and what opportunities excited them for BC Blueberry Council and the BC blueberry industry. The below is the collection of those perspectives.

It is important to note, that the following issues were cited and prioritized by several board members: Food Safety (which includes traceability), Pricing (member understanding of BCBC's role and the realities of how price is established), and Market Opportunities.

Priority Issues and Opportunities:

- Food Safety
 - GAP certified
 - Traceability
- Marketing and Pricing
 - Explanation, understanding pricing (many members do not understand BCBC's role and the realities of the industry and how it works)
 - Lack of understanding that Packers do not set the price, that is determined by others. Agreed that more/better communication about the business fundamentals of how pricing works needs to be communicated to the members
- Scope and growth of Blueberries worldwide
 - what are the best opportunities for development and pursuit by BCBC for its members?
- Market Opportunity
- BC Supply and worldwide demand of blueberry

Priority Issues and Opportunities *Continued*:

- Continue to improve and prioritize working relationship with grower/members
 - Communication and relationship with members
- BCBC remain competitive in a worldwide market (pricing, quality, production efficiency, value-added, etc.)
- Supply and demand – BCBC understanding, assessing and communication status, barriers, opportunities, and best ROI
 - I.e. what are the best market opportunities and ROI for BCBC to promote to, or information that allows members, stakeholders to pursue their mandate (BCBC’s job is not to sell, but to create awareness, promote and offer support, knowledge of the sector to members so they can sell)

SWOT Analysis & Summary

Opportunities abound for the B.C. blueberry industry as demand for high quality, great tasting blueberries grows domestically and internationally. As the world’s third largest blueberry producers, B.C. blueberry growers are positioned to expand markets through enhanced promotion, research and grower development. Market diversification and emphasis on achieving food safety compliance will help alleviate major threats. BCBC’s strong history and relationships, along with enhanced communications, operations and governance will foster a more effective organization able to meet identified goals and objectives.

Full Strategic Plan SWOT can be found in [Appendix 6](#)

<p>Strengths</p> <ul style="list-style-type: none"> • High-quality product • Good public perception (B.C. image) • Industry size & development funds • Processing capacity and storage • 29-year history: research, promotion, education programs • Strong relationships: commodity groups & government • Geography: growing conditions, market proximity • Board, Staff, Volunteers, Growers/Packers 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of clarity regarding BCBC role • Member disengagement • Food safety compliance low among small growers • Fragmented groups (growers, packers, process packers, frozen packer) • New staff - learning curve • Lack of business systems
<p>Opportunities</p> <ul style="list-style-type: none"> • NAFTA and other trade agreements • Increasing demand • Expanded communications and channels • Grower engagement: existing & new members • Advocacy • New programs/ research • Diversify revenue generation • Partnership and relationship development 	<p>Threats</p> <ul style="list-style-type: none"> • Dependency on US Market • NAFTA and other trade agreements • Climate change • Disease, pests • Food safety incident • Reliance on government <ul style="list-style-type: none"> • Funding (R&D, Promotions) • Foreign worker program • Land costs, property tax • Regulations/MRL (Maximum Res. Level?) • Competition, domestic & export

Vision, Mission, Values, Mandate

Through the Strategic Planning process, and with input from the BC Blueberry Council's Board of Directors, the following Vision, Mission, Values, and Mandate were developed. *See Appendices for the original statements.*

Vision

Our vision is a sustainable blueberry industry that consistently delivers delicious, top quality blueberries to the world.¹

Mission

To strengthen the British Columbia highbush blueberry industry through promotions, research, grower support and education.

Values

- DETERMINED – We are determined to help you prosper
- INCLUSIVE – We take time to listen, engage and support our members
- COLLABERATIVE – We are in this together
- ACCESSIBLE – Our doors are always open
- TRANSPARENT – We are working for you, our work is your work

Mandate

Provide project funding to develop the B.C. blueberry industry through:

- Promotion
- Research
- Grower Development

¹ Consistent consumer experience (taste and quality) is key according to The 2016 Global Blueberry Statistics and Intelligence Report – hence the addition of delicious

Strategic Goals and Objectives

The overarching objective of the BC Blueberry Council is to promote the expansion of the B.C. blueberry industry through the success of its membership. The strategic planning process identified the following five key objectives for BCBC to pursue over the next five years:

1. **Programs and Member Services:** BCBC provides value to its members by promoting the BC highbush blueberry industry domestically and internationally, undertaking innovative research and delivering educational programs based on the specific needs of its members.
2. **Operations:** BCBC is a professional, fiscally responsible organization.
3. **Communications:** BCBC produces and distributes regular and effective internal and external communications.
4. **Culture:** BCBC fosters an inclusive environment sensitive to the needs of its diverse members and stakeholders.
5. **Governance:** The BCBC board governs the operation of the Council as per the B.C. Farming and Fishing Industries Development Act.

1 - Programs and Member Services

BCBC provides value to its members by promoting the BC highbush blueberry industry domestically and internationally, undertaking innovative research and delivering educational programs based on the specific needs of its members.

Priority	Goals	Details	Responsible	Timing	KPI
Medium	Promotions	<ul style="list-style-type: none"> • Continue to leverage available funding and participate in promotional activities <ul style="list-style-type: none"> ○ Export development ○ Domestic development (Buy BC) • Set annual participation goals 	Staff	Ongoing	Complete & goals met
Medium	Promotions	<ul style="list-style-type: none"> • Create distinct consumer facing online presence (<i>see communications section</i>) 	Contractor	2019	Complete
High	Research	<ul style="list-style-type: none"> • Continue to conduct and expand on market research: <ul style="list-style-type: none"> ○ Prioritize and identify market opportunities in domestic and international markets ○ Branding strategies ○ Novel distribution and E-commerce opportunities 	Staff/ Contractor	Ongoing	Complete & goals met
High	Research	<ul style="list-style-type: none"> • Continue to conduct and expand on sustainable production research: <ul style="list-style-type: none"> ○ New varieties ○ Disease and pest prevention ○ Production practices ○ Water conservation 	Staff/ Contractor	Ongoing	Complete & goals met

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1 – Programs and Member Services *continued*

Priority	Goals	Details	Responsible	Timing	KPI
High	Research	<ul style="list-style-type: none"> Consider new research topics to drive demand: <ul style="list-style-type: none"> Value added opportunities Health benefits Waste reduction Worker welfare 	Staff/Board	2019 AGM	Member Approval
High	Education	<ul style="list-style-type: none"> Develop/identify* and offer new education programs guides/ infographics/ workshops/ webinars tailored to suit different member needs. <ul style="list-style-type: none"> About BCBC: <ul style="list-style-type: none"> Blueberry Sector Pricing BCBC's Role Food Safety and Traceability Business Development Marketing, Distribution and Pricing The global blueberry market <ul style="list-style-type: none"> Demand, opportunities Worker Welfare <p><i>*pre-existing materials may be available through other organizations</i></p> 	Staff/Board/Contractors	Ongoing	Goals Met
Medium	Grower Assistance	<ul style="list-style-type: none"> Explore opportunities for assisting smaller growers attain food safety certification 	E.D.	2019	Increased number of certified growers
Low	Accessibility	<p>Explore need for/cost of offering programs in different languages.</p> <p>Explore need for/cost of offering educational and information sessions via webinars for regional access.</p>	Staff	2018	Report to board
Low	Accessibility	<p>If warranted, pilot webinars to allow regional members' access to researchers, marketers and other persons of interest to the industry.</p>	Contractor	2019	Pilot Completed

2 - Operations

BCBC is a professional, fiscally responsible organization.

Priority	Goals	Details	Responsible	Timing	KPI
High	Value Proposition	<ul style="list-style-type: none"> Redefine Vision, Mission, and Value Statements Identify Key Objectives 	Board and Staff	Feb 2018	Complete
High	Workplan	<ul style="list-style-type: none"> Create annual workplan to deliver on objectives 	E.D.	Mar 2018	Complete
Medium	Policies and Procedures	<ul style="list-style-type: none"> Complete and implement policies and procedures according to Strategic Plan Research 	Board	Oct 2018	Implemented Staff retention
High	Reporting	<ul style="list-style-type: none"> Develop/enhance reporting systems to demonstrate progress and transparency <ul style="list-style-type: none"> Financial reports Program evaluations and reports Annual report Distribute/post on appropriate channels 	E.D. and Board	2018 AGM	Complete
High	Revenue Streams	<ul style="list-style-type: none"> Explore other financial models/revenue streams 	E.D. and Board	ongoing	New \$'s identified/secured
Medium	Leverage other Programming	<ul style="list-style-type: none"> Consider student project to identify programming offered by other organizations 	Student	Summer 2018	Completed
High	Government Relations	<ul style="list-style-type: none"> Maintain excellent relationship with government representatives Assume advocacy role for the sector 	E.D.	ongoing	Good relationships
Medium	Expand Reach	<ul style="list-style-type: none"> Represent provincial sector issues nationally, and internationally through participation with the Canadian Horticulture Council (CHC), and the US Highbush Blueberry Council (USHBC) Forge alliances with academic institutions, government agencies, other associations and sectors to advance issues of common interest 	Board and Staff	December 2018	# of meetings attended/ # of new alliances

3 - Communications

BCBC produces and distributes regular and effective internal and external communications.

Priority	Goals	Details	Responsible	Timing	KPI
High	Internal Comms. Plan	<ul style="list-style-type: none"> Develop internal communications plan that unifies vision, mission, and values and clarifies council's role, articulates member benefits and demonstrates transparency. Identify appropriate distribution channels. 	Staff	June 2018	Complete
High	External Comms. Plan	<ul style="list-style-type: none"> Develop external communications plan to engage non-member growers and foster strong stakeholder relations with packers, processors, industry experts, and other stakeholders. Identify appropriate distribution channels. 	Staff	June 2018	Complete
Medium	Expanded Comms. and channels	<ul style="list-style-type: none"> Develop expanded and diversified communications that are culturally/regionally inclusive, demonstrate transparency and celebrate success. 	Staff/contractor	2019	Complete Improved member and public perception
Medium	Expanded Comms. and channels	<ul style="list-style-type: none"> Develop new communication materials <ul style="list-style-type: none"> Fact sheets, guides Industry and association history Newsletter 	Staff/contractor	2019	Complete Improved member and public perception
Medium	Expanded Comms. and channels	<ul style="list-style-type: none"> Update website to include: <ul style="list-style-type: none"> Upgrades recommended in Pre-Session planning document p. 4. Annual report – full report and summarizing infographic Strategic Plan – full report and summarizing infographic Newsletter: Highlight members, Council activities Press Releases Staff and Board member profiles and contact information 	Staff/contractor	2019	Complete Improved member and public perception
Medium	Expanded Comms. and channels	<ul style="list-style-type: none"> Conduct a member survey to determine preferred channels (print, email, text, video) 	Staff/contractor	2019	Complete Improved member and public perception
High	Build BCBC database	<ul style="list-style-type: none"> Collect contact information from all growers (members and non-members) Develop an industry resource list (researchers, funding agencies and input providers). 	Staff/Student	July 2018	Complete

4 - Culture

BCBC fosters an inclusive environment sensitive to the needs of its diverse members, staff and stakeholders.

Priority	Goals	Details	Responsible	Timing	KPI
Medium	Inclusivity	<ul style="list-style-type: none"> Review existing and develop new communications to ensure that they are culturally appropriate and regionally inclusive. Revise as needed. 	Staff	April 2018	Complete
Medium	Cultural Audit	<ul style="list-style-type: none"> Conduct a cultural audit to ascertain alignment between internal and external communications and Council practices with vision, mission and values. 	Contractor	2020	Complete

5 - Governance

The BCBC board governs the operation of the Council as per the B.C. Farming and Fishing Industries Development Act.

Priority	Goals	Details	Responsible	Timing	KPI
Medium	Terms of Reference	<ul style="list-style-type: none"> Complete and implement terms of reference and job descriptions for board positions (Chair, Vice-Chair, Treasurer, Directors) and staff. 	Board and E.D.	June 2018	complete
High	Board Training	<ul style="list-style-type: none"> Annual training event 	Board	2018 AGM	Annual, attendance, completion

Appendices

Appendix 1: BCBC Programs/Services

The following are summaries of BCBC's current programs, and their impact or objective. This does not explore other potential areas of expansion or focus.

1. Research: approximately 14 separate research projects underway, which include new cultivar development, plant pathology and entomology, and product development.
2. Promotions: BCBC leads domestic and international promotion of blueberries.
3. Grower Support/Education: three established programs – Food Safety, Bird Management, Minor Use.
4. Industry & Grower Relations: two grower meetings, an AGM, as well as sponsorships, and representation at local, national, and international events/meetings.

Appendix 2: Original BCBC Mission, Vision, Values, Mandate

Vision

BC Blueberry Council fosters a sustainable blueberry industry that inspires excellence in food quality, food safety, and agriculture practices. We promote high quality products to enhance economic viability in the industry.

Mission

BC Blueberry Council strengthens the ongoing viability and development of the BC blueberry industry for the benefit of growers, through promotion, research, industry education and relationship building.

Values

As per the November 2017 RBS report.

- Transparency
- Integrity
- Respect
- Accessible
- Collaboration
- Competence
- Conflict of Interest

Mandate

- Promote BC blueberries in domestic and global markets.
- Educate consumers about blueberry usage, health benefits, and the industry's desire to produce high quality fruit using excellent food safety practices.
- Research BC blueberry producer needs and opportunities and continue to strengthen production and marketing practices.
- Develop BC Blueberry Council (BCBC) members' education to support best management practices including sustainability, high quality production and excellent food safety techniques.
- Build relationships with domestic and global industry members and stakeholders to improve all aspects of BC blueberry production.

Appendix 3: Industry Research

In preparation to the development of the BCBC's forthcoming Strategic Plan, an Environmental Scan of like agricultural councils, a BCBC Member Survey, and Interviews with BCBC board and council members were conducted to better understand how the BCBC can better serve its membership and where gaps and opportunities within the organization and sector reside. For the purposes of this document, only the key recommendations and primary summaries have been included. Please review the Pre-Session Plan Report for a more thorough understanding of the research results.

Key Research Recommendations

- Member Support
 - Improve communications and direct engagement with grower-members
 - Diversify member communications
 - Increase direct engagement with grower-members
 - Continue to build current and accurate membership list and contact information
 - Respond and address the diverse needs of each member-type
- Operational
 - Focus on BCBC's value proposition to members: promoting the industry, conduction research and educational programs
 - Focus on implementation of business systems, policy and procedures
 - Unify the vision, purpose, and values internally to better serve members externally
 - Keep current staff and develop their positions
 - Assume an advocacy role within the sector
 - Explore/plan for other financial models/revenue streams
 - Redefine Mission, vision, and values statements
- Programs/Services
 - Conduct program evaluations
 - Increase program transparency with members (in terms of budget, purpose, and efficacy)
 - Focus program development in the following areas:
 - Labour related innovations (consumers demanding Justice and Worker Welfare)
 - Waste reduction (packaging)
 - Water conservation
 - Suitable farming practices
 - Promotions
 - Quality, health, and regular consumption
 - Distribution innovations suitable for E-commerce
 - Direct Grower Programs
 - Address Food Safety Certification
 - Research
- Website Upgrades
 - Redesign to better speak to different target audiences
 - Growers/Members & Consumer
 - Create a clear "About Us" menu or sub-menu
 - Update the website's menu with clearer titles
 - Prominently place social media icons on the top of the website
 - Profiling growers on the website under "Best practices for sustainability"
 - Consider adding a privacy policy

Appendix 4: Interview & Survey Summaries

Interview Summary

BCBC board of directors and committee members were interviewed to better understand the strengths, weaknesses, opportunities, and threats that the BCBC faces as a board and as a member-based organization, and to identify how the BCBC can work to better serve its membership.

Overall, the interview results indicate that the BCBC board and committee members feel that the council's strengths reside in the sector's reputation for quality blueberries, the council's longstanding history, the council's grower-members, and the council's promotional activities. The interviews also noted that the sector's greatest strength, that being its reputation for high-quality and safe blueberries, is also one of the council's great weaknesses as a lack of grower/member compliance with Food Security Certification standards, a lack of cohesion in the industry and at the council's board level to administer this challenge (among others), and a lack of strategic and clear communications with their grower-members around quality and safety (and other issues) leaves the council and sector vulnerable to a decline in quality.

The interview results also highlighted a number of secondary threats that stand to affect the sector including the USA's anti-dumping threat and the possible termination of the North American Free Trade Agreement (NAFTA). While the future of NAFTA is still unknown (*See Appendix 2 for a more recent NAFTA summary*), this concern has highlighted the fact that a diversified market is required.

Survey Summary

The goal of the BCBC member survey was to assess the membership to form a deeper understanding of:

1. The operating structure of the BCBC's members (i.e., experience in the sector, if they produce for the fresh/frozen markets, and their primary reasons for growing blueberries;
2. How the BCBC's membership perceives the role/purpose of the BCBC; and
3. How the BCBC can better serve its' membership in the future. The resulting data and analysis are intended to inform the BCBC's forthcoming 5-year Strategic Plan.

Overall, the results of the member survey indicate that the BCBC's member-growers are interested in the council focusing its energy and resources on (in order of importance) promotions (Canada and foreign markets), followed by research (i.e., pest/disease and crop/breed development), and (to a lesser extent) direct grower programs. However, the survey also highlighted a difference in how the types of growers (primary income, secondary income, and property investment growers) perceive the sector and prioritize the BCBC's strategies/focus. For example, while primary income blueberry producers are more interested in the BCBC focusing on (in order of importance) promotions, research, and direct grower programs, those growers that produce blueberries as a secondary source of income or as an investment property are more interested in seeing the BCBC focusing on (in order of importance) promotions, direct grower programs, and research.

In addition, the survey highlighted the need for the BCBC to increase/improve communications with its membership. Several members expressed that they would like to see clearer communications from the BCBC (i.e., more/clearer grower information on the BCBC's website) and that the BCBC could play a critical role in increasing transparency within the sector (i.e., sharing industry news/stats or clarifying how the prices are set by packers/processors). Further, it appears that some members are unclear of the role that the BCBC plays in the sector or where the councils' focus lies. Several members expressed an interest in seeing the BCBC lobby the government or to fix the price of blueberries, tasks that fall outside of council's mandate or scope of interest.

Appendix 5: Issues & Opportunities

There was strong board discussion in terms of Issues & Opportunities, however, it seems to the planners that the top item of concern, and therefore the top opportunity is: Member Communication. Communicating to members not only BCBC's purpose and intent, but also their goals and objectives, as well as doing a better job of informing members about how the sector works, and standard business fundamentals as regards pricing (the largest area of member confusion).

This also connects to a key point outlined in the research survey, which indicated that primary income growers prioritize the BCBC's objectives differently than the secondary income or property investment growers do. For example, primary income growers would prefer to see the BCBC focus first on promotions, then research and direct grower programs. However, secondary income and property investment growers place more emphasis on direct grower programs than research. Further, secondary income and property investment growers place more emphasis on their local market as opposed to primary income growers who place a strong emphasis on domestic and international markets. Therefore, this is an opportunity for BCBC to target their grower support and communications to these two groups as individuals.

Below are the key notes expressed by the board during the planning session.

Issues

- Business of the council: needs to be professional, well defined and clear to the members and internally
- Define and implement on strategic priorities/activities
- ROI – both domestic and international
- Profitability: in terms of production costs
- Grower Development: Support, share market knowledge, create tools (i.e. efficient production costs)
- Collaborate with other sectors of the government and industry
- Promote blueberries and support sales
- Look into funding opportunities
- Collaborate with the US
- Value-added: facilitate, and new market development
- Food Safety
- Member communication/Education: how pricing and the sector works

Opportunities

- Food Safety: providing educational opportunities
- International market diversification
- Respond, anti-dumping/NAFTA issues
- Maintaining funding & staffing
 - Research and breeding program
- Keep up with changes in technology
- Work with industry suppliers
- Marketing activities within Canada
- Value Added (Development/Support)

Appendix 6: Strategic Planning SWOT

<p>Strengths</p> <ul style="list-style-type: none"> • High-quality product • Good public perception (B.C. image) • Industry size & development funds • Processing capacity and storage • 29-year history: research, promotion, education programs • Strong relationships: commodity groups & government • Geography: growing conditions, market proximity • People power <ul style="list-style-type: none"> • Competent staff • Dedicated volunteers (Board) • Professional growers & packers 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of clarity regarding BCBC role • Member disengagement • Food safety compliance low among small growers • Fragmented groups (growers, packers, process packers, frozen packer) • New staff - learning curve • Lack of business systems <ul style="list-style-type: none"> • Industry database • Policies and procedures • Annual plan • Communications plan • Evaluation process • Timely reporting
<p>Opportunities</p> <ul style="list-style-type: none"> • NAFTA and other trade agreements • Increasing demand • Expanded communications and channels • Grower engagement: existing & new members • Advocacy • New programs/ research <ul style="list-style-type: none"> • Expanded promotion/diversify markets <ul style="list-style-type: none"> • Domestic & international • Grower Development <ul style="list-style-type: none"> • Food Safety programming • Marketing programming • Worker welfare • New varieties, replanting • Sustainable practices • Distribution • Harvesting, packaging • Value adding • Diversify revenue generation <ul style="list-style-type: none"> • Identify new funding programs • Partnerships • Breeding program • Partnership and relationship development <ul style="list-style-type: none"> • Organizations: USHBC, CHC, others • Academic institutions • Value chain members 	<p>Threats</p> <ul style="list-style-type: none"> • Dependency on US Market • NAFTA and other trade agreements • Climate change • Disease, pests • Food safety incident • Reliance on government <ul style="list-style-type: none"> • Funding (R&D, Promotions) • Foreign worker program • Land costs, property tax • Regulations/MRL (Maximum Res. Level?) • Competition, domestic & export <ul style="list-style-type: none"> •

Appendix 7: Stakeholder SWOT

February 5th Planning Session

<p>Strengths</p> <ul style="list-style-type: none"> • Involvement with Gov/orgs. • Good industry relations to US • Product demand • Location – Asia, etc. (export) • Timing – last in region • Size of industry (lot of supply – 3rd largest) • Positive image – consumers • Strong core contributors • Grow in soil/grounds • Rich soil • Fresh eyes are a good thing in this situation, also being able to speak Punjabi, considering 70% of growers are Indo-Canadian 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Dependency on US market • Inexperienced E.D. – Team – BCBC • Not enough demand • Income not guaranteed • Labour shortage • Fractured industry/member • Lack of participating members (engagement) • Size of industry (committee) – QA products (... vs. other sectors) • Participate with USHBC • Breeding program (mechanics/fresh market) • Lack of social media • Insufficient funds (marketing) • Climate for organic • Cultivated (gov. label) • Reputation industry (market buyers North America) • Lack of.... • Expertise • Higher input costs • Land costs
<p>Opportunities</p> <ul style="list-style-type: none"> • Research/new varieties • Super food • Social media – strategy • Story grow “naturally” • Untapped markets/op (access) • Frozen promotions – fresh off season • Value-added products • Participate w/ U.S.H.B.C. • Youth in farming – succession planning • Partner with private corp. – new varieties • Partner with higher education • E.D. tour – collaborative • Packers and present at board 	<p>Threats</p> <ul style="list-style-type: none"> • Youth farming • Food safety recall • Pests – new • Climate change • Trump – Anti dumping • Gov. relations – crop protection (affecting new products/production) • Dependency U.S. Market • New grower regions “Peru” (late season)

Appendix 8: NAFTA Update

NAFTA: Update on 2017-2018 Negotiations

OVERVIEW:

On May 18, 2017, the United States (U.S.) formally announced its plan to negotiate the North America Free Trade Agreement (NAFTA). A tri-lateral trade agreement that was established in 1994 between Canada, the U.S., and Mexico, NAFTA facilitated the elimination of most trade tariffs between the three-member states and is credited with increasing export opportunities and cooperation between member-states and, subsequently, for boosting economic growth and job creation within each country. While not without its disadvantages and conflicts, the economic impacts of NAFTA are significant and the integration of the three economies through this agreement leaves all member-states vulnerable to the U.S.'s demand to negotiate and, perhaps, to abandon the agreement. For example, in 2015, merchandise trade between member-states totaled to \$1.0 trillion USD and the total market represented 28% of the global gross domestic product (GDP) (Global Affairs Canada, 2017, pp. 1-2). In other words, the NAFTA zone encompasses more than one-quarter of the world's economy.

From the Canadian perspective, approximately 78% of the country's "total merchandise exports were destined for our NAFTA partners in 2015" (Global Affairs Canada, 2017, pp. 2). The U.S. is Canada's largest trading partner, with trade in goods and services between Canada and the U.S. totaling to \$881 CAD (2015). Accordingly, the Canadian government's approach to the U.S.'s announcement has focused on maintaining a positive working relationship between all member-states and supporting the modernization of NAFTA through creative solutions that support an equitable trade environment for all parties. In preparing for the negotiations, Canada outlined a list of key demands for a future agreement including:

1. New chapter on labour standards;
2. New chapter on environmental standards;
3. New chapter on gender rights;
4. New chapter on Indigenous rights;
5. Reforms to the investor-state dispute settlement process;
6. Expand procurement;
7. Freer movement of professionals;
8. Protect Canada's supply-management system for dairy and poultry;
9. Protect cultural exemptions; and
10. Maintaining a process to regulate anti-dumping and countervailing disputes, like the one over softwood lumber.

The U.S., taking a much stronger protectionist outlook, also entered negotiations with a number of clear demands relating to rules of origin for the automobile sector (demanding that vehicles to qualify for duty-free shipment throughout the NAFTA zone contain 50% U.S. content and 85% North American content), eliminating Canadian tariffs on a number of supply-managed agricultural products including poultry and dairy, the elimination or weakening of trade dispute mechanisms (such as what relates to the softwood lumber dispute), and other demands that arguably stand to support U.S. interests first.

Formal negotiations were launched in August 2017 and were forecast to conclude by early 2018, before the Mexican presidential elections (scheduled for July 2018). However, with progress made during the sixth round of negotiations (hosted in Montréal, Canada from January 23-28), but no clear resolution in hand, it is unclear how much longer the negotiation process will require. The Council of Canadians suggests that they could extend through to the summer (2018, pp. 2).

In terms of progress made thus far and the future of NAFTA, the details are somewhat unclear. The negotiations are not open to the public and the information disclosed to the public has provided little insight into the specifics under negotiation. In an interview with Bloomberg in late January 2018, Chrystia Freeland, Canada's Minister of Foreign Affairs, stated that the sixth round of NAFTA negotiations successfully closed the chapter on anti-corruption and that progress was made on "areas of the unconventional U.S. proposals where we managed to start a real conversation." (Bloomberg, 2018). Chrystia stated that this

represents progress but did not detail the specifics of the unconventional proposals. Looking ahead, Chrystia suggested that she is optimistic that negotiations will continue and that if all parties are invested in cooperation, a win-win-win solution can be reached. That said, optimism for a win-win-win agreement is tempered by Chrystia’s position that Canada should still “Hope for the best, prepare for the worst” (Global News, 2018).

FUTURE SCENARIOS:

Discussions around the outcomes of the NAFTA negotiations highlight a number of different scenarios:

1. NAFTA 2.0 is drafted and a fair deal for all is generated;
2. NAFTA 2.0 is drafted but it delivers fewer benefits to Canada/Mexico when compared to the U.S.;
3. Termination of NAFTA and the development of bilateral trade agreements between Canada-U.S. and U.S.-Mexico etcetera;
4. Termination of NAFTA and the three-member states respect their WTO commitments. Should this scenario unfold, the Royal Bank of Canada suggests that “a 4% across-the-board increase in tariffs between Canada and the U.S.—roughly equivalent to a reversion from NAFTA to WTO tariff rates—could reduce Canadian GDP growth by about 1% over 5-10 years”. Further, a half a million Canadian in the export industries could be affected and Canada would be vulnerable to non-tariff barriers as it would lose NAFTA’s dispute settlement mechanism of NAFTA (RBC, 2017, p. 2); and
5. Termination of NAFTA and the U.S. fails to respect WTO commitments. RBC states that should this scenario unfold, it could “result in significantly more distortionary tariffs” (2017, p. 6).

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