

Livestock Marketers of Saskatchewan 2011 Annual Report



**Livestock
Marketers of
Saskatchewan**





Saskatchewan Ministry of Agriculture

On behalf of the Government of Saskatchewan, I am pleased to welcome everyone to the Livestock Marketers of Saskatchewan Annual General Meeting. Events such as this provide an opportunity to share information and discuss important issues in the industry.

Livestock marketing is essential to the success of producers and our entire livestock sector. Our government appreciates your contributions to the province and the valuable service you provide.

In addition, we appreciate the important input your organization has provided on many issues in the livestock industry. We look forward to working together to move agriculture and our entire province forward in the future.

I wish you all the best for a successful meeting.

Sincerely,

Bob Bjornerud
Minister of Agriculture

Message from the President *Submitted by Rhett Parks*

By working together, LMS has built a stronger collective voice regarding ongoing changes and challenges within the livestock industry. When we state our position, others listen. Our relations with government and industry are cordial yet productive. Recognition of the instrumental role LMS members fulfill in the cattle industry, provincially and nationally, continues.

Building on our successes from past years, the LMS Board and Management worked diligently in 2011 on behalf of our supportive members: livestock auction markets, both small and large; order buyer stations; and assembly yards.

Our enhanced growth and development enables representatives of LMS to articulate the knowledge and opinions of members

through valuable, influential channels. New, beneficial member services, particularly related to the training of employees regarding safe and humane livestock handling techniques, have emerged. Both avenues, in turn, advance our members' success as the movers of about two million head of livestock annually.

As we continue to build on the effective foundation created with our move to professional management in 2009, I am pleased with the value LMS provides to members. Collaboration has proven to be vital in our past efforts, and will continue to be crucial as the industry moves forward into the future. Thank you for the ongoing support, which enables us to strengthen our industry.

A glimpse at 2011



January

- Convened three meetings of the LMS Board.
- Well represented at the Saskatchewan Beef Industry Conference.
- Convened Annual General Meeting in Saskatoon.

February

- Began development of a corporate partnership campaign.
- Conducted planning related to the training manual and DVD to enhance the safety of livestock and livestock handlers, which received funding from the Canadian Agricultural Adaptation Program (CAAP).

March

- Finalized the corporate partnership package.
- Convened two meetings of the LMS Board.
- Conducted a conference call with the Saskatchewan Ministry of Agriculture regarding plans for an Assurance Fund.
- Provided formal communication to the Saskatchewan Ministry of Agriculture supporting amendments to The Animal Protection Regulations.
- Distributed the 'Cattle Traceability and Safe Handling Tips' manual, phase two of a pilot launched with two half-day training sessions in August 2010, with financial support from

the Saskatchewan Voluntary Traceback Initiative (SVTI) made possible through the multi-lateral Growing Forward Agreement between Agriculture and Agri-Food Canada (AAFC) and its provincial counterparts.

- Formally declined an invitation to participate in the Canadian Cattlemen's Association auction mart LCD information system.

April

- Convened an LMS Board Meeting.
- Provided formal communication to the Saskatchewan Ministry of Agriculture regarding establishment of an Assurance Fund and the Livestock Dealer Regulations.

- Commenced exploration regarding producing a marketing directory to benefit Saskatchewan's cattle industry.
- Conducted planning related to the safety training manual and DVD.
- Nominated Roy Rutledge to the Livestock Markets Association of Canada Hall of Fame for his decades-long commitment to the Canadian cattle industry.

May

- Convened an LMS Board Meeting.
- Started to focus on the first phase of the process to produce a safety training kit.
- Participated in Manitoba/Saskatchewan Livestock Auctioneer

Message from the Executive Director *Submitted by Adele Buettner*

The elevated profile, timely training opportunities and organizational strengthening activities benefitted LMS members, as our value-added scope covered regulatory, educational, representational and competitive activities in 2011.

LMS submitted recommendations to the Saskatchewan Ministry of Agriculture regarding development of an Assurance Fund, changes to Livestock Dealer Regulations and amendments to The Animal Protection Regulations. The collective voice of our membership was present at other influential tables involving government, industry and related services.

Circulation commenced of the 'Cattle Traceability and Safe Handling Tips' Manual, which is based on the content and activities of two half-day live demonstrations in August 2010; funded by the Saskatchewan Livestock Voluntary Traceback Initiative provided by the Growing Forward Agreement between Agriculture and Agri-Food Canada.

A grant from the Canadian Agriculture Adaptation Program (CAAP) is fueling development of a staff training kit focused on safety related to cattle handling, primarily in auction markets, assembly yards and order buyer stations. Following completion of the manual, plans are underway for a DVD, which will complete the project. Another initiative launched by the LMS is the development of a convenient, pocket-sized directory of contact information for cattle producers and others in the industry. Publication is scheduled for early 2012.

In May, Weyburn Livestock Exchange hosted the Manitoba/Saskatchewan Livestock Auctioneer Championship, organized with leadership from Brennin Jack and Roy Rutledge. The Championship

saw LMS President Rhett Parks from Whitewood Livestock Sales advance to the Livestock Markets Association of Canada (LMAC) Canadian Championships in June.

LMS promoted its national profile during the LMAC June meeting in Ontario, at which Roy Rutledge, a long-time Saskatchewan champion of improvements within the Canadian cattle industry, was inducted into the LMAC Hall of Fame; and LMS member Assiniboia Livestock Auction was recognized as the Canadian Angus Association Auction Market of the Year.

Always interested in partnerships, LMS representatives attended a September meeting called by the Alberta Livestock and Meat Agency to explore ways to work together to strengthen the cattle industry in the Prairies.

These activities and the ongoing administrative management of the LMS saw greater recognition and involvement and provided beneficial services to members, who move in excess of 90 percent of the cattle marketed in Saskatchewan.

LMS has advanced by encouraging auction markets, order buyers and assembly yards to work collaboratively. Each member adds value to our organization and the cattle industry we represent.

Championship in Weyburn, with LMS President Rhett Parks advancing to the Canadian Championship of the Livestock Markets Association of Canada (LMAC).

- Continued work related to producing a marketing directory.
- Represented at the Premiers Dinner in Regina.

June

- Well represented at LMAC national meeting in Waterloo, Ontario.
- Applauded Roy Rutledge upon his induction into the LMAC Hall of Fame.
- Congratulated Assiniboia Livestock for being recognized as the Canadian Angus Association Auction Market

of the year at the LMAC national meeting.

- Further explored the production of a marketing directory to benefit Saskatchewan's cattle industry.

July

- Convened an LMS Board Meeting.
- Continued consultation and research related to development of a safety training manual.
- Began researching possible funding sources, including sponsors and granting programs, to produce a marketing directory.

August

- Continued work to produce a safety training manual.
- Began planning of the 2012 Annual General Meeting.
- Worked on producing the marketing directory.

September

- Continued work on the safety training manual.
- Explored ways to work together with the Alberta Livestock and Meat Agency to strengthen the cattle industry, during a special meeting in Regina.
- Began work on a marketing directory of contact information for beef producers.
- Continued work on the marketing directory.

October

- Continued planning for 2012 Annual General Meeting and Annual Report.
- Work continued on the training manual to enhance the safety of livestock and livestock handlers using CAAP funding.
- Continued work on the marketing directory.

November

- Continued planning for 2012 Annual General Meeting.
- Attended Premier's Reception, Saskatchewan Cattlemen's Association social, and Traceability

Roundtable during Canadian Western Agribition in Regina.

- Met with Saskatchewan Ministry of Agriculture representatives regarding grant from the Saskatchewan Livestock Traceback Initiative.
- Continued work on the safety training manual.
- Continued work on the marketing directory.

December

- Began preparing the agenda for 2012 Annual General Meeting through board consultation.

- Coordinated an 'external' review of the LMS financials.
- Reinforced position regarding Assurance Fund in letter to Saskatchewan Ministry of Agriculture.
- Completed first draft of the marketing directory.
- Continued work on the safety training manual.



Livestock Markets Association of Canada (LMAC) Report

Submitted by Stewart Stone

1. National Cattle Traceability Summit – August 31 to September 2, 2011

As LMAC President Jim Abel summarized in his September 12, 2011 letter to all LMAC members, the purpose of the Summit was to reach consensus on a clear plan for traceability by Industry, Agriculture and Agri-Food Canada (AAFC), Canadian Food Inspection Agency (CFIA) and provincial government representatives. After two days of roundtable discussion by over 50 representatives (including six LMAC Board members and three order buyers), the key messages sent back to Minister Gerry Ritz and his colleagues were:

1. Traceability is here; it is just a matter of when and how it will be implemented.
2. Premises ID is essential for Traceability to move forward and must be uniformly applied across the nation: i.e. Cooperation by Province in agreeing to the same set of standards.
3. Funding needs to be sorted out. i.e. Public Good/Private Good and what percentage each sector will pay.
4. Movement recording at move-in by the owner of the cattle, as a starting point.
5. National cattle movement document under development will be a key component of how to move forward in developing regulations.
6. Industry standards to monitor and observe traceability progress before Government and Industry develop regulations.
7. Enabling regulations with a common sense approach to administering regulations. i.e. having a graduated enforcement policy – Educate, Warn, Small Fine, Big Fine.
8. Unified communication message required i.e., one voice, one position.

It was made abundantly clear by Industry that reading move-in at auctions and buying stations - was too costly at this time, and technology doesn't meet the regulations (i.e. 100% read.) The consensus of Industry was to **NOT** read RFID tags at these two points of conversion, but rather develop a National Document that includes Premises ID and report lot movement to Canadian Livestock Tracking System (CLTS) using the National Document and Premises ID to capture the movement. This was supported by representatives of Canadian Cattlemen's Association (CCA), National Order-Buyers Association, National Cattle Feeders Association, LMAC and Canadian Cattle Identification Agency (CCIA). It was suggested auction markets and buying stations take responsibility for ensuring cattle arriving and departing have a recognized movement document complete with a Premises ID number. The markets would be responsible to report the move-in information from that document to the CLTS. Dairy Farmers of Canada, Holstein



Canada and some individual members of provincial cattle organizations were not in favor of this proposal and supported scanning at all locations. CFIA and AAFC were non-committal.

Since that time, the focus has been on provincial governments implementing Premises ID databases and implementation. Also, work is ongoing at CCIA and the national level to develop a national movement document (expected completion December 2011).

2. CFIA Auction Market Risk Assessment

At the Saskatoon Summit, the CCA suggested a third party "risk assessment" be conducted at co-mingling sites. This was directed to auction markets and buying stations, but could also include packers, community pastures, fairs, exhibitions, feedlots and even trucks. The reasoning was to prove once and for all that markets and buying stations are not the "cesspool" of diseases some government officials think they are.

LMAC had many concerns about any potential risk assessment study. Who would do the assessment? What would the research team be looking for? Who would pay? Who would write the final report? How much input would LMAC and National Order-Buying have?

Some people in government will argue it is necessary to effectively counter a foreign animal disease outbreak and to demonstrate to our trading partners that our system has good response times, coverage, performance, etc.

LMAC concluded we could not come out looking favourably, and it could have a very negative impact on our businesses.

The following motion was moved and carried at the October 18, 2011 meeting of the LMAC Board.

"Livestock Markets Association of Canada having had major representation at the Saskatoon Summit do not believe that third party risk assessment was agreed to at the Summit and therefore the LMAC Board of Directors believes that in the spirit of industry cooperation that this action item should be removed from the action items list on the Summit documents".

Since the Summit, CFIA has elevated this study to high priority and has advised they will be conducting a study regardless of LMAC's concerns. AAFC has suggested that industry conduct an independent study, as well. They have suggested funding could be made available, to hire an independent third party, to conduct the study. LMAC will review the matter at the January 21, 2011 meeting.

3. Beef InfoXchange System (BIXS)

BIXS Cattle-Classifieds is an advertising platform for BIXS-registered producers to advertise their BIXS animals they'll be marketing. While it does enable users to indicate private sale,

as this is a marketing option for producers, it specifically focuses on allowing users to stipulate, in detail, what auction market they intend to sell their animals through, the market's location, when they intend to sell, and a bit of information about the animals. In essence, it's an electronic ad format, like placing an ad in the local paper or in a magazine.

They see this as a mechanism for the promotion of auction markets and a means to indicate when BIXS cattle would be coming to auction markets.

At present, like the rest of BIXS, there is no charge to users/viewers. Anyone with internet access can view ad listings, but to post you must be a registered BIXS producer.

The idea for this service came out of meetings and discussions we had with southern Alberta auction market operators. They have further plans in the coming months to enable auction markets to utilize the BIXS query system for direct messaging to producers/customers, so markets can relay news and information about upcoming sales plans for BIXS animals and such. LMAC will be meeting with CCA in January 2012 to discuss concerns about BIXS and market neutrality.

4. CCIA

Tagging

CFIA has suggested they may recommend the elimination of tagging stations in the new regulations. Under the current regulations, no law has been broken if a producer delivers the livestock to a tagging stations without a CCIA approved tag. After ownership has changed (i.e. in the sale ring) then an infraction has occurred. Thus, the market is fined for selling an untagged animal. LMAC has agreed to the proposed change providing the auction or buying station can still provide a "tagging service for a fee" to their customers. LMAC's understanding is the proposed change will allow CFIA to deal with producers, and put the onus on the owner of the livestock to have them tagged or make arrangements to have them tagged when delivered. The recommendation from both LMAC and CCIA is that auction markets, buying stations and truckers not be fined for accepting or hauling untagged animals.

Tag Distribution

CCIA is looking at a different Tag Distribution system. Eventually, this could eliminate all retail outlets from selling CCIA tags. LMAC is working with CCIA to allow auction markets and buying stations to have a supply of tags to use on livestock arriving without tags. CCIA realizes the importance of this request and has been very cooperative in finding a solution.

Premises ID

As Premises ID is a major component of the National Movement Document, LMAC is encouraging all provincial governments to move ahead with mandatory Premises ID. In the event that a province does not have Premises ID, the producer's CCIA account number could be used instead.

Unruly Animals

LMAC through their work on the CCIA Enforcement and Compliance Committee has persuaded CFIA to recognize the problem of "unruly animals." These would be untagged cattle that pose a threat to the safety of employees and the animal. CFIA has agreed in principle to exempt these animals providing they are accompanied with the proper documents and a CCIA approved tag to the packer. This exemption will apply only to cattle going directly from the auction mart or buying station to slaughter. CFIA hopes to have an official form by the end of 2011.

Auction Mart Applied Research Project

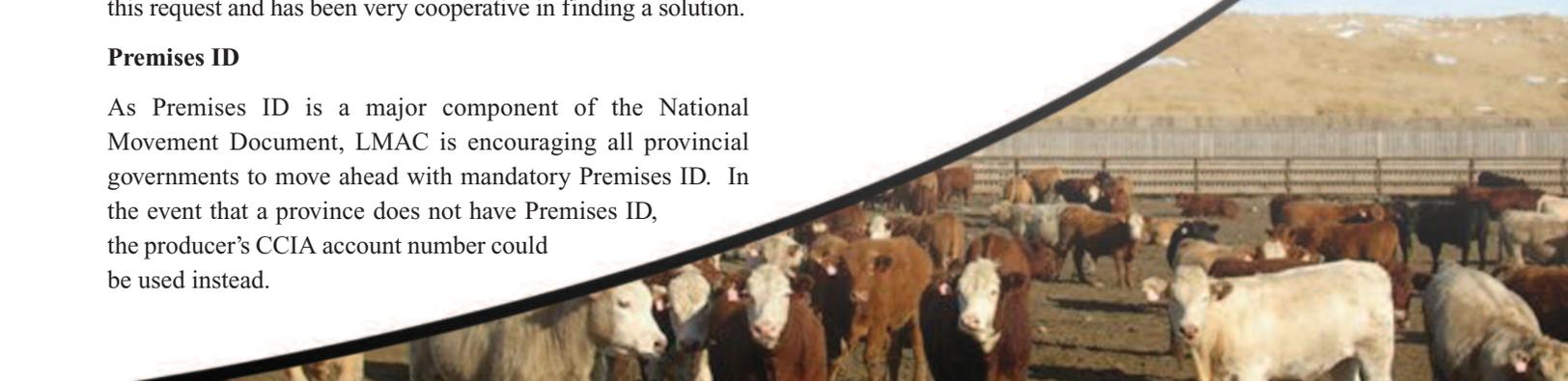
This two-year project is now complete and full results are posted on the LMAC website. The project was instrumental in convincing government and industry the cost benefit analyst was too high at the current time. It also exposed a number of unknown challenges to introducing full scanning with the current technology. The project also showed there was little to no benefit to auction markets, buying stations or producers, at this time. The majority of the benefit was for the federal government as an emergency measures resource in the event of a traceback. Thanks to Saskatchewan members - Whitewood Livestock Sales, Saskatoon Livestock, Spiritwood Auction Mart and JGL - for participating in the project.

5. 2012 LMAC Annual Convention and Auctioneer Contest

May 31 to June 3, 2012: Hosted by VJV Foothills Livestock Auction in Stavely Alberta, Rob and Sharon Bergevin. The Convention Hotel is the Deerfoot Inn & Casino, 1000 11500-35 Street S.E. Calgary, Alberta. Phone number 1-888-875-4667.

6. CFIA Multi-Year Regulatory Modernization Review

In the fall of 2011, CFIA began a review of its regulatory frameworks for food safety, plant health and animal health. Over the coming months, they will engage industry stakeholders, government departments, etc. to discuss regulatory modernization strategy to reduce overlaps, redundancies, weaknesses, inconsistencies, etc. and reduce complexity. LMAC will review the draft Discussion Paper at its January Board meeting, and formulate a participation plan.



The 20th Annual General Meeting of the Farm Animal Council of Saskatchewan Inc. (FACS) served as another opportunity to acknowledge the significant role of the Livestock Marketers of Saskatchewan (LMS), as a founder and ongoing supporter. We appreciate your partnership with FACS, the member-based, industry-driven, non-profit organization providing a voice for Saskatchewan livestock and poultry producers regarding the challenging topic of animal care.

FACS – Informing the Animal Agriculture Industry

Our multi-commodity collaborative approach to animal welfare remains strong. During 2011, FACS and its partners organized several events to fulfill its mandate of advancing responsible farm animal care.

Leaders from industry, academia and government gathered to explore solutions to the challenges raised at a September meeting related to management of **overwintered cattle**. Follow up activities, including dissemination of information regarding feed quality, continue. FACS and the Western College of Veterinary Medicine (WCVM) launched this initiative related to nutritional issues of overwintered beef cattle with initial support from the Saskatchewan Ministry of Agriculture.



Representatives of WCVM, the Western Beef Development Centre, and Agriculture and Agri-Food Canada collaborated with FACS for **Bull Nutrition, Fertility and Herd Management**. While FACS introduced the bull management information session largely because of requests from pasture managers, the subject also attracted producers, veterinarians and technicians.

People working livestock also benefitted from April's **Stockmanship Clinic** in Saskatoon. Curt Pate and Saskatchewan's own Dwight Dokken, a veteran horse trainer from Cabri, conducted the informative and well-received demonstrations for those of all ages.



FACS educated another audience - ranging from producers to government employees and academics from Saskatchewan, other Canadian provinces and the United States – during the **'Fence Lines to Corporate Board Rooms Conference.'** Approximately 100 participants learned from prominent well-informed speakers focusing on increased animal rights activities and consumer curiosity regarding food production, along with the collaborative made-in-Canada national response.



This **proactive national initiative** involving FACS and our sister groups in Alberta, British Columbia and Ontario began with stakeholder strategy planning sessions at venues located across Canada from December 2010 to December 2011. Representatives of producer groups and the food industry discussed the growing interest in food production by consumers and activists. The planning sessions build on the FACS' efforts to help commodity groups and others in ensuring the dissemination of reliable and accurate information regarding safe and healthy food production. Work on the national strategy continues.



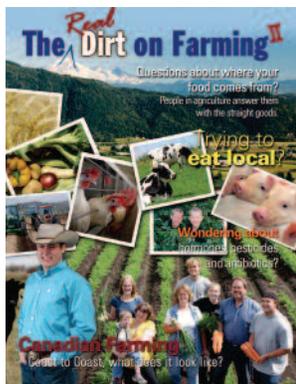
Producers, truckers, veterinarians and other service providers share a common interest in humane and safe transportation of livestock. FACS **Certified Livestock Transport Training (CLT)** trainer Ken McDonald, who conducts sessions on humane handling of cattle, sheep, and horses across Saskatchewan and several other provinces, added the newly revamped stand-alone poultry program to his course selection. In the past several years, Harvey Wagner, a former Sask Pork representative on

the FACS board, has taught about 900 people the course related to pork production in conjunction with the national Transport Quality Assurance (TQA) certification.

FACS encouraged members of the Saskatchewan Association of Agricultural Societies and Exhibitions to develop an **Animal Exhibitor Code of Conduct**. Along with distributing a sample code, FACS provided background and support documentation on the importance of a Code to the health and safety of show animals and the integrity of competitions.

Educating Consumers of All Ages

The 2011 'We Care' billboard campaign reached even more people by expanding to May through November, from the 2010 June to September campaign, and adding locations. A total of 35 billboards and one 'superboard' in and around Regina, Moose Jaw, Saskatoon, North Battleford, Glaslyn and Herbert reached more people than ever before. The billboards present the face of Saskatchewan livestock and poultry production to the public.



FACS, our sister groups and several organizations interested in responsible animal care, supported the printing of 'The Real Dirt On Farming II.' Readers discover facts and figures about Canada's agriculture industry and meet some of the people, including Saskatchewan residents, who produce food.

School children and adults alike learn about dedicated Saskatchewan farm families, when Faith, the Animal Care Specialist and her friends from the FACS Farm come to life on the Wide Open Theatrical Escapades stage. This year, the puppets played the TV game show 'Where'd that come from?' to teach students that food comes from the farm not the fridge.



The same Tales from the FACS Farm characters appear on a fun-filled website for children – www.farmanimalfun.ca – and in an activity book available online or by calling FACS at 306.249.3227.

FACS also educates school children about animal welfare, during October's **Ag-Experience** in Saskatoon and November's **Canadian Western Agribition in Regina**.

Sharing Information Electronically



To reach an even larger audience, FACS together with its sister groups in Alberta, British Columbia, and Ontario developed a social media presence via **Facebook** (Farm Animal Council of Saskatchewan), **Twitter** (@SKFarmAnimal) and **blog** (letstalkfarmanimals.ca). FACS and our partners continue to share information through: www.facs.sk.ca; www.farmanimalfun.ca; www.livestockwelfare.com; and www.farmissues.com.



FACS E-Service and Research Watch ensure the growing number of people who appreciate updates on agricultural developments receive the latest news. The near-daily E-service disseminates timely articles, through a professional clipping service, which focus on topics from consumer concerns to animal welfare issues and other livestock and poultry related information. FACS keeps industry leaders current on provincial, national and international research issues through 'Research Watch,' which is distributed electronically on a quarterly basis.

Coming in 2012

May 2 - Stock Person's School

December 5 and 6 – Annual General Meeting and 'Fences Lines to Corporate Board Rooms Conference.'

For more information about the Farm Animal Council of Saskatchewan Inc. and these events, please check our website at www.facs.sk.ca or call the office at 306.249.3227.





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Check the LMS website
www.livestockmarketers.ca
for further details about the
**LMS Golf Tournament
Fundraiser**