



get cracking®  
Egg Farmers of Ontario

ANNUAL REPORT 2017



The mission of Egg Farmers of Ontario is to provide customers with a supply of safe, high-quality eggs at a fair price and a return to egg and pullet farmers achieved through fair farm pricing, within a stable national supply management system.

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## MESSAGE FROM THE CHAIR



Progress on many important issues continued in our sector during 2017. Some were ongoing initiatives of multi-year plans and at least one was in rapid response to a new challenge.

The challenging element began around May 1st, when Egg Farmers of Ontario (EFO) became aware of some farmers experiencing significant numbers of false layers. Our sector was able to respond effectively to manage the outbreak, which caused subsequent health and productivity problems in about two dozen layer flocks. The administrative actions to deal with the outbreak and research to protect our industry in the future are detailed in the *Message from the General Manager and Operations Report*.

Progress in ongoing issues included the adoption of the single-manual approach that consolidates the *On-Farm Food Safety and Animal Care* programs and the roll-out of the independent third-party audit process. These audits are a necessary step in providing confidence and trust for egg buyers. We all need to work to promote and support this process as it continues to be rolled out in 2018. We need to say what we do, do what we say and prove it! It is the new reality of the world we live in and taking control of it is in our best interest.

The final issue I want to highlight is our *Consumer Choice Engagement Strategy* that made significant progress to proactively engage stakeholders and consumers to preserve their choice of eggs in the marketplace from the various approved hen housing systems. During 2017, a national coalition supporting the effort included Egg Farmers of Canada, all provincial and territorial boards, national and regional graders, Canadian Poultry and Egg Processors Council (CPEPC) and other stakeholders.

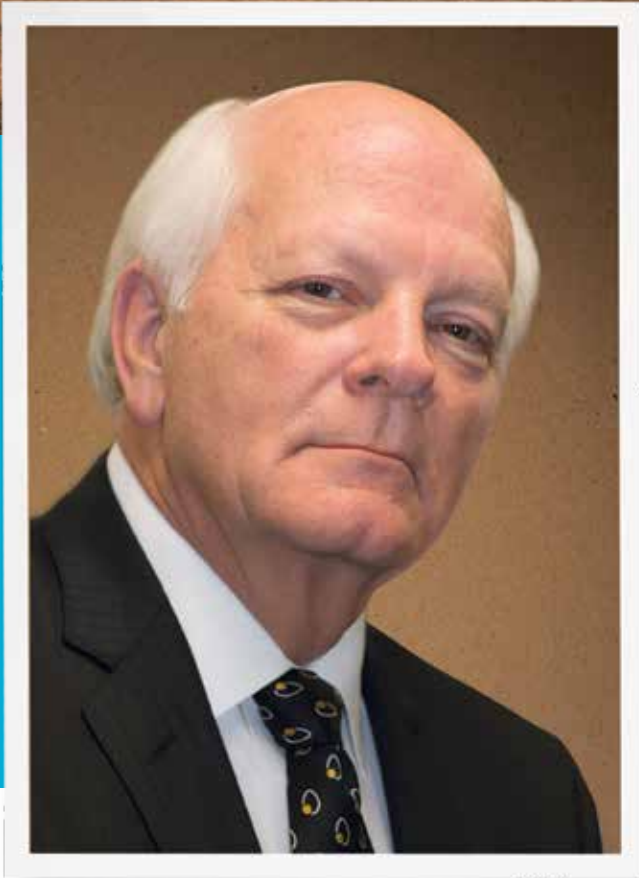
One clear choice of a certification program name, *Egg Quality Assurance* (EQA) and the associated logo choice proceeded through administrative development and overall approval process at the national level and roll out of the program will begin in 2018. EQA certified eggs will come from Canadian farms that follow the mandatory national program for animal welfare and food safety standards.

I would like to express my appreciation for the experienced and dedicated Board Members that serve on EFO's Board of Directors and also thank staff for their efforts on behalf of all egg and pullet farmers.

A handwritten signature in black ink, which appears to read "Scott C. Graham". The signature is fluid and cursive.

Scott Graham, EFO Chair

## MESSAGE FROM THE GENERAL MANAGER



Egg Farmers of Ontario (EFO) performed well in 2017 on two key measures that businesses use to assess competence and operational performance.

Broadly speaking, those measures deal with planned and unplanned issues during the year. The planned aspects are judged by assessing accomplishments against deliverables identified in the business plan; unplanned aspects are judged on how well the organization responds to unexpected challenges arising in the business environment.

On the planned side of the ledger, staff delivered strong results against all goals in the 2017 Business Plan. The strategic planning process to establish the 2018 work plan, including input from egg and pullet farmers at the November workshop, was completed by year-end and approved in January.

A significant unplanned aspect during 2017 related to a disease challenge that resulted in some egg farmers experiencing false layers. The problems related to strains of bronchitis present in Ontario the last few months of 2016.

Our sector was able to successfully manage this challenge and EFO developed a program, using funds from its *Bacteria Control Fund*, to buy pullets to replace the most-severely affected flocks.

Next, the longer-term efforts and planning to protect against future challenges like this got underway. EFO is conducting testing and data collection on some pullet flocks across Ontario. We are also finalizing details to have Avian Influenza insurance in place by mid-2018, covered without any addition to current insurance premiums in Ontario.

Uncertainty never seems to completely abate on the trade front, and this was true in 2017 with the *North American Free Trade Agreement* (NAFTA) re-negotiations underway and stagnation at the World Trade Organization (WTO). However, the industry can be confident that, both provincially and federally, we have strong support for Canada's subsidy-free approach of fair farm pricing under supply management.

The year to come will see our sector continue to renew its efforts to tell the great stories of egg and pullet farming, both through our *Who Made Your Eggs Today?* campaign and through an innovative initiative to reinforce our robust egg quality and hen care programs under the launch of our *Egg Quality Assurance Program*.

One thing is very certain; our industry is ever-changing and as we look ahead to 2018, I am confident in the strength of egg and pullet farmers to adapt to future challenges.

A handwritten signature in black ink, appearing to read 'H. Pelissero'.

Harry Pelissero, General Manager



Director: Scott Helps  
(Vice Chair and EFC Rep)

### Zone 1

**Counties of Essex, Kent and Lambton**

Number of Egg Quota Holders: 43  
Number of Layers: 972,030  
Number of Pullet Quota Holders: 9  
Number of Pullets: 567,579



Director:  
Dianne McComb

### Zone 2

**County of Middlesex**

Number of Egg Quota Holders: 43  
Number of Layers: 563,262  
Number of Pullet Quota Holders: 17  
Number of Pullets: 1,319,388



Director:  
Dan Veldman

### Zone 3

**Counties of Elgin, Oxford and that part of the Regional Municipality of Haldimand-Norfolk that, on the 31st day of March 1974, was the County of Norfolk**

Number of Egg Quota Holders: 38  
Number of Layers: 594,955  
Number of Pullet Quota Holders: 6  
Number of Pullets: 462,564



Director:  
Roger Pelissero

### Zone 4

**County of Brant, the Regional Municipalities of Hamilton-Wentworth and Niagara and that part of the Regional Municipality of Haldimand-Norfolk that, on the 31st day of March 1974, was the County of Haldimand**

Number of Egg Quota Holders: 26  
Number of Layers: 616,396  
Number of Pullet Quota Holders: 10  
Number of Pullets: 631,233



Director:  
Brian Miller

### Zone 5

**County of Huron**

Number of Egg Quota Holders: 43  
Number of Layers: 839,144  
Number of Pullet Quota Holders: 11  
Number of Pullets: 851,795



Director:  
Scott Graham (Chair)

### Zone 6

**County of Perth, the Regional Municipality of Waterloo and the City of Waterloo**

Number of Egg Quota Holders: 48  
Number of Layers: 975,296  
Number of Pullet Quota Holders: 23  
Number of Pullets: 1,635,437



Director:  
Scott Brookshaw

### Zone 7

**Counties of Bruce, Dufferin, Grey and Wellington**

Number of Egg Quota Holders: 52  
Number of Layers: 1,708,882  
Number of Pullet Quota Holders: 21  
Number of Pullets: 1,946,223



Director:  
Hubert Schillings

### Zone 8

**Regional Municipalities of Halton and Peel, the Counties of Haliburton, Hastings, Northumberland, Peterborough, Prince Edward, Simcoe and Victoria, the Regional Municipalities of Durham and York, and the District Municipality of Muskoka**

Number of Egg Quota Holders: 21  
Number of Layers: 484,672  
Number of Pullet Quota Holders: 4  
Number of Pullets: 334,449



Director:  
Craig Hunter

### Zone 9

**EAST: Counties of Dundas, Frontenac, Grenville, Lanark, Leeds, Lennox and Addington, Renfrew and the Regional Municipality of Ottawa-Carleton  
NORTH: Territorial Districts of Ontario consisting of Algoma, Cochrane, Parry Sound, Kenora, Rainy River, Sudbury, Timiskaming and Thunder Bay**

Number of Egg Quota Holders: 12  
Number of Layers: 1,093,994  
Number of Pullet Quota Holders: 6  
Number of Pullets: 2,349,051



Director:  
Marc Bourdon



Director:  
Andrew DeWeerd

## BOARD OF DIRECTORS & ZONE MAP

### Zone 10

**Counties of Glengarry, Prescott,  
Russell and Stormont**

Number of Egg Quota Holders: 43

Number of Layers: 1,346,588

Number of Pullet Quota Holders: 13

Number of Pullets: 819,127

### Pullet

Total Number of Pullet Quota Holders: 120

Total Number of Pullets: 10,916,846





## EGG FARMERS OF CANADA DIRECTOR'S REPORT

### A year of significant progress

This past year was a strong one for Canada's egg industry, and we are ending 2017 with significant advances on a number of files. Set aside for a moment the international trade issues that dominated the news, and the progress we have made over the last year comes clearly into focus.

In 2017, the Canadian market grew for the 11th consecutive year, with a 4.5% increase in the retail sales of table eggs. During the same period, an additional 1.5 million hens were added into production. This growth is significant, and we have been working hard to make it happen smoothly. Needless to say, Egg Farmers of Canada's (EFC's) Board remains committed to working with Farm Products Council of Canada to meet growing demand for eggs by bolstering production on our farms.

We also made significant advances on several other fronts by leveraging collaboration within the industry and a commitment to scientific evidence. Take, for example, the new *Egg Quality Assurance* (EQA) Program, which will begin to roll out in 2018. EQA encompasses the standards in our existing *Start Clean-Stay Clean™* and *Animal Care Program* under one easy-to-identify mark.

We know that Canadians want to know where their food comes from, and want the assurance that it is produced according to the highest possible standards. The EQA mark will tell consumers, right on the egg carton, that their eggs come from farmers dedicated to producing a top-quality product that meets the highest food safety and animal care standards.

Behind these programs is a commitment to scientific evidence and

continuous improvement that builds confidence in the standards in place on farms across the country. This commitment was evident in July, when EFC's Board unanimously voted to move ahead with implementation of the new *Code of Practice for the Care and Handling of Layers*, in line with the timelines outlined in the Code.

This decision follows four years of in-depth scientific evaluation and rigorous debate, which led to the release of the revised *Code of Practice* by the National Farm Animal Care Council. The Code marks the first time housing standards for enriched housing systems are defined in Canada. This was a critical outcome for our industry. It gives producers guidance and supports the transition away from conventional housing.

One year into the transition that was announced in 2016, we have refined our ability to track progress, and will continue to push forward to safeguard the egg industry in Canada and meet the demands of the market and our customers.

The challenges we met in 2017 have been on the international front. There were two big trade stories in 2017, both initiated by the new U.S. administration. First, there was the snap decision to pull the U.S. out of the *Trans-Pacific Partnership*, and then the decision to reopen the *North American Free Trade Agreement*.

It is easy to get lost in the trade issue, with its unexpected twists and news headlines. But there is one constant, and one thing to remember as we head into 2018: as these issues unfolded in 2017, we were there to advocate on your behalf, and we will continue to do so as these trade negotiations progress.

We will continue, as we did throughout 2017, to press our government to support family farms, and uphold the system of supply management that delivers not just the fresh, high-quality products that Canadians want and enjoy, but also food security to our communities.

Canada is a vast country, with a range of climates and landscapes and a diverse population spread out over a large area. This reality makes issues of food security tremendously important. Our system enables the production of a product that is both nutritious and affordable across the entire country, including in regions where it may be the only locally produced food item on store shelves.

We will continue to work together to tell this story, and by telling it build trust in our industry. This commitment to build trust transcends everything we do—from the world-class standards on our farms, to giving back to our communities through partnerships with food banks and breakfast programs, to strengthening our practices





through investments in research and innovation.

Part of this story is our continued dedication to nurture the system of supply management. Our success today and moving forward, lies in our ability to set aside regional differences and strengthen the core of our system through collaboration. To this end, EFC's Board was pleased to have reached an updated Industrial Products Pricing Structure and Protocol with egg processors after steady progress throughout the year. In November, an equitable and evidence-based solution

was achieved that would maintain both a strong processing sector and a vibrant egg industry.

As we head into 2018, bumps on the road are inevitable. It is impossible to know what surprises the year will bring but I find comfort in knowing that we will be tackling the coming challenges together, united by the drive to deliver the best possible product to our families, to our neighbours and to the millions of Canadians who rely on our product.

To my colleagues at the national table and in my province, to the staff and to farm

families all across the country, I want to express my heartfelt thanks for your ongoing dedication and commitment that makes this all possible.

Respectfully submitted,

Scott Helps, EFC Director, Ontario



# PULLET DIRECTOR'S REPORT



## Steady progress for pullet farmers

This has been a key component of 2017, on both the provincial and national level. For me, the most important success is pullet farmers nationally are united in working together, sharing common concerns.

Quebec voted unanimously in April to amalgamate eggs and pullets and in August, the regulations were sent to the Régie, Quebec's supervisory agency. Although the outcome of this was first anticipated in the fall of 2017, it now appears the results will be available sometime in March or April 2018.

Pullet Growers of Canada held a strategic meeting in October, with a number of items on the agenda. In light of the outbreak of a damaging bronchitis strain in May, the topic of false layers and disease outbreaks was a significant discussion. In particular, other provinces shared their concern over the level of support they would receive in the event of an outbreak in their province, and whether it would be similar to the assistance received in Ontario.

Establishing Avian Influenza (AI) compensation is moving forward, which will be similar to the current *Poultry Insurance Exchange* program.

A Cost of Production (COP) study was completed with member provinces and the blended growing fee was established at \$2.83. This figure has been shared with Egg Farmers of Canada and is currently on hold. It is expected this should be finalized sometime in the spring.

There was a January quota increase of five per cent. There are no quota increases anticipated in the near future.

A significant effort has been put towards discontinuing the use of pullet hotels, as there is the valid concern that they are a risk for the spread of disease. Over the course of 2017, the use of pullet hotels has decreased, with the objective of ending their use entirely.

Changes made in the new *Code of Practice for the Care and Handling of Pullets and Laying Hens* have current space requirements at 42 square inches, progressing to 44 square inches completely by 2022. The revised Code addresses many new things for housing and different welfare standards.

In Ontario, new forms that replaced the previous *Pullet Order Report* and *Pullet Grower Day-Old Report*, which were implemented in January 2017, are now in use. Although there were some initial issues with documents being used as they should be, things are now on track and they are being used correctly. The updated forms were created to monitor the movement of the hens to ensure animal health and food safety standards are always maintained.

As always, I firmly believe contact between pullet and egg farmers is important. It helps everyone when there is communication, both good and bad. Disease in a bird does not necessarily mean there were issues in the pullet barn, and in times of any outbreak or challenge, this is an essential thing to remember.

Although the year has had its challenges,

I believe we have made progress for Ontario pullet farmers. I remain confident in our ability to deal with any issues on behalf of all pullet farmers. It is a privilege to be the Ontario Pullet Director during 2017 and I continue to enjoy my responsibilities in this capacity. I appreciate the opportunity to once again serve the interests of pullet farmers across the province.

A handwritten signature in black ink, appearing to read 'Andrew DeWeerd'.

Andrew DeWeerd, Pullet Director



## 2017 ONTARIO EGGS BY THE NUMBERS

# 3,281,944,908

Number of Ontario leviable eggs graded (includes Eggs For Processing [EFP])

### 489

Number of Ontario egg & pullet quotas held

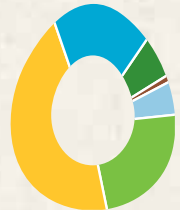


### Average Producer Prices: 2013 to 2017

SIZE	2013	2014	2015	2016	2017
Extra Large	\$1.96	\$1.90	\$1.90	\$1.85	\$1.96
Large	\$1.96	\$1.90	\$1.90	\$1.85	\$1.96
Medium	\$1.80	\$1.73	\$1.69	\$1.64	\$1.75
Small	\$1.32	\$1.26	\$1.26	\$1.23	\$1.35

### Ontario's Average Egg Gradings By Size (%)

● Extra Large	21.76
● Large	47.23
● Medium	20.96
● Small	3.86
● Pee Wee	0.87
● Bs, Cs, Cracks, No Grade	5.62



### 74.26%

Volume of Ontario egg production to the table market



### Egg Quota

- 9,195,219 - the amount of Ontario's hen allotment
- 24,919 - the average production quota for egg quota holders
- 9,671,982 - the average weekly inventory
- 527,591 - the amount of egg quota transferred

### Pullet Quota

- 10,916,846 - the amount of Ontario's pullet allotment
- 90,974 - the average production quota for pullet quota holders
- 548,157 - the amount of pullet quota transferred

### 100%

Per cent of egg production HACCP-certified



### 40.25¢

**Levy Administration**  
the amount of Ontario's egg levy deducted from farmers

### 4,388,093

**Ontario Industrial Product**  
the number of 15-dozen boxes

### 1,187,409

**Ontario EFP**  
the number of 15-dozen boxes

# RESEARCH REPORT



## Contributing to the strength of our industry

Each year, Egg Farmers of Ontario (EFO) invests in research with the objective of making continuous improvements with direct benefit to the egg and pullet industry. In 2017, EFO funded the following projects:

### Development of evidence-based mental wellness literacy and emergency mental wellness response for Ontario agriculture

**Dr. Andria Jones-Bitton**  
*Ontario Veterinary College,  
University of Guelph*

Often seen as a stigma, this project aims to help the Ontario agricultural industry proactively address the mental well-being of farmers to help build a stronger industry and to facilitate post-crisis recovery and restoration in the sector. The project objectives are:

- To determine the mental help-seeking behaviours of Ontario pork and poultry producers and agricultural workers, both generally and during emergency, including motivations and barriers;
- To investigate Ontario pork and poultry producers' and agricultural workers' perceptions of current supports and what would be ideal in mental wellness literacy (MWL) training and emergency response (ER);
- To develop, deliver and evaluate an agricultural MWL training program; and
- To develop a model for a mental wellness agricultural ER program.



### Investigating the role of limestone particle size on skeletal integrity and performance of pullets and hens housed in conventional and enriched/furnished housing

**Dr. Elijah Kiarie**  
*Animal Biosciences, University of Guelph*

This research, currently in the first year, is a study of nutritional strategies to improve bone health in the laying hen. A primary goal of the study is to generate an optimal pullet strategy, taking into consideration other variables such as genetics and housing environments. Considering the current belief that bone formation stops with the onset of lay, the theory is that intervention at the perinatal stage of the hen would be the optimal time.

The research results will be transferred into practice through industry contacts, such as feed manufacturers.

### Eggshell cuticle plug protection against invading pathogens in the table egg

**Dr. Maxwell Hincke**  
*Department of Cellular and Molecular  
Medicine, University of Ottawa*

This study, completed in 2017, shows that although commercial egg washing during the grading process can wear away the protective outer layer or "cuticle" of the egg, a protein that acts as a "plug" remains intact. This plug continues to block bacteria from entering the egg through the pores. This research also found that this surface protection is also influenced by the age of the hen.

The results can now be used to create strategies to control the incidence of contamination in a commercial setting and may also be used to breed for genetic controls of optimum cuticle coverage.

### Evaluation of rapid diagnostic assay for Avian Influenza at the point-of-care setting

**Dr. Suresh Neethirajan**

*School of Engineering, University of Guelph*

This research, completed during 2017, involved the creation of an in-barn testing application to solve the immediate need for point-of-care testing and rapid detection of Avian Influenza (AI). As a result, a rapid, microfluidic biosensor assay with superior sensitivity and specificity with a small optical sensor has been developed as a portable device for in-barn diagnosis of AI, using blood samples from poultry.

The mechanism and assay have been lab-tested for performance, but additional validation, including sensor integration, is needed to complete the transition to the commercial market. Further optimization is required with the end benefit of changing the rate and method of AI detection.

### Assessment and mitigation of contamination risks: critical knowledge to reduce diseases and increase biosecurity compliance

**Dr. Jean-Pierre Vaillancourt**

*Department of Clinical Science  
(Faculty of Veterinary Medicine),  
University of Montreal*

**Dr. Michele Guerin**

*Ontario Veterinary College,  
University of Guelph*

The researchers assessed floor contamination as a result of three common biosecurity breaches: not changing boots between contaminated and clean areas; donning farm boots in the clean area; and donning farm boots in the contaminated area.

The study used luminescence to create a visual of bacterial contamination to determine pathogen distribution. This information will be useful for improving barn design, creating training materials and stressing the importance of respecting

clean areas and dirty areas of barn entrances. Results show prevention of cross-contamination is possible by effective methods of boot-changing and that the current belief that contamination would not occur after walking approximately 10 steps is incorrect. In summary, effective biosecurity would involve distinct areas which would have a physical barrier between them.

This study also examined three different cleaning procedures currently in use and their impact on three common pathogens: Escherichia coli, Salmonella and Clostridium. The results found that farmers should use the cleaning procedure best suited for the pathogen outbreak in their barn and that sufficient time should be allowed post-sanitation to increase pathogen reduction.

In addition to the research projects already outlined, development has proceeded towards commercialization of Hypereye, a non-invasive egg gender identification technology developed by researchers at McGill University and funded by EFO.

### Hypereye Project

Hypereye is able to determine whether an egg is fertile and whether it is male or female on the day it is laid. The technology is non-destructive, meaning that because the scanning is undertaken pre-incubation, eggs identified as either non-fertile or male can be used in the food industry or in the case of male eggs, incubated and used in the production of vaccines.

The technology is stand alone and can therefore be built into in-line processes of normal hatchery operations or any other position within the entire lay-to-hatch process.

Testing of prototype equipment is underway in Ontario hatcheries to develop and refine operation at commercial scale and speeds. This testing was completed in 2017 and commercial availability will follow. There has been demand expressed in using this technology from around the world and strong interest from the U.S. and a variety of European countries.



Above: Hypereye technology, developed through funding by EFO, shown in use.

## OPERATIONS REPORT



### Success: It always begins with planning

Over the past year, egg and pullet farmers continued to make strides forward in the management of their layer and pullet flocks. Together, we worked diligently on flock health, hen care and best on-farm management practices. Success, however, came with its challenges at times.

#### On-Farm Operations

Egg Farmers of Ontario (EFO) staff continued to support our farmers with the revised *On-Farm Food Safety and Animal Care Program* that rolled out early 2017, along with our new third-party auditors, NSF International.

Each year, approximately one-third of our farmers will have a third-party audit completed. In addition, all farmers have annual internal visits by EFO staff. Farmers are required to “say what they do, do what they say and prove it” by demonstrating what is being done by way of record keeping and on-farm practices. Animal care, euthanasia and validation elements within our *Animal Care Program* are critical components and are being followed by our egg and pullet farmers.

In addition to third-party audits, on-farm inspections and flock counts are done on a regular basis by EFO Inspectors. EFO has hired and trained two new field inspectors. Their training was complete in December and we now have two new employees in the field to assist our egg and pullet farmers.

A key aspect of our *On-Farm Food Safety Program* is through regular testing and monitoring of potential disease. In particular, over 1,200 tests for Salmonella enteritidis were conducted over the course of the year. Hard work, due diligence, regular routines, strong record-keeping, attention to detail

and overall good farm management practices are all important elements in what you do each and every day that help in the success of your farm. It is to this end that EFO has updated and distributed farmer manuals during 2017. Plans are underway to hold farmer information sessions regarding the manuals in 2018.

Open communication between EFO staff and farmers is a key factor and plays a large role in addressing what is happening on your farms and in your barns, impacting the overall health of your birds and quality of production.

#### Emergency Preparedness

In addition to working with egg and pullet farmers to implement the *On-Farm Food Safety and Animal Care Program*, EFO staff also work to help ensure we are prepared to respond to on-farm emergencies. This flexibility was demonstrated in May 2017, when some of our pullet and layer flocks had some challenges relating to a specific strain of Bronchitis, identified in 2016, which resulted in false layers and lower than expected production levels. EFO was able to respond to this and quickly developed a plan to assist our farmers who were affected the



most. Through the efforts of EFO's bronchitis working group, industry support and the co-operation of our farmers, we have initiated research and pullet flock testing to learn more about this particular kind of bronchitis. This will be a year-long research project and we hope to compile key findings from the work being done.

Also on the emergency preparedness front, we receive notifications and updates from the Feather Board Command Centre (FBCC) on any disease or emergency threats that could impact our industry and the health of our flocks. These alerts are critical to the speed with which we can respond to any threats and therefore mitigate its potential impact. EFO staff are directly involved with the FBCC and not only have response procedures in place but have staff ready and prepared to assist in an emergency.

EFO also continues to be supportive of the work of the Ontario Livestock and Poultry Council (OLPC), an organization that assists with disease and emergency response, and Agricultural Response Material Management Inc. (ARMMI), who stockpile biosecurity supplies which may be required in the case of a disease outbreak.

EFO staff have regularly been involved when emergency farm depopulations need to be completed, not only within our organization but with other feather board organizations. Our staff have been very active in assisting where needed and when called and participated in 31 depopulations during 2017. We continue to be recognized for our efforts and success in full barn depopulations across Ontario, Canada, the U.S.A. and internationally.

We all need to operate our farms in a culture of biosecurity – something we must follow each and every day. However, when it comes to emergency response and potential disease threats, the faster we communicate, the better it will be for a stronger outcome that benefits us all.

We all have an important part to play in our success on the farm and in our sector. This success is fundamental to maintaining our fair farm pricing system, which we are privileged to be a part of in this province and country. How we respond to the challenges we face defines the impact to our industry and ultimately, the success we achieve.



## 2017 Critical Areas:

- Third-Party Audits
- EFO hires two new field inspectors
- Updated manuals to improve flock management
- Effectively responded to bronchitis challenge in 2017

Above: EFO is recognized for our efforts in barn depopulation.

# PUBLIC AFFAIRS REPORT



## Always working to build consumer trust

Egg Farmers of Ontario's (EFO's) Public Affairs Department worked on a number of projects during 2017, all in the pursuit of promoting eggs and building trust for egg and pullet farmers in Ontario.

### Advertising

The 2017 iteration of the *Who Made Your Eggs Today?* (WMYET?) campaign, as with the previous year, consisted of two separate phases. Flight one, featuring egg farmers Josh Veldman and Patrick Mainville, launched March 6 and ran for a four-week period on bus, train and subway ads. Placement for this segment was in more than 2,500 Toronto Transit Commission (TTC) interiors, 500 GO trains and 900 bus posters across Ontario. To complement our advertising, Foodland Ontario ran radio tags featuring Ontario eggs March 6 to 13.

Flight two of the campaign began mid-August and again, ran for four weeks, on more than 2,500 TTC interiors, 500 Go Trains and 937 bus posters across Ontario. A French ad, created during the 2016 WMYET? campaign, was used mainly in Eastern Ontario.

In addition to utilizing traditional advertising executions, promotion of the campaign was amplified across EFO's social media assets during both flights. Facebook, Twitter and Instagram all provided a platform to promote Ontario egg and pullet farmers and engage with consumers.

EFO's Ethnic Marketing Campaign commenced February 17 and targeted Chinese consumers in both Mandarin and Cantonese. Four recipes were created by television celebrity Chef Ho and made into a booklet. Recipe videos are hosted on EFO's YouTube channel and Chinese website. In-store demonstrations took place February 18 to March 5 at select grocery stores in the Greater Toronto Area, Ottawa and Waterloo.



Above: Advertisement featuring Dave Hayes on an in-place transit ad.

Left: Patrick Mainville featured in a french ad created for the WMYET? campaign.

Right: EFO's advertisement created for the December Issue of Foodism Magazine.





EFO was highlighted in the June issue of Horizon Magazine, which was distributed to more than 200,000 people. Our ad was displayed on a digital screen at Yonge and Dundas Square in Toronto and on Toronto's PATH (underground pathway system). The *Curried Egg and Bacon Dip* recipe appeared in the magazine, along with the Heyink Family.

For the first time, EFO featured an advertisement in the popular urban Foodism Magazine. In October, Zone 10 egg farmer Patrick Mainville appeared in a one-page advertisement and then in December, our recipe, *Slow Cooker Rice Pudding* was featured as a full-page ad in their holiday publication. 50,000 copies of the magazine are distributed at over 50 subway stations and intersections in Toronto as well as Loblaws Stores and Aroma Espresso Bars in Toronto.

EFO participated in a quarter-page ad in the December Better Farming Junior Farmer issue and placed a half-page ad in Canadian Poultry magazine's August *Who's Who?* issue.

EFO partnered with City Parent magazine to distribute spice cards in "loot" bags for families attending various events throughout

the Greater Toronto Area. More than 15,000 bags were distributed during events at Harbourfront Toronto, Oakville Children's Festival and the Toronto Zoo. In addition, EFO's *Egg Taquitos* recipe was featured in the June issue of the magazine in a full-page ad.

### Recipe Resources

Throughout the year, EFO developed a number of recipe-based resources directed to consumers.

Two new recipes were added to our popular collection of spice cards during 2017. The *Hayes Family Spiced Carrot-Cream Cheese Squares* was circulated in May and 41,500 cards were produced for Ontario and eight other provincial and territorial egg boards. *Tonya's Herbed Squash and Kale Quiche* was issued in the fall, with 63,000 cards produced, and again, included executions for eight other provincial and territorial egg boards.

In October, EFO released a new recipe booklet named *Simply Quiche*, a full-colour booklet filled with step-by-step instructions for making a basic quiche along with four delicious seasonal quiche recipes.



Top: An advertisement created for EFO's Ethnic Marketing Campaign.

November saw the release of EFO's latest recipe resource - *Appies Make Me Happy* - featuring three popular appetizer recipes. 75,000 copies of the accordion-style recipe resource were printed.

## Recipe Bank

In 2017, EFO created 12 new recipes, two of which were also made into spice cards. Included in this project was new photography and video to showcase the recipes on EFO's website and in social media. The collection featured a variety of recipes such as *Cinnamon Streusal Coffee Cake*, *Slow Cooker Western Omelette Brunch Bake* and *Easy Pad Thai*.



*Where Do Your Eggs Come From?*, a new egg-shaped booklet designed for kids, was created this year. The full-colour resource is filled with fun egg facts, hen housing and farm-to-store information in a kid-friendly format with more than 120,000 copies printed in English and French. The booklet was also distributed to participants during *Rocks & Rings* sessions.

During 2017, the popular resource *Grade A Goodness* was revised and re-printed. This full-colour brochure filled with egg storage, freezing and handling tips was updated to bring it in line with current EFO assets. More than 53,000 brochures were printed in both English and French.

The popular education piece, *The Egg Eggs-perience*, was also redesigned. A new colour scheme and updated logo completed the update of the resource. The first print run consisted of 25,000 copies with an additional 20,000 of the updated version printed for use at schools, fairs and events.

## PROMOTIONS

### Fairs, Exhibits, and Events

During 2017, EFO promoted eggs at over 90 fairs and events. This included the distribution of more than 231,665 recipes and educational resources, 32,560 shopping pads, 114 gift baskets and 5,925 microwave gift packages at a variety of events across the province.

EFO was once again a presenting sponsor of *Breakfast on the Farm*, held September 16 at Maplevue Farms in Listowel. Zone 6 egg farmers Tonya Haverkamp and Don Storey participated in the *Explore Agriculture* display and shared their egg farming story with visitors.

EFO's egg education trailers, both of which had been completely renovated for the 2017 fair season, were back on the road. The larger of the two trailers made its first appearance at the *Durham Farm Connections* event in early April to kick off the season.

Once again, EFO continued to partner with Judy Scott Welden to offer the *Demonstration Kitchen Program*, which encourages fairs to offer cooking demonstrations with eggs. This year, the kitchen made stops at Williamstown Fair, Capital Fair, West Niagara Fair, Kingston Fall Fair and Stratford Fall Fair.

During 2017, EFO partnered with the *Travellin' Farmer* exhibit, which allows our reach to extend further into fairs located in Eastern Ontario.

The 138th Canadian National Exhibition (CNE) ran August 18 to September 4 and EFO's exhibit featured EFO's large egg education trailer with an enriched housing system. Attendees at the fair could interact with our farmer volunteers and see both brown and white hens on display.

In September, EFO featured a display with the smaller egg education trailer during the 2017 Western Fair in London. Farmer volunteers were again on-hand to engage with fair-goers.

Once again, EFO was a presenting sponsor of the *Road to the Royal*. For 2017, the tour showcased Ontario chefs using local Ontario ingredients which were sampled by the audience. Local egg farmers attended the events held at the International Plowing Match, Great Northern Exhibition, Paris Fair and Port Hope Fair as well as five demonstrations held during the Royal Agricultural Winter Fair.

## PUBLIC RELATIONS

### Eggs & Bakin' Newsletter

The recipe-based monthly email, which originally launched in October 2016, has continued to grow. Consumer subscribers to the e-newsletter receive monthly access to recipes, events, fun egg facts and blog posts. There are now over 330 subscribers and the average read rate is 46.5 per cent.

### World Egg Month

World Egg Month was again celebrated in Ontario during the month of October. Activations included an "egg quiz" segment on *My Left Frying Pan*, hosted by home economist and television personality Mairlyn Smith, media appearances by egg farmer Tonya Haverkamp on Jewel Radio's *What She Said* program October 7, CTV News at Noon (Kitchener) October 11, CTV Live at 5 (Kitchener) October 12 and CHCH *Morning Live* (Hamilton) October 13 and appearances with Zone 9 egg farmer Stephanie Nanne on CTV *Morning Live* (Ottawa) October 13 and Rogers *Daytime* (Ottawa). Registered Dietitian Carol Harrison showed viewers on Rogers TV (Georgina) and CHCH (Hamilton) how to create easy weeknight dinners using eggs.



Above: EFO created a new recipe resource, featuring appetizer recipes.

Below: Stephanie Nanne gets ready to talk eggs on CTV News Ottawa during World Egg Month.



Above: Mairlyn Smith has fun with eggs on *My Left Frying Pan* for World Egg Month.

Below: The *Simply Quiche* booklet was created for World Egg Month.





### Sponsorships

To support local programs, including sponsorship of sports teams, community and lifestyle events and egg donations, each Zone was provided \$15,000 in 2017, resulting in over 300 initiatives being funded throughout the province.

In the final year of the three-year partnership with the Ottawa Senators, eggs were once again the *Official Breakfast Protein* of the team. As with previous years, the partnership included the *Get Cracking*® logo on the Ice Crew shovels and helmets, and participation in ten *Hometown Tour* events as well as *FanFest*.

During 2017, EFO announced a four-year partnership with Team Homan, the number one ranked women's curling team in the world and the 2017 *Ford World* and *Scotties Tournament of Hearts* champions. During the 2017 *Ford World Women's Curling Championships*, held in March in Beijing, China, the *Get Cracking*® logo was prominently displayed on the lead knee of the team's pants. Their latest uniform features the *Get Cracking*® logo on the team shirts, placed on the front right and shoulder.

For the second year, EFO was a presenting sponsor of the *Rocks & Rings* program with Curling Canada. This program transforms school gymnasiums into curling rinks through the use of indoor floor curling equipment and introduces children to the popular Canadian sport. A video was also created to highlight the program, which aired during curling programs on TSN, the *Scotties Tournament of Hearts*, the 2017 *Tim Hortons Brier* and the *Ford World Curling Championships*.

EFO, in partnership with the Fédération des producteurs d'œufs du Québec, continued the sponsorship of Alpine Canada's ski team member Valérie Grenier, also an egg farmer from Zone 10.

In 2017, EFO was proud to sponsor a number of other athletes in their pursuit of excellence. These included: Hella Comat, the first woman to win a Canadian National Aerobic Championship; Fareen Samji, five-time woman's Canadian International Long Drive Champion; Meg White, International Fitness Competitor; and the Rowbust Breast Cancer Survivor Dragon Boat Racing Team.



Above: EFO is proud to sponsor Valérie Grenier, Alpine Canada's 2017 Female Athlete of the Year.

Below: EFO proudly sponsored Ford World Women's and Scotties Tournament of Hearts Champions Team Homan.



### Fields to Forks

EFO sponsored another flight of *Fields to Forks* which ran from August 21 to October 1. The program showcased agriculture to urban consumers through video segments shown on CTV (London) and EFO's segment featured Zone 3 egg farmer Megan Veldman. The sponsorship also included three half-hour radio segments on CJBK radio with local egg farmers Megan Veldman, Gary West, Tonya Haverkamp and Don Storey.



Above: EFO was proud to sponsor another segment of *Fields to Forks*.

### Media Relations

EFO demonstrated a strong media presence during 2017 promoting egg farming and recipes.

On February 7, two EFO recipes were prepared by Home Economist Judy Scott Welden on *CTV News at Noon* (Kitchener). Judy shared the *Mexican Fiesta Omelette* and *Cinnamon Streusel Coffee Cake* with viewers and the omelette was also featured in a step-by-step blog post on EFO's website. Both recipes were also posted on EFO's social media platforms during the month.

Timed with the release of Disney's updated *Beauty and the Beast* movie on March 17, EFO featured our *Cheese Souffle* and *White Chocolate Orange Pudding* recipes in a pitch distributed by Ontario Veal and Ontario Turkey. The recipes were highlighted by Rita Demontis, Lifestyle and Food Editor (Sun Media) and ran in over 25 national media outlets across Canada.

EFO celebrated Easter with a creative approach during 2017. Released just in time for Easter, EFO's *Scalloped Eggs and Bacon* recipe featured a partnership with Ontario Pork. In addition, EFO also promoted our *Spiced Carrot-Cream Cheese Squares*. Television appearances with egg ambassadors Tonya Haverkamp and Marcel Laviolette took place on CTV and Rogers stations in Kitchener, London and Ottawa. Easter-themed social media posts including recipes, egg decorating and craft ideas were also distributed.

Two recipes were created for summer, the *Spanish Tortilla with Pancetta* and *Ricotta Cheesecake*, which were promoted on EFO's social media channels and newsletter. Judy Scott Welden was again on *CTV News at Noon* (Kitchener) July 4 where she demonstrated EFO's *Curried Egg and Bacon Dip* and *Egg Taquitos* recipes.

### Government Relations

Once again, EFO participated in the two annual Ontario Public Service (OPS) food drives held April 13 and October 5. The two events combined provided 9,000 dozen eggs to the Daily Bread Food Bank in Toronto.

EFO joined Foodland Ontario to help celebrate their 40th anniversary and launch Local Food Week at the *Picnic in the Square* event, held at Toronto's Yonge-Dundas Square on June 1. Attendees could sample

delicious foods, visit displays from farm groups such as EFO and get their questions answered. EFO Chair Scott Graham, Zone 3 Director Dan Veldman, Zone 2 Director Dianne McComb and Public Affairs staff attended the event designed to showcase Ontario food.

The 19th annual Member of Provincial Parliament (MPP) omelette breakfast was held on September 27, in the Legislative Dining Room at Queen's Park. More than 40 MPPs joined the breakfast along with legislative staff members. Ontario Premier Kathleen Wynne stopped by during the event to enjoy an omelette.

Egg Farmers of Ontario participated in the *Equal Voice - Daughters of the Vote* event as a bronze sponsor March 7-9 in Ottawa. This included a breakfast sponsorship, provision of microwave egg cooker packages to all delegates and sponsoring Zone 6 egg farmer Tonya Haverkamp as a panel speaker in the women in a non-traditional roles/occupations session.

Farmer involvement was strong in various town hall style meetings during the Conservative Party of Canada's leadership debates. A high-profile candidate was calling for an end to the supply management system and many farmers were active on social media and other forums and were successful in refuting his claims.

In May, EFO Chair Scott Graham joined Jeff Leal, Minister of Agriculture, Food and Rural Affairs along with representatives from Food & Consumer Products of Canada and the Ontario Federation of Agriculture, to take part in agri-trade discussions in the Great Lakes States. The group met with business and agriculture leaders during the tour.

As part of daily news monitoring, EFO continues to monitor the latest updates in the on-going negotiations of the *North American Free Trade Agreement* (NAFTA). This will continue into 2018.

### Grader Partnerships

EFO values building and maintaining relationships with industry partners. A key component of this is working together with graders. During 2017, a number of projects took place.

Public Affairs staff worked with Marcel Laviolette to create WMYET?-themed graphics for his two new trucks. The truck

advertising featured the Laviolette family with WMYET? messaging and Laviolette logo. The new trucks were on the road in January 2017.

EFO assisted Burnbrae Farms to create a banner for their use at events. The pull-up display featured four Canadian farm families, and included two farms from Ontario. EFO was happy to supply images of the Grenier and Hayes families for use on the banner.

EFO also sponsored the French version of Gray Ridge Eggs' FarmFood 360 virtual tour in collaboration with Farm and Food Care.

Finally, EFO provided NutriGroupe with resources and materials to support the opening of their new facility in Kitchener.



Above: New WMYET? graphic on Laviolette egg truck.

### Awards

The Canadian Agri-Marketing Association (CAMA) held their *Best of CAMA* awards gala November 9 in Regina, where EFO was nominated for three awards and received one *Certificate of Merit for Social Community Building and Engagement* for our Facebook, Twitter and Instagram accounts.



Above left: Egg Farmer Tonya Haverkamp with Lisa Raitt (MP-Milton) and Lisa Thompson (MPP-Huron Bruce). Above right: EFO Chair Scott Graham with Minister Leal and participants of agri-trade discussions.



Above (clockwise, from left): Megan & Dan Veldman join Minister Leal during the OPS Food Drive; Scott Graham, Ontario Premier Kathleen Wynne and Minister Leal at Queen's Park; Zone 8 Director Hubert Schillings with Lorne Coe (MPP Whitby-Oshawa); John Vanthof (MPP Timiskaming-Cochrane) at the annual omelette breakfast; and EFO Board of Directors with Leah Schillings, Josie MacHattie (both Zone 8) and Megan Veldman at the breakfast.

**DIGITAL**

**Website**

In January 2017, EFO launched a new recipe platform. This advanced feature of our website allows users to create a personal account, save recipes in one place, access a grocery list tool and create and share meal plans from the platform. Recipes from EFO, Egg Farmers of Canada, Foodland Ontario, provincial egg boards and Yummly are all included on the new platform.

A new website, Your Egg Questions, was launched in March 2017. The interactive site allows consumers to ask their egg-related questions and have them answered by knowledgeable industry experts. Answers to all questions are posted on the site.

Our blog, located on our recipe site, was a priority during 2017 and featured new content on a variety of topics, including crafts, nutrition, meal tips and recipe suggestions.

**Social Media**

A renewed emphasis on social media and the development of a strategy in this area was identified as a high priority for 2017. Clear goals and objectives were established which included the development of a content calendar to ensure regular and relevant posts. In addition to our already existing Facebook,

Twitter and YouTube accounts, an Instagram account was added to round out EFO's social media base. The result was an overall increase in the number of followers across all platforms, increased regular daily activity along with more posts during holidays and events.

In partnership with the Royal Agricultural Winter Fair (RAWF), an egg pun contest was held September 1 to 24. Contestants sent their best egg puns via Twitter using the hashtag #ROYALEGGPUN for a chance to win a "Royal" Prize Pack that included admission to the RAWF, matinee horse show, lunch at The Hitching Ring, RAWF prizes and eggs for one year. The top egg puns from the more than 50 received were made into a video for use on social media as well as the jumbo screens during the RAWF.

On October 12, EFO launched a social media contest with *Rocks & Rings* and Team Homan. Participants had to either "like" EFO's Facebook page and share the contest image or follow us on Twitter and retweet the contest image to win a prize pack that included a weekend pass to *Roar of the Rings*, a *Rocks & Rings* session with a take-home curl set for their community or school and eggs for one year. The contest ran until October 31 and received more than 304 entries.

**FOODSERVICE**

**Putting Quality Food on the Tray**

EFO became a member of the advisory committee for the *Putting Quality Food on the Tray* project. This program, part of the Food for Health research theme under the OMAFRA-University of Guelph Research Partnership, aims to evaluate the benefit of serving freshly-prepared meals made from fresh, locally available foods in hospitals. The first phase was a pilot project with local hospitals saw patients served egg menu items, accompanied with a WMYET? tray mat and table card. After the phase was completed, a random patient feedback audit was conducted regarding menu choices, quality of meals and Ontario egg messaging (tray mats/table cards). This project continues into 2018.

**Ontario Ingredients for Success**

In its second year, the *Ontario Ingredients for Success* project continues to strengthen connections between foodservice operators and farmers, growers and processors in Ontario. Tradeshows have been held and resources developed for foodservice operators that promote the use of Ontario ingredients in their menus.

**Burger King®**

On July 31, Burger King® launched a promotion of their egg breakfast menu items "Proudly made with Canadian eggs" which prominently featured the *Get Cracking®* logo on in-store digital menu boards and drive-thru menus at the chain's 290 locations across Canada.



Above: Graphic used to promote the contest with *Rocks & Rings* and Team Homan.



Above Right: A table card from *The Simmering Kettle Restaurant*, one of many Foodservice promotions done in 2017.



Right: Burger King egg breakfast promotion which featured the *Get Cracking®* logo.

## Tim Hortons®

Following Tim Hortons® successful 2016 breakfast sandwich promotion, they continued using *Get Cracking®* on their in-store signs and Tims TV. As a component of the 2017 promotion, EFO was invited to participate in the creation of a television commercial to connect an Ontario egg farmer with the eggs used in Tim Hortons® breakfast sandwiches. Zone 4 egg farmer Chris Mullet Koop was featured in the television ad which launched on April 5.

EFO continued our partnership with *The Egg Man Inc.* food truck which included a new truck design. On July 17, owner Chef Tom Januszewski got a chance to show off his new look on the popular Marilyn Denis television show during a segment featuring Toronto food trucks.

EFO sponsored Season 2, Episode 2 (The Breakfast Challenge) of the Bell Fibe series *A Chef's Journey*. Each episode introduces viewers to culinary students at Georgian College and features challenges for them to compete in. Students also learn how ingredients get from farm to store and as part of this, they toured Veldman Poultry Farms.

## SOCIAL RESPONSIBILITY

During the 2017 Zone meetings, EFO auctioned player-signed shovels used during Ottawa Senators games, with the proceeds donated to the Ontario Association of Food Banks (OAFB). Skye Pullets, the successful bidder during the pullet meeting, donated their shovel for re-auction during the Annual Meeting Banquet. In total, the auctions raised \$12,553.00 for the OAFB.

EFO continued the *Food Bank Egg Donation Program*, along with the OAFB and Ontario graders. The program consists of an annual donation of \$250,000 worth of eggs, distributed by OAFB to its member food banks across Ontario, providing about 12,000 dozen eggs per month. Eggs are provided through the on-going participation of Burnbrae Farms and Gray Ridge Eggs.

EFO and the OAFB teamed up once again October 1 to 31 to help beat hunger across Ontario in a social media contest. Followers of EFO's Facebook page could vote daily for their local OAFB member food bank. 40,000



Above: Social media graphic used to promote the Food Bank contest with the OAFB.

votes were cast and the first-place winner of 600 dozen eggs was the Cambridge Self-Help Food Bank. The second place winner, receiving 400 dozen eggs was Winchester Community Food Share; and in third place, collecting 250 dozen eggs, was Georgetown Bread Basket.

## Student Nutrition Ontario

Egg Farmers of Ontario continued to help fund school nutrition programs, through our three-year partnership of \$150,000 with Student Nutrition Ontario. The annual cheque presentation was held at Contact Alternative School in Toronto on November 16, with EFO Chair Scott Graham making the presentation.



# CONSUMER CHOICE ENGAGEMENT STRATEGY - TAKING BACK THE HIGH GROUND ON HEN WELFARE



## Maintaining Choice in the Marketplace

Over the course of 2016, Egg Farmers of Ontario (EFO) initiated a campaign to engage stakeholders and consumers alike in an effort to preserve their choice of eggs in the marketplace from a variety of approved housing systems used in Canada.

The first steps in the multi-year campaign evolved during 2017 and tangible results were achieved in key areas.

### Housing Videos

Eight on-farm videos were launched in 2017 to showcase the different types of approved hen housing systems currently in use across Ontario.

Six farm families – Eisses, Lavolette, Mulder, Mullet Koop, Ottens and Veldman, opened their barn doors to EFO and Farm Boy Productions to film the videos. The resulting videos show the farmer(s) explaining the housing system they use and why they chose it, the pros and cons of each system and how it impacts what it is best for their birds.

In total, five enriched systems (including one in French), one free run, one free range and one aviary housing system videos were created. All are hosted on EFO's website and promoted via social media and blog posts. The final videos were launched during the Annual Meeting held in March 2017.

### Website

A new Animal Care section was added to EFO's website, which not only acted as a home for the eight housing videos, but also features information on the *Animal Care Program*, the *Canadian Code of Practice* and our *On-Farm Food Safety Program*. In addition to this section on Animal Care, a new questions portal was created, separate from EFO's main site. This allows consumers to ask any egg questions directly on the site and the answers are sent to their social media feeds along with being posted to the site. Further work to promote the portal will continue in 2018.

### Influencer Tours

In May, as part of our stakeholder engagement strategy, EFO partnered with Farm and Food Care Ontario (FCC) for a culinary tour. More than 40 culinary program students from Fanshawe College toured Dan Veldman's (Zone 3) enriched layer barn followed by a flour mill and cash crop operation. In September, EFO joined with Croplife Canada, Burnbrae Farms and Dairy Farmers of Canada, to sponsor FCC's Registered Dietitians tour. About 40 dietitians participated in the event, which included a tour of Burnbrae Farms in Lyn, Ontario.

### Egg Quality Assurance Research

Certification research was completed early in the new year, conducted through online quantitative research and staff used this research to develop the next steps for this element of the project.

In March, an update meeting was held with over 30 provincial representatives and graders, where the research results were presented and next steps towards the development of a certification program were discussed.

National certification research was also conducted in March, which was then presented to provincial egg board General Managers, provincial marketing and communications staff and members of the Canadian Poultry and Egg Processors Council (CPEPC).

National uptake of the project began mid-year and in June, national qualitative research was conducted in Vancouver, Winnipeg, Toronto, Montreal and Halifax to determine a national certification program.

Egg Farmers of Canada (EFC), along with EFO, presented an update on the national certification program to graders and processors at the CPEPC convention in June.

In July, a national project team was established. As a result, national program and policy development, along with a communications plan are currently in progress to launch the *Egg Quality Assurance Program* in 2018.



Above: A new Animal Care section was added to EFO's website.



A man in a black polo shirt is pushing a metal cart filled with egg cartons in a grocery store aisle. The cart is overflowing with white egg cartons. In the background, there are shelves stocked with various grocery items, including blue boxes and yellow packages. The man is looking to his right.

## Telling consumers about egg quality and hen care.

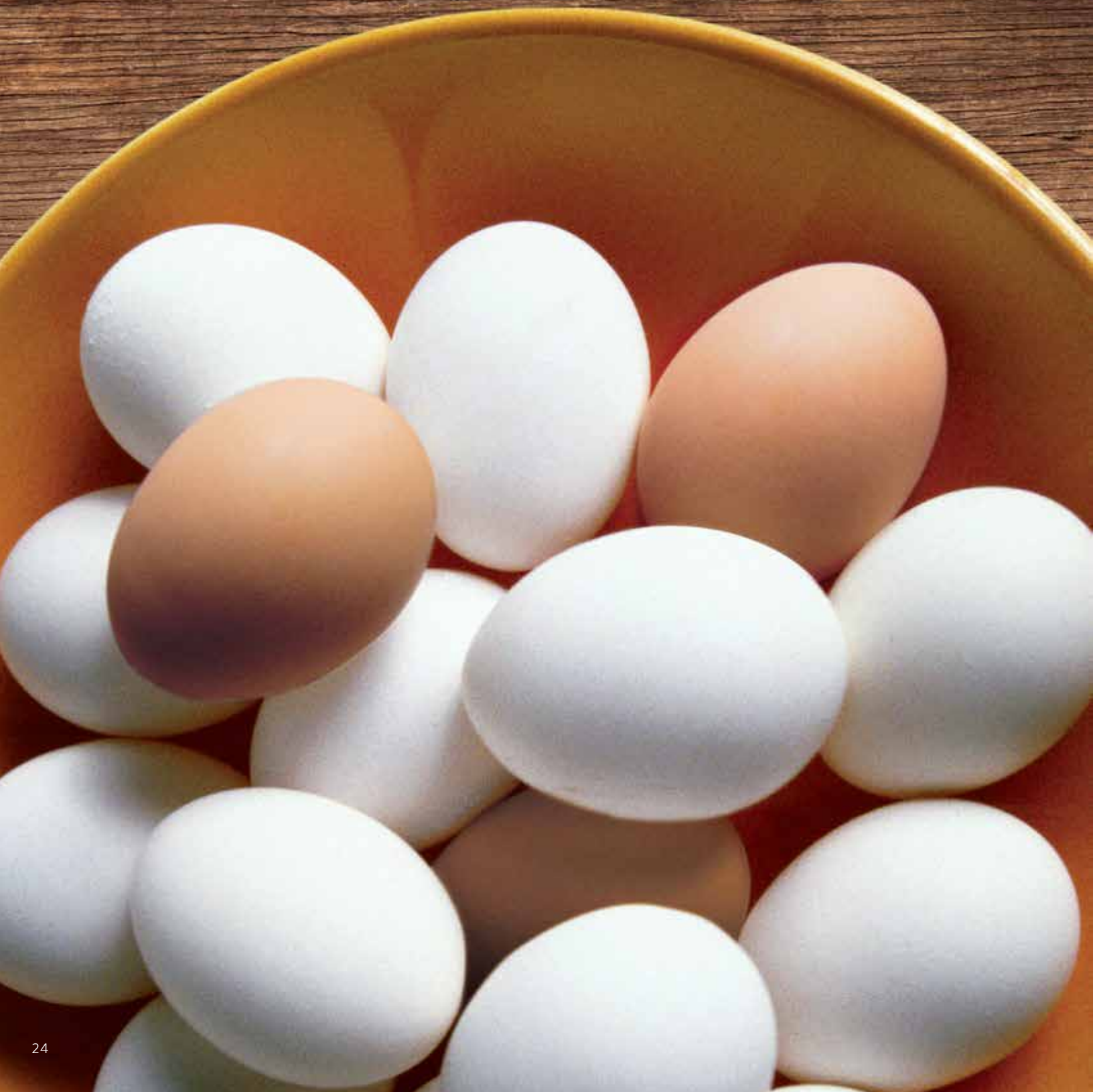
### *Egg Quality Assurance*

The strategy achieved significant results in 2017 through the support of EFC, all provincial and territorial boards, along with national and regional graders, CPEPC and industry stakeholders. Through these efforts, a name and logo was developed to represent the egg certification program – *Egg Quality Assurance* (EQA). Roll-out of this program will begin in 2018.



## EGG FARMERS OF ONTARIO FINANCIAL STATEMENTS

For the 52 week period  
ended December 30, 2017



## Independent Auditor's Report

### To the Members of Egg Farmers of Ontario

We have audited the accompanying financial statements of Egg Farmers of Ontario, which comprise the statement of financial position as at December 30, 2017, as well as the statements of changes in net assets, operations and cash flows for the 52 weeks then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not for profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

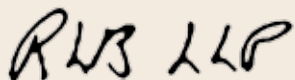
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Egg Farmers of Ontario as at December 30, 2017, and the results of its operations as well as the statements of changes in net assets, operations and cash flows for the 52 weeks then ended, in accordance with Canadian accounting standards for not for profit organizations.



RLB LLP  
Chartered Professional Accountants  
Licensed Public Accountants  
Guelph, Ontario  
February 28, 2018

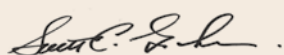
# Egg Farmers of Ontario Statement of Financial Position

AS AT DECEMBER 30, 2017

	2017	2016
<b>Assets</b>		
<b>CURRENT</b>		
Cash	\$ 13,824,117	\$ 7,128,401
Cash in trust - QTS	9,106,338	7,242,696
Short term investments - due in less than 12 months ( <i>note 6</i> )	1,858,946	2,605,334
Accounts receivable levies	5,703,745	4,609,502
Accounts receivable from EFC	5,658,966	5,822,428
Per bird levy receivable	925,539	119,201
Accounts receivable MGA	506,648	0
Accrued interest receivable	17,523	6,020
Industrial product receivables	1,695,496	1,362,279
Prepaid expenses, inventory and other receivables	<u>1,550,677</u>	<u>2,525,567</u>
	40,847,995	31,421,428
LONG TERM INVESTMENTS - due in more than 12 months ( <i>note 6</i> )	5,014,349	6,457,529
CAPITAL ASSETS ( <i>note 7</i> )	<u>450,718</u>	<u>466,108</u>
	<u>\$ 46,313,062</u>	<u>\$ 38,345,065</u>
<b>Liabilities</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 6,639,214	\$ 6,616,845
Accounts payable in trust - QTS	9,106,338	7,242,696
Accounts payable to EFC	8,684,618	8,558,410
Farmers' payable - EFP	2,573,119	1,903,805
Per bird levy payable	<u>3,495,728</u>	<u>2,565,265</u>
	30,499,017	26,887,021
<b>Net Assets</b>		
Net assets invested in capital assets	450,718	466,108
Internally restricted for bacteria control ( <i>note 8</i> )	2,000,000	1,743,779
Internally restricted for special projects ( <i>note 9</i> )	1,824,252	1,824,252
Internally restricted for pullet quota sales ( <i>note 10</i> )	876,007	726,098
Internally restricted for disease initiative ( <i>note 16</i> )	1,553,400	1,748,064
Unrestricted net assets	<u>9,109,668</u>	<u>4,949,743</u>
	15,814,045	11,458,044
	<u>\$ 46,313,062</u>	<u>\$ 38,345,065</u>

see notes to the financial statements

APPROVED ON BEHALF OF THE BOARD:



Scott Graham, Chair



Scott Helps, Vice Chair

## Egg Farmers of Ontario Statement of Changes In Net Assets

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

	INVESTED IN CAPITAL ASSETS	INTERNALLY RESTRICTED FOR BACTERIA CONTROL <i>(NOTE 8)</i>	INTERNALLY RESTRICTED FOR SPECIAL PROJECTS <i>(NOTE 9)</i>	INTERNALLY RESTRICTED FOR PULLET QUOTA SALES <i>(NOTE 10)</i>	INTERNALLY RESTRICTED FOR LAYER LEASING <i>(NOTE 11)</i>	INTERNALLY RESTRICTED FOR DISEASE INITIATIVE <i>(NOTE 16)</i>	UNRESTRICTED	52 WEEKS 2017 TOTAL	53 WEEKS 2016 TOTAL
<b>BALANCE</b>									
Beginning of period	\$ 466,108	\$ 1,743,779	\$ 1,824,252	\$ 726,098	\$ 0	\$ 1,748,064	\$ 4,949,743	\$ 11,458,044	\$ 14,823,779
(Deficiency) excess of revenue over expenditures	(100,490)	(1,580,043)	0	13,844	0	(194,664)	6,217,354	4,356,001	(3,365,735)
Invested in capital assets (net)	85,100	0	0	0	0	0	(85,100)	0	0
Transfers <i>(note 17)</i>	<u>0</u>	<u>1,836,264</u>	<u>0</u>	<u>136,065</u>	<u>0</u>	<u>0</u>	<u>(1,972,329)</u>	<u>0</u>	<u>0</u>
<b>BALANCE</b>									
End of period	<u>\$ 450,718</u>	<u>\$ 2,000,000</u>	<u>\$ 1,824,252</u>	<u>\$ 876,007</u>	<u>\$ 0</u>	<u>\$ 1,553,400</u>	<u>\$ 9,109,668</u>	<u>\$ 15,814,045</u>	<u>\$ 11,458,044</u>

*see notes to the financial statements*

# Egg Farmers of Ontario Statement of Operations

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

	BUDGETED 52 WEEKS 2017 <i>(NOTE 5)</i>	ACTUAL 52 WEEKS 2017	ACTUAL 53 WEEKS 2016
<b>REVENUE</b>			
Sales	\$ 96,870,760	\$ 99,731,842	\$ 67,112,682
Less			
National IP fees <i>(note 12)</i>	69,335,643	71,142,179	43,868,981
EFC administration levies <i>(note 12)</i>	7,540,976	7,739,697	7,623,640
Per bird levy rebate	<u>2,250,000</u>	<u>2,566,752</u>	<u>2,567,504</u>
Levies and licence fees retained	17,744,141	18,283,214	13,052,557
Investment and other income	101,550	325,379	247,560
Layer leasing revenue <i>(note 11)</i>	2,741,605	5,295,285	2,064,484
Market growth allowance fees	0	507,628	0
EFP program <i>(schedule I)</i>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
	<u>20,637,296</u>	<u>24,461,506</u>	<u>15,414,601</u>
<b>EXPENDITURES</b>			
IP program <i>(schedule II)</i>	5,963,406	5,068,231	5,885,405
Public Affairs	3,300,000	2,825,000	2,717,294
Consumer choice campaign	750,000	154,014	597,873
Enriched housing incentive	1,000,000	878,582	0
Administrative expenses <i>(schedule III)</i>	6,378,974	5,779,619	5,602,992
Research, grants, scholarships and memberships <i>(note 15)</i>	757,250	927,327	363,303
EFC layer service fee <i>(note 11)</i>	<u>0</u>	<u>2,847,934</u>	<u>3,836,752</u>
	<u>18,149,630</u>	<u>18,480,707</u>	<u>19,003,619</u>
<b>TOTAL OPERATING EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES for the fiscal period</b>			
	<u>\$ 2,487,666</u>	<u>\$ 5,980,799</u>	<u>\$ (3,589,018)</u>
<b>INTERNALLY RESTRICTED ASSET REVENUE (EXPENDITURES)</b>			
Bacteria control <i>(note 8)</i>		(1,580,043)	39,122
Pullet quota sales <i>(note 10)</i>		149,909	278,205
Disease initiative <i>(note 16)</i>		(194,664)	(148,665)
Layer leasing <i>(note 11)</i>		<u>0</u>	<u>54,621</u>
		<u>(1,624,798)</u>	<u>223,283</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES for the fiscal period</b>			
		<u>\$ 4,356,001</u>	<u>\$ (3,365,735)</u>

*see notes to the financial statements*

## Egg Farmers of Ontario Statement of Cash Flows

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

	52 WEEKS 2017	53 WEEKS 2016
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess (Deficiency) of revenue over expenditures	\$ 4,356,001	\$ (3,365,735)
Add: Items not involving cash		
Amortization of capital assets	87,323	81,548
Loss on disposal of capital assets	13,167	0
	<u>4,456,491</u>	<u>(3,284,187)</u>
Net change in non-cash operational balances		
Accounts receivable levies	(1,094,243)	(638,775)
Accounts receivable from EFC	163,462	(1,605,634)
Per bird levy receivable	(806,338)	463,185
Accounts receivable MGA	(506,648)	0
Accounts receivable investments - PIE	0	164,884
Accrued interest receivable	(11,503)	1,826
Industrial product receivables	(333,217)	277,106
Prepaid expenses, inventory and other receivables	974,890	(1,073,212)
Short term investments	746,388	(300,154)
Accounts payable and accrued liabilities	22,369	1,660,161
Accounts payable to EFC	126,208	2,715,983
Accounts payable in trust - QTS	1,863,642	5,637,522
Farmers' payable - EFP	669,314	(500,760)
Per bird levy payable	930,463	328,162
	<u>2,744,787</u>	<u>7,130,294</u>
	<u>7,201,278</u>	<u>3,846,107</u>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		
Long term investments	1,443,180	33,067
Purchase of capital assets	(85,100)	(63,878)
	<u>1,358,080</u>	<u>(30,811)</u>
<b>CHANGE IN CASH</b>		
CASH, beginning of fiscal period	14,371,097	10,555,801
CASH, end of fiscal period	<u>\$ 22,930,455</u>	<u>\$ 14,371,097</u>
Cash includes the following:		
Cash	13,824,117	7,128,401
Cash in trust - QTS	9,106,338	7,242,696
	<u>\$ 22,930,455</u>	<u>\$ 14,371,097</u>

see notes to the financial statements

# Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

## 1. ACTIVITIES OF EGG FARMERS OF ONTARIO

Egg Farmers of Ontario (EFO) is engaged in the control and regulation of the production of eggs and pullets in Ontario, the collection of levies and licence fees, the promotion of eggs and the purchase and sale of industrial product.

## 2. LEGISLATION RELEVANT TO OPERATIONS

Egg Farmers of Ontario receives its authority from the *Farm Products Marketing Act (Ontario)* and *The Commodity Boards and Marketing Agencies Act, 1978* (Ontario). Egg Farmers of Ontario is a not for profit organization and is exempt from tax under Section 149(1)(e) of the *Income Tax Act*.

Egg Farmers of Ontario acts as an agent for Egg Farmers of Canada (EFC) in collecting EFC's administrative levies.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

### (a) CAPITAL ASSETS

Expenditures made for the purchase of capital assets are capitalized. Amortization is recorded at rates estimated to charge the original cost to operations over the estimated useful lives of the assets as follows:

Office equipment	-20% declining balance basis
Building	-straight line over 40 periods
Automobiles and promotional trailers	- 30% declining balance basis
Computer equipment	- straight line over 4 periods

Amortization is taken at 100% of the above rates in the period of addition.

### (b) IMPAIRMENT OF LONG LIVED ASSETS

Long lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

### (c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of management estimates and assumptions relate to accounts receivables, accounts payable and accrued liabilities, and useful life of capital assets. Actual results could differ from those estimates.

### (d) FINANCIAL INSTRUMENTS

#### *Measurement of financial instruments*

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities, besides investments, at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and all accounts receivables.

Financial liabilities measured at amortized cost include all accounts payable and accrued liabilities.

The organization's financial assets measured at fair value include short and long term investments.



### Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

### Transaction costs

The organization recognizes its transaction costs in net surplus in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

## (e) REVENUE RECOGNITION

### Ontario levies for egg quota

Egg Farmers of Ontario is empowered under the enabling legislation to collect levies and licence fees on all eggs marketed in Ontario. Levy revenue is based on dozens of eggs marketed, and is recognized when eggs are shipped from the farmer. The levy is collected based on marketings and reconciled annually against quota issuance and the difference is paid to or collected from the farmer.

With respect to grading stations and farmers over a prescribed flock size, Egg Farmers of Ontario operates a system of requiring regular reports of marketings affected by these registered parties and monitors the validity of these reports by reference to known flock sizes and estimated rates of lay. Egg Farmers of Ontario includes in income levies and licence fees on marketings reported by registered grading stations and farmers.

With respect to smaller farmers, some of which are not covered by the system described above, it is considered by Egg Farmers of Ontario that their marketings are not significant and that the amount of additional levies and licence fees, which might be collectible, would not be sufficient to justify the cost of instituting the additional controls required to identify and monitor the marketings by unregistered farmers. Egg Farmers of Ontario has alternative methods in place to help monitor these smaller farmers.

### Layer leasing revenue

Layer leasing revenue is generated through the leasing of quota to farmers that have capacity. Farmers apply to lease the quota from Egg Farmers of Ontario. Once the farmers' requests are approved, Egg Farmers of Ontario has earned the revenue. Layer leasing revenue is recorded when earned and collected.

## (g) IN TRUST ACCOUNTS

The organization is required to maintain separate trust accounts for any cash, receivable and payable in respect of monies collected on behalf of the quota transfer system. Thus, \$9,106,338 (2016 - \$7,242,696) is restricted from current use other than for the payment of trust liabilities.

## 4. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from their financial instruments.

The extent of the organization's exposure to these risks did not change in 2017 compared to the previous period.

## Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

### 5. BUDGETED FIGURES

The budgeted figures are presented for comparison purposes as prepared and approved by the Board of Directors on December 7, 2016, reclassified to conform to the current financial statement presentation. They have not been audited or reviewed by the auditor.

### 6. INVESTMENTS

Egg Farmers of Ontario has invested surplus cash in bonds, Guaranteed Investment Certificates (GICs) and fixed income Exchange Traded Funds maturing at various dates from 2018 - 2022, administered by RBC Dominion Securities and BMO Nesbitt Burns. Bond and GIC interest rates vary from 0.5% to 3.57%. Investments are accounted for at fair market value.

### 7. CAPITAL ASSETS

	COST	ACCUMULATED AMORTIZATION	NET 2017	NET 2016
LAND	\$ 162,000	\$ 0	\$ 162,000	\$ 162,000
OFFICE EQUIPMENT	1,331,361	1,257,607	73,754	104,064
BUILDING	646,672	527,487	119,185	135,351
AUTOMOBILES	85,953	73,341	12,612	18,016
PROMOTIONAL TRAILERS	42,755	41,798	957	1,367
COMPUTER EQUIPMENT	556,473	474,263	82,210	45,310
	<u>\$ 2,825,214</u>	<u>\$ 2,374,496</u>	<u>\$ 450,718</u>	<u>\$ 466,108</u>

### 8. INTERNALLY RESTRICTED FOR BACTERIA CONTROL

The bacteria control assets are utilized for payments for claims from Salmonella-infected flocks that include the cost of vaccines and compensation for birds that are destroyed. During the year, \$1,836,264 was transferred from the unrestricted net assets to the internally restricted for bacteria control (2016 - \$nil). The current period's investment income earned totalled \$18,749 (2016 - \$39,122). Expenses paid from the bacteria control account during 2017 totalled \$1,598,792 (2016 payment - \$nil) for a net increase of \$256,221.

### 9. INTERNALLY RESTRICTED FOR SPECIAL PROJECTS

The special projects account is for the funding of egg research and other special projects. During 2017, there were no transfers from the unrestricted net assets to the internally restricted special projects account (2016 transfers - \$nil).

### 10. INTERNALLY RESTRICTED FOR PULLET QUOTA SALES

The pullet quota sales account is an account which represents sales of pullet quota to farmers that have made a request for an increase in quota or over quota assessments. In 2017, \$136,065 was transferred from pullet leasing pool to pullet quota fund (2016 - \$266,870). During the period, \$13,844 of interest has been earned on this revenue (2016 - \$18,335) and has been allocated to the pullet quota sales account. Expenses paid from the pullet quota fund during 2017 were \$nil (2016 payment - \$7,000) for a net increase of \$149,909 (2016 - \$278,205).

### 11. INTERNALLY RESTRICTED FOR LAYER LEASING

The *Layer Leasing Program* is for the leasing of quota to farmers that have capacity. During the year there were no transfers to the unrestricted net assets from the internally restricted layer leasing project (2016 - \$2,434,613). The current period's layer leasing revenue in excess of EFC layer service fees was \$nil (2016 - \$nil) and the current period's investment income earned was \$nil (2016 - \$54,621).

## 12. ALLOCATION OF LEVIES AND LICENCE FEES

Egg Farmers of Ontario is responsible for the collection of levies and licence fees from farmers on eggs marketed in Ontario. The levies and licence fees paid by the farmers were allocated as follows:

	CENTS PER DOZEN	
	DECEMBER 30, 2017	DECEMBER 31, 2016
NATIONAL IP FEE	30.50	22.50
EFC ADMINISTRATIVE LEVY	3.25	3.25
ONTARIO ADMINISTRATIVE AND RESEARCH LEVY	2.60	2.60
ONTARIO RESERVE	1.00	1.00
PROVINCIAL IP LEVY	<u>2.90</u>	<u>2.90</u>
TOTAL FARMER PORTION	40.25	32.25
GRADING STATION PORTION (VOLUNTARY)	<u>0.02</u>	<u>0.02</u>
TOTAL LEVY COLLECTED	<u><u>40.27</u></u>	<u><u>32.27</u></u>

THE LEVY IS 1 CENT LESS FOR NORTHERN ONTARIO FARMERS (ZONE 9N).

## 13. CONTINGENCY

At the date of the issuance of the financial statements, there is a lawsuit outstanding against Egg Farmers of Ontario. Neither the amounts nor the outcome of this action is determinable, therefore the financial statements have not accrued an amount for possible losses resulting from these actions.

At the date of the issuance of the financial statements, there is a potential Liquidated Damages Assessment (LDA) issued by Egg Farmers of Canada to Egg Farmers of Ontario. There is a process related to the assessment of the LDA and the process is currently continuing. Neither the amounts nor the outcome of the damages are determinable, therefore the financial statements have not accrued an amount for possible losses resulting from this assessment.

## 14. COMMITMENTS

Egg Farmers of Ontario has made various commitments for the next five periods:

2018	\$ 1,603,428
2019	248,000
2020	248,000
2021	140,000
2022	<u>140,000</u>
	<u><u>\$ 2,379,428</u></u>

## Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

### 15. RESEARCH, GRANTS, SCHOLARSHIPS AND MEMBERSHIPS

DESCRIPTION	RECIPIENT	2017	2016
RESEARCH PROJECTS AND ADMINISTRATION	POULTRY INDUSTRY COUNCIL (PIC)	\$ 46,337	\$ 94,263
FARM AND FOOD CARE ONTARIO		38,850	38,850
ADVANCED AGRICULTURAL LEADERSHIP PROGRAM		20,000	10,000
ONTARIO CHAMBER OF COMMERCE		4,000	4,000
ONTARIO AGRI-FOOD TECHNOLOGIES		2,500	2,500
ONTARIO AGRICULTURAL HALL OF FAME		1,000	1,000
OTHER SPONSORSHIPS/MEMBERSHIPS		2,800	3,977
IEC MEMBERSHIP		1,565	1,375
CENTER FOR FOOD INTEGRITY		10,000	0
LRIC AND RESEARCH		114,275	62,138
PRESIDENT'S COUNCIL OUTREACH		0	6,000
PULLET GROWERS OF CANADA MEMBERSHIP		96,994	94,323
SCHOLARSHIP FOR GRADUATE STUDENT	UNIVERSITY OF GUELPH	5,000	5,000
FARM AND FOOD CARE CANADA		10,000	10,000
CANADIAN POULTRY & EGG PROCESSORS		1,355	1,355
LA CITE		14,915	0
MCGILL PROJECT		557,736	28,522
		<u>\$ 927,327</u>	<u>\$ 363,303</u>

### 16. INTERNALLY RESTRICTED FOR DISEASE INITIATIVE

This account represents funds received from EFC to cover S.e. related matters. A total of \$270,565 was paid during 2017 (2016 - \$217,588) for expenses related to the disease initiative. A total of \$47,046 was received during 2017 (2016 - \$27,446) related to the disease initiative. During the period, \$28,855 (2016 - \$41,477) of interest has been earned on this revenue and has been allocated to the disease initiative account for a net decrease of \$194,664 (2016 - \$148,665 decrease).

### 17. TRANSFERS

Transfers are made between unrestricted net assets and invested in capital assets to fund capital purchases. Transfers are made between unrestricted net assets and internally restricted for bacteria control projects. The transfer from the internally restricted for bacteria control fund was to replenish the fund balance after payments for the *Bronchitis Relief Program* depleted it.

### Eggs for Processing Program

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

SCHEDULE I	52 WEEKS 2017	53 WEEKS 2016
<b>Revenues</b>		
Farmer EFP revenue	\$ 33,254,313	\$ 30,795,690
EFP farmer refund	(14,061,931)	(15,503,480)
	19,192,382	15,292,210
EFP sales to breakers	13,591,173	16,018,262
	<u>32,783,555</u>	<u>31,310,472</u>
<b>Costs</b>		
Egg purchases	30,406,073	28,968,618
EFP administration costs	55,337	49,410
Transportation	580,088	518,069
Packaging	178,111	181,513
Grading handling allowance	1,513,946	1,542,862
	<u>32,733,555</u>	<u>31,260,472</u>
<b>EFP program revenue</b>	<u>\$ 50,000</u>	<u>\$ 50,000</u>

## Industrial Product Program

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

	BUDGETED 52 WEEKS (NOTE 5)	52 WEEKS 2017	53 WEEKS 2016
<b>SCHEDULE II</b>			
<b>Revenues</b>			
Farmer IP revenue	\$ 98,430,000	\$ 116,011,361	\$ 96,931,622
<b>Costs</b>			
Egg purchases	98,656,000	114,701,700	97,051,686
Packaging	585,000	658,214	591,074
Labelling and other costs	3,600	3,453	6,409
Grading handling allowance	4,972,500	5,594,819	5,024,131
Field supplies and S.e. testing	176,306	121,406	143,727
	<u>104,393,406</u>	<u>121,079,592</u>	<u>102,817,027</u>
<b>IP program loss</b>	<u>\$ (5,963,406)</u>	<u>\$ (5,068,231)</u>	<u>\$ (5,885,405)</u>

## Egg Farmers of Ontario Administrative Expenses

FOR THE 52 WEEK PERIOD ENDED DECEMBER 30, 2017

	BUDGETED 52 WEEK 2017 (NOTE 5)	ACTUAL 52 WEEKS 2017	ACTUAL 53 WEEKS 2016
<b>SCHEDULE III</b>			
<b>Administrative Expenses</b>			
Salaries support	\$ 2,689,025	\$ 2,541,293	\$ 2,577,991
Employee benefits	541,535	525,656	526,869
Staff professional development and travel	210,125	130,976	147,237
Travel - fieldstaff	304,424	272,580	264,587
Annual and farmer meetings	408,565	362,400	384,523
National meeting	155,000	122,563	0
Directors			
Per diem	484,400	415,223	421,201
Expenses	320,000	281,324	298,052
Trade	20,230	0	0
FarmGate5	0	1,274	0
HACCP/ACP Third-Party Audit	175,325	63,929	20,167
Amortization	84,640	87,323	81,548
Office supplies and printing	54,177	46,926	49,744
Building expenses	145,700	125,707	131,430
Equipment rental and maintenance	117,065	142,672	99,151
Professional fees			
Legal	195,923	209,488	180,859
Audit	32,000	32,000	28,500
Consulting	65,490	32,400	61,422
Councillors' grants	25,800	23,600	25,200
Telephone and fax	27,300	24,763	22,604
Postage	29,900	27,700	23,521
Insurance	33,100	29,477	29,308
Bank charges	8,250	8,469	7,951
Loss on disposal of assets	0	13,167	0
Bad debts	1,000	0	0
Food Bank donations	250,000	258,709	221,127
	<u>\$ 6,378,974</u>	<u>\$ 5,779,619</u>	<u>\$ 5,602,992</u>

see notes to the financial statements

## OFFICERS, COMMITTEES AND REPRESENTATIVES 2017-2018

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Scott Graham

### Vice Chair

Scott Helps

### Secretary-Treasurer

Harry Pelissero

### Egg Farmers of Canada Representative

Scott Helps

### Egg Farmers of Canada Alternate

Marc Bourdon

### Executive Committee

Marc Bourdon

Scott Graham

Scott Helps

Dan Veldman

### Egg Industry Advisory Committee

Marc Bourdon

Andy DeWeerd

Scott Graham

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Dan Veldman

### Finance Committee

Scott Graham

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Brian Miller

Hubert Schillings

Dan Veldman

### Production Management Committee

Scott Brookshaw

Andy DeWeerd

Scott Graham

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Hubert Schillings

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Andrew DeWeerd

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Dianne McComb

### Poultry Industry Council Representative

Brian Miller

### Pullet Growers of Canada Representative

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#### Corporate Affairs Executive Assistant

Siobhán Desrochers

#### Corporate Affairs Coordinator

Tiffany Hughes

#### Director of Policies & Quota Affairs

Judy Kean

#### Quota Transfer System & Industrial Product Manager

Julie Cangiano

#### Data Quality & Quota System Analyst

Elizabeth Ladner

#### Quota Pullet Coordinator

Sheena Welsh

#### Quota Administrator

Sara Burchell

#### Director of Finance

Lee Hickey

#### Accounts Receivable & Marketings/Levy Coordinator

Suzanne Walton

#### Accounts Payable & EFP Coordinator

Joan Davies

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Bill Mitchell

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#### Digital Media Coordinator

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#### Inspectors/Investigator

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Royal Bank of Canada

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