BRITISH COLUMBIA FARM INDUSTRY REVIEW BOARD

Supervisory Review re 2016 Amendments to Schedule "B" Operating Agreement for Chicken

AFFIDAVIT #2 OF BLAIR SHIER

- i, BLAIR SHIER, of 9696 199A Street, Langley, British Columbia, businessperson, SWEAR THAT:
- 1. I am the President and CEO of J.D. Sweid Foods and as such I have personal knowledge of the facts deposed to herein, except where stated to be based upon information and where so stated I verily believe those facts to be true.
- 2. I make this Affidavit in response to para. 27 of William P. Vanderspek's Affidavit sworn April 26, 2016.
- 3. I recall one meeting with representatives of the British Columbia Chicken Marketing Board ("BCCMB") regarding inclusion of a further processing component in the proposed amendments to the operating agreement. Robin Smith and, to the best of my recollection, Bill Vanderspek were present at the meeting.
- 4. The objective of the meeting was ambiguous. It was not clear to me what the BCCMB was looking for in approaching me.
- 5. During the meeting, I spent a fair bit of time explaining to Mr. Smith and Mr. Vanderspek how extremely complicated (if not impossible) it would be to come up with accurate numbers related to further processing across the country. I had to explain many of the nuances in defining what might be considered a "further processed" product. We discussed how plants that did further processed products might operate and whether the poultry would be imported.
- 6. Mr. Vanderspek suggests that I estimated the percentage of further processed product coming from BC. While I do not recollect providing specific estimates, if I did, those numbers were spontaneous and produced without facts or other data to consider. In other words, they were based on my assumptions.
- 7. I told Mr. Vanderspek and Mr. Smith that I did not think the formula that was being considered was a good proxy for further processing activity in Canada.
- 8. For most of the meeting, I educated BCCMB on the further processing industry. I was left with the impression that the BCCMB does not understand the complexities and nuances of the further processing industry and that the meeting produced more questions for the BCCMB than answers on how to allocate further processed products across the country. However, I was not approached again by the BCCMB to discuss a further processing component.
- To me, this discussion was inadequate, after-the-fact consultation. The BCCMB should have sought the further processors' input before the proposed amendments to the operating agreement were already agreed to. Additionally, discussions should have

been conducted with the parties being fully informed of all the facts and data relevant to the opinion being sought. Consultation should not occur after a decision has already been made.

- 10. I have discussed my meeting with Scott Cummings and am informed by him that he had a similar conversation with BCCMB before BCCMB approached me for my perspective.
- 11. Fowl is used, for the most part, in further processed products. JD Sweid does not import fowl into its plant in B.C. JD Sweid's Ontario and BC operations are separate. A small amount of fowl is brought into the JD Sweid plant in Ontario.
- 12. Data supplied by the Government of Canada shows that almost 100% of fowl is imported into Central Canada. Attached and marked as **Exhibit "A"** to this affidavit are true copies of the Canadian Importers Database as it relates to fowl for 2014. This database tracks the importation of fowl by major importers, which Canada defines as the companies that collectively account for up to 80% of all imports in terms of dollar value.
- 13. In order to meet its market needs, JD Sweid requires increased domestic production. For the most part, B.C. processors supply B.C. and the Western region, although we strive to sell our products to provincial, regional and national markets. Access to product to supply our customers is critical. If JD Sweid does not have access to adequate supply, its ability to meet and grow its markets is limited.

A Commissioner for taking affidavits

for British Columbia

DONNA VAN BEEK- NOTARY PUBLIC
201 - 20171 92A AVENUE

LANGLEY, BC V1M 3A5
TEL. (604) 888-6605

This is Exhibit " A "referred to in the Affidavit of B SNIC (

Sworn before me at August BC (

this 2 day of August BC (

A Commissioner for taking Affidavits for British Columbia



Government of Canada

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Home (/eic/site/icgc.nsf/eng/home)

- → Import, export and investment (/eic/site/icgc.nsf/eng/h_07052.html)
- → Canadian Importers Database (/eic/site/cid-dic.nsf/tpl-eng/../eng/home)

020712 - Fowls Of 'Gallus Domesticus' - Domestic, Whole - Frozen - Canadian Importers Database (CID)

<u>List by city (/app/scr/ic/sbms/cid/importingCity.html)</u> | <u>List by country</u>
(/app/scr/ic/sbms/cid/importingCountry.html) | <u>Help (/eic/site/cid-dic.nsf/eng/h</u> 00016.html)

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By countries (/app/scr/ic/sbms/cid/exportingCountries.html?hsCode=020712)

All countries

All countries (product details) (/app/scr/ic/sbms/cid/productReportHS10.html? hsCode=020712)

Market Concentration & Major Canadian Importers

Market Concentration

Number of Importers	Value of Imports (\$CDN)	Cumulative % of Imports
5	676,518	75.56%
All	895,358	100.00%

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Showing 1 to 5 of 5 entriesShow 10	entries	Filter items	
Major Can	adian Impor	ters ² in 2014	
Company Name (alphabetical order)	City 1	Province ↑↓	Postal code ³
NORTH KEE TRADING COMPANY	Toronto	Ontario	M1V 4A5
RJ TRADING INC.	Toronto	Ontario	M1V 4A5
ROSEMOUNT SALES AND MARKETING INC .	Waterloo	Ontario	N2T 2H4
TIP TOP POULTRY	Marietta	Georgia	
WESTPORT DISTRIBUTION INC.	Vancouver	British Columbia	V5L 1P8
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Footnotes

- No report is available for the parameters you specified. This can occur because:
 - · There is no data for this selection;
 - Confidentiality rules prohibit the release of the information.
- The 'Major Importers' listed comprise those which collectively account for up to 80% of all imports (in terms of \$ value) for the selected city. This list does not include individuals or importers whose importer numbers are unavailable. The importer is not necessarily the end-user of the product.
- In the case of non-resident importers with addresses outside of Canada, the postal code is left blank.



Government of Canada

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Home (/eic/site/icgc.nsf/eng/home)

- → Import, export and investment (/eic/site/icgc.nsf/eng/h 07052.html)
- → Canadian Importers Database (/eic/site/cid-dic.nsf/tpl-eng/../eng/home)

020713 - Cuts And Edible Offals Of Fowls Of 'Gallus Domesticus' -Domestic - Fresh Or Chilled - Canadian Importers Database (CID)

<u>List by city (/app/scr/ic/sbms/cid/importingCity.html)</u> | <u>List by country</u>
(/app/scr/ic/sbms/cid/importingCountry.html) | <u>Help (/eic/site/cid-dic.nsf/eng/h_00016.html)</u>

▶ Search for a product

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By countries (/app/scr/ic/sbms/cid/exportingCountries.html?hsCode=020713)

All countries

All countries (product details) (/app/scr/ic/sbms/cid/productReportHS10.html? hsCode=020713)

Market Concentration & Major Canadian Importers

Market Concentration

Number of Importers	Value of Imports (\$CDN)	Cumulative % of Imports
3	96,493,687	26.40%
6	155,054,499	42.42%
10	210,346,864	57.55%
15	257,712,540	70.51%
20	291,133,924	79.65%
All	365,503,573	100.00%

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Major Canadian	lmporters 2 i	n 2014	
Company Name (alphabetical order) ★↓	City 1	Province ↑↓	Postal code
9209654 CANADA INC.	Mississauga	Ontario	L4V 1C7
ADELPHIA POULTRY INC.	Toronto	Ontario	M8Z 1B4
AKME POULTRY, BUTTER & EGGS DISTRIBUTORS INC. DISTRIBUTEURS	Saint- Eustache	Quebec	J7R 6Z8
ALIMENTS FOULY INC. / FOULY FOODS INC.	Laval	Quebec	H7Y 2C7
ALIMENTS SUNCHEF INC. / SUNCHEF FOODS INC.	Montréal	Quebec	H1J 0A1
EASTERN MEAT SOLUTIONS INC	Toronto	Ontario	M8Z 5H9
ERIE MEAT PRODUCTS LIMITED	Mississauga	Ontario	L4X 2C1
EXPRESCO FOODS INC./ ALIMENTS EXPRESCO INC.	Saint-Laurent	Quebec	H4S 1S4
L.N. REYNOLDS CO. LIMITED	Brampton	Ontario	L7A 0E4
LES ALIMENTS TRI-DELI INC.	Beloeil	Quebec	J3G 4S6
	Beloeil 2 Next →	Quebec	J3G 4S6

Footnotes

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- In the case of non-resident importers with addresses outside of Canada, the postal code is left blank.

Date modified:

2016-04-18



Government of Canada

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Home (/eic/site/icgc.nsf/eng/home)

- → import, export and investment (/eic/site/icgc.nsf/eng/h_07052.html)
- → Canadian Importers Database (/eic/site/cid-dic.nsf/tpl-eng/../eng/home)

020714 - Cuts And Edible Offals (Incl Livers) Of Fowls Of 'Gallus Domesticus' - Domestic - Frozen -Canadian Importers Database (CID)

<u>List by city (/app/scr/ic/sbms/cid/importingCity.html) | List by country (/app/scr/ic/sbms/cid/importingCountry.html) | Help (/eic/site/cid-dic.nsf/eng/h_00016.html)</u>

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Market Concentration & Major Canadian Importers

Market Concentration

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Major Ca	nadian Importe	ers ² in 2014	
Company Name (alphabetical order)	City ↑↓	Province 1	Postal code ³
9209654 CANADA INC.	Mississauga	Ontario	L4V 1C7
CENTENIAL FOODSERVICE PARTNERSHIP	Calgary	Alberta	T2G 4B7
ERIE MEAT PRODUCTS LIMITED	Mississauga	Ontario	L4X 2C1
L.N. REYNOLDS CO. LIMITED		Ontario	L7A 0E4
LAMEX FOODS, INC.	Bloomington	Minnesota	per control of tweether
LONDON FOODS LTD	London	Ontario	N6N 1B9
MAXI CANADA INC.	Saint-Lin- Laurentides	Quebec	J5M 3B4
REUVEN INTERNATIONAL LIMITED		Ontario	M4Y 1K3
TALIA FOODS INC.	Brampton	Ontario	L6T 1E6
TENDER CHOICE FOODS INC.	Burlington	Ontario	L7L 5R2
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- In the case of non-resident importers with addresses outside of Canada, the postal code is left blank.

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	Filter ite	ms	
Major Canadian	Importers ² i	n 2014	
Company Name (alphabetical order)	City ↑↓	Province 1	Postal code
LES VIANDES BERNARD CENTRALE INC /CENTRAL BERNARD BUTCHERS CO	Lachine	Quebec	H8T 3J1
LES VIANDES COL-FAX INC.	Laval	Quebec	H7P 5P6
LES VIANDES GUY CHEVALIER/CUIS INORD	Boisbriand	Quebec	J7G 3A1
MTC ANIMAL HEALTH DIVISION	Mississauga	Ontario	L5N 0A1
NIKOLAOS FINE FOODS LIMITED	Hamilton	Ontario	L8W 2E1
OLYMEL S.E.C./ OLYMEL L.P.	Saint- Hyacinthe	Quebec	J2S 4B6
PINTY'S DELICIOUS FOODS INC.	Burlington	Ontario	L7L 5H6
TENDER CHOICE FOODS INC.	Burlington	Ontario	L7L 5R2
TRUR FOODS INTERNATIONAL INC		Ontario	L4W 2S5
VOLAILLES REGAL INC/REGAL POULTRY INC		Quebec	H7L 5B6
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