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4363 King St
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Dear Sirs:

DECEMBER 23, 2013 SUPERVISORY REVIEW DECISION – CENTRAL VANCOUVER ISLAND AGENCIES

On January 6, 2014 Wanda Gorsuch and I participated in a telephone conference call with you. The purpose of the call was to address questions arising from the December 23, 2013 decision of the BC Farm Industry Review Board (BCFIRB) *“In the Matter of the Natural Products Marketing (BC) Act and Follow-up to the January 7, 2013 Supervisory Review Decision Concerning the British Columbia Vegetable Marketing Commission Central Vancouver Island Agency Designations”*.

Overall, the decision must speak for itself. However, I can advise that the comments in paragraph 13(A) of the decision regarding an “appropriate business model” referred to the conditional agency structure proposed by Vancouver Island Farm Products Inc. (VIFP) and BC Fresh Vegetables Inc. (BCFresh), recommended by the BC Vegetable Marketing Commission and subsequently approved by BCFIRB. It is now incumbent on VIFP and BCFresh to satisfy the Vegetable Commission going forward that they are able to meet the regulatory requirements of the industry along with sound marketing policy objectives in a principled manner¹ under this business model. I would expect that both agencies, in consultation with the Vegetable

¹ SAFETI – Strategic, Accountable, Fair, Effective, Transparent, Inclusive

Tom Demma
Jaymie Collins
Murray Driediger
January 8, 2013
Page 2

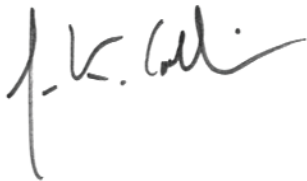
Commission as appropriate, will be assessing the viability of this arrangement over time to ensure it is effective in meeting their business needs and the regulatory requirements of the industry.

Paragraph 13(D) confirms that under the *British Columbia Vegetable Scheme*, the Vegetable Commission as the first instance regulator has the authority and responsibility to monitor, assess and determine the status of all its agencies on an ongoing basis. This would include in terms of sound marketing policy – in the interests of the regulated industry and of the public – which the Vegetable Commission must determine as changing circumstances warrant.

BCFIRB's December 23, 2013 decision was issued after careful consideration of developments since the original April 27, 2012 Vegetable Commission decision and an equally careful review of the October 31, 2013 Vegetable Commission decision as well as the submissions received in response. As noted at paragraph 70 of BCFIRB's December 23 decision, the panel concluded that it was necessary to take certain steps to allow the industry to "move forward". One of those decisions was to approve VIFP agency designation based on the VIFP-BCFresh proposal and conditions established by the Vegetable Commission in its October 31 decision. To reiterate my comments with respect to paragraphs 13(A and D), those agencies must satisfy the Vegetable Commission that they are able to continue meeting the "regulatory requirements of the industry" and "sound marketing policy" objectives going forward. I also note again that those same expectations apply to all agencies of the Vegetable Commission.

If any party has further questions, please contact Wanda Gorsuch, Issues Management Analyst, at 250-356-7819 or at 250-356-8945.

Yours truly,



Jim Collins
Executive Director

cc: John Walsh, President
V.I.P. Produce Ltd.

Ian Vantreight, President
Island Vegetable Co-operative Association

BCFIRB Website