


Long Term B.C. Chicken Pricing Review - Final Stakeholder Round Table

January 28, 2022 - 9 am till 1 pm

ZOOM LINK: <https://us06web.zoom.us/j/92488012725>

A G E N D A

PART I – INTRODUCTION 9:00 – 9:30

1. Welcome
2. Approval of Agenda
3. Purpose/Objectives:
 -  a. To bring all four legs of the stool together to continue our Stakeholder discussion
 - b. To provide input to BCBHEC+BCCMB regarding draft decisions to be finalized/submitted to BCFIRB in mid-February.
4. Housekeeping
5. Round of Introductions
 - a. Who are you (name, stakeholder group)?
 - b. What you hope to accomplish at the end of this session (“dream outcome”)?
 - c. One-sentence example of where you see common ground amongst stakeholders.
6. Opening Remarks from the Chair - Wendy Holm

PART II – HATCHING EGGS 9:30 – 10:15

7. Hatching Egg Cost of Production Model – Jim Collins (20 minutes)
 - a. Overview of Process to get here
 - b. High level overview of BHEC COP model and efficiency mechanisms
 - c. Next steps
8. Stakeholder Discussion of Hatching Egg Pricing (25 minutes)

PART III –HATCHERIES AND LINKAGE 10:15 – 10:45

9. Hatchery Margins, Breeder Chick and Vaccine Pricing – Jim Collins (10 minutes)
 - a. Overview of Process to get here
 - b. What has been accomplished
 - c. Next steps
10. Discussion of Linkage - Jim Collins (10 minutes)
 - a. How it will work in the Interim (before COP for chicken)
 - b. How it will work once COP for chicken in place
 - c. Any additional considerations
11. Stakeholder Discussion of Hatchery Pricing and Linkage (10 minutes)

15 MIINUTE BREAK

PART IV– BROILER CHICKEN 11:00 – 12:10

12. Proposed Interim Formula – Harvey Sasaki (5 minutes)
13. Proposed Long Term: A BC Cost-Based Approach (15 minutes)
 - a. Components
 - b. Linkage
 - c. Timeline
14. Stakeholder Discussion
 - a. Interim Formula (5 minutes)
 - b. Long Term COP (45 minutes)

5 MIINUTE BREAK

PART V– PROCESSORS 12:15 – 12:45

15. Stakeholder Discussion of Processor Competitiveness (Issues)
 - a. How to ensure the fourth leg of the “pricing stool” is accommodated in the development of a long-term pricing strategy?
 - b. What elements need to be part of CMB Cost-Based Pricing “recipe” for processors to feel comfortable?
 - c. How can guardrails be constructed that remain “live” to competitiveness issues.
 - i. Mechanisms to develop and keep “on track” as move forward? PWG? Other Ideas?
 - d. Impact of retail concentration on processor ability to pass on cost increases
 - e. Scorah uses the term “hurdle rate” to describe the minimum rate of return on a project or investment, below which investors decide it no longer makes economic sense to continue and decide to move their money elsewhere. What are sectoral implications if processors reach their “hurdle rate”?
 - f. How can processor concerns be best reflected/incorporated in pricing strategy?

PART VI– NEXT STEPS and TIMELINE 12:45 – 1:00

16. Points missed/final comments?
17. Further stakeholder feedback must be submitted to BCBHEC and BCCMB by next Friday, February 4th
18. Final proposed pricing models submitted by BCBHEC and BCCMB to BCFIRB for approval February 18th.