

# B. C. Vegetable Marketing Commission

## AMENDING ORDER # 44

### TO THE THE BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION GENERAL ORDER OF MARCH 16, 2005, AS AMENDED

### MADE BY THE BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION MARCH 2, 2017

The British Columbia Vegetable Marketing Commission General Order of March 16, 2005, as amended, is further amended as follows:

1. **Section 5 – Interpretation – of Part I – Introductory – of the General Order is repealed and the following is substituted therefore:**

*“Producer-Shipper” means a person licensed by the Commission to produce Greenhouse or Storage Vegetable Crops and to market some or all of the Greenhouse or Storage Vegetable Crops produced by him directly to commercial trade channels but unless specifically authorized by the Commission does not include marketing to an Agency or another Producer-Shipper.*

2. **Section 9 – Licences – Producers in Part IV - Licensing – of the General Order, is repealed and replaced with the following:**

*9. No Producer-Shipper shall grow and market Greenhouse or Storage Vegetable Crops unless he:*

- (a) registers with the Commission;*
- (b) is qualified to and obtains annually the appropriate licence from the Commission; and*
- (c) pays to the Commission annually the fees for such licence as described in Schedule III to these General Orders.*

3. **Section 11 – Licences – Insurance, Cancellation or Suspension - of Part IV – Licensing – is repealed and replaced with the following:**

*11. Licenses are valid for one (1) year for the period commencing the day after the due date described in each instance below and expiring on the next annual due date.*

*Every application for a licence whether it is an initial application or a renewal must be made on a form prescribed by the Commission and shall be submitted to the Commission no later than the following due dates of each year:*

- (a) Producers **and Producer-Shippers** of Greenhouse Vegetable Crops – Nov. 1<sup>st</sup>.*
- (b) Other Producers **and Producer-Shippers of Storage Crops** – May 1<sup>st</sup>;*
- (c) Designated Agencies, Processors, Wholesalers and Commission Salespersons – March 1<sup>st</sup>.*

**4. Sections 1-4 – Intent – of Part VIIA – Producer-Shipper Responsibilities - is repealed and replaced with the following:**

- 1. A **Producer-Shipper licence** is an extraordinary licence issued under exceptional circumstances. The circumstances are inclusive of, but not limited to, the history, geography and economics associated with the applicant.*
- 2. The intent of licensing certain producers as **Producer-Shippers** is to provide **qualified** producers **the opportunity** to Market and distribute directly to **commercial** trade channels the opportunity to do so. **Commercial** trade channels, for the purposes of **Producer-Shipper** licensing, are defined as individual retail stores, farm markets, individual foodservice establishments **and wholesalers**. It is not intended that **Producer-Shipper** licensing is a means for individual producers to sell or market to **Agencies** or other **Producer-Shippers**, whether located inside or outside B.C.*
- 3. For most intents and purposes, **Producer-Shipper** licensing replaces previous exemptions from Marketing through an Agency.*
- 4. The Commission qualifies the applicant and may place Market restrictions on the licence or deny an applicant all together if it is not in the best interests of the industry that the **Producer-Shipper Licence** be issued with full authority or be granted at all.*

*Producer Shipper Licensing*

- 5. To obtain a **Producer-Shipper** licence an applicant must:*
  - (a) be assigned one or more **Greenhouse Vegetable Production Allocations** or **Storage Crop Delivery Allocations**, and*
  - (b) demonstrate that he is not committed, aligned, or connected by commercial contract, ownership or any form of legal undertaking that requires that he market through an Agency, and*
  - (c) obtain approval from the Commission for his Marketing plan, and such plan shall be submitted to the Commission at least annually, in advance of licensing, or whenever a change from the approved plan is contemplated, and*
  - (d) satisfy the Commission that he has the expertise and facilities to successfully produce, pack or have a contract to have his produce packed for him, market and distribute his **greenhouse** or **storage** crop.*
- 6. A **Producer Shipper** must hold a valid and subsisting **Producer-Shipper Licence**.*

### *Responsibility to Market*

7. A Producer Shipper must pack, market and distribute Regulated Products produced by him in accordance with the approved Marketing plan.
8. A Producer-Shipper may, *with the prior permission of the Commission*, from time to time when he is either long or short of requirements to meet his markets and marketing plan, temporarily, and for periods not greater than fifteen (15) days:
  - (a) market a portion of his greenhouse *or storage* vegetable crop ~~which portion shall not exceed 5% of his Greenhouse Vegetable Production Allocation for that crop in the crop year~~, to another Producer-Shipper; or,
  - (b) sell a portion of his greenhouse *or storage* vegetable crop to an Agency; or
  - (c) *Unless an exception is granted by the Commission*, the portion shall not exceed 5% of his Greenhouse Vegetable Production Allocation, *or Storage Crop Delivery Allocation Period* for that crop in the crop year.
9. Other than as provided for in paragraph 8 of this Part, no Producer-Shipper shall *market* any Regulated Greenhouse *or Storage Crop* Vegetables produced by any other Producer, nor shall they offer to purchase for subsequent sale by them any Greenhouse *or Storage Crop* Vegetables produced by any other Producer.
10. Other than as provided for in paragraph 8 of this Part, no Producer-Shipper shall offer for sale any Regulated Greenhouse *or Storage Crop* Vegetables produced by them to any other *Producer-Shipper or Agency*.
11. *All sales must comply with Commission pricing procedures.*

### *Reporting Requirements*

12. A Producer Shipper must report all Greenhouse *and Storage* Vegetable crop Marketing, including but not limited to volumes shipped and prices received, as directed by the Commission.
13. A Producer Shipper must report, production, *shipments*, and marketing *activity that may be required by Commission programs that collect and disseminate market information, or used to regulate orderly marketing.*

### *Levies and Service Fees*

14. A Producer Shipper must remit all charges and levies due on the production and Marketing of the Regulated Product produced under the approved Production *and Delivery* Allocation.

*Limitations on Producer Shippers*

15. A Producer-Shipper may not:

- (a) market Regulated Product produced by another producer except as specifically provided for in paragraph 8 above, or
- (b) serve as a director or an officer of an Agency, or
- (c) have a contract, agreement, or understanding *with an Agency* for the Marketing of any or all of his Greenhouse *or Storage* Vegetable Crops, or
- (d) continuously market any or all of his Regulated Product to *an Agency* or Wholesaler under the authority of his Producer-Shipper's licence.

5. **Section 2 of Part IX – General Prohibitions - is repealed and replaced with the following:**

2. A Wholesaler shall only buy, accept or receive a Regulated Product from an Agency *or Producer-Shipper*.

6. **Part XV – Marketing of “New” or Additional Regulated Product By Existing Agencies will be changed to:**

***Part XV – Marketing of “New” or Additional Regulated Product By Existing Agencies & Producer-Shippers:***

- 1. No new or additional Regulated Product shall be marketed by existing Agencies *or Producer-Shippers* without Commission approval.
- 2. An Agency *or Producer-Shipper* seeking to market new or additional Regulated Product shall submit a Business Plan covering a period of time specified by the Commission which addresses matters relating to promotion, market development and planned expansion. In the case of agencies marketing regulated greenhouse crops, this requirement will occur within the Procedures outlined under General Orders Part XVI and XVIII.
- 3. At its discretion, the Commission may determine whether a hearing will be held, in either oral or written form, concerning the application by an existing Agency *or Producer-Shipper* to market new or additional Regulated Product. In exercising its discretion, the Commission will consider:
  - (a) if and how other existing Agencies / *Producer-Shippers*, if any, will be affected;
  - (b) how the Commission will notify interested parties of the application and its decision to approve or dismiss the application.
- 4. The Commission shall consider:
  - (a) what benefits, if any, not currently available to Producers will accrue to them if new or additional Regulated Product is marketed by the Agency / *Producer-Shipper*;
  - (b) whether the Agency / *Producer-Shipper* has sufficient staff with the necessary experience to market the new or additional Regulated Product;

- (c) whether a market exists for the new or additional Regulated Product; and
- (d) whether the new or additional Regulated Product would enhance orderly Marketing.

**7. Sections 1-2 – of Part XVII – Procedure for Determining Delivery Allocation for Storage Crops Marketing - are repealed and replaced with the following:**

1. *This Part covers Storage Crops as defined in Part I (5), as follows:*

*"Storage Crops" mean potatoes, onions, parsnips, cabbage, carrots, beets, rutabagas, white turnips and any other crop designated by the Commission.*

2. *Only Regulated Product shipped through an Agency or **Producer-Shipper** of the Commission shall be used for the calculation of Delivery Allocation levels or adjustments for Crops under this Part.*

DATED at Surrey, British Columbia on March 2, 2017

BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION



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Alf Krause, Chair



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Hugh Reynolds, Secretary