

**BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION**

**IN THE MATTER OF THE *NATURAL PRODUCTS MARKETING (BC) ACT* AND  
A REVIEW OF AN AGENCY APPLICATION MADE BY  
OPV MARKETING LTD.**

January 22, 2026

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## **Introduction**

1. “Designated agencies” are a critical component of the regulatory system for vegetables in British Columbia. Agencies are the means by which the Commission achieves its main policy objective of maximizing producer returns through centralized, coordinated marketing of regulated product.
2. In particular, agencies are businesses that are licensed by the Commission to market regulated vegetables. In this way, the collective power of producers is harnessed to gain market access. Agency designation is a privilege that gives the licence holder the ability to market regulated product to the exclusion of others. The licence is non-transferable and is not approved in perpetuity. In addition, the Commission may review existing agencies to assess if an agency status should be maintained, suspended, made subject to terms or conditions, or revoked.
3. Under the *Natural Products Marketing (BC) Act*, R.S.B.C. 1996, c. 330, (the “NPMA”), the Commission can delegate authority to designated agencies to support the purposes of regulated marketing. Among other things, the Commission is empowered to: (a) regulate the time and place at which and to designate the agency through which a regulated product must be marketed; (b) determine the charges that may be made by a designated agency for its services; (c) set the prices, maximum prices, minimum prices or both maximum and minimum prices at which a regulated product or a grade or class of it may be bought or sold in British Columbia or that must be paid for a regulated product by a designated agency and to set different prices for different parts of British Columbia; and (d) authorize a designated agency to conduct pools for the distribution of all proceeds received from the sale of a regulated product and to require that designated agency to distribute the proceeds of sale, after deducting all necessary and proper disbursements, expenses and charges, so that each person receives a share of the total proceeds in relation to the amount, variety, size, grade and class of a regulated product delivered by the person and to make those payments until the total net proceeds are distributed.
4. The decision on whether to designate a new agency for the marketing of regulated vegetables is determined in the first instance by the Commission, subject to the approval of the BCFIRB [See: *Natural Products Marketing (BC) Act Regulations*, (B.C. Reg. 328/75), s. 8]. Each application for agency designation is assessed by the Commission on its merits against the considerations set out in the applicable orders made by the Commission. The Commission may exercise discretion to grant an agency designation if it is satisfied that the applicant meets the underlying objectives and principles of the designation, and subject to policy judgements relating to the appropriate number of agencies in a particular industry in particular circumstances.

5. The designation of a new agency is not a routine matter akin to the issuance of a producer licence. Unlike some other regulated commodities, the vegetable industry is not supply managed. Centralized, coordinated marketing through agencies is the primary mechanism by which the Commission maintains orderly marketing, promotes the development of the industry, and ensures that producer returns are maximized. Consequently, the decision to grant or refuse agency status is a matter of fundamental marketing policy.
6. In its January 31, 2017 Supervisory Decision, the BCFIRB said:
  7. The specific rules governing agencies differ depending on the needs of the particular regulated industry. What is common across all regulated industries, however, is that agencies are licensed entities whose purpose is to market regulated product on behalf of registered producers. Agencies are licensees whose regulatory role is to harness the collective power of producers to enhance market access for regulated products. They minimize burdens on each producer regarding finding outlets for sales of their delivery allocation (a mechanism for producers to share market access). Agencies also store, ship, and label product for producers. For consumers, they help ensure a steady supply of BC product by contributing to orderly marketing. In all this, one of their key roles is to grow the industry by looking for new markets. As was noted in the March 31, 2016 Workshop Report that was part of the current process, at p. 4: “Agencies competing for the same buyer with the same product do little, if anything, for Producers or Buyers”. Agencies thus play both a key front line role, and a larger strategic role, in assisting the Commission to regulate, manage and grow the industry in an orderly fashion: see generally January 7, 2013 Supervisory Decision, paras. 34 - 38; see also the Commission’s September 21, 2015 Stakeholder Engagement Discussion Paper, pp. 4 - 6. (emphasis added)
7. Significantly, the BCFIRB’s comments concerning the role of agencies and the undesirability of agencies “competing for the same buyer” reflect an awareness of the natural tension that arises from having multiple agencies. On the one hand, multiple agencies may provide some resiliency and choice for producers. On the other hand, if these agencies are left to their own devices, they will erode producer returns by competing against each other on price in the same market space.
8. In *Global Greenhouse Produce Inc. et. al. v. BCMB et. al.*, 2003 BCSC 1508, Drost, J. quoted from the Commission’s recommendations to the BCFIRB, as follows:

31. BCHH is currently the sole designated marketing agency for regulated greenhouse vegetables in Districts I & II. Hot House and its tomato producers have been going through a difficult financial period of late, largely as a result of the significant preliminary duty imposed upon it by the U.S. Department of Commerce....It was clear from the evidence presented to the Panel that at least some growers remain largely dissatisfied with the manner in which BCHH has been operating as a marketing agent, and that these growers wish to have an alternative....Simply put, they do not want to do business with BCHH any longer and they seek the opportunity to market their product more effectively. They may or may not succeed in this regard, but they want to try.

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33. The Panel has also considered the impact of a second agency designation on the industry as a whole at this time. Concerns were expressed to the Panel that the existence of a second seller of B.C. product would result in price erosion in the market place. The Panel recognizes that Globals (sic) proposed marketing plan will result in additional access to markets and enhanced sales opportunities. The Global application attempts to deal with these issues by committing to market the product outside BCHH's traditional markets of western Canada and the I-5 Corridor. BCHH expressed doubt that any such commitment would be effective.

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35. In the result, the Panel has concluded that, in light of the circumstances in which the hothouse industry is currently operating it is an appropriate time to provide producers with an alternative to marketing product through BCHH.... (emphasis added)

9. At the time of the Global Greenhouse case, the Commission acted to address the detrimental impact of inter-agency competition in the greenhouse sector by imposing strict territorial limitations. The necessity for regulatory mechanisms to protect against price erosion from inter-agency competition is reflected in the BCFIRB's January 31, 2017 Supervisory Decision, as follows:

72. The Commission's reasons noted that these criteria were being applied in a broader context that considered the appropriate marketing options for growers (while it is beneficial to have multiple agencies, too many agencies can lead to market confusion and undermine orderly marketing), the local supply for a proposed agency, an agency's ability

to manage its delivery allocation and plan for positive growth as opposed to merely competing in existing markets and the Commission's reliance on the timely market intelligence provided by agencies to the Commission when the Commission establishes minimum price.

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85. Despite the criticisms that some, including the agencies, have leveled over the years about the regulatory system, all of them support ongoing regulation as being in the best interests of the industry – as supporting the fundamental goals of regulated marketing, which ensures the equitable and orderly marketing of natural products, which helps mitigate the extreme and sometimes destructive swings in production and price that can take place absent regulation. These extreme swings can be detrimental to producers and the value chain, including consumers. BCFIRB decided, in our June 15, 2016 supervisory decision letter that “regulation of the Vancouver Island vegetable industry continues to represent sound marketing policy”.

10. In summary, the designation of a new agency should only follow where the Commission is satisfied that the presence of an additional agency will not result in price erosion, lead to market confusion or otherwise undermine orderly marketing. Furthermore, the Commission must be satisfied that the presence of an additional agency will enhance orderly marketing, promote the development of the industry, and ensure that producer returns are maximized. There is a high threshold that must be satisfied before an application for agency status will be granted.
11. These considerations are expressed in more detail in sections 8 and 9 of the Commission's General Order of January 2, 2025, as follows:

#### **Application for Designation as an Agency**

8. (1) A person seeking to apply for designated agency status must remit an application fee of \$20,000.00 to the Commission.
- (2) An application for designation as an Agency must include a detailed business plan addressing:
  - (a) the structure of the applicant, including:
    - (i) the identities of the principals of the applicant;

- (ii) the identities of all shareholders and other persons with a direct or indirect financial interest in the applicant; and
- (iii) particulars of the management and staff of the applicant, including their marketing experience and skill level.

(b) commencement and operational capacity, including:

- (i) the date that the applicant proposes to commence operations;
- (ii) particulars of the facilities from which the applicant will operate;
- (iii) particulars of any other facilities that may be owned or operated by the applicant including grading, packing, warehouse, and storage facilities; and
- (iv) particulars of the applicant's capacity to market Greenhouse Crops, Processing Crops or Storage Crops, the methods by which this is to be achieved, and the applicant's short and long-term objectives in relation thereto.

(c) access to Greenhouse Crops, Processing Crops or Storage Crops, including:

- (i) particulars of how the applicant intends to secure arrangements with Producers who will ship Greenhouse Crops, Processing Crops or Storage Crops to the applicant, and the dates on which such arrangements are expected to be secured;
- (ii) a copy of the applicant's proposed Producer Marketing Agreement in a form that complies with the minimum

standards established from time to time by the Commission;

- (iii) copies of letters of commitment obtained from at least two (2) prospective Producers, who are at arms-length from each other, who wish to market Greenhouse Crops, Processing Crops or Storage Crops through the applicant; and
- (iv) the amount of existing Delivery Allocation (tons) and/or Production Allocation (m<sup>2</sup>) that is proposed to be transferred to the applicant.

(d) marketing strategy and framework, including;

- (i) particulars of the applicant's target market, including the type and amounts of Greenhouse Crops, Processing Crops or Storage Crops to be received from each Producer and the target market therefor;
- (ii) the applicant's assessment of market supply and demand, including an assessment of market supply and demand in areas where the applicant intends to market Greenhouse Crops, Processing Crops or Storage Crops;
- (iii) particulars of the applicant's intended utilization of Delivery Allocation and Production Allocation by target market category as defined by the Commission;
- (iv) particulars of the applicant's intended utilization of Delivery Allocation and Production Allocation for marketing within British Columbia and for marketing outside of British Columbia;
- (v) particulars of the applicant's intended volumes of sales packed for end use and

in bulk for further Processing and/or repacking;

(vi) the names and contact information of proposed customers of the applicant;

(vii) copies of all letters of commitment obtained from proposed customers of the applicant; and

(viii) particulars of any commercial agreements with third parties that may assist with transportation, grading, packaging, storage, or marketing on behalf of the applicant.

(e) operational procedures, including:

(i) particulars of quality assurance procedures relating to:

(A) biosecurity programs and trace-back and recall systems;

(B) grade compliance;

(C) handling and distribution;

(D) record keeping; and

(E) any label or product identification system.

(ii) particulars of the manner in which shared market access will be managed among the applicant's Producers, including the method by which proceeds from sales will be distributed; and

(iii) particulars of the manner in which shipments of Storage Crops will be monitored in relation to Delivery Allocation, and the applicant's production plan.

(f) financial viability and risk management, including:

- (i) an asset statement;
- (ii) a breakdown of all disbursements, expenses, and charges to be deducted from sales proceeds on payment to Producers;
- (iii) forecasts of anticipated earnings, cash flow and sales;
- (iv) copies of all letters of reference obtained from financial institutions supporting the applicant;
- (v) a copy of a valid business licence;
- (vi) a copy of a performance bond, letter of credit, or particulars of a contingency plan addressing how Producers will be paid for Greenhouse Crops, Processing Crops or Storage Crops in the event that the applicant encounters financial difficulties; and
- (vii) proof of product, third party, and director liability insurance.

(g) advancement of Producer and industry interests, including:

- (i) particulars of how the applicant would prioritize the marketing of Greenhouse Crops, Processing Crops or Storage Crops;
- (ii) particulars of how the applicant would encourage collaboration in decision-making with their Producers regarding the production, transportation, packaging, storage, and marketing of Greenhouse

Crops, Processing Crops or Storage Crops; and

- (iii) an express commitment to comply with all applicable minimum pricing orders made by the Commission from time to time in relation to sales occurring both within and outside of British Columbia.

(3) Subject to subsection (4), applications for designation as an Agency must also:

- (a) demonstrate to the satisfaction of the Commission that the applicant's primary business objective is the marketing of Greenhouse Crops, Processing Crops or Storage Crops in a manner that benefits the Commission and the British Columbia industry as a whole;
- (b) demonstrate to the satisfaction of the Commission that the applicant has knowledge and understanding of the regulatory requirements and limitations imposed on Agencies under the Commission's General Order;
- (c) demonstrate to the satisfaction of the Commission that the applicant has knowledge and understanding of the market access system established under the Commission's General Order for Greenhouse Crops, Processing Crops or Storage Crops;
- (d) demonstrate to the satisfaction of the Commission that the applicant has sufficient knowledge and ability to service markets in British Columbia and Canada;
- (e) demonstrate to the satisfaction of the Commission that the applicant has the capacity to directly market Greenhouse Crops, Processing Crops or Storage Crops without excessive reliance on wholesalers, or third-party grading, packing, warehouse, and storage facilities;

- (f) demonstrate to the satisfaction of the Commission that any arrangements that the applicant may have with third parties:
  - (i) will not impair or undermine the applicant's responsibility to serve as the primary marketer of Greenhouse Crops, Processing Crops or Storage Crops, or to directly respond to changing market demands;
  - (ii) will not expose the industry to increased food safety risks;
  - (iii) will not be disruptive to orderly marketing;
- (g) identify the extent to which the applicant has previously participated in the British Columbia industry in other capacities, if any;
- (h) provide examples of the applicant's prior cooperative engagements with existing agencies, if any; and
- (i) provide a rationale in support of the application with specific reference to the following:
  - (i) existing and anticipated requirements of the market that could be serviced by the applicant;
  - (ii) how the applicant would benefit producers shipping through it;
  - (iii) how the applicant would benefit the industry as a whole; and
  - (iv) the impact that the applicant would have on existing Agencies.

(4) The Commission may, in its sole discretion, assign different weights to each of the considerations set out in subsection (3), and may waive any of the requirements set out in subsection (3).

## **Review of Application for Designation as an Agency**

9. (1) The Commission may, in its sole discretion:
  - (a) request that an applicant provide any supplementary information or documentation that might facilitate the Commission's review of the application; and/or
  - (b) invite an applicant to present its application to the Commission, and to answer questions from the Commission concerning the application, at such time, and in such a manner, as the Commission may direct.
- (2) The Commission may summarily dismiss the application:
  - (a) where the application does not conform with the requirements of this Part to the satisfaction of the Commission; or
  - (b) where the Commission, in its sole discretion, is satisfied that the designation of the applicant as an agency would not benefit the Commission and the British Columbia industry as a whole, having regard to the content of the application, the circumstances in which the application is brought (including the capacity of existing Agencies or other prospective Agencies to market Greenhouse Crops, Processing Crops or Storage Crops), or any other factor.
- (3) Where the Commission has not summarily dismissed an application, the Commission may engage in further consultation with industry stakeholders concerning the application, at such time, and in such a manner, as the Commission may direct.
- (4) Subject to subsections (5) and (6), the Commission may designate the applicant as an Agency, subject to the approval of the BCFIRB, where it is satisfied that:

- (a) there is a market requirement for the proposed Agency, and the designation of that Agency would benefit the industry as a whole having regard to the interests of all producers, including those producers marketing through other Agencies;
- (b) it would not be in the interests of the industry for existing or anticipated Greenhouse Crops, Processing Crops or Storage Crops to be marketed by an existing Agency;
- (c) the presence of the proposed Agency will not be disruptive to orderly marketing and will not result in increased competition among Agencies on price, which may have a detrimental effect on producer returns;
- (d) the proposed Agency has demonstrated an understanding of the regulatory system and has adequately expressed its intention to follow Commission Orders and the enabling legislation and regulations;
- (e) there is evidence-based demand for the specific product(s), grouped by end use customer, that are to be marketed by the proposed Agency, which demand is not already satisfied by existing Agencies;
- (f) there is evidence-based support from at least two (2) licensed Producers, who are at arms-length from each other, and who intend to market Greenhouse Crops, Processing Crops or Storage Crops through the proposed Agency;
- (g) the primary responsibility for marketing Greenhouse Crops, Processing Crops or Storage Crops will rest with the proposed Agency, rather than wholesalers who may market Greenhouse Crops, Processing Crops or Storage Crops on behalf of the proposed Agency;
- (h) the proposed Agency will comply with the Commission's orders, including all applicable

minimum pricing orders in relation to sales occurring both within and outside the Province; and

(i) the proposed Agency has the knowledge, capacity, and ability to operate effectively as an Agency.

(5) The Commission may, in its sole discretion, assign different weights to each of the considerations set out in subsection (4), and may waive any of the requirements set out in subsection (4).

(6) The Commission may have regard to the circumstances in which the application is brought (including the capacity of existing Agencies or other prospective Agencies to market Greenhouse Crops, Processing Crops or Storage Crops), or any other factor.

12. Similar considerations arise in the context of a review of an existing Agency. These considerations are expressed in more detail in section 10 of the Commission's General Order of January 2, 2025, as follows:

### **Review of Existing Agencies**

10. (1) The Commission may from time to time review an existing Agency in order to assess whether the Agency's licence and designated status should be maintained, made subject to terms and conditions, suspended, or revoked.

(2) When conducting a review of an existing agency, the Commission may consider, among other things:

(a) whether the Agency has been actively engaged in marketing Greenhouse Crops, Processing Crops or Storage Crops received from its assigned Producers;

(b) whether there is a market requirement for the Agency, and whether the Agency benefits the industry as a whole having regard to the interests

of all producers, including those producers marketing through other Agencies;

- (c) whether it would be in the interests of the industry for marketing of Greenhouse Crops, Processing Crops or Storage Crops to be undertaken by another Agency;
- (d) whether the presence of the Agency has been disruptive to orderly marketing or has contributed to increased competition among Agencies on price, which may have had a detrimental effect on producer returns;
- (e) whether the Agency has demonstrated an understanding of the regulatory system and has adequately expressed its intention to follow Commission Orders and the enabling legislation and regulations;
- (f) whether the market serviced by the Agency for specific product(s), grouped by end use customer, is satisfied by other Agencies;
- (g) whether there is continued evidence-based support from at least two (2) licensed Producers, who are at arms-length from each other, and who wish to continue to market Greenhouse Crops, Processing Crops or Storage Crops through the Agency;
- (h) whether the primary responsibility for marketing Greenhouse Crops, Processing Crops or Storage Crops has been discharged by the Agency, rather than by wholesalers who have marketed Greenhouse Crops, Processing Crops or Storage Crops on behalf of the Agency;
- (i) whether the Agency has complied with the Commission's orders, including all applicable minimum pricing orders in relation to sales occurring both within and outside the Province; and

- (j) whether the Agency has demonstrated the knowledge, capacity, and ability to operate effectively as an Agency.
- (3) The Commission may, in its sole discretion, assign different weights to each of the considerations set out in subsection (2).
- (4) The Commission may have regard to the circumstances in existence at the time of the review (including the capacity of existing Agencies or other prospective Agencies to market Greenhouse Crops, Processing Crops or Storage Crops), or any other factor.

### **Procedural History**

- 13. On June 25, 2025, OPV Marketing Ltd. (“OPVML”) submitted an application for agency designation.
- 14. By email sent July 21, 2025, the Commission informed OPVML that a panel had been struck to review its application, comprised of the following Commission members: Wes Shoemaker (Independent Chair); Craig Evans (Independent Vice Chair); Daphne Stancil (Independent Member); Paul Guichon (Storage Crop Member); and Hugh Reynolds (Storage Crop Member). The Commission further advised that any submissions regarding the composition of the panel should be received by the Commission no later than Friday July 25, 2025.
- 15. By email dated July 29, 2025, OPVML confirmed that it had no objection to the composition of the panel struck by the Commission.
- 16. On August 7, 2025, the panel met to review OPVML’s application. In accordance with paragraph 9(1)(b) of the General Order of January 2, 2025, the panel decided to invite OPVML to present its application to the panel, and to answer questions from the panel concerning the application.
- 17. On August 21, 2025, OPVML appeared before the panel to present its application and to respond to the panel’s questions. Jason Fung, VP of Categories & Strategy at the Oppenheimer Group, led OPV’s agency application presentation with support from Kevin Batt and Vijay Randhawa:
  - (a) Mr. Fung explained to the panel that OPVML is a 50/50 partnership between Grandview Brokerage Ltd. and Randhawa Farms Ltd. The partnership is intended to leverage the production and marketing capabilities of both parties

and would operate from an existing office located at Suite 101 11 Burbidge Street, Coquitlam, B.C., V3K 7B2.

- (b) Kevin Batt would serve as the only employee. Other services would be contracted out.
- (c) The proposed agency has the support of six arm's length greenhouse growers currently shipping to the designated agency, Vancouver Island Farm Products ("VIFP"), which is itself supportive of OPVML's application. Mr. Fung further explained that while the proposed agency wants to grow and it is open to bringing in other growers, it does not plan to pull growers from other agencies.
- (d) Mr. Fung presented the sales strategy indicating that they would expand the "Perpetual" brand, ship direct to retail from farms, and use repacking facilities as required. There were questions around Oppenheimer's existing wholesaler license and whether the plan was to relinquish that license if OPVML's agency license was approved. The panel was advised by Mr. Fung that this would need to be reviewed and considered.

18. The panel deliberated and discussed the OVP presentation and directed staff to request the following additional information:

- (a) A copy of OPVML's shareholder agreement, including dispute resolution provisions.
- (b) More complete responses to the matters set out at paragraphs 8(3)(a) to (i) of the General Order of January 2, 2025.

19. By letter dated September 9, 2025, the Commission wrote to OPVML as follows:

Dear Mr. Fung,

Thank you for meeting with the Commission panel on August 21, 2025, to present your application for an agency licence and respond to the Panel's questions.

We are writing to request additional information regarding your application. Please submit the requested information in writing no later than 3:00 PM on Friday, September 19, 2025. The information requested is as follows:

1. A copy of the OPV Marketing Ltd. shareholder agreement, including provisions on dispute resolution and mechanisms for addressing disagreements.
2. Provide answers that are complete, accurate, and directly responsive to each of the specific provisions contained in section 8(3)(a) through (i) of the General Order.
3. We understand the wholesaler licence is held by a subsidiary of Grandview Brokerage Ltd. Please provide details on the relationship between OPV Marketing Ltd. (OPV) and David Oppenheimer and Associates General Partnership (Oppenheimer), the licensed wholesaler, including ownership, control, and governance, as well as an updated organizational chart showing this entity.
4. The panel requests details on how OPV will achieve compliance with section 24 of the General Order, including its operational structure, any functions not at arm's length from Oppenheimer or contracted to third parties, and a list of all employees, with titles, who would be directly employed by OPV. A schematic or visual depiction of OPV's operational structure would also be useful.
5. A written response on whether Oppenheimer will relinquish its wholesaler licence if OPV is granted agency status, or, if not, how the relationship will comply with the General Order.

Overall, the panel is satisfied under section 9(3) of the General Order that redacted versions of the application and additional supplemental submissions may be shared for consultation with industry stakeholders. Please begin preparing these redacted materials, ensuring that redactions are limited to information genuinely sensitive or proprietary, and not so extensive as to remove context needed for meaningful stakeholder feedback.

Upon receipt of the additional submissions requested in this letter, to the satisfaction of the Commission panel, a notice of proceedings for this agency application will be issued to industry, detailing the background of the review, its scope and focus, and the subsequent steps in the process.

Thank you for your attention to this matter.

20. On September 19, 2025, OPVML submitted a letter and supplemental attachments in response to the Commission's September 9, 2025 request for more information.
21. On September 29, 2025, the panel reviewed the supplementary materials submitted by OPVML. It was noted that OPVML stated that David Oppenheimer and Associates GP ("DOA") would retain its wholesaler licence if OPVML is granted agency status. The panel determined that it required further clarification on the rationale for that arrangement and directed staff to follow up with OPVML.
22. By letter dated October 3, 2025, the Commission wrote to OPVML as follows:

Dear Mr. Fung,

The Commission panel has reviewed your September 19, 2025, submission and requires further clarification regarding the rational for David Oppenheimer and Associates GP ("DOA") retaining its wholesaler licence in the event that OPV is granted agency status. Please submit the below requested information in writing no later than 3:00 PM on Thursday, October 9, 2025.

In your letter you state that DOA would continue to serve the following purposes under a wholesaler licence:

1. Allow DOA to transact wholesale related activity associated with Regulated products outside of the products for which OPV Marketing will be granted its agency license, such as Storage Crop items that DOA sells.
2. Facilitate the transition of OPV Marketing in obtaining its own vendor numbers with our target retailers. The process of obtaining vendor numbers for OPV Marketing takes time (anticipated to take up to one year) and is contemplated in the Shareholders Agreement. Allowing DOA to maintain its wholesale license will allow the Regulated products to move through the supply chain in the short term while OPV Marketing obtains account by account vendor numbers. As the Shareholders Agreement indicates, all sales, even if using DOA's vendor numbers will be recorded in OPV's accounts and payments will flow to OPV Marketing. OPV Marketing, GBL, and DOA will ensure full transparency of any transactions where DOA's wholesale license is utilized for OPV Regulated Products,

and OPV Marketing is open to any reporting requirements or conditions the Commission deems necessary to monitor this relationship.

The panel requests that you address the following:

1. OPV under agency status can assume responsibility for sales of the regulated storage crop products currently managed by DOA. Is there any reason why this can't be done?
2. Upon OPV's acquisition of all required vendor numbers, what functions, if any, could not be undertaken under agency status, thereby necessitating the continued maintenance of DOA's wholesaler licence?

With respect to redacted materials, please note that the Commission's direction extends beyond the June 25, 2025, application to encompass all OPV submissions, including the September 19 supplemental filing and your response to this correspondence. You are asked to confirm whether there are additional redactions that you wish to consider. If so, please provide redacted versions, ensuring that such redactions are narrowly tailored to protect genuinely sensitive or proprietary information without obscuring necessary context for stakeholder review.

Upon receipt of satisfactory submissions, the Commission will issue a notice of proceedings to industry, setting out the background, scope, and next steps in relation to this agency application.

Thank you for your attention to this matter.

23. On October 9, 2025, OPVML submitted a letter and supplemental attachments in response to the Commision's October 3, 2025 request:

Dear Members of the Commission,

Thank you for the continued opportunity to move the application for OPV Marketing Ltd forward. In response to your letter received on October 3rd, 2025 please find the following answers to your questions.

1. OPV under agency status can assume responsibility for sales of the regulated storage crop products currently managed by DOA. Is there any reason why this can't be done?

It can be done, but there are economic reasons why DOA would prefer it not be done:

- a. DOA has a different ownership than OPV. DOA is 100% owned by Grandview Brokerage Ltd, while OPV is only 50% owned by Grandview Brokerage Ltd., so the economic impact to GBL is different if those regulated storage crop sales were to shift from being conducted by DOA to being conducted by OPV instead.
- b. Further, DOA has operated with its wholesale license for selling regulated storage crop for over a decade and so continuing that is consistent with past practice and structure within the industry.
- c. The overall spirit and line of business of OPV, the expertise of its directors, the growers supporting OPV and the systems to support OPV are all in Regulated Greenhouse Crops. Storage Crops require a level of expertise that exists in DOA but does not exist in OPV.
- d. Shifting the regulated storage crop sales from DOA to OPV will require further customer cooperation on sending Purchase Orders to OPV instead of DOA.

2. Upon OPV's acquisition of all required vendor numbers, what functions, if any, could not be undertaken under agency status, thereby necessitating the continued maintenance of DOA's wholesaler licence?
  - a. None, but as mentioned above the change would not be preferred by DOA and Randhawa Farms Ltd as it adds additional complexity to the operations of OPV and shareholder distributions. DOA has remained in good standing on its wholesale license for over a decade and just recently renewed that license on April 15th, 2025 for another year, so the request is that DOA's ability to sell regulated storage crops under its wholesale license would remain.

We appreciate your consideration and continued engagement. We value the process and welcome any further questions. Should you

require any additional information or documentation, please don't hesitate to contact us.

24. On October 15, 2025, the panel met to review OPVML's response. The panel was sufficiently satisfied with that response and it decided to engage in further consultation with industry stakeholders concerning the application in accordance with subsection 9(3) of the General Order of January 2, 2025.
25. On October 17, 2025, the Commission circulated a Notice of Proceedings to industry stakeholders, which provided, in part, as follows:

The British Columbia Vegetable Marketing Commission (the "Commission") hereby gives notice of its intention to conduct a review of the new application for agency designation submitted by OPV Marketing Ltd. ("OPVML") on June 26, 2025.

A five-member panel of Commission was selected to review the application and consists of the following Commission members: Wes Shoemaker (Independent Chair); Craig Evans (Independent Vice Chair); Daphne Stancil (Independent Member); Paul Guichon (Storage Crop Member); and Hugh Reynolds (Storage Crop Member).

The panel has now completed its preliminary consideration of the OPVML application for agency designation and in accordance with section 9(3) of the General Order of January 2, 2025, the application is not summarily dismissed and will thereupon engage in consultation with industry stakeholders.

Redacted application materials and supplemental submissions, limited to genuinely sensitive or proprietary information, have been reviewed to ensure sufficient context remains for meaningful stakeholder feedback. These documents are attached to this notice.

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#### PROCESS AND NEXT STEPS

1. As of the date of this notice, the Commission is circulating a copy of the redacted application and additional supplemental submission(s) among industry stakeholders for your review.

2. On or before November 14, 2025, participating industry stakeholders must file any responding written submissions with the Commission. The Commission will circulate all such responding submissions among OPVML, and participating industry stakeholders.
3. OPVML will have until November 21, 2025, to file any written reply submissions.
4. Following receipt of all submissions as outlined above, the Commission may, at its discretion, elect to permit oral submissions at a date and time to be determined.
5. Following consultation with industry stakeholders, the panel will decide on whether to grant agency status to OPVML, subject to the approval of the BCFIRB.

26. On November 14, 2025, the Commission received one submission from Windset/GGFI which was forwarded to OPVML on November 17, 2025. OPVML requested an extension to file its reply, which was granted, from November 21 to November 24, 2025.

27. On November 24, 2025, OPVML submitted a letter responding to the submission from Windset/GGFI.

28. The panel deliberated on the matter at its meeting on December 1, 2025.

### **Decision Analysis**

#### *Introduction and Summary of Decision*

29. The Commission has carefully considered all of the materials and submissions received from the participants, even though it does not intend to refer to all of it in the course of this decision.
30. For all the reasons that follow, the Commission has decided that OPVML should be designated as an agency, subject to the approval of the BCFIRB.

#### *Issues*

31. The issues arising from the Commission's consideration of OPVML's application for agency designation may be generally summarized as follows:

- (a) Having regard to the considerations listed in paragraphs 9(4)(a) through (i) of the Commission’s General Order of January 2, 2025, should the Commission recommend to the BCFIRB that OPVML be designated as an agency?
- (b) Having regard to the capacity of existing agencies or other prospective agencies to market regulated product, should the Commission recommend to the BCFIRB that OPVML be designated as an agency?
- (c) Are there any other matters that may bear upon the exercise of the Commission’s discretion?

*Brief Summary of OPVML’s Application*

- 32. OPVML seeks a Class 1 Agency licence to market regulated greenhouse crops. This application does not involve a new market entrant but reflects a structural change to an established business that has historically marketed BC production as a wholesaler acquiring product through an agency. OPVML is a joint venture between Randhawa Farms Ltd. and Grandview Brokerage Limited, the parent company of David Oppenheimer and Associates (“DOA”).
- 33. OPVML identifies the “primary and most important objective” of its application for an Agency licence as achieving compliance with the BCVMC regulatory framework, as clarified by the Commission’s General Order amendments effective January 1, 2024, including the provisions governing agency operations. This objective is rooted in a “remedial” restructuring of a legacy marketing arrangement that no longer aligns with the clarified regulatory expectations. For more than a decade, production from six producers was assigned to Vancouver Island Farm Products Inc. (“VIFP”), while the actual marketing was conducted by DOA under a subcontract, notwithstanding that such marketing functions fall within the scope of activities contemplated for licensed agencies under the BCVMC regulations. OPVML proposes to “regularize” this arrangement by transferring marketing responsibility from the wholesaler to a licensed Agency, thereby ensuring that the marketing activities are conducted in accordance with the BCVMC regulations, and subject to more direct regulatory oversight by the Commission. On this basis, OPVML submits that its application proposes the “compliant continuation of the long-standing and successful Legacy VIFP Marketing Program” within the regulatory framework established by the Commission.

*Brief Summary of Windset/GGFI’s Opposition*

- 34. Windset Farms (Canada) Ltd. and Greenhouse Grown Foods Inc. (“Windset/GGFI”) oppose the application, primarily on the grounds of agency proliferation. In essence,

they argue that the addition of a new agency in an already crowded and consolidated retail market will lead to an erosion of pricing that will ultimately reduce producer returns. In addition, Windset/GGFI argue that there is no "unmet" demand in the market and that the Commission should prioritize a review of existing agencies before granting any new agency licenses.

#### *Subsection 9(4) Considerations*

35. The Commission's assessment of the considerations listed in paragraphs 9(4)(a) through (i) of the Commission's General Order of January 2, 2025 is as follows:

- (a) 9(4)(a) - Market requirement and benefit to the industry: OPVML submits that the market requirement is "remedial". They argue that the industry benefits by bringing a successful, long-standing marketing program into compliance with the BCVMC regulations. While Windset/GGFI argue that this adds unnecessary fragmentation, the Commission finds that the regularization of the "Legacy VIFP Marketing Program" is a significant benefit. It ensures that product is marketed by an entity (the Agency) over which the Commission exercises much greater regulatory oversight than it does over a wholesaler.
- (b) 9(4)(b) - Interests of the industry regarding existing agencies: Windset/GGFI submit that existing agencies have the capacity to market these crops. The Commission notes, however, that existing agencies had a prolonged opportunity to market the production historically marketed through VIFP and DOA but did not do so. The record does not indicate that existing agencies developed or maintained the customer relationships associated with that production or were positioned to fully satisfy the customer requirements tied to those markets. In these circumstances, the historical continuation of marketing through VIFP and DOA suggests that the established arrangement addressed both producer and customer needs. In its reply, OPVML argues that forcing these six producers to leave their established marketing partners would "risk market confusion and supply disruptions".
- (c) 9(4)(c) - Orderly marketing and price competition: Windset/GGFI claim that an additional agency will erode pricing. OPVML counters that they are merely "regularizing" existing volumes rather than introducing new ones, and that they will not displace current BCVMC regulated growers or marketers. The Commission concludes that orderly marketing is enhanced when a wholesaler-led model is replaced by a direct agency model, as it strengthens the regulatory accountability of the participants.

(d) 9(4)(d) - Understanding of the regulatory system: OPVML's principals include former member of the Commission's Board and individuals with a long-standing history of marketing involvement in the BC greenhouse vegetable industry. The Commission is satisfied that the applicant has a sophisticated understanding of the regulatory framework.

(e) 9(4)(e) - Evidence-based demand: OPVML demonstrates its capacity by referencing a "customer list that is over 1,000 banners strong," including "Costco in the U.S. and Canada, Loblaw and Whole Foods". The Commission finds there is clear evidence of ongoing demand for the products marketed through this program.

(f) 9(4)(f) - Support from licensed producers: The application is supported by "six producers representing more than 15,400 tons (3 million cases)." Letters of support were provided by Randhawa Farms Ltd., TSL Hothouse Ltd., Fraser Hothouse Growers Ltd., Riverside Hothouse Ltd., Atwal Farms, and Sage Greenhouses. The Commission is satisfied that OPVML has sufficient producer support.

(g) 9(4)(g) - Primary responsibility resting with the Agency (not wholesalers): This factor is at the core of the Commission's decision. OPVML acknowledges that DOA historically conducted the marketing. By granting this license, the Commission ensures that the Agency will market "in place of the wholesaler". OPVML has stated: "If OPV Marketing is approved as an Agency, GBL and its affiliates (including DOA) will not market Regulated greenhouse crops that are sold under OPV's Agency, subject to an orderly customer transition conducted expeditiously while preventing the risk of lost sales to OPV Marketing's suppliers." This shift ensures that the Agency holds primary responsibility as required by the General Order.

(h) 9(4)(h) - Compliance with minimum pricing orders: OPVML "expressly commits to comply with all applicable minimum pricing orders". The Commission is satisfied with OPVML's commitment.

(i) 9(4)(i) - Knowledge, capacity, and ability: OPVML detailed its "Optimo" and "i2i" systems, which provide "visibility to, and retain records about, every item within its supply chain". The Commission is satisfied that the applicant possesses the necessary operational capacity.

### *Conclusion on Agency Capacity*

36. The Commission has considered the capacity of existing agencies. While existing agencies may have physical capacity, the production supporting this application is already tied to complex, multi-year retail programs. Granting this application "regularizes" that marketing activity. It addresses the historical concern that VIFP was not actively engaged in marketing by ensuring that OPVML markets directly to retailers in its capacity as an agency, thereby increasing the Commission's oversight relative to the previous wholesaler-led structure.

### *Other Matters*

37. In its application and supporting submissions, OPVML indicates that it will be led by its own management team and that it will not operate as a mere shell for DOA. In particular:

- (a) OPVML states that the agency will be led by Vijay Randhawa in the role of Director of Grower Relations and Kevin Batt as Director of Marketing.
- (b) OPVML specifies that "All of the agency's marketing services will be fully overseen and approved by Vijay Randhawa and Kevin Batt".
- (c) OPVML asserts that it will be an active participant in the market, transitioning away from the passive "sub-contract" model previously used under VIFP.
- (d) While OPVML intends to leverage DOA's infrastructure, it emphasizes its independence and the desirability to "regularize" the relationship to ensure that regulatory accountability rests with the agency.
- (e) OPVML confirms that if granted agency status, DOA (as a wholesaler) will pull back from marketing the regulated product: "GBL and its affiliates (including DOA) will not market Regulated greenhouse crops that are sold under OPV's Agency". OPVML further states that "[a]dditional direct administrative employees [of OPVML] may be added as needed."
- (f) OPVML has indicated that the agency will maintain its own separate financial records. It states: "each producer's product will be separately accounted for within the agency's records" and OPVML will "record and collect on sales to customers, deducting its commissions/agency fees" before remitting returns to producers.

- (g) In its reply submission, OPVML argues that the new structure will "reinforce regulatory accountability" by moving away from a model where a wholesaler (DOA) was the primary actor under a VIFP sub-contract.
- (h) OPVML specifies that any services delegated to an affiliate (like DOA) for transportation or warehousing will be "at standard market (or otherwise reasonable) rates" and are subject to agency oversight.

38. These assurances are fundamental to the panel's decision. The panel expects that OPVML will be "actively engaged in marketing" as required and defined under its General Order, and that OPVML will indeed employ "[a]dditional direct administrative employees" as needed to achieve that end. OPVML is reminded that agency designations are not held in perpetuity, and the Commission will not hesitate to conduct a review of its agency licence (if approved by the BCFIRB) should it appear that it has deviated from the assurances made in its application materials.

### **Disposition**

39. After due consideration, the panel has decided that OPVML should be designated as an agency, subject to the approval of the BCFIRB.

### **SAFETI**

40. It is the Commission's considered view that its decision reflects a principles-based approach to supervision and regulation. This principled approach has been defined by the BCFIRB as six principles collectively referred to as the "SAFETI" principles:

- (a) Strategic: The decision identifies the "remedial" regularization of a long-standing marketing program as a key opportunity to bring existing business under more direct Commission oversight.
- (b) Accountable: The Commission discharged its responsibilities by measuring the application against the detailed criteria of the General Order, specifically ensuring that the primary responsibility for marketing rests with the agency rather than a wholesaler.
- (c) Fair: Procedural fairness was maintained by providing industry stakeholders, including Windset/GGFI, with a full opportunity to submit responding written arguments.

- (d) Effective: The decision upholds the "high threshold" for agency designation by requiring specific behavioral assurances regarding "active engagement" in marketing.
- (e) Transparent: The process ensured transparency by circulating redacted application materials to the industry, balancing the protection of proprietary data with the need for meaningful stakeholder feedback.
- (f) Inclusive: The Commission ensured that appropriate interests were considered, specifically weighing the impact on existing agencies and the interests of the six supporting producers.

41. Any person aggrieved or dissatisfied with the decisions herein may appeal these decisions to the BCFIRB within 30 days from the date hereof.

A handwritten signature in blue ink, appearing to read "W. Shoemaker".

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Wes Shoemaker, Chair