

BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION

**IN THE MATTER OF THE *NATURAL PRODUCTS MARKETING (BC) ACT* AND
AN AGENCY APPLICATION MADE BY VILLAGE FRESH CANADA ULC**

May 22, 2026

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Background

1. These reasons address the application of Village Fresh Canada ULC (“Village Fresh”) to be designated as an agency by the British Columbia Vegetable Marketing Commission (the “Commission”), subject to the approval of the British Columbia Farm Industry Review Board (“BCFIRB”).
2. The application arises from the same circumstances addressed in the Commission’s reasons dated August 29, 2025. In those reasons, the Commission considered a request by VF Operations Canada, Inc. (“Village Farms”) to “transfer” its agency licence to Vanguard Produce Canada ULC, now Village Fresh. The request arose from a corporate restructuring of Village Farms International, Inc.’s fresh produce business.
3. The restructuring was described in the materials before the Commission as involving the privatization of certain fresh produce assets and operations, the creation of a new privately held joint venture, the transfer of produce distribution facilities, employees and operational control to a new corporate structure, and the introduction of new capital and strategic partners. Village Farms International, Inc. retained an indirect ownership interest in the new structure, but new interests associated with Sweat Equities SPV LLC and Kennedy Lewis Capital Partners Master Fund II LP were also introduced.
4. In its August 29, 2025 reasons, the Commission observed that the matter ought to have been brought forward as an application by Village Fresh for agency designation. The Commission also observed that, even if the restructuring had not resulted in a new corporate entity being the proposed marketer of regulated product in British Columbia, Village Farms would still have been required to seek and obtain the Commission’s prior approval before engaging in a restructuring involving a change to the direct or indirect legal or equitable interests in the agency.
5. There was no application by Village Fresh for designation as an agency before the restructuring was completed. Nor was there any application by Village Farms for prior approval of the restructuring. The Commission found that neither Village Farms nor Village Fresh had conducted itself in the manner required by the General Order.

6. At the same time, the Commission recognized that the failure to proceed in the required manner had created a practical problem for orderly marketing. It appeared that Village Fresh had already assumed the practical role of marketing regulated product in place of Village Farms. There was no evidence before the Commission to suggest that Village Farms had any remaining practical capacity to continue operating as an agency following completion of the restructuring. Redirecting producers who had historically marketed through Village Farms to other existing agencies would have been highly disruptive and would likely have operated to the detriment of British Columbia producers.
7. The Commission was unwilling to permit a simple “transfer” of the Village Farms agency licence to Village Fresh. Licences are not transferable under the General Order. In addition, the Commission was concerned that permitting a transfer would allow Village Fresh to obtain agency status without undergoing the scrutiny associated with a proper application for agency designation, and without other industry stakeholders having an opportunity to be heard.
8. The Commission therefore decided to conditionally designate Village Fresh as an agency, subject to the written approval of BCFIRB, in order to maintain orderly marketing while preserving the Commission’s ability to scrutinize Village Fresh after the fact. The Commission’s conditional designation was intended to protect producers, ensure that Village Fresh was not placed in a better position than it would have occupied had it made a proper application, and preserve an opportunity for stakeholder input.
9. The Commission also imposed a charge of \$20,000 against Village Farms and Village Fresh, jointly and severally, to defray the expenses that would be incurred in connection with the review process that would follow.
10. By decision dated September 24, 2025, BCFIRB considered the Commission’s request for approval. BCFIRB agreed that the failure of Village Farms and Village Fresh to seek Commission approval for the restructuring, or alternatively to apply for agency designation before completing the restructuring, created an extraordinary circumstance. BCFIRB also agreed that the Commission was required to act swiftly to maintain orderly marketing while not unfairly benefiting the parties that had disregarded regulatory requirements.
11. However, BCFIRB did not approve the Commission’s conditional designation of Village Fresh as an agency. BCFIRB expressed concern that Village Fresh had not applied for agency status, had not demonstrated how it met the requirements for agency designation, and had not been the subject of a review by the Commission under the General Order with the benefit of stakeholder input.

12. BCFIRB emphasized that agency designation is not a rubber stamp. It is a comprehensive process intended to determine whether an applicant can fulfil the obligations of an agency and act in accordance with the regulatory framework as a constructive participant. BCFIRB further observed that bypassing the agency designation process altogether, even to address extraordinary circumstances, would create a dangerous precedent and could lead to disruption and uncertainty in the industry.
13. BCFIRB concluded that the least disruptive way to maintain orderly marketing and protect the interests of producers, while respecting the scheme for agency designation, was to authorize a limited and time-limited exception to the prohibition on transfers. BCFIRB therefore authorized Village Fresh to step into the shoes of Village Farms and operate under the terms of the Village Farms licence until April 30, 2026, subject to conditions.
14. Those conditions included that Village Fresh comply with all orders, rules and requirements applicable to licensed agencies, remit the application fee, comply with the terms of the licence issued to Village Farms, honour all Grower Marketing Agreements entered into by Village Farms unless permitted otherwise, cooperate with the Commission's review, and diligently pursue an application for agency designation.
15. BCFIRB also directed the Commission to conduct its agency designation application review in accordance with the General Order as expeditiously as possible while ensuring appropriate stakeholder consultation. BCFIRB further directed that, if Village Fresh were designated as an agency, the Commission would submit its decision to BCFIRB for approval.
16. Village Fresh thereafter submitted an application dated February 26, 2026, seeking designation as an agency pursuant to the General Order.
17. A five-member panel of the Commission was appointed to review the application. The panel consisted of Wes Shoemaker, Independent Chair; Craig Evans, Independent Vice Chair; Daphne Stancil, Independent Member; Paul Guichon, Storage Crop Member; and Hugh Reynolds, Storage Crop Member.

18. On April 13, 2026, the Commission wrote to BCFIRB advising that it had received the Village Fresh application and had been diligently advancing the review process. The Commission advised BCFIRB that it did not anticipate being able to complete the agency designation process before the expiry of the temporary licence on April 30, 2026. The Commission requested a two-month extension of the temporary licence, to June 30, 2026, to allow for completion of the application process in a fair, transparent and procedurally sound manner.
19. In the meantime, the panel reviewed Village Fresh's application and determined that supplementary information was required. By letter dated April 14, 2026, the Commission requested additional information from Village Fresh concerning ownership and control, the location of its business office and staffed office in British Columbia, the employment and allocation of staff, its active engagement in marketing regulated product, the role of affiliated entities, and the relationship between Village Fresh Canada ULC and Village Fresh Canada LLC.
20. By letter dated April 15, 2026, Village Fresh responded to the Commission's request for additional information. Among other things, Village Fresh stated that the Canadian ownership and control requirement in section 4(2) of the General Order applies to specified producer and producer-shipper licences, and not to an application for agency designation. Village Fresh also provided further information concerning Village Farms Canada Limited Partnership, including the fact that its general partner is a Canadian corporation and that its ownership had not changed as a result of the restructuring.
21. Village Fresh further confirmed that it maintains a staffed office in British Columbia at 5355 – 152nd Street, Surrey, British Columbia, V3M 6Z3. It stated that it directly employs the staff that carry out its operations, and that those staff operate under the direction and control of Village Fresh. Village Fresh also stated that it is actively engaged in the marketing of greenhouse crops received from three producers, and that it performs core marketing functions including sales, marketing, customer relationship management, pricing strategy, logistics coordination and market development.
22. By decision dated April 17, 2026, BCFIRB granted the Commission's requested extension. BCFIRB noted the Commission's report that Village Fresh had complied with all terms of the temporary licence, including submission of an application for agency designation. BCFIRB also accepted that additional time was required to complete a robust review process. BCFIRB extended the temporary agency licence for Village Fresh until June 30, 2026.

23. After completing its preliminary consideration of Village Fresh's application and supplementary materials, the panel determined that the application would not be summarily dismissed and should proceed to stakeholder consultation under section 9(3) of the General Order.
24. By Notice of Proceedings dated May 4, 2026, the Commission initiated the consultation phase of the review. The Notice described the procedural history, the nature of the application, the role of designated agencies, and the issues on which stakeholder submissions were invited. Stakeholders were invited to provide written submissions addressing whether Village Fresh met the requirements for designation as an agency, whether Village Fresh was capable of carrying out the functions of an agency within the regulatory framework, and any other matters relevant to the Commission's discretion under the General Order.
25. The Notice provided that written submissions were due on May 8, 2026, that submissions would be circulated to participants later that day, and that any reply submissions were due on May 14, 2026. Redacted versions of the application and supporting materials were made available to stakeholders.

Village Fresh's Application

26. Village Fresh describes itself as the successor entity to Village Farms. It states that Village Farms had a long history of agency operations within Canada and the United States, beginning with greenhouse operations dating back to 1987 and including the 2006 merger with Hot House Growers Inc., a Canadian corporation that had been operating in British Columbia since 2002.
27. Village Fresh states that, following that merger, Village Farms was issued an agency licence by the Commission on February 6, 2007. Village Fresh further states that Village Farms has been a designated agency in good standing with the Commission since that time, and has maintained a strong record with the Commission for almost two decades.
28. Although Village Fresh is a distinct legal entity from Village Farms, it submits that its business plan and strategy remain essentially identical to those of Village Farms. Village Fresh states that it will market in the same manner as Village Farms, using substantially the same sales and marketing team, distribution centres, logistics channels and customer base. It relies on the history and knowledge of Village Farms, including its knowledge of British Columbia regulatory requirements, as supporting its ability to continue serving markets within British Columbia.

29. Village Fresh acknowledges that the restructuring was not brought to the Commission for prior approval before it was completed. Village Fresh states that the reorganization occurred quickly and that its timing was complicated by the fact that Village Farms International, Inc. is publicly traded. Village Fresh acknowledges the Commission's finding that the reorganization ought to have been brought forward for approval before the restructuring was completed. It apologizes for the oversight and confirms that it will seek advance approval of the Commission should similar changes be undertaken in the future.
30. Village Fresh's ownership structure is different from that of Village Farms. Prior to the restructuring, Village Farms was wholly owned by Village Farms International, Inc. Following the restructuring, Village Fresh is indirectly owned through Vanguard Food LP. The limited partners of Vanguard Food LP are Village Farms International, Inc., Sweat Equities SPV LLC and Kennedy Lewis Capital Partners Master Fund II LP. Village Fresh states that Village Farms International, Inc. holds a 37.9% ownership interest, Sweat Equities holds a 33.8% ownership interest, and Kennedy Lewis holds a 28.3% ownership interest.
31. Village Fresh states that it is incorporated under the laws of British Columbia and that its sole business is the marketing of greenhouse crops within British Columbia, Canada and the United States. It states that its sole director is Mr. Charles Sweat, of Sweat Equities, and that its sole shareholder is Vanguard Food Holdings LLC.
32. Village Fresh further explains that operational oversight occurs at the Vanguard Food LP level through a Board of Managers. The Board of Managers includes Mr. Charles Sweat, Mr. Brian Dubin, Mr. Michael DeGiglio, Mr. Steve Ruffini, Mr. Dwight Ferguson and Mr. Frank Padilla. Village Fresh emphasizes the continued involvement of Mr. DeGiglio and Mr. Ruffini, both of whom bring significant continuity from the former Village Farms structure. Village Fresh also emphasizes the fresh produce experience and strategic expertise of Mr. Sweat, Mr. Ferguson and Mr. Padilla.
33. Village Fresh states that it will continue to use a sales and marketing team substantially similar to the team that served Village Farms. It also confirms that its sales and marketing staff are employed directly by Village Fresh.
34. Village Fresh maintains an office at 5355 – 152nd Street, Surrey, British Columbia. It states that this is a staffed office and the central hub for its business activities in British Columbia. Its staff operate largely out of that office, or elsewhere in British Columbia, under the direction and control of Village Fresh.

35. Village Fresh is currently operating under BCFIRB's temporary order. Its application states that its operational capacity will remain substantially unchanged from that of Village Farms. Village Fresh maintains distribution facilities in Surrey, British Columbia; Fort Worth, Texas; and Leamington, Ontario. It states that these distribution facilities allow fresh product to be delivered quickly to destinations across North America and support competitive freight rates and reliable delivery.
36. Village Fresh's marketing objectives are to continue positioning itself as a supplier of choice for retailers offering greenhouse produce. It states that it does this through year-round supply, high quality product, compliance with food safety standards, quality packaging and presentation, direct sales to retail customers, competitive pricing, and excellence in customer service and logistics.
37. Village Fresh seeks to market greenhouse crops received from three producers. It identifies existing arrangements involving Village Farms Canada Limited Partnership ("VF Canada LP"), MB Greenhouse Ltd. ("MB Greenhouse") and Evergrow Greenhouses. Village Fresh seeks to have the full production allocation previously associated with Village Farms transferred to it. It states that this production allocation will be fully utilized through existing customer arrangements.
38. Village Fresh states that its regulated product will continue to be sold within Canada and exported to the United States. It estimates that approximately 20% will be sold in Canada and approximately 80% will be exported to the United States, in each case to existing customers of Village Farms that would become customers of Village Fresh.
39. Village Fresh states that all volume sold by it will be packed in retail-ready packaging and ready for end use. It relies on the same active customer list previously used by Village Farms and states that it is already able to fully market its product to existing customers, while also seeking to grow and expand its marketing channels over time.
40. Village Fresh states that it performs all core marketing functions, including sales, marketing, customer relationship management, pricing strategy, logistics coordination and market development. It also states that it maintains quality assurance procedures relating to food safety, trace-back and recall, grade compliance, handling and distribution, record keeping and legal compliance.
41. With respect to managing shared market access among producers, Village Fresh states that the arrangement will remain the same as it was for Village Farms. It also states that the three producers for which it acts as agency produce different items, such that its customers require product from each producer. Payment to producers is to be made by wire transfer within 28 days of receiving product.

42. Village Fresh states that it is sufficiently capitalized to ensure that growers are paid promptly and to satisfy its financial obligations. It also identifies the disbursements, expenses and charges that will be deducted from sales proceeds on payment to producers. Village Fresh states that those deductions will remain the same as they were for Village Farms.
43. Finally, Village Fresh expressly commits 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 British Columbia. It states that it has no arrangements with third parties that would impair or undermine its responsibility to serve as the primary marketer of greenhouse crops, expose the industry to increased food safety risks, or be disruptive to orderly marketing.
44. Village Fresh also states that it has long-term working relationships with most existing agencies in British Columbia and is prepared to meet with existing agencies to seek cooperation and to continue strengthening those relationships.

Stakeholder Submissions

45. The Commission received stakeholder submissions in support of the application. No stakeholder made a submission opposing the application.
46. MB Greenhouse provided a letter in support of the application. From a producer standpoint, MB Greenhouse emphasized consistency, openness, operational efficiency and achieving the best possible returns for growers through marketing and distribution. MB Greenhouse stated that the continuity of the existing team, together with its established sales and marketing approach, provided confidence that these standards would be maintained under Village Fresh. MB Greenhouse further stated that it had spoken with representatives of Village Fresh about the application and fully endorsed the application.
47. VF Canada LP also provided a letter in support of the application. It emphasized stability, transparency, efficiency and maximizing net grower returns. It stated that the former Village Farms agency had demonstrated a strong ability to represent those priorities, and that there would be essentially no change in the team or sales and marketing strategy when Village Fresh obtained agency status. It further stated that it had no desire to market its production through any other agency, and expressed concern that being required to transition to another agency could result in lower pricing and disorderly marketing.

48. Greenhouse Delight Foods Inc. (“GDF”) also provided a letter in support of the application. GDF stated that it had maintained a strong and professional working relationship with Village Fresh and had found Village Fresh’s sales, marketing and distribution to be consistent and reliable. GDF supported continuation of that relationship and stated that granting designated agency status would support orderly marketing and stability for producers.
49. Greenhouse Grown Foods Inc. (“GGFI”) and Windset Farms (Canada) Ltd. (“Windset”) provided a joint submission in support of the application. GGFI and Windset noted their longstanding experience as both an agency and producer within the regulated greenhouse vegetable industry in British Columbia. They supported designation of Village Fresh as an agency without conditions.
50. GGFI and Windset observed that GGFI had successfully worked cooperatively with Village Farms through inter-agency trading and marketing of regulated greenhouse products. They considered that relationship to have been successful and beneficial to British Columbia producers. They accepted that Village Fresh is a new legal entity created through a recent transaction, but emphasized that Village Fresh intends to market largely in the same manner as Village Farms, using much of the same management team.
51. GGFI and Windset also expressed familiarity with the proposed management team and stated that Village Fresh would benefit from the experience of the Vanguard group. They further observed that, given the trend in retail consolidation throughout North America, the market penetration and retail experience associated with the Village Fresh management structure would assist Village Fresh in obtaining solid net grower returns for British Columbia licensed producers.
52. GGFI and Windset emphasized continuity and stable, orderly marketing. They observed that Village Farms had a stable network of British Columbia producers, and that Village Fresh had continued to market successfully on behalf of those producers under the temporary designation approved by BCFIRB. They submitted that designation of Village Fresh as a full agency would ensure ongoing stability for producers currently working under the Village Fresh banner and avoid the need to disrupt existing arrangements or reallocate producers to different agencies.
53. GGFI and Windset concluded that Village Fresh meets the criteria set out in section 9(4) of the General Order and that designation would further orderly marketing.

54. As noted, the Commission received no submissions opposing Village Fresh's application. Nor did any stakeholder suggest that designation of Village Fresh would cause price erosion, market confusion, disruption to orderly marketing, or harm to producers who market through other agencies.

Analysis

55. The issue before the Commission is whether Village Fresh should be designated as an agency, subject to the approval of BCFIRB.
56. The designation of an agency is a significant regulatory determination. Agencies are central to the Commission's system of orderly marketing. They serve as the means by which regulated product is marketed in a coordinated manner. The Commission must be satisfied that an applicant for agency status has the capacity, knowledge, structure and regulatory commitment required to operate within that system, and that designation of the applicant will benefit the industry as a whole.
57. Sections 8 and 9 of the General Order set out the application and review framework. Section 8 requires an application to include a detailed business plan addressing the applicant's structure, management, operational capacity, access to regulated product, marketing strategy, operational procedures, financial viability, risk management, and advancement of producer and industry interests.
58. Section 9 provides scope for the Commission to request supplementary information, invite the applicant to present its application and answer questions, summarily dismiss an application in appropriate circumstances, and, where the application is not summarily dismissed, engage in consultation with industry stakeholders.
59. Subject to the Commission's discretion to assign different weights to relevant considerations and to have regard to the circumstances in which an application is brought, the Commission may designate an applicant as an agency, subject to BCFIRB approval, where it is satisfied that the considerations in section 9(4) have been met.
60. This application comes before the Commission in unusual circumstances. It is not an ordinary application by a new market entrant seeking to become an additional agency in the British Columbia vegetable industry. Rather, Village Fresh seeks designation as the successor to a former agency that had operated in the British Columbia greenhouse sector for almost two decades. The application follows a restructuring that should have been brought before the Commission before it was completed, but it also follows an interim period during which Village Fresh has operated under BCFIRB's temporary supervisory order.

61. Those circumstances do not excuse the original failure to obtain prior approval. However, they are relevant to the Commission's assessment of the present application. The Commission must now decide whether Village Fresh should be designated as an agency following the application, supplementary information, panel review and stakeholder consultation contemplated by the General Order and required by BCFIRB.
62. The Commission is satisfied that Village Fresh has provided sufficient information about its corporate structure, ownership, governance and management. The presence of new strategic and financial interests was a concern identified in the Commission's August 29, 2025 reasons. That concern has now been addressed through the application process. The Commission has had an opportunity to consider the involvement of Village Farms International, Inc., Sweat Equities, Kennedy Lewis, Vanguard Food LP, Vanguard Food Holdings LLC, and the relevant management personnel.
63. The Commission is also satisfied that the ownership and governance changes do not, on the record before it, justify refusing designation. Village Fresh has explained that Kennedy Lewis is a capital investor and does not have a representative on the Board of Managers or direct involvement in day-to-day management. Village Fresh has also explained the experience of the individuals responsible for oversight and management, including those with continuity from Village Farms and those bringing additional fresh produce, retail and operational experience.
64. The Commission accepts that section 4(2) of the General Order does not impose a Canadian ownership and control requirement on applicants for agency designation. Section 4(2), by its terms, applies to specified producer and producer-shipper licence categories. Ownership and control remain relevant under section 8(1)(a), because the Commission must understand the structure of an agency applicant and the identity of persons with direct or indirect financial interests in the applicant. Village Fresh has provided sufficient information for the Commission to assess those matters.
65. The Commission is satisfied that Village Fresh has a staffed office in British Columbia and that it is actively engaged in marketing greenhouse crops received from assigned producers. Village Fresh's office at 5355 – 152nd Street in Surrey is staffed and serves as the hub for its British Columbia operations. Village Fresh directly employs staff responsible for administrative, operational, sales and marketing functions. It performs the core marketing functions expected of an agency.

66. The Commission is further satisfied that Village Fresh has demonstrated operational capacity. Its distribution facilities, logistics network, customer relationships and sales team reflect substantial continuity from Village Farms. Village Fresh's ability to service markets in Canada and the United States is supported by the operating history of Village Farms, the continuity of personnel and systems, and Village Fresh's conduct during the temporary licence period.
67. The Commission is satisfied that Village Fresh has access to regulated product and evidence-based support from producers. The record includes existing arrangements involving producers who have historically marketed through Village Farms, and stakeholder submissions confirm that producers support the continued marketing of their production through Village Fresh. This is not a case in which the proposed agency lacks access to product or proposes speculative marketing arrangements.
68. The Commission is also satisfied that there is a market requirement for Village Fresh. In the circumstances of this application, the market requirement is established not by the creation of a new market niche or by the need to add an additional competing agency, but by the need to preserve continuity for producers and markets previously served by Village Farms. The production historically marketed through Village Farms requires a stable agency. The evidence before the Commission indicates that Village Fresh is the entity positioned to provide that continuity with the least disruption.
69. The Commission has considered whether existing or anticipated greenhouse crops should instead be marketed by another existing agency. In ordinary circumstances, the Commission must guard against unnecessary proliferation of agencies and the risk that multiple agencies competing for the same buyers with the same product may erode producer returns. In this case, however, the record does not support a conclusion that redirecting Village Fresh producers to another agency would better serve orderly marketing. To the contrary, the stakeholder feedback suggests that redirection would likely be disruptive and could impair existing producer relationships and market access.
70. The Commission places significant weight on the absence of opposition from industry stakeholders. The Notice of Proceedings provided stakeholders with an opportunity to comment on the application, including whether Village Fresh met the requirements for designation, whether it could carry out agency functions, and whether designation would be consistent with the Commission's exercise of discretion under the General Order. No stakeholder opposed the application. The submissions received from producers and existing agencies supported designation.

71. The support received from existing agencies is significant. Both GDF and GGFI supported designation. Their support assists the Commission in assessing whether designation of Village Fresh is likely to disrupt orderly marketing, undermine inter-agency cooperation, or adversely affect producers who market through other agencies. GGFI and Windset's joint submission was particularly detailed, and supports the conclusion that continued inter-agency cooperation is likely and that Village Fresh's continuation of the Village Farms marketing approach will benefit producers.
72. The producer submissions are also important. They indicate that producers who have marketed through the Village Farms structure value continuity, stability, transparency, operational efficiency and maximization of net grower returns. They also indicate that forced reassignment to another agency would be undesirable and potentially disruptive.
73. The Commission is satisfied that Village Fresh understands the regulatory system and has expressed an intention to comply with Commission orders, including minimum pricing orders in relation to sales occurring both within and outside British Columbia. Village Fresh has also acknowledged the earlier failure to obtain prior approval and has committed to seek advance approval if similar changes are undertaken in the future.
74. The Commission is satisfied that primary responsibility for marketing regulated product will rest with Village Fresh, rather than with wholesalers or third parties. Village Fresh directly employs the relevant staff and has stated that all sales, marketing, operations and distribution activities are controlled and executed by it. The Commission is satisfied, on the present record, that Village Fresh will remain responsible for regulated marketing activities and compliance with applicable requirements.
75. The Commission is also satisfied that Village Fresh's arrangements will not expose the industry to increased food safety risks. Village Fresh has identified quality assurance procedures relating to trace-back and recall systems, grade compliance, handling and distribution, record keeping, and legal requirements. These procedures build on the systems historically used by Village Farms.
76. The Commission is satisfied that Village Fresh has the knowledge, capacity and ability to operate effectively as an agency. The combination of continuity from Village Farms, the experience of the sales and marketing personnel, the existing customer base, the established distribution network, the producer support, the absence of opposition, and Village Fresh's operation under BCFIRB's temporary order all support that conclusion.

77. The Commission has considered whether any conditions should be imposed on Village Fresh's designation. The Commission has determined that designation should be granted subject to the ordinary requirements of the General Order, the Commission's continuing supervisory authority, the terms of any agency licence issued by the Commission, and the required approval of BCFIRB. The Commission does not consider additional special conditions to be necessary on the present record.
78. The Commission reaches this conclusion for three principal reasons. First, Village Fresh is not being placed in a better position than it would have occupied had it applied in the first instance. It has now submitted an application, paid the required fee, provided supplementary information, and participated in a stakeholder consultation process. Second, the concerns identified in the Commission's August 29, 2025 reasons have been addressed through the process required by BCFIRB. Third, the stakeholder record supports designation and does not disclose any material prejudice to producers, other agencies, consumers, or orderly marketing.
79. The Commission also emphasizes that agency designation remains a privilege, not a proprietary entitlement. Village Fresh's designated status, if approved by BCFIRB, will remain subject to the General Order, the Commission's ongoing oversight, and the Commission's authority to review existing agencies. If future circumstances demonstrate that Village Fresh's continued agency status does not promote orderly marketing or the Commission's policy objectives, the Commission may take appropriate regulatory action.
80. In the result, the Commission is satisfied that Village Fresh meets the requirements for designation as an agency and that designation will support orderly marketing, protect the interests of producers, preserve market stability, and benefit the British Columbia greenhouse vegetable industry as a whole.

Disposition

81. The Commission hereby designates Village Fresh Canada ULC as an Agency for the purpose of marketing Greenhouse Crops as authorized or directed by the Commission, subject to the written approval of BCFIRB as required by section 8 of the *Natural Products Marketing (BC) Act Regulations*, B.C. Reg. 328/75.
82. Upon receiving written approval from BCFIRB, the Commission may issue an agency licence to Village Fresh Canada ULC in accordance with the General Order and on such terms and conditions as may be set out in the licence or otherwise imposed by the Commission.

83. Upon issuance of an agency licence to Village Fresh Canada ULC, Village Fresh shall comply with all orders, rules, requirements and directions applicable to agencies, including the General Order, all applicable minimum pricing orders, all reporting obligations, and any terms or conditions imposed by the Commission.

SAFETI

84. 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 addresses the key regulatory issue created by the 2025 restructuring while preserving the Commission's central policy objective of orderly marketing. It recognizes the importance of continuity for producers and markets previously served by Village Farms.
 - (b) **Accountable:** The Commission has applied the application and review process contemplated by the General Order, including panel review, a request for supplementary information, stakeholder consultation, and written reasons explaining the basis for designation.
 - (c) **Fair:** Village Fresh was given an opportunity to provide supplementary information and to respond to questions from the Commission. Industry stakeholders were provided with notice of the application and an opportunity to make written submissions. No stakeholder opposed the application.
 - (d) **Effective:** The decision maintains orderly marketing by avoiding unnecessary disruption to producers, customers and existing marketing relationships, while ensuring that Village Fresh is subject to the ordinary requirements and oversight applicable to agencies.
 - (e) **Transparent:** The Commission has summarized the history of the matter, the application, the stakeholder submissions and the reasons for its conclusion that Village Fresh should be designated as an agency, subject to BCFIRB approval.
 - (f) **Inclusive:** The Commission invited stakeholder participation and considered the submissions received from producers, an existing agency and other industry participants before reaching its decision.

85. Any person aggrieved or dissatisfied with this decision may appeal the decision to the BCFIRB within 30 days from the date hereof.

A handwritten signature in blue ink, appearing to read "W. Shoemaker", with a long horizontal flourish extending to the right.

Wes Shoemaker, Chair