

# ONTARIO Chicken<sup>®</sup> FARMER

A RELIABLE SOURCE OF INFORMATION FOR ONTARIO CHICKEN FARMERS

## Avian Influenza Survey

The Canadian Food Inspection Agency (CFIA) will begin on-farm surveillance activities for **notifiable avian influenza** (also referred to as "NAI") starting in the summer of 2008. These activities represent one of the components of the Canadian Notifiable Avian Influenza Virus Surveillance System (CanNAISS) that is being proposed by CFIA to the European Union.

An estimated 120 Ontario sites could be tested in the program. Infected premises would be quarantined and a trace-out performed to determine if other locations have been infected within a 3 km distance.

CFO has investigated the potential scope of this testing as it pertains to the demography of producers and adjoining producers/barns within a 1 km range.

If an NAI is identified within a flock, the CFIA will order the flock and any flocks on the same premise to be depopulated. Those flocks destroyed by CFIA would be covered by the Health of Animals Act. Given this, CFO has investigated the possibility of providing a form of producer compensation for the actual post-depopulation barn Cleaning and Disinfection.

Once the CFIA program has been completed, CFO will assess the impact on its producers and consider if any further action is required.

This item is the feature article in the May 2008 issue of the CFC Newsletter. Please refer to the latest issue of *The Chicken Farmer* for further details on this program.■

## Ontario Chicken Farmers' stories worth sharing

Cleaner water – good for your chickens and your bottom line

### Chickworks Inc. Farms

Profile: Verena Hengemuhle and Greg Walter

Hannon, Ontario producers Verena Walter-Hengemuhle and Greg Walter have been running a broiler farm for over 15 years. "We are always looking for ways to improve animal welfare and provide a safe end product for our consumers," explains Greg. "Until a couple of years ago, we had very little control over the quality of water coming from our wells – it was the weakest point in our on-farm biosecurity program."

Over 2 years ago they purchased a newly designed Bauer Energy Design Water Filtration System. They were looking for a way to improve the water for the birds and get rid of unwanted sediments, bio film. "Basically, we wanted to keep the unwanted "gunk" out of our barns so we could ensure the safest water for our birds," adds Greg. "In addition to cleaner water, we discovered some really positive and unexpected results."



*"We're producing our KGs in a shorter time compared to before we installed the system, which means extra cash in our pocket!" concludes Greg.*

The Bauer Energy Design Water Filtration System removes (99.9% “absolute”) of bacteria, spores and viruses in the water. It removes all bio film, soluble Iron, Manganese, Hydrogen Sulfide, Arsenic and Radium, leaving all the “good stuff” in the water. In this case, it’s unlike reverse osmosis, which removes everything and leaves just the liquid.

“Overall we’ve seen much more consistency in our flocks. Things are more balanced in the barn and mortalities are down” says Greg.

In the midst of rising energy and feed costs, Chickworks Inc Farms shows that improving efficiency can lead to increasing the bottom line. “This water system is one of the ways we’re managing our broiler business to protect from factors that put pressure on our margin.” Overall fuel usage has gone down since the installation, which offset the rise in energy costs. They were also able to improve feed conversion plus the birds are market-ready at an earlier age.

### Cleaner water makes a visible difference

- Our bird growth has improved – in the KFC pullet size, our birds are ready earlier than before.
- Feed conversion improved for the better. (Growth and weight are monitored by a scale system in the barn.)
- Positively effected our condemnns.
- The birds are very clean; the feathering and skin on their feet is extremely soft and bird dust has been greatly reduced.
- A significant dust reduction in the barn (up to 80%), even when the birds are 4 weeks old.

## Cleaner water saves time and cleaning costs

1. Virtually no dirt or dust attached to the primary 18 and 24 inch barn fans at time of market.
2. The equipment in the barn is no longer sticky with dust.
3. Clean out process has dramatically changed, and as a result we are using less water and need less time.
4. Barns are extremely clean.

## Cleaner water is worth the investment

The cost of the system varies as it is based on the total water consumption. In the case of Chickworks Farms, the system has paid for itself already.

Prior to switching to the Bauer Energy Design Water Filtration System, like other farmers, Greg and Verena used various water treatment products to remove the gunk but these chemicals can only go so far and the sediment and biofilm remained or was present again after a short time. They avoided certain systems due to high levels of chlorination/peroxide usage, and wanted to be on the safer side of the numbers. Now, while chlorine is used as an oxidation agent within the system, they use such a small amount it’s virtually undetectable in the filtered water.

If any chicken farmer is interested in viewing the water system and farm please contact CFO to arrange for a tour. Greg and Verena maintain a high standard of biosecurity on their farm and are always open to innovative ideas.■

## Shining the spotlight on agriculture

### New consumer-directed campaign aims to raise awareness of our industry by putting a face to farming

A new TV and web campaign highlights the issues and opportunities that are central to agriculture’s future in Ontario and the role consumers play. Airing on several stations throughout Ontario, the TV ads depict agriculture’s contribution to Ontario.

“We asked consumers what they think is most relevant to them about agriculture,” says Greg Devries, past Chair of



the Ontario Soybean Growers and current Chair of the Presidents’ Council. “We used that research to help determine which themes would be addressed in the campaign.” That insight helped determine the campaign would be designed to put a face and voice to the thousands of people who work on Ontario’s farms.

The campaign is the result of a three-year effort by the Presidents’ Council – a group made up of the presidents and chairs of Ontario’s agricultural groups. CFO is a member.■

Visit the Grow Our Farms website for more information:  
[www.growourfarms.ca](http://www.growourfarms.ca)

# CFO ANNUAL GENERAL MEETING – Our Partners, Our Industry, Our Future

## HIGHLIGHTS FOR THOSE WHO COULDN'T ATTEND

CFO held its 2007 annual general meeting on March 17<sup>th</sup>. This year's event drew attendance from a wide range of producers, industry and government. Also attending were processors, agri-food and grocer associations, provincial and national chicken board counterparts, elected officials of both the federal and provincial legislature along with senior civil servants.



Ken Wong, Associate Professor, Queen's University

### Ken Wong presents "The Next Big Thing"

Key note speaker, Ken Wong, Associate Professor from Queen's University, School of Business, was both entertaining and informative as he provided the group with insight about differentiating your business and establishing market presence. Drawing examples from Viagra and Coca-Cola, Professor Wong pointed out how these companies were able to make a name for themselves in their respective saturated markets. As he said during his presentation, product variation will be key to winning diverse markets. More importantly, "brands make promises that products have to keep" to ensure that the product you have is the "Next Big Thing". Attendees were challenged to think "outside of the box", and to recognize opportunities that could come from innovation, ingenuity and hard work.

### Upcoming Events

Join us as we take chicken farming on the road throughout the summer.

Niagara Poultryfest	Smithville	June 28
CNE	Toronto	Aug 15 - Sep 1
Western Fair	London	September 5 - 15
International Plowing Match	Teeswater	September 16 - 20
Orangeville Tour	Orangeville	September 28



Hon. Leona Dombrowsky, Min. of Agriculture and Rural Affairs

### Government reaffirms support to supply management

The Honourable Leona Dombrowsky, Minister of Agriculture and Rural Affairs, kicked off the evening's reception by reiterating the Liberal government's support of the Chicken Farmers of Ontario and supply management. She also touched on the importance of industry relations and how Dalton McGuinty and the Liberal government plan to ensure that such relationships stay healthy and strong.

See some of our AGM presentations on our website: [www.cfo.on.ca](http://www.cfo.on.ca)

### Farewell, Paul and Tom

The evening wrapped up with tributes to Tom Posthuma and Paul Karges who retired from the Board this year. With over 20 years combined service, we appreciate their experience and contribution as we continue to work towards maintaining the health and viability of Ontario's chicken producers and the industry. We wish all the best to Paul and Tom.

We'd like to thank all of our speakers, including: Lou Rinaldi, M.P.P., Parliamentary Assistant, Northumberland Quinte West; Mike Dungate, General Manager, Chicken Farmers of Canada; Dave Hope, Chair, Ontario Farm Products Marketing Commission; Bill Smirle, Chairperson, National Farm Products Council; David Fuller, Chair, Chicken Farmers of Canada; Tim Nelson, Executive Director, Poultry Industry Council; Bruce McCullagh, Senior Vice-President, Maple Leaf Foods; Kelly Daynard, Program Manager, Ontario Farm Animal Council; Kim McKinnon, Vice President Communications, Canadian Council of Grocery Distributors. ■



### CFO Remembers Lorne Kozicki

Lorne Kozicki, a chicken farmer for 34 years in the Waterford area, passed away suddenly on May 23, 2008 at the age of 65. Lorne was a DCR for 8 years from 1984-1992 representing District 4 producers. A loving husband, father and grandfather, Lorne will be greatly missed by all of us at CFO.

# Economics

## Kim comments on Feed Costs

### Feed costs used in the live price formula

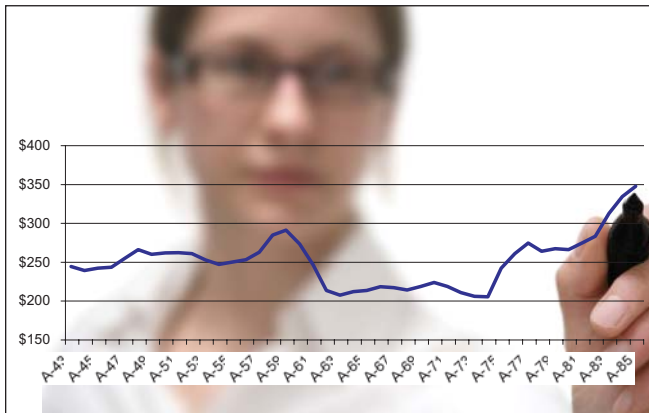
Since 2001, the feed price calculation used in the live price formula has been based on the Ontario Agri Business Association (OABA) average feed price – this is consistent with the methodology listed under regulation 402.

How does OABA get their price?

- It's based on the average of feed prices from four top feed mills
- Using the average price of a typical full-cycle feed mix (pre-starter to finisher) of each mill's most popular of medicated feeds
- Based on a 10 tonne delivery price including transportation costs, less the 2 per cent end of flock discount

### Feed price fluctuations

Over the last 40 quota periods feed prices have shown a great deal of volatility. Even the periods of relative price stability, swings of 5% or more from one quota period to the next and 10% over a couple of quota periods are not uncommon.



A period of reasonable stability existed from quota period A-43 to A-54 where feed costs ran from about \$240 per tonne to \$250 per tonne. This was followed by a quick run up in feed prices to about \$290 per tonne by A-59. Over the next 4 quota periods feed prices fell by \$80 per tonne to \$206 in A-63.

Feed prices remained relatively stable, primarily in the range of \$210 to \$220 but reaching a low of \$204 in A-74 and a high to \$223 in A-70. Thereafter the trend has been to higher feed prices reaching \$346 a tonne in A-85 with the outlook to higher prices in A-86. Grain futures would suggest that high prices are here for the foreseeable future, but history has shown that neither high nor low prices last indefinitely. ■

Kim Boydell, Senior Economist and Policy Advisor

## WTO Update

Negotiations continue in earnest at the WTO, despite continued delays and little progress, particularly with respect to the Industrial or Non Agricultural (NAMA) portion of the negotiations.

On Wednesday, June 25<sup>th</sup>, WTO Director General Pascal Lamy, announced that he will convene a meeting with Trade Ministers from 30 key WTO members on July 21, 2008, in the hope of ratifying a deal in advance of the U.S. elections. Canada will be among the nations represented.

Lamy has expressed his belief that conditions are ripe and that sufficient progress has been made, particularly in the key area of agricultural subsidies, to now move forward with a deal.

On the same day, Prime Minister Stephen Harper shuffled his cabinet, appointing Quebec Senator Michael Fortier to the International Trade portfolio.

CFO will be engaging the new Minister on the subject of the WTO and will be seeking his reassurances that the government will ensure that any deal at the WTO allows for the continued success of supply management. We will be especially vigilant in this regard as the July 21<sup>st</sup> meeting approaches. ■

## New faces at CFO

### New Board Member Profiles

#### Andy DeVries

Andy was elected to the Board in 2008. He and his wife Lucy farm in the Atwood area in Perth County. They became chicken farmers in 1989 after being in dairy for a number of years. While a newcomer to CFO's Board and district committees, Andy is well experienced in board work through his involvement as the North Perth Regional Director for the Ontario Federation of Agriculture, and as a member of the Perth County Council.

*Unfortunately Andy will be resigning from the Board effective June 30, 2008 for personal reasons and the District 8 DCRs and the Board will work together to deal with the next steps. We appreciate his contribution to the CFO Board.*

#### Murray Opsteen

Murray was newly elected to the Board in 2008 having been a DCR since 1997. Murray grew up on a chicken farm in the Milton area and since 1991, he has been operating his own farm with his wife Janice in Waterdown.

#### NEW EMPLOYEES:

- Teresa Wilbur - Internal Auditor
- James Corpuz - Junior Economist
- Mary Fearon - Manager, Communications
- Nicholas Hladuniw - Accounting Clerk
- Nancy Martinello - End User Support Specialist (IT Department)

## We'd like your feedback!

The Ontario Chicken Farmer newsletter is only as good as the information, experiences and perspectives we share. Do you have comments or suggested story topics? We'd like to hear from you!

Send us a note at [newsletter@cfo.on.ca](mailto:newsletter@cfo.on.ca)



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