



2010-11 Business Plan

Research Strategy

Introduction

A portion of the funds collected by the Beef Cattle Research, Market Development and Promotion Agency are directed towards the Beef Cattle Research Council (BCRC). Research and innovation are key to moving forward in addressing many of the competitiveness issues facing the Canadian beef cattle industry. In 1999, the Beef Cattle Research Council (BCRC) was established as a division of the Canadian Cattlemen's Association to determine research and development priorities for the beef cattle industry and to administer the research funding allocation of the national check-off. From 2001 through 2008, the BCRC contributed over \$4 million in funding to 59 different research projects and initiatives. The total investment in these initiatives, including BCRC's contribution, exceeds \$18 million.

Phase I of the Beef Science Cluster initiative developed by the BCRC was approved for AAFC funding in late 2009. Consequently, 2010-2011 represents the first year of funding for the Beef Science Cluster (although this funding is retroactive to April 1, 2009). A second set of projects (Phase II) was submitted to the Minister in January 2010, but a decision on this proposal is not expected before the end of April, 2010.

The BCRC:

1. Identifies, funds, and manages beef research and technology development in strategically focused priority areas of national significance as defined by industry stakeholders from across the national value chain.
2. Promotes excellence in Canadian beef research and technology development by facilitating the exchange of information and expertise to encourage collaboration, discourage duplication, and to advocate the adoption of high standards.
3. Supports and encourage the rapid commercial adoption of new technologies to sustain competitive advantage.

The BCRC's overall objectives and priorities are to:

- To continue to enhance the safety and quality of Canadian beef
- To ensure the integrity and high standards of animal health in the Canadian herd
- To improve and ensure the dissemination of knowledge throughout the industry
- To ensure that sound scientific principals and risk assessment are utilized in developing good production practices, industry and government policy and standards
- To support innovative projects designed to improve industry competitiveness
- To enhance international acceptance of Canadian beef quality and safety standards

National Beef Research Strategy and Growing Forward Agri-Science Clusters

A 2008 review of the beef research situation in Canada initiated by the Canadian Cattlemen's Association and Beef Value Chain Roundtable found that although research and innovation must play an important role in addressing many of the competitiveness issues facing the Canadian beef industry, overall research funding and infrastructure, human capital, and technology

transfer to support beef and cattle research have fragmented and declined significantly in Canada. Consequently, a national beef research strategy has been developed to position research as a supporting driver of the industry's sustained success, and provides a framework towards achieving national coordination of beef research priorities, funding and technology transfer efforts.

As the national beef research strategy was being developed, Agriculture and Agri-Food Canada began developing the Agri-Science Cluster Initiative program under the Growing Forward Strategy. The Agri-Science Cluster Initiative is a significant opportunity to strengthen research and development to address current and future competitive challenges facing Canada's beef cattle industry. The Beef Science Cluster is an important first step in implementing the broader national beef research strategy, accelerating the process to help industry more formally coordinate with all stakeholders and direct funding more effectively to an outcome-based research program that is more directly aligned with industry's vision and priorities.

With the support of the Canadian Cattlemen's Association, the Beef Value Chain Roundtable, and provincial industry organizations the BCRC has developed a Beef Science Cluster and is acting as the transition point for the implementation of the broader national beef research framework. The BCRC has a solid track record – with scientific review and business management systems in place. These systems will be further adapted and enhanced to effectively manage Beef Science Cluster activities, implementing near and medium-term projects during the next four years.

Research Program Implementation

Governance and Board

The BCRC is an operating division of the Canadian Cattlemen's Association (CCA) and is overseen by an operating committee comprised of (industry) representatives appointed by provincial associations contributing to the BCRC through the national check-off. There are currently 11 members on the BCRC committee – one representative from B.C., four from Alberta (one is vice chair), two from Saskatchewan, one from Manitoba, two from Ontario, and one from the Atlantic region (also the chair). The committee is responsible for the direction of all aspects of the BCRC program, reporting semi-annually to the Canadian Cattlemen's Association Board. Voting representation on the committee is proportionate to the level of funding contributed through the National Check-off Agency, and each funding member has the right to appoint at least one representative to the BCRC committee. Other organizations may become contributors to and members of the BCRC if approved by the committee and the CCA Board. These new members have the opportunity to appoint voting members to the BCRC committee. Non-members may be invited as observers to the committee, but there may be no "permanent" non-voting members. The Fédération des Producteurs de Bovins du Québec has appointed a non-voting representative to the BCRC committee early in 2010.

The BCRC oversees research program development and implementation, playing a key role in establishing and refining industry research priorities in consultation with other stakeholders. Annual business and program plans and budgets are recommended by the BCRC committee for consideration and approval by the CCA Executive and Board.

BCRC Operational Goals

Knowledge Dissemination & Technology Transfer

To support the industry’s value proposition, results from research funded by the BCRC must find their way back to value chain participants to affect management decisions concerning beef production and to improve beef products for all customer segments and markets. The science director for the BCRC will assume responsibility for the development and delivery of a technology transfer and knowledge dissemination plan. A comprehensive communication program utilizing outreach tools such as website, fact sheets, and presentations was initiated by the BCRC in 2006 and will be enhanced to extend communications through existing industry communication channels and other means identified to be of value.

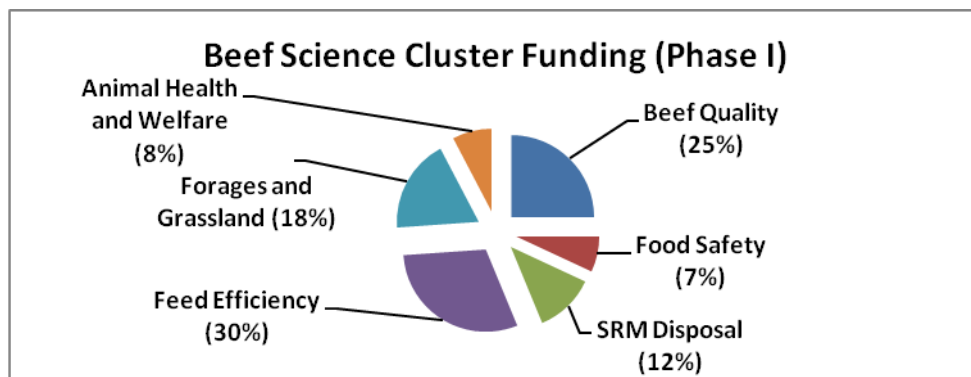
With the continued growth and expansion of the national Quality Starts Here – Verified Beef Production on-farm food safety program, the opportunity exists to use this program as a direct channel of communicating research outcomes and disseminating knowledge related to food safety, quality, animal health, and production efficiencies with program participants. In addition, a focus will be placed on utilizing provincial industry and government capacity to encourage knowledge dissemination and technology transfer.

Program Objectives & Priorities

Based on stakeholder engagement and BCRC’s priority setting process, the beef industry has defined two core research objectives under which more specific priorities are established:

- *Improve production efficiencies (~ 65% of funding):* through enhanced feed and forage production, increased feed efficiency, decreased impact of animal health and welfare issues and production limiting diseases, improved utilization of specified risk materials.
- *Improve beef demand and quality (~ 35% of funding):* through reduced food safety incidents; defining quality and yield benchmarks supporting the Canadian Beef Advantage and improved beef quality through an audit program and primary production improvements, and the development and application of post processing technologies to optimize cutout values.

Beef Science Cluster funding allocations by priority area are shown below:



Quality Starts Here[✓]® – Verified Beef Production

In addition to sponsoring research and technology development in support of the Canadian beef industry, in 2001 the Quality Starts Here[✓]® program was brought under the auspices of the BCRC. The Quality Starts Here[✓]® program further supports the industry's vision to have high quality Canadian beef products recognized as the most outstanding by Canadian and world customers. Bringing it under the auspices of the BCRC provides a practical means for efficient administration and access to development and implementation resources for the program. It also provides an appropriate forum for policy development to then be taken forward to the Canadian Cattlemen's Association Board.

The VBP program has a strong role within responsible food animal production. Over the past years we have demonstrated program principles to various government departments as they consult with industry on enhancing the food safety continuum. Many times this program has shown other stakeholders that the cattle industry is a responsible sector with a program based in sound science.

Verified Beef Production program is based on five elements, described as standard operating procedures in its Producer Manual (available at www.verifiedbeef.org). These elements are based on an internationally recognized approach to food safety called Hazard Analysis Critical Control Point (HACCP). Since its first technical review with the Canadian Food Inspection Agency in 2004, the procedures have been simplified into the following areas that include animal health management, medicated feed and water, cattle shipping, pesticide control and manure, and training and communication.

Conclusion

Given current revenues and allocations through the national check-off, the BCRC has been challenged to implement a comprehensive research strategy which addresses multiple industry priorities while remaining fiscally prudent. The BCRC has drawn on reserve funds (which were based on an initial grant to the BCRC) on an annual basis to supplement revenues received from the national check-off.

The BCRC is committed to funding leading-edge research to position the Canadian beef cattle industry as a global leader in beef quality, animal health, food safety and environmental stewardship. Research and technology transfer is a dynamic process with unique challenges and vast opportunities. The Beef Cattle Research Council will strive to ensure that an efficient and effective process of evaluating the research needs of the beef and beef cattle industry is maintained on a continual and productive basis. New priorities, strategies, and opportunities will be continually evaluated and implemented to ensure the needs of the industry and its most important customer, the consumer, are addressed in a timely manner.

The BCRC is dedicated to ensuring that this process is transparent, provides all stakeholders with the opportunity for input and the outcomes are such that the advancement and growth of the Canadian industry is the highest priority.

BEEF CATTLE RESEARCH COUNCIL**2010/11 BUDGET**

Net Assets, beginning of year	1,570,244
Projected excess (deficiency of revenue over expenditure)	353,241
Projected Net Assets, June 30, 2009	1,923,485
2011 Revenue	
National Check-off	350,000
ABP Beef Science Cluster	182,165
Interest Earned	5,000
Misc. Revenue	-
On Farm Food Safety	-
Total Revenue	537,165
2011 Expenses	
BCRC Division Services	148,280
Projects	67,340
Quality Starts Here	-
On Farm Food Safety	-
Cluster Projects	477,320
Total Expenses	692,940
Excess (deficiency) of revenue over expenditure	(155,775)
Projected Net Assets, June 30, 2011	1,767,710