



Egg Farmers of Ontario is a farmer-run organization that manages the supply and orderly marketing of eggs so consumers can enjoy fresh, safe, high-quality protein at a fair price.





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As I reflect on the unpredictable times in a year when I was privileged to become Chair of this Board, I attribute our collective success in dealing with these challenges to the focus on developing and maintaining working relationships within our industry.



## MESSAGE FROM THE CHAIR

**SCOTT HELPS** 

As we entered into 2020, plans were underway to implement changes not only in the way we conduct business, but also in the policies that determine how we structure these processes. Although we knew it would be a year of change, little did we know how much things were about to become very different as we faced the challenges of a global pandemic head on.

A major focus for Egg Farmers of Ontario (EFO) entering 2020 was to invest increased time and effort to further improve our working relationships with all our partners and stakeholders. This investment steered the way to strengthened relationships which contributed to our success in dealing with the unprecedented challenges of 2020.

Our Board had to quickly adapt to the parameters of virtual discussions and decision making. Board meetings quickly switched to Zoom and teleconference calls to maintain communications and consultation processes that are critical for input to Board policy development.

The Quota Simplification process, which started in 2019, moved forward with policy changes to move Ontario's layer quota system from the existing "quota plus programs" approach towards having one single quota allocation number for each farm. Future decisions will be made about integrating the *Market Growth Allowance* and *Mortality Allowance* into the single allocation. Ironically, it took some complex steps to get to a simpler system fairly. But converting most programs and coming to a single quota number will make things work better for all Ontario egg farmers.

More efficient and effective policy implementation has been a focus during 2020 and has led to the development of a multi-year effort to update EFO's information technology systems.

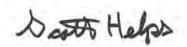
Programming and development over the next two years will advance how EFO conducts its business, as the sector moves towards a fully-integrated digital process involving layer and pullet farmers, hatcheries and other industry stakeholders.

On the pullet side of the business, the Board decided late in the year to begin discussions with Egg Farmers of Canada to deliver pullet program audits in Ontario. This will ensure Ontario pullet growers are part of a program designed to be consistent in all provinces.

Harry Pelissero stepped down as General Manager at the end of June, taking on a role as Special Advisor. The Board would like to recognize all of Harry's significant contributions during his 19 years with the organization.

As I reflect on the unpredictable times in a year when I was privileged to become Chair of this Board, I attribute our collective success in dealing with these challenges to the focus on developing and maintaining working relationships within our industry. EFO represents egg and pullet farmers, but making the whole sector viable requires a team of partners and stakeholders working together as an integrated business system. Together we form a vibrant and important contributor to Ontario's agricultural sector.

We recognize our collective strength and will continue to be committed to our combined success as we look ahead to a return to a more normal and healthy future in 2021.



As a team, EFO's staff learned to hold very effective virtual meetings and drive our business processes. I am proud of the team and would like to recognize their ability and effort to adjust to the new challenges and changing working conditions.



MESSAGE FROM THE INTERIM GENERAL MANAGER

**BILL MITCHELL** 

Egg Farmers of Ontario (EFO's) administrative operations were tested by the extreme stresses of the COVID-19 pandemic and all stakeholders responded with great resiliency to the volatility that dominated 2020.

Our well-developed business plans had to change dramatically as we pivoted to focus on managing the egg and pullet sectors through the pandemic and the varying states of emergency and shutdown levels during the year. The operational implications of the pandemic are reported in several areas throughout this report.

EFO's field staff are critical frontline workers and continued to work under strict biosecurity and additional COVID-19 health and safety protocols. Physical changes were made to EFO's office facilities and protocols to comply with COVID-19 requirements were implemented. We restricted office numbers to five on a rotating basis while most staff worked remotely. All Board and committee meetings were held virtually after March, including the 2020 Annual General Meeting, the summer information meetings and the fall workshop.

Embracing the use of technology and virtual meetings allowed us to make good progress on the major items in our business plan and even more importantly, deal with the need to respond to the challenges that came and changed more frequently in the volatile market conditions. As a team, EFO's staff learned to hold very effective virtual meetings and drive our business processes. I am proud of the team and would like to recognize their ability and effort to adjust to the new challenges and changing working conditions.

The pandemic created many marketing challenges. Changes in business processes and closures within the restaurant industry created a downward trend in the market. These market conditions led Egg Farmers of Canada (EFC) to implement Early Fowl Removal (EFR) actions and birds were removed in two separate EFR periods as part of Ontario's targets under this national approach. Managing

this process with our farmers and EFC took a tremendous amount of time and flexibility for all involved.

Another major staff effort focused on progress in a multi-year effort to update EFO's information technology systems. As the first step, information from our outdated system was imported into a new database that will provide a stable software platform for the future. This new software platform provides EFO with a foundation to completely transform our information database processes and ensure data integrity to help guide business decision-making on-farm and throughout the industry.

On the consumer outreach front, the *Real Farmers. Real Eggs.* campaign was launched in May as a way for egg and pullet farmers to connect with consumers. The *Real* campaign was developed after extensive consumer research and creative development to construct a new platform to tell egg and pullet farming stories in this new decade. *Real Farmers. Real Eggs.* is a way for Ontario egg and pullet farmers themselves to address questions that consumers want to be answered about egg farming in Ontario.

Management changes July 1 placed me in the General Manager position on an interim basis. I want to thank the staff and the Board for the tremendous effort made to provide continuity of operations across the entire organization, in a year that presented unprecedented challenges for everyone involved.

I believe 2021 will continue to offer up some challenges as we progress towards a new normal, but I remain hopeful for what the future holds. The strong foundations we have built should mean we are well-positioned for a prosperous time to come.

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## **Lake Huron**

Georgian Bay



Director: Scott Brookshaw (EFC Representative)
Counties of Bruce, Dufferin, Grey
and Wellington

Number of Egg Quota Holders: 62 Number of Layers: 1,844,888 Number of Pullet Quota Holders: 22 Number of Pullets: 1,974,787



**ZONE 5**Director: Brian Miller
County of Huron

Number of Egg Quota Holders: 51 Number of Layers: 926,225 Number of Pullet Quota Holders: 12 Number of Pullets: 915,638



ZONE 2
Director: Lorne Benedict
County of Middlesex
Number of Egg Quota Holders: 50

Number of Egg Quota Holders: 50 Number of Layers: 617,854 Number of Pullet Quota Holders: 19 Number of Pullets: 1,492,673



ZONE 1
Director: Scott Helps (Chair)

Counties of Essex, Kent and Lambton
Number of Egg Quota Holders: 50

Number of Layers: 1,058,144
Number of Pullet Quota Holders: 12
Number of Pullets: 797,778

/

**Lake Erie** 

1



**ZONE 9** 

**Director: Craig Hunter** East: Counties of Dundas, Frontenac, Grenville, Lanark, Leeds, Lennox and Addington, Renfrew and the Regional Municipality of Ottawa-Carleton North: Territorial Districts of Ontario consisting of Algoma, Cochrane, Parry Sound, Kenora, Rainy River, Sudbury, Timiskaming and Thunder Bay

Number of Egg Quota Holders: 14 Number of Layers: 1,121,450 Number of Pullet Quota Holders: 6 Number of Pullets: 2,387,680 -



**PULLET** 

**Director: Alvin Brunsveld** 

Total Number of Pullet Quota Holders: 134 Total Number of Pullets: 11,806,584



ZONE 10 -

**Director: Marc Bourdon** Counties of Glengarry, Prescott, **Russell and Stormont** 

Number of Egg Quota Holders: 50 Number of Layers: 1,472,530 Number of Pullet Quota Holders: 16 Number of Pullets: 931.821

Manitoba

Quebec

Hudson

**Lake Ontario** 



**Director: Tonya Haverkamp** County of Perth, the Regional **Municipality of Waterloo** and the City of Waterloo

Number of Egg Quota Holders: 61 Number of Layers: 941,207 Number of Pullet Quota Holders: 24 Number of Pullets: 1,683,382



#### **ZONE 8**

**Director: George Pilgrim** Regional Municipalities of Halton and Peel, the Counties of Haliburton, Hastings, Northumberland, Peterborough, Prince Edward, Simcoe and Victoria, the Regional Municipalities of Durham and York and the District Municipality of Muskoka

Number of Egg Quota Holders: 22 Number of Layers: 522,879 Number of Pullet Quota Holders: 5 Number of Pullets: 343,145



#### ZONE 3

Director: Dan Veldman (Vice Chair) Counties of Elgin, Oxford and that part of the Regional Municipality of Haldimand-Norfolk that, on the 31st day of March 1974, was the County of Norfolk

Number of Egg Quota Holders: 41 Number of Layers: 776,118 Number of Pullet Quota Holders: 7 Number of Pullets: 625,097



#### **ZONE 4**

**Director: Roger Pelissero** County of Brant, the Regional Municipalities of Hamilton-Wentworth and Niagara and that part of the Regional Municipality of Haldimand-Norfolk that, on the 31st day of March 1974, was the County of Haldimand

Number of Egg Quota Holders: 30 Number of Layers: 665,791 Number of Pullet Quota Holders: 11 Number of Pullets: 654,583



### **FACING ADVERSITY WITH A DIRECT PLAN**

The word 'resiliency' is defined as the ability to recover quickly from a shock. While many individuals can bounce back easily and naturally after experiencing stress, resiliency is not always a given in organizations. They have to plan for it, and build into their structures and culture the mechanisms that allow them to handle adversity. This past year, we discovered just how much resiliency we had built into our industry, at every level—from our farms, egg boards and national organization, to our supply chain and industry partners.

The COVID-19 pandemic disrupted daily life, tested our health systems and strained the global economy in ways never before seen—yet Canada's egg farming sector was able to roll with the punches. Though we faced some measure of difficulty and sacrifice, we never once failed to provide Canadians with a steady supply of high-quality eggs, produced according to some of the highest standards in the world. Our ability to do so was a demonstration of just how strong and adaptable we are. Across our industry, everyone played an important role in our response efforts and played it well throughout the year.

This past year, we discovered just how much resiliency we had built into our industry, at every level.

This is no small accomplishment and we are fortunate to have a range of tools at our disposal to allow for that resiliency. When the pandemic hit in March, we had people and structures in place that allowed us to quickly identify and implement measures that helped us manage the ups and downs in our market, through lockdowns and disruptions. It also bears mentioning that one of the most critical tools we have is supply management itself. We have known for a long time that supply management offers many benefits; one of them—and we have undeniable proof of that now—is the ability to manage production in a crisis of unprecedented proportions.

As we look ahead, rest assured that we will do everything in our power to make sure our structures remain resilient. The lessons learned during the pandemic will be applied and we are



confident we will be even more resilient in the future. I am also confident that the future of egg farming is strong, even in the face of a future that is by definition uncertain.

Though COVID-19 was always on our minds in 2020, it did not stop our work. I am glad to report that despite the pandemic, we made progress on a number of fronts:

Our advocacy efforts helped bring to a successful conclusion
the promised federal support to help mitigate the impact of
the Comprehensive and Progressive Agreement for Trans-Pacific
Partnership. We were pleased when, at the end of November,
federal Agriculture and Agri-Food Minister Marie-Claude
Bibeau made a long-awaited announcement of \$691 million
in mitigation funding for the egg and poultry sectors to help
offset the impact of the agreement.

- We launched our first-ever Sustainability Report. It outlines
  how egg farmers across Canada are investing in and setting
  up sustainable agricultural practices. The report lays out a
  sustainability framework that corresponds to the areas of
  greatest significance to Canadian egg farmers, and it outlines
  how egg farmers are leading the way in the sustainable
  agriculture movement both at home and globally.
- We continued to advance Vision 2020, with the goal of becoming a world leader in per capita egg consumption.
   While we expect it will take much of 2021 for the restaurant, foodservice sector and processed egg markets to return to their normal demand levels because of the massive disruptions triggered by the pandemic, there was strong growth in the retail sales of eggs throughout the year with more people cooking and eating at home.

While the move to buy Canadian and local products has always been strong, the pandemic put a spotlight on made-in-Canada products and our food system.

- We've made significant progress in phasing out conventional hen housing systems. Conventional production has dropped to 62% of the total, with 23% of production in enriched colony housing, and 15% in free range, free run and organic systems.
   We expect to reach our target of a full phase-out of conventional housing in 2031, nearly five years ahead of schedule.
- We continue to see strong support for our farmers and for our product. While the move to buy Canadian and local products has always been strong, the pandemic put a spotlight on made-in-Canada products and our food system. Canadians trust Canadian eggs, and we have been able to showcase the production of fresh, local eggs and the system that makes it possible. Part of this trust stems from the visible commitment that farmers offer their communities. Once again, our sector stepped up in a big way in 2020, donating millions of eggs to food banks and other charitable organizations.

We have every reason to be hopeful for 2021. The COVID-19 vaccines now being rolled out signal the start of a return to a new normal, even if that return will not happen as quickly as we would like. As the health crisis eases, we are well-positioned to advance our growth strategy under Vision 2020. We will work to build resiliency into our supply chain and we will continue our collaborative efforts. We know that whatever challenges we face—and there will be challenges—we have the right people and systems in place to handle them. We will continue as always to push forward and advocate on your behalf and for the good of the Canadians for whom we provide a safe, inexpensive and healthy source of food.



To my colleagues at the national table and in my province, I want to express my heartfelt thanks for your ongoing dedication and commitment in what has been an exceptionally challenging year. Success would not be possible without your effort. I also want to thank the staff and the farm families whose hard work and commitment make our industry strong.

Respectfully submitted,

Scott Brookshaw, EFC Director, Ontario



### FORGING AHEAD TO PROMOTE A STRONG INDUSTRY

2020 is a year that not many people will ever forget and for me that is especially true. In April, I had the honour of becoming the Pullet Director for Egg Farmers of Ontario (EFO). While the world faced a multitude of issues related to the global pandemic, it was essential that our work forged ahead. The importance of producing high-quality pullets became even greater as the need for a strong and steady egg supply grew across the province.

As pullet growers, we understand that a high-quality pullet leads to a high-quality egg. It is this basic principle that shapes everything we do. This is one of the reasons why EFO worked hard to refine the pullet program manual and develop plans to have Egg Farmers of Canada administer pullet audits in Ontario, which will begin early in 2021.

Farmers must also adhere to the *Good Standing Policy* which has direct implications for farmers that do not meet its requirements. Specifically, all reports must be filed, including the day-old chick report and where pullets are going at 19 weeks.

In an effort to maintain good air quality for our pullets and farm workers, monitoring and controlling ammonia levels in pullet barns will continue to be a necessity to providing a healthy and thriving pullet.

On the national side, we have worked with Pullet Growers of Canada (PGC) on the roll-out of the *On-Farm Food Safety* program for pullets. This new program was rolled out in fall 2020 and included the distribution of new manuals and the hosting of farmer training sessions.

We also participated in an animal care workshop hosted by PCG in December, which was attended by representatives from all provinces. This workshop was an opportunity to share information related to pullet growing. This also provided a forum to discuss national pullet industry issues, specifically related to animal care. PGC and EFC will follow up with additional discussions to jointly develop animal care guidelines.

During the last year, PGC made the newly updated *Care of Pullets Guidebook* available to all pullet growers. You can also subscribe to PGC's newsletter on the website as well.

Looking to the future, updates and improvements to the way we do things will continue to be considered. This includes a standard pullet growing contract which will deal with different ownership scenarios, address standard growing fees and insurance requirements. Updates to EFO's database, FMS 2.0, will make tracking pullets easier and will give hatcheries and pullet growers the confirmed number of chicks needed 10 months before the 19-week placement. This will serve to improve planning and reporting for everyone.

I truly appreciated the opportunity I have been given to represent the pullet growers in Ontario. Working together, we will continue to forge ahead in our efforts to provide quality pullets to layer farmers across the province.

A B nunsoeld

Alvin Brunsveld,

Pullet Director

PULLET STATISTICS
(As of December 31, 2020)

Number of Ontario Pullet
Quota Holders

Average Production Quota

Total Production Quota

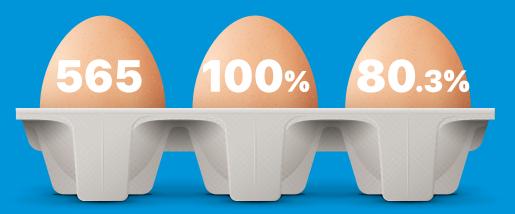
11,806,584

# 2020 ONTARIO EGGS BY THE NUMBERS

# NUMBER OF ONTARIO LEVIABLE EGGS GRADED (INCLUDES EGGS FOR PROCESSING [EFF])

3,489,222,852

NUMBER OF ONTARIO EGG AND PULLET QUOTAS HELD PER CENT OF EGG PRODUCTION HACCP-CERTIFIED PER CENT VOLUME OF ONTARIO EGG PRODUCTION TO THE TABLE MARKET



#### 40.45¢

Levy Administration the amount of Ontario's egg levy deducted from farmers

3,601,545
Ontario Industrial
Product

the number of 15-dozen boxes

1,106,186

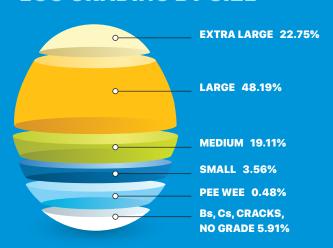
Ontario EFP the number of 15-dozen boxes

PRODUCER PRICES: 2016 TO 2020

| SIZE        | 2016   | 2017   | 2018   | 2019   | 2020   |
|-------------|--------|--------|--------|--------|--------|
| Extra Large | \$1.85 | \$1.96 | \$1.96 | \$2.06 | \$2.08 |
| Large       | \$1.85 | \$1.96 | \$1.96 | \$2.06 | \$2.08 |
| Medium      | \$1.64 | \$1.75 | \$1.75 | \$1.84 | \$1.84 |
| Small       | \$1.23 | \$1.35 | \$1.35 | \$1.44 | \$1.44 |



# ONTARIO'S AVERAGE EGG GRADING BY SIZE



## EGG QUOTA

9,947,086

the amount of Ontario's hen allotment

23,079

the average production quota for egg quota holders

10,235,677

the average weekly inventory

517,021

the amount of egg quota transferred

## PULLET QUOTA

11,806,584

the amount of Ontario's pullet allotment

**88,109** 

the average production quota for pullet quota holders

319,176

the amount of pullet quota transferred



## **BUILDING THE FOUNDATION FOR A SOLID ORGANIZATION**

The reach of COVID-19 has been felt around the world and impacted almost every aspect of life. As a society we have faced changes daily, especially in the workplace. With the majority of people switching to remote work, this has created the need for adjustments in how we operate, communicate and function as an organization. EFO's Corporate Affairs (CA) department has risen to the challenge to ensure continuous progress and administrative continuity during these turbulent times.

#### Staff, Workspace and Meetings

It became apparent early in March 2020 that the switch to a remote workplace was fast becoming a necessity. Corporate Affairs staff worked with Information Technology (IT) providers to ensure all staff had the necessary equipment to make the transition to working remotely and acted as a liaison between IT and staff with any computer-related issues. A weekly schedule was created to regulate employees for any required in-office work to limit the number of staff and adhere to provincial requirements.

During this time, CA staff developed COVID-19 health and safety protocols that aligned with Peel Public Health recommendations. Additional Joint Health and Safety Committee meetings were held to ensure all guidelines were implemented effectively.

In anticipation of a return to working in the office, updates were made to EFO's workspace. This included the installation of plexiglass partitions between all work stations, COVID-19 related signage placed throughout the building and creating a daily staff screening tool to be completed upon entering the office or beginning a farm visit. Finally, all necessary supplies required to keep staff members safe, such as hand sanitizer, masks and other personal protective equipment, were purchased and are available as needed.

Another major adjustment has been the switch from in-person to virtual meetings. During 2020, CA organized and conducted two webinars for farmers: the Annual General Meeting in June and a November update. In addition, three summer meetings were held in August, a pullet grower meeting in October, various industry



Above Left: Chris Mullet Koop (Zone 4) drops off fresh eggs for donation, like egg farmers across Ontario that have supported their communities in response to COVID-19.



Above Right: A new space suitable for virtual meetings was created during 2020, using a small meeting room.

meetings throughout the year, as well as monthly Board of Directors' and Board committee meetings. Training and assistance were provided to EFO's Board of Directors as well as employees in navigating virtual meetings. Finally, a small meeting room was renovated into a "Zoom" meeting room with updated technology and socially-distanced equipment in order to host virtual meetings from the office.

#### **Corporate Communications**

Effective communications between EFO staff, Board of Directors, farmers and stakeholders has always been a key responsibility of Corporate Affairs. This has become even more critical during remote work to ensure all staff is up-to-date on meeting schedules, farmer communications, training requirements and updates from the General Manager to ensure business continuity.

Corporate Affairs also works to provide information to egg and pullet farmers on upcoming meetings, board meeting highlights, policy updates and industry-related news, as well as price and levy change notifications. This includes the review, translation and formatting of all new and amended policies before posting on EFO's farmer website. In addition to this, CA arranges for the French translation of all corporate communications to ensure accessibility of EFO documents in both English and French.

#### **Human Resources**

2020 saw the hiring of a human resource company – People Management Group (PMG). CA staff supported PMG with their needs assessment and document gathering and assists with any HR tasks, such as onboarding of new staff members, staff training on HR software or health and safety-related issues.



Above: EFO was proud to receive the Paul Mistele award in 2020.

#### **Building Upgrades, Renovations and Maintenance**

An unfortunate event occurred early in February, with portions of EFO's office being flooded from a water heater malfunction. CA staff worked to coordinate repairs, which included drywall removal, carpet cleaning and painting, as well as re-tiling of both the men's and ladies' washroom.

Other planned building upgrades in 2020 included the renovation of a small, back meeting room, which was then turned into a Zoom room for virtual meetings, and the coordination of backflow upgrade including Cross Connection Survey and Report as requested by the Region of Peel (Backflow Prevention By-Law 10-2017).

#### **Strategic Planning**

A new three-year strategic plan was launched in 2020 following a series of regional meetings and input from EFO's Board of Directors. Farmer input from the regional meetings was used to set priorities and develop the plan with five key focus areas - Promoting a Fair Farm Pricing System, Managing Supply and Meeting Demand, Improving On-Farm Operations and Productivity, Maintaining Consumer Confidence and Trust, and Ensuring Good Governance and Effective Farmer Communications. These areas formed the basis of the 2020 Business Plan, which focused on results-oriented accountability for all deliverables throughout the year.

#### **Board Governance Training**

Staff efforts to address Key Focus Area #5 of EFO's Business Plan – Ensuring Good Governance and Effective Farmer Communications – resulted in collaborating with Gay Lea Foods, which already have a well-established reputation in governance training and a willingness to share resources with the agri-food community. Stemming from this connection was the development of a plan, based on a needs analysis and training needs assessment. Approval was given to launch governance training for EFO's Board of Directors in early 2021.

#### **Social Responsibility**

As it has for several years, EFO continued the *Food Bank Egg Donation Program* with Feed Ontario and Ontario graders. This program continues to provide an annual donation of \$250,000 worth of eggs, which are distributed by Feed Ontario to its' member food banks. Eggs are provided through the on-going participation of Burnbrae Farms and Gray Ridge Eggs.

In response to the impact of COVID-19 on our communities, an additional \$290,000 worth of eggs was donated to Feed Ontario and community food banks across the province. As a result of our ongoing partnership, EFO was among 20 recipients of the Paul Mistele award during Farm & Food Care (Ontario's) virtual Harvest Gala. The award was given to agriculture groups who demonstrate a strong commitment to ending hunger in Ontario.

EFO staff also worked to coordinate donations from sponsors of EFO's Annual General Meeting, which was switched to a virtual webinar, who opted to donate these funds to Feed Ontario. Additional donations were also made in lieu of Board and staff Christmas gifts.



### **WORKING TOWARDS A CLEAR AND SIMPLE SYSTEM**

It would be difficult to choose just one word to sum up 2020, but one does come to mind - change. Change in what we do, change to how we do it and change to the reasons why we do things. To say the least, 2020 was certainly a year for change in the area of regulatory affairs and quota as we moved towards increased transparency and digital accountability.

#### **Information Technology System Update**

The exchange of information between farmers, EFO's office and Inspectors is key to maintaining accurate data for inventory management, record-keeping and risk management. It was with this in mind that EFO started an upgrade to its Flock Management System (FMS), replacing the dated Microsoft Access database to their more robust SQL Server. This was a critical step to EFO's vision of a fully integrated order fulfillment and inventory management system.

The next step planned for early 2021 includes finalizing the scope of work and detailed plan between EFO's Board of Directors and its digital partner BDO Canada. This will include a continued collaboration between EFO, farmers and stakeholders to fully inform the scope of work for the second phase of the project. The first planned key deliverable is set for Spring 2021, with system architecture in place to support a web-based platform and 2022 allotments. Once complete, the new FMS will allow for a completely digitized system that will ensure data integrity, automatically provide alerts and notifications, and will give farmers access to digital tools such as online forms, digital payments and system-generated notifications.

#### **Quota Simplification**

The journey towards a single quota began in 2019 as the result of consultations with egg and pullet farmers for EFO's 2020 Strategic Plan, where the desire to move to a single quota number became apparent. This new direction has led to the creation of two new policies and the discontinuation of five existing policies.

The first step of the quota simplification project consisted of the development and implementation of the *Layer Leasing Program* conversion. This program entitles eligible quota holders the ability to purchase the bird numbers they would have been able to place under the *Layer Leasing Program* through a five year "sale of *Layer Leasing Program* birds" up to a maximum of 1,800 birds.

The second stage of the project included the development of a new *Flock Allotment Policy*, which sets out the basis for EFO's allotment system for 19-week old birds placed in layer barns, in order to effectively manage the orderly marketing of eggs in Ontario. It consists of the production quota along with any program birds (mortality and market growth allowance) allowed under EFO policy on a *Home Week* basis.

Finally, a number of other policies were updated as part of this quota simplification project, including the *Egg Quota*, *Pullet Quota*, *Quota Credit* and *Quota Transfer System (QTS)* policies. Together, all of these changes have positioned EFO to deliver on the goal of quota simplification and create a clear and transparent allotment process moving forward.

#### **Good Standing Policy**

The EFO Board also adopted a *Good Standing Policy*. This policy outlines the expectation that all egg and pullet farmers will be in compliance with all EFO regulations, policies, programs, directions and decisions, not be in contravention of laws or regulations impacting the marketing of eggs or pullets, will ensure the filing of all reports and documentation within required time frames and remain current in the payment of all license fees, levies and any other amounts owing to EFO or Egg Farmers of Canada. The policy also outlines the implications of not maintaining good standing, as it relates to receiving quota allocations and the ability to participate in the QTS.

#### **Quota Transfer System (QTS)**

During 2020, the QTS remained available for existing egg and pullet quota holders to buy and sell quota. Three exchanges were held with 24,795 units of egg quota and 33,546 units of pullet quota being transferred between quota holders.

## **EGG** PRODUCTION BY ZONE: AT DECEMBER 2020

ZONE

NUMBER OF

|       | QUOTA HOLDERS | QUOTA<br>(Includes NEQLP) | PRODUCTION QUOTA | PRODUCTION QUOTA |
|-------|---------------|---------------------------|------------------|------------------|
| 1     | 50            | 1,058,144                 | 115,218          | 21,163           |
| 2     | 50            | 617,854                   | 67,941           | 12,357           |
| 3     | 41            | 776,118                   | 161,641          | 18,930           |
| 4     | 30            | 665,791                   | 164,969          | 22,193           |
| 5     | 51            | 926,225                   | 68,636           | 18,161           |
| 6     | 61            | 941,207                   | 205,209          | 15,430           |
| 7     | 62            | 1,844,888                 | 255,563          | 29,756           |
| 8     | 22            | 522,879                   | 64,924           | 23,767           |
| 9     | 14            | 1,121,450                 | 417,638          | 80,104           |
| 10    | 50            | 1,472,530                 | 127,815          | 29,451           |
| TOTAL | 431           | 9,947,086                 |                  | 23,079           |

TOTAL PRODUCTION

LARGEST

**AVERAGE** 

| PULLET            |
|-------------------|
| <b>PRODUCTION</b> |
| <b>BY ZONE:</b>   |
| AT DECEMBER 2020  |



| ZONE  | NUMBER OF<br>QUOTA HOLDERS | TOTAL<br>PRODUCTION<br>QUOTA | LARGEST<br>PRODUCTION<br>QUOTA | AVERAGE PRODUCTION QUOTA |
|-------|----------------------------|------------------------------|--------------------------------|--------------------------|
| 1     | 12                         | 797,778                      | 220,728                        | 66,482                   |
| 2     | 19                         | 1,492,673                    | 420,734                        | 78,562                   |
| 3     | 7                          | 625,097                      | 224,696                        | 89,300                   |
| 4     | 11                         | 654,583                      | 206,348                        | 59,508                   |
| 5     | 12                         | 915,638                      | 171,112                        | 76,303                   |
| 6     | 24                         | 1,683,382                    | 439,615                        | 70,141                   |
| 7     | 22                         | 1,974,787                    | 495,554                        | 89,763                   |
| 8     | 5                          | 343,145                      | 98,876                         | 68,629                   |
| 9     | 6                          | 2,387,680                    | 895,630                        | 397,947                  |
| 10    | 16                         | 931,821                      | 160,939                        | 58,239                   |
| TOTAL | 134                        | 11,806,584                   |                                | 88,109                   |





**2,001 - 10,000** 

10,001 - 15,000

**15,001 - 30,000** 



50,001 - 200,000

**200,001** +



- **0 15,000**
- 15,001 30,000

- **75,001 100,000**
- **100,001 150,000 150,001 - 200,000**
- 30,001 50,000 **50,001 - 75,000**
- **200,001+**



## MAINTAINING QUALITY STANDARDS DURING A DIFFICULT YEAR

As we entered 2020, it wasn't obvious that a global pandemic was on the horizon; COVID-19 was something heard on the news that had little to no impact in North America. Little did we know it was about to redefine our entire world, including the way Egg Farmers of Ontario's (EFO's) Operations Department meets its many requirements. These challenges were met head-on and though new protocols were needed, a successful year was achieved.

#### On-Farm Food Safety and Animal Care Program

With 461 inspections completed in 2020, all layer farms in Ontario were audited; with about one-third having audits completed by NSF, a third-party auditor. In addition, our work to always ensure a safe product resulted in approximately 1,800 Salmonella enteritidis (Se) samples taken throughout the year.

Updates to the *On-Farm Food Safety and Animal Care Program* were communicated to egg farmers in March and December. At that time, policies and forms impacted by the updates were provided for review and record-keeping. Operations staff continue to work with Egg Farmers of Canada (EFC) to ensure *Code of Practice* requirements and interpretations are included in our program.

Pullet manuals were developed in late 2020 and workshops were conducted to explain how the program works. This allowed pullet growers to understand the requirements and seek clarification on any questions before the program began. Discussions then began in late 2020 to have EFC conduct pullet audits as we move into 2021.

Despite the challenges faced in 2020, many farmers decided to invest in their barns through updates and renovations. These improvements have been made with an eye to new requirements under the code. Operations staff is making headway on completing all housing measurements, which has been somewhat of a challenge as interpretations of the requirements can vary.

#### Facing the Impact of COVID-19

The impact of the pandemic has touched everything in our day-to-day lives and how staff conducts on-farm activities is no different. Policies and protocols were put into place to allow audits to continue while following guidelines for public health and safety. Whenever possible, audits were conducted without farmers or farm staff present and follow-up questions were answered by phone or email.

Inspection staff follow COVID-19 protocols, including a daily self-assessment and reviewing screening questions with farmers or their staff when arriving at the farm. Farm visits also include the wearing of appropriate personal protective equipment (PPE) by all EFO staff.

#### **Market Conditions**

While egg market conditions started off strong in early 2020, COVID-19 business closures beginning in March caused markets to become extremely volatile for both shell eggs and processed egg product. Shell egg sales remained fairly strong throughout the year, but the virtual collapse of processed egg sales meant the overall market trended down.

These volatile market conditions led to eggs being held in storage and Egg Farmers of Canada (EFC) implementing an Early Fowl Removal (EFR) program. Over the course of the year, birds were removed in two separate EFR periods as part of Ontario's targets under this national approach.

Widespread closures of businesses in the first wave of COVID-19 saw more than 500,000 birds removed from production in March through August. The processed egg market had almost recovered to pre-COVID levels by September before another lockdown resulted in further business closures.

These trends in the last quarter of 2020 triggered a second round of EFR that required Ontario to remove more than 300,000 birds during December. This second EFR program is anticipated to continue at least through the first quarter of 2021 as a very unstable market continues to dominate forecasts.

#### Egg Quality Assurance™

The Egg Quality Assurance<sup>TM</sup> (EQA) program continues successfully and EFO staff work with graders, when necessary, to ensure farmers are in compliance with EQA requirements. Failure to meet EQA standards could result in eggs being held or sent to breakers for non-compliance. Once farms have implemented the corrective actions, they could once again ship eggs to their grading station. Future enforcement related to non-compliance could result in financial penalties.

#### **Biosecurity and Emergency Response**

EFO remains an active member of the Feather Board Command Centre (FBCC). Heightened biosecurity was implemented several times related to Infectious Laryngotrachetis (ILT) cases and farmers within a 10-kilometer zone were advised of the situation.

With staff changes at the four feather boards, training new staff in levels 100, 200 and 300 of Emergency Management continues to be addressed to ensure there are an appropriate number of trained personnel across all members of the Feather Board Command Centre.

A complete review of EFO's *Emergency Protocols Plan* was conducted during 2020. This ensures that EFO's response to a crisis is aligned with the efforts of FBCC.

The future of Agriculture Response Materials Management Inc. (ARMMI) is unclear and although it is still in existence, minimal stock is on-hand. During the early stages of the COVID-19 pandemic, biosecurity supplies were provided to health care organizations as there were shortages of those items. Financial support for the organization has been withdrawn by the four feather boards, so long-term sustainability of ARMMI is not likely.

#### **Investigations Unit**

Key activities in this area continue to be the investigation of illegal marketing and transportation of ungraded eggs, pullets, chicks and fowl. Assistance is also provided to organizations, groups and the public regarding animal welfare and illegal activity concerns. Staff also conducts flock verifications and monitors accurate reporting by farmers and egg grading stations.

Significant attention was given to several large investigations in 2020 related to the illegal marketing of eggs and pullets and staff continued to provide support to the Ontario Ministry of Agriculture, Food and Rural Affairs and Public Health units on several projects. Staff have also been focusing on working with pullet brokers, dealers, growers and hatcheries to ensure accurate reporting to help maintain the integrity of our system.

Completed projects include 158 regulated non-quota holder contacts and/or inspections, eight complaint-based investigations and assistance with five HACCP audits with non-compliant farmers. In addition to this, five illegal egg marketing investigations were completed along with three egg grading inspections.

#### **Flock Verification**

Flock verification continues to focus on an efficient and accurate way of monitoring egg production from alternative housing facilities and housing inspections of pullets and chicks. There has also been a new focus on reporting and transportation by pullet brokers and/or dealers.

To manage concerns surrounding housing counts, the emphasis has been placed on ways to ensure more accurate housing and shipment dates and times. Licensing of pullet brokers and dealers and online reporting by these suppliers are also working to create better counts. Improvements to EFO's database will continue to help streamline reporting by all stakeholders. Finally, enforcement of policies and procedures will work to ensure penalties are enforced in the case of overproduction of eggs and pullets.

## **2020 HOUSING STATISTICS**

| HOUSING<br>TYPE             | NUMBER OF PULLETS | % PULLET PRODUCTION | NUMBER OF<br>BARNS | NUMBER OF<br>LAYERS | % LAYER PRODUCTION | NUMBER OF<br>BARNS |
|-----------------------------|-------------------|---------------------|--------------------|---------------------|--------------------|--------------------|
| Conventional                | 9,257,546         | 81%                 | 111                | 6,851,182           | 65%                | 315                |
| Enriched                    |                   |                     |                    | 1,973,231           | 19%                | 117                |
| Aviary                      | 1,471,761         | 13%                 | 26                 | 1,232,338           | 12%                | 35                 |
| Traditional<br>Nest Systems | 753,949           | 6%                  | 64                 | 471,457             | 4%                 | 51                 |
| Organic                     |                   |                     |                    | 615,261*            | 6%                 | 38                 |
| Free Range                  |                   |                     |                    | 642,738*            | 6%                 | 42                 |

<sup>\*</sup> percentages for organic and free range are also included in free run or aviary data



## STRIVING TO ADVANCE OUR INDUSTRY THROUGH SCIENCE

Research is the backbone for continuous improvement and vital to the advancement of our industry. Egg Farmers of Ontario (EFO) is proud to support the following research projects that lead to innovation and improvements within the egg and pullet industry.

Nutritional means to enhance skeletal development in pullets and subsequent effects on productivity, bone health and welfare

#### Dr. Elijah Kiarie

Department of Animal Biosciences University of Guelph

The project goal is to examine the role diet structure and increased supplementation of calcium, potassium and vitamin D have on skeletal development in pullets and the effects on hen productivity, shell quality, gut and bone health and indices of welfare. Early trials with end-of-lay hens demonstrated that additional supplemental vitamin D3 and calcium had no benefit on eggshell and bone quality and suggested increased risk of kidney failure. The project further demonstrated that hens showed superior egg production and greater adaptability to ingestion of feed material rich in insoluble fiber. The work completed under this project confirmed a widely known phenomenon that the structural quality of egg and bone deteriorates as the lay cycle progresses. The data strongly indicated that an enriched rearing environment had dramatic improvement of bone quality during rearing that persisted through to laying. Rearing diet interventions by use of limestone particle size and increased mineral nutrition were not as pronounced as the effect of housing on skeletal development in pullets, but indicated that medium limestone particle size and increased supplementation of minerals may be beneficial. Optimal skeletal development prior to sexual maturity is pivotal in mitigating progressive structural bone and eggshell quality deterioration associated with egg production, thus is work indicating beneficial effects of providing opportunity to exercise and enriching mineral nutrition during rearing.

The role of omega-3 fatty acids in bone development in pullets: investigating epigenomic response to breeder and perinatal nutrition

#### Dr. Elijah Kiarie

Department of Animal Biosciences University of Guelph

Bone health is a problem in layers under different housing systems. Growing evidence shows nutrition and environmental stimuli of breeders and their offspring during the perinatal period may literally program how an animal's genes are expressed during their life. A logical intervention for poultry would be at the perinatal stage of a hen's life. This project assesses deposition and uptake of



Omega-3 fatty acids. All but one of the objectives are complete for this project, with the final objective being combined with a larger National Science and Engineering Council project that Dr. Kiarie is leading.

#### Findings to date:

- 1) Deposition of Omega-3 fatty acids in hatching eggs was tested in both brown and white breeders, with analysis revealing increased deposition as a result of feeding algae and flaxseed. Genetic differences observed with Shaver white showed higher efficiency in transferring dietary Omega-3 and converting to long chain in their egg yolks compared to brown.
- 2) To determine the uptake of Omega-3 fatty acids by the embryo during incubation, residual yolk samples were taken at the day of hatch and their fatty acid profile analyzed.
- 3) A study was also conducted to explore whether social isolation elicited different vocalisation responses between laying pullets hatched from hens fed diets containing Omega-3 fatty acids. The results are similar to previous research suggesting that increased levels of Omega-3 fatty acids available to developing embryos can influence fear response.
- 4) The effects of maternal and post-hatch dietary Omega-3 fatty acids on skeletal development in pullets was also evaluated. The findings demonstrated effectiveness of Omega-3 fatty acids in maternal and post-hatch feeding in support of skeletal strength in pullets.
- 5) Finally, the study showed the provision of alpha-linolenic acid (ALA) and docosahexaenoic acid (DHA) to breeders and/or progeny improved tibia medullary ash concentration at 42 weeks of age. However, the data did not indicate any benefit on cortical bone and eggshell quality, suggesting the benefits of stronger bones at sexual maturity was not maintained when hens started laying and transition to diets without Omega-3 fatty acids. The final objective to examine the impact of maternal Omega-3 fatty acids in rearing and laying diets of layer breeders on progeny behavior development is still in progress.

# Development of novel antiviral strategies for the control of Avian Infectious Bronchitis Virus (IBV) in chickens using non-coding RNAs

#### Dr. Neda Barjesteh

#### Department of Pathology and Microbiology Université de Montréal

Avian Infectious Bronchitis Virus (IBV) is a highly contagious virus that causes mid-severe respiratory infections in chickens. A wide array of IBV variants are impacting commercial egg layer, broiler and breeder flocks across Canada. Besides the respiratory infections due to IBV, the replication of IBV in the reproductive tract leads

to a decline in egg production, reduced laying performance and decreased eggshell quality. IBV infection can cause cystic oviduct formation in young pullets and subsequently, false layer syndrome. The proposed studies will provide a better understanding of cellular non-coding small RNAs in the induction of antiviral responses against IBV. The hypothesis is that specific micro RNAs are able to either induce antiviral responses against IBV or restrict the replication of IBV in chickens. They aim to develop a vaccine and/or immune-stimulatory strategy for control of IBV. By improving the prophylactic approaches, the project will help the poultry industry to reduce economic losses due to IBV infection.

# Investigations on feedstuffs for enhancing performance and health of pullets and subsequent effects on hens during laying

#### Dr. Elijah Kiarie

## Department of Animal Biosciences University of Guelph

The poultry industry is adopting alternative housing systems and reducing antimicrobial use. Some of the gaps identified by the current *Code of Practice for the Care and Handling of Pullets and Laying Hens* are related to optimal rearing and management practices that best prepare birds for their production environment. This research will investigate nutritional approaches for optimal rearing of pullets to support egg production, egg quality, gut health and function, and livability in laying hens. The objectives are to examine the impact of functional feedstuffs on pullets in both low and high density furnished housing on: a) growth, mortality, health and abundance of avian E. coli in the gastrointestinal and respiratory systems; and b) egg production, egg quality, livability, biomarkers for health and abundance of avian pathogenic E. coli in gastrointestinal and respiratory systems of hens reared on functional feedstuffs.





## MAKING THE TRANSITION TO A VIRTUAL WORLD

Despite the many restrictions, cancellations and shutdowns across Ontario caused by the onset of the COVID-19 pandemic, EFO's Public Affairs Department was able to pivot and adjust many of our programs to a virtual format. This included the successful launch of a dynamic new advertising campaign.

#### **ADVERTISING**

#### Real Farmers. Real Eggs.

We launched our new campaign *Real Farmers. Real Eggs.* in May, replacing the long-running *Who Made Your Eggs Today?* campaign. The *Real* campaign evolved after months of consumer research and creative development on how best to tell our egg farming stories in a way that is relevant, yet nimble enough to react to current times. Consumers today want to have a greater understanding of where their food comes from and the *Real* campaign aims to address this and many other issues as they evolve.

Two new farm families were introduced - the Laver family from Warkworth and the Vyn family from Ridgetown. Despite COVID-19 taking hold across Ontario, it was decided the campaign would launch as planned on May 4. Horizontal and vertical ads featuring the Vyn and Laver families were on TTC Interiors, GoTrains and transit bus posters. In addition, approximately 46 billboards were placed across the Greater Toronto Area (GTA). The launch of the campaign also included television content wraps on CTV and Rogers television, which appeared in conjunction with many popular prime time shows. As a pilot early in the campaign, YouTube and pre-roll video was tested online to gauge the engagement level of consumers on both platforms.

To support the launch of the first flight, EFO had an advertorial placed in *Chatelaine* magazine and issued targeted media releases to various publications. In June, the campaign launch was picked up in several print publications including *Ontario Farmer*, *The West Elgin Chronicle*, *Chatham This Week*, *Brighton Independent* and the *Northumberland News*.

Although the campaign was originally set to run for six weeks, due to the onset of the COVID-19 virus and the lockdowns that followed, ridership was down on public transit. In July, campaign ads were still in market due to a decrease in traffic and transit ridership.

As of late July, 40,021,606 impressions were reached with GTA billboards (including 13,629,646 bonus impressions) and 74,283,196 impressions (including 18,276,196 bonus impressions) with exterior transit executions.

Flight two of the *Real Farmers*. *Real Eggs*. campaign launched on September 14 and ran for six weeks and featured the same tools and strategy as the first flight. Television components were continued in flight two, running from September 14 to November 29 and a *Breakfast Television* sponsorship running September 14 until October 5.

During both flights, a social media component with paid social ads to boost engagement and views was a key strategy of the campaign.

#### **Advertorials**

Recipes are a big part of what Ontario consumers look to the Get Cracking brand for and EFO's strategy is to strengthen recipe

outreach throughout the year, across a variety of lifestyle and recipe publications.

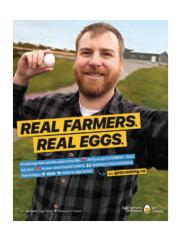
To start the new year, EFO's Mason Jar Lemon Meringue was placed in popular Canadian food and lifestyle magazine, Chatelaine, featuring Colin Vyn. Chatelaine has a distribution of 259,000 print and 3.66 million digital copies. Also in January, EFO's Garlic Shrimp and Asparagus Bowl and the Laver family were included in the popular magazine, edible Toronto.







FEAT FARMERS.
REAL FARMERS.
REAL EGGS.





Top: Bus advertisement for the Real campaign, with lan Laver. Left: Transit ads created for the 2020 Real campaign.

Bottom: The Laver family featured in Foodism magazine's Fall 2020 issue.

Opposite Page: Mason Jar Lemon Meringue featured in Chatelaine magazine.

The Laver family was featured in two publications during March; *edible Toronto* magazine had a full-page ad with the *Spanakopita* recipe and *escapism* magazine included EFO's *Baked Egg Bruschetta* recipe.

In April, Style at Home magazine promoted EFO's delicious Chai Crème Brûlée and City Parent magazine featured our English Muffin Breakfast Pizza both inside the magazine and on the front cover.

The Summer Guide from *escapism* was rolled out in early June, with half of the issues going direct to consumer homes and the remaining being available through their grocery distribution partners. Egg Farmers of Ontario was featured in two placements throughout the magazine and its recipe supplement and featured our *Strawberry Summer Salad* and *Egg Stuffed Peppers* recipes.

EFO's Strawberry Summer Salad was also featured on the front cover of City Parent magazine in July and was included as a full-page recipe with the Vyn family on the inside. Horizon magazine featured our Egg Stuffed Peppers and a full-page ad from our Real Farmers. Real Eggs. campaign. In addition to the ads in the print publication, an ad was also created for display on the digital screen at Yonge–Dundas Square, along with screens throughout the PATH - Toronto's underground pathway system.

August recipe outreach included EFO's *Chicken Parmesan* recipe and the Laver family in a double-page spread on pages 6 and 7 of *Foodism* magazine.

In September, the Laver family appeared in *City Parent* along with EFO's *Chicken Parmesan* recipe, which was also included on the front cover. The same recipe was also placed in *edible Ottawa* and once again included the Laver family and *Real* campaign assets.

EFO had advertorials in *edible Ottawa* and *City Parent* magazines in November. In addition to these print magazines, EFO also worked with the National Women's Show organizers to include spice cards in the 15,000 goodie bags they were delivering to nurses, doctors and front-line hospital workers in the Toronto and Ottawa areas.

The month of December was busy with holiday outreach and EFO recipes were featured in three magazines. EFO's Maple Cinnamon Rolls were featured in the December issue of City Parent, Foodism and Horizon magazines, along with the Easy Festive Brunch Bake in the Foodism recipe supplement. Our recipe was also showcased on the front cover of City Parent for December. Website banner ads featuring the recipe were included with the Foodism ad and the Horizon ad was complemented by a digital board at Yonge–Dundas Square in Toronto.

Although placements were planned for the spring, summer and fall in the *edible Toronto* magazine, distribution was cancelled by the magazine and EFO's placement was diverted into ad placements in *edible Ottawa* into March 2021.

Although not recipe-focused, EFO's Board of Directors was presented in the August *Who's Who* edition of *Canadian Poultry* magazine.

#### 2020 Recipe Bank

Twelve new recipes were created in 2020 to supplement our recipe bank. Development includes beautiful photography to support the recipes on EFO's social media platforms and website, as well as print outreach. Recipes for the year were created to suit a wide range of tastes and appetites, with a different recipe being featured each month: January, Shrimp and Asparagus Noodle Bowl; February, Mason Jar Lemon Meringue; March, Spanakopita; April, Chai Crème Brûlée; May, Baked Egg Bruschetta; June, Egg Stuffed Peppers; July, Strawberry Summer Salad; August, Chicken Parmesan; September, English Muffin Breakfast Pizza; October, Harvest Herb Potato Latkes; November, Mini Quinoa Bites; and December, Maple Cinnamon Buns. Although two of these recipes were originally developed to become part of EFO's popular spice cards program, the cancellation of most events in 2020 caused the program to be paused for the year.

#### Resources

Since in-person outreach was suspended, EFO staff used the opportunity to develop several new resources that will provide consumers with information, whether digital or in-person. The Egg Story colouring book is an 11-page resource kids can print and colour. This resource is available online, but print versions were also created for when in-person events return. In addition, two nutrition resources were created in 2020. Good for the Body Inside and Out is a resource created to help consumers better understand the nutritional benefits of the egg, including debunking the cholesterol myth, nutrients in an egg and eating eggs with type-2 diabetes. Meal Plan Like a Pro was developed in consultation with Registered Dietitian Andrea D'Ambrosio and is designed to help consumers with basic meal planning, meal preparation and how to create budget-friendly meals and shopping lists.

Right: New EFO resource highlights the nutrition in an egg.

Far Right: Meal Plan Like a Pro, developed in partnership

with Registered Dietitian Andrea D'Ambrosio.



Above: Baked Egg Bruschetta was the featured recipe for May.

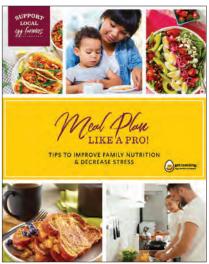


Above (left): EFO's Strawberry Summer Salad was developed in 2020.

Right: Egg Stuffed Peppers would be a great addition to any picnic table.









Left: Panelists in the Western Fair District 2020 Virtual School event discuss how their career paths contribute to the egg industry.

Below: Chris and Josiah Mullet Koop featured in the It's Good Canada campaign.

#### **PROMOTIONS**

#### **Fairs, Exhibits and Events**

Approximately 43,404 recipes and education resources, 10,631 shopping pads, 43 gift baskets and 558 microwave egg packages were distributed to egg lovers in Ontario during 2020.

On February 14, EFO staff attended the 2020 Ontario Association of Agricultural Societies (OAAS) convention in Markham. The convention brings together over 1,100 delegates from 300 fairs across Ontario for information seminars relating to successful fair planning. EFO promoted our education trailers and resources available to fairs during the event.

To ensure the safety of Egg Ambassadors, farmers and consumers, the operation of both large and small egg educational trailers was suspended throughout 2020. During this time, upgrades and maintenance of the large egg education trailer were completed. These renovations included the installation of a new viewing window, the addition of a colouring station, replacement of faulty electrical components and modification of the housing unit to prevent loss of eggs during use. Finally, a hygiene station was added to both the large and small egg education trailers.

EFO participated in Western Fair District's first ever virtual Agri-Food Week event. Zone 6 Director Tonya Haverkamp joined the Farm F.A.N. session on May 13, where she shared the many daily activities on her farm, including showing where the hens live and what they eat. This event was open to teachers, parents and students.

Local Food Week was celebrated June 1 to 7 and Zone 3 egg farmer Megan Veldman celebrated by participating in a Facebook live tour on June 3. This tour was one of several 'live online' tours hosted by Farm & Food Care (Ontario). Megan's tour included a walk-through of the packing room, the use of technology on her farm, how and where eggs are stored on the farm and where the hens live. EFO participated in the week-long online event in partnership with other agri-food groups.

Food Day Canada was celebrated on August 1. This day offers Canadians the opportunity to enjoy local food by celebrating those who bring it to the table. EFO celebrated through social media using the hashtag #FoodDayCanada and sharing the Food Day contest and map that highlighted areas across the country that were lit up in red and white to show their support of the initiative.

#### It's Good Canada @ItsGoodCanada - 1h

In Canada, farmers often diversify their operations. See what this duo has to say about producing local wine and eggs with high standards for animal care, food safety, worker safety and more. @GetCracking #itsgoodcanada



EFO joined the Western Fair District on September 16 to participate in the 2020 Virtual School event. This was a free event open to students and teachers to participate in live tours and Q & A sessions, while accessing resources about farming and local food. Over 6,000 participants registered for the morning session activities which included students virtually meeting local egg farmers and then concluded with a live farm tour hosted by Megan Veldman. An afternoon session, designed for older students, focused on careers in agriculture and had a panel discussion focusing on careers in the egg industry. Panelists included animal nutritionist Kristen Thompson-Dow, Janelle Calwell from Gray Ridge Egg Farms, poultry veterinarian Dr. Mike Petrik and egg and pullet farmer Tonya Haverkamp. Each panelist highlighted the importance of their specific career choice and how they contribute to the team effort of producing high-quality Ontario eggs.

#### It's Good Canada Campaign

The Canadian Centre for Food Integrity launched a consumer-focused communications campaign, *It's Good Canada*, and EFO was a proud supporter of the initiative. Zone 4 egg farmers Chris and Josiah Mullet Koop shared their story in a video hosted on the *It's Good Canada* website, along with Megan Veldman (Zone 3) and sixth generation egg farmers from Zone 1 Shana and Danica McKillop.



Above: EFO's virtual booth during the Royal Agricultural Virtual Experience.

#### **Lindsay Agricultural Society**

As part of the *Home Grown Farm Tours* series, Zone 8 egg farmer Hubert Schillings was featured in a live tour hosted by the Lindsay Agricultural Society. During the tour, Hubert discussed a typical day as an egg and pullet farmer, demonstrated the technology used in the barn and described the process of collecting and grading eggs. The tour had 87 live views and post-tour was viewed over 600 times and counting by local teachers and students.

#### **Promotional Items**

A number of new promotional items were created with the *Get Cracking* brand in 2020. This included a "no-touch" keychain, t-shirt, a silicone spatula, lunch bags and mittens. Items were offered for sale to egg and pullet farmers through e-blasts and advertisements in *The Cackler* newsletter.

#### **Royal Agricultural Virtual Event**

For only the second time in its 99-year history, the Royal Agricultural Winter Fair (RAWF) was forced to cancel the in-person event. Instead of cancelling the fair completely, a Royal Agricultural Virtual Experience (RAVE) was held November 10-14, offering visitors a digital experience. EFO participated through supporting the Food and Nutrition Forum hosted by Farm & Food Care, sponsoring the presentation of Registered Dietitian Melissa Joy Dobbins. In addition, EFO was also present in the Agriculture Zone with a virtual booth that featured facts about Ontario eggs, virtual tours, farmer profiles and downloadable educational resources. EFO also participated in the education challenge, an interactive quiz for students to test knowledge gained through their virtual experience. Over 750 students from kindergarten to grade 12 participated in the education challenge.

#### **PUBLIC RELATIONS**

#### Eggs & Bakin' Newsletter

This consumer-facing monthly e-newsletter continued to grow throughout the year, with almost 7,000 monthly subscribers and an average read rate of 45.5% at year end.





Above and right: Participants of the #WindowEggs Easter activity got into the creative spirit to celebrate Easter.

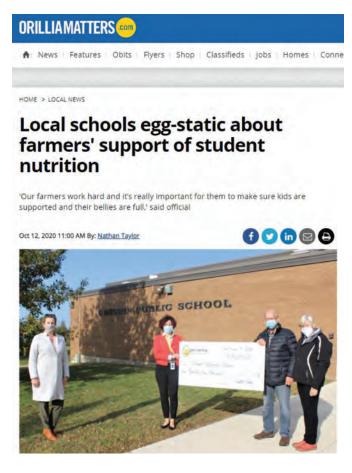


#### Easter #WindowEggs

With Easter festivities and events everywhere cancelled, EFO launched an online idea to help people mark the occasion in a way that hopefully delivered a spark of happiness to all. Using the #WindowEggsONT hashtag, Ontarians were encouraged to "show us your eggs" on their windows and doors. All participants had to do was decorate paper eggs, take a picture and tag EFO on Instagram. Since people were doing their part to stay at home, a blog post that had 1,100 views was also created to help people get creative using things they already had in their homes. The decorating activity was also shared in EFO's Eggs & Bakin' newsletter which was sent to 1,535 contacts. 64 people participated in the promotion that gave them an opportunity for activity inside the home, offered unique sights during neighbourhood walks and created a new way to enjoy a holiday tradition. Instagram and Twitter results showed a reach of 3,019 and an engagement of 115. A Facebook ad was also used during the promotion with a reach of 845,160 impressions and an engagement rate of 854.

#### **World Egg Day**

World Egg Day 2020 was celebrated on October 9 and to mark the occasion, EFO celebrated in a variety of ways. A "Video of Gratitude" was created to let Ontario know how much egg farmers appreciate the consumers that choose to put eggs on their tables every day. The video was posted on EFO's YouTube channel and was also shared across our social media accounts. There were 223 views directly on YouTube.



Above: Orillia Matters, a Simcoe-area newspaper, featured a story on the World Egg Day donation to Student Nutrition Ontario presented by Harry and Willy Eisses (Zone 8).

Below: Egg and pullet farmers from across all Zones did their part to donate fresh eggs to those in need and Zone Funds were diverted to increase these donations throughout the year.



In addition to the video, professional home economist and cookbook author Emily Richards was featured on local television to share delicious recipes. This included CHCH Morning Live (Hamilton) on October 6, Global TV's The Morning Show (Kingston) and CTV News at 5 (Kitchener) on October 7 and CHIN Television (Toronto) on October 11. The total reach of all four segments was 839,900 impressions. EFO also worked with six online influencers to develop unique content to share with their followers on the many ways to prepare eggs. Work with these influencers resulted in 113,003 impressions, 7,988 likes and an engagement of 9,115.

Finally, to commemorate World Egg Day, Zone 8 egg farmers Harry and Willy Eisses joined Donna Lange, Acting Director of Public Affairs, to visit Brechin Public School in Simcoe County to present a cheque for \$75,000 to Student Nutrition Ontario. These funds are part of EFO's \$225,000 three-year commitment to help fuel student learning across the province.

#### **Education**

The 2019 Food Skills pilot project showed a high demand for engaging content related to sourcing, preparing and storing local food products, including eggs, in intermediate and secondary school classes. Although there were many requests for the continuation of this program, the onset of the pandemic paused the program. Alternative ways of delivering the Food Skills program are currently being explored to adapt the program to the current educational environment. Teacher-led programming including physical and digital resources, adaptions to the current program to maintain social distancing while in the classroom and virtual offerings are currently being explored for this program to move into phase two.

#### **Sponsorships**

To support community events across Ontario, including egg donations, sports teams, community and lifestyle events, each Zone received \$15,000 in 2020. Due to the cancellation of in-person events, the majority of these funds were directed into egg donations over and above the contributions through EFO's Food Bank Egg Donation Program.

#### **Rocks & Rings**

Due to COVID-19, in-school participation in the *Rocks & Rings* program was prohibited from March-June. As a result, on October 1 they launched their online platform for schools and community groups across the country. In addition to continuing to provide in-person sessions and loaning of equipment (where allowed by Public Health), this new platform offers virtual learning opportunities to students who are in schools where outside visitors are not allowed and also provides teachers with online resources to teach the program. Students can also learn more about egg farming through resources and fifth end break quizzes.

#### **Algonquin College**

As part of our ongoing partnership with Algonquin College, a "Quick Fire" event for culinary students launched on October 20 and ran for one month. Culinary students were asked to create and submit a video of themselves cooking with Ontario eggs. Submissions were shared on social media and were scored on creativity, cooking skills and food safety. The winner received the title of Egg Farmers of Ontario Quick Fire Chef and had their creations featured in the on-campus restaurant.

#### **Team Homan**

Egg Farmers of Ontario continues to be the official breakfast protein of Team Homan. While competitions were on hold due to COVID-19 restrictions, EFO continued to work with the team to develop and share training and cooking video content on social media.

#### **Ontario Minor Hockey Association (OMHA)**

2020 marked the second year of our Playdowns Partnership with the OMHA. As Playdowns rolled out in early 2020, EFO began preparations to participate in upcoming championship events. However, on March 12, the Ontario Minor Hockey Association suspended all activities due to COVID-19, which was a major blow to the minor hockey community as teams were already competing in championship games. As a result, EFO along with OMHA officers, announced the awarding of the titles of Co-Champions to all teams that had qualified for the playdown final series in each age group. These teams received the coveted Red Hats and were eligible to access championship apparel. Proceeds from the championship apparel program were donated to Student Nutrition Ontario, and were matched by funds from EFO to support this worthy cause.

#### **Sport and Social Group**

2020 marked the second year of the partnership between Sport and Social Group (SSG) and EFO. Eggs were once again the official breakfast of their volleyball league. We also sponsored the first volleyball tournament of the season on February 1, where microwave egg cookers and oven mitts were given to participants. Given community league sports were also impacted by COVID-19, our partnership focused on sharing nutrition related content to players and showcasing the league on social media for the majority of the year.

#### **Advancing Women in Agriculture Conference**

EFO was a Mentor-level sponsor for the virtual Advancing Women in Agriculture Conference on November 24-25. As part of this sponsorship, EFO had a virtual booth where attendees could meet some of our women egg farmers virtually and access a wide variety of EFO resources.

#### **Fields to Forks**

EFO once again participated in the *Fields to Forks* program with CTV London, which connects consumers with local farmers and shares how they produce food for Ontario. The theme for this year's ad was women in agriculture, featuring Zone 6 egg farmer



Above: EFO continued its sponsorship with Team Homan in 2020.

Below: Participants in the Sport and Social Group tournament.







Above: Tonya Haverkamp in a Fields to Forks ad.

Opposite Page Bottom: Zone 9 egg farmer Stephanie Nanne and family were featured in the Ottawa-area Fields to Forks campaign.

Tonya Haverkamp and ran from August 24 until the last week of September. Campaign elements included big box and leaderboard ads on the CTV *Fields to Forks* website, radio promotion and three radio segments on CJBK radio's *Ask an Expert* show, featuring egg farmers Tonya Haverkamp (Zone 6), Gary West (Zone 6) and Colin and Nicole Vyn (Zone 1).

To complement the London program, EFO also participated in the inaugural *Fields to Forks* campaign with CTV Ottawa. This campaign launched in market October 5 and ran until November 8 and featured executions that included big box and leaderboard ads on the CTV *Fields to Forks* website, prime time ad placement on CTV Ottawa, pre-roll videos, over 150 30-second radio promotions on Pure Country 94 and banner content on CTV *Morning Live* (Ottawa). In addition, a segment featuring Zone 9 egg farmer Stephanie Nanne and family aired on October 22 to complement the campaign.

#### **Best of CAMA Awards**

EFO was proud to be a finalist in two categories for the 2020 Canadian Agri-Marketing Association awards program. During their *Best of CAMA* virtual gala on November 19, EFO and Bell Media were honoured to receive a Certificate of Merit for the *Fields to Forks* segment, starring Tonya Haverkamp.

#### **Taste Canada**

Taste Canada represents over 150 publishers and 1,500 authors and is the only national organization dedicated to recognizing Canada's culinary authors of books and blogs. As the presenting sponsor of the General Cookbooks category, EFO was part of the Virtual Awards Gala on October 25. Recognition included online advertising, including logo placement, newsletter submissions and recipe content distributed to their entire network of publishers, authors and foodies across the country.

#### **Media Relations**

Despite the difficulties of television outreach during a pandemic, EFO quickly pivoted and adapted to the new normal to ensure a continued media presence during 2020.

Popular food-blogger Julie Findlay (Mom in the Know) demonstrated easy breakfast options March 6 on CTV *Morning Live* (Ottawa). She had a return segment on March 10 to show viewers how to handle an extended March break at home with the kids.

On April 24, influencer Korey Kealey was featured, live from her kitchen, on CTV Ottawa for a segment on comfort foods. Korey demonstrated easy-to-make recipes such as *English Muffin Breakfast Pizza*, *Lemon Pudding Cake* and an overnight *Eggs Benedict Casserole*.

On July 21, Rachel Naud, editor of *INBETWEEN Magazine*, was featured on Global TV Kingston to show how easy summer eating can be with eggs.

On October 30, Julie Findlay hosted a segment on CTV Morning Live (Ottawa) for fun Halloween tips to keep the kids busy, including snack ideas with eggs. Julie featured Monster Cookies made with Snickerdoodles and spooky devilled eggs.

To round out the year, Julie Findlay promoted EFO's delicious *Meringues* for a segment with CTV Ottawa on November 22, where she also shared fun COVID-friendly activities for the holidays.

#### **GOVERNMENT RELATIONS**

#### **Roundtable with Minister Hardeman**

On May 19th, Minister Hardeman held a COVID-19 Roundtable to gain insight and perspectives on the economic and societal impacts of COVID-19. EFO submitted a brief that outlined input on how our industry will adapt moving forward. The content of the brief included: COVID-19 impacts, crisis response measures, transitional and post-emergency measures, as well as recovery measures and expectations.

As with most things in 2020, EFO's annual Queen's Park Omelette breakfast was not held due to COVID-19 restrictions, as well as the Ontario Public Service (OPS) food drives.

#### **Bill 156**

Bill 156, named the Security from Trespass and Protecting Food Safety Act, is an Ontario Bill that was introduced to protect farm animals, the food supply, farmers and others involved in food production and processing from risks when uninvited trespassers enter places where farm animals are kept or unauthorized interactions with farm animals occur. Some sections of the Bill that were mainly related to transportation came into effect early in September, with the full Bill being enacted on December 4, 2020.

#### **Communications**

Due to the restrictions of COVID-19 public health measures, the Egg Ambassador training scheduled for March was cancelled. Training for ambassadors will be rescheduled once restrictions on gatherings are lifted. A condensed media training, hosted by Farm & Food Care (Ontario), was offered to farmers in the *Real* campaign in December.



The Cackler, EFO's long-running farmer newsletter, underwent a complete overhaul early in 2020, with the final result being launched in April. Along with a refreshed look, the update included the addition of new sections and content.

#### **NUTRITION STRATEGY**

#### **TV Outreach**

As part of a multi-prong nutrition strategy, EFO utilized TV outreach to connect with consumers. Andrea D'Ambrosio, a Registered Dietitian, started off our outreach program in February, focusing on healthy meals that include kids in the preparation. This segment aired on February 12, leading up to Valentine's Day, on CTV News at Noon (Kitchener) and CHCH Morning Live (Hamilton).

On June 26, Andrea was featured on CHCH *Morning Live* (Hamilton) to show viewers how to make a healthy charcuterie board, including eggs.

Andrea virtually visited CHCH *Morning Live* September 8 and CTV *News at 5* (Kitchener) on September 9 to demonstrate simple back to school recipes. During the segments, Andrea shared delicious ways to keep students focused on learning with some great healthy baking options with eggs.

Finally, in December, Andrea shared with the hosts of CTV *News at 5* (Kitchener) simple meals with five ingredients or less to celebrate the holidays. As part of the segment, Andrea also showed festive devilled eggs.



Left: EFO's newsletter, The Cackler, got a makeover during 2020. Above: Registered Dietitian Andrea D'Ambrosio during a virtual segment with CHCH TV.

#### **Food Expert Outreach**

EFO and other Ontario commodity groups worked with Registered Dietitians Shannon Crocker and Carol Harrison, along with cookbook author Clare Tansey, to sponsor a food expert back-to-basics webinar. This session focused on baking tips and tricks, budget-friendly food options and consumer trends. The webinar, held June 19, had 187 participants attend the session from companies and organizations like Sobeys, Dietitians of Canada, the Ontario Home Economist Association and Loblaws. Three infographics were also developed for distribution electronically and in print to extend the webinar's reach.

#### **Brescia College**

As part of a developing relationship with Brescia College's FRESH (Food Resources and Education for Student Health) program at Western University, an interactive cooking demonstration was held on March 11. Zone 3 egg farmer Megan Veldman attended the event to guide the students through omelette cooking demonstrations and engage them in a trivia game. Over 65 students participated in the event.

#### **DIGITAL**

#### **Social Media**

EFO's three main social media platforms – Twitter, Instagram and Facebook - grew in followers, engagement and posts throughout 2020. Instagram began the addition of recipe story highlights, a new way to share featured recipes, which received positive results and has become a permanent element of EFO's strategy.

In addition to utilizing EFO's social media platforms, amplifying messaging through influencers was trialed in 2020. This was first done in October to celebrate World Egg Day and was also part of holiday celebrations in December when six social media influencers and two independent bloggers were used to share their holiday recipes.



#### **Blog refresh**

During 2020, EFO has spent considerable time updating existing blog posts as well as the creation of new blogs. In March, a fun craft-based blog was created to help parents keep kids active during the initial lockdown by making cute egg carton critters. In October, EFO staff created a spooky blog post for Halloween that featured Monster Cookies and pumpkin and spider devilled eggs. In addition to these new posts, updates were made to existing posts to ensure they are timely, relevant and engaging, while adhering to our newly implemented search engine optimization strategy, launched across all EFO websites.

#### **FOOD SERVICE**

EFO's foodservice staff typically reaches out to many restaurants and operators throughout the year. However, with the impact of COVID-19 on the foodservice sector, EFO staff had to pivot programming to support a different foodservice business model.

#### Egg Chef

The *Egg Chef* portal was repositioned and moved to a new provider. The site, which is now operated by UPS National Print Service, launched at the Restaurants Canada Show. The platform has a similar look to its previous version, but offers a much better and more user-friendly experience.

In response to challenges faced by foodservice operators in 2020, EFO developed point-of-sale signage to highlight curbside service and menu items, along with social distancing signage and floor decals. These products were made available to operators throughout the year, along with featured promotion signage and farm family posters.





Far Left: Monster Cookies were featured in a spooky Halloween blog post.

Above: Egg farmer Megan Veldman participates in Brescia College's FRESH program.

Left: Sign provided to foodservice operators to help them during the struggles of the pandemic.

The Restaurant Canada Show was held March 1-3 at the Enercare Centre in Toronto before the pandemic lockdown. The show was directed to restaurant and foodservice operators and has an average attendance of 30,000 visitors over the three-day event. EFO foodservice staff were on-hand during the event to network with attendees and promote the *Egg Chef* portal and the nutritional and economic benefits of adding eggs to the menu.

#### #TakeoutDay

To support the restaurant industry which has been hard hit by COVID-19 restrictions, a grassroots movement was created across Canada. #TakeoutDay debuted on April 15 and EFO partnered with Restaurants Canada for June and July in support of this initiative. Digital content, banner ads, social media content and farmer testimonials were created to support this partnership.

#### **Technomics Webinar**

Originally scheduled for March 30, the Technomics Foodservice webinar was held on June 23. This webinar was designed to provide foodservice operators access to consumer research and trends and provide information on how to incorporate eggs into menu items. Given the new business environment, we also included information on how to include eggs in take-out menu options. Participants included representatives from Tabasco, Egg Solutions, Sysco, Flanagan, Dana Hospitality, Java Joe's, Cora's and McCormicks to name a few.



## INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF: EGG FARMERS OF ONTARIO

#### **OPINION**

We have audited the accompanying financial statements of Egg Farmers of Ontario, which comprise the statement of financial position as at December 26, 2020 and the statements of changes in net assets, operations and cash flows for the 52 weeks then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Egg Farmers of Ontario as at December 26, 2020 and the results of its operations and its cash flows for the 52 weeks then ended in accordance with Canadian accounting standards for not for profit organizations.

#### **BASIS OF OPINION**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not for profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RUS LLP

RLB LLP Chartered Professional Accountants Licensed Public Accountants Guelph, Ontario March 3, 2021

## **EGG FARMERS OF ONTARIO STATEMENT OF FINANCIAL POSITION**

AS AT DECEMBER 26, 2020

|  | 2020                 | 2019          |
|--|----------------------|---------------|
| ASSETS   |                      |               |
| CURRENT  |                      |               |
| Cash   | \$ 13,958,141        | \$ 13,996,587 |
| Cash in trust - QTS  | 268,440              | 5,058,348     |
| Short term investments - due in less than 12 months (note 6) | 810,663              | 2,142,054     |
| Accounts receivable levies                                   | 6,609,793            | 6,082,069     |
| Accounts receivable from EFC                                 | 5,813,897            | 6,453,445     |
| Per bird levy receivable                                     | 1,326,816            | 379,748       |
| Accounts receivable MGA                                      | 1,172,900            | 1,172,898     |
| Prepaid expenses   | 152,624              | 53,253        |
| Industrial product receivables                               | 1,292,326            | 1,458,571     |
| Quota receivable   | 2,225,767            | 2,280,512     |
| Other receivables and inventory                              | 955,780              | 756,365       |
| Government remittances receivable (HST)                      | 377,607              | 285,814       |
|  | 34,964,754           | 40,119,664    |
| LONG TERM INVESTMENTS - due in more than 12 months (note 6)  | 6,132,475            | 4,508,556     |
| CAPITAL ASSETS (note 7)                                      | 333,232              | 368,428       |
|  | \$ 41,430,461        | \$ 44,996,648 |
| <b>CURRENT</b> Accounts payable and accrued liabilities      | \$ 6,632,614         | \$ 7,387,512  |
| Accounts payable in trust - QTS                              | 268,440              | 5,058,348     |
| Accounts payable to EFC                                      | 9,898,830            | 11,928,194    |
| Farmers' payable EFP   | 4,905,209            | 1,788,189     |
|  | 21,705,093           | 26,162,243    |
| NET ASSETS   |                      |               |
| Net assets invested in capital assets                        | 333,232              | 368,428       |
| Internally restricted for bacteria control (note 8)          | 2,063,795            | 2,000,000     |
| Internally restricted for special projects (note 9)          | 1,863,546            | 1,845,760     |
| Internally restricted for pullet quota (note 10)             | 1,388,618            | 1,077,305     |
| Internally restricted for CETPP (note 11)                    | 3,922,832            | 1,368,453     |
| Internally restricted for disease initiative (note 16)       | 1,083,028            | 1,241,594     |
| Unrestricted net assets                                      | 9,070,317            | 10,932,865    |
|  | 19,725,368           | 18,834,405    |
|  | \$ <u>41,430,461</u> | \$ 44,996,648 |

see notes to the financial statements

APPROVED ON BEHALF OF THE BOARD:

Scott Helps, Chair

Docth Helps

Dan Veldman, Vice Chair

## **EGG FARMERS OF ONTARIO STATEMENT OF CHANGES IN NET ASSETS**

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

|  |                             | Internally   | Internally  | Internally   | Internally   | Internally          |              |                                |            |
|--|-----------------------------|--------------|-------------|--------------|--------------|---------------------|--------------|--------------------------------|------------|
|  | Invested                    | Restricted   | Restricted  | Restricted   | Restricted   | Restricted          |              | 52 weeks                       | 52 weeks   |
|  | in Capital                  | for Bacteria | for Special | for Pullet   | for CETPP    | for Disease         |              | 2020                           | 2019       |
|  | Assets                      | Control      | Projects    | Quota        |              | Initiative          | Unrestricted | Total                          | Total      |
|  |                             | (note 8)     | (note 9)    | (note 10)    | (note 11)    | (note 16)           |              |                                |            |
| BALANCE  |                             |              |             |              |              |                     |              |                                |            |
| Beginning of period                                    | \$ 368,428 \$               | 2,000,000 \$ | 1,845,760   | \$1,077,305  | \$1,368,453  | \$ 1,241,594        | \$10,932,865 | \$ 18,834,405 \$               | 14,838,518 |
| (Deficiency) excess<br>of revenue over<br>expenditures | (96,391)                    | 63,795       | (722,337)   | 311,313      | 2,554,379    | (158,566)           | (1,061,230)  | 890,963                        | 3,995,887  |
| Invested in capital assets (net)                       | 61,195                      | 0            | 0           | 0            | 0            | 0                   | (61,195)     | 0                              | 0          |
| Transfers (note 17)                                    | 0                           | 0 _          | 740,123     | 0            | 0            | 0                   | (740,123)    | 0                              | 0          |
| BALANCE  |                             |              |             |              |              |                     |              |                                |            |
| End of period  | <u>\$ 333,232</u> <u>\$</u> | 2,063,795 \$ | 1,863,546   | \$ 1,388,618 | \$ 3,922,832 | <u>\$ 1,083,028</u> | \$ 9,070,317 | <u>\$ 19,725,368</u> <u>\$</u> | 18,834,405 |

## **EGG FARMERS OF ONTARIO STATEMENT OF OPERATIONS**

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

|  |    | Budgeted<br>52 weeks<br>2020<br>(note 5) |     | Actual<br>52 weeks<br>2020 | Actual<br>52 weeks<br>2019 |
|--|----|--|-----|----------------------------|----------------------------|
| REVENUE  |    |  |     |                            |                            |
| Sales  | \$ | 108,798,670                              | \$  | 110,640,858                | \$ 99,565,618              |
| Less   |    |  |     |                            |                            |
| National IP fees (note 12)   |    | 90,115,705                               |     | 91,435,291                 | 70,312,740                 |
| EFC administration levies (note 12)  |    | 9,275,261                                |     | 9,411,431                  | 8,581,469                  |
| Enriched housing incentive   |    | 1,450,000                                |     | 4,410                      | 1,761,527                  |
| EFO early adopters housing incentive   |    | 0  |     | 846,444                    | 448,111                    |
| Per bird levy (income) rebate  | _  | 0  | _   | (1,082,323)                | 196,917                    |
| Levies and licence fees retained   |    | 7,957,704                                |     | 10,025,605                 | 18,264,854                 |
| Investment and other income  |    | 204,559                                  |     | 344,811                    | 446,257                    |
| Layer leasing revenue  |    | 3,285,000                                |     | 4,250,583                  | 4,050,862                  |
| Market growth allowance fees   |    | 1,200,000                                |     | 1,170,400                  | 1,175,733                  |
| EFP program (schedule I)   | _  | 50,000                                   | _   | 268,327                    | (8,361)                    |
|  | _  | 12,697,263                               | _   | 16,059,726                 | 23,929,345                 |
| EXPENDITURES   |    |  |     |                            |                            |
| IP program (schedule II)   |    | 5,796,169                                |     | 4,623,128                  | 4,542,303                  |
| Public Affairs   |    | 2,890,000                                |     | 2,583,725                  | 2,868,525                  |
| Consumer Choice Campaign   |    | 400,000                                  |     | 116,693                    | 90,123                     |
| Administrative expenses (schedule III)   |    | 6,793,222                                |     | 6,058,241                  | 6,412,082                  |
| Research, grants, scholarships and memberships (note 15)                               |    | 1,011,918                                |     | 969,222                    | 529,714                    |
| EFC layer service fee (note 12)  |    | 2,771,575                                |     | 2,866,338                  | 6,553,732                  |
|  |    | 19,662,884                               |     | 17,217,347                 | 20,996,479                 |
| TOTAL OPERATING (DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES for the fiscal period | Ś  | (6,965,621)                              |     | (1,157,621)                | 2,932,866                  |
| REVENUE OVER EXPENDITURES for the fiscal period  | =  | (0,903,021)                              | -   | (1,137,021)                | 2,932,800                  |
| NET REVENUE (EXPENDITURES) OF INTERNALLY RESTRICTED ASSETS                             |    |  |     |                            |                            |
| Bacteria control (note 8)  |    |  |     | 63,795                     | (203,134)                  |
| Special projects (note 9)  |    |  |     | (722,337)                  | (238,189)                  |
| Pullet quota (note 10)   |    |  |     | 311,313                    | 283,276                    |
| CETPP (note 11)  |    |  |     | 2,554,379                  | 1,368,453                  |
| Disease initiative (note 16)   |    |  |     | (158,566)                  | (147,385)                  |
|  |    |  |     | 2,048,584                  | 1,063,021                  |
| for the fiscal period  |    |  |     | _                          |                            |
|  |    |  | \$_ | 890,963                    | 3,995,887                  |

## **EGG FARMERS OF ONTARIO STATEMENT OF CASH FLOWS**

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

|   | 52 weeks<br>2020     | 52 weeks<br>2019 |
|---|----------------------|------------------|
| CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES |                      |                  |
| Excess of revenue over expenditures             | \$ 890,963           | \$ 3,995,887     |
| Add: Items not involving cash                   |                      |                  |
| Amortization of capital assets                  | 74,387               | 79,617           |
| Loss (gain) on disposal of capital assets       | 22,004               | (10,896)         |
|   | 987,354              | 4,064,608        |
| Net change in non-cash operational balances     |                      |                  |
| Accounts receivable levies                      | (527,724)            | (1,188,002       |
| Accounts receivable from EFC                    | 639,548              | (281,765)        |
| Per bird levy receivable                        | (947,068)            | (35,037          |
| Accounts receivable MGA                         | (2)                  | (56,207)         |
| Prepaid expenses                                | (99,371)             | (16,870)         |
| Industrial product receivables                  | 166,245              | 39,257           |
| Quota receivable                                | 54,745               | (58,819          |
| Other receivables and inventory                 | (199,415)            | 223,545          |
| Government remittances receivable (HST)         | (91,793)             | 116,720          |
| Accounts payable and accrued liabilities        | (754,898)            | 217,474          |
| Accounts payable to EFC                         | (2,029,364)          | 4,121,684        |
| Farmers' payable EFP                            | 3,117,020            | (478,830         |
| Per bird levy payable                           | 0                    | (3,877,826       |
|   | (672,077)            | (1,274,676       |
|   | 315,277              | 2,789,932        |
| CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES |                      |                  |
| Short term investments                          | 1,331,391            | (694,833         |
| Long term investments                           | (1,623,919)          | 1,056,737        |
| Purchase of capital assets                      | (61,195)             | (28,897          |
| Proceeds of disposal on capital assets          | 0                    | 48,057           |
|   | (353,723)            | 381,064          |
| CHANGE IN CASH                                  | (38,446)             | 3,170,996        |
| CASH, beginning of fiscal period                |                      |                  |
|   | 13,996,587           | 10,825,591       |
| CASH, end of fiscal period                      | \$ <u>13,958,141</u> | \$ 13,996,587    |

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

#### 1. ACTIVITIES OF EGG FARMERS OF ONTARIO

Egg Farmers of Ontario (EFO) is engaged in the control and regulation of the production of eggs and pullets in Ontario, the collection of levies and licence fees, the promotion of eggs and the purchase and sale of industrial product.

#### 2. LEGISLATION RELEVANT TO OPERATIONS

Egg Farmers of Ontario receives its authority from the Farm Products Marketing Act (Ontario) and The Commodity Boards and Marketing Agencies Act, 1978 (Ontario). Egg Farmers of Ontario is a not for profit organization and is exempt from tax under Section 149(1)(e) of the Income Tax Act. Egg Farmers of Ontario acts as an agent for the Egg Farmers of Canada (EFC) in collecting EFC's administrative levies.

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

#### (a) CAPITAL ASSETS

Expenditures made for the purchase of capital assets are capitalized. Amortization is recorded at rates estimated to charge the original cost to operations over the estimated useful lives of the assets as follows:

Office equipment - 20% declining balance basis
Building - straight-line over 40 periods
Automobiles and promotional trailers - 30% declining balance basis
Computer equipment - straight-line over 4 periods

Amortization is taken at 100% of the above rates in the period of addition.

#### (b) IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

#### (c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of management estimates and assumptions relate to accounts receivables, accounts payable and accrued liabilities, and useful life of capital assets. Actual results could differ from those estimates.

#### (d) FINANCIAL INSTRUMENTS

#### Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost except for investments which are measured at fair value. Changes in fair value are recognized in the statement of operations.

#### <u>Impairment</u>

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

#### <u>Transaction costs</u>

The organization recognizes its transaction costs in net surplus in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

#### (e) REVENUE RECOGNITION

#### Ontario levies for egg quota

Egg Farmers of Ontario is empowered under the enabling legislation to collect levies and licence fees on all eggs marketed in Ontario. Levy revenue is based on dozens of eggs marketed, and is recognized when eggs are shipped from the farmer. The levy is collected based on marketing and reconciled annually against quota issuance and any underpayment is collected from the farmer.

With respect to grading stations and farmers over a prescribed flock size, Egg Farmers of Ontario operates a system of requiring regular reports of marketing affected by these registered parties and monitors the validity of these reports by reference to known flock sizes and estimated rates of lay. Egg Farmers of Ontario includes in income levies and licence fees on marketing reported by registered grading stations and farmers.

With respect to smaller farmers, some of which are not covered by the system described above, it is considered by Egg Farmers of Ontario that their marketings are not significant and that the amount of additional levies and licence fees, which might be collectible, would not be sufficient to justify the cost of instituting the additional controls required to identify and monitor the marketing by unregistered farmers. Egg Farmers of Ontario has alternative methods in place to help monitor these smaller farmers.

#### Layer leasing revenue

Layer leasing revenue is generated through the leasing of quota to farmers that have capacity. Farmers apply to lease the quota from Egg Farmers of Ontario. Once the farmers' requests are approved, Egg Farmers of Ontario has earned the revenue. Layer leasing revenue is recorded when collection is reasonably assured and the amount of revenue to be recognized is determinable.

#### Other revenue

All other revenue, including market growth allowance fees, EFP sales to breakers, IP revenue, CETPP revenue, pullet quota sales, per bird levy rebates, investment, and other income, is recognized when earned and collection is reasonably assured.

#### (f) IN TRUST ACCOUNTS

The organization is required to maintain separate trust accounts for any cash, receivable and payable in respect of monies collected on behalf of the quota transfer system. Thus, \$268,440 (2019 - \$5,058,348) is restricted from current use other than for the payment of trust liabilities.

#### 4. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments. The extent of the organization's exposure to these risks did not change in 2020 compared to the previous period.

#### 5. BUDGETED FIGURES

The budgeted figures are presented for comparision purposes as prepared and approved by the Board of Directors on December 4, 2019, reclassified to conform to the current financial statement presentation. They have not been audited or reviewed by the auditor.

#### 6. INVESTMENTS

Egg Farmers of Ontario has invested surplus cash in bonds, Guaranteed Investment Certificates (GICs) and fixed income Exchange-Traded Funds maturing at various dates from 2021 - 2030, administered by RBC Dominion Securities and BMO Nesbitt Burns. Bond and GIC interest rates vary from 1.15% to 3.45%. Investments are accounted for at fair market value.

#### 7. CAPITAL ASSETS

|                      |    | Cost      |     | Accumulated<br>Amortization |    | Net<br>2020 |    | Net<br>2019 |
|----------------------|----|-----------|-----|-----------------------------|----|-------------|----|-------------|
| Land                 | \$ | 162,000   | \$  | 0                           | \$ | 162,000     | \$ | 162,000     |
| Office Equipment     |    | 1,288,403 |     | 1,254,869                   |    | 33,534      |    | 39,948      |
| Building             |    | 646,672   |     | 575,988                     |    | 70,684      |    | 86,851      |
| Automobiles          |    | 49,561    |     | 46,704                      |    | 2,857       |    | 26,085      |
| Promotional trailers |    | 42,755    |     | 42,427                      |    | 328         |    | 469         |
| Computer Equipment   | _  | 671,166   | _   | 607,337                     | _  | 63,829      | _  | 53,075      |
|                      | \$ | 2,860,557 | \$_ | 2,527,325                   | \$ | 333,232     | \$ | 368,428     |

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

#### 8. INTERNALLY RESTRICTED FOR BACTERIA CONTROL

The bacteria control assets are utilized for payments for claims from Salmonella-infected flocks that include the cost of vaccines and compensation for birds that are destroyed. During the year, no amounts were transferred from the unrestricted net assets to the internally restricted for bacteria control (2019 - \$203,134). The current period's interest earned totalled \$64,295 (2019 - \$48,169). Expenses paid from the bacteria control account during 2020 totalled \$500 (2019 - \$251,303) for a net increase of \$63,795 (2019 - \$nil).

#### 9. INTERNALLY RESTRICTED FOR SPECIAL PROJECTS

The special projects account is for the funding of egg research and other special projects. During 2020, there were transfers from the unrestricted net assets to the internally restricted special projects account of \$740,123 (2019 transfers - (\$90,123)). During the period, expenses of \$722,337 (2019 - \$238,189) were paid out of the special projects account for a net increase of \$17,786 (2019 - (\$328,312)).

#### 10. INTERNALLY RESTRICTED FOR PULLET QUOTA

The pullet quota account is an account which represents transfers of pullet quota to farmers that have made a request for an increase in quota or over-quota assessments. During the period, \$40,644 of interest has been earned (2019 - \$24,701) and has been allocated to the pullet quota account. Revenues paid into the pullet quota account during 2020 were \$592,360 (2019 - \$703,830) and expenses paid from the pullet quota account during 2020 were \$321,691 (2019 - \$445,255) for a net increase of \$311,313 (2019 - \$283,276).

#### 11. INTERNALLY RESTRICTED FOR CONVENTIONAL TO ENRICHED TRANSITION IN PRODUCER PRICE

The Conventional to Enriched Transition in Producer Price (CETPP) account was established in 2019 as a means of transitioning the market price from conventional to enriched. Expenses paid from the CETPP account during 2020 were \$3,189,802 (2019 - \$462,991), and revenues paid to the CETPP account during 2020 were \$5,744,181 (2019 - \$1,831,444) for a net increase of \$2,554,379 (2019 - \$1,368,453).

#### 12. ALLOCATION OF LEVIES AND LICENCE FEES

Egg Farmers of Ontario is responsible for the collection of levies and licence fees from farmers on eggs marketed in Ontario. The levies and licence fees paid by the farmers were allocated as follows:

|  | Cent              | Cents per dozen   |  |  |  |
|--|-------------------|-------------------|--|--|--|
|  | December 26, 2020 | December 28, 2019 |  |  |  |
| National IP fee                          | 33.50             | 33.50             |  |  |  |
| EFC administrative levy                  | 3.45              | 3.45              |  |  |  |
| Ontario administrative and research levy | 2.60              | 2.60              |  |  |  |
| Ontario reserve                          | (2.00)            | (2.00)            |  |  |  |
| Provincial IP levy                       | 2.90              | 2.90              |  |  |  |
| Total farmer portion                     | 40.45             | 40.45             |  |  |  |
| Grading station portion (voluntary)      | 0.02              | 0.02              |  |  |  |
| Total levy collected                     | 40.47             | 40.47             |  |  |  |

The levy is 1 cent less for Northern Ontario producers (Zone 9N).

#### 13. CONTINGENCIES

At the date of issuance of the financial statements, there are lawsuits outstanding against Egg Farmers of Ontario. Neither the amounts nor the outcome of these actions are determinable. Therefore, the financial statements have not accrued an amount for possible losses resulting from these actions.

#### **14. COMMITMENTS**

Egg Farmers of Ontario has made various commitments for the next five periods:

| 2021 | \$<br>2,272,363 |
|------|-----------------|
| 2022 | 1,146,000       |
| 2023 | 418,000         |
| 2024 | 88,000          |
| 2025 | <br>63,000      |
|      | \$<br>3,987,363 |
|      | \$<br>3,987,36  |

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

#### 15. RESEARCH, GRANTS, SCHOLARSHIPS AND MEMBERSHIPS

| DESCRIPTION                                   | RECIPIENT                      | 2020          | 2019          |
|---|--------------------------------|---------------|---------------|
| Administration                                | Poultry Industry Council (PIC) | \$<br>46,337  | \$<br>46,337  |
| Farm and Food Care (Ontario)                  |                                | 38,850        | 38,850        |
| Junior Farmers' Association Sponsorship       |                                | 1,000         | 1,000         |
| Advanced Agricultural Leadership Program      |                                | 10,000        | 10,000        |
| Ontario Chamber of Commerce                   |                                | 0             | 4,000         |
| PIC Money Received from Donald Shaver         |                                | 0             | (80,000)      |
| Ontario Agri-Food Technologies                |                                | 0             | 2,500         |
| Ontario Agricultural Hall of Fame             |                                | 1,000         | 1,000         |
| Other Sponsorships/Memberships                |                                | 8,520         | 3,390         |
| IEC Membership                                |                                | 1,712         | 1,673         |
| Canadian Centre for Food Integrity            |                                | 10,000        | 10,000        |
| LRIC and Research                             |                                | 172,275       | 11,691        |
| Ontario Federation of Agriculture             |                                | 2,000         | 3,500         |
| Pullet Growers of Canada Membership           |                                | 79,353        | 105,097       |
| Scholarship for Graduate Student              | University of Guelph           | 5,000         | 5,000         |
| Canadian Poultry & Egg Processors             |                                | 1,389         | 1,355         |
| Ontario Federation of Agriculture Research UE |                                | 0             | 5,000         |
| McGill Project                                |                                | <br>591,786   | <br>359,321   |
|   |                                | \$<br>969,222 | \$<br>529,714 |

#### 16. INTERNALLY RESTRICTED FOR DISEASE INITIATIVE

This account represents funds received from EFC to cover S.e. related matters. A total of \$195,140 was paid during 2020 (2019 - \$181,594) for expenses related to the disease initiative. During the period, \$36,574 (2019 - \$34,209) of interest has been earned and has been allocated to the disease initiative account for a net decrease of \$158,566 (2019 - \$147,385).

#### 17. TRANSFERS

Transfers are made between unrestricted net assets and invested in capital assets to fund capital purchases. Transfers are made between unrestricted net assets and internally restricted for special projects to account for Consumer Choice Campaign expenses paid out of unrestricted net assets and to replenish the account for any payments made during the year.

#### 18. MATERIAL UNCERTAINTY DUE TO THE NOVEL CORONAVIRUS (COVID-19)

During the year and subsequent to year end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and amounts realized on the organization's assets and its future ability to deliver all services.

#### 19. COMPARATIVE FIGURES

Certain prior fiscal period figures presented for comparative purposes have been reclassified to conform to the current fiscal period's presentation.

### **EGGS FOR PROCESSING PROGRAM**

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

| SCHEDULE I                 |    | 52 weeks<br>2020 | 52 weeks<br>2019 |
|----------------------------|----|------------------|------------------|
| Revenues                   |    |                  |                  |
| Farmer EFP revenue         | \$ | 34,109,398       | \$ 35,762,589    |
| EFP farmer refund          | _  | (11,735,217)     | (10,899,411)     |
|                            |    | 22,374,181       | 24,863,178       |
| EFP sales to breakers      | _  | 10,605,370       | 10,648,112       |
|                            |    | 32,979,551       | 35,511,290       |
| Costs                      |    |                  |                  |
| Egg purchases              |    | 29,680,039       | 33,047,771       |
| EFP administration costs   |    | 48,482           | 47,561           |
| EFP storage costs          |    | 912,593          | 52,368           |
| Transportation             |    | 493,795          | 574,114          |
| Packaging                  |    | 165,928          | 189,246          |
| Grading handling allowance |    | 1,410,387        | 1,608,591        |
|                            | _  | 32,711,224       | 35,519,651       |
| EFP program (loss) revenue | \$ | 268,327          | \$ (8,361)       |

## **INDUSTRIAL PRODUCT PROGRAM**

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

| SCHEDULE II                     | Budgeted<br>52 weeks<br><i>(note 5)</i> | 52 weeks<br>2020 | 52 weeks<br>2019 |
|---------------------------------|---|------------------|------------------|
| Revenues                        |   |                  |                  |
| IP revenue                      | \$ <u>111,221,224</u> \$_               | 100,160,333 \$   | 108,146,429      |
| Costs                           |   |                  |                  |
| Egg purchases                   | 111,081,943                             | 99,513,327       | 106,860,169      |
| Packaging                       | 607,766                                 | 540,096          | 599,371          |
| Labelling and other costs       | 4,000                                   | 10,291           | 3,301            |
| Grading handling allowance      | 5,166,013                               | 4,590,820        | 5,094,657        |
| Field supplies and S.e. testing | 157,671                                 | 128,927          | 131,234          |
|                                 | 117,017,393                             | 104,783,461      | 112,688,732      |
| IP program loss                 | \$ <u>(5,796,169</u> )\$                | (4,623,128) \$   | (4,542,303)      |

## **EGG FARMERS OF ONTARIO ADMINISTRATIVE EXPENSES**

FOR THE 52-WEEK PERIOD ENDED DECEMBER 26, 2020

| SCHEDULE III                              | Budgeted<br>52 weeks<br>2020<br>(note 5) | Actua<br>52 week:<br>2020 | 52 weeks     |
|---|--|---------------------------|--------------|
| Administrative Expenses                   |  |                           |              |
| Salaries support                          | \$<br>2,817,880                          | \$ 2,796,487              | 2,733,505    |
| Employee benefits                         | 567,987                                  | 585,313                   | 570,405      |
| Staff professional development and travel | 232,664                                  | 104,225                   | 157,267      |
| Travel - fieldstaff                       | 316,977                                  | 215,804                   | 296,286      |
| Annual and farmer meetings                | 500,403                                  | 74,653                    | 479,970      |
| Directors                                 |  |                           |              |
| Per diem                                  | 446,250                                  | 526,648                   | 450,757      |
| Expenses                                  | 327,000                                  | 94,319                    | 306,358      |
| Trade                                     | 20,440                                   | (                         | 0            |
| FarmGate5                                 | 4,150                                    | (                         | 0            |
| HACCP/ACP Third-Party Audits              | 147,600                                  | 118,652                   | 131,680      |
| Amortization                              | 167,017                                  | 74,387                    | 79,617       |
| Office supplies and printing              | 57,013                                   | 69,568                    | 50,508       |
| Building expenses                         | 279,597                                  | 136,583                   | 217,298      |
| Computer maintenance                      | 240,377                                  | 411,606                   | 249,000      |
| Professional fees                         |  |                           |              |
| Legal                                     | 200,000                                  | 249,714                   | 266,757      |
| Audit                                     | 32,000                                   | 29,999                    | 30,500       |
| Consulting                                | 53,969                                   | 59,994                    | 39,594       |
| Councillors' grants                       | 28,800                                   | 29,200                    | 28,000       |
| Telephone and fax                         | 31,668                                   | 34,643                    | 30,196       |
| Postage                                   | 28,219                                   | 24,035                    | 22,670       |
| Insurance                                 | 32,500                                   | 24,834                    | 29,048       |
| Bank charges                              | 9,711                                    | 8,724                     | 8,592        |
| Gain (loss) on disposal of assets         | 0  | 22,004                    | (10,896)     |
| Bad debts                                 | 1,000                                    | (                         | 0            |
| Food Bank donations                       | 250,000                                  | 366,849                   | 244,970      |
|   | \$<br>6,793,222                          | \$ 6,058,241              | \$ 6,412,082 |



## STAFF AND PARTNERS 2020

## **STAFF**

**Interim General Manager**Bill Mitchell

Director of Corporate Affairs, Human Resources

Jennifer Correa

Corporate Affairs Executive Assistant

Siobhán Desrochers

Corporate Affairs Coordinator

Tiffany Hughes

Director of Policies, Quota Affairs & Information Technology Ray Hinton

Quota & Industrial Product Manager Julie Cangiano

Inventory & Quota Systems Analyst Nicci Jasmins

Flock Placement & Verification Analyst Christine Wong

Quota Verification Coordinator
Lily Ekwenuke

Quota Administration Coordinator Samantha Ramcharan

**Director of Finance**Lee Hickey

Accounts Receivables, Levy & Statistical Coordinator Suzanne Walton Accounts Payable & EFP Coordinator
Joan Davies

**Acting Director of Public Affairs** 

Donna Lange

**Public Affairs Manager** 

Vacant (July-December 2020)

**Communications Coordinator** 

Pam Passerino

**Digital Media Coordinator** 

Eva Witek

**Outreach Coordinator** 

Alisha Mills

**Public Affairs Assistant** 

Stephanie Sabo

**Director of Operations** 

**Albert Visser** 

Project Manager

Pamela Kuipers

Inspectors

Mike Andersen

**Hilary Croft** 

**Danielle Fawcett** 

**Terry Gray** 

Connie Hutchinson

Guylain Levac

Cassandra O'Donnell

Casey Riddle

**Investigations Unit** 

Justin Patterson Ryan Trim

**Special Advisor** 

Harry Pelissero

## **PARTNERS**

**Advertising Agency** 

Brandfire Markham, Ontario

**Auditors** 

**RLB LLP** 

Guelph, Ontario

Bank

Royal Bank of Canada

**Agriculture and Agribusiness** 

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