




get cracking.
Egg Farmers of Ontario

ANNUAL REPORT 2019





EGG FARMERS OF ONTARIO IS A FARMER-RUN
ORGANIZATION THAT MANAGES THE SUPPLY
AND ORDERLY MARKETING OF EGGS
SO CUSTOMERS CAN ENJOY FRESH, SAFE,
HIGH-QUALITY PROTEIN AT A FAIR PRICE.

CONTENTS

Message from the Chair	2
Message from the General Manager	3
Board of Directors and Zone Map	4
Egg Farmers of Canada Director's Report	6
Pullet Director's Report	9
2019 Ontario Eggs By The Numbers	10
Research Report	11
Operations Report	12
Public Affairs Report	14
Financial Statements	23
Auditor's Report	24
Officers, Committees and Representatives 2019-2020	36
Staff and Partners 2019	37

A recipe combining the right ingredients, strong preparation and solid teamwork in 2019 resulted in positive resolutions and progress on a number of fronts that provides strong positioning for egg and pullet farmers heading into 2020.



MESSAGE FROM THE CHAIR

SCOTT GRAHAM

February 1, 2019 saw the launch of the *Egg Quality Assurance* (EQA) program as an easy-to-recognize designation for all eggs produced under the new *Code of Practice*. Major customers are supporting and adopting promotion of the program. Critical to this success is our system of third-party audits across the country providing accountability and transparency that consumers can trust. This success was the culmination of efforts that started in Ontario several years ago as a way to protect consumers' egg choices in the marketplace, leading to the development of EQA as a national program.

Challenging issues at the national level around Liquidated Damages Assessment (LDA) policies developing over several years were resolved in November. Recommendations from a national committee to waive LDA penalties were adopted unanimously by all provincial egg boards. The decision recognized that previous policies were not working and change was needed. This should position us to supply the Canadian market more effectively and efficiently moving forward.

Another success came with the development of a *Conventional to Enriched Transition Producer Price* (CETPP). A national committee to deal with this issue settled on a differential of 11 cents in the farm price for eggs produced in enriched housing across Canada and was implemented in September 2019. Remember that in Ontario, early adopters of enriched housing and egg farmers with fully enriched housing meeting the revised *Code of Practice* have been paid a 10 cent differential since January 2017.

Initiatives during 2019 that will proactively position egg and pullet farmers in the future relate to a refreshed approach to Egg Farmers of Ontario's (EFO's) strategic planning process. This began with a series of four regional meetings across the

province in the spring to gather input from our farmers and culminated in a new *Strategic Plan* for 2020 to 2023 to guide efforts of the organization.

During these planning sessions, farmers expressed the need for a simplification of processes. As a result, a thorough review of policies and programs was initiated with the objective to consolidate programs for less of an administrative burden.

As we enter a new decade, our business has many strong positives in play and we need to appreciate that we continue to operate in a very fortunate sector. We have a strong next generation of farmers coming along in the business, great stakeholder partners and the support of governments at all levels that understand how well this system works for everyone without taxpayer funding.

Older and younger farmers alike need to remember (or learn) about the many trials and problems we have weathered in the past. If we appreciate where we have come from it will help us remember to continue to be disciplined and responsible in everything we do and work to maintain and continue to improve the best system in the world for producing and marketing eggs.

The main ingredients in the staff recipe for success in 2019 were the challenges of managing change and the transitions facing the sector on several fronts.



MESSAGE FROM THE GENERAL MANAGER

HARRY PELISSERO

The transition out of conventional housing has been underway since the middle of 2015. Housing systems updated or installed since that time have been enriched or alternative housing as specified in the *Code of Practice*.

Connected to this transition is the need to address enriched pricing through the *Conventional to Enriched Transition Producer Price* (CETPP) and the required administrative work to support the policy process. This effort needed to be able to ensure our farmers' future housing plans can be tracked and projected forward to make sure the sector can continue to effectively manage egg supplies and administer CETPP pricing during the continuing transition.

In a similar vein, staff worked to support Egg Farmers of Ontario's (EFO's) Flock Verification Committee to deal with issues arising out of the changing verification needs connected with the increases in alternative housing systems. Staff worked to analyze the results from the Flock Verification Committee and increase field activities in this area to strengthen controls over flock verification protocols, including developing programs to help analyze potential production levels and various reports submitted from pullet growers and egg farmers.

The ability to support EFO's capabilities to meet evolving business and market demands reinforced action underway to modernize the organization's computerized information systems, processes and associated technology and services. In 2019, Board approval was granted to move from EFO's existing *Farm Management System* software platform to a more robust and stable database software environment called SQL. A phased approach will drive these improvements supported by technology upgrades over the next two to three years.

Staff action was initiated in support of a major policy direction raised by farmers during that planning process – to conduct a review of quota policies and programs to simplify our system. Decisions about overall principles will be followed by discussions about the operational changes that will be needed. The goal of this effort is to merge existing programs so farmers have one production quota number for easier management and administration.

One other significant development was a move to privatize EFO's on-farm depopulation activities. The ability had been developed a number of years ago to ensure EFO had a comprehensive and viable response program in case of emergencies (i.e., disease outbreak). The increasing demand for depopulation created a need for a commercial provider, EFO moved to privatize the service. Effective September 2019, EFO suspended on-farm whole barn depopulations, with all equipment being sold to a new, third-party company that offers this service to farmers. Prior to suspending depopulation services, EFO staff completed 38 depopulations in 2019.

The ongoing success of EFO will continue to hinge on its ability to get ahead of emerging issues and adapt to change. As we enter a new decade, we continue to look ahead on several fronts. We have developed a fresh new marketing program during 2019 that positions us with a great way to continue to tell egg and pullet farmers' stories to consumers that want high-quality eggs from local egg farm families who make the care of their hens a first priority.

BOARD OF DIRECTORS



ZONE 1

Director: Scott Helps
(Vice Chair and EFC Representative)
Counties of Essex, Kent, Lambton
Number of Egg Quota Holders: 50
Number of Layers: 1,055,329
Number of Pullet Quota Holders: 11
Number of Pullets: 673,775



ZONE 2

Director: Lorne Benedict
County of Middlesex
Number of Egg Quota Holders: 51
Number of Layers: 639,061
Number of Pullet Quota Holders: 18
Number of Pullets: 1,456,980



ZONE 3

Director: Dan Veldman
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: 40
Number of Layers: 748,036
Number of Pullet Quota Holders: 7
Number of Pullets: 605,805



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: 666,608
Number of Pullet Quota Holders: 11
Number of Pullets: 635,305



ZONE 5

Director: Brian Miller
County of Huron
Number of Egg Quota Holders: 49
Number of Layers: 903,018
Number of Pullet Quota Holders: 11
Number of Pullets: 886,591



ZONE 6

Director: Scott Graham
(Chair)
County of Perth, the Regional Municipality of Waterloo and the City of Waterloo
Number of Egg Quota Holders: 61
Number of Layers: 950,381
Number of Pullet Quota Holders: 23
Number of Pullets: 1,625,605



ZONE 7

Director: Scott Brookshaw
Counties of Bruce, Dufferin, Grey and Wellington
Number of Egg Quota Holders: 60
Number of Layers: 1,825,305
Number of Pullet Quota Holders: 22
Number of Pullets: 2,011,752



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: 525,826
Number of Pullet Quota Holders: 4
Number of Pullets: 332,890



ZONE 9

Director: Craig Hunter
East: Counties of Dundas, Frontenac, Grenville, Lanark, Leeds, Lennox and Addington, Renfrew and the Regional Municipality of Ottawa & Carlton
North: Territorial Districts of Ontario consisting of Algoma, Cochrane, Parry Sound, Kenora, Rainy River, Sudbury, Timiskaming and Thunder Bay
Number of Egg Quota Holders: 13
Number of Layers: 1,126,106
Number of Pullet Quota Holders: 6
Number of Pullets: 2,335,733



ZONE 10

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

Number of Egg Quota Holders: 49
 Number of Layers: 1,468,416
 Number of Pullet Quota Holders: 17
 Number of Pullets: 898,367



PULLET

Director: Andrew DeWeerd

Total Number of Pullet Quota
 Holders: 130
 Total Number of Pullets:
 11,462,803



ZONE MAP

EGG FARMERS OF CANADA DIRECTOR'S REPORT



STRATEGY IS A KEY INGREDIENT FOR SUCCESS

Looking back on 2019, it's amazing to realize how far we've come. Circumstances allowed us to focus fully on our active files; as a result, we were able to make steady, considerable progress in many areas. We were also able to start working on a new strategy to guide our industry into the future.

I am very proud of what we achieved in terms of continuous improvement of our industry. As your Egg Farmers of Canada (EFC) Director for Ontario, I am pleased to provide an overview of the events and activities that shaped the past year:

- We've made significant progress in phasing out conventional hen housing systems. In the four years since the hen housing plan was announced, conventional production has dropped to 69%, with 16% of production in enriched colony housing and 15% in free range, free run and organic systems.
- Recent work by an Egg Board-led working group, which was coordinated nationally, saw the implementation of the 2015 Cost of Production (COP) study and a new pricing structure in September. These efforts ensure farmers with both conventional and enriched colony housing systems recover their full cost of production.
- Planning has started for the next COP study, which will include conventional, enriched colony and free run production systems. This approach marked a new milestone for us, further reflecting the direction we are headed as an industry as we shift towards alternative methods of production.
- We've made significant advances in strengthening farm standards. We have been actively redeveloping the national *Animal Care Program* to include the requirements of the updated *Code of Practice*. We anticipate the full program will roll out in 2021. These standards are an investment in our future, and they are a critical tool for developing and maintaining public trust.
- We've also made considerable progress in promoting these standards outside our industry. We announced the *Egg Quality Assurance™* (EQA™) certification program just over a year ago, and I am pleased to report that it is gaining momentum (see advertisement on page 8). More than 41 licensing agreements to use the EQA™ certification mark have been signed, and more are in the works with restaurants, the food service industry, retailers, food manufacturers and distributors.

- We also continue to see growth in egg consumption. Retail sales of eggs increased by 1.7% in 2019, marking the 13th year in a row of growth. Per capita consumption is also up, with the average Canadian now consuming 253 eggs annually.



- This summer saw the launch of a new consumer marketing strategy. The goal of the new *Eggs Anytime* marketing platform is to encourage Canadians to eat eggs at any meal. The bold and funny ads—a new approach for us—are already making a splash with their witty 'It's not weird' tagline.

More than 41 licensing agreements to use the EQA™ certification mark have been signed, and more are in the works.

We know too well that no journey ever proceeds perfectly smoothly and we did encounter challenges in 2019. That said, EFC's Board of Directors remained committed throughout the year to work constructively to address these external pressures and tackle our issues. For example, the average Urner Barry price fell to record lows this year; this was largely attributed to an oversupply of eggs in the U.S. These market conditions had a direct impact on the average Canadian processor price and the Pooled Income Fund. To avoid a deficit balance, the Board reactivated the Low-High Pricing Program and transferred funds from the Service Fee and Risk Management Funds. It is anticipated these funds will be transferred back and the fund be partially repaid pending the recovery of the Pooled Income Fund. In November, EFC's Board of Directors approved adjusted trigger points to improve the stability of the fund.

We were also deeply disappointed to be told that the announcement of mitigation measures for farmers affected by recent trade agreements, expected in the spring, would be postponed. This is one of the main topics on which we are engaging the Liberal government re-elected with a minority in October 2019. We will take our message to all political parties, who will play an important role in the upcoming Parliamentary session, and shine a positive light on our farms, our way of producing eggs and the system that makes all this possible.

Looking ahead, we already know of several points of interest on our roadmap for 2020—two of them expected and a third that will take us in a brand new direction.

First, we continue to watch the international trade file with great interest, as discussions at the World Trade Organization intensify and rumours swirl of possible amendments to the Canada United States Mexico Agreement (CUSMA) ahead of ratification in the United States. Second, the new Parliament will provide us with many occasions to introduce the Canadian egg industry and its many strengths to Members of Parliament (MPs) old and new. MPs in a minority Parliament are often particularly receptive to thoughts, ideas and arguments, and their voice is greater because the government needs every vote it can muster to pass legislation. We will be working hard, in that context, to advocate on your behalf in the coming months.

The third item on the watch list for 2020 is both new and exciting. Last spring, the EFC Board of Directors embarked on a strategic planning exercise with a view to create a vision of growth that would make Canada a world leader in per capita egg consumption. The result is an exciting shift of direction for our industry. We call it Vision 2020 and you will be hearing more about it in the coming months.

The opportunities ahead are substantial and I look forward to embarking on this journey with you. As we look to the future, we must be driven by a desire to improve what can be improved, while handling the challenges that will inevitably be thrown our way. With drive, focus and ambition, I have no doubt we will work confidently together to do just that for the good of the Canadians for whom we provide a safe, inexpensive and healthy source of food.



In closing, I want to express my gratitude to my colleagues at the national table and in my province. I also want to thank the staff and the farm families whose hard work and commitment make our industry great.

Respectfully submitted,

A handwritten signature in black ink that reads "Scott Helps".

Scott Helps, EFC Director, Ontario



It's time to celebrate the care that goes into every Canadian egg.



**Egg
Quality
Assurance**

The new Egg Quality Assurance (EQA) program shows your customers, right on the carton, that their eggs are produced by Canadian farmers dedicated to delivering a top-quality product that meets national food safety and animal care standards.

Visit eggquality.ca and add the EQA symbol to your cartons today!

A GOOD RECIPE IS MADE BETTER WITH QUALITY INGREDIENTS

To see how far you have come, it is often necessary to look back at where you started.

Pullet Growers of Canada's (PGC) Mission Statement says: *We defend the interests of pullet growers, working to ensure their success as critical partners in the Canadian egg industry.* This is a reminder of the "why" behind much of the work that has taken place on behalf of Canadian pullet growers this past year.

2019 saw the pullet sector move forward with an invigorated strategy which will lead us through to 2024. As a result of consultations held during 2018, a new business plan was released during PGC's 2019 Annual General Meeting. This plan forms the framework on which all work can be facilitated and identified immediate priorities which included: obtaining long-term funding arrangements with members, completing the design and development of a standardized national implementation of the *Code of Practice* for pullets, exploring opportunities to set fair pricing for pullets in a consistent way across Canada that is based on the cost of growing, and finally, achieving an agreement with provincial boards to enable PGC opportunities to communicate with all pullet growers across the country. Presentations to provincial egg and pullet boards which began in September are ongoing into 2020.

PGC is working with Egg Farmers of Canada to develop a new *Animal Care Policy* for pullets which is based on the National *Code of Practice*. Simultaneously, PGC made the newly updated *Care of Pullets Guidebook* available with the *Code of Practice* to all pullet growers at the end of 2019.

Pullet farmers in Canada have seen continual movement towards meeting long-term objectives.

The Cost of Growing (COG) study for aviary systems was completed this year by the consulting firm MNP. This study was based on 2017 data from six growers in Manitoba, Ontario and Quebec. Results indicate a differential cost of +\$1.40 per pullet when compared to the COG for cage systems. Due to the low sample size, results are not reliable and further work will continue on this as more growers begin to operate aviary systems.

Quebec is still working on amalgamating their egg and pullet systems; the Régie (Quebec's supervisory agency) continues to seek clarification on various items. As a result, an exact timeline cannot be predicted.

On the provincial front, an industry partner meeting was held in September to discuss pullet issues with another meeting held in December 2019. These meetings contribute to the overall collaborative approach that is so important to the pullet sector.

In Ontario, we achieved consensus on the growing fee of \$2.50 as of January 1, 2020; with another possible increase in 2022 to \$2.83.

The utilization number is below 2018, at 98.44 per cent.

I consider it a privilege to have been the Ontario Pullet Director representing all pullet farmers in 2019. As pullet growers, we understand that a high-quality pullet leads to a high-quality egg. We should be proud of how much we have accomplished to position our farms for future success. I look forward to the growth and opportunity that 2020 will bring.

Andrew DeWeerd, Pullet Director



Above: Signed Pullet Agreement, was a major achievement in 2019.

2019 ONTARIO EGGS BY THE NUMBERS

3,441,112,380

Number of Ontario leviable eggs graded (includes Eggs For Processing [EFP])



EGG QUOTA

9,947,086

The amount of Ontario's hen allotment

23,366

The average production quota for egg quota holders

10,042,904

The average weekly inventory

406,092

The amount of egg quota transferred

PULLET QUOTA

11,462,803

The amount of Ontario's pullet allotment

88,175

The average production quota for pullet quota holders

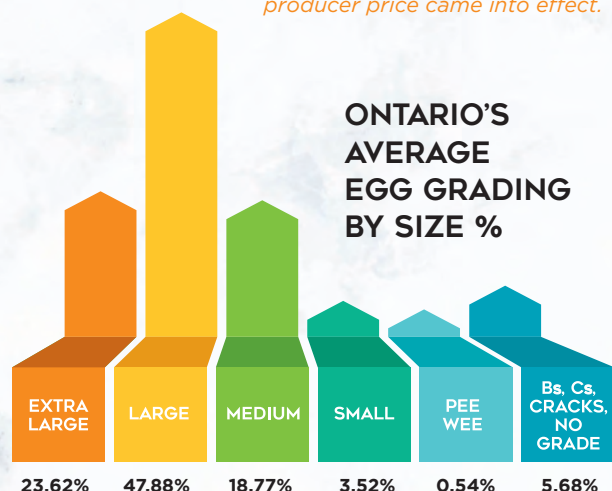
156,528

The amount of pullet quota transferred

AVERAGE PRODUCER PRICES: 2015 TO 2019

SIZE	2015	2016	2017	2018	2019*
Extra Large	\$1.90	\$1.85	\$1.96	\$1.96	\$2.06
Large	\$1.90	\$1.85	\$1.96	\$1.96	\$2.06
Medium	\$1.69	\$1.64	\$1.75	\$1.75	\$1.84
Small	\$1.26	\$1.23	\$1.35	\$1.35	\$1.44

* Effective September 8, new market producer price came into effect.



40.45¢

LEVY ADMINISTRATION

The amount of Ontario's egg levy deducted from farmers

3,995,809

ONTARIO INDUSTRIAL PRODUCT

The number of 15-dozen boxes

1,261,640

ONTARIO EGGS FOR PROCESSING

The number of 15-dozen boxes

THE SCIENCE OF HIGH-QUALITY EGGS

Egg Farmers of Ontario (EFO) continued our commitment to support research intended to generate innovation within the egg and pullet sector. Such research leads to steady improvements in a variety of areas such as egg quality, sustainability and hen care.

In 2019, EFO funded the following projects:

Conversion of poultry mortality hydrolysate to lactic acid, a building block for renewable bioproducts

Dr. Brandon Gilroyed

School of Environmental Sciences, University of Guelph

This research is focused on a strategy for managing poultry mortalities and the production of value-added renewable platform chemicals and biomolecules. Reducing the environmental impact of the Canadian poultry industry can be achieved in numerous ways, both directly through changes in management practices and indirectly through development of new sustainable technologies. This research is also funded by Egg Farmers of Canada and the Ontario Ministry of Agriculture, Food and Rural Affairs, the researchers have developed an ambient alkaline hydrolysis (AMAHY) process that economically solubilizes and stabilizes poultry mortalities. Investigation into the biogas potential of the nutrient-rich hydrolysate that comes out of the AMAHY process found that there is tremendous biogas value in the material. They are investigating using the hydrolysate to produce higher-value products by using it as a growth medium for industrially relevant microbes. In particular, use of AMAHY hydrolysate as a nitrogen source for fermentative production of lactic acid, which is a platform chemical precursor used to manufacture bioplastics, polyacrylates, food flavouring, pharmaceuticals, personal care products and more. This research will study the conversion of AMAHY poultry hydrolysate to lactic acid using *Lactobacillus* spp. bacteria and the fungus *Rhizopus oryzae*.

Modified eggshell membrane formulations as a novel supplement to maintain gut health

Dr. Maxwell Hincke

Department of Cellular and Molecular Medicine, University of Ottawa

Canada produces about 9 billion eggs per year; 27% of those are processed at egg processing plants and yield low value

eggshell/eggshell membrane (ESM) byproducts. The goal of this project is to develop value-added ESM products. This is a pilot study to evaluate the effect of various ESM formats on in vitro cell lines that reflect gut function and immunomodulation. A mouse study to determine impact on gut microbiome will also be performed. Ultimately these studies will assist to develop our unique ESM formulation into a human supplement product to support gut health.

Impact of different housing systems on eggshell cuticle quality and bacterial adherence in table eggs

Dr. Maxwell Hincke

Department of Cellular and Molecular Medicine, University of Ottawa

Food safety of table eggs is critical, as consumption of contaminated eggs and egg products can be linked to outbreaks of food poisoning, human illness and death. The eggshell cuticle is the first line of defense to restrict the entry of pathogens such as *Salmonella Enteritidis*. The completeness of cuticle coverage and its chemical composition play a critical role in limiting bacterial entry. Previous research revealed that cuticle composition and chemistry is influenced by hen age and strain, as well as the commercial washing process. To extend this study, the research will evaluate cuticle quality and composition in eggs from hens in different housing systems. It is known that environmental stress experienced by the hen affects eggshell quality, and the research hypothesizes that cuticle deposition and its chemical composition is a sensitive indicator of differences in bird welfare and nesting behaviour. This project will compare cuticle and pore plugs and susceptibility to *Salmonella* contamination, in eggs collected from conventional, enriched, free run and free range housing systems. The active cuticle components and their ability to limit pathogen adhesion will be investigated to learn if cuticle deposition is susceptible to changes in the normal health and nesting behaviour of hens.

HIGH ON-FARM STANDARDS RESULT IN HIGH-QUALITY EGGS

Across Ontario and Canada, the egg and pullet sector continues to be part of a growth market. Consumers recognize the quality of our product and understand the nutritious benefits of consuming eggs on a regular basis.

On-farm Operations

As a result of this growing market our farm buildings have never been fuller and many farmers are looking at changes and expansion. Farmers continue to follow and meet the new housing code requirements and retool facilities to either enriched, free run or aviary housing systems. Our farmers have many things to consider as they make plans to expand and grow their farm businesses.

Farmers continue to produce high-quality eggs and pullets and strive to meet the requirements of the on-farm food safety - *Start-Clean - Stay Clean™* and *Animal Care Programs*. Farmers work closely with Egg Farmers of Ontario (EFO) staff and third-party auditors to ensure program requirements are followed. Further updates and changes to these programs will be implemented once-a-year to ensure everyone understands all of the changes. In 2020, EFO will work towards the development of a similar process for Ontario pullet growers. Once approved, it will be field tested and farmers will have the opportunity to attend local meetings to review the expectations of this new program.



EQA Certification

In February 2019, a new national initiative was launched. *Egg Quality Assurance™* (EQA™) program identifies products coming from facilities that have met all the requirements of on-farm food safety and animal care programs. All Ontario farmers were EQA™ certified and maintain their certification through passing of all program requirements and implementing corrective actions as required.

Biosecurity and Emergency Response

Together with industry partners and agencies, EFO continues to be an active part of the Feather Board Command Centre (FBCC) and Agriculture Response Materials Management Inc. (ARMMI) so the sector can be prepared to react to emergencies or a foreign animal disease outbreak. In June of 2019, EFO staff, the four feather boards, industry and government agencies participated in a successful three-day simulation to activate and test our updated procedures and protocols.

For a number of years, EFO owned equipment and had trained staff to carry out full barn euthanasia. The decision was made in September to no longer provide this service. The equipment was sold to a third-party company who is now set up and ready to provide this service to farmers across Ontario.

Overcoming Challenges

As a result of labour shortages, tight timelines with catching crews and processing space, there have been increasing challenges in having end-of-lay flocks go out or having new flock placements put back in while allowing for the seven-day down time. Placement challenges have been recognized with very high weeks of birds to go out and new birds to be put back in while there were some weeks with low movement. EFO Board and staff have met with industry partners to discuss some of these issues and how it impacts each one differently. EFO staff have been working with farmers and partners to level out some of the peaks and valleys we have within this process. Additional meetings will be held to continue the conversation and to seek further solutions.



During the past year there have been several meetings regarding housing systems that cannot be physically counted and how EFO can confirm hen housing numbers. Housing systems have changed and will continue into the future as farmers move away from conventional housing to either enriched, aviary or free run systems. Efforts geared towards developing and implementing protocols and procedures to confirm the number of birds in barns will continue into next year.

Excellent on-farm management leads to high-quality eggs.

Ontario egg and pullet farmers continue to manage their farms and flocks well and do so with care. Well-managed farm practices and the experience of our farmers all result in healthy and productive pullets for our layer farms and high-quality eggs for consumers across the province.



2019 HOUSING STATISTICS

HOUSING TYPE	NUMBER OF PULLETS	% PULLET PRODUCTION	NUMBER OF BARNs	NUMBER OF LAYERS	% LAYER PRODUCTION	NUMBER OF BARNs
Conventional	10,849,967	84	117	6,814,209	71.5	328
Enriched	-	-	-	1,077,173	11	76
Aviary	1,039,940	8	20	597,210	6	24
Traditional Nest Systems	1,032,858	8	50	230,909	2.5	33
Organic	-	-	-	808,652	8	33
Free Range	-	-	-	805,652	8	33

QUALITY INGREDIENTS COMBINE TO CREATE RECIPES THAT DELIVER

This year was an active one for our Public Affairs Department. We said goodbye during the final flight of the *Who Made Your Eggs Today?* campaign, embraced new programs and sponsorships and gained valuable insights through research.

Advertising

Flight 1 of the 2019 *Who Made Your Eggs Today?* (WMYET?) campaign launched April 29 and ran for four weeks. Horizontal and vertical ads featuring the Chaudary, Corput, Mulder and Ottens families were on TTC Interiors, GoTrains and transit bus posters across Ontario. Close to 70 billboards were also placed in the GTA, as well as North Bay, Sudbury and Thunder Bay. Extended advertising reach on social media was also implemented during flight 1.

The second and final flight of the WMYET? campaign launched September 17 and also ran for four weeks. As with the first flight, the Chaudary, Corput, Mulder and Ottens farm families were featured and ads were placed on 5,210 TTC interiors, 1,324 GoTrains and 336 transit bus posters.

After serving 10 years as the framework for EFO's advertising, the final flight of the *Who Made Your Eggs Today?* campaign took place in 2019.

To further increase our advertising reach during 2019, Egg Farmers of Ontario (EFO) placed ads in a variety of publications, including:

- *City Parent* Magazine - EFO's *Breakfast Poutine* recipe made its debut in the May edition of *City Parent*, which included a feature on the front cover. Just in time for back to school, *Apple Oat Breakfast Muffins* appeared on the inside cover in September. The recipe for *Snickerdoodles* was featured in the December issue and also appeared on the front cover.
- *edible* Magazine - This popular Toronto magazine has a circulation of about 25,000 per issue and the March/April Breakfast edition highlighted EFO's *Breakfast Poutine* on an inside cover spread, with the *Turkey and Egg Stromboli* as a full page recipe feature within the magazine. May/June featured EFO's *Brown Butter and Thyme Corn Bread* recipe and pullet farmer Tim Corput. The July/August issue



Above: Delicious Breakfast Poutine was showcased in the Breakfast Issue of *edible* Magazine.

- featured EFO's *Spinach Mozzarella Salad* and the Mulder family. Our *Egg and Bacon Skillet* was highlighted, along with the Corput family, in the fall Harvest Issue. Finally, the classic Christmas cookie, *Snickerdoodles*, was on spotlight in the November/December issue.
- *Food & Drink* Magazine - EFO's *Breakfast Poutine*, a brunch favourite, was featured in the LCBO's popular magazine for Autumn 2019.
 - *Horizon* Magazine - The recipe for *Snickerdoodles*, a baking classic, was featured in the December issue.
 - *Post City* Magazine - The Ottens family was featured in a half-page, full colour ad in the October edition of the magazine, while in December, EFO's *Chocolate Lava Cake* and the Chaudary family were highlighted in a full-page advertisement.
 - *Canadian Poultry* - EFO's Board of Directors were presented in the August *Who's Who* edition.
 - *Waterloo Region Post* - In October, egg farmer Tonya Haverkamp was featured in a quarter-page, full-colour advertisement which included messaging on the freshness of eggs in the grocery store.



Above: Subway advertisement featuring the Mulder family.

Farm Family Information Cards

Egg Farmers of Ontario offers every egg and pullet farmer the opportunity to have their farm story and family picture placed on a postcard-sized, full-colour information card. Two farm families from Zone 4 requested cards to be created for them to hand out at events and farmers' markets.

Recipe Bank

Each year, EFO develops 12 new recipes to suit a range of occasions and tastes. During 2019, the following recipes were created: *Apple Oat Breakfast Muffins*, *Chocolate Raspberry Bread Pudding*, *Turkey and Egg Stromboli*, *Strawberry Rhubarb Spice Cake*, *Brown Butter Thyme Cornbread*, *Strawberry Soufflé*, *Spinach Mozzarella Salad*, *Southwest Chipotle Power Bowl*, *Egg and Bacon Skillet*, *Spicy Beef Ramen*, *Breakfast Poutine* and *Snickerdoodles*. Two of the recipes were further developed into our popular spice cards – *Strawberry Rhubarb Spice Cake* and *Spicy Beef Ramen*. 61,000 strawberry rhubarb cards were created for Ontario and eight other provincial egg boards and 78,500 of the *Spicy Beef Ramen* were printed for Ontario and six other provincial egg boards. The cards were also shared with Ontario Beef who had 2,500 created for events and promotions.

Resources

The *Eggs Simply Perfect* recipe resource was developed in 2019 and was created for new or inexperienced cooks. 25,000 of the resource were printed in English and 5,000 were produced in French.

EFO, assisted by Lime and Lemon Media, joined with Canada Beef, Ontario Bean Growers and Ontario Turkey to present two flights of *Cooking 101*. Each flight consisted of the development of eight new kid friendly recipes, the creation of a *Cooking 101* recipe book and 10 curriculum-based, in-school cooking demonstrations for Grade 6-8 classes. The spring session (*Cooking 101 - Recipes using local food*) featured *Turkey and Mushroom Egg Nests*, *Breakfast Quesadillas* and *Ginger Beef and Mushroom Noodles*, while the fall flight (*In the Kitchen - Cooking 101*) featured the *BLT Power Bowl*, *Cheesy Toad in a Hole* and *Huevos Rancheros Omelette*.



Top: Images from the 2019 recipe collection.
Above: The Mulder Family Strawberry Rhubarb Spice Cake was one of two spice cards developed in 2019.



Left: Resource created in conjunction with in-school demonstrations.

Below: The Eggs Simply Perfect Resource.



Below: EFO's mobile egg education trailer at the CNE.

Bottom: Zone 6 egg farmer Tonya Haverkamp participates in the EFO sponsored Food and Nutrition Symposium during the RAWF.



PROMOTIONS

Fairs, Exhibits and Events

2019 was a busy year, with eggs being promoted at 76 fairs and event across the province. In addition, approximately 272,755 recipes and education resources, 24,806 shopping pads, 88 gift baskets, 4,691 microwave egg packages and 3,429 microwave egg cookers were distributed to egg lovers in Ontario.

The large mobile egg education trailer and full-time Egg Ambassador was active during the 2019 fair season, making stops at more than 25 Ontario fairs and agricultural events. To keep the trailer at its' best, renovations completed during the year included replacing and painting the trailer floor, replacing the egg belts, new ventilation system, new feed display with updated signage and finally, the addition of a video screen where visitors to the trailer could watch and learn more about housing, hen care and grading.

To further extend our reach into Eastern Ontario, EFO once again partnered with Jeff Robinson and the *Travellin' Farmer* exhibit – a popular interactive attraction to engage both kids and adults.

Egg Farmers of Ontario was once again a presenting sponsor of two *Breakfast on the Farm* events; June 22 at Jobin Farms in Tecumseh; and September 14 at Barrie Hill Farms in Springwater, Ontario. Eggs for the breakfasts were provided by Burnbrae Farms and Gray Ridge Eggs.

Our partnership with the *Demonstration Kitchen Program* continued into 2019, with the display going to five fairs – Niagara, Navan, Quinte Exhibition, Harriston-Minto and Huntsville.

The 140th Canadian National Exhibition (CNE) ran August 16 to September 2 and EFO's exhibit featured the large egg education trailer, complete with an enriched housing unit. Visitors could view the hens while interacting with farmer volunteers.

As in previous years, EFO had farmer volunteers participate at the Western Fair in London and the International Plowing Match, held in Verner, Ontario.

Royal Agricultural Winter Fair (RAWF)

Egg Farmers of Ontario's large egg trailer was the cornerstone of our display where volunteer egg farmers were on-hand to answer consumer questions. As the presenting sponsor of the *Road to the Royal* video series, EFO created five original videos, plus a montage video that lead up to the fair. Hosted by Katie Brown, the videos took place on an egg farm, at a grading station, at the *Egg Man* Food Truck and during two events held during the RAWF. EFO also sponsored five culinary academy sessions, held at the Burnbrae Culinary Academy, where participants prepared egg-inspired dishes with the help of five local chefs. Three youth and two adult sessions were held. Finally, EFO sponsored the Food and Nutrition Symposium, a day-long event for Registered Dietitians, home economists and food and nutrition professionals. Egg farmer Tonya Haverkamp participated in a panel discussion where she spoke about egg farming, questions consumers frequently ask and what she felt was important for consumers to know about egg farming.

Promotional Items

A number of new promotional items were produced during 2019 including vests, keychains, oven mitts, baseball hats, wooden spatulas and salt & pepper shakers, all of which were

branded with the *Get Cracking*® logo. In addition to these items, a handcrafted, egg-shaped ornament was designed and created by a local Ontario artist.

PUBLIC RELATIONS

Eggs & Bakin' Newsletter

This consumer facing e-newsletter continued to grow throughout the year, reaching 1,300 monthly subscribers and an average read rate of 45.5%.



Left: A sample of the ornaments created during 2019.

Below (left): EFO's egg decorating tips featured in the *Toronto Sun*; and (right) Beautiful Easter eggs created by crafter Denise Wild.



Below Left: Janelle Caldwell (Gray Ridge Eggs) celebrates Ontario Agriculture Week.

Below Right: Culinary students from Algonquin College tour Marcel Laviolette's egg farm and grading station.



Easter

To celebrate Easter, EFO partnered with do-it-yourself craft expert Denise Wild to share Insta-worthy egg decorating tips with consumers via television morning shows. Denise was featured as a guest on *CTV News at Noon* (Kitchener), April 1; *CHCH Morning Live* (Hamilton), April 4; *CTV Morning Live* (Ottawa), April 11; *CTV News at Noon* (Ottawa), April 11; *CP24* (Toronto), April 15; and *Global Morning* (Toronto), April 18. Denise shared her television visits and egg decorating skills via her Instagram page.

Rita Demontis, Food and Lifestyle Editor for Post Media, also included EFO's egg decorating tips in the *Toronto Sun*.

World Egg Day

World Egg Day was celebrated around the world on October 11. Egg Farmers of Ontario celebrated the day through social media activity and also participated in a contest with Canadian Women's 2019 Pinty's Cup Champions Team Homan.

Education

Education within the classroom is always an important aspect of EFO's strategy and as a result, a food skills pilot project was implemented during 2019 in Ontario secondary schools, covering grades nine through to 12. The curriculum covered egg storage, meal preparation, proper culinary skills and nutrition and was facilitated by home economist Emily Richards. The initial program took place at secondary schools in Mississauga and then was piloted in 20 Ontario schools in the fall of 2019.

Together with Farm & Food Care, a culinary farm tour for Algonquin College students was held April 1. About 45 culinary students toured Zone 10 farmer Marcel Laviolette's egg farm and grading station.

To complement the *Real Dirt on Farming* resource developed by Farm and Food Care, a video series with the corresponding title *The Real Dirt Road Trip* was launched in 2019. EFO participated in the series and the egg portion of the road trip featured Zone 4 egg farmer Charlotte Huitema and family.

Ontario Agriculture Week was celebrated October 7-13 and EFO joined Farm & Food Care along with several commodity groups October 10 to thank busy commuters in Toronto's Union Station. Farmers and staff were available during high volume

commute times to engage with consumers while treating them to a delicious snack. Janelle Caldwell (Gray Ridge Eggs) and Megan Veldman (Zone 3) participated during the morning event where they handed out egg sandwiches.

Sponsorships

To support with community events across Ontario, including egg donations, sports teams, community and lifestyle events, each Zone received \$15,000 in 2019, resulting in more than 300 locally sponsored initiatives.

Egg Farmers of Ontario, in partnership with Egg Farmers of Canada, 9 provincial and 1 territorial egg boards, continued to support the *Egg Farmers Rocks & Rings* presented by Curling Canada program in 2019. This program brings the sport of curling into schools by teaching kids the game in a fun and engaging way. In 2019, more than 119,000 schools in Ontario enjoyed this interactive program. School visits included special guest instructor John Epping, who helped celebrate the 10th anniversary of the program in Toronto.

During 2019, EFO continued to be the *Official Breakfast Protein of Lois Betteridge*, Canadian and U23 national team athlete for kayak and canoe. EFO is proud to support Lois on her journey to the 2020 Olympics, which will be the first time the games will include women's canoe events.

In 2019, EFO sponsored bass fishing professional Chris Coker. This active fisherman competed in seven tournaments during the season and proudly displayed the *Get Cracking®* logo on his boat, engine and fishing jerseys.

Along with Zone 8 egg farmers, EFO has signed a one-year agreement to sponsor Ryan MacGregor, a Paralympic golfer. Eggs are the *Official Breakfast of Paralympic golfer Ryan MacGregor*, who aspires to qualify for the Paralympics.

Right: Paralympic golfer Ryan MacGregor

Far Right: National kayaker Lois Betteridge says thank you on Facebook.

Below: Team Homan poses with the Canada Cup.

Below Right: Medals, hats and pucks created for the OMHA Playdowns.



During the *Pinty's Grand Slam of Curling Players Championships* in April, EFO and Team Homan continued the third year of our partnership with a social media takeover. On April 10, Team Homan took over EFO's Instagram account, allowing followers to take a behind-the-scenes look at the team. During this takeover, the team hosted a giveaway where they invited fans to follow EFO on Instagram for a chance to win a game-worn jersey. More than 360 people entered the contest. The following day, egg farmer Tonya Haverkamp helped EFO take over Team Homan's Instagram account while the team was on the ice to answer egg farming questions. Tonya also attended a meet and greet with the team following the games.

Egg Farmers of Ontario completed year 1 of our 5-year partnership with the Ontario Minor Hockey Association. This province-wide partnership included digital media integration, social media activity, nutritional messaging in newsletters, branded medallions and hats given to all the players of each division's championship team, championship banners hung in home town arenas as well as farmer activation opportunities at the final game of each division. Egg farmers from Zones 2, 4, 5, 6, 7, and 8 presented awards at their local games.

To enhance sponsorship of active lifestyles and athletes, EFO completed the first year of our partnership with Sport and Social Group (SSG), the leading provider for adult co-ed sports leagues in Ontario. SSG has a membership of more than 100,000 in the 21-40 age demographic. Through this collaboration, EFO sponsored volleyball programs in Toronto, Mississauga, Hamilton, Sudbury, Kitchener-Waterloo, Ottawa, London and Quinte West.



Egg Farmers of Ontario was proud to sponsor the 2019 Advancing Women in Agriculture conference, held October 27-29 in Niagara Falls. This event gathers women who are passionate about agriculture and food. Egg farmers Kayla and Megan Veldman participated in the conference, taking part in the “farming with family” workshop as presenters.



Fields to Forks

Egg Farmers of Ontario once again sponsored a series within the *Fields to Forks* campaign with CTV London. This program was developed to make the connection between Ontarians and the many people who produce food for them. The partnership included a 60-second vignette featuring Aric Bos and family (Zone 5), promotion on the *Fields to Forks* website, pre-roll ads, radio advertising and three “Ask the Experts” radio segments on Newstalk 1290 CJBK (London).

TABASCO®

Egg Farmers of Ontario joined with TABASCO® in a unique partnership, which included a social media contest, out of home advertising and an in-store contest. From July 13th to August 31st, the TABASCO® Hot Summer Crew was in Toronto, Montreal and Vancouver to pick up the tabs of lucky brunch diners who posted a photo of their meal (including eggs) with a bottle of TABASCO® to Facebook or Instagram using the hashtags #myTABascoTO, myTABascoMtl or #myTABascoVC. In September, an in-store contest encouraged shoppers to spice up their morning eggs. To enter the contest, shoppers who purchased a dozen eggs and a bottle of TABASCO® submitted their receipts online and were entered for a chance to win \$5,000 in groceries. A “take-over” of St. George’s subway station in Toronto, with full wraps on six platform pillars, also helped to promote the in-store contest.

To promote the contest, egg farmer Stephanie Nanne was a guest September 6 on CTV *Morning Live* (Ottawa) and Rogers *Daytime* (Ottawa). Zone 6 egg farmer Tonya Haverkamp visited Rogers (Kitchener) on September 30 for the promotion and was a guest on the health and wellness radio show *Tonic Toronto*.

Government Relations

Egg Farmers of Ontario held their 21st annual *Member of Provincial Parliament (MPP) Omelette Breakfast* November 19 in the Legislative Dining Room at Queen’s Park. Thirty-five MPPs and more than 75 legislative staff members enjoyed freshly-made omelettes. The omelettes were prepared by EFO Directors who were joined by egg farmers Brett and Benjamin Graham (Zone 6), Tylor and Robyn Van Kessel (Zone 1) and Mireille Leroux (Zone 10). The Honourable Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs provided greetings during the event, along with comments from John Vanthof,



Top: Aric Bos (Zone 5) being interviewed on his farm for the *Fields to Forks* program.

Above: Participants in the Sport & Social Group take a break to have fun with egg swag.

Bottom: Contest promotion featuring TABASCO® and Get Cracking®.



Hi! We're the TABASCO® Summer Crew and we're picking-up brunch TABS from coast to coast!

From 10h30 am to 2h30 pm on Saturdays and Sundays, from July 13th to August 31st, we're scanning social media and hitting some of Canada's top brunch spots to pick-up TABs!

Brunch-lovers simply have to post a picture of their first meal of the day alongside a bottle of TABASCO® to Facebook or Instagram using their city's hashtag for a chance to win \$20!

Thank you for allowing the TABASCO® Summer Crew into your establishment!

For more information visit tabascosauce.ca



Agriculture Critic for the New Democratic Party. Mike Schreiner, Leader of the Green Party of Ontario, also took the time to stop by.

The Ontario Public Service (OPS) food drive was held at Queen's Park on April 25 and EFO donated 4,500 eggs from Gray Ridge Eggs that were delivered to the *Daily Bread Food Bank* in Toronto. Zone 3 Director Dan Veldman and daughter Megan participated in the event where they greeted Minister Hardeman. In October, EFO once again contributed to the OPS Food Drive, coordinated by the Ontario Ministry of Agriculture, Food and Rural Affairs. 300 boxes of eggs were delivered by Burnbrae in support of this worthwhile cause.

Premier Ford hosted a meeting of provincial and territorial leaders on December 1 and 2. As part of this two-day meeting, a welcome reception was held December 1 to highlight Ontario's agricultural products and was an opportunity for Ontario's farm leaders to engage with provincial and territorial leaders and staff. EFO Chair Scott Graham joined Dan and Megan Veldman to present the "mini quiche station" on behalf of EFO.

Media Relations

Egg Farmers of Ontario garnered a strong media presence during 2019 promoting egg farming and recipes.

On February 7, *Mom in the Know* blogger Julie Findlay appeared on Rogers *Daytime* (Ottawa) to feature comforting slow cooker recipes from getcracking.ca.

During the month of March, egg farmer Tonya Haverkamp visited CTV *Morning Live* (Ottawa) and CTV *News at Noon* (Kitchener) to share fresh and simple spring tastes by demonstrating how to make an egg veggie skillet.

In May, Rita DeMontis, senior national Lifestyle and Food Editor for Post Media included EFO's *Pizza Stuffed French toast* recipe in her Unofficial Start to the Summer Season article.

Julie Findlay once again visited CTV *Morning Live* (Ottawa) in June to celebrate all things summer. This visit included multiple on-air segments where Julie prepared a number of EFO recipes to keep viewers fueled for summer activity, with little fuss or preparation.

Just before Christmas, Rita DeMontis featured EFO's *Classic Eggnog* and *Eggnog Tart* recipes in her column, which was circulated in Sun Media publications across Canada, including the *Toronto Sun*.



Left: Zone 3 Director Dan Veldman and his daughter Megan join The Honourable Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs at the OPS food drive.

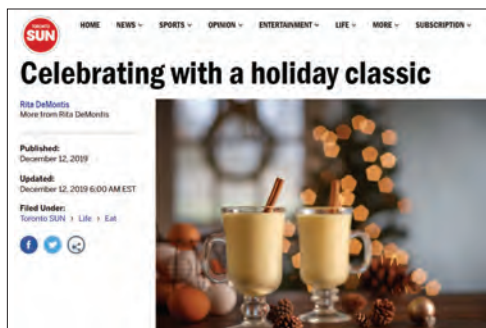
Middle: EFO Chair with Premier Doug Ford and Megan & Dan Veldman at the Premiers' Reception December 1.

Below: Eggs and TABASCO® take over St. George's Station in Toronto.



Together with EFO's Board of Directors, next generation egg farmers participated in the 21st Annual MPP Omelette Breakfast at Queen's Park.





Far Left: Rita Demontis shared EFO's Eggnog recipe to celebrate the holidays.

Left: Zone 6 farmer Tonya Haverkamp visits CTV (Ottawa) to share fresh spring tastes.

Two final segments finished out the year. Judy Scott Welden was on CTV Kitchener December 19 showcasing EFO's *Garlic Shrimp Noodle Bowl* and *Mason Jar Lemon Meringues*. Julie Findlay shared "What to Leave Out for Santa" on CTV News (Ottawa) and featured EFO's *Chocolate Eggnog* and *Snickerdoodle* recipes.

Communications

Egg Farmers of Ontario held an Egg Ambassador Training Session on March 25, prior to the annual meeting. Kelly Daynard from Farm and Food Care led the session, with more than 50 egg and pullet farmers participating. Egg Ambassadors learned and practiced techniques for listening well, conversation etiquette, language dos and don'ts, using shared values to communicate, dealing with difficult people, tips for engaging on social media and more. At the end of the session, participants received the *Egg Ambassador Reference Manual* to use as a resource when working events.

Nutrition Strategy

Egg Farmers of Ontario continues to reach consumers with information regarding the nutrition of the egg. EFO does this by repurposing previously developed content on social media and the distribution of resources, along with television appearances by Registered Dietitians.

On February 7, Registered Dietitian Andrea D'Ambrosio visited CTV Kitchener to share heart healthy ways to make breakfast filling. Andrea then joined hosts at CTV News at Noon (Kitchener) March 11 and CHCH Morning Live March 12 to share easy March break make-ahead meals and snacks, which included hard-cooked eggs.

To get ready for summer, Andrea shared easy summer potluck pleasers, namely *Devilled Eggs*, on CHCH (Hamilton) June 26 and CTV (Kitchener) on June 28.

To keep eggs top of mind in the fall, Registered Dietitian Carol Harrison demonstrated fast and easy nutritious meals with eggs on *Breakfast Television* (Toronto) September 25 and *Global Morning* (Kingston) October 4. On October 9, Carol Harrison and Shannon Crocker hosted a webinar for Loblaws' in-store dietitians program, with more than 65 dietitians participating. As a result of the webinar, 10 dietitians hosted their own in-store egg demonstrations. Finally, on October 24, Shannon Crocker was featured on CTV (Ottawa) to again demonstrate fast and easy meals using eggs.

To round out the year, Andrea D'Ambrosio was featured on CTV (Kitchener) December 16 to share Christmas brunch ideas and was invited back again on December 31 to show delicious ideas for New Years Eve.

DIGITAL

Website Updates

Extensive work was done on the back-end of the getcracking.ca website to optimize the functionality of EFO's recipe site and enhance the functionality/features for users. This included a complete migration of the recipe platform to an updated hosting platform.

Social Media

Regularly scheduled posts promoting farmers, events and recipes continue across all EFO social media platforms. EFO continued to run sponsored social media posts which were directed to the news feeds of those within our target demographic.



Left: Loblaw's Dietitian hosts an in-store eggs demonstration.
Middle: Registered Dietitian Andrea D'Ambrosio visits CHCH Television in Hamilton.
Right: Menu Magazine featured egg farming in March/April.



Above: Zone 9 Director Craig Hunter joins students at St. Gregory Catholic School to present a cheque to Student Nutrition Ontario.

FOODSERVICE

In January, EFO was fortunate to bring Debbie Fantauzzi onto the foodservice team. With a combined experience of more than 20 years in the foodservice sector, Debbie has already proven to be a strong asset.

During 2019, more than 30 promotions were created through EFO's Foodservice group and *Egg Chef*, EFO's online platform for free, customizable point-of-sale materials for restaurant and foodservice operators.

The *Egg Chef* portal is currently being repositioned and moving to a new provider. UPS National Print Service has almost completed the migration of the platform and will be in a position to launch in 2020.

Foodservice staff were involved with a variety of trade show events during the year. The 2019 Restaurants Canada show was held February 24-26 in Toronto, with an attendance of 30,000 visitors over the three-day event. Foodservice staff and Chef Tom handed out delicious egg-pops to attendees. EFO was a presenting sponsor for the *Breakfast of Champions* event where Bill Mitchell, EFO Director of Public Affairs, participated in the panel which included representatives from Dairy Farmers of Ontario and Chicken Farmers of Canada.

Foodservice staff were invited to participate in the Gordon Foodservice trade show on March 20 to connect with chains and independent operators about egg menu items. In April, EFO participated in the Flanagan Foodservice Distributor Show in Kitchener, where restaurants owners were inspired with new menu ideas.

The Canadian Culinary Federation held its 56th annual conference in Niagara Falls, May 27-30 and EFO was proud to be a bronze sponsor of the forum which brings together chefs and cooks from across Canada. EFO hosted an omelette competition, participated in the trade show and sponsored Egg Pops during nutrition break on the final day. EFO participated in the *Summit Food Service Fall Symposium* in October, who distributes to more than 3,500 clients in restaurant, hotel, healthcare and educational settings. Finally,

on October 1, staff attended the Sysco *Foodie Food Expo*, where they were on hand to promote egg menu items.

The March/April edition of *Menu Magazine*, Canada's Foodservice magazine, featured EFO in a three-page article on the Canadian appetite for eggs and how our market is driven by local farm families. *Menu Magazine* is distributed to more than 12,000 foodservice clients throughout Canada. A second article was featured in the fall along with three blog posts and online advertising.

EFO was a presenting sponsor of Taste Canada's General Cookbooks category. Scott Graham, EFO Chair, attended the gala on October 27 where he presented the award to the winning author. This sponsorship also included recognition online, logo placement, newsletter submissions and recipe content.

In order to leverage foodservice market research, the company Technomics has been engaged to create and deliver informative, strategic insight-driven presentations for our foodservice clients. Work has already begun on the research, with presentations being finalized on four key areas of opportunity – All Day Breakfast, Driving Traffic with Craveable LTOs, Creatively Expanding Senior and Kid Menus with Eggs and Leveraging Eggs as a Sustainable Protein on Menus.

SOCIAL RESPONSIBILITY

EFO continued the *Food Bank Egg Donation Program*, along with *Feed Ontario* (formerly the Ontario Association of Food Banks) and Ontario graders. This program continues to provide an annual donation of \$250,000 worth of eggs, distributed by *Feed Ontario* to its member food banks across Ontario. Eggs are provided through the on-going participation of Burnbrae Farms and Gray Ridge Eggs.

To fuel student learning, EFO's three-year partnership with Student Nutrition Ontario was extended by a year. The 2019/2020 cheque presentation was held at St. Gregory Catholic School in Picton on December 3, with Zone 9 Director Craig Hunter making the presentation.

For the 52-week period ended December 28, 2019

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 28, 2019 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 28, 2019 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located at RLB LLP's website at: www.rlb.ca/additional-auditor-responsibilities. This description forms part of our auditor's report.



RLB LLP
Chartered Professional Accountants
Licensed Public Accountants
Guelph, Ontario
March 3, 2020

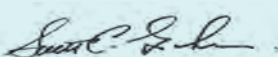
Egg Farmers of Ontario Statement of Financial Position

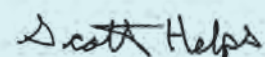
AS AT DECEMBER 28, 2019

	2019	2018
Assets		
CURRENT		
Cash	\$ 13,996,587	\$ 10,825,591
Cash in trust - QTS	5,058,348	5,235,174
Short term investments - due in less than 12 months (<i>note 6</i>)	2,142,054	1,447,221
Accounts receivable levies	6,082,069	4,894,067
Accounts receivable from EFC	6,453,445	6,171,680
Per bird levy receivable	379,748	344,711
Accounts receivable MGA	1,172,898	1,116,691
Prepaid expenses	53,253	36,384
Industrial product receivables	1,458,571	1,497,828
Quota receivable	2,280,512	2,221,693
Other receivables and inventory	<u>1,042,179</u>	<u>1,382,444</u>
	40,119,664	35,173,484
LONG TERM INVESTMENTS - due in more than 12 months (<i>note 6</i>)	4,508,556	5,565,293
CAPITAL ASSETS (<i>note 7</i>)	<u>368,428</u>	<u>456,309</u>
	<u>\$ 44,996,648</u>	<u>\$ 41,195,086</u>
Liabilities		
CURRENT		
Accounts payable and accrued liabilities	\$ 7,387,512	\$ 7,170,039
Accounts payable in trust - QTS	5,058,348	5,235,174
Accounts payable to EFC	11,928,194	7,806,510
Farmers' payable - EFP	1,788,189	2,267,019
Per bird levy payable	<u>0</u>	<u>3,877,826</u>
	<u>26,162,243</u>	<u>26,356,568</u>
Net Assets		
Net assets invested in capital assets	368,428	456,309
Internally restricted for bacteria control (<i>note 8</i>)	2,000,000	2,000,000
Internally restricted for special projects (<i>note 9</i>)	1,845,760	2,174,072
Internally restricted for pullet quota sales (<i>note 10</i>)	1,077,305	794,029
Internally restricted for CETPP fund (<i>note 11</i>)	1,368,453	0
Internally restricted for disease initiative (<i>note 16</i>)	1,241,594	1,388,979
Unrestricted net assets	<u>10,932,865</u>	<u>8,025,129</u>
	<u>18,834,405</u>	<u>14,838,518</u>
	<u>\$ 44,996,648</u>	<u>\$ 41,195,086</u>

see notes to the financial statements

APPROVED ON BEHALF OF THE BOARD:


Scott Graham, Chair


Scott Helps, Vice Chair

Egg Farmers of Ontario Statement of Changes In Net Assets

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

	Invested in Capital Assets	Internally Restricted for Bacteria Control (note 8)	Internally Restricted for Special Projects (note 9)	Internally Restricted for Pullet Quota Sales (note 10)	Internally Restricted for CETPP Fund (note 11)	Internally Restricted for Disease Initiative (note 16)	Unrestricted	52 Weeks 2019 Total	52 weeks 2018 Total
BALANCE									
Beginning of period	\$ 456,309	\$ 2,000,000	\$ 2,174,072	\$ 794,029	\$ 0	\$ 1,388,979	\$ 8,025,129	\$ 14,838,518	\$ 17,419,493
(Deficiency) excess of revenue over expenditures	(79,617)	(203,134)	(238,189)	283,276	1,368,453	(147,385)	3,012,483	3,995,887	(2,580,975)
Invested in capital assets (net)	(8,264)	0	0	0	0	0	8,264	0	0
Transfers (note 17)	0	203,134	(90,123)	0	0	0	(113,011)	0	0
BALANCE									
End of period	<u>\$ 368,428</u>	<u>\$ 2,000,000</u>	<u>\$ 1,845,760</u>	<u>\$ 1,077,305</u>	<u>\$ 1,368,453</u>	<u>\$ 1,241,594</u>	<u>\$ 10,932,865</u>	<u>\$ 18,834,405</u>	<u>\$ 14,838,518</u>

see notes to the financial statements

Egg Farmers of Ontario Statement of Operations

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

	Budgeted 52 weeks 2019 (note 5)	Actual 52 weeks 2019	Actual 52 weeks 2018
REVENUE			
Sales	\$ 90,648,834	\$ 99,565,618	\$ 89,487,362
Less			
National IP fees (note 12)	59,863,660	70,312,740	65,574,451
EFC administration levies (note 12)	8,795,692	8,581,469	8,289,876
Enriched housing incentive	2,000,000	1,761,527	1,654,666
EFO early adopters housing incentive	0	448,111	0
Per bird levy rebate	<u>2,000,000</u>	<u>196,917</u>	<u>4,079,849</u>
Levies and licence fees retained	17,989,482	18,264,854	9,888,520
Investment and other income	210,556	446,257	321,985
Layer leasing revenue	3,467,500	4,050,862	4,108,514
Market growth allowance fees	1,126,301	1,175,733	1,101,229
EFP program (schedule I)	<u>50,000</u>	<u>(8,361)</u>	<u>50,000</u>
	<u>22,843,839</u>	<u>23,929,345</u>	<u>15,470,248</u>
EXPENDITURES			
IP program (schedule II)	5,703,398	4,542,303	4,582,617
Public Affairs	3,150,000	2,868,525	3,083,647
Consumer Choice Campaign	350,000	90,123	0
Administrative expenses (schedule III)	6,700,603	6,412,082	6,166,326
Research, grants, scholarships and memberships (note 15)	903,407	529,714	598,288
EFC layer service fee (note 12)	<u>6,510,995</u>	<u>6,553,732</u>	<u>3,092,131</u>
	<u>23,318,403</u>	<u>20,996,479</u>	<u>17,523,009</u>
TOTAL OPERATING (DEFICIENCY) EXCESS OF			
REVENUE OVER EXPENDITURES for the fiscal period	<u>\$ (474,564)</u>	<u>2,932,866</u>	<u>(2,052,761)</u>
NET REVENUE (EXPENDITURES) OF INTERNALLY RESTRICTED ASSETS			
Bacteria control (note 8)		(203,134)	(631,635)
Special projects (note 9)		(238,189)	349,820
Pullet quota sales (note 10)		283,276	(81,978)
CETPP fund (note 11)		1,368,453	0
Disease initiative (note 16)		<u>(147,385)</u>	<u>(164,421)</u>
		<u>1,063,021</u>	<u>(528,214)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES			
for the fiscal period		<u>\$ 3,995,887</u>	<u>\$ (2,580,975)</u>

Egg Farmers of Ontario Statement of Cash Flows

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

	52 weeks 2019	52 weeks 2018
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ 3,995,887	\$ (2,580,975)
Add: Items not involving cash		
Amortization of capital assets	79,617	96,392
Gain on disposal of capital assets	(10,896)	(719)
	<u>4,064,608</u>	<u>(2,485,302)</u>
Net change in non-cash operational balances		
Accounts receivable levies	(1,188,002)	809,678
Accounts receivable from EFC	(281,765)	(512,713)
Per bird levy receivable	(35,037)	580,828
Accounts receivable MGA	(56,207)	(610,043)
Prepaid expenses	(16,870)	6,970
Industrial product receivables	39,257	197,668
Other receivables and inventory	340,265	(265,467)
Quota receivable	(58,819)	(446,727)
Accounts payable and accrued liabilities	217,474	530,823
Accounts payable to EFC	4,121,684	(639,756)
Farmers' payable - EFP	(478,830)	(306,100)
Per bird levy payable	(3,877,826)	382,098
	<u>(1,274,676)</u>	<u>(272,741)</u>
	<u>2,789,932</u>	<u>(2,758,043)</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Short term investments	(694,833)	411,725
Long term investments	1,056,737	(550,944)
Purchase of capital assets	(28,897)	(106,264)
Proceeds of disposal on capital assets	<u>48,057</u>	<u>5,000</u>
	<u>381,064</u>	<u>(240,483)</u>
CHANGE IN CASH	3,170,996	(2,998,526)
CASH, beginning of fiscal period	<u>10,825,591</u>	<u>13,824,117</u>
CASH, end of fiscal period	<u>\$ 13,996,587</u>	<u>\$ 10,825,591</u>

see notes to the financial statements

Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

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.

Financial assets measured at amortized cost include cash and all accounts receivables.

Financial liabilities measured at amortized cost include all accounts payable and accrued liabilities.

The organization's financial assets measured at fair value include short and long term investments.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an

Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

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.

Transaction costs

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.

(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 marketings and reconciled annually against quota issuance and any underpayment is collected from the farmer. Prior to fiscal 2019, any overpayment was paid back to the farmer as a rebate.

With respect to grading stations and farmers over a prescribed flock size, Egg Farmers of Ontario operates a system of requiring regular reports of marketings 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 marketings 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 collectable, would not be sufficient to justify the cost of instituting the additional controls required to identify and monitor the marketings 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, 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, \$5,058,348 (2018 - \$5,235,174) 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 2019 compared to the previous period.

5. BUDGETED FIGURES

The budgeted figures are presented for comparison purposes as prepared and approved by the Board of Directors on December 6, 2018, reclassified to conform to the current financial statement presentation. They have not been audited or reviewed by the auditor.

Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52-WEEK PERIOD ENDED DECEMBER 29, 2018

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 2020 - 2026, administered by RBC Dominion Securities and BMO Nesbitt Burns. Bond and GIC interest rates vary from 0.5% to 3.72%. Investments are accounted for at fair market value.

7. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2019	Net 2018
Land	\$ 162,000	\$ 0	\$ 162,000	\$ 162,000
Office Equipment	1,286,433	1,246,485	39,948	69,619
Building	646,672	559,821	86,851	103,018
Automobiles	94,467	68,382	26,085	37,265
Promotional trailers	42,755	42,286	469	10,102
Computer equipment	611,941	558,866	53,075	74,305
	<u>\$ 2,844,268</u>	<u>\$ 2,475,840</u>	<u>\$ 368,428</u>	<u>\$ 456,309</u>

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, \$203,134 was transferred from the unrestricted net assets to the internally restricted for bacteria control (2018 - \$631,635). The current period's investment income earned totalled \$48,169 (2018 - \$27,304). Expenses paid from the bacteria control account during 2019 totalled \$251,303 (2018 - \$658,939) for a net increase of \$nil (2018 - \$nil).

9. INTERNALLY RESTRICTED FOR SPECIAL PROJECTS

The special projects account is for the funding of egg research and other special projects. During 2019, there were transfers to the unrestricted net assets from the internally restricted special projects account of \$90,123 (2018 transfers - \$nil). During the period, expenses of \$238,189 were paid out of the special projects account for a net decrease (increase) of \$328,312 (2018 - (\$349,820)).

10. INTERNALLY RESTRICTED FOR PULLET QUOTA SALES

The pullet quota sales account is an account which represents sales of pullet quota to farmers that have made a request for an increase in quota or over quota assessments. During the period, \$24,701 of interest has been earned (2018 - \$13,638) and has been allocated to the pullet quota sales account. Revenues paid into the pullet quota sales account during 2019 were \$703,830 (2018 - \$435,788) and expenses paid from the pullet quota sales account during 2019 were \$445,255 (2018 - \$531,404) for a net increase (decrease) of \$283,276 (2018 - (\$81,978)).

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

The Conventional to Enriched Transition in Producer Price (CETPP) fund was established in 2019 as a means of transitioning the market price from conventional to enriched. Expenses paid from the CETPP fund during 2019 were \$462,991, and revenues paid to the CETPP fund during 2019 were \$1,831,444 for a net increase of \$1,368,453.

Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

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:

	Cents per dozen	
	December 28, 2019	December 29, 2018
National IP fee	33.50	23.50
EFC administrative levy	3.45	3.45
Ontario administrative and research levy	2.60	2.60
Ontario reserve	(2.00)	(1.00)
Provincial IP levy	2.90	2.90
Total farmer portion	40.45	31.45
Grading station portion (voluntary)	0.02	0.02
Total levy collected	40.47	31.47

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

13. CONTINGENCIES

At the date of issuance of the financial statements, there is a lawsuit outstanding against Egg Farmers of Ontario. Neither the amounts nor the outcome of this action is determinable, therefore the financial statements have not accrued an amount for possible losses resulting from these actions.

In the prior year, a potential penalty owed to Egg Farmers of Canada (EFC) was noted in the financial statements but no amount was accrued for as the outcome was not known. In November 2019, EFC implemented a new liquidated damages assessment (LDA) process. The potential outstanding penalty associated with the old LDA policy was deemed non-applicable.

14. COMMITMENTS

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

2020	\$	2,309,863
2021		526,000
2022		411,000
2023		88,000
2024		63,000
	\$	<u>3,397,863</u>

Egg Farmers of Ontario Notes to the Financial Statements

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

15. RESEARCH, GRANTS, SCHOLARSHIPS AND MEMBERSHIPS

DESCRIPTION	RECIPIENT	2019	2018
Administration	Poultry Industry Council (PIC)	\$ 46,337	\$ 46,337
Farm and Food Care Ontario		38,850	38,850
Junior Farmers Association Sponsorship		1,000	0
Advanced Agricultural Leadership Program		10,000	10,000
Ontario Chamber of Commerce		4,000	4,000
PIC Money Received from Donald Shaver		(80,000)	0
Ontario Agri-Food Technologies		2,500	2,500
Ontario Agricultural Hall of Fame		1,000	1,000
Other Sponsorships/Memberships		3,390	4,155
IEC Membership		1,673	1,608
Canadian Centre for Food Integrity		10,000	10,000
LRIC and Research		11,691	62,138
Ontario Federation of Agriculture		3,500	3,500
Christian Farmers Federation		0	2,500
Pullet Growers of Canada Membership		105,097	99,814
Scholarship for Graduate Student	University of Guelph	5,000	5,000
Canadian Poultry & Egg Processors		1,355	1,355
La Cite		0	15,000
Ontario Federation of Agriculture Research UE		5,000	0
McGill Project		359,321	290,531
		<u>\$ 529,714</u>	<u>\$ 598,288</u>

16. INTERNALLY RESTRICTED FOR DISEASE INITIATIVE

This account represents funds received from EFC to cover S.e. related matters. A total of \$181,594 was paid during 2019 (2018 - \$188,935) for expenses related to the disease initiative. A total of \$nil was received during 2019 (2018 - \$nil) related to the disease initiative. During the period, \$34,209 (2018 - \$24,514) of interest has been earned and has been allocated to the disease initiative account for a net decrease of \$147,385 (2018 - \$164,421).

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 bacteria control projects to replenish the account for any payments made during the year. 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.

18. COMPARATIVE FIGURES

Certain prior 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 28, 2019

SCHEDULE I	52 weeks 2019	52 weeks 2018
Revenues		
Farmer EFP revenue	\$ 35,762,589	\$ 33,983,582
EFP farmer refund	<u>(10,899,411)</u>	<u>(15,819,329)</u>
	24,863,178	18,164,253
EFP sales to breakers	<u>10,648,112</u>	<u>14,438,701</u>
	<u>35,511,290</u>	<u>32,602,954</u>
Costs		
Egg purchases	33,047,771	30,274,961
EFP administration costs	99,929	50,741
Transportation	574,114	535,432
Packaging	189,246	178,086
Grading handling allowance	<u>1,608,591</u>	<u>1,513,734</u>
	<u>35,519,651</u>	<u>32,552,954</u>
EFP program (loss) revenue	<u>\$ (8,361)</u>	<u>\$ 50,000</u>

Industrial Product Program

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

SCHEDULE II	Budgeted 52 weeks (note 5)	52 weeks 2019	52 weeks 2018
Revenues			
IP revenue	\$ 103,375,200	\$ 108,146,429	\$ 103,324,509
Costs			
Egg purchases	103,247,929	106,860,169	102,210,276
Packaging	592,800	599,371	584,953
Labelling and other costs	4,000	3,301	2,482
Grading handling allowance	5,038,800	5,094,657	4,972,099
Field supplies and S.e. testing	<u>195,069</u>	<u>131,234</u>	<u>137,316</u>
	<u>109,078,598</u>	<u>112,688,732</u>	<u>107,907,126</u>
IP program loss	<u>\$ (5,703,398)</u>	<u>\$ (4,542,303)</u>	<u>\$ (4,582,617)</u>

see notes to the financial statements

Egg Farmers of Ontario Administrative Expenses

FOR THE 52-WEEK PERIOD ENDED DECEMBER 28, 2019

	Budgeted 52 week 2019 (note 5)	Actual 52 weeks 2019	Actual 52 weeks 2018
SCHEDULE III			
Administrative Expenses			
Salaries support	\$ 2,848,926	\$ 2,733,505	\$ 2,662,831
Employee benefits	591,511	570,405	518,213
Staff professional development and travel	196,028	157,267	199,038
Travel - fieldstaff	355,107	296,286	297,455
Annual and farmer meetings	475,735	479,970	413,644
Directors			
Per diem	443,745	450,757	421,161
Expenses	334,500	306,358	327,004
Trade	20,440	0	0
FarmGate5	4,150	0	0
HACCP/ACP Third-Party Audit	187,335	131,680	178,399
Amortization	103,940	79,617	96,392
Office supplies and printing	57,682	50,508	43,475
Building expenses	154,674	217,298	136,428
Computer maintenance	266,781	249,000	239,421
Professional fees			
Legal	195,360	266,757	174,528
Audit	31,500	30,500	29,000
Consulting	52,800	39,594	54,616
Councillors' grants	28,000	28,000	27,200
Telephone and fax	27,657	30,196	25,580
Postage	32,000	22,670	25,016
Insurance	32,460	29,048	29,457
Bank charges	9,272	8,592	8,883
Gain on disposal of assets	0	(10,896)	(719)
Bad debts	1,000	0	0
Food Bank donations	250,000	244,970	259,304
	<u>\$ 6,700,603</u>	<u>\$ 6,412,082</u>	<u>\$ 6,166,326</u>

see notes to the financial statements

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Harry Pelissero

Egg Farmers of Canada Representative

Scott Helps

Egg Farmers of Canada Alternate

Scott Brookshaw

Executive Committee

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Dan Veldman

Egg Industry Advisory Committee

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Production Management Committee

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Corporate Affairs Executive Assistant

Siobhán Desrochers

Corporate Affairs Coordinator

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Director of Policies & Quota Affairs

Ray Hinton

Quota Affairs and Industrial Product Manager

Julie Cangiano

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Nicci Jasmins

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Jenelle Budhram

Pullet Coordinator & Quota Department Assistant

Sheena Welsh

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Lee Hickey

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Suzanne Walton

Accounts Payable & EFP Coordinator

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