Public Hearing - BC Cranberry Marketing Commission

Coast Cranberries Ltd.

Application for Agency Designation

Online Video Conference: 7:00 pm to 8:00 pm, September 30, 2020

In Attendance: Commissioners: Jack Brown, Chair; Todd May; Jeff Hamilton; Clinton May; Andy Dolberg

Staff: Coreen Rodger Berrisford

Coast Cranberries Ltd. General Manager: Dale Duly

Participants: No other participants registered for the Hearing

Submission of written comments: No written comments or questions were submitted

7: 19 pm Jack Brown, Chair introduced Commission and attendees introduced themselves.

Jack Brown cited the relevant BC Cranberry Marketing Orders under the Natural Products Marketing Act with respect to Agency Designation.

Purpose

Coast Cranberries is applying for an Agency License so that they can buy cranberries from other growers. Which will be benefit in case growers want to add more acres or have extra acres that are not under contract, they will purchase the berries at market price.

Business Background

The applicant gave a synopsis of their business.

Coast Cranberries Ltd has 500 acres of blueberries and cranberries in Langley and 4 million pounds cold storage and cleaning line and colour sorter to grade for the market. They have a 30,000 sq ft building to pursue more finished products in the future if they have sufficient cranberry supplies.

They are certified by the CFIA since 2013 and 3rd party audit GFDC NSF – 2013 silver rating and since then gold rating which is 95% or better to be able to export to Europe.

Coast cranberries established in 1980 by Jack Bell and purchased in 2013 by the Martini family.

Marketing:

75% of their product is sold into the export market, primarily Europe and Asia. COVID-19 has dampened the European exports this year.

In 2008 the past owner took the farm independent. Since then they have established networks in several different countries to market their products.

Their financial strength is demonstrated by the investment of the Martini family, the largest manufacturer in Canada and US in aluminum extrusion, film studies and other businesses with 1500 employees in Langley and Surrey. They paid for cranberries within 30 days last year and will do so in the future. Last year they purchased 3 million pounds from BC growers that was rejected and redirected by

Ocean Spray and approved by the Commission. Otherwise that product would have been wasted. That ability to redirect product benefits BC growers.

Industry wide benefit

- Ability to expand acreage or market non contracted acreage to Coast Cranberries Ltd.
- Growers will be paid within 30 days of product purchase.
- Ability to market rejected fruit to another agency.

Questions:

What do you see as the Prospective of Market in Asia?

- The market in Asia is solid especially in China is very strong and this is due to:
 - o Tariffs in the US that is 40% so Canadian product 40% cheaper
 - If tariff drops, then we will be competing at the same price a lot of US product is still going but more buyers are looking for Canadian product

Closed: 7:43 pm