



2017 Annual Report

ANNUAL GENERAL MEETING

January 25, 2018

Saskatoon Inn & Conference Centre
Saskatoon, SK

2017 Message from the President

Alan Jackson, President

The Livestock Marketers of Saskatchewan (LMS) focused their 2017 activities on advocating for cattle sector sustainability through our activities at the University of Saskatchewan, growing our membership by introduction of our Associate Membership package and expanding our industry relationships.

The LMS Board is made up of Vice Chair Tyler Cronkite, Past President Stewart Stone, Roy Rutledge, John Williamson, Blair Brooks, Scott Johnstone and myself. This was my first year serving as your President, and I would like to extend my gratitude to the directors who volunteer their time and energy to supporting our organization and its activities.

In a time where we are seeing a shrinking cattle herd and consolidation in the livestock marketing industry, LMS is challenged to be sustainable while continuing to maintain relevant value to our members. As the result of a strategic planning session this past summer, LMS has withdrawn our membership in the Livestock Markets Association of Canada (LMAC) in favour of strengthening our focus on Saskatchewan based activities and interests.

Our Board Members were busy this year promoting our new Associate Membership to cattle industry businesses who would like to show visual support for the free market system of livestock in our province. We would like to welcome Canadian Cattle Buyers Credit, JGL Commodities, Roberge Transport, SKL Slash Trucking and Stochmanski Livestock Hauling as new members and acknowledge The Hartford for their long-time support.

Many of LMS's activities in 2017 centred on the completion of the Student Outreach Project, a joint initiative with the Saskatchewan Cattlemen's Association (SCA) to encourage young men and women to consider a career in the cattle sector. This project arose in response to a need identified by our members to support the sustainability of the cattle industry and its activities are outlined in the following report.

Upon completion of the Student Outreach Project, LMS entered into a three year partnership agreement to promote the SCA through our memberships' facilities, and support its programs and mandate to advocate for the wellbeing of the Saskatchewan beef sector.

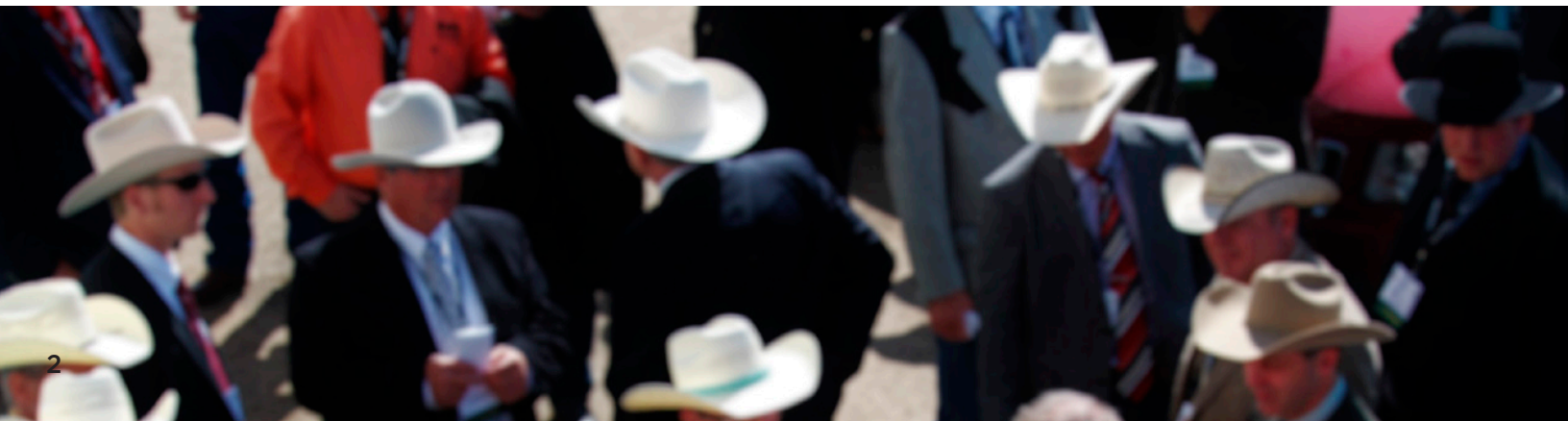
We would like to thank the members who participated and look forward to working together to build relationships with producers across the province. I would like to extend my appreciation to the Saskatchewan Cattlemen's Association for their ongoing collaboration and support.

As the organization that represents member livestock auction markets, assembly yards and order buyer/dealers stations in Saskatchewan, we continue to work with government and other industry partners to address issues that affect our sector.

Looking ahead, we look forward to reviewing the draft Dealer's License Regulations when they're released in early 2018. In addition, the issue of traceability and marketers role/responsibilities continues to be top of mind as the national traceability process unfolds. Premises Identification (PID) is now mandatory in Saskatchewan and we ask our members to encourage all producers to get themselves registered.

LMS continues to take a role on the board of the Livestock Services of Saskatchewan (LSSC) which administers the provinces brand inspection and brand registry. You will find an update on their 2017 activities further on in this report.

LMS retained its membership in Farm & Food Care Saskatchewan, a whole-sector coalition of farmers, ranchers and agriculture and food businesses that work



to connect consumers with agriculture and promote public trust in the food system. LMS members play a pivotal role in the agricultural food chain and supporting organizations like Farm & Food Care ensures a future free from restricting regulations.

We also continue to sponsor the Man/Sask Auctioneering Competition and would like to recognize all those who represented Saskatchewan at the national Auctioneering Championship in Lethbridge, AB. I would also like to recognize Stewart Stone for his nomination to the LMAC Hall of Fame for his years of hard work and service to this industry and our Board. We also pay our respects to the late Sheldon Nicholson of Yorkton for his induction into the LMAC Honour Roll.

Going forward, the Prairie Agricultural Machinery Institute (PAMI) and the Saskatchewan Ministry of Agriculture are working together with markets to assess the safety of facility penning, gate and latch designs and we look forward to the results of this collaboration. The lack of safety education materials for auction market staff has also been identified as an issue by the LMS board and will be investigated further in 2018.

I look forward to another busy year.



Associate Membership

By investing in an annual **\$500 Associate Membership** with the Livestock Marketers of Saskatchewan, your organization will receive the following benefits:

- Visual support for the efficient and transparent marketing of livestock in Saskatchewan.
- Have an input regarding lobby issues at the local, provincial and national levels.
- Be represented on related industry issues and organizations.
- Networking and connections with others in the livestock industry in Saskatchewan.
- Invitation to the LMS annual meeting.
- Opportunity to advertise in the LMS member newsletter at a discounted rate.
- Recognition at the LMS annual meeting.
- Recognition in the LMS Annual Report.
- Receive timely information about current and emerging industry issues through a newsletter, our website, emails and conference calls.
- Invitation to LMS Events, including: webinars, seminars, workshops, and student activities etc.
- Receive invitations to professional development and educational opportunities through workshops and other forums.

“Promoting competitive bidding in the marketing of livestock”

Projects and Activities

Adele Buettner, Executive Director

STUDENT OUTREACH PROJECT

The Livestock Marketers of Saskatchewan (LMS) wrapped up its joint project with the Saskatchewan Cattlemen's Association (SCA) in May 2017. The Student Outreach Project was intended to promote careers in the cattle sector to university and high school students across the province and encourage young people to pursue careers in the beef industry. Here is an update on the final stages of this project and the activities carried out in 2017.

A series of guest lectures were offered through the College of Agriculture at the University of Saskatchewan in the winter and fall semesters of 2017. The presenters covered information on our industry and the marketing of livestock.



Two awards were offered through the College of Agriculture's Awards Program in 2016 and renewed in 2017. Eligible students had to be in their third or fourth year of a B.Sc. in Agriculture, Agriculture Economics, Agribusiness, Animal Science, or Animal Bioscience program to qualify. The LMS recipient in 2016 was Josie Monvoisin of Gravelbourg, SK.

Two travel scholarships were provided to university students to attend the Western Canadian Feedlot Management School in February in Moose Jaw, SK. The Student Outreach Project provided two students with \$450.00 each to cover the costs of attending the school. In return, the students were required to provide an essay outlining their experience and how they will use the knowledge to further their careers.



Two \$1,500 'Beef is Your Future' bursaries were offered to high school students who would graduate from a Saskatchewan institution in 2017

and who had enrolled in, or applied for, an agriculture or veterinary medicine program at a Canadian college or university. Of the thirteen applicants, Keisha Senum of Spiritwood and Dayne Whelan of Grandora were the recipients based on their essays, volunteer history, transcripts and choice of career.

In January 2017, the project sponsored Dr. John McKinnon's "Intensive Beef Management" class's field trip to Bryce & Dawn McKenzie's beef production facility near Zealandia, SK. The 48 students toured the McKenzie's backgrounding operation, were provided information on career opportunities in the cattle industry, and listened to a presentation from SCA Board Member Paula Larson.

Due to feedback and interest from the first information session in September 2016, another event was hosted at the Ag Students Lounge in the College of Agriculture in January 2017.

Six representatives from numerous sectors of the cattle industry participated. The session was advertised through the University of Saskatchewan Student Employment and Career Centre, through posters and to the College of Agriculture and Veterinary Medicine's student groups and almost 90 students attended to network, listen to the speakers and enjoy pizza and beer.



Speakers included:

- Shae Jameson, JGL Cattle, Moose Jaw, SK
- Tim Armstrong, New-Life Mills, Saskatoon, SK
- Shannon Borden, Standard Nutrition, Swift Current, SK
- Dr. Victor Kernalguen, Gateway Veterinary Services, Melfort, SK
- Dr. John McKinnon, Professor and Beef Industry Research Chair at University of Saskatchewan, Saskatoon, SK
- Dr. Greg Penner, Associate Professor and Centennial Enhancement Chair in Ruminant Nutritional Physiology at University of Saskatchewan, Saskatoon, SK

Lastly, through this project, two short video resources (2 minutes in length) were produced that can be used to promote careers in the cattle industry. The videos are featured on the BeefCareers.ca, LMS and SCA websites and shared through the BeefCareers.ca YouTube channel and Facebook page.

- **Career Opportunities in Livestock Health, Nutrition & Research** – Ryder Lee, CEO of SCA appears in this video which promotes careers in the fields of animal health, nutrition and research in Saskatchewan.
- **Career Opportunities in Livestock Marketing & Operations** – LMS members Stewart Stone, Mike Fleury and Alan Jackson speak about careers in livestock marketing, sales, and auction market operations and the benefits to Saskatchewan's economy.

We would like to extend our appreciation to Serra McSymytz in the LMS office for her initiative and work to make our Student Outreach Program a success.

CELEBRATING 150 YEARS OF CANADIAN FOOD

As part of Canada's Sesquicentennial celebrations, the LMS office put together a short video entitled "Livestock Marketing: A Long History." With photographs and video submitted by our members, this video showcased the advancements in Saskatchewan's livestock marketing industry over the last 150 years. It was promoted through YouTube over the Canada Day long weekend and through an e-blast to our members and industry partners.

This video is available on the SKLivestockMarketers YouTube Channel.



LMS Aims & Purpose

- To promote, foster and advance the auction method of competitive marketing in the livestock industry.
- To otherwise promote, foster and advance open and fair competition in the marketing of livestock.
- To secure uniformity in customs and grade practices in the marketing of livestock.
- To safeguard and improve the operations of persons engaged in the marketing of livestock in the best interests of producers, buyers and sellers of livestock.
- To prepare and distribute educational, statistical and economical information pertaining to the livestock industry and livestock marketing.
- To formulate and recommend plans and measures to protect and promote the welfare of the livestock industry.
- To advocate the enactment of appropriate laws, whether statute or regulation, affecting the marketing of livestock and the livestock industry, and to make representation therefore to any federal, provincial, municipal or other regulatory authority.
- To aid in improving measures to assure financial protection for producers, brokers, dealers, buyers and sellers of livestock.
- To develop safe handling practices that ensure both animals and market staff are treated under the best possible safety standards.

LSS Report

Jason Pollock, CEO of Livestock Services Saskatoon



LSS is a member owned not-for-profit entity. LSS is owned and operated by the five main livestock producer groups requiring inspection services: Saskatchewan Cattlemen's Association, Saskatchewan Stock Growers Association, Saskatchewan Cattle Feeders Association, Saskatchewan Horse Federation, and the Livestock Marketers of Saskatchewan.

In operation since January 1, 2014, LSS facilitates secure commerce for the livestock industry through inspection and identification services, transaction assurance and integrity management.

LSS operates under the authority of the *Animal Products Act* and the *Animal Identification Act*. Livestock inspection, brand verification, livestock dealer and agent licensing along with other related livestock activities remain the core services provided by LSS.

LSS is based out of its headquarters in Regina and has a province-wide network of 64 inspectors operating out of a variety of office locations, primarily auction markets.

On June 23, 2017 LSS held its third annual general meeting. The Board of Directors is comprised of: **SCA** – Brad Welter; **SSGA** – Harold Martens (Chair), **SHFA** – Doug Howe, **LMS** – Stewart Stone (Treasurer), **SCFA** – Bill Jameson, Mark Elford (Vice Chair), Chad MacPherson, and Brent Griffin will continue as director's at large. Jason Pollock continues as Secretary to the Board.

At the conclusion of his contract in April, Cam Wilk moved on to other opportunities outside of the organization. After an extensive executive search process, Jason Pollock accepted the CEO appointment for the organization in late July.

Financial sustainability: In fiscal 2016/17, LSS inspected 1,474 million head of cattle. This is up by 62,000 head from the 2015/16 fiscal year. In 2016/17 LSS anticipates inspecting 1,404 million head of cattle. Total un-audited revenues from all sources for 2016/17 are \$4.433 M with total expenses of \$4.604 M.

LSS today maintains 16,000 registered brands and licenses 135 livestock dealers with their respective 172 agents.

In fiscal 2016/17 LSS received 111 complaints with a total of 704 head of cattle and 79 horses reported as missing/stolen. This includes losses relating to all causes, including theft/fraud.

To manage increased operational costs due to exiting the support framework of the Province, LSS

implemented fee increases in 2015 for all the services LSS provides.

As the business continues to develop and internal support for external services is built, LSS will implement internal efficiencies including district management alterations and operating efficiencies. These cost management strategies will not impact the level of service to LSS stakeholders.

Significant investment in a new operational database (Cattle Horse Inspection Program – CHIP) comprised much of the activities within LSS in 2016/17. Fully operational, the new CHIP database will be able to meet the needs of inspection as well as perform key traceability tasks for the Province.

It is also expected that the technology will be leveraged into other jurisdictions in the future.

LSS would like to acknowledge the Ministry of Agriculture for their financial support (operationally and through the GF2 funding for CHIP), the sharing of litigation expenses and covering a portion of lease costs in many locations.

Western Canadian industry leader in technology and best management practices: A major LSS activity in the past fiscal year was the continued development of CHIP. January 2015 LSS released a request for proposal seeking vendors for development. Out of the competitive process, SaasyCloud.com (Software as a Solution) was selected as our application developer.

To meet LSS business needs, CHIP is a custom-built browser-based application. The application will continue to support brand registrations, dealer and agent licensing, as well as providing for self-service applications and online payments. In addition, it will support inspection and movement services, create and manage manifests, e-manifest, e-permits and support new lines of business.

The database development project has a budget of \$1.4M with roll-out targeted for August 2016. Inspectors began using the database in August, 2016 in a parallel system to ensure data integrity and minimal impact to services. Throughout the 2016 fall run the system continued to be developed. Full functionality of the features and components of the system were rolled out in October of 2017. As with any software development, a period of enhancements and bug fixes is normal and expected after the official in-service date of the system.

This project is funded through Growing Forward 2, a cost-shared partnership between federal, provincial and territorial (FPT) governments designed to support an innovative, competitive and profitable Canadian agriculture and agri-food sector. Meeting the Federal requirement of a 25% industry contribution to match the 75% government contribution, LSS received a grant of \$336,000 from the Saskatchewan Cattlemen's Association.

Livestock commerce facilitation and collaboration with neighboring jurisdictions: LSS continues to work with the Province of Manitoba hosting their brand registry. Alberta and British Columbia have expressed an interest in LSS development of an e-manifest. LSS also has an advisory role on the Cattle Implementation Plan (CIP) Committee working towards implementing livestock traceability.

LSS has begun a dialogue with Manitoba regarding the provision of services through CHIP for an enhanced inspection and traceability system throughout the Province. This will be developed over the next fiscal year.

www.LSSC.ca

LMS Members 2017

Candiac Auction Mart
Cowtown Livestock Exchange
Edwards Livestock Center
Gibson Livestock (1981) Ltd.
Greiner & Sons Livestock Ltd.
Heartland Livestock Services

Holdstock Livestock
Jameson Gilroy & B & L Livestock
Johnstone Auction Mart Ltd.
Just Livestock Inc.
Kelvington Livestock
Mankota Stockmen's Weigh Co. Ltd.

Meadow Lake Stockyards Ltd.
Miller Livestock Order/Buy Co. Ltd.
Prairie Livestock
Saskatoon Livestock Sales
Spiritwood Stockyards (1984) Ltd.
Weyburn Livestock Exchange

ASSOCIATE MEMBERS

The Hartford
Stochmanski Livestock Hauling
SKL Slash Trucking

Roberge Transport, Moose Jaw
JGL Commodities
Canadian Cattle Buyers Credit

Partnership with the Saskatchewan Cattlemen's Association



In July 2017, LMS embarked on a three year partnership with the SCA to help promote their organization and its programs through our membership. Through LMS members, SCA has provided signage to be hung in sales rings across the province, increasing producer awareness of their association and our joint commitment to serve the cattle industry. LMS members also agreed to announce local SCA district meetings to their customers in the fall and distribute their upcoming Humane Handling Guidebook for Beef Cattle upon publication.

We look forward to working with the SCA over the next three years to provide Saskatchewan ranchers with a sustainable and profitable future.

About LMS

The Board of Directors and members of the Livestock Marketers of Saskatchewan remain committed to our goal of promoting competitive bidding in the marketing of livestock.

This is achieved through collaborative relations with industry partners; educational projects for our members; adherence to sound business practices and responsible animal welfare at members' auction markets, among other initiatives.

We share in the responsibility of ensuring the free marketing of livestock runs smoothly, transparently and efficiently.

LMS is actively involved in addressing issues affecting members of our industry, such as Traceability, Brand Inspection, Dealer Licencing/Bonding, Labour Training, Worker Safety Protocol, Animal Handling/Welfare Protocols and CFIA Requirements.



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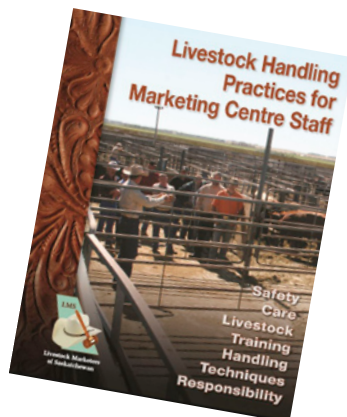
Livestock Handling Practices for Marketing Centre Staff and accompanying DVD

\$79.95 plus \$10.00 Shipping & Handling, and GST

To further enhance the quality of livestock marketing operations for the industry at large, the Livestock Marketers of Saskatchewan Inc. (LMS) compiled this inaugural safe and humane handling manual.

Current, straight-forward and easy to understand, this manual introduces new employees to auction market operations and is a handy reference for all employees. The manual addresses employee safety within the context of humane and responsible animal care and should only be used as a supplement to, but not a replacement for an employee safety manual.

To order your copy, contact the LMS office at 1-306-933-4404 or office@agribiz.ca



President:

Alan Jackson
JGL Livestock

Vice President:

Tyler Cronkhite
Cowtown Livestock Exchange

Past President:

Stewart Stone
Heartland Livestock Services

Director:

Blair Brooks
Meadow Lake Stockyards Ltd.

Director:

Scott Johnstone
Johnstone Auction Mart Ltd.

Director:

Roy Rutledge
Weyburn Livestock Exchange

Director:

Pat Teller
Saskatoon Livestock Sales Ltd.

Director:

John Williamson
Mankota Stockmen's
Weigh Co. Ltd.

Executive Director:

Adele Buettner
AgriBiz Communications Corp.