

BC Food Processors Association

Great Food  Great Living

MEMBER NEWSLETTER
October 6, 2006

New Members

- Wood Laboratory Ltd.

For a full list of current members, see: <http://www.bcfpa.ca/members.html>.

Annual General Meeting Minutes Available

Thanks to all members who participated in the Annual General Meeting. Congratulations to Directors who are undertaking new positions on the Board: Robin Smith as Vice President, Pieter Vanderpol as Secretary and Jorgen Rohweder as Treasurer. Gay Hahn continues as President. In addition, members voted to approve a new membership fee structure. Effective **January 2007**, processor member fees will be assessed by the number of employees: \$350 for 1-25 employees, \$750 for 26-99 employees and \$1000 for 100 + employees. Associate members will pay a single rate of \$350. The Board will also set a fee structure for "Sponsor" members. Committee reports and AGM minutes are available under "2006 Events" on this web page: <http://www.bcfpa.ca/events>.

BCFPA at Select Standing Committee on Finance and Government Services

Today, at 12:50 pm, new BCFPA CEO Tony Toth and President Gay Hahn will present a brief at the Select Standing Committee of Finance and Government Services public consultation in Abbotsford. This is one of the BC Legislature's most important Committees. Information, requests and statements made to the Committee are considered by government departments, and they may be included in the Committee's final report. An appearance can influence Treasury Board, Cabinet, Ministries, and the 2007-08 Provincial Budget. Our presentation to this Committee will help build credibility of the BCFPA and the food processing industry. There will be a news release and interviews with media will be arranged. Members are invited to attend the consultation, to be held in Pinnacle 1 at the Ramada Plaza in Abbotsford 36035 North Parallel Road. The brief and news release will be available at: <http://www.bcfpa.ca/Announcements.html>.

Branding BC Products and Services

With funding from the BC Ministry of Agriculture and Lands, the Investment Agriculture Foundation of BC is organizing a project to facilitate coordination of a number of branding initiatives underway in BC. A 22 member Steering Committee is overseeing the two-phase project that will review and report on existing initiatives, and develop and implement a plan for the market positioning and branding of BC agri-food products and services. The BCFPA will take a role in this exercise and three representatives sit on the Steering Committee: President Gay Hahn, Vice President Robin Smith and CEO Tony Toth. Watch the newsletter for future updates.

Guelph Food Technology Centre Food Safety Courses

The Basics courses scheduled for November 2006 have been cancelled. For updates on winter 2007 courses, watch the website (http://www.bcfpa.ca/GFTC_training.html).

Avalon Dairy Celebrates 100th Anniversary

On September 17, 2006, Avalon Dairy held a successful anniversary celebration with entertainment, family activities, a petting zoo, and dairy tours. Eight senior Cabinet Ministers and MLAs and thousands from the neighbourhood attended the event, a testament to Avalon's recognition in the community and the BC food industry. Avalon is a family owned business and the oldest continuously operating dairy in the province. For more information, see: <http://www.avalondairy.com>.

Energy Efficiency: With Natural Gas It's Win, Win

Saving energy isn't just good corporate citizenry, it's good for your bottom line. At Terasen Gas, we help make it easy.

To learn more, visit <http://www.terasengas.com/LargeIndustrial/EnergyEfficiency/default.htm> or call us **Now** to discuss a free on-site energy assessment. Qualified professionals will review your plant processes, equipment, and operational procedures, and provide a short report outlining remedial actions, potential savings, and payback period. You could be our next energy efficiency success story!

Terasen Gas Inc., Commercial & Industrial Energy Services

Phone: 604-576-7135; Email: commercial.energy@terasengas.com

Tax Tips: Gifts of Food

In order to promote his business, a self-employed real estate agent gave clients meal vouchers and tickets to sporting events. Normally, promotional gifts are 100% tax deductible. But these gifts got caught in the section 67.1 trap.

Most business owners and managers are familiar with 67.1. It's the section of the income tax act that limits deductions of food, beverages and entertainment expenses to 50% of the expense. In a literal interpretation of the law the Federal Court of Appeals recently ruled that the general business community's understanding of the law is wrong. It is not the taxpayer's personal enjoyment of the meals or entertainment; nor is it the context of the meal or entertainment (in this case a promotional gift not a client meeting) which determine its treatment. The mere purchase of food, beverages and entertainment for non company personnel attracts the 50% limit.

This means that it is tax inefficient (silly) to send your customers boxes of chocolates, fruit baskets, or any other food item as a gift. As you can see, come the gift giving season, this ruling will negatively impact on BC's food processors. Suddenly we are persona non-grata on the gift list. If your products are used as promotional items you have a lot to lose. This is an issue that Tax Tips will closely follow. It's a ruling that the BCFPA Board of Directors may want to see overturned, along with their counterparts country-wide.

BCFPA is organizing a Tax Tips breakfast seminar in November which will include specialist advice on reducing your taxes. To reserve your space please email Julie Labelle at julie.labelle@bcfpa.ca

Tax Tips is provided courtesy of Revenue Services Group

BCFPA Activity Update

- On September 28, the Executive Committee met in Mount Lehman. Key items up for discussion were finances, bylaws, office space and phone service, and future priorities. For more information, contact President Gay Hahn at 604-434-2434 or gayhahn@avalondairy.com.
- On October 5, CEO Tony Toth met with Honourable Minister Pat Bell in Victoria. Items up for discussion included an introduction to the BCFPA, MTAP and MIES programs, WorkSafeBC food processing sector programs, Branding BC initiative, the BC Agriculture Plan, and the possibility of developing a centre of excellence for food processing in the province.

UPCOMING

- **October 7-8, Sweets Expo**
Website: <http://www.sweetsexpo.ca/generalinfo.php?city=vancouver>
- **October 7-11, Bridging Borders Towards Food Security**
Website: <http://www.bridgingbordersconference.org/>
- **October 19, Information Session with Dr. Gord Doonan, CFIA Regarding Possible Changes to the Transport Regulations.** Participants must confirm by October 10 to Terri Giacomazzi at 604-556-3082 or Terri.Giacomazzi@gov.bc.ca.

For more industry events, see: <http://www.bcfpa.ca/industryEvents.html>

NEWS

- **BC Government provides \$50,000 grant for BC Wine and Culinary Centre,** September 22, 2006. Read the news release at http://www2.news.gov.bc.ca/news_releases_2005-2009/2006AL0032-001146.pdf.
- **BC Minister of Agriculture Signs Agreement on Internal Trade in Agriculture and Food,** September 19, 2006. Read the news release at http://www2.news.gov.bc.ca/news_releases_2005-2009/2006AL0031-001132.pdf.