

BC Food Processors Association

Great Food  Great Living

MEMBER NEWSLETTER
October 20, 2006

New Members

- Gate to Plate Food Services
- Steelnet Solutions

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

BCFPA Presentation at BC Agriculture Plan Committee -- TONIGHT

Tonight between 7:00 pm - 9:00 pm, Vice President Robin Smith and CEO Tony Toth will make a presentation on behalf of the BCFPA to the Agriculture Planning Committee. They will also be meeting with the Committee in the afternoon, between 2:00 pm – 5:00 pm. Topics to be discussed include: the need for branding of BC food products, a provincial Product Development Centre and worker safety programs. The Government Caucus Committee was struck in February 2006 to develop a long-term sustainable plan for BC's agriculture industry. Public consultations have been scheduled around the province so that industry to provide input into the plan. The Vancouver consultation will take place between **7:00 pm – 9:00 pm in Room 325-1399 Johnston St, Emily Carr Institute of Art and Design, Granville Island**. BCFPA members are invited to attend.

Tax Tips: R&D Tax Credits

R&D tax credits are valuable because they reduce the amount of tax you pay and so *increase* your net income. But R&D taxes can also be valuable because they *decrease* your net income.

How's that? The key to this riddle is found in the treatment of capitalized costs. For the uninitiated, Accounting Principles may require Salary and Contractor costs of new projects to be capitalized and depreciated over many years. But the very same costs when part of an R&D project can all be deducted in the year of purchase. So rather than deduct say 30% of the capital cost per year as you would under regular accounting practice, you can deduct 100% of the capital cost all at once.

Private companies especially may want to plan with this provision mind. This special provision increases your deductible expenses for the year, reducing your net income and so your income taxes. This results a terrific cash-flow benefit to most private companies: because the company has fewer taxes to pay, more of the tax credit is received as a cash refund. This means faster repayment of debt and interest burdens taken on to acquire the capital assets and so a faster return on investment.

Tax Tips is provided courtesy of Revenue Services Group

Breakfast Seminar: Your Competitors Are Receiving Refunds, Are You?

The Scientific Research and Experimental Development (SR&ED) program is a federal tax incentive program to encourage Canadian businesses of all sizes and in all sectors to conduct development (R&D) that will lead to new or improved products or processes. Up to 68% of a company's salaries can be refunded for qualifying work. This breakfast seminar will describe which of your regular company activities qualify for tax refund and take you behind the scenes to understand how to maximize tax relief, tax refunds and even speed up payback on new capital investments.

Date: **November 30, 2006**

Time: 7:30 am - 9:30 am

Location: Executive Hotel & Conference Centre, 4201 Lougheed Hwy, Burnaby

Cost: Members \$45+GST; Non-members \$60+GST

Registration: Contact Cassia Kantrow at 604-874-1191 or registration@bcfpa.ca

Watch this page for details in the near future: <http://www.bcfpa.ca/events.html>

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).

BCFPA Presentation at Select Standing Committee on Finance and Government Services a Success!

On October 6, BCFPA CEO Tony Toth and President Gay Hahn presented a brief at the Select Standing Committee of Finance and Government Services public consultation in Abbotsford. The presentation sparked a lot of interest in BCFPA's work. An interview with the Corus network was organized and meetings with a number of other organizations have been planned. Read the transcript from the consultation at <http://www.leg.bc.ca/cmt/38thparl/session-2/fgs/hansard/N61006x.htm>.

BCFPA Activity Update

- This morning, Vice President Robin Smith and CEO Tony Toth met with the **Business Development Bank of Canada**. Promising services to members may arise from the initial meeting, including alternative bank loans, working capital loans and business consultation services. Watch the newsletter for updates!
- Today, the BCFPA was quoted in an article on fortified foods in the **Vancouver Sun**. Read the article on page A5.
- This past week, BCFPA participated in a couple meetings related to the creation of a BC Product Development Centre. We have received formal support from the University of BC, BC Institute of Technology and the University College of the Fraser Valley to lead this initiative. Stay tuned for details!

Natural, Organic and Health Food Products Educational Mission to the USA Pacific Northwest - Seattle, Washington – November 3-4, 2006

Agriculture and Agri-Food Canada, in cooperation with Foreign Affairs and International Trade Canada and Food Beverage Canada, is organizing a two day educational mission to Seattle. The workshop is targeted to those with little or no previous exporting experience. The program will include information on border regulations, broker services, taxes, a market overview and case studies and tours. October 24 is the deadline for registration. For more information, contact Tracey Innes, AAFC at 604-666-9353 or innest@agr.gc.ca.

UPCOMING

- **October 23-27, 2006 Union of BC Municipalities Convention.**
Website: <http://www.civicnet.bc.ca/siteengine/ActivePage.asp?PageID=271&bhcp=1>
- **November 2-3, Canadian Campylobacter Conference**
Website: <http://www.bccdc.org/news.php?item=158&PHPSESSID=f94992e1cd282f8cc65aee38032c2173>
- **November 8, Allergy Aware Program**
Three-hour workshop on dealing with and preventing allergic reactions in foodservice establishments. The workshop will be held from 9:00 am – 12:00 pm at the West End Community Centre, 870 Denman St, Vancouver, BC. To register, contact Sally de la Rue Browne at 604-988-4734 or sally@envirofood.net .

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

INDUSTRY NEWS

- **Health Canada is seeking industry input on the regulatory system for health products and food.** A “Blueprint for Renewal” was created as a basis to develop a more responsive regulatory system, and an online consultation will be conducted shortly. See: http://www.hc-sc.gc.ca/ahc-asc/branch-dirgen/hpfb-dgpsa/blueprint-plan/index_e.html .
- **New Funding opportunity: Agriculture Co-Op Development Initiative**
This \$1.25 million program to help ensure that farmers and rural communities can participate in and benefit from new opportunities in agriculture, especially biofuels production. There are three components to the program: technical assistance, promotion and education, and capacity building. For more information, contact Patti Giovannini at 613-238-6711 ext203 or patti.giovannini@coopscanada.coop .
- **The Natural Health Products Directorate October Communiqué** is available at: http://hc-sc.gc.ca/dhp-mps/prodnatur/bulletins/communiqués/communiqué_oct06_e.html .
- **Health Canada released an article on obesity in It’s Your Health.** See the website: http://www.hc-sc.gc.ca/iyh-vsv/life-vie/obes_e.html .