

MILK-FED AND GRAIN-FED VEAL PRODUCERS WORKSHOP – JOINT SESSION

Draft Agenda

- 1. ACHIEVEMENTS AND ONGOING JOINT BUSINESS IN THE MILK-FED AND GRAIN-FED VEAL SECTORS**
 - 1.1 Analysis and actions to galvanize the veal cattle sector**
 - 1.2 Veal sector projects**
 - 1.3 Veal sector life cycle analysis**
 - 1.4 RegiVeau mobile app**
 - 1.5 Federal and provincial involvement**
 - **Canadian Veal Association**
 - 1.6 Market development and promotion**



1. ACHIEVEMENTS AND ONGOING JOINT BUSINESS IN THE MILK-FED AND GRAIN-FED VEAL SECTORS

1.1 ANALYSIS AND ACTIONS TO GALVANIZE THE VEAL CATTLESECTOR

In 2022, the veal cattle sector (which includes the milk-fed [MF] and grain-fed [GF] veal sectors) initiated a project to outline potential solutions to ensure the sector’s long-term viability.

The project’s final report was submitted on the sector’s behalf by Forest Lavoie Conseil inc. early in the year and contains recommendations and an action plan focused on four central points around which to improve the sector’s competitiveness:

- Increase production through a competitive pricing structure to ensure positive margins for producers and processors;
- Increase synergy between generic promotion led by the PBQ and the various processors;
- Adopt a strategy relating to the purchase of crossed dairy calves to help maintain producer and processor competitiveness;
- Closely follow production, consumption, and international commerce trends in the main competitor countries in order to adapt the province’s veal cattle sector to support its competitiveness.

Find below the success factors associated with these four points in either the milk-fed or grain-fed veal sectors.

Action	Grain-fed veal	Milk-fed veal
Implementation of a slaughterhouse grain-fed veal grading system	√	
Economic opportunity study on the use of a milk by-product as a milk powder replacement		√
Veal sector life cycle analysis	√	√
Study on optimal diet based on findings from the recent back fat project	√	
Dashboard		√
Solution-finding to limit the prevalence of ulcers and abomasum lesions in milk-fed calves		√

1.2 VEAL SECTOR PROJECT

In 2023, the cull cattle and dairy calf sector, as well as the milk-fed and grain-fed veal sectors, worked together to improve the supply of beef-crossed dairy calves to be fattened as veal cattle. A three-part project was launched to help the stakeholders keep up with changes stemming from the growing number of beef-crossed dairy calves on the market:

- Perform a literature review on beef-crossed calves in the main veal meat-producing countries in Europe and Oceania.
- Identify the best beef bull breeds to cross with Jersey, Ayrshire, and Brown Swiss Brown.
- Establish if any, the relationship between back fat deposition and the sex or type of calf.

Analyses about back fat deposits have revealed that Angus-crossed females present higher deposits than male and female purebred Holstein calves at the start of the grain-based finishing stage and significantly so after the second month of their finishing diet. The second phase of the project will look at how back fat deposits can be reduced through dietary changes.

1.3 LIFE CYCLE ANALYSIS OF THE VEAL INDUSTRY

This life cycle analysis project aims to undertake an environmental assessment looking at direct and indirect greenhouse gas emissions (GHGs) in order to outline the environmental impact of a product from farm to retail. The analysis should allow for a distinct assessment of GHG emissions from raising operations and those from abattage and processing, and allow for priority actions to be proposed to make improvements.

1.4 REGIVEAU MOBILE APP

RegiVeau is a mobile data-collection app developed by Attestra for use by farm operations which helps reduce paper record keeping.

This smart phone app allows producers to enter husbandry data, update identification numbers, and record mortality and treatments. Linked to the extranet site, the app will allow data to be available on either platform regardless of where the data is entered. The app and the extranet site’s registry are recognized by the Verified Veal certification program and the Quebec Grain-Fed Veal certification.

The RegiVeau app should be available in the spring of 2024.

1.5 FEDERAL AND PROVINCIAL INVOLVEMENT

Canadian Veal Association

The PBQ is a member of the Canadian Veal Association (CVA) which represents producers, slaughterhouses and other veal sector stakeholders from Quebec and Ontario. In 2023, the CVA worked on a number of projects:

- Monitoring the work of the National Farm Animal Care Council towards the amendment of codes of practice relating to veal production, including updates to the *Code of Practice for the Care and Handling of Veal Cattle*;
- Ongoing watch of all Health Canada regulations tied to medicines;
- Work with various associations surrounding the adoption of legal restrictions in different US states that could have major impacts on access to these markets for Canadian veal meat;

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- Monitoring trends in the prevalence of crossed dairy calves in husbandry operations;
- Support in Agriculture and Agri Food Canada's update of the *Veal at a glance* document.

1.6 MARKET DEVELOPMENT AND PROMOTION

Market promotion and development activities tied to the Quebec Milk-Fed Veal and Quebec Grain-Fed Veal markets take the form of advertising focused on Quebec Veal products and centred around the following messaging:

- A healthy and multiple use form of protein;
- An easy to prepare everyday meat;
- An affordable and accessible form of protein;
- Raised with pride and care by local producers.

The milk-fed veal marketing committee has asked the grain-fed veal sector to renew the agreement relating to the promotion of milk-fed veal and its part in the Quebec Veal program.

Strategies for 2023 were:

- Demonstrate how veal meat is accessible, affordable, and healthy;
- Improve the visibility and standing of Quebec Veal as an alternative to the traditional beef and chicken mainstays;
- Offer producers exposure and also frame their offer as being locally sourced;
- Deploy retail signage to help consumers find veal products;
- Continue successful web activations that attract consumers to view and use our recipes.

As part of its bio-food market development program, \$292,000 was received from MAPAQ to promote Quebec Veal from December 2020 to December 2023. These funds were used to support:

- An Omnibus survey led by Léger among 1,000 respondents from November 25 to 28, 2022, to help target and strengthen promotional messaging for 2023;
- A collaboration with Pratico Média and influencer Jérémie Latreille (aka *Le Fit Cook*) to promote a recipe in the March edition of the *5 ingrédients, 15 minutes* magazine and on the 5-15 website, newsletter, and Facebook page and on the *Fit Cook's* social media. An ad for veal was also featured in the magazine;
- The design and production of a retractable banner for the *Championnat du monde de Pâté-Croûte* championship and festival on October 17, 2022;
- Winter, spring and summer campaigns on all the *Salut Bonjour* and *5 chefs dans ma cuisine* platforms (TV, website, Facebook, and Instagram), digital campaigns on Yahoo!'s network, and Quebec Veal social media campaigns on Facebook, Instagram, and Pinterest;
- Facebook and Instagram advertising campaign visuals to promote grocery store specials;
- Winter and spring influencer marketing campaigns with *Folks and Forks*.

Other promotional activities were led throughout the year:

- Quebec Veal:
 - A summertime influencer marketing campaign with *Folks and Forks*;
 - The milk-fed and grain-fed veal meat cut guides were simplified and rebranded;
 - A contest launched on the Quebec Veal Facebook page;
 - A collaboration with Pratico Média and influencer Micael Béliveau (aka *Le Maître Fumeur*) to promote a recipe in the June edition of *5 ingrédients, 15 minutes* magazine and its website, newsletter, and Facebook page and on the *Maître Fumeur's* social media;
 - Collaborations with Montpak International and Famille Fontaine for the first edition of the *BBQ à la ferme* event as well as for the event with employees of Gordon Food Service.
- Quebec Grain-fed Veal:
 - A content-card campaign in collaboration with Famille Fontaine from April 20 to May 31 in front of the veal section in all Métro-brand grocery stores to promote an aged veal chop recipe;
 - Design of a grain-fed veal recipe booklet;
 - Two summertime influencer marketing campaigns with *Le Maître Fumeur*;
 - Sponsoring the BBQ recipe section of the *5 ingrédients, 15 minutes (5-15)* website, an ad in the 5-15 newsletter, and topical posts on the 5-15 Facebook page.
- Quebec Milk-fed Veal
 - A summertime influencer marketing campaign with Martin Goyette's *Guide de survie pour monoparental* recipe book.

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1. STATE OF THE MARKET IN 2023
2. ACHIEVEMENTS AND ONGOING BUSINESS IN THE MILK-FED VEAL SECTOR IN 2023
 - 2.1 Ongoing and completed projects
 - Milk-fed calf ulcers and abomasum lesions: prevalence, associated factors, and potential solution to limit their prevalence
 - 2.2 Verified Veal quality program
 - 2.3 Quebec Veal promotion
3. SECTOR ORIENTATIONS FOR 2024
4. ELECTION OF THE COMMITTEE REPRESENTATIVE AND THEIR ALTERNATE
 - 4.1 Eligibility requirements
5. OTHER BUSINESS (AS APPLICABLE)

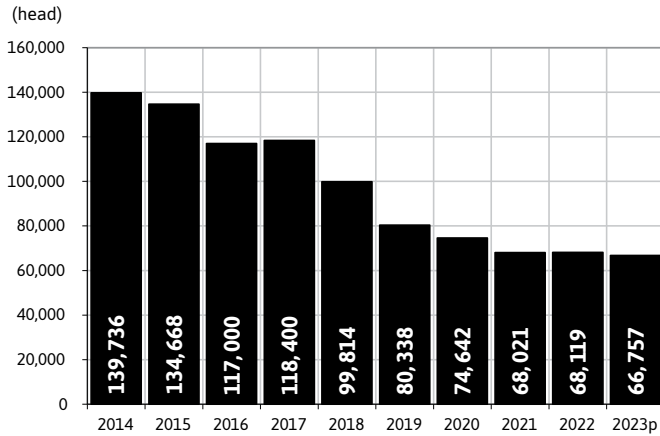


MILK-FED VEAL

1. STATE OF THE MARKET IN 2023

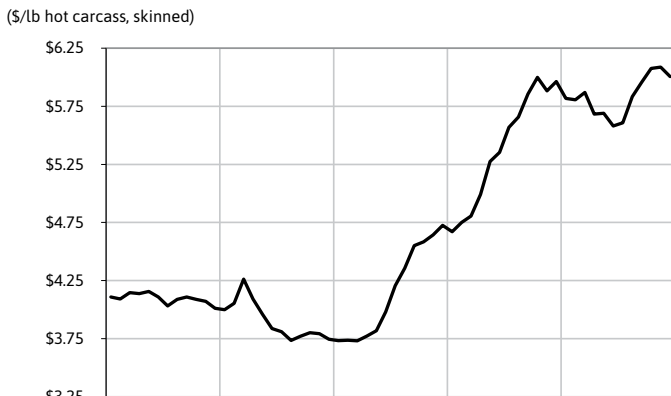
Production of milk-fed calves for 2023 is projected to be around 66,757 head. This represents a 2% drop compared to 2022.

Figure 1: Quebec milk-fed calf production



Source:
• PBQ: Milk-fed calf production volume - Quebec

Figure 2: Price of milk-fed calves in the US

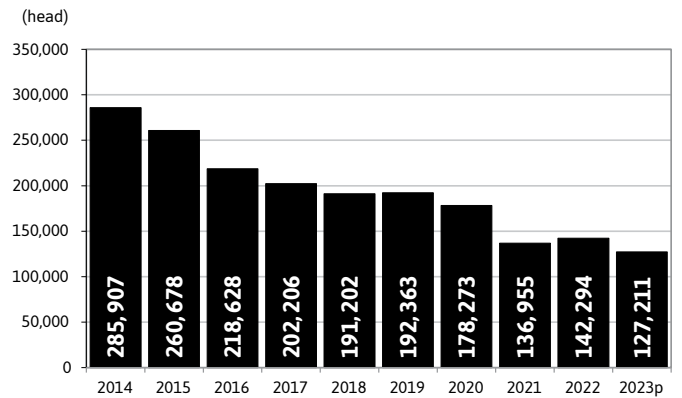


Note: Price are excluding customs and veterinarian fee for calf delivery to the US, and any weight loss during transport

Source:
• USDA: USDA converted to Can\$. Price f.o.b.

Following the steady increase seen throughout 2022, the growth of the price of milk-fed calves on the American market plateaued in 2023 at around Can\$5.83/lb hot carcass. Overall, the average price is 8% higher than the average price seen in 2022.

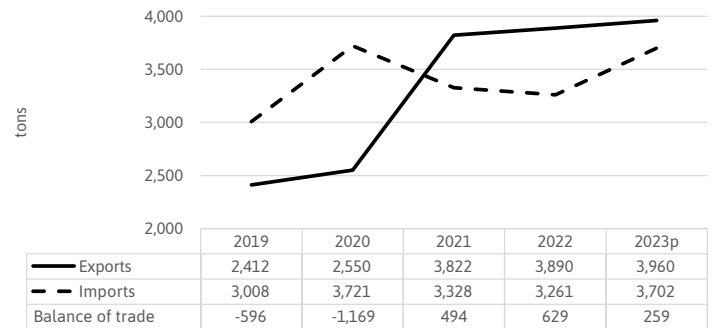
Figure 3: US production of milk-fed calves



Source:
• USDA: Number of slaughtered milk-fed calves in the northeastern and north-central United States.

American milk-fed calf production shows a drop of 10.6% compared to 2022, resulting with a total of 127,211 head.

Figure 4: Canadian veal meat imports and exports – 2019 to 2023p



Sources:
• CFIA: Imports
• Statistics Canada: Exports

International trade

Canadian imports of veal meat are on the rise, 12% higher than 2022, while exports show a less substantial rise of 1.8%. Canada's trade balance nevertheless remains positive for a third consecutive year. New Zealand is the lead supplier with 58% of its exports going to Canada, following the Netherlands with 18% and the US with 16%. In terms of exports, 96% of Canadian veal meat is imported by the US.

2. ACHIEVEMENTS AND ONGOING BUSINESS IN THE MILK-FED VEAL SECTOR IN 2023

2.1 ONGOING AND COMPLETED PROJECTS

Milk-fed calf ulcers and abomasum lesions: prevalence, associated factors, and potential solution to limit their prevalence

Following a 2022 project to develop an assessment tool for milk-fed calf abomasum lesions, the milk-fed veal marketing committee felt it was appropriate to pursue a second phase project with the Université de Montréal's faculty of veterinarian medicine.

In December, an application for project funding was submitted to the MAPAQ's territorial and sectoral development program (PDTs). The project will be led over 24 months starting in 2024. Its objectives are:

- Assess the prevalence of abomasum lesions in Quebec milk-fed calves;
- Confirm the diagnostic value of serum pepsinogen in blood samples from a subset of calves in correlating abomasum lesions detected at the slaughterhouse;
- Assess fattening characteristics using a questionnaire during a farm site visit;
- Evaluate specific risk factors potentially tied to this issue in individual animals, lots, and farms;
- Study a subset of abomasum from calves having died during the fattening stage in order to characterize the proportion of those with ulcers.

2.2 VERIFIED VEAL QUALITY PROGRAM

The Canadian Food Safety Program for on-farm production of Verified Veal calves offers producers a way to respond to consumer demand for proof of food safety. The program allows us to offer our clients a guarantee of first quality veal meat. Details about this program can be found in the Quality Programs and Sustainable Beef Program section of the 2023 Activities portion of this document.

2.3 QUEBEC VEAL PROMOTION

The milk-fed veal marketing committee stopped contributing to the Quebec Veal promotional fund as of November 1, 2023. Details of promotional activities led between January 1 and October 31 can be found in the section entitled Achievements and Ongoing Joint Business in the Milk-fed and Grain-fed veal Sectors.

3. SECTOR ORIENTATIONS FOR 2024

In 2024, work tied to the milk-fed veal sector will focus on:

- Continuing the implementation of the veal sector's strategic planning and of the actions outlined in the Analysis and Actions to Galvanize the veal cattle sector project report;
- Maintaining involvement in the Canadian Veal Association and the federal working group on the competitiveness of veal to ensure the sector's priority issues are known to stakeholders, public decision-makers, and governments;
- Improving the quality of dairy calves in collaboration with the cull cattle and dairy calves marketing committee and being actively involved in the *Forum Veau* stakeholder forum;
- Pursuing initiatives to support the adaptation of the *Health of Animals Regulations - Part XII: Transport of Animals-Regulatory Amendment* in collaboration with the grain-fed veal sector and the cull cattle and dairy calf sector.
- Following up on the study about the impacts of different rest period nourishment distributed to unweaned calves during transport;
- Upon receiving funding from the PDTs, leading the second phase of the milk-fed calf abomasum lesion project in order to identify the causes and understand farm practices that can support prevention.

4. ELECTION OF THE COMMITTEE REPRESENTATIVE AND THEIR ALTERNATE

4.1 ELIGIBILITY REQUIREMENTS

- Be in production at the time of their appointment;
- Reside or have an operation within the group's territory as outlined by the Joint Plan (*Plan conjoint des producteurs de bovins du Québec*);
- Be registered in the Joint Plan's milk-fed veal category;
- Having raised (on their own or another's behalf) or having produced and put to market at least 100 milk-fed calves over the past calendar year;
- In the case of a corporate body or corporation, the individual person receiving the mandate must also:
 - Be active in the cattle operation other than as a funder;
 - Hold at least 20% of its capital stock or issued shares;
 - Sit on its board of directors, if applicable, and having voting rights;
- Have paid the contributions outlined by the Joint Plan or, failing such, having taken legal action to contest them within 30 days of their invoice.

5. OTHER BUSINESS (AS APPLICABLE)