

BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION

POLICY

Grower Marketing Agreements

The BC Vegetable Marketing Commission has the responsibility to balance the power of producers and that of agencies when it comes to the construction and entry by Producers into agency Grower Marketing Agreements (GMA) that the VMC requires pursuant to Section 11 of Part V – *Agencies* - of the General Order.

Section 11 of Part V – *Agencies* – of the General Order sets out the following

An agreement between an Agency and a Producer, which addresses terms and conditions upon which the regulated product shall be provided by the Producer and sold by the Agency (e.g., a Grower Marketing Agreement), shall be reduced to writing consistent with Commission policy

In a regulated marketing environment where there are few central selling desks (Designated Agencies) and the VMC requires that producers be affiliated with an agency for the marketing of one or more regulated products the question of duration and termination notice must be included in a GMA. The terms and conditions set out in a GMA should be balanced having regard to producer and agency interests.

Consistent with maintaining sound marketing policy and orderly marketing the VMC policy pertaining to GMAs provides for the following:

1. No GMA is to be any longer than a 3 year period
2. The duration period is to correspond to the crop year that pertains for the regulated product that is the subject of the GMA
3. Regardless of when signed a GMA is to commence on the first day of the crop year for the regulated product(s) that are the subject of the GMA and based on the duration end on the last day of the applicable crop year
 - a. Greenhouse Vegetable Crop Year is January 1 – December 31 (of the same calendar year)
 - b. Storage Vegetable Crop Year is July 1 – June 30 (of the subsequent calendar year)
4. An evergreen provision for the automatic renewal of a GMA is not permitted leaving GMAs to come to a clear end and before that is to occur the agency is to approach the producer in a timely fashion regarding a new GMA.
5. When the duration of a GMA is 2 years or longer than a notice of termination provision is to be set out in it where it is to be issued 6 months prior to the end of the crop year; namely, July 31 for greenhouse vegetable crops and December 31 for storage crops.
6. Other than for duration and termination notice provisions a GMA may be amended from time to time by way of mutual agreement of the parties.
7. As set out in the General Order all agencies are to file with the VMC each GMA that it has entered into with a licensed producer

Elements to be included in a GMA apply to both storage crop or greenhouse vegetables and the agencies placing GMAs before producers for consideration and signing.