

# BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION

## Decision Regarding

### **The Joint Application by BC Fresh Vegetables Inc. and Vancouver Island Farms Products Inc. to Operate in an Agency – Sub-Agency Structure**

COMMISSION PANEL:

D. Taylor, Chair  
J. Newell, Member  
C. Gerrard, Member  
M. Minerva, Member  
B. Lodder, Member  
J. Moerman, Member  
T. Demma, Registrar

JOINT APPLICANT:

BC FRESH VEGETABLES INC.

M. Driediger, Chief Executive Officer  
P. Guichon, President

VANCOUVER ISLAND FARM PRODUCTS INC.

A. O’Brennan, Chairman  
R. Sieffert, President  
L. Hiebert, Director  
J. Collins, General Manager

INTERVENERS:

ISLAND VEGETABLE COOPERATIVE ASSOCIATION

I. Vantreight, President  
T. Pollock, General Manager

V. I. P. PRODUCE LTD.

J. Walsh, President  
S. Walsh, Director  
S. Potter, General Manager

### **Issue Requiring Decision**

The BC Vegetable Marketing Commission (“Commission”) is to reach a decision to grant, with or without conditions, or deny the joint application received from BC Fresh Vegetables Inc. (BC Fresh) and Vancouver Island Farm Products Inc. (VIFP) to operate in an agency-sub-agency structure, and more specifically whether the Commission is to recommend to the BC Farm Industry Review Board (FIRB), with or without conditions, that VIFP be a VMC designated agency so that it may operate as a sub-agency of BC Fresh.

Also, the VMC is to reach a decision to grant, with or without conditions, or deny BC Fresh having VMC authority to market greenhouse vegetables.

## Background

1. On July 29, 2013 the Commission received from FIRB correspondence informing that it had received from BC Fresh Vegetables Inc. (BC Fresh) and Vancouver Island Farms Products Inc. (VIFP) a proposal for operating in an agency-sub-agency structure. In the referenced letter FIRB informed that the Commission has the responsibility to address the proposal as the first instance regulator. Also, the FIRB letter set out its expectations and related matters: namely,
  - It is the Vegetable Commission's responsibility to consider, in consultation with the industry stakeholders as appropriate, if and how the proposal may or may not form a transitional step in meeting BCFIRB's January Supervisory Review directions;
  - BCFIRB appreciates the business planning and related time concerns expressed in the proposal and expect this will be part of the Vegetable Commission considerations. As a supervisor, BCFIRB's priority remains to help the industry transition to long-term, strategic solutions while balancing immediate business concerns; and
  - If, at any juncture, a BCFIRB decision is requested by the Vegetable Commission, such as those related to agency designation, other supervisor review directions and/or a general supervisory decision, BCFIRB expects the Vegetable Commission will provide full reasoning based on SAFETI.
2. On August 1, 2013 a Commission meeting was held by way of telephone conference during which a decision was reached that a hearing regarding the joint BC Fresh & VIFP application be held. The hearing date was established as August 29, 2013.
3. The VMC issued a notice of hearing to all designated agencies on August 2, 2013 informing those parties having the interest to obtain standing in the hearing were to make a submission to the VMC by August 9, 2013. The notice informed of the date and location of the hearing and that a pre-hearing telephone conference call would be held on August 15, 2013. When the notice of hearing was issued it was not accompanied by the applicant's proposal.
4. On August 12, 2013 the VMC received from the applicant a submission for operating in an agency-sub-agency structure. The application informed of a number of elements; however, chief among them was that BC Fresh would be the lead agency and VIFP would operate in a manner much the same as it now operates in terms of marketing, but governance and reporting to the VMC would be overseen if not conducted by BC Fresh. Accordingly, VIFP would be subordinate to BC Fresh.
5. Subsequent to issuance of the notice of hearing the Commission received in-time Intervener submissions from V. I. P. Produce Ltd. (VIP) and Island Vegetable Cooperative Association (IVCA). The VMC granted the mentioned designated agencies standing in the hearing as Interveners.
6. An outcome of the August 15 pre-hearing telephone conference call was to provide more time for other parties to make submission to the VMC for being granted standing in the hearing as an Intervener. Accordingly, on August 16, 2013 the Commission issued a revised notice of hearing setting out a revised deadline of August 22, 2013 for it to receive submissions pertaining to gaining standing in the August 29 hearing as an Intervener. When the revised notice of hearing was issued it was accompanied by the applicant's proposal.

7. On the conclusion of the August 15, 2013 pre-hearing telephone conference call the Panel of the Commission convened for the purpose of reaching a decision whether or not the earlier established hearing date of August 29, 2013 be changed to a later time. The decision of the Panel of the Commission was not to change the hearing date. The Commission decision with reasons was issued on August 20, 2013.
8. Subsequent to the issuance of the revised notice of hearing the Commission did not receive Intervener requests beyond those earlier received from IVCA and VIP.
9. During the pre-hearing telephone conference call the Commission informed that opportunity is being afforded to the interested parties to provide to the Panel of the Commission and each party to the other information following the completion of the hearing. The post hearing information opportunity is to permit interested parties to clarify information presented during the hearing; however, this opportunity was not intended for the purpose of presenting new evidence to the members of the Panel of the Commission.
10. On the completion of the August 29, 2013 hearing the post hearing submissions were received from the applicant and VIP. IVCA did not provide the Commission with a post hearing submission. The submissions were received by the VMC on September 10, 2013 with the interested parties informing one to the other. As set out in the post hearing submission process the final submissions were received by the VMC on September 13, 2013 with circulation of them one party to the other.
11. For the purpose of reaching a Commission decision the Panel of the Commission convened by way of a telephone conference call meeting on October 29, 2013.
12. The applicant and the Interveners are designated agencies of the BC Vegetable Marketing Commission ("Commission"). As set out in the Natural Products Marketing (BC) Act Regulation the joint applicant and Interveners earlier received from FIRB a grant of legislative authority pertaining to agency designation.
13. The agency designations for BC Fresh Vegetables Inc. (BC Fresh) (formerly Lower Mainland Vegetable Distributors Inc.), Vancouver Island Farms Products Inc. (VIFP), V. I P. Produce Ltd. (VIP) and Island Vegetable Cooperative Association (IVCA) have been in place for an untold number of years and as such are historical.
14. Only pertaining to VIP and VIFP the January 7, 2013 FIRB Supervisory Review decision imposed a December 31, 2013 termination date upon their agency designation. If not otherwise changed by way of a FIRB order prior to December 31 the mentioned agencies will no longer enjoy a grant of legislative authority pursuant to the Natural Products Marketing (BC) Act and regulations thereto.
15. The above referenced FIRB Supervisory Review results from the Commission's April 25 hearing regarding the request by VIFP growers to be approved by the Commission for recommendation to FIRB that it receive a grant of legislative authority to market both storage and greenhouse vegetables. The group of growers involved with the VIFP application for agency designation were affiliated with VIP and had the interest to move away from this agency and be affiliated with one different to VIP.

16. The May 10, 2012 VMC decision resulted in the filing of appeals by the applicant group and VIP with FIRB. In lieu of a FIRB hearing(s) alternate dispute resolution for reaching a mutually acceptable outcome pertaining to the matters before the interested parties occurred. This was done over an extended period of time under the auspices of FIRB. The outcome of this effort was an impasse. With the parties not finding resolution FIRB ordered a supervisory review hearing for addressing matters. A Supervisory Review hearing was held in Nanaimo on December 13, 2012. FIRB issued its Supervisory Review decision on January 7, 2013.

**Applicant's Position - BC Fresh Vegetables Inc. and Vancouver Island Farm Products Inc.**

17. The applicant's interest has two elements; namely, 1.) to have the Commission approve the proposed agency-sub-agency structure and for this to occur recommend to FIRB that it grant to VIFP legislative authority to operate as a designated agency of the Commission absent the current restriction set out in the FIRB Supervisory Review decision pertaining to termination; and 2.) to have the Commission authorize BC Fresh to market greenhouse vegetables for the sole purpose of achieving concurrency of authorities involving the lead and sub-agency and by doing so VIFP will be able to continue with marketing greenhouse vegetables as well as storage crops.

18. Given that efforts to reach a solution to central Vancouver Island and perhaps overall Vancouver Island regulated vegetable marketing issues the BC Fresh & VIFP joint application presents a constructive and practicable remedy to a number of them. These underlying matters that have given rise to disputes that have manifested into personal issues and have come down to inter-agency competition that destabilizes orderly marketing, and if the application is approved stability will return to the regulated vegetable marketplace and it will benefit all growers throughout the Regulated Area.

19. The application ought to be approved by the Commission for the following reasons:

- The application presents a sound business and regulatory solution to long standing matters that should not be allowed to continue and having a solution resulting from self-determination is preferred;
- the values and approach to the marketplace by both sets of growers affiliated with BC Fresh and VIFP respectively are similar and as such there is a good fit for operating in an agency-sub-agency structure;
- BC Fresh, which is to be the lead agency, is in good standing with the Commission and is a strong 100 % grower owned business that has competently operated for a number of years as a designated agency of the Commission authorized to market storage crops and the incidence of producer complaints regarding marketing and grading brought to the Commission's attention is extremely low;
- BC Fresh has a robust record keeping and accounting system that will be superimposed on to VIFP operations that will lead to improvements being experienced by central Vancouver Island producers marketing through VIFP and would not otherwise occur;
- Improvements to VIFP's day to day food safety and traceability, which is an agency responsibility, will result with the BC Fresh traceability system superimposed on to VIFP marketing operations and practices;
- customer servicing will be enhanced by the combined and collaborative efforts expected to result from the agency-sub-agency structure;

20. *For regulatory concurrency reasons pursuant to Part XV – Marketing of “New” or Additional Regulated Product by Existing Agencies* – of the General Order BC Fresh ought to be authorized by the Commission to market greenhouse vegetables and with this the case VIFP, the sub-agency, will be appropriately authorized to continue to market greenhouse vegetables of the central Vancouver Island producers affiliated with it. Further, BC Fresh indicated that it being authorized by the Commission to market greenhouse vegetables is a technical matter and it does not have the interest to be actively engaged in their marketing.
21. Despite the misgivings registered by the interested parties and as it has been the case for some time today BC Fresh has a significant marketing presence on Vancouver Island. Should the Commission not approve the application this reality will not change. In an approved agency-sub-agency structure Vancouver Island grown potatoes will be marketed with first preference and when supply is exhausted, which typically occurs in the first few months of a new year, Lower Mainland potatoes will be looked to for servicing customer requirements. Greenhouse vegetable marketing will continue much as it occurs today.
22. Consolidation of buyers continues in BC and the agency-sub-agency structure will allow both BC Fresh and VIFP operating as intended to be in the best possible position for meeting customer expectations all the while providing best possible returns for producers.
23. Those producers now affiliated with VIFP have examined the agency-sub-agency structure carefully and in comparison to other options and possible options. Overall, the VIFP growers found the agency-sub-agency structure with BC Fresh preferable.
24. The application and hoped for positive Commission decision is the preferred outcome for maintaining orderly marketing on Vancouver Island and the entire Regulated Area.

#### **Island Vegetable Cooperative Association Position**

25. As related by Mr. Vantreight during the hearing efforts by IVCA to cultivate and cement a relationship with central Vancouver Island storage and greenhouse vegetable producers did not materialize in time whereby the Commission would receive from the described group an application for agency designation or consolidation.
26. The reason for a coming together of southern and central Vancouver Island storage and greenhouse vegetable growers not occurring was attributable to a number of factors. Chief among them was central Vancouver Island producers assessing there was more opportunity for them operating in a sub-agency structure with BC Fresh.
27. Although it was advanced by IVCA that in its estimation there was as much if not more opportunity for central Vancouver Island producers by associating with southern Vancouver Island producers and the IVCA central desk it was acknowledged that the central Vancouver Island producers reached a decision based on self-interest and is one of self-determination to which IVCA indicated it would not be appropriate nor useful for it to attempt to persuade the central Vancouver Island growers to reconsider their decision to move in the direction described in the application now before the Commission.
28. In the event that for whatever reason FIRB does not provide a grant of legislative authority to VIFP so it may complete its intended agency-sub-agency structure with BC Fresh IVCA would

rekindle earlier discussions it had with the VIFP producers for coming together in a consolidated marketing agency structure.

29. Overall IVCA does not support the application as it is assessed as being an outcome that is not good for Vancouver Island because it would further establish BC Fresh's marketing of regulated products on Vancouver Island.

#### **V. I. P. Produce Ltd.'s Position**

30. The application cannot be discussed within the context of the FIRB Supervisory Review.
31. Based on conflict of interest considerations the composition of the Panel of the Commission is of concern.
32. In order for the VMC to authorize BC Fresh to market greenhouse vegetables the Commission ought to follow the provisions set out in Section XV – *Marketing of "New" or Additional Regulated Product by Existing Agencies* - of the General Order.
33. VIP directors are aware there are a number of challenges before the agency; however; we are confident that success can be the result. This would be more certain if VIP experienced growth in the number of producers affiliated with it and the volume of regulated products to be marketed by it.
34. BC Fresh establishing its own label and different to that of VIFP for sales of Vancouver Island grown potatoes is preferred and by doing so there would be more differentiation among the designated agencies actively marketing Vancouver Island grown potatoes.
35. Rather than the Commission approving the application it is held that inter-agency sales may prove to be the preferred avenue where the interests of all agencies and therefore producers can be addressed. This is so because lagging sales of one agency may be bolstered by seeing its regulated product inventory entering the market place achieved by way of one or more inter-agency sales.
36. Overall VIP does not support the application, and should it be approached by a group of growers it would work with them for examining outcomes that could lead to a coming together of interests that may result in a consolidated designated agency.

#### **Commission Findings**

37. Regarding Commission authority to market certain regulated products as provided for in Part XV- *Marketing of "New" or Additional Regulated Products by Existing Agencies* - of the General Order the Commission finds that a designated agency operating as a sub-agency of another designated agency is not to have Commission authority for the marketing of regulated products dissimilar to that conferred by the Commission to the lead agency.
38. Any marketing infraction attributable to VIFP will be similarly considered by the Commission to be a marketing infraction of BC Fresh.

39. The Commission has concerns about the use and reliance of the term Vancouver Island when used on standard or non-standard containers, and particularly when these two terms are fully or in part stylized in the names of the three designated agencies now operating on Vancouver Island. The Commission prefers that there is distinction among the brands and brand names used by the designated agencies marketing regulated products grown and marketed on Vancouver Island. This Commission concern applies to both storage and greenhouse vegetables crops.
40. If a pending FIRB decision is one whereby VIP and VIFP do not retain a grant of legislative authority to operate with agency designation the VMC will be unable to keep in place the marketing authority now sub-delegated to them.
41. The Commission reaching a decision about the application now before it has regard to sound marketing policy and what is in the best industry of all producers of regulated products irrespective of the regulated product and regardless of where producers are located in the Regulated Area.
42. The FIRB Supervisory Review mentions “there are difficulties with both agencies.” With the Commission approving the application this holds the prospect for providing immediate remedy to central Vancouver Island regulated marketing matters which may prove enduring because the application has the support of the largest number of Vancouver Island regulated product producers.
43. Approving the application will be an interim and transitional measure for bringing partial resolution to long standing Vancouver Island marketing issues.
44. During the hearing the Panel of the Commission did not receive comments from the interested parties regarding potential changes to the future composition of the Commission that might include commercial producers and non-producer members.
45. Consequent issues stemming from a Commission decision will be addressed as part of the review the Commission is to undertake and report to FIRB by November 30, 2013.
46. VIP’s current regulatory status and standing with the VMC is undisturbed by this decision.

#### **Commission Decision**

47. The Commission decision is to approve the BC Fresh & VIFP agency-sub-agency application. Accordingly, the Commissions will recommend to FIRB that it provide a grant of legislative authority pursuant to the Natural Products Marketing (BC) Act and regulations thereto that VIFP be a designated agency of the Commission. Further, the Commission recommends to FIRB that the prevailing FIRB imposed agency designation termination applicable to VIFP be removed and any future action by the Commission regarding VIFP agency designation termination will be conducted in a manner set out in the General Order.
48. The Commission recommends to FIRB that certain conditions be placed upon VIFP’s annual Commission designated agency licence. The conditions, which are to remain in place until otherwise amended by a subsequent Commission decision communicated in writing, are:

- Whether the greenhouse vegetable premises of Vancouver Island licensed greenhouse vegetable producers are above or below 5,000 square metres VIFP is only authorized to receive for marketing regulated greenhouse vegetables, and not to include butter lettuce, from Vancouver Island licensed greenhouse vegetable producers solely, and except for periods when supply is surplus to demand when lower Mainland markets are temporarily looked to for market clearing purposes the marketing of VIFP's greenhouse vegetables is limited to customers whose retail or wholesale premises as defined in the General Order are located in Vancouver Island;
  - VIFP monthly storage and quarterly greenhouse vegetable sales reporting by volume and value is to be received by the Commission from BC Fresh and it is to be separate and distinct from that of the BC Fresh reporting;
  - Monthly remittance of storage crop producer levies attributable to VIFP growers is the responsibility of BC Fresh;
  - Greenhouse producer levies are received by the Commission in three installments and the remittance of them to the Commission is to be the responsibility of BC Fresh;
  - Until the Commission otherwise directs VIFP is to invoice customers for received regulated product; receive payment for regulated product sales; and to pay producers;
  - Direct Manifest Sales (DMS) as provided for by way of Part XX – *Direct Manifest Sales* – of the General Order is not available to VIFP and in the future the Commission will not receive an application for such consideration;
  - greenhouse vegetable crop surpluses grown by VIFP producers that cannot be timely marketed on Vancouver Island and not because of grade or condition are to be marketed as an inter-agency sale facilitated by BC Fresh, the lead agency; and
  - storage crop surpluses grown by growers affiliated with VIFP that cannot be timely marketed on Vancouver Island and not because of grade or condition are to be marketed as an inter-agency sale facilitated by BC Fresh, the lead agency.
49. Having regard to section 10 of Part V- *Agencies*; section 9 of Part VII – *Agency Responsibilities*; and section 7 of Part XVI – *Production and Delivery Allocations – General* - of the General Order producers affiliated with VIFP are to enter into enforceable Grower Marketing Agreements (GMAs) with BC Fresh as the lead agency. Further, such GMA documents are to clearly explain the lead agency-sub-agency relationship.
50. The Commission has concerns about the volume of production for marketing of Kennebec potatoes on Vancouver Island for marketing on Vancouver Island; consequently, it directs that those Vancouver Island growers with a current record of growing Kennebec potatoes and have an assigned Food Service Delivery Allocation are to limit the planting of this variety of potatoes for the 2014-2015 crop year to a planted area whereby a normal yield will not result in an incremental volume above ten percent of presently assigned Food Service delivery allocation expressed in tons. Vancouver Island producers failing to abide by this decision provision will be called to a Commission hearing regarding cancellation of the earlier issued annual producer licence and its replacement at a license class no less than Class 3 and the issued higher licence class is to remain in effect for two successive crop years before falling to the next lower license class.
51. BC Fresh is at all times to take all measures for assuring that sales of regulated storage crop sales undertaken by VIFP are at or above the prevailing minimum prices.

52. For the purpose of reinforcing that BC Fresh is the lead agency in the joint agency structure the Commission expects it to ensure that the sub-agency, VIFP, is at all times in compliance with the entirety of the General Order.
53. For the same reason cited above the Commission orders that in instances when greenhouse vegetable supply of the producers marketing through VIFP is in surplus and inter-agency sales with one or more greenhouse vegetable marketing agencies located in the Lower Mainland is required for market clearing purposes such sales are to be initiated and arranged by BC Fresh.
54. In addition to the conditions to be placed upon VIFP's annual designated agency license by the Commission set out in section 47, which are to remain in place until otherwise amended by a subsequent decision communicated in writing, are:
- Whether the greenhouse vegetable premises of Vancouver Island licensed greenhouse vegetable producers are above or below 5,000 m<sup>2</sup> VIFP is only authorized to receive for marketing regulated greenhouse vegetables from Vancouver Island licensed greenhouse vegetable producers and the marketing of them is limited to customers whose retail or wholesale premises are located in Vancouver Island;
  - In the event that the supply of regulated greenhouse vegetables that VIFP has the responsibility to market is temporarily surplus to what it can market to its retail or wholesaler customers located on Vancouver Island it is to work with the BC Fresh, the lead agency, to arrange for inter-agency sales where it is expected that a portion of the surplus will be marketed for a temporary and limited time in the BC and western Canada marketplaces;
  - VIFP is to remain in compliance with the entirety of the General Order and more specifically provisions set out in Part VII- *Agency Responsibilities* and Part XIX – *Pricing Procedures* – of the General Order and in the event that the Commission finds it is not in compliance with any part of the General Order this will also cause BC Fresh to be similarly found not to be in compliance with the General Order;
55. The VMC authorizes BC Fresh to market greenhouse vegetables except for butter lettuce. This authorization is to remain in place until otherwise amended by the Commission and such change is communicated in writing.
56. The Commission imposes a standing condition of BC Fresh's annual designated agency licence whereby it is not to receive regulated greenhouse vegetables from licensed greenhouse vegetable growers regardless of their location in the Regulated Area and it is not to be engaged in the marketing of regulated greenhouse vegetables other than from time to time its involvement when assisting its sub-agency with inter-agency sales when there is supply surplus to Vancouver Island demand.
57. Having regard to storage and greenhouse vegetable crop matters where an authorized representative of a designated agency is to sign a Commission form or document this is to be performed by BC Fresh alone in its capacity as the lead designated agency.
58. Going forward the renewal of the Commission annual designated agency licence issued to VIFP by the Commission is to be the responsibility of BC Fresh. Annually, BC Fresh is to undertake the attendant administration for renewal of VIFP's and its annual designated agency licence. For doing so BC Fresh is to declare to the Commission its and VIFP's annual sales value separately and for the purpose of determining the annual designated agency license fee. Once the annual

designated agency license fee is determined by the Commission BC Fresh is to separately remit the annual license fees to the Commission.

59. The Commission has the interest that in future VIFP packaging includes reference to BC Fresh, the lead agency. The Commission recognizes that at this time addressing its concern cannot occur until the 2013-2014 crop year completes. For addressing this matter involved designated agencies are to meet with Commission staff three months prior to the completion of the 2013 – 2014 marketing season. In light of possible packaging changes for the 2014-2015 crop year involved designated agencies are encouraged to be mindful of potential changes and avoid incurring excessive packaging inventory.
60. Pursuant to section 8 of Part VII – *Agency Responsibilities* – of the General Order BC Fresh is to submit to the Commission separate 2014 marketing plans for BC Fresh and the VIFP sub-agency. The marketing plans are to be received by the Commission by February 14, 2014. The marketing plans are to present information of projected monthly and annual sales volumes and values by customer for all regulated products BC Fresh and VIFP are authorized by the Commission to market.
61. The above described marketing plans are to include data and other supporting information showing projected monthly and annual supply volumes that are to be sourced from BC Fresh's & VIFP's growers for fulfilling customer requirements. Also, the plans are to demonstrate that the required supply is commensurate with each of BC Fresh's & VIFP grower's 2014 planting intentions that are to be aligned and commensurate with each grower's assigned delivery allocations for each delivery allocation period.
62. On BC Fresh requesting so, the Commission may approve a revision to the above referenced deadline for submitting the two above described marketing plans to the Commission.
63. In the event that VIP has a greenhouse vegetable producer affiliate with it the Commission will review the packaging to be used by it and other Vancouver Island designated agencies authorized to market greenhouse vegetables.
64. Regardless of the FIRB decision to approve or deny a grant of legislative authority regarding agency designation for VIFP to go beyond December 31, 2013 the VMC will call involved designated agencies together for examining the VMC concern described in section 59. For finding mutual agreement among the involved designated agencies about packaging and labeling the described meeting is to occur soon after a FIRB decision about VIFP agency designation becomes available.

#### **Commission Reasons**

65. The Commission decision to recommend to FIRB that it provide a grant of legislative authority to VIFP in order that it may operate as a designated agency of the Commission with certain stipulations and in turn operate as a sub-agency of BC Fresh relies upon the information supplied in the BC Fresh & VIFP joint application, which on balance shows there will be an improved marketing environment in the central Vancouver Island area that will be beneficial not only for the present day and future growers affiliated with VIFP, but for all growers operating in the regulated marketing of vegetables market place occurring throughout the Regulated Area.

66. The Commission decision to recommend to FIRB that it provide a grant of legislative authority to VIFP in order that it may operate as a designated agency of the Commission with certain stipulations and in turn operate as a sub-agency of BC Fresh will allow present day and future farmers producing both regulated and non-regulated vegetables as well as fruits and berries grown to enjoy the benefits that flow to producers when collectively marketing through a central marketing desk.
67. With the Commission approving the application it provides for an interim solution to long standing regulated marketing matters and challenges that hold the best prospect for achieving a stable marketing environment in the central Vancouver Island area that will lead to sustainable production and marketing opportunities for central Vancouver Island farmers.
68. The hearing process used by the Commission for reaching its decision is:
- In the public interest as going forward Vancouver Island consumers will sustainably enjoy a supply of high quality regulated products and over time potentially non-regulated products;
  - accountable as it results from employing customary Commission hearing practices that are in keeping with the Commission's General Order and its intention to operate in a transparent manner, and it was fairly reached as industry stakeholders were notified of the hearing and on request interested parties participated in the hearing process as Interveners;
  - strategic as certain elements were taken into consideration by the Commission, in particular the benefits that are expected to flow to central Vancouver Island farmers that produce regulated products for marketing and are intended to be marketed by VIFP operating as a sub-agency of BC Fresh; and
  - effective by virtue of the decision lends remedy to the matters before central Vancouver Island producers of regulated products and the Commission as the first instance regulator.

Issued this 31<sup>st</sup> day of October 2013 at Surrey, British Columbia



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David Taylor, Chair  
BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION