

Chicken Farmers of Ontario

Regional Farmer-Member Consultation

June 30, 2016
Walkerton, Ontario



Bryan Boyle & Associates

FACILITATING YOUR FUTURE

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Executive Summary

On June 30, 2016 farmer-members from Districts 1, 2, 5, 6, 7 and 8 of the Chicken Farmers of Ontario met at the Best Western Conference Centre in Walkerton for a highly interactive consultation workshop facilitated by Bryan Boyle. The purpose of the session was to generate valuable input from farmer-members to assist Chicken Farmers of Ontario Board of Directors:

- 1) Understand farmer-member perspectives and their accountability on issues relating to the safe, healthy and sustainable production of chicken, with a focus on the farmer-members' transformation towards modular loading
- 2) Understand farmer-member perspectives and their accountability on issues relating to procuring, placing and growing chicks

To set the stage for the workshop, Gwen Zellen from Chicken Farmers of Ontario provided a brief description of current and future drivers for animal welfare and why modular loading is an important transformation.

Participants were asked, "How will we know that we "got it right" with modular loading as we grow safe, healthy and sustainable chicken?" They identified the desired outcomes from the perspective of various key stakeholders.

Examples of the desired outcomes identified for specific stakeholders include:

Farmer-Members: less stress, fewer condemnments, less handling of birds, less contamination, birds shipped on schedule, easier on catchers, standardized modules used

Processors: cost effective, improved carcass quality, fewer condemnments, eliminates shackling of live birds, more automation, stronger public perception, improved profitability

Government: increased animal welfare, fewer problems and negative feedback, positive public perception

Consumers: public perception improves, science-based process, less stress on birds, better end product

The farmer-members present were asked, "What actions have farmer-members taken or will they be taking to implement modular loading on their farms?" Responses were clustered into the following key areas: renovate barns, improve driveways, improve communication, set standards and consider financial implications.

Gwen Zellen from Chicken Farmers of Ontario provided a brief description of chick supply optimization and some of the related issues.

Farmer-members present were asked “How will we know that we “got it right” in procuring, placing, and growing chicks?”

Examples of the desired outcomes identified for specific stakeholders include:

Hatcheries: lower mortality, equalized US and Canadian chick quality, fewer complaints from farmer-members, better relationships with farmer-members, more healthy salable chicks, improved profitability

Farmer-Members: use fewer antibiotics, higher returns, no major difference between US and Canadian chicks, lower mortality, fewer condemns, consistent quality chicks, transparent hatchery information available

Processors: fewer condemns, more uniform bird size at market, receive enough kilograms to meet allocations, better product, less antibiotic use, profitability improves

Government: less antibiotic use, minimal complaints, quality control of imports, pleased consumers

Consumers: fewer antibiotics used, humane chick hatching, handling and delivery, better and healthier product

Farmer-members shared their experiences with chick supply and proactive steps they have taken relating to those experiences. Their experiences were clustered around inferior quality chicks, timing, chicks from the USA, number of chicks and the need for compensation.

Participants were asked, “What actions should farmer-members be taking to ensure an optimized chick supply to allow them to maximize their potential to grow safe, healthy and sustainable chicken?” Their actions were clustered into the key areas of: incentives and penalties, hatchery ownership, improved communication, enhanced breeder flocks, added regulation, sourcing and improved farmer-member animal husbandry.

The Chicken Farmers of Ontario farmer-member consultation workshop was a productive event, where the farmer-members present were very engaged. Through their valued input, participants shared their perspectives relating to modular loading and chick supply optimization as an important step in helping to ensure a strong and vibrant Ontario chicken industry in the future.

Chicken Farmers of Ontario

Farmer-Member Consultation
Best Western Conference Centre, Walkerton, Ontario
June 30, 2016 Facilitated by Bryan Boyle

Purpose of the Session

To generate valuable input from farmer-members to assist Chicken Farmers of Ontario Board of Directors:

- 1) Understand farmer-member perspectives and their accountability on issues relating to the safe, healthy and sustainable production of chicken, with a focus on the farmer-members' transformation towards modular loading
- 2) Understand farmer-member perspectives and their accountability on issues relating to procuring, placing and growing chicks

Throughout this report whenever two or more tables of participants offered the same or very similar comments they are noted with an "x" and the number, e.g. (x3)

Safe, Healthy and Sustainable Production: Modular Loading

What lies ahead for the Ontario Chicken Industry?

Gwen Zellen provided a brief description of current and future drivers for animal welfare and why modular loading is an important transformation.

Desired Outcomes

Participants were asked "How will we know that we "got it right" with modular loading as we grow safe, healthy and sustainable chicken?" They looked at the desired outcomes from the perspective of various key stakeholders.

Farmer-Members

- Less stress (x2)
- Fewer condemnments (x2)
- Less handling of birds (x2)
- Better quality
- Less contamination

- Fewer Dead On Arrivals (DOA's)
- Less labour
- Easier on catchers
- More profit
- Barn modifications don't "break the bank"
- Potential shared cost to update
- Everyone's birds are loaded
- Birds get shipped on schedule
- More chicken to market
- Standardized modules are used across the system for all processors
- Still using our third production floor of our barn

Processors (Our Customers)

- Cost-effective (x2)
- Improved quality (x2)
- Fewer birds condemned
- Better yield
- Improved carcass quality
- Less bruising
- Less damage to birds
- System works efficiently
- Increased speed of loading
- Less handling
- Eliminates shackling of live birds
- More automation
- More profitability
- Stronger public perception

Governments

- Increased welfare to animals
- Looks good to government
- Fewer problems and negative feedback from activists
- Perception by the public of progress in the chicken industry
- Keeping consumers happy
- Nobody is complaining
- Provides a good photo opportunity

Consumers

- Public perception improves
- Science-based information influences consumers' perception
- Consumers pleased with this approach

- Improved animal welfare
- Less birds stress in hot and cold weather extremes
- Use the barn climate longer during the loading
- Ultimately a better product for the consumer

Potential Actions

- We continue to grow safe, healthy and sustainable chicken to meet the changing needs of our customers, governments and consumers.
- The Ontario chicken industry will have fully transformed to modular loading over the next few years in response to the changing needs.

The farmer-members present were asked, “What actions have farmer-members taken or will they be taking to implement modular loading on their farms?”

Renovate Barns

- Building new single-story barns (x3)
- Modify our building after consultation with an engineer (x2)
- Adjust to the needs of the system to make it work
- Utilize lots of cement and larger posts in the barn
- Make some reasonable changes
- Will modify the barn as and when required
- Modify doorways on barns

Improve Driveway

- Laneways will be widened (x2)
- Add larger concrete yards and level surfaces
- Improve loading areas outside of barn

Improve Communication

- Consult with our processor to find out desired protocol, timing, etc. (x3)
- Encourage some farmers to modify and update
- Show a good attitude to adjust and make the necessary changes

Set Standards

- Create a template to utilize for our conversion to modular
- Encourage the Chicken Farmers of Ontario Board to set an engineering standard for doors, floors, driveways, etc.
- Renovate as required after an engineering standard has been set

Consider Financial Implications

- Investigate equipment costs
- Seek farmer-member compensation for the required changes
- Initiate a cost-share strategy with our processor

Optimization of Chick Supply

What is chick supply optimization?

Gwen Zellen provided a brief description of chick supply optimization and some of the current issues relating to it.

Desired Outcomes

Farmer-members present were asked “How will we know that we “got it right” in procuring, placing and growing chicks?” They looked at the desired outcomes from the perspective of various key stakeholders.

Hatcheries

- Lower mortality (x2)
- Equalized US and Canadian chick quality at a high-level (x2)
- Fewer complaints from farmer-members (x2)
- Better relationships with farmer-members
- Healthy chicks
- More salable chicks
- Better chick quality
- Improved quality eggs from breeder barns
- Higher number of hatches
- Fewer chick adjustments needed due to improved chick quality
- Profitability
- Reduced antibiotic use

Farmer-Members

- Use fewer antibiotics (x3)
- Higher returns (x2)
- Equalized US and Canadian chick quality at a high-level (x2)
- Lower mortality (x2)
- Early day mortality rate greatly reduced
- Fewer condemnments
- Consistent quality chicks
- Less culling required

- Better gain and end weights
- Better feed conversion
- One steady chick supplier with consistent quality
- Farmer-members' morale and confidence is built up
- Hatcheries' segregated data is available to allow comparison of hatcheries' performance
- Positive bottom line
- Better consistency, e.g. HatchCare
- Fewer chick adjustments needed due to improved chick quality

Processors (Our Customers)

- Fewer condemnns (x4)
- More uniform bird size and quality within specifications
- Even development of birds close to processing time
- Consistent product from all farmer-members
- Consistent weights
- Receive enough kilograms to meet allocations
- Better product
- Healthier chicken
- Profitability
- Reduced antibiotic use
- Quality control of imports

Governments

- Less antibiotic use (x2)
- Minimal complaints and criticism (x2)
- Quality control of imports
- Happier government
- Keeping consumer happy
- Profitable businesses and generating more taxes

Consumers

- Fewer antibiotics used (x3)
- Humane hatching, handling and delivery of chicks
- Better product
- Healthier product
- Consistency of product
- Camera ready

Farmer-Members' Experiences with Chick Supply

Inferior Quality Chicks

Personal Experience	Proactive Steps Taken
8% Mortality	Switch to a higher energy feed to try and reach our kilograms of allocation; shipped heavier birds
Poor chicks with lower weight	Approached Ontario Broiler Hatching Egg and Chick Commission
Poor quality chicks	Continually culled and used Uniprim
Lost 20% of 54,000 birds placed due to sick chicks; culled over 5000 and lost the rest to condemnments	Sought compensation
Chicks were susceptible to N. Enteritis in a Raised without Antibiotics (RWA) crop	Routinely titrate iodine during the first weeks of growth for prevention
Poor quality chicks	Worked with our veterinarian; major culling
2% mortality by Day 10 in a Raised without Antibiotics (RWA) crop	Culled extensively
Inconsistent chick quality issues led to more antibiotic use which led to more resistance	Enhanced brooding; stopped medicating; the outcome was no more lingering mortality with nearly all mortality in the first seven days
Experienced "cobb" legs	Culled aggressively

Timing

Personal Experience	Proactive Steps Taken
Placement date arrived with insufficient chicks; delivery date was pushed over to the next day	Adjusted our scheduled to adapt to this small change
Received our chicks over three days for one barn	No choice but to work with it
Could not get birds when we wanted them; even final delivery was delayed	Pushed back on processor and chick supplier to avoid repeating this situation

Chicks from the USA

Personal Experience	Proactive Steps Taken
Received chicks from US resulting in very high mortality	Requested to the hatchery, "Please do not send US chicks again"
Experienced poor results with US chicks	Requested and received hatchery compensation
US chicks were received instead of the expected Canadian chicks; poor quality due to prolonged transport	We were reimbursed by the hatchery for the high mortality overall.

Number of Chicks

Personal Experience	Proactive Steps Taken
Experience real difficulty in determining how many additional chicks are needed; health of chicks can determine under-market versus over-market shipping numbers	Tend to order slightly more than needed to buffer for a poor set of chicks leading to production problems
Over-ordered based on last crop's mortality then overproduced and incurred a penalty	Nothing we could do, what works on one crop may not work on another!

Need for Compensation

Personal Experience	Proactive Steps Taken
Lower bird weights	Requested and received hatchery compensation

Participants were asked, "What actions should farmer-members be taking to ensure an optimized chick supply to allow them to maximize their potential to grow safe, healthy and sustainable chicken?"

Incentives or Penalties

- All farmer-members should demand compensation every time it is warranted
- Insist on discounted prices when chick quality is compromised

Hatchery Ownership

- Start an independent cooperative hatchery

Improve Communication

- Set up an industry-wide task force to deal with chick optimization issues immediately
- Insist on “HatchCare”
- Encourage the CFO Board to do fewer surveys and engage in more action
- Always report your 10-day and overall mortality accurately to your hatchery
- Recognize that producers have no power against the processors
- Work with your hatchery to resolve issues
- Request new style incubators for your hatchery
- Demand that the CFO Board continues to put pressure on hatcheries and processors to improve chick quality
- Advise the Ontario Broiler Hatching Egg and Chick Commission (OBHECC) of issues directly and report these issues formally

Enhanced Breeder Flocks

- Work with breeder farmers to provide more funding for breeder nutrition and additives resulting in better quality chicks
- Demand more broiler breeders for Ontario and Canada

Add Regulations

- Do not allow live chick importation from the US but rather accept quality eggs only
- Do not accept US chicks in our barns
- Push for more inspectors in the hatcheries

Sourcing

- Require hatcheries to publish results and be accountable
- Increase hatchery transparency
- Expect better documentation of problems and inspections at hatcheries
- Hatcheries should automatically supply 3% more chicks if you are receiving US chicks
- Expand Canadian hatcheries
- Encourage hatchery modernization
- Find a remedy to chick delivery that is happening on multiple days for the same flock
- Chicken Farmers of Ontario Board should insist that hatcheries fix the problems
- Switch processors

Improve Farmer-Members’ Animal Husbandry

- Optimize brooding management by taking the “Platinum Brooding” class

Summary

The Chicken Farmers of Ontario farmer-member consultation workshop was a productive event, where the farmer-members present were very engaged. Through their valued input, participants shared their perspectives relating to modular loading and chick supply optimization as an important step in helping to ensure a strong and vibrant Ontario chicken industry in the future.