



Manitoba Chicken Producers Broiler Breeder Laying Hen and Broiler Hatching Egg Quota New Entrant Program (the "Program")

Purpose

The Program is designed to provide persons with the opportunity to enter the Manitoba broiler breeder laying hen and broiler hatching eggs industry as a registered producer with the Board, so as to create jobs, foster innovation, stimulate local community investment and economies, and promote the continued growth of the broiler breeder laying hen and broiler hatching eggs industry, the whole for benefit of broiler breeder laying hen and broiler hatching egg producers, consumers, and the industry, in Manitoba.

New Entrant

A **"New Entrant"** is an individual or a corporation who applies to the Board in accordance with this Policy (the **"Application"**), expressing interest in being allotted (on a combined basis) by the Board a broiler breeder laying hen quota of 10,000 laying hens and broiler hatching egg quota of 1,550,000 broiler hatching eggs.

Process

1. Initial Application Screening

New Entrants shall submit an Application pursuant to and in accordance with the Board's established requirements and conditions (**"Application Requirements"**), as amended, supplemented and replaced from time to time.

In addition to satisfaction of the Application Requirements, a New Entrant must ensure that their Application includes:

- (a) A comprehensive business plan, inclusive of:
 - (i) financial forecasts; product details, volumes, and margins;
 - (ii) planned ownership structure;
 - (iii) municipality or location (i.e. address, Google Maps location, etc.) of broiler breeder laying hen production facility;
 - (iv) production facility plans, including dimensions;
 - (v) quote for renovation/construction of production facility;
 - (vi) reasonable evidence demonstrating municipality support of a new broiler breeder layer hen facility within the rural municipality having jurisdiction over the facility; and
 - (vii) proof of financing (non binding);
- (b) A description of relevant experience, whether directly related or ancillary to the broiler breeder laying hen and broiler hatching eggs industry;

- (c) Particulars regarding a committed and capable management team with experience, leadership, vision and drive to successfully operate a broiler breeder laying hen and broiler hatchery business in Manitoba;
- (d) A description of the Applicant's commitment to the broiler breeder laying hen and broiler hatching egg industry, its producers, consumers, and Manitobans;
- (e) Documentation verifying satisfactory arrangements with a hatchery to acquire all the hatching eggs produced by the applicant; and
- (f) Provide confirmation that the applicant is a "new" entrant to the broiler breeder laying hen and hatching egg industry.

2. **Evaluation**

As and when required, the Board shall convene key members broiler breeder laying hen and broiler hatching eggs industry (the "**Industry Panel**") so as to evaluate and assess the Applications and promptly report thereon to the Executive Director, the whole in accordance with the criteria, confidentiality requirements, and processes established by the Board from time to time (the "**Evaluation Criteria and Procedures**").

Pursuant to the Evaluation Criteria and Procedures, all Applications submitted for review by the Industry Panel shall have all information that identifies, or may reasonably result in the identification of the applicant shall be removed or redacted including, but not limited to, the replacement of specific addresses/locations, personnel names and/or background details with summaries (as may be deemed necessary by the Executive Director) for the Industry Panel that have been prepared by Board staff who are not part of the Industry Panel. Subject to and in accordance with the Random Draw Rules and Procedures it is anticipated that the successful applicant(s) will be notified by the Board by the end of the day on December 31, 2025, or shortly thereafter. All compliant Applications reviewed by the Industry Panel will be eligible for the draw.

3. **Random Draw - Compliant Applications**

One new Entrant with a compliant Application will be drawn from a random draw to be conducted by Manitoba Chicken Producers Executive Director, a designated staff person, and a representative from Manitoba Farm Products Council, in accordance with rules and processes established by the Board from time to time (the "**Random Draw Rules and Processes**") and will proceed to the qualification process noted in section 5 below. Subject to and in accordance with the Random Draw Rules and Processes, the successful Application will be notified by the Board by December 31, 2025, or shortly thereafter. For the sake of efficiency, two back up new Entrants will be drawn as alternates, if there is an issue with prior successful applicant who is unable to meet the criteria set forth in section 5 below.

4. **Non Compliance**

At any time during the evaluation and assessment of Applications process, Manitoba Chicken Producers may request clarification from any applicant on any aspect of their Application, or request further information from any applicant that Manitoba Chicken Producers may consider useful for the purpose of evaluating Applications.

This Request for Applications pursuant to the Program is not a formal tender and is not intended to be subject to the laws applicable to competitive bidding. Until such time as the Board awards units of quota to successful applicants, the Board does not intend to create a contractual relationship (either expressed or implied) or create any other legal duties or obligations with any applicant.

The Manitoba Chicken Producers may, in its sole discretion, for any reason:

- (a) modify or vary any aspect of this Program, including the application process or requirements, at any time before or after the time for submission of Applications;
- (b) extend the deadline for submission of Applications at any time before or after the time for submission of Applications;
- (c) accept or reject any non-compliant, conditional or irregular Applications in whole or in part; and/or
- (d) choose not to proceed with the award of quota to any applicant if the Program is cancelled or if the Board otherwise determines, at its sole discretion, that not awarding quota to any of the applicant(s) would be in the best interests of the Manitoba Chicken Producers and/or the broiler breeder laying hen and broiler hatching egg industry of Manitoba.

5. Successful Applicant Further Qualification

All successful applicants will receive a letter from the Manitoba Chicken Producers, which will set out next steps, timelines, and further requirements prior to being awarded any quota. Note, no quota will be awarded until all further materials and forms requested by the Manitoba Chicken Producers have been provided and the Manitoba Chicken Producers has reviewed and approved same in its sole discretion. These additional requirements shall be included but not be limited to the following, namely:

1. The applicant shall verify that neither he, she, or it or their spouse or common law partner, as applicable, has ever been financially associated with a registered broiler breeder producer, either directly or indirectly;
2. The applicant will be required to sign an undertaking that it/he/she will not apply to the Board for re-allocation of such quota allotment to any other party for a minimum period of 10 years, where by complete farm asset sale, retirement and basic allotment re-allocation system, movement of production facilities, nor by share sale transaction;
3. While the applicant will have the opportunity to state a preferred hatchery, the Board will make final decision and assign the applicant to a hatchery;
4. Prior to conditions of registration being approved, the production facility will require certification. The facility must be certified within two (2) months of the scheduled start date; monthly progress reports must be provided.
5. The Board will have final authority on the start date of production;
6. The selected applicant must be awarded quota and become a registered producer and be notified by the Manitoba Chicken Producers in writing before any arrangements are made for pullets to arrive at the applicant's production facility.
7. The successful applicant must have a letter of support from a hatchery confirming all eggs will be purchased from the production facility.
8. The successful applicant may need to deliver the broiler hatching eggs on a weekly basis, at minimum, if the distance is too great for a hatchery to pick up the eggs. A functional and approved vehicle would be required for broiler hatching egg deliveries. The operator would then be compensated for deliveries at the approximate rate indicated on the Hatching Egg Price Bulletin (currently \$.0108 per saleable chick hatched from that broiler hatching egg), or such other rate required by the operator depending on the location of the production facility.
9. The successful applicant must declare any extra-provincial allotments to demonstrate compliance with the Broiler Breeder Laying Hen Quota Order.
10. The successful applicant must provide a fully complete business plan, inclusive of:

- (i) financial forecasts; product details, volumes, and margins;
- (ii) finalized ownership structure;
- (iii) status of title for where the broiler breeder laying hen production facility will be situated, which also matches the name of owner of the land with the proposed registered producer;
- (iv) production facility plans, including dimensions;
- (v) building permits for renovation/construction of production facility;
- (vi) confirmation of support from the municipality where the production facility will be situate for a new broiler breeder layer hen facility within the rural municipality; having jurisdiction over the facility; and
- (vii) proof of (binding) financing.