



BC Farm Industry Review Board

February 13, 2025

File: 44200-35/MPL-REDSUN

DELIVERED BY EMAIL

Wes Shoemaker
Chair
BC Vegetable Marketing Commission

Morgan Camley
Counsel
Dentons Canada LLP

Craig A. B. Ferris K.C.
Counsel
Lawson Lundell LLP

J. Kenneth McEwan, K.C. and
William E. Stransky, Counsel
McEwan Partners

Dear W. Shoemaker, M. Camley, C. A. B. Ferris, J. K. McEwan & W. E. Stransky:

RE: BC VEGETABLE MARKETING COMMISSION REVIEW OF MPL BRITISH COLUMBIA DISTRIBUTORS INC. PROBATIONARY AGENCY DESIGNATION AND JEM-D INTERNATIONAL DBA RED SUN FARMS AGENCY DESIGNATION – PRELIMINARY ISSUE

On January 22, 2025, the British Columbia Farm Industry Board (“BCFIRB”) received the BC Vegetable Marketing Commission (“Commission”) decision granting MPL British Columbia Distributors Inc. (“MPL”) and Jem-D International dba Red Sun Farms (“Red Sun”) agency designation (“Agency Designation Decision”).

Section 8 of the *Natural Products Marketing (BC) Act Regulations* (“NPMA Regulations”) provides that every designation of an agency by a marketing board requires BCFIRB’s approval in writing.

BCFIRB’s Chair has assigned responsibility for this approval process to a two-person panel (“Panel”) comprised of myself as presiding member and Pawan Joshi. Mr. Joshi was the presiding member in the original MPL approval process which resulted in the October 11, 2023, MPL BC Agency Designation Decision (“Probationary Licence Decision”). The Panel has reviewed the Commission’s recent Agency Designation Decision and will be providing the parties with a letter establishing the process BCFIRB intends to follow to address the approval of these designations in short order.

However, before issuing that letter, a preliminary issue has arisen.

On February 4, 2025, BCFIRB received a letter from MPL’s legal counsel requesting that BCFIRB’s approval process of MPL’s Class I agency licence be expedited, or that the BCFIRB directs the Commission to extend MPL’s probationary license until the

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completion of BCFIRB's approval process to ensure orderly marketing and prevent disruption for its producers.

In response to this request, on February 5, 2025, counsel for Greenhouse Grown Foods Inc. (GGFI) and Windset Farms (Canada) Ltd. (Windset) wrote to BCFIRB opposing MPL's request for an expedited supervisory process and filing an appeal of the Commission's January 22, 2025, decision designating MPL and Red Sun as agencies and requesting a supervisory review of recent amendments to the Commission's General Order in relation to designation of agencies. GGFI and Windset argued "because of GGFI and Windset's appeal, and its request for a Supervisory Review, we submit that the Board should wait to confirm the removal of the agency probationary conditions it imposed on MPL, and that an expedited approval is not appropriate at this time".

On February 10, 2025, BCFIRB received a letter from counsel for MPL in response to GGFI and Windset's request reiterating its request for an expedited approval process.

Next Steps

The Probationary Licence Decision contemplated that MPL could operate as an agency until March 1, 2025, provided it met certain reporting conditions and demonstrated compliance with the General Order. There was an expectation that the Commission would complete its review of MPL's performance under its probationary licence and it was only if MPL completed its probationary period successfully, to the satisfaction of the Commission, that BCFIRB would approve its Class I agency designation for the term March 2, 2025 – March 1, 2026. The Probationary Licence Decision anticipated that the Commission's review and BCFIRB's approval process would be completed in advance of March 1, 2025, such that if a Class 1 agency designation was approved, it would commence March 2, 2025. Unfortunately, as it is now mid-February, those timelines are not achievable even with an expedited process.

As a result, the Panel is establishing the following submission process to hear from MPL, GGFI and Windset, and the Commission on MPL's request for an extension to its Probationary Licence, until such time as the Panel can conclude its approval process and issue its decision. The focus of these submissions should be on whether such an extension accords with sound marketing policy:

- a) The submission of MPL is due no later than February 18, 2025.
- b) Any response submission from GGFI and Windset and the Commission are due February 20, 2025.
- c) Any reply submission of MPL is due February 21, 2025.

All submissions are to be emailed to Justine Lafontaine, Senior Manager, at Justine.Lafontaine@gov.bc.ca. Once the submissions are received and reviewed, the Panel will provide its written decision to the parties.

Regards,

A handwritten signature in black ink, appearing to read "Neil Turner". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Neil Turner,
Presiding Member & BCFIRB Vice-Chair
BC Farm Industry Review Board

cc: BCFIRB website
Justine Lafontaine, Senior Manager, BCFIRB
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