



2012 EQUINE INDUSTRY FORUM II
Shaping the Future of the Horse Industry
National Convention, St. John's, Newfoundland

SUMMARY REPORT TO INDUSTRY

Overview

In the fall of 2011, Equine Canada hosted a first in what will hopefully be a series of Equine Industry Forums. The purpose of the forums are to bring breed registries and industry association representatives, as well as Equine Canada Industry Council members, together to discuss current issues facing Canada's equine industry and potential strategies for sustainability and growth.

As we indicated in a *Summary Report to Industry* following Forum I:

"Canada's Equine Industry is at a crossroads: on the one hand there are unprecedented opportunities to develop and market Canadian-bred horses and equestrian activities," explains Dr. Edward Kendall, Chair of the EC Industry Council and a member of the Canadian Warmblood Horse Breeders Association. "On the other hand current economic factors, notably lack of robust domestic and export markets, high taxation and a flood of horses coming in from the United States, undermines our financial stability and hampers growth. As industry leaders, it's time we tackle the issues and develop solutions."

Shaping the Future of the Horse Industry was a welcome opportunity for those in the industry to share their concerns regarding a number of issues impacting those breeding, developing and supporting horses for sport and recreation. A number of attendees expressed their appreciation for the opportunity to gather.

Forum participants indicated a strong desire to keep working together to move the collective agenda forward, as well as ways in which it could continue information sharing through new media. They also agreed that Equine Canada was seen as the most appropriate national body to guide and support the work begun at the Forum.

As a result, a second forum was organized in conjunction with Equine Canada's National Convention during February 2012 in St. John's, Newfoundland. The second forum provided an opportunity to recap the outcomes from Forum I and to address the key areas of focus identified for the industry as it moves forward to address of market growth and sustainability. Prior to the full-day, the Industry Division of EC held its annual Delegate Assembly wherein members had an opportunity to meet face-to-face to discuss the regular business of the Council and to provide input on the core work of the Council. Minutes from this meeting are available on the EC Industry web site, as are both Forum I and Forum II reports.

At the end of this report you will find two appendices, one with a list attendees and the second showing the agenda for the two days of meetings.



Welcome Remarks

Dr. Edward Kendall, Chair of the Equine Canada Industry Council welcomed everyone to day two of **Equine Industry Forum II** being held during the EC National Convention in St. John's, Newfoundland, expressing his appreciation for the great turnout.

Katie Murray, President of the Newfoundland Pony Society was introduced to the Forum. Ms. Murray provided a brief history on the Newfoundland Pony and how the society came into being.

A recap on the previous day's Delegate Assembly took place wherein the group reviewed some of the changes in practices, including the necessity to hold elections prior to the annual convention – in November/December – so that members could make plans accordingly to attend the national convention meetings in the new year.

Dr. Kendall briefly reviewed the results of Equine Industry Forum I held in Toronto during November. He highlighted the three key focus areas determined by the industry going forward:

Focus Area #1 Development of a Generic Marketing Plan for Industry – Domestic and Export Markets

Focus Area #2 Advocacy to Correct Taxation and Market Issues Hurting Industry

Focus Area #3 Development of Best Business Practices

The objective for Forum II, he remarked, was to develop action items and timelines to begin work on the focus areas.



Special Presentation:

Equine Canada's Export Market Development Program, Susan Stewart, Export Marketing Consultant

Susan Stewart provided guests with an overview of the EC Export Development Program, including the origins of the program, how it works, the milestones and how the program has advanced since it was first launched.

Ms. Stewart presented an overview to the group of the kind of program assistance available to our industry for use towards a generic marketing plan, as well as what needs to be done in order to qualify for funding. However, she noted, applying for government program funding is getting more and more challenging: the program guidelines can sometimes be difficult to interpret because they can be vague and often change year on year. She explained that Standardbred Canada has done an excellent job of qualifying its programs for government funding and suggested we can learn from its best practices in this regard.

Equine Canada has submitted its application for 2013. Though the money being made available has been decreasing year over year, there have been numerous program activities we have undertaken to bolster our export marketing program, including trade missions, trade shows, web marketing, specialized tours and social media and print promotions.

Ms. Stewart suggested we look at the current export marketing activities and see how we might dovetail our domestic marketing activities to maximize utilization of limited resources.

The government is placing a lot of emphasis on research – we all need to know a lot more about our customer base, here and abroad. We need to look to the foundation strategies of marketing; we talk a lot about the attributes of our customers, but we aren't really looking at what it is people want. We have traditionally focused on the US market which is very similar to ours, but in other countries the cultures are very different than our own. How they buy, and their expectations for buying, are different – it's about the experience they have in finding that horse. We need to survey the buyers to learn more about this 'experience'. Our associations need to identify what it is their members have to offer in terms of buyer experience, and then to collectively market that experience to the buyers.

Dr. Kendall stated that we need to put the tourism experience into the mix...what markets are we looking at? Ms Stewart remarked every market. "Are there opportunities to go to different levels of government to combine program funding?" asked Dr. Kendall.

Collaboration with various entities is a good strategy, Ms Stewart agreed, especially working with the tourism industry. Our industries are very similar in our challenges, but tourism is focusing on 'experiences' and this is where they are devoting a lot of market research energies.

Ms Stewart took the group through the web site [Canada Travel](#) to show examples of the Canadian Tourism Commission's new marketing strategies. It has a very outward facing web site, with its [Explorer Quotient](#) survey which asks visitors questions on what type of travel and experiences they are seeking. There are 9 categories (based upon psychographics - the use of demographics to study and measure attitudes, values, lifestyles, and opinions, as for marketing purposes) on the web site to choose from, and within each category there is a wealth of information as to their preferences, and businesses align



their strategies to these. Defining people by social values, their views of the world etc, can offer an advantage to business – you can market to what motivates people.

Canada is ranked as a number one tourist destination and this can be attributed to the change in how we market ourselves. As an industry, we need to understand this new marketing approach and to make it work for us. Things have changed; we need to up the game, be more sophisticated in our approach.

Bernard McCormack agreed noting that the image of the horse is one of the most powerful images we have in our tool kit.

It was observed that outfitters were listed on the national travel site.

There was a review and discussion of the Export Marketing pages on the Equine Canada web site, noting there is a section of the pages under development to showcase horses from Canada. Ms. Stewart asked if this could be developed to work generically for the industry in terms of our domestic markets. Could this be leveraged to meet the marketing objectives of the industry forum?

General Discussion

Focus Area #1 Development of a Generic Marketing Plan for Industry – Domestic and Export Markets

Ms. Stewart's export marketing presentation set the stage for a robust discussion on the generic marketing plan. The group asked itself how it could best collaborate to bring the plan to fruition.

Points raised during this discussion:

- We need generic ads going into different markets
- Amber Heatlie asked "how do we as a breed association find the resources that are available? We need a better understanding of the funding programs available and what is required of us...what does EC do for us...I don't see how EC links to my association other than as an associate member."
- We need EC to provide us with the tools
- Dr. Kendall suggested we post the terms of reference for government funding applications on the EC web site
- We need to manage expectations -we have wasted time and money applying for funds that we were not going to receive
- We are in a rebuilding phase...we need to understand the realities for program funding.
- Ms Heatlie asked for greater central assistance and communications regarding the potential for government grants
- Dr. Kendall: Amber's point is really well taken, an association that has no experience with doing this kind of thing, should be able to go to our web site for guidance
- Ms Heatlie urged EC to raise everyone's awareness of these programs
- Bernard McCormack: perhaps we need a parallel, non-corporate web site
- Ms Stewart: for sure to restructure the site ... we must give our members the tools to be successful...let's create a hub
- Laurie Haughton: We have the resources to push out programs and services to our members...to help themselves.... (build this into the plan) Can some of you commit to a conference call to extend the conversation?
- John Gallinger: the site as it is now is not attractive – corporate...non-experiential...better off to start fresh



- Dean Leifso agreed with this comment
- Al Patterson: What are the steps needed to make the changes happen?
- Dr. Kendall: Let's start with the theory of what it should look like, and I think we agree we need to adopt the techniques used on the Cdn tourism site
- John Gallinger: We want a more informational-based web site
- Maggie Harvey expressed the need to look at what the breed associations want to market – what is their business strategy...before we look to the tools
- Katie Murray – have there been studies done?
- Ms Stewart: yes, we have been researching markets for export; we have been on trade missions, but going forward we need to do more research regarding the potential, and attributes of our domestic market –matching needs with what we are selling
- Dr. Kendall: What is our product – we have a lot of horses that need to be sold. Who are we selling them to? If we had customers, then we wouldn't have horses to sell. We need a program that reaches out to new markets.
- Dean Leifso: we can't just focus on breeders. There is an opportunity to bring in many others
- Ms. Stewart: we have breeders with training expertise; we have to sell everything else along the way
- John Gallinger: we need to generally market the horse –I thought that we wanted to get to the first-time people – to get them introduced to the horse – give them a horse experience; isn't marketing the horse where we want to go?
- Ms Stewart: but we need to do our research – who's out there and what are they selling? We all need to do our homework. What is relevant to what we want to achieve? I note that the CTC says Canadians are the biggest travelers within our own country
- Al Patterson: Let's put some people together with expertise and draft a plan
- Julie Fulton: our products are similar...we can deploy the same marketing techniques
- I want to sell horses to people that ride bikes...it's all about outreach
- We need to appoint a person to collate the data
- Let's think about this as selling the 'experience'...see Canada on horseback
- There are lots of spectators of our sport
- Horses are easy to love
- If we look at the CTC's web site, it is audience facing, the visitor has choices according to their interests; we need to structure a web site that they can drill down to what they are seeking
- Should we be partnering with the CTC web site...to promote equestrian tourism?

We need to list what each of is doing in our own breed associations in terms of marketing strategies and budgets

Julie Fulton noted that the teaching business model didn't work for her. It came down to clients wanting to ride in order to get fit. The health and fitness aspect of riding is something that we have not tapped into.

We need to change our thinking. It's about the clients experience ...what can each of us offer – let's tabulate this as a starting point.

The [British Horse Society](#) has completed a study which analyzes the physical fitness benefits of riding – how the horse fits into overall physical fitness. This is a useful resource to us.



Jeanette Cootes suggested we look at marketing avenues and opportunities such as at major events in order to promote the horse. What about a curriculum program such as Ponies to Pathways developed by Equine Guelph?

Bernard McCormick: We need money, someone to guide us, and we need to redefine ourselves, this is how it's going to get it done – we need someone to take the lead on industry marketing.

Dr. Kendall summarized the discussion thus far, as follows:

- Take an inventory of the landscape
- Who?
- Integrate Export and Domestic Marketing using the internal tourism model
- Look at associated values as a component
- Look at existing programs to flesh out content (e.g. Pathways to Ponies)
- We need money and we need a quarterback to run with a marketing campaign
- More about the overall concept than the individual expertise
- Building spectators – fans and investors
- Building relationships, offering experiences

John Gallinger remarked that he believed we still did not have a clear objective.

Susan Stewart: We need to do produce an environmental scan. We need to spend some time understanding what it is we want to achieve – what is our business objective? What product/commodities do we have to meet those objectives, and then build the marketing strategy.

Bernard McCormick: In my business you have to have a relationship before you have a sale. In foreign markets this can takes years but locally you buy from people you know. You need to build trust. Most of my buyers are also my friends, seldom does a complete stranger come to me to buy a horse.

Marnie Somers: Picture it as a funnel, we want to widen the funnel: where do your new relationship, clients come from? We need to expand the potential client base.

Ms Stewart brought forward one additional marketing web site for information:

Myspectacularnwt.com. This site demonstrates how sellers can come together to form a hub of information in order to market themselves, allowing the members be part of the marketing experience. It incorporates social marketing as well, which is a key tool as we go forward.

John Gallinger: we need a true marketing expert o steer us in the right direction, to align our objectives. How much money do we have?

Dr. Kendall noted the process going forward: we need to outline our objectives and to identify seed money. We may need to look at various sources of funds, including different types of grants be they industry and/or tourism related.

This concluded the morning session.



Afternoon Session

Dr. Kendall began the afternoon session by returning to a briefing on the outcomes from the first Forum, held in November 2012 in Toronto, referring to the focus areas identified in the report, and what he hoped we could achieve with the afternoon session.

He then asked permission to alter the agenda in order to provide a timely update on equine traceability to industry partners and to continue the discussion on a generic marketing plan so that several activities can be identified for action before Forum II concludes.

Equine Traceability

<http://www.inspection.gc.ca/animals/terrestrial-animals/traceability/proposed-elements/eng/1325170775384/1325170880037>

Dr. Kendall reported that EC has developed standards, a strategy and a plan for equine traceability in Canada, all it really requires now is government investment. However, we have learned that the government has indicated it will not be funding the infrastructure necessary to support ID but it will be proceeding with regulations which will download the cost of a national program on to the industry. As a result, he feels the issues need to be revisited by the industry.

He brought forward some points for consideration:

- The risk management part of traceability does provide us with some value
- How do we trace the identity of an animal now? We don't.
- We may need to address this on our own as an industry through the breed registries. We should retain that initial identification number.
- There are three parts of the Unique Equine Lifetime Number (UELN) - international, national and breed number.
- The Food Safety component of the plan is relatively expensive.

How do you feel we should go forward with traceability given the government's latest position?

He added the government seems willing to put millions of dollars behind support mechanisms for the pork and cattle sectors, but not horses. They don't see horses as livestock and part of the food chain.

For individual owners, the Initial identification of the horse could well be in excess of \$100.

If we do not want to be part of the regulations, then now is the time to express this opinion to the government. Regulations could be in place as early as 2015.

This could be seen as one more barrier to people buying horses, as we already get taxed on many inputs unlike other livestock commodities. Why should we also pay for traceability? Through our economic contributions, we are actually subsidizing the other commodities.

He asked industry members what response they would like taken back to Agriculture and Agri-Foods Canada on this issue.



The following motion was put on the floor:

Motion: That Equine Canada communicates to AAFC to the effect that the word Equine be removed from all current drafts of the new regulations of the Health of Animals Act related to traceability.

Moved by Vel Evans

Seconded by Al Patterson

Discussion on the motion:

We can't have it both ways, we want our horses classified as livestock, but we don't want to be regulated like other livestock.

In our communications with the Ministry we have indicated we can only support regulation if it comes with public support for implementation.

For the CFIA, traceability is understandably all about disease control. I would suggest a letter may be premature.

We were clearly told that only beef and pork would receive infrastructure support, and it would be built upon the current model in place in Quebec.

We need to take a firm stand, no public support, no regulations. It is a question of affordability

If producers opt out, how will this work with regards to horses going for processing?

The current requirements, a six month health record, would stay in effect.

If the government does not grant our request, then where does this fall?

My guess is that the CFIA would like to eventually exclude animals coming for processing in small lots. I think the long range plan is to reduce this from happening.

What is the best for horse people?

We don't want the current draft federal regulations, they insist on microchips and passports

We don't want it

We feel we need some mechanism to protect the herd from infectious disease. It's up t us to do it.

The question was called on the motion:

Motion: That Equine Canada communicates to AAFC to the effect that the word Equine be removed from all current drafts of the new regulations of the Health of Animals Act related to traceability.

Moved by Vel Evans

Seconded by Al Patterson



The motion was **CARRIED**, with one abstention

Discussion on the merits of having a Unique Equine Lifetime Number proceeded among Forum participants, with the following comments noted.

It would be irresponsible for us not to support a UELN, it is a universally accepted process. The national benefits include: maintenance of life-time sport records, ability to manage biosecurity threats, and the ability of organizations to initiate biosecurity procedures to protect the herd.

Disease outbreaks can be better controlled and managed.

Why not do a parallel process? Breed registries, such as Standardbred, has a tracking number. The CanEquid plan adds a number in front of this breed registry number, and that would allow us to follow the horse after it leaves racing, for example

It's no more paperwork, just adding numbers in front of the breed registration number.

The www.ueln.net website was brought forward to better explain the international plan for identification. Vel Evans answered detailed questions on how the proposed CanEquid model from EC would work.

There was agreement that the breed registries could take this forward, if there is agreement on how we standardize our records...if this happens, applying a unique UELN would be quite simple.

In terms of cost, it would mean that the pedigrees would need to reprogram their data bases to add six numbers to their existing breed registry number. The other commitment is that when there is a transfer of ownership, this is also recorded.

Amber Heatlie put a motion on the floor to table the discussion. There was no seconder to the motion.

It was noted that the Canadian Livestock Records Corporation has the capacity to handle this new identification system. Standardbred Canada and the America Quarterhorse have similar capabilities.

There will need to be a business agreement between the parties. We need to identify how EC is going to assist the industry with this initiative. Better communication pieces need to be created and shared with owners.

Bernard McCormack put the following motion on the floor:

Motion: That the Equine Canada Delegate Assembly adopt the Unique Equine Lifetime Number.

Seconded by Al Patterson

There was no discussion on the motion and the question was called.

The motion was **CARRIED**

Best Business Practices Updates



At the first Forum, the need for a working group to develop Best Business Practices was identified and created. Member Mike Boyd, from the Canadian Hanoverian Breeders Association, and member of EC Industry Council, is heading this group up and making good progress on a number of fronts. Mr. Boyd was unable to attend the second forum however he reported earlier that the working group (consisting of himself, Mara Coote and Victoria Kendall) is gathering resources to produce a toolkit for horse buyers and sellers, that includes such things as buy/sell agreements, pre-purchase exams and more. They are currently researching industry standards regarding the interpretation of pre-purchase radiographs and will report back to the EC Industry Council.

Generic Marketing Plan – Identify the Building Blocks

With Vel Evans assistance, the group reviewed the activity timelines identified during Forum I. It was agreed that a plan to proceed is now required, as well as ideas on how to resource that plan.

Timelines

Step 1 – By February 2012 - Equine Canada to write a framework for the creation of a marketing plan. Equine Canada and possibly some breed associations to contribute bridge financing to cover costs to deliver Step 1 and Step 2

Step 2 – Between February 1-September 30, 2012 - Develop a proposal and budget for the Generic Marketing Plan. Present to stakeholders for feedback and consideration by September 30, 2012. The proposal will include the financial and personnel resources required and how each organization should contribute to the development and execution of the Generic Marketing Plan.

Step 3 – “Sell” to industry stakeholders and Government

Step 4 – Implement Generic Marketing Plan

A consensus was reached on the over-arching product to market, and that is ‘the horse’.



The following additional activity milestones were identified:

EXTERNAL	February 2011	Sept 2012	February 2013
Hire External Expertise to Develop a Plan _____			✓
INTERNAL	February 2012	Sept 20 12	February 2013
<u>Define</u> Outside Expertise Required _____			
<u>Define</u> The Product – The Horse ✓ The Audience/Market _____ ✓ Domestic _____ ✓ Individual _____ ✓			
Develop Inventory of Best Practices in Play _____			✓
BUDGET _____ ✓ To hire external assistance (revisit the 2012-13 proposed budget) To Implement plan – build into the budget proposal for 2013-2014 (due June 01, 2012)*			

*EC Yearly Budget Process

Marketing Input

We need a resource hub – check out what is happening on the Canadian Clydesdale site built by volunteers. We need an inventory of the assets we have.

Action Items

Action Item: We will do an inventory of resources that could be put together for schools. I have a group of students that could assist, and I could work with Quebec a cheval and Laurie Haughton, perhaps putting a committee together to pull together a resource kit for schools (first we need an inventory of what has already been prepared and then a plan on how to get this into the schools) Cathy Chalack and Laurie Haughton

Action Item: Participants were asked to send details on their existing marketing programs and tools to Maggie Harvey.

Action Item: By the fall, we will define requirements for outside expertise- who will write the RFP document? Maggie Harvey

Action Item: Put together a marketing inventory template for participants to fill in. Maggie Harvey and Susan Stewart



Action Item: Prepare a communications piece to accompany our marketing inventory template to associations. Maggie Harvey

Action Item: Form an Equine Industry Marketing Working Group. Bernard McCormack agreed to be on this committee. Who does the working group want to report back to? The Industry Council. It will require liaisons between the group and the Council. Marnie Somers agreed to be on the working group. It was suggested that this working group should be struck after the scope of work and the inventory have been completed, which is a function of the Council to complete.

It was suggested we should seek corporate sponsors.

It may be practical to look at public funding – next January we will be writing our next export marketing program grant application. It was estimated a budget of \$250,000 would be required to conduct a productive campaign.

Action Item: The EC Industry Council committed to:

- Seek campaign commitment from its affiliates as it gather the inventory
- Include the campaign as part of the application for export market funding
- Promote the campaign and its goals to the EC Board and Councils
- Share implementable strategies with partners

Dr. Kendall thanked everyone for their participation and attendance at the Forum and remarked that significant progress had been made.

END



Representation at Forum II

Edward	Kendall	Canadian Warmblood Horse Breeders Association
Al	Patterson	Canadian Quarterhorse Association
Vel	Evans	Facilitator, Strategic Equine
Sandra	Conrad	Steward, Nova Scotia
Marnie	Somers	Canadian Quarterhorse Association
Cathy	Chalack	Olds College
Katie	Murray	Newfoundland Pony Society
Dean	Leifso	Standardbred Canada.
Bernard	McCormack	Can. Thoroughbred Horse Society
Susan	Stewart	EC Export Market Development
Sandra	Landry	Appaloosa Canada
Gary	Gushuliak	Canadian Arabian Horse Society
Mary	Cork	Welch Pony & Cob Society
Julie	Fulton	Can Warmblood Horse Breeders Association
Jeanette	Coote	Canadian Warmblood Horse Breeders Association
Laurie	Haughton	Canadian Quarterhorse Association, Director
John	Gallinger	Standardbred Canada
Amber	Heatlie	Clydesdale Association of Canada, President
Julie	Villeneuve	Québec à cheval
Margaret	Harvey	EC Manager of Industry
Audrey	Lapointe	Québec à cheval





2012 EQUINE INDUSTRY FORUM II
Shaping the Future of the Horse Industry
February 3rd, 12 to 5 pm and February 4th, 9 am to 5pm
[Sheraton Hotel Newfoundland](#), St. John's, Newfoundland

PROGRAM

Avalon/Battery, Lower Level

Noon

Buffet Lunch – *Please note that our meeting will get underway at 12:30 to accommodate a full agenda*

Welcome and Call to Order – *Please note that the first part of the Forum is an OPEN Industry Council meeting*

Approval of the Agenda

Approval of Draft Minutes for January 9, 2012

Business Arising from the Minutes

Receipt – 2011 EC B&I Assembly and Export Seminar Report

Annual Reports

Industry Division

Dr. Edward Kendall, Chair, EC Industry Council
Programs and Budget

Health & Welfare Committee

Dr. Mary Bell, Chair

Industry Discussion

Equine Traceability for Horse Processing:
Do we need it?

Coffee Break

New and Continuing Business

Focus on Funding
Refining our 2012-2013 Budget Submission
Adjourn

New Award –

‘Canadian-bred Horse of the Year’

Information for Breed Associations

Strengthening Our Partnerships

Identifying the Expectations of
Breed Associations and Industry

5 pm

Adjourn to Saturday at 9 am

*Please remember the **Equine Canada Annual Awards Gala** at 7 pm –
a pre-reception starts at 6 pm*



PROGRAM – DAY TWO
2012 EQUINE INDUSTRY FORUM II
Shaping the Future of the Horse Industry
Avalon/Battery, Lower Level

9 am	Export Market Development Program Susan Stewart, Export Marketing Consultant
10:15	Coffee Break Report on the 2011 Equine Industry Forum/Survey Key Areas of Focus for the Industry Going Forward: <ol style="list-style-type: none">1. Development of a Generic Marketing Plan for Industry2. Advocacy to Correct Taxation and Market Issues Hurting Industry3. Development of Best Business Practices <p><i>The objective at this point in the program is to develop the framework to produce outcomes from the afternoon sessions, including the identification of national working committees.</i></p>
Noon	Buffet Lunch
1 pm	Focus Area #1 Development of a Generic Marketing Plan for Industry– Domestic and Export Markets
2:30	Coffee Break
2:45	Focus Area #2 Advocacy to Correct Taxation and Market Issues Hurting Industry
3:45	Focus Area #3 Development of Best Business Practices <i>Report from the Working Group</i>
4: 45	Closing Remarks Dr. Edward Kendall

