Canada

Agriculture Canada

Y2K

AND THE AGRICULTURE AND AGRI-FOOD INDUSTRY

Agriculture and Agri-Food Canada   **Agriculture et Agroalimentaire Canada**

Canadian Food Inspection Agency   **Agence canadienne d'inspection des aliments**

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This brochure has been produced to help you understand the Year 2000 (Y2K) challenge and how it could affect your operation, and to provide guidance on ways of ensuring your operation is ready for January 1, 2000.

Disclaimer

THE Y2K CHALLENGE

You've no doubt heard there is a good chance you or your business may be affected by the Year 2000 problem — when computers, or computerized equipment, could malfunction. The cause originates from the 1960s, when computer programmers saved memory by representing the year date in two digits instead of four. This shortcut saved them millions of dollars, but when "99" becomes "00" computers will assume the year is 1900, instead of 2000.

Computers and software that use that two-digit year code are not only still around, they are everywhere. The problem is widespread. It affects all industries, all sectors and all countries around the globe. Virtually every business that has equipment containing computer chips could be affected. Even a Y2K compliant chip used with computer equipment that isn't compliant could malfunction.

In the food industry, embedded systems are used extensively. Computer chips can be embedded in such things as ventilation, refrigeration, processing, milking or freezing equipment. Problems could also be experienced with those machines that determine expiry and/or shipping and receiving dates.

While we know that not all of these chips will be affected, the trick is to figure out which ones are and to give them the attention they need to continue functioning on January 1, 2000.

MEETING THE CHALLENGE

To determine if your business will be affected, or to "fix" the problem, follow these steps:

1. **Take inventory** or stock of all the equipment, machinery and systems that could be affected. Some computer systems are obvious, others may not be. Don't forget to include any automated equipment.

2. **Assess your systems** to determine which of your computer programs and equipment need conversion or replacement. You can always contact your equipment and software suppliers and seek their advice on Year 2000 readiness. Be sure to replace or fix those items that are critical to your operation first.

3. **Design and implement plans** to convert or replace. If you're replacing equipment, it may be prudent to budget for the expenses. (Tax deductions of up to $50,000 will be provided to small- and medium-sized firms for computer hardware and software acquired to replace systems and equipment that are not Year 2000 compliant. For more information, call your local Revenue Canada Tax Services Office or view some answers to frequently asked questions at: **http://strategis.ic.gc.ca/sos2000**.)

4. **Test your systems**. Testing is a critical component of Year 2000 preparations so that problems can be identified and corrected before January 1. Test all your

systems. Given the possible importance of embedded chips to your operation, make sure they are checked as well. (Before testing your computer, make sure it has special back-up capabilities or make a complete copy of all your program and data files.) Once again, contact your equipment dealer or manufacturer to find out how systems can be checked.

5. **Plan for problems**. Make certain you have back-up plans in the event that anything goes wrong. Even if you think you're ready to meet the new millennium, there is a possibility you may have missed something. You need to anticipate the impact a major malfunction would have on your operation and that of others. Planning for problems is simply part of good, prudent management. And, in case you're not available when problems do occur, don't forget to inform your spouse, business partner or employees of your emergency plan.

6. **Ask others if they are ready**. Remember, no company is "an island." There's your computer system, which you can fix. But

Many organizations are just beginning to realize that they have far less time than they thought. One answer is to co-operate. Share your knowledge with other businesses. Don't waste time reinventing a wheel that someone else has already designed and built.

there are also your suppliers, customers and partners - each with computers as susceptible as yours. You need to take whatever measures you need to shield your firm from the impact of unprepared trade partners. Identify

every partner in your chain of business. And, remember that any weak link in that chain may cause disruptions.

Remember, this is not just a problem for your technology shop. Y2K has become a core business issue, full of financial and legal ramifications – ranging from questions of breach of warranty to the accuracy of financial statements to whether company directors are exercising due diligence for what has become a completely foreseeable problem. To avoid legal action, companies are urged to seek legal advice to assess the legal implications for their business.

The Y2K challenge is everybody's ... together, we can meet the challenge.

Although government is offering assistance to industry, each business is ultimately responsible for fixing its own Year 2000 problems, and responsible for the consequences if it does not.

INFORMATION AND PROGRAMS AVAILABLE

If you want to know more about the Year 2000 challenge, or need some help in preparing your business for the Year 2000, there are a number of useful tools available to help you with your efforts:

- **CAN2K Campaign**: Industry Canada has established a virtual tool kit consisting of a workbook for developing a Year 2000 action plan. The kit can be obtained from over 2000 Community Access Network sites across Canada or downloaded from **http://www.can2k.com**.

- **Year 2000 First Step**: For $195, a business can receive an assessment of up to 10 computers and an action plan specific to the company's unique Year 2000 challenges. For more information, visit the Student Connection Program's web-site at **http://www.scp-ebb.com/e2000.htm** or call **1-888-807-7777**.

- **BDC Year 2000 Ready Loans**: The Business Development Bank of Canada has created a $50 million Year 2000 Ready loan program. Small business owners can now apply for specially designed term loans that offer flexible repayment conditions. For more information or to discuss Year 2000 issues, call **1-888-463-6232**, or visit their web-site at **http://www.bdc.ca**.

ADDITIONAL SOURCES OF INFORMATION

- Agriculture and Agri-Food Canada's web-site at **http://aceis.agr.ca/policy/y2k** also has valuable information and numerous links to other sources of information.

- The Canadian Food Inspection Agency's Year 2000 information can be found at: **www.cfia-acia.agr.ca**

- The Government of Canada has valuable information for both consumers and businesses. Call **1-8ØØ-O-Canada** (1-800-622-6232) **TTY 1 800 465-7735** or visit the Year 2000 web-site at: **http://www.info2000.gc.ca**.

- Contact your local municipality or provincial government to determine their readiness or if they're planning to offer information or training sessions on Y2K.

- Manufacturers of agricultural equipment, computer hardware and software have toll-free customer service lines and Year 2000 information on their web-sites.

- Many local business support organizations, libraries and colleges have information and resources available and most provincial government agriculture ministries have established web-sites that contain valuable information.

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