



Agriculture

A world of possibilities



A world of possibilities

A world of possibilities





Farm Credit Canada

Many producers and agribusiness operators manage everything from production, marketing, contracts, risk and human resources to succession planning and taxes.

With so much going on, it's a challenge to look past the fast pace of the day-to-day and envision their long-term direction.

We get agriculture

At Farm Credit Canada, we understand the business of agriculture. We share our knowledge with customers so they can benefit from our experience, expertise and fresh perspectives.

FCC lends to all sectors of agriculture, to primary producers and businesses that provide inputs to, or add value to, agriculture operations. Our job is to work with customers to help them grow, diversify and prosper.

Operating out of 100 offices located primarily in rural Canada, our 1,300 dedicated employees are passionate about the business of agriculture. FCC is a financially self-sustaining federal Crown corporation. Our portfolio of \$13.6 billion and 14 consecutive years of growth are a reflection of our customers' continued confidence in FCC.

Financing that fits

We pride ourselves on offering flexible financing customized to the needs of producers and their suppliers and processors. FCC also provides a full menu of agriculture financing and business management information, training and advice.

We're here to help.



Why we exist

Vision

Visionary leaders and trusted partners in finance and management services tailored to agriculture – leveraging our people’s specialized knowledge and passion to create an extraordinary customer experience.

Mission

To enhance rural Canada by providing specialized and personalized business and financial services and products to farming operations, including family farms, and to those businesses in rural Canada, including small and medium-sized businesses, that are businesses related to farming. The primary focus of the activities of the corporation shall be on farming operations, including family farms.

Public policy

We fulfil our public policy role of enhancing rural Canada by offering loans and services to the agricultural community. These services include management software, information and learning to help customers make sound business decisions. Our commitment extends to customers throughout rural Canada with services provided in both official languages. Founded on providing lending services to primary producers, FCC’s depth of support now extends to financing businesses that provide inputs to and outputs from primary production.

FCC is built on solid business principles, which includes assuming an appropriate level of risk.

Our commitment to agriculture is unwavering. We are dedicated to supporting the industry by working with our customers to see them through challenges and to help them take advantage of opportunities.







How we behave

Corporate values

FCC's corporate values represent our core beliefs:

Focus on the customer

We succeed when our customers succeed. To help them, we listen and work to understand their needs.

Act with integrity

We treat people – colleagues and customers – with respect, balancing business decisions with individual needs.

Work together

We believe in the power of teamwork. We work together with customers to design services tailored to their needs. We partner with other organizations to benefit our customers.

Give back to the community

We believe in giving back to our communities – the communities where our customers and employees live and work.

Achieve excellence

We are committed to one thing – the success of the Canadian agriculture industry. We set our sights high, strive to learn more and work to build a business that benefits our customers and helps our employees achieve their potential.

The FCC value proposition

What you can expect from us

FCC proudly serves Canadian agriculture as the leading provider of financing to the industry since 1959.

We focus on the primary producer as well as suppliers and processors along the agriculture value chain. We provide our customers with flexible, competitively priced financing, equity, insurance, management software, information and learning.

These services help our customers make sound business decisions and experience greater success.

We take time to get to know our customers, their individual needs, goals and vision for the future. We work with them through challenges and help them pursue opportunities.

We're easy to do business with.

**Agriculture. We know it. We love it.
We're in it for the long run.**

A man with a mustache, wearing a blue jacket and a dark cap, is sitting in a barn. He is smiling and looking towards the camera. In front of him is a brown dog. In the background, several brown cows are visible. The scene is lit with warm, indoor lighting.

*“It’s more than a way of
life. It’s a business.”*

– Scott Graham, Ontario beef and poultry

Scott and his wife Laurie enjoy the satisfaction of growing crops and raising livestock, and they also understand the business side of operations and the importance of bio-security and sustainability.

Scott began his relationship with FCC shortly after starting his farming career in the mid-’70s. He says FCC understands the nature of agriculture and they truly take an interest in the success of his operation. Agriculture is big business, and he believes it’s important to have a partner that caters to the industry.



Products and services

We care about our customers and take the time to listen, learn and understand their goals.

We offer a combination of financing, equity, insurance, management software, information and learning through our business lines. At the end of the day, we want customers to say, “Wow, that was easy. FCC really cares about my success.”

AgProduction

We lend money to primary producers. Our loans are tailored to the unique needs of agriculture. Our diverse customers include those who produce raw commodities such as crops, beef, hogs, poultry, sheep, dairy, fruits, vegetables and alternative livestock or crops. An FCC Relationship Manager works with customers to find the right combination of terms, security and payment schedules.

AgValue

We also lend money to those who buy from and sell to primary producers. These are the equipment manufacturers and dealers, input providers, truckers and processors along the agriculture value chain. If customers need financing to do business, they can talk to us and we will help them take advantage of opportunities.

Alliances

We provide lending services where our customers do business through a team of equipment dealers, input, livestock and manufacturer partners. Customers can obtain loan approvals on the spot. Equipment dealers can help their customers get their equipment loans by becoming a member of our National Equipment Dealers Finance Program.

AgriSuccess

We advance farm management practices through information and learning. These include workshops such as managing farm finances, human resources, succession planning and others.

This past year, we launched the Winning in Agriculture series, the largest AgriSuccess speaker series ever hosted by FCC. The events were held in six cities across Canada, featuring informative speakers ranging from local agriculture business leaders to climate and weather specialists.

Every week, customers can get the latest in agriculture e-news with AgriSuccess Express. They receive provincial, national and international news and trends that affect agriculture – and their bottom line. AgriSuccess Express is delivered free every week.

Customers can learn more about farm management strategies with AgriSuccess Journal, published every two months. With this free national farm management magazine, they get tips and insight from other industry experts and producers.





AgExpert

We offer Canada's leading management software for agricultural producers – AgExpert Analyst and AgExpert Field Manager PRO. These allow producers to easily produce financial statements, manage their business, and track and report important field and crop records.

AgExpert Analyst allows customers to track income and expenses. With just a few clicks, a completed GST return is ready. It's the accounting software that's designed specifically for Canadian agriculture.

AgExpert Field Manager PRO software is an innovative crop record-keeping and planning system that gives customers access to all of their crop production data – any time, anywhere. They can get a complete picture of their operation as it is – and as it could be – on a desktop PC or handheld.

Agri-Assurances

Insurance is an important aspect to any business. It's also important to our customers. That's why we offer loan life and accident insurance tailored to agriculture. It's the best way to protect them, their families and their businesses.

FCC Ventures

FCC Ventures, the corporation's venture capital division, has been successful in addressing the need for non-traditional capital financing in Canada's agriculture industry.

This year, FCC Ventures invested \$19.8 million in venture capital funds, bringing the total provided to the industry to \$63.0 million since its inception in 2002. In addition to its own investments, FCC has attracted other venture capital to agriculture from third party co-investors totalling \$1.60 for every dollar invested by FCC.

During the year, FCC leveraged this success by becoming the lead sponsor and committing \$50 million to a new venture capital fund called Avrio Ventures Limited Partnership. The fund intends to capitalize on the convergence of life sciences and industrial technology and will focus on Canadian commercialization to growth stage companies in three emerging sectors: industrial bio-products, food technology and nutraceutical ingredients. Avrio Ventures is represented across Canada with offices located in Calgary, Alberta, Oakville, Ontario and Montreal, Quebec.

Online Services

We make it easy for customers to do business with us. Customers can check their entire portfolio online, review farmland values reports, use our online farm finance kit, watch commodity futures prices, the weather and news, 24 hours a day, seven days a week.

CanadianFarmersMarket.com

Promoting Canadian agriculture and helping customers market their products are important to us. That's why we promote customer products and services by bringing buyers and sellers together on CanadianFarmersMarket.com. Consumers can purchase Canadian products online, direct from the producer, while learning what agriculture has to offer.

A photograph of Jerry Bigam, a man with glasses and a white hairnet, wearing a white lab coat over a blue shirt. He is standing in a food processing facility, with a metal rack containing several golden-brown breads visible in the background. The lighting is bright and even.

*“My company isn’t just
a balance sheet.”*

– Jerry Bigam, Kinnikinnick Foods Inc., Alberta

Jerry knows anything is possible when you have a lender who looks beyond the numbers and believes in the person behind the vision.

Jerry built his business with a vision – provide celiacs, people with autism and others with special dietary requirements with a risk-free source of food products that actually taste good. Today, there are over 120 gluten-free Kinnikinnick-brand food products, ranging from breads, buns and bagels to cookies, muffins, and cereals.

FCC loans

We pride ourselves on offering flexible financing that producers and their suppliers and processors can customize for their operations. Our people understand agriculture and take the time to work with customers to offer the right loan with a flexible combination of terms, security and payment options.

Customized loans

Accelerator Loan

New

As a young farmer, you can buy or build with zero down, full payment flexibility and no-cost access to farm management tools.

Advancer Loan

Use this pre-approved, secured loan with the flexibility to re-advance funds at your discretion.

American Currency Loan

If you derive a lot of your revenue in U.S. dollars, you can borrow and make payments in U.S. dollars.

Capacity Builder Loan

Purchase quota or breeding livestock with pre-approved financing for up to one year and the option to capitalize interest.

Cash Flow Optimizer Loan

Make interest-only payments and re-invest funds into other areas of your operation. Simply pay down the principal when you choose.

Construction Loan

Get interim financing for up to 18 months on construction projects including processing plants, cold storage and grain storage facilities. Use the money to build and only pay when your project is done.

Enviro-Loan

Defer principal payments in constructing, improving or expanding your operation when you improve environmental facilities.

Farmbuilder Loan

Defer your principal payments while you build, with interim financing for up to 18 months on construction projects.

First Step Loan

Use your post-secondary education to buy your first farm-related asset.

Flexi-Farm Loan

Defer principal payments for up to one year to take advantage of opportunities or ease cash flow during adverse conditions.

Herd Start Loan

Take time after starting or expanding your livestock operation. Use your cash flow to grow your business.

1-2-3 Grow Loan

Manage your cash flow with interest-only payments until you get a return on your investment.

Opportunity Loan

Fund your agribusiness expansion with principal payment holidays for up to 12 months.

Payday Loan

Use your off-farm income to start or expand your farm business.

Performer Loan

Get rewarded with lower interest rates when your business achieves pre-set financial goals and ratios.

Plant Now – Pay Later Loan

Defer payments in your horticulture operation until your new plantings start to generate cash flow.

Spring Break Loan

Match your payment schedule to the forestry harvesting season.

Stop and Grow Loan

Defer principal payments at your woodlot as saplings grow into profits.

Transition Loan

Help the next generation purchase your property at retirement. Get the equity from your farm without risk.

Personal property

Buying equipment or livestock? Choose from these options:

Variable

Rate floats as interest rates rise or fall, plus lock in your rate, or prepay any amount, any time.

Closed

A low fixed rate for the term of the loan.

Open

Low fixed rate with option to prepay any amount, any time.

Real property

Perfect for those looking to purchase land or financing the construction of a new building.

Variable

Rate floats as interest rates rise or fall, plus option to prepay up to 10 per cent, any time.

Closed

A low fixed rate for the term of the loan.

Fixed

Fixed rate with option to prepay up to 10 per cent any time.





Operational and financial highlights

In 2006-07, FCC grew its portfolio by \$1.2 billion or 10.1 per cent. Net disbursements were \$3.7 billion. Equity continues to grow with increases in net income. The corporation continues to build its strong financial foundation, ensuring sufficient resources for continued growth and viability while supporting customers during all economic cycles. Our net income is reinvested back into agriculture.

For the years ended March 31

Operational	2007	2006
Loans receivable portfolio		
Number of loans	91,658	88,559
Loans receivable (\$ millions)	13,550.4	12,310.2
Net portfolio growth (per cent)	10.1	10.4
Loans receivable in good standing (per cent)	97.4	97.5

New lending

Number of loans disbursed	28,684	28,634
Net disbursements (\$ millions)	3,714.7	3,317.3
Average size of loans disbursed (\$)	129,504	115,852

Financial	2007	2006
Balance sheet (\$ millions)		
Total assets	13,834.2	12,576.3
Total liabilities	12,372.1	11,312.5
Equity	1,462.1	1,263.8

Income statement (\$ millions)

Net interest income	414.6	388.4
Provision for credit losses	38.9	62.4
Other income	5.8	6.6
Administration expenses	177.7	163.0
Net income	203.8	169.6



1-888-332-3301 www.fcc.ca

Cette publication est aussi offerte en français.

Canada