

First **In** Grain

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A New Crop to Offer Our Customers

BY **KEN RITTER** Chair of the Board of Directors



There's nothing quite as satisfying as completing a successful harvest. I know this both as a farmer and as chair of the CWB's board of directors. Marketing the grains that western Canadian farmers deliver to the CWB is our core business. Another year's harvest means another round of opportunities to offer you – our customers – high-quality wheat, durum and barley as well as an unsurpassed level of service and technical support.

For a profile of the quality and quantity of our 2007 crop, see the article below. Regarding the CWB's role in marketing the crop, I am pleased to tell you that the CWB looks forward to smooth waters in the year ahead.

Canada's federal court ruled July 31 that any changes to the CWB's mandate as the sole marketer of western Canadian wheat, durum and barley must adhere to the process laid out in the *Canadian Wheat Board Act* – consultation with the board of directors, a farmer plebiscite and legislation passed in the House of Commons. An appeal of the court ruling will not be heard for several months and in any case we are confident it will not succeed. As well, the Canadian government has assured us there will be no changes to the CWB's mandate for the 2007-08 crop year.

It's my pleasure to wish you the best in your business endeavors and to invite you to contact our sales staff regarding your current and future needs.

Profiling the 2007 Crop

Western Canada Grain Production (million tonnes)

	2002-06 average	2006	2007
Spring Wheat	16.17	18.16	13.70
Durum	4.48	3.35	3.55
Barley	10.13	8.88	11.15

The 2007 growing season in Western Canada was a trying one, with conditions ranging from excess moisture in the spring to record-setting temperatures during July. The extreme variability of weather impacted wheat, durum and barley production. Total wheat production for Western Canada is estimated at 18.7 million tonnes, with spring wheat accounting for 13.7 million tonnes of the total. Durum production increased over 2006 levels to 3.55 million tonnes, while barley increased to 11.15 million tonnes. Yields are forecast to be lower in 2007 with spring wheat yields dropping to 2.3 tonnes per hectare.

Durum yields dropped to 1.9 tonnes per hectare, while barley yields were forecast to reach 2.9 tonnes per hectare.

Winter wheat harvesting began in late July and early August, with the spring wheat and barley harvest underway by the middle of August. Despite the early start, the wheat and barley harvest in northern areas did not end until October. The later harvest date resulted in crop quality close to normal. The durum harvest quality is similar to last year although some of the crop has been downgraded due to lower test weights. Barley quality from the early harvest has been good, but later harvested samples have been downgraded due to staining.

Promoting Prairie Grain – A Model Partnership

Wheat from Western Canada is the best. This is a message that CWB customers around the world have heard many times. This fall, the CWB is teaming up with the makers of Robin Hood flour – a familiar and trusted product in Canada – to tell Canadians about the superior quality of wheat grown in their own country.

“It’s an easy message to deliver because it’s the absolute truth: the wheat grown by western Canadian farmers is the best in the world,” said CWB director of brand development David Burrows.



“It’s also a great message because it benefits both the CWB’s customers and consumers of our customers’ products.”

The CWB/Robin Hood partnership includes a recipe booklet called “Baking is Back” which contains information about western Canadian wheat. More than 3.5 million copies will be distributed through Canadian

magazines and national grocery chains. A message about the goodness of Prairie grain will feature prominently on the side panel of every package of Robin Hood flour sold in Canada, on in-store displays and in magazine advertising. As part of the promotion, the CWB has created a new consumer Web site, www.prairiewheat.ca.

“It’s a multi-faceted promotion that could serve as a model to other CWB customers around the world,” said Burrows. “The fact is there’s a real benefit to saying, ‘This product is superior because it’s made with wheat or barley from Western Canada.’”



Canadian Wheat Makes it Good



Scenes from a Tokyo cooking seminar sponsored by Japan’s domestic pasta association. The association held a series of six cooking seminars throughout Japan from spring through fall. The CWB is a proud supplier of durum wheat to Japan.

Celebrating World Pasta Day

World Pasta Day, held each year on October 25, is an invitation to celebrate one of the world’s most nutritious, economical and versatile foods. Consumed on all the world’s continents, pasta is a true global food. It’s easy to make and features in dishes that range from quick and simple to haute cuisine.

Western Canada exports more of the durum wheat used to produce pasta than anywhere else in the world – a record 4.4 million tonnes in the 2006-07 crop year.

“High-quality pasta products start with high-quality durum,” said Gord Flaten, CWB vice-president of marketing. “Our customers know they can rely on western Canadian durum for premium quality and consistency.”



Viterra Arrives on Grain-Handling Scene

Western Canada's grain-handling landscape has changed once again with the creation of Viterra, a new company formed by the takeover of Agricore United (AU) by Saskatchewan Wheat Pool (SWP).

Viterra, which is a combination of words to mean "life from the land", has become Canada's largest grain handler, with annual sales of \$4 billion and 58 per cent of Western Canada's grain handling capacity. Market share is expected to exceed 40 per cent.



PHOTO COURTESY OF THE WESTERN PRODUCER

"This is a major milestone in what has been an ongoing process of consolidation in grain handling on the Prairies," said Rick Steinke, CWB director of logistics. "The CWB looks forward to working with all the suppliers in Canada's grain handling industry during this period of evolution to ensure the needs of our global customers are being met."

Viterra owns seven export terminals and more than half the port capacity at Vancouver, British Columbia and Thunder Bay, Ontario. The company employs 4,000 people and operates 276 retail centres and 104 grain handling and marketing facilities. As part of the takeover deal, SWP sold off a number of Agricore's assets to James Richardson International (JRI), which becomes the second-largest grain handling company on the Prairies.

Better Weather Data for Prairie Farmers

An extensive network of hundreds of weather-monitoring stations is springing up across Western Canada.

Farmers, grain companies, schools, businesses and government agencies are working together across the Prairies to build a weather network linked through the Internet, providing up-to-the-minute, local weather information. The project was conceived by the CWB's weather and crop surveillance department and is being carried out by the CWB in partnership with WeatherBug®, the world's leading provider of local weather information, and Pioneer Grain, a subsidiary of James Richardson International (JRI).

"More extensive weather data enable farmers to make better agronomic and farm-management decisions," said CWB President and CEO Greg Arason. "Ultimately, that's in the interests of farmers and customers alike."

General information from the network will be available through WeatherBug's public Web site. Subscribers to the network will have access to more detailed data from any weather station and be able to plot out precise, highly localized records of weather elements such as precipitation and winds.

Six hundred weather stations will be installed across the Prairies within the next three years.

CWB President and CEO Greg Arason, JRI President Curt Vossen and WeatherBug President Rob Marshall examine a weather monitoring station near Winnipeg.

PHOTO COURTESY OF JOE BRYKSA, WINNIPEG FREE PRESS



Faces & Places



GuangDong Baiyan Grain and Oil Industrial Co. Ltd. in GuangDong welcomes CWB and CIGI representatives.



The CWB's China-Canada Wheat Quality seminar in Qingdao attracted 100 participants.



Derek Sliworsky, general manager of the CWB's Tokyo office, and Garth Gillam, milling manager for Goodman Fielder in New Zealand.



Participants in CIGI's Japanese Flour Millers Program pose with a Royal Canadian Mounted Police mascot at the RCMP Heritage Centre in Regina.



Participants in the International Malting Barley and Brewing Program with staff of CIGI and the Canadian Malting Barley Technical Centre.



Participants in CIGI's Indonesia Bogasari technical program take time out for dinner with CWB and CIGI staff.



First in Grain is a publication of the Canadian Wheat Board (CWB). *First in Grain* is designed to keep our grain industry partners informed about the Canadian system of grain marketing, CWB initiatives and factors that influence the marketing of western Canadian wheat and barley.

Readers are invited to submit questions and comments to:

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