



ADAPT Council Industry Newsletter

Vol. IV; No. 13

November 15, 2005

In This Issue:

More Power in the Marketplace

PEI ADAPT Funding Recipient Wins 2005 Manning Award of Distinction

Growing a New Crop Is a Costly Venture.

Keeping up With the World Dairy Farmers of P.E.I.

Ideas and Opportunities

 Taking the Really Long View

 Natural Beef Sales Outpace Other Kind

 Who Owns “Organic”

 Hybrid Grass Shows Strong Biomass Potential

 Breeding a More Sustainable Potato

 Blue Light Translates to less Biting in German Trials

 Consumers Looking for Fresh-cut Ideas

 Co-operative Development in Canada

Upcoming Events

More Power in the Marketplace - Consumer Food Trends to 2020.

The PEI Farm Income Improvement Committee together with Agriculture and Agri-Food Canada is pleased to present Diane Wetherall, Senior Market Development Officer with Agriculture and Agri-Food Canada who will talk about Consumer Food Trends to 2020.

Information will also be presented on the activities of the Farm Income Improvement Committee and PEI ADAPT

Councils Value Chain Advisory Committee. The sessions are open to anyone in the agriculture and food industries including farmers, processors, distributors and retailers. Refreshments and an opportunity to network will close the session. The session is provided at no charge, but space is limited. Please register by Friday, November 25, 2005. To register or to request more information, contact Ronda Bellefontaine by phone at 629-1845 (toll free 1-877-629-1845) or e-mail at: rondab@peifa.ca

The session will be held in two locations:

Tuesday, November 29, 2005

Dutch Inn, Cornwall 1:30 - 4:00 p.m.

Loyalist Inn, Summerside 7:30 - 10:00 p.m.

PEI ADAPT Funding Recipient Wins 2005 Manning Award of Distinction

Wayd McNally, of Charlottetown, PEI, through his patented wireless detecting products, such as the CrackLess Egg and Smart Bottle, the processing and packaging of consumer goods is effectively monitored. Problems in handling equipment are quickly identified, reducing loss and maintaining product quality. For more information on the Manning Awards see:

<http://www.manningawards.ca/>

Growing a New Crop Is a Costly Venture.

In the world of specialized agriculture, the necessary machinery could carry a price tag in the thousands of dollars. If the cost fails to produce the desired results, a producer could find themselves with equipment that is virtually useless.

With funding help from the P.E.I. ADAPT Council (which administers the Canadian Adaptation and Rural Development Fund in province for Agriculture and Agri-Food Canada), the P.E.I. Grain Elevator Corporation is helping some of its producer/customers explore the possibility of canola as a commercially viable crop.

General manager Michael Delaney said Ron Somers, who is the manager of the corporation's elevator in Roseneath, is working with growers and Peter Boswall (the field crop specialist with the P.E.I. Department of Agriculture, Fisheries and Aquaculture) on several front.

Field trials are being conducted throughout the province on the feasibility of growing commercial canola. As part of its alternative energy strategy, the province is looking at using ethanol extracted from canola as a fuel source.

The province is looking at a biodiesel facility with an annual production of 60-100 million litres of biodiesel. The facility would include an oilseed extraction plant where canola seed would be crushed and the oil pressed out and sent to the biodiesel plant to be refined. Such a plant could produce up to 10 million litres per year and both the agricultural industry and the provincial government are hoping much of that product could be produced locally.

Delaney said before a plant is built in the province to extract the oil from the canola plant that would eventually be turned into ethanol, several questions need to be answered. Foremost on that list is whether canola can be grown in commercial quantities in the province and whether the product meets industry standards.

"That is a large part of what this project is about," Delaney said. "Before growers can move into a crop commercially, they need such information.

As well, he said the corporation is also working with the canola growers to develop the idea of a pooling system. He added "this is a new crop to the province so we have an opportunity to look at some fresh possibilities when it comes to marketing and distribution."

He added there may well be an advantage to moving all of the crop through single desk selling. Delaney said it is too soon to make any pronouncements on the success of the idea.

Keeping up With the World: Dairy Farmers of P.E.I.

Just like most other industries, agriculture is in a constant state of change.

Whether it is new technology or shifting trade and consumption patterns, the impact will be felt at the farm gate. Keeping up with those changes is almost a full time job in itself, and Doug Thompson is convinced conferences and trade shows are a vital part of that process.

He is the general manager of the Dairy Farmers of P.E.I.— the marketing board and industry

association for the province's 290 dairy producers. With funding help from the P.E.I. Adapt Council (which administers the Canadian Adaptation and Rural Development Fund in the province for Agriculture and Agri-Food Canada), Thompson attended the recent world dairy summit in Vancouver.

He was part of a three-man Island delegation, being joined by producer Ron Maynard and Fred VanderKloet, the dairy specialist with the P.E.I. Department of Agriculture, Fisheries and Aquaculture. The meeting was jointly hosted by Canada and the United States.

"Between the three of us, we tried to take in as many sessions as possible," Thompson said.

"There were also plenty of opportunities to network with other people in the industry from all over the world—it was my first time at an event like that and it was a real learning experience."

He said the topics over the four day session touched on virtually every facet of the industry—new technology, dairy policy and economics, science and technology, nutrition and health, farm management and marketing.

Thompson said one of the emerging trends in the industry is rapid rise of China's domestic dairy production. He said China has traditionally been a large importer of dairy products but "one Chinese delegate told me their population is so large that the country would probably never be self sufficient in milk production."

The general manager said there was considerable discussion on trade issues in light of the upcoming Hong Kong Ministerial meetings of the World Trade Organization. He said the Canadian delegation was able to use the meetings to help re-enforce the need to move to a more level playing field regarding dairy production. Canadian producers are now forced to compete with farmer sin the United States and the European Union , where farmers receive more in the way of government support than is the case in Canada.

Thompson said he will be making a formal report on the workshop to the board of directors of the Dairy Farmers of P.E.I. . Already, he is confident the trip is paying some concrete dividends—the organization is looking at adopting a proposal he heard from a Japanese delegate, although he is not at liberty to go into details right at the moment.

While P.E.I. may be a small player on the world scale, Thompson said it is important to be represented at such a gathering so the Island industry can be kept up-to-date on what is happening around the globe.

Ideas and Opportunities

Taking the Really Long View

The ecological and economic value of adding perennial grain crops to the mix.

By Jeff Moyer, The Rodale Institute® Farm Manager

October 13, 2005:

Every now and then it's good to take a long, LONG term view of our farms. The kind of look that really gives you a different perspective on things.

For example, The Rodale Institute's farm was once home to members of the Lenni Lenape Indian tribe, also known as the Delaware, whose lands stretched throughout the Delaware River Valley in what is now New Jersey, Delaware, eastern Pennsylvania and southeastern New York. Archeologists from our local

university have told us these people had a rudimentary agricultural system going back as far as 10,000 years. Wow! I don't care what time frame you want to put that in, 10,000 years is a long time to be producing crops on a piece of land.

Now obviously the food production system they participated in was drastically different from what we do today. But it does beg the question: What will food production systems look like 10,000 years from now? I'm willing to bet that whatever the system is, it will be quite different from what we see today. The farming systems of the future will probably look as foreign to us today as the farming systems of 10,000 years ago do.

This type of perspective thinking is not just an exercise to pass the time of day. Rather, it should encourage us to think about how we are treating our resources. If we continue to farm the way we are farming, will our soil still be productive thousands of years from now? As farmers and stewards of the land, it's our responsibility to ask ourselves that question.

One of the projects we have been working on here at The Institute that takes a long-term view of food production is our Perennial Grains Project. It may not survive for thousands of years, but it's designed to work for many years just the same.

Most agricultural grain crops currently being grown are annual crops. We till the soil to prepare a seed bed and plant these crops every year. But, what if you only had to plant a crop once every 5 to 10 years and could harvest a crop from it every year? Sounds good to me. As you can well imagine there are many benefits to a system based on perennial grains, including reduced soil erosion, lower annual inputs, less fuel consumption and less labor. Not to mention that systems including perennials will build up soil organic matter, increase water infiltration and boost biological activity.

We started on this project many years ago by screening a number of perennial grains for traits such as vigorous growth, favorable flavor, ease of threshing, large seed size and potential for machine harvesting. Based on these criteria, intermediate wheat grass, *Thinopyrum intermedium* (also known as *Agropyron intermedium*), was selected for its potential as a cash grain crop. Since that initial selection we have been working on designing cultural practices to enhance the perennial nature of the crop while exploiting its ability to produce seeds. We have also begun a small breeding program with partners at the USDA-ARS Plant Introduction Center by taking single plant selections and growing them out repeatedly.

It's true that annual grains will out-produce perennial grains every time. This is because they have been bred to maximize their seed production, putting no energy into perennializing their root structures. On the other hand, the massive amounts of inputs needed to support annual production come with a hefty price tag in

terms of dollars and environmental damage. It's been estimated that for each pound of food consumed in the United States, 22 pounds of soil are lost to erosion. That is a enormous loss. Since perennial grasses exist in the same site from year to year, most have developed built-in resistance or tolerance to insect pests and diseases. When coupled with a legume understory to fix nitrogen, a grain growing polyculture could be an economically sound alternative to annual crop production.

The Rodale Institute isn't the only organization to recognize the potential for perennial grains. Similar work is being conducted in the United States in the Upper Midwest and Great Plains, as well as in Canada and Russia. The development of perennial grain cropping systems is far more complex than the development of a single crop species. But that doesn't mean we shouldn't try.

By developing a system based on annual crop production, our ancestors created a highly productive agricultural system. But that system has shown a greater and greater dependency on external inputs. Now, as we look to the future and our need to protect soil and water resources, it is time to put our increased knowledge of agronomy, plant breeding, and ag-engineering together with improved technologies to develop systems that include perennial plants in the cropping sequence.

Today we are dealing with a whole different set of circumstances than we were 10,000 years ago. Regardless of the type of agricultural system you follow, as you look to the future for that long term perspective I think you'll see that perennial grains can form an essential ingredient within a regenerative and sustainable farming system.

Natural Beef Sales Outpace Other Kind

Full story: Lifestyles of Health and Sustainability (LOHAS)
Weekly Newsletter - 10/13/05

Back in 1986, with red meat becoming a dirty word in a more health-conscious United States, a group of cattle ranchers gathered in Doc and Connie Hatfield's barn to talk about finding a new market for their beef. After hearing from a trainer at a health club, they chose what has come to be known as natural beef - produced without growth hormones or antibiotics, and fed exclusively vegetable feeds - and market it directly to natural food stores, where they could get a premium price. "We were going broke. We were whining about how tough things were," said Connie Hatfield, one of the founders of the co-op Country Natural Beef, widely sold as Oregon Country Beef. Then "we found out about the market for antibiotic- and hormone-free beef."

Thanks to concerns about mad cow disease, the success of natural foods stores and Americans' growing desire to know where their food comes from, natural meat is one of the beef industry's fastest-growing sectors. Over the past 10 years,

Oregon Country Beef has gone from processing 3,400 head a year to 40,000. Since the mad cow scare in 2003, production has more than doubled, with a 73 percent increase over the past year. Estimated at \$500 million to \$550 million a year, the market for natural and organic beef accounts for less than 1 percent of overall U.S. beef production, but is growing at about 20 percent annually, while overall beef production of 24.6 billion pounds this year is down from 25.1 billion in 1995, according to the National Cattlemen's Beef Association.

Who Owns “Organic”

So, you think “Organics” is an ‘alternative’ system? Think again. There is an increasing range of large corporations entering the organic marketplace. This chart may open your eyes to the corporate investment in organics. Produced in June 2005–

<http://www.certifiedorganic.bc.ca/rcbtoa/services/corporate-ownership.html>

(Note: since it’s creation Hain has acquired Spectrum Organic.)

Hybrid Grass Shows Strong Biomass Potential

Ethanol and biodiesel are the biofuel favorites in the US right now but new research is suggesting some new contenders may be on the way. Giant Miscanthus (Miscanthus x giganteus), a hybrid grass that can grow 13 feet high, may become a valuable renewable energy as a source of solid fuel, researchers at the University of Illinois at Urbana-Champaign (UIUC) say. <http://renewableenergyaccess.com/rea/news/story?id=37808>

Breeding a More Sustainable Potato

Wisconsin researchers focus on disease resistance and organic performance in potato varieties. Cross-breeding commercial potatoes with wild species can enhance the plants' fitness for organic farming, says University of Wisconsin-Madison professor of plant pathology Doug Rouse. <http://www.newfarm.org/research/2005/sept05/potato.shtml>

Blue Light Translates to less Biting in German Trials

Subdued Blue lighting in the hog-feeding house has a positive effect on animal behaviour according to trials done by the German Haus Düsse Research Institute. In one 100-head pen, the windows were covered with Blue transparent plastic film and the white light neon tubes replaced with Blue ones. Conventional lighting was retained in a control pen. http://www.betterfarming.com/bp/oct05_stor1.htm#europe4

Consumers Looking for Fresh-cut Ideas

Consumers are going to be looking for something extra special when they head to the stores to buy fresh-cut produce. Though the industry

continues to grow and introduce new product, Mona Doyle, with The Consumer Network, said she expects consumers to be looking for something even newer and more useful. <http://www.freshcut.com/pages/arts.php?ns=180>
Greg Campbell 436-5955

Co-operative Development in Canada

The Government of Canada sees great potential for making a difference in communities of all sizes through the use of the co-operative model.

In April 2003, the Government of Canada implemented the Co-operative Development Initiative (CDI), a five-year, \$15-million national partnership between the Government of Canada and Canadian co-operatives.

http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2005&page=n51103

Upcoming Events

P.E.I. Potato Board Annual Meeting -

November 17 - Delta Prince Edward.

Contact Ann Marie White (902) 892-6551

P.E.I. Fall Dairy Conference -

December 6 - Rodd Royalty Inn. Contact: (902) 892-5331

AGRO-FORESTRY ON THE FARM - Exploring Potential Opportunities
Conference - December 6 & 7

Dutch Inn in Cornwall. Agenda will be posted on the Calendar of events

www.gov.pe.ca/go/agevents

2006 Ontario Processing Vegetable Industry Convention

January 24-26,

2006. London Ontario.

More information at 519-681-1875.

25th Annual Guelph Organic Conference "Living Organic - the next 25 Years"

January 26-29, 2006

Guelph, ON

Visit the website for more information. www.guelphorganicconf.ca