

WHEAT REPORT



CHAIRMAN'S MESSAGE



Kent Erickson
Chairman

Collaboration. Everywhere you turn there seems to be no end of industries and organizations announcing their partnerships, joint ventures and collaborations. In truth, from a wheat and barley perspective, collaboration makes sense for many reasons—most wheat farmers are also barley farmers and vice versa. Both grains have similar end uses, and both are faced with common issues relating to export markets and the need for innovation.

For the Alberta Wheat Commission (AWC) and Alberta Barley,

collaboration is a philosophy we have embraced and something that our respective organizations have truly committed to—for the benefit of producers and our industry as a whole. We started by sharing office space. Then we partnered on several of our regional meetings. In time, we hired shared staff to serve both organizations in key positions such as policy and accounting. Now, this new magazine, *GrainsWest*, is the latest tangible example of that philosophy at work, and of our organizations' joint commitment to demonstrating true value to Alberta's wheat and barley producers for their check-off dollars.

This is a time of opportunity in Canadian agriculture, because farmers like myself have been given marketing freedom and the ability to diversify our industry. We need to keep ourselves informed and educated on everything from the most up-to-

date research to trade agreements, new marketing opportunities, and political events that have the potential to shape our industry and impact our ability to do business. *GrainsWest*, the first publication of its kind, will provide producers with valuable information on those topics of wide appeal and current interest, and it will serve as the authoritative voice for barley and wheat. *GrainsWest* will benefit producers because it focuses on growing Western Canada's grain industry—our industry.

Collaboration has enabled us to put everything in place we need to make this magazine a success: the commitment of two like-minded organizations, an editorial advisory board of industry leaders, and qualified, knowledgeable and experienced staff. With that, we hope this magazine becomes an industry institution—one that will help producers make better, informed decisions on their farms for many years to come.

GENERAL MANAGER'S MESSAGE



Doug Cornell
**General
Manager**

Greetings on behalf of the Alberta Wheat Commission (AWC). I want to welcome you to this inaugural edition of *GrainsWest*, our newest initiative, and the latest of several industry-leading collaborative efforts between the AWC and Alberta Barley. This publication features cutting-edge industry information, and key business updates from our respective organi-

zations, in a high-quality magazine for producers.

These are exciting times for Alberta's cereal grain industry. Together, the AWC and Alberta Barley have been able to embrace opportunities to be more cost effective to maximize producers' check-off dollars. This magazine is just one more way for us to bring our two crops together and demonstrate our collective approach and commitment to working smarter to advance the cereal grains industry as a whole.

As producer-directed, producer-funded organizations, one of our primary functions is to connect you, our members, with information that is valuable to you and your operations. So, as much as this initiative is about collaboration and demonstrating the effective use of producer funds, it is also about delivering timely, relevant and quality content that matters to you—content that keeps you engaged and informed, and ultimately helps to

improve your bottom line.

We have established *GrainsWest* to be a one-stop shop that offers feature articles and the most topical wheat and barley industry news that matters to you.

Although your commissions are here to represent you, the strength of our industry is dependent on the passion and participation of you, our producers. *GrainsWest* is your magazine, so we would like to hear from you. If you have comments, questions, suggestions or articles, please send them along to us.

Finally, I would like to thank the *GrainsWest* staff for all the hard work and time they put into this first issue. The AWC's investment in this new initiative will no doubt provide significant value to our producers.

WHEAT WORLD

Alberta Wheat Commission links in to social media

Follow the Alberta Wheat Commission (AWC) on Twitter [@albertawheat](https://twitter.com/albertawheat) for research news, industry updates, AWC activities and more!

The AWC has launched a new Facebook page. Search "Alberta Wheat Commission" to "like" our page and learn more about how the AWC is putting your check-off dollars to work!



Alberta Wheat Commission Regional Meetings

The Alberta Wheat Commission held six regional meetings across the province this winter. The meetings included presentations on marketing and risk management and the Wheat 150 project.



Chairman Kent Erickson speaks at a regional meeting in Lacombe this past November.

Photo: Brian Kennedy

SPOTLIGHT ON RESEARCH



Lauren Comin
**Research
Manager**

On Nov. 7, 2013, Agriculture and Agri-Food Canada (AAFC) Minister Gerry Ritz made a stop at Agri-Trade in Red Deer, AB, where he announced the approval of a \$25.2 million dollar program to support the development of new and improved wheat varieties.

The project, called the *National Wheat Improvement Project* (NWIP, otherwise known as the Wheat Cluster) is part of the federal *Growing Forward 2* (GF2) program. With 50 projects in total, the NWIP combines several areas of plant breeding from conventional to cutting edge technology, including the development and application of biotechnology and bioinformatics tools to support and accelerate breeding activities.

The specific outcomes of the NWIP include:

- High yielding varieties of all major wheat classes grown across Canada
- Improved disease resistance
- Maintained quality standards to ensure the premium value of Canadian wheat in international markets

The Alberta Wheat Commission (AWC), along with the Western Grains Research Foundation (WGRF) and the Canadian Field Crop Research Alliance (CFCRA) in eastern Canada, are the “industry” or producer investors, making the NWIP a Canada-wide approach. GF2 contributed \$12.5 million to be com-

Producers partner with Government of Canada to strengthen wheat breeding



From left to right: Garth Patterson (WGRF), Gerry Ritz (Agriculture and Agri-Food Canada minister), Keith De-genhardt (WGRF), Earl Dreesen (MP), Terry Young (AWC), Crosby Devitt (CFCRA), at the *National Wheat Improvement Project* Nov. 7, 2013 in Red Deer.

bined with industry’s contribution of \$12.7 million.

“Alberta producers need new varieties to overcome the evolving challenges we are faced with,” said Kent Erickson, chairman of the AWC’s Board of Directors.

Supporting innovative research into breeding and agronomy is a key part of the AWC’s mandate.

“By partnering with the Government of Canada, we are able to increase the value of our members’ investment,” added Erickson.

The AWC works with producers and scientists across western Canada to ensure that producer priorities are matched with the research capabilities and interests of government, academic and private organizations, with the overall goal of increasing grower profitability.

The university programs covered under the NWIP, including Dr. Dean Spaner’s Canadian Prairie Spring and Hard Red Spring programs at the University of Alberta, ensure that training is provided to undergraduate and

graduate students—the next generation of wheat breeders.

“Agronomy, breeding and related disciplines cannot be taught if the universities do not have vibrant, active and relevant programs,” said Spaner.

The NWIP approval comes at a time of uncertainty about AAFC’s future participation in public wheat breeding. There are plans in place for AAFC to exit the variety registration process earlier, passing on the task of finishing lines to private industry.

Over 75 per cent of the wheat currently grown across the Prairies is the result of the AAFC program. Although the anticipated changes would cause a drastic shift, the Wheat Cluster will directly support public wheat breeding efforts in Alberta.

“AAFC scientists have done a tremendous job in the past in producing reliable new lines for our region. Producers want to ensure that these efforts continue,” said Erickson.

For more information about the AWC’s research program, please visit www.albertawheat.com.

MARKET CENTS



Jeff Jackson
**Markets
Manager**

Meeting Major Market Demands

This November, the Alberta Wheat Commission (AWC) had the opportunity to represent our producers in Southeast Asia and China. The trade mission, coordinated by the Canadian International Grains Institute (Cigi), allowed AWC to gain market intelligence and international perspective as we spoke with millers and bakers in China, Singapore, Malaysia, Vietnam, Thailand and Indonesia.

It truly is a great big world. China has an estimated population of 1.35 billion; South East Asia has a population of 593 million.

These are big numbers, but what do they mean? To give perspective, the population of Beijing is estimated at about 21 million people. This one city has a consumer base larger than the combined populations of Canada's four western provinces.

China and Southeast Asia combined represent nearly 28 per cent of the world's population. These regions are expected to grow in population by 200 million people by 2030, with urbanization and disposable income increasing, as well.

What does this mean to an Alberta wheat grower? Increased demand! Alberta is blessed to be geograph-

ically aligned with Asia, which means our wheat has the most economical access to the natural port of departure, Vancouver. However, we need more than simple geography.

What influences a miller's appetite for wheat? Like anyone in business, they will use what provides the best potential for profit.

Buyers of wheat want to understand exactly how each season's wheat will perform in their mills and they want to know it as soon as possible. Bakers need a consistent product and millers need to supply specific flours for specific needs. If one region of the world has quality issues, other regions will be sought as replacement.

Cigi plays an important role here. With a reputation all over the world for independent assessment of the quality of Canadian wheat, Cigi is relied on to provide real data on the milling and baking performance of the wheat you grow. This trusted source of information proves valuable in encouraging buyers to look to Canada for their supply of raw ingredients.

During our meetings with nearly 500 people from various milling and baking companies, we were able to see presentations on production statistics, milling efficiencies, and baking or noodle-making properties from the 2013 harvest. Access to that information and the experts that present it are invaluable in the promotion of Canadian wheat.

In the coming months, we will touch base with all the major markets of the world and bring that market knowledge back to Alberta and its growers. The market connections made will guide us in our efforts on both the market development and research fronts. Our aim is to enhance the bottom line of every wheat grower in Alberta.

For more information on markets, visit www.albertawheat.com.

MEET THE AWC STAFF



Doug Cornell
General Manager

Doug Cornell, general manager of the Alberta Wheat Commission, joined the organization in August 2013.

Cornell grew up on a purebred cattle farm in northwestern Ontario. After completing a degree in agriculture at the University of Guelph, he moved out West. He began working for Alberta Agriculture and Rural Development as a district agriculturalist, and then as a commodity marketing specialist. His career then led him to UFA Co-operative, where he led a strategic opportunity team.

Having honed his skills in both startup and corporate environments, Cornell brings to the organization a strong business background. He is an entrepreneurial manager with an extensive background in agricultural production and management, commodity marketing and stakeholder and customer relations.

Cornell also has a passion for identifying emerging technologies and putting them to work for the agriculture industry. He is looking forward to advancing the Alberta wheat industry and helping its producers thrive.

BARLEY REPORT



**Alberta
Barley**

CHAIRMAN'S MESSAGE



Matt Sawyer
Chairman

Growing Barley

It's 2014 and I'm feeling optimistic about another year representing farmers' interests at Alberta Barley.

When I look back over the past two years, I'm encouraged by what we have accomplished in such a short time. We have met the changes to our marketing system head on. We have also established a national barley council to work with the federal government to increase funding for

barley innovation and grow the food barley markets.

Over the coming year, we will build on our past successes to further grow our industry. Last year, I grew malt, as well as feed barley for the cattle industry. I also participated in an initiative to grow food barley, which was my way of contributing to an exciting new development that we are working on at Alberta Barley.

With record yields for many farmers last year, I'm confident that barley is a crop with a solid place on my farm—and a proven performer for producers around the province. If you haven't grown barley in a few years, I urge you to take a look at it as a rotational crop that just makes sense.

In the same way that barley is part of a strong rotation, it is also part of a larger industry. Over the next year,

you'll see us strengthen ties with our officemates from the Alberta Wheat Commission, as well as continue to collaborate with our close colleagues at the Alberta Canola Producers Commission and Alberta Pulse Growers Commission. Working together enables us to make sure your check-off investments go further, giving us all more bang for our buck.

On a final note, I would like to say that we take the responsibility of investing your check-off dollars very seriously. The projects and initiatives we invest in would mean nothing without your support. With that in mind, over the next 12 months we will continue to make research and market development our top priorities. These are the areas that move our industry forward—and ensure our profitability.

I wish you all a happy and healthy 2014.



GENERAL MANAGER'S MESSAGE



Lisa Skierka
General Manager

Measuring an organization's success year over year is, in some ways, a test of patience and endurance. From developing the strategic plan early in the new year, to making a work plan and budget based on those strategies, to then implementing those strategies (and tracking them in the work plan), our goal at Alberta Barley is to be accountable

to our members. Yet some results are more tangible than others.

As Matt mentioned in the "Chairman's Message," we have had a busy couple of years with some major successes. Yet our day-to-day work is often about more immediate priorities: What is happening in international trade? What about transportation? Is anyone growing hullless barley? Who is working on UPOV 91? Are we investing our research funds in the right areas? Do we agree with the government on a particular issue?—and what do we *think* about all of these things?

At Alberta Barley, we actively invest time and energy in communications, finance and check-off management, market development, policy and research. We are fortunate to have developed a solid committee structure that provides us with farmer input in all of these areas—the most notable development today being *GrainsWest*,

the magazine you're holding in your hands right now.

In 2014, we will be adding more work in agronomy to our list of projects and priorities. As this progresses, your feedback will be much appreciated.

In a similar vein, developing research extension materials is an area we'll be more active in over the coming months. Stay tuned for more information on our @albertabarley Twitter account, our albertabarley.com and gobarley.com websites, our *Barley Country* blog, and our attendance at meetings throughout the year. We look forward to seeing you out there—and online.

5 WAYS We're Working for You

1

Farmer-focused research

We invest in research that provides tangible and practical results. We do this by identifying projects and initiatives that ensure profitability for farmers. Recently, we received a federal government AgriInnovation Program grant that invests \$8 million in 27 new barley-focused research projects.

2

Leaders in trade

We remain committed to increasing market opportunities for feed, food and malt barley at home and abroad. Our participation in trade missions

strengthens new and existing ties to target markets.

3

Barley Council of Canada

We fund and provide administrative support for the Barley Council of Canada (BCC). The BCC unites barley farmers, researchers and industry stakeholders from across the value chain to promote the growth and profitability of the barley industry.

4

Policy

We track and gauge the impact of policy issues affecting farmers, and

represent farmers' interests to governments and regulatory organizations. Through active engagement and working closely with industry partners, we work on issues ranging from market access to sustainability.

5

GrainsWest magazine

We have teamed up with the Alberta Wheat Commission to produce a wheat- and barley-focused magazine. This publication, *GrainsWest*, is another way that we prioritize outreach to producers. Distributed four times per year, *GrainsWest* focuses on issues including agronomy, trade and industry news.

MARKET DEVELOPMENT UPDATE



**Linda
Whitworth
Market
Development
Manager**

As food barley is a niche growth area, two different business development groups have been started: one that is national in scope and one that is provincial. These meetings bring producers and industry together so each segment understands the opportunities and the issues affecting the entire value chain.

The first of these—the Alberta Business Development Committee—includes representation from Alberta’s barley producers, Alberta Agriculture and Rural Development’s Crop Research and Extension Division and Food and Bio-Processing Division, Canterra Seeds, Lakeview Bakery, Stony Plain Seed Cleaning Association and Sunny Boy Foods.

Following the committee’s initial meeting, its first barley-promoting project is already underway: Sunny Boy Foods and Lakeview Bakery have joined forces to develop a food-service-type barley bread mix suitable for bakeries. The flour mix will be designed so that bakeries can quickly create a batch of dough with the addition of very little other than liquid. The bag of baking mix will include bread bags with the miller’s information and the nutrient composition already printed on them.

The objective is to have a serving size of the bread contain enough barley beta-glucan to allow the

Alberta Barley’s market development group is helping to grow food barley markets with a number of recent initiatives.



Alberta Barley is working to develop the food barley markets with the help of a delicious barley bread mix.

Eating barley fibre helps to reduce cholesterol, which is a risk factor in heart disease

bread to carry the health claim: “Eating barley fibre helps to reduce cholesterol, which is a risk factor in heart disease.”

Sunny Boy received a *Growing Forward 2* grant from the federal government to work on this product. The bread mix is currently in development, and Sunny Boy hopes to feature this product in the near future. Uptake of such a product is the first step in promoting new food products containing barley.

Market Development is also working on a technical guide that will be made available to the food industry. The guide will include ideas for, and basic formulations of, barley food products, as well as processing techniques that have already been developed by Canadian research institutes. It will connect interested processors and manufacturers with expertise in barley processing and product development.

On the consumer side, Alberta Barley is publishing *Go Barley: Modern Recipes for an Ancient Grain*, a 256-page cookbook featuring more than 100 delicious recipes and accompanying photos. It will be available in stores April 8, 2014.



RESEARCH UPDATE



Garson Law
**Research
Manager**

National research cluster will propel Canada's barley industry forward thanks to 27 innovative projects.

Alberta Barley's research focuses on providing tangible and practical results to farmers. A major step towards achieving this goal happened on July 9, 2013, when Agriculture and Agri-Food Canada (AAFC) announced that Alberta Barley would be the recipient of \$8 million dollars under the AgriInnovation Program (AIP).

The AIP is a five-year initiative investing up to \$698 million to support innovation in the Canadian agricultural industry. As a result of this \$8 million funding, 27 research projects will be supported under a *National Barley Research Cluster*.

The top priority of this cluster is realizing the potential of the Canadian barley sector through scientific advancements that will reduce the expense and risk for producers. The research themes focus on relevant industry priorities for feed, malt and food barley.

The potential for food barley research is especially exciting as barley is one of only nine ingredients approved by Health Canada for a health claim related to its cholesterol-lowering potential. The cluster's activities will include developing barley ingredients to encourage food manufacturers to use more barley in their products, as well as developing new barley varieties that contain more health components.

The research themes will focus on relevant industry priorities for feed, malt and food barley.

Several projects are already underway, including two food barley projects from AAFC's Nancy Ames, PhD. The first is "The Effect of Barley Beta-Glucan on Human Glycemic Response," a study that will use the powerful statistical tool of meta-analysis to examine data pooled from clinical studies. This will measure precisely how effective barley and barley products are in lowering blood glucose and insulin levels. Food producers and marketers will then be able to make accurate claims when promoting barley products, and identify gaps in barley research that will direct further studies.

Ames' second project, "Optimization of Primary Processing Protocols to Improve Wholegrain Barley Product Nutrition, Safety and Flavour," will survey commercial whole-grain barley products to determine the consistency of beta-glucan content, flavour and microbial safety. Although higher levels of beta-glucan are desirable from a health standpoint, this study look for the optimum balance between meeting beta-glucan health claim requirements and obtaining good end-product quality and stability.

MEET THE STAFF



Erin Gowriluk
Policy Analyst

The first staff member that we would like to introduce in this feature series is Erin Gowriluk, our new policy analyst.

Gowriluk's role is shared between Alberta Barley and the Alberta Wheat Commission. Her experience includes working at Alberta Agriculture and Rural Development's Local Market Expansion Branch, where she contributed to projects under the federal government's *Growing Forward 2* initiative.

As part of her policy and advocacy efforts, Gowriluk works to convey an informed opinion on matters of importance to farmers. Gowriluk focuses her efforts on identifying policy priorities—from research funding and international trade to creating market-development opportunities.

Gowriluk made Calgary her home 17 years ago when she moved with her family from Winnipeg, MB. She is married and enjoys managing her son's novice hockey team, horseback riding, entertaining friends and family, and exploring Fish Creek Provincial Park with her Old English sheepdog, Felix.