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## *ADAPT Council Industry Newsletter*

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### **Atlantic Grains and Proteins Council Exploring Alternative Crops**

Prices in the grains and oilseeds sector have been in a downward spiral rivaling those of the Great Depression.

Many growers are now looking at alternative speciality crops as a way to supplement their cereal production. The Atlantic Grains and Proteins Council, (an umbrella group representing producers throughout the region) is trying to help co-ordinate that effort.

"We want our members to get a premium price for any alternative products they grow," said executive director Monique McTierman. "They have to be grown for a niche market— if too many people move to one area, it will flood the market and drive prices down."

The council is now beginning the first phase of a three year multi-provincial project aimed at identifying alternative products and researching possible markets. The P.E.I. ADAPT Council (which administers the Advancing Canadian Agriculture and Agri-Food program in the province for Agriculture and Agri-Food Canada) is contributing \$52,000 towards the project.

McTierman said one of the first products they are examining is flax. She said the council has hired Joanne Adams as project co-ordinator and is now in the process of determining what varieties of flax might fare well in the region.

"Flax is a western crop so we have to find out what could work in the soil and climate mix we

have in the Maritimes," she said.

She said the council hopes to have growers in all three Maritime provinces this spring— both seed flax and the commercial variety. While the growers work at ensuring a top quality product, McTierman said staff at the council will be hard at work trying to nail down potential markets. "We are just getting started right at this point, but the preliminary indications are good," she said. "The growers who have agreed to take part are pretty upbeat about the idea."

While producers are certainly hopeful grains and oilseed prices will rebound, she said there is no indication that will happen in the immediate future. She said producers realize they have to look at other options to ensure the long-term survival of the sector.

While flax is the only crop on the radar screen right now, the executive director said other varieties will likely be explored over the three year lifespan of the project. She added there will be no one solution to the problem adding 'we have to make sure we keep the right balance— if too many people shift to one crop, the premium price will be gone."

### **Make Money Producing Milk**

That title pretty much sums up the purpose of a series of three workshops being planned for mid-March by the Dairy Industry Participants Committee. The committee has received \$3,450 from the P.E.I. ADAPT Council (which administers the Advancing Canadian Agriculture and Agri-Food program in the province for Agriculture and Agri-Food Canada.

Committee spokesman Fred VanderKloet is promising participants a session that will have direct impact on their own farms. That's because participants will be using production data from their own farms and seeing how those production numbers can change if certain practices are followed.

VanderKloet said the concept has already been used for several years by the Quebec dairy industry with very positive results. He said the sessions will be facilitated by a dairy specialist from that province.

"All too often if a producer goes to a workshop, they often hear something abstract they must then apply to their own operation— just because it worked somewhere else doesn't mean it will work in P.E.I.," he said. "This is very different— they will be working with the numbers from their own farm and they will have a chance to see how altering some production practices impacts the bottom line."

"There has been a fair amount of interest and producers are really excited," he said.

VanderKloet said the industry participant's committee is composed of three groups— P.E.I. Artificial Breeders Association, the Atlantic Dairy Livestock Improvement Group (which is the group in the province that tracks milk production) and the P.E.I. Holstein Club.

The committee has held several joint workshops in the past on topics of interest throughout the industry. The dairy specialist with the P.E.I. Department of Agriculture, Fisheries and Aquaculture said technology is rapidly changing the dairy industry and it is important producers receive the information they need to keep on top of those developments.

### **Canadian Organic Dairy Update**

The following is an update of the status of the organic dairy industry in Canada as of Dec 2005. The gathering of this information was a part of an ADAPT funded project, where Purity Dairy and co sponsors received funding to increase the local dairy industry knowledge and awareness of the opportunities presented by organic dairy production.

### **Market Facts and Opportunities**

- Sales of conventional dairy products sales are down, except cheese and yogurt
- Organic dairy sales up 30% (Organic Meadow does 75% of all sales nationally)
- Organic dairy sales are 3 % of total dairy sales in Can. (U.S. organic is 5% of the total)
- 4 litre jug of organic milk in Ontario sells for \$9.29, approx. twice the price of non organic
- Organic dairy prices vary with the product and the locality of sale, on average a 50 - 75% premium for the product at retail is common
- Metropolitan centers are very significant markets for organic dairy products
- Halifax has become such a market in the Maritime region
- Current production trends, industry predicts a significant shortfall of organic milk by 2007, this may actually occur in 2006
- Now new markets opening with no product to fill them
- Organic milk in Canada is largely produced in the middle and shipped east and west.
- There is no Maritime production.
- Europe has a general over production of organic milk and is positioning itself to supply the under supplied Canadian market
- Danishare investing in Canadian dairy companies with distribution capabilities
- Danes are presently importing organic dairy into Canada up to the allowed 5%, with the objective to ship more given Canada cannot meet local demand.
- Ontario has two processors, Harmonie and Organic Meadow
- Organic Meadow paying 18 % premium for milk, about 12 cents more per liter
- Dec 2005, organic producers received additional quota, no charge from DFO
- Quebec – several processors for organic milk. The Federation, as of Feb 06, is paying \$19/hectoliter or 19 cents/liter. Organic producers received additional quota (Feb 06)

### **The 3 main deterrents to developing a local organic dairy industry are:**

1. Animal Health - The farmers are concerned they will not be able to maintain their herd health under organic production. The lack of support from the conventional veterinary industry to provide expertise in alternative type treatments is limiting growth.
2. Crop Production - Farmers are concerned they would not be able to grow their crops without herbicides and commercial fertilizer. This is changing as there is more support by the research community all the time.

3. Premium Paid – There is a minimum required before producers will convert. The recent increases to 18% premium and quota incentives have really reduced this factor.

**Conclusions:**

*“Organic dairy is a real opportunity of Maritime producers now. If the industry does not produce the milk locally, people from outside will fill the market and the opportunity will be lost.” - Roger Henry*

**The Leadership Files**

*In today’s environment agricultural leaders need to be sources of credible information Their knowledge is urgently required by policy makers and citizens to develop sustainable policies and practices.*

*To effectively develop a consensus among their peers, build alliances, and move the industry ahead in the 21<sup>st</sup> century, leaders must continually hone their communications skills and management styles.*

*This new section of the newsletter is being introduced in order to address the need for developing effective communications skills and management styles . It offers a suite of ideas and techniques gleamed from various resources to assist in developing skills and values that today’s emerging leaders need . Each newsletter will address a new situation/issue which calls upon specific leadership qualities. Your feedback, submissions and/or suggestions are gratefully appreciated.*

**Basic Principles of Great Leadership**

Leaders are the pilots who must navigate though today’s increasingly complex and rapidly changing environments. They must be able to ensure accountability, while building and maintaining effective relationships.

People in leadership positions often want to be thought of as someone who is inspirational, visionary and benevolent. However, great leadership is complex. It also requires passion, humility, generosity, vigour and devotion to high ethical principles.

Leaders are people of influence. They must evoke a broader perspective, manage better, and grow in their flexibility and confidence in many varied situations. Their enthusiasm and joy for what they do must be infectious.

They must be able to operate an organization ethically, satisfy other peoples needs, promote continuous improvement (in individuals and within the organization) and they must communicate effectively.

Most importantly, they must be sure to develop effectual successors before it is time for them to move on to other endeavors. Their motivation must be to build

the organization not their personnel reputations.

These notes and observations are for people who realize that leadership skills are a craft; which takes constant and diligent practice but that can never really be perfected.

“Many acts of service cost nothing and take little time: encouragement, compliments, listening, gratitude and compassion. Anytime you affirm the worth of others, you serve. - Chris Karcher

## **Biodiesel Industry Matures**

*Excerpted from RenewableEnergyAccess.com*

From military fleets to long-haul truckers, farm equipment to heating oil supplies, and of course, in diesel vehicles' gas tanks, biodiesel is cropping up all over as the clean fuel made primarily from soybeans.

According to Jesse Broehl, Editor,, "There's no one silver bullet to our energy needs but biodiesel is absolutely one of our best tools to make a difference in energy supply and works with what we already have. It can play a valuable role in diversifying our energy supply and increasing the amount of fuel that is domestically produced. It's here today and it works immediately. For an alternative fuels to be successful it has to work with what we have."

First, some telling stats: Last year, blenders throughout the U.S. made 75 million gallons of the fuel, up from 25 million just a year prior in 2004.

President George W. Bush's recent State of the Union address included a suggestion that biofuels will play a critical part in lowering the nation's dependence on foreign oil. The President's mention of biofuels in such a public platform was icing on the cake for an industry that's optimistic about continued growth.

Society is on the verge of a dramatic changes in how we derive our power for our cars, our homes and our businesses. Innovations in biodiesel are expected to be one of the primary catalysts of this change.

In fact, country star singer, Willie Nelson, who will be on Prince Edward Island in May of this year, has been plugging the trucking industry to embrace biodiesel. Nelson headlined a press conference that was broadcast live to an XM Satellite radio show popular with truckers. Later, Nelson headlined an event to celebrate the opening of a dedicated BioWillie biodiesel pump at a San Diego gas station.

Beyond the headlining speeches and star power, there were a few issues rising to the surface that are playing an increasing role in the biodiesel industry.

### ***Bioheat***

"Bioheat," a name the industry has recently agreed on for the use of biodiesel blends in heating oil, is widely seen as a successful new avenue for growth in with the homegrown fuel. Currently, most biodiesel sales are targeted to fleets of vehicles such as the military or transportation companies. Bioheat, however, is a promising and relatively untapped new field already experiencing steady growth.

### ***Biodiesel Industry Scale***

So far the industry is fairly well distributed between large and small operations. There is no one major player, some plants are farmer owned and operated, quite a few are small producers in the couple million gallon-a-year range while there are a few 30 million gallon-a-year operations.

And just as the ethanol industry has its wild, but conceivable dream of someday being largely distilled through cellulosic technologies that could use plant waste or high-yield plants like switchgrass, biodiesel hopefuls look to breakthroughs with algae or mustard-seed as a feedstock for the fuel.

While there's been plenty of federal attention at using hydrogen and fuel-cell driven cars to solve the nation's transportation dependence on foreign oil, biodiesel brings an immediate solution requiring no major modifications or research breakthroughs.

There's no one silver bullet to our energy needs but biodiesel is one of our best tools for how agriculture can contribute to make a difference in energy supply.

### **SANREM: Sustainable Agriculture and Natural Resource Management**

A new dawn for longer-term thinking.

*Excerpted from Paul Hepperly, New Farm Magazine 2/16/06*

“Green Revolution.” Even now the name sounds promising. In the 1960s, the intensive production of new dwarf grain varieties of major cereals was touted as the answer to world hunger. That unfulfilled has been largely replaced with the even loftier promises of today’s “Gene Revolution.”

The reality is that sustainable developments depend on long-term research based on natural biological systems that tend toward regeneration. Shortcuts don’t work (though they do have the habit of lining pockets).

The Green Revolution relied on the intensive use of chemical pesticides and fertilizers with little acknowledgment of their cumulative negative impacts on health, wildlife and the environment. “Inefficient” varieties that had sustained peoples for generations and had adapted to specific microclimates were forsaken in favor of heavier producers. The cultural synergy of having grains that also served as roof thatch was somehow lost in the technology transfer.

In addition to impacts of introduced toxicants and reduction in straw, the market-driven overproduction of cereal grains led to a diet bereft of the diversity upon which sound nutrition is based. A rice-and-bean diet can satisfy most human protein requirement; a rice, rice and more rice diet certainly cannot.

#### ***IPM no panacea either***

Beginning in 1970s, Integrated Pest Management (IPM) was used to apply economic and ecological criteria to the application of chemical insecticides in order to attempt to reduce their impact. We look at this IPM approach as something akin to a system for smokers to learn more cost-effective ways of not kicking the habit.

But there is reason for optimism. In 2004, the U.S. Agency of International Development took an historic step forward by opening a program called Sustainable Agriculture and Natural Resource Management (SANREM) Cooperative Research and Support Program ([www.sanrem.uga.edu](http://www.sanrem.uga.edu)), which puts the environment on par with production prerogatives in international agricultural development. This evolution is an effort to provide better resolution of real health and environmental challenges currently facing our world.

After all, there is plenty of evidence of degradation of our collective health and environment from short-term productivity approaches with a narrow viewpoint, poor implementation and no consideration of future generations.

Until very recently, the agricultural development focus has been on Green Revolution-type intensive monocultures. The SANREM program is a good indication that sustainable agriculture

is strongly entering the mainstream.

### ***Genesis of longer-term thinking***

In 1981, The Rodale Institute® established a field trial to investigate the major limitations of organic agriculture as stated in USDA analysis. This trial, now called The Rodale Institute Farming Systems Trial®, has clearly shown how to overcome the obstacles to organic agriculture (such as the nitrogen-supply and weed-control challenges highlighted by a 1980 USDA Report and Recommendation on Organic Farming). Rodale, clearly showed that initial findings of compromised corn yields in organic systems did not hold up in the long term. Furthermore, long-term studies showed corn yields were better in drought years due to the superior water-and-nutrient-holding abilities of organic soils.

This research demonstrates that science can positively influence the big long-term challenges facing us as a society. However, this will require multiple institution, multiple discipline work for sustained periods, with a wide-angle approach. The results will be proactive in preventing problems before they occur, thereby circumventing an emergency response mode.

## **Issues and Opportunities**

### **Organics Go to College in New Brunswick**

Present and future organic producers in New Brunswick will soon be able to gain textbook knowledge and hands-on experience in a college-approved training program.

The New Brunswick Organic Farm Apprenticeship Program is an accredited course with the Grand Falls campus of New Brunswick Community College (NBCC), located in the north western part of the province, about 250 kilometres north of Fredericton, and the Organic Agriculture Centre of Canada (OACC). NBCC and OACC developed curriculum, delivery and documentation for the course.

In addition to classroom work, the course includes a six-month flexible field placement on an organic farm, where students will work alongside an organic producer mentor for a sample of daily farm tasks from planting to harvest. The program also offers a transfer of technology between new and existing organic producers, researchers, education facilities, industry, government and non-government groups.

The demand for organic fruits and vegetables is growing across the country, but according to the Atlantic Canadian Organic Regional Network (ACORN), 85 per cent of fresh organic fruits and vegetables sold in Canada are imported from the United States. By training new entrants through an accredited educational institution and supporting current organic producers, NBCC and OACC are hoping regional producers can help meet the national organic demand. The Falls Brook Centre, a sustainable community demonstration and training centre in western New Brunswick, helped spearhead the program.

For more information contact Andrea Berry, Organic Agriculture Program Coordinator at 506-375-4310 or [andrea@fallsbrookcentre.ca](mailto:andrea@fallsbrookcentre.ca). Or, <http://www.fallsbrookcentre.ca/agriculture/apprenticeships.htm>

### **Sisters of St Martha Organize Workshop on Spirituality and Healthy Living**

Can people be healthy if the Earth is not healthy? Sister Miriam Theresa MacGillis will address these and other questions at a workshop on The Spirituality of Healthy Living at Mount St. Mary's in Charlottetown this April. Her presentations will focus on the connections between the health and sustainability of the Earth, and the health of our local communities and bioregions. Her work is rooted in a spirituality that honors creation as the primary revelation of the divine.

Miriam is a Dominican sister from New Jersey, and is the founder of Genesis Farm, a learning center where people gather to search for more authentic ways to live in harmony with creation and with each other. She is a well-known international presenter who will be the keynote speaker for the 2006 Summer Conference of the Northeast Organic Farming Association (<http://www.nofa.org/conference/2006>). NOFA is a non-profit organization of nearly 4000 farmers, gardeners and consumers working to promote healthy food, organic farming practices and a cleaner environment in Eastern USA. The workshop in Charlottetown will take place on Friday, April 28th, and Saturday, April, 29th.

### **Performance Foods and Drinks Sales Rise by Over 50%**

The international market for performance foods and drinks has seen sales rise by over 50% over a five-year period to reach USD19.37bn, led by strong growth in performance drinks, particularly energy drinks and new-style drinks, such as sports waters and amino acid drinks.

A new report on this interesting and constantly diversifying market, entitled "The Market for Performance Foods & Drinks - An International Analysis". As well as highlighting market sizes and trends in the performance foods and drinks market in Key European countries, US, Japan and Australia, it also provides a review of product trends and developments by country and type of product and looks at key companies and brands involved in the market. For a complete index of this report click on <http://www.researchandmarkets.com/reports/c32921>

### **Atlantic Value Chain Conference – March 28 & 29, 2006 – Dartmouth, NS**

This one and a half day conference will introduce the value chain approach to the agriculture and agri-food industry in Atlantic Canada and will feature a number of national and international speakers who will share perspectives and experiences on value chain strategies. The program will present new ideas and thinking on trends and the role of value chains in the agriculture and agri-food sectors. Over 175 industry stakeholders are expected to attend. Registration fees are \$200.00 on or before March 06 and \$250.00 after (HST included). For more information and to register, contact Shawn Ingraham, Conference Coordinator, at 902-426-2548