



I.D.E.A. Industry Update - December 13, 2002

I.D.E.A. Fourth Annual General Meeting and Conference

Plans for the I.D.E.A. Fourth Annual General Meeting and Conference are underway. Our format will be similar to last year, with a host reception just prior to the CAAR convention on February 10, 2003, followed by our Annual General Meeting and Conference on February 11, 2003. Mark your calendars and plan to attend.

Agricore United Merger Cushions Drought Impact

Agricore United says it recorded a net loss of \$33.8 million in the quarter ended October 31, resulting in a net loss of \$17.5 million or 42 cents a share for the twelve month period.

"The 2001 and 2002 droughts have severely impacted all aspects of the agricultural industry and our company is not immune to the effects," said Brian Hayward, CEO. "Fortunately, cost savings in excess of \$90 million achieved as a result of the merger last November as well as general cost containment have cushioned the impact on our bottom line."

Hayward says the cost savings were even larger than what had been projected.

The company says it retained its 37 percent market share of grain shipments in the last fiscal year. However, industry grain shipments as a whole were down by 24 percent.

Don't Lock-in New Crop Canola says Analyst

Prices in excess of \$8.00 a bushel have been available on canola under new crop deferred delivery contracts for next fall. While this is historically a good price and would be a price many growers consider profitable, Errol Anderson of Pro-Market Communications in Calgary is advising farmers to wait.

Anderson believes canola prices will rally in the new calendar year and that better prices will be available for new crop fall delivery. He also points out that basis levels are currently "horrid" which is a signal not to act.

Although soybean prices have dropped in recent weeks, Anderson believes soybeans will rally again and that will pull prices up on both canola and flax.

In the feed grain complex, Anderson believes prices are likely to continue slipping in the near term. Warm temperatures have decreased feeding needs in Alberta feedlots. As well, there is 30 percent empty pens in Alberta as many feeders have been sold into the U.S. and eastern Canada this year.

There are reports of hundreds of railcars of American corn sitting in Alberta and western Saskatchewan with no buyers.

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Brett-Young Seeds Opens New Research Facility

Brett-Young Seeds has opened a new 9600 square foot R & D facility at the company's Winnipeg head office, the result of a \$20.7 million expansion. A ribbon cutting and open house is planned for December 20.

The 7 member R & D team will be working in the lab and greenhouse space with two focusses: hybrid canola to be marketed under the LiBRED brand and Plant Growth Promoting Rhizobacteria, which the company says has the potential to increase canola yields substantially.

Headline Registered for Pulses

At long last, the fungicide called Headline from BASF has been registered by the Pest Management Regulatory Agency. The product has been registered for use on chickpeas, lentils, dry beans and field peas as well as cereals, potatoes and sugar beets.

Michael Schaad of BASF says the main market will be for ascochyta control in chickpeas and ascochyta and anthracnose control in lentils. While registered for various diseases in cereals, it is not for control of fusarium.

Headline was widely promoted last year as being superior to existing fungicides for ascochyta control on chickpeas, but the product did not receive the expected approval from the PMRA.

Schaad says the price of Headline will be determined after the product label has been approved.

Pre-registration Recommended for Pulse Days 2003

Space is filling rapidly again this year for the Saskatchewan Pulse Growers' Pulse Days Conference in Saskatoon, January 6-7, 2003. To accommodate all the interest in the conference, it is held at two locations, the Saskatoon Inn and Prairieland Park. The speakers will be presenting at the Saskatoon Inn, while a live video feed will be in place at Prairieland.

"The best way to guarantee your first choice of location is to register early," says Penny Eaton, Communications Manager. "We have sold out in one location or the other for a number of years running."

The pre-registration deadline is December 18, 2002. At the last Pulse Days, attendance at the two venues exceeded 1500. To pre-register, call Food Focus in Saskatoon at (306) 652-2691.

"Response is on track with last year," says Eaton. "We're proud to be presenting a top-notch line-up of speakers, covering issues like globalization, the U.S Farm Bill, developing pulse markets, and price outlooks for the coming year."

A new feature at this year's Pulse Days conference is that the Western Canadian Crop Production Trade Show at Prairieland Park will be open for the first time during the Pulse Growers' Wine & Cheese reception on Monday night. In other years, Pulse Days participants had a "sneak peek" at the exhibits before the Show opened on Tuesday, but this year, all the exhibits will be open for the whole evening. Pulse Days participants will receive a free pass to the Show with their conference registration.

"This means that it is more vital than ever that Pulse Days participants remember their name tags if they want to avoid a gate charge," Eaton notes.

Pulse Days is part of Crop Production Week in Saskatoon. Pre-registration is also recommended for the Saskatchewan Herb and Spice Association meeting on January 9 at the Saskatoon Travelodge and for the Canadian Wheat Board meeting January 10 at the Saskatoon Inn.

For the other Crop Production Week events - Focus on Flax, Canola Days, Sask. Mustard Growers, Sask Seed Growers, the General Session and Sask Ag Grads, there is walk-up registration only.

Registration information for all the events is available at www.cropweek.com. The website also has the meeting locations and complete agendas as well as information on the Western Canadian Crop Production Show.