



I.D.E.A. Industry Update - June 9, 2005

Being a member of I.D.E.A. means you receive: • a listing in the online member directory • an online service and equipment exchange • access to the Just Members section on the I.D.E.A. website • regional seminars and member conference calls on pertinent topics, such as handling credit, budgeting, etc., at no cost, or special member rates • sharing of industry operating numbers • the I.D.E.A. *Industry Update*, a regular email/fax update dealing with the latest industry happenings • the *Independent Viewpoint* newsletter, published periodically • networking opportunities • a membership decal promoting your business as independent dealer • access to a forum for discussing business ideas and issues • communication with peers, the ability to share ideas and learn from seasoned agricultural dealers • an opportunity to participate in the "Rainmaker" program, a turnkey approach that helps retailers identify and capture opportunities with high potential customers and prospects

*****I.D.E.A. Golf Social and Meeting**

Mark your calendars and plan to attend an I.D.E.A. golf social and meeting on August 17 in Innisfail, Alberta. The breakfast meeting will begin at approximately 9:30 a.m, followed by golf and concluding with a luncheon meeting. Keep posted for additional details to follow. All I.D.E.A. members all welcome to attend.

*****I.D.E.A. Member Conference Call**

The I.D.E.A. Member Conference Call is scheduled for 10:00 a.m (Saskatchewan time) on Tuesday June 14. Details on how to participate are attached.

*****I.D.E.A. Member Sharing**

Are you interested in comparing your business costs to those of other I.D.E.A. members? I.D.E.A. is considering sending out a member survey dealing with issues such as employment (spring wages for additional help, workers' compensation rates, overtime agreements, etc.), accounting (accounts receivable terms, accounting packages, credit card rates, third-party financing programs, etc.), insurance, equipment, succession planning and much more. Individual responses would be kept strictly confidential, but the average of all responses would be compiled and shared with the entire I.D.E.A. membership. Are you interested in participating? If so, what do you think should be included on the survey? Call us at 306-933-4404 or email us at office@independentdealers.com to let us know.

*****Agrium Acquires Canadian Fertilizer Distribution Assets**

Agrium Inc. has announced it has reached an agreement in principle with Imperial Oil to acquire its Western Canadian fertilizer distribution assets.

Under the Agreement, Agrium will acquire the fertilizer storage and distribution assets and associated long-term leases for land at over 190 independently operated retail locations. The Agreement also

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includes exclusive fertilizer supply agreements with the independent operators. This is expected to result in a significant increase in Agrium's sales to these retail locations. In addition to sales of Esso branded petroleum products and services from Imperial Oil, these independent operators typically market over 500,000 tonnes of fertilizer per year in Western Canada. The purchase price of \$22-million will be funded from cash on hand. The transaction is expected to close in the third quarter of 2005, subject to a definitive purchase and sale agreement, due diligence and regulatory approval.

"We are excited about entering into a new partnership with the independent operators of one of the largest agricultural retail networks in North America", said Mike Wilson, Agrium's President and CEO.

"This Agreement provides us with an opportunity to increase sales in our higher margin Western Canadian market and to provide surety of supply to the independent operators of this retail business. We expect this transaction to be immediately accretive to earnings and is part of our strategy to continue to grow the distribution component of our business." (Source: www.agrium.com)

*****Japan Has Another Case of Mad Cow**

The agriculture ministry said a Holstein cow in the northern island of Hokkaido has bovine spongiform encephalopathy, which decimated Britain's cattle industry in the 1990s and has disrupted Canadian beef exports for the past two years.

Japan is the only Asian country to have confirmed cases of BSE, a fatal brain-wasting illness.

Since the first affected animal was discovered in 2001, Japanese government inspectors have checked every slaughtered cow before it enters the food supply.

This latest finding was in a cow that was four years, nine months old from the town of Shikaoui, the agriculture ministry said in a statement released on Monday.

"All meat, internal organs and parts from this cattle will be incinerated, and there is no danger that they will be circulated in the market," the statement said.

Eating certain types of meat from an infected cow — particularly foodstuffs made with brain or nervous system tissues — is thought to cause the fatal variant Creutzfeldt-Jakob disease in humans.

Japan confirmed its first case of that disease in a man who died in December. Health authorities think he contracted the disease during a month-long visit to Britain in 1989.

Japan suspended imports of Canadian beef in May 2003, after the first case of BSE was detected in Alberta. Beef exports to Japan had been worth about \$55 million a year.

Japan has also banned U.S. beef imports since December 2003, when the first case of mad cow disease was confirmed in Washington state. Before then, Japan had purchased about \$1-billion worth of U.S. beef products each year, which made it the top export market for U.S. beef.

Prices of domestic beef in Japan rose sharply after the bans. Canada and the United States have pressed Japan to resume imports, but it has resisted.

Japan also requires other countries to certify that any beef they export to Japan did not originate in cattle from a BSE-infected country. (Source: www.cbc.ca)



**I.D.E.A. Member Networking Conference Call:
Tuesday June 14, 2005**

A member conference call will be held Tuesday June 14, 2005 at 10:00 a.m. Saskatchewan/Alberta time (and portions of British Columbia) and 11:00 a.m. in Manitoba. The conference call will be moderated by Frank Orchard, Vice President, I.D.E.A.

Mike Jubinville of ProFarmer Canada will join us as our industry expert focusing on (1) fertilizer markets, (2) grain and (3) fuel.

Ask questions and exchange views with fellow I.D.E.A. members. Members can email questions that they would like answered during the conference call directly to Mike at mike@pfcanada.com

To participate in the call, simply complete the information below and fax (306-244-4497) or email (office@independentdealers.com) to the I.D.E.A. office by Monday June 13, 2005. Instructions for participating in the conference call will then be emailed or faxed to you.



**RSVP
I.D.E.A. Member Networking Conference Call**

Yes, I would like to participate in the I.D.E.A. Member Networking Conference Call

Name:

Organization:

Fax Number: Email:

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