

Ontario Farm Products Marketing Commission

N e w s l e t t e r

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Ontario Asparagus: 3 Challenges... 3 Successes

The past twelve months have presented challenges to Ontario's asparagus industry. It has faced the loss of a significant, local asparagus cannery; the need to synchronize supply for the retail market; and the desire to structure board affairs differently. The Ontario Asparagus Growers' Marketing Board has met each challenge.

According to Board Chair, Ed DeHooghe of Delhi, "the late frost hit growers hard this spring. While we can't change that, I am glad that the market outlook for the processing side of our industry looks a lot brighter than it did in 2001."

Last year, the industry was rocked by news that the last remaining, large-scale, Ontario processor was not going to

handle asparagus anymore. This left half of Ontario's processing-asparagus growers without an outlet for their product. The news also shook fresh growers since a resulting surplus of processing asparagus could seriously depress their market prices if it spilled into the fresh market.

On March 19, 2002, the Ontario Asparagus Growers' Marketing Board met with Aliments Carriere Inc. of St. Denis, Quebec. The company's vision for the future was a perfect fit for the industry's need. Aliments Carriere will buy all the processing asparagus Ontario can grow. They want to can 2 million lbs of the spears.

Aliments Carriere's Plant Manager gave two reasons to explain the company's thinking. Being the last cannery of asparagus in Canada gives the company the opportunity to carve out a niche

market. They took a "glass half full" approach to the pressure of being the last

asparagus canner left standing. Secondly, the processing of asparagus is a good fit with the operations management of the plant. Asparagus keeps the plant's equipment and staff utilized at a time when no other fresh produce is available for processing.

There is an import replacement angle to this development as well. Every trailer load of asparagus rolling east on the 401 replaces one that would be heading into Canada from Washington State. Washington State produces about 20 times as much asparagus as Ontario.



Asparagus Growers' Chair, Ed DeHooghe, says it takes \$5000/acre to get into asparagus production

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How do we avoid shorting the fresh market? What do we do when retailers' specials overlap and we don't have enough home grown product?

The Ontario Asparagus Growers' Marketing Board anticipated this situation in the wake of retail consolidation. They saw it as a challenge and sought to bring

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about a solution before a client relations-damaging event could arise.

The Board's first initiative was to discuss strategic ideas with retail headquarters. While it is true that retailers make a valuable commitment to the Ontario product, the Board didn't find a clear route to foster the type of co-operation among competitors that could prevent shorting the grocery produce departments.

The Board did, however, get an enthusiastic reaction from the three major produce brokers. The brokers perceived the merit in a strategic initiative to address the risk of shorting the market. The parties initiated weekly teleconferences to keep track of the demand for product and the supply in storage as well as what was coming off the field. The brokers have also taken the unprecedented step of agreeing to move stored product from one broker to another to ensure that retail demand can be met.



"Teleconferenced Board meetings save everybody time and money" says DeHooghe.

It is a win:win situation that would not have developed if the Directors hadn't taken it upon themselves to initiate the strategic action and get the players on side.

The Ontario Asparagus Growers' Marketing Board has taken the challenge of time management for Directors seriously. In

response, the Board has decided to use teleconferencing for all but two of the Board meetings held each year.

The Board has derived several benefits from this change in approach. Members find that the meetings are

shorter because they are focused tighter on the agenda. They have, as a consequence, agreed to reduce the per diems for teleconferenced Board meetings. According to the Chair, Ed DeHooghe, the cost to hold a Board meeting has dropped from \$3000 to \$500 when you factor in the elimination of travel claims as well as the per diem changes.

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NAASA Organizes National Conference



"Some of the challenges faced by regulated marketing are uniquely provincial while other issues sound familiar to regulators from all across Canada," according to conference participant and Commission member, Barbara Gillies. In addition to discussing challenges, representatives at the conference also shared the solutions that

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NAASA conference was an opportunity to talk with peers from other regulatory commissions. (from l to r) OFPMC's Fred Lewis and Barbara Gillies speaking with Audry Hinz of Saskatchewan and Graham Flight of Newfoundland.

Uruguay Conference on Biotechnology

ALEX ROSENBERG, ANALYST WITH OFPMC



In November 2001, I was invited to participate at the International Forum and First University Seminar of “Genetically Modified Organisms in Food and Agriculture” in Latin America. The event was organized by the College of Agriculture of the University of the Republic of Uruguay and featured speakers from Brazil, Argentina, United States, Chile and Canada.

Organizers were interested in hearing about Ontario’s experience with transgenic crops. They wanted an overview of the socio-economic impacts, the current focus of the debate and the challenges/opportunities that producers are facing at the grassroots level. I spoke to those general topics from the government’s perspective which is what the Ontario Ministry of Agriculture and Food had been invited to do.

Viewpoints expressed at the Seminar were varied so the polarization of the debate came as no surprise. Similar to other powerful technology developments such as nuclear energy, genetic engineering is raising the debate to a higher level due to the controversy it generates.

Perhaps the most valuable lesson from this experience was the opportunity to listen to the views of participants from developing nations and to gain a better appreciation of their arguments. Their perspective was distinct from the one

that we are used to in our country. In general, their tone was one of caution and reservation.

In general terms, when the impact of biotechnology is discussed, the range of debate falls into one of the following categories: a) environmental; b) food safety/human health; c) ethical & philosophical values and d) political. In Canada and the United States we are used to food safety and human health receiving the greatest attention followed by environmental concerns. In Latin America the predominant focus is on the unknown environmental impact on biodiversity. They are also very concerned about intellectual property rights.

While the publicized message is that transgenic crops can solve the problems of hunger and malnutrition in the world, Latin American producers doubt that. Many perceive the distribution of food to be a political issue rather than a scientific one.

To understand why so much relevance was placed on biodiversity, one has to acknowledge that Latin America has been the center of origin for crops such as corn and potatoes. It also cradles the world’s largest biosphere, the Amazon. In short, Latin America is considered the largest source of biodiversity on our planet and the significance of preserving this diversity was evident. There was concern about the

insufficient resources and time dedicated to study and model the impacts of transgenic products on this environment coupled with the fact that once a new variety is released into the environment, there is no turning back.

On the issue of intellectual property rights, the debate ranged from their treatment under the framework of world trade negotiations to the strategies pursued by the private sector to appropriate knowledge and the benefits of the innovation. On this topic, there was reference made to the rights of many native and small local rural communities who have preserved and developed, throughout generations, a gene pool that now holds an enormous value for humanity. The paradox presented was that despite their contribution, these groups may not capture any of the benefits derived from providing the genes that end up in a transgenic crop. Intellectual property remains a complex issue and presents difficult challenges to be resolved.

As has been the experience in North America, lines were drawn and positions were taken for and against biotechnology. The difference in Uruguay was the debate centered on aspects of biotechnology that are overshadowed by food safety in the North American arena. ■

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have worked for them, along with the efforts it took to get there.

Information-sharing was a major intent of this Ottawa-based conference organized by the National Association of Agri-Food Supervisory Agencies (NAASA). The mid-May event attracted the participation of provincial marketing councils and commissions from sea-to-sea and also the National Farm Products Commission.

The agenda also included presentations from several national agencies: Chicken Farmers of Canada; Beef Cattle Promotion and Research Agency; Canadian Turkey Marketing Agency; Canadian Egg Marketing Agency; and Canadian Broiler Hatching Egg Marketing Agency.

The Ontario Farm Products Marketing Commission was represented by two

members, Barbara Gillies and Fred Lewis as well as Chair, Rod Stork. Laurinda Lang, OFPMC staff, was one of the organizers of the event and she also is the Secretary to NAASA.

"It was a valuable opportunity to discuss solutions that have worked in other provinces and I hope it will continue in the future" according to Commission member, Fred Lewis. ■

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The effectiveness of meeting in this manner has also allowed some Directors to stay on the Board, who might otherwise not have had the time to attend all the meetings in person. DeHooghe says, "everybody is busy through the day, so this gives us the convenience of picking a meeting time that works better for everyone. That has been as early as 6:00 a.m., but it often means we meet after supper." Even if a Director is away, they can still attend the discussion by just phoning in. It is also entirely possible that this efficiency could aid in the recruitment of new directors in the future.

The Board is also in discussions with the newly formed Ontario Ginseng Growers' Association about jointly hiring a general manager to work for both commodity groups. The intent is to also share office space and administrative support staff.

Within each commodity group, there are numerous members who grow both asparagus and ginseng. The co-operation between the two groups is also assisted by the spring and fall harvest timetables of the two crops. ■

Upcoming Annual Meetings and Conventions 2002

Date	Organization	Location	Telephone
June 15	Ontario Flour Millers Association - Annual Meeting	Alton	(519) 653-6267
June 26-27	Ontario Agri-Business Association - Grain Conference	Huntsville	(519) 822-3004
July 11	Ontario Flue-Cured Tobacco Growers' Marketing Board -Annual Meeting	Delhi	(519) 842-3661
Aug 27	Ontario Wheat Producers' Marketing Board - Annual Meeting	Stratford	(519) 767-6537
Sept 4-5	Ontario Agri-Business Association - Fertilizer Conference	Grand Bend	(519) 822-3004
Sept 10	Ontario Agri-Business Association - Feed Conference	Guelph	(519) 822-3004
Oct 20-22	Canadian Restaurant and Foodservice Association - Hostex 2002	Toronto	(416) 923-8416
Oct TBA Oct TBA	Ontario Greenhouse Vegetable Producers' Marketing Board District One District Two	Leamington Ancaster	(519) 326-2604

This information is provided strictly for our readers' convenience. Please note that organizations may restrict attendance to some or all of their agenda items. Please contact each organization for more information on programs, agenda items open to non-members, and location. While the Commission endeavours to ensure this information is correct, readers are responsible for confirming its accuracy with individual organizations before making any plans to attend. ■

Ontario Farm Products Marketing Commission

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