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Cabbage Seed Pod Weevil Survey in Fields Now

A cabbage seed pod weevil survey is being conducted this year by Alberta Agriculture and Rural Development. Farmers in Alberta may see Alberta Agriculture specialists out in their fields this summer surveying for cabbage seed pod weevils.

“The purpose of this survey in central Alberta is to determine where the cabbage seed pod weevil occurs and where it is not yet found. This will help us map out the current range of occurrence of this pest,” says Scott Meers, integrated crop management specialist with Alberta Agriculture and Rural Development. “In southern Alberta, this survey will determine the intensity of this pest and population density.”

Farmers are asked to be aware that this random survey is an essential part of pest management in the province. “Our specialists are more than willing to chat with farmers to explain what we are doing, how the random survey is being done and what we are looking for,” adds Meers. “We appreciate producer assistance and understanding as we conduct this survey this summer.”

For more information on the survey, visit Alberta Agriculture’s website at [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/All/prm13418](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/All/prm13418)

Factsheets on insect pests are posted to the Alberta Agriculture website. For information on the cabbage seed pod weevil, visit www.agriculture.alberta.ca and type cabbage seed pod weevil in the search field.

Information on the survey is also available by calling 310-2777 (310-Alberta Pest Reporting System).

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A Perfect Storm for Crop Disease?

After a wet 2010 in many areas of the province, this spring is providing more of the same. Tight crop rotations coupled with another wet spring are ideal conditions for plant diseases to rear their ugly heads.

“There was a lot of disease showing up last year and it provided plenty of inoculum to infect this year’s crop,” says Harry Brook, crop specialist with Alberta Agriculture and Rural Development. “You might say that conditions this year are setting up for the perfect storm of crop disease.

“One disease of particular concern in Southern Alberta is stripe rust in wheat. Normally, this disease does not overwinter in Alberta but is blown in from the southern United States. However, early appearance of stripe rust in winter wheat this spring has the potential for causing serious crop yield losses. This is indicating that the rust actually overwintered in southern Alberta. Continued humid conditions favour the development and spread of this disease. With such an early start, the potential for crop damage is greatly increased. It is likely these pockets of leaf rust in the south will spread to spring cereals and have plenty of time to affect crop yield.”

The disease is easy to identify as it forms pustules on the leaf upper surface. Walking through an infected field leaves footwear and pants covered in dust which is composed of billions of disease spores. These spores can travel hundreds of miles on the wind, rapidly spreading the disease.

There are fungicides that can effectively control this disease, but it is imperative that it is caught early. This underscores the importance of regularly scouting fields and identifying issues before they can grow into serious problems. Under the right conditions the disease develops rapidly and the yield losses can quickly increase.

“Plenty of moisture and warm temperatures foster the growth of other plant diseases,” continues Brook. “In cereals, other diseases that are showing themselves include common root rot, fusarium root rot, fusarium head blight, tan spot, and septoria leaf blotch, just to name a few. Short rotations or growing the same crop on the same land year-after-year are probably the worst way to manage crop diseases. Infected plant material from the previous year has plenty of opportunity to infect the current year’s crop and cause even more damage.”

Diseases in canola expected to be a problem this year are sclerotinia and blackleg. Wet conditions have already caused problems with seedling blights, even though the seed was treated. In pulses, some of the diseases to watch for include ascochyta, mycosphaerella blight, sclerotinia stem rot and mildew.

“Regardless of the disease, we have weather conditions that are nearly perfect for the development of yield-robbing diseases in field crops,” says Brook. “It is essential to regularly scout your

fields, identify the problems, then treat them if they are at economically damaging levels or monitor the situation. Putting the crop in the ground is a lot like putting all your eggs in one basket... watch that basket!”

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What is a Value Chain?

By focusing on what’s important to customers, members of a value chain can ‘grow’ products and in the end, everyone benefits. A value chain is a network of independent businesses, producers, processors, distributors and retailers or food service operators who recognize their mutual need for one another, and collaborate to facilitate the effective flow of products and services to meet a specific market opportunity.

Competitive advantages of value chains include:

- developing product or process innovations to provide customer solutions since as you help customers’ businesses grow, in-turn your business will grow and your market share will improve
- efficient flow of information, products and services
- effective investment and allocation of time, energy and resources in areas that add value to your customers
- each link in the chain shares risks and rewards

“When you visit our new website at www.valuechain.alberta.ca you will find information and tools from around the world to assist in developing your livestock business value chain,” says Patrick Ramsey, business development specialist – beef with Alberta Agriculture and Rural Development. “The website provides approximately 300 value chain resources in the agriculture and food sector. The website is easily searched for case studies of livestock value chains that work, pricing models, tools, best practices and consumer trends.”

Some examples of Alberta beef value chains include; Canada Gold Beef, Diamond Willow Organics Ltd., Prairie Heritage Beef Producers and Spring Creek Ranch Premium Beef. Canada Gold provides age and source verified grain fed beef, Diamond Willow Organics provided certified organic beef, while Prairie Heritage and Spring Creek provide Angus beef that is free from growth promoting implants, feed additives antibiotics and animal by-products. More information about these value chains, their story and their protocols can be found on their individual websites, or you can search for them on www.valuechain.alberta.ca, where you can learn more about how to build your livestock business value chain.

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Shortening the Distance from Farm to Plate

The Explore Local initiative is helping producers address consumers' newfound passion for locally grown food products. While Alberta consumers can buy lamb from New Zealand, cheese from Italy and tomatoes from California, these foods are all grown or produced in Alberta, and buying from local producers is a great way to eat fresh and keep the economy ticking.

As Carmen Andrew explains, consumers are receptive to the idea of eating locally more often. Farmers selling within their own area enjoy the competitive advantages of familiarity and proximity.

"The demand for local food is there, there's no question about it," says Andrew, Explore Local initiative manager with Alberta Agriculture and Rural Development. "Occasionally, the supply is not sufficient to meet this demand. From a business standpoint, too, the model of selling locally is very different than the model for traditional agriculture."

To enable producers to achieve local market success, Alberta Agriculture and Rural Development created the Explore Local initiative. As a producer-focused initiative, Explore Local develops and delivers information and educational resources that contribute to the success of local market producers. A big part of Explore Local's mandate is to foster connections between producers, processors, retailers, farmers' markets, restaurant chefs and others along the local food value chain.

During 2010, for example, Explore Local directed research into local market opportunities, hosted events to bring value chain players together and delivered workshops to producers across the province. Many of these activities were funded by Growing Forward, a federal-provincial-territorial initiative.

During 2011, Explore Local will be active on several fronts. Within Alberta Agriculture, a team is developing policies to encourage the growth of local markets. Another focus is comparing the economics of local vs. traditional value chains, and exploring how local chains can function more smoothly. New entrants to agriculture are often especially keen to market locally, and Explore Local will work with these producers in a targeted way.

Explore Local is working to connect locally-minded value chains with compatible shipping services. In November 2010, Explore Local hosted a focus group of producers to explore ways to solve logistics and distribution challenges that locally focused producers face.

One who attended was Innisfail bison producer Ivan Smith. Operating Big Bend Bison Ranches, Smith ranches 300 bison cows and raises hundreds of feeder bison each year. He also markets bison on behalf of 40 other producers, operates the Big Bend Markets meat shop in Red Deer and is a partner in Restaurant 27 in Red Deer.

Smith will tell you that while the local marketing process can be difficult, it's not impossible. "I went to the meeting to say that it can be done," he says, "and to talk about the importance of marketing. As producers, we are not in competition with each other. We need to work together to find ways to sell in our local market. We need to have a strong voice to tell our story."

In Andrew's view, as producers learn more about producing for local markets, the goals of Explore Local gain traction in the marketplace. "In the last year, we have seen amazing growth in producer interest when it comes to understanding what it takes to sell locally, and in putting together business plans to meet the opportunities that are available," says Andrew.

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Cattle Price Risk Management in Volatile Markets

The current high level of volatility and uncertainty in the cattle markets has underscored the need for disciplined risk management plans and strategies for Alberta cattle feeders. High levels of volatility in the futures markets is another not-so-subtle reminder that even the most seasoned market analysts cannot predict the future. The recent unexpected up and down moves and their related financial and psychological influences can sometimes cause even seasoned hedgers to lift their positions at inopportune times.

"Between April 4 and the first of June 2011, August live cattle futures dropped over \$20 per hundred weight (cwt) causing aggressive risk managers to feel very comfortable in their short futures positions," says Bruce Viney, business development – risk specialist with Alberta Agriculture and Rural Development. "Since the first of June the market has surged back over \$11 per cwt adding optimism to cash markets and placing many of those short hedge positions into margin call situations.

"Some cattle feeders currently follow disciplined risk management programs that have strategies to deal with both sudden drops and sharp rallies without too much reliance on the often subjective opinions of outside market analysts. While market analysis is a key part of risk management plan design and execution, the objective of a risk management plan is to provide the disciplined action plans that will help let feedlot managers sleep at night regardless of which way the markets may move."

Higher level uncertainty, along with greed and fear-motivated decisions, also contribute to higher option and insurance premiums. While analysts generally cannot predict market prices in this type of extreme volatility, there is still tremendous value in analyzing the market fundamentals and technicals.

“Analyzing the fundamentals will approximate the supply and demand equilibrium price while technical analysis will aid in the timing of decisions and the execution of risk management strategies,” says Viney. “In this day and age with index funds, programmed trading and instantaneous information exchange, effective timing and execution can significantly improve profitability and reduce managerial stress.

“A common question put to market analysts concerns where the market is going. If there are analysts out there who can consistently predict the market, you can bet they aren’t going to tell you; at any price. In reality, the field of market analysis is not rocket science and any producer can quickly learn to evaluate the supply and demand information and historical or ‘technical’ price activity.”

Many professional analysts rely solely on technical analysis which is simply an assessment of trends and chart patterns that show the price movements as the market adjusts to new supply and demand equilibrium levels. Fundament analysis is more mathematically intensive and is generally left to academics and professional firms that have detailed economic models and access to large amounts of data. Both types of analysis are useful and important for producers to incorporate into their own market analysis and strategy execution.

“An important part of any successful risk management program is the manager’s own opinion of the market,” adds Viney. “Even though that opinion will often be just as wrong as most professional analysts, knowing when it is wrong and having predefined strategies to deal with adverse situations will add to the business bottom line. When a market seems to be acting irrationally, producers should be reminded of the famous quote by British economist John Maynard Keynes: ‘Markets can remain irrational longer than you can remain solvent.’ Thus, having contingency plans and alternate decision paths are important to financial health.”

For some producers, futures and options contracts may be appropriate risk management tools to deal with adverse price moves. For other producers, futures and options may actually increase their financial risk and reduce their business profitability. Cattle price insurance is another unique tool that can add value to many risk management programs from time. Regardless of the specific marketing or risk management strategy, producers have traditionally been able to improve their cash market buying and selling decisions by using timely and consistent information from their market analyst.

A common thread among successful business risk managers is their ability to execute a disciplined risk management plan that is consistent with their overall business and marketing objectives. Those risk management plans generally involve considerably more than just market analysis and a price forecast. They involve identifying the sources of risk and assessing the impact of those risk events on their bottom line and business risk tolerances. Then by applying specific strategies to deal with the sources of risk, emotional and

reactionary decisions are minimized. The same philosophy applies to assessing and capturing opportunities that may arise from unforeseen positive information and market shocks. In bull markets, having strategies to deal with upside market moves can be very important in capturing opportunities. A successful risk management plan has disciplined strategies in place to minimize the typical greed and fear emotions in dealing with unexpected market moves in either direction.

“To assist producers in calculating the financial risk associated with a pen or lot of cattle, Alberta Agriculture has developed the FIR\$T computer software program,” says Viney. “Producers can apply their own assessment of future market prices and price volatility in order to calculate various financial statistics. These results can compare the profitability and returns to equity for different feeding and pricing scenarios. The program uses stochastic simulation techniques to calculate the probability or likelihood of achieving those financial return levels.”

The FIR\$T program can be downloaded free of charge from Alberta Agriculture’s website at www.agriculture.alberta.ca, FIR\$T is under the Decision Making Tools tab and the Farm Management page.

This is a copy of the August live cattle futures contract showing the volatile up and down price movements since spring.

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Heritage Grain Harvested at Ukrainian Village

Canada’s oldest successfully grown variety of wheat has found a home at the Ukrainian Cultural Heritage Village, an outdoor living-history museum east of Edmonton, Alberta, Canada (www.ukrainianvillage.ca).

Visitors to the Ukrainian Village “travel back in time” to experience Alberta’s rural and agricultural history. Everything that the visitor sees – a farmhouse’s architectural features to its associated yards, gardens, fields, as well as the general landscaping in-between the historic structures – is based on extensive research conducted by the museum’s historians. In the fields, for examples, visitors can see Red Fife wheat grown as a way of illustrating Alberta’s rich rural and agricultural history.

Red Fife is heritage spring wheat and is a “landrace” variety meaning there is genetic variability in the wheat allowing it to adapt to diverse growing conditions. It is named after David Fife who first grew the wheat in 1842 in southern Ontario. The wheat had high milling qualities and was known for making exceptional baked goods with extremely white flour; an ideal still in favor today.

The plant is characterized by three little awns at the top of its head, but is a beardless wheat variety. The plant can grow from three to five feet tall depending on the growing conditions and soil quality. All varieties of red spring wheat owe their ancestry to this grain. Red Fife grew out of favor due to its low resistance to rust and requirement for a longer growing season. It was replaced by Marquis and then other new and improved varieties. It was also used to develop new hybrid varieties of wheat.

This historic breed of grain was reintroduced at the Ukrainian Village using two sources: from a farmer located near Westlock, and the Loehr Organic Project out of St. Mary's Abby, Muenster, Saskatchewan. The initial quantity allowed the staff to plant three acres on the museum land. Every year since, the bulk of seeds harvested are saved for planting in the next year, while some is used for a variety of historic activities and demonstrations.

This historic wheat helps further augment the Ukrainian Cultural Heritage Village's authentic presentation of the history of agricultural practices in east central Alberta.

The Ukrainian Cultural Heritage Village depicts the history of east central Alberta by telling the story of Ukrainian pioneers who immigrated and settled within this region prior to 1930. Over 30 historic structures have been relocated to the museum, restored and furnished to a pre-1930 period, and staffed by costumed role-players who re-enact the historic routines and activities associated with the household, institution or business.

Operated by Alberta Culture and Community Spirit, the Ukrainian Cultural Heritage Village is located 25 minutes east of Edmonton. The provincial historic site is open daily to the public 10:00 a.m. to 5:00 p.m. from mid-May until the September long-weekend. For more information, call 780-662-3640 (dial 310-0000 for toll-free access within Alberta) or visit www.ukrainianvillage.ca

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Agri-News Briefs

Explore Local Re-Launches Website

In an effort to better serve producers, processors, chefs and others interested in selling into local food markets, the Explore Local Initiative has revitalized its website, www.explorelocal.ca. The refreshed site integrates resource material from several pre-Initiative sites – exploredirect.ca, agtourism.ca, dinealberta.ca and Sunnygirl.ca. In addition, new resources have been added - new links, new factsheets and information about what the Initiative has accomplished and what projects are currently being worked on. Both the exploredirect.ca and agtourism.ca websites have been fully integrated. Anyone entering those websites will be automatically redirected to www.explorelocal.ca. Dinealberta.ca and Sunnygirl.ca both continue to house resources specific to the Dine Alberta program and the Approved Farmers' Market Program respectively.

Land EKG – Monitoring Pasture Health

The Grey Wooded Forage Association (GWFA) and Mountain View County are hosting Charley Orchard from Land EKG, one of North America's leaders in teaching farmers and ranchers the skills to monitor the health of their pastures and rangelands. The Land EKG Workshop is being held near Olds, beginning at 1:30 p.m. on July 26, 2011. Topics include:

- seven pasture monitoring methods
- grazing practices evaluation
- forage production calculations
- production budget estimates
- grazing budget estimates

Space is limited to 50 participants, so early registration is recommended. The early bird registration fee is \$40, before July 15, and \$45 if received after July 15. Participants should expect to spend lots of time out in the pasture. Registration includes supper, refreshments and course materials. For more information or to register, contact the GWFA office at 403-844-2645.