February 20, 2006

**Adding value to farm products**

As farmers seek to find ways to increase farm income, interest in adding value to farm products has grown tremendously. Local value-added agricultural food production is seen as a critical strategy to sustain small farmers and their communities.

“The value of farm products can be increased by cleaning, cooling, cooking, combining, churning, culturing, grinding, extracting, drying, handcrafting, packaging and distributing, as well as by adding information, education or entertainment,” says Janice McGregor, business commercialization coach with Alberta Agriculture, Food and Rural Development, Stony Plain.

“In addition to offering a higher return, value-added products can open new markets, create recognition for a farm and expand the market season. Small-scale processing can also make a positive contribution to a community. Often, ingredients needed for the final product are purchased locally, staff is hired locally and the product is sold locally. The dollars generated from these activities tend to circulate in the local economy and create spin-offs for other businesses.”

Locally produced specialty foods or non-food items can also provide a window into the unique qualities of a community. These products can give tourists a “taste” of the place to take home as souvenirs and to share with others.

“It is possible to increase a business’ share of the food dollar by adding value to raw agricultural products, but adding value does not come free,” says McGregor. “It often means doing more work, hiring more staff, buying more machinery or supplies, and complying with more rules and regulations about buildings, packaging and labeling.”

A comprehensive business plan that includes marketing and finances can help determine the feasibility of an enterprise. Developing a business plan helps operators define the planned business, create a road map for operating the business, set the goal that will be aimed for and satisfy lenders’ requests for information.

“This Week

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“Trying to manage and grow a business without good records is like trying to find an address in a strange city without a road map,” comments McGregor. “Without good records, the business is limited to making educated guesses about progress and whether or not goals are being met. Accessing capital for growth and product development may depend on having accurate cost and pricing figures for the production and marketing of products.”

Lack of knowledge in marketing is often a big issue with producers. In marketing processed and value-added agricultural products, it is important to be innovative in...
product development and to produce products that meet the needs of target customers. When customer needs are satisfied, the chances of selling products to that customer are increased. A downfall of many producers is developing “me too” products. It makes good business sense to know what other competing products are available and determine if the market can accommodate another similar product.

Although no simple blueprint for success exists for adding value to farm products, a few general practices are:

- make decisions based on good records
- create a high quality product
- evaluate continuously
- capitalize adequately
- establish a loyal customer base
- choose something the entrepreneur loves to do and that fits their personality and goals

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Opportunities for commercial beef in Canada

With advice from a technical group, the Beef Round Table’s commercial beef utilization committee has defined a three-phase research plan to enhance utilization and value for commercial beef products. This plan is in response to the increased number of mature animals in the breeding herd due to trade restrictions.

The first step was to characterize the existing cull cow population in terms of lean meat yields and to assess the meat quality, sensory and retail display characteristics of eleven different cuts of meat.

This work, undertaken by researchers at Agriculture and Agri-Food Canada, Lacombe, has been completed. The research findings have been reported to industry through a series of workshops and a technical bulletin. These findings are available on-line at: www.canadianbeef.info/commercialbeef.htm.

The second step was to determine the substitutability of commercial beef trim as a ground product when compared to trim from Canadian youthful carcasses or offshore beef. Alberta Agriculture, Food and Rural Development’s Leduc Food Processing Development Centre took the lead on this work. It is currently nearing completion.

The final step was to use information gathered in the first two steps to define opportunities for development of new whole muscle, restructured or ground products from commercial beef.

The University of Saskatchewan is currently researching some of the identified opportunities for development of new products from whole muscles. The Beef Information Centre has been instrumental in transferring research information and results to industry in a timely manner.

“The goal here is to develop new ways to maximize the yield, quality and profitability of commercial beef through both feeding strategies and innovative processing, such as hot-boning,” says Dr. Jennifer Aalhus, meat quality scientist with Agriculture & Agri-Food Canada, Lacombe. “If we can do this, it may represent the start of a paradigm shift for this sector of the beef industry.”

Further information on this subject and on the activities of the Western Forage/Beef Group are available on Alberta Agriculture’s website, www.agric.gov.ab.ca, then entering Western Forage/Beef Group in the search function.

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Create your own circle of influence

Seven leading on-farm marketers from around the world will be on-hand for a one-day coaching circle session next month in Airdrie.

“The farm direct marketing industry leaders at the coaching circle will be ready to assist Alberta farm direct operator and help them build personalized action plans to grow their business,” says Kerry Engel, leader of Alberta Agriculture, Food and Rural Development’s farm direct marketing initiative, Westlock. “A coaching circle makes it possible to receive individualized coaching with leading industry players in an intimate learning atmosphere. It provides a network for ‘safe’ sharing and learning.”

Any farm direct operators who need farm-retailing assistance on layout and merchandizing, food service, developing a deli or bakery, best management practices, staff training and development, or school tours, will benefit from the coaching circle.

The coaching circle is being held in Airdrie on March 22, 2006. Registration fee for each coaching session is $25 per person. Registration is limited. As there are only 49 coaching spots available, there is a limit of two coaching spots per farm. Registration deadline is March 3, 2006. For further information or to register, call (780) 679-5169.

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The best way to store chocolate

“Not so very long ago, the stash of chocolate in the cupboard consisted of a package of semi-sweet baking squares, some leftover chocolate chips and the odd box of chocolate candies,” says Pat Inglis with the Food Safety Information Society, Calgary. “But, that was before dark chocolate became recognized as a healthy food and Canadian consumers started buying premium Canadian and European chocolate in a variety of flavours and percentages of cocoa solids.”

Proper storage is key to maintaining the quality of chocolate say the experts that staff the toll-free consumer line operated by the Food Safety Information Society.

All chocolate is best stored tightly wrapped in a dry place with a cool temperature of 15 to 21 degrees C (60 to 70 degrees F).

“If conditions are ideal, the quality of dark chocolate will remain good for a year,” says Inglis. “However, because milk chocolate and white chocolate contain more milk solids, their quality is at its peak for only about nine months.”

The shelf life of chocolate candy varies depending on the fillings and whether or not it contains preservatives. It is always advisable to check labels for storage advice. For example, high-quality Belgian chocolates that are preservative-free are at their quality peak for only eight days when stored at 15 to 18 degrees C (60 to 65 degrees F). They will keep up to two weeks in the refrigerator. Most can be frozen for up to six months in a moisture-proof container.

White filmy blotches or streaks, called bloom, may develop on the surface of chocolate, resulting in a loss of quality. Bloom may occur when chocolate is stored at warm temperatures causing the cocoa butter to rise to the surface. It may also occur when chocolate is refrigerated or frozen and then brought to room temperature. Storing chocolate in damp conditions can cause tiny, grey sugar crystals to form on the surface. This is not a food safety issue and the chocolate can still be safely eaten.

For answers to food safety questions, call the food safety consumer line toll-free at 1-800-892-8333. The line is answered Monday through Friday from 9:00 a.m. to 5:00 p.m. (MT). Questions left on voice-mail after hours are answered the next business day. Food safety information is also available on the Society’s website at www.foodsafetyline.org.

Contact: Food Safety Information Society
1-800-892-8333
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Canola Council of Canada annual convention
The Canola Council of Canada is holding its 39th annual convention March 15-17, 2006, in New York City. Sessions focus on food trends, food media and healthy products. Meet the NYC health officials who are cutting trans fats from the Big Apple, learn how a government-approved health claim sells product, and meet celebrity chefs who know canola really cooks. There will also be ample opportunity to experience New York City magic and even to attend a hockey game or a Broadway show. For further details, contact the Canola Council of Canada by phone at (204) 982-2100, fax at (204) 942-1841, e-mail at wrefordd@canola-council.org, or visit their webpage at www.canola-council.org.

Weed control featured at prairie canola colleges
Weed control in canola is the theme for the Canola Council of Canada’s three “canola colleges” this year. There will be one canola college in each prairie province: Saskatoon, Saskatchewan on March 7th; Brandon, Manitoba on March 9th; and, Nisku, Alberta on March 14th. Topics include new weed threats and new control methods, weed resistance management, how environmental conditions interact with herbicide efficacy, and much more. Space is limited to 80 people at each location. For more information, or to register, call Gail at (204) 982-2100 or toll-free at 1-866-479-0853.

Southern Alberta Conservation Association annual meeting
The Southern Alberta Conservation Association (SACA) are holding their spring workshop and annual meeting at the Medicine Hat Lodge, Medicine Hat, on Monday, February 27, 2006, starting at 9:30 a.m. Topics include:
• impact of the energy industry
• soil salinity
• crop insurance payment programs
• pulse production tactics
To register, call Elizabeth at (403) 328-0059 or email SACA at conservation@connectcomm.ca.

Grain marketing course in Fairview
The Northern Alberta Institute of Technology’s (NAIT) Fairview campus, in conjunction with Alberta Agriculture, Food and Rural Development, Alberta Canola Commission and the Canadian Wheat Board, will be holding a three-day intensive grain-marketing course March 12-14, 2006, at the NAIT campus in Fairview. In addition to covering all aspects of grain marketing, the course will give participants a chance to try their hand at trading using a grain-marketing simulation. For more information or to register, call Joleen Meservy at (780) 835-6616. Cost is $125 per person.