

food in canada

THE VOICE OF THE CANADIAN FOOD & BEVERAGE INDUSTRY

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RESEARCH
CHEFS IN
CANADA
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Good Growing

THE FRUIT &
VEGETABLE
REPORT





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Mom's Best

Rae Lindsay
Mom's Best

Carol Speirs
TD Account Manager

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Next Month

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Our annual listing of the 100 leading Canadian food and beverage processors is a must-read for anyone involved in the food industry in Canada.



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- > **Economic review and forecast**
- > **Food trends:** Vitamins
- > **Beverage processing report:** The spirits market
- > **Accent Alimentaire sur le Québec**

Make sure you don't miss this issue!

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At the recent Retail Council of Canada's Grand Prix Awards, our iÖGO Nano drinkable yogurts were voted best new product by consumers across the country. And for us, that's the best recognition there is.

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The great debate

Unless there is a clear quality difference, I rarely buy organic products. Despite my belief that organic farming methods are better for the environment, I'm usually more concerned that the product has the right taste, is made with healthy ingredients, and is what I consider a fair price for the value. I try to buy locally produced food and beverages as much as possible, simply because I believe it's important to support "local" Canadian businesses, even if they're based several hundred kilometres away. Packaging and food safety, although often harder to assess, also factor into the purchasing decision.

But when it comes to knowing whether or not a product contains genetically modified organisms (GMOs), I'm undecided. Proponents on each side of the gene technology debate say they have the research to back up their arguments. Across Europe, India and in the U.S. (where in June Connecticut became the first state to pass legislation requiring labelling of GMO products), public vilification of GMOs has forced governments to consider labelling and restrictions on products made with transgenic crops.

Yet research from around the world tells us that if we are to feed the estimated 10 billion people that will inhabit the planet by 2050, we must focus on finding more effective ways of growing, harvesting, storing, processing and delivering food. Even today nutrition and food security are very real problems in many parts of the world, including Canada. Could the answer be pest-resistant GM crops that offer a higher yield from less land, reduce carbon dioxide and offer wider application options?

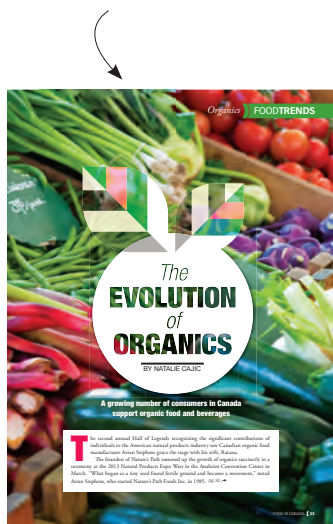
Calestous Jama thinks so, and said as much during a speech he gave in mid-June at McGill University advocating for agricultural innovation in Africa, including greater use of GM crops across the continent. Prof. Jama, who grew up in Kenya, is a former executive secretary of the U.N. Convention on Biological Diversity, and is currently the director of the science, technology and globalization initiative at the Harvard Kennedy School, and of the Agricultural Innovation in Africa Project, funded by the Bill and Melinda Gates Foundation. Instead of it being a matter of science, he believes resistance to GMO to be "technological intolerance."

According to the International Service for the Acquisition of Agri-Biotech Applications and its 2010 report *Global Status of Commercialized Biotech/GM Crops*, bio-engineered crops are now grown in 29 countries on roughly 148 million hectares of land, an 87-per-cent increase since 1996. It's a safe bet we have all consumed GMO-derived products without even knowing it. Would it have made a difference to you? Would you buy a product labelled as containing GMOs?

Consumers make purchasing decisions based on personal perceptions and needs rather than science. And we're privileged to have so many food choices available to us. Let's ensure the options are kept open for everyone. ●

CCooper@foodincanada.com

Check out pg.33 for more on organics!





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Veggies and beer — refreshing!

Chicago-based Goose Island brewery has introduced the third brew in its Fulton & Wood series. Called Cucumbersome Pilsner, it uses — you guessed it — cucumbers in the brewing process. But Goose Island isn't the only brewery to use cucumbers. Magic Hat Brewing Company in Vermont offers its HiCü beer with cucumber and hibiscus, and in Florida Cigar City Brewing launched Saison brew with cucumber in 2012. And then there's Colorado-based Twisted Pine Brewing, which in May reported it introduced something unheard of: a Cucumber Cream Ale.



News > file



Food from Canada's true north

Communities in the Northwest Territories can now process and brand the local fish and meat they catch, thanks to a program that has brought them mobile processing units.

The \$130,000 mobile processing units are the first of their kind in the Northwest Territories. The units are funded by the Department of Tourism and Investment through a Government of Northwest Territories program, which supports the marketing and processing of fish and meat in the territory. The community of Deline received its mobile meat and fish processing unit in May, and Fort Good Hope will receive its unit toward the end of the summer, reports Northern-News-Services Online.

The mobile units contain a cooler, meat saw, smoker, sausage maker, grinder and vacuum packer, and are made by Hay River's Concept Energy Services Ltd. Grey Goose Lodge is operating the Deline-based unit, which created two full-time jobs.

According to Northern-News-Services, the communities hope to eventually see products such as Deline lake trout or Fort Good Hope moose meat in stores alongside B.C. salmon and Alberta beef.

Healthy food products shine at Manitoba awards

In June the Manitoba Food Processors Association (MFPA) hosted its 7th annual Industry Excellence Awards. "The Industry Excellence awards are meant to honour the great people, products and companies that are a part of our industry, that contribute so significantly to our province," says Dave Shambrock, executive director of the MFPA.

This year, a trio of new healthy food products won MFPA's Best New Product Awards. Long-established Granny's Poultry Co-op, based in Blumenort, Man., won Best New Product in the Large Business category for the company's new Omega-3 Turkey Breast. Granny's introduced the heart-smart product last fall, says Shambrock. The Turkey Breast — which contains flaxseed oil — has a seal of approval from the Heart and Stroke Association for its reduced sodium content.



LET'S HOP RIGHT ON THAT

Are insects poised to be the next protein rage? There seems to be plenty of interest in little critters lately. The Nordic Food Lab and University of Copenhagen recently received funding to expand its research into insect gastronomy, and in June Wageningen University in The Netherlands held an event at the Dutch embassy in Washington called "Insects to Feed the World." The event, which included sampling, caused quite a stir. Marcel Dicke, a professor of entomology, explained that insects are a nutritious and sustainable alternative to meat, and they convert plant resources into digestible proteins and minerals more efficiently. The Food and Agriculture Organization (FAO) of the United Nations is also touting the advantages of insects. In a report called *Edible Insects — Future prospects for food and feed security*, the FAO examines research on insect nutrition, food safety and insect processing.

One company that's already ventured into processing is Utah-based Chapul Bars, which makes all-natural energy bars with protein from cricket flour. The company says the crickets are baked and then ground into a fine powder. In fact, says owner Pat Crowley, the cricket flour is a very small and tasteless portion of the recipe, but packs a powerful punch.

There were two winners in the Best New Product, Small Business category, and both are new to the market. Millet King Foods of Canada Inc. has sold pure millet seeds directly to Western Canadian farmers for cattle feed since 2004. Six months ago company founder Reynald Gauthier, who is based in St. Claude, introduced gluten-free Red Millet Whole Flour for human consumption. Progressive Foods Inc, the other winner in this category, is based in Edmonton, Alta., but is producing its Organic Quick Cooking Barley on a Hutterite colony near Portage La Prairie. The unique barley product is designed for use as a starch, and is a substitute for rice in most recipes. It has been pre-cooked and dried for storage, but requires only 10 minutes of cooking time to rehydrate the barley. The product has been on the market in Western Canada for about a year.



President of the Manitoba Food Processors Association Andy Van Patter (*right*) presents the President's Award to Hermann Grauer of Nature's Farm during the association's 7th annual Industry Excellence Awards.

This year's President's Award was given to egg producer Hermann Grauer of Nature's Farm in Steinbach. "Herman is a pioneer in what he's doing with omega-3 eggs," says Shambrock. "He's also one of the first in the country to have a Swiss aviary-style barn, and is one of the few

producers to have the endorsement of animal welfare groups."

Winnipeg's Manitoba Harvest Hemp Foods & Oils was named the Employer of the Year, reflecting the fact that the company has doubled in size in the past year and has been aggressively recruiting new workers and training them through a new human resources program introduced last year. Awards were also given to Sandra Carson and PackEdge Designs (Supplier of the Year), and to the Winnipeg-based Salisbury House Restaurants chain (Company of the Year). In

addition, a special award for Outstanding Achievement was presented to Mark Zachanowich of Peak of the Market, an individual, says Shambrock, who demonstrates leadership and excellence, and inspires others to perform at their best.

The MFPA is a non-profit, industry-run organization that promotes the development of Manitoba's food processing industry. The Association serves more than 290 member companies, ranging from small start-up operations to large multi-national companies.

— Myron Love

SUPPLIER NEWS

- > **Agropur Cooperative** has rebranded its La Crosse, Wis.-based Main Street Ingredients as **Agropur Ingredients**.
- > **Health Canada** has granted a Natural Health Product Number to Cereboost, the American Ginseng extract from **Naturex**. The Natural Health Product Directorate has allowed Naturex to use three health claims indicating that the product helps to support cognitive function, cognitive performance and working memory.
- > Mississauga, Ont.-based **The Ingredient Company** is now a federally registered facility — #S500. The company is the Canadian distributor for nine suppliers, and offers food-grade, third-party audited warehousing.
- > **Health Canada** has approved Sunfiber from **Taiyo**. Sunfiber is a galactomannan-based fibre that allows product formulators to offer consumers a fibre source that can reduce gas and bloating while allowing a satiety effect.
- > **Handtmann's** food processing equipment sold in Canada and the U.S. is now being shipped with international **Electrotechnical Commission Category 3** safety compliance features as part of the standard factory configuration.
- > **CSM**, and its subsidiaries **Purac** and **Caravan Ingredients**, has a new strategy and company name: **Corbion**. Corbion will focus on biochemical and bio-based food ingredients specifically for the bakery and meat sectors.
- > **Ancor** picked up a Diamond and Silver award at the **DuPont Packaging Innovation Awards** in May. Ancor was also recognized for its leadership in delivering innovation excellence for more than 25 years.
- > Canada's **Canterbury Coffee** has introduced a biodegradable and environmentally safe, fair-trade, organic K-Cup compatible cup called OneCoffee.
- > **Virginia Dare** has established a partnership with **SOARARY**, one of Madagascar's most experienced vanilla exporters. Local operations in the country will allow Virginia Dare to ensure availability, quality and consistency of its vanilla extracts and flavours. Madagascar represents about 80 per cent of the world's vanilla production.
- > **ROHA** has announced a corporate re-invention designed to position the company for future growth. As well as a new logo and website (www.roha.com), the company now includes six divisions: Idacol (synthetic colours), Natracol (natural colours), Simpsons (non-food dyes and pigments), Adora (colours for cosmetics), Essenzia (animal feed colours) and Futurals (natural colours and extracts from fruit, vegetables, herbs, flowers and algae).



The CMC conference

The Canadian Meat Council (CMC) held its 93rd Annual Conference in May in Banff, Alta.

The event covered topics such as marketing in today's environment, safety and nutrition, global meat demand, automation, economic competitiveness, and changes at the Canadian Food Inspection Agency.

The CMC held its annual elections during the conference to select a new president for 2013/2014, electing Arnold Drung, president of Conestoga Meat Packers Ltd. in Breslau, Ont. Three awards were also presented during the event: former CMC president Donald Davidson was named Honourary Member; Dennis Hicks of Pembertons was given the President's Award for outstanding service to and support of the CMC; and Dr. Frances Nattress of the University of Alberta's Department of Agricultural,



(Left to right): Petr Boucek, director of R&D, Newly Weds Foods Inc.; Jim Laws, executive director, CMC; John Farlinger, chair, Education Committee, Canadian Meat Science Association; and Younes Miar.

Food and Nutritional Sciences, was given the Science and Technology Award.

Each year the CMC also awards four scholarships to graduate and undergraduate students. This year's recipients are Younes Miar of the University of Alberta, Luine Moura Rocha of Laval University, Caitlyn Best of the Western College of Veterinary Medicine, and Tiange Shi of the University of Alberta.

In addition the Canadian 4-H Council announced that the CMC is sponsoring a new scholarship opportunity for 4-H members. It's called The Larry Martin Campbell Memorial 4-H Scholarship in honour of Campbell, who recently retired after 38 years of service with the CMC.

Next year's conference takes place May 7 to 9 in Toronto.



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Louis Giguère

Bare nutritional facts and romance

BrandSpark and its 2013 Canadian Shopper Study have shed serious light on some of the most important, noteworthy consumer behaviour: food-label reading. Although the data was released last January, take a fresh look at it and consider it as a benchmark. Observed is the following: “Seventy-six per cent of Canadians are paying more attention to food labels, however with strong consumer desire for nutritional information, a discrepancy still remains, thereby dividing intent, knowledge and follow through.” Consumers are therefore paying more attention to product labels than ever before.

Simplicity sells

Given this reality, it’s certainly a good idea for your 2014 marketing budget to cover copy writing, graphic design and iconographic review. As such, you should be aiming to make the consumer’s life easier by simplifying messages, and making them more credible. We recently did an extensive study of the communication of health benefits and the icons used to illustrate them. Our conclusion points to a trend that may surprise some: simplicity! In the same way that lists of ingredients are being shortened (clean label), health benefits are expressed simply, without any scientific references per se.

Accordingly, many new product labels put food centre stage and graphic elements are not minimalist at all — quite the contrary. Copy writing is designed to lead to one conclusion: a “reason to believe” that this product is good for me.

Nature’s Path’s Chia Plus Coconut Chia Granola is a fine example of this trend. The health attributes of the product are expressed clearly on the front of



the packaging and in a way that blends perfectly with the graphic look and feel, with no specific icons displayed. On the back of the box, far from using icons that may clash with the packaging design, the company uses a style reminiscent of the hiking world to present the health benefits. Text is written in a familiar, opinionated yet reassuring tone, without any reference to science, with a touch of demagoguery. Judge for yourself: “The Non-GMO Project assures you that the food you’re buying is made in a kitchen, not in a lab.” This packaging articulates highly charged emotional connotations based on convictions.

The snacking revolution brings new products to the market like these Breton crackers from Dare, whose recipe has been taken straight out of the “new



industrial cookbook.” Who would have thought that just 10 years ago a mainstream product would offer a list of ingredients like this one: whole grains (corn, whole wheat flour, oat flour, millet, buckwheat, amaranth, triticale, barley, sorghum, spelt, teff flour, quinoa), rice flour, sunflower oil, sesame seeds, sugar, sea salt, salt and natural flavours. However, besides the “supergrains” ingredients flashed on the front of the package, you only



need to look at the side panel to get a bigger picture. And not much is actually revealed, just enough to point in the right direction — no artificial colours or flavours, zero trans fats, zero cholesterol, low in saturated fat and no “Botanicals 101” course or nutritionist’s advice. This packaging is all about good clean fun.

Even Nestlé is going lean on its “science driven” approach to food. In fact, the company is playing more on contrasts. Its Lean Cuisine brand gives you Jumbo Rigatoni with meatballs and 30 per cent more food than the average Lean Cuisine products. Going “lean” with meatballs...now that’s appealing! Besides a pledge for Nestlé’s reputation

“Seventy-six per cent of Canadians are paying more attention to food labels.”

and a reference to the “research centre” on the back of the box, there is not much in terms of nutrition-specific information or guidelines. Again, the consumer will feel good about eating well, based on nothing more than a feeling.

Cut the romance

In Europe, traffic-light food labelling, introduced by retailers in the U.K., may become the norm if an EU-wide regulation ensures that it be adopted by all multinational food companies. In addition to GDA (guideline daily amounts), it places a judgment on the product’s fat, sugar and sodium content. This coding definitely lifts the romance. But guess what? The food industry has spent an estimated one billion euros on lobbying against its introduction.

On this side of the Atlantic, since there are no programs like traffic light food labelling as close to a roll out as seen in Europe, it’s up to the consumer’s own conscience and understanding of the nutritional table to decide what’s good or bad. In this context, and knowing that when it comes to nutritional information consumers



seek simplicity, a simple presentation of a product’s nutritional benefits is therefore much more appropriate. In addition, that perception of what’s good or bad, whether it is conveyed by convictions (Natures Path), by good clean fun (Breton), or by reputation (Nestlé), is yours to create. There are certainly many good reasons to take a fresh look at your labels in 2014! 🍎

Louis Giguère, M.Sc., is senior director at Enzyme Food & Health Marketing Agency. Contact him at LGiguere@enzyme.ca



CANADA DAY IN CENTRAL PARK

This June New York’s Central Park was host to a day of Canadiana.

On June 29, New Yorkers were treated to an early Canada Day celebration organized by Canada Day International, which also organizes the Canada Day London event. Canada Day New York, as it’s called, was a day-long festival featuring Canadian musicians and a culinary program called the Great Canadian Picnic, showcasing specialty food producers, culinary guests and media personalities.

The picnic was co-hosted by Canada Day New York and Perfect Picnic NYC, and raised money for flood victims in Calgary, Alta. Some of the food processors who participated included ACE Bakery, Kicking Horse Coffee, Raincoast Crisp Crackers, Neal Brothers, the Preservatory @ Vista D’oro Farms, Holy Crap Cereal, Ethical Bean Coffee, Fraser Valley Gourmet, Mile End Deli and Alchemy Creamery.



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IN BRIEF



> **BC Tree Fruits Cooperative** is the new name for the **Okanagan Tree Fruit Cooperative**, which includes 580 grower families. The legal operating title is now BC Tree Fruits Industries Limited.

> **Amsterdam Brewing Co.** has opened a newly renovated, 14,000-sq.-ft. craft brewery, restaurant and retail venue in Toronto.

> **USC Canada** (Unitarian Service Committee of Canada) has launched **The Bauta Family Initiative on Canadian Seed Security**. The program will work with farmers, researchers, industry partners, government and civil society organizations to promote the production and use of local and diverse seeds.

> **Ontario Natural Food Co-op** (ONFC) has acquired the assets of **Black River Juice Company**, a specialty organic fruit juice maker. Both companies are based in Ontario.

> B.C.-based **Lesley Stowe's Salty Date and Almond Raincoast Crisps** won the 2013 soft Gold Award, Outstanding Cracker, at the Sum-

GOLFING FOR A GOOD CAUSE

Food & Consumer Products of Canada (FCPC) recently held its Invitational Charity Golf Tournament & Dinner in Toronto, drawing close to 100 manufacturing and retail industry professionals and raising \$20,000 for Food Banks Canada. (Left to right) Presenting a cheque to Food Banks Canada were Marc Guay, president of PepsiCo Foods Canada; Michael Villeneuve, group vice-president Sales of Active International; Bill Ivany, president and CEO of Melitta Canada; Katharine Schmidt, executive director of Food Banks Canada; Jamie Moody, president of Tree of Life Canada ULC; and Nancy Croitoru, president and CEO of FCPC.



This better be sweet

In a greenhouse in the Lost Gardens of Heligan in Cornwall, U.K., a pineapple is ripening. But it isn't just any pineapple — this one is worth £10,000, reports the *Daily Mail*, due to its unique growing conditions and rarity. The pricey pineapple was grown using Victorian cultivation methods, about 90 tons of manure and two years of care. No word yet on who gets to eat it.



mer Fancy Food Show in New York in June.

> The **P.E.I. Culinary Alliance**, **P.E.I. Cattle Producers**, **Atlantic Beef Products**, and the **departments of Agriculture and Forestry** and **Innovation and Advanced Learning** have launched a new certified Prince Edward Island beef brand.



> **The Canadian Institute of Food Science and Technology** (CIFST) has unveiled a new logo. The new branding features three wheat shafts representing each of the sectors within the CIFST's membership: academia, government and industry.

> **Muskoka Brewery of Toronto** has officially launched its variety of brews in Newfoundland.

> P.E.I.-based **Island Abbey Foods Ltd.** has donated 670,000 of its newest product, **Honibe Honey Delights** candies, to Canada's food banks across the country. Honibe Honey Delights are made with 100-per-cent pure honey and are only 10 calories per 2.6-g piece. In other news, the company is now offering its Honibe Liquid in a 500-g squeeze bottle, and its Creamed Honey in a 250-g jar. Honibe also partnered with Canada's Smartest Kitchen at the Culinary Institute of Canada in P.E.I. to feature the Honibe liquid honey in 50 culinary boot camps over the summer.

> **Molson Coors Canada** has launched new Vented Cans to give consumers a smoother pour. The vented cans rolled out nationally in June as tallboy cans of Coors Light and Molson Canadian.

> **Agropur Cooperative** has acquired **Cook's Dairy**, a milk brand based in Southwest Nova Scotia. Cook's Dairy produces 2.7 million litres of milk and other dairy products each year.

> Saskatchewan now has a **Saskatchewan Wheat Development Commission** and **Saskatchewan Barley Development Commission**. The two new organizations will be producer-elected and directed, and will ensure

farmers have resources and leadership to stay competitive.

> **Coca-Cola Canada** is contributing \$100,000 per year over five years to restore an area in Toronto that was once used for industrial waste disposal. The funding will go toward turning the area into a healthy nine-hectare coastal wetland at Tommy Thompson Park.

> **Exceldor**, a poultry co-operative in Quebec, is now developing cooked products at its new further processing plant. The plant has a production capacity of 12 million kg of poultry per year and will create 250 jobs within three years.

> **Wrigley** has developed dried fruit powders to sweeten gum and has filed a patent application for the product. According to the company, using freeze-dried fruit as a natural bulking agent is healthier and less expensive than using polyols such as maltitol and sorbitol.

> **Glenfiddich** is continuing its support for **Wounded Warriors Canada** by donating \$2 for every bottle of the Glenfiddich 15 Year Old Solera sold across Canada to the organization. Wounded Warriors is a non-profit that helps Canadian Forces members.



Mill Street Brewery co-founder Steve Abrams (left) presents Jed Goldberg, president of Earth Day Canada, with a donation from the "Pint for the Planet" campaign.

> **Mill Street Brewery of Toronto** presented Earth Day Canada with a cheque for \$94,358.50 at the annual Earth Day Canada Gala in Toronto in June.

> **Lilydale** is promoting its Smoked Turkey Sausages by offering consumers the chance to win one of eight barbecues. Consumers simply collect pincodes found on specially marked packs of Lilydale Turkey Smokies and enter them at www.lilydalegrillgiveaway.ca. The Summer Grill Giveaway launched June 12.

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Beer right to your door

Grocery Gateway and Steam Whistle Brewing, both of Toronto, are toasting a new relationship. As of June, Steam Whistle's Premium Pilsner became part of Grocery Gateway's product offering. Consumers can order 12-pack bottles, six-pack cans or single tallboy cans as part of their grocery order. Grocery Gateway secured a delivery license from the Alcohol and Gaming Commission of Ontario.

Specialty crop processor growing again

Just two years after Prairies specialty crop producers the Roy Legumex Group of Companies and Walker Seeds Ltd. joined forces to form Legumex Walker Inc., the processor and merchandiser of pulses and specialty crops is expanding again.

While the company, headquartered in Winnipeg, Man., is always considering further acquisitions, Legumex Walker's focus for this year is on upgrading three of its processing plants in Manitoba and Saskatchewan. The company currently owns and operates 15 processing plants, including four in Saskatchewan, seven in Manitoba, three in the U.S. and one in China.

Company CEO Joel Horn reported at the annual shareholders' meeting in mid-June that Legumex Walker will invest \$1.5 million on new equipment for two of its processing plants in southern Saskatchewan, and another \$500,000 on additional equipment for two of its Manitoba plants.

The Saskatchewan plants process peas and lentils, while the former Keystone Grain (which Legumex

Paint it up

Corona held its Live Mas Fina paint party in Toronto in May. Participants were asked to enter the paint zone dressed all in white and then let their bodies be the blank canvas. For those who preferred not to join the mayhem, there was a giant blank canvas and chalk-drawing mural they could contribute to. There were also airbrush artists offering Live Mas Fina tattoos.



Walker acquired about a year ago) in Winkler, Man. specializes in sunflower and flax processing. The Winkler plant is Canada's largest processor of sunflowers and sunflower products. The new equipment will enable the plants to boost production to meet growing demand for its products.

— Myron Love

SHARING GOOD IDEAS

The City of Waterloo in Ontario has introduced a program called Canada's Technology for Food (CTFF). The aim is to use the city's technological expertise — the city was named the 2007 World's Top Intelligent Community — to focus on food processing production.

In other words, the initiative aims to turn brainpower from local universities towards the creation of innovative food processing technology. The city says it's the first program of its kind in Canada.

CTFF is the brainchild of Waterloo's Economic Development Committee (WEDC), which spent a year researching the idea. In May, the WEDC offered the project \$200,000 in seed funding. Ted McKechnie, former president of Maple Leaf Foods, will be leading the CTFF.

"Food production in Waterloo dates back to the 1800s," says

Waterloo mayor Brenda Halloran. "It's time we leverage our strength in technology and innovation to create a broader business base that will balance and strengthen our economy against future economic downturns."

Local flagship companies like Piller's, Brick Brewery, Elmira Poultry, and DC Foods, among others, have made the Waterloo-Guelph-Toronto corridor the largest food manufacturing region in Canada, and the third largest in North America. CTFF will foster innovation and accelerate the commercialization of technologies aimed at advancing the food and beverage processing industry both at home and abroad.

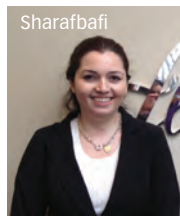
The CTFF will be located at the Waterloo Accelerator Centre, an incubation and commercialization facility.

PEOPLE ON THE MOVE



> **Linda Davachi** has joined Winnipeg, Man.-based Arctic Glacier Holdings Inc. as CFO.

> PAC NEXT has named **Rachel Morier** its new Program manager. Morier spent a year leading PAC NEXT technical committee meetings.



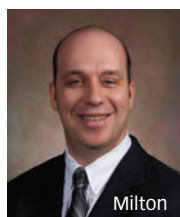
Sharafbafi

> Pennsylvania-based Ottens Flavors has appointed **Negin Sharafbafi** as senior Food technologist on the company's Innovation Team.

> The Canadian Grain Commission has made two new appointments: **Murdoch MacKay** is now commissioner, and **Jim Smolik** is now assistant chief commissioner.

> The Ontario Greenhouse Alliance has named **Jan VanderHout** as its new chair.

> Colio Estate Wines of Toronto has appointed **Danielle Giroux** vice-president of Marketing.



Milton

> Eriez has appointed **Darrell Milton** to Account Development manager for the company's HydroFlow line.

> **David Steel** is now CFO of Feronia Inc., an operator of commercial palm oil plantations.

> Pump Solutions Group has made a number of appointments: **John Pepper** is now vice-president of Integration; **Andrew Usuki** is



Valencia

vice-president, Sales and Business Development — Americas; **Ueli Thuerig** is now president of PSG Europe; and **Tomas Valencia** is vice-president, Sales

& Business Development — EMEA, at the company's operations in Europe, Middle East and Africa.

> Kraft Foods Group has created two business units: Meals and Desserts, and Enhancers and Snack Nuts. **Michael Osanloo** will become executive vice-president and president of Meals and Desserts, and **Jane Hilck** will become executive vice-president and president of Enhancers and Snack Nuts.

> **Terry Betker**, **Merle Good** and **Tracy Hanson** are new instructors at Agri-Food Management Excellence (AME). The AME offers courses in Alberta and Ontario for producers,



Nabb

farmers, ranchers, government and academics and agri-food professionals.

> Dur-A-Flex Inc. has named **Lee Nabb** its new Business Development manager, Midwest.

> McCormick & Company has named **Lawrence Kurzius** its chief administrative officer and president of Global Consumer.

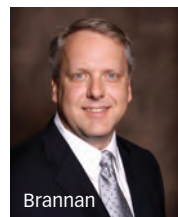


Kurzius

> **Tom McGough** is now president of ConAgra Foods Inc.'s Consumer Foods group.

> **Stefan Catsicas** will succeed **Werner Bauer** as executive vice-president and chief Technology officer of Nestlé S.A.

> **Phillip Snellen**, vice-president of Sales at Colorado-based Birko, has been elected to the board of directors of the Canadian Meat Council.



Brannan

> **Michael Brannan** has joined Skjodt-Barrett Contract Packaging LLC's executive team as general manager — U.S. Operations.

> **Felice Romano** has joined Novel Ingredient Services as a senior Analytical Service scientist.

> The Wine Council of Ontario has elected



Schmidt

Allan Schmidt as its new chair. Schmidt is president and managing partner of Vineland Estates Winery in Vineland, Ont.

> **John Hayes** is now vice-president of U.S. Sales and Marketing for Seegrid Corporation.

> Campbell Soup Company has appointed **Carlos Barroso** to senior vice-president of Global Research & Development.

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MARKET OUTLOOK

The two major issues that will determine future price trends are the size of U.S. crops and exports. The crop size issue relates to the level of yield — the market seriously questions the USDA figure of 156 bushels per acre for corn. The second issue for corn is that some believe there are fewer acres planted than the USDA projected because of the cold wet spring.

The export issue is, as usual, a combination of political and economic decisions in importing countries. China is a key player in this market. Its poor wheat harvest led to very large bookings of U.S. and Australian wheat for 2013/14 delivery. In mid-July, China booked 960,000 tons of corn for new crop delivery. Was that merely a price decision or a precursor of more to come because of a poor crop?

The current grain markets have a very bearish tone. Funds have either left the grain commodity markets or taken net short positions. Similarly, many analysts are talking about the commodity bubble bursting. They may be right — don't be surprised to see December corn test \$4.60 and soybeans

test at least major support at \$12.

The long-term picture still suggests that demand for food is growing faster than its production. The future is going to be an exciting roller coaster! The U.S. continues spitting out good employment, equity prices, corporate profits and a recovering housing market, while Canada is in political and economic malaise with a focus on important things like the expense accounts of senators! The good economic news is driving up energy prices. However, the reaction at the gas pump has yet to be measured. There are two or three more resistance planes on the long-term oil chart. We doubt that the world economy is anywhere near strong enough to be able to move through them. As long as these trends continue we think it is prudent to protect against a declining loonie. ●

Market Trends is prepared by Dr. Larry Martin, who offers a course on managing risk with futures and options, Canadian Food and Agri-business Management Excellence (CFAME), a management training course for food industry personnel. Contact him at larry@agrifoodtraining.com or at (519) 841-1698.

MARKET HIGHLIGHTS

Grain markets took a turn southward as the USDA continues to forecast a large crop that will rebuild grain inventories, both in the U.S. and worldwide. Meanwhile, energy markets strengthened.

> Grains and Soybean Oil – The USDA's June report marginally reduced current expected carryover (end of August) for corn and soybeans, but it raised expected production this fall and carryover for next crop year. Projected ratios of stocks to use go from 6.5 per cent this year for corn to 15 per cent next year, and from 4.1 per cent to 9.1 per cent for soybeans. These would be the highest ratios for some time. High and volatile prices occur with low stocks/use ratios. Corn prices tend to drop with ratios much above 10 per cent. Soybeans can drop on lower ratios because of the relative importance of the South American crop.

> Corn – December corn declined from \$5.70 in mid-June to below \$5 at press time in mid-July. July was \$6.40 at our last column. Traders question the USDA's projected yield of 156.5 bushels per acre versus 123 bushels per acre for last year's drought-reduced crop. But futures are nearing a short-term low of \$4.895. Below this, the only level of support is \$4.60

from almost two years ago. A break below short-term support likely means that it will test \$4.60.

> Soy oil – Because of the large South American and expected large U.S. soybean crops, September soy oil prices broke out to new contract lows in late June. The market is testing minor support at \$0.491 cents. A break below that level would indicate a continuation of the downtrend. Buyers should buy hand to mouth.

> Wheat – Unlike corn and soybeans, the USDA reduced expected production and carryover of U.S. wheat, though the projected stocks/use ratio remains above 20 per cent. Chinese production is being hampered by weather and they are importing substantial quantities. Offsetting this, former Soviet Union countries expect a bumper crop. At this point the market has broken out below a very strong support plane on the December contract and is testing minor support at \$6.6625. If it does not hold, expect lower prices.

> Sugar – Sugar continues to join the grain markets' downtrend. Major support at \$0.165 was penetrated in July, and is trading just below \$0.16. Like the grain charts, there is no obvious support below this level.

> Natural gas – The end of cold weather brought the end of the rally in natural gas.

The August contract rallied to just over \$0.045 before falling back to the current \$0.036. If you covered yourself as we suggested, you may have taken profits at the top. If you did not, we would continue to hold above \$0.036 and continue to target just below \$0.05.

> Crude oil – July brought a rally to the current high of \$107/bbl. In addition to ongoing political uncertainty in the Middle East, the market is feeling buoyant because of good economic and job growth in the U.S., thereby stimulating demand. We suggested that end-users be covered with calls about \$100. If the market cannot get through \$107, remove the protection off and look to replace it on any moves to support or back above \$107.

> Canadian dollar – After falling to \$0.945, the loonie rallied back to its current level around \$0.96. The rally followed when the U.S. Federal Reserve Bank did not raise interest rates as some expected and clarified that it would continue an expansionary monetary policy. Mid-July marked the first announcement of interest rates by Canada's new governor and it was clearly a non-event. So the market is now looking for direction. We would be covered below \$0.955 or on a rally toward \$0.98.



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Ron Wasik



Reconsidering the independent review of the XL Foods beef recall



There were two interesting reports published recently: one from the committee doing the independent review of the XL Foods Inc. recall, and another from the government in a follow up to the review. The committee makes numerous recommendations as to how the food processor, the Canadian Food Inspection Agency, Health Canada, the Canadian Public Health Agency and other government agencies could have been more effective in preventing and mitigating the impact of this and future recalls. Since most of the recommendations pertain to regulatory agencies, food processors might miss what they need to do to avoid following in XL Foods' footsteps.

Following a set of best practices needs to be part of a company's food safety culture. It means everyone in the firm is committed to doing everything necessary to produce safe foods every day. In the business of feeding people, there can be no higher priority. In these companies food safety concerns are treated with a high sense of urgency, but not with rigid and bureaucratic formalities that lead to delays and indecision.

Processors need to keep up with best practices in their respective businesses and continuously innovate to improve food safety and other activities. Fortunately, getting information on best practices is easy to do in this digital age. Here are some

best practices relevant to our industry:

- » A commitment to food safety throughout the supply chain.
- » HACCP and traceability programs are validated and verified regularly.
- » Food safety is a top priority for everyone in the company, not just the Quality Control Department.
- » Food safety data is frequently reviewed by upper management.

“Following a set of best practices needs to be part of a company's food safety culture.”

- » Food safety hazards and interventions are documented, clearly defined, validated and verified.
- » Trigger points which initiate corrective actions or deviation protocols are documented, clearly defined, validated, verified and followed.
- » Employees are empowered to take defined actions when necessary, without fear of recrimination.
- » Food safety and quality data are captured digitally in real time or uploaded daily after processing occurs.
- » Digital information of any kind (numeric or text) is tamper-proof and is identifiable by source, date and time.

- » Digital information is stored in a secure and accessible manner.
- » Processing and inspection equipment, such as metal detectors and thermometers, provide digital reports that can be analyzed and displayed in real time.
- » Key stakeholders within the company are alerted electronically when process deviations occur.
- » Trend analysis of processing and food safety data is done and reported automatically.
- » Details of actions taken to address deviations and the results of these measures are captured electronically and reported to key stakeholders.
- » The crisis management plan is capable of handling a major crisis. It is validated annually involving the company's entire crisis management team, as well as major suppliers and customers.
- » Key company personnel receive media training annually.
- » The company's website and social media pages are a vital part of your communication program with employees, suppliers and customers.

What is your company's food safety culture? Is everyone on board with food safety as a top priority? How many of the best practices described above are part of your company's food safety program?

Don't wait for a recall to find out the answers. If your food safety culture is in need of improvement, don't be discouraged — you're not alone. It's never too late to start, and the rewards are well worth the effort. 🍎

Dr. Ron Wasik, PhD, MBA, is president of RJW Consulting Canada Ltd. in Delta, B.C. Contact him at rwasic@rjwconsultingcanada.com

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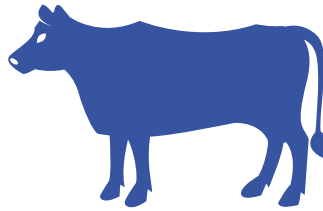


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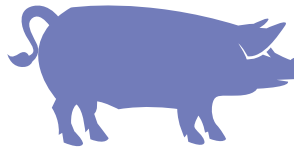
Canadian farmers and meat processors were shocked to learn on May 23, 2013 that the long awaited U.S. response to the World Trade Organization (WTO) requirement that it discontinue discriminatory Country of Origin Labeling (COOL) for cattle and hogs was to publish a new set of rules that will actually make the situation for Canadians much worse. The new rule is no more trade compliant than its predecessor. This slap in the face to its largest trading partner is yet another example of a longstanding pattern of trade protectionism by the country that lectures the rest of the world on the need for a rules-based free trade system.

From the outset, the original COOL rules put in place in 2008 had a dramatic negative impact on Canadian swine and beef cattle producers. Canadian cattle shipments to the U.S. were reduced by 50 per cent within a year, and export of slaughter hogs was cut by 58 per cent. Canada took the case to the WTO, arguing that the U.S. COOL regime violated Article 2.1 of the Technical Barriers to Trade Agreement (TBT) in that the provisions were a disguised barrier to trade being “arbitrary or unjustifiable discrimination between countries.” When Canada won the case, the U.S. appealed and the Appellate Body again confirmed that the U.S. COOL regime “reflects discrimination in violation of Article 2.1 of the TBT Agreement.” But COOL

Canadian cattle shipments to the U.S. were reduced by **50 per cent within a year**



Export of slaughter hogs was cut by **58 per cent**



stayed in place pending the new rules that have now turned out to be a bitter betrayal.

The Canadian Pork Council (CPC) has said it was appalled by the U.S. response, making a “very bad situation of the last four years much worse.” The CPC estimates that the labelling rules cost Canada about \$1 billion annually in beef and pork exports. The Canadian Cattlemen’s Association (CCA) has said that the new rules will more than double regulatory costs, meaning that there will be even fewer Canadian cattle exported to the U.S.

Left with no alternative but to proceed to trigger the steps that allow it to take retaliatory action, on June 8 Canada announced for comment a long list of products on which it threatens to impose a 100-per-cent surtax. The list includes U.S. cattle, pigs, beef, pork, pasta, some fruits and vegetables, milled rice, cereals, bread, frozen orange juice, meat from spent hens, chocolate and maple syrup. It also includes some non-food items such as office furniture and mattresses. Once Canada finalizes the list, it will seek the approval of the WTO to proceed, a process that is still likely to take until the end of 2014. Unwilling to wait, the CPC and CCA and six other Canadian and American trade associations

have sued the U.S. government, arguing that COOL is unconstitutional.

Canadian officials have taken a very strategic approach in developing the list of products for possible retaliation. By identifying what states may be vulnerable in the 2014 mid-term elections, and what products these states export to Canada, the list is designed to punish those states if they persist in supporting COOL. This is Canada’s only real leverage to try to force the U.S. to live up to its international trade obligations.

The Canadian government will have to be very careful how it winnows the list of products subject to retaliation. Some sectors will benefit by the reduction of competition from U.S. exporters, but other companies and whole sectors could be severely harmed if they have to pay a prohibitive new price for imported products that they may use, for example, as ingredients in further processing. We cannot support one industry at the expense of another. It is incumbent on those companies and sectors that may be adversely affected to put their case to the government in the strongest terms before Sept. 30, the deadline for comments.

After what I experienced in the years I was president of the Canadian Food Inspection Agency, and in the decade since acting for Canadian agriculture and food companies, I am no longer surprised, but still deeply disappointed, by the level of American trade protectionism against Canada. 🍎

Ronald L. Doering, BA, LL.B., MA, LL.D., is a past president of the Canadian Food Inspection Agency. He is Counsel in the Ottawa offices of Gowlings. Contact him at Ronald.doering@gowlings.com



Ingredient labelling modernization

The cat is out of the bag. Food labelling modernization is underway and ingredient labelling will no doubt be a key focal point. At this time we do not know if these changes will be as bold as a tiger or elusive as the Cheshire cat. The Canadian Food Inspection Agency's (CFIA) online consultation ends August 2013. Not to panic however, as there will be other phases to provide input — this will be a process that will evolve over the next couple of years. Right now we can speculate on the future of ingredient labelling.

Ingredient and allergen labelling is the most technically demanding of all mandatory labelling requirements. Many regulations in Canada, including federal and provincial, require a food with more than one ingredient to have a label that includes a list of ingredients. The bulk of the prescription governing how a list of ingredients is to be declared is under the federal *Food and Drug Regulations* (FDR). These regulations not only outline the terminology that must or may be used, but also provides exemptions from the declaration of ingredients or their components.

It's also worth noting that the CFIA's new *Safe Foods for Canadians Act* (SFCA) will repeal many of its existing food laws, but will not have a direct affect on the FDR, which is administered by Health Canada. What we might see is the transition of some of the ingredient labelling requirements in the FDR to new legislation created by the CFIA under the SFCA. That would make sense. Regulations made under the SFCA will be administered by the CFIA. That Act also has provisions for the incorporation by reference of technical

documents. The changes to ingredient labelling might play out with the core requirements being governed by regulations, and technical features such as acceptable ingredient nomenclature being incorporated by reference (the CFIA has recently added a list of acceptable food additive terminology to its website).

The FDR provides a number of exemptions from the declaration of ingredients, including one related to pre-packaged individual portions of food served with meals at foodservice. This includes

“Ingredient and allergen labelling is the most technically demanding of all mandatory labelling requirements.”

individual packages of condiments and dressings. One question sure to come up is whether allowing exemptions from the declaration of ingredients meets current consumer expectations. Some packages already declare a list of ingredients. Is it time to make this mandatory? Ingredient labelling under the FDR is limited to foods that are defined as “pre-packaged.” Should certain foods sold in bulk at retail display a list of ingredients?

Perhaps one of the most archaic features of current ingredient labelling in Canada is the table of exemptions in B.01.009(1)-FDR. An ingredient in

this table is exempt from the declaration of its components where it meets the criteria specified. Allergen, gluten and sulphite labelling are triggered, however, when present in the food. For instance, if cheese is used as an ingredient but is less than 10 per cent by weight in the finished food, the components of the cheese need not be declared and can simply be listed as “Cheddar cheese,” for example. There are currently 36 ingredients listed in this table. The question here as well would be whether component exemptions meet current expectations. Would it be better to develop a formal definition of processing aid (PA) and incidental additive (IA), which is currently lacking, and have the list declare all ingredients except PAs and IAs? By definition of what constitutes an ingredient and component, only those are captured for labelling purposes. Components of components are technically not captured, and do not need to be declared. This can sometimes be confusing for consumers. In the case of spring water treated with ozone, for instance, the ozone becomes a declarable ingredient (a food additive in this case), even though it is no longer in the finished food. Bottled spring water is required to declare certain types of processing. The use of ozone in the case of municipal treated water is considered a processing aid, not a food additive, and is not declared as an ingredient.

It's time to give ingredient labelling its fair share of consideration — any efforts at food labelling modernization would be incomplete without it. ●

Gary Gnirss is a partner and president of Legal Suites Inc., specializing in regulatory software and services. Contact him at president@legalsuites.com



in the heart of the tomato capital of Canada, Pure Hothouse has an unlikely vegetable growing on the vine: baby eggplant. When the Leamington, Ont. company first commissioned its greenhouse grower, Five Star Farms, to grow baby eggplant in 2008, it started out with just one row. With steady growth in sales in this niche market, the company now has 2.5 acres of purple, graffiti and white baby eggplant.

It's small potatoes compared to Pure Hothouse's massive tomato, cucumber and pepper operation, but illustrates the company's innovative mindset. Pure HotHouse trials 50 to 100 new varieties each season, with the goal of improving its existing products and finding new ones.

"We're not afraid of testing several ideas to see if they'll work in the marketplace," says Jamie Moracci, president of Pure Hothouse, which markets and distributes its products under the Pure Flavor brand. "We understand that not everything we try will pan out, but it's necessary to go through the steps in order to find new products that will give us an edge with retailers and consumers."

Across the sector, new varieties, packaging and growing techniques are giving greenhouse products the edge over field-grown vegetables. In 2011, greenhouse vegetable sales exceeded sales of field vegetables for the fifth consecutive year, according to Statistics Canada. Total sales of greenhouse vegetables and fruit climbed to \$1.1 billion in 2011, up from \$800 million, or 38 per cent, from just four years prior. Ontario alone represented 63.3 per cent of greenhouse vegetable and fruit sales in 2011.

Chris Veillon, director of Marketing at Mastronardi Produce in Kingsville, Ont., says new and different products are the main factor driving growth in the greenhouse industry. For example, 15 years ago tomatoes came in one variety and consumers used them in everything from salads to sauces. "Now



Good things Growing

BY REBECCA HARRIS

**CANADA'S GREENHOUSE SECTOR
IS BOOMING, AS VEGETABLE &
FRUIT PRODUCERS CONTINUALLY
FIND WAYS TO INNOVATE**

photo of Graffiti baby eggplant: Pure Hothouse



photo: Mastronardi Produce/SUNSET

ing

when you walk into a store, it's an experience where you're buying specific products for specific uses," says Veillon. "Customers are becoming more savvy with the tomatoes they're purchasing and how they're using them."

Mastronardi Produce, which began growing vegetables in the 1920s, is now the largest greenhouse operator in North America. It produces a wide range of gourmet greenhouse tomatoes, peppers and cucumbers under its Sunset brand, including Campari cocktail tomatoes, Spendido grape tomatoes and Zima, an orange grape tomato meant for snacking. "Our forte is in new product development," says Veillon. "[We] test over 200 different varieties of tomatoes in every colour, shape and size you can think of."

Some key consumer trends are also contributing to the vegetable greenhouse sector's success. "There's an increase in the population that's interested in eating more healthy, and obviously all the products that we're producing fit that need," says George Gilvesy, general manager at Ontario Greenhouse Vegetable Growers (OGVG), a not-for-profit organization that represents 224 vegetable greenhouse operators in the province. And as the local food movement takes off, "we're seeing a switch from consumers who are supporting and looking for [locally grown] products," says Gilvesy.

OGVG works closely with major grocers on an Ontario government advisory committee that helps promote Ontario-grown greenhouse products. This past winter, for example, a marketing campaign promoted winter cucumbers in January and February. "[The goal] was to bring awareness to Ontario consumers that local, fresh greenhouse cucumbers were available even though the snow was flying," says Gilvesy.

This summer, OGVG ran in-store demos in the eastern U.S. to educate consumers about Ontario English cucumbers. Though 70 per cent of Ontario greenhouse products are currently exported to the U.S., there's still plenty of room to grow. "Some U.S. consumers are not that familiar with English cucumbers, and it gives us a great opportunity to promote the tasting, use and purchase of our products," says Gilvesy.

For Pure Hothouse, the consumer trend towards convenience is a big opportunity to boost sales. In October 2012 the company launched a line of Fresh Kits that pair Pure Hothouse-grown products with other ingredients needed to create salsa, guacamole and Insalata Caprese. The packaging has recipe suggestions, breathable wrap and a recyclable tray. "It combines convenience and snacking in an innovative package, but it also involves collaboration with open-field growers to create a product that drives their sales," says Moracci. [pg.26](#) →



IN 2011,
GREENHOUSE
VEGETABLE SALES
EXCEEDED SALES OF
FIELD VEGETABLES
FOR THE FIFTH
CONSECUTIVE YEAR,
ACCORDING TO
STATISTICS CANADA.



TOTAL SALES OF
GREENHOUSE
VEGETABLES AND
FRUIT CLIMBED TO
\$1.1 BILLION IN
2011, UP FROM \$800
MILLION, OR **38 PER
CENT**, FROM JUST
FOUR YEARS PRIOR.



➔ from pg.25

Greenhouse operators are also seeing a bright future with new growing techniques and technologies. Masironardi is working with Phillips to trial an LED inter-lighting system at its Coldwater, Mich. facility, with the intention of growing tomatoes 12 months a year. The company's EnviroFresh Farms in Courtright, Ont., is on the cutting-edge of green technology, utilizing waste steam and carbon dioxide from a neighbouring fertilizer company to grow produce. "We take the waste [steam] and CO₂ out of this industrial facility and we pump into our greenhouse, which in turn makes our greenhouse carbon negative," says Veillon.

Another quantum leap forward in vegetable greenhouses is the potential use of robotics to undertake tasks like harvesting. Vineland Research and Innovation Centre in Ontario's Niagara region is developing robots that harvest and package mushrooms. The software that indicates what mushrooms to pick has already been developed, and Vineland is currently testing individual components of the robot, such as the gripper tool that grabs the mushroom. The aim of the technology is to alleviate both the cost of labour and challenges in labour supply.



CULTIVATING DIVERSITY

New Canadians could one day be a big market for greenhouse growers and farmers alike. Since many vegetables favoured by ethnic consumers are imported, Vineland Research and Innovation Centre is working to introduce locally grown world crops to Canada. "New Canadians have different diets; they don't eat turnips, potatoes and orange carrots like Westerners do," says Isabelle Lesschaeve, research director for Vineland's Consumer Insights and Product Innovation unit. "That's an opportunity to look at their diets and the [imported produce] that they're buying."

Last year, the centre underwent its second wave of research into consumer preferences for okra, Asian long eggplant, yard long beans and bottle gourd. The research focused on ethnic consumers' purchasing behaviour when it comes to imported produce versus locally grown crops. The research found there was a strong preference, visually, for locally grown produce versus imported. There was no perceived taste difference between local okra, Asian long eggplant and yard beans, however, there was a perceived difference in taste in the case of locally grown versus imported bottle gourds.

Though the crops were grown in fields, Lesschaeve says Vineland intends to look at season extension to pursue growing in greenhouses.

"There is definitely potential for greenhouses," she says.



“The biggest single issue in horticulture in Canada today is labour,” says Jim Brandle, CEO of Vineland Research and Innovation Centre. “While we have programs that alleviate the labour supply problem, such as offshore labour programs, we don’t have programs that alleviate the cost of labour.” Brandle thinks there will be widespread adoption of robotics in the future. “We’ll try to make them accessible in the sense that the cost of the machines and the payback periods are such that everybody will be able to use them,” he says.

Though it’s unlikely that small growers will turn to robots, they too are faced with labour challenges. “It’s a big-time problem,” says Fred Gittings, who started Grandora Gardens in Saskatoon, Sask. in 1990. “If you can breathe in Saskatoon, you have a job. It’s boom time.... We’re seeing the same thing Alberta did 10 years ago, where you can work at McDonald’s and make \$15 an hour. It’s tough to get labour.” But the flip side, he adds, is that “everybody’s got money.”

Gittings, who sells tomatoes, cucumbers, peppers and lettuce directly to consumers, says while the labour shortage isn’t totally preventing his one-acre greenhouse from expanding, it is a hindrance. “It’s certainly something we have to be cognizant of because before we expand, we have to have good people.”

Despite the challenges in the sector, continued product innovation and increased demand for greenhouse-grown vegetables means the forecast is nothing but sunshine. ●



photo: Pure Hothouse

“ We test over 200 different varieties of tomatoes in every colour, shape and size you can think of. ”

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NEWS

Humanitarian hub

The governments of Canada and Finland are working with the government of Djibouti and the United Nations World Food Program (WFP) to create a humanitarian aid and food logistics centre in the African country.

The Canadian contribution is \$18 million, which is being used to build a hub near one of the country's ports. The hub will offer silo storage capacity, creating cost savings related to sea freight, port handling, storage and transport of food aid. Once completed in 2015, the hub will be used to route food to people in Sudan, South Sudan, Kenya, Somalia, Ethiopia and Djibouti.

The new logistics hub also has a training component in order to help the Djibouti transport sector grow. More than 120 truck and forklift drivers and 30 warehouse managers are being trained this year in Djibouti.

IN BRIEF

• **Canada Cartage** has been contracted to provide transportation services to Guelph, Ont.-based **Cargill's** beef processing facility.

According to Cargill, the company has re-engineered its entire transportation service strategy.

• **Mitsubishi Caterpillar Forklift America Inc.**, distributors of **Jungheinrich** lift trucks in North America, has announced that Jungheinrich has been named a Top Green Provider by *Food Logistics* magazine. The award acknowledges the company's energy-efficient warehouse products and solutions for the food industry. In addition, the Jungheinrich ETV/ETM 216 moving mast reach truck was recognized as an International Forklift Truck of the Year in the Warehouse Trucks category by the German Engineering Federation.

• **The Canadian Trucking Alliance (CTA)** is calling on the federal government to ensure a more regimented system of enforcement for livestock transportation services is put into place. The organization has called on the Canadian Food Inspection Agency to require supply chain members to use only trained and certified drivers, and to ensure more fairness in how and why fines are levied at violators, particularly in the area of in-transit losses (hogs) and lost tags in-transit.



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AC Fresh

Leading Ontario organic food distributor opens warehouse to industry peers

By Heather Angus-Lee

A dozen food companies from the Greater Toronto Area (GTA) and the U.S. recently participated in a tour through the 50,000-sq.-ft. warehouse of Ontario Natural Food Co-op (ONFC), which has been distributing natural foods since 1976. Boris Harmic, IT manager, led the tour through the warehouse, which holds more than 5,000 SKUs of organic and natural food and beverage products worth about \$3.5 million. He answered questions from food industry peers, including the following, about technologies used by ONFC.

Q: What business software system were you using prior to your new ERP system?

Boris Harmic: “For 12 years we were on outdated software. Drivers to getting a new ERP system were unsatisfactory fill rates, inaccurate inventory management (pen and paper), and inaccurate manufacturing charge-backs. Those are the metrics we’ve seen improve the most quickly in the eight to 12 weeks since the ERP go-live.”

Q: What ERP vendors did you look at?

Harmic: “We narrowed it down to JustFoodERP and two others. Ultimately we decided that JustFoodERP gave us the best bang for the buck, proposed realistic timelines, and had a professional and knowledgeable team. Also, other vendors said they would add third-party technologies to meet our requirements, but we wanted a single, integrated ERP/WMS system to manage.”

Q: How many employees use the system?

Harmic: “We have 50 desktop users of JustFoodERP across various departments, not including those who use the JF Floor interface on handheld devices in our warehouse. Altogether we employ 60 people in three shifts.”

Q: Is the full ERP system integrated with your warehouse operations?

Harmic: “Yes, we have a spot in the corner of the warehouse I like to call ‘the nerve centre’ where all setting up of shipments and picks is managed for two shifts each day.”

Q: How do you handle the printing of barcode labels?

Harmic: “Mobile printers mounted on forklifts can

hold up to 150 labels. For bigger label runs, we have larger thermal printers in the receiving area of the warehouse, and at least one mobile workstation — comprised of a handheld and small printer — is wheeled around to where it’s needed in the warehouse. We recommend that you don’t go smaller than four- by six-inch labels, and that you get longer-range scanner guns, even if they cost slightly more.”

Q: How do remote employees, members, customers and vendors out in the field connect with the ERP system and get the business information they need?

Harmic: “We have invested in a Microsoft SharePoint portal for this purpose and, along with SQL reporting, this provides all the in-house data reporting. I recommend the addition of SharePoint for any company investing in ERP and WMS technology, for remote-access functionality and extended business intelligence.”

Q: What inventory management features have impressed you?

Harmic: “JF Floor, the browser-based warehouse interface to JustFoodERP, which is used on 40 handheld devices by our warehouse workers, to receive and pick inventory. The replenishment calculator is a neat tool; it will tell you what picking bins require replenishment, and where your oldest replacement inventory is located. We also like that JustFoodERP uses the FEFO (first expired, first out) principal.”

Q: How much human capital goes into inventory control?

Harmic: “We have four full-time employees, across two of our shifts, working on inventory control. Our ‘cycle counters,’ whose sole job is to correct bin inventory, can work at least an aisle a day, so it takes about a month to do the entire warehouse.”

Q: What are vital steps prior to launching a WMS/ERP system?

Harmic: “A full ‘physical’ of the warehouse is critical before the go-live to avoid bin inventory issues. Significant investment in training is important to educate pickers on new disciplines related to inventory, to reduce the error rate.”

Q: In hindsight, what would you have done differently with the implementation?

Harmic: “We would have added a few more key people to the internal core team dedicated to implementation: a dedicated employee in sales, another in marketing, another ‘star’ warehouse employee. We would have put more focus on documenting how the ERP system will be used for our processes, in particular ‘rainy day’ scenarios. We learned that no amount of planning or training can substitute for the volume of a real day’s work; the piloting phase and first weeks directly after go-live are very important.”

Heather Angus-Lee is a writer for IndustryBuilt Software. Contact her at heather.angus-lee@industrybuilt.com



This barcode scanner, loaded with information from the ERP system, is used to receive and pick more than 5,000 SKUs of organic and natural food and beverage products worth about \$3.5 million in the Ontario Natural Food Co-op warehouse.



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By Shawn Winter

Mobilizing outsourcers

Managing the handheld tools that track and trace products across the food chain

It's quite likely that if you haven't already deployed some kind of mobile technology within your organization, you're probably thinking about it. Collecting important data about your goods and shipments is critical, especially as more attention is being paid to food safety and traceability. Government regulations, such as the *Safe Food for Canadians Act*, are also becoming stricter and more demanding in terms of data collection and tracking.

Collecting important information about items flowing through the supply chain using barcode scanners, RFID readers, or rugged handheld computers isn't new. The technologies (combined with backend databases and business intelligence tools) have proven themselves to be fast and accurate. And they definitely help you prove compliance and maintain records for food safety traceability.

But how do you support it all? The components can be complex to manage. One answer is outsourcing: put the responsibility in the hands of people who specialize in this type of technology. But who can you trust to do the job properly and keep you compliant? Here are a few simple guidelines to employ when hiring an outsourcer.

- **Get references** — The service desk should provide you with plenty of happy clients to speak with. Regardless of the reference's business type, the processes and procedures implemented should be fairly horizontal in nature.

- **Standardized processes and service levels are good** — The less customization the better to take advantage of very fast on-boarding and consistency in the service. Discuss your specific needs such as how they will recover and/or protect any food traceability system data that may reside within a damaged device.

- **Visit their facilities** — You need to see the service desk in action. It doesn't matter too much if the service desk is local to you, as long as couriers pickup and deliver on a pre-set daily schedule.

- **Spares planning** — Business continuity planning will be critical when paper disappears in favour of the electronic information being captured with these tools. Ask and understand what happens if (or more likely when) one of your devices fails. Ideally, your service desk provider should have a rotating spares management process in place where they hold your

spare stock for you and dispatch it to your workers as required. When the original device is repaired, they should return it to your spares inventory ready to go out to the next person who needs it.

- **Asset tracking and visibility** — Technology can be expensive and often it is out of sight at another location or in the field. Regardless, it's still a corporate asset and needs to be accounted for. Make sure the service desk can give you complete visibility into all of your assets including serial numbers, last known location, and cellular account info (if applicable). Even historical information can be useful for your accountants to help them amortize the expense over its forecasted usable life.

- **Check out the tools** — Ask how your team would create trouble tickets or order replacement parts — will it be an online tool or call centre? Do they use master data management (MDM) tools like SOTI or Honeywell's Remote Mastermind to remotely make changes and monitor devices in the field?

- **What about smartphones?** — Can the same processes/services be leveraged to manage consumer devices used by your sales, management and admin personnel? Smartphones always seem to hit the floor face down, breaking the screen. Get the employee productive again by using a spares management service, advanced exchange program or perhaps a same-day repair service. Don't forget about SIM card management and data recovery procedures should the device be replaced.

- **What else can they offer you?** — When you're on your tour, look for other areas they may be able to help you with. Perhaps they could create pre-defined kits for specific locations, business units or job functions that might include accessories, specific business software loads or network SIM cards for a particular region.

The changing trade regulations of the food market, including a greater focus on food safety and the need for better traceability systems and automation, all add effort and complexity to your business. At the end of the day, you need to simplify the complexities of IT and keep it running smoothly. Allowing a third party to handle your mobile devices means your IT team can focus on its core functions and help your business remain compliant and efficient.

Shawn Winter is CMO at PiiComm Inc.





The **EVOLUTION** *of* **ORGANICS**

BY NATALIE CAJIC

A growing number of consumers in Canada support organic food and beverages

The second annual Hall of Legends recognizing the significant contributions of individuals to the American natural products industry saw Canadian organic food manufacturer Arran Stephens grace the stage with his wife, Ratana.

The founders of Nature's Path summed up the growth of organics succinctly in a ceremony at the 2013 Natural Products Expo West in the Anaheim Convention Center in March. "What began as a tiny seed found fertile ground and became a movement," noted Arran Stephens, who started Nature's Path Foods Inc. in 1985. [pg.34](#) ↗



➔ from pg 33

Indeed, the pioneering brand has seen organics move into the mainstream, with today's shopper able to find certified organic products at most grocery, drug, club or mass merchandisers. From whole foods to pre-packaged products, there's now usually an organic version. And regardless of the controversies surrounding organics, the sector has broad-scale support from Canadians, and that isn't about to change any time soon.

Growing and changing

An organic audit from the Canadian Organic Trade Association (COTA) shows that Canada's organic market grew to \$3.7 billion in 2012. Comparing the new data with two other audits conducted in 2006 and 2008, there was nearly a tripling of organic food and beverage sales in mainstream retail, from \$586 million in 2006 to \$1.4 billion in 2012. National highlights released in April show fruit and vegetables capturing the lion's share of sales, with 40 per cent of the total. That was followed by beverages (16 per cent), dairy and eggs (15 per cent), bread and ready-to-eat cereals (12 per cent), packaged and prepared foods (eight per cent), condiments and

snack foods (four per cent each) and meat, fish and poultry (one per cent).

Shauna MacKinnon, Projects & Development manager at COTA, says the new report is a first of its kind for the membership-based trade organization, and represents the most comprehensive study of Canada's organic marketplace to date. A detailed national market and consumer analysis will be available in September.

One surprise finding was that the typical buyer of organic groceries has changed. "Canadians indicating they were of non-Caucasian ethnicity were one of the highest buying groups," MacKinnon says. In addition, families with young children continue to be strong supporters. But now consumers between the ages of 35 and 44 are the majority of shoppers, indicating, says MacKinnon, that "people who have started buying at [an earlier] stage in their life have continued buying." According to the COTA report, Canadians choose organic foods in line with their broader social, health and environmental values.

Last September a report on organics from Stanford University drew headlines and controversy, as researchers concluded, after looking at several studies, that organic foods offered no extra health benefits compared to conventional foods. But the findings probably did little to change consumer attitudes. Amy June Sousa of the Hartman Group, a research and consulting firm in Washington State, says an organic label does not lead consumers to automatically assume the product is nutritionally healthier. In fact, she says, "the link between organic and good-for-you has weakened" with so many highly processed organic foods available.

Instead, the Hartman Group's report *Organic and Natural 2012* indicates that consumers see the term "organic" more as an absence of negatives: the absence of pesticides, herbicides or antibiotics in the growing methods. "More organically involved consumers are going to know what the USDA label allows for and what it doesn't," says Sousa. "But as we see more mainstream consumers getting into organics, they don't know all those details. They just know it doesn't contain pesticides and it's possibly better because it's free of chemicals."



CANADA'S ORGANIC MARKET GREW TO **\$3.7 BILLION** IN 2012.



CANADIANS CHOOSE ORGANIC FOODS IN LINE WITH THEIR BROADER SOCIAL, HEALTH AND ENVIRONMENTAL VALUES.



Healthier environment

Organic consumers may feel like environmental stewards knowing that they support an agricultural system that uses few chemical inputs. In fact, over half of Canadians believe organic farming is better for the environment, states the COTA report. A side-by-side comparison of farming practices shows that this belief is correct. In the fall of 2011 the Rodale Institute released the latest results of a 30-year study, *The Farming Systems Trial*. It concluded that organic farming is far superior to conventional systems when it comes to building, maintaining and replenishing the health of the soil. “For soil health alone, organic agriculture is more sustainable than conventional,” noted the researchers.

Despite the desire to support an ecologically sustainable form of agriculture, Canadians also look to organics as a way to avoid genetically engineered food. In Canada, any product certified organic under the Organic Products Regulations (OPR) cannot use genetically modified organisms (GMOs), according to the Canadian Organic Growers’ website. Under the Canadian Organic Standards (COS), organic producers ought to use certified organic seed and must demonstrate to their certifying body that they have done everything possible to prevent GMO contamination from neighbouring fields. In the U.S., the National Organic Program (NOP) makes the same requirement.

“The non-GMO issue is definitely driving people to organic,” says Dag Falck, organic program

manager at Nature’s Path. “If you look for the organic label, you’re assured of getting food that is grown and processed without the use of GMOs.”

But there’s debate whether or not organic food can really be completely GMO free. At an annual agricultural conference held every January in Guelph, Ont., discussion amongst organic industry leaders conceded that there will always be a remote chance of pollen and seeds from genetically modified crops finding their way onto organic farms. And, as there’s no testing for cross-contamination, even certified organic products can never be 100-per-cent GMO free.

While certified organic products are currently the best defence against GMOs, consumers can also look out for products labelled with the Non-GMO Project seal. The non-profit organization offers North America’s only third-party verification and labelling system for non-GMO food and products, including testing.

Broad-scale support for organics will continue as reasons for choosing organic food and beverages evolve. While those reasons may currently be based on the desire to reduce the exposure to pesticide residues, to support a sustainable agricultural system, or to avoid genetically altered food, these motivations will undoubtedly change as the movement gains momentum. Adds Sousa: “Consumers across all segments possess greater knowledge about organics, and their increased knowledge is leading them to ask more questions than ever before.” 🍎

“What began as a tiny seed found fertile ground and became a movement.”



Carol Zweep



Edible packaging: It's a wrap!

Many people eat edible films and coatings, such as the wax on apples and shellac on chocolate-covered almonds and raisins, without realizing it. Edible films or coatings provide a barrier between the food and its environment.

The edible film or coating should have qualities such as acceptable colour, odour, taste, flavour and texture. It must also adhere to food, dissolve in the mouth (but not during handling), and be safe to consume. It can coat food surfaces, separate different components, or act as casings, pouches or wraps. It can preserve product quality by creating a barrier to oxygen, aroma, oil or moisture. Edible packaging can also act as a carrier for functional ingredients such as antioxidants or antimicrobials. And they can improve appearance, structure and handling of food products.

Current applications

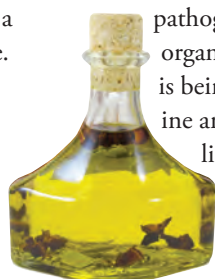
There are many current applications in the food industry. Coatings with a blend of vitamins and minerals prevent browning and softening of cut fruit. Calcium-reactive pectin has been used for fried foods to maintain moisture and limit fat uptake. Modified starch films can be used to reduce purge, adhere flavour and enhance colour for pre-cooked, ready-to-heat meat products. Nuts can be coated to retard oxidation, but also to prevent oil migration into surrounding food (such as nuts in chocolate). Fragile foods such as breakfast cereals and freeze-dried products can be coated to improve

integrity and reduce damage. For low-fat snack foods, edible coatings can even be used as seasoning adhesives without the use of oil. Expensive dry ingredients can be pre-measured into pouches that facilitate the batching process.



Antimicrobial packaging

Consumers are demanding safer, healthier food made with ingredients they understand. That's one reason the time may be right to introduce edible packaging with natural-based, antimicrobial ingredients. Essential oils from oregano, clove, rosemary, white thyme, tea tree, coriander, sage and laurel have been shown to effectively inhibit or kill

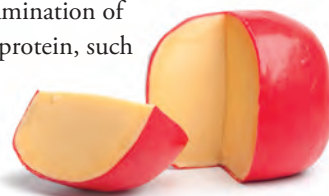


pathogenic and spoilage microorganisms. Much new research is being done in this area. Imagine antimicrobial ingredients lining bags of fresh spinach to control *E. coli*, or in packaging for chicken to stop *Salmonella* growth.

Reducing packaging waste

With interest in eliminating packaging waste, edible packaging is an attractive alternative. It's non-toxic, biodegradable and made from a renewable resource. Much academic research is devoted to developing new edible materials that will replace some of the commercial applications of plastics. The major ingredients that can be used for edible film include lipids (waxes, fatty acids, acylglycerols), polysaccharides (cellulose, alginate, pectin, chitosan, starch, dextrin) and proteins (gluten, collagen, corn zein, soy, casein, whey protein).

Zein is an example of a low-cost protein produced from the wet milling of corn. This material can be easily made into films, be strong and provide a good oxygen barrier, but it can also be brittle. Plasticizer such as glycerol and sorbitol can be added to increase flexibility, but tends to increase its moisture permeability. Further improvements to the oxygen barrier are possible by lamination of two types of protein, such as corn zein layers onto soy protein isolate films.



The future of edible packaging

There are some challenges to commercialization of edible packaging. Currently those include regulatory requirements, consumer acceptance, limited barrier and mechanical properties for a stand-alone package, unsanitary conditions during food handling, possible introduction of adverse organoleptic effects, dietary allergies and intolerance with some materials, and high cost compared to synthetic packaging materials.

Edible packaging can enhance food quality, food safety and product shelf life, but it's unlikely to entirely replace conventional packaging. It may be possible in the future to produce edible fruit and vegetable coatings that not only extend shelf life by delaying deterioration, but also enhance nutrition and provide new flavour combinations for consumers. Now there's something to chew over as you're eating ice cream from an edible cone. 🍦

Carol Zweep is manager of Packaging and Food Labelling Services for NSF-GFTC. Contact her at czweep@gftc.ca

RESEARCH CHEFS IN CANADA



News > file



Michael McKenzie
of Seed to Sausage.

Supporting culinary artists

In June ACE Bakery celebrated 20 years in business with its first Artisan Incubator Showcase. The company, which makes premium artisan breads, chose 20 food entrepreneurs from across the country and flew them to Toronto to showcase their products in public workshops. The culinary artists also had the opportunity to work with industry professionals for advice on sales, marketing and distribution.

Two of the participants were chosen to receive additional business development mentorship: Michael McKenzie of Tichborne, Ont.'s Seed to Sausage, makers of cured and smoked meats; and Nancy Hinton and François Brouillard of Les Jardins Sauvages in St-Roch de L'Achigan, Que., a company that offers more than 100 foraged wild plants, spices and mushrooms.



Restaurant Inspirations

If you didn't know July 23 was national hot dog day in the U.S. and Canada,

INBRIEF

> Food developers take note — **Tim Hortons** has added a new doughnut to its menu that takes its inspiration directly from the winning product of the TV show Canada's Donut Show-down. The Apple Cobbler doughnut, inspired by Toronto chef Trista Sheen, is a "bloom doughnut dipped in vanilla fondant, with an open-faced spiced apple filling, topped with cobbler crumbs." Sheen received \$10,000 for her efforts. In other Tim Hortons' news, the chain has added its first gluten-free menu item: a Gluten-Free Coconut Macaroon. The treat is certified gluten-free by the Canadian Celiac Association.



> Ice cream lovers are celebrating the opening of the first North American **Magnum Pleasure Store** in Toronto last month. The pop-up store, which remains open throughout August, allows consumers — including chef/restaurateur **Mark McEwan** (left) — to customize the chocolate-covered bars with premium ingredients like rose petals and maple fudge. The Magnum brand is distributed in Canada by Unilever.

> **The Toronto Zoo** celebrated its **5th Annual Seafood for Thought fundraiser** in June, attracting more than 600 guests to a sustainable seafood dinner prepared by 12 of the city's top chefs. The event, to boost awareness about sustainable menu choices and overfishing, raised money for key zoo conservation projects.



PHOTO: Toronto Zoo/
Kaleidoscope Photography

you likely didn't eat your share of the roughly 20 billion hot dogs consumed by Americans in 2012. The National Hot Dog and Sausage Council, a project of the American Meat Institute, estimates each American eats about 70 of the wieners every year, bought from retailers, street vendors and at sports events.

It's also no surprise that gourmet franks are popping up on menus across the continent, and spawning a range of inspired creations. Just like comfort food

favourite grilled cheese, hot dogs made of beef, chicken, pork and tofu are being dressed up, loaded with gourmet relish and sauces, stuffed with cheese, and topped with everything from bacon and eggs to kimchi. Toronto restaurant Fancy Franks Gourmet Hot Dogs even features a peanut butter and jam version.

So what's the number-1 topping for frankfurter fans? According to Maple Leaf Foods, 88 per cent of consumers still reach for mustard when they grab a dog to go.

John Placko



Trend spotting with the RCA in Canada

The Research Chefs Association (RCA) in Canada recently held a lunch and learn session at Maple Leaf Foods' ThinkFOOD! Centre in Mississauga, Ont.

It was like a homecoming for me, as I left ThinkFOOD! a year ago. So I was thrilled to see the event organized by Maple Leaf Foods' chef Bob Villeneuve, director of Culinary Innovation, and Ellen J. Hurwitz of Giraffe Food & Beverage Inc. Hurwitz is the driving force and regional contact for the RCA in Canada.

Working in the food industry we are constantly told what the trends are, but do consumer behaviours support many of the initiatives our companies take on? The research team at Maple Leaf — which includes Melanie Browne, manager of Digital

Information — aggregates all of these reports to analyze these trends. RCA members and guests were invited to join Villeneuve as he explored the top trends and the reasons why they don't always line up.

After a delicious lunch we got down to business with a presentation examining today's food trends called *Deciphering the Data: What Do Consumers Really Want?* Each year hundreds of trend reports are published and reviewed by industry professionals for guidance and direction. The issue is to determine which trends to follow and which to disregard. This interesting perspective between what our consumers say they want and how they vote with their wallets is the challenge we're faced with as product developers every day.

Here are just five of the 20 trends Villeneuve presented, with my own interpretations:



1. Veggies are grabbing the spotlight — From veggie-inspired desserts to meatless Monday classics, vegetables are becoming very interesting and tasty. The onset of kale salads is staggering, with many of the restaurants I've been to lately offering kale as a dish. The best kale dishes have been those at Toronto's THR&Co (sister to the Harbord Room) and Le Select, where Albert Ponzio does wonders with this firm, green leaf. Some of the best desserts I've eaten in the last few years were also based on vegetables, such as the corn ice cream at Ralae in Copenhagen, and I've seen the Nordic countries really pushing this trend. The traditional fruit smoothie for breakfast now also has to share the limelight with spinach and avocado spiked smoothies.

2. Tea is hot, and cool too — So many places are now serving a fabulous selection of hot and cold tea options. The growth of the chain David's Tea is helping with the "cool factor," and by allowing people to smell and sample

“Each year hundreds of trend reports are published and reviewed by industry professionals for guidance and direction. The issue is to determine which trends to follow and which to disregard.”



their teas, these outlets are popping up all over Canada. With so many varieties, from black to white, green to oolong, and yellow to herbal, it's tough to make a decision. Smoking and cooking with teas is also gaining traction.

3. Gluten free can't be ignored — So many products on our grocery shelves now have gluten-free labels on them just to jump onto the bandwagon. I can't blame them. Many people who do not have celiac disease now want to reduce the gluten content in their diets and are looking for as many solutions as possible. I don't see this trend slowing down any time soon.



4. Food trucks are everywhere — The rapid growth of food trucks is impacting the discussion when it comes to bricks and mortar businesses. Some food companies have already decided that if they can't beat them, they'll join in and add this extension to their permanent structure for local events, catering gigs and to garner more awareness for their brand. I was recently told that the impact on a full-service restaurant business from nearby food trucks can be as much as a 75-per-cent dip in a single day.



5. Local is still number-1 — This is based on the Canadian Restaurant and Foodservices Association chef survey and the National Restaurant Association chef survey. That's the top trend two years running. Now if only we could all understand what the standard is for local. Regardless, I support it. I love buying seasonal products, grown close to where I live, but can I call 200 km from home local?

The Research Chefs Association is the premier source of culinary and technical information for the food industry, with a professionally diverse membership including chefs, food scientists and other industry professionals. These industry professionals are shaping the future of food research and development.

Seventy-five people attended this event, with a good blend of suppliers, corporate chefs and product developer/food scientists from a range of food companies and schools. The lunch and learn raffle sponsors included Maple Leaf Foods, Giraffe Food & Beverage Inc., Brenntag, Fuchs North America, Caldic Canada (formerly Nealanders), Continental Ingredients, Grand River Foods, NutraEx and Powder for Texture.

For more information on the RCA, visit www.culinology.org. If you're interested in attending the next RCA regional event, please connect with Hurwitz at ellen@giraffefoods.com 🍷

John Placko is owner of the Modern Culinary Academy in Toronto. Contact him at johneplacko@gmail.com, or visit www.ModernCA.ca

Steven Graff

Organic pest management programs — key principles for compliance and results

Organic food production is steadily growing within Canada as the food industry strives to meet consumer demands. Organic food production can also be a lucrative market to participate in. However, do so with open eyes, as it entails a change in daily operational processes, with significant impact to prerequisite programs such as pest management.

An important first step when structuring pest management programs for organic food production facilities is to consult the specific standards of the organic certification body you will be complying with. They can vary somewhat as far as what pest control products are deemed organic, permissibility of using non-organic (synthetic) pesticides in exterior applications, and procedures should synthetic pesticide use be deemed necessary. Generally speaking, however, implementation of organic pest management programs is fairly consistent across the various standards.

The primary focus of all organic programs is to use preventative pest management practices through exclusion, sanitation and general facility maintenance in conjunction with mechanical control techniques. This means that the food



production facility needs to work closely with a pest management technician to promptly address the findings generated during an inspection. Food accumulation needs to be cleaned, potential pest entry points need to be sealed, and internal structural deficiencies leading to food accumulation, pest movement or harbourage must be repaired. In a traditional pest management program these same deficiencies would be pointed out to the facility, although a pesticide application may also be performed in the interim to help suppress the pest activity until sanitation and maintenance departments can rectify the underlying causes. In an organic program, sanitation and maintenance must act first.

Should sanitation and maintenance processes and the use of mechanical control measures be inadequate to achieve control of the pest activity, the next step is to use organic-approved pesticides. Organic pesticides are natural products containing active ingredients such as diatomaceous earth, boric acid and pyrethrum. A Permitted Organic Pesticide list is provided under each organic standard. Formulations for organic products include insect gel baits and dusts, which would typically be applied to cracks, crevices and void spaces.



Where all of the previously mentioned processes fail to provide sufficient control, a letter of exemption may be sought from the organic certification body to permit the limited use of synthetic pest control products. With highly mobile, rapidly reproducing and secretive pests such as German cockroaches and Indian meal moths, or in situations where pest activity may be widespread, pests can often be very difficult to control using organic processes alone. Organic pesticides tend to be slower acting than non-organic products and often have lower efficacy. Although synthetic pesticides are not preferred within an organic certification, their limited use for targeted applications to maintain food safety and product quality should not be overlooked and should not be considered a failure.

Finally, as with other food production facility pest management programs, a key component is documentation and pest trending. It is critical to record all corrective actions taken with respect to non-chemical control measures, and organic and synthetic pesticide use when required. Records help to demonstrate the effectiveness of your program and compliance to the organic standard.

Ultimately your consumers desire high-quality, great-tasting, safe food. While pest management can be more challenging within an organic program, through proper commitment and a diligent pest management provider these goals can be achieved, leading to a strong customer base and company success. 🍎

Steven Graff, H.BSc., is Quality Assurance manager for Abell Pest Control. Contact him at sgraff@abellgroup.com

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Graham Dalziel



Automation is pushing productivity to new limits



Artisan-quality products are now being portioned at speeds upwards of **100,000 portions per hour** with incredible dimensional and weight precision.

In today's ultra-competitive food processing industry, the rapidly developing ability to automate is pushing traditional speed and accuracy requirements to new limits. These advancements are creating breakthrough demands for hyper-accurate, high-speed portioning and just-in-time production, making them the new cornerstones of processor profitability. But even as higher speeds are required, consumers are demanding even better quality meat, bakery and cheese products. As a result, some Old World and artisan-quality products are now being portioned at speeds upwards of 100,000 portions per hour with incredible dimensional and weight precision.

This era of rapid change means that processors must now evaluate new equipment being designed and manufactured by companies like Handtmann to determine if it meets their known specifications and projected requirements for current lines and emerging product trends. In addition they are now factoring in less predictable automation trends and ever more stringent total cost of ownership demands.

So it's no surprise that adjustable portioning systems like vane cell technology and low-wear designs are high on wish lists for processors looking to ensure low life cycle costs and maintain extremely high production standards over longer

periods of time. And for life cycle calculations to have meaning, the stability of equipment manufacturers, and their ability to continue making significant R&D investments, become even more important evaluation factors as processors seek to manage their equipment purchasing risks.

Many of today's meat, bakery and cheese producers are now controlling processing actions and monitoring product movement more closely by shaping sequences dynamically, superimposing signals and movements simply, and seamlessly adapting all of their equipment to downstream systems. In this environment, the value of trustworthy operating systems, individually programmable software, high-end amplifiers and high-performance servo motors is increasing dramatically. When that functionality is also linked to easy-flow Handtmann designs that deliver gentle product handling, processors benefit from reduced product stress and incredibly precise and reproducible portioning accuracy over a much extended equipment life cycle.

The typical tasks of "analysis, planning, implementation and checking" often require linking multiple production lines and even facilities into networks where data can be automatically collected for real-time system monitoring. Communication functionality should support that real

time process optimization to avoid incorrect weight losses and to provide data for the long-term, in-depth analysis required by various business units to build on trends and develop meaningful corporate strategies. Integrated communication needs to provide secure volume, sequencing and list-data sharing among lines in a plant and even plants in a system.

Handtmann's Communication Unit also lets individual line performance metrics be compared not only to plans, but to the actual performance of other lines, enabling the most optimized elements of any line to become the norm for all lines.

Equipment with the computational bandwidth for handling up to 300 product memories, dozens of languages, and integrated help and diagnostics, is becoming the basic functionality required for the easy, trouble-free control of all downstream technology parameters. In fact, computing advancements in equipment by Handtmann are now making the complete elimination of ongoing mechanical intervention a current goal for many processors.

Because today's rapid changes also create tomorrow's uncertainty, industry-leading manufacturers like Handtmann continue to invest in the future. Meanwhile, smart processors are expanding their capital equipment decision-making matrix to account for emerging new variables affecting the continued delivery of premium-quality products with ever greater speed, accuracy and safety. ●

Graham Dalziel is Business Development and Sales manager for Handtmann Canada Ltd. Contact him at graham.dalziel@handtmann.ca or at (519) 725-3666.

Special coverage: 2013 IFT Annual Meeting & Food Expo

The 2013 IFT Annual Meeting & Food Expo took place at McCormick Place in Chicago from July 13 to 16. The event featured approximately 1,000 exhibitors and attracted more than 23,500 industry visitors. If you didn't make it to the show, following are just a few of the exciting new ingredients, products and services on display. The next edition of the annual expo takes place in New Orleans, June 21 to 24, 2014, and also celebrates the 75th anniversary of the Institute of Food Technologists.

Gluten-free choices

SunOpta Ingredients Group offers a range of value-added ingredients made from natural and sustainable grain and plant-based raw materials. Newer, gluten-free choices include Rice Fiber 310, with a bland flavour and fine, silky mouthfeel; and Pea Fiber 300, with a bland flavour, light colour and smooth texture. Both products can be used in a range of foods and beverages, including gluten-free baked goods.

www.sunopta.com/ingredients

Naturally made

ROHA launched its Futurals line of 100-per-cent natural colouring foodstuffs, produced through a physical process, with no chemical intervention. The line includes a wide range of stable colours extracted from vegetables, fruits, edible flowers, herbs, spices and algae. Futurals can offer a clean label, and are ideal for use in a variety of applications.

www.roha.com

Milk replacers

Cornerstone Protein Products from Agropur Ingredients can enhance food characteristics like texture, creaminess, opacity, water binding, adhesion and dairy flavour. The line is cost-effective compared to traditional milk powders, and can replace milk powders in a one-to-one ratio.

www.agropuringredients.com

Hot trends

Mizkan Americas offers two of today's hottest flavour trends: Asian and Latin-inspired flavours. Mizkan, the world's largest green chili and pepper processor, features a range of peppers in a variety of formats guaranteed to add zest to any dish. These include chilies, jalapeños, chipotles, tomatillos and poblanos. The company's wide selection of Asian-influenced cooking wines and vinegars includes wine and vinegar reductions, denatured spirits, and wine and vinegar powders. Most varieties are available in natural and kosher forms.



www.mizkan.com

Oil experts

Bunge's UltraBlends Enzymatic Solutions are made using an enzymatic process that eliminates trans fat and optimizes saturated fats, while bringing great taste and quality to products like cookies, crackers, biscuits, dairy fat replacers, pie crust, popcorn and flat bread. The shortenings, margarines and oils are made using domestically sourced soybean oil, and offer an alternative to traditional hydrogenated shortenings and palm-based products.

www.bungenorthamerica.com

Switch to save

Dow AgroSciences/Omega-9 Oils has launched a digital calculator to allow operators to see the benefits of switching to Omega-9 Oils for frying. The calculator lets users compare their current oil usage and costs with those of switching to Omega-9 Oils. According to Dow, healthy Omega-9 Oils are naturally stable, and provide longer, cleaner frying by up to 50 per cent, reducing oil product and labour costs.

www.omega-9oils.com



Versatile vanilla

Virginia Dare showcased its new coffee concentrates, as well as its vanilla extracts, tea concentrates and beverage flavours in refreshing Iced Rooibos Tea with a hint of ginger and Brut Chardonnay Peach Tea. Lucky visitors also took away samples of the company's Pure Bourbon Vanilla. Vanilla from Virginia Dare offers delicate aromatics and a complex full-bodied flavour profile. www.virginiadare.com

Powerful punch

Suntava Purple Corn is a U.S.-grown, non-GMO "superfood" cultivated from an ancient species of corn. As well as consistent colour and taste, the purple corn provides greater antioxidant activity than fruits like blueberries and acai berries, with a high ORAC value of 10,800 per 100 g. The ingredient can be used in flour and mixes, and is ideal for use in snacks, cereal, baked goods, pasta, craft beer and energy bars.

www.suntavapurplecorn.com

Beauty from within

Wellnex, an ingredient intended for food and beverage products, contains collagen peptides that Nitta Gelatin says will improve skin structure while eliminating spots caused by damage from UV rays. The result is a clearer complexion, smoother skin texture and a higher level of skin moisture.

www.nitta-gelatin.com

Smart weight control

BENEO's Smart Energy Management approach to weight management balances calorie intake with energy output. The company's ingredient profile helps with this goal by offering prebiotic fibres Orafit Synergy1 and Orafit oligofructose to help in eating less, and specialty carbohydrate Palatinose to support fat burning. BENEO showcased its approach with a fibre protein drink made with Orafit Synergy1; a fibre-enriched, gluten-free cookie with rice flour; and a low-glycemic endurance beverage made with Palatinose.

www.beneo.com

Healthy flavours

Cargill showcased a variety of child-friendly, healthy snack prototypes formulated with less sodium, sugar and fat, and more whole grains, fibre and protein. Treats included sour tropical punch snack puffs made with MaizeWise whole grain corn flour; peanut butter spread with Oliggo-Fiber chicory root fibre; and apple berry sparkling juice drink with Truvia stevia leaf extra. www.cargill.com

Low salt, great taste

Soda-Io salt microspheres from Tate & Lyle offer salt reduction without sacrificing taste, functionality and label appeal. The product can reduce salt in products by 25 to 50 per cent, while delivering a natural salt taste for a variety of applications, including bread, crackers, soft cheese, sauces and meats.

www.tateandlyle.com

Sweet combination

The next generation of stevia is here from PureCircle. Stevia 3.0 is a customizable formulation approach that allows the company to identify the right stevia ingredient or combination for customers in order to deliver the best taste, reduction and cost for their formulation needs. The company says the benefits of Stevia 3.0 have been proven through sensory evaluation. www.purecircle.com

Pure protein

Roquette showcased a tasty gluten-free chicken nugget concept and a reduced-sugar honey mustard sauce made with Nutralys pea protein. The honey mustard sauce showed a 66-per-cent reduction in calories, and a 100-per-cent reduction in sugar. Nutralys vegetable proteins are high in nutritional value and are environmentally friendly, have a traceable origin, and offer a clean label. www.pea-protein.com

Custom made

Fortitech highlighted its custom nutrient premixes in a variety of concepts, including brewed coffee fortified with antioxidants; chocolate biscotti fortified for cognitive health; a chocolate bar fortified for relaxation; and peach-flavoured tea fortified for healthy aging. The company also featured its market-ready powdered solutions, complete with functional ingredients, flavour, colours and sweeteners. www.fortitech.com



Natural powders

Milne Fruit Products has introduced 15 varieties of 100-per-cent all-natural fruit and vegetable powders designed to bring real colour, natural flavours and enhanced nutrition to healthy food applications. The low-moisture, low-sodium powders are packed with phytonutrients, and are rich in nutritional values. The powders are ideal in applications such as cereals, baked goods, snack chips, smoothies, spreads and juice. www.milnefruit.com

Bold flavour

Vanilla Bold from Synergy offers a strong, smooth, true vanilla flavour while modulating ingredient costs. All-natural Vanilla Bold can be labelled simply as Pure Vanilla Extract, and is perfect for use in ice cream, baked goods, yogurt and beverages. www.synergytaste.com

Taste booster

Ajinomoto North America's Koji-Aji is a unique savoury seasoning that delivers the Kokumi sensation, a Japanese word to express the concept of deliciousness in a range of different foods. The seasoning can increase spice-derived flavour notes, increase long-lasting taste sensation and enhance overall flavour characteristics. Applications include fermented foods, meat and poultry, seafood, vegetables, oil, and spices and herbs. www.ajiusafood.com

Little blue dynamos

New blueberry products surged to over 1,300 in 2012 for all age groups and life styles, according to the U.S. High Bush Blueberry Council, Thomas J. Payne Market Development. Blueberries brightened energy bars and breakfast cereals, sparkled in sports beverages, sauces and throughout the dairy case, and even delighted the family pet. Easy-to-formulate cultivated blueberries are available year-round fresh, frozen, liquid or dried. www.blueberry.org



Natural energy

Naturex showcased several new concepts, including citrus-flavoured Energy Chews confectionery featuring natural extracts guarana and panax ginseng root from its NAT healthy range. The chews are coloured with natural paprika from the company's NAT color range and texturized with pectin from the NAT textur line. www.naturex.com



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Angela Santiago, co-founder & CEO of The Little Potato Company.

The Little Potato Company

Edmonton, Alta.

For Jacob Van der Schaaf the ties to home were strong. In fact, the strongest ties for Van der Schaaf, who emigrated from The Netherlands, had to do with his taste buds. Living just outside Edmonton, Alta., he craved but couldn't find the small, creamier potatoes he'd enjoyed as a boy.

So in 1996 he put the idea to his daughter, Angela Santiago, that they should grow those same potatoes and market them. They started with a small, one-acre plot just outside Edmonton, planting, weeding and harvesting by hand. They even washed that first crop in the family's bathtub. Santiago says they then bagged and loaded the potatoes into the back of her hatchback and took them to farmers' markets, hotels and restaurants to see what chefs and at-home cooks thought of them.

Let's just say those early customers

were won over. Santiago says the Fairmont Banff Springs Hotel, for example, quickly became one of their first accounts, as well as a regional retailer, who soon began stocking the potatoes. Their instincts were spot on, and the venture eventually became The Little Potato Company. Today the company markets the tiny, colourful potatoes across Canada and into the U.S.

But there was a learning curve and big decisions that had to be made along the way. When they moved into their first plant in 2000, Van der Schaaf and Santiago found they had to modify the conventional washing and packaging equipment to delicately handle the tiny potatoes. The pair also worked with farmers in Canada and the U.S., who

“There was a learning curve and big decisions that had to be made along the way.”

had to be willing partners in growing and harvesting such a specialized crop. Van der Schaaf and Santiago even successfully lobbied the government to allow for smaller packages of potatoes, making the product more convenient for consumers to store and use.

Today, Santiago oversees the company as CEO and Van der Schaaf runs Tuberousum Technologies, a potato research and breeding company. The Little Potato Company holds proprietary rights to six varieties of creamer potatoes (with more potato breeds and new products under development) and forecasts 48 million pounds in sales this year. The varieties

include Baby Boomer, the smallest of the bunch; Blushing Belle, which has red skin but is yellow inside; Piccolo, which has an extra creamy centre; and Terrific Trio, which is a mix of red, yellow and blue potatoes (a Russian variety). The company also offers organic varieties. ♣

Q&A



Q What motivates you?

A “My family. As CEO and a mom of four, I understand the demands made on families and how more are seeking convenient, healthy meal solutions. So besides offering a product with variety — which also requires no peeling, washing and cooks in 15 minutes — The Little Potato Company recently launched a new line of pre-seasoned potato roasting kits called Potato Jazz. The line was developed with the busy weeknight family in mind.”

Q What issues is your sector facing?

A “The rising costs of producing food in general and logistics. But potatoes specifically have long been a product that has lacked innovation or development that appeals to today's consumer, so it has seen an overall decrease in consumption.”

Q What's next for The Little Potato Company?

A “We plan to include more value-added products to our lineup to meet the needs of busy families, and we plan further expansion into the U.S.”



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