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The sweet taste of success

If you live in Toronto, you might have heard of a new ice cream parlour that has customers lining up out the door seven days of the week, all hours of the day. Waits are up to 45 minutes long, but customers — generally millennials and younger — are willing to put in their time lining up for the \$6 soft-serve cones, whatever the weather.

Located in a perpetually cool downtown neighbourhood, Sweet Jesus is best known for its swirled, sky-high ice cream cones dressed up with confections like candied bacon bits, brownie chunks, marshmallows, strawberry jam and candy floss. There are also frozen paletas laden with fruit, cookies, even crushed candy Easter eggs, as well as specialty coffee and churros.

On paper the idea of yet another high-end ice cream parlour dedicated to serving frozen, sugar-laden treats in a city with roughly three months of summer seems, well, dubious at best. But the wildly successful shop hits the mark on several key elements: it offers a creative new twist on crowd-pleasing soft serve; it offers delicious, high-quality products; it boasts an excellent location; and, most importantly, it knows its audience. That

means it's about more than the ice cream. As one young customer told me: "It's fun, it's entertaining, you can post it on social media and share with your friends. I can get an ice cream anywhere, but this is an experience as well."

I love finding innovative new food businesses that dare to be different. And I'm always inspired by the talent, creativity and dedication of the people behind the ideas and the products.

That's why we're so committed to showcasing Canadian talent in the food and beverage world. In this issue we feature a variety of entrepreneurs in a wide range of food sectors, including profiles of Mompreneur of the Year Colleen Dyck (pg. 8), the Newfoundland Chocolate Company (pg. 50), and our Top 10 Companies to Watch for 2016 (pg. 33).

There is always room for more creative and unique products on the market. Where will you find your next inspiration? ●

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Krusty the Cone, from Sweet Jesus.



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The power of chocolate?

Consumers around the globe are eating chocolate for emotional and psychological reasons, according to recent research from Mintel. The research reveals that nearly one in five (17 per cent) of Americans say that the emotional benefits of eating chocolate outweigh any health concerns; while one quarter (26 per cent) of Americans who purchase chocolate do so to improve their mood, and 20 per cent do so as an energy boost. In Canada, 38 per cent of consumers who eat chocolate typically do so as a reward, according to the research. And in China, three quarters (76 per cent) of consumers who eat chocolate agree that eating the treat is good for lifting the mood.



News > file



Manitoba producer named Momprenneur of the Year

Over the past four years, Colleen Dyck has built her food processing business to the point where she has her GORP Clean Energy Bars on the shelves in more than 650 stores across Canada. In March in Toronto the producer was recognized for her accomplishments by the Momprenneur Showcase Group Inc., which chose Dyck as its Momprenneur Award of Excellence recipient, and acclaimed her Canada's Momprenneur of the Year for 2016.

The five-year-old Momprenneur Group (founded by Maria Locker) is dedicated to supporting, educating and empowering moms in business. The Momprenneur of the Year Award comes with a trophy, \$30,000 in cash and a number of gifts and services including mentorship, business advice and help with marketing and promotion. Dyck reports that there were over 200 nominees for this year's award, with 20 finalists chosen.

"I was both shocked and honoured to have won," she says. "It is a special

challenge being a parent and a home-based entrepreneur." Dyck and her staff of five full-time employees work out of the Dyck family farm near Niverville, just east of Winnipeg. "I view this award as my representing all home-based entrepreneurs," she adds.

Dyck notes that getting started was a long, slow process. As an individual who enjoys being outdoors and being physically active, and as a mother driving kids to programs, she found that she was often hungry but didn't find fast-food restaurant snacks satisfying. She began trying different energy bars but also found them wanting.

"The existing energy bars were usually made with whey protein which didn't sit well in my stomach," she says. "I felt that I could do better. I did some research and developed my own recipe. My training partners and family and friends began asking me for some of my bars. I saw the possibility for a business."

That was 10 years ago. Dyck spent seven years developing her product with the help of the provincial Food Development Centre in Portage La Prairie. The protein she incorporates in her bars, she says, is from sprouted brown rice, which she brings in from California. "It's more expensive," she explains, "but it's easier on the gut."

The last piece of the puzzle for her, she says, was the loan she received in 2012 from the Women's Enterprise Centre of Manitoba, which allowed her to purchase a Horizon Form/fill packaging machine. "Because we are selling a higher-quality

FROM OUR LIBRARY

Combining the intertwined passions of food and travel, Small Luxury Hotels of the World (SLH) has launched a collection of recipes from more than 200 of its hotels around the world. *The Small Luxury Cookbook* features 480 pages of recipes celebrating signature dishes from chefs at the luxury hotel brand's 520 hotels in 80 countries.

The Small Luxury Cookbook includes recipes for local delicacies such as Delos Island sea urchin and Danish pastry, well-loved regional favourites such as Kolokythanthi (stuffed courgette flowers), and more recent additions to menus such as Lionfish. One particularly intriguing example of a stunning crowd-pleaser is the Apple Tart — a sugar apple filled with crème brûlée mousse, caramelized apple and apple jelly — from chef Reon Hobson at Pescatore at The George in Christchurch, New Zealand.

"The beauty of *The Small Luxury Cookbook* is that just like our hotels it offers something for everyone, whether they are an occasional, an aspiring or a proficient chef, while serving as a reminder that small, independent hotels also offer standout culinary offerings that can significantly add to the experience of staying there," says Filip Boyen, CEO for SLH and former chef. All recipes featured in the book come with detailed instructions, as well as alternative suggestions for any hard-to-source ingredients.

Apple Tart



bar at a higher price, it was important to have a classy package,” she says.

Dyck began marketing her Gorp bars through health food stores. Then, the wife of an athletic therapist for the Winnipeg Jets tried the bar and recommended it to her husband. The bar also caught on with the Winnipeg Blue Bombers football team. “We also sponsored Canada’s Olympic curling team,” she says. “Our sports connections gave us a boost. It gave us credibility. Now our GORP bars are in Domo gas bars across Western Canada and the Northwest Company has put them in their stores in the north. “Our customers have been our best sales people. We only recently hired our first sales rep.”

Dyck now employs up to 20 part-time production workers in addition to her full-time staff. “Our sales hit \$1 million this year,” she says. “That’s a big deal. Now we’re beginning to explore the American market. We will be participating in the Taste of Canada trade show in Minneapolis in June. We just want to be careful not to grow too fast and end up making mistakes.”

— Myron Love



Gus and daughter Rosanne Longo.



Longo’s celebrates 60th anniversary

As part of the Longo’s grocery chain’s 60th anniversary celebrations on April 21, Gus Longo, one of three brothers who opened the first Longo Brothers Fruit Market in 1956, had fun working some of his very first store jobs from back in the day.

Joined by Toronto city councillor Norm Kelly and two generations of Longo’s family members, including his daughter and company spokesperson Rosanne Longo, Longo helped bag groceries, stock shelves and serve prepared foods.

The celebrations were held at the Longo’s Leaside location in Toronto. While the grocery chain began with only one store on Toronto’s Yonge Street in 1956, today the Longo’s family operates 29 Longo’s stores and five Longo’s Market stores in southwestern



TOP: Gus Longo and Toronto city councillor Norm Kelly bagging groceries together.

BOTTOM: Longo’s 60th anniversary cake.

Ontario. Longo’s also owns and operates Grocery Gateway, Canada’s oldest online grocery delivery service.

“We’ve always sold food we want to serve our own families,” says Gus Longo. “Meals were a lot more basic in the 1950s and you would have to go to specialty stores to find yogurt, kale or even quinoa. We’ve grown a lot and food habits have changed too but part of our recipe for success is staying focused on quality foods and treating people and shoppers like family.”

HONEYWATER AIMS TO SAVE THE BEES



Toronto’s HoneyWater is a beverage company on a mission. The company pioneered its “buy a bottle, save a bee” program when it first launched its honey-sweetened beverages in 2015. As part of

this program, a portion of proceeds from each bottle sold goes directly towards initiatives aimed at raising awareness and strengthening bee populations, implemented by HoneyWater’s partners, which include more than 300 honeybee farms across North America, non-profits, industry associations and local bee rescue initiatives.

This spring the company is running a new promotion called #Savethebees. The initiative is being implemented in conjunction with one of their special partners, The Pollinator Partnership (PP), which is a non-profit organization working to

protect the health of managed and native pollinating animals vital to North American ecosystems and agriculture.

From now until June 19, HoneyWater customers are encouraged to take a picture of their HoneyWater bottle and share it on Instagram, Twitter, or Facebook with the hashtags #Savethebees and #HoneyWater, and the company will donate five times the proceeds for that bottle directly towards The Pollinator Partnership.

HoneyWater is currently available in more than 110 locations throughout the Greater Toronto Area and Southern Ontario.

The angriest buns around

Burger King restaurants have unveiled a new limited-time burger with a fiery kick, complete with a bright red bun that has hot sauce baked in. Called the Angriest Whopper, the Burger King press release describes it as “a furiously delicious sandwich atop a fiery red bun, baked with hot sauce.”



NEWSFILE

Canadians buying cheaper brands, less meat

The rising cost of groceries in Canada is having a significant impact on what people are choosing to buy at the grocery store, according to a new poll from the Angus Reid Institute.

Among other things, the poll shows Canadians are cutting back on meat and switching to cheaper brands to deal with the rising costs.

One of the report's key findings was that more than half of all Canadians (57 per cent) say it's become more difficult to afford to feed their households in the last year.



In addition to the large numbers of Canadians switching to cheaper brands when food shopping (71 per cent), 40 per cent say they have been choosing less healthy options at the grocery store. Of those saying they have been choosing less healthy foods for budgetary reasons, this includes nearly 47 per cent of those ages 18 to 34, and fully half of those with household incomes below \$50,000.

The survey also finds that 61 per cent of respondents have cut back on meat purchases in the past year because of increasing prices.

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Let your product tell the story

Today's consumers want to know more about the foods they are eating. The transparency trend of knowing all that goes into a product has expanded from the label alone, especially when it comes to locally grown concepts. Offering consumers a food narrative, or a mental picture of how a food came to be in the store, is a seductive way of engaging the customer in a deeper and more meaningful way.



In Western Canada, the Co-op Grocery Chain uses a program called Localize. With this labelling program, the consumer can see all sorts of information about where the food came from, including distance and even how it was grown or raised. With a scale using factors like production location, ownership location, ingredient origins, and bonus points for sustainability, a score is given indicating how local a product really is.

Another example is the Whole Foods chain. The retailer promotes food narratives via in-store advertising of regional goods and community events. As an illustration, a regional rancher and producer for the chain might be flipping burgers at a Whole Foods local charity fundraiser. In-store there are informative displays, and shoppers can read local blogs and receive mailers about regional specialties, including recipes to incorporate products found and sold locally.

Food narratives tend to feature larger than life posters of lush looking produce. Other designs highlighting food narratives in grocery stores include the kiosk concept. It's more than just a small display of a sales item — the modern food kiosk surrounds regular departments such as dairy, bakery, the meat counter and more. At the meat counter, consumers might find information about how to pair local meat with cheese and local bakery items in order to make a quick lunch.

— Yvonne Dick

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BAC establishes scholarship endowment

The Baking Association of Canada (BAC) has established a \$100,000 endowment in the School of Hospitality, Tourism and Culinary Arts at Centennial College in Toronto. The funds will go towards scholarships for students in the field of commercial baking.

“We are truly committed to a legacy of nurturing educational relationships through our scholarship to the baking programs at Centennial and to the students who will one day be the future of our industry,” says Dan Peroff, chair, BAC — Ontario Chapter. The association has had a close relationship with the school since 2013.

This September when the college opens its new facility for the School



of Hospitality, Tourism and Culinary Arts, it will feature a new commercial baking lab named in honour of the BAC — Ontario Chapter. Exclusively for use of students in the Baking and Pastry Arts Management and Baking Pre-Employment programs, the lab will include equipment found in large-scale baking operations, making it an invaluable work and educational experience.

Triscuit donating to food maker projects on Indiegogo

Well-known cracker brand Triscuit will be “flash funding” more than 50 food makers’ campaigns on crowdfunding platform Indiegogo in an effort to empower small businesses that share the same beliefs as the cracker brand —



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mainly, the belief that a great food innovation starts with something simple.

Businesses being funded on Indiegogo range from small farms to microbrewers to food trucks, with representation across the U.S. and Canada. Celebrity chef Giada De Laurentiis (also a champion of real food that starts simply) partnered with Triscuit to announce the news. "Like Triscuit, I have great admiration for today's community of food makers, because I know the kind



of work that goes into taking a simple idea and building something impactful," she says. "I'm thrilled to be working with the brand to elevate and encourage new small businesses at various points on their journey from concept to success."

Award-winning Canadian chef Cory Vitiello is also partnering with Triscuit: "I believe inspired creativity has a simple idea at heart, like Triscuit, so I'm working with the brand to show support for food makers and celebrate simple ingredients that make delicious creations," he says.

"Triscuit was started in 1902 by an enterprising small business owner who created a woven cracker starting with three simple ingredients: wheat, oil, and salt," says Julia Nathan, Triscuit brand manager. "That same dedication to maximizing something simple lives on and we want to encourage it wherever we find it."

INBRIEF

> Jennifer Harris, the Marketing and Sales manager of **Mid-Isle Farms** in Albany, P.E.I., was awarded the prestigious Mary Fitzgerald Award by the **Canadian Marketing Produce Association (CPMA)** at their 91st Annual Convention and Trade

Show in Calgary in April.

> Edmonton's **The Little Potato Company** is building a processing, packing and storage facility that will also serve as its U.S. headquarters in DeForest, Wisc.

> **Campari**, the iconic spirit brand and →

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staple ingredient in the Negroni cocktail, will be the presenting sponsor of this year's **Negroni Week**. The program is set to take place from June 6 to June 12. During Negroni Week, participating establishments in Canada and around the world will feature the classic cocktail, or their own twists on the classic cocktail, or showcase their Negroni-related items, with a portion of sales donated to a charity of their choice.

> Canadian whisky brand **Forty Creek** took

home the 2016 World Whiskies Award for Best Canadian Blended Limited Release for its Forty Creek Three Grain Harmony.

> Over the Christmas season, **Famoso Neapolitan Pizzeria's** Campania Sauce campaign for charity sold thousands of jars of sauce, with net proceeds going to **Mealshare**. With this donation, Mealshare will be able to provide 16,781 meals to youth in need in communities in Alberta, B.C. and Ontario where Famoso restaurants are located.



> As part of a new partnership with the **French's Food Company**, North Vancouver-based **A&W Food Services of Canada Inc.** will be the first national restaurant to serve French's Tomato Ketchup and Classic Yellow Mustard in all of its restaurants across Canada. Both the ketchup and mustard contain 100-per-cent Canadian tomatoes and 100-per-cent Canadian mustard seeds.

> **Planters Peanuts** and its well-known mascot, Mr. Peanut, donated enough peanut butter to feed 1,200 families across Canada and 300 families in the Toronto area with a major donation to Toronto's Yonge Street Mission on April 1. Planters Peanuts recently launched its first ever peanut butter product in Canada.



PEOPLE ON THE MOVE



> **Doug Weber** has been named president and CEO of Weber Packaging Solutions, Inc., a worldwide manufacturer and supplier of pressure-sensitive labels, labelling systems, and ink jet coding systems.

> Prinova, a Carol Stream, Ill.-based supplier of high-quality ingredients, flavours, and value-added nutrient fortification products, has hired **Richard Staack** as vice-president, Research & Commercial Development.



> **Jamie Better** is now CEO of Nellson Nutraceutical, a North American full-service nutrition bar and powder provider.



> Frontline International, a provider of Smart Oil Management systems for foodservice operators, has hired **Timothy Berton** as the company's production team leader.

> Maple Leaf Foods has announced that **John L. Bragg** and **Claude R. Lamoureux** will retire from the company's Board of Directors.

> **Aker Biomarine**, a supplier of krill-derived products to the consumer health and wellness and animal nutrition markets, has hired two new employees at its company headquarters in Norway: **Cilia Holmes Indahl** is now director of Sustainability, and **Katrin Berntsen** is director of Communications.

> **Sam Choucha** has joined global food ingredients company Kerry as vice-president, Commercial Taste-Canada.

SUPPLIER NEWS



> **Metl-Span**, a manufacturer of insulated panels, has started production at its recently acquired plant in Hamilton, Ont. Metl-Span produces Mesa, Light Mesa, Striated and Fluted panels at the 24,000-sq.-ft. manufacturing and warehouse facility.

> **Dur-A-Flex, Inc.** is celebrating 50 years in business this year. Dur-A-Flex is a leading manufacturer of commercial, industrial and institutional seamless, resinous floor systems.

> **Horizon Systems, Inc.**, an engineering and manufacturing company that designs innovative material handling and automated transfer solutions for food, pet food, plastics and chemical manufacturers, has merged with **Process Systems Inc. (PSI)**, a national leader in design and installation of automated systems for the plastics industry.

> **Dynamic Conveyor Corporation** is celebrating 25 years of conveyor manufacturing this year.

> **The European Aluminium Foil Association (EAFA)** has selected three Amcor packaging solutions as winners of an Alufoil Trophy 2016 in the categories of Consumer Convenience, Technical Innovation, and Resource Efficiency. For Consumer Convenience, the winner was Emmi's All In One Fondü; for Technical Innovation, the winner was Amcor's LuxPrem+; and the winner in the Resource Efficiency category was Amcor's Formpack Ultra.

> Manitoba researchers have found a way to "see" inside beehives without lifting their lids. Developed by Dauphin, Man.-based **Durston Honey Farms**, in partnership with Winnipeg software firm **Function Four** and a team of **Mitacs** researchers from the University of Manitoba, the unique apiary management system relies on specialized sensors placed directly inside beehives. Using RFID technology, the sensors relay vital information needed to make better decisions about honey harvesting and hive management.





COMMENTARY: Watch the charts

Several times in the Market Highlights below I refer to the position of “managed funds.” These funds are sometimes referred to as “hedge funds.” They aren’t: they are speculating. The closest they come to hedging is to write covered options.

The reason their positions deserve attention is that they can impact short-term price volatility. So their positions bear watching, even with the lag between what they do and when it is reported. This is being written on April 23. The rally and subsequent reduction in wheat and corn prices occurred during the week ended April 22. The last report of their positions was April 19.

When funds develop large short positions, they push prices downward: they are short because they expect prices to fall, and by selling they help make them do so. But when they are short and prices rise, it means they lose money and at some point they are contributing cash to their margin accounts. If prices rise enough, they will cut their losses by taking offsetting long positions. Long positions move prices upward. Thus it’s possible that they make prices more volatile both when they sell and when they exit.

Forty-nine cents of the \$0.65 rally in wheat happened during the week ended April 22. Managed funds dropped from 152,000 net short to 134,000. For corn \$0.42 of the \$0.56 rally happened that week. The funds’ net shorts fell from 181,000 to 48,000. One could hypothesize that buying 131,000, 5,000 bu contracts could have had an impact on prices! And one would guess the net shorts dropped even more after April 19.

This is not meant to criticize — that rally gave grain farmers a chance to sell at a higher price. The point is that one needs to be aware of what funds are doing as one makes pricing decisions. As of April 19, managed funds were net long 246,000 contracts of Brent crude. If the market starts to decline and the funds decide they are wrong, many of those long positions will be sold. The selling action could drive prices down as much and as quickly as buying drove them upward. That’s why it’s helpful to watch the charts. ●

Market Trends is prepared by Dr. Larry Martin, who offers a course on managing risk with futures and options in Guelph, Ont. through agrifoodtraining.com. Contact him at DLM@explornet.com or (519) 841-1698.

MARKET HIGHLIGHTS

Following last month’s slightly bullish action, most markets moved into at least short-term uptrends as commodity fundamentals began to change.

> Grains: Grain futures are being buffeted by both domestic and international factors. Domestically, bad weather followed by good weather had people switching from bull to bear, and back. Argentina’s floods and Brazil’s drought gave reduced production grain estimates, thereby giving markets opportunities to build on the solid support established last month. Managed funds continued to build large net short positions in corn and wheat. Being clearly wrong, their short-covering stoked strong rallies.

> Corn: July broke through support to drop to \$3.51 before rallying to \$4.07, where it ran into resistance then dropped to the current \$3.75. Several fundamentals changed: Chinese imports were strong, despite the decision to reduce their stocks; South American weather; and the uncertainty of the move to impeach Brazilian President Dilma Rousseff. Some of the rally also came from funds’ short covering. We suggested pricing on a move toward support. If you did, hold it. If not, protect above \$4.05.

> Soy oil: At \$0.344 July is hanging around the 50 per cent retracement as it was last month. Bean and palm oil sputtered, with the most recent move a bit of weakness on poor palm exports. Our position is unchanged: if you bought Calls, hold them, if you have futures, take profit now, but protect above \$0.35.

> Wheat: July tested contract lows at \$4.50 in early April, then soared to \$5.18 before falling back to \$4.75. This rally seems to have been based on positive news for commodities in general, and panic buying by managed funds with record net short positions. Now, weather conditions in the U.S. are good and there remains a huge inventory of wheat. We have said for some time that the short-term (\$4.49 for July) and long-term (\$4.25) support planes look like good places to do some pricing. Nothing has really changed.

> Sugar: July sugar tested the \$0.168 resistance mentioned last month, dropped to \$0.143 and is pushing toward \$0.16 again. The major change in fundamentals is improvement in Brazil’s harvest weather. Expected shortages continue in India and Thailand, while China’s demand remains strong. We would be protected at \$0.168 if not already at \$0.1535, as suggested last month.

> Natural gas: July natural gas rallied to \$2.40 from the \$2 area a month ago. While the U.S. has record inventories, power plants are using more gas than in 2015. New production is slowing because of low prices. We continue to suggest pricing near \$1.93. If it’s too late, cover above \$2.63.

> Crude oil: Uncertainty continues to reign as crude rallied from \$30 on the July to a recent \$46. The rally started with surprisingly low U.S. inventory, followed by calls for OPEC to limit production. It’s not clear yet whether and by how much. Managed funds have near record net long positions in futures. Now U.S. inventories are up by two per cent. Some experts say the fundamentals don’t justify the price rise. Others say production is bound to fall soon with or without OPEC, so the market will correct. We haven’t changed: we said to take profits on your long positions just below \$45.20 but be covered above there. Here we are.

> Canadian dollar: The loonie continues to rally, largely with oil, but also with decent, if not great, Canadian employment numbers. June futures broke resistance at \$0.77, currently hovering around \$0.79. We continue to suggest that commodity buyers cover at \$0.77.





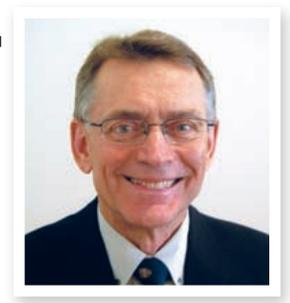
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Ron Wasik



The U.S.-Canada regulatory cooperation initiative

When it comes to global trade, Canada and the United States are in a class of their own. In 2014, \$50 billion in agri-food products crossed our borders. That's more than \$100 million per day. It is therefore crucial to Canadian producers and processors that our government nurture our trade relationship with the U.S.

In 2011, the U.S.-Canada Regulatory Cooperation Council (RCC) was created to better align the two countries' regulatory approaches, while protecting the health, safety and environment of the two nations. The RCC brings Canadian and U.S. regulators and stakeholders together to discuss co-operation and alignment opportunities, and enables discussion and planning for short, medium and long-term goals.

On March 10, measures were announced during Prime Minister Trudeau's visit with President Obama that will improve regulatory co-operation and deepen the regulatory relationship between our two countries. These measures include forming a joint Canada-U.S. group of senior officials, who are tasked to generate and implement regulatory co-operation initiatives between the two countries on an ongoing basis. For the first time this will include senior officials of regulatory departments.

The Canadian Food Inspection Agency (CFIA) will be working with its counterparts in the U.S. Department of Agriculture (USDA) and the U.S. Food and Drug Administration (USFDA) in areas of plant health, animal health, meat inspection and certification, and food safety.

The CFIA and the USDA's Animal and Plant Health Inspection Service will continue advancing a perimeter approach to plant protection to prevent the unintentional introduction of invasive species to either country through the movement of plants and plant products. Also of great importance are the alignment of phytosanitary import requirements

“The exchange of food safety information will be increased to help both countries make informed risk-based regulatory decisions.”

and the streamlining of the certification processes for plants and plant products moving between the borders.

The CFIA and the USDA's Animal and Plant Health Inspection Service signed an arrangement where Canada and the U.S. recognize each other's zoning measures during highly contagious foreign animal disease outbreaks. This arrangement proved critical in recent outbreaks of Avian Influenza where it was used to allow trade to continue from non-impacted areas. In order to expedite and simplify trade, regulators will also be working together to develop and implement their respective electronic certification and delivery systems, and collaborate on animal health requirements and assessments for the movement of

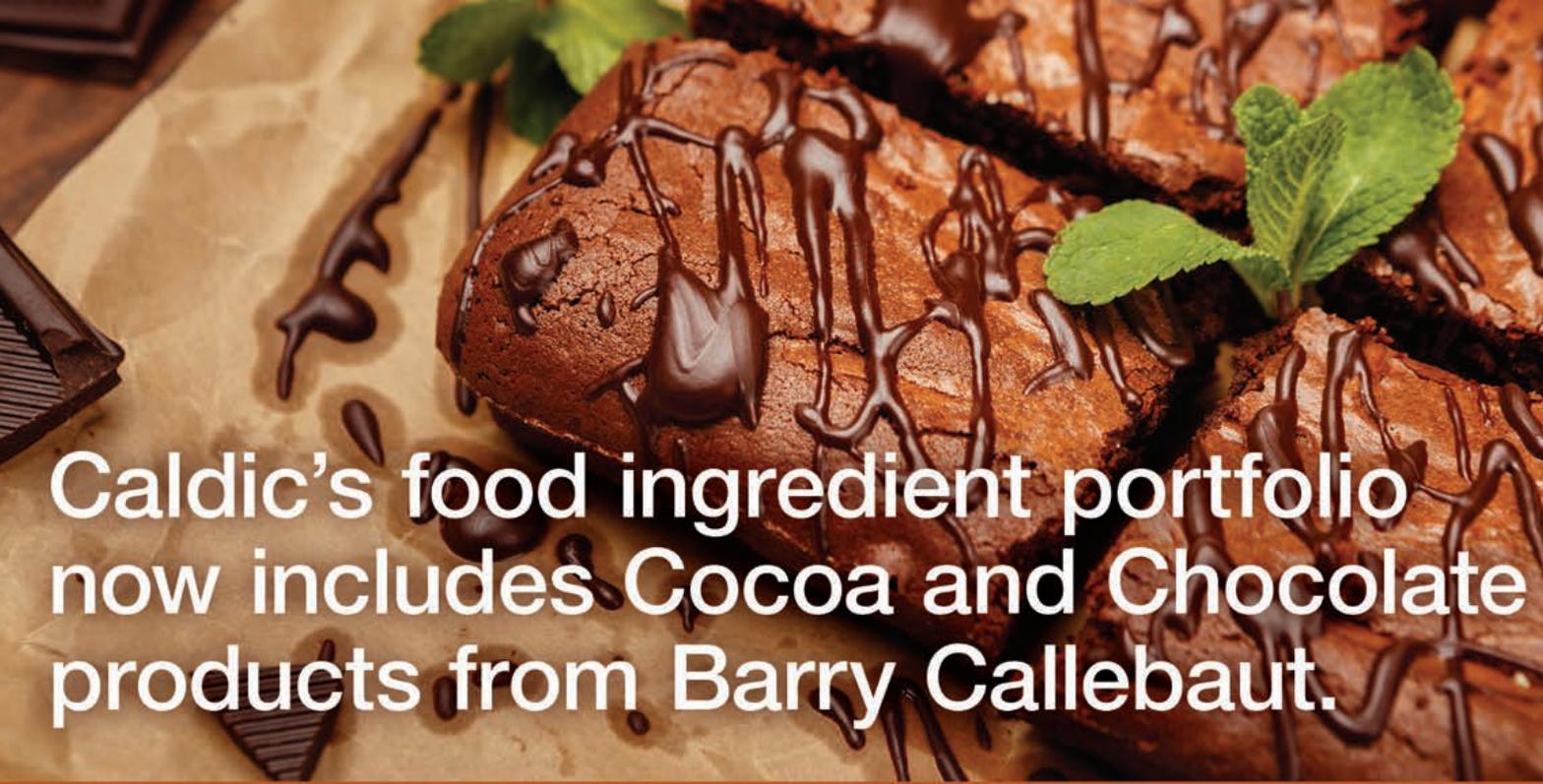
animals and animal products.

The CFIA and the USDA's Food Safety and Inspection Service (FSIS) are working together to update their slaughter and processed meat inspection policies and procedures. This will help enhance food safety, achieve closer alignment between inspection system requirements and eliminate duplication. Electronic certification processes will streamline the export and import of meat.

Food safety is another important area of collaboration. The CFIA, Health Canada and USFDA are finalizing an assessment of each other's food safety systems (excluding meat, poultry and egg products which are under the USDA's area of responsibility) and are establishing a food safety systems recognition arrangement based on the results. The exchange of food safety information will be increased to help both countries make informed risk-based regulatory decisions. As the FDA and the CFIA implement their modernized food safety rules and regulations, they will also work together to ensure that their systems deliver comparable public health outcomes and again, reduce unnecessary duplication.

The RCC was designed not only to strengthen working relations and co-operation between Canada and the U.S., but to foster new channels for industry consultations and input. Canadian companies interested in participating in industry consultations should contact the Agriculture and Agri-Food Canada Market Access Secretariat at MAS-SAM@agr.gc.ca

Dr. R.J. (Ron) Wasik PhD, MBA, CFS, is president of RJW Consulting Canada Ltd. Contact him at rwasik@rjwconsultingcanada.com



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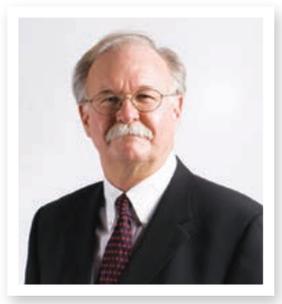
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Label raw milk cheese

The science keeps piling up. It is not safe to consume raw milk and its products. The U.S. Food and Drug Administration (FDA) recently announced studies that show again that pathogens from raw milk including tuberculosis, diphtheria, typhoid, *Salmonella*, *Listeria*, and many other bacterial infections make it unsafe for human consumption. A comprehensive study was released last month by Belgian authorities that concluded that “raw milk poses a realistic health threat due to possible contamination with human pathogens.” Interestingly, the same study found that there was “no substantial change in the nutritional value of raw milk or other benefits associated with raw milk consumption,” but that’s a story for another day. And, of course, the unfortunate proof keeps coming, with hundreds of outbreaks, many deaths and thousands of illnesses just in the last few years due to raw milk and raw milk cheese.

Just because raw milk and raw milk cheese are not as safe as if they were pasteurized doesn’t necessarily mean that they should be banned. That is why regulations around the world are so inconsistent. The sale of raw milk is illegal in Scotland, but legal in England, Wales and Northern Ireland (indeed our future king will drink nothing else, a fact that could be used by both sides of the debate!). South of the border the states are roughly evenly divided, but interstate commerce is banned. Raw milk and most

raw milk cheeses are banned in Australia but legal in New Zealand. In Canada, the sale of raw milk directly to consumers is prohibited by a variety of provincial provisions and it is a federal crime to sell unpasteurized milk under B.08.002.2(1) of the *Food and Drug Regulations*.

Canada continues to allow the sale of raw milk cheeses aged over 60 days, but provides this clear warning: “Health Canada’s ongoing advice to pregnant women, children, older adults and people with a weakened immune system



is to avoid eating cheese made from raw milk as it does present a higher risk of foodborne illness than pasteurized milk cheeses. If consumers are unsure whether a cheese is made from pasteurized milk, they should check the label or ask the retailer.”

When I first wrote about this issue three years ago I pointed out the regulatory absurdity of the last sentence in the Health Canada (HC) warning. There is no requirement to label and most retailers have no idea if the cheese is made from raw milk, and have no means to determine if it is. At the time I received an informal response to my article from a senior official advising me that before moving to mandatory labelling, HC was going to partner with FDA to do a risk assessment of raw milk cheese, focusing specifically on the risk of illness from *Listeria*

monocytogenes. The results of this risk assessment were released last summer: “The risk of listeriosis from the consumption of soft-ripened cheese made from raw milk is substantially larger than that for consumption of soft-ripened cheese made from pasteurized milk and the 60-day aging regulation actually increases the risk of listeriosis for consumption of raw milk cheeses.” The risk was found to be from 50 to 160 times greater. This resulted in HC issuing a Voluntary Guidance to manufacturers that included suggestions to industry to do regular testing of both the raw milk and the cheese and that “Manufacturers should consider labelling their products with the words ‘made from raw or unpasteurized milk’ on the front panel display and/or in the list of the ingredients.”

The Guidance document seeks feedback from stakeholders before developing new “policy and/or regulatory options.” Here’s mine, again: stop the bureaucratic dithering and do what the Americans, Brits and Europeans have already done — make it mandatory for all manufacturers to label their raw milk cheeses. It’s useless, as they say, to try to reason someone out of something they didn’t reason themselves into, so if we can’t stop people from consuming raw milk and its products, then let’s at least ensure that it is not consumed unknowingly particularly by children, the elderly or expectant mothers. HC now requires unpasteurized juice to be labelled. Who’s against mandatory labelling of raw milk cheese? 🍓

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Seeing through labelling transparency

“It can scarcely be denied that the supreme goal of all theory is to make the irreducible basic elements as simple and as few as possible without having to surrender the adequate representation of a single datum of experience.” It’s an adage presented by Einstein in a famous 1933 lecture on the method of theoretical physics. For us non-physicists, a paraphrased version is “Everything should be made as simple as possible, but no simpler.” Kind of ironic in its own way!

No doubt most readers have heard the argument that current Canadian food labels are woefully inadequate. Some even suggest this is the root cause of all societies’ current ailments, with obesity as its current poster child. Into this conversation is tossed the phrase “label transparency” and the lack thereof, suggesting there is something deliberately hidden or secret.

The focus of transparency is often aimed at what is missing. To some extent there is truth there. However, this is not the cause of any “maleficent” organization. It is largely history rendering certain labelling practices vestigial. For instance, it is not uncommon to see the collective term “colour” used in an ingredient list to describe one or more permitted food colours. The regulated provision to use the collective term “colour” has been around since the early part of the 1970s. Things were certainly different back then,

but it was, after all, simple and efficient.

Forward more than 40 years and today’s expectations are certainly no longer in alignment with such simple transparency. In 2015 Canada proposed to amend ingredient labelling regulations such that the identity of the individual common name for a colour additive would need to be identified. No longer then would the term “colour” alone be permitted.

Perhaps one of the more paradoxical aspects of the contemporary idea of

“ Food literacy is an equal partner to transparency. ”

transparency in food labelling is that label information can literally be transparent. Such invisible transparency happens when looking straight through information without recognition of its significance. Much focus these days is placed on the amount of sugars in foods. Canada phased in mandatory nutrition labelling in 2005 and 2007, which includes sugars. This accounts for mono and disaccharides from added forms as well as those naturally occurring. The health implications related to sugar is a factor of over consumption, regardless of its source. Somehow the conversation has unfolded to implicate nutrition information being broken, and at worst being the cause for the increased incidence of obesity. If the label has shown the total amount of sugar all along, how can that be at fault? Here the quantification of the amount of sugar is transparent. Appreciating what that amount represents in total daily intake would, however, be simplified by setting up guardrails.

In 2015 Health Canada also proposed to amend nutrition labelling regulations in Canada. In regards to sugar, the idea of including separate amounts to added forms of sugar and naturally occurring sugars was abandoned. Instead the amount of sugar is proposed to be included in grams per stated serving as it always has, alongside a new feature, an amount expressed as a per cent daily value. This provides transparency as it always has, but also simplifies the matter of appreciating the relevance of the amount in grams. Transparent yes, simple yes.

Had Health Canada elected to differentiate between added forms of sugars and those that are naturally occurring, the outcome would not have provided any gain in relevant transparency. It would have made matters even more confusing in that it would have pitted the concept of good sugars against bad sugars, something the current definition of “sugar” is not capable of doing. The goal is to guide consumers in as simple a manner as possible such that sugars are consumed in moderation. Establishing a per cent daily value guardrail would seem to fit a reasonable expectation of what transparent and simple should be.

The face of a Canadian food label will evolve significantly over the next few years. The rewards of these efforts will not be realized in Canadians making better food choices if there is not at least an equal effort made in understanding label information. Food literacy is an equal partner to transparency. ●

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

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The Cocoa question

**Chocolate companies
are helping build a
more sustainable
cocoa industry**

Until a month ago, the co-owners of Ambrosia Pastry Co. in Waterloo, Ont., took a very “old school” approach to producing chocolate: every week they tempered 80 lbs of it by hand on a marble slab.

While the husband and wife team of Tim Simpson and Aura Hertzog have finally purchased their first tempering machine, the traditional approach is one the pair still applies to the entire chocolate making process. As a small producer of bean-to-bar craft chocolate, Ambrosia acquires cocoa beans, including Criollo and Trinitario varieties, from Ghana, Peru, Madagascar, Nicaragua, Belize, Venezuela, Papua New Guinea, Ecuador, Dominican Republic and Mexico. These flavour beans, or origin beans, are then used to produce milk (45-per-cent Nicaraguan or 55-per-cent Ghana) and dark chocolate (up to 75 per cent) bars.

One area where Ambrosia doesn't follow tradition is in the sourcing of its beans. According to Hertzog,

the company won't purchase cocoa beans unless they are from a source that has been verified as sustainable. “Our goal eventually is to be able to go and visit the farms we are getting the beans from, but we don't have the buying power yet to make that feasible, so we're working with others who are doing that,” she says.

In this case that means purchasing from larger craft chocolate producers — including Habitual Chocolate in Woodstock, Ont. and ChocoSol Traders in Toronto — and wholesale suppliers such as Chocolate Alchemy in Oregon. Hertzog says that Ambrosia is “pretty strict” when it comes to taking on new suppliers and insists on knowing exactly where any beans originate before purchasing them, even if the odds of getting chocolate from non-sustainable sources is low.

“The one advantage to small bean-to-bar making is that most of the chocolate that is available to us is sustainable. It is usually fair trade or organic or is from a farm that maybe doesn't have the certification but is following those guidelines. But for the most part a lot of it is FTO. That's because all of the bad cocoa — if you want to call it that — is sold to the big guys. It's already bought up.”

Understanding exactly what allows cocoa beans to be defined as sustainable tends to be a bit of a tricky task, as every company that deals with chocolate tends to have its own definition of the concept. Even the London, England-





based International Cocoa Organization (ICCO), a United Nations-created organization aimed at increasing the sustainability of the entire cocoa value chain, doesn't have a simple definition of the concept.

When the term "sustainability" is invoked it is usually used in reference to environmental concerns or agricultural procedures. And while ICCO information and media officer Michael Segal says these are factors that must be considered when addressing sustainability in the chocolate industry, it's people that tend to be top of mind, in particular the small, underpaid farmers and the young victims of "the worst forms of child labour," in other words, child slavery.

“ In many cases the producer is not getting a fair share of the value of what the final product is. ”

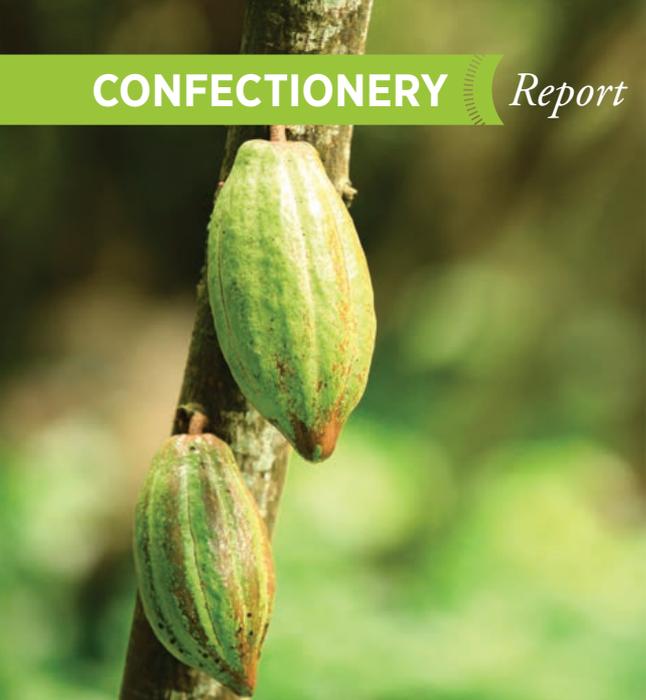
Segal can't estimate how much of the world's cocoa bean production could be classified as sustainable, although he tries to put the issue into some perspective. "I can tell you roughly it might be 20 per cent of the cocoa production that is in some way certified. Whether you consider that to be sustainable is a very moot point," he explains. "The issue is that doesn't necessarily guarantee a long-term better income for the farmers — the ones who need it most. And there are other issues related to certification that many of the farmers are leery of, such as it would cost them to be involved in it, which is not necessarily incorrect."

According to Segal, the ICCO has determined that for an average bar of chocolate, "at the most, about five or six per cent of the value of it comes back to the producer whereas the actual cocoa percentage is enormously higher than that. In many cases the producer is not getting a fair share of the value of what the final product is."

It's not just the ICCO, which is conducting its biennial chocolate sustainability conference this month in the Dominican Republic, or NGOs working in chocolate-producing countries that are paying attention to the state of the cocoa bean farmer. Chocolate companies such as Switzerland's Lindt & Sprüngli and Barry Callebaut and Deerfield, Ill.-based Mondelez International, Inc. that have implemented sustainability strategies typically include community development (such as building schools or creating clean drinking water sources), agricultural best practices education (like teaching farmers to plant other trees, such as banana trees, to provide shade for the cocoa trees, or showing them pruning techniques) and commitments to pay more for sustainable or traceable beans.

"We've seen that the average age of cocoa farmers has gone up and up," says Richard Buino, manager of Communications for Mondelez. "Part of the issue is the next generation of cocoa farmers has not been taking up farming because they haven't seen a lot of benefit in doing it," explains Buino. "A lot of young people were going from the farming villages to the cities because they thought, 'I can have a better quality of life and make more money in the city.' So part of the overall plan is to make it a viable and attractive profession so that future generations will continue to carry out cocoa farming."

Along with making farming more attractive, sustainability programs typically have the goal of making it more productive. Measurement and tracking and verification are being applied to every aspect of the process and key performance indicators (KPIs) are being held up as yardsticks by which to measure success, especially in certain geographic locations. ➔



“There are not many more places in the world where you can go and grow cocoa compared to where it is grown now, so it really is the situation where we have to learn how to do better with what we have,” says Seema Kedia, who leads sustainable cocoa business development for Barry Callebaut, and who also serves as marketing manager for food manufacturers for North America.

“When you compare yields of cocoa farmers in West Africa to yields of farmers in other parts of the world, you can see that yields for farmers in Ivory Coast or Ghana have a high degree of room for improvement,” says Kedia. “With the percentage of cocoa that is coming out of those countries compared to the global crop, even a small increase in yield on a general basis can have a really big impact on the entire output of cocoa on an annual basis.” She adds this is especially important as demand for chocolate is increasing, while the cocoa supply has remained relatively flat.

Of course the chocolate supply chain involves more than just cocoa beans, and companies are making an effort to ensure other ingredients are also derived from sustainable sources. Many have turned to using Roundtable on Sustainable Palm Oil (RSPO) certified palm oil (meaning no rain forests have been cut down to plant palm trees). Nuts are another ingredient that has come under scrutiny — especially hazelnuts from Turkey.

“With hazelnuts, the problem is they have migrant workers, and they have to work under very poor conditions,” says Nathalie Zagoda, head of Corporate Communications for Lindt & Sprüngli. “First of all we tried to source as much as possible from other

regions like Italy. We also have a farming program in place [in Turkey]. We start with traceability — we’re there on the ground, we see what is happening, we sensitize people to the issue, and we try to make it happen that the conditions change. We also work together with the farmers.” For 2015, Lindt & Sprüngli set a goal of purchasing 50 per cent of its hazelnuts from sustainable sources. The company surpassed that, achieving a 60-per-cent acquisition figure.

Beyond creating sourcing and farming programs, those who are working to improve the sustainability of the chocolate supply chain also include measures that address everything from reducing water usage and carbon output to improving efficiencies in logistics. For example, last year Lindt & Sprüngli (Canada) Inc. partnered with Bullfrog Power and began running all of its Canadian operations using green natural gas and green electricity. The Swiss parent company is also undertaking a complete sustainability audit of American chocolate company Russell Stover Candies Inc., which it purchased in 2014. In order to reduce its use of fossil fuels, Barry Callebaut burns cocoa shells for fuel in cocoa-producing countries, and what shells it doesn’t burn it sells for garden supplies. Beyond its chocolate sustainability program, Mondelez’s corporate sustainability policy includes steps like reducing packing and decreasing the amount of garbage that gets sent to landfills.

Still, for Larry Sullivan, president and CEO of Rogers’ Chocolates Ltd., which was founded in Victoria in 1885 and now operates 10 retail stores in Western Canada, improving the economic conditions of cocoa farmers and eliminating child slavery are the two most important aspects in improving chocolate sustainability. As for his customers, he says they want to see evidence of simple, high-quality ingredients. “By the end of the year there will be no artificial colours or flavours in our product,” says Sullivan. “We’ve resolved the palm oil issue. We’re looking more seriously at fair trade. It’s a balance between what you can accomplish as a small company and what your consumers are looking for. We know they want clean labels, and ours are very clean. We just have a tiny bit of clean up to do. We know they want us to be sourcing in a way that is sustainable — not just in terms of the environment but in terms of the families and the children that are involved in the production. We are certainly moving down those roads.” ●



Exploring the dark side

This time last year we shared the results of a product test of milk chocolate bars. So to be fair, and as a nod to its continued growth and popularity, this year we decided to have a closer look at dark chocolate. In recent years, the popularity of dark chocolate has been on the rise, fuelled largely by its claimed health benefits — it is packed with antioxidants and has been known to lower blood pressure and cholesterol. But the complex flavour profile of dark chocolate is not for everyone, and we wondered whether consumer palates are truly ready to embrace the dark side.

Dark insights

We asked 50 females from the Greater Toronto Area who regularly consume dark chocolate to taste and evaluate four brands of plain dark chocolate. The test array included two brands with approximately 50-per-cent cocoa and priced at \$2.99 per 100 g, and two premium-priced brands (around \$3.99 per 100 g) with higher cocoa inclusion (around 70 per cent). Each respondent tasted one square of each bar which were presented in varied order.

Before the chocolate tasting began, we asked a few usage and attitude questions about chocolate, with a specific focus on premium vs. non-premium, and dark vs. milk. Seventy-two per cent of our panel said that they regularly consume both “everyday” chocolate and “premium” chocolate depending on the occasion or how they feel at the time. And when

it comes to buying premium, the top benefits were better-quality ingredients and richness of flavour.

We also asked them for specific reasons why they purchase dark chocolate and overwhelmingly the top reason was because it is healthier and contains antioxidants. Other top mentions were because it has a richer taste, is less processed, and is more premium than milk chocolate. Seventy-four per cent of our dark chocolate consumers regularly pay attention



to the percentage of cocoa listed on the package, and among them, nearly all claim that they prefer a chocolate with 70 per cent or more cocoa.

Dark contrast

Despite the fact that the majority of our testers claim to purchase dark chocolate with 70-per-cent cocoa or more, when put to the test, it was the two bars with lower cocoa that were liked best. Contrasting the two lower-cocoa bars with the two higher-cocoa bars, there were differentiable profiles which characterize each. The flavour profile of the high-cocoa samples was significantly more bitter and less sweet, while texturally, they were much less creamy, with a significantly slower melt rate than the lower-cocoa chocolate bars. Our respondents were much more partial to low bitterness. When it came to the intensity of sweet-

ness, none of the bars actually hit the sweet spot. The lower-cocoa chocolates were both too sweet, while the higher-cocoa counterparts were not sweet enough. There were no significant differences in “liking” of the overall texture among the four products, but the higher-cocoa chocolate was significantly less creamy with a much slower rate of melt.

Embracing the darkness

Similar to product categories like wine, cheese and coffee, the sensory profile of dark chocolate is complex. It is a balance of characteristics — bold and delicate, bitter and sweet, smooth and acidic. One interesting observation in our findings is the fact that most testers claim to regularly purchase chocolate with higher-cocoa content, yet in blind tastings they actually liked the lower-cocoa chocolate better. Perhaps as consumers shift to darker chocolate, our palates will become more discerning and accepting of more bitter and less sweet, elements that are now described as shortcomings.

Quite simply, dark chocolate with lower cocoa is more akin to the taste and feel of milk chocolate — a profile which we have come to know and love over the past century. While dark chocolate may be experiencing a renaissance, it may be some time before our palates have adjusted and are more welcoming of the bitter taste notes and slower melt rate. So while consumers are being increasingly enticed to the dark side...it just may take a while for our senses to see the light. ●

For questions about this research, or how you can leverage consumer taste buds in your business, contact Dan Scholes at info@contracttesting.com or (905)-456-0783.

G BY TREENA HEIN

oing strong — that’s how many would describe the international “clean label” movement that began years ago. Both small firms and major players continue to take it very seriously. Kraft Heinz, for example, has moved to replace artificial yellow and orange colours in its flagship Macaroni & Cheese product with paprika, annatto and turmeric. Mega food industry companies General Mills, Nestlé USA and Kellogg have also removed artificial colours and flavours from many of their famous products. “It’s the direction the industry is still going in,” observes Baking Association of Canada president Paul Hetherington. “Everyone is trying to remove the unpronounceable ingredients and focus on natural ones.”

John Madden, head of ingredients at Euromonitor International, notes that colours were among the first ingredients to attract clean-label concerns among consumers, “so a lot of conversion to naturals has already taken place,” and they “now dominate overall demand from the global food and drinks industry.” Karen Proper, technical manager of product and process development at NSF-GFTC in Guelph, Ont., agrees. She sees natural colours such as beet and beta-carotene increasingly being considered as an alternative to synthetics such as allura red and tartrazine.

Rachel Rebry, associate director of regulatory affairs at Guelph-based Nutrasource Diagnostics, points to the strong clean label success of Hampton Creek, a food company based in Silicon Valley which uses fruit and vegetable juice to add colour to its famous Just Mayo brands.

On the clean label flavours front, Doris Valade says there’s been “a significant increase in demand from customers to boost flavours through the use of herbs and spices as well as dehydrated fruit and vegetables, in sweet and savoury blends.” Natural concentrates that provide complex flavour profiles are also on the rise, notes Valade, the president of Malabar Super

Squeaky clean

Challenges and limitations remain as companies continue to clean up their labels. But does the focus need to be on changing consumer perceptions?

Spice based in Burlington, Ont. Examples include beer extract, natural honey powders, and lime and lemon juice powders.

Valade also points to rising demand for natural Turkish and Moroccan seasonings. “Ground sumac is now being used to add a unique citrus flavour to seasonings,” she adds, “and gourmet smoked chilies and smoked paprika continue to grow in popularity. Roasted spices such as cumin and coriander also add a more robust flavour to our Middle Eastern seasonings.”

Beyond flavourings, Proper points to the rise of other clean label ingredients such as celery powder, a natural source of nitrites, and rosemary extract, used as a natural antioxidant and preservative in burgers and more in place of monosodium glutamate and sodium metabisulphite. In terms of emulsifiers, Madden notes that lethicin is benefiting from a “slightly better” image than most others, making it a popular clean label choice. He says it’s often nowadays listed as soy lecithin or sunflower lecithin, and that “this association with



natural raw materials stands the ingredient in good stead amid a plethora of ingredients with very chemical names,” such as emulsifiers, monoglycerides or diglycerides.

Reformulation challenges

While consumers are looking for clean labels, Proper reminds us that “they also expect the appearance, texture, taste, quality and cost of the food to remain unchanged. This means product developers must find “clean” ingredients that possess the desired functionality in the final product, maintain product safety and shelf life expectations and target an acceptable price point.”

Those in the industry know just how difficult this can be, as natural flavours, colours and other ingredients are often more expensive and may need to be added at higher levels to achieve the same results. “Natural ingredients are also subject to natural crop variation and may not consistently deliver the

desired product attributes,” Proper notes. In addition, “these natural ingredients may not withstand heat, light and acidic environments as well as synthetic.”

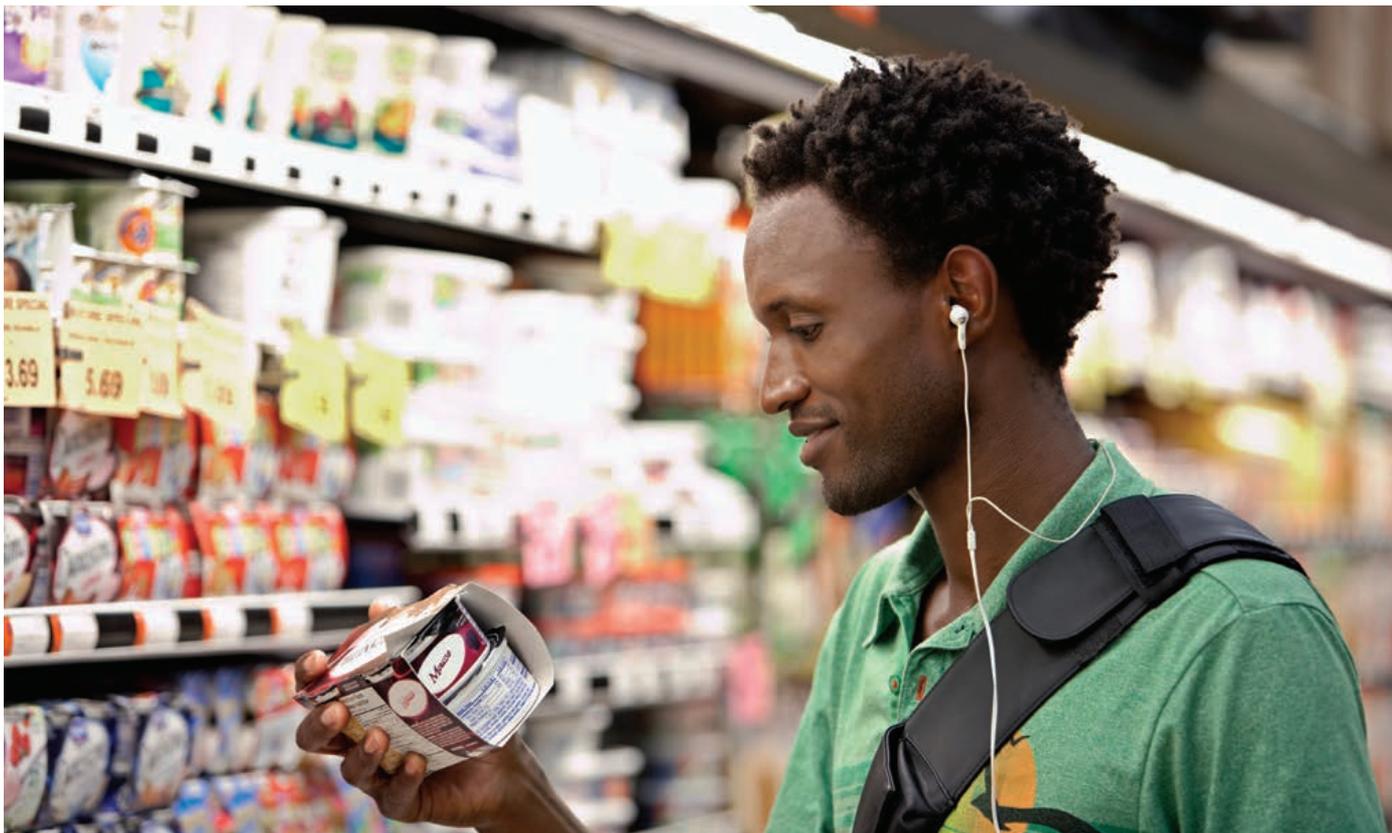
Rebry adds that some of the continuing challenges with reformulation are specific to regulatory categorization. “Many natural additives and/or their proposed uses may not currently be approved by Health Canada and thus, may require a regulatory amendment,” she explains. “For example, monk fruit extract is currently permitted for use in table-top sweeteners in Canada.

“Everyone is trying to remove the unpronounceable ingredients and focus on natural ones.”

To use monk fruit extract as a sweetening agent in (for example) beverages, cereals, or baking mixes, a pre-market food additive submission for ‘extension of use’ is required.” Rebry believes “Innovation combined with regulatory due diligence and investment in really knowing your product is key to identifying and solving challenges along the way.”

Let’s look at challenges associated with several specific clean-label ingredient classes: preservatives, thickeners and sweeteners. Natural humectant preservatives such as salt and sugar bind water, making it unavailable to support microbial growth. “Honey also naturally contains anti-microbial properties and works to extend the shelf life of food products,” Proper observes. “However, it is important to note that added levels of these ingredients must make sense from a sensory, processing and cost perspective to achieve a desirable end product...the use of natural preservatives, including raisin paste or purée, may not be suitable for all food applications.”

Many clean label options exist when selecting ingredients to impart emulsification and thickening properties, Proper notes, but she explains that understanding the desired attributes of the final product ➔



aids in determining the most suitable option. “For example, soy lecithin...can help obtain a soft crumb and a tenderness in bakery products, inhibit staling, and extend shelf life,” she says. Various natural gum options also now exist for thickening or for adding/enhancing textural properties, but Proper again advises that “understanding the functional characteristics of the gum and the sensory attributes of the final product will be key.”

Naturally sourced sweeteners are also among the foremost ingredients that major brands continue to investigate in their quest for cleaner labels. “Stevia is well positioned to continue to capitalize on the trend away from artificially sweetened products,” says Alan Rowan, ethical labels analyst at Euromonitor International. Proper adds that maltitol, erythritol and other natural sugar alcohols that provide sweetness with very few calories are also now widely used in the food industry, but may not be as well-recognized by consumers as more calorie-dense cane sugar, agave, maple syrup and honey. And while stevia and sucralose are both heat-stable and perform well across a wide range of pH conditions, Proper says, they (as

well as sugar alcohols) lack the caramelizing and browning properties of sugary ingredients. “If a golden colour is desired in the end product, caramel colour may need to be added,” she notes.

Having it all?

Because clean label is still an undefined term based on consumer perceptions, it’s open to interpretation. While that can potentially be a dangerous thing, it can also be a plus for food-makers because consumer perceptions can shift as education occurs. To that end, Valade would like to see both industry stakeholders and consumers take a more common sense approach to clean label issues. “How clean label do we really want or need to go?” she asks. “Can food processors still achieve flavour and functionality with more natural ingredients or removal of ingredients and still offer the product for a reasonable price?”

Valade believes the answer is no. “You can’t have it all,” she says, in terms of delivering flavour functionality at a price consumers are willing to pay — but also in terms of full consumer acceptance and understanding of clean label at this point in time. “For example,” she says, “in a full declaration of ingredients for blueberries, there are many chemical-sounding compounds that if declared, would certainly confuse today’s consumer.” As someone with long experience providing ingredients for a wide variety of food products, Valade believes “so much of clean label issues are about educating both consumers and retailers.” ●

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Dr. Patrick Moore –
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Dr. Kevin Folta –
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Carol Neshevich



Eye of the tiger

Tiger nuts, one of the world's oldest existing sources of nutrition, are making a big comeback among health-conscious North Americans

When Jack Sims was a child in the U.K. in the years following the Second World War, post-war rationing measures meant there weren't a lot of candies available for kids. Luckily, tiger nuts stepped in to fill the void. "The raw tiger nuts are quite sweet in the middle — they taste a bit like coconut," says Sims, "so they would put them in little packs and we all bought them and ate them like candy."

But tiger nuts essentially faded from public consciousness in the years since, and very few people in North America even knew what they were up until a couple of years ago. So when Sims and his current business partner Jim McNulty had sold their previous businesses and were looking for new ventures, they started reminiscing about the tiger nuts they used to eat as kids in England. The pair decided to take the plunge and launch Tiger Nuts USA in 2013. It turned out to be a smart move, as the public was ripe for this nutrition-packed "superfood," which is currently gaining great popularity among health-conscious eaters.

What are tiger nuts?

Interestingly, tiger nuts aren't actually nuts at all; they're tubers that come from a grass-like plant called yellow nutsedge. They've been around for thousands of

years — in fact, a recent study from Oxford University determined that the primary food consumed by Paleolithic cavemen was most likely tiger nuts.

Most of the tiger nuts on the market today are grown in Spain or Africa. Slightly sweet and nutty flavoured with a hint of a coconut-type taste, they have a distinctive texture, which many describe as a mix of crunchy and chewy.



What are the nutritional benefits?

"It's probably the healthiest snack food on the market," says Sims. Gluten-free, organic, and nut free (despite the name), tiger nuts are a great option for those with allergies and dietary restrictions. "They're also incredibly good for your digestive system, especially the colon," says Sims. Because they're high in resistant starch, which helps with weight loss by reducing blood sugar spikes and keeping people feeling fuller longer, experts are touting them as an ideal weight-loss food.

"The fibre is so high, when you eat these and drink a glass of water, it curbs your appetite," adds Sims. They're also high in magnesium, zinc and phosphorous, as well as vitamins E and C; they have a low glycemic index; and they're considered a good source of healthy fats.



How are people eating tiger nuts?

"Primarily we sell it as a snack," says Sims, noting that people will typically munch on handfuls of straight tiger nuts. "But you can also bake with it, because we have a tiger nut flour." There are countless recipes being shared on the Internet for baked goods made from tiger nut flour, from pancakes and cookies to zucchini bread.

Tiger Nuts USA has also launched a packaged Tiger Nuts Smoothie Mix made from raw tiger nuts that have been soaked, turned into tiger nut milk and then dehydrated. In addition, their product line includes a premium organic first cold-pressed extra virgin tiger nut oil.

Canada's Ecoideas, based in Markham Ont. — which offers a line of tiger nuts that includes whole, skinned, ground and sliced options — also recommends on its website that ground tiger nuts can be added to baby food for a nutritional boost. Other products made with tiger nuts that are available in the Canadian marketplace include the Govinda brand Creamy Vanilla Tigernut Spread and Govinda Chuffli Hot Tigernut Cereal.

According to Sims, tiger nuts are becoming popular among all age groups. "It started out as the older people who found us, but it's getting younger and younger all the time," he says. "We didn't realize this when we started, but the younger people want to change the world and we're trying to do that in our own little way too; trying to inspire people to eat and live better lives." 🍌

10 TOP

Top 10 Canadian food & beverage companies to watch in 2016

An innovative idea, some start-up funds, a can-do attitude and a huge amount of very hard work — that's the basic recipe for success as an entrepreneur in today's food and beverage processing industry. With this selection of fascinating profiles, *Food in Canada* celebrates 10 entrepreneurial innovators from across the country (in no particular order) that we have deemed "companies to watch" for 2016.

By Carol Neshevich

Original Prema Chai Inc.

Prema Chai was founded by Tas Cheema in Surrey, B.C. in 2015. The company makes authentic, ready-to-drink chai beverages. www.premachai.com



Q: Where did you get the idea to start Prema Chai?

Tas Cheema: The inspiration came from watching my mom, and mother-in-law, wake up early every morning to make fresh chai for their spouses — no matter what their state of health was. Being a chemist and food scientist,

I wanted to develop a product that would make their lives easier; so when my father or father-in-law wanted chai at 4 a.m. before they left for work, they could grab a bottle and warm it up themselves in 60 seconds.

Q: Did you have any challenges getting started?

There have been numerous challenges, as any start-up would face. One of the biggest challenges has been transforming the perception of non-Indo-Canadian chai consumers to what traditional chai should taste like. It's not the stuff you can purchase from the mass chain coffee shops, which is typically full of flavourings and loaded with sugar.

Q: What's unique about your product?

It's the only RTD chai beverage available in North America that utilizes an authentic recipe with the traditional brewing methods on a large-scale production that have been used by Indians for centuries.

Q: What has consumer response been like?

Many individuals who have travelled across India say that each sip reminds them of their time in India. And for those who are used to the North American version of chai, they are amazed how fresh the chai tastes and how low the sugar profile is.

Blossom & Bean

Founded by Lindsay Contractor in 2014, Scarborough, Ont.-based Blossom & Bean sells halal confectioneries, including candy and marshmallows. www.blossomandbean.com



Q: Where did you get the idea for Blossom & Bean?

Lindsay Contractor: I noticed a lot of tweets on Halal Foodie's Twitter (@halal_foodie) feed from people asking where they could find halal gummies in Canada. At first I was shocked to realize there weren't any halal alternatives easily available. I started a home-based business making halal gourmet marshmallows, and I thought if I could find some halal gummies to sell alongside the marshmallows it would be great. Once I found a supplier for the halal gummies, my first order sold out overnight and I realized that there was a huge demand for these candies.

Q: Did you have any big challenges getting started?

The biggest challenge was meeting the initial demand and setting up warehouse space. It was easy to market because the time of year we launched was during Ramadan, before Eid. So there were no shortages of bazaar-type events and fasting Muslims craving sweets and special treats for kids for Eid.

Q: What's unique about your products?

Gummies are almost always made with pork-based gelatin but ours are made with beef gelatin from cows slaughtered according to Islamic Law, which makes them halal, meaning "permissible for Muslims." Our Campfire marshmallows are halal because we order the ones made with fish gelatin rather than pork gelatin. Fish is permissible for Muslims by default.

Q: What were some of the highlights of the past year?

Highlights would be launching our products at Fresh Co. locations in the Greater Toronto Area. This allowed our candy to be easily available to our customers. We also launched Canada's first halal S'mores kit to the mainstream market this past summer.

3 Ampersand Distilling Company

Ampersand Distilling is a craft distillery located on a five-acre organic farm in the Cowichan Valley, B.C. It was founded in 2014 by Stephen Schacht, his wife Ramona Froehle-Schacht, their son Jeremy Schacht and Jeremy's partner Jessica McLeod. Their primary products are gin and vodka. www.ampersanddistilling.com



Q: Where did the idea for the company come from?

Jessica McLeod: The idea for the distillery came from a love of craft cocktails, a chemical engineering degree, an organic vegetable farm — and a desire to combine all those things. That's really where the name Ampersand comes from as well; it's all about bringing things together. In our case, we are really combining the science and the art of distillation, as well as ingredients and techniques.

Q: Did you have any big challenges getting started?

One of our biggest challenges was that the equipment we wanted wasn't available anywhere in the world, so we had to design and make it ourselves. This included learning to TIG weld stainless steel, build tube-in-shell condensers, design a computer control system for our still and source components and materials from all around the world. All this for a technology that was, as yet, unproven. Over the course of three years, we solved one problem

or challenge after the other with endless research and applying Jeremy's chemical process engineering background.

Q: What's unique about your products?

We designed and built our stills, and our packed column still is a one-of-a-kind design. Our still produces extremely pure alcohol, giving us a spirit that is clean tasting and extremely smooth. This is the perfect base for our gin recipe as the essential oils of each botanical are free to express themselves, rather than fight with the alcohol. All of our ingredients are organic or wild harvested, and we use organic B.C.-grown wheat to make our own alcohol.

Q: What were some of the highlights of the past year?

Both Ampersand Gin & Per Se Vodka were recognized by the Vancouver International Spirits Competition. We also were voted B.C.'s favourite gin and B.C.'s favourite vodka by the audience at B.C. Distilled 2016.

4 Bandha Bar

Founded in Halifax by Ryan DesRoches in 2012, Bandha Bar produces an energy bar with a mix of nutrients and no processed sugar or ingredients. www.bandhabar.com



Q: Where did the idea for Bandha Bar come from?

Ryan DesRoches: The idea for Bandha Bar came unexpectedly. I was training to be a yoga instructor at Halifax Yoga and the manager said she wanted to find a local energy bar for her yogis. I used to be a competitive cyclist, and from that experience I realized there was a need for an energy bar that was both natural, enjoyable to eat and left you feeling great. I also realized there was a need for food companies that had roots in helping the environment and for creating purposeful employment. These are two of our top values.

Q: What's unique about your products?

We use no syrups or liquid binders in our bars, only organic nuts, seeds, pure unsweetened, fair-trade chocolate and dried fruit. This makes it harder to keep the bars bound together and requires that we make our bars by hand. The result is an energy bar that has an easy-to-eat texture and a fresh and natural taste.

Q: What were some of the highlights of the past year?

We moved into our dedicated gluten-free

and vegan facility in Halifax last spring, and at the same time we partnered with three other local start-up food producers, creating what we now call the "Start-up Kitchen." We've also created a distribution arm to spread our products and other locally made health foods to retailers in Eastern Canada. Having direct relationships with all our retailers pairs well with our handmade nature and is one our favourite parts of doing business. We are now distributing to 70 retailers in Eastern Canada. Our goal is 120 by the end of this year.

Q: Do you have future plans for expansion?

We want to be the energy bar of choice in Northeastern North America for health and eco-conscious individuals. We have strong distribution in Atlantic Canada and in the next two years we are focusing on Quebec and Ontario. In 2018 we plan to expand to the Northeastern U.S.



PRANA

Founded by Marie-Josée Richer and Alon Farber in 2005, Ville St. Laurent, Que.-based PRANA produces a range of foods including nuts, seeds, dried fruits, trail mixes, snacks and superfoods. www.pрана.bio



Q: Where did the idea for PRANA come from?

Marie-Josée Richer: During a five-year trip in Asia, I met Alon. We started a vegan restaurant in Goa, India. Already then we saw how much food choices have an impact on people and the planet. Upon our return to Canada, we started PRANA in my mother's kitchen with basically no means but a dream and the will to promote wholesome living through good nourishment.

Q: Did you have any big challenges getting started?

Money! Financing wasn't easy. PRANA was started with the pocket money we had. It was even hard to get a bank account since at that time I had not been working in Canada for the previous five years and before that I was a student. Alon had no permanent status in Canada, which also made things harder. So we were getting a dollar from a sale and investing that dollar back into the business while keeping a very frugal way of life.

Q: What's unique about your products?

We always wanted to democratize organic by doing really tasty, high-quality, simple, practical and affordable products. We take pride in offering our customers fresh and flavourful products that have been inspired by different traditions from around the globe. We offer a wholesome range of awesomeness including nuts, seeds, dried fruits, trail mixes, snacks and superfoods. All our products are certified organic, kosher, vegan, gluten-free, GMO-free, preservative-free, sulfite-free and, above all, free of compromise.

Q: Do you have future plans for expansion?

We are continuing to grow by expanding our distribution in Canada and entering the U.S. market, an exciting challenge.



Crik Nutrition

Founded by Alex Drysdale in Stony Mountain, Man. in 2014, Crik Nutrition produces a protein powder made from ground crickets. www.criknutrition.com



Q: Where did you get the idea for Crik Nutrition?

Alex Drysdale: The idea popped into my head to actually start a business around this after reading about protein bars made with crickets. After a paragraph I was convinced crickets — and insects in general — are the future of food. The benefits seemed just too good to be true, and I wanted to order some up and give them a try. The only thing was, I don't ever eat protein bars, so I tried searching for a protein powder but none existed. I couldn't believe it, so I ordered up some ground cricket powder and as soon as it arrived started experimenting in the kitchen to see if it was plausible. Sure enough, it tasted great and I dropped everything else to pursue this.

Q: Did you have any big challenges getting started?

There are never-ending challenges. The very first one being figuring out how to go about developing the product, then the real challenge was finding a manufacturer that a) didn't think I was crazy, then b) was

willing to work on terms I could afford by renting out their labs without having to put a huge non-refundable commitment for future orders that I wasn't yet 100-per-cent sure would happen.

Q: What's unique about your products?

The number-one ingredient is crickets. This sets us apart from any other protein powders out there, as well as from other cricket-based products that have it way down the line of ingredients. The great thing about crickets is they are naturally really high in protein so they don't need to be processed beyond dehydrating and grinding.

Q: What has consumer response been like for your product?

The response has been amazing. I thought it would be about a 50/50 for people even wanting to try it when I'm at events, but overall about 90 per cent of people try it and rarely is there someone who doesn't like it.

Q: Do you have future plans for expansion?

We'll be constantly improving our current protein powder formulas with every order and expanding our available flavours.

7 Gravelbourg Mustard

Owned by Val Michaud, Gravelbourg Mustard was founded in 2008. Based in Gravelbourg, Sask., the company produces a variety of European-style gourmet mustards. www.gravelbourgmustard.ca

Q: What attracted you to Gravelbourg Mustard?

Val Michaud: I bought the business two years after opening, but I saw the potential in the product and added to the line. Because Saskatchewan has such a high resource of mustard — 75 per cent of Canadian mustard and 40 to 50 per cent of the world's mustards are grown in Saskatchewan — I felt it was a great way to promote Saskatchewan.

Q: Did you have any big challenges getting started?



My challenge is I'm the only one behind this company, so I have done a lot on my own — producer, labeller, shipper, receiver, marketer, and accountant, and the list continues. I wear many hats.

Q: What's unique about your products?

My product is unique because of its flavours, like Saskatoon berry mustard or Jalapeno mustard. And because the

main resource of mustard comes from Saskatchewan, I'm very passionate about making a unique gourmet mustard that's made right here in Canada.

Q: What has consumer response been like?

Consumer response has been great. We get comments like, "Your company makes the best mustard," or "I shipped your mustards as gifts to Europe so they could taste this amazing mustard made right here in Canada," or "Keep up the great work on making excellent mustards," or even "I was hoping you would be at this show so I could pick up more!"

Q: Do you have future plans for expansion?

I'm hoping to find a distributor that can really move my product across Canada and other countries for everyone else to taste.

8 Collective Arts Brewing

Based in Hamilton, Ont., Collective Arts Brewing was founded by Matt Johnston and Bob Russell in 2013. It's a beer company that aims to fuse the brewing of craft beer with fostering the talents of emerging artists, musicians and filmmakers.

www.collectiveartsbrewing.com



Q: Where did the idea for Collective Arts Brewing come from?

Matt Johnston: My co-founder Bob Russell and I both disdain status quo and always root for the underdog. We have both worked with emerging artists in the past and understood how tough it was for them to be recognized. We believed that craft beer drinkers, like us, are experiential and are looking past the mundane and ordinary for new, exciting and authentic products. Collective Arts' mandate is to fuse the creativity of brewing with the inspired talents of emerging artists and musicians.

Q: Did you have any big challenges getting started?

Time, money, patience — the usual challenges of a start-up. We started off brewing at another brewer's site. This left us short of

capacity and with the inability to maximize our creativity. We have since taken an interesting approach to solving this by building a collaborative brewery in Hamilton together with Nickel Brook Brewing. As the story seems to always go, the brewery cost twice as much and took twice as long to build. Thankfully our brewery is now built, the beer is amazing and we have the capacity for growth.

Q: What's unique about your products?

We have turned the typical brand model upside down. Instead of the same old tired logo at the front of our brand, we feature the works of emerging artists and musicians. Three times a year we do a global call for art and music. Through these calls we have received 10,000 submissions by artists and musicians from 38 countries in our first two years. We have curated and featured 480 works of art in our first five label series. We have gone further to compensate and promote these artists, creating a strong bond with our artists. Collective Arts beers are designed to be as creative, diverse and unwavering as the artists we profile.

Q: Do you have future plans for growth?

We still see a lot of opportunities for us in Ontario. But we also focused on planting the seed of Collective Arts across Canada and into the Northeastern U.S. Long term, as our brand is connected to the global creative community, we will expand to key creative centres around the world.



9 Radouga Distilleries

Founded in 2014 by Paul Riben, Radouga Distilleries is based in Saskatoon, Sask., and produces liqueurs and spirits — including its innovative Apple Pie and Blueberry Pie liqueurs. www.radougadistilleries.com

Q: Where did the idea for your company come from? Paul Riben and Cliff Skene (national marketing manager):

Radouga Distilleries was opened in 2014, but the journey began years before with the idea to bring unique, sensational tastes and premium-quality spirits to the local liquor marketplace. As an agricultural grower as well, with land on top of a nearly unlimited and uniquely qualified water source, these factors greatly accelerated the venture.

Q: What's unique about your products?

In our liqueurs, we use real apple and blueberry juices, just like we will for our new cherry liqueur coming out later this year. This, combined with a slightly higher alcohol content than many products in the liqueur space, means it's self-preserving. Not using preservatives gives us a fresh, vibrant flavour and a very clean finish without our liqueurs being too sweet or sugary.

Q: What were some of the highlights of the past year?

In 2015 we garnered a silver medal at the New York World Wine and Spirits Competition, which is a blind taste test against the largest names in the industry. The decision to expand across Canada was another major milestone for us. Not only from a capacity point of view, but from the overall changes to our company that it will require, it's really an exciting time for us.

Q: Do you have future plans for expansion?

As we mentioned, one of the highlights of the last year has been our expansion into other provinces across Canada. Our production expansion is also underway, and our new facility and equipment will be 100-per-cent operational by the fall. At this time, we are selling our products in Saskatchewan and Alberta, with B.C., Manitoba, and Quebec before the end of 2016.



10 Northstar Organic

Northstar Organic was founded in Vancouver in 2015. Co-founded by Shahab Samimi and Jerry Kroll (with Samimi as president), the company produces organic sports drinks. www.organicnorthstar.com

Q: Where did the idea for Northstar Organic come from?

Shahab Samimi: My co-founder (Jerry Kroll) and I were at a retail store one day after a half marathon, and overheard a child scream, "Mommy, mommy, I want the 'blue flavour'....my partner turned to me and said, exasperated, "Blue is not a flavour!" At that point, I looked at the product and turned to my partner and said, "We can do better." We decided to not only make an organic (sports beverage) product, but a product based on real functional whole foods, so that you know and trust what's going into your body.

Q: What's unique about your product?

It's 100-per-cent organic —

only organic ingredients, no compromises on quality. The ingredients are from real foods you can trust. It offers functional hydration (natural electrolytes from coconut water and dead sea salt, aiding in hydration), and performance energy (simple plant-based energy from agave, offering sustained energy for endurance sports). There are no artificial colourants or flavours — with the naturally great-tasting ingredients we use, why add artificial stuff?

Q: What were some of the highlights of the past year?

We've secured national distribution across Canada, and are in discussion with distributors in Asia. We have had an amazing response to our product locally, as it aligns with everyone's lifestyle who tries to stay active and healthy, from the weekend warrior to mothers with children.

Q: Do you have future plans for expansion?

We look to expand more rapidly across Canada, as we are more West Coast dominant. Our expansion plan also includes additional flavours and entry into the U.S. by mid-year. We are in talks with a few brokers and distributors. We look to make an organic RTD sports drink by end of year as well.



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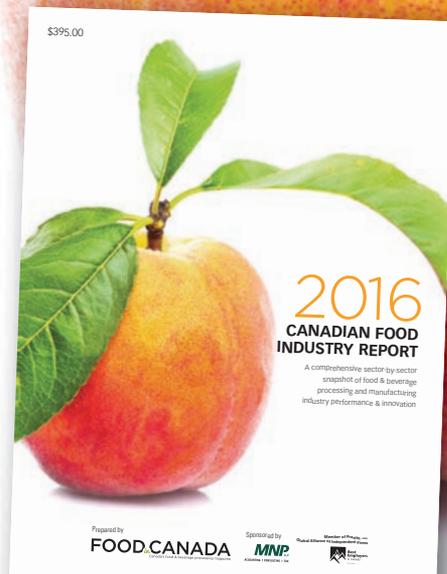
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CETA will open new market opportunities for Canadian food and beverage products, if the industry is ready to access them

—BY CAROLYN COOPER—

With a consumer base of more than 500 million people and annual economic activity of \$18 trillion, the European Union (EU) is one of Canada's most significant trading partners, second only to the U.S. That relationship is about to be tested with the ratification of the Canada-EU Comprehensive Economic and Trade Agreement (CETA), a historic trade deal that will see tariffs fall and markets open. Touted as our nation's most ambitious trade deal ever, CETA has the potential to benefit all Canadian industries eyeing exports, including food and beverage processing. But is the industry ready to seize the opportunities the agreement will offer?

When it comes into force in 2017, CETA will open market access for both trading partners by eliminating almost all tariffs between the two markets (with some phased out over several years) and reducing some non-tariff barriers. A 2009 joint Canada-EU study, *Assessing the Costs and Benefits of a Closer EU-Canada Economic Partnership*, showed that such a deal could boost bilateral trade by 20 per cent, while adding \$12 billion to the Canadian economy. In addition to this preferential access, the deal will →

THE EU IS THE **WORLD'S LARGEST**
EXPORTER AND IMPORTER
OF FOODSTUFF



THE EUROPEAN CONSUMER

If you're considering exporting to the EU it's important to get to know your new consumer first. Although similar to Canadian consumers in many ways, some significant differences could make or break a product in the sophisticated, mature EU marketplace.

Alan Rowan, analyst at Euromonitor International, says European consumers continue to seek out clean label, non-artificial and "natural" products, while they look for more transparent, easier-to-digest labelling. GMO, in particular, is a "contentious and highly divisive issue in the EU," says Rowan, noting that half of all EU member countries have already banned farmers from growing GMO crops, although GMO imports "have not been outlawed in the EU despite strong opposition."

Not surprisingly, Rowan says organic packaged food "remains steady, with the biggest players being the Western markets," including Germany, France, the U.K., and Italy. However, in some markets, like the U.K., "third-party sustainability certifiers...appear to be attracting some organic consumers away toward other ethically conscious variants."

At the same time, sustainability continues to be a key issue for EU governments, corporations and consumers, particularly the millennials, "leading to an increase in sustainably sourced product on the shelves," says Rowan. As a result, ethical sourcing labels like UTZ Certified, Fairtrade and Rainforest Alliance are seeing greater prominence in categories such as confectionery, tea and coffee.

"In the coming years we're expecting to see these trends reach new heights, particularly clean label and sustainable sourcing, as transparency and traceability become increasingly important to consumers," says Rowan.

allow for mutual recognition of professional standards, access to government contracts, and access to new technology and investment. It promises to create jobs, increase the flow of goods, services and investment, and serve as a platform for markets beyond the EU. Industries currently with high tariffs, like agriculture and the food and beverage processing industry, have potentially the most to gain.

“From a market access perspective I can’t imagine how it would be anything except really good for the food industry,” says Larry Martin, principal of agri-food consulting firm Dr. Larry Martin & Associates, and partner at Agri-Food Management Excellence Inc. “Whether you look at it from a raw food perspective or from a food perspective, removing all that protection can’t be anything but a good thing.” On the food processing side, beef, pork and bison processors will see immediate gains, as will categories like cereals, canola, maple syrup, pet food and confectionery.



**EU HAS AN
AVERAGE GDP
PER CAPITA OF
27,400€**

“The question is whether the Canadian industry has the wherewithal to get after it or not,” says Martin, who adds that exporting is just not on the radar for most processors. Martin sees inefficiency, as well as the high presence of multinationals in the Canadian market, as roadblocks to exporting. “Beyond that, the data show that we’ve been disinvesting in the food processing industry in Canada for the past 10 years,” he says, “So what do we have with the economies of scale to actually compete well in? We’ve got to get bigger plants, better equipment and/or we’ve got to maintain our advantage on flexibility,

which we used to have, and start to be more aggressive in terms of product development.”

Jean-Charles Le Vallée, senior research associate for the Conference Board of Canada – Centre for Food, agrees, saying “A lot of our food market doesn’t think outside Canada — but that’s where most of the business is going to grow.” As well as developing a more outward focus, he says that Canadian processors must be prepared to address issues that will run into non-tariff barriers, including things like growth hormone in beef. “If we don’t address these issues we can’t access the European market, so you might see a shift away from those in the sector,” he says. Other barriers that processors must be prepared to hurdle include food safety certification, differences in

COMPANYPROFILE



Charles Crawford,
founder and president,
Domaine Pinnacle
Producers of spirits
and cider, based in
Freighsburg, Que.

Q: What is the import/export situation between Canada and Europe for wine and spirits right now?

A: There’s not a lot of wine going from Canada to Europe, but there’s a lot of wine exported from Europe to Canada. That’s one of the huge areas of trade imbalance, for sure.

Q: Do you export to Europe right now?

A: We do. We export several of our products: we’ve been exporting our Domaine Pinnacle Ice Cider line for over 10 years; and we have a line of maple liqueurs called Coureurs des Bois, a maple whisky and a maple cream liqueur that we export to

Europe. Then we have our Ungava premium dry gin. So there are three brands that we’re exporting now to Europe on a regular basis. And we’re in different countries in the EU. It all depends on the brand, but we’re in France because one of our main partners is a French company; we’re in the UK, we’re in Germany, Spain, Italy, and we even do [some business] in Eastern Europe.

Q: Do you expect new markets to open up once CETA comes in?

A: Potentially there could be new markets that open. I don’t know how it’s going to affect all the taxes and tariffs, but it might make us more competitive. One of the things we’ve seen is pricing becomes an issue in some of these markets. Our ice cider is competing against dessert wines, and by the time it gets over there to Europe, it becomes fairly costly vs. what is produced locally.

Q: If you do increase exports, would you make any changes to your operations?

A: It could open up some opportunities, which could eventually mean more production, depending on how much [opens up] and how fast. It’s one of these things that sounds good in principal, but I really don’t know when this will all take effect and what the actual impact will be in our industry.

Q: Do you think this is a good deal for Canadian food and beverage processors?

A: I can’t speak for all the markets, but if it can provide more competitive access, I can’t see why it would be a negative. Obviously there are certain sectors where they’re concerned about lower-priced products coming in — and I know Quebec cheese was one that they’re trying to exclude in some of these things. But overall — and again, I don’t know what all the tariffs and taxes will be — but I’m personally in favour of more open borders when you have an export-focused business.

—Carol Neshevich

Isabelle Faucher



Building a sustainable recycling supply chain for food and beverage cartons

My first year as managing director of the Carton Council of Canada (CCC) — a group of carton manufacturers united to grow carton recycling in North America — has been an exciting one. I am thrilled to see a real concern for the current sustainability challenges the industry faces. From the field to the plate, to the recycling bin or the compost pile, the journey of food makes us accountable as a society for the waste it leaves behind and ultimately, its diversion from disposal. The concern is also valid when it comes to packaging milk, juice, wine, soup or broth — cartons are no exception and are widely utilized for food and beverages.

Carton Council's approach to this situation has been to work with stakeholders across all stages of the recycling value chain in order to grow recycling of used food and beverage cartons in Canada. With this in mind, we have implemented a number of initiatives over the past year to help build a sustainable carton recycling supply chain.

In late 2015, we partnered with four Ontario municipal programs to launch

a digital advertising campaign aimed at reminding and encouraging consumers to recycle their food and beverage cartons. The campaign reached 4.6 million views and preliminary indications concerning the number of cartons recovered after the advertising campaign started are promising. The ads, as well as other promotion and education tools, are available for download on our website, www.recyclecartons.ca



Ad used for the carton-focused digital advertising campaign, which ran in four Ontario communities in Fall 2015.

“ The journey of food makes us accountable as a society for the waste it leaves behind and ultimately, its diversion from disposal. ”

Earlier this year we developed and released the *Carton Recycling Primer*, with the goal of sharing our knowledge and expertise around carton recycling with recycling stakeholders. This comprehensive report provides information, data and best practices about carton recycling collection, sorting and marketing. Aiming to maximize the amount of cartons recovered, we also provided technical advice to municipalities and MRF operators in order to optimize carton



Roof cover board made from used food and beverage cartons by the ReWall Company.

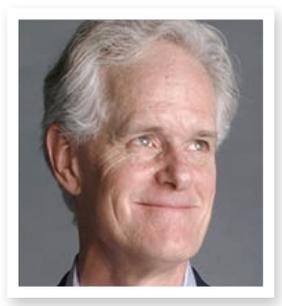
recycling in their respective facilities.

In December 2015, I had the chance to visit Des Moines, Iowa-based The ReWall Company, a recycler which converts used cartons and other polycoat packaging into high-performance green building materials. The process uses the whole carton and does not require any water, nor does it produce any emissions. It was fascinating to see the final product — roof cover board, made from Canadian carton bales. ReWall represents a new end-market option for recovered cartons in addition to the existing paper mills.

Packaging is an intrinsic part of the food and beverage industry and plays a crucial role when it comes to food protection, food waste prevention and allowing efficient distribution. In addition to fulfilling these functions, we are proud that carton packaging has one of the lowest environmental impacts within the packaging industry. We seek to reduce this impact further by increasing carton recycling across Canada, and in 2016, we look forward to continuing the strong and critical collaboration with key stakeholders to achieve this. When the content is gone, let the carton live on! 🍏

Isabelle Faucher is managing director of the Carton Council of Canada. Contact her at ifaucher@recyclecartons.ca

By Peter Henderson



Will B Corps become the new norm, and more profitable than non-B Corps?

Before you say B Corp Certification isn't right for your business — your company is too big or not big enough — think again. Research suggests B Corp Certified companies can:

- » have a higher level of employee engagement, and attract better talent;
- » facilitate collaboration with a growing community of B Corps and their supporters;
- » infuse a discipline into the DNA/culture and governance of the company;
- » generate greater customer/consumer loyalty as they elicit and exude greater trust;
- » gain publicity from promotion via B Labs and other B Corps; and
- » reward shareholders with higher profitability, in the long term.

Over 40 studies back this up

Some results are:

1. Companies with a higher level of employee engagement outperformed the stock market by 20 per cent (Hewitt Associates, now Aon Hewitt).
2. The profit margin of eco-designed products is, on average, 12-per-cent higher than that of conventional products; and for 96 per cent of the responding companies, eco-design has a positive or neutral effect on profits



3. High engagement can lead to 19-per-cent profit increase, 20-per-cent improved performance, and 87-per-cent turnover reduction (Corporate Leadership Council, Towers Watson).
4. Eighty-eight per cent of those polled want to work for a company committed to Corporate Social Responsibility, and 86 per cent would leave if expectations aren't met (PwC).
5. Ninety-eight per cent of 26- to 35-year-olds want to work in an environmentally responsible workplace (OXYGENZ Global Workplace Innovation Study).
6. Eighty-eight per cent of millennials say money is not the best measure of success in an individual (via B Lab).
7. Sixty-four per cent of millennials say they would rather take a \$40,000 job that has some meaning rather than a \$100,000 job that's boring (via B Lab).
8. Eighty-four per cent of consumers now expect businesses to balance social interests with business interests (B Lab).

What does considering B Corp Certification entail?

B Corp Certification is based on a

company's self-reporting across the following five areas: environment, workers, customers, community and governance. It is open to all businesses which achieve a confidential self-assessment score of 80 or more out of 200.

Offered via B Lab, a not-for-profit, certification is affordable, ranging from US\$500 to US\$50,000. The lowest tier is for companies with annual sales up to \$2 million.

Today B Corp Certified companies stand at just over 1,700 globally, with 150 in Canada. More than 25,000 companies have taken advantage of a free company assessment tool (B Impact Assessment). B Labs believe such open access will further advance the movement, which seems to be working.

The B Corp philosophy is catching on with businesses of all sizes

U.K. based, "B Team," co-led by Paul Polman (Unilever), Sir Richard Branson and others, have thrown their support behind enabling B Corp Certification for businesses of all size. In 2015, Unilever and Danone pledged to address barriers to B Corp Certification via a new U.K. B Lab advisory council for multinationals and publicly traded companies.

For more information visit bcorporation.net/canada, and for a free online B Impact Assessment tool visit bimpactassessment.net

Peter Henderson is a director on the board of the Agri-food Management Institute (AMI). He is also founder and managing director of Ideovation, a Toronto-based growth strategy services company. Contact him at phenderson@ideovation.com



Growing and flourishing

Drivers of innovation in food processing and manufacturing

Over the past decade the Canadian agri-food industry has evolved rapidly, with new innovations and technologies helping to reshape the industry and give it the global recognition it deserves. When you consider how much the industry has transformed already, it's hard not to get excited about possibilities for the future.

The green wave: Changing the look and feel of products

Historically many industry innovations have revolved around products. When sustainability moved onto the corporate radar, it was driven by knowledgeable consumers with a desire for green products. Customer preferences shifted to local and sustainably developed products — foods filled with regional and natural flavours that made customers feel good about themselves and their purchasing decisions.

In tandem with shifting customer preferences came a focus on product packaging. When oil prices reached record highs, food processors and manufacturers shifted to lighter packaging, paper-based packaging and packaging that could extend the shelf life and quality of products. In an industry often seen as commoditized, green and aesthetically pleasing packaging helped companies stand out from their competition.

The safety wave: Providing efficiency without compromise

Mad cow. *Salmonella*. *E. coli*. Each of these can spark substantial fear among consumers. Related incidents have also driven both health and safety standards in Canada and the internal processes at agri-food companies. No company wants to be the subject of a recall, let alone be responsible for consumer illness or death. To manage ever-growing fears about food safety, agri-food businesses have improved — and continue to improve — their processes to ensure traceability and quality assurance.

Companies have also focused on improving the effectiveness of their back offices. Being sustainable only works when it's economically sound. That's why many agri-food businesses have looked for ways to reduce waste and make the most of efficiencies across their organizations — without compromising their need to provide high-quality products.

The next wave: Exploring new ways to work

These days, companies in the agri-food sector face a significant new threat: enhanced global competition. The Trans-Pacific Partnership and the Canada-EU Comprehensive Economic and Trade Agreement both have the potential to significantly increase imports and competition from Asia and Europe. Concerns about the impact of these treaties are prompting some companies to

focus more on commercialization than ever before.

This wave of innovation has myriad facets. Here in Montreal, organizations are working together to access new markets and to offer new services. Local ice cream makers are sharing space with winter-based businesses to provide visibil-

ity and increase year-round traffic at retail locations.

Food companies are also creating alliances with complementary businesses and with businesses in other industries to make the most of innovation, develop new products and create stronger platforms for commercialization and growth.

Only one thing is certain about innovation in the agri-food industry in Canada: anything is

possible. As technologies evolve, companies will be able to innovate more, do more and be more. Those that embrace innovation in all its forms will be able to compete against any threats coming their way. ●



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sur le Québec

NOUVELLES

SIAL Canada annonce les produits gagnants

La Ville de Montréal a accueilli le monde le mois dernier, alors qu'elle était l'hôte de la 13^e édition du SIAL Canada au Palais des congrès. Ce Salon alimentaire international de trois jours a attiré 15 000 visiteurs en provenance de 60 pays, lesquels ont pu rencontrer plus de 850 exposants, occupant une superficie d'exposition de plus de 200,000 pieds carrés.

En plus de présenter d'inspirants produits alimentaires et boissons de partout dans le monde, SIAL Canada mis plus de 50 ateliers et conférences à la disposition des participants. Deux événements y étaient des plus attendus: SIAL Innovation et le concours Olive d'Or.

Le grand gagnant du SIAL Innovation 2016 est la compagnie montréalaise Essence Glacier, pour ses chocolats assortis à la glace et au sorbet. Ces friandises glacées uniques sont offertes en sept parfums, y compris fruits de la passion. Au nombre des 10 finalistes, voici les autres candidats en lice :

- Trio de jambons Héritage, Arturo Sanchez (Espagne)
- Les jus de fruit Chios Gardens, Market Sage (Grèce)
- Bouchées de dattes, Bard Valley Medjool Dates (États-Unis)
- Tartare au saumon, Grizzly (St-Augustin, Québec)
- Huile de caméline Et Voilà!, Olimega (St-Édouard, Québec)
- Jambon format collation, Arturo Sanchez (Espagne)
- Bouchées de poutine, St-Hubert (Laval, Québec)
- Gâteau de saumon fumé et fromage à la crème, Bleumer (Beauport, Québec)
- Système de vérification d'étiquetage MesurACC, Étiquetage ACC inc. (Montréal)



Le gagnant du grand prix aura la chance de voyager autour du monde en visitant les différents Salons SIAL, y compris les événements en Chine, aux Philippines, en Indonésie, à Paris et à Abu Dhabi.

Le concours Olive d'Or se révèle le plus grand événement international d'huile d'olive extra-vierge au Canada, regroupant environ 100 inscriptions d'huile d'olive en provenance de 15 pays. Voici les gagnants «Goûte d'or» par catégorie:

- Fruité mûr: 8 Olivos Blend, Agricola Don Rafael (Chili)
- Fruité vert: OI Istria Pendolino, Agrolaguna DD (Croatie)
- Fruité vert médium: Cladium, Aceite Aroden Hispania (Espagne)
- Fruité vert intense: Finca la Torre Hojiblanca, Aceites Finca de la Torre SLU (Espagne)

Le concours vise à mettre en valeur les nombreuses huiles d'olive extra-vierges de première qualité offertes sur le marché nord-américain.



BIENSDECONSOMMATION

>**Patrón Tequila** a lancé Patrón Citronne Lime sur le marché canadien, constituant le premier prolongement de la gamme Citronne de digestifs populaires. Cette liqueur de première qualité est fabriquée à partir de limes perses cultivées à Veracruz au Michoacán et à Colima, deux États du Mexique. Elle renferme 35% d'alcool par volume. Son arôme relevé laisse un goût fruité en bouche, accompagné d'une touche sucrée. Elle s'avère le compagnon idéal des cocktails et rehausse subtilement les sauces et les desserts. www.patrontequila.com







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Le goût sucré du succès



Sucro-Bec célèbre la première qualité de la récolte de sirop d'érable de cette année

PAR MARK CARDWELL

En matière de connaisseurs de sirop d'érable, vous auriez du mal à trouver quelqu'un qui en sait plus sur la science derrière cette substance sucrée et consistante que Laval Fortier.

Alors, quand il dit que le printemps 2016 restera gravé dans les mémoires pour la quantité et la qualité exceptionnelles du sirop d'érable produit au Québec, vous pouvez vous y fier. «C'est très rare de récolter autant de sirop d'érable de première qualité, et si tôt dans la saison,» a fait valoir M. Fortier le mois dernier à la cabane à sucre familiale de Saint-Ferdinand, dans la région des Bois-Francs, à 90 minutes de route à l'est de Montréal. «La couleur et le goût sont exceptionnels cette année.»



(G-D) Laval, Jason et Derek Fortier de Sucro-Bec.

En tant que vice-président et directeur général de Sucro-Bec, M. Fortier tient les rênes de l'exploitation familiale, bien connue dans le milieu du sirop d'érable de la belle province. Fondée en 1986 par son père, Laurier Fortier, dans la ville natale de la famille (Saint-Ferdinand), l'entreprise fournit notamment Costco en sirop biologique, sous la marque Kirkland Signature depuis 1989.

Avec un nom original bâti sur un jeu syntaxique qui définit bien la vocation des produits de l'entreprise, Sucro-Bec est l'un des trois fournisseurs mondiaux de Costco, qui s'avère le plus grand acheteur de sirop d'érable au monde. Les ventes au détail internationales de ce client gigantesque mobilisent environ les deux tiers des quelque 907,000 kg de sirop que Sucro-Bec produit annuellement. Le reste coule vers des clients en Europe, au Japon et à Dubaï, pour ne nommer que quelques endroits.



Un grand pourcentage de cette production provient de la sève bouillie que les Fortier extraient chaque mois de mars et avril de leur érablière personnelle, dans laquelle plus de 9000 chalumeaux entaillent les arbres. Mais ils achètent aussi des centaines de barils de sirop chaque année à quelque 125 autres producteurs, dont beaucoup d'entre eux se révèlent des agriculteurs locaux qui utilisent le même procédé de production au feu de bois qui a été utilisé pour faire du sirop d'érable au Canada depuis l'époque coloniale.

«L'astuce consiste à maintenir la bonne teneur en sucre,» explique M. Fortier. «Nous avons également nos propres recettes de mélange, lesquelles tiennent compte de la consistance du sirop, qui diffère chaque année selon la météo.» M. Fortier précise que lorsque la sève coule tard, ce qui est généralement dû à des hivers très froids ou à de la neige abondante, ou les deux, la qualité du sirop d'érable n'est pas à son meilleur. «À mesure que la

saison avance, le sirop d'érable devient plus foncé et sa saveur est plus caramélisée.» Ce fut le cas des deux dernières années, ajoute-t-il, qui ont respectivement été marquées par le vortex polaire et des chutes de neige record. «Normalement, notre sève coule durant la dernière semaine de mars et les deux premières d'avril,» souligne M. Fortier. «Mais ces deux dernières années, les trois semaines de récolte ont été en avril.»

M. Fortier attribue la récolte précoce de cette année à l'hiver relativement doux au Québec. «Notre sève a commencé à couler le 10 mars, jusqu'à la mi-avril environ,» commente-t-il. «Plus tôt commence-t-elle à couler, mieux c'est. Le sirop recueilli s'en voit généralement plus clair et son goût est plus léger, ce que nous recherchons.» M. Fortier considère aussi que la grande différence cette année réside dans la quantité de sirop de première qualité que son entreprise a produit. Sur les 500 premiers barils remplis à l'usine de production et de transformation de la compagnie en mars, 400 ont été classés de la plus haute qualité de l'industrie.

«Cela est très rare,» relate M. Fortier, en parlant de 80% de la production classée catégorie A, laquelle qualité est établie selon la propriété du sirop à laisser passer la lumière — calculée à l'aide d'un spectrophotomètre — ainsi qu'en tenant compte du goût, de la clarté et de la densité. «L'année dernière, seulement 9% de notre production totale avait atteint une telle qualité.» Selon le producteur, la récolte exceptionnelle de cette année aidera à minimiser les craintes récentes exprimées dans les médias du Québec à l'effet que l'industrie du sirop d'érable en plein essor aux États-Unis pourrait constituer une menace à la position prééminente du Québec en tant que plus grand producteur de sirop d'érable au monde.

Ces craintes ont été nourries à la suite de la publication d'un rapport du gouvernement commandé par Florent Gagné, ancien sous-ministre du Québec, qui relatait la hausse des marchés concurrentiels du sirop d'érable. «L'industrie de l'érable...est devenue un fleuron de l'agriculture québécoise,» a écrit M. Gagné dans son rapport rendu public en février. «Mais le plus grand danger qui le guette est de refuser de voir les menaces réelles qui se profilent à l'horizon, et qui ont commencé à prendre forme.» ↪



Un grand pourcentage de production provient de la sève bouillie que les Fortier extraient chaque mois de mars et avril de leur érablière personnelle, dans laquelle plus de 9000 chalumeaux entaillent les arbres.



Son rapport a identifié les menaces en provenance de l'Ontario, du Nouveau-Brunswick et des États-Unis, trois territoires voisins comptant de vastes forêts d'érables inexploitées. Les 7,300 acériculteurs du Québec produisent quelque 45,360 millions kg de sirop chaque année, représentant une valeur marchande avoisinant les 300 millions \$. La production de la province représente également environ 80% de la production mondiale.

M. Gagné a toutefois soulevé l'hypothèse que le Québec pourrait perdre des parts de marché, non seulement à cause d'une concurrence accrue, mais en raison de règles et règlements de production et de commercialisation contraignants imposés par la Fédération des producteurs acéricoles du Québec, qui agit comme un syndicat dans cette industrie.

M. Gagné expose que l'approche collective imposée par le Québec en matière de production et vente de sirop d'érable a entraîné «une baisse de revenus par kilo pour la production provinciale, comparativement à celle des joueurs exploitant leurs activités sur d'autres territoires.» En effet, les nouveaux concurrents ne sont pas confrontés à ces restrictions; avec pour résultat qu'ils ont tout le loisir de s'approprier des parts dans un marché en pleine croissance, tandis que les parts de marché du Québec stagnent. Néanmoins, M. Fortier défend promptement le système réglementé du Québec. «Nous avons construit un système qui fait l'envie du monde en ce qui a trait à la classification, la commercialisation et les prix,» dit-il. «Il a permis de stabiliser la production et même de constituer une réserve annuelle pour assurer un approvisionnement régulier aux clients.»

M. Fortier dit que la récolte exceptionnelle de cette année est l'une des meilleures qu'il ait connues depuis qu'il a commencé à apprendre le métier étant enfant, en aidant ses parents (son père, Laurier, infirmier dans un hôpital psychiatrique régional, et sa mère, Réjeanne) à produire des quantités modestes de sirop de première qualité dans une cabane à sucre qu'ils avaient achetée en 1972. «Nous avons beaucoup de plaisir et nous étions très passionnés à apprendre tout ce que nous pouvions sur le sirop d'érable,» se souvient Laval Fortier.

Dans les premières années, la famille vendait la totalité de sa production aux barils à des distributeurs. Mais tout cela a changé quand un ami proche de la famille, du nom de René Marineau, a décroché un contrat avec le premier entrepôt Costco du Québec, exploitant alors ses activités sous la bannière Club Price. «Je l'ai fait parce que j'aime la famille et leur sirop,» raconte M. Marineau, un homme d'affaires de Montréal à la retraite, oeuvrant à l'époque dans l'industrie de l'emballage. En plus d'apporter un contenant en plastique innovateur, M. Marineau a aidé l'entreprise à développer des standards propres à l'industrie, tels que la traçabilité des produits jusqu'aux producteurs individuels.

Du haut de ses 84 ans, Laurier Fortier demeure président de la compagnie, et se pointe encore régulièrement à l'usine de transformation pour aider à remplir les contenants et emballer les produits à expédier. C'est Laval et deux de ses trois enfants, Jason et Derek, qui s'occupent maintenant de l'exploitation quotidienne. «Nous sommes toujours sur les lieux pour nous assurer que les choses se passent bien,» exprime Laval. «Ça fait partie de la raison de notre succès.»

Pour sa part, Derek, 23 ans, le bébé de la famille est heureux de suivre les traces de son grand-père et de son père. «J'aime tout de ce métier : prendre soin de l'érablière, entailler, faire bouillir, mélanger, n'importe quoi,» s'exclame-t-il. «Je suis né pour faire ça. La production de sirop d'érable coule dans mon sang.» ●

The Canadian Institute of Food Science and Technology (CIFST) Quebec Section held its Table Top Suppliers night in Laval, Que. on April 21. Here are a few highlights:



Value-added assistance

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Feel-better beverages

Kerry concocted Elderflower Mint Lemon Flavoured Water from Kerry's lemon, mint and elderflower flavours. At 20 calories per 250 mL, this hydrating and refreshing beverage offers the opportunity to include the term "natural flavours" on a label. Similarly, Ginger Lemon Kombucha was made with Kerry's lemon flavour and ginger flavour, providing reinforcement for the immune system with a refreshing beverage. www.kerry.com

Sweet & savoury

Caldic created Maple Heat Bark, a sweet and savoury indulgent treat, featuring a selection of Caldic ingredients: Parker Chipotle Butter Brittle, Decacer Maple Flakes, Kalsec Oleoresin Capsicum, and Clasen Simply Free Dark Compound Wafer. www.caldic.com



Fruity creations

Continental Ingredients prepared Strawberry Trunique Gluten Free Pancakes using CIC gluten free mix and IFF strawberry Trunique flavour. The company also concocted a Cranberry Orange Green Tea beverage featuring IFF flavours. www.cic-can.net

Colour & flavour

Quadra offers a broad range of colours and flavours in various grades and forms. Through its exclusive distributor relationships with world-class manufacturers such as DD Williamson and Edlong, Quadra offers a full range of natural colours (including Annatto, Turmeric, Red Beet and Elderberry Extracts), caramel colours, cheese and butter flavours, milk and cream flavours, cultured flavours and sweet dairy flavours. www.quadraingredients.com

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Carol Neshevich



Co-owners Christina Dove and Brent Smith.



Newfoundland Chocolate Company St. John's, Nfld.

It all began with a goal of taking their kids to Disney World. “Back in 2007, I was working in the not-for-profit sector and Christina was working part time at the local university, and the boys were little and we wanted to take them to Disney World, but we couldn’t quite see our way to do it,” says Brent Smith, now co-owner of the St. John’s-based Newfoundland Chocolate Company with his wife, Christina Dove.

Passionate about high-quality chocolate, the couple started their chocolate-making venture as a very small business — not much more than a hobby — to fill what they saw as a void in the availability of great local chocolate. “And we thought maybe if we could sell enough chocolates with this business, we could get the kids to Disney. Eight years later, well, we got them to Disney, let’s put it that way,” he says with a laugh.

Since selling their first box of choco-

lates in 2008, the company has grown tremendously, and today the Newfoundland Chocolate Company’s chocolate is well known throughout Newfoundland and beyond. While their products are currently available at a select group of retailers in various parts of Canada, they made the decision a couple of years ago to really focus on opening up more Newfoundland Chocolate Company retail stores. They currently have four retail locations in Newfoundland and Nova Scotia, with a fifth about to open shortly, as well as a Newfoundland Chocolate Café in St. John’s.

“Our retail expansion is something we’re really excited about; we opened our first stores outside of Newfoundland in 2015, and we hope to continue that certainly within Atlantic Canada. We’re looking forward to opening our third store in the Halifax area this year, and look for us in other Atlantic Canadian markets and possibly further west in years to come,” says Smith. “We don’t just have chocolate for sale, we have experiences to share. And that includes a train that runs around the store — a little model chocolate express train — and a giant chocolate waterfall in each shop. We have cocoa trees, and chocolatiers on site making chocolate right in front of people’s eyes.”

As the business model has evolved, so has the overall “essence” of the brand. “The brand certainly evolved from what we initially saw as very much a serious gourmet chocolate brand,” says Smith.

“We started to have some more fun with it. We thought, what do people expect of a chocolate from Newfoundland? Well, it’s pure. It’s simple ingredients, friendly people, and fun. So we started to insert some levity and humour into the brand.” One year, for example, they named all of their chocolate Easter bunnies after Newfoundland politicians, giving each bunny its own amusing little back story.

The company works hard to tie elements of Newfoundland into its products. “We tell a story of chocolate and we tell a story of Newfoundland, and there are so many stories to tell,” says Smith. “Our signature series of chocolates are named after Atlantic Canadian lighthouses, or music of the East Coast, or the coves of the East Coast, or the rum runners and the pirates and buccaneers in historical times. We tie the stories of the place to the chocolate itself.”

Q&A



Q: What’s your biggest seller?

A: “Our biggest seller is the Smiling Land chocolate series, which features all Newfoundland and Atlantic Canadian wild berries: blueberries, strawberries, raspberries, as well as a couple of berries that are unique to our region, such as the partridge berry, also known as the lingonberry, and what we call the bakeapple, which is known as a cloudberry in some areas.”

Q: What is your business philosophy?

A: “We don’t compromise on the artisan craftsmanship or the quality of making the absolutely most amazing chocolate, but at the same time, we’re having fun. It’s a combination of having the passion of making great chocolate but not taking ourselves too seriously.”



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