

Alliances

REGIONAL ECONOMIC DEVELOPMENT ALLIANCES IN ALBERTA

ALBERTA IS RICH IN RESOURCES AND CREATIVITY. It's the latter that community leaders have leveraged to maximize regional economic development. Starting as ad hoc groups in the 1990s, Alberta communities large and small have organized into 13 regional alliances that serve to foster development within and among their member regions. Each group brings its own opportunities, challenges

and successes to the table. Their goal is to realize balanced growth and increase community and regional wealth. These self-selecting, member-driven economic development alliances partner with governments, businesses and local institutions to share in the opportunities presented within Alberta. Their aim is to develop regional capacity to benefit local businesses and take a strategic approach to economic development.



Ranching Tradition: It's not just cattle being driven in BRAED. An agricultural audit of the region found Kobe beef, bee wranglers, reindeer ranchers and many other unique producers.

Reaping the Value

It's no secret that much of the agriculture industry in Alberta has taken a rough ride in the past few years. With fluctuating commodity prices and input costs for necessities like feed, fuel and fertilizer climbing, producers are looking for new and better ways to keep their operations economically viable.

Two of the 13 Regional Economic Development Alliances (REDAs) in Alberta are examining innovative ways to adjust to new realities. By identifying and supporting value-added strategies, operational diversification and connecting like-minded producers to new technologies, markets and expertise, Alberta's REDAs are encouraging growth and fostering stability in the agricultural industry.

In the Battle River Region, located in east-central Alberta, the Battle River Alliance for Economic Development (BRAED) recently created an inventory of all the agricultural operations in the region. The inventory results showed hundreds of primary producers in the area who grow grain and raise cattle, as well as a wide array of value-added operators, who have diversified into specialty products including berry infused honey, cheese, reindeer meat and Kobe beef.

BRAED is ready to move forward with a strategy that identifies new value-added agricultural opportunities in the region.

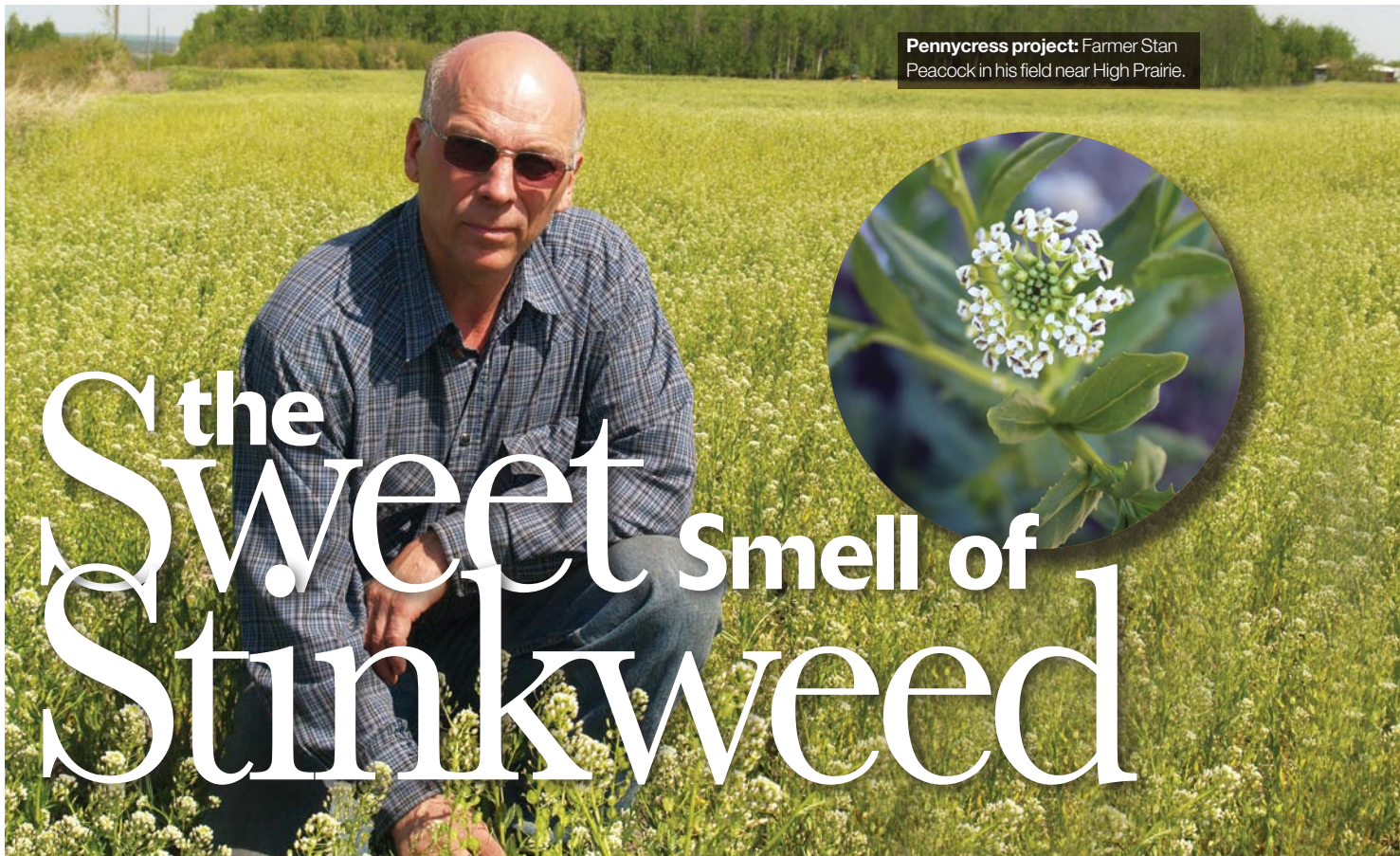
Further north, the Lesser Slave Lake Economic Alliance (LSLEA) – located about 2.5 hours north

of Edmonton – is moving forward with a project that could turn stinkweed from a backyard nuisance into a potentially valuable biofuel.

With funding support from LSLEA and other stakeholders, scientists are one year into a three-year research project looking at stinkweed, which is also known as pennycress. Initial crop yields look promising, and fields of pennycress could be planted commercially in the region within the next five years.

Markets for agricultural products are changing, creating new challenges and opportunities for farmers and ranchers. BRAED and LSLEA are working hard to provide support that will ensure businesses in Alberta's diverse regions adapt and thrive. ■

Pennycress project: Farmer Stan Peacock in his field near High Prairie.



The Sweet Smell of Stinkweed

When Stan Peacock took the first steps to turn the stinkweed growing on his farm near High Prairie from a problem into profit, the Lesser Slave Lake Economic Alliance (LSLEA) was ready to help out.

Like many farmers in north-central Alberta, Peacock used to battle the weed, which grows extremely well on marginal farmland. An interest in biodiesel got Peacock wondering whether the little seeds of the stinkweed, which also goes by the name pennycress, might be crushed into usable oil.

"I took some canola seed and we crushed it. There was a lot of pennycress in it and we noticed that it came out good, even better (than canola alone)," Peacock says. This incident planted the seed of an idea in Peacock's mind, but he needed some capital to help it grow.

Peacock turned to the LSLEA, which serves the region in north-central Alberta, and made a presentation to its board. "To be quite honest, we were surprised that an old problem could be turned into something viable," says LSLEA board chair Alvin Billings. Despite their initial surprise, board members instantly liked Peacock's proposal, and with some help from the neighbouring Peace Region Economic Development Alliance, LSLEA provided funding for initial pennycress crop research.

Now, the pennycress research that LSLEA helped fund is one year underway. Alberta Agriculture and Rural Development researchers harvested the first test fields in Edmonton, Grande Prairie and High Prairie in July 2009.

“To be quite honest, we were surprised that an old problem could be turned into something viable”

According to Kwesi Ampong-Nyarko, a special crops research scientist who is leading the pennycress project, the first crops were successful, but the team is still trying to determine the best time to plant pennycress seeds, fertilizer requirements and how pennycress competes with other weeds. He is optimistic about what he sees, and estimates pennycress could be commercialized within the next five years. "We are very excited," Ampong-Nyarko says. "I've worked with so many crops, but I think this one is going to be very easy. It usually takes so long for new crops to be commercialized, but I think this one is going to be different."

Tanya McDonald, a bio-energy research scientist at Olds College, oversees the portion of the research

that examines pressing techniques to extract oil from the seeds. McDonald is also looking into uses for pennycress meal—the organic material that remains after the pressing process. "It was a good fit for us because we had been doing work in biodiesel (development) for a few years," she says. "We were already looking at alternatives to using food-grade oil as fuel."

As the project moves into its second year, both Billings and Peacock are optimistic that this initial research will lead to a pennycress biodiesel plant in the Lesser Slave Lake area.

Pennycress also has the potential to provide an alternative for cattle ranchers in the area, many of whom faced significant challenges as markets and prices deteriorated. Peacock has already sold off part of his cattle herd and planted 1,000 acres of pennycress on his property. Recently, investors and researchers from Ontario, the United States, and even South Korea have shown interest in Peacock's pennycress project.

Peacock says getting to this point wouldn't have been possible without the support provided by LSLEA. The board's vision for economic development in the region invites innovation, capturing new opportunities. "That's why the pennycress project has moved ahead so far," Peacock says. "They're realistic and saw that this could be great for the region's farmers." ■



Climbing up the Agri-Food Value Chain

A Sticky Business

When the bottom fell out of the wholesale market for honey a few years ago, **VerryBerry Honey** owners Sam and Sandra Thiessen came up with a sweet idea. “We needed to do something different to our honey to get it onto the market, other than just plain honey, or get out of the business,” says Sandra Thiessen of the four-year-old company in the Battle River region. “Through a lot of prayer and research, we came up with adding fruit to our honey.” After a few “experiments” on friends and family, the Thiessens came up with VerryBerry Honey. By incorporating fruit in their processing they added value and created new products.

“The big thing for our company is that everything is 100 per cent natural. We don’t add in any extracts, artificial colours or artificial flavours,” says Thiessen. “Honey has a lot of health properties on its own, but the fruit just enhances it and gives it a little bit of variety.”

Now VerryBerry Honey produces 10 fruit honeys (including cranberry, blueberry and tangerine), cinnamon- and peppermint-flavoured honeys and five glazes (Chipotle, Dijon, Chili Garlic, Teriyaki and Pineapple Citrus). All can be found online and at retail outlets in Edmonton, Leduc, Fort McMurray, St. Albert and at the Verry Berry Honey Store in Tofield.

www.verryberrystone.com

In the Battle River Region of east central Alberta, the Battle River Alliance for Economic Development (BRAED) formed an agricultural task team this spring. In a region where 15 per cent of residents are employed in agriculture, identifying who was out there seemed like a sensible first step for the newly-minted task team.

The project idea, says BRAED chair Bud James, was to take an inventory of the region’s agricultural producers and, based on the results, identify potential value-added agriculture options that will allow producers to improve their profitability and stay working on their farms and ranches. “With many smaller operations, the husband and/or the wife is looking for work off the farm just to support the families’ rural way of life,” James says. “We think there are some opportunities, particularly with value-added agricultural products, where they could make the farm much more viable.”

In August, BRAED hired consultant Kal Polturak to compile a regional agricultural industry report. Through the course of his research, Polturak found everything from honey, to reindeer, to market gar-

dens. When Polturak identified a unique producer, he interviewed them about their niche in the industry. “It was quite surprising to discover the diversity of agricultural operations in this region of Alberta,” he says.

The BRAED agricultural task team feels the report is a good starting point for further agricultural development in the region. For example, it could stimulate development of culinary tourism on a variety of farms in the Battle River region. “You could go to a honey farm, and then to the cheese factory in Camrose. Then maybe you could go down to Bashaw where Applejack Ranch raises Dexter cattle and they supply Apples Restaurant with the beef,” Polturak says.

BRAED agricultural task team chair Charlotte Curtis says the report was a good first step that can be used to shine a light on some successful and innovative agrifood businesses in the region, while identifying new growth opportunities producers don’t know about. “There are opportunities for adding value to a product and linking into the value-chain concept,” she says. ■

Kobe-style Alberta beef adds additional product value



Wagyu Canada Inc., a family owned company that started in the cattle and beef industry 30 years ago, made the leap from commodity to specialty beef 15 years later. President Patrick McCarthy says they saw the opportunity to become very specialized with Kobe Classic Beef, because commodity beef requires massive size and scale and a “tremendous amount of capital,” which wasn’t going to be profitable for Wagyu.

The high-quality marbled beef is raised from Wagyu-cross cattle. The Camrose-based company now sells this Japanese-style beef in various parts of the world, including high-end restaurants and boutique retail stores in Canada, the United States, Asia and Mexico.

More value-added products from the company coming in the next year include individually portioned steaks, gourmet hamburger patties and hotdogs, and specialty steak cuts. In mid-November, Wagyu began offering its gourmet steaks online through Costco.ca.

“You have to add value and have some way to sell the product, so we created the beef company to be involved in the production,” McCarthy says. “There’s cattle production, which is cows and steers and heifers walking around, but you have to have something to do with them. That’s what Kobe Classic Beef was started for.”

www.wagyu-canada.com

Business Information: Only a click away

The 13 Regional Economic Development Alliances (REDAs) across the province offer a host of free resources to help you with your business. REDA boards are run by community leaders who understand the economic challenges, and opportunities, within each region.

The REDAs are constantly adding new resources to keep up with changing business information needs. Recently, the Government of Alberta joined with other stakeholders to produce a series of DVDs to teach small- and medium-sized businesses how to access new domestic and international markets.

The five-disk DVD set entitled *Reaching New Markets 09* and *Beyond Borders*, are available free and you can get one by contacting the REDA office in your area.

The DVDs include a feature on how to procure government contracts, and offer advice on how to export to international markets and source hot opportunities. Whether you're looking to grow your business at home or internationally, this DVD set is just one of the many tools offered by your local REDA. As Lesser Slave Lake Economic Alliance Chair Alvin Billings puts it: "Come and see us, our doors are always open." 🍌



Featured REDAs

There are 13 REDAs in Alberta. To learn more about the initiatives of the REDA in your area, visit www.albertacanada.com/regionaldev today.

Lesser Slave Lake Economic Alliance (LSLEA)

Phone: 780-523-6563

Email: info@lslea.ca

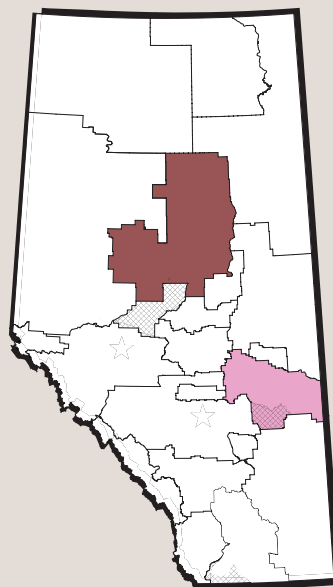
Website: www.lslea.ca

Battle River Alliance for Economic Development (BRAED)

Phone: 780-385-2450

Email: info@braedalberta.ca

Website: www.braedalberta.ca



 Lesser Slave Lake Economic Alliance
LSLEA

 Battle River Alliance for
Economic Development
BRAED

Regional economic indicators on the web

To ring in the New Year, Alberta Finance and Enterprise is bringing you the latest economic data you need to make informed decisions about the best plan for your business, and it's just a click away.

A colour-coded map found at www.albertacanada.com/regionaldev/1224.html, divides the province up into 14 economic regions. Clicking on one of the regions brings up helpful statistical information including demographics, income, investment, and major capital project information.

The information on Alberta's economic regions is designed to help businesses that are looking to start-up or expand in a particular region, or those that are looking for new markets within the province.

It's also a great resource for any curious Albertan who wants to learn a little more about the make-up of their region, or others in the province. For example, did you know that the average annual income in the Slave Lake region increased 15.3 per cent between 2005 and 2006? How about the fact that the population of Wainwright in the Battle River region increased 6.1 per cent in that time period? 🍌