6th Annual Fields on Wheels Conference
“Getting Supply Chains Right”

The 6th Annual Fields on Wheels conference focused on the changing supply chains in agribusiness. This change is driven by the growth of value-added processing activity on the Prairies and trends toward crop diversification, protein segregation and identity preserved (IP) grains.

An existing infrastructure, built for high throughput and blending of large homogeneous lots, is poorly suited for IP grains that require separate binning and tracking of rail cars. As a result, much emphasis is being placed on creating competitive, efficient supply chains for all players in the agricultural sector.

“Getting Supply Chains Right” gave panel speakers the opportunity to share their experiences and thoughts on supply chain development and on the competitiveness of Canada’s agricultural transportation system.

A clear message was delivered throughout the day. It is essential that the agricultural industry develop long-term partnerships with each member in their supply chain. The system cannot be driven to the total benefit of any individual player. Everyone has to profit for the supply chain to thrive and prosper. The focus should be on cooperation, as opposed to competition.

The conference is a joint undertaking by the Transport Institute and WESTAC.

(More details of the conference are available on page 4)

From left, Rob Booker, Vancouver Wharves, Gordon Miles, Canadian Grain Commission, and Dave Kushnier, BC Terminal Elevator Association.

IN THIS ISSUE...
- Getting Supply Chains Right
- Winnipeg Chamber Resolution
- Certificate in Logistics
- IAAE - Secretariate
- Calendar of Events

Winter 2001
WINNIPEG SUPPORTS ENHANCEMENT OF UMTI PROGRAMS

The Winnipeg Chamber of Commerce has committed to support the development of a Winnipeg-based Centre of Excellence for Transportation & Logistics. It recognizes that education and research are key to the future growth and prosperity of the transportation and logistics sector in Winnipeg and Manitoba.

The Chamber managed a major study, undertaken by InterVistas consulting, which concluded that the potential exists for Winnipeg to achieve excellence in education, training and research in the specialized field of transportation and logistics. The study went on to point out that the University of Manitoba Transport Institute provides a foundation on which such a Centre should be developed.

The study included the evaluation of a number of Centres of Excellence across North America. It determined that a "Made in Manitoba" model has to be found that suits the business environment. This must take into account Manitoba’s resources and interests in the transportation and logistics fields and it must include four integrated program components: research, education, dissemination of information and a think tank role.

The Chairman of the Transportation Committee of the Chamber, Fred Petrie, believes that the vision of a future Winnipeg-based Centre of Excellence, is very compatible with that developed by UMTI itself. The Committee wants to see the Centre focus on transportation and logistics for trade and economic development, as well as the further development of Winnipeg as the crossroads of the railways, the headquarters of several national trucking firms and the head of the mid-continent corridor. It envisions the Centre’s education and research capability extending the sales and service reach of companies distant from their markets. Further it sees the Centre incorporating e-commerce and other leading-edge developments in value chain management.

The Chamber’s President, David Angus notes that the study correctly concluded that the Centre must be industry supported. The Chamber has passed a resolution that calls upon the private sector, all levels of government and academia to work in partnership with all sectors of the transportation industry to:

- identify and commit the prerequisite level of government and academic funding and other support from business, government and academia for education and research in transportation and logistics, and
- nurture and develop a Centre of Excellence in Transportation and Logistics built upon Winnipeg’s current institutional capabilities including the University of Manitoba Transport Institute.

A Chamber transition team will work with the University of Manitoba in the development of the Centre of Excellence in Transportation & Logistics and provide leadership by coordinating funding and other industry support for the Centre. Senior representatives of business and government, along with the Chamber’s Transportation Committee, will help guide the transition.

The Director of the Transport Institute, Dr. Barry Prentice, is encouraged about the possibility of an expanded program at the Transport Institute supported by Winnipeg’s businesses. He is looking forward to working constructively with the Winnipeg Chamber as the University further develops its transportation and logistics programs. The Chamber’s representatives will meet in January with the University Administration and the Institutes External Advisory Committee to discuss how all stakeholders can best work in cooperation to transition the Transport Institute into Manitoba’s Centre of Excellence in Transportation and Logistics.
CERTIFICATE IN LOGISTICS

Courses in this program are taught in conjunction with Red River College and under the auspices of the Canadian Institute for Traffic and Transportation (C.I.T.T.)

The Transport Institute is also proud to introduce two new courses, which are sponsored by C.I.F.F.A. (Canadian International Freight Forwarders Association). The new courses, Freight Forwarding Logistics I and II are credits in the Certificate in Logistics Program, and follow the outline and course requirements for the Canadian International Freight Forwarders Association.

The following credit courses will be offered in January:

- Logistics Fundamentals
- Economic Applications in Transportation
- Legal Issues in Transportation
- Freight Forwarding Logistics II

Admission to the program is $50.00 and the fee for each course is $495.00. Courses begin January 7, 2002 and the deadline for registration is January 14th, 2002. Please register soon to avoid disappointment.

You can register for the Winter Session by completing the form below and faxing it to (204) 474-7530, or you can mail your registration along with payment to:

The Transport Institute
631-181 Freedman Crescent
The University of Manitoba
Winnipeg, Manitoba R3T 5V4

Please make cheques payable to the University of Manitoba.

AGREEMENT NUMBER 1472348

2002 WINTER REGISTRATION FORM

NAME: ___________________________ POSTAL CODE: ___________________________
ADDRESS: ___________________________ PHONE (bus) ___________________________
(HOME) ___________________________ FAX: ___________________________ EMAIL: ___________________________

☐ Logistics Fundamentals (beginning Wednesday, January 9, 2002)
☐ Economic Applications in Transportation (beginning Monday, January 7, 2002)
☐ Legal Issues in Transportation (beginning Wednesday, January 9, 2002)
☐ Freight Forwarding Logistics II (beginning Tuesday, January 8, 2002)

All course fees are $495 per course. There is a one time only registration fee of $50 for entry into the Certificate in Logistics Program. All classes take place in Room 530 Drake at the University of Manitoba, unless otherwise specified, from 6:00 p.m. to 9:00 p.m. once a week.

You may also download both the course registration form and program application form from our website at: www.umti.com

Student’s Signature: ___________________________ Date: ___________________________

-3-
6th ANNUAL FIELDS ON WHEELS
“Getting Supply Chains Right”

For the sixth year in a row, UMTI successfully hosted its annual Fields on Wheels conference. The theme this year, Getting Supply Chains Right, was timely given the myriad of changes taking place in the industry today. Genetically modified foods and identity preserved grains have influenced the way that we ship agricultural products. Driven by consumer demand, agricultural supply chains have become more complex and costly than they were 5 years ago.

Dr. Barry Prentice (Transport Institute) challenged the conference with a definition of supply chain management and outlined some of the basic goals of a competitive, efficient supply chain.

As noted by Dr. Prentice, supply chains must exhibit integrated behavior between partners. Information must be shared as well as all risks and rewards. Cooperation, as opposed to competition should be the focus and it is essential for all partners to have the same goal in terms of serving customers. Finally, the entire process should be integrated with a focus on long-term relationships.

The first session, Public and Private Perspectives on Supply Chains, was chaired by Glenn Cheater (Canadian Farm Business Manager). Presenters were Ray Lottie (General Mills) and Gerry Carter (Canada Steamship Lines). The focus of this session was on the need for partnerships between elements in the supply chain. Mr. Carter identified some inherent problems in grain transport that are not visible in other industries. Among others, these problems include labour issues and rail car unloading performance. Value sharing and interaction among participants is critical to the success of any supply chain. Cooperation rather than competition should be the focus. Competition will be between supply chains, rather than between elements within a supply chain.

The second session, Identity-Preserved Grain Export Supply Chains, moderated by Roberta Rampton (CBC News: Country Wide), dealt with issues in identity preservation and the stresses that IP grains impose on supply chains. Speakers were Curtis Rempel (Monsanto), Bill Wilson (NDSU Dept. of Agric. Econ.) who joined us by video conference from North Dakota and Gary Pike (Crop VerifEye Canada). It was noted that the biggest, current concern for supply chain integrity was quality and consistency. Ironically, two features the bulk system was intended to deliver. Mr. Rempel emphasized that a non-linear, linked supply chain that is tightly managed is critical to preserving the value of grains with specific traits.

Also noted by Mr. Rempel is the tradeoff between efficiency and responsiveness. An efficient supply chain moves bulk products, while a responsive supply chain will move innovative products. IP systems are more complex and costly. The increased resources required for identity preservation increases with the difference in value between the product and its alternative commodity.

Tolerance is a major cost driver, and zero tolerance is impossible to achieve. Tolerance levels should be set by outside regulatory bodies.

Each panelist agreed on the importance of traceability, which requires a fully integrated data chain. Standardized testing is also required, at both the buyers and sellers end. Ultimately, this will require confidence in the system, and not necessarily in the tests.

The number of grain segregations in North America is rising, negatively impacting cost structures. Specifically, genetically modified (GM) foods face higher costs than their non-GM counterparts. According to Dr. Wilson, the biggest source of this cost increase is in product testing. Foregone premiums are another source.

Dr. Wilson identified several challenges that the industry must overcome. The most notable being the need to exploit economies of scale to compete with lower cost systems. Testing is another challenge. Testing technology that is both low cost and reliable must be developed.

The third session, Regulations and Supply Chains, dealt with the impact of the new Canadian Grain Commission’s regulations, which will be implemented by August 2002. Brent Vankoughnet (Agriskills and Port of Vancouver) chaired the session. Gordon Miles (Canadian Grain Commission), Rob Booker (Vancouver Wharves) and Dave Kushnier (BC Terminal Elevator) formed the reaction panel. As one would expect, argumentative issues were raised in this session. The key point of discussion was the CCGC’s new policies on direct hit strategies and the elimination of terminal storage. According to the reaction panel, terminal storage was crucial to ensuring efficiency of the timely loading of vessels. Mr. Kushnier feels that
although the CGC's policies on direct hits possess several problems, the policies should not be completely eliminated. Rather, the policies need to be improved before they are implemented.

The fourth session, *Restructuring Supply Chains*, considered current and future ways to improve efficiency in the supply chain. The session was chaired by Harry Siemens (South East Agri Post). The panel consisted of Brandt Randles (Louis Dreyfus) and Bill Drew (Canadian Wheat Board). The focus was on increasing partnerships between elements in the supply chain from farm gate to the final consumer. Interests and objectives should be harmonized between parties. Developing real time communication through the use of internet tools was emphasized. Terminal ownership concentration and the CWB's farmer revenue pool were also discussed.

Sandi Mielitz closed the conference with a synopsis of the day. She pointed out the high quality of information that was presented during the conference. The information gave participants a good idea of how the system is working today and how it should work in the future. She applauded the sophistication of the discussion on supply chains and the positive vision of the future.

Rounding out the day's discussion, Sandi concluded that identity preservation and GM foods are on the rise and create concerns for product differentiability and segmentation. Supply chain strategy becomes increasingly important in this type of environment. However, involving each player in the chain is critical. An important question to consider is who will lead the supply chain? She recognized that supply chain management will be a Critical Success Factor in Canada's competitiveness in World markets.

Sandi considered Canada's competitive advantages: well educated, adaptable, aggressive, hungry producers, the high percent of on-farm storage, highly developed infrastructure and fewer players. With all these advantages, she concluded by saying that Canada's current and future success is all a matter of attitude.

The proceedings for this conference will be available early in the New Year. Please contact Kathy Chmelnytizki to obtain a copy if you did not attend the conference.

Proceedings from our previous Fields on Wheels conferences are available to download from our website, www.umtl.com

"Fields on Wheels" is produced in partnership with

**We also wish to thank our conference sponsors for their support.**

**Continental Breakfast**
Canadian National Railway

**Morning Coffee**
Canadian Pacific Railway

**Luncheon**
Akins, MacAulay & Thorvaldson

**Afternoon Coffee**
OmniTRAX Canada Ltd.

**General Sponsors:**
Elizabeth Robertson, RBC Investments
The Railway Association of Canada
Thunder Bay Terminals Ltd.

**In Kind Sponsors:**
Canadian Wheat Board
Vancouver Port Authority

Dr. Barry E. Pentice
Transport Institute

Bill Drew
CWB

Harry Siemens
South East Agri Post

Sandi Mielitz
IAAE CANADA

In September the Transport Institute assumed the secretariat for the International Association of Airport Executives role in Canada. The Transport Institute administers the day-to-day operations as well as maintains their general, associate, student, accredited and corporate membership database, administers the Canadian Accreditation Program and supports their education courses and workshops.

The International Association of Airport Executives Canada (IAAE-Canada) is comprised of individuals who work in the field of ‘airport management’ and who care about the advancement of the profession for the benefit of aviation. Since its inception in 1994, IAAE has helped many individuals accomplish their goals by providing various educational and career-enhancing opportunities.

IAAE-Canada is focused on communication and education. With the devolution of airports from the national to the local realm, communication between airport professionals has suffered. As well, much of the knowledge base that once existed has retired or left the airport industry. IAAE-Canada is working to fill that void.

IAAE-Canada is proudly associated with the International Association of Airport Executives (IAAE) as well as the American Association of Airport Executives (AAAIE). This relationship has enabled its membership to access information on the airport industry throughout the world.

For more information on IAAE Canada visit their web site at www.iaaecanada.org.

Staff News

On August 31, 2001, after many years as the Senior Research Associate, Jake Kosior has left the Transport Institute to concentrate on completing his Ph.D. dissertation and pursue commercial opportunities. Good-bye and good luck Jake! It’s been a pleasure working with you!

Congratulations to Jill Dutka, executive coordinator, on her semi-retirement! Jill retired from this position in October, but will stay on at UMTI on a part time basis to fulfill the role of secretariat for the International Association of Airport Executives Canada (IAAE). Kathy Chmelyntzki has taken on the role and responsibility of Executive Co-ordinator in Jill’s place. Also leaving UMTI’s full time ranks is Martin Fernando, computer support. He has found a new and very challenging position with the Winnipeg School Division. Martin will continue to work on a part-time basis to help develop the new internet-based, courses for our Certificate in Logistics Program. Congratulations to both of you and good luck.

This fall has seen 5 new additions to UMTI’s ranks. Paul Earl comes to the Transport Institute from a long and varied career in the grain industry. Paul has joined the ranks of Professional Associates and is leading research projects at the Institute. He has worked for the federal government, Canadian Pacific Railway, United Grain Growers, the Grain Transportation Agency, and most recently, the Western Canadian Wheat Growers, where he still spends much of his time. In 1992, Paul completed his doctoral degree, which examined the cooperative movement in Western Canada and how the institutions that have shaped the grain industry came into existence.

Jeff Browaty is an HRDC-sponsored intern. A May-2000 graduate of the I.H. Asper School of Business, Jeff is particularly interested in airline industry policy and logistics. During university Jeff worked part-time at Advance Electronics and was president of the Macinatations Macintosh User Group.

Caroline Chapain is also an HRDC-sponsored intern. She acquired a Masters degree in Economics from the University of Montreal. Currently, she is a Ph.D. student in Urban Studies at INRS-Urbanization, Culture and Society (Montreal, Quebec). Her thesis deals with urban transportation in developing countries, and specifically with links between para-transit and urban transit in Latin American cities.

Peter Pawliw joined the Transport Institute as a Research Affiliate after graduating with an MA (Economics) specializing in Chinese economic history and international trade and investment from the University of Manitoba. Paul acts as a teaching assistant to the Director and as a researcher for a variety of Transport Institute commercial contracts.

Lindsey Routledge is our new secretary at the Transport Institute. She acts as receptionist as well as providing secretarial support for the Institute.

Two of UMTI’s staff have begun the international component of the HRDC program. Connie Van Rosmalen is in Erie, Pennsylvania working for Logistics Plus International. Calvin Lac is in Hamburg, Germany with TFK Transportforschung GmbH. They are expected back in early 2002.
TRANSPORTATION CALENDAR OF EVENTS


February 2002. GrainWorld 2002. Winnipeg, MB. Email: grainworld@cwb.ca

February 3-4, 2002. Transportation Association of Canada, Urban Transportation Council. Location: Montreal, Quebec. E-mail: kfoster@iac-atc.ca

February 18-21, 2002. Transportation Association of Canada, Geometric Design Course (Rural). Location: Whitehorse, Yukon. E-mail: kfoster@iac-atc.ca

February 25-28, 2002. Transportation Association of Canada, Geometric Design Course (Rural). Location: Yellowknife, NWT. E-mail: kfoster@iac-atc.ca

March 25-28, 2002. 7th Moscow International Transport and Logistics Conference and Exhibition. Location: Moscow, Russia. Website: ite-exhibitions.com/trans/transrussia


April 16-17, 2002. WESTAC Annual Meeting. Location: Edmonton, Alberta. Website: www.westac.ca


May 12-15, 2002. 37th Annual Canadian Transportation Research Forum. Location: Delta Hotel, St. John’s, NF. Website: www.ctrf.ca


August 5-7, 2002. American Society of Civil Engineers 7th International Conference on Applications of Advanced Technology in Transportation. Location: Marriott Hotel, Cambridge, Massachusetts. Website: asce.org/conferences/aact2002

September 18-20, 2002. 8th National Conference on Transportation Planning for Small and Medium-Sized Communities. Location: Crowne Plaza Hotel, Cincinnati, Ohio. Contact Elizabeth Rushley (614) 644-1204.

September, 2002. 25th Australasian Transport Research Forum Conference 2002. Location: Canberra, Australia. Contact Mark Harvey, Bureau of Transport Economics for further details. Email: mark.harvey@dotr.gov.au

October 8-10, 2002. 8th International Conference and Exhibition on Natural Gas Vehicles. Location: Washington, DC. Tel: (202) 824-7364

November 19, 2002. Transport Institute. 7th Annual Fields on Wheels Conference, Winnipeg, MB. Contact: Kathy Chmelnitzki (204) 474-9097

For information on additional transportation conferences and events around the world, please visit the Transport Institute website at www.umti.ca
THE TRANSPORT INSTITUTE

Barry E. Prentice, Ph.D., A.Ag., MCIT
Director

Doug Duncan, CA
Strategy & Business Development Advisor

Kathy Chmelnitzky
Executive Co-ordinator

Lindsey Routledge
Secretary/Receptionist

Jill Dutka
IAAE Executive Co-ordinator

Marlin Fernando
Computer Technician

RESEARCH ASSOCIATES
Jurgens Bekker, B.Sc. (Honors), M.Sc. Agriculture

RESEARCH AFFILIATES
Jeff Browaty, B. Comm. (Honours)
Caroline Chaplain, M. Economics
Courtney Kulyk, B. Comm. (Honours)
Calvin Lac, B. Comm (Honours)
Meyer Lapkin, BA (Advanced) Economics
Connie van Rosmalen, B.Sc. (Agric. Bus.)
Erica Vido, B.Sc. (Agribusiness)

SENIOR SCHOLAR
Dr. Vedanand, Ph.D. Marketing, M.Comm.

PROFESSIONAL LECTURERS
Mike Crockatt, M.A.
Paul Earl, Ph.D.
Barry Feller, MBA
Jim Foran, Q.C., LLB
Allan Foran, LLB
Allister Hickson, Ph.D.
Henry Lassio, MCIT, P.Log., C.Log., CITT
Paul Nyhoff, Ph.D. Candidate, DBA
Winston Smith, LLB
Warren Thompson, MBA

PROFESSIONAL ASSOCIATES
Ed Bruning, Ph.D., Econ.
Douglas Campbell, BA, B.S.A., P.Ag., MCIT
John DePape, B.S.A., MBA
Graham Dixon, C.D.
Terry Duguid, B.Sc. (Hon.), M.E.Des. (Biology)
Paul Earl, Ph.D.
Stewart Fay, BA, MBA
Al Phillips, B.Sc., M.Sc., P.Ag.
Darren Prokop, Ph.D. Econ.

EXTERNAL ADVISORY COMMITTEE
Dean Harold Bjarnason
Faculty of Agricultural and Food Sciences

Mr. Jack Blandford, Director of Transportation
Gerdau MRM Steel, Inc.

Mr. Douglas Campbell, President
Campbell Agribusiness Strategists, Inc.

Mr. Gary Coleman, President
Big Freight Systems, Inc.

Mr. Michael Roy Dobell, Branch Manager
Kuehne & Nagel International Ltd.

Mr. Robert Gabor, Q.C., Partner
Aikins, Macaulay and Thorvalson

Dr. Gary Glavin, Assoc. Vice President (Research)
University of Manitoba

Mrs. Hillary Goldenberg, President
Thunder Bay Terminals Limited

Mr. William Hilash, General Logistics Manager
Palliser Furniture

Mr. Sandy Hopkins, Chairman of the Board
Winnipeg Airports Authority

Mr. Andrew T. Horosko, Deputy Minister
Manitoba Highways & Government Services

Mr. T.A. (Tom) Kleysen, President & C.O.O.
Kleysen Transport

Hon. Otto Lang, Business Consultant
Secor

Mr. Henry Lassio, MCIT, P.Log., CITT
Manager, Corporate Logistics

Mr. Chris Lorenc, President
Infrastructure Council of Manitoba

Mr. Gordon Miles, Executive Vice-President
Canadian Wheat Board

Mrs. Marian Robson, Chairperson
Canadian Transportation Agency

DISPATCH
The Transport Institute produces this bulletin on a quarterly basis. If you have any questions or comments, or would like to be added to our mailing list, please contact Jill Dutka at:

Phone (204) 474-9097 Email: jduka@ms.umanitoba.ca

Editor: Kathy Chmelnitzky
Visit our Web Site at: www.umanitoba.ca/transport_institute