11th Annual Fields on Wheels Conference
BioProduct Value Chains: Emerging Opportunities & Challenges

The 11th Annual Fields on Wheels conference focused on a variety of issues that pertained to grain policy, marketing, bio product value chain and its uses. Dr. Ed Tyrchniewicz of the I.H. Asper School of Business opened the conference by establishing the benefits of bio products and linking the bio product value chain to the Fields conference. Bio fuel provides opportunities for rural economic growth, diversification and plays a critical role in reducing green house gas emissions. It also provides an alternative use to fossil fuels.

Mr. John Oliver, President, Maple Leaf Bioconcepts outlined trends that were occurring in the Agricultural industry and their impact on the economy. The key trends that have considerable impacts on the economy are; globalization, the shift of economic power to Asia and an increased societal demand for sustainability of natural resources. An interesting point that was introduced was the linkage he drew between the health and the agricultural industries. Governments are increasing spending dollars on the healthcare sector and as a result, less money is being allocated towards agricultural related areas. There is a need for funding of these two sectors to be concurrent. As a result of globalization, the distance between stakeholders involved in a transaction is getting smaller and boundaries between countries are getting blurred. The internet has impacted the connectivity between partners engaged in a transaction and as a result; product distribution and information dissemination has reached its peak. As information is disseminated across the globe in a variety of methods, it creates certain opportunities and challenges that one would encounter. For example, patent rights and protection laws become difficult to enforce. With information being disseminated, the controllability of certain processes and procedures are hard to deal with. As a result of globalization and connectivity, transactions are being processed more efficiently and information becomes more available, thus making more informed decisions. Efficient economies of scale can also be attached.

Mr. Owen McAuley, Producer and Board Member of the Canadian AgriFood Policy Institute spoke about the challenges and opportunities that a primary producer in the value chain faces. He also touched on topics such as the various policy changes and regulations that affect the primary producer and how the primary producer could increase his/her market share and profitability in the value chain.

One concern raised in his presentation was that there was a lack of collective vision among primary producers, which hinders growth attributes in many aspects. If there isn’t a collective agreement between stakeholders, the decision making process is bound to get inefficient and unproductive. Regulation policy on an industry has its own pros and cons as well. On the pro side of the debate, import restrictions and quotas will be implemented. These restrictions are in place to benefit local producers to promote domestic goods consumption. On the other hand, as a result of regulatory policies in effect, decisions are not being taken in a timely fashion, thus creating inefficiencies in the value chain. For example, CFIA (Canadian Food Inspection Agency) currently has 40,000 products waiting to be evaluated where on average the waiting time for a new product to be approved is more than two years. The wait time is a direct result of regulations.

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Mr. Henry Nelson, Director Agri-Energy Manitoba Agriculture, Food & Rural Initiatives made a presentation titled the ‘Challenges and Opportunities from Ethanol and Biodiesel’. In his presentation he raised the awareness about the global oil consumption where in 1945, 1975, 2005 the consumption of oil were; less than 10, 60 and 85 millions of barrels per day respectively. He also noted that consumption of oil might go up to 120 millions of barrels per day by 2031. As this data suggested there has been a dramatic increase in oil consumption and if continued at this rate, oil consumption will increase by one and a half times by 2031. Another interesting point was that while 37% of the world’s energy was derived from oil, 62% of the oil that was consumed was produced in the Persian Gulf. These numbers signify a serious issue about the future sustainability of the petroleum industry. This has created the need to explore alternate fuels. Some examples of alternative fuel are Hydrogen gas and bio fuels such as Ethanol. Hydrogen is an advanced form of energy and is a combustible to yield clean air. Ethanol, a bio fuel, yields less energy than petroleum but can be prepared in an eco-friendly manner. Ethanol is produced through anaerobic fermentation of a carbohydrate grain base. This grain base can be either wheat, oats, or barley. The co-products that are produced in the process could be used as animal feed. On the other hand, ethanol used in the bio value chain produces a cleaner environment relative to petroleum and there are fewer market regulations associated with production.

Dr. Barry Prentice of the I.H. Asper School of Business gave his perspective on the bio-product value chain and highlighted some of the supply chain issues and concerns relating to ethanol being used as a bio-fuel. Ethanol is highly corrosive and hydrophobic and that creates problems while being transported via pipelines from central dispatch locations. This gave rise to the topic of “Implications of Bio-Product Markets for Western Canada and its Transportation related Issues.” Traditionally petroleum products are transported through pipelines from Central Alberta and are distributed geographically across Canada. However because of the corrosive nature of ethanol the same pipelines cannot be used for transportation and as a remedy a trucking mode should be used. This has created many transportation related issues. In his speech, Dr. Prentice also introduced a range of bio-product classifications which included industrial output, health foods, reinforced foods and GMO designer foods. He also outlined the importance of functional foods in the food industry. The main marketing theme that was discussed here was what marketing strategies were needed to get functional foods promoted. First of all, the functional group has to be repositioned in the mindset of consumers within their perceptual map where this could be done using a variety of different brand management strategies. Examples of some of these are aligning functional foods with leading brands, creating product extensions within functional foods and also by creating other brand extension strategies.

Ms. Sally Rutherford of Monachus Consulting Ltd was the Rapporteur for the conference. Sally stressed the issue that manufacturing and distribution of a product should be coordinated and she drew examples for this from the production of bio diesel. She said that though many are centered on producing bio fuels not much attention has been devoted to bio fuel distribution. This will result in Supply Chain inefficiencies. Sally also highlighted the fact that subsidies in Canada are lower than the US which gives rise to an increased product unit cost in Canada relative to the US. This leaves Canadian farmers less competitive than their US counterpart.

As the events of the conference came to an end it opened a ‘Pandora’s box’ for discussion about various issues relating to the bio product value chain. This is the purpose of the annual Fields on Wheels conference; to be a stimulant to ignite a discussion on relevant issues. With this, the conference is left with an interesting parting note where Mr. John Oliver, President of Maple Leaf Concepts quoted a famous saying from John Kennedy where in 1961 he said that, “We are going to the moon.” If we rephrase this in today’s terms, we would have to go to the moon in terms of Agricultural productivity in the 21st century!

The conference proceedings are currently being transcribed and will be made available on our website, www.umti.ca once completed.
Certiﬁcate in Logistics

THE UNIVERSITY OF MANITOBA TRANSPORT INSTITUTE CERTIFICATE IN LOGISTICS PROGRAM

WINTER 2007 Course Registration Form

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Address: _________________________________________________________ Postal Code ________________
Phone (Business) ___________________ (Home) __________________________
Fax: ______________________________ E-mail: __________________________

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Deadline for Winter course registration is December 15, 2006

Please make your cheque payable to: University of Manitoba.
Submit with completed forms by mail to:
Transport Institute, University of Manitoba, 631 - 181 Freedman Cres., Winnipeg, MB R3T 5V4.
Faxed forms are considered **pre-registered only** until payment is received:
Fax: (204) 474-7530

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Student’s Signature
Current Research Activities

Current research activities at the Transport Institute include:

**Shipper Survey:** A comprehensive study is being completed of shippers in Manitoba. The study includes an assessment of issues facing the industry, the state of the industry today versus five years ago, future prospects and a review of various policy matters. Based on mail out and personal interviews the report will available to the sponsor by the end of 2006.

**Supply Chain Intermediaries Study.** Building on the supply chain focus of the Institute, the intermediaries study is a review of industries such as freight forwarders, warehousing and customs brokerage in Manitoba. The study includes a review of changes in the industry and developing trends.

**First Joint Manitoba Iceland Seminar on Hydrogen.** In September the first Annual Iceland Manitoba seminar on hydrogen was held in Winnipeg. The seminar covered a variety of hydrogen developments topics ranging from vehicle demonstration to production methods. Research from the event will be published on the Transport Institute’s website, www.umti.ca, in the near future.

**Manitoba Transportation Report.** Annually UMTI prepares a review of the economic importance of the transportation sector in Manitoba, along with related trends. The 2006 report can be found on our website, www.umti.ca under Trade & Transportation Issues.

**The Gateways Seminar.** The Transport Institute, in partnership with Transport Canada and the University of British Columbia (UBC) will be hosting a roundtable in Winnipeg on February 27, 2007. The Asia-Pacific Gateway Research Consortium is a research program exploring the economic and theoretical foundations of the Asia-Pacific Gateway concept. The objectives of the research consortium are to focus national and international academic attention on the concept of international transportation gateways, to bring national and international experience to bear on the Asia-Pacific Gateway concept.

Papers commissioned and presented at the Roundtables and Conference will explore the economic foundations of the Gateway concept. The work is intended as the basis for future dialogues on the role of gateways and corridors in the field of transportation and regional economics. The Conference and Roundtables are designed to generate major, high quality, policy relevant expert discussions and academic research drawing on conclusions from the research activities and dialogue and providing a basis for future dialogue, action and further research.
Supply Chain Connections Conference

Supply Chain Connections Conference & Workshop
2007

April 24 & 25, 2007
York The Hotel
Winnipeg, Manitoba

Mark your calendar now for the Supply Chain Connections Conference being held on April 24. This year we are also offering a special half day Supply Chain Management development workshop for logistics professionals on April 25, 2007. To reserve a guestroom at the conference rate of $109 per night, call York The Hotel at 1-800-463-6400 and quote Transport Institute.

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Conference Only EARLYBIRD REGISTRATION FEE
Conference and Banquet
(Early bird rate available until March 31, 2007)

Regular registration fee for Conference
Regular registration fee for Conference and Banquet

Seminar Only Registration Fee
Conference & Seminar Special Rate (Includes Banquet):
(Prices quoted include GST R119260669)

Please note: Seating is limited. Registration is transferable but non-refundable.

Fax your registration form to: 204-474-7530
Mail payment to:
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631–181 Freedman Crescent
Winnipeg, MB R3T 5V4

Payment must be received in advance.

☐ Cheque    ☐ Money Order

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Note: The personal information being collected on this form is strictly for use by the Transport Institute and shall not be shared or sold to any other person or organization without the express written consent of the individual.
Calendar of Events

December 7-8, 2006
2nd Annual Infrastructure Management
TELUS Convention Centre, Calgary, AB
Website: http://www.insightinfo.com/

February 27, 2007
Gateways Conference
Regina, SK
Details TBA

February 27, 2007
Gateways Conference
Hotel Fort Garry, Winnipeg, MB
Contact: Sharon Cohen
Email: cohens@cc.umanitoba.ca
Phone: (204) 474-9842

February 28 – March 1, 2007
Transpo 2007 Conference & Exhibition
Toronto Congress Centre, Toronto, ON
Website: http://www.cita-acti.ca/

March 15-17, 2007
TRF 48th Annual Forum
Boston University Center for Transportation Studies, Boston, MA
Website: http://www.trforum.org/

March 22-23, 2007
Manitoba Aviation Council Annual General Meeting and
Manitoba Takes Wing
Hilton Suites (Airport), Winnipeg, MB
Website: http://www.manitobaaviationcouncil.ca/

March 28, 2007
Gateways Conference
Calgary, AB
Details TBA

April 24-28, 2007
3rd Annual Supply Chain Connections Conference
York the Hotel, Winnipeg, MB
Contact: Kathy Chmelnytzki
Email: transport_institute@umanitoba.ca
Phone: (204) 474-9842

April 29-May 2, 2007
Hydrogen & Fuel Cells 2007:
International Conference and Trade Show
Vancouver Convention & Exhibition Centre, Vancouver, BC
Website: http://www.hfc2007.com/

June 3-6, 2007
Canadian Transportation Research Forum (CTRF)
42nd Annual Conference
York The Hotel, Winnipeg, MB
Visit www.ctrf.ca for details
The Co-operative Education Program of the Asper School of Business serves as an educational partnership, bridging the employment and academic needs of students, the University, and the business community. Co-op formally enables students to integrate academic studies with ‘on the job’ experience while meeting the recruitment needs of the employers. Students are employed full-time for a minimum period of four months and are actively engaged in productive work, rather than merely observing, and will receive remuneration and constructive feedback in a facilitative learning environment. Through this initiative, employers have the opportunity to serve as mentors to students’ developing careers and to promote their corporate image by establishing a reputation as an ‘employer of choice’.

The benefits for an employer participating in the Co-op Program are numerous:

- The program is an effective recruiting strategy, providing a head start in attracting Commerce graduates trained in the fundamentals of accounting, finance, marketing, logistics and other business-critical subjects.
- Employers can select work terms to meet seasonal recruitment needs.
- The Co-op Office is your partner to success by offering full recruitment services. We will advertise positions, organize on-campus interviews for your selected candidates, and co-ordinate the work terms.
- Co-op students are pre-screened, have a minimum GPA of 3.0, and complete mandatory professional development training sessions focusing on professional conduct and expectations.
- Employers are eligible to receive a tax incentive of up to $1,000 per student per work term in Manitoba and other participating provinces.

The first Co-op Work Term is scheduled for May – August 2007, and we are currently recruiting employers to partner with us for this exciting new initiative. If your company commonly hires ‘summer students’, the co-op program will seamlessly fit into your current staffing model. Here’s how you can get involved: review our enclosed Employer Brochure or download our Employer Guide to learn more on the merits of the program. Posting a position is easy. Simply complete the online job posting form or fax or email postings to the address indicated.

Integrating Co-op into a recruitment strategy will yield results in attracting and retaining a workforce skilled in the fundamentals of business, and will give your company a head start in hiring graduates. Please contact Leah Bannister if you have any questions or would like to learn more.

Leah Bannister  
Co-operative Education Coordinator  
Career Services Centre  
Asper School of Business  
University of Manitoba  
Phone: 474-6673  
www.umanitoba.ca/asper/co-op
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Dispatch

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