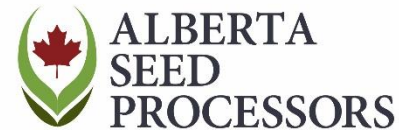


Provincial Board of Directors Report

66th Annual Meeting

January 16-18, 2019



Greetings on behalf of the board of the directors

I would think that most of you are glad to be done with the 2018 harvest which was full of challenges from some places being extremely dry to others with excessive moisture, many weather delays from rain to multiple snow falls. All of which tested everyone's patience, stamina, and ability to adapt. These circumstances have definitely affected the quality of the seed. I'm confident that our collection of professional processors will do their best to reduce the negative factor that climatic conditions may have caused on seed quality.

At last year's meeting we had 2 new regional directors join us, from region 1 Todd McCann and from region 2 Doug Sell, replacing Kelly Wheeler (vice-president) and Dave Bishop (president).

The board reorganized for 2018, the elected executive are as follows:

Hector Ouellette -President

Dan Brachman - Vice-President

Monica Klaas - Board Secretary /General Manager

Joe Hanson - Managers Association Representative

At this time, I would like to thank all the board members and Monica for all the time and effort they put into making this association run so smoothly.

Later today, there will be elections for Directors from regions 3 & 4. Please make sure that all managers and directors from those regions attend their respective regional elections. For anyone wanting information on the responsibilities of Provincial Directors, feel free to talk to any of the current Directors.

The board has been busy again this year with the 3 key points of focus from our strategic plan:

1. Best Practises & Training
2. Group Services & Benefits
3. Market Development & Industry Advocacy

The Managers held another very successful training session this summer in Provost. Another Manager's summer training session is being planned by the Manager's Association. It is scheduled to be held in Region 2 at Three Hills. Also, many of you attended the safety & communication workshops yesterday.

Moving on to the group services the board knew it was time for an evaluation of our health benefits provider as service concerns were being voiced. After some investigation and comparisons, it was decided to move brokers but not the insurer at this time. As for the physical site insurance, the Association was fortunate to have a plant do a cost -to- value comparison between 2 insurers with the end result being very favourable on the value from Foster Park. Also, it looks like we will be under the 30% maximum loss ratio, therefore a 5% profit share rebate will be issued on property premiums.

Market Development & Industry Advocacy has been interesting in the past year. On behalf of the Association, we meet several times with the AG minister and his staff to try to find some resolve on the fusarium topic. As the year progressed, we had high hopes of seeing some changes come about but in the

last few months it has become clear that we will not see any changes until the next government is formed. Hopefully we can make more progress by summertime.

Value Creation has been a topic of great discussion as of late and it will be a big part of our meetings over the next few days. We believe that investment in research would be of value but have questions if the proposals put forward are the right ones. With presentations and discussions at the AGM, maybe we can find some direction.

Seed Smart continues to be a great program for starting the conversation regarding investing in the best seed testing package. The goal of the program is to increase the number of growers that are testing ALL of their seed lots, plus increasing the magnitude of the seed test. For example, rather than doing a fusarium & germ, do a fusarium, germ, 1000 Kernel weight and vigor test. Seed Testing Information increases the ability of a farmer to make informed cropping decisions.

Thank you to the program partners: SGS Biovision, Seedcheck Technologies, and 20/20 Seed Labs.

Again, this year we will be supporting students in agriculture- based post secondary studies with two - \$1000 scholarships which are targeted towards students in their 2nd year of studies. We were very pleased that seventeen applications for the 2019 scholarship were received. After much deliberation two recipients were chosen and we are proud to announce the winners of the 2019 Seed Smart Scholarships: Kayl Kirschner and Cassandra Klaas.

The Association continues to hold a membership in Canadian Seed Trade Association. The big topic being addressed is SEED SYNERGY. This is the movement to modernize and amalgamate the national seed industry. Industry amalgamation is a matter of efficiency. Combining the six organizations that currently operate on a national basis is a massive undertaking, with the many moving parts of the seed industry being considered to form an efficient transparent national organization. One of the goals is to have a unified lobby voice on federal, as well as international seed-related policy. The value creation piece is only one part of the Seed Synergy project.

Alberta Seed Guide & SEED.AB.CA

The magazine will be changing slightly as it will be going to a flat binding, and as usual, the executives of our association and the Alberta Seed Growers provide ideas on some of the content. A new contract is under consideration at this time with Issues Ink. Please book your advertising with Issues Ink - it's a great way to promote your growing business.

Some of the ways your Association supports industry:

Seed Smart scholarships
FarmTech Bronze Sponsor 2017, 2018 & 2019
Participation in Ag Expo
Alberta Regional Variety trials sponsorship
Alberta Silage Variety trials sponsorship
Members of Alberta Food Processors
Members of Canadian Seed Trade Association

Membership

We still have 67 members in our Association, and are always open to new agricultural co-ops joining. Thank you for attending this Annual Meeting, we all look forward to a few great days of information, engaging discussions and networking. Please feel free to provide us with constructive feedback as our goal is to constantly improve.

2018 Board of Directors

Todd McCaan	Region 1
Doug Sell	Region 2
Tom Coppock	Region 3
Dan Brachmann	Vice President, Region 4
Ross Bezovie	Region 5
Charlie Martin	Region 6
Hector Ouellette	President, Region 7
Joe Hanson	Managers Assoc. Rep.
Blair Peregrym	Managers Assoc. Rep.
Monica Klaas	General Manager
Bill Chapman	Alberta Agriculture & Forestry Advisor

Submitted on behalf of the Provincial Board of Directors



Hector Ouellette, President



General Manager's Report

66th Annual Meeting

January 16-18, 2019

Here are a few of the highlights from the GM's desk, which have not already been summarized by Hector Ouellette in the Board Report.

- One of the major strengths of any organization is communication. This past November it was once again confirmed that the postal system is slow and very unreliable. To this end, it is imperative for ALL seed processing facilities to have access to email: with the increase of postage costs, and the sheer amount of resource it takes to process a hard copy, versus handling information electronically, embracing technology builds efficiency & cuts waste. Mostly, electronic communication ensures timeliness, as many subjects are time sensitive.
- A monthly electronic newsletter is typically sent out near the beginning of each month. To sign up for the newsletter, simply hit the "contact us" button on the website.
- Recently, the Association has adopted electronic payments through e-transfers. So far this has proven to be very effective means of ensuring that the "cheque is indeed NOT lost in the mail". Each plant is encouraged to talk to their auditor/accountant, and/or financial institution regarding setting up safe, secure electronic means of moving funds.
- There have been many opportunities for business development over the past year. The office has received several opportunities to source, process, and handle various commodity crops. Every effort has been made to ensure member plants receive the information regarding

opportunities for potential customers. (Again, if there is no email address, relaying time-sensitive information is nearly impossible).

- Focus on Training and Education will continue, in congruence with the strategic plan. The Association will be holding a Communication Training Session this summer in Central Alberta with the goal of improving public speaking and formulation of messages, especially relating to communicating with the non-farming public about agriculture. Stay tuned for details.
- Balancing the budget and allocating resources wisely is a task that takes considerable process in part by both the board and myself. The Seed Smart Program is an example of industry involvement where resources are allocated beyond administration of the organization.
- Provincially, the Agricultural Pest control act is scheduled for review. The Association will endeavor to ensure the voice of our members is heard in a respectful and constructive way. Considerable resources have been expended participating in the Ad-Hoc Fusarium Industry Working Group. Over seven in-person meetings with Provincial agriculture officials were conducted in addition to a plethora of written correspondence, with little or no movement on the subject.
- Nationally, conversations regarding crafting a unified seed sector continue, with many complex elements of the traditional and future seed industry being scrutinized to form an efficient, functioning organization that envelopes all stakeholders. Keeping up-to-date regarding national and international seed and grain industry aspects is important in the path forward for this ever-changing industry.

CSI: Canadian Seed Institute

The CSI Board of Directors meet in Ottawa twice a year and have periodic conference calls to address issues or topics as they arise. CSI is made up of representation from CSGA, CSTA, CSSAC, Alberta Seed Processors, Quebec Seed Conditioners, as well as a couple members at large. The majority of this year’s meetings have been dealing with the development of Seed Synergy. There is also a pending merger of CSSAC with CSI.

Crop Life Seed Treatment Facilities Standards

There were a number of drivers leading to the formation of the accredited seed treatment standards including;

- registrants and regulators seeking consistency with seed treatment registration evaluation
- registrants desire to develop a national stewardship program involving seed treatment which was a perceived gap within the industry’s lifecycle stewardship programs
- alignment with other jurisdictions international.

As of July, 2018 there are **380** sites nationally that have successfully completed the Accredited Seed Treatment Operation Standards audit:

BC	AB	SK	MB	ON	PQ	ATL	Total
-	63	63	142	80	17	11	380

Of the 63 accredited commercial applicator sites in Alberta, 22 of those are our member plants that are accredited. 15 of our member plants still need accreditation.

Fifteen plants still

There are major changes being implemented to this program. In mid 2018, Crop Life announced that ALL commercial applicators, regardless of what type or volume of product being used will be required to meet or exceed the warehousing standards set forth.

In order to access seed treatment products, all commercial seed treatment facilities will need to successfully complete an audit prior to December 31, 2020 (no-ship policy will start in January 2021).

A list of designated products is available on the AWSA website. At this point, most of the products on the list are destined for use on corn, soybeans, and canola. But again, all that changes starting in 2021.

2019 Annual Meeting Sponsor and Exhibitor Recognition


The effort has been made to attract new exhibitors and sponsors to our Annual Meeting with the goal of providing a conduit to connect with suppliers in the Industry. Please take time to check out all of our valued business partners at the trade show. A sponsor directory has been included in your registration packages with the intent of supplying a resource of our supporting partners.

Thank You to Our Valued Industry Partners

BASF	Partner	20/20 Seed Labs Inc.	Bronze
Bayer CropScience	Partner	AG Safe Solutions	Bronze
Syngenta	Partner	All Mills	Bronze
Can-Seed Equipment Ltd.	Platinum	ATP Nutrition	Bronze
Foster Park Brokers Inc.	Platinum	Canterra Seeds	Bronze
Lewis M. Carter Mfg	Platinum	Carter Day	Bronze
ATCO Energy	Gold	Flaman Grain Cleaning & Handling Systems	Bronze
CS Welding	Gold	Secan	Bronze
Farm Credit Canada	Gold	Stony Plain Seeds	Bronze
Meridian	Gold	Westlock Seed Plant	Bronze
Seedcheck Technologies	Gold	Accurate Scale Industries Ltd.	Exhibitor
ATB Financial	Silver	Agri Flo	Exhibitor
Hanks Feed Mills	Silver	AnCeres	Exhibitor
Nexeed	Silver	Impel Systems Inc	Exhibitor
SGS BioVision Seed Labs	Silver	Kenobie Inc.	Exhibitor
		Omex Agriculture Inc.	Exhibitor
		Sparta Engineering	Exhibitor
		FarmChem	Supporter

Best wishes for a successful 66th Annual Meeting.

Respectfully Submitted,


Monica Klaas, General Manager

2017-2018 Total Processing Volume for Province (Bushels)

Total Seed	Farm Saved Seed	Pedigreed Seed	Separation & Export	Seed Treated	Total 2017-2018	Total 2016-2017	Total 2015-2016
33,764,100	27,602,010	6,162,090	7,683,307	3,015,413	42,037,407	43,833,910	41,046,879

Grain Cleaned Volume Summary - Average Volume per Year

Year	Average Volume/plant (Bushels)	5 Year Average Volume/plant (bushels)
2018	627,424	612,307
2017	654,237	592,969
2016	612,634	582,922
2015	567,322	554,796
2014	599,918	530,331
2013	530,738	504,548
2012	604,000	476,000
2011	472,000	433,600
2010	445,000	417,200
2009	471,000	408,400
2008	388,000	398,800
2007	392,000	407,200
2006	390,000	

Average Volume per Plant

Year	Volume in Bushels	3 Year Average	Number of Plants
2018	42,037,407	42.3 million bushels	67
2017	43,833,909	40.9 million bushels	67
2016	41,026,951	39.5 million bushels	67
2015	38,010,572	38.0 million bushels	67
2014	39,594,581	39.5 million bushels	66
2013	36,620,932	37.3 million bushels	69
2012	42,262,909		70
2011	33,013,201		69
2010	30,722,737	30.1 million bushels	69
2009	31,573,931		67
2008	27,878,323		72
2007	29,413,800	29.6 million bushels	73
2006	29,276,000		75

Volume Range

Number of Plants reporting volumes in each category						
# of Bushels	2018	2017	2016	2015	2014	2013
>100,000	5	6	5	7	5	7
>200,000	8	5	9	8	10	7
>300,000	9	12	7	9	5	9
>400,000	7	8	7	6	11	14
>500,000	10	6	7	10	6	7
>600,000	5	5	9	6	4	6
>700,000	6	8	8	7	12	7
>800,000	5	5	7	5	2	3
>900,000	2	2	0	1	2	2
>1,000,000	10	9	8	8	9	6
>2,000,000		1				

Top 5 Plants: Overall Volume

Facility	Total Processing 2017-2018	Total Processing 2016-2017	Total Processing 2015-2016
Stony Plain	1,812,265	1,654,853	1,821,027
Three Hills	1,764,085	1,806,949	1,434,430
Taber	1,671,415	2,063,086	1,500,282
Westlock	1,391,546	1,667,708	1,431,059
Foremost	1,317,808	1,430,992	1,156,315

Top 5 Plants: Processing for Seed

Including Farm-Saved and Pedigreed Seed

Facility	Total Seed	Farm Saved	Pedigreed Seed
Three Hills	1,378,717	744,740	633,977
Westlock	1,343,352	656,273	687,079
Taber	1,339,263	662,808	676,455
Foremost	1,121,339	806,403	314,936
La Crete	1,000,359	967,476	32,883

Top 5 Plants: Processing Pedigreed Seed

Facility	Pedigreed Seed	Farm Saved	Total Seed
Westlock	687,079	656,273	1,343,352
Taber	676,455	662,808	1,339,263
Three Hills	633,977	744,740	1,378,717
Paradise Valley	535,508	401,214	936,722
Enchant	427,349	430,718	858,067

Top 5 Plants: Processing Grain for Market Purposes

Facility	Separation/Conditioning/Export
Stony Plain	1,487,320
Morinville	765,031
Alliance	496,735
Three Hills	385,368
Strathmore	383,501

Seed Treating

Total Bushels Treated

Year	Number of Plants	Total Bushels Treated
2018	37	3,015,413
2017	39	2,545,793
2016	38	2,628,504
2015	39	2,670,735
2014	39	2,603,611
2013	40	2,689,893
2012	39	2,341,645
2011	40	2,132,741
2010	41	2,011,883

Top 5 Plants: Seed Treating

Facility	Total Bushels Treated
Westlock	305,400.00
Beiseker	249,659.00
Strathmore	244,984.00
Hussar	189,254.00
Foremost	174,859.00

*note 1plant did not report volumes in 2017

Business to Business Data Exchange:

Thank you to all who took the time to answer ALL the survey questions. The point of sharing information is to help one another build better businesses. Data is also used for the Association to make business decisions and to develop training sessions and programs that are useful to the membership. Aside from business volume numbers, data collected is confidential, and will only be released in a method that protects the privacy of the data submitter.

Regional Data

Recorded In	Total	Farm Saved	Pedigreed	Separation	Seed	Total	Pricing
Bushels	Seed	Seed	Seed	& Export	Treating	2016-2017	Range \$0.00/bu
Region 1	8,082,972	6,283,604	1,799,368	975,387	571,991	9,058,359	.45 - .80
# of Plants	13	13	5	11	8	13	
Region 2	5,319,382	4,197,786	1,121,596	908,429	929,409	6,667,811	.55-.90
# of Plants	8	8	6	5	7	8	
Region 3	4,355,923	4,084,168	271,755	1,471,850	506,918	5,827,773	.49 - .80
# of Plants	8	8	4	8	6	8	
Region 4	2,656,030	2,141,949	514,081	326,394	273,350	2,982,424	.55 -.95
# of Plants	6	6	5	6	6	6	
Region 5	4,610,556	3,912,765	697,791	751,686	286,772	5,362,242	.51-.80
# of Plants	12	12	6	12	5	12	
Region 6	3,037,280	2,036,019	1,001,261	2,447,327	401,641	5,484,607	.55 - .95
# of Plants	6	6	5	6	4	6	
Region 7	5,701,957	4,945,719	756,238	802,234	45,332	6,654,191	.47 - .95
# of Plants	14	14	8	11	1	14	

Additional Survey Data Collected in 2017:

(a detailed survey was not conducted in 2018, but is planned for 2019)

Use of grower declaration relating to Plant Breeders Rights

When member facilities were asked in 2017, if they are utilizing some type of grower declaration as a means to limit liability relating to PBR, 45 out of 57 respondents reported that they had some sort of grower declaration in use. Out of the 45 that are limiting their liability with a PBR declaration, 20 plants are using a yearly sign-off process.

Seed Testing

64 out of 66 plants reported accepting seed samples to be sent to accredited seed labs.

Together We are Stronger

48 out of 57 respondents reported that a municipal government representative is part of the plant's board of directors.

Employment

In a 2017 survey, 57 out of 67 members reported that they collectively employed 148 full-time employees, and 104 part time employees.

Wealth of Experience

This Association is very 'rich' in the experience segment:

If all the full-time employees' years of experience were tabulated together, our association could say that we collectively have 1077 years of experience! Further, the part-time staff adds up to another 232 years of experience.

Way to Grow

57 plants reported investing over 69 million dollars over the past 5 years for upgrading and rebuilding projects. That's a lot of reinvestment into farmer-owned businesses!