

phenomenon, largely because of increased specialization in the production of high quality wines from varietal grapes that are more successful in competing with imported varieties and vintages. Overall, the quality of Canada's domestic production of blended and table wines has improved vis-à-vis internationally recognized wine production regions. Small firms in both the brewing and wine industries are now moving beyond local and regional markets into inter-provincial and international niche markets. Diversification is also being encouraged by a very well developed food wholesale and distribution sector. Local brands of processed foods and beverages can now be distributed more widely to retail grocers and specialty food stores outside the region in which the products originate. Similarly, Canadian food service establishments continue to diversify their menus by featuring new products and experimenting with food preparation methods. This, in turn, creates new consumer tastes and stimulates demand for comparable products in retail outlets.

## TECHNOLOGICAL EXCELLENCE

Canada has a strong research and development capability in food and beverage processing. Much of that capability can be found in the country's universities, industry-funded centres of excellence, and government research institutions, all of which have a long tradition of close and fruitful collaboration with researchers in individual firms. As a consequence of being able to access this broad range of expertise and facilities, the cost of conducting R&D in Canada can be very competitive.

Canada's academic and government research institutions possess an impressive critical mass of research professionals in food sciences and related disciplines. These

institutions are linked through the *Food Network* of 12 universities and 18 federal and provincial government food research facilities with the objective of creating inter-agency, multidisciplinary research teams.

For example, the University of British Columbia (UBC) campus in Vancouver serves as the nucleus of a food research and technology cluster with strong capabilities in applied molecular biology. In addition to the university's own research programs, research is conducted in collaboration with Agriculture and Agri-Food Canada and the British Columbia Research Corporation. This complex is being further strengthened by the creation of a more formal linkage of research organizations in the region under the umbrella of the UBC Food Research Centre, launched in 1994.

There are similar university-government-industry complexes in association with the University of Alberta in Edmonton, the University of Manitoba in Winnipeg, and the University of Toronto and the University of Guelph in Ontario. For example, the Guelph Food Technology Centre was developed by a group of food industry representatives and researchers at the University of Guelph. It was created in response to the need to commercialize food technologies developed by the research community. It now operates as a partnership

