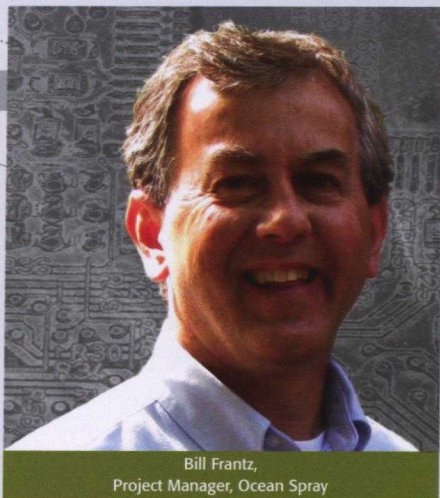


Global Leader Invests in Canada's Cranberry Crop for the World Market



Bill Frantz,
Project Manager, Ocean Spray

OCEAN SPRAY, THE WORLD'S TOP PRODUCER of cranberries, has invested in a sizeable farm development in rural New Brunswick. The development will further expand Canada's capacity as a leading producer of cranberries. Cranberries are a major commercial crop in Canada, with farm operations concentrated in British Columbia and Quebec. There are also producers in Ontario and all four Atlantic provinces.

Ocean Spray is a U.S.-based co-operative owned by 700 cranberry growers and 100 grapefruit growers across North America. Founded 80 years ago, its current members farm in several U.S. states and Canadian provinces. The company manufactures and sells cranberry juice and sauce, and sweetened dried cranberries, to 60 countries. The New Brunswick operation will be the co-operative's first wholly-owned farm.

Construction is underway near Rogersville, N.B., on 8,400 acres (3,399 hectares) of land leased from the provincial government for 90 years. During the first phase, Ocean Spray will invest \$8 million to prepare and plant the first 125 acres (50 hectares) of cranberry fields. Over time, the project could blossom into a \$90-million operation.

The company's research showed that New Brunswick is an ideal location—climate, location and transportation links are all favourable, for instance.

Bill Frantz, Project Manager, says the province also has a helpful regulatory business development climate. "Our company received direction from the Department of Agriculture as well as business development support, when we were looking at potential sites. There was a rigorous environmental review process, but it was streamlined and efficient without compromising environmental safeguards." The province also set up an office in Rogersville to assist in contracting to local companies and hiring employees.

The workforce in Rogersville and nearby communities is both capable and sizeable. The project could create more than 100 jobs in a variety of sectors such as construction, farming, maintenance and other spin-off industries. The company has a unique joint-venture agreement with the Mi'kmaq First Nations, to provide training and help First Nations members develop their own cranberry farms. "We look forward to continuing the partnerships we have forged in Rogersville and the rest of New Brunswick in the future," said Mr. Frantz.

The resources needed for growing cranberries (water and high-quality sand) are abundant in New Brunswick. There are already 500 acres of independent cranberry farms in the province, with consistently high production and yields. Cranberries, which grow on long-running vines in bogs or soft, marshy ground, require major up-front preparation of land and time to mature. They can take up to four years to produce commercially viable yields.

Rogersville is a nine-hour drive from the company's head office in Massachusetts, where harvested fruit will initially be shipped for processing. While the focus of the first several phases of the project will be on the development of the cranberry beds and crops, construction of processing and value-added manufacturing is a possibility.

"Canada opened its doors to Ocean Spray and provided a perfect location and supportive environment, where we can profitably grow our business," says Mr. Frantz. Ocean Spray expects the strong global market for cranberries will continue and grow, due to the fruit's high nutrient content and unique anti-adhesive and anti-oxidative properties.

Canada's natural resources and positive business climate, together with a supportive regulatory regime and trade policies for food production, have provided Ocean Spray with all the ingredients for success and are a good example of why Canada's agri-food sector has a leading reputation around the world.