

Food Processing

A key driver of the Canadian economy, the agri-food industry offers investors the right mix of resources, cutting-edge innovation and investment opportunities. From primary agricultural production to wholesale and retail distribution, from leading-edge R&D to innovative product manufacturing, Canada's agri-food industry offers expertise in all segments of the agriculture value chain.

WITHOUT A DOUBT, CANADA IS A MAJOR agri-food player at the global level. Our natural ingredients for success include easy access to quality agricultural raw materials. However, it is the Canadian food industry's product innovations and world-class food safety standards that sustain global consumer interest and confidence in our agri-food products.

As one of the Top 10 exporters of agri-food products in the world, Canada shipped processed food and beverages valued at \$80.2 billion in 2007, with \$19.3 billion in exports shipped to over 180 countries in 2009. According to KPMG's *Competitive Alternatives 2010*, Canada ranks first in the G7 in low food processing costs.¹ Canadian cities such as Montréal, Ottawa, Québec City, Sherbrooke, Toronto and Waterloo offer some of the lowest agri-food business costs on the continent. Ontario, Canada's largest province by population, is one of the largest and most competitive food clusters in North America, ranking as the third-largest food processing jurisdiction on the continent, with over \$32.3 billion in annual sales.²

Meat

Canada is a major global producer of quality meat products. The industry produces wholesome livestock, while adhering to strict animal health standards and quality grading systems. The Canadian

meat industry also uses efficient, technologically advanced animal care and feeding systems, and the latest in meat processing technology.

The Canadian meat industry's success is self-evident. In 2008, beef production contributed a hefty \$26 billion to the Canadian economy. Canada is one of the Top 10 beef-producing nations on the planet and the sixth-largest beef exporter in the world. Canada is also the third-largest global exporter of pork, sending more than \$2 billion worth of pork products to more than 100 countries every year.

Functional Foods and Nutraceuticals

Canada is an innovator in the functional foods and natural health products industry, which produces over \$3.7 billion in annual revenues. The country boasts more than 300 companies—from small start-ups to multinational enterprises—many of which are internationally recognized for their bioactive ingredients, such as soluble fibre from oats, barley and pulses; omega-3 fatty acids from fish and flax oil; unsaturated fatty acids from canola oil; plant sterols and stanols from vegetable oils; and protein from soy.

The country is a leader in the development, formulation, and manufacturing of essential fatty acid products, vitamins, minerals, and anti-oxidants. Flax bio-

actives, fibre-based prebiotics and berry-based polyphenolic antioxidants are just a few healthy, breakthrough products made in Canada.

Grain and Oilseed

Canada is world-renowned for its strength in grain and oilseed processing. Each year, it supplies over 3.5 million tonnes of wheat, oats, corn, barley, and milled grain products to about 30 countries.

Canada is a world leader in grain and oilseed R&D. The province of Saskatchewan is at the very heart of Canadian innovation, with facilities such as the Plant Biotechnology Institute, the Saskatoon Research Centre, POS Pilot Plant Corporation, and the Saskatchewan Food Industry Development Centre offering research, product development, and processing facilities to investors.

In 2009, **Louis Dreyfus Mitsui Foods**, a joint partnership between France's **Louis Dreyfus Group** and the Japanese trading house **Mitsui & Co. Ltd.**, began production from its newly built \$90-million canola crushing plant in Saskatchewan.

In 2009, Kansas City's **CII Laboratory Services** announced that it was opening a new wholly-owned subsidiary laboratory in Saskatoon that will provide the grain industry with efficient lab services in grain milling and baking.