



MEDIA RELEASE:

AWWPC recommends producers take advantage of Wheat Board's updated contract program for select winter wheat

June 14, 2011 (Calgary, Alberta)—The Alberta Winter Wheat Commission is recommending producers take advantage of the Canadian Wheat Board's (CWB's) updated Identity Preserved Contract Program (IPCP) for Canada Western Red Winter (CWRW) Select.

The 2011/2012 program offers a premium (\$10/tonne) to producers for CWRW No. 1 and No. 2 Select varieties (see sidebar). The program is also geared to give the CWB a better idea of where and how much select winter wheat is produced on the prairies this year. This, in turn, the CWB says, will give its customers a better idea of crop availability.

The deadline for spring sign-up is June 24.

"The more producers who sign up for this program, the stronger the signal the CWB can send to its customers about our crop," says John Hopkins, a winter wheat producer and the director of Region 3 with the AWWPC. "It's important for producers to send a clear and consistent message to end-use customers about the availability and quality of our crop."

By knowing the location and volume of winter wheat production, the CWB can also improve the logistics behind marketing and transporting the crop, says Doug Munro, a program manager at the CWB.

"Our biggest issue with winter wheat has been originating adequate volumes to supply customers throughout the marketing year," Munro says. "Customers want to know that they can reliably receive this product throughout the year, which means that farmers must be willing to deliver throughout the year."

Following harvest, producers marketing their crops through the CWB will have to complete a delivery contract.

"After delivery contract sign-up ends, we'll look at where the grain is being contracted for delivery and then settle on some key delivery points for farmers," says Charray Dutka, the senior manager for Quality Control and Inventory at the CWB.

The CWB will contact farmers with contracts at other delivery points in early October. Farmers with contracts at other delivery points will have the option to:

- Deliver to a designated delivery point and receive the Select premium,
- Ship via producer car and receive the Select premium,
- Transfer the IPCP contract to a generic contract without penalty,
- Cancel the IPCP contract without penalty.

The CWB will adjust the contract to reflect farmers' choices.

"We recognize this may result in increased trucking distances for some farmers," Dutka says. "The reason we're making this change is that it's difficult to source small volumes of grain from a wide variety of locations across the prairies. This program ensures we will have the right grain in the right place at the right time."

Both Hopkins and Munro say the IPCP could also help build a critical mass for winter wheat production and marketing, encouraging more producers to grow the crop and more customers to buy it.

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For more information, contact:

John Hopkins, Director, Region 3
Alberta Winter Wheat Producers Commission
403.833.3749 or 403.528.7515

Rick Istead, Executive Director
Alberta Winter Wheat Producers Commission
403.271.0939 or 403.869.8184

Charray Dutka, Senior Manager, Quality Control and Inventory
Canadian Wheat Board
204.983.0027

Doug Munro, Program Manager
Canadian Wheat Board
204.984.7819

IPCP fast facts

Spring signup deadline

June 24, 2011

CWRW Select varieties

AC Bellatrix

AC Readymade

AC Tempest

CDC Buteo

CDC Osprey

McClintock

Norstar

Radiant

Eligible grades

Nos. 1 & 2 (straight grades only)

Minimum protein

11%

Premium

\$10 per tonne for CWRW Select, payable only at designated delivery points (generic CWRW initial price will be paid at time of delivery)

Storage

\$0.05 per tonne per day will be paid from January 1, 2012

Acceptance

100%

More information

Visit www.cwb.ca/ipcp