GOING GREEN GLOBALLY

HTC PURENERGY leads the way on carbon dioxide technologies

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Introducing the Hon. Ken Chevaldayoff

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Bourgault – Pursuing Perfection.
Our Saskatchewan summer is upon us but none too late. Although it has been an unusual spring, these things tend to balance out over the year so a long warm summer/fall should be the order of the day.

The anxiety in the global economy continues; yet, there appears to be some surprises and some positive developments. Recent support from the Russian government has seen a strong improvement in their banking sector, whereas some new unforeseen credit challenges have appeared in Kazakhstan. Markets such as Australia have opened up significantly for the first part of 2009 with manufactured goods, and there continues to be some steady opportunities within the American market. But in some quarters, particularly within large infrastructure spending programs, some protectionist sentiments are rearing their unattractive heads.

We have no illusions in Saskatchewan. Our livelihoods and our ability to build and sustain a growing economy is hinged directly on our ability to compete on the global stage. For the first four months of 2009, Statistics Canada revealed some interesting data. Although our overall exports were down from the record levels of 2008 by 17 percent, which can be directly tied to our trade with the U.S. and the price of a barrel of oil, there have been some remarkable surprises. For example, trade with China is up 98 percent, Bangladesh 213 percent, Iraq 819 percent, India 25 percent and Turkey 63 percent. I bring this to your attention because STEP continues to work with our members in many jurisdictions around the world and specifically in those mentioned because we believe personal contact, personal relationships and effort matters.

I have one final comment on our commitment to global trade. STEP, along with Saskatchewan Intergovernmental Relations, recently hosted a workshop on the proposed Canada - European Union Free Trade Agreement. Although Saskatchewan continues to market within the EU, our STEP members are well aware of the challenges that we face on a daily basis in this market. By vigorously participating, it is our hope that we will make an important and beneficial contribution to the final agreement. When the opportunity presents itself to you, please take the time to join the chorus and voice your opinions. The democratic process only works when the population is engaged.

Bye for now, and enjoy your summer.

Lionel LaBelle, President & CEO
Saskatchewan Trade & Export Partnership (STEP)
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Ministry of Finance
Regina

Alanna Koch, Deputy Minister
Ministry of Agriculture
Regina

Dale Botting, CEO
Enterprise Saskatchewan
Regina

STEP members are reminded that nominations are currently being sought to fill five Regular Member Director positions that will be up for re-election this fall. Four of these Board positions will fill three (3) year terms with their terms expiring at the 2012 Annual General Meeting and one position will fill a one (1) year term with this term expiring at the 2010 Annual General Meeting. The STEP Governance & Nominations Committee will oversee the Board member recruitment, nomination and succession processes which are intended to ensure that there is a continuity of qualified Board members to govern the organization in keeping with the major responsibility of the Board to ensure its own effective succession. The Board-approved slate of qualified applicants will be presented at the STEP Annual General Meeting to be held in Regina on September 23, 2009. Members have been advised that prospective candidates are asked to complete and forward an application form, skills matrix document and a detailed biography prior to July 23, 2009. If you have an interest in letting your name stand as a nominee for STEP’s Board of Directors and would like to further discuss, please contact Cory Furman, Chair, STEP Governance and Nominating Committee at (306) 347-8492 or by email cfurman@mlt.com. Information can also be obtained by contacting Nicole Grande, Secretary to the STEP Board of Directors at (306) 787-4136 or ngrande@sasktrade.sk.ca.

STEP AGM

Plan to attend the Saskatchewan Trade and Export Partnership 2009 Annual General Meeting & Member Appreciation Networking Reception, on September 23, 2009. Participate in the AGM, meet new and current STEP Board of Directors and Staff while networking with the provincial exporting community. The call to order will be at 4:00 PM at the Rotunda-Terrance Building at 10 Research Drive, Regina, Saskatchewan. There will be a Member Appreciation & Networking Reception to be held following the meeting. For further information please contact Nicole Grande at (306) 787-4135 or email ngrande@sasktrade.sk.ca.
**JULY 2009**

**Canadian Special Crops Association (CSCA) Conference**

Location: Winnipeg, MB  
Date: July 13 - 16, 2009

STEP has recruited member companies to participate at the Canadian Special Crops Association (CSCA) Conference to learn more about the new developments in pulse and special crops industry. This key industry event offers the opportunity to discuss current issues, meet Canadian suppliers and international buyers, network with delegates, share information about trends in the industry. The objective of this mission is to work with STEP members to help them establish contacts and distribution channels in international markets via buyer attendance from around the world. STEP will exhibit at the 2009 conference and offer pulse member companies the opportunity to participate in the STEP booth through representation at the event or through displaying samples and marketing materials. The CSCA Conference attracts many overseas buyers from all over the world and this gives members an opportunity to meet with existing and new clients to discuss opportunities for sales of their Saskatchewan products.

**Canadian Gift and Tableware Association Fall Show**

Location: Toronto, ON  
Date: August 10 - 14, 2009

The CGTA Gift Show is North America’s largest temporary trade gift show with over 1,200 exhibitors and over 22,000 qualified retail buyers from across Canada. On this business development mission, STEP plans to organize a business development to the Canadian Gift and Tableware Association Trade Show in Toronto, Ontario involving a possible group display and would involve group displays at the show, arrange meetings with buyers, and represent non-attending members.

**Ag Quip and Dowerin Field Days - Australia**

Location: Gunnedah and Dowerin, Australia  
Date: August 18 - Sept. 1, 2009

STEP will lead a multi-sector trade development mission to Australia aimed at members who are looking to make initial inroads into the Australian market or to further establish themselves with existing distributors. STEP will target two in-market activities to provide distribution opportunities for members products.

**AUGUST 2009**

**AgQuip Field Days 2009 - Agriculture Equipment Showcase**

Date: August 21 - 23rd, 2009  
Location: Gunnedah, New South Wales (NSW)  
http://agquip.farmonline.com.au

**Dowerin GWN Machinery Field Days (Agriculture and Mining Machinery)**

Date: August 29 - 30, 2009  
Location: Dowerin, Western Australia (WA)  
http://www.dowerinfielddays.com.au

**Contact Information:**

Rob Ziola, Director - Manufacturing Saskatchewan Trade and Export Partnership (STEP)  
Telephone: (306) 933-6557  
rziola@sasktrade.sk.ca

**Contact Information:**

Tim Marshall,  
Senior Director - Asia - Africa  
Telephone: (306) 787-2191  
tmarshall@sasktrade.sk.ca

Dan Maynard,  
Trade Specialist - Agri-Value  
Telephone: (306) 787-2222  
dmaynard@sasktrade.sk.ca

**Contact Information:**

Rob Ziola, Director - Manufacturing Saskatchewan Trade and Export Partnership (STEP)  
Telephone: (306) 933-6557  
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SEPTEMBER 2009

2009 Purchasers’ Showcase
Location: Saskatoon SK
Date: September 18, 2009
The Purchasers’ Showcase is a trade-show hosted by the Ministry of Government Services to encourage networking between public sector purchasers and suppliers. Suppliers discuss what goods and services they sell and learn how to do business with the public sector purchasers who attend. Attendees also have the opportunity to attend various procurement related presentations held throughout the day.

There is no charge for suppliers to attend the tradeshow and presentation portion of the event. The event also includes a luncheon with a keynote speaker. Limited luncheon tickets are available for purchase through www.rsvpwizard.com. STEP will be a booth participant and presenter at the event to discuss what services they can offer to Saskatchewan suppliers.

Contact Information:
David Froh, Trade Specialist
Technology and Professional Services
Telephone: (306) 787-7928
dfroh@sasktrade.sk.ca

World Dairy Expo
Location: Madison, WI
Date: September 29 - October 3, 2009
World Dairy Expo is the international meeting place for the dairy industry with more than 68,000 dairy industry enthusiasts. The most modern dairy equipment and the newest dairy technology and innovations, including animal health supplies, milking systems, feeding products, forage handling and manure equipment plus embryos, semen and genetic research are displayed. STEP will organize a business development mission that will involve a group display at the show, arrange meetings with buyers, and represent non-attending members.

Contact Information:
Jennifer Evancio, Director - Agri-Value
Telephone: (306) 787-7945
jevancio@sasktrade.sk.ca

Member Seminar: Market Update - Kazakhstan, Russia & Ukraine
Date: September 2009 - TBC
STEP will organize a workshop mainly concentrating on the Kazakhstan, Russia and Ukraine markets and consist of speakers from the Embassy’s or DFAIT and will incorporate a Saskatchewan Export Panel discussion regarding these markets.

Contact Information:
Tim Marshall,
Senior Director - Asia-Africa
Telephone: (306) 787-2191
tmarshall@sasktrade.sk.ca

Enviro- Pro/TECOMEX 2009
Location: Mexico City
Date: September 29 - October 1, 2009
Enviro-Pro/TECOMEX, the largest environmental exhibition and congress in Mexico, brings together the business community from the environmental and energy industries in this region. Enviro-Pro Mexico covers the complete spectrum of environmental protection with a variety of pavilions, conferences and activities, the exhibition creates a positive international business environment where professionals will come together to talk about key industry topics that will range from technology for the better handling of solid waste, to recycling, water and sewage treatment and alternative energy sources.

STEP will organize a business development mission that will involve a group display at the show, arrange meetings with buyers, and represent non-attending members.

Contact Information:
Guy Hughes, Director - Technology & Professional Services
Telephone: (306) 787-7940
g Hughes@sasktrade.sk.ca

Saskatchewan Trade and Export Partnership (STEP)
Annual General Meeting
Location: Regina, Saskatchewan
Date: September 23, 2009
Plan now to attend the Saskatchewan Trade and Export Partnership 2009 Annual General Meeting. Participate in the AGM, meet new and current STEP Board of Directors and staff while networking with the provincial exporting community.

Contact Information:
Nicole Grande, Executive Coordinator
Telephone: (306) 787-4136
ngrande@sasktrade.sk.ca

FITT Skills International Trade Training
Location: Regina & Saskatoon
STEP offers FITT Skills International Trade Training, a unique international trade training which was formed from an expressed interest by Saskatchewan companies to make international trade training available. Whether a company is looking for a session on filling out letters of credit or you want to know everything there is to know about trade finance, FITT Skills International Trade Training can satisfy a company’s needs. Open doors with STEP delivered FITTSkills international trade training today! Upcoming and confirmed courses of interest include:

Global Business Environment - Regina
(July 18 - 19, 2009)
Registration Deadline: July 10th, 2009

International Trade Finance - Saskatoon
(Aug 29 - 30, 2009)
Registration Deadline: August 20th, 2009

Legal Aspects of International Trade - Regina
(October 17-18, 2009)
Registration Deadline: October 10th, 2009

For additional information regarding upcoming STEP events, please visit www.sasktrade.sk.ca
GOING GREEN GLOBALLY
Regina business world leader in green technology
A Saskatchewan company, HTC PURENERGY is quickly becoming the global “go to” place for technology on the capture, sequestration and repurposing of carbon dioxide.

“They think that Canada’s obligation to Kyoto – its obligation to the global environment is not only to set an example,” says Lionel Kambeitz, Chairman and CEO of HTC PUREENERGY, “but it’s also to be a technology developer whereby other countries would adopt our cutting edge technology. We can provide quite a contribution to other countries around the world in terms of technology adoption that’s developed and commercialized here in Canada.”

On September 3 2008, HTC signed a global licensing agreement for carbon capture and storage technology with one of the world’s leading power plant equipment supplier and power plant constructors – Doosan Babcock Energy of the United Kingdom and with Doosan Heavy Industries of Korea.

As part of the agreement Doosan now owns 15 percent of HTC and has appointed one person to sit on HTC’s Board of Directors. Since October 2008, Doosan has also had an engineering team of up to 18 individuals in Regina for technology training, with the first class graduating in March 2009.

“The concept is we are rolling out these technologies to Doosan so they can transfer them out to their 20 locations worldwide and we fundamentally have a licensing agreement with them so that when they adopt and utilize the technology in all of their global locations, we’ll then be generating licensing revenues for ourselves and the University of Regina,” says Kambeitz.

HTC had its beginning in 1997 and became involved in CO2 technology development in 2000. Since then HTC has done business with a host of international companies including Bechtel Overseas Corporation, Norway’s StatoilHydro; Gassnova, also of Norway; Detroit Edison; Chinese National Petroleum Company and Loy Yang Power Corporation of Australia.

**From carbon to cash**

“We’re an energy technology company,” says Kambeitz. “Our company licenses technology from the University of Regina (U of R), has acquired technologies, and has internally developed technologies to create a world leading carbon capture product offering for large industrial emitters; primarily coal fired or natural gas powered plants, oil upgraders and oil refiners.

He describes the process as a management value chain whereby HTC helps the customer to manage the CO2 by either sequestration or in enhanced oil recovery (EOR).

Oil producers use CO2 in enhanced oil recovery - a process whereby the injection of carbon dioxide into mature oil fields will allow significantly more oil to be recovered.

Stats collected in Canadian EOR fields suggest that injecting one ton of carbon dioxide could increase production by four to seven barrels of incremental oil while the US Department of Energy estimates the potential for CO2 EOR in that country is 43 billion barrels. At $50 (USD) per barrel oil that could be recovered in that country alone would be worth over $2 trillion.

HTC can also manage the long term storage or sequestration of carbon in deep underground, geological formations such as the spaces left by depleted oil and natural gas wells, naturally occurring saline aquifers or unmineable coal beds.

“And then at the end of the value chain comes the monetization of this CO2,” says Kambeitz. “We assist in the assessment and inventory and monetization of the carbon credit. A ton of carbon in the ground - it’s an intangible. We help our customer monetize or package it so it becomes a tradable commodity. You either trade it or use it as an offset to the new carbon management regime that governments around the world are installing. The value chain is - first capture the CO2 from large industrial emitters. Secondly, utilize the CO2 for EOR, put it into formations where there are existing oil fields and they can produce more oil and then assist in the monetization of the carbon credit inventory and the carbon credit that’s in the ground afterwards.”

**Intellectual capital**

HTC’s collaborative technology partnership with the U of R is pivotal, says Kambeitz. HTC licenses many of its commercial CCS technologies from the U of R. Their role is creating what he refers to as intellectual capital – a resource that has inestimable worth in the world marketplace. HTC’s product development group work in close contact with the U of R CO2 engineering group, and the International Test Center for CO2 Capture (ITC) housed in the Greenhouse Gas Technology building on the U of R campus.

A natural gas turbine flue gas CO2 capture pilot plant is on site at the ITC while a coal fired flue gas field test CO2 capture unit has been in operation at the Boundary Dam power plant in Estevan for over 15 years. This combination of pilot plant validated and field tested CO2 capture at a working plant is unique in the world.

HTC offers customers a number of proprietary technologies. For example, the HTC CCS™ Feed Engine allows HTC to design the singularly most efficient method of CO2 capture for each customer.

HTC’s Purenergy CCS Capture System™ is the world’s first modular pre-engineered capture system. This system is pre-engineered, pre built and modularly constructed by Pinnacle Industrial Services of Regina, one of HTC’s strategic partners.

The HTC Purenergy CCS Capture System™ is capable of capturing 500-3000 tons of CO2 per day and its modular design will allow it to be manufactured, shipped and erected at a cost less than building on site. Additional modules can be added at a later date.

As part of the Purenergy CCS capture system™, HTC has licensed the new University of Regina developed Thermal Kinetic Optimization TKO™ process which improves the capture process through heat recovery, thermal balancing and optimized process flow and reduces the largest single cost of CO2 capture-the use of intellectual capital.

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CO2 Pilot Plant located in the International Test Center for CO2 Capture, University of Regina. The HTC Pureenergy CCS Capture System™ is based on technology developed here.
of power plant steam – to a ratio of below one unit steam required to one unit CO2 captured. The TKO™ process has been shown to reduce steam consumption by up to 30 per cent.

**STEPping up**

It’s very satisfying to be taking University of Regina technology around the world, says Kambeitz, it’s satisfying to see evidence of STEP around the world and it’s satisfying to see the provincial government motivating STEP to be even more aggressive.

“STEP’s leadership is very attuned to what’s happening at the University of Regina, they understand the value of beginning to export intellectual capital. They understand that it’s not only about exporting physical goods, it’s also about exporting intellectual capital, licensing technologies that will pay a residual back into Saskatchewan when they’re implemented on a global basis.”

**Looking ahead**

HTC will accelerate product development and continue to invest heavily and aggressively to continue to bring more technology through the pipeline, says Kambeitz.

“We have a global competitive advan-

tage today by virtue of the historic work done by the U of R and we’re going to invest heavily to maintain that advantage. Beyond power production, we’re also going to commercialize our technology with an emphasis to what I would call oil and gas upgrading and processing which really is the upgrader, refinery and natural gas processing businesses and we’re going to do that in a multitude of jurisdictions by setting up sales offices in what we would call prolific energy infrastructure areas - so we can sell Saskatchewan technology more effectively.”
Could your business benefit from primary market research?

Whatever the size of your company, you’ll find that research strengthens the bonds between your company and its buyers. The bottom line is this: People like it when you ask for their opinion. They feel they are contributing to your company’s success—and you learn more about their perceptions of...your company identity, your competitors, new markets and products for your company.

STEP is pleased to offer Bulletin Board Focus Groups

Focus groups bring together a small number of people (usually between 4 and 15, but typically 8) with a moderator to focus on a specific product or topic. Focus groups aim at a discussion instead of on individual responses to formal questions, and produce qualitative data (preferences and beliefs) that may or may not be representative of the general population. The Bulletin Board Focus Group sessions are conducted online which allows respondents from all over the world to gather, electronically for a more representative sample. Often respondents open up more online than they would in person, which is valuable for sensitive subjects.

This is an excellent tool to gain feedback on products, customer service, purchasing patterns, web sites, advertising materials, employee satisfaction, conference/workshop and tradeshow follow up!

For more information please contact your Market Intelligence Specialist at STEP:

SILVIA FUGEL, Manufacturing Sector
933-6512

DOUG O’BRIEN, Agri-Value sector
787-5708

BRYNNA BERGERMAN, Multi-Sector
933-6559

JEFF THACKERAY, Technology & Professional Services Sector
787-4103
The June “Economic Checklist” for the province recently released by Enterprise Saskatchewan shows that the province is leading Canada in some areas, while coming up short in others.

As of June 8, 2009, the population in Saskatchewan had a year-over-year growth of 1.5 percent, the third highest growth in Canada. The Canadian average growth was 1.2 percent.

The Average Economic Growth (GDP) in the province had a year-over-year growth of 0.5 percent, while the Canadian average was -1.7 percent. Saskatchewan again ranked first in Canada for highest percentage growth.

Average weekly earnings in the province were $802.72, a year-over-year growth of 3.1 percent. Saskatchewan fell from being ranked second in Canada to seventh, with the Canadian average at 2.7 percent.

Saskatchewan ranked second in Canada for unemployment rates, with a year-over-year growth of 4.9 percent. The Canadian average was 8.7 percent.

The number of people employed in the province, however, had a year-over-year growth of 2.4 percent, while the Canadian average was -2.0 percent. This ranked Saskatchewan first in Canada for employment growth.

Manufacturing shipments in the province totalled $999 million, a year-over-year growth of -4.4 percent, above the Canadian average of -14.5 percent. Saskatchewan ranked third in Canada for manufacturing shipments.

Saskatchewan’s international exports of goods reached a value of $1.8 billion, a year-over-year percent growth of -20.1. The province was seventh overall for export growth, with the Canadian average at -18.8 percent.

The province plunged from leading Canada in wholesale trade to ranking tenth with a total of $1.3 billion in values and a year-over-year growth of -10.6 percent. The Canadian average was -32 percent.

New vehicle sales in Saskatchewan were at 3,795, a year-over-year growth of -13.1 percent. The province again fell from a leading position in Canada for new vehicle sales, to fifth, with the Canadian average at -15.4 percent.

Saskatchewan Trade and Export Partnership (STEP) offers Saskatchewan companies video conferencing services located in our Regina and Saskatoon offices. STEP’s facilities offer a professional atmosphere equipped with state of the art equipment. Board rooms can accommodate a variety of meeting sizes ranging from a maximum of eight (8) persons in Saskatoon to a group of twenty (20) in Regina.

**BENEFITS OF VIDEO CONFERENCING**

Today’s businesses need to be able to communicate quickly and efficiently. E-mails and teleconferences have facilitated this, but the need to meet face to face remains integral to building business relationships.

- Video conference meetings significantly reduce the lost time and costs associated with business travel.
- The process increases business efficiency while allowing participants to see the body language and facial expressions of your meeting participants.
- Business decisions are based on sound judgment.
- Reduces employee recovery time from travel.

STEP offers professional grade video conferencing facilities including Tandberg 880 MXP Video Conference Systems, dual 42” LCD monitors (Regina only - single 42” LCD monitor in Saskatoon), multi-site capacity and presentation software. The system allows for sharing of presentations with other participants, has a capacity to conference with four sites at once, provides on-site technical assistance with STEP member rates available. With reasonable prices, the technology is made available to Saskatchewan firms providing significant business cost savings while maintaining a professional representation.

For further information or to book the state of the art video conferencing facilities, please visit http://www.saskexports.com/liberty-495449e4cc6c5.htm or contact Blair Hudyma, Programs and Training Specialist, Saskatchewan Trade and Export Partnership (STEP) at (306) 787-3223 bhudyma@sasktrade.sk.ca.
Bison in demand by chefs around the world

BY TRILBY HENDERSON

Bison have had a tumultuous history in Canada, going from roaming the Great Plains by the millions to becoming a protected species nearing extinction. Through the efforts of conservationists and ranchers, Canada’s bison population has been reestablished. But while producers have played an essential role in developing Canada’s bison industry, marketing groups such as Canadian Prairie Bison who have given bison a new reputation as a healthy meat alternative coveted by an increasing number of chefs around the world.

Roger Provencher, marketing manager for Canadian Prairie Bison, says the organization was founded in 2001 by a group of Saskatchewan producers who were unhappy with the low prices they were receiving for their product. At the time, the burgeoning bison industry was in a state of decline following a decade of rapid growth in the 1990s, which had flooded the bison market.

Originally called the Bison Feeder Cooperative of Saskatchewan, Canadian Prairie Bison’s focus was to serve as a central marketing cooperative that would provide its members with input into how their products were sold. Based in Canwood, Saskatchewan, it currently represents 200 producers across Canada, whose herds range in size from 25 to 1,500.

“It’s putting as many dollars as we can back in the producers’ pockets,” said Provencher, an experienced producer who sold his own herd in 2003 in order to focus his efforts on his work with the organization.

Canadian Prairie Bison markets both live bison and value-added products for its members, including such items as burgers, meatballs, and bison stir-fries.
Provencher says they are focused on growing the value added aspect of the industry and have recently launched a new line of value added products under the brand name Couteau Gourmet.

“People want convenience now with their healthy eating habits,” he said. The Couteau Gourmet line features bison products that can be quickly and easily prepared. “Five minutes later you can eat, pack the kids up and head off to hockey,” he said.

Bison meat is touted as being low in fat, rich in protein, and packed with vitamins and minerals. Provencher says Canadian Prairie Bison’s producers are required to follow a specific feeding regime to ensure consistency in quality. In addition, the bison are naturally raised, meaning no growth hormones or stimulants are used, and they are never fed animal by-products.

Unfortunately, this fact did not prevent the bison industry from suffering another blow shortly after Canadian Prairie Bison was established. In May 2003, an Alberta beef cow tested positive for Bovine Spongiform Encephalopathy (BSE), and the United States immediately closed its border to all ruminants, including bison.

“Our prices dropped overnight when BSE hit,” said Provencher. Despite the fact that no case of BSE has ever been found in a Canadian bison, Provencher says bison were still lumped under the same category as cattle.

Provencher says the closure of the American border pushed them to focus on Europe and within months, Canadian Prairie Bison was shipping product into France. Provencher says Europeans are sold on Canada’s healthy image – the green grass, clear blue skies and clean water.

As well, in Provencher’s experience, Europeans are more willing to spend the extra dollar if it means getting a better product. “That’s one thing I like about the Europeans,” he said. “They seem to really appreciate the product and the health aspects of it.”

Canadian Prairie Bison is currently shipping around 8,000 to 9,000 kilograms per month to France, their largest European market. Provencher says they also supply bison to the German and Belgian markets, and have been looking at...
expanding to the Netherlands and Switzerland.

Recently, Canadian Prairie Bison began working on developing a market for bison in the Middle East. Provencher says that, at first, he was concerned about introducing bison to the region because it is such a foreign product. “It’s a real education over there. They know absolutely nothing about bison,” he said. “Where we are over there is where we were in Canada about 25-30 years ago, where the chefs here knew nothing about it.”

In addition, Provencher had to consider how the product would fare under the different cooking methods used in the Middle East. “When we cook bison, it’s usually rare to medium because there is no fat in it. When you overcook it, it becomes dry,” he said. “Over there in the Middle East, they like their meat well done.”

Provencher began working with a distributor in Dubai about a year ago. Together, they organized an evening of five-star dining where they invited chefs throughout the region to attend and sample bison prepared in seven different ways. The event was a huge success with 65 chefs attending. “By noon the next day I had already received 20 emails from them saying they wanted it on their menu. It was excellent!” said Provencher, adding they are now shipping 1,500 to 2,000 kilograms of bison to Dubai each month.

Provencher is quick to acknowledge the support Canadian Prairie Bison has received from the Saskatchewan Trade and Export Partnership (STEP) when it comes to establishing international business relationships. “They’re very helpful,” he said, pointing out that STEP’s staff have been quick to provide assistance whenever needed.

Although pleased with Canadian Prairie Bison’s many successes, Provencher says the bison industry is facing a new challenge as a result of the overall increased demand. According to Provencher, many producers cut back or sold their breeding stock when prices were low. The market has grown stronger over the last three or four years, with prices nearing the previous $3 per pound level, but the current supply will not be able to meet the new demand.

Provencher says this situation has both a positive and negative side. “It’s good for the producers because it raises the prices, but on the flip side, some of these major retailers – if you can’t supply them, they won’t go into [bison].”

Regardless, Provencher says Canadian Prairie Bison will continue to focus on building new markets for its members, as there is still plenty of room for growth. “We’re still such a small market compared to the beef industry. We’re not even on the radar screen compared to beef. That’s an advantage for us because we can pick and choose these niche markets.”
With a record $31.2 billion in exporting sales in 2008 – a 58 per cent increase year over year – Saskatchewan is beating the odds during the current economic climate.

The Honourable Ken Cheveldayoff, Minister of Enterprise, says that the province’s successful economy is expected to continue to grow. Although we may not top 2008’s record numbers – 2009 opened with an exporting decrease of 17 per cent year over year – the minister says that there is much to look forward to in the year ahead, in large part because of the increasing global interest in Saskatchewan.

“The surprising notes for the first four months of 2009 is that trade in China is up 98 per cent. In India it’s up by 25 per cent; Bangladesh is at 213 per cent; Turkey is at 63 per cent. Each of these countries hit all-time highs in 2008 and yet our business with them continues to grow,” says Minister Cheveldayoff, who has seen the province’s economic growth first hand during his varied experience in the Saskatchewan business community.

Elected in 2003 as an MLA for Saskatoon Silver Springs, Minister Cheveldayoff has served as Minister of Crown Corporations from November 2007 to May 2009. He looks forward to his recently appointed role as Minister of Enterprise and Trade.

Prior to his political career, Minister Cheveldayoff was a senior business advisor with Western Economic Diversification, a role in which he assisted companies to enter the local, national and international marketplaces. He is also an entrepreneur as a shareholder in a Saskatchewan real estate company.

When it comes to explaining Saskatchewan’s economic success, the minister first attributes it to the province’s diversified economy.

“Saskatchewan’s economy is unique because of its diversification. The top five industries in Saskatchewan make up 90 per cent of our export dollars. They are oil and gas, food, potash, uranium, and manufacturing. This is significant when you compare us to other Canadian provinces.”

The minister adds that another reason for the strong provincial economy is the partnership between local companies, the provincial agency Enterprise Saskatchewan, and Trade Promotion Organizations, such as Saskatchewan Trade and Export Partnership (STEP).

Enterprise Saskatchewan was formed in March 2008 with the goal of stimulating economic development and growth for the province. In the year since its inception, the government agency has appointed a board of directors comprised of government officials and industry professionals and established 18 sector teams and three strategic issue councils. The agency recently released its March 2009 Progress Report outlining its accomplishments during its inaugural year.

Working alongside the government to support Saskatchewan companies is STEP, which Minister Cheveldayoff describes as “a unique sub-national Trade Promotion Organization” that has a significant positive impact for the province.

“STEP’s benefits can be viewed at multiple levels. First, exporters like working with an entrepreneurial organization like STEP. Secondly, through a detailed benchmarking system, STEP is able to show its effect on Saskatchewan businesses in far-off countries such as Kazakhstan and Ukraine,” says Minister Cheveldayoff.

“From a government perspective, STEP offers the best of both worlds, as an organization that is both government and industry led, and also entrepreneurial in its operation.”

He adds that STEP is one of the province’s most important ambassadors.

“STEP brings Saskatchewan’s face to markets around the world consistently. To be successful globally you have to be in those markets and STEP delivers on over 40 international missions a year.”

Many jurisdictions are looking to the management models in Saskatchewan and STEP in order to boost their own economic development, says the minister. They are also looking to the province to become a major supplier of various commodities.

“The world needs Saskatchewan products. STEP believes places like Mongolia, India, and Mexico will have exponential growth in exports, while mature markets like China, Australia, the European Union, and former Soviet Union countries will continue to be important.”

As Saskatchewan continues to expand its international markets, Minister Cheveldayoff sees STEP playing an important role in helping the province’s businesses enter the global marketplace.

“STEP continues to punch above its weight class. It doesn’t take a back seat to other organizations in the country. In Saskatchewan, we build world class products, deliver world class services, and STEP is a world class organization.”
Before signing that agreement to sell hockey sticks in Mexico, every businessperson conducting work abroad should be aware of all the possible risks. Here are five strategies to ensure that the hombres in Guadalajara are hitting the top corner every time.

1. Examine International Treaties
The UN Convention on Contracts for the International Sale of Goods of Goods (CISG) aims to be an international uniform sales law, regulating the rights and obligations of buyers and sellers in international transactions for the sale of goods. By conducting business in a signatory CISG country, you are decreasing your risk significantly. Although more than 70 countries have ratified the CISG, not all countries are signatories. The notable countries which have not signed the CISG include India, Brazil and the United Kingdom. Incidentally, Mexico is a signatory to the CISG and it might be worthwhile to specifically incorporate the CISG into your agreements to keep them brief but enforceable.

Successful Saskatchewan companies conducting business abroad will inevitably need to repatriate profits back into Canada. To minimize taxes, examine all applicable double taxation treaties when establishing your business abroad to ensure that the most tax-efficient structure is used for your business. If the country you are doing business in has a double taxation treaty with Canada, you will likely be able to avoid the risk of excessive taxation by avoiding the imposition of two (or possibly more) taxes on the same income. The Canada-Mexico Income Tax Convention was signed on September 12, 2006 so even if the robust sales of your hockey sticks are due to their utility in pounding the piñata, you can rely on this international convention to avoid being taxed twice on this income.

Although international trade agreements, such as NAFTA, MERCOSUR or ASEAN generally operate at the state level and apply to larger companies, certain provisions help small and medium sized businesses avoid risk. For example, if we made the decision to outsource hockey stick production to supply the Canadian market, we could minimize risk considerably by outsourcing to Mexico where access to, and shipping from, Mexico is assured by NAFTA.

2. Plan for Unforeseen Challenges
There are very significant differences in the legal systems of other countries – in fact, most jurisdictions are civil law systems as opposed to common law systems such as in Canada, the United States and the United Kingdom (UK). Even within common law systems there can be very significant differences, such as the principle of sovereign immunity in Texas and the precedence of European Union (EU) law over national law in the UK. To minimize risk, Saskatchewan companies must ensure that the judicial system in the jurisdiction they are doing business in is adequate to enforce their rights. For example, the civil law system in Mexico may be more susceptible to corruption and you may want to include additional anti-corruption language in your agreements and vet your business partners more critically.

In any agreement between international parties it is critical to negotiate the “choice of law” clause. Your starting point will be to have Saskatchewan law apply. However, this is often not possible to negotiate. In any case, you will want to ensure that whatever your choice of law, that jurisdiction has a functioning, reputable legal system which will protect your rights. In some cases, a third country which has an established and stable legal system may be used. For example, if signing an agreement to sell hockey sticks in Mexico is dependent on agreeing on a choice of law, you may want to compromise and incorporate US law instead of either Mexican or Canadian law.

A lawyer with experience working abroad can help Saskatchewan companies map out all contingencies and ensure that agreements address every problem you may encounter abroad. When working abroad, it is absolutely essential to keep an open mind and know that in spite of all the meticulous planning you have done, unforeseen challenges, such as a more informal attitude to deadlines and time, will inevitably arise.
3. Protect your Intellectual Property

A critical risk for many Saskatchewan companies, particularly manufacturers, is that their intellectual property may not be protected abroad. The drafting and inclusion of detailed intellectual property provisions in any agreements can provide good protection in jurisdictions in the US and Europe where intellectual property protection is strong. On the other hand, the difficulties in enforcing intellectual property protection in Mexico may mean that your formerly congenial Mexican business partners simply decide to manufacture your innovative hockey stick and blade design in a maquiladora outside Tijuana.

Talk to a lawyer with experience in protecting intellectual property rights abroad who can provide you with preliminary advice on the level of protection in the country you plan to do business in, preferably before shipping a few pallets of complimentary hockey sticks.

4. Put it in Writing

When conducting business abroad it is essential to negotiate and sign a mutually agreeable contract. Keep in mind this may involve considerable expense when conducting business in a less developed country where English is not widely spoken. This includes Mexico, where Spanish is the lingua franca for business. Interpreters for negotiations and translators for agreements will be required at an additional expense. Ensure that in the sales agreement for your hockey sticks, the English language version, as opposed to the Spanish language version, prevails in the event of a conflict.

Saskatchewan companies doing business abroad would be well-served by retaining legal counsel with international experience. Lawyers who have lived and worked abroad and represented international clients will know when to accept that other countries and lawyers use different methods, forms, length and styles of agreement which will still ensure your rights are protected.

To avoid misunderstanding, encourage your foreign counterpart to seek legal counsel that speaks the local language and English as well. If your lawyer is able to speak directly with the lawyer for your foreign counterpart, it is much easier to negotiate and draft an agreement that concisely captures the intentions, rights and obligations of all parties, therefore minimizing the risks in the unfortunate event that the relationship sours later.

In many jurisdictions outside Europe and North America, Saskatchewan companies will have to simply accept the risk that even an iron-clad contract in writing may not fully protect their interests.

5. Use Government Resources

The following federal agencies can provide valuable business advice and development services:
- Export Development Canada (EDC) can provide insurance when exporting outside of Canada;
- The Business Development Bank of Canada (BDC) can provide Saskatchewan companies with financing and venture capital; and
- Foreign Affairs and International Trade Canada (DFAIT) can provide advice from Trade Commissioners on specific countries.

STEP may be the most valuable government/industry partnership, which can help Saskatchewan companies increase exports to existing markets, and tap into new markets by initiating sales, contracts, and projects for Saskatchewan exporters. STEP may even have the resources to help you get your hockey sticks to Mexico!

Chad is a lawyer with WMCZ Lawyers-Mediators in Saskatoon. Questions and comments on this article can be sent to him at chad.eggerman@wmcz.com. This article is for general information only, and is not intended as legal advice. Readers should always consult their own professional advisors for solutions specific to their own circumstances.
Saskatchewan agricultural manufacturers and exporters recently learned how they can showcase their products to the world, all during one major event. About 30 delegates took in a preview of Agritechnica 2009, the world’s largest farm machinery show, at the Western Canadian Farm Progress Show. The organizers of Agritechnica 2009, which is taking place on November 10-14, 2009 in Hanover, Germany with VIP preview days on November 8 and 9, visited Saskatchewan to hold a Canadian pre-event preview for key organizations and professionals in the agricultural industry.

Rob Ziola, STEP’s Director – Trade Development, Manufacturing, spoke during the presentation about the importance of attending Agritechnica for Saskatchewan agricultural manufacturers and STEP members.

“At Agritechnica, we’re taking Saskatchewan’s best to the world,” said Ziola. “The show is an opportunity for Saskatchewan companies to meet new contacts and build distribution, but a lot of work is also done with existing clients who are at the show, such as future orders and training.”

Ziola described Agritechnica as “one key activity” for STEP and its members, and as the perfect one-stop convention that allows participants to showcase products, learn about new technologies, and network with new and current clients. “We believe in events that bring efficiency to the table. At Agritechnica, your resources are leveraged to the best of your ability because everything is there at once.”

Held every two years in the largest convention venue in the world, Agritechnica is organized by the German Agricultural Society (DLG) and attracts over 300,000 visitors from 81 countries, including Germany, China, France, USA, Brazil, and Argentina. Over half of the visitors are business-oriented farmers, while the remaining are dealers, contractors, engineers, suppliers, educational professionals, and more. Visitors from Canada include business farmers, dealers, custom harvesters, agricultural institutions, consultancies/universities, and the press.

Agritechnica includes an impressive display by 2,000 exhibitors, 40 per cent of which are international. Annette Reichhold, DLG Marketing Manager for North America, reported at the pre-event preview that as of June 1, more than 1,800 exhibitors are registered for the 2009 show, with 800 from abroad, including 42 from Canada.

Bill Teerhuis, Trade Specialist, Manitoba Trade and Investment, presented details about the three Canada pavilions at the show, where over 40 Canadian manufacturers and 80 delegates, mainly from Saskatchewan and Manitoba, have exhibits.

“In the Canadian pavilions, we have a tremendously diversified group of companies, all for the most part industry leaders,” said Teerhuis, adding that many of the Canadian delegates are involved in grain handling storage, tractors and other machinery, as well as seeding and tillage.
Teerhuis, who attended Agritechnica’s 2007 show, encouraged those at the preview event to make the trip to Germany to join Canada’s best agricultural companies. He added that although Germany has a strong attendance at the show, it truly is a world event, with many markets that are familiar to Canada in attendance, such as Russia, Kazakhstan, Ukraine, and others from Western and Eastern Europe.

Following Teerhuis’ and Ziola’s presentations, Reichhold explained that Agritechnica is not only the largest agricultural machinery show on the planet, it is also unique because of the complete product range on display, from agricultural machinery, to farm inputs (seeds, fertilizers, plant protection), computer applications, and GPS.

Both farmers and others involved in agricultural trade view Agritechnica as the place where major agricultural developments make their debut, said Reichhold. Many new products are launched at the show, with a record entry of over 300 submissions entered for the awards program in 2007. The winners of gold medals at that show included Satcon system’s Kinderfinder, the Rauch Axis EDR, and John Deere’s E-Premium Series.

In addition to the debut of cutting-edge technologies, the 2009 Agritechnica show will also have several new features, such as an energy crop production area with displays of equipment, as well as information about the best cultivation techniques and crop types for efficient production and processing of fuel from the fields.

Agritechnica 2009 will also be home to the new World Soil and Water Show, covering 1,000 sq meters and featuring presentations and demonstrations on innovative tillage and water deployment strategies that can be used around the world. Every day, there will be four one-hour presentations in English, German and Russia, addressing the topical issues surrounding water use and specialist conservation tillage techniques.

Particular regional problems experienced by farmers across the globe will be a key theme for this part of the exhibition. The show itself will be divided into four or five compact areas representing the regions of Central Europe, Eastern Europe, North America and South America. Increasingly uneven distribution of precipitation in certain regions has prompted some clever solutions and the development of ultra-efficient irrigation systems. These new technologies will be demonstrated and discussed in detail.

Other show highlights include a new focus on China and again this year a special ‘International Dealer Centre’ where representatives from the trade can meet up to discuss collaborations and make key contacts.

Conferences at Agritechnica 2009 will include a discussion on European-Chinese Farm Equipment and an Agri-markets 2010 conference that will focus on markets and chances for commodities, liberalization, globalization, and protectionism. A Central and East European Conference will discuss the challenges and rewards of establishing new machinery markets in the east. Innovations to meet future challenges will be the topic at the International Agricultural Machinery Conference (VDI/MEG), and facing future challenges will also be front and center at the Young Farmers Day Conference.

Behind the scenes of Agritechnica is the DLG, one of Germany’s top organizations in the agricultural and food sector. A non-profit member’s organization that is both politically and financially independent, DLG has been organizing Agritechnica for the past 24 years, and has organized other agricultural exhibitions for over 120 years. Founded by agricultural engineer and author Max Eyth in 1885, DLG has 200 full-time staff and 3,000 voluntary experts, who develop solutions for the challenges facing agriculture over 80 committees, work groups and commissions.

For more information about Agritechnica 2009, visit www.agritechnica.com.
Stepping into the international marketplace can be a daunting task for many Saskatchewan companies. There's a lot to consider, from correctly labeling products for exporting to finding the right distributors. Often, the first step is simply asking for expert advice, and that's where Doug O'Brien comes in.

As a Market Intelligence Specialist at STEP, O'Brien helps companies in the agri-value industry discover their niche in the marketplace and prepares them to enter it with successful results.

"My role is to respond to requests for market information from our member companies. Some of the areas that may be addressed include: identifying regulatory requirements about entering markets and about their product, and determining who their competitors are in the region," says O'Brien. "I also provide general industry overviews for companies, and summarize the fit for their products in that market. Dependent on the request, I may also provide a list of qualified contacts, potential distributors, and buyers."

During his four years on the STEP Market Intelligence team, O'Brien has guided a range of agri-value businesses - including those specializing in food ingredients, organics, livestock producers, producers of pulses and specialty crops, and more - to new export opportunities in many regions, particularly the United States and Western Europe.

"The STEP team of Market Intelligence Specialists act as an extension, an additional marketing arm for our member companies," O'Brien says. He adds that STEP can expand a company's reach through the organization's own broad exporting networks within the province, the country, and beyond Canada's borders.

"The STEP team is connected with different industry associations, in-market consultants, and Canadian embassy staff around the world. We have access to a number of industry publications and subscription databases that really help us pull together quality information for our members. We bring this information together for our member companies so that they can make more sound business decisions."

Understanding and respecting the culture and people of a country or region goes a long way when it comes to forming export partnerships. O'Brien adds this skill to his business knowledge; he is certainly no stranger to working in a multicultural environment. In 2004, after completing his Bachelor of Administration degree at the University of Regina, he joined a sustainable community project, led by World Vision, in Central America. In his intern role, he taught English to children and adults, and also helped the adults to use their English skills to sell products, such as fruits, vegetables, and crafts, to tourists in the area.

In Regina, O'Brien worked for three years with internationally-trained professionals at the Regina Open Door Society. "A big part of that job was working with them to explore career options based on their education credentials, and helping them look to long-term employment success, here in Saskatchewan," he says.

In 2007, he received UNICEF's National Volunteer Service Award. He remains involved in various international development initiatives as well as keeping involved with a number of local charitable causes.

O'Brien explains that his multicultural experiences provide a broader perspective as he assists companies to explore different options around the world. "It has given me a greater cross-cultural awareness and has helped me appreciate and embrace cultural differences."

AT STEP, O'Brien combines his multicultural experiences and his business expertise to help companies in Saskatchewan reach into the international marketplace. Working alongside these innovative companies is always an adventure for O'Brien.

"One of the areas I enjoy most about my job is getting out and meeting with our companies, listening to them talk about past successes, where they are now and where they want to go," O'Brien says. "Offering guidance and insight to help them with their exporting initiatives is very rewarding and I am proud to be a part of that."
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