

Parker: GrainsConnect builds links to Pacific

BY DAVID PARKER

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The Calgary facilities of Canada Malting have been housed in its Ogden premises for more than 100 years. Now part of GrainCorp, a huge Australian firm that's become one of the world's leading international agribusiness and agrifoods processors, it now shares space with a sister company that operates a grain marketing office here.



Warren Stow, president GrainsConnect, right, with Robert Fullerton, North America trading director, GrainCorp, hold open the doors of their new Quarry Park shared location.

CRYSTAL SCHICK / POST MEDIA

Led by president Warren Stow, the company outgrew its space at the Ogden plant and has relocated to a new building in Quarry Park designed by ParkRiddell Kurczaba Architecture.

Stow and his staff, with Rob Fullerton, the North American trade director for GrainCorp and his staff who run the company's Calgary trading desk, are now housed in 4,500 square feet of office space a short walk from restaurants, retail

and the new Remington YMCA. Other GrainCorp traders are in Sydney and Hamburg.

Like many agribusiness executives, Stow was raised on a family farm. He lived within sight of three grain elevators near Carman, Man., and began his career in the business of grain trading before joining a transportation logistics business in Calgary.

Deregulation of the Canadian Wheat Board presented new opportunities to those with experience in buying and selling wheat, barley and canola, leading Stow to join GrainCorp.

Its parent company, headquartered in Sydney, has 200 elevators and seven port facilities in Australia and 17 malt processing plants around the world.

From Western Canada it buys and exports wheat, barley, canola and specialty crops such as flax, peas and lentils primarily to Asia and the Indian sub-continent.

It has relationships with approximately 100 growers in the Strathmore area and entered a service agreement with them to repurpose a former seed cleaning plant there as a load container.

Stow says the tremendous rise in the popularity of craft beer has been a boon to barley growers, who produce a variety for cattle feed and smaller yields for malt that fetch a higher premium.

Of the eight million tonnes grown, six million is for domestic livestock consumption while two million is exported for the production of beers. Eighteen million tonnes of canola is grown annually, half for domestic use and the rest for the export market.

GrainsConnect was formed as a joint venture with Zen-Noh Grain Corp., a subsidiary of Japanese agricultural co-operative Zen-Noh, to build four high-throughput elevators in Western Canada.

Zen-Noh is a federation of agricultural co-operatives in Japan valued at more than 115 billion yen (Cdn\$1.5 billion) that supplies products and services to its 1,032 member co-operative unions in Japan and internationally. The relationship provides a large base for Alberta and Saskatchewan farmers.

The state-of-the-art elevators and game-changing supply chain model will connect western Canadian grains to the Pacific and onto customers worldwide.

The first facility, under construction in Maymont, Sask., will be operational in December 2017. It will hold up to 35,000 tonnes in 10 concrete towers built

alongside the CN tracks, with its own loop track that will enable it to fill 130 rail cars in under 10 hours for moving on to the port in Vancouver.

A second elevator will be built in Saskatchewan and two more on yet to be decided quarter section locations in Alberta.

The GrainCorp and Zen-Noh Group investment of \$120 million for the four new terminals is good news for growers and a showing of the confidence in the importance of agribusiness to our economy.

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