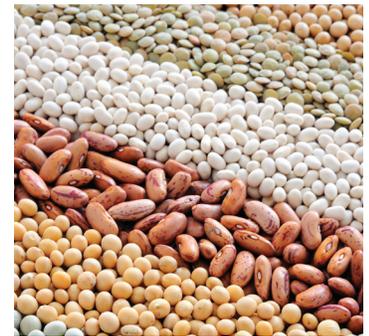




BRANDON UNIVERSITY



Strategies for Growth of Bulk Food Processing in Manitoba: Preliminary Report Highlights

➤ This applied research project addresses the question: **“Where are the opportunities for growth in bulk food processing?”**

Growth in food processing to produce bulk ingredients represents a major opportunity for Manitoba to increase economic activity in the province.

This first year of research is a preliminary study into the growth opportunities from innovation in the bulk food processing industry in Manitoba. RDI conducted case studies into three processing companies, their associated supply chains and innovation partners.

For the purpose of this study, a bulk ingredient processor is defined as a company that sells to manufacturers, bulk wholesalers, distributors or businesses; the unit of sale will be significantly larger than the retail size.

The main research method was interviews with company leaders, associations, researchers and other innovation linkages. Each case study describes the company, industry and supply chain; and examines types and properties of past and projected future innovations. Findings were validated with all participants.

A preliminary cross-case analysis of the 3 diverse cases revealed patterns in innovation activities.

RURAL DEVELOPMENT INSTITUTE PROJECT TEAM

William Ashton
(Director)

Gillian Richards
(Project Lead)

Eleni Galatsanou
(Research Assistant)

Sarah Woods
(Student Research Assistant)

THANKS

To all the industry stakeholders who participated in this research

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Company Profile	Three diverse food processing companies as case studies		
	Richardson Milling	shape foods	CANADIAN Prairie Garden PUREES
Website	www.richardson.ca	www.shapefoods.com	canadianprairiegarden.com
Commodity	Oats	Flax	Vegetable, Fruit & Pulse
Product	Flakes & flour	Oil & meal	Purees
Start full production	1991	2008	2014
Location	Portage la Prairie	Brandon	Portage la Prairie
Ownership	Part of James Richardson & Sons Ltd.	Privately owned	Privately owned
# Employees	115-130	No data	10+

The full reports and cross-case summary can be downloaded at www.brandonu.ca/rdi/publications/agro-environmental/

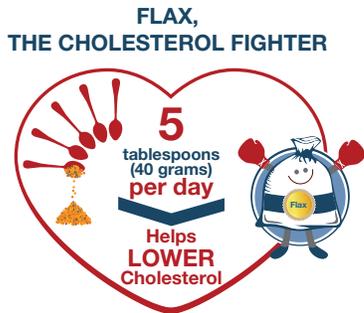
Highlights of Research Results:

MULTIPLE INNOVATIONS

All three companies and supply chains were successfully innovating in many different ways: new processes and products, marketing strategies and changes in organization, including acquisition and expansion. Innovation was seen as an essential part of staying competitive; companies that did not innovate would get left behind.

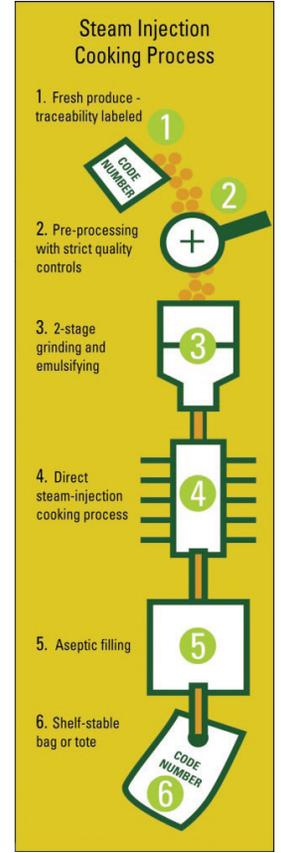
INNOVATION PARTNERSHIPS

Innovation was not done alone. **Two partners** cooperated together to give some innovations: both Shape Foods and Canadian Prairie Garden worked with their equipment suppliers to develop world leading process innovations. These novel processes give their products significant competitive advantages.



Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada

Multiple partners were involved with other innovation initiatives: for Richardson Milling, the entire oat industry supply chain work together to ensure their products can be classified as “gluten free” (RM7). Multiple players in the flax industry are developing partnerships to find and promote the health benefits of flax products. These partners include many members of the supply chain, consultants, commodity organizations, government agencies and academic researchers in agronomy, plant breeding, food processing and medicine.



Courtesy of Canadian Prairie Garden

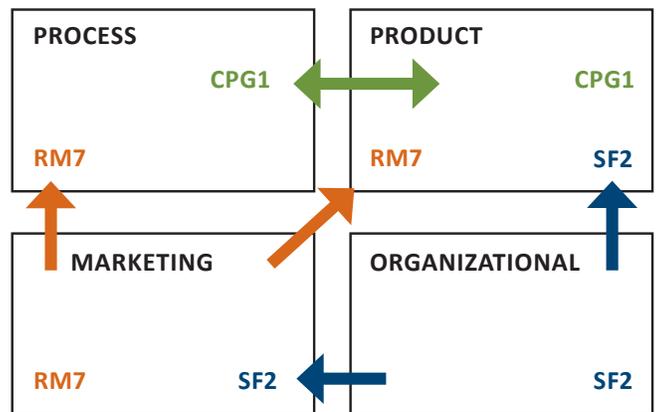
INNOVATION LINKAGES

Many innovations do not occur in isolation; there are linkages between different types of innovations. Some innovations are paired: Canadian Prairie Garden’s novel “steam injection” process (CPG1) resulted in many new puree products. Innovations often create the need for additional innovation, such as when Shape Foods began selling bulk ingredients (SF2). This resulted in changes in product and marketing, including continual product development with food manufacturing customers.

PATTERNS OF INNOVATION AND GROWTH

The time-scale for innovation activities is variable: some initiatives are relatively short and intense; others are continuing improvements over multiple years. All three case-studies revealed patterns of successful innovation resulting in various types of growth. Some innovations led to the establishment of new companies. Growth in sales was achieved through innovations that expanded the market for a product or increased market share for a company. Other innovations enabled a company or chain to increase efficiency or remain competitive.

Linkages between types of innovations:



RURAL DEVELOPMENT INSTITUTE CONTACT

Dr. Wm (Bill) Ashton
ashtonw@brandonu.ca
204-571-8513

Dr. Gillian Richards
richardsgi@brandonu.ca
204-571-8554

