

Haney Farms Quarterly



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To the Point—Controversial Times for Agriculture

By Shaun Haney

In Canada, we are in a time period in which, the structure of the agricultural industry is drastically changing and the potential for controversy and commotion is a reality. The following is a shallow attempt to hit on some of the issues of controversy. The Haney Farms Quarterly will be following up on these issues in investigative reports to be published in future issues

1. What is the future of the Canadian Wheat Board? Will there be a time where Western Canadian farmers market their cereal grains in the same way that they market their canola crop? The battle lines are drawn, and the structure of wheat marketing in Western Canada going forward is anyone's guess. There are two points that make this issue so controversial. First, there is a perception from some that the new Conservative Government is moving to promptly on extinguishing the CWB. For example, the termination of CWB

CEO Adrian Measner by means of a fax. Secondly, when you collect thoughts on the subject from across Western Canada, the opinions are very passionate and can be quite isolating.

2. Are bio-fuels the silver bullet to revive agriculture long term?

In the *Summer 2006* of this publication focused in detail on the issues facing the bio fuel industry in the future. Much of the controversy surrounds the debate of whether food quality, grain or oilseeds, should be used for fuel while the world's grain ending stocks are at record lows. Is the farmer's role to feed the world or provide fuel for SUV's? This debate has already begun and will become more publicly prevalent in the future.

3. At what point will the advancements in genetics and the North American consumer collide?

The consumer and bio-genetic advancement have been battling on center stage in Europe for years. I firmly believe that this battle is about

to begin in a big way on North American soil. Some examples of potentially controversial genetic advancements are in animal genetics where the FDA has approved the beef from cloned cows, and in plant genetics, where the number of genetically altered crops continues to increase.

4. Will Ag-markets remain global or will trade agreements pull us back to more domestic models?

Canada's major trading partner is the United States which is about to enter a presidential election. If a Democrat is elected, trade may become more protectionist hurting commodities like beef, which has had it's fair share of challenges since 2003. For the past 7 years, at times the Republicans have not been too trade friendly either, so where trade policy heads in the future is very much determined by the successful candidate.

5. Does water become a commodity like oil and natural gas?

(Continued on page 3)

A Dedicated Man Passes On



Brad Elford, Seed Plant Manager at Haney Farms passed away on Tuesday January 16th, 2007. Brad was an extremely dedicated, hard working team member. Brad joined the Haney Farms team 14 years ago as a seed plant operator.

Brad's true passion in life was wood working in his garage. An accomplished wood worker, Brad had built a number of cabinets and shelves that are in the seed plant office. Brad's house was furnished mainly with items that he built with his own hands.

Although a very quiet and private person, Brad's hard work and dedication were very evident to all of his fellow team members.

The Haney family and the entire Haney Farms team will miss you Brad.

Building Your Crop Plan—Keith Mills



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The only thing constant in agriculture is change, and this can create challenges when trying to determine the best cropping plan for the coming year. Like most things in farming, there is no perfect solution that fits all farms, rather every farm is going to require things be done just a little different. So the question is, what crop plan works best for your farm.

To help determine this there are a couple of things your might consider:

What do the economics of each cropping option look like? What I like to do at the beginning of every crop year is sit down with a sheet of paper or a computer spreadsheet, write down all the cropping options available; wheat, durum, barley, canola, peas, forage or green-feed, flax, field beans, chick-peas and so on. Make a reasonable yield estimate for each crop for the coming year, then make a best "guess" as to what the price will be when finally the crop is sold. Then I subtract the budgeted operating costs and we can compare the expected net returns from each crop.

I think it was President Eisenhower that said "*farming is easy when your plow is a pencil.*" However like driving a car, looking forward and comparing different options is just common sense. Making crop projections are the same, they are just educated guesses, but they do allow us to compare options and see which ones may best fit our farm.

Upon finding which crop has the highest returns do we then plant everything to that crop? Of course not, the benefits from following good crop rotations have long been recognized. A good crop

rotation results in reduced disease and insect pressure, improved soil fertility, and generally reduced weed problems. All of these factors working together typically produce increased yields of 10 to 20% from crops in good rotation over crops grown in poor rotations. Having a mixed crop rotation also spreads your financial risk. If the yields or prices do not turn out as you had hoped for in a particular crop, having a number of crops in your cropping mixture reduces the overall risk to the farm's total income.

A general rule of thumb with crop rotations is not to plant crops that are too closely related to each other on the same field year after year. So wheat on wheat would be the worst rotation from a disease standpoint. Wheat on barley would be slightly better for some diseases but you could have problems with volunteer barley contaminating the crop. The best rotation from a disease concern standpoint would be something like; wheat on peas or a wheat on canola rotation.

After taking into consideration potential financial returns, and following a reasonable crop rotation, the next key step is matching the crops with the proper fields. The first thing you should do is closely cross check all field histories and eliminate any possible disasters. Disasters most often occur when herbicide recropping restrictions are ignored. Were there any herbicides used on the field previously that could cause problems for this year's crops? For example, you don't want to grow peas or other legumes on fields that had higher rates of Lontrel applied; or a field that had Everest would not be good choice for oats the year after application;

or Pursuit should not be used before mustard, and so on. Check the herbicide labels of the products you used on respective fields in the past and make sure they do not conflict with the crop you are planning to grow this year. While you are cross checking field histories ensure you are not planting crops on fields where there may be weeds or volunteers that are going to be difficult or impossible to control in the crop you are planning to grow.

In Conclusion

Comparing estimated returns for each crop can help determine the emphasis that should be placed on different crops in a crop plan. Remember that other factors such as crop rotations and herbicides residues have to be considered before finalizing cropping plans, specifically when deciding which crop should be placed in which field.

Please remember that income projection does not give you any information on cash flow. When are you going to get paid for the crop and when are the bills going to be due? Cash flow can be a major reason for choosing a specific crop. If you can sell the crop and get paid right-away there will be less credit charges and this has to be figured into your overall plan.

Bottom-line, this year, as in all years, we will have to manage costs closely and maximize returns where possible. Choose the crops that give the highest potential returns while following sensible crop rotations and avoid any herbicide residue or pest management risks. Then we have to hope and pray the weather cooperates for the final pieces of the puzzle.



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Derek Johnson Joins Haney Farms

Haney Farms is very excited to announce that Derek Johnson has joined the Haney Farms team as of January.

Derek was previously with Agricore United for nine years as the Southern Alberta Marketing Representative.

Derek's responsibilities will focus

on Customer Experience and Business Development of Haney Farms.

"We are very excited about this opportunity to bring Derek onto the Haney Farms team and look forward to a strong relationship into the future, stated Dick Haney, President of Haney Farms.

Previous to his career at Agricore United, Derek graduated from Olds College with a Seed and Grain Technology diploma and has also attained his Certified Crop Advisor status. Derek grew up near Wainwright on his family's Pedigreed seed farm, Johnson Seed Production.



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Sugar Beet Industry to Take Roundup Ready Leap

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Capital Press Agriculture Weekly

Scott A. Yates

Lee Sanders, senior vice president for the American Bakers Association, said she found out only a month ago that the U.S. sugar beet industry was set to begin planting Roundup Ready sugar beets. The lack of attention paid to the industry's action is in stark contrast to what has occurred with wheat, despite the fact both commodities are used as ingredients in making bread. Sanders was speaking at the Joint Biotech Committee of U.S. Wheat Associates and the National Association of Wheat Growers, where she went over a survey indicating higher-income males from the South were least resistant to genetically modified wheat while lower-income females from the

West were most concerned. As for sugar, there was no usage information. It wasn't so long ago, in the late 1990s, that sugar beet growers shelved Roundup Ready technology, fearful of customer backlash. As costs and labor issues have intensified, however, sugar beet growers directed their leadership to push forward with the technology. Mark Darington, a wheat grower from Idaho who serves on the Joint Biotech Committee, said the sugar beet industry simply decided to hold hands and jump. What makes them different from wheat? "They are a smaller group and more desperate," he said. Duane Grant, sugar industry biotech council grower spokesman from Southern Idaho, chuckled when he heard Darington's description, but he agreed with 1.4 million acres in sugar beets vs. 60 million acres in wheat, it's a fair

assessment. The other difference is that beet growers essentially own the processors and marketers of their product. "They said we need access to biotechnology in order to survive as an industry, and directed companies and marketers to find a way to make it happen. The industry came together in a unified manner and systematically approached the regulatory and marketing process," he said. Sugar beet production has depended on hand weeding, and Grant said that's not only expensive but results in labor legality issues. Meanwhile, sugar is sugar. After processing, it is impossible to tell whether the sugar is from GMO or non-GMO beets. That is not the case with wheat, which is elevated but also handicapped by its special distinction as "the staff of life."



(Continued from page 1)

In Southern Alberta water is very important many crops being even possible to grow. The Ontario greenhouse industry requires massive amounts of water to function. Coincidentally, golf courses and subdivisions also require substantial levels of water as well. Here in lies the problem heading into the future. If you look at what bot-

tled water is worth in a 50 gallon drum in comparison to oil, water is worth a great deal of money already. As water becomes shorter in supply, it's efficient use will become the focal point.

Agriculture has never lacked controversy and current times are no different. What is different about the current situation is the potential interest by the urban popula-

tion in the outcomes. This will be especially true in the bio fuel and genetic advancements. What is especially concerning for farmers and industry is that the urban population may ultimately make the decision.

If you have a request or idea for an investigative report like the Bio-fuel report in the *Summer 2006* issue please email me at shaney@haneyfarms.com

Getting to Know You— Roy Stasiuk, GM, Lethbridge Hurricanes



Roy Stasiuk
General Manager
Lethbridge Hurricanes

Roy Stasiuk has been General Manager of the Lethbridge Hurricanes since November 2005. Roy grew up in Edmonton and was the Head Scout with the Kootenay Ice. His tenure with Kootenay included a Memorial Cup in 2002.

What motivates you?

Motivation can cover a lot of areas; family, career, fitness, etc. In regards to general terms I believe pride is probably my biggest motivator. From a young age the old saying "anything worth doing is worth doing well" has been instilled and of course with age it becomes more pertinent. I take pride in being organized, informed, and compassionate and I also enjoy learning. This may sound flowery, but I consider my work to be my art and it's something that I want to be proud of before signing.

Who were your heroes growing up?

Obviously my parents were the first recognizable heroes as there was an awareness of the time, patience and commitment they made for our entire family. As far as hockey heroes, Bobby Orr was the one. He brought a level of skill, grace and compete to the game and still fit in with the "grit" and identity of the Big Bad Bruins. I believe he has stood the test of time because of his on ice abilities, but more significantly the positives which continue to pile up off ice as a businessman and agent. As I got older and realized my hockey ambitions probably were more focused off ice I looked up to and studied trends of individuals like Sam Pollock, Bill Torrey and Keith Allen.

What part of your job do you like most?

To do something you love and feel it makes a difference is a tremendous feeling. Because I believe progress only happens with change, it is a great experience to work in all facets of the hockey industry and I'm very fortunate to have had the opportunity to work with some very knowledgeable and dedicated hockey people from minor hockey, to Hockey Alberta and Hockey Canada, and of course at the Major Junior level.

How do you define success for the Lethbridge Hurricanes

We like to think of success as a measurement of our organization against others in the Western Hockey League. The standings are the most objective way to compare how our on ice product is coming along. It is the off ice which may be harder to measure but our board has been very good and instrumental in helping us develop a vision, identify core values and give us the principles to measure our "wins" in those areas. Winning is important but "how" we win is even more important. A 100% high school graduation rate, a 90% post secondary registration rate and positive patron feedback are real good indicators as to our success.

How do you define success for yourself?

I believe success is a measurement for an organization or team used in comparison with another organization or team. I would like to think individuals strive for excellence more so than success. Excellence is a measurement of an individual's potential being reached. I'm proud to have had the opportunity to create a noted track record in the WHL and I would like to believe I've been performing at a high level of excellence.

What is the difference when you compare your mission with the Lethbridge Hurricanes and the family business that you were once actively apart of?

Growing up in the business I was introduced to all facets of the business in accordance to my age; namely sweeping floors at four and five, arranging auto parts shelves and simple order filling to sales and managing. Because we are a community-owned hockey team it is very similar. We have different personalities on the board and decisions we make affect an entire group or "family". As an independent our family business had to compete with

multi-nationals and we were quite successful within our niche. My dad brought certain traits which worked very well for his business; extensive community involvement through sponsorship, being active in the community as a participant and knowing his market and his customers who were treated like friends, not cash donors. The nicest difference is my dad can't send me home for poor behavior.

Think into your past and describe your biggest challenge as a leader?

The biggest challenge is formulating a vision, preparing to execute the process necessary and making tough decisions. Besides the family business I was always involved as presidents of junior high and high school student unions, I was Athletics Chairman with NAITSA (NAIT students' association), sports director and special events director at CFGP Radio and CFCW Radio respectively. Leadership is the ability to influence and through evolution I believe it becomes routine and habit-like. The biggest challenge, particularly when it involves jobs and careers is telling someone we are doing them a disservice by allowing them to continue working for us. It's very rare and I insist on "growing" individuals but like a team sometimes "CUTS" are the hardest part and require the most thought in decision making.

What do you see is the biggest challenge for the Lethbridge Hurricanes in the next 5 years?

This has been an organization which has been good for the most part, and occasionally great, and unfortunately, at times, floundering. I believe it is time to create a sense of continuity and stability. If the vision constantly changes through the change of the visionary the Lethbridge Hurricanes will continue to rise and fall, probably missing the peak of success. As a leader I'm not advocating my long-term existence but I believe as a good manager the vision, principles, philosophy and process are all areas which have to be shared and could be executed by others within our organization. Everybody wants to win but only a few organizations consistently do. We are moving towards that status, and of course, I'd like to be a part of this organization for a long time and see the Memorial Cup status become a reality.

Have you Ordered Your Seed for Spring Yet?