

Mustard Grower

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Chairman's Message

By Baine Fritzler



By this time your crop is in the bin and you are hopefully delivering contracted mustard at 45 - 55 cents per pound. Word in the industry is that prices have started to soften but I am still talking to growers who are getting 51 cents for spot yellow at time of writing.

With input costs where they are it is important to keep some discipline in your marketing goals to stay profitable. All indicators are that new crop contracts will also be lower than where we ended up last year. This would be in line with with most of the other commodity markets but then mustard is not just another commodity market. The fact is that with the Canadian dollar and ocean

freight rates where they are, some of our customers can buy 20 - 30% cheaper than at this time last year. I encourage you to know your costs and to offer to sign contracts only at prices profitable to you. Don't be shy about offering out a price at which you would sell.

On the Commission front our Phase II of Mustard 21 is progressing. We have also completed our new trade show package and will be sending it to two major U.S. Food shows in the new year. There will be an application going in by year end to create an up-to-date mustard production manual which is long overdue and we will be having long term planning meetings with Ag. Canada.

We have successfully completed the relocation of our office to the new location at 502 - 45th Street West in Saskatoon and Adele Buettner, Kevin Hursh

and staff seem to be excited and enthusiastic to have mustard on their agenda.

See you at the annual meeting on Wednesday January 14 during Crop Production Week.

Mustard on the Menu

Simply Good Sausage

12 lbs (5.5 kg) lean ground beef
 12 lbs (5.5 kg) lean ground pork
 4 cups (1 L) cold water
 2 cups (500 ml) quick cooking oatmeal
 2/3 cup (150 ml) packed brown sugar
 2/3 cup (150 ml) Morton's curing salt
 1 1/4 cups (300 ml) yellow mustard seed
 1/3 cup (75 ml) coarse black pepper
 1/3 cup (75 ml) dried marjoram
 1/4 cup (50 ml) onion powder
 26 yards (24 m) fresh casing

In a large container, hand mix the beef and pork. In a blender, combine water, oatmeal, brown sugar, curing salt, 1/2 cup (120 ml) mustard seed, pepper, marjoram and onion powder. Blend for 10 - 20 seconds until all ingredients are well combined. then add the remaining mustard seed. Pour the mixture over the meat and mix thoroughly. Follow the sausage stuffing machine directions.

This sausage is best pan fried or barbequed and is excellent served hot or cold. Fresh uncooked sausage will keep up to two days in the refrigerator and also freezes very well.



The Mustard Marketing Report

By Steve Gadiant, BSA
 Montana Specialty Mills

Mustard is feeling the ripple effect of the international recession. People are eating in restaurants less, restaurants' orders from food wholesalers are reduced, food wholesalers have lowered purchases from mustard and food manufacturers, and the mustard pipeline / food chain is backing up all the way to you the producer.

Mustard as a commodity has shown great resiliency in the face of collapsing prices of other grains.

What is affecting the mustard market?

Sizeable purchases by the condiment industry last spring to ensure supply has stabilized prices.

Canada seeded only 490,000 acres in 2008. Climate conditions of cool spring time temps, abnormal amounts of hail, and other production problems reduced the crop size in North America.

Mustard inventories will be very similar to last year. Stat Pub. projects 30,000 mt (66,139,000 lbs) of combined grades and types of mustard will be carried into the 2009-10 crop year. The crop year end supply to use ratio is projected to be 17.1%. The mustard industry will need sizeable acres seeded again in 2009.

Eastern Europe and FSU states like the Ukraine seeded smaller acreages in 2008, but yields were good, quality was normal (substandard to Canadian quality). Europe did buy some 2008 crop Canadian yellow mustard last spring. Since then, the Europeans have stopped buying our mustard, preferring to buy East European seed at 20 - 40% cheaper prices than our offerings.

Do you have a story idea for the next newsletter or have an opinion on the mustard industry you want to disclose? Do you have a great mustard recipe you want to share?

Please contact us at 306.975.6629 or email us at info@saskmustard.com

Market Report continued....

It appears that uncommitted E. European yellow mustard stocks are starting to run low. There is projected to be enough mustard in the Europe pipeline to cover usage through sometime in June. Europe should once again be in to buy Canadian yellow and brown mustard for that very small June/ July window. They will be buying hand to mouth only as necessary.

The international recession is causing buyers to search for cheaper mustard sources or alternatives. Buyers see other commodity weaknesses and are hoping for lower mustard prices in the future.

What to watch for:

Foreign exchange volatility will have a very large effect on farm gate and contract prices. The U.S. dollar has significantly climbed in value versus all other currencies. This helps our sales and competitiveness to the USA market, but has smaller effect on non USA destinations at this moment.

Competitiveness: Prices of other grains will determine competitive returns, and affect mustard acres, and ultimately prices.

Crop size potentials: Associated production costs, moisture conditions, and other factors which affect production prospects will influence prices.

Consumer trends: Are consumers going to buy more processed meats and fast foods? If yes, mustard usage should increase. Are consumer attitudes going to change? Is food safety and health going to be less of a concern than price of goods? Mustard is considered a healthy food, yet there are many substitutes for mustard in the industrial food area. Increased use of substitutes would reduce demand.

World recession: Lack of money will remove some demand from the market as consumers can not afford to buy mustard products.

In Summary:

Mustard market prospects are very volatile.

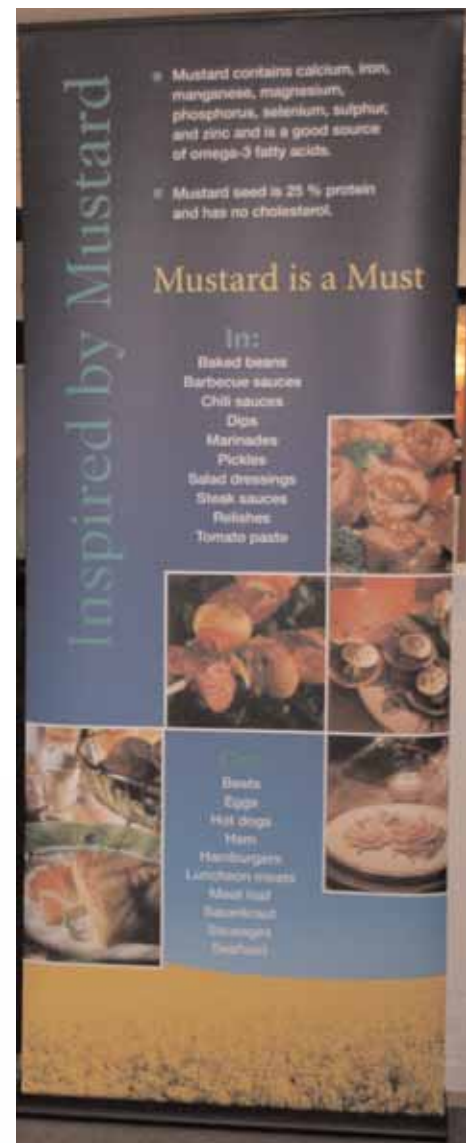
There is very little liquidity in the mustard market. Farm producers of uncommitted mustard have shown little interest in selling. Processors and importers have shown little interest in purchasing additional mustard. When they do make a buying decision, it will be hand to mouth.

No one knows where mustard prices will be next week, next month, or next year.

Over time, prices will soften from current levels.

Steve Gadiant will provide the Mustard Market Outlook presentation at the annual meeting of

the Saskatchewan Mustard Development Commission January 14 at the Saskatoon Inn. The SMDC meeting is part of Crop Production Week. The full agendas for all the meetings are available at www.cropweek.com.



Making Mustard Matter

The Saskatchewan Mustard Development Commission received approval from Saskatchewan Agriculture to help fund a pilot project entitled 'Making Mustard Matter: A Multi-faceted Saskatchewan Resource'.

The application for \$20,000 under the Agri-Value Program was submitted in November, with approval for the full amount confirmed in December. 'Making Mustard Matter' will be a full-color publication featuring original recipes using Saskatchewan mustard, as well as nutritional, medicinal, historical and production information. While the publication will be of interest to homemakers and others who enjoy cooking, the primary target will be chefs, caterers and other culinary experts.

When mustard is highlighted as an ingredient, awareness of its numerous uses is enhanced, which can lead to increased demand for Saskatchewan mustard seed.

"In making this application, we felt that providing a wealth of information about mustard and its multiple uses will create new opportunities for chefs to showcase Saskatchewan mustard," SMDC General Manager Adele Buettner explained.

www.saskmustard.com

MUSTARD DAY: A MUST AT CROP PRODUCTION WEEK

Crop Production Week is an important event on any Saskatchewan producer's calendar and 'Mustard Day' is a must for the province's 3,000 plus mustard growers.

The 2009 Crop Production Week is scheduled for January 10 to 17 with 'Mustard Day' on January 14 at the Saskatoon Inn. Facilitated by the Saskatchewan Mustard Development Commission, 'Mustard Day' will provide several important and timely presentations for growers.

'Mustard Day' will commence with a report from SMDC Board of Directors Chair Baine Fritzler. This will be followed by an update from Mustard 21 Project Manager Pete Desai on research activities undertaken through this Agriculture and Agri-Food Canada Science and Innovation funded program.

Mustard growers will take a virtual tour of the newly designed SMDC websites - one for producers and one for consumers - with Home Economist Leslie Sanders.

The SMDC will convene its sixth Annual General Meeting from 10:45 am to noon.

The afternoon session will feature a presentation by Tom Halpenny, Chief Executive Officer of Mustard Capital Inc., a leading dry mustard milling plant at Gravelbourg that ships mustard products to customers in North and South America, Europe, the Middle East and Asia.

Dan Prefontaine, President of the Saskatchewan Food Industry Development Centre Inc. - The Food Centre - will outline ways by which new food products can be developed from Saskatchewan mustard with his 'A Flavorite Bite' presentation.

The final address of the day will be a Market Outlook from Steve Gadiant, Mustard and Spice Specialist with Montana Specialty Mills.

Registration for 'Mustard Day' commences at 8:30 am and the fee for the day is \$10, which includes lunch.

Further information about Crop Production Week 2009 is available at www.cropweek.com

Mustard 21 Project Update

By Pete Desai and Tom Burwell

Mustard 21 (M 21) is now into its first year of implementing our value-added product strategy - a strategy developed during 2007-08 with the support of AAFC Science & Innovation program. The SMDC Board, along with the Management of M21, has been working diligently to implement the strategic priorities identified by M21 to create value for mustard in Canada. An area important to the producer and SMDC Board that is now being tackled is the production, breeding and agronomy of mustard. This is critical for maintaining mustard production in the prairies. Initial meetings with federal and provincial representatives and breeding groups have been very promising and both SMDC and M21 will develop an action plan for this key priority area prior to the 2009 breeding season.

One outcome of the AAFC Brassica review in early 2008 is the approval in AAFC to hire a mustard breeder to be located in Saskatoon. AAFC is actively seeking a breeder to fill a very important position to address yield improvement and mustard variety development.

M 21 has received support from Agriculture Council of Saskatchewan (ACS) Board, as part of the AAFC's Advancing Canadian Agriculture and Agri-food (ACAAF) program, to develop

products from mustard oil for industrial markets. The ACS approved Mustard Product Development Project is worth \$280K. This project will support development of products for the biodiesel additive and biolubricant markets with ACS contribution of \$182K and partners' contribution of \$90K.



Biodiesel additive and biolubricant were two niche priority markets flagged as value-added opportunities for new application of mustard oil. The development work will be done in collaboration with the research community in Saskatoon and industrial partners who will eventually commercialize their own proprietary product lines. The workplan is now being implemented by M21 as part of its strategic action plan.

The use of mustard meal as biopesticide and soil amendment, the other value-added opportunity, is also being developed with the support of AAFC Science and Innovation bridging program. The initial use of mustard meal, espe-

cially from oriental and brown mustard, will be as a soil amendment and fertilizer for which a Canadian label was recently approved by CFIA for a product developed by Mustard Products Technologies Inc. (MPT). The other use of oriental and brown mustard meal is as a natural biopesticide, now undergoing product testing

and market evaluation. The use of mustard as biodiesel additive, biolubricant, soil amendment and biopesticide are very exciting new non-food opportunities that should create value in Canada. The commercialization of these products will help in the total utilization of mustard seed and thus address SMDC Board's vision to create new value for Canadian mustard.

SMDC Board and M21 will continue to keep you apprised of the programs that are in progress and of new ones as they come on stream and get implemented.



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Mustard in Demand at Saskatchewan *indemand*

With a flashy new trade show booth, original recipes, tasty samples and an endless supply of enthusiasm, the Saskatchewan Mustard Development Commission stepped into the Second Annual 'Saskatchewan *indemand*' trade show and emerged an unequivocal winner.

From November 14 to 16, Prairieland Park opened its doors to Saskatchewan-made products and services, with a significant focus on food. SMDC shared a booth with the Saskatchewan Flax Development Commission, which was strategically located adjacent to cooking demonstrations by members of the Saskatoon Chefs' Association.

More than 1,000 people attended the trade show, which featured 33 booths and a Canadian Culinary Federation Chef's Challenge (CCFCC).

"Participating in this very Saskatchewan event was a first for the Commission. It was an ideal opportunity to spread the word about the nutritional benefits and culinary uses of Saskatchewan mustard. We were also pleased to be a participating sponsor for the Chef's Challenge," SMDC General Manager Adele Buettner said.



The SMDC display proved to be one of the most popular booths, as attendees kept coming back for another taste of homemade 'Simply Good Sausage' and 'Freezer Cabbage Relish'. Colorful recipe cards featuring these specialties, as well as 'Maple Mustard Cocktail Sausages' and 'Mustard and Black Pepper Pretzels', were also handed out at the SMDC booth.

Having an attractive and informative trade show booth and developing original recipes are part of a new undertaking by the SMDC, which has been made possible with funds from the Canadian Agriculture and Food International Program (CAFI) of Agriculture and Agri-Food Canada. The CAFI support will also enable the SMDC to have a presence at international culinary events and trade shows in the future.

Saskatchewan produces 75 percent of Canada's mustard crop and Western Canada accounts for 65 percent of global mustard export trade.

"In the context of international marketing opportunities, these percentages are significant. The Commission is therefore pursuing ways to enhance Saskatchewan's position globally," Ms. Buettner added.

Mustard Buyers List

Agricom International Inc.
213-828 Harbourside Drive
North Vancouver BC V7P 3R9
Tel: 604-983-6922
Fax: 604-983-6923

All Commodities (AL) Trading Ltd.
70 Beaudry Bay
Winnipeg MB R3X 1Y6
Tel: 204-339-8001
Fax: 204-339-8002

Besco Grain Ltd.
30 Railway Avenue
PO Box 166
Brunkild MB R0G 0E0
Tel: 204-736-3570
Fax: 204-736-3575

Diefenbaker Seed Processors
PO Box 69
Elbow SK S0H 1J0
Tel: 306-644-4704
Fax: 306-644-4706

F N A Food
318 - 111 Research Drive
Saskatoon SK S7N 3R2
Tel: 306-665-2294
Fax: 306-651-0444

Finora Inc.
8427 - 160th Street
Surrey BC V4N 0V6
Tel: 604-597-5060
Fax: 604-597-4933

G H Schweitzer Ent. Ltd.
PO Box 222
Eston SK S0L 1A0
Tel: 306-962-4751
Fax: 306-962-3251

Grain Millers Canada Corp.
1 Grain Millers Drive
PO Box 5040
Yorkton SK S3N 3Z4
Tel: 306-786-4682
Fax: 306-783-5410

Lakeside Global Grains Inc.
PO Box 430
Wynyard SK S0A 4T0
Tel: 306-554-3030
Fax: 306-554-3010

Minn-Dak Growers Ltd.
PO Box 13276
Grand Forks ND, USA
58208-3276
Tel: 701-746-7453
Fax: 701-780-9050

Montana Specialty Mills LLC
525 - 3rd Street NW
Great Falls MT, USA
59404
Tel: 406-761-2338
Fax: 406-761-7926

Mustard Capital Inc.
PO Box 1110
Gravelbourg SK S0H 1X0
Tel: 306-648-2799
Fax: 306-648-2791

Olds Products Co. of Illinois
10700 - 88th Avenue
Pleasant Prairie WI 53158
Tel: 800-233-8064
Fax: 262-947-3517

Parkland Pulse Grain Co. Ltd.
PO Box 848
North Battleford SK S9A 2Z3
Tel: 306-445-4199
Fax: 306-445-1650

Saskcan Pulse Trading Inc.
PO Box 30029
Regina SK S4N 7K9
Tel: 306-525-4490
Fax: 306-525-4463

S S Johnson Seeds Ltd.
PO Box 3000
Arborg MB R0C 0A0
Tel: 204-376-5228
Fax: 204-376-2201

Shamrock Seeds (2006) Ltd.
1502 - 17th Street West
Saskatoon SK S7M 4A4
Tel: 306-249-4151
Fax: 306-249-4155

Viterra
2625 Victoria Avenue
Regina SK S4T 7T9
Tel: 306-569-4026
Fax: 306-569-4424

Walker Seeds Ltd.
PO Box 2890
Tisdale SK S0E 1T0
Tel: 306-873-3777
Fax: 306-873-5997

Western Grain Trade Ltd.
9 - 2155 Airport Drive
Saskatoon SK S7L 6M5
Tel: 306-445-4022
Fax: 306-445-4033

Mustard Folklore

Mustard plasters are an official treatment to reduce fever worldwide.

Dry mustard sprinkled in your winter boots will prevent frostbite.

A pinch of dry mustard in a glass of water will alleviate hiccups.

Keep the ants away from your house with a dose of dry mustard across their path.

Office Hours

Monday to Friday
8:30a.m. to
4:00p.m.

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The Saskatchewan Mustard Development Commission

The Saskatchewan Mustard Development Commission (SMDC) was established in 2003 to represent the province's mustard growers.

The SMDC vision is "Investing in the future for mustard grower profitability", and the SMDC mission is: "Growing the mustard industry for the benefit of growers through research, communication, and market development programs."

Mustard Grower is a publication of the Saskatchewan Mustard Development Commission (SMDC). *Mustard Grower* is committed to truth and accuracy; however if any errors occur the SMDC disclaims any responsibility for any such errors or omissions. Articles, opinions and comments expressed in *Mustard Grower* are not necessarily supported by the SMDC.

