

Our path from an information-portal to a trade-platform

We embarked on this portal initiative in the belief that producer interests were not served well through bulk-trades: they limit producer's diversification potential and lower their margins. Also, bulk-exports are under increasing competition from emerging regions, something we seem oblivious to. Our motto, *specialize or perish*, was part aspiration and part survival instinct. To reduce producers' dependence on bulk trades, we called for a *paradigm-shift* towards containerized direct-exports.

At the outset, we were somewhat ambivalent as to whether producers could be swayed in this direction. In view of what they had gone through over the decades, we anticipated resistance to change. Vested-interests were fueling fears that direct-sales would bring too many trade-risks, and that producers would be much better off sticking to the *status quo*, what had helped them increase yields and prosper.

However, what we advocate is not at all radical, and has already happened across North America, with the necessary market-discipline required to protect producers in our own backyard. All we hope for is to achieve the same practices in overseas export-markets that we employ in North America. Thus, we launched this portal, which can be best characterized as an *information-portal* in the Internet world.

The interest in the concept proved much stronger than anticipated, not enough to declare victory, but encouraging enough to proceed with the next phase, beyond just ideas or concepts to actual grain-trades. To this end, we developed a plan to evolve our information-portal to a *trade-facilitation* platform for producers to engage with prospective buyers from overseas to pursue contract-sales opportunities.

In coming to this realization, we discovered that the real obstacle in the way of our mission was not producer-resistance, but lack of visibility into our grain-economy on the part of importers. The region is known for the quality of its bulk-exports, but not for the variety of crops that can be procured directly from production-sources, direct from farms. In this vein, we face a real challenge in recasting our global image.

Outside North America, the world knows very little about our grain-economy other than the bulk-domain, but even then, our reputation is limited only to the bulk-importers. End-users of our grains know next to nothing about our advanced-farms or the variety of crops they produce, let alone our many collective virtues, like research capacity in agronomy or strength of our quality-assurance programs.

We took all these factors into account in modifying our development strategy by adding *ecosystem-profiles* to our *farm-profiles* to extol our collective virtues, while embellishing the *grain-mall* concept to promote the Prairie grain-economy from both angles. In addition to all these elements, here we present the *trade-forum* layer that we are building on top of the grain-mall for trade-facilitation purposes.

Farm-Profile Program

As part of our trade-facilitation efforts, our mission is to present Prairie producers as primary-sources from which importers can procure grains, whereby making them as accessible to overseas buyers as they are to North American ones. With the *Farm-Profiles* we post, we want to extol the virtues of our advanced farm-economy where importers can source the crop-varieties they need and get them shipped to their facilities in containers – door-to-door grain deliveries with crop-integrity intact, as needed, tested-documented in accordance with identity-preservations regulations.

Scope: End-users of our grains never see the true scope of Prairie agriculture, as all they are exposed to is bulk systems. Our farms are among the most advanced in the world, with science-and-technology in action to produce a huge variety (types or grades) of high-quality crops to fulfill contract-orders, individually or collectively. If only this capacity were more visible to prospective buyers overseas, buyer interest would be forthcoming, leading to sales-negotiations and ultimately contract-orders.

Input: We are developing the tools to showcase farm attributes, which we display below, but we naturally need input and cooperation from producers to execute this plan. The type of material we are going to need from participants include photo-images, technology-highlights, farming-practices, past crop-mix and volumes, and this year’s crop-outlook. We will discuss these needs with each participant and get their consent that the information they are providing can be displayed on our portal.

Process: After producers sign up, we will contact them for a consultation session, and as we start receiving material, we will populate their profile. When a “draft” is ready, they can review it online, privately, and securely. Then we will finalize the material with their explicit consent and post their profile on the *Farm-Profile* tab of our portal. As the numbers of profiles increase, we will introduce a search-routine (by crop-attributes) for viewers to find the type of farms they are looking for.

The first batch of 10-15 profiles we prepare, and post are at no cost to participants. We intend to scale this program up to 100s of farms (in time 1000s); thus, we need funding. Now we are looking for corporate, institutional and/or government sponsors to be able to offer this service at as little cost to producers as possible.



Broader Ecosystem Profiles

Farms are the primary production-sources, but farmers do not function in a vacuum; their success is as much due to the grain-ecosystem surrounding them, as their own wisdom and entrepreneurial-drive. We would be amiss not to pay as much attention to this broader ecosystem, which in the Prairies is highly advanced to support farms. We discuss the scope and strengths of this ecosystem in many of our articles and are developing several *ecosystem-profiles* that will be given as much prominence as farm-profiles in our promotional efforts. Here we will touch on three elements.

Research Capacity: The region’s agricultural research capacity is unmatched, with programs and labs at the service of not only producers but also buyers. Advances in seed-strains, and their adaptation to local soil conditions, contributed greatly to yield and quality improvements, and will continue to drive diversification to specialty-crops. Applied-scientists are also actively involved in field-operations, guiding best-practices in seeding, fertilizer-chemical applications, and harvesting practices.

Institutional Base: We have deregulated grain-markets but not food-safety; multiple government agencies have broad range of regulatory and licensing mandates over the entire grain-chain – from production to processing to handling to exporting. To ensure crop quality and integrity, we have elaborate crop grading-and-classification systems in place, as well as testing-inspection procedures, not to mention identity-preservation regulations of crucial importance in containerized grain exports.

Advanced Methods: The region has the world’s richest mineral-base for farm-inputs (fertilizers, nutrients, pesticides) and a well-developed distribution system. Latest machines are in action with GPS for position-tracking and automated-guidance, and variable-rate-spreading devices to apply the desired amounts of inputs. Information-systems are at work behind the scenes, coupled with big-data uses, allow integrated activity planning and management systems for highest yields and best crop-quality.

These are just a few examples drawn from the broader ecosystem that supports the production sphere. As we noted already, we will highlight these and many other virtues in our ecosystem-profiles, which will be given just as much prominence in our Trade-Mall as farm-profiles, our “window” into the Prairies to promote crop-exports.



Virtual Grain Mall Concept

The next step in our promotional strategy is to display this vast array of information – hundreds, if not thousands of farms, together with regional profiles – on a *virtual platform* easily accessible and navigable to prospective grain buyers from all around the world. Individual-farms will be presented as *virtual-stores* visitors can find by crop varieties that they are looking for. We will also design *virtual-pavilions* around specific themes to extol the virtues of our broader grain-ecosystem – themes like crop-diversity, agronomy, farm-inputs, technology, sustainability, quality-assurance.

Virtual Stores: Each farm in our profile-program will have a *virtual-store* in the mall, private virtual space where they can promote their crop-varieties and special-attributes. We will provide the tools to open the *stores*, but their *owners* will be able to update the contents (data or images). There will also be space for *super-stores* where producers can come together to market their crop offerings (virtual coops) as well as common-areas (like wheat-alley) where multiple producers can be present.

Virtual Pavilions: We will select themes for *virtual pavilions* to extol collective virtues or special interest topics. Public agencies, producer associations or industry groups can sponsor pavilions, of our conception or their own design. We will ensure that essential themes like crop-research or quality-assurance are given attention and represented by different segments of the ecosystem. There will also be corporate-pavilions for equipment-vendors, suppliers, or solution-providers to sponsor.

Global Reach: Our virtual-mall will be a collection of grain-outlets, akin to market-places or trade-malls. But rather than a stagnant collection of store-alleys, we want the mall to be a dynamic setting projecting an image of an active marketplace. To this end, we will pay particular attention to visual and audio displays to attract buyers to interact with vendors for trading purposes. Thus, we will continuously introduce new themes of interest to global buyers and promote them digitally.

The Trade Mall initiative should easily attract producers, a natural extension of our farm-profile program. But attracting a wider constituency from the grain-ecosystem, may require more effort. Also, the mall-initiative and by extension the trade-forum will require considerable platform-development effort in building the foundations.



Trade Facilitation Platform

In addition to farm and ecosystem profiles, our *Prairie Grain Mall* will have another layer for trade-facilitation purposes, a platform for producers to post *crop-offers* and prospective buyers *purchase-requests*. As we discuss on our portal, grain-trades do not lend themselves to one-click-sales, and those e-commerce platforms taking this approach have not been very successful. However, there is still scope for nurturing trade-relations through a consultative-approach to connecting buyers and sellers, paving the way to contract-negotiations, the very purpose of our *trade-forum*.

Crop Offerings: In preparing farm-profiles we encourage producers to state what they are growing in the way crop of varieties and grades, as well as what they expect from this year’s harvest in terms of crop-volumes, again by type and grade. Clearly, a natural extension of this is to post *crop-offerings*, not committing to any sales but seeking expressions-of-interest from prospective buyers. This will help them test the market prior to engaging in contracts, through bulk-trade or direct-sales channels.

Purchase Requests: As we noted above, we will be actively promoting the *Grain-Mall* in overseas markets to attract prospective buyers to visit and see what our region has to offer. Obviously, the reason for them to visit our portal will stem from a desire procure crops, as tentative as that intent may be at that stage. If they had any real interest, they would be willing to engage by posting *purchase-requests*, perhaps not make price offers but at least to test the market for what they need.

Trade Negotiations: Our role will be monitoring both *crop-offerings* and *purchase-requests*, in fact actively encouraging both buyers and sellers with suggestions or even enticements to engage further. This may well lead to further dialogue between the parties, all we expect at this early stage, but by establishing a channel through the *trade-forum* we would have paved the way for contract discussions – it would be up to them to continue through the portal or take the contract-negotiations private.

As we make it clear in our mission-statement, we have no intensions of holding our followers, buyers or sellers, captive to our platform, nor imposing commissions on trades that we initiate. But if either party sees value in what we offer, we would be happy to engage in consultative or advisory capacities through trade-negotiations.

