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Trade group's promises upset pulse exporters

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By [Sean Pratt](#)
Saskatoon newsroom

Some of Canada's pulse trade heavyweights want STEP to stop trading in international markets.

STEP is an acronym for Saskatchewan Trade and Export Partnership, a non-profit organization that promotes growth of the province's export industry.

As part of its mandate, the group conducts 30 or more international trade missions a year, including at least one major pulse trip in each of the last two years.

In February, STEP led a marketing mission to South Asia and the Middle East where Saskatchewan pulse processors met with buyers in 10 countries and attempted to negotiate export contracts.

Those trade trips are driving some of Canada's largest pulse exporters nuts. They say the Saskatchewan travellers are undermining much bigger transactions back at home.

"They wander around the marketplace telling (buyers) about how big the carryout stocks are, how much production is going to increase and how they can sell a container or two of peas quite cheaply," said Finora Canada manager Gerald Donkersgoed.

He said Canada's largest pulse traders, that ship between three and five vessel loads of peas to India on a monthly basis, have to deal with buyers who are demanding cheaper prices based on what they heard from the Saskatchewan travellers.

"It doesn't help our industry, who are trying to extract a premium price and the best value for the Canadian farmers, to compete with STEP people who seem to be working at odds against that," said Donkersgoed.

"I think the industry has been done a disservice by STEP taking these very small companies overseas and having them represent the industry."

STEP international development manager Tim Marshall balks at that accusation. He said the pulse market is big enough that it can accommodate healthy competition among Canada's processors and exporters.

Marshall said the organization's mandate is to represent the interests of its members, 33 of which are pulse processors who benefit directly from such trade missions.

"There is room for all players, large and small."

He said Saskatchewan Pulse Growers has approved the information STEP gives to



buyers.

"We are not going to say anything that would jeopardize the price or our ability to market any products."

Saskatchewan Pulse Growers executive director Garth Patterson has no objection to STEP continuing its work on behalf of the province's pea, lentil, chickpea and bean exporters.

"I think STEP is doing a very good job at trying to get as much information out there as they can."

Murad Al-Katib, president of Saskcan Pulse Trading Inc., said the criticism is nothing but sour grapes from out-of-province exporters worried about losing business to Saskatchewan companies.

He has received more than 40 leads from brochures handed out during STEP's latest trade mission, which should help Saskcan sell split red lentils from the plant it is building in Regina.

"I will have orders that will come out of this mission even though I wasn't on it. That's positive stuff," said Al-Katib, who used to work for STEP.

He disagrees with Donkersgoed's contention that Canadian farmers will get lower prices as a result of these trade missions.

Al-Katib said the bulk shipments that Donkersgoed and other large traders put together mean "bulk commodity prices" for farmers, whereas containerized shipments can fetch premium prices.

He said the trade missions raise the profile of the entire Canadian pulse industry with overseas buyers.

"A lot of what you try to do on a mission like this is to get them to think of us instead of thinking of Australia or Turkey."

FEEDBACK

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