

AGRIS Co-operative Ltd.

BACKGROUND

AGRIS Co-operative Ltd. is a farm supply and grain merchandising business owned by its farmer members. Serving more than 1,200 farmers from 14 locations in Southwestern Ontario, it is a leader in providing precision farming technology, seed, agronomy and petroleum services to the farmers and agri-businesses in Canada's most productive soybean growing region. As the names suggests, AGRIS represents agricultural innovation and solutions. It's this organizational culture that compels AGRIS to continuously search for better ways to serve its customers and to provide support for its members. So, when the Federal Government announced the Biofuels Opportunities for Producers Initiative (BOPI) AGRIS' board of directors was excited to undertake a feasibility study to determine if AGRIS could benefit from the emerging biofuels industry.

STRATEGY

Soy 20/20 began working with AGRIS in 2006 to complete the BOPI application. Through awareness generated by Soy 20/20, this study was expanded to also examine soybean crushing, both for biodiesel and specialty trait oil soybeans. As a member of the project stakeholder team, Soy 20/20 identified and recommended the consultant that was ultimately chosen for the project. Throughout the project, Soy 20/20 offered market insight, provided information and permitted the US-based consultant to easily navigate the Canadian market through the vast Soy 20/20 network of contacts. Soy 20/20 also made presentations to AGRIS members on soybean opportunities, and continues to keep AGRIS management apprised on latest industry developments of relevance to its interests, such as changes in government biofuels policy and new project opportunities. AGRIS values its relationship with Soy 20/20 due to the informal commitment, the affordability of Soy 20/20's service, the breadth and depth of soy industry contacts and the results produced to date.

RESULTS

Soy 20/20 assisted AGRIS in securing a BOPI grant for \$158,000 to investigate the feasibility of establishing an industrial scale soybean oil biodiesel facility with potential accompaniment of a soybean processing plant. While the feasibility study yielded cautiously optimistic results, it identified a distinct deficiency in Canadian biodiesel government support programs relative to American counterparts. However, figures related to a specialty trait oil crushing facility were positive and will continue to be investigated further with close collaboration from Soy 20/20.



IMPACT

AGRIS has the information required to make an informed decision regarding a significant investment in biodiesel production and soybean processing. Should AGRIS proceed with BOPI study recommendations, it could process over 20 million bushels of soybeans and produce 76 million litres of biodiesel. If AGRIS doesn't proceed with this investment, the due diligence process has, nonetheless, provided its members with the knowledge that this opportunity was fully explored. It also fosters the culture of innovation and solutions, leaving the organization poised to capture other value-added ventures that are an appropriate fit with AGRIS' strategic direction.

STATUS

Successful. Continuing relationship. A Canadian soybean producer group is actively pursuing a value-added initiative and is gaining the knowledge and support to ensure profitability.