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Could 9 million horses be wrong? An oat study

Question: What caused the cut in U.S. equine demand for Canadian oats by 50 per cent?

Answer: There are no simple answers but...

There are an estimated 9.2 million horses in the United States. Could they be eating more oats – especially Canadian oats? No doubt they could, writes Vancouver-based oat industry expert Randy Strychar. But the problem is, horses don't exactly decide what they will eat.

In a recently-completed study for the Saskatchewan Oat Development Commission (SODC), Strychar notes that by 1993/94 the US horse market was importing, and more importantly, consuming, 1.076 million metric tonnes (mmt) of high quality oats from the world oat production leaders – Canada, Sweden and Finland. (Strychar thinks the number could be higher – because no one knows for sure what tonnage of locally – grown oats might be literally be “eaten up” nor is it known what percentage of oats purchased for milling may, in fact, end up as horse dinners)

But what is known, is that by 2006/07 US equine oat consumption had fallen to 467 thousand metric tonnes (five year recent average is 559 thousand).

“The primary factor that cut US horse consumption of oats by nearly 50 per cent was the increase in oat prices relative to other feed grains such as corn and barley.” In light of ever-increasing input costs this may not be a message Canadian farmers want to hear.

But the facts are these: A “sharp and significant” climb in oat prices relative to corn began in about 1995. Much of that price increase was tied to the arrival of index fund buying of oats. Participation by the funds was good news for growers in that it pushed cash and futures higher, keeping oat prices “artificially” above corn by as much as \$30 to \$50 US per tonne. But the down-side was looming. Feed processors had to be thinking about lower cost possibilities.

At that point, a rising Canadian dollar, combined with a steady climb in rail rates, was taking the wind out of equine oat demand.

In reaction to their own rising input costs, Strychar writes, as equine feed formulators began seeking other “least cost formulations”, their focus turned to corn, soy meal, beet pulp and barley.

At the same time, horse owners were finding pellets to their liking. Some of those pellets contain no oats. (So far the horses have not commented).

According to the study, “The pelleted feed provided several advantages over textured oat feed and straight fed oats. Pelleted feed allowed for a more balanced control of the equine feed, ease of including vitamins and minerals in rations and the ease of handling and storing of the feed.” In short, the high price of oats “opened the door to other options”. Strychar goes on to say that the two single largest US commercial equine feed manufacturers – Cargill-owned Nutrena and Purina Mills, owned by Land-O-Lakes, have put some big dollars into research and development of these pelleted rations. He suggests the industry will be ‘cautious’ about any “alternatives”.

So what's the answer?

Strychar found many in the industry and research field who still deem oats to be the ultimate feed for horses and he has made 10 recommendations to the SODC. He concludes:

"What the research and results of this report clearly indicates; is there is a huge and significant alternative commercial demand market for Canadian oats in the US equine/horse market, a market that is already developed but suffering from, to a large degree, a clear lack of resources, focus and direction. It is clear that the key to increasing oat consumption lies at the consumer end of the market, specifically at improving the benefits to horses. It is the opinion of this writer that solid efforts from the Canadian oat grower associations can have a significant impact on the feed oat market that will appreciably benefit Canadian oat growers, increasing both commercial demand and oat production."

SODC directors received the report in February and say they are encouraged by Strychar's outlook. At press time they were planning to meet and decide on possible future initiatives.



ALL IN THE (OAT) FAMILY

Elfrieda Potoroka accepts the Oat Grand Champion Award (with Dancer Oats) at Harvest Showdown 2008 in Yorkton, Saskatchewan. Presenting is Saskatchewan Oat Development Commission Director and oat grower Tyson Becker. Mrs. Potoroka is the third member of her family to win the Harvest Showdown oat class. Her daughter Bonnie Potoroka was the 2005 champion with Derby Oats, while her husband Mike won in 2006, also with Derby. The year 2008 was the 20th anniversary for Harvest Showdown, a fall cattle show hosted by the Yorkton Exhibition Association. This was the first year of sponsorship for the grain show oat class by the Saskatchewan Oat Development Commission. SODC director Tyson Becker notes that the showdown grain show appears to be the only one of its kind on the prairies in that the samples are bin run from commercial grain grower operations. "We can see that potentially this show could be of interest to commercial

oat producers from right across the prairies, and encourage all oat growers to consider sending in their oat samples next year," Becker says. Becker also pays tribute to Yorkton-based Grain Millers Canada who is the over-all Harvest Showdown sponsors and major supporters of the SODC's partnering organization, The Prairie Oat Growers Association.

Oats: proud and prairie-wide!

Manitoba has become the second leg of a process which the Prairie Oat Growers Association (POGA) sees as a way to finalize a prairie-wide entity funding oat research, market development and education. The Manitoba Oat Growers Association (MOGA) was mandated by the provincial government in August 2008, to begin collecting a 50 cents per tonne levy on all Manitoba-grown oats marketed commercially. Collection began October 1.

MOGA president Bob Anderson of Dugald noted that oats was one of the last of the major grains to create an advocacy and research organization, but also expressed optimism that funding support from Manitoba oat growers will, (through a check-off of less than 1 cent per bushel), have a major

impact on the future of the industry. "Oat growers will now be 'at the table' with the ability to influence decisions with government and industry."

Anderson also commented that in 2006 Saskatchewan created a companion organization to MOGA – the Saskatchewan Oat Development Commission, which has now begun funding research and market development projects. As their first step, the MOGA board of directors have committed to joining the Prairie Oat Breeding Consortium, a joint industry-government entity which has spearheaded the development of numerous oat varieties popular among oat growers.

POGA was launched in 1998 by oat growers from the three prairie provinces and continues to act as an umbrella agency, coordinating activities with and through both SODC and MOGA.

Three 2008 Alberta producer information meetings informed POGA directors of continued interest in the potential development of an oat commission in Alberta. In 2009 POGA President Bill Wilton has consulted further with both the Alberta Marketing Council and a core group of Alberta oat growers.

In April 2009 three further farmer-input meetings are scheduled at Fairview, Lamont and Camrose. (see ad in this Oat Scoop) Wilton says the purpose of these meetings is to provide further farmer feed-back, which could then lead to a formal application for status as an oat development commission in Alberta.

Face to Facebook with oatmeal and Obama

Ask yourself the question, "Hmmm, I wonder what U.S. President Obama and oatmeal have in common?" Well not a whole lot it, it might seem. But then, you see, Quaker Oats did not earn the powerful brand name it carries, without some innovative marketing along the way. Nor did Barack Obama become president without doing some cutting-edge marketing of his own. Since the U.S. presidential elections in November, it has been well-publicized that Obama and his team used a variety of "social-networking" tools to reach, in particular, the youth of America (and apparently around the world).

It turns out that among the many inauguration day happenings was something called "viewing parties". Quaker sponsored 10 such get-togethers where hot oatmeal was served on the day Obama officially took over as president.

Another part of the "tie-in" is the fact that in the U.S., January is "hot cereal month". (February was national Heart Health Month and March is national Nutrition month – in which Quaker was planning other food-related events.)

Hillary Deck of Quaker's ad agency Edelman, in Chicago, says it began with a Quaker-founded website called StartWithSubstance.com which turns out to be a sort of "grassroots" initiative started by Mr. Obama to promote healthy living and to provide a way to give back to the community. As part of its contribution Quaker committed a million servings of oatmeal to a national food bank called Share Our Strength. When you type in the Start With Substance address you are taken to Quaker's Facebook page where you can see another aspect of the promotion – during February people were invited to type in the UPC barcode number from a Quaker Oats hot cereal product, from which Quaker would donate value to the food bank. Over 5000 people complied.

Deck says many of the estimated 250 participants at the viewing parties were what's known as "mom bloggers" – women who write about family and related interests, posting them on internet sites such as Facebook, Twitter and others – and write they did. For example, here's just one sample of the cross-talk and sharing that went on as part of the inauguration viewing parties and follow up to them.

"One of the most popular cookies in the United States is oatmeal raisin cookies. Make a higher fiber, lower-fat oatmeal raisin cookie. First, use ground oat flour for up to one-third of the white flour the recipe calls for. Then, substitute half the amount of fat with margarine containing added

plant sterols for fewer (and healthier) fats. Replace the rest of the fats with reduced-calorie pancake syrup, fat-free half-and-half, fat-free sour cream, or even applesauce. What's your favorite cookie recipe that uses oats? –Katherine Brooking, MS, MA, RD”.

To go a step further, participants were encouraged to download the well-known picture of a “quaker” man now synonymous with Quaker Oats. Many did. Some took pictures of babies or other family members with the Quaker man and posted them to the web site.

Keeping pace with rust races

Saskatchewan oat growers along three major traffic routes will be asked this year to be part of a survey of potential crown rust occurrence. Cereal Pathologist Dr. Curt McCartney of the Crop Development Centre, University of Saskatchewan, will be the head researcher on the project which will chart a more or less triangular course from Saskatoon to Yorkton, Yorkton to Melfort and from Melfort to Saskatoon. Oat samples will be drawn at 10 kilometer intervals, and McCartney is hopeful that farmer/land-owners will sign up to take part.

“All fields will be accessed on foot and respect for the land-owner will be strictly observed, “says research technician Tim Dament, who also promises that all data collected will be held confidential. Dament says the survey will monitor the economic impact of crown rust but will also serve to allow identification of crown rust races.

Rust normally blows into Canadian crop land from south of the 49th parallel, and historically is more of a threat to southern Manitoba oat crops than to Saskatchewan.

The rust pathogens have the ability to “mutate”, or at least change from time to time, keeping researchers on their toes and on the look out for potentially damaging new agents which may hit oat crops.

Dament says the 2009 survey in Saskatchewan will complement the annual crown rust survey conducted by AAFC in southern Manitoba and south-east Saskatchewan.

Oat growers who would care to be part of the 2009 crown rust survey and are located near the triangular route mentioned above could either contact POGA or Tim Dament at 306-966-8661 or email tim.dament@usask.ca.

A fungus among us? If so, do you spray?

Saskatchewan Oat Development Commission (SODC) will participate in a three-year project headed up by researchers based at Indian Head. Dr. Guy LaFond and well-know oat researcher Bill May of AAFC, Indian Head are part of the Indian Head Agriculture Research Foundation (IHARF) which will carry out three years of trials to help determine where and when fungicide applications may control crown rust, thereby helping farmers to improve their bottom line returns for oats on the Eastern Prairies.

LaFond and May note that there has been pressure on farmers to use fungicides in a “preventative” manner. But they say, “Growers need to know if they are spending their money wisely.”

Bill May says there is a common belief in Manitoba that fungicide application improves oat yield and quality. “We need to find out if the same could be said under Saskatchewan conditions.”

Using three different seeding dates the team will alternate fungicide with no fungicide on different oat cultivars in up to five locations (at least three sites per year for three years). SODC will invest \$7500 per year into the project on behalf of its farmer members, topping up \$62,000 recently announced for the project from the Saskatchewan Agriculture Development Fund.

OATS – ALBERTA STYLE

April 14, 15 and 16

April 14 – Fairview, Dunvegan Inn

April 15 – Lamont Rec Centre

April 16 Camrose, Norseman Inn

9 a.m. – 3:30 PM

- “Hold em or Fold em?” Market Update
- Latest on Varieties and Oat Agronomy
 - Update on Federal Ag Programs
 - Meet Industry Buyers and Processors
- A Future for Alberta Feed and (Human) Food Oats?
(Have your say!)

\$20.00 includes lunch and coffee breaks
(Advance registration not required)

For more info call (306) 744-2775

Watch for more details locally

CAN-OAT Can

CAN-OAT Milling was named as a top Canadian exporter this year and was slated to receive a 2009 Manitoba Export Award. In a news release from Ron Koslowsky, Vice President, the Canadian Manufacturers and Exporters (CME) Manitoba division described CAN-OAT as a “shining example of innovation culture” both within its organization and business activities.

Koslowsky praised CAN-OAT for its use of technology, customer service and innovation, noting also that the company has a high profile in community service.

The award to CAN-OAT was scheduled to be presented March 12, in Winnipeg, during Manufacturing Week in Manitoba.

CAN-Oat Milling is a division of Viterra, operating its cornerstone plant at Portage la Prairie. The company also operates a large processing facility at Saskatoon and an organic-oriented plant at Barrhead, Alberta.

Oats and tourism touted

Viterra has been nominated for an innovative approach to tourism, as part of its sponsorship of Crops of the Parkland, at Yorkton, SK. Yorkton-based agronomist Thom Weir is the local co coordinator of the project and he too has been nominated for a provincial tourism award.

Oat growing farmers in the province can also take some pride in being part of this unique concept, says Saskatchewan Oat Development Commission (SODC) Chair Dwayne Anderson of Rose Valley. SODC has been a co-sponsor of the project for three years. Working with Tourism Yorkton, Crops of the Parkland offers visitors a radio-guided tour of demonstration plots. The plots are well signed and explain to even the most non-agricultural of visitors what the crop is used for, and in some cases, something about its special place in prairie farming. There are even some famous varieties from the past (such as Marquis Wheat), which no longer are grown commercially, but which have a serious connection to the history of agriculture on the prairies. Contact Tourism Yorkton at (306) 783-8707 or visit their web site at www.tourismyorkton.com/images/tours.pdf



SODC/SEEGER WHEELER WINNER

Robert and Dave Ostafie of Ostafies's Seed Farm, Canora, were this year's oat champions at the Seeger Wheeler Seed Show, part of the Crop Production Show 2009 in Saskatoon. Robert Ostafie (right) accepted the award from Jack Dawes, Executive Director with the Saskatchewan Oat Development Commission, which this year, for the first time, sponsored the oat class. Presentations were made at the Saskatchewan Seed Growers Association banquet. Fittingly, the champion oat sample was CDC Weaver, having been developed at the Crop Development Centre, University of Saskatchewan, Saskatoon. We regret no picture available from another major seed show, Agribition in Regina, SK. Oat (Grand and

Reserve) Champions for 2008 were Duff and Robin Fenton of Tisdale. Their Grand Champion sample was Legett oats, and Reserve winner was Orrin. Canterra Seeds sponsored the 2008 Agribition Oat Championship.

Fired up about oats

A day in the life of an oatmeal fanatic

Like most of us, Ed Dyck says he learned his eating habits when he was a kid. But he says, somewhat wryly, "We were so poor we had no choice but to eat porridge and I've come to believe we had that unbelievable energy to work all day milking cows, throwing hay...and that started every day with oatmeal."

Dyck is a farm boy from Boissevain, Manitoba who, at age 50, participates actively at a high level of competitive mixed martial arts - karate and judo His arms are like steel. He's fanatical about "eating right", works out under the tutelage of up to three trainers and runs a business which counsels people on their eating and lifestyle habits.

He is also firmly obsessive about the role oats can and should play in day to day human nutrition. He flatly asserts that his first fitness trainer advised him to eat oats. "And every trainer that I've had so far just keeps saying the word 'oatmeal'...and I go "Oh....!" And he demands that the people he works with are serious too. You have to be invited to attend. "We not only teach people how to exercise, but that's maybe five per cent of our entire venue, what we do is, we teach people to eat!"

Quoting one of his own mentors, Dyck is adamant about the place of oats in nutrition. "If I could only choose one source of complex starchy carbs for a fat loss program, this would be it. Oatmeal is the one carbohydrate source that is close to 100 per cent of what all fitness body builders eat on a daily basis - and notice I didn't say body builders, but fitness models."

Hockey players are just one type of athlete which requires huge reserves of stamina and endurance. Dyck has worked with recognized hockey performers, and believes that at least two of them have learned well the "secrets" of oat-based nutrition - Jordan Peters, who plays (second high scorer on the team this year) with the Winkler Flyers of the Manitoba Junior Hockey League and Dan Tetrault, who toils with The Huron Ice Hawks of Port Huron in the IHL.

What makes oatmeal so great?

"Well, although it's a starchy carbohydrate, which gives you long term energy. Oatmeal has a beautiful balance between carbs, protein and "good fat."

On the day of our interview, his mid-morning snack contained? You guessed it... a half cup of oatmeal which he figures contained only three grams of fat, 27 grams of carbs and five grams of protein. What that oatmeal combination contains, says Dyck, is a low glycemic index, combined with the presence of protein and fat. That nutritional equation results in a very slow releasing carbohydrate. "Exactly what you're looking for when you want to get lean!" And a word of caution, says Dyck, "Make sure you choose the all natural oats, 'old fashioned' oats," he advises. He recommends unsweetened apple sauce to flavour the oatmeal, and in his own case – a sprinkle of cinnamon. Or maybe try some crushed walnuts or flax seed in your morning oats." The result is a crunchy texture and adds some "good fats – that's your omegas."

For a meal, Ed Dyck's recipe calls for a couple of scoops of oatmeal sprinkled with vanilla-flavoured protein powder. His regime this day began with a "protein shake" followed by a vigorous work-out. By 9 a.m. he was consuming another protein shake – with oatmeal of course.

Yes, but what if you get tired of oatmeal? Not a good question ...

"I don't like that question. If we get tired of oatmeal, why don't we ever change a horse's food and say, 'Oh, he's probably tired of it now'."

Dyck is critical of "off the shelf" cereals which he feels contain preservatives, "not healthy for our bodies." He suggests we simply looked for other whole grains, "in the oatmeal family". He buys "single-rolled oats" from a local health food store, "...you always want to buy oatmeal, that if you left it on the shelf and it got a little damp it would get rotten - that means it's alive!"

Going back to his childhood, Ed Dyck recalls that upon leaving home, he gained "about forty undesirable pounds of lard, bad fat...and then when I recognized what I had to do, I went back to oatmeal when I realized I could knock my fat right out. Along with my exercise program, I was excited about it!"

The current Dyck regime includes proper body-rest, six times a week workouts – including his martial arts training. For his type of competition, 35 is considered "old" – and Ed Dyck does compete in the so-called "masters" division – but he also enters open competitive tournament events – and wins more than his share of hardware.

The importance of daily exercise? "Look, your body wants to get moving in the morning. Everybody should know, your metabolism reaches its peak in the morning and is looking to get to work, and if you don't get it to work in the morning, you will get fat! Period!"

Ed Dyck, and his wife Deb, (an oatmeal user too) have one son - 15 year old Tyler – also a competitor and also a regular consumer of oatmeal. The Dycks try to eat a balanced and healthy diet, but Dad does allow that Tyler is no different than any other teen in sampling "other eating styles". One day a week Tyler gets to eat "whatever he wants".

But the Dycks say that in the past year, since they began insisting on oatmeal consumption, that Tyler's school marks have improved by an average 20 per cent and that he has led and excelled with endurance and fitness tests.

The explanation? Even and appropriately timed energy release, affecting alertness. "He's not getting what I call the sugar rushes. It's like when you are working out you are releasing the fat back into your system, to give you the energy to burn."

Tyler too, competes at high level in karate, judo and track. (The Dycks have held back on weight training for Tyler, because of concern for his proper muscle and joint development, but he will now begin weight training.)

The final Ed Dyck take-home message? "Just remember that oatmeal contains a high level of dietary fibre which helps in the bowel movement department too! We seldom get cold or flu. When your energy level is high it's tough for colds and flu to come your way."

MEET THE PEOPLE WHO BUY & PROCESS YOUR OATS

POGA ANNUAL CONFERENCE
Oat Advantage – Your Turn

CanAd INN
BRANDON, MANITOBA
Thursday, Dec 3, 2009
8 a.m. – 4 p.m.

- ◇ Current Market Update
- ◇ New varieties
- ◇ Healthy Oat Update
- ◇ Agronomy Tips
- ◇ Research Update
- ◇ Future for Feed Oats

Check www.POGA.ca for details and registration information

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