

Good for
my business.

MARKETING



DID YOU KNOW THAT
WINTER WHEAT
OFFERS TREMENDOUS
FLEXIBILITY IN END
USE AND MARKETING
OPPORTUNITIES FOR
PRODUCERS, FROM
MILLING OR FEED
GRAIN, TO ETHANOL
PRODUCTION AND
DISTILLING?

Marketing flexibility is just one of the benefits winter wheat provides to growers. Winter wheat also offers the potential for early movement, timely cash flow during harvest and more efficient storage use. Whether managing the crop for optimum yield and / or quality, knowing what markets are available, assessing prices and grain movement needs will help producers make sound winter wheat marketing decisions.

Milling:

Millers want to purchase Select varieties of winter wheat. Typically a No. 1 grade with 11.0% to 14% protein and good bushel weight (to produce more flour) are the specifications of millers. Producers should pay particular attention to:

Sprouts: Sprouts affect the falling number. An increase in alpha amylase activity creates poor loaf volume in the end product. The falling number must be above 300. High moisture going into storage could cause the grain to sprout in the bin and also may result in heat damaged kernels. To manage the amount of sprouting, producers should straight cut where possible. Swathing the crop may hasten harvest by a few days to a week, but increases the risk of sprouting if rainfall occurs on the swath.

Kernel integrity: Shrunken and broken kernels affect the ease of milling and the flour extraction rate. Environmental conditions, such as drought, frost and disease are more likely to cause shriveled kernels than management practices. Timely seeding and adequate fertility can reduce the risks. Proper combine settings at harvest will reduce broken kernels.

Visual appearance: Smudge and black point increase specks, may result in poor flour color and affect the overall look of the flour. Discoloration of the germ end of the kernel is classified as black point. If more than half of the grain is damaged, then it is considered smudge. Warm humid or wet weather during grain maturation usually late in August is generally the cause. Timely seeded winter wheat means that it is typically harvested under more favorable hot, dry weather and before late season frosts, making the crop less susceptible to downgrading factors.

If winter wheat meets the milling standards, find somewhere to bin the crop and avoid storing it on the ground. Foreign matter such as stones or excreta or mouldy grain could jeopardize the milling marketing opportunity.

NOTE: Hard vitreous kernels (HVK) will be eliminated as a grading factor for No. 1 CWRW effective August 1, 2007.

CWB & CWRW Select

As of 2008-09, CWRW Select is no longer part of the Identity Preserved Contract Program (IPCP). Although initial sign-up through the IPCP is no longer required, a delivery contract is needed. The CWB continues to offer a premium for CWRW Select. Movement is consolidated with most CWRW Select early in the marketing year.



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Winter wheat gives producers a very good net return and can help farm profitability.

Producers should assess crop inputs and determine if additional inputs will improve grain quality and yield. Harvest methods, timing of operations and storage can all influence quality. Producers need to consider the requirements of buyers and make the best management choices at the time.

Producers who are growing one of the eight Select varieties of winter wheat and achieve minimum protein level of 11% will receive a minimum premium of \$10 per tonne to be included in the initial payment. Other CWB notes:

- The CWB will continue to work with grain companies to concentrate shipping of CWRW Select early in the crop year (eg. prior to December 31). Companies identifying and shipping CWRW Select in blocks of 25 cars or more from one location will receive call priority.
- There will be no storage payments as the majority of CWRW Select will be shipped early in the crop year.
- Farmers are advised to contact their elevator after the 2008 harvest to see if it will be accepting delivery of CWRW Select wheat.

Feed

Local feed marketing options can provide comparable or even better returns to producers due to early availability. Standards for feed wheat are generally less comprehensive than for milling wheat. Typically, four main quality factors are considered by feed wheat purchasers:

1. Vomitoxin – A product of fusarium head blight tolerances for vomitoxin range from 0-1 ppm depending on the buyer and the end use. Even winter wheat destined for the ethanol industry has to meet vomitoxin standards because by-products are often used in the feed industry. Fusarium requires warm temperatures (25°C) to develop so crops heading in early June, such as winter wheat, are at lower risk. Management factors such as timely seeding, shallow planting, fertility, etc. can influence heading dates.
2. Protein – Requirements vary from no minimum to a minimum of 11.0%. Protein can be a function of nitrogen management so growers have the opportunity to influence these levels. Guidelines suggest that protein under 11.5% indicates that the crop didn't have enough nitrogen to maximize yield. Winter wheat responds well to nitrogen.
3. Test weight – Requirements are variable but most buyers have requirements of 58 to 60 lbs/bushel. Adequate fertility, early maturity, avoiding lodging problems, timely harvest, etc. will help to maintain test weight.
4. Moisture – Winter wheat is dry at 14% moisture. Requirements vary, as some buyers stipulate grain must be dry while others accept grain to a maximum of 15.5% moisture. Growers should check with specific buyers with regard to their requirements.

Ethanol

Producers get paid for meeting minimum requirements set out by the ethanol plants. Currently, most plants are purchasing CWRW, CPS red, CPS white and SWSW. Some of the grain specifics for ethanol production are:

Weight: 58 lbs/bu minimum Moisture: Dry, maximum 15% Sprouting: 10-15% maximum

Producers are encouraged to contact the buyer for more specifics. Ethanol purchasers are mainly interested in low protein and high starch content. At this time, all wheat that meets the minimum quality will receive a standard value. Producers do not need to use excessive nitrogen to obtain higher protein and vitreous kernels. In fact, plants are satisfied with starchy or pie-bald kernels.

▶ For more information please contact one of our winter wheat specialists at Ducks Unlimited Canada

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