

Field to Birdcage

New York is Big But.....

Overview

- Discuss four main export destinations for Canadian canaryseed.
 - 1) Mexico (25%)
 - 2) Europe (25%)
 - 3) USA (7%)
 - 4) Brazil/Indonesia/Colombia (all about 6% each)
- Total 75% of our demand!

Mexico

- Market demand of about 35-40000 MT (25%)
- Simple market from logistics standpoint, load railcars and “hit” send.
- Issues with Noxious weed seeds, but comprises very solid long term important demand.
- Product is shipped either bulk or bagged.
- Product not generally blended into formulations but sold as pure canaryseed.

- Sold in central markets located thruout Mexico. Some blending but generally sold to feed canaries or songbirds in the home. Not sold for wild bird food feeders.
- If you include rest of central and South America, about 40% of our canary is sold in this manner. If price gets too high compared to other products (ie Millet/canola/flax) then substitution will occur.
- Mexico tends to set market for canaryseed due to their volume and ability to move into market for 8000-10000 MT in a few days. Demand needs are important to understand price movement to Canadian growers.

Central de Abastos, Mexico City, D.F.





Leche de Alpiste

- Milk of canaryseed.
- Only known current food use that we have seen.
- Canary is soaked overnight and the broth is drank for digestion and weight loss.
- Apparently it is a 500 year old practice that was recently re introduced in Mexico.
- Buyers want pure itchless canaryseed.
- Very small volume at this point.

Europe

- Can be broken into two markets, North and South Europe. Total is about 40-50000 MT per year.
- North Europe consists of Germany, The Netherlands and Belgium.
- This market takes both bulk conventional vessels and containers of product.
- Bulk conventional product is shipped into Thunder Bay by railcars and loaded directly into Vessel.
- Containerized product is shipped to Montreal by rail/Intermodals and then loaded into containers by stuffers.

- European demand is for blending primarily. Large Pet Food companies have a budgie blend or canary blend based on feeding trials.
- Product is generally all packaged based on blend and sold in large retail stores.
- Price is irrelevant but the big 3 or 4 pet food companies all retain traders whose only goal is to buy as cheap as possible.
- These buyers would have long term contracts with their buyers and essentially take price risk into account when making sales for product they don't essentially own.





South Europe

- About 20000 MT, so near half of total Europe demands.
- Canary mainly bought by Italy and Spain, primarily containers of product both bulk and bagged.
- Product is also blended in this market and price is inelastic.
- Canaries come from the Canary Islands off the coast of Spain. Traditional demand spread from this region to Latin America.

USA

- New York is Big.... but Mexico is bigger.
- I have never made a sale of canaryseed to New York.
- Total USA demand is approx 10-12000 MT/year. Demand to both coasts is important. 2.3 hoppercars per week for entire country.
- This market is generally a blended market with lots of wild bird food blends and pet blends.
- Price is also inelastic but we see some drops in demand here based on economic conditions.
- If you don't have money you tend to not be as worried about feeding wild birds.

Brazil/Indonesia/Colombia

- Brazil used to be 20000 MT but demand has dropped as low as 3500 MT per year and was 12000 MT last year. Black market canary from Argentina has replaced us some years.
- Indonesia is a rising star of canary demand rising to 9000 MT last year and on track for same this year.
- Colombia also consistently important buyer at around 10000 MT.

Canadian Export Costs

Generally, the least cost method of moving product from growers bin to destination is about.

Cleaning -\$50/MT

Rail - \$100/MT

Stuffing at port Montreal/Vancouver- \$35/MT

Ocean Freight - \$70/MT

Total Cost – CAD \$270/MT or 12 cents per pound to port. Does not include transportation within destination country, package costs, wholesale or retail profits.

-lots of cost and a lot of players in the chain.