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## THE STORY OF STEP CELEBRATING 20 YEARS

STEP

DISCOVERING THE ROOT OF PROFIT NATURAL PLANTATIONS

## SPOTLIGHT ON: SEIMA

#### ATLANTIS RESEARCH WORKING TO END WASTE GAS

SPECIAL REPORT: SASK ENVIRONMENT DIRECTORY

CanNorth SHOWCASING GLOBAL STEWARDSHIP

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To work in partnership with Saskatchewan exporters and emerging exporters to enable commercial success in global ventures.



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# **GLOBAL ENTURES**

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# upcoming

#### Saskatchewan Provincial Trade Mission Date: September 19-23, 2016 Location: South Korea & China

STEP will organize market briefings, table top presentations and business to business meetings. The Canada South Korea Free Trade Agreement has created new opportunities in South Korea with Saskatchewan benefiting as many crops (canola, flax seed, wheat, rye, oats, mustard and canary seed) receiving zero tariffs. Pea, lentil, chickpea and quinoa tariffs are also being decreased and will be eliminated at the end of the transition period. Participants will travel to Qingdao, Shandong Province, China for the conference celebrating 60 years of supplying high quality food ingredients to China. It will include sector presentations, industry tours, receptions and a tour to China Vermicelli processors in the Yantai area. It is supported by Saskatchewan's government, and high level provincial governmental officials will present at the conference.

Contact: Yi Zeng, Senior Director - Asia Telephone: 306 787 2194 yzeng@sasktrade.sk.ca

#### Seminar – International Trade Finance 101 Date: September 21, 2016

Location: Saskatoon, Saskatchewan Learn about international trade finance and prepare for international opportunities while mitigating risks. Topics include: exporter payment instruments, mitigating risks and non-payments, and foreign exchange hedging and strategy basics. It is for exporters, business leaders and entrepreneurs looking to learn more about financing and the tools available to be competitive in today's export markets.

> Contact: Jordan Gaw, A/VP Export Services Telephone: 306 787 7940 jgaw@sasktrade.sk.ca

#### Trade Mission – Natural Products Expo East Date: September 21-24, 2016

Location: Baltimore, Maryland Natural Products Expo East is the largest natural products trade show on the East Coast with 25,000 attendees and over 1,300 exhibits. The show is a good platform to reach natural, organic and healthy lifestyle buyers from the East Coast of the United States. STEP has secured booth space which will be shared with members who are interested in participating.

> Contact: Mortoza Tarafder, Director - Agri-Value Telephone: 306 787 9687 mtarafder@sasktrade.sk.ca

#### **Trade Mission – MINExpo**

Date: September 26-28, 2016 Location: Las Vegas, Nevada

At MINExpo, 90 per cent of the attendees have the buying power and influence to make decisions on purchases of equipment, products and services they see at the show. In just three days, companies will meet thousands of mine operators from all over the world.

Contact: Ryan Niemela, Trade Specialist -Technology, Services & Resources Telephone: 306 933 6558 rniemela@sasktrade.sk.ca

#### Trade Mission – The Alberta Public Works Association's 12<sup>th</sup> Annual Partners in Excellence Tradeshow Date: October 3-5, 2016

Location: Red Deer, Alberta

STEP is leading a delegation of Saskatchewan companies to the Alberta Public Works Association's 12<sup>th</sup> Annual Partners in Excellence Tradeshow. Approximately 60 per cent of attendees include directors of public works and operators. The remaining 40 per cent include management positions such as Chief Administrative Officers. Exhibiting at this event will put products and services in front of end users from Alberta's municipalities. With only 60 exhibitors and 150 attendees, there is opportunity to be noticed.

Contact: Ryan Niemela, Trade Specialist -Technology, Services & Resources Telephone: 306 933 6558 rniemela@sasktrade.sk.ca

#### Trade Mission – AgroSalon

Date: October 4-7, 2016 Location: Moscow, Russia

This biennial event focuses on the ag sector, including tractors and harvesters; cultivation machinery; grain handling and storage; seeding and tillage; fertilizing, spraying and plant protection; irrigation and drainage; components, accessories and spare parts; electronics, measuring and weighing; and farm management and consulting services. Organizers include the Russian Union of Manufacturers of Agricultural Machinery, IFWexpo Heidelberg GmbH (Germany), and the Russian Federation. Since 2008, it has become Russia's largest ag equipment exhibition attracting virtually all major global manufacturers. In 2014, it attracted 286 exhibitors from 27 countries and 23,000 attendees.

Contact: Rob Ziola, Senior Director -Manufacturing Telephone: 306 933 6557 rziola@sasktrade.sk.ca

#### Trade Mission – 2017 Biofach Japan and Japan Organic Expo Date: October 20-23, 2016 Location: Japan

STEP is working with the Canadian Embassy in Japan, along with others, to organize a mission to help Saskatchewan organic producers and healthy innovative food suppliers in the Japanese market. It will provide opportunities to find Japanese partners, buyers and distributors

# TRADE EVENTS

by showcasing products at these events, which is a joint effort of the Canadian Government, provinces and industries.

> Contact: Jingjing Xu, Trade Specialist - Asia Telephone: 306 798 4651 jxu@sasktrade.sk.ca

#### Trade Mission – 2016 CIAME Date: October 26-28, 2016 Location: China

CIAME is the largest national level agricultural machinery show in China and is Asia's top agricultural machinery exhibition. It is sponsored by China Agricultural Machinery Distribution Association, China Agricultural Mechanization Association, and China Association of Agricultural Machinery Manufactures. Most Chinese agricultural machinery distributors, manufacturers, industry associations and governmental officials, including state owned farms as well as the provincial agricultural machinery bureau, will attend the event.

Contact: Yi Zeng, Senior Director - Asia Telephone: 306 787 2194 yzeng@sasktrade.sk.ca

#### Trade Mission – EMDA 2016

Date: October 31 - November 3, 2016 Location: San Diego, California

STEP is organizing a trade mission to the the Farm Equipment Manufacturers' Association (FEMA) and Equipment Marketing Distribution Association's (EMDA) convention. Here, farm equipment manufacturers will meet with key wholesalers and manufacturers. FEMA represents North American farm equipment/short line equipment manufacturers. EMDA represents North American farm equipment wholesalers/ distributors and independent marketing representatives/agents. STEP will orga-



nize a group display, arrange meetings, be involved in the EMDA Contact Forum, represent non-attending members, and may even hold a STEP Member Business Session/Reception.

Contact: Rob Ziola, Senior Director -Manufacturing Telephone: 306 933 6557 rziola@sasktrade.sk.ca

#### Trade Mission – Web Summit Date: November 7-10, 2016 Location: Lisbon, Portugal

STEP is recruiting members for a business development trade mission to Web Summit. This is part of the Pan Western initiative coordinated by ITCAM (Manitoba) and supported by WED. This event will appeal to companies in the web applications space and will follow up on the initial 2015 visit. In four years, Web Summit grew from 400 to over 22,000 attendees representing over 100 countries. It's been called "the best technology conference on the planet" with attendees ranging from Fortune 500 companies to the world's most exciting tech companies.

Contact: Ryan Niemela, Trade Specialist -Technology, Services & Resources Telephone: 306 933 6558 rniemela@sasktrade.sk.ca

#### Agriculture Sector Mission – International Financial Institutions

Date: November 14-16, 2016 Location: Washington, D.C. Date: November 17, 2016 Location: Chicago (Optional) This joint mission, organized by STEP and Private Sector Liaison Officers (PSLO) from Alberta, Austria, Chicago and Spain will include an in-depth program with various International Financial Institutions (IFIs) such as the World Bank and Inter-American Development Bank. Attendees include agriculture companies and organizations looking for partners and details on IFI financed projects in the ag sector, including initiatives around food security, market development and delivering on national and global climate action commitments.

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#### Trade Mission – Canada Food Expo Japan Date: November 15-20, 2016

Location: Osaka & Tokyo, Japan

STEP is working with the Canadian Embassy in Japan and other provinces to organize a mission to help Saskatchewan agri-food companies expand into Japan's market. Japan has the fourth largest economy, a large population and is reliant on agriculture and agri-food imports to meet its consumption levels. In 2015, Japan's agri-food imports were valued at \$67.9 billion, making it the world's fourth largest importer. The event will feature tabletop exhibitions, education seminars, store tours and an optional visit to Organic Lifestyle Expo 2016. Locate Japanese food and beverage importers, wholesalers and distributors by showcasing products at the tabletop events in Osaka and Tokyo.

> Contact: Jingjing Xu, Trade Specialist - Asia Telephone: 306 798 4651 jxu@sasktrade.sk.ca

> > GV)

For a complete list of upcoming trade events, visit www.sasktrade.sk.ca.

# THE STORY OF STEP

# For the past 20 years, STEP has played a key role in enhancing Saskatchewan's export community BY PAT REDIGER

n 1990, discussions began on the need for a "Saskatchewan Trading Company." The idea was to create a company that would support the province's small and medium size exporters through market support programs, financing, market analysis and export education. The company would also share the risk of entering a foreign market.

This vision was realized in the formation of Saskatchewan Trade and Export Partnership (STEP) in 1996. Since STEP's inception, Saskatchewan's exports have gone from \$8.5 billon to just under \$32.8 billion – an increase of more than 350 per cent. Saskatchewan now exports to more than 150 countries, is the number one per capita exporter in Canada, and is Canada's top agri-food exporting province.

The province's exporters have also been experiencing strong growth in international markets such as China, India, Brazil, Indonesia, Bangladesh and Turkey. Saskatchewan is by far Canada's top exporter to India, with 43 per cent of our nation's total exports to that country. "When you look at the increase in export numbers, it speaks to what STEP, the provincial government and our members have been saying for years: 'We have what the world needs, and that's the three f's: food, fuel and fertilizer,''' said STEP President

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Food Innovation Starts Here research & development · processing · extrusion · food safety · training



Congratulations to STEP on your 20th anniversary!



enough about STEP and how they've helped us so far. The people there have really been wonderful. Whenever I was confronted by a difficult question, they found the answer. They have helped us make contacts in the industry, not just in this province but all over the world."

> - Mylo Chubb, Stonehenge Organics, Assiniboia, SK

and CEO Chis Dekker. "And, our economy has really picked up and diversified within that resource base."

"The past two decades have seen exponential growth in the global demand for the goods and services of Saskatchewan exporters," adds Jeremy Harrison, Minister Responsible for Trade. "Our export success has come from the incredible hard work and outreach of Saskatchewan companies and from the support they received from STEP, their innovative market development organization."

STEP's initial proposal was modeled after a similar initiative undertaken by the British Columbia Government that estab-

Left: STEP, 2011 Agritechnica. Top: Saskatchewan Pavilion, 2015 IFT Annual Meeting & Food Expo, Chicago, IL. Right: STEP's President & CEO Chris Dekker joins the 2016 World Indigenous Business Forum panel discussion, Saskatoon, SK.

lished British Columbia Trade as a Crown Corporation. Instead, STEP was established as an industry-led corporation using both private and public sector funding, focusing all provincial government trade and export marketing services under one agency.

STEP was officially launched on August 21, 1996 with eight staff and a mandate to

increase Saskatchewan's exports to existing markets and to tap into new markets by initiating sales, contracts and projects for exports from the private and public sector. STEP's funding came from the government by way of an annual grant, combined with annual industry membership fees and service fees.

Congratulations **STEP** on 20 Years! You've been a big part of our export success!

SCHULTE



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"We got involved with STEP as a networking opportunity, and I've found it to be amazing. A lot of STEP members have engaged us to sell their agricultural products in China and to promote their business at a trade show in Germany."

- Jeremy Drummond, Studio 10 Productions Inc., Regina, SK

From October 3-17, 1996 STEP embarked upon its first major trade mission. It explored business opportunities in Germany, the Czech Republic, France, Turkey and Ukraine. STEP has evolved from a government department to a member-driven organization. According to one former STEP board member, this shift occurred early on.

"Certainly on Day 1 it wasn't an immediate apparent change, but over time as the organization drove that evolution, the strategy to become member driven was very clear," said Shannon Jakes, who was elected to the Board of Directors in 2004 and served for three terms, including two years as Chair of the Board.

"The transformation came from within the management team and staff as well as from the board. The board grew to include 12 entrepreneurs as well as three representatives from the government. We were strengthened by having a diverse group of entrepreneurs around the board table who really did a great job of representing our members throughout the province through their strong, collective voice."

As STEP's membership has expanded over the years – it currently has more than 400 member companies – it has broadened its services to meet their needs. STEP's services are centred around three main pillars: trade development, market intelligence, and international finance and logistics.

STEP's market intelligence division develops and delivers the intelligence exporters need to be successful globally, including qualified trade leads, customized market and sector reports, and strategic intelligence on the competition.

Its trade development team assists exporters in finding creative and effective ways to maximize their export potential through, customized advice on commercial and project opportunities; targeted business development missions to strategic markets; programs for incoming buyers assisting exporters in further developing opportunities in priority and new markets; and in-market support of exporters on trade and business development missions.

On the international finance and logistics side, STEP links exporting members with solutions provided by its associate mem-

# Congratulations on 20 years

Advancing the business of agriculture

Canadä

STEP 2016 business to business meetings, Mexico City. Top right: former STEP President & CEO, Lionel LaBelle, signs a trade agreement with the China Council for the Promotion of International Trade in 2010. Below: co-organizer, STEP, attends a trade mission to Kazakhstan with Enterprise Saskatchewan Minister Ken Cheveldayoff in 2009.

> bers, including advice and guidance on international finance strategies and transportation and logistics; opportunities with the International Financial Institutions; and finance and logistics reference tools.

> "Exporting is not the easiest thing to do; there are many barriers and regulations, international volatility, and of course, there's a lot of travel involved. Not all of these small-to-medium enterprises have the expertise to pathfind their way through that," said current STEP Chair Tim Wiens.

> "STEP provides that advice. We will develop international trade missions where we connect our members with like-minded industries and go as a Saskatchewan team to markets where they may be able to sell their products. It's really about promoting and ensuring that the decision they've made to go into export markets is the right one and also providing that assistance to ensure that their move is successful."

"The Saskatoon Region economy is one of the most diversified economies in the country, producing outstanding products and services that are in demand throughout the world. STEP is a key partner in helping grow the Saskatoon Region economy by providing local companies with support to increase exports and access new markets."

- Alex Fallon, SREDA President and CEO, Saskatoon, SK

On April 1, 2016, STEP unveiled its new Premium Membership, which includes enhanced and customized services designed for STEP Regular Members who are currently involved in export, have the product or service offerings, resources and commitment to pursue international markets. It's ideal for medium to large exporters who are aggressively seeking new business.

When it comes to examining the legacy STEP has created, the evidence is plain to see. It seems that anytime you pick up a newspaper or turn on the news, there's a story about a STEP member finding success in a new market or details of a new trade agreement like the Trans Pacific Partnership that is expected to provide even more opportunities for Saskatchewan producers and STEP members.

Dekker noted that he has even received phone calls from other provinces, asking how they might follow the governance model and emulate STEP's success.

"I advise that it can be done, but it takes a great deal of courage to affect change," he said.



"STEP has been a great partner for the Food Centre in our mission to enable Saskatchewan's agri-food industry to develop new market opportunities. Whether it be trade missions, seminars or visiting delegations, the Food Centre has utilized STEP's offerings to gather valuable information and develop networks to pass on to our food processors. STEP has been a wonderful promoter of Saskatchewan's agri-food industry and the Food Centre at international levels."

> - Daniel Prefontaine, Saskatchewan Food Industry Development Centre Inc.

With STEP celebrating 20 years in 2016, it's a perfect opportunity for the organization to celebrate an exceptional track record of helping make the province an even stronger force in international trade. When STEP was created, it may have seemed like one small step to increase Saskatchewan's exports, but it has turned into one giant leap for the entire exporting community. Dekker believes that STEP has the potential to push exports to \$60 billion over the next decade.

"With 1.1 million people, our domestic market is too small for what we produce. So, we have to export to grow and to succeed economically and to pay for the things we cherish – health care, education, social services and infrastructure.

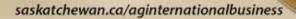
"Of course, the credit doesn't go to STEP or the provincial government. This growth has been driven by STEP members and the exporting community. They're the ones that are the entrepreneurs, innovators, and it's their courage and incredible effort that makes the difference. We just create the environment for business to do what they do best.

"It's the Saskatchewan story, and we're proud to be part of it."

Saskatchewan /

## Working together to feed the world

STEP has helped Saskatchewan agriculture grow for 20 years, leading to a record-breaking \$15.3 billion in agri-food exports in 2015. The Government of Saskatchewan looks forward to continuing to work with STEP to grow our agri-food exports.



# BIZ Motes

STEP members who have noteworthy news are invited to share that information with Global Ventures for our BIZNotes section. For further information or to submit content, please contact Heather Swan, Manager -Corporate Services at 306-787-7942 or hswan@sasktrade.sk.ca.

#### Saskatchewan's manufacturing industry builds on its strengths

Saskatchewan's manufacturing sector has been flourishing in recent years, more than doubling in size over the past 15 years. Now employing more than 20,000 in full-time jobs, it generates between \$14 billion and \$16 billion in sales annually, says a recent report by Canadian Manufacturers and Exporters and the Saskatchewan Manufacturing Council called Manufacturing 2025.

"One of the foundations of our manufacturing industry has been its ability to plug into the supply chain for our propulsive sectors of the economy, whether it's oil and gas, mining or agriculture," says Chris Dekker, President and CEO of STEP.

While the sector has found growth by serving these industries, Dekker also noted that it is diverse with manufacturers in automotive, satellite technology, food and beverage and chemical production. And, it's globally focused.

"Because we have such a small population we have to export what we produce here," Dekker says.

The Manufacturing 2025 report states that sales for the province's manufacturing sector have grown by 131 per cent since 2000 compared to about 11 per cent nationally. Still, the industry has more room to grow. Manufacturing remains a relatively small – albeit important – engine in the province's diversified economy, accounting for about 6.5 per cent of gross domestic product.

And, the sector's importance is forecast to grow in the next decade with sales expected to reach \$25 billion annually in 2025, the CME/SMC report states.

"It's clear the current government has allowed us to succeed, putting in place the supply chain and skills critical for manufacturers to grow," says Steven Hoffrogge, Chief Executive Officer of Crestline Coach Ltd., a Saskatoon-based manufacturer of ambulances and specialty buses."It opened the province up for business, making it pretty cost-effective to operate here."

Case in point is the Manufacturing and Processing Exporter Tax Incentive – a non-refundable tax credit equal to \$3,000 for every new full-time employee hired until 2019. In addition, the program offers further tax credits equal to \$10,000 for companies hiring full-time employees at a head office located in the province. Another key component is skills training to build local capacity and keep pace with growth. Already, the province has done a good job in this respect. This workforce is the backbone of innovation for the sector and critical to enabling firms to compete with producers operating in jurisdictions such as China with lower labour costs. In fact, Dekker says the province's companies thrive on competing with the rest of the world and look forward to the implementation of trade agreements such as the Trans-Pacific Partnership.

"We produce what the world needs and not just what it wants, and that allows us to be leaders in manufacturing," he says. "Not only do we not fear free trade; we welcome it."

#### IntraGrain Technologies Inc. receives CFPS 2016 Innovation Award

Congratulations to IntraGrain Technologies Inc., inventor INTRA of the BIN-SENSE DIRECT, a

RAGRAIN

"SMART" handheld grain monitor, as a recipient a Canada's Farm Progress Show 2016 Innovation Award for new equipment. The company was awarded a Silver Standards Award as selected from a panel of judges. IntraGrain Technologies Inc. is an ethically motivated, quality driven, global-leading technology innovator and manufacturer of durable, scalable and dependable hardware and software products for utilization in the company's state-of-the-art asset monitoring and management systems.

# Introducing the launch pad located in Ideas Inc.

Ideas Inc., in partnership with the Saskatoon Regional Economic Development Authority (SREDA), recently unveiled the Launch Pad program.

Located at Ideas Inc. (120 Sonnenschein Way, Saskatoon), the Launch Pad is specifically designed to offer an affordable open concept work space for aspiring entrepreneurs to launch and operate their business.

Additionally, the Launch Pad offers access to business coaching and mentorship to guide new business owners through their entrepreneurial journey. For more details, visit www.ideasyxe. com/launchpad.

#### **BUSINESS ADVISOR COLUMN**

# **LET'S MAKE A DEAL:** Learning the tricks of trading currency

BY DAVE DOMINY, CHIEF EXECUTIVE OFFICER., FIRMA FOREIGN EXCHANGE LTD.

rading currency is never a simple exchange. That kind of thinking can quickly eat away at your bottom line, or worse. Luckily, there are ways to understand each of the economic, political and emotional factors that impact currency.

Currency values are constantly changing. In fact, many stock traders are finding interest in the currency markets because they're tied to similar key drivers that create varying levels of volatility, like supply and demand. Other drivers may include interest rates, gross domestic product, unemployment, commodities and unexpected events. Any of these drivers can make currency rates go up or down.

The companies who are the most successful in navigating the currency market are those who have mastered the art of hedging: planning ahead and strategizing for how the market may move as time progresses. To put this into context, picture a game of chess. The true chess masters are able to set themselves up for success The companies who are the most successful in navigating the currency market are those who have mastered the art of hedging: planning ahead and strategizing for how the market may move as time progresses.

by reading the board and planning many moves ahead. They may not know exactly what their opponent will do, but they can anticipate any minor variation in how the game progresses. They are far superior to those players who merely react to the latest play and have no long-term strategy. As the saying goes, with every action, there's an equal and opposite reaction. Trading currency is no different. Hedging involves finding the right solution for your business needs, determining your risk appetite, and understanding that with proper knowledge of these strategies and how they can help, you'll see that there is a solution for every situation that sets you up for a financial checkmate.

It may feel like in a market of seemingly endless influential factors there must be an equally endless list of solutions. Luckily, hedging primarily involves three: market orders, forward contracts and options. Each has their own unique benefits and strategies, and by knowing when and how to use them, you can confidently plan your cash flow, pricing, payables and receivables and avoid any unwelcome surprises due to market volatility.

To better understand the three solutions associated with hedging, we need only examine a major recent event. On June 23, 2016, Great Britain voted to leave the European Union – a decision referred to as Brexit. As expected, the British Pound dropped significantly.

By anticipating a drop in rates like we saw with the recent Brexit decision, you could have locked in a price of \$1.48 with a *forward contract* before prices fell as much as 11% hitting an all-time low in decades. If you weren't sure how far prices would drop, a *market order* would have allowed you to set a price point to trade when the rate reached a desired level, helping you protect your business from potential loss. Using an *option* on the other hand would, as the name suggests, gives you the option to buy or sell, with no obligation to.

Each of these hedging strategies can offer your business a path to planning for success. However, working with people who can help you plan the right strategy is just as important. Going at it alone can be a daunting task, especially since managing the day-to-day operations of your business can be difficult enough. Having someone there to offer professional support based on years of experience and knowledge will help you make better decisions faster. And, based on how quickly the market can change, making the right decisions at the right time can make all the difference.

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Dave Dominy is the Chief Executive Officer of FIRMA Foreign Exchange Ltd., a highly specialized currency and payments solutions provider to small and midsize businesses.

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# Making waste gas a thing of the past by JONATHAN HAMELIN ATLANTIS RESEARCH LABS

hen a group of young technicians, designers and engineers came together in 2007 to form Atlantis Research Labs Inc., they were looking to boldly go where no other technology company had gone before.

"I grew up in the '80s watching the shuttle program and *Star Trek* on TV, and I thought that technology was going to evolve significantly by the time I grew up. Arriving in my 30s was a reality check," said Vladimir Mravcak, Chief Executive Officer at Atlantis Research Labs.

"Fueled by a vision that advanced technology can create a better world, our goal in forming this company was to bring innovation to market through the development and commercialization of real-world solutions for industry based on our own patented technologies." From the beginning, the team at Atlantis was interested in exploring Ramjet technology, an aerospace technology and area of physics in which air is introduced into a jet intake at high speeds. With the technology having being abandoned in the aerospace field since the '60s – though still being used in missiles and other weapons – Atlantis wanted to help shift the focus of the technology back into the research sector. The company opened up an office at the Regina Airport, where they spent years conducting high pressure combustion jet research and prepared their ex-military Tutor planes for flight trials.

Two years ago, the company received an unexpected opportunity to transform its research into a commercial product. A large Saskatchewan company in the oil and gas industry paid Atlantis a visit, and inquired if the company could help it deal with a problem that has often plagued the industry: waste gas.

"The oil and gas industry has typically used flare stacks or vented waste gas directly into the atmosphere. Obviously, this is not healthy," Mravcak said. "It's a very low efficiency solution to a very high value problem. They try to do it at intervals, so people won't be affected by it. However, whenever I drive by them they really, really stink. This particular company needed a high pressure solution to deal with the problem and knew we were doing high pressure combustion in our lab. We really connected on some needs they had and some solutions we could offer them. Then, they asked where our field model was, and we kind of shrugged. We didn't have a field model."

"The PureJet is able to neutralize at 99.99 per cent combustion efficiency, meaning that we've practically eliminated and neutralized all the harmful greenhouse gases before they're vented to the atmosphere."

> - Vladimir Mravcak, CEO, Atlantis Research Labs

With a new sense of purpose, Atlantis spent the next 18 months in a rigorous development cycle. As a result of this cycle, Atlantis created a product called PureJet, an aerojet combustor designed especially for neutralizing waste gases.

To use the PureJet, a company runs a waste gas line right into the machine, instead of the traditional method of inserting it into a flare. Once hooked up to the machine, the gas is neutralized by a jet combustor.

"The PureJet is able to neutralize at 99.99 per cent combustion efficiency, meaning that we've practically eliminated and neutralized all the harmful greenhouse gases before they're vented to the atmosphere," said Mravcak. "There are only so many hours a month that big oil companies can flare gas. Once that window has passed, they're shut in. The PureJet reduces operational downtime by neutralizing the flaring in the process."

Atlantis is building five different sizes of the PureJet. Mravcak said that their smaller unit, which is three feet high, is sufficient for treating an abandoned gas well. For a refinery, on the other hand, Atlantis would employ a much larger unit and place its engineers on site to manage the custom project.



Mravcak explained that two of the other major benefits of the PureJet revolve around capacity and portability.

Using traditional methods, oil companies have to use a regulator or a series of valves and pipes to stamp pressure down as it's too much for them to deal with. While a regular flare can barely handle 100 pounds per square inch (PSI), Mravcak said the PureJet can deal with up to 1,000 PSI. He added that while a flare can only handle a narrow set of conditions, the PureJet can handle "almost any conditions." He said that the product offers the best performance per square inch of any waste gas technology on the market.

When it comes to portability, some oil and gas companies have traditionally had

to pour concrete and ensure the infrastructure is in place, so that they can get their equipment to the job site. Then, they have to use a big 18-wheeler semi and a crane to move the equipment. Mravcak said that the PureJet units are portable and can be moved simply using a half-tonne pickup truck with a utility trailer.

Recently, Atlantis launched a demonstration site in Medicine Hat, where customers can witness how the PureJet works first hand.

Along with plenty of interest from North American companies, the Pure-Jet has already attracted international attention. A company in Abu Dhabi, capital of the United Arab Emirates, has requested that a 20-foot unit be shipped. Atlantis will also be attending a trade show in Abu Dhabi later this year.

"We're taking aerospace technology and bringing it to a very traditional and conservative industry," said Mravcak. "We feel like the industry came to us and needed this technology. The demand seems to be large because it's the right thing to do."

Throughout the process of creating the PureJet and exploring potential markets, Mravcak said Atlantis has benefitted greatly from its association with STEP. The company has been members for more than two years.

"STEP provided us with a market research study that was a catalyst for us to begin exploring other uses for our technology," said Mravcak. "When the oil and gas industry approached us, we were exclusively a jet engine research lab for aerospace, and what STEP allowed us to do, along with the National Research Council through a joint study, was to identify other places where we could use the technology we developed. One of the key areas that STEP identified was waste gas incineration. That was a big value point for us. We really think that in terms of how Saskatchewan is moving, I think it's the strongest organization we have for small companies."



500ml (17 Fl Oz)

BY JONATHAN HAMELIN

THE ROOT OF PROFIT Natural Plantations Inc. transforms a weed into a healthy product line

Purslane Fruit and

Vegetable Wash Produit de lavage au pourpie pour fruits et légumes

40ml (8 F) Ozl

hen Elsie Belcheff took out an advertisement in the local paper that read, "Will pick Purslane Portulaca from your garden for free," she admits that her neighbours were a bit skeptical.

"They phoned me and said, 'Are you serious?' They though it was a hoax," Belcheff said with a laugh. "I assured them it wasn't, so they said, 'Go ahead."

What would prompt Belcheff to offer to pull weeds – a task no one enjoys – on other people's properties? She was hoping to launch a business selling one of the most unlikely products out there: a weed.

A few years prior, in the late 1990s, Belcheff first began taking note of the Purslane Portulaca weed on her family's grain farm near Margo. For nearly 18 years, Belcheff had sold chemical weed control products to farmers. A farmer would bring a weed to her, she would identify what it was, and then she would recommend the best chemical solution to get rid of it. This weed, however, was different. "It's a low-growing succulent plant. It grows mostly in the garden, but also along sidewalks. The big thing was, it was very hard for me to kill," said Belcheff. "I had pulled one of the weeds out and put it on a group of rocks, and it sat for a whole week without totally deteriorating. When it rained, it started growing again. I thought this must be a very valuable plant that can maintain life as long as it did."

Belcheff hired two scientists to analyze the plant, and they confirmed that it is in-



deed a special plant, and not just because of its durability.

"They spent over a year researching the plant. The scientists were really excited to see the high number of fatty acids in it," said Belcheff. "They found Purslane to be a rich source of vitamins and minerals. Much research has been done on this plant, and yet its benefits are relatively unknown to the average individual. I thought that the wide range of nutritional and medicinal benefits should become conventional knowledge, allowing Purslane to be utilized more often."

As such, she launched Natural Plantations Inc. in the early 2000s to commercialize the plant. The scientists helped her develop a processing method. The family converted their attached garage into a processing facility, adding dehydrators and stainless steel tubs to clean the plants.

When it came to securing the weed itself, Belcheff realized she'd soon have to go beyond her family's farm, hence the newspaper advertisement. However, although there were a lot of interested parties, going from garden to the next was too arduous a process.

"We decided to plant 39 acres of our own. We had the soil tested, and there were no chemicals," said Belcheff. "Once it was ready, we hired summer students

and had about 70 people picking the weed. We had two shifts going, because you have to process Purslane Portulaca 24 hours after it's picked or else it loses its nutrients. We processed a large quantity of the weed, and since it's very stable and the nutrients in it remain persevered, we haven't had to plant another batch since 2003."

Using this Purslane, Belcheff created a product line consisting of capsules, soap, conditioner, deodorant, veggie rinse, lip balm, shampoo and toothpaste. The common theme for all of Natural Plantations' products is their many health benefits.

Belcheff has even written a book called *The Wonders of Purslane*, explaining the development and the information she has discovered about the plant.

"The use of Purslane as a medicinal plant has been recorded at least since the time of the ancient Egyptians and has been popular in many cultures since then," said Belcheff. "In Greek popular medicine, for example, Purslane was used as a remedy for constipation and inflammation of the urinary system. Ancient Romans, on the other hand, used it to treat dysentery, intestinal worms, headache and stomach ache."

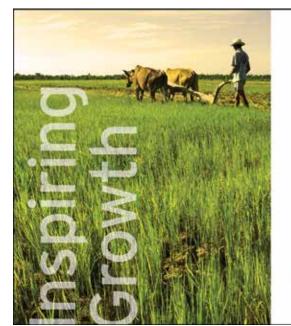
After creating a Purslane product line, Belcheff was then faced with the task of marketing a weed.

Her and her daughter, Jackie, travelled from newspaper to newspaper in Saskatchewan and Alberta to promote the product. Her other daughter, Brenda, later joined the operation to help with the marketing. They also launched a website, http:// naturalplantation.com, and social media accounts. Belcheff's husband, Paul, who is the company's vice president, has handled much of the distribution. The combined effort of everyone in the family has helped Natural Plantations slowly grow its market.

"We've been trying to keep it slow so far and keep the growth manageable because we're a small company," said Belcheff. "We now have stores throughout Saskatchewan and Alberta, along with a few in Manitoba and B.C. Our products are starting to get more name recognition and interest is growing in them. We've also started doing some promotional work in the U.S. and now have a warehouse there."

STEP has assisted Natural Plantations when it comes to expanding the market for their product. The company has been a member of STEP for over 10 years.

"They've been quite helpful to us," said Belcheff. "They've helped us book appearances at trade shows and given us the information we need to know when it comes to getting our product across the border."



#### We Cover a Lot of Ground

Canpotex has delivered more than 215 million tonnes of Saskatchewan potash to customers in over 60 countries since 1972. We're helping to improve global food security and creating value for an important Canadian resource.





#### **Register Today!**

STEP 2016 TRADE CONFERENCE

20 YEAR ANNIVERSARY CELEBRATION

October 18 - 19, 2016 Delta Hotel - Regina, Saskatchewan



In conjunction with the 20th year of operations for Saskatchewan Trade and Export Partnership (STEP) as an export and market development organization, STEP is pleased to promote the 2016 AGM and Trade Conference. Register today and celebrate 20 years of export success at an event that brings together leaders in global business to exchange ideas and network with like-minded enterprises.

An informative and dynamic program featuring breakout sessions of interest to exporters has been developed with the following presenters confirmed to date:

#### Global Economic Forecast - Plenary Session

Peter Hall, Vice President and Chief Economist, Export Development Canada (EDC)

E-Commerce - Changing the Sales Channel Options Presenters: Mike Herperger, Partner, Robinson Residential Design Rachel Mielke, Founder, Hillberg and Berk Jeff Tomlin, Co-Founder and CMO, Vendasta Technologies Inc.

#### Transportation Trends - Opportunities from an Exporter's Perspective

Presenters:

Craig Bailey, CEO, Transport Services and Logistics Canada Ltd. Janus Barzilay, Manager, Business Development, BNSF Bryan Richards, CEO, Global Transportation Hub

The Future of Saskatchewan Exports: Emerging Markets Versus Developed Markets Moderated Discussion Panel - Featuring Audience Poll Moderators:

Carlo Dade, Director, Centre for Trade & Investment Policy, Canada West Foundation William A. Kerr, Distinguished Professor, University of Saskatchewan

From Analytics to Social Media - Using Technology to Reach New Markets Presenters: Albert Jame, Director of Strategy, zu Fred Yee, CEO, Active Conversion

Dealing with Bribery and Corruption - Common Corruption Risks Encountered and Mitigation Strategies Presenter:

Martin Mueller, Canada Board Member, Transparency International

The STEP 2016 Trade Conference and 20 Year Anniversary Celebration Program will also include the presentation of the 2016 STEP Exporter of the Year Award.

Register today to attend the premier event for provincial exporters. Visit <u>www.sasktrade.sk.ca</u> for conference registrations, program updates, and sponsorship opportunities.

# CONNECTING SASKATCHEWAN BUSINESS WITH THE WORLD

Saskatchewan 🌞 Canada



#### **STEP 2016 TRADE CONFERENCE**

&

#### **20 YEAR ANNIVERSARY CELEBRATION**

October 18 - 19, 2016 Delta Hotel - Regina, Saskatchewan

#### Celebrate 20 Years of Exporting Success - October 18, 2016

#### STEP Annual General Meeting & 20 Year Anniversary Reception

(While a registration fee will not be administered for this event, the favour of a reply is requested by completing and returning this form to STEP.)

Full Cor	nference Rate - October 18 - 19, 2016		STEP Member	Non-Member
🗖 Full (	Conference		□\$300.00 (+ GST)	□\$400.00 (+ GST)
🗖 Addi	itional Delegate		🗖\$250.00 (+ GST)	
(Rate inc	cludes all Conference meals and Gala Dinner)			
Individ	ual Event Tickets - October 19, 2016			
🗖 Gala	Dinner & Exporter of the Year Award -	- Corporate Table (8)	🗖\$550.00 (+ GST)	🗖\$650.00 (+ GST)
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Sponsorship opportunities are available. Please contact Janice Lawless at 306 787 4750 or jlawless@sasktrade.sk.ca				
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Telephone: 306-787-9210 Toll Free: 1-888-XPORTSK (1-888-976-7875) Fax: 306-787-6666 inquire@sasktrade.sk.ca www.sasktrade.sk.ca				
	Policy: The registration fee, less a 20% , mber 27, 2016. Cancellations received	Administration Fee, will	be refunded if cancellation	-
CONNECTING SASKATCHEWAN BUSINESS WITH THE WORLD				
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# Lorado Mill Site

# spotlight on: SEINA BY JONATHAN HAMELIN

## The Voice of Saskatchewan's Environmental Industry

t's an association that was formed to create an environment of collaboration. In 1994, the Saskatchewan Environmental Industry and Managers Association (SEIMA) was incorporated by a group of volunteers working in environmental management. From the beginning, they set out to achieve three main objectives:

- To actively advise, represent, advocate and educate in the promotion of best environmental practices and the growth of the environmental industry in Saskatchewan;
- To act as an environmental focal point by establishing a forum for exchange of information and ideas among SEIMA members, other relevant groups, government and the public; and
- To provide a range of beneficial services to its members and promote the value of its members' products and services.

"Environmental professionals in the province were looking for an association that would provide them with the opportunity to meet like-minded companies and share best practices," said Al Shpyth, Volunteer President of SEIMA. "There are a lot of companies who had questions about environmental practices, and our goal was to connect these people with those who could offer environmental solutions."

SEIMA is directed by a volunteer board of directors of practitioners and stakeholders within the environmental industry. Shpyth, for instance, works for the International Minerals Innovation Institute. The rest of the current executive and directors come from a wide range of organizations, such as AMEC Environment and Infrastructure, SaskTel, K+S Potash Canada, MacPherson Leslie & Tyerman LLP and the Saskatchewan Ministry of Environment - Environmental Protection Branch.

SEIMA's members consist of environmental companies and environmental managers from various economic sectors such as mining, forestry, agriculture and governments as well as product and service providers to the industry.

"This diversity of membership is one of SEIMA's greatest strengths as it creates linkages between the environmental industry, industries that are concerned about their environmental impact and government agencies that are responsible for environmental regulations or business development within the environmental sector," said Shpyth. "SEIMA facilitates an exchange of information and ideas among these members and other industry contacts."

Over the years, Shpyth explained that SEIMA has focused strongly on the education portion of its mission statement. SEIMA puts on a variety of learning and professional development events, such as organized workshops, conferences, seminars and lunch-and-learns.

For example, SEIMA worked hard to provide forums to educate companies leading up to the creation of the *Saskatchewan Environmental Code*, a results-based or outcomes-based regulatory approach that has environmental protection at its foundation. Results-based or outcomes-based regulation incorporates the required outcomes into regulations, and leaves the specific methods on how to achieve that outcome up to the proponent. The rules and the required outcomes are incorporated in the *Saskatchewan Environmental Code*.

Story continued on page 33



# 2016 Environmental Sector Directory

# **STEP Environmental Sector Compa**

# An innovative, progressive sector

STEP environmental members involved in all aspects of the economy



**SASKATCHEWAN'S** environmental industry is innovative and progressive. The individuals and businesses involved employ a multi-disciplinary, skilled workforce. Those in the sector, which includes many STEP members, are involved in all aspects of the province's economy. From consulting services to waste management services, and from equipment suppliers to recyclers, the industry contributes to agriculture, air quality, biodiversity, education, environmental assessments, energy, fishing, forestry, going green, land management, mining, municipalities, waste management, water management and wildlife.

The industry recognizes that in a strong and growing Saskatchewan, balancing ongoing development with a healthy and sustainable environment is vital to the province's prosperity. Saskatchewan's economic potential within the industry is unmatched. Highlighted by an expanding resource sector and a large share of Canada's arable farmland, the province is innovating for a green future.

Saskatchewan's cleantech sector is primarily focused on soil and ground water remediation, water and wastewater management, and renewable energies (wind, solar, biomass and biofuels). Despite the relative size of Saskatchewan companies in this sector, the vast majority look to international markets for growth opportunities in trade, investment or research and development collaboration. Saskatchewan companies are increasingly showing interest in international markets such as the US, Latin America, Europe and India.

The province has made a name for itself as biotechnology leaders. There are vast opportunities to apply biotechnology in the mining and energy industries, animal and human health, environmental management and beyond – it's no longer just for ag research. Stakeholders in Saskatchewan's bioscience cluster work together to identify and share perspectives on emerging opportunities and how to work collaboratively to drive innovation.

The Saskatchewan Research Council offers an example of how commercialized biotechnology is being implemented in the province: farmers using microbial inoculants and biostimulants (microorganisms that promote plant growth and health) instead of traditional agrochemicals on their crops to give them a strong start and protect them through to harvest. Their healthy and robust pulse, grain and oilseed crops are used in Canada and around the world to feed our growing population.

Saskatchewan is also finding new and safer ways to extract minerals from the soil. Some potash companies, for example, are exploring horizontal solution mining, a method of recovering a target material from an at-depth soluble target layer. Others are looking into retreat mining, which involves excavating the edges of the ore body and then working backward systematically, avoiding the cost of maintaining mined-out areas.

All of these advancements ensure industry and businesses can maintain a competitive edge in a world that is increasingly focused on building an environmentallysound future for all.

In the following directory, you will discover the wide range of Saskatchewan companies that provide environmental services both at home and abroad.

# anies

#### **ENVIRONMENT, STEP MEMBER DIRECTORY**

#### Canada North Environmental Services Limited Partnership (CanNorth)

Saskatoon, SK 306-652-4432 www.cannorth.com



Canada North Environmental Services (CanNorth) provides a full range of environmental services and is 100 per cent First Nations owned by the Lac La Ronge Indian Band, Saskatchewan's largest band. They provide high quality, cost effective environmental services, and since 1981, they have completed nearly 2,000 projects, both nationally and internationally. Their clients include the world's largest mining companies, crown corporations, government and well established oil and gas companies. CanNorth offers the technical skills and knowledge to deliver solutions for managing environmental risk in ways that benefit their clients, protect the environment, satisfy regulatory requirements, as well as support local communities through employment, training and economic benefits. They provide a full range of environmental services through their aquatic, terrestrial, risk assessment, heritage and archaeology, hydrology, and geomatics divisions. Projects are undertaken using defensible environmental study design, state-of-the-art technology for analyses, evaluation, and problem solving, and local Aboriginal participation. CanNorth has developed and implemented strong quality, environment and safety management systems that either meet or exceed international standards. In fact, CanNorth is the only First Nation's owned consulting company in the world to obtain ISO 9001, the international standard for guality management; ISO 14001, the international standard for environmental stewardship and management; and OHSAS 18001, the international standard for occupational health and safety certifications. CanNorth is also an ISNetworld registered company.

#### **Clifton Associates Ltd.**

Regina, SK 306-721-7611 www.clifton.ca



Clifton Associates Ltd. is a consulting engineering firm offering a full range of services in the geotechnical, hydrogeological, civil, materials, environmental, geological and agricultural engineering fields. Using four core engineering disciplines, including environmental sciences, earth sciences, civil engineering and information systems, they work together to provide seamless service to domestic and international clients in transportation, petroleum, mining, waste management, urban infrastructure, industrial development and many other areas.

#### Contango Strategies Ltd.

Saskatoon, SK 306-978-3111 www.contangostrategies.com



Treatment wetlands and pilot facilities, microbial profiling, biogeochemistry and laboratories. A hybrid of a consulting company and contract research and development firm. Many of the global projects Contango engages in benefit from confirmatory testing and optimization in their laboratories and pilot facilities. Not only does Contango conceptually design and plan passive water treatment systems, such as constructed wetlands, they also aid with regulatory and licensing processes and perform the necessary piloting and optimization in their pilot facilities to ensure their predictability and robustness upon implementation. Contango's in house microbiology laboratories perform genetic and growth-based profiling of samples from almost any environment to provide information about how the natural microbial communities can be used to benefit desirable processes, such as bioremediation.

#### **DSG Power Systems Inc.** Saskatoon, SK

800-667-6879 www.dieselservices.com



DSG Power Systems Inc. has built a solid reputation as a one stop provider for a full range of diesel and natural gas power solutions. DSG began in 1983 as a rebuilder and remanufacturer of diesel fuel injection components. Since then, their focus on providing diesel powered solutions has fueled their product research and development and has led DSG to manufacture a diversified line of quality products with an outstanding impact on their clients and the diesel powered industry. Products include new and remanufactured engines, engine parts and components, new and remanufactured diesel injection, turbocharger and engine control modules, diesel and natural gas generator sets for sale and rental markets, asphalt pothole and crack repair machines, diesel fuel, heating oil additives and treatment products, vehicle and equipment repair service, slurry and waste water pumps, as well as the distribution of Perkins, Mitsubishi, Iveco and Doosan Diesel Engines.

# **STEP Environmental Sector**

#### **Environmental Instruments Canada Inc.**

Saskatoon, SK 306-974-6055 www.eic.nu

Environmental Instruments Canada Inc. provides operational radiation safety support and consulting services to the uranium mining industry. They manufacture and distribute radiation safety instrumentation, such as the VS472 Radon Sniffer, which is a portable radon gas detector that can indicate the presence of a radon source in 15 seconds. This is used to find sources of radon in mines, as well as homes. Environmental Instruments Canada also offers WebRad, an online radiation data management system. WebRad is an interface for uranium mining companies to keep track of radiation and contaminant data and generate reports.

#### **Failure Prevention Services**

Watson, SK 306-287-3210 www.fps-ss.com



Failure Prevention Services (FPS) designs, manufactures and distributes re-cleanable and environmentally friendly stainless steel and specialty filtration products to industries and sectors, including oil and gas, nuclear, water, and potash refineries. Their products offer benefits such as high flow rates, low pressure drops, a long lifespan, and the ability to work with highly corrosive applications. Their ultrasonic cleaning process removes all the contaminants from the filters using a process that also concentrates the resulting waste materials for disposal. Since 1994, FPS has expanded five times and currently employs twenty two staff in a facility of approximately 30,000 square feet. FPS is currently pursuing certification in the ISO14001:2015 standard and is also upgrading to the ISO9001:2015 standard in 2016.

**G.H. Well Services Inc.** Morse, SK 306-741-9059

www.ghwellservices.com



G.H. Well Services Inc. is an oilfield service company providing heating solutions to the oil and gas and environmental sectors. They own and operate a fleet of nine portable mobile boilers, one high efficient frac water super heater, and numerous pieces of supporting equipment. G.H. Well Services Inc. mobile boilers are used to provide heat and high pressure steam to facilitate work done on oil and gas leases. Whether it is for a service rig, coil tubing unit, or hydraulic fracking equipment, boilers are needed to ensure nothing freezes on location and that equipment can be thawed quickly if something does freeze. Environmental agencies also use their equipment and expertise in heating rail cars and tankers to facilitate clean up in the event of a spill, derailment or other kind of containment breach. Their frac water super heater is used to heat water quickly and efficiently for the fracturing process. Hydraulic fracking uses extremely large volumes of water pumped down the hole during the process, and this water needs to be heated to specific temperatures in order for the process to work properly. With their super heater, G.H. Well Services are able to do that.

#### **Ground Effects Environmental Services Inc.** Regina, SK 306-352-1400

www.groundeffects.org

Ground Effects Environmental Services Inc. (GEE) manufactures and provides



turn key service for the situ environmental remediation equipment and water and sludge treatment systems worldwide. With its ground breaking advancements in electrokinetics, GEE has developed three new technologies: EK3 for remediation of salt, hydrocarbons and metal; electro-pure technology for treating produced water, frac flow-back water, industrial and mining waste water; and electro-separation technology for treating drilling fluid.

#### Groundwerks Consulting Inc.

Preeceville, SK 306-547-7776 www.groundwerks.ca

Groundwerks Consulting Inc. is a soil stabilization company with distribution rights for a concrete additive product called Infracrete. This product is made of natural zealites that increase curing and add extra strength in the soil cement process. Additional benefits of using Infracrete include reducing the need for base sub base and the need for re-milling asphalt. Construction costs are saved by way of crushing and hauling aggregates. Groundwerks Consulting currently works in the construction sector doing road work, as well as projects in the mining industry.



SAVING YOU TIME AND MONEY FROM THE GROUND UP!

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PH: 306.547.7776 FAX: 888.869.2043 MERLIN@GROUNDWERKS.CA

# **STEP Environmental Sector Compa**

#### H2O C.V.F. Systems Inc.

Lucky Lake, SK 306-858-2222 www.h2osystems.ca



H2O C.V.F. Systems Inc. is a full service water treatment company with offices in both Calgary and Lucky Lake. They specialize in state-of-the-art water treatment technology for the removal of suspended solids, organics, oils, dissolved metals, and suspended metals. Their equipment includes the removal of suspended solids down to 15 micron (micro filtration), ultra filtration, nano filtration, ion exchange, oil coalescers, UV and more. All of their equipment is fully automated, customized and built specific to solve each water treatment issue. They first focus on the problem and then apply the correct solutions.

#### **HTC Purenergy Inc.**

Regina, SK 306-352-6132 www.htcenergy.com



HTC Purenergy (TSX-V:HTC) and its subsidiary companies are focused on providing commercial products and services, including the supply of oilfield equipment and services under the brands of Maxx Energy, Pinnacle Industrial Services, and Steel-Blast Coatings & Painting. Product and services also include energy technologies and gas purification, under the brands of HTC CO2 Systems and Delta Reclaimer Systems, as well as fertilizer and grain handling solutions, through its subsidiaries of NuVision Fertilizer Handling Solutions and GrainMaxx.

#### **Innocorps Research Corporation**

Saskatoon, SK 306-880-1616 www.innocorps.com



Innocorps has developed an energy efficient, mobile, self contained water purification system for use in the unconventional oil and gas industry. They provide water treatment as a service to exploration and production companies in the market. Their system consists of a proprietary method that decontaminates water by introducing it into an evaporation chamber, where it is heated causing contaminant precipitation. The cleaned solvent is then cooled in a condensation chamber with the excess heat being recycled within the system back to the evaporation chamber. By recycling process heat within their system, they are able to increase the overall energy efficiency of the system while still maintaining full mobility and without relying on existing infrastructure. Compared to other technologies on the market, they have the advantage of being fully mobile without the reliance on existing energy infrastructure that is not commonly available at fracking sites.

#### **Koenders Water Solutions Inc.**

Regina, SK 306-721-1495 www.koenderswatersolutions.com



Koenders Water Solutions Inc. is the innovator and world's leading manufacturer of windmill aeration systems. The company was founded in 1988 to offer farmers and pond owners environmentally friendly and cost effective solutions to keep pond water clean. Since then, the company has designed and manufactured electric aeration systems in the 1990's, and continued to innovate pond conditioners in the early 2000's. Working with a team of biologists and pond water application engineers, Koenders set out to design North America's first all-inclusive chemical free pond conditioner; an all-in-one complete natural solution for the pond care market. The result: Nature's Pond Conditioner<sup>™</sup>, which was launched in 2007. Koenders has a commitment to the environment and determination to change the way people care for their ponds. Their business has grown to almost 100,000 customers worldwide. Their pond conditioners and aeration products are an affordable, effective and sustainable alternative to cleaning ponds without using harsh chemicals.

#### **PINTER & Associates Ltd.**

Saskatoon, SK 306-244-1710 www.pinter.ca



PINTER & Associates Ltd. is an engineering consulting company providing services in the environmental, municipal, geotechnical and safety sectors. These services are provided to private industry, institutions, government and private individuals. Their professionals represent nationalities from Egypt, Ireland, China, Taiwan, and Hungary. Their services include phase I, II, III environmental site assessments, groundwater investigations, environmental risk assessments, environmental impact assessments, environmental monitoring programs, site remediation of soil, groundwater and building components, biophysical studies, landfill and lagoon assessments and designs, slope stability analysis and mitigation, foundations, retaining structures, embankments, ambient air quality modeling and assessments, indoor air quality and mold investigations, safety programs and training, global water system audits and waterworks system assessments (WSA), waterworks and wastewater system upgrades and permit to construct applications, as well as water and wastewater treatment plants.

#### **Shercom Industries Inc.**

Saskatoon, SK 306-933-0600 www.shercomindustries.com



Shercom Industries Inc. is a fully integrated recycler, processor and manufacturer of tire derived rubber products for construction, light industrial, home and garden, landscape, and playground applications. Since 1993, Shercom has been helping to create the booming green industry. Its application of rubber manufacturing technology is extremely diverse creating and providing tire derived aggregate (TDA) for road construction and landfill projects, state-of-the-art playground and recreational rubber paved surfaces, mulch, patio tiles, durable light industrial speed bumps, parking curbs, mats for arenas, shops and weight rooms, curb ramps for easy driveway access, plus a wide range of custom designed and manufactured products made for the proprietary use of industrial and commercial partners. Recycled rubber products and surfaces naturally resist weather and temperature damage, while providing excellent durability, traction and comfort.

#### SoilVision Systems Ltd.

Saskatoon, SK 306-477-3324 www.soilvision.com



SoilVision Systems Ltd. provides numerical and software solutions to geotechnical engineers and related researchers. These solutions are primarily designed for geoenvironmental, geotechnical and soil science applications addressing issues that include seepage, stress and deformation, slope stability, contaminant transport, geothermal, and soil vapor extraction. SoilVision Systems invests extensively in research that continues to lay the groundwork for new numerical modeling solutions and custom finite element models. Their products apply new technologies, such as automatic mesh refinement and database technologies, to provide fast solutions to 1D, 2D and 3D problems with complete geometry and unsaturated condition. SoilVision Systems also provides professional consulting for numerical modeling solutions, customized finite element solutions, unsaturated estimations, database software development, groundwater modeling, and other complex geo-processes.

#### Western Alfalfa Milling Co. Ltd.

Norquay, SK 306-594-2362 www.wamcoltd.ca

Western Alfalfa Milling Co. Ltd. (WAM-CO) is a world leader in the production of certified organic alfalfa pellets



for organic fertilizer, soil amendments and animal feed. Their fertilizer, Alfalfa Green, contributes to the lushness of lawns, golf courses, municipal green spaces and landscaping, abundance in vegetable gardens, flower beds, and even indoor plants year round. Their product is used in reclamation projects to increase soil aeration, moisture retention, organic matter, and de-compact clay soils to improve re-vegetation success after industrial use. On the remediation side, Alfalfa Green is used to boost microbe levels and facilitate hydrocarbon breakdown through a bioremediation process. It can also be used to feed virtually any livestock or poultry ration to enhance yolk coloration, and the product is a great source of bypass protein in ruminant diets.

#### Western Heritage Saskatoon, SK

306-975-3860 www.westernheritage.ca



Western Heritage provides specialized environmental and heritage management services to clients across Canada and around the world. It offers high quality, cost effective services to the resource development and extraction industries, primarily mining and oil and gas. These services include archaeology, heritage management, specialized geo-archaeology and near-surface geophysics services. Western Heritage provides a full range of satellite imagery, geomatics and remote sensing services, such as the environmental footprint monitoring platform. It also offers community engagement services to align the goals of industry, communities and governments. It places an emphasis on using the newest technologies to bring their clients the best solutions possible. Its senior management team has more than 150 years of industry experience, and Western Heritage has completed over 1,500 environmental surveys since 1990, making it the premiere choice for heritage management services both in Canada and internationally. Western Heritage is also ISO 9001:2008 certified and Enform COR-certified.

#### ENVIRONMENT SECTOR

# Turning SCRAP TIRES Shercom Industries: a



**BY JONATHAN HAMELIN** 

A s a booming agricultural province, Saskatchewan is known for crop types such as barley, wheat, oats, canola, flax, lentils and chickpeas. Through his company Shercom Industries Inc., Shane Olson is putting a new spin on things.

"We farm tires," said Olson. "The crop is always good, and we don't have to worry about the weather."

Shercom is in the business of recycling tires. Since the company was incorporated in 1993, it has converted millions of pounds of scrap tires into value-added product that is put to beneficial use.

For Shercom, business really took off in 1998 when the *Scrap Tire Management Regulations* were introduced in Saskatchewan to help offset the harmful effects scrap tires were having on the environment. Over one million scrap tires are generated or disposed of in the province each year. In the past, most of the tires ended up in municipal landfills where they were eventually buried and, in some cases, burned. The *Regulations* made it mandatory for all tire retailers to collect a tire recycling fee from the consumer on each tire sold to fund the collection and processing of scrap tires.

Shercom is a licensed tire collector and processor approved by the Saskatchewan Scrap Tire Corporation, a non-profit, non-governmental agency established by the *Regulations* to manage the recycling of Saskatchewan tires.

"Our fleet of trucks and dedicated drivers service tire dealers across the province," Olson said. "Tires are collected and brought to our plant in Saskatoon where we sort and shred the tires to comply with processing requirements."

But the job doesn't stop there. After the tires are shredded, the useable shred is passed through Shercom's ambient processing technology where the rubber is broken down into rubber crumb of various sizes and bagged.

This crumb is used as a feedstock for Shercom's manufacturing process to yield its products. Some of the crumb is used in other applications like rubber paving and moulding proprietary products for custom-

# into AMAZING leader in recycled rubber products

"We're in the business of selling rubber... When consumers buy recycled rubber products they're getting exceptionally good value for the material."

- Shane Olson, Shercom Industries

ers, as well as being sold in raw form to other clients for use in their operations.

"The tire shred that is not useable for manufacturing feedstock can be used for various civil engineering projects such as road construction, leachate layer in landfills, lightweight fill around bridge abutments and steep side slopes, as well as bedding material in septic system applications," Olson said.

"Even the extracted tire steel and tire tubes are recycled. Thus, the loop is closed and the environment, our tire dealers and our customers are the beneficiaries of Shercom's integrated process."

Simply put, Shercom not only prevents these scrap tires from leaving a negative mark on the environment, but it also transforms them into practical products.

For residential customers, Shercom offers a number of options, such as attractive tiles that line walkways to homes, gym mats or ballistic blocks, and even a welcome mat to greet visitors. Shercom's products can be found on many industrial job sites, such as rooftop walkway blocks/ mount blocks, parking curbs with yellow or blue reflective strips, speed bumps, cable guards and industrial ramps. Farmers also benefit, whether they're looking for mulch to improve the fertility and health of their soil or arena crumb to add cushion to the surface their horses move around on.

"We're in the business of selling rubber," Olson said. "We don't care what shape it takes; we try to always meet the demand and need of the industry. When consumers buy recycled rubber products, they're getting exceptionally good value for the material. Rubber offers the advantages of being lightweight, easy to cut, and it's durable."

In addition to purchasing quality products, Olson noted that Shercom's customers have a sense of pride in doing their part for the environment.

"By transforming tires from an environmental hazard into a useable product, we allow our customers to participate in the environmental sustainability of our planet," he said. "All of Shercom's manufactured products are Leadership in Energy and Environmental Design (LEED) certified. By using Shercom products, customers qualify for LEED credits for their project."

As a successful world class, fully integrated tire recycler, Shercom has been recognized internationally for its leadership in recycling and manufacturing recycled rubber products that are of the highest quality and value. Locally, the company has been recognized by the North Saskatoon Business Association and at the SABEX and ABEX awards. In 2015, the company was a finalist for the Ernst & Young Canadian Entrepreneur of the Year Award.

SHERCOM

"While awards are not necessarily things we aspire to, we do feel very fortunate," he said. "We are driven by the business community, who has been very kind and supportive of our activities."

In 2009, Shercom opened a manufacturing plant in Simcoe, Ontario. Recently, the company completed another expansion worth more than \$2 million that included sponsoring 15 skilled workers under the Permanent Residence program. Shercom has also brought on more salesmen to deal with the high demand for its product.

To Olson, a key part of the company's success has been its association with STEP, of which Shercom is an original member.

"STEP has offered really outstanding value as our membership has given us access to an excellent resource when it comes to market and feasibility studies," he said. "Being able to take part in STEP's trade missions has played a key role in our market development. Anytime an individual company goes to represent itself, it goes there alone and really has no wingman, for lack of a better term. When we can participate in a trade mission with STEP, people understand we're a legitimate company."



# CANADIAN WESTERN AGRIBITION

# From humble beginnings to a bold future

**N** o one could have imagined that the dream of a small few could have turned into an international phenomenon. What started out as a cattle show to serve a need in western Canada has blossomed into a blend of cattle, horse, pots, pans, music and rodeo all wrapped up in a bouquet of 90 activities in six days under one roof in the heart of the continent: Regina, Saskatchewan.

In the early days, livestock exhibitors hauled their cattle to the prestigious Toronto Royal to compete for banners and prizes, but most importantly, to claim the title of best in their class with the hope of expanding their marketing capabilities beyond their local farm gate. In those days, it was a three to four week adventure on a train from western Canada, and only a chosen few could afford so much time away from home.

Five men: Barry Andrew, Ken Halvorson, Gordon Hollinger, Bill Small and Chris Sutter changed all that. In 1971, Canadian Western Agribition was born. Those early years were tough. Limited indoor facilities, tents, and farmers hauling in their own panels to make pens kicked off the first show.

At first, it took a lot of government support to get the show off the ground. Government funding was up to 50 per cent in the very early years, but as the show gained in popularity and reached its



full stride in the 80's, the funding needs began to lessen and the international reputation began to carry the show, both in terms of exhibitors and visitors. Today's show operates on less than one per cent government funding and hosts 130,000 visitors from over 70 countries. Agribition has become an international enterprise with a hospitable and welcoming atmosphere only found on the prairies.

# CANADIAN WESTERN Agribition

# Join us at Canadian Western Agribition November 21-26, 2016 Regina, Saskatchewan, Canada

Canadian Western Agribition is the largest livestock show in Canada and the best beef show on the continent.

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#### For more information: www.agribition.com cwa.international@agribition.com 001: 306.565.0565

Future Dates: November 20-25, 2017 November 19-24, 2018 November 25-30, 2019



Today's Agribition resembles the early years, but has changed with the times. The 80's were a time of great expansion for the show, including a variety of new buildings, an increased number of animals, and an expanded cattle footprint. Hogs, dairy, draft horses and every specialty breed of livestock from elk to alpacas made an appearance at the show.

As the ability to fly around the world for both animal and person became more accessible and affordable, the 90's saw even more growth. New buildings came on stream, the rodeo crowd grew, and the international business expanded. Big scale fundraising auctions involved selling a dozen eggs for \$8,000 to the highest bidder.

In 2010, a dramatic shift occurred in the marketplace. The grain industry started to pick up and western Canada was starting to experience some record crops and unprecedented prices. Land values increased, and before long, the grain sector was vibrant and people were spending money. Agribition was well positioned to expand its trade show at that time and took advantage of the opportunity. Today, visitors will find Agribition's trade show consisting of combines, tractors, sprayers and the latest technology for grain farming in western Canada. Agribition has now become more than just livestock.

In recent years, another movement has taken place and impacted Agribition's content. This movement is 'food.' Access to information via the Internet and social media has increased consumers' interest in food. The story of food has become a social media phenomenon and today's consumers want to know where their food comes from. What better place to connect consumers with producers than at Agribition.

Anchored by cattle, today's Agribition includes food tastings, agriculture education, live music, stock dogs, professional rodeo, and various horse events designed to appeal to a variety of audiences. There is also the trade show dedicated to the every day consumer consisting of household products, clothes, jewelry, home décor and more!

From its humble beginnings to its bold future, Canadian Western Agribition is leading the landscape in the food business industry. Organizers of the country's largest beef show know no other path than world-class.



#### Spotlight on SEIMA cont'd from page 20

This allows the province to focus on the use of effective, technically sound safeguards and provide for custom-designed and innovative approaches.

"We helped organize sessions that attracted 100s of people from the province," said Shpyth. "At these sessions we learned about the code, the drivers behind the code and regulatory changes that would come out as a result. The year the code went live, we had another open session, and this past year, we held a session to reflect on people's experiences after one year. We really explored the ramifications of the province's adoption of a new regulatory approach."

When it comes to educating individuals and groups in the province, SEIMA understands the importance of listening to people and focusing on issues that are in the forefront of their minds.

"This year we focused a bit on water management in the province, particularly water regulations," he said. "Recently, the Minister announced that the province is going to look at taking action in rural areas where people are not following the regulations with regards to land drainage. Last year our membership had questions about the regulations of drainage and water management, and it was clearly still an issue, so we organized a session on that. Over the last two years we've also organized sessions on regional and rural landfills and waste management practices."

One of SEIMA's most recent events – SustainTech – has arguably been the its biggest success. The SustainTech conference promotes sustainability and environmental responsibility and brings together key industries, academia, consultants and regulators



to share ideas on new developments and technologies that will lead to a better, more sustainable world. It also highlights the latest environmental practices and technologies from industry, consultants and regulators in Saskatchewan's key sectors, such as agriculture, energy and mining.

The second annual SustainTech was held in 2016, attracting 180 people. It featured 24 technical presentations, ranging from regulatory development, policy issues, environmental sight remedial and reclamation, and water and energy management.

"We really focused on the theme of collaboration," said Shpyth. "We believe that solutions to environmental problems will likely come when we get the right people in the room, so trying to organize events and actives that bring the environmental professionals and suppliers, the regulators and the people who purchase goods and services together and giving them a venue in which to collaborate is beneficial."

In SustainTech's first year, SEIMA selected 18 speakers out of 24 who applied. This year, 24 speakers were selected out of 44 applications. It was no easy task narrowing down the list, which is a testament to the desire of Saskatchewan companies doing their part for the environment.

"People are definitely rising to the challenge of the *Environmental Code*," said Shpyth. "There is a lot of solid work being done in the province. We've got many small firms – be they engineering firms, suppliers of technologies, or companies in the field focusing on land reclamation or treating water – operating in effective ways. We're certainly aware of other people being innovative to find more ways and means to protect and clean up the environment."



#### **BUSINESS ADVISOR COLUMN**

# Starting a business on the right foot

**BY JOSEPH A. GILL, MCKERCHER LLP** 

There are several key considerations that entrepreneurs should keep in mind when starting a business whether they plan on keeping it local or on exporting their product and/or service. The following is a non-exhaustive list of the most re-occurring issues the author has seen in his legal practice. Legal advisors serve a unique role in the entrepreneur system: our job is to handle these compliance measures so you can focus on growing your business.

#### 1. Business Structures

When a business is first started, it often begins as simply the owner (a sole proprietorship). From there, the owner finds others to participate in the business. This typically gives rise to a conversation about whether the business should then become a partnership or perhaps a corporation. With a partnership, two or more individuals decide to jointly carry on a business with a view to profit. There is no formal incorporation of a separate entity to carry on the business, and the partners typically then enter into a written agreement amongst themselves.

With a corporation, those same individuals set up or "incorporate" a corporation, and that corporation is treated as a separate legal entity from themselves. The individuals then typically become shareholders in that corporation and may enter into an agreement amongst themselves setting out certain "ground rules" for their relationship as shareholders. Set out below are some pros and cons as to the common "incorporation" option:

#### PROS

- Access to a small business tax rate (as low as 10.5% federally)
- Tax deferral on all corporate funds
- Access to the lifetime capital gains exemption (which may shield up to \$824,177 of gains on shares of a small business sold in 2016 – indexed to inflation for future years)
- Income splitting with family members
- Possible exemption from employment insurance for the owner
- Liability protection
- Employee profit sharing plans

#### CONS

- Accounting and legal costs for incorporation and reorganizations
- Potential director's liability for unremitted Canada Pension Plan/ Employment Insurance contributions as well as Goods and Services Tax and Occupational Health & Safety payments
- Losses are typically trapped in the corporation (i.e. owners cannot use them personally)
- Ongoing compliance costs (corporate and tax filings)



#### 2. Owner Relationship Agreements

Once a business structure is chosen, the next key item is addressing the relationship between owners and partners. In the partnership situation, this is typically called a partnership agreement; in the corporation situation, this is typically called a shareholders' agreement. These agreements effectively set out the "ground rules" between the owners and address key questions such as:

- How are the shareholders/partners compensated? Salaries, dividends or other?
- What is the approval requirement for most business matters? Majority or unanimous?
- What matters will require unanimous approval (or special majority (66%, 2/3) approval) of all shareholders/partners? These may include selling the business (assets or shares), paying out cash, allowing others to subscribe for shares or become partners, or borrowing money.
- Are shareholders/partners permitted to sell their shares/partnership interest to any person or must they first offer their

interest to the existing shareholders/ partners?

- What happens to the interest of a shareholder/partner if they pass away, become disabled, become bankrupt, cease employment with the business, become divorced, and/or are found guilty of a criminal offence?
- How will disputes among shareholders/ partners be settled?
- Are shareholders/partners allowed to compete with the business or solicit employees/clients of the business for other ventures?

The primary goal of a relationship document is to act as a framework for dealing with business matters in the future. In the absence of such an agreement, confusion (and anger) can arise between owners, which may ultimately lead to disputes or a break-up of the business.

#### 3. The Right Advisors

Entrepreneurs should seek advice from qualified professionals in legal, accounting and other matters, and truly heed the old saying "an ounce of prevention is worth a pound of cure." There are innumerable examples where a simple conversation with a professional can save an entrepreneur significant time, money and stress. One particular example is where the business is contemplating sales into other countries; prior consultation with qualified advisors (such as legal counsel and trade and export professionals) can prevent running into issues down the road.

Strategic meetings on a regular basis are one way of ensuring that issues are raised. In addition, these meetings can serve as a means for advisors to make entrepreneurs aware of recent legal or accounting developments. In many cases, entrepreneurs are not aware of the structuring options they may have for their business. These options may ultimately save cash (and headaches) down the road.

Joseph A. Gill is a lawyer in the Saskatoon office of McKercher LLP where he practices in the areas of corporate finance, securities, mergers  $\mathcal{S}$  acquisitions, and taxation. He is also part of a group of McKercher LLP lawyers dedicated to providing legal services to start-ups and entrepreneurs in Saskatchewan.



McKercher LLP's Entrepreneur Law Group provides bundled legal services tailored to entrepreneurs at a fixed fee. Bundled services include an initial strategic meeting, business organization, relationship management, and future strategic meetings. As your business grows, and your legal needs expand and change, you will have the advantage of our full complement of McKercher LLP legal services if required.



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# Stewards of the environment

CanNorth strives to balance the environment, local communities and resource developments

#### **BY JONATHAN HAMELIN**

ncorporated in 1997, CanNorth is a private environmental consulting company that provides high quality environmental and heritage services to a variety of clients for a wide range of project types. With a head office is in Saskatoon, CanNorth is 100 percent owned by Kitsaki Management Limited Partnership, the business arm of the Lac La Ronge Indian Band. Notably, CanNorth is the only First Nation-owned consulting company in North America to obtain ISO 9001 (quality management), ISO 14001 (environmental stewardship), and OHSAS 18001 (occupational health and safety) International Standard certifications. CanNorth is also a Certificate of Recognition (COR) program-certified company and is registered with ISNetworld.

In many ways, CanNorth is shaped by its early experiences in Northern Saskatchewan. As a First Nation-owned company, Can-North maximizes Indigenous community involvement in projects, including integrating traditional knowledge, engaging local people in environmental programs, and creating employment and education opportunities.

"We deal with building bridges with communities, especially in the north," said Peter Vanriel, General Manager of CanNorth. "Local Indigenous people often have concerns about how mining developments will affect their ability to continue a traditional lifestyle. We have programs in place where local people collect their own samples, we submit them to an accredited lab, and we provide reports on the findings."

"We work hard to get Indigenous communities involved in projects whenever we can. We also try to make contributions to the local economy by renting equipment from them, for example," Vanriel said. "In a typical year, we work with about 35 locals, many of whom have been working with us for ten years or longer."

Vanriel noted that throughout its history, CanNorth has used a combination of innovative as well as proven methods to collect comprehensive data and document environmental effects. For example, Vanriel noted that the company has worked for many years near Uranium City in Northern Saskatchewan to assess the natural recovery of waterbodies contaminated by historical uranium mining activities. To determine recovery, he said that both exposure and reference areas are assessed, and in order to be statistically defensible, sample sizes are sufficiently large, as determined using various statistical techniques.

"Using specialized coring techniques, deep sediment cores are sliced into fractions to determine contaminant levels prior to mining activities (deeper layers), during mining activities (intermediate layers), and during recovery (shallower layers)," Vanriel said.



*CanNorth has completed over 2,000 projects and has truly become an example of Canadian environmental stewardship.* 

"In addition, benthic invertebrate communities (invertebrates, such as insects, living in lake or stream sediments) are assessed, since these react to contamination. The importance of this program is that sediment and benthic invertebrate data tells us if natural recovery is occurring or if remedial action is required. The ultimate objective is to verify that environmental quality is safe and meets guideline levels for environmental and human health objectives. When collected data indicates that these goals are met, old mining properties can then be returned back to the Province of Saskatchewan."

CanNorth offers a wide variety of services from environmental project proposals, scoping and study design to biostatistical services to regulatory liaison services, specializing in the following areas: aquatic, terrestrial, hydrology, risk assessment, heritage/archaeology, environmental management support, community engagement, and geomatics.

"Our uniqueness stems from many years of experience of our highly qualified staff in reducing or eliminating environmental impacts," said Vanriel. "Most projects require unique and tailored solutions. These, for example, include fish habitat improve-



ments, which require extensive knowledge of fish life cycles and habitat requirements for the habitat improvements to be successful and sustainable in the long-term."

The company has been extensively involved in fish habitat improvement projects over the years, including the re-establishment of fish spawning runs, the creation of new fish habitats, and the design of crossing structures to allow fish passages. Can-North has also designed numerous erosion control projects to reduce or eliminate impacts to aquatic biota.

Vanriel explained that many of the company's projects involve the determination of sensitive habitats and the presence of species at risk. This information allows developers to avoid environmentally sensitive areas or complete work during non-sensitive periods. To ensure maintenance of natural diverse ecological communities that host important species at risk, CanNorth biologists assist developers to mitigate impacts to biota and their habitats.

CanNorth biologists are also on the front line of environmental defense against invasive species. "One interesting example of a finding during a vegetation survey was made by one of our botanists, Sheri Korpess. She discovered a weed species, a particular species of saltcedar, which does not belong in Saskatchewan," Vanriel said. "This plant has detrimental effects on native vegetation, and some states in the U.S. spend millions of dollars each year trying to control this species. Upon Korpess' discovery, the individual samples were quickly destroyed. Her discovery has saved both native vegetation and potentially many dollars in control as this plant species would likely have spread."

CanNorth has completed over 2,000 projects and has truly become an example of Canadian environmental stewardship. As part of its efforts to pursue new opportunities throughout Canada, CanNorth recently opened up an office in Markham, Ontario. However, CanNorth, with its diverse skillset, has extended its clientele to include crown corporations, governments and some of the world's largest mining and oil and gas companies. CanNorth is engaged in multiple opportunities throughout the world and has worked on projects in Panama, Argentina and Kyrgyzstan and is even exploring opportunities in Chile.

Further, CanNorth has been a member of STEP from day one and has truly benefited from their support. "STEP has played a very important part in our success. I have nothing but good things to say about the organization and excellent people that work with them," Vanriel said. "We've utilized different components in terms of market research, or being part of trade shows or other matchmaking opportunities, and the result is in numerous contacts, new clients and new projects over the years."

# **Mining for solutions**

Fortis provides unprecedented service through its unique methodology BY JONATHAN HAMELIN

When Garry Clarke first joined Northern Strands – a leader in mine hoisting and rigging equipment in North America – he brought a problem-solving mentality to the company.

"I had worked underground in the mines for quite a number of years. Basically, I had solid contacts in the mines, and I knew the problems they had and gaps where they needed help with certain projects," said Clarke, who joined Northern Strands in 1998. "One of the big problems involved succession planning. Around this time, a lot of the miners who began working in the mines around the same period were beginning to retire, and many of the mines really didn't have a good succession plan in place."

Early on during Clarke's time with Northern Strands, he said the company was presented with ample opportunities to provide mining solutions, so much so that it became a bit short staffed. In 2006, Clarke provided a solution to this problem by forming a subsidiary of Northern Strands called Fortis Mining Engineering and Manufacturing. The privately owned company based out of Saskatoon was created to provide mining, engineering and manufacturing services to the mining and construction industries. "We really started off small with a small fabrication and machine shop," Clarke said. "We wanted people to view us as the full-meal deal. We wanted to be able to take on a job and control whatever it took to get that customer back up and running again. From the beginning, one of Fortis' biggest assets has been that we hire the right people."

Fortis quickly expanded to offer a wide range of services to the mining and construction industries. For example, the company is involved in everything from exploration drilling to mine development to steel erection to piling and concrete work to decommissioning. The company performs site assessments and creates safe work procedures to complete jobs, whether through a custom procedure, the design of a new piece of equipment or a combination of both.

Clarke explained that Fortis has capabilities that other companies don't have. He said the thing that sets the company apart is its policy of approaching a job almost from "before the start" and seeing it right through to the end and commissioning of the system. "When we go to a mine, we take inventory: what does the mine have for equipment? What resources are available at the mine? Can the work location at the mine change in status?" Clarke said. "Fortis' experience enables the company to analyze a job and break it down into manageable steps, with the tasks to each step outlined.

"Often times, the solutions to a problem or potential problem are simple and logical and many people wonder why they didn't think of the solutions. The answer is that Fortis performs this work for a living. We have been doing rope and underground mining work for years and have developed tangible critical analysis skills that are unmatched in the industry.

"Fortis has been following this methodology for years and well before the mining industry introduced the concept of a critical path."

It's an approach that Mike Hydomako speaks to personally. Before joining Fortis, where he serves as its General Manager, he was a client of the company. When he was involved in mining operations, he noted that shaft time was valued at upwards of \$1,000 a minute. He said that Fortis understood the importance of controlling the whole value stream and employing people who understand what needs to be done.

Now as an employee with Fortis, Hydomako is proud to be offering the same high level of assistance.

"We actually rehearse to the point where we pick stuff up in our yard with a crane to mock it up just to make sure everything's going to fit the way we say. We have computer programs we can use, and in some cases, we physically do some of the job in our yard before going out to the client," Hydomako said.



"For one project, we had an employee waiting at the airport at 6 a.m. to pick up some parts that needed machining in our machine shop. That machining process was finished at about 3 p.m. and driven straight to a customer four hours away. We did not let the product leave our hands because the downtime is just that important to the customer."

Fortis prides itself on continuously improving its processes, which results in increased efficiencies that are passed on to its customers. The company has achieved and maintained ISO 9001 Quality Management, 14001 Environmental Management and OHSAS 18001 Health & Safety Management Certifications, which ensures its products and services are safe, reliable and meet standards.

The majority of Fortis' consulting work is done locally in Saskatchewan. However, through its association with Northern Strands, its mining attachments are sold all over North America and overseas in places such as Mongolia and Africa. When it comes to Fortis' international work, the company has benefitted from being a member of STEP. "The marketing and industry research STEP has done for us has been very beneficial," Clarke said. "They've researched different mines throughout North America and the capabilities and other facts about the mines. They've helped organize potential meetings in foreign countries and put us in contact with translators."

One of the company's recent achievements that can benefit mines around the world, has been the development of the Mobile Reel Handler.

"Fortis recognized the challenges that mines faced when dealing with a 45,000 pound reel at the bottom of the shaft; there was no easy way to move it, safety of the workers was an issue as multiple workers were required to help maneuver the reel itself," Clarke said. "We designed the Mobile Reel Handler so that one worker could load the reel and position it in place without ever leaving the seat of the machine. It is safer for the workers, safer for the reel and wire rope, and more efficient."

"Safe" and "efficient" are key words for Fortis, as they permeate through every project, procedure and piece of equipment that is manufactured by the company.

"At times, we literally wrote the book on mine safety, and the mines appreciate it," Clarke said. "More often than not, the mines call Fortis when something has gone awry to assist in repairs and create new safety procedures to prevent it from happening again. It's a business partnership built on trust. Mines trust Fortis and its employees."



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nternational sales contracts present certain additional risks for Saskatchewan businesses. Recently, we learned of a Saskatchewan exporter that was late in delivering goods to a foreign buyer due to events beyond its control that it assumed, based on its experience in Canada, qualified as an excusable force majeure event. The foreign law of the contract however, did not recognize the event as excusable. After a costly dispute abroad, this Saskatchewan exporter was also responsible for significant delay damages.

**BUSINESS ADVISOR COLUMN** 

This Saskatchewan exporter's unfortunate tale highlights some of the risks arising from delivery delays and misunderstood force majeure clauses. It also highlights the importance of choice of law and venue decisions. In this article, we discuss at a high level these issues, which a Saskatchewan exporter should carefully evaluate before entering into an international sales contract. This article also provides a brief description of letters of credit as a way to protect the exporter's right to payment.

#### **Delivery Delays**

In an international context, delivery delays are sometimes inescapable. International sales contracts typically divide delays into two categories: excusable and inexcusable delays. Excusable delays do not normally cause the party affected to pay damages because the parties acknowledge events beyond the reasonable control of the parties (commonly referred to as force majeure events) caused such delays. While international sales contracts will typically recognize obscure events such as wars and terrorist acts as force majeure, such contracts may not recognize more typical reasons for delays such as shipping accidents and clearance of customs. The parties, however, can agree to make such events excusable within the scope of their contract.

The parties would normally view delays that are not caused by a force majeure as inexcusable. A Saskatchewan exporter can seek to manage the risk of such inexcusable delays by expressly limiting its obligations when it fails to deliver on time. Many international sales contracts include consequences for delivery delays in the form of liquidated damages: predefined amounts payable upon the occurrence of delivery delays. An exporter can seek to limit the dollar amount of its liability for delivery delays through the use of liquidated damages provisions.

#### Choice of Law and Venue

Saskatchewan exporters should consider what law will be used to resolve disputes, to ensure a contract does not have unintended consequences. A clause familiar to a Saskatchewan exporter may mean something significantly different to a European importer. Courts in different jurisdictions will interpret contracts through the lens of their own laws.

Saskatchewan exporters should also consider where disputes will be resolved. An exporter dealing with importers from various parts of the world risks being sued (or having to sue) in those jurisdic-

tions. International litigation can be costly and uncertain.

To manage the above-noted risks, a Saskatchewan exporter should negotiate to have all disputes resolved in accordance with familiar laws and before a fair tribunal. Ideally, the governing law would be Saskatchewan law and the tribunal would be located in Saskatchewan. If that is not possible, the choice of law and venue clause should refer to a neutral jurisdiction with well-developed commercial laws, such as Ontario, New York, or the United Kingdom.

#### **Letters of Credit**

To the Saskatchewan exporter, a properly drafted contract is not sufficient if the importer is in a country wherein the exporter cannot practically enforce its right to payment. Some jurisdictions do not have sufficiently developed legal systems, or will



be procedurally challenging to enforce a contract.

A documentary letter of credit is a payment tool employed in some international sales contracts that can help manage the risk of non-payment. A letter of credit is a contract between the exporter and a bank that compels the bank to pay upon the exporter's delivery of certain shipping and commercial documents. In some circumstances, a letter of credit is more important to the exporter than the sales contract itself. Saskatchewan exporters should obtain legal advice when negotiating letters of credit.

#### **Concluding Remarks**

This article provided a high-level overview of some of the issues Saskatchewan businesses should consider when entering into an international sales contract. There are additional issues beyond the scope of this article such as transportation risks, product liability, warranties, regulatory controls, and the application of international treaties. A Saskatchewan exporter should seek to develop its own template international sales contract which considers the risks associated with exporting its products and implements appropriate measures to manage such risks. If a buyer insists on using its own form of contract, a Saskatchewan exporter should review such contract with its lawyer.

Stathy Markatos is a partner in MLT's corporate-commercial group in Regina, and specializes in the areas of securities, M&A transactions and agri-business. Samer Awadh is an associate in MLT's corporate-commercial group in Regina. Samer advises clients in Saskatchewan and abroad on various matters, including matters relating to export services. Stathy is fluent in Greek and Samer is fluent in Arabic.

# FAHED ABU-GHAZALEH

#### **BY JONATHAN HAMELIN**

Staff

A Saskatchewan company that is exploring the possibility of exporting its product naturally has a lot of questions. As an Export Development Analyst for STEP, you could say that Fahed Abu-Ghazaleh is the man with all the answers.

"My job involves a lot of research and analysis to find the answers to some of the problems these companies are facing," said Abu-Ghazaleh, who has been working for STEP since the beginning of 2015. "If a company comes to me and says, 'I have this legitimate issue with getting my product from here to there; I'm not sure what the regulations are; I have a financial restriction upon me,' it's my job to find a solution."

Abu-Ghazaleh spends a lot of time talking to Saskatchewan businesses that have an established product or service, and are looking to explore interprovincial or international exporting opportunities. First, these companies complete an online Export Readiness Program (ERP) application that establishes what position they're currently in. From that assessment, Abu-Ghazaleh meets face-to-face with the client for a consultation.

"We sit down and talk about some of the challenges and obstacles they're facing, the opportunities available to them, what their objectives are over the coming years and how we at STEP can help them grow and achieve their goals," he said.

"Through the consultations, you kind of gauge what expectations the client has and determine how best to help them meet their expectations. It's about helping the client achieve their idea of success, not my idea of success."

Through his work, Abu-Ghazaleh also reaches out to companies who would be perfect candidates for exporting, even if they don't realize it at the time. He highlights some markets outside the province that would be of great benefit to them.

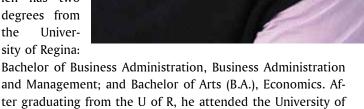
One of the best parts of his job is dealing with a wide range of businesses.

"It's nice to speak to business within Saskatchewan and see that there's such diversity among those that apply," he said. "Obviously, there are a lot of farmers trying to export their grains and goods internationally, but there are also artists,

manufacturers and companies that are dealing in the technology

sector - a wide spectrum of local businesses that are trying to succeed. I'm happy to be a part of that." Abu-Ghaza-

leh has two degrees from Univerthe sity of Regina:



and Management; and Bachelor of Arts (B.A.), Economics. After graduating from the U of R, he attended the University of Queensland in Australia and obtained an Advanced Masters of Business, International Business and Marketing degree.

Abu-Ghazaleh then spent time as a marketing associate for SaskWater and a marketing account supervisor for Brown Communications Group. Most recently, he spent a year and a half with iQmetrix as a partner marketing manager. Joining STEP has allowed him to practice a different skillset.

"I definitely got the marketing side of my degree satisfied, and now I really want to focus on bolstering my international business skills," Abu-Ghazaleh said.

Outside of work, Abu-Ghazaleh is an avid chess player. He's even challenged some of his co-workers to a game every now and then. He also volunteers for the Saskatchewan Roughriders on game days as part of the F - Troop, which helps out with all kinds of events for the Riders and major events at Mosaic Stadium. 🚯



STEP members who have noteworthy news are invited to share that information with Global Ventures for our BIZNotes section. For further information or to submit content, please contact Heather Swan, Manager - Corporate Services at 306-787-7942 or hswan@sasktrade.sk.ca.

## Information about STEP and international trade

#### **STEP Members Named 2016 ABEX Award Finalists**

Congratulations to the following STEP members who have been named finalists for the Saskatchewan Chamber of Commerce's 2016 ABEX Awards:

- Community Involvement Award Wiegers Financial & Benefits
- Export Award Crestline Coach Ltd. Hillberg & Berk TA Foods Ltd. Vendasta Marketing Viterra Inc.
- Growth and Expansion Award Hillberg & Berk IntraGrain Technologies Inc.
- Innovation Award IntraGrain Technologies Inc. QuickLinkt Solutions Inc. Vendasta Marketing
- Marketing Award Hillberg & Berk
- Service Award Viterra Inc.
- Young Entrepreneur of the Year **Three Farmers**



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• Priority Focus TA Foods Ltd.



The awards honour outstanding achievements in business excellence. The award ceremony will take place on October 22, 2016 from 5-10 p.m. at TCU Place in Saskatoon, SK. 📵

#### What our members say:

"STEP is a valuable ally in reaching international markets. One way STEP helps is to bring Saskatchewan manufacturers and producers of goods to international events. STEP is second to none in terms of the help and support they provide companies to reach international markets. Many sectors benefit from STEP and the organization plays a key role in adding to employment in our province."

- Dave Fletcher, Meridian Mfg., Regina, SK



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