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# Selling to the Global Market

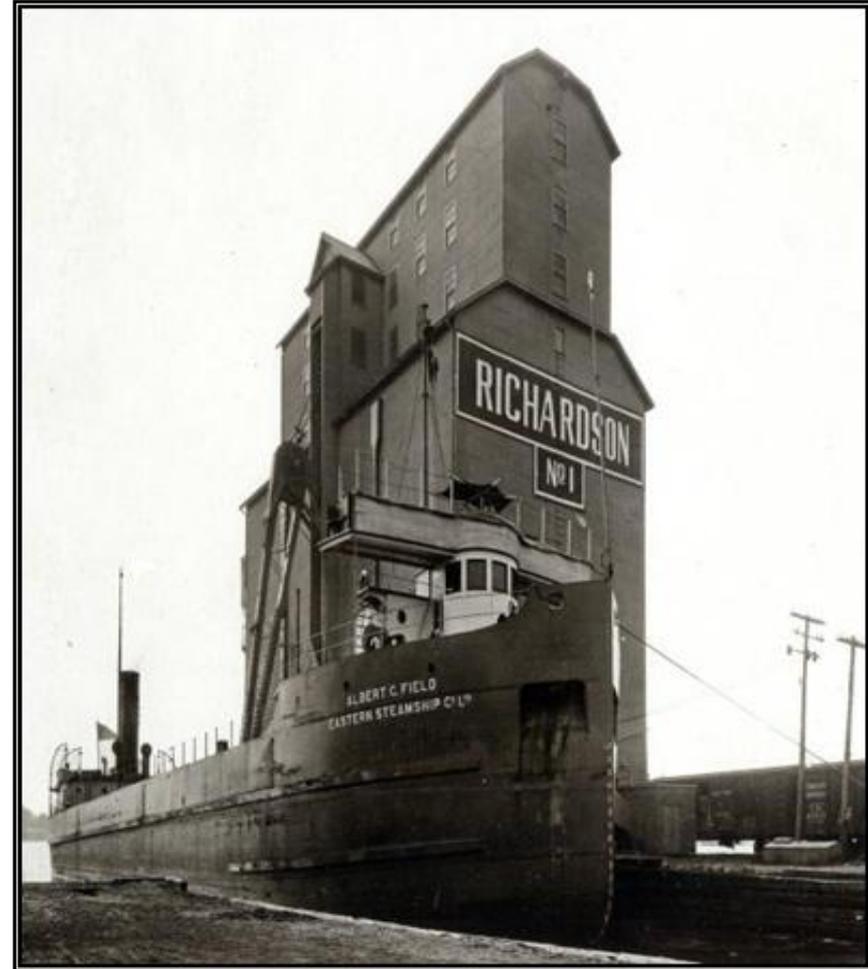
Jean-Marc Ruest  
Senior Vice-President,  
Corporate Affairs and General Counsel



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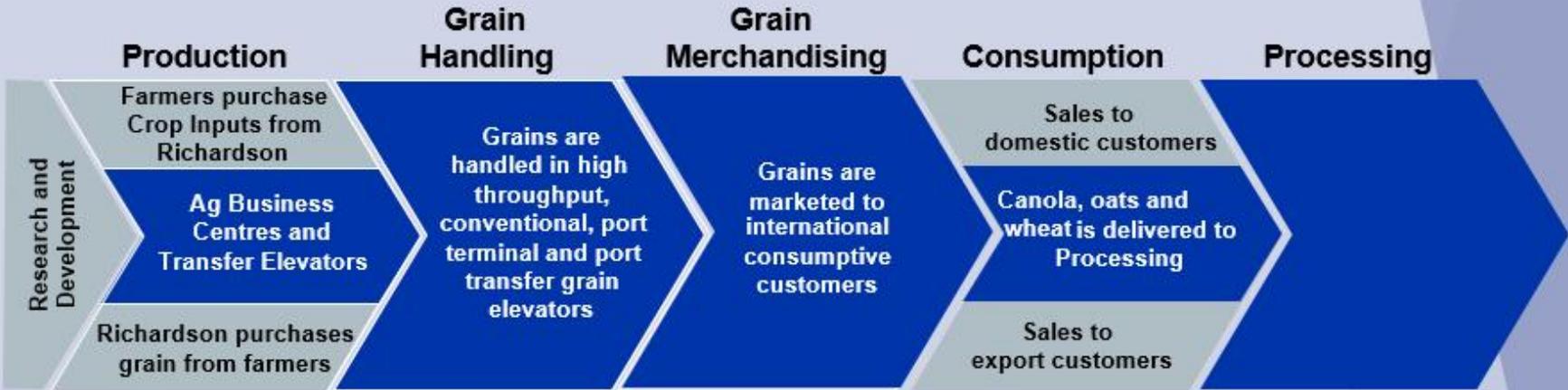
# Our history

- James Richardson & Sons Limited (JRSL) founded in 1857
- One of Canada's oldest and largest privately-owned companies
  - Five generations of family ownership
- Richardson International is the largest wholly-owned subsidiary of JRSL
- Canada's largest agribusiness
  - Operations in Western and Eastern Canada and the U.S.
  - Based in Winnipeg with more than 2,500 employees



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# Our business



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# Our business

- Head office in Winnipeg, Manitoba
- 100+ locations across Canada and the U.S.
  - Over 2,500 employees
- 14 – 16 million tonnes handled annually through elevator network
  - 55 full service Richardson Pioneer Ag Business Centres
  - 80 retail crop input locations
- Seven export terminal facilities representing about 10 million tonnes of throughput capacity
  - Export 12.5 million MT of grains and oilseeds each year
- Process canola oil and oats into value-added products
  - Process 1.8 million tonnes of product annually



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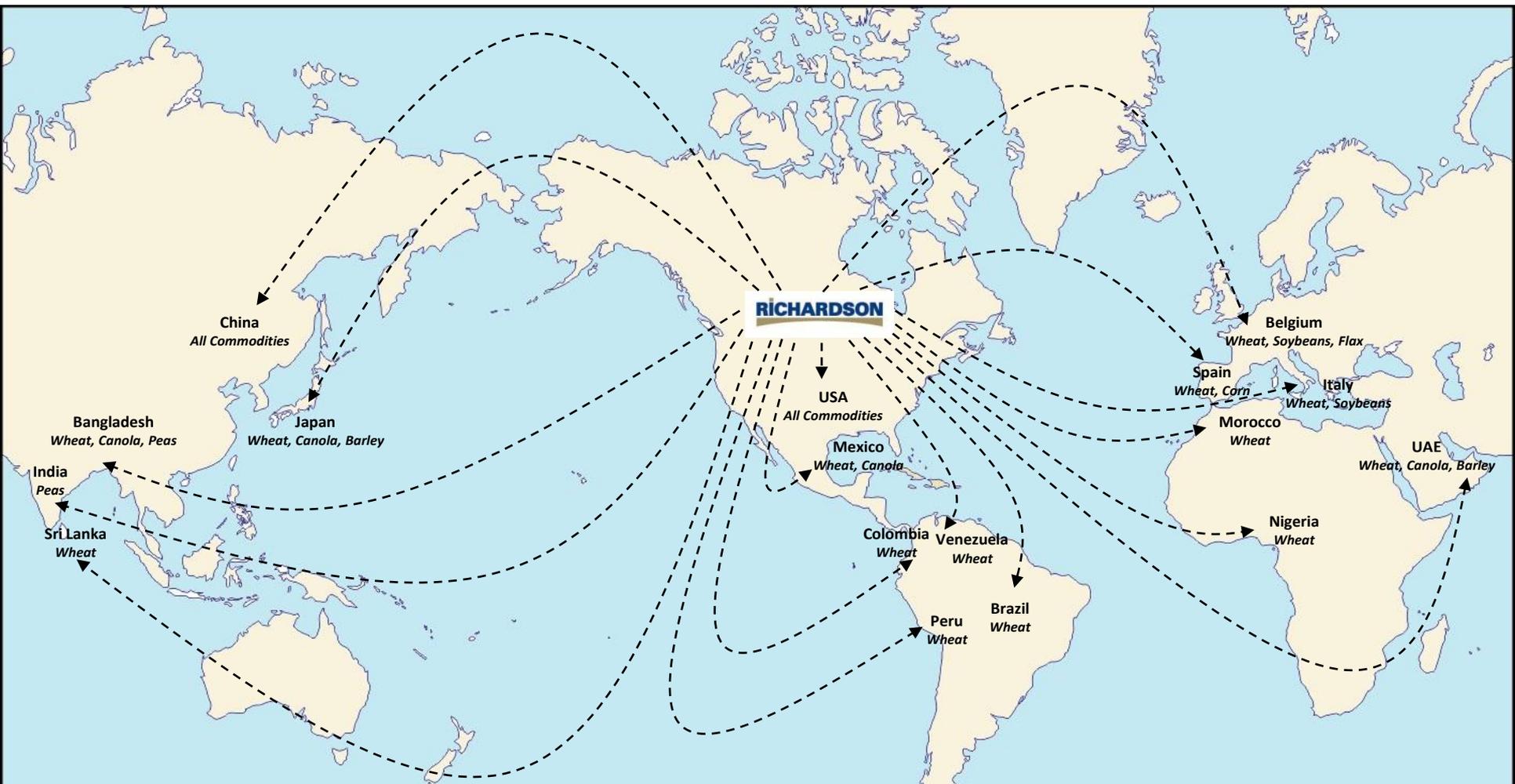
# Our locations

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# Grain handling & merchandising



Richardson sells grains and oilseeds to over 50 countries

# The global market

International trade presents great deal of opportunity, but not without risk

- What are those risks?

## RISKS:

- Volatile commodity prices
- Volatile currencies
- Credit risk
- Rule of law (or lack thereof)
- Political instability
- Trade barriers – Tariff and non-tariff
- Opposition to agricultural production/technology



# Opportunities

- Growing population means growing customer base
- World-class grain handling and logistics system
  - Canada is a reliable supplier of quality goods to end-use customers
- World-class food quality and food safety assurance systems
  - Addresses growing requests from end-use customers
- Support new technologies / science-based regulatory environment
- Canadian producers are world-class and quickly adopt new technologies
  - Benefits clearly demonstrated through steady growth in production
- Canadian producers react quickly to market signals
  - Shift production based on demand (i.e. soybeans/lentils)



# How do we take advantage of opportunities?

- Need to understand who we are competing against and our strengths
  - Who's in the game and what is our relative advantage?
  - If no competition, why not?
- Work as a value-chain
  - Competition between Canada and the rest of the world
    - Not life sciences companies, grain handlers, producers, processors, commodities
    - Continue to maintain unified front



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# How do we take advantage of opportunities?

- Ensure transportation system remains world-class
  - Especially with increased crop sizes now and in years to come
- Regular review of regulator mandates and requirements
  - Ensure Canada is best placed to meet opportunities and compete internationally



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# Capitalizing on opportunities...

- Ensure government and regulatory decisions are science-based and importing countries do the same (especially with new technologies and sanitary / phyto-sanitary requirements)
  - If not, remove predictability of our industry
  - Uncertainty means less investment and less opportunities
  - Opens door to flood of non-tariff trade barriers
- Place reasonable definition around “sustainability”
  - Ensure costs of managing sustainability programs are sustainable



# Capitalizing on opportunities...

- Understand and respect who does what within the value chain



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