



Do You Have the Production Resources?



By *John Ippolito*
Agri-Business Development Specialist
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In many cases, people starting new enterprises jump into developing the product and the production process which, while important, should not be the first step. A more logical approach is to clearly define the markets and products before moving to the production process.

It is important to do your market research first because it may identify unexpected areas that will have an impact on your operation, such as regulatory frameworks, scales of production or quality requirements. But the most important aspect of the research is resource identification. It is crucial that you compare the resources you have to the resources you will require and, if gaps are identified, that you develop a plan to fill those gaps. Resources may include water, utilities, buildings, machinery, labour and capital.

Your first step would be to develop a comprehensive list of all resources that are available. Details become important at this stage. For example, your current water source may be listed as a resource, but you need to know if the volume available is adequate and whether it is of appropriate quality. The same may apply to existing buildings you plan to use. Can they be used as is or are renovations required? Labour and management should also be analyzed. What are the current capabilities of the team and do they have additional capacity?

Once you've listed current resources, compare them against your projected needs. Hopefully, the new enterprise or products can make use of underutilized resources within current operations. However, if

there are gaps identified then you must document a plan as to how these gaps can be addressed. Do the existing buildings meet regulatory requirements? Are you better off to outsource some activities rather than invest in facilities? Is some equipment underutilized? Can you hire the extra labour required? If the existing workforce does not have the appropriate skills, can you hire the necessary expertise, or outsource or train existing employees? And, if construction, renovation or hiring of new employees is required, can you meet the financial requirements?

It can be a challenge for entrepreneurs to identify and assess their production resource requirements. Saskatchewan Agriculture's Agri-Business Development Specialists can help you through the business development process and help you identify any gaps in your business plan. Investing the time to ensure you have all the necessary information and a well-thought-out approach should help ensure your production resources are sufficient to successfully develop your product.

FOR MORE INFORMATION

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- refer to the list below for the Agri-Business Development Specialist in your area:
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AQUAPONICS ON THE PRAIRIES - FLOATING GARDENS LTD.

by *Ron Monette*
Agri-Business Development Specialist
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Rachel and Chris Buhler, a brother and sister business team, are completing plans to construct an aquaponics greenhouse facility on the family farm southwest of Osler, after winning \$50,000 in the University of Saskatchewan's Bioventure Business Plan Challenge. The challenge was supported by Saskatchewan Agriculture's Research Branch.

Rachel and Chris plan to provide fresh fish and produce to local markets through aquaponics, a system that combines fish farming and hydroponics greenhouse techniques. Aquaculture, the farming of fish, is one of the fastest growing food segments in the world. It produced an estimated 48 million tonnes of seafood in 2005, with expectations to grow to 80 million tonnes by 2050. New research and development with fish food using vegetable protein and healthy oils from grains and oilseeds raises the industry's interest in production on the prairies, which is growing at a rate of 30 per cent per year.

Aquaponics is a new trend in commercial fish farming and only a handful of operations exist in North America. Floating Gardens Ltd. will utilize this technology to breed tilapia fish and grow fresh produce such as strawberries, tomatoes, lettuce, herbs, Asian vegetables, egg plants, melons and other types as market conditions demand. Aquaponics focuses on an environmentally sustainable business model. Water is conserved by filtering and re-circulating throughout the system, while fish waste is turned into nutrients for the plants. According to Rachel, "restaurant owners are excited by the prospect of local, chemical free greens. We can guarantee no chemicals. It would injure the eco-system we will be growing in."

Initial plans are for a greenhouse covering a third of an acre – which is suggested as the optimum size for two people to manage. Since they will grow fish as well as produce, they expect to hire two to four additional staff. At full capacity, 12 fish tanks could produce over 20,000 fish a year.

Saskatchewan Agriculture's Agri-Business Development Branch continues to assist the Buhler's with their business development plans. The chance to turn an opportunity into a reality on the prairies attracted Rachel, living in Montreal and Chris, working in Ontario, back to Saskatchewan. The Ministry of Agriculture has specialists available throughout the province. If you would like assistance with your agri-business development plan, please contact an Agri-Business Development Specialist in your region.



Chris and Rachel Buhler

FOR MORE INFORMATION

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