



Alberta Crop Industry Development Fund Ltd.

June 23 2009

Darcy Kirtzinger
Policy & Research Coordinator
Alberta Barley Commission
Suite 200, 3601A 21st Street NE
Calgary, AB T2E 6T5

re: ACIDF matching for ABC contributions to the Lacombe Field Crop Development Centre

Darcy;

Thank you for your letter of June 12th, and the request for funding to match the new tripartite agreement in support of FCDC.

This request was considered by the ACIDF Board, and has been declined at this time.

Your request was for program (as distinct from project) funding. This form of investment does not allow ACIDF to meet our corporate objectives under available initiatives because there are no prescribed measurable deliverables. This is a primary reason for the request being declined.

In your letter, you mention ACIDF being involved in program funding alongside the Alberta Beef Producer's contribution to the breeding program. Your understanding of this project is incorrect, as the ACIDF contract with FCDC contains some very specific deliverables, and requires the ABP investment to be used to obtain those deliverables. ACIDF rarely invests in programs directly, though the ABC/ACIDF Chair in Cereal Protein Science is one example. Subsequent investments to projects for this chair have again very specific deliverables tied to our reporting objectives.

In fact, the ABP investment is being matched to specific projects in the same way that Alberta Barley's investment is being matched. Through current contracts with FCDC, between \$60 and \$70,000 of the new ABC annual investment is already being matched in specific projects. Considering the portion of the annual \$250,000 that is sent directly to other agencies than FCDC, this means just short of half of ABC's investment in the program is already matched by ACIDF. To their credit, Dr Helm and his team are aggressive at leveraging project dollars where ever possible.

ACIDF has been, and will continue to be, a strong supporter of FCDC. To date ACIDF has invested \$11,048,000 in 15 projects led by

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FCDC. This does not include other projects where FCDC staff is participating under other leaders. Of these 15 projects, only 3 required specific matching by industry.

Here are a few more points of interest:

- ACIDF has invested another \$2.4 million in 21 projects specifically involving barley.
- Of researchers funded most often by ACIDF, FCDC researchers hold 2 of the top 5 positions.
- Of the top 5 most frequently funded researchers, FCDC received 47% of ACIDF investment.
- Of the top 5 most frequently funded researchers' projects, FCDC is involved in 4 in a significant way.

ACIDF has always invested in quality research and high industry priority outcomes. I believe this focus on FCDC is a complement to the Field Crop Development Centre and its understanding of industry needs and priorities.

Our company will continue to work with the Alberta Barley Commission to identify areas where we can partner on new development for the industry. You are aware of our joint efforts to attract the new federal funding initiatives, specifically clusters and DIAP, to support barley development in western Canada.

ACIDF's corporate investment speaks to strong support to an important segment of Alberta's crop industry, and an important plant variety development facility in Canada.

Thank you again for your request. ACIDF looks forward to working with you on future proposals. We welcome an opportunity to meet with you and your directors to continue these efforts and to plan new directions for development.

Regards,

Doug Walkey, BSc, MBA, PAg
Executive Director

cc: Mike Leslie, ABC
Jason Krips, ARD
Terry Young, ABC
Craig Shaw, ACIDF cereals sector
Bonnie Spragg, ACIDF chairperson