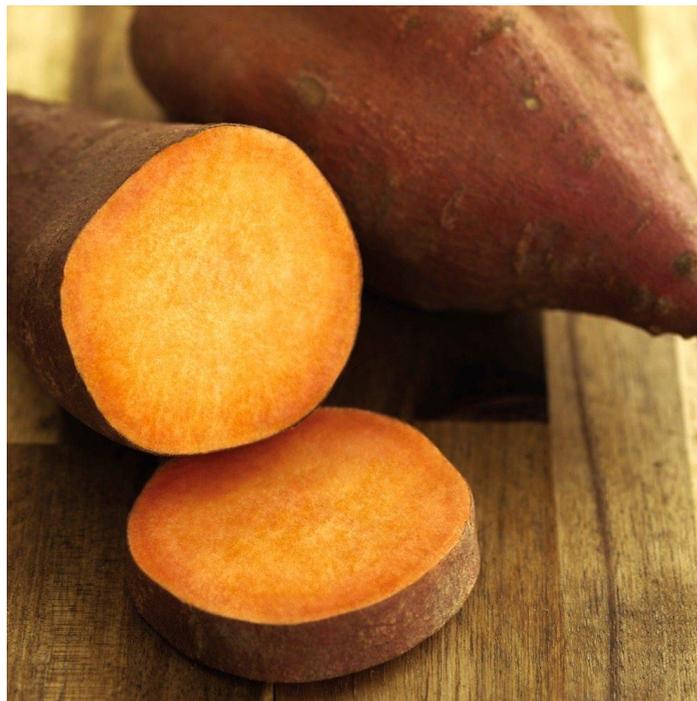


Finding the right niche

If it makes you shake your head that these two large, sophisticated farms are focusing on, of all things, sweet potatoes as the right crop to build their futures on, listen to them explain why

May 8, 2018

By Jordan Whitehouse



"Once you're able to grow a successful crop, only a quarter of your work is done," says Nick VanBerlo. Photo: Vineland Research and Innovation Centre/Supplied

In just a couple of pockets across the country, it's estimated Canada is growing about 1,800 acres of sweet potatoes. About 1,100 of them are grown by Berlo's Best.

Why? The reason is partly what you might expect. Canadian demand for sweet potatoes has skyrocketed. Ethnic markets are booming, sales of new products like sweet potato fries are soaring, and the opportunity for future growth seems

limitless, especially when retailers see an advantage to putting a Grown-in-Canada tag on their shelves.

With a hot market like that, who wouldn't want to have their slice of the action?

But for the Van Berlo family near Simcoe, Ont., there's another, more strategic reason too. In sweet potatoes, the farm saw its chance to become the recognized leader in the crop, not only giving them a path to grow their acreage but also making it difficult for anyone else to come in and displace their market share.

But to achieve that leadership, the family has had to dedicate themselves to the crop in ways that go far beyond what they'd have needed if they had opted for a future based on corn and soybean production instead. They've been dedicated to sweet potatoes for 20 years, and they're dedicated still.

It's the key lesson that gets talked about by sweet potato growers. If you're going to succeed with an alternate crop, it has to be the right crop. And the farmer has to be the right farmer too.



*Nick VanBerlo.
photo: Berlo's
Best/Supplied*

"There's going to be blood, sweat and tears," says Nick VanBerlo, the farm's COO and its marketing lead. But if you make the right choices along the way, he says, "there should be the opportunity of a better return."

So, nearly 2,000 kilometres to the east, if you ever get a chance to visit the Keddy family's farm in Nova Scotia's Annapolis Valley, you'll likely notice a lot of crop testing going on with their sweet potatoes. Amid their 50 acres of the southern crop, son Philip Keddy is forever running test plots with new varieties.

Some are planted at eight inches apart, others at 10 and 12 inches, and when *Country Guide* talked with his dad Charles, Philip was preparing to try a few acres planted with a thicker black plastic to see if he can warm his soil faster and get a larger crop earlier in the season.

“Most of it Philip just dreams up because there’s no one here devoted to sweet potato research,” says Charles. “We’re the only ones doing it.”

VanBerlo shares the feeling, saying sweet potatoes have such a need for high heat and a long growing season, that it could have been easy for them to simply say, “We can’t grow them here.”

Instead, the family looked at themselves and decided they had the raw material to make the crop succeed.

It’s been a commitment that affects every aspect of operations, VanBerlo says. “We’ve had to be our own research department for 20 years,” he says. “We’ve had to learn how to do our own variety evaluations, our own production research.

“And when we’ve had years when we had to learn things the hard way, we’re the ones who had to bear the financial strain.”

Frankly, it has taken courage too. The Berlo’s Best farm has learned that viability means not only understanding its retail customers and knowing their needs, but being big enough to make the VanBerlo farm efficient for retailers to deal with.

“When we first started, we felt good about growing 20 acres,” VanBerlo recalls. “But that was only two weeks supply in the market. We had to get bigger.”

Which is where the courage part really comes in. You can’t go to your banker and expect to walk away with the financing needed to make you a big player in a crop no one has grown before, VanBerlo says. “There’s no investors. There’s no Dragon’s Den. We had to be self-financed.”

Between 2007 and 2012, Canadians doubled their sweet potato consumption, from 0.72 kilograms per person in 2007 to 1.43 kilograms in 2012. The rate of growth has somewhat tailed off in more recent years, but the numbers continue to rise overall.

According to Dr. Valerio Primomo, a vegetable breeding research scientist at the Vineland Research and Innovation Centre in Ontario’s Niagara region, that increase is likely due to two main factors. One, public perception is that sweet potatoes are

very healthy (they're high in beta carotene, for instance). And two, there's been a recent explosion of processed products, particularly sweet potato french fries.



photo: Vineland Research and Innovation Centre/Supplied

To meet that growing demand, Canada has had to import between 50,000 and 60,000 tonnes of sweet potatoes per year in recent years, with most imports coming from the U.S.

For Canadian farmers to replace those imports, Primomo estimates that they'd need to grow a total of at least 4,000 acres and perhaps as many 8,000.

Translation: there may be more growth potential in the market for producers who can overcome the crop's unique challenges and get Canadian buyers onboard.

Neither is simple.

New variety, new hopes

While Berlo's Best continues with its own research, Primomo is also breeding varieties with an eye to producing a shorter-season crop that can still score high with retailers.

Thanksgiving is a seasonal market peak, and Berlo's Best has learned how to sell crop into that market across the country in recent years. Now Primomo is targeting new genetics at the opportunity. Over the past five years his team has tested more than 2,000 seedlings and identified one that Primomo says can be harvested earlier with excellent yields.

"It also has a similar colour to other varieties — a nice deep orange — and our sensory and consumer analyses showed that people actually prefer it to the current commercial standard," he says. "Growers also want to know that it stores well for eight months, and so far this variety stores well compared to the current standards. So it has everything going for it."

The plan is to have it on store shelves by 2019. The Keddy farm has been one of the test sites for the new variety, and this year the family will grow a few acres of it. Based on what he's seen, Charles Keddy is quite hopeful it will sell and also grow better than other varieties under cool conditions.

It all seems like good news, but is there any concern that too many Canadian growers will enter the market if some groundbreaking new variety should all of a sudden become available? This is a niche market after all, where, at most, only 8,000 acres of sweet potatoes might be needed to fulfill national demand.

"Not concerned a bit," says Charles. "Here in Nova Scotia alone it would take 700 to 1,000 acres to fill the demand. And anyway, it's a very labour-intensive crop and not everyone has that labour available to them. On top of that, you have to have very special facilities to cure and store it. I mean, we have a million dollars invested in that."

VanBerlo is cautious too. Before he'd invest in any new variety, he'd have to see if it coincides with what the marketplace wants, he says. "Consumers buy with their eyes first and foremost, so if these looked slightly different, there would be a reluctance to buy it."

From the stores' perspective, they want consistency, he says. "They want something that people will come back to buy day after day. So this variety would have to build a real critical mass before it's viable for one of these retailers to catch on to it."

Buyers be aware

As VanBerlo and Keddy point out, the challenges of developing a thriving sweet potato market in Canada aren't just about overcoming the climate with new varieties. A significant percentage of the crop typically doesn't make grade, so a big challenge is finding alternative markets for byproducts.

Perhaps the biggest challenge, however, is how best to market a niche crop like sweet potatoes, says VanBerlo. "Once you're able to grow a successful crop, only a quarter of your work is done. Now you've got to turn it into money, and that's where I see a lot of farmers struggle."

VanBerlo is wary of revealing his secrets for developing marketing initiatives that work, but what he can say is that most of his time is not necessarily selling the crop but building long-term, mutually beneficial relationships with buyers.

In the end, though, he says that it's about having a competitive price, something that's tough when competing with U.S. suppliers whose labour costs are lower than his. "We all play in the same marketplace. It's not just that you're a local grower, that you're from Ontario or Canada. We play in a global world where it's the push of a button and a phone call for somebody at one of the big chain stores to bring in a product from anywhere in the world."



photo: Vineland Research and Innovation Centre/Supplied

Still, retailers are very open to buying locally grown sweet potatoes, says Primomo. That's something he heard again and again from Canadian retailers during his research. In particular, they'd like a locally grown product for the huge Thanksgiving market.

That's something Charles Keddy has consistently heard from his buyers too, including Sobeys stores throughout Atlantic Canada. "Most like that our sweet potatoes have a higher sugar content than those from the Carolinas, and that they are a non-spray crop, but everybody is glad to get a local product."

But, he adds, local isn't everything. "It's not the case anymore that you can grow these things and expect to get buyers because they're grown local. In general, buyers and the public want to support local — and they will even pay a little bonus for that — but they will only support local if it's as good as a product that they can buy somewhere else and at a competitive price."

A sweet future

Even more potential may lie within a new generation of processed sweet potato products.

"The fresh market has grown, but I don't think it's growing at the same rate as the processing side," says VanBerlo. "We've noticed a big increase in the utilization of sweet potatoes recently — everything from baby food to chips to fries to purees to dog food. We supply all those guys, and it's a really good outlet for our number twos, our non-cosmetically pleasing products."

Primomo is seeing the growth on the processed side too, and believes it will continue to trend upwards. He also thinks that as our taste for sweet potatoes matures, we may see more varieties with different flesh colours on supermarket shelves such as white, yellow and purple.

For now, though, most Canadian sweet potato farmers are focused on the orange variety we're all getting more acquainted with.

Back at the Keddy family farm in the Annapolis Valley, Philip and Charles are getting ready to grow upwards of 10 acres of that new made-for-Canada variety this summer. Their spirits are high but tempered.

“We think it’ll do well,” says Charles. “But there are always challenges with this crop. That’s why we’re always researching, always trying to improve. We just want to grow the best crop we can.”

<https://www.country-guide.ca/2018/05/08/ontario-growers-stake-their-business-future-on-sweet-potatoes/53288/>