



**CAPI**

*The Canadian Agri-Food  
Policy Institute*



**ICPA**

*L'Institut canadien des  
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# Food Processing in Canada

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# Food Processing

## Primary Processing

- Are mostly Canadian owned,
- Usually located in towns near raw product,

## Value Added Processing

- Are mostly foreign owned,
- Produce mostly packaged branded foods,
- Parent company under under pressure from buyers

# Food Processing Pressures

- 1. Price pressure from buyers**
- 2. Market is North American, or global**
- 3. Look to economies of scale to control costs**
  - **Concentrate manufacturing in productive facilities**
- 4. Productivity**
  - **Lagging behind the U.S.,**
- 5. Strong dollar**

# Food Processing Pressures

## Reponses

- **Cooperation in the supply chain**
- **Synergies to increase productivity,**
- **Integrated supply chains,**
- **Find lowest cost inputs to keep customers,**

**Supply chain partners need to know and understand each other**