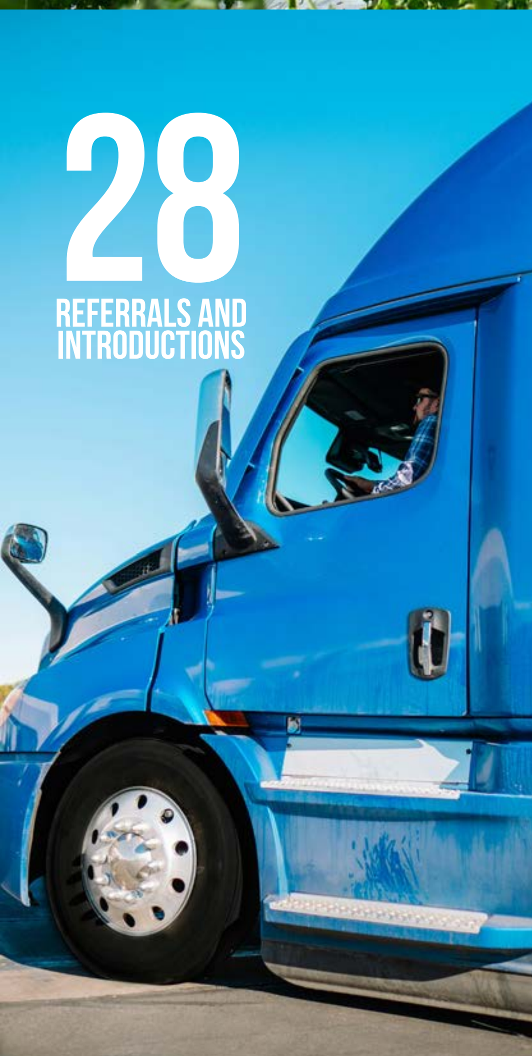
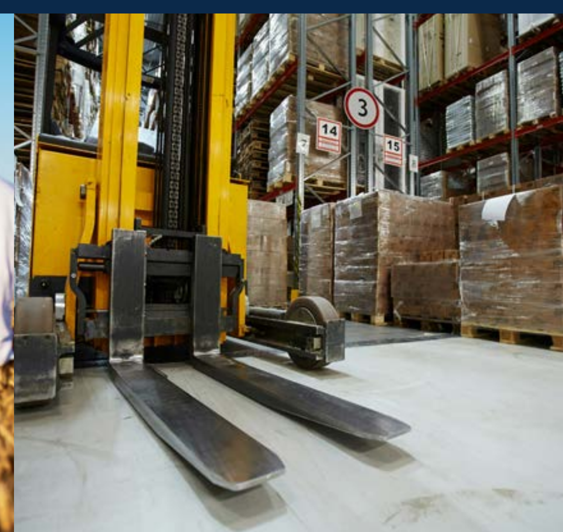
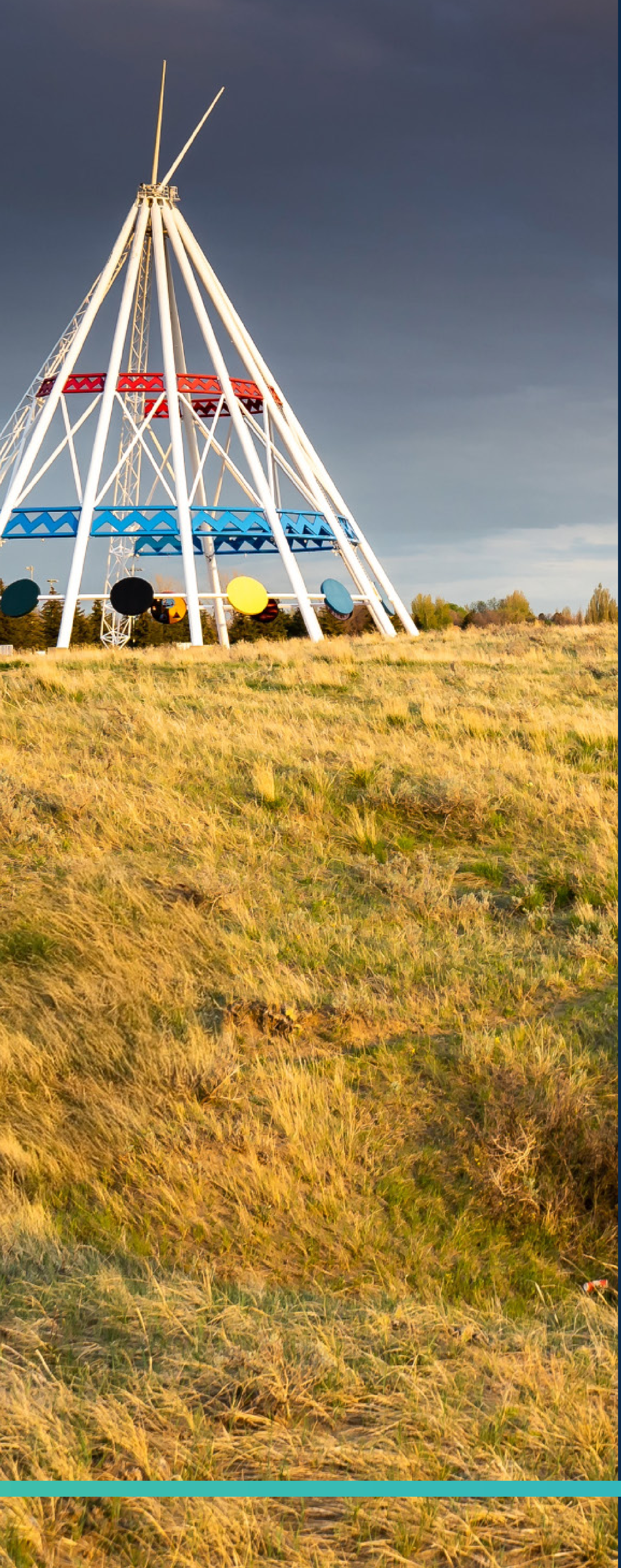




# ‘WHAT WE HEARD’

## SUMMARY OF KEY FINDINGS



## Disclaimer

This strategy has been prepared by InnoVisions & Associates for the participating municipalities and partners in the Regional Agriculture & Agri-Food Investment Attraction Strategy (RAIS). The findings and recommendations are based on a combination of primary engagement (interviews, discussions, and stakeholder input) and secondary sources (regional studies, reports, and publicly available data). While every effort has been made to ensure accuracy, the consultant cannot independently verify all information provided and assumes no responsibility for errors, omissions, or subsequent changes in data. The analysis and recommendations are intended to guide strategic decision-making and should be interpreted in that context.

# 1.0 INTRODUCTION **& CONTENT**

## Project Purpose & Objectives

The municipalities of Cypress County, the County of Forty Mile, the Towns of Bow Island and Redcliff, the Village of Foremost, and the City of Medicine Hat are collaborating to develop a **Regional Agriculture & Agri-Food Investment Attraction Strategy**. This strategy aims to position Southeast Alberta as a competitive agri-food hub, fostering economic growth, job creation, and supply chain expansion.

The purpose of the strategy is to unlock new opportunities for producers and processors, attract targeted investment, and strengthen regional collaboration. By assessing industry trends and evaluating the region's competitive advantages, the project will help shape investment priorities, guide support programs, and inform long-term strategic initiatives.

Key objectives include:

- **Identifying high-potential investment opportunities** in value-added processing, agri-tech, and innovation, with a focus on opportunities aligned to existing infrastructure and capacity.
- **Building capacity and competitiveness** by benchmarking against comparable agri-food regions and outlining staged, practical steps for improvement.
- **Streamlining investment** attraction through clear differentiation between assets ready now and those requiring groundwork in infrastructure, regulation, or workforce.
- **Leveraging partnerships** with initiatives such as the Premier Food Corridor to align resources and amplify impact.
- **Developing an actionable roadmap** that sets out short-, mid-, and long-term steps for municipalities, businesses, and agencies, while remaining adaptable to funding, political, and market shifts.

## Scope & Methodology

The Regional Agriculture & Agri-Food Investment Attraction Strategy is built on both primary engagement and secondary research to reflect the realities and ambitions of Southeast Alberta's agriculture sector. Between June and September 2025, consultants conducted 44 interviews with 32 agri-businesses and 12 industry enablers, gathering diverse perspectives to guide investment priorities, program supports, and long-term growth strategies.

Businesses—from producers and processors to equipment providers and transportation firms—shared candid insights on operational pressures, regulatory challenges, and opportunities for innovation and value-added growth. Enablers, including IRAP–NRC, C4i, Alberta Agriculture, local chambers, Canada's Premier Food Corridor, and funding organizations, emphasized their role in advancing concepts, building workforce capacity, opening markets, and reducing risk. Their broader vantage point highlighted the level of coordination, technology, and expertise required to move promising ideas from research to market.

## Cross-Study Insights

To ensure the strategy was grounded in both local realities and global trends, the consultants drew on a wide range of research. Five recent studies that directly addressed agriculture in Southeast Alberta were particularly valuable in providing evidence-based findings and points of comparison. These included:

- *Building Agriculture Workforce Capacity Study* (BAWC) – VERGE (2024)
- Ag Advocacy Table Top – *'What we Heard'*, Southeast Alberta Chamber of Commerce (2024)
- *Business Retention, Expansion, and Investment Strategy* (BREIS) – Air: State of the Industry Report – Medicine Hat Economic Development (2024/25)
- *Southeast Alberta Economic Opportunity Strategy* – Deloitte (2025–2030)
- *Economic Impact of Agriculture* – Centre for Innovation (C4i), Medicine Hat College (2024)

The consultants combined insights from stakeholder interviews with findings from these regional studies, aligning local experiences with broader evidence and highlighting where priorities converge or diverge.

They also incorporated national and global policy papers and Statistics Canada forecasts to place Southeast Alberta within the wider agri-food landscape. This integration of local engagement, regional studies, and national/global analysis creates a strong evidence base that anchors the strategy in both lived experience and objective data. A complete list of references is provided in the Appendix.

## Community Investment Readiness (CIR) Assessment

As part of the methodology, the consultants also held high-level conversations with Chief Administrative Officers (CAOs), or planning and permitting staff from each partnering municipality. These discussions were not formal evaluations but provided valuable insights into how communities view their current capacity to support existing businesses and prepare for future investment opportunities.

The intent of these conversations was to capture local perspectives on strengths, priorities, and potential areas for improvement, rather than to assign ratings or compare municipalities. By listening to municipal leaders, the strategy can better understand the realities of land use planning, permitting processes, infrastructure readiness, and staff capacity. These insights will help shape practical, staged recommendations that align with each community's circumstances and avoid one-size-fits-all expectations.

## Why This Matters Now

Global food systems are undergoing rapid change. Rising populations, shifting consumer preferences, and growing demand for sustainable products are reshaping agriculture worldwide. At the same time, climate change and water scarcity are intensifying pressures on how and where food is produced. Southeast Alberta has both strengths and vulnerabilities in this environment. Its irrigated land base, specialty crops, and logistical advantages create opportunities, but competition from other regions, water scarcity, workforce shortages, and infrastructure gaps pose significant challenges. Acting now ensures the region can capture emerging markets, attract investment before it shifts elsewhere, and build resilience against future risks. This strategy provides a roadmap to strengthen competitiveness and position Southeast Alberta as a recognized hub in the agri-food sector.

## The Role of Municipal Partners

Regional collaboration offers significant opportunities, but how it takes shape varies across communities. Each municipality brings its own priorities, timelines, and resources to the table. Economic development may or may not be a defined mandate, meaning some focus on supporting existing businesses or advancing local projects, while others emphasize investment readiness or regional initiatives.

### DIFFERENT STARTING POINTS, SHARED PURPOSE

**The six municipalities—City of Medicine Hat, Cypress County, County of Forty Mile, Town of Redcliff, Town of Bow Island, and Village of Foremost**

- each municipality brings distinct levels of capacity, experience, and investment readiness. These differences shape what each community can realistically take on.

Some municipalities are positioned to lead investment preparation and regional projects; others are focused on supporting local businesses or enabling partnerships. Recognizing and respecting these differences allows each community to contribute meaningfully within its capacity—building a stronger, more balanced regional approach to economic development.

Municipal governments play a pivotal role in shaping the conditions for investment. Through planning, permitting, and infrastructure decisions, they can either enable or constrain growth. At times, municipalities lead change directly; in others, they share responsibility by partnering with industry, community stakeholders, or advocating for policy changes at higher levels of government.

This strategy recognizes that identifying opportunities is only the beginning. Sustainable progress depends on aligning ambition with available resources, addressing bottlenecks constructively, and advancing in ways that are practical, staged, and achievable for every community.

# 2.0 WHAT WE HEARD: STAKEHOLDER & REGIONAL INSIGHT

| 44 | 32 | 12 | 28 |
|---|---|---|---|
| INTERVIEWS | AGRI-BUSINESSES | INDUSTRY ENABLERS | ACTIVE REFERRALS TO RESOURCES |

Between June and September 2025, consultants engaged 44 stakeholders across Southeast Alberta's agri-food sector, comprising 32 agri-businesses and 12 industry enablers. These conversations brought together the perspectives of producers, processors, logistics providers, ag-tech firms, research organizations, and support agencies. Together, they provide a detailed picture of the region's opportunities, challenges, and structural gaps.

The *Regional Agriculture & Agri-Food Investment Attraction Strategy* is grounded in this engagement, combined with secondary research, to ensure the findings reflect both the realities and aspirations of the sector. Interviews captured the voices of long-established businesses and new innovators, ranging from small operators to larger exporters. Discussions with enablers, including IRAP–NRC, Alberta Agriculture, C4i, local Chambers of Commerce, and Canada's Premier Food Corridor, Alberta Agriculture & Irrigation as well as various funders and financiers, highlighted the support, networks, and policies needed to help businesses succeed.

One of the most tangible outcomes was the 28 direct referrals made during interviews, which connected businesses to new partners, programs, and resources. This "real-time matchmaking" showed how even short conversations can deliver immediate value when supported by strong networks and industry knowledge.

The following section summarizes the perspectives of businesses and enablers. It highlights where opportunities exist, where challenges persist, and where collaboration—across municipalities, institutions, and industry—will be essential to attract investment and strengthen Southeast Alberta's agri-food economy. Their broader vantage point highlighted the level of coordination, technology, and expertise required to move promising ideas from research to market.

## Voice of Businesses: Opportunities & Challenges

Interviews with agri-businesses across Southeast Alberta revealed a clear picture of both opportunities and constraints. The majority of participants were long-established firms, most employing fewer than 10 staff, though several larger processors and exporters also contributed. This mix shaped perspectives: smaller operators pointed to regulatory delays, labour shortages, and gaps in infrastructure, while larger firms emphasized container shortages, tariffs, and trade reliability.

## Figure 1: Composition of Business Categories


Across sectors—ranging from agricultural production and processing to logistics, warehousing, and ag-tech—businesses shared candid input on operational realities, market pressures, and innovation opportunities. Their voices underline the region's resilience and ambition, while also highlighting the need for stronger awareness, coordination, and pathways to growth.

The following section highlights the opportunities and challenges as indicated most frequently by the businesses interviewed.

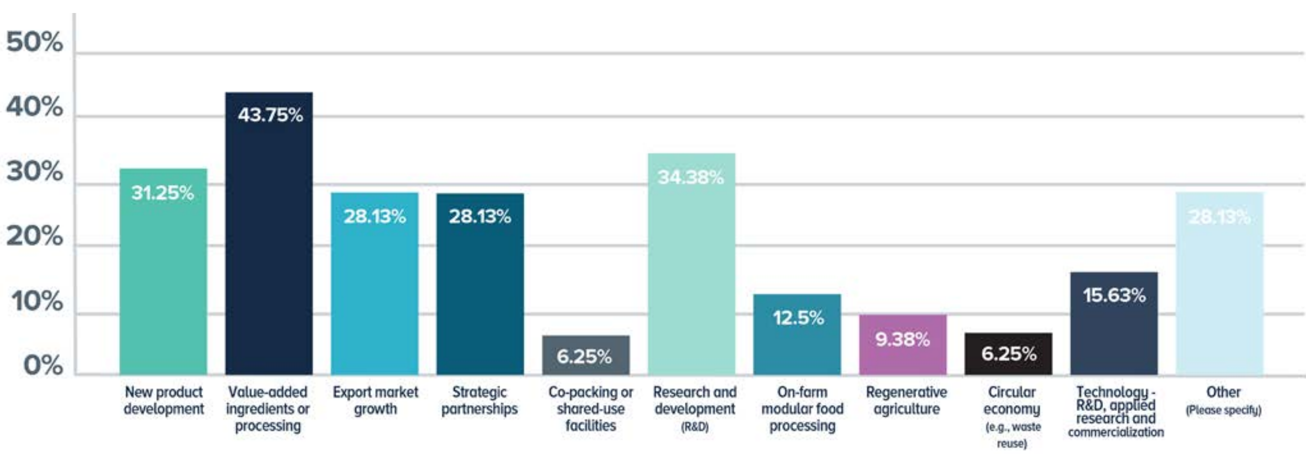
## Table 1: Opportunities & Challenges: Business Perspectives

| Opportunities | Challenges |
|---|---|
| **1. Value-Added Processing & Ingredients** | **1. Permitting & Regulatory Delays** |
| **2. Applied Research & Development (R&D)** | **2. Workforce Shortages** |
| **3. New Product Development** | **3. Supply Chain and Infrastructure Gaps** |
| **4. "Other" Opportunities** | **4. Rising Land Costs and Succession** |
| | **5. "Other" Challenges** |

## Opportunities – Business Perspective

In total, 20 opportunities were identified by businesses. The following graph illustrates those mentioned the most frequently during the interviews.

## Figure 2: Untapped Opportunities Through the Lens of Business



### 1. Value-Added Processing & Ingredients

The most consistent opportunity raised was moving beyond raw commodities into processing and specialty ingredients. Businesses highlighted demand for pulse fractions, hemp-based goods, regenerative products, and niche foods and beverages. Smaller operators see potential in shared co-packing and pilot facilities to reduce entry costs, while larger companies want to anchor supply chains and expand product lines. Across the board, participants recognized that more local processing would keep economic value in the region and strengthen Southeast Alberta's identity as a hub for agri-food innovation.

### 2. Applied Research & Development (R&D)

Both businesses and enablers emphasized the importance of expanding applied research and crop trials. Producers stressed the need for practical demonstrations of new technologies and equipment—robotics, sensors, and automation—under local conditions. Respondents warned that Canada risks lagging behind international competitors unless research results are better coordinated and shared. Stronger linkages between farmers, processors, and research institutions such as CARA, C4i, and post-secondary colleges were seen as essential. Enablers echoed this view, noting that many pilot projects stall because adoption support is limited for small and mid-sized farms.

A recurring theme within research and strategic partnerships was the need to strengthen the talent pipeline by embedding agriculture into education. Several participants emphasized that agriculture naturally integrates STEM—science, technology, engineering, and math—and can attract students interested in digital tools, robotics, and sustainability. Programs like the Irvine School of Agriculture were cited as models that could be expanded into post-secondary agri-business training, dual-credit programs, and entrepreneurship pathways. Both businesses and enablers agreed that reframing agriculture as a modern, technical career is essential for long-term workforce sustainability.

### 3. New Product Development

Innovation alone is not enough; businesses want help turning research into market-ready goods. Stakeholders cited functional foods, plant-based proteins, and sustainable consumer products as emerging markets. However, packaging, shelf life, and regulatory compliance remain barriers. Access to pilot kitchens, co-packing services, broader trials for equipment and crops, and mentorship programs was described as necessary to help new and small companies scale into larger markets.

**4. "Other" Opportunities:** In addition to the listed options, more than a quarter (28%) of respondents identified "other" opportunities that they felt were important for the region. Comments included ideas such as increasing collaboration among producers to share shipping or co-packaging costs, improving access to government trade missions and grant programs, and strengthening regional branding to promote products more effectively.

*"It would be good to have more ways for farmers and inventors to connect—whether that's sharing research or trying out new equipment. A few years back, a guy came to my farm with a tool to improve loading hay. We tested it, and it worked great. Before, we moved hay one bale at a time. Now we can move 20 or more. It saves us time, money, and sweat—and it helped grow his business too. We've been partners ever since."*

## Challenges/constraints: Side-by-side Comparison

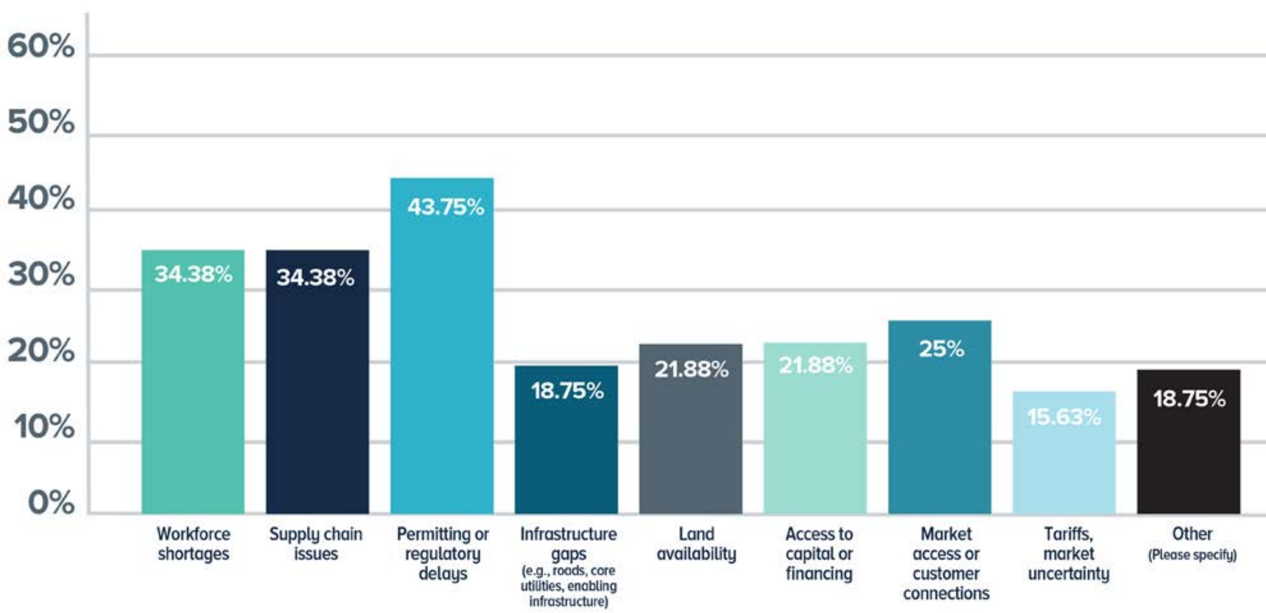
The most frequently reported challenges were permitting and regulatory delays, workforce shortages, and gaps in the supply chain and infrastructure. While these emerged as the top three across the region, another issue raised repeatedly was the shortage and rising cost of land for development and production. Participants emphasized that without proactive strategies to make farmland and development land more accessible, the long-term sustainability of agriculture in Southeast Alberta could be at risk.

*"There just isn't enough land available, and what does come up is priced so high it's out of reach. If farmers can't afford to buy or expand, how are the next generations supposed to carry on? At this rate the future of farming around here feels like it's in jeopardy."*

~Lesley Burton, Tillorie Farms

## Challenges – Business Perspective

### Figure 3: Common Business Challenges



The following is a summary of the key challenges.

### 1. Permitting & Regulatory Delays

The most frequently cited frustration was regulatory uncertainty. Processors described permit delays stalling facility expansions, while producers faced hurdles installing irrigation or building new barns. Eleven participants reported that shifting requirements eroded their confidence and tied up capital. Greenhouse operators emphasized that policy gaps—such as a lack of preferential power rates or any incentives—further undermined competitiveness.

### 2. Workforce Shortages

Labour was the most consistent constraint across the value chain, from Class 1 drivers and equipment operators to greenhouse staff and skilled irrigators. Heavy reliance on the Temporary Foreign Worker program exposes businesses to policy risks, while competition from oil and gas jobs makes it difficult to retain local workers. Smaller farms, with fewer than 10 employees, face the steepest barriers to recruitment and training.

### 3. Supply Chain and Infrastructure Gaps

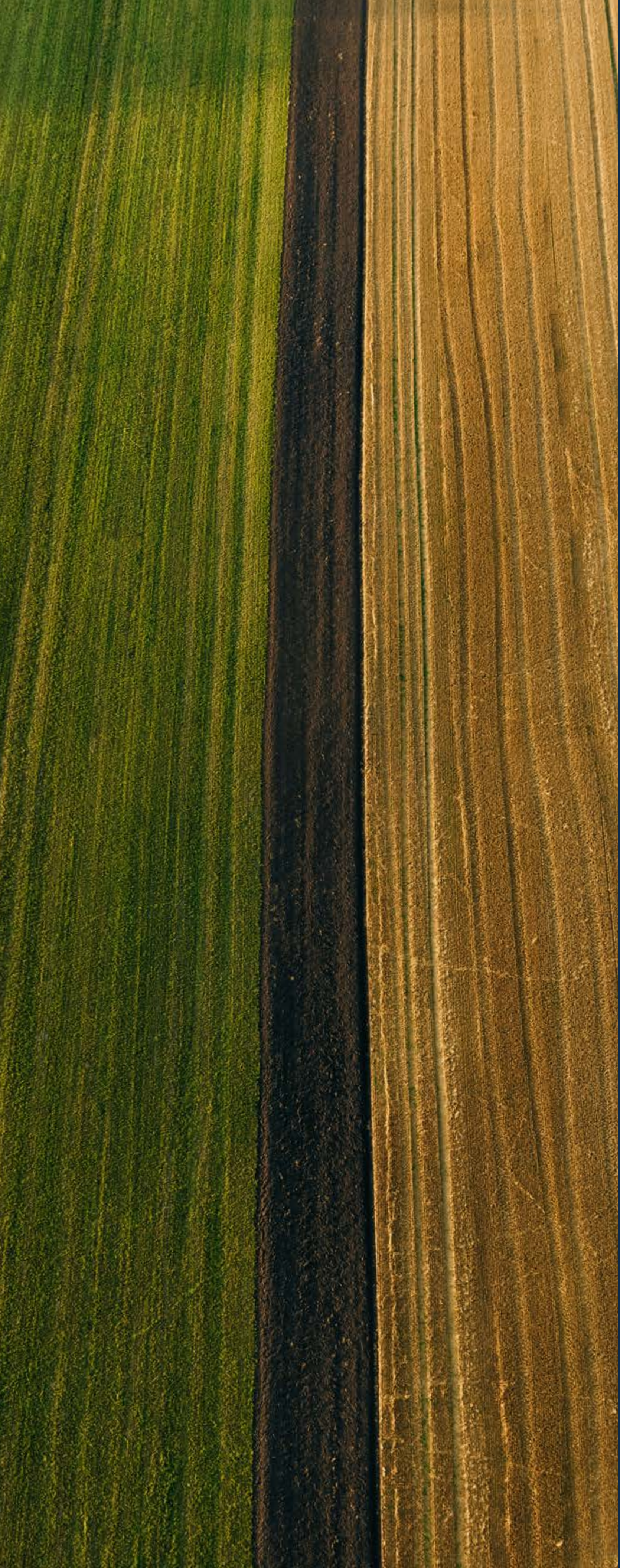
Producers and processors identified weak cold chain capacity, limited co-packing options, and unreliable rail/container access as structural barriers. These gaps raise costs, reduce reliability, and push some businesses to send products to other regions for processing—undermining Southeast Alberta's ability to capture value locally. Logistics firms further emphasized unpredictable rail service and rural freight surcharges as ongoing risks.

### 4. Rising Land Costs and Succession

Enablers stressed that the cost of irrigated farmland—often over $2 million per quarter—has made it nearly impossible for new farmers to enter the industry. Without affordable pathways and succession planning, land is consolidating among fewer operators or outside investors, threatening long-term sustainability.

### 5. "Other" Challenges

Nearly one in five respondents (19%) identified additional challenges outside the standard categories provided in the questionnaire. Comments pointed to concerns such as low commodity prices, the volatility of agricultural markets, and the limited profitability of small and mid-sized operations. Others mentioned the rising cost of land and the difficulty of accessing affordable housing for workers, which indirectly constrains business expansion. A few respondents highlighted the challenges of navigating government programs, noting that grants and support mechanisms often do not align with the realities of agricultural businesses. Taken together, these "other" inputs show that producers and processors face a wide spectrum of pressures—some tied to broader market forces, others to local cost structures and community capacity—which reinforces the need for flexible strategies that recognize the diversity of business models in the region.



# VOICE OF ENABLERS: OPPORTUNITIES & CHALLENGES

The Regional Agriculture & Agri-Food Investment Attraction Strategy engaged not only with producers and processors but also with the “enablers” of the sector—organizations that create the conditions for business success. These include research and applied innovation groups, post-secondary institutions, industry associations, trade alliances, and capital providers. Unlike producers, enablers do not directly grow crops or manufacture food. Their role lies in providing the research, funding, training, networks, and policy supports that allow innovation to move from concept to practice. With this perspective, enablers offer a wider lens on the sector’s opportunities, as well as the systemic barriers that must be addressed to realize them.

Interviews with 12 enablers, alongside 32 agri-businesses, revealed a clear pattern. Businesses often see immediate, ground-level barriers, while enablers see broader structural challenges. Both groups, however, pointed to the same conclusion: Southeast Alberta has immense potential to grow as an agri-food hub, but it will only succeed if innovation is applied in practice, knowledge is shared more widely, and resources are scaled regionally rather than piecemeal.

## Table 2: Opportunities & Challenges: Side-by-Side Comparison

| Opportunities Identified | Challenges Identified |
|---|---|
| **Technology & Innovation** – Move tools from pilots into practical, affordable use. Support the "last mile" of adoption and expand applied training (dual credit, apprenticeships, applied research). | **Program Access & Navigation** – Funding often stops at the pilot stage; smaller farms can't absorb costs; academic projects run in silos with limited coordination. |
| **Low-Carbon Branding** – Position Southeast Alberta as a climate-resilient, irrigated, low-carbon supplier using verified carbon data to secure premium export market. | **Land Costs & Succession** – Irrigated land prices ($2M+/quarter) and rental rates ($400+/acre) block new entrants. Succession challenges risk shrinking diversity and innovation. |
| **Shared Infrastructure** – Create food hubs, cold storage, co-shipping models, and smart reefer units to lower costs, pool resources, and open new markets for SMEs. | **Technology Adoption Gaps** – High costs, regulatory hurdles, and lack of demonstration sites stall promising tools. Other regions are faster at scaling. |
| **Peer Learning & Networking** – Expand producer-to-producer forums (e.g., Cypress Ag Connections) to accelerate adoption, share practical lessons, and build trust. | **Capacity Constraints** – Municipal and economic development staff juggle multiple files, leaving no clear lead for agri-food development; this limits competitiveness |
| **Ag & Aeronautics Cross-Sector Transfer** – Adapt drones, sensors, autonomous vehicles, and secure communications from defence to farming for crop scouting, irrigation, and livestock monitoring. | **Innovation & Knowledge Transfer Gaps** – Strong research exists (soil health, logistics, greenhouse efficiency), but remains siloed; funding ends before scaling; lessons aren't widely shared. |

### Similarities Between Businesses and Enablers

Despite their different vantage points, both groups emphasized:

- Applied innovation and technology adoption as essential for competitiveness.
- Training and workforce development as urgent, with agriculture needing to be reframed as a modern career.
- Shared infrastructure and coordination as critical to lowering costs and ensuring regional resilience.
- Cross-sector collaboration, particularly in aerospace/defence technology transfer, as a distinctive advantage unique to Southeast Alberta.

## Table 3: Similarities and Disconnect between Businesses and Enablers

| Similarities | Disconnects |
|---|---|
| Both emphasize applied innovation and technology adoption as critical for competitiveness. | Funders often require a full business case and ROI proof before pilots, which is unrealistic at early stages. |
| Strong agreement that training and workforce development must expand, reframing agriculture as a modern, technical career. | KPIs and reporting requirements are mismatched with ag realities (seasonality, incremental adoption). |
| Consensus that shared infrastructure and regional coordination lower costs and strengthen resilience. | Grant reviewers often lack domain expertise, resulting in irrelevant feedback or rejected applications. |
| Both highlight cross-sector collaboration, especially aerospace/defence technology transfer, as a unique regional strength. | Programs inadvertently favor large firms with grant-writing capacity, sidelining SMEs that drive diversification. |
| Shared interest in peer learning, applied research, and stronger knowledge transfer to accelerate adoption. | The "prove it before you try it" model stalls promising technologies in the lab, widening the competitiveness gap. |

Both also pointed to **capacity gaps**—businesses lacking staff to navigate programs, and municipalities lacking dedicated agri-food coordinators—as barriers that allow opportunities to slip away.

### Where the disconnect is most evident

- Projects get stuck in the *"valley of death"* between lab success and field adoption.
- Energy, automation, and precision tools can't prove payback until tested at scale, but programs rarely fund that stage.
- Academic research produces results, but there are limited mechanisms to transfer those learnings into commercial use.

*"Alberta has strong programs for technology development, but very little support for adoption. We can get grants to run trials, but caps are too low and evaluators often don't understand the realities of agricultural operations. That leaves proven technology—like advanced equipment or AI tools—sitting on the shelf because producers can't afford to scale it. We need programs that bridge the gap between prototypes and commercial rollout, so farms and agri-food businesses can actually put innovation to work."*

**Why it matters**

- Innovations stay in labs or research reports while competitors in other regions move ahead.
- Applied research assets such as CARA, C4i, and the Brooks Regional Innovation Centre (BRIC) can be better leveraged to coordinate agricultural innovation and research trials from early testing through to pre-commercialization.
- Programs often favor large firms with grant-writing teams, leaving SMEs—the very group driving diversification—without access.

## Key Takeaways

Despite their different vantage points, both groups emphasized strikingly similar priorities. Applied innovation and technology adoption were seen as critical to competitiveness, particularly in helping producers keep pace with global peers. Training and workforce development emerged as urgent, with both businesses and enablers stressing the need to reframe agriculture as a modern, technical career supported by stronger education pipelines.

Shared infrastructure and regional coordination were identified as essential to lower costs and improve resilience. Finally, cross-sector collaboration—especially in aerospace and defence technology transfer—was consistently highlighted as a distinctive advantage unique to Southeast Alberta. Importantly, at least six highly innovative businesses in the region are already conducting their own on-farm, in-plant or lab trials with substantial success, demonstrating real savings in time, money, and resources. These early adopters underscore the sector's appetite for innovation when tools are practical, affordable, and visible to peers.

**Real-Time Referrals: Immediate Value**

**28**
**DIRECT REFERRALS**

> "Both businesses and enablers underscored the need for a permanent brokerage role to sustain these connections."

One of the most tangible outcomes of the interviews was the facilitation of **28 direct referrals**. Consultants connected businesses with associations such as the Alberta Food Processors Association, linked field trials to C4i researchers, and introduced smaller firms to grant-writing support through Canada's Premier Food Corridor. These connections delivered immediate, practical value and highlighted how many solutions already exist but remain hard to access.

INNOVISIONS
& ASSOCIATES

**InnoVisions *& Associates***
**203-304 Main Street, Suite #115**
**Airdrie, Alberta, T4B 3C3**
**Tel: (403) 948-2110**
**Cell: (403) 880-2488**
**Email: Natalie@innovisionsandassociates.com**
**Website: www.innovisionsandassociates.com**