

## TRADE

## Stable prices forecast for ginseng

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Ever the optimist, ginseng grower Doug Bradley is predicting a strong sales season this year. The last few years have seen an upwards price trend. Less than ideal growing conditions reduced outputs, however this was counterbalanced by stability in production acres. Seed production for next year's crop could be adversely affected by heat stress and many are trying to offset that with irrigation. He expects last year's prices of \$19 – \$20 per pound can be maintained.

"Acres in production haven't changed and the good news about the heat, if there is good news, is that there are fewer disease problems," explains Bradley. "The crop is two to three weeks ahead of schedule so I'm predicting red berries in early August."

Ginseng Ontario is methodically building its Asian markets. Canadian statistics show 90 per cent is sold to Hong Kong. From there, distributors sell the gnarly root to end users throughout Asia. What's evolving over time is demand from Chinese companies which want to buy directly from Ontario growers.

"There's more of a pull for direct shipments from Canada," says Bradley.



Man Zheng is a doctor who works at a hospital in Nanjing, Jiangsu province, dispensing traditional Chinese medicine.

That's why he and Ken Van Torre, chair Ginseng Ontario, are leaving August 11 for meetings in Shanghai, Puning and Hong Kong. Culturally, it's imperative to have face-to-face meetings to develop trust.

"We're there to pave the road," says Bradley.

In Shanghai, they will meet with officials to discuss maximum residue levels (MRLs) for ginseng. Bradley explains that they want to compare the protocols and procedures with Canadian standards to make sure the same science is applied with predictable universal results.

A visit to Puning, the epicenter of ginseng grading in China, will inform the growers' perceptions of how Canadian ginseng is measuring up to Chinese-grown root. With Ontario's business worth almost \$100 million annually, it's a critical assessment.

In Hong Kong, the draw is the annual food expo at which Ginseng Ontario has a booth under the Canadian marquee. Meetings with the federal trade commissioner's office will offer first-hand knowledge of consumer demand and business trends.

The fact-finding trip is well-calibrated. Bradley estimates that with an earlier harvest, the buying season may be more traditionally timed for November and December this year. Last year's harvest didn't get sold until March 2012, so the recent sales

cycle has been collapsed into one year. With that knowledge, 2012 sales statistics will be skewed to be more robust than normal from 6,000 acres under cultivation.

*Right: Doug Bradley explains the cultural practices of growing ginseng on his Vanessa, Ontario farm to a Chinese delegation. In mid-July, the group toured his farm and a nearby ginseng retail outlet before attending the Cultivating Natural Bioactives International Conference in London.*



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