

CITIES DRIVING GROWTH

How Regina has become the heart of the new Prairie economy



Catalyzing home-grown advantages

As the capital city of Saskatchewan, Regina is the ideal location for primary agriculture production, value-added processing and agtech. SUPPLIED

The term "economic powerhouse" often conjures up the image of a megacity. Yet when it comes to creating a collaborative, connected and supportive innovation ecosystem, smaller urban centres can have significant advantages.

Take Regina, for example. With a city population of 268,000, "it is punching above its weight for the ability to attract entrepreneurs, businesses and investment," says Chris Lane, president and CEO, Economic Development Regina (EDR). "You don't have to be in a big city to have big ideas or to have big champions."

One important factor contributing to the capital of Saskatchewan's success is its proximity to key resources – "food, fuel and fertilizer – the three 'f's' the world needs," says Mr. Lane. "Surrounded by tens of millions of acres of the most productive and sustainable farmland in the world, Regina has a unique value proposition as a centre of excellence in food, ingredients, agtech and cleantech."

Abundant agricultural resources have attracted processors and manufacturers as well as innovators looking to improve the entire value chain: from new technologies and product and process development to packing and transportation. Combined with strong trade infrastructure, numerous anchor firms and a diverse talent pool, "Regina is a great home for companies looking to build solutions and find investors," says Mr. Lane. "The scale of investment we're attracting to a single sector is unparalleled in our history."

In addition to private investment in the range of billions, support from all levels of government can help boost "predictability and sustainability," he notes. "The distance between research and development and application is shorter here than anywhere else."

The resulting critical mass – and an impressive lineup of influential companies, leaders and innovators – achieves an impact that is "greater than the sum of its parts, where definitions of agriculture and agtech

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are changing to go beyond primary [food] production to things like renewable fuels and other bioproducts.

"We're doing far more with what we grow and process than anybody would have thought possible even a decade ago," says Mr. Lane, "and Regina is at the heart of that new economy."

ACCELERATING AGTECH

This evolution has also been noticed by Kyle Folk, founder and CEO, Ground Truth Agriculture Inc. "When I started in 2011, agtech wasn't even a word," he recalls. "Now, it's not only a word, it's something exciting – something people are keenly interested in."

Mr. Folk grew up in a small grain-farming community northwest of Regina and moved to the city to pursue a career as an electrician. The idea of leveraging technology to improve outcomes for farmers was first sparked on a visit to his parents' farm, where he discovered spoiled grain in a bin. "This inspired me to build my first agtech company," he says of what would become BinSense, a grain storage monitoring solution that was acquired by Cailan Group in 2018.

Mr. Folk left the company in 2020 to start a new venture, Ground Truth Ag, with the goal to build a system for evaluating grain quality in real time on combines. "Farmers talk a lot about yields, about how many bushels per acre, but they haven't been able to tie crop quality to specific locations," he says, adding that such information can enable targeted interventions and precision agriculture decisions. "We've already seen some early wins with using machine vision and machine learning."

Ground Truth Ag is part of the most recent cohort of companies in the Agtech Accelerator, a program that combines agriculture and technology – and that is supported by EDR, venture capital fund Emmertech and Cultivator powered by Conexus; giving Regina a unique combination of tech incubators backed by private capital and connected to real agricultural experts and producers.

"Saskatchewan producers and manufacturers continue to revolutionize sustainable, productive dryland farming techniques. For agtech companies like Ground Truth Ag, that openness to innovation means opportunity."

"For building an agtech company, there is no better place than Regina. Within an hour of driving, you have access to countless test farms eager to test and implement something new," says Mr. Folk. "You also have a community where people help each other out. There is this sense of working together instead of against each other – so all can achieve their goals."

CLEAN ENERGY AND BIOPRODUCTS

Beyond feeding the world, Saskatchewan's abundance of agricultural resources can also help to advance the goal of reducing the reliance on petrochemicals for fuels and products, says Mark Cooper, CEO of Prairie Clean Energy. "Demand for bioenergy and bioproducts is already significant – and continues to grow."

As countries and regions move away from high-carbon-emitting energy sources – including the phasing out of coal-powered electricity generation on the Prairies – energy

made from biomass can help to fill the gap. To date, the most common fibre used for bioenergy is wood fibre, yet this brings challenges for both availability and sustainability, says Mr. Cooper. "The next horizon is going to be in the agricultural space, and there's no place on Earth with a more abundant supply than the Prairies."

Prairie Clean Energy has worked to advance the research and development of pelletizing flax straw, he explains. "Over the next three years, we will launch production in our facility in Regina as well as in two additional facilities across the Prairie region, which will produce a total of about 450,000 tonnes of pellets per year."

In addition to meeting the need for clean energy, the innovation also provides revenue for farmers for what is now a waste product, says Mr. Cooper. "Every year, millions of tonnes of flax straw are just getting burned in the fields."

While the flax straw biomass facilities will achieve a significant impact, they only represent a first step in Prairie Clean Energy's path to reduce carbon emissions in energy systems and other sectors. "We see a real opportunity to use a range of agricultural fibres for a multitude of end uses in the bioenergy space," he says. "We're constructing the world's first Net Zero Bio Hub, and are actively building out a carbon neutral supply chain that will result in our products being carbon negative. This will be a game-changer for the biomass space."

Regina was the obvious choice for Prairie Clean Energy's headquarters due to the proximity to agricultural suppliers as well as support for cleantech companies, according to Mr. Cooper. "It offers the opportunity to move quickly, for example,

in meeting with decision-makers or addressing regulatory hurdles, and that's important for speed to market. "It makes sense for a biomass cluster to be located here," he says. "This allows us to add a fourth 'F' the world needs: 'fibre.'"

And Prairie Clean Energy is not just focused on flax. Along with others in Regina's emerging biomass cluster, the company is pursuing major opportunities in canola, pulse crops and even wheat residue. Being surrounded by extensive cropland and forward-thinking producers is a huge advantage across the board.

SUPPORT AND COLLABORATION

Regina's competitive advantage has "already attracted some of the most successful agtech and cleantech companies, and we're just getting started," says Mr. Lane. "What in other places might be six degrees of separation is two degrees or one in Regina, and this allows innovators to be agile and respond quickly when they see an opportunity."

The resulting ecosystem is built on "mutual support between the organizations that financially back these companies, the people who work in them and the founders looking to take their ideas to impact," he says.

In addition to skilled talent coming from Regina's post-secondary institutions, the city also aims to "make a competitive play to attract the best and the brightest in their fields," Mr. Lane says. "It's a great place – with lots of amenities – to live and raise a family. And I'll guarantee that your commute will last no longer than it takes to listen to five songs on the radio."

What's more, there is a sense that everyone's success matters, he adds. "In Regina, you'll even find your competitors cheering you on."

RECONCILIATION THROUGH ECONOMIC EMPOWERMENT

Improving economic outcomes in Saskatchewan, today and in the future, is closely linked to creating opportunities and support for diverse community members, including Indigenous people, says Thomas Benjoe, a member of the Muscowpetung First Nation and president and CEO of FHQ Developments, an organization supporting First Nations partners with resources and tools to create, deliver and connect on business opportunities in Saskatchewan and beyond.

FHQ Developments, the economic development division of the File Hills Qu'Appelle Tribal Council, is owned by the 11 First Nations in the Treaty 4 Territory, representing over 16,000 First Nations citizens on and off reserve. "We're considered thought-leaders in our community," says Mr. Benjoe. "Rather than having non-Indigenous organizations tell us what they think the solution should be, we ensure solutions are coming from an Indigenous organization. Part of what we do is deepen business relationships and help realize business opportunities."

The belief that economic empowerment is an important component

of reconciliation has inspired Mr. Benjoe to take an active role in a number of organizations shaping the future of Saskatchewan and Regina. Highlights of this engagement include acting as past chair for the Saskatchewan Chamber of Commerce – the second Indigenous person in Canada in such a position at the time – and joining the board of Economic Development Regina (EDR).

"We've been coming up with unique ways of building relationships – and we're seeing results," he says. "EDR's business plan, for example, is unique as the commitment to economic reconciliation isn't just one line item – it is implemented throughout the entire strategy."

Another example is the City of Regina's new procurement policy, in which 20 per cent of the total value of city contracts will go to Indigenous businesses. "That's a historic commitment," says Mr. Benjoe. "The city spends approximately \$200-million annually on goods, equipment, services and construction – and this policy will allow Indigenous businesses to gain more significance within local supply chains."

Including Indigenous voices in economic development can also enhance access to local talent going forward – as 36 per cent of Saskatchewan's population under the age of 19 is Indigenous, explains Mr. Benjoe. "We need to ensure time and effort are spent on developing and implementing in-depth Indigenous engagement strategies to harness this talent."

Chris Lane, EDR's president and CEO, also sees engaging with Indigenous partners as a "true competitive advantage."

"It's a real opportunity for companies and investors who are looking not only for talent but also for business partnerships for anything from energy and tech to agriculture," says Mr. Lane. "Regina's competitive advantage is the ability of our Indigenous communities to be economic leaders."



Regina is located on Treaty 4 Territory – the ancestral lands of the Cree, Saulteaux, Dakota, Lakota and Nakoda and the homeland of the Métis (bottom). Thomas Benjoe, president and CEO of FHQ Developments (top), believes Indigenous voices have to be part of economic development decisions. SUPPLIED

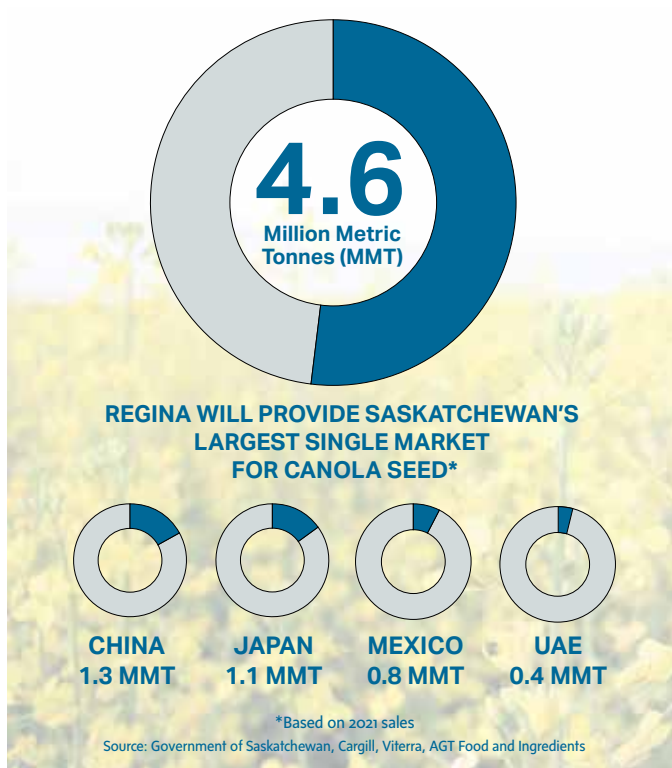
Surrounded by 80 million acres of Canada's cropland, Regina is at the centre of North America's new prairie economy, fueled by our world-class transportation and logistics infrastructure, Canada's first venture-backed agtech sector, and international business networks.

A GLOBAL POWERHOUSE IN AG AND FOOD. BE PART OF REGINA'S HOMEGROWN STORY.



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Almost \$4-billion in new construction will transform Regina into a world-leading canola crush hub, with projects from Cargill, Viterra and AGF Food/Federated Co-operatives Ltd. From food oil to livestock feed, renewable fuels and plant protein, the canola play in Regina ranks among the world's most important agriculture opportunities.