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## **Canada**

### **Frozen French Fries**

## **Second New Processing Plant for Southern Alberta 1999**

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#### **Report Highlights:**

Significant potato acreage expansion on the Canadian prairies is anticipated following an announcement by McCain Foods (Canada) to build a frozen french fry plant in southern Alberta. Lamb-Weston Inc., made a similar announcement early last year and is currently constructing a potato processing facility in Alberta which is expected to be operational by mid-1999.

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Includes PSD changes: No  
Includes Trade Matrix: No  
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Potato growers in Canada's prairie provinces welcomed recent press reports this week that McCain Foods (Canada), a division of McCain Foods Ltd., has announced that the company will build a C\$93.9 million potato processing plant near the town of Coaldale in southern Alberta. According to company officials, construction of the new facility will begin as soon as licensing, infrastructure support and regulatory approvals are in place.

Company spokespersons claimed the new state-of-the-art plant will have the production capacity to produce 200 million lbs. of frozen french fries annually, and will be constructed to allow the future addition of a second line to double production. The facility will also have the capacity to produce battered french fries and will enable McCain to supply markets in western North America and Pacific Rim countries well into the new millennium.

The anticipated construction schedule for the new facility will lead to full commercial operation of the plant early in the year 2000. The Alberta facility will join other frozen french fry production plants of McCain Foods (Canada) in Portage la Prairie, Man., Florenceville and Grand Falls, New Brunswick., and Borden-Carleton, Prince Edward Island.

In addition to the anticipated 200 to 250 workers the plant will require, Alberta provincial agricultural officials expect Alberta potato producers to invest up to C\$50 million in new potato storage facilities over the next 18 months.

The McCain announcement follows an announcement in May 1998 by Lamb-Weston Inc., a ConAgra company, that it is building a state-of-the-art potato processing plant near Taber, Alberta. The Lamb-Weston plant is expected to become operational in mid-1999 and process frozen french fries for foodservice markets. Food companies McCain and Nestle have already invested heavily in new potato processing plants in Manitoba which are supplying major fast food companies in the U.S. mid-west.

Potato area on the Canadian prairies is expected to increase sharply in the coming years to meet processor demand. The province of Manitoba has surpassed New Brunswick as the second largest potato producing province (after Prince Edward Island). In the next few years, potato area in Alberta is expected to increase significantly from about 33,000 acres planted in 1998.

For further information on Canadian potato area and frozen french fry production and trade, see post report CA8075 on our headquarter's home page at <http://www.fas.usda.gov> which also has a complete selection of FAS' worldwide agricultural reporting.

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