

Narrator: Dave Champion (DC)

Company Affiliations: McCabe Grain Ltd., National Grain, United Grain Growers (UGG), Richardson International, ConAgra Grain, Gavilon

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Summary: Consultant for Gavilon and former grain trader for numerous grain companies Dave Champion discusses his broad career in the Canadian grain industry. He describes his first roles in McCabe Grain starting as an office boy, working into grain accounting, and becoming a grain trader in the export division for Western Europe. He explains his contacts and contracts with customers, work with private inspectors for specialized cargo certificates, the occasional issues with contract defaults, avenues for resolving trade issues. Champion then describes the company sales that changed his employer from McCabe to National Grain and briefly to Cargill before he moved to United Grain Growers to establish their export division. He then moved to Richardson International's export division, and he discusses the company's major customers and how they acquired these contacts either directly or through the Canadian Wheat Board. After retiring from Richardson, Champion discusses his move to ConAgra Grain and eventually Gavilon as a consultant, and he shares the history and growth of these companies. He describes major changes in the industry over his career, like the increased volatility of grain prices, computerization of grain trading, and the ups and downs of trade through Thunder Bay. Other topics discussed include work in the Winnipeg Commodities Exchange, the use of codes in telegraphed grain trades, the proliferation of family-owned grain companies, travel overseas with various companies, his interactions with Thunder Bay terminals and Canadian Grain Commission personnel, and his year as president of Lake Shippers Clearance Association.

Keywords: McCabe Grain Ltd.; National Grain; United Grain Growers (UGG); Richardson International; ConAgra Grain; Gavilon; Grain marketing; Grain trading; International trade; Grain export destinations; Accredited exporters; Grain accounting; Winnipeg Commodities Exchange; Country grain elevators; Grain transportation—ships; Canadian Grain Commission; Grain inspection; European Common Market; Grain prices; Great Russian Grain Robbery; Canadian Wheat Board; Board grains; Non-board grains; Computerization; Terminal grain elevators—Thunder Bay; Lake Shippers Clearance Association

Time, Speaker, Narrative

BC: Today is April the 4th, 2011, and we are interviewing Mr. Dave Champion and Mr. Champion worked for Richardson's. Is that correct?

DC: Well, if you want to start from the beginning to now.

BC: Start with your name, from the beginning to now. Then we'll just go from there.

DC: This is Dave Champion. I started in the August 12, 1952, with the McCabe Grain Company Ltd, which was then sold to National Grain 50 percent, and 50 percent was sold to United Grain Growers. I stayed with the National Grain side, which was then sold in 1974 to Cargill. I worked for Cargill very briefly and then joined United Grain Growers, also that was in 1974. In 1978, I joined Richardson's and stayed with Richardson's until 1998 when they retired me. Nine days later, I started with ConAgra Foods from Omaha, Nebraska, and that—our division of ConAgra Foods was then sold to an outfit called Gavilon. I'm presently still employed with Gavilon as a consultant.

BC: Oh, my goodness.

DC: So, if you got all that.

BC: Well, there's many paths to go down here to interview, so maybe we'll go back to 1952 with McCabe Grain. How many years were you there before it was sold?

DC: '52 to '68.

BC: So while you at McCabe Grain, could you describe the work you did at McCabe Grain?

DC: I started out as an office boy and progressed into what they call the export department, but in a small company like McCabe's, you were involved with everything. I was involved partly in the terminal at Thunder Bay, which you maybe know as Elevator M. I don't even know whether it exists now. Elevator M still there or tore down?

BC: In the process of being torn down.

DC: Yeah, because we shared a slip with Man Pool—what was then Man Pool.

BC: Okay.

DC: [Laughs] Or it's Viterra now.

BC: Okay, so, in the export business, so what would you do in the export business? What would your job be like when you went to work?

DC: Well in those, you started off, we had a small office. There was a consortium of a French firm, an English firm, and a German firm, and we traded grain with them, Canadian grain. It was before the European Union had been formed. That continued on right through until 1973 when the EU really became active and self-sufficient and a competitor of Canada.

BC: And the consortium, what were the names of some of those other partners from the other countries?

DC: Well, there was one called-- Swartz was the English firm, Cam was the French firm, and Becher, B-E-C-H-E-R, was the German firm.

BC: And would you travel to meet with these other contemporaries?

DC: I didn't go to Europe until 1971. That was my first start. From '71 right through until oh, say, 1995 was a regular visit to Europe and East Europe.

BC: And that was with your other companies that you had moved onto?

DC: Well, once I got into Richardson, I took over the export division in there. I was also doing the exports in United Grain Growers. And we got involved with the Asian market—China, Japan, Philippines, Thailand.

BC: And what spans of years were those? That was later on? This was not back at McCabe?

DC: No. McCabe was strictly really just Europe, at that time.

BC: And you mentioned that it was a small grain company, before it was split off and sold, was the head of that Charlie Kroft at that time?

DC: Charlie Kroft took it over. There was a gentleman before him. The name escapes me at this moment, but the Kroft family--. It was an American firm originally based in Minneapolis. Then they, the Kroft's and this other gentleman—oh, Carl Austin—bought from the American side.

BC: That's who the Kroft's brought from, was this Carl Austin?

DC: No, Carl Austin and the Krofts together.

BC: Together!

DC: Yes. Carl Austin retired about when--. I was '52, and I think he was gone by 1955, and then Charlie Kroft became the president and CEO.

BC: And I believe, was there a Mr. Neal that worked there too at that time?

DC: Scott Neal, he was our legal, basically.

BC: Because he was related to Austin.

DC: Yeah, but I'm not sure whether his wife was the connection to him or whether he was directly related. I was a kid then. I wasn't interested in that sort of thing.

BC: Oh, okay.

DC: Other than I had to fill Mr. Austin's water jug every morning. [Laughs]

BC: That's when you started out as a water boy or when you were doing the exports? [Laughs]

DC: You just [inaudible] [Laughs]

BC: And the export was mainly to Europe you said at that time?

DC: Correct. We had a domestic operation, too, you know. We traded there but I wasn't a big part. We had other chaps. You'd get involved with it at times. Just the same as a lot of the stuff we'd be doing though the terminal in Thunder Bay, you know. You all sat together on one half of a floor in an old Grain Exchange Building.

BC: In Winnipeg?

DC: In Winnipeg, yeah.

BC: And did you go down to Thunder Bay to the terminals?

DC: Not at McCabe's, but when I went to National, the head of what I was working on—the export—was a guy called Eddie Gould. But Eddie Gould was also responsible for the terminal. A gentleman who had run the terminal retired shortly after they had taken over McCabe's. At National, a guy called Bob Phillips. Because Eddie was involved in the export and the terminal, he was getting me involved more as a gopher for their terminals and that sort of thing. I'm going to get a glass of water.

[Audio pauses]

NP: So, I'll let you know when we're on.

BC: At this point in the interview, I want to be clear that there is a co-interviewer, Nancy Perozzo, who will be also asking Mr. Champion questions. Because of the depth of his experience and the number of places that he worked, we feel that takes two people to make sure that we get as much information as we can. So now, I'd like us to go back to why did you even start at McCabe? How did you, when you finished school, why did you go and work there?

DC: It was an ad in the paper, [laughs] and I went in the wrong building. It's funny, McCabe was in the Grain Exchange Building, but I walked into the Manitoba Pool Elevators building. Then I got hired. Funny enough, the office manager was a guy that lived behind us when we lived in Fort Garry. So probably had a little influence in saying, "I remember when he was a kid and didn't wreck my house." [Laughs] In those days, really, when you left school you didn't really go through a preparation. You just got a job. What was there. I went back to university in '68 and got my degree then, but then I already knew what I was going to do. [Laughs]

BC: So what did you get a degree in back in '68?

DC: I started in '68. The University of Winnipeg started a program what they called older adult so that they could come in without having to--.

BC: So you went back for a BA?

DC: I went for a BA, got my BA—majored in economics and geography, all related, for me and my sake, to agriculture.

BC: So you didn't grow up on a farm and decide to--.

DC: We spent our summers on the farm. My family always lived in Winnipeg. My mother had come from a farm in Dauphin, and they had friends and family out there in southwest Manitoba. So we'd go out every summer, and they'd teach the city folk the ways of farm life. They had a good time doing it to our embarrassment at times. [Laughs]

BC: So it was just not a particular interest, it was there was a job available, so you applied and you got it but it suited you because you obviously--.

DC: Once I got into the export department, this is what I wanted. They were teaching me accounting. In those days, there was a tremendous amount of paperwork because everything you bought in the country, through the country elevator system, by a system of what they called cash tickets. There were no banks in half these places, so each little elevator would've had these sort of tickets. Then you would take them out to the farmer, pay him for his grain, and you'd deliver it to the elevator. Those things would come through the various banks eventually. Every day you would get packages from the Winnipeg banks and that was one of my jobs, to balance those. I thought after about a year and a half of that this isn't for me. [Laughs] I didn't like it. You had to balance everything, right to the penny. Now it's a little looser. So if you had a transposition, it'd take hours. I suggested that maybe--. I started to go back to night school and took up drafting because I wasn't going to do this other thing. Then somebody heard there and said, "Maybe would you like to come into the export?" I said, "Yes."

BC: So what part of the export business did you like?

DC: Just the day-to-day, everything was different. Markets would change, going up and down. Different customers would come in. Everything in those days were done by old books, and you know it was all done by telegraph, and everything was done in code—not so much because it was a spy system but just to save words. One word would serve for the sentence and that type of thing. One of my early jobs the boss would say, "I want you to send this. You do it for me." I have to change it and send it over the telegraphs.

BC: What would be an example of a code?

DC: I'll give you a code book.

BC: Okay.

[Audio pauses]

NP: Let me know when you want to get started again, and I'll--.

BC: Put it on. Okay we are looking at a code book. They're called the *Telegraphic Cryptor*. That's how you pronounce it, right?

DC: [Laughs] Yes.

BC: Imagine a place that's from Mable Whitmayer Stationary 2 Broadway, New York City. This is an old book. Okay, so about buying. Customer. "Remote" means buy immediately. "Remotely", buy as soon as possible, "Remove", buy it the opening of the market. "Renege", buy at about blank. So he would tell you what he wanted, and you would have to make it a--?

DC: Then I'd have to translate it into code, and somebody at the other end would have a codebook. After a while, you know most of it because you weren't a huge vocabulary. I don't know if you have been hearing much about grains, but that's the codes for the various types of grains.

BC: Oh, my goodness, yes.

DC: And all that.

BC: Imagine calling a grain "abdomen".

DC: But it would stand for--.

BC: Right, yes, but still, that's an odd--.

DC: [Laughs] We had a lot of odd things. Some of them were a little cheeky, too. [Laughs]

BC: Yes. Abolish.

DC: Some guys would have fun with them.

NP: Did every company have a different code book?

DC: Those were the three basic ones, and you would know as soon as they came in which one they were using. We basically used this one, the DRP.

BC: This is a 1948 General Edition.

NP: And the one I'm holding has the initial date, anyway, of 1907. So even though you said it wasn't spy stuff, was there anything to try to keep a little bit under wraps from your competitors?

DC: Oh yeah. I mean, that's still today, too. But then you'd hear a guy on the trading floor in the Commodity Exchange, and we're all in little booths with glass there, but you could hear conversations, and somebody would say, "Well, what's the word for this?" And then you'd say, "Oh, they're talking about oats. What are they ordering?" [Laughs] And then you would take your message over to the telegraph operators who had their desks right on the trading floor. You'd give them your telegram, and they would send it for you.

They were kind of interesting, too, because it was all Morse code that they would do. They'd just tick it out there. But they all put little coffee tins. They used to roll their own cigarettes, and they would know the sound when their machine was getting a message in. It was different from everybody else. It was amazing to watch these guys. They'd be sitting chatting with one another. All of a sudden—and I couldn't tell which one was there—but they'd know right away, and they'd go down, start writing it out. Then they'd deliver the telegram, which is either a reply to yours or one you were going to reply to, or somebody would have to reply to. And that went right on until they got the telex. The telex just--. Within weeks, this was all done.

BC: And when did telex come in about? What year?

DC: That's a good question I don't--. I would have said it would've been in by the end of the '50s. It lasted quite long. Up until about 15 years ago, pretty well everybody still had a telex. Then telex started to get replaced by the fax. Then of course now it's all--.

BC: Now when you were doing exports back at McCabe right at the beginning—you said that you mainly worked with the European market, and there was a group of different businesses that worked together—how would you seal a deal? Would you have all these contracts or was it the old days where they were handshakes?

DC: No, the contracts that consisted then are still in existence today—different form because they're different terminology coming with a change in technology and more particularly the size of business that you do now. Huge boats, 50 or there's even the odd one that goes over 100,000 tonnes which involves a huge amount of money. Most of our business was 500-tonne lots, bulk, done in the Beaver boats, which were the steamship line owned by the Canadian Pacific Railway, and then there was the Manchester liners, which were owned by a company called the Manchester. Then all the other boats, the biggest boats were what they called Liberty ships which were all an outcome of the end of the war when they started to rebuild Western Europe after the war. They were all 10,000 tonnes. You would maybe have 10, 20 customers on there. It was all done by-- You would mail documents, money would come back. You knew your customers. That's why you had these offices two over there because you would send the documentation and the invoicing to them, and then they would deliver onto the continent if their business was there, or what was within the British Isles, they would do it there.

BC: So the relationship between these companies then was they were agents for each other? Canada was the producer.

DC: Yeah, a common name for them was merchants. You didn't do a lot of business directly with, say, bakeries or anything like that. You would do flour mills and a few of the English flour mills were big enough that they would do some of the business, but otherwise there would be merchants that would take their own positions, or just do it for a small fee. But they could do it either way. But you knew these people. You'd do your, what you called jurisprudence, the same as you do today. If you knew them, you trusted them. If you didn't, they gave you money upfront. Then you'd give them the bill later and the documents pertaining to the ship, that's all.

NP: In your experience, and it's a long experience in the export trade, did anyone over there ever let you down?

DC: Yes.

NP: Oh. Are you able to—I don't know if you want to name names but—just talk in general about how that happened and what was the output?

DC: Well, suddenly that somebody that had been good, and it was harder in those days to track down what people really were doing elsewhere. It's not like today where you seem to know everything about everybody. Well, what you would do is you wouldn't go directly to the customer and give him a bunch of paper that he could then go to the elevator in the port where the goods were and take them. You would go to a bank that dealt with that guy and you say, you know, "He had to give them the documents when he got the money." Then he would come back to you and say, "This guy ain't paying." So then you would go in there. It would happen but it wasn't, overall, it wasn't a huge problem, but it was something that it did occur.

Then of course it got a little more serious as we got into bigger and bigger vessels. That started with the Seaway, too, because there were a lot more ships starting to come around then. Little boats that we'd been using started to disappear. Then you were starting the Common Market became competitors. So then your business started to change to you're dealing with people that you weren't quite as comfortable with.

BC: And that expanded.

DC: And then you'd do it by letters of credit. That all changed. But you still did your--. You checked up who you could and what you could. There still would be the occasional default. Those defaults got bigger. Some of the people got out of the business. You know, all these little companies could survive quite well, but as they got bigger and bigger, and the costs got more a little there or less when you started to see the amalgamation.

NP: A couple of things that I want to back up to, when you said that once the Common Market became the competitor, as opposed to a customer, the countries, then you didn't feel as comfortable with the merchants that you might have been dealing with over there. Is that because they could have been working for both you and the competitor?

DC: Well, they would of course know the customers that were still buying say Canadian grain that weren't there, but they would be trying to sell them German wheat or German barley or whatever. So you certainly felt uncomfortable because the guy's using my price! He knows what he has to beat! You started to have to go direct. But you see the same thing was happening over there, you'd have all these little merchants, but these merchants started to disappear because the big flour millers got bigger. The big malting companies, they got bigger. So instead of dealing with a broker specialized in the malting brewing industry, suddenly you were dealing with people like Seagram's but their overseas divisions, the big scotch facilities and those people.

NP: The other thing that you said was some of the deals did go bad. Was then it a question of legal action against the--?

DC: Yes. There were three major what you would call organizations. There was GAFTA, G-A-F-T-A, Grain and Feed Trade Association, based in London. Then there was FOSFA, F-O-S-F-A, which was the Federation of Oil Seeds. You would go there, and you would arbitrate. Sometimes the buyer would be in disagreement with what he got saying, "Well, you didn't honour what we wanted to buy from you." And, "We did so." So then you'd have to go into--. You rarely took it to a civil court. You would go to court, if you will, of your peers. You would argue your case, and they argue their case, and then they would make a decision. If there was a default, then the association would put the name on to the trade and advise them that this customer done that. Or else they would also say that you have to do it. Then the other guy, who's arguing, would say, "Okay, I'll pay you back." We had cases like that, where we got money back eventually or the other way, too. We had to pay out if we were deemed that we didn't pay the correct documentation. There were a lot of rules.

BC: Well in our interviewing, I mean we have talked to people that were part of the Board of Grain Commissioners and the checks and balances that helped Canadian exporters actually deliver what they said they were going to, and that Canada appeared to have a fairly good reputation.

DC: No question. I mean, the way Canada was [inaudible] that all our quality of grain was running basically either through the board and the Grain Commission were certifying what the grain quality was and what the weight was, was acceptable to most customers. But there were always little exceptions because some of the buyers are extremely fussy about technical points, if you will, say for bread making. They'd want a certain type of wheat that had to do a certain thing that had nothing to do with what you were selling. It didn't exist. So then you would have to agree, "Okay, but I can't get this from the Board of Grain Commissioners or the Canadian Grain Commission now. Will you accept a laboratory report? And sometimes the argument would be there because there was various what they called surveyors, SGS, which is the Superintendents Company Control Union. They would take on the tests and sometimes you would have to wait for that tests before you would get paid to ensure that you--.

BC: So is this whole other body of--. I haven't heard of these other companies that provided this service.

DC: Oh sure, they're even in the Yellow Pages. Superintendents are down in Thunder Bay. They travel all over the world, because there's a lot--. For example, when Canada started to get into pulses, you know replacing wheat and everything else there, the Canadian Grain Commission didn't do that. That was all handled by these other guys, and Europeans used that system too. The Americans have their own system called the FGIS, which is the Federal Grain Inspection. But their weight is all done by their elevator weights and then they have to get a certificate from their own elevators saying you got support that you have your scales checked every so often and all this stuff, you know. They have to go through a little more different routine than we do. The elevators here, it just automatic the Grain Commission says we're closing you down for day to check your scales.

NP: So let me just restate what I'm hearing because I may not be hearing accurately about the independent certification outside of the Grain Commission. So you have a customer over in Europe who wants something really very specific, so beyond I want a shipment of number such and such spring wheat. You try to fill the order, put it into the ship. If it were a grain that the Grain Commission handles, it would get some kind of certificate, but it may not still be specifically what your customer wants. So the customer says, "Okay, you ship that, but I've told you what I want, and we'll pay you when we have our independent people over on the other side of the ocean do their scientific tests."

DC: No, you'd try to avoid that. I mean, if it was going to be--. You would have to have a real, real comfort zone of knowing who you were going to deal with on the other side. Before I would accept terms or I would think most of the other people of the grain are the same way, you want somebody on your side that they know do it because getting a certificate final by the customer, especially if the market collapsed and he'd paid a high price. [Laughs]

NP And you couldn't just do this by samples?

DC: It's all done by samples.

NP: It would be done by samples so you would not be--.

DC: The samples would be drawn, and they would get the sample from the Grain Commission. See, don't forget the Grain Commission has inspectors in every one of the big terminals, anything that you're sitting there. You would arrange for them to pull samples for you, seal them, and they would, for a [inaudible] fee, deliver them to whoever. I was going to do the testing.

NP: When would those samples be taken? As it's being loaded onto the ship or even before it's loaded?

DC: No, as it's being loaded.

NP: So, the ship is on its way.

DC: As soon as the first grain goes down, the grain efficiencer is drawing samples right off the belt.

NP: Now, just for some background information then can you give us a specific example that would—you said the customers could be pretty picky—so what would be an example of something that would require that kind of--?

DC: The Italians really get hung up--.

NP: Wait one second. I would go like this when the thing is off and running.

DC: The Italians, and I used them in the example because they're one of Canada's biggest customers. They buy an awful lot of durum, and they buy an awful lot of spring wheat. In the spring wheat area, they're extremely sensitive to what they call a PNW which is part of what the Canadian Grain Commission evaluate in their research laboratory, but it's not something that we guarantee when we're shipping grain. It's not part of each year's crop. They will insist on it. If there is a worry about a particular crop, then the Italians will say, "We want you to guarantee this." If we're satisfied, we can get the wheat that they want, we will get a private lab to do the tests for us. Then we make those documents and send them over. Occasionally the customer will say, "Well, I got that wheat off the boat, and I can't get those numbers you're getting." This is where you end up going into an arbitration to solve who is right. You probably have to go back to get the samples there and have another lab, independent of the customers and your own, to say who was right and who was wrong.

NP: How frequently would this happen?

DC: It happens in years like this crop that just finished in which we had an extremely late spring, a very wet summer, and a terrible harvest. There's a lot of difficulties with the quality of the wheat. The customers are a little nervous. They want a little protection because it's their livelihood, too. If a consumer in Italy gets a bag of bad flour, he's not going to blame us. He's going to blame the miller and the baker.

NP: Good, that's a good description of the issue.

DC: Yeah. When you see the pages of stuff, I mean, this is all what's involved with the guy at the other end. He's doing this, and of course a lot of the flour millers now are using what they call automated equipment, just makes, you don't have the labour cost there. So when you have a crop like we've had, they have to start making adjustments. Once you don't like it. They shut down. They got to time it, and if every shipment's going to be different, it gets even more annoying. So they'll either look for another source that can give them some work there or try to get you to make a more concentrated effort to buy them.

BC: Being an exporter, and you're talking about working with the world, did you have to learn a number of languages or is the grain business English?

DC: Fortunately, the grain business basically is English. [Laughs] Because my French is high school French only and is pretty weak. I learned a little bit of German, but everywhere you go it's conducted in English. Everybody makes it a lot easier for North Americans.

BC: Because at some point, didn't the Russians become big customers?

DC: Yeah.

BC: You started dealing with countries, so what would be the structure in the exporting at that level?

DC: In Canada, we weren't involved in that. That was all done by the Canadian Wheat Board and the same with China. China would come in for enormous quantities. The Wheat Board did that directly.

BC: Well maybe we should move from McCabe. You went into the export division, and then you said National and McCabe joined, and you worked there until 1974.

DC: That was six years, yes.

BC: Were there any changes that you noticed in those six years?

DC: Well, that was the time '74, the European Union had already been formed in the late '60s, and the British joined in '73, so our business changed a lot. National Grain was an American outfit, although in America they were called Peavey, and they're still known as Peavey.

BC: So can you just speak a bit to the big changes that happened at that time?

DC: The vessels sizes were getting bigger. There were huge businesses going on, as we talked about China and Russia, which affected all the grain market, and prices became a lot more volatile than they ever had been. Of course, with the volatility came the increased risk because if you had a customer that paid you, say, \$300 a tonne for wheat and then a month later when that wheat was being shipped and it was \$90 dollars a tonne, a lot of customers started to think, "How can I get out of this?" [Laughs] Or vice versa. There'd be anxiety on your part when you bought wheat, say, in the country that wasn't with the Wheat Board. It would be canola or some of these seeds, and the prices would change. You would start having a problem with your suppliers. Suddenly the pipeline would start to get a little slow delivering, you know. In the meantime, you got a guy at the other side wanting it because it

was cheap, and he's going to make a lot of money out of it. That was the big change from that point and, say, the end of the '60s right through to now. You get that all the time now.

NP: Bea was referring to it when she asked what is the mechanism by which those big players coming into the market created volatility.

BC: Why did they make the market more volatile?

DC: Well, to start with, both the Russians and the Chinese are extremely good at buying huge quantities of grain. Now, I'm talking about communist Russia, not the current Russia. And they would go, say, to the Argentinians and talk to them. They would talk to a couple of the huge grain merchants that would operate basically out of Geneva, and they'd go to the Canadian Wheat Board. And all of a sudden, a little guy like us would phone the Wheat Board and say, "I got this demand here," and "Sorry we're booked now for the next three months."

And then you'd turn around and you'd hear this coming out of Argentina, they've withdrawn. And the Americans suddenly—who are a lot more open—but they would deal with only one or two of the American companies who are doing this business weren't about to broadcast it because the trade being what it is, would immediately start buying against them. So you would have all of a sudden, "What happened?" And the next thing you knew what happened are the prices are doubled! And it would be the opposite effect. All of a sudden, the Chinese would quit buying. The Russians would quit buying. The guys that had done the business there were covered. Now there was nowhere to go at these levels, so prices would start to fall. So you would have the opposite effect.

NP: Is this, I remember Mr. Rowen--.

DC: Pat Rowen? Or not--. Frank!

NP: Yeah, Pat would be his son, I guess.

DC: Frank's still active?

NP: Talking about, or at least introducing something called the Great Grain Robbery--.

DC: That was a book.

NP: Yeah and--.

DC: And then there's another one called *The Amber Waves of Grain*.

NP: Are they, those books, dealing with that issue?

DC: Well, the Great Grain Robbery is when the Russians came in in the early '70s and just took everything! Everywhere! You see that was the time that they put the embargo on by the United States. America was a huge supplier, so the Russians, "We've got to feed the people, if nothing else. We're going to make sure the citizens got their fare." They just started to get anybody and everybody.

NP: Any reason why the term robbery was associated with it?

DC: [Laughs] Just the fact that maybe the Russians robbed us. They got the grain cheap. The rest of us had to pay double for it. It's a good read. I think the guy called Dan Morgan that wrote that book, and it's an interesting read, even for a layman. *The Great Grain Robbery* and *The Amber Waves of Grain*, I don't remember who wrote that, but I would imagine it exists in the library somewhere or you Google it, and you'd find it.

NP: Similar topic?

DC: Similar topic, yeah, just different.

BC: Moving along because there's many companies here, my little notes say that you were at Cargill, UGG until '74.

DC: Cargill was only, for me, just a transition. I didn't want to go with Cargill. Not that I had anything personal against the company, just that I was established in Winnipeg. Cargill had indicated when they took over National that they would be interested in moving me down to Minneapolis. The trouble was with that—that might be alright because Minneapolis I kind of liked. But maybe two years later, I'd be in Buenos Aires. And another year after that I'd be who knows where. I had a young family with two kids. It wasn't going to work for me, so I started to look around.

United Grain Growers were looking for somebody. They felt that they had to grow their exports side. They had been involved with XCAN, and XCAN was formed with three Prairie Pools and United Grain Growers. But philosophically, United Grain Growers,

even though they were technically a co-op, didn't have the same cooperative mentality as the Pools did. So they decided to go on their own, and they left XCAN. We formed what was the export division program for them.

NP: When McCabe's sold out to National--.

DC: Half National.

NP: And half UGG.

DC: UGG took over the elevators and the terminal in Thunder Bay, and National took over the export division, a small feed division, and that was it.

NP: What was happening in the industry at that time that McCabe's sold out? Do you know?

DC: I think basically the Kroft family--. Charlie Kroft was getting older, and about the only way he could get the money out--. The easiest way to get the money out--. He had two sons, Richard and Guy who weren't interested really in the grain trade. Oh, Charlie Kroft stayed in the industry. Interesting enough, he did work for Toepfer, which was a German firm based out of Hamburg. And he was around the trading floor most every day. You would have a conversation and he just liked the grain trade, that was his life.

NP: I've heard that he was quite the character. I'm sort of sad that we didn't start this project while he was still alive.

DC: [Laughs] Well, he would've been a wealth of information because he was one of the ones that formed the group that we had. You would say to yourself, "It's interesting. Here is a Jewish fellow, and there was a German on the other hand. What went on there?" That sort of a question that maybe you could've asked, but as one of his employees I wasn't going to ask. It just made you think about some things in the world.

We always figured the grain, both my wife and I have said, the grain trade is quite unique because once our kids got older and were on our own, she travelled a lot with me. And the families that we met and still know were just like our family. There wasn't a difference, different religions is all, but basically we were the same people. And they gave us a tremendous, different attitude. You didn't feel parochial anymore, and you didn't feel like, you know, things had to be this way or that way.

BC: Just a bigger world.

DC: Yeah.

BC: So you're at UGG, and then you went to--.

DC: Richardson's.

BC: Richardson's. I only wrote Richard down and I should've figured that was Richardson's, and you were there from 1978 till 1998, is that it?

DC: '98, yeah.

BC: Okay, so could you talk a bit about--. So you moved from UGG to Richardson's because you basically wanted to stay in Canada?

DC: Well, UGG were nervous in the, again, in the volatility of the market I guess the easiest way to say it. They got spooked, and you know they wanted to cut back, and all that. I was still young and ambitious, [laughs] and so Richardson's had approached me at the same time as UGG did.

BC: When you were at Cargill?

DC: When the National-Cargill deal took place. So I went over. The guy that hired me was the guy that I played tennis with, so I knew him quite well, and so I said, "Would you still be interested?" And he said, "Yes," because there was changes. They were in the export business, particularly Richardson's did their export business through an office in London, and those people were getting very old. So they felt that they had to bring in some new blood, and it sounded appealing to me, and I went over there.

BC: So you went to London?

DC: No, no, went to Richardson's there. Well, we took an office in London, but there was a group of people actually that I knew because the Richardson people had all retired or were going to retire. So we just sort of a transition took there. The reason you do that is because of the six- and seven-hour time difference you have between Winnipeg and London, or Geneva, or wherever you're dealing with.

NP: Who was it that hired you at Richardson's?

DC: A guy called Dodge Shoes. His wife is still alive, but Dodge died in 1986.

BC: So now you're at Richardson's. So could you talk about your career there because that spans many years and the challenges you faced there, the changes that you saw?

DC: The Richardson's family, when I got there, the head was George Richardson. He was ambitious, and the grain trade was the basis of how the family started. That was what they called a core business, and it was one that was going to, in his mind, be their business always. They may be into oil, and they may be into real estate and all that, but agriculture they felt was a basic need commodity and one that the family had historic ties to. So they just started to do things. I think what they had been doing with their own London office had been quite confined. When we got over there, we had broadened it out, went into more markets than they had been, got a little more into the Asian market, and with their encouragement.

BC: So when you say we, you were a part of an export team? Some went over to London to replace people and some of you stayed here?

DC: No. We took people that we knew already in London had been using anyways. They were cut adrift when National went to Cargill because McCabe to--. There was the old Swartz, and they had changed their name to now they've become Combined Shipping and Trading instead of Swartz. But these people--. So they were available, and they knew the market and they knew the buyers, and they knew me, but they also knew Richardson's because they competed with Richardson's in the local markets. So they had no discomfort in going along with the group.

BC: You sound like you were at an exciting time to be there where they were. As you say you were still an age where you were ambitious, and you were wanting to grow the business.

DC: They had more facilities than we had before, because when we were at McCabe, we only had the terminal in Thunder Bay and a few silos. National was a little bigger. They had a bigger terminal in Thunder Bay, and they had more elevators in the country. UGG was even bigger than that. They had an elevator, terminals, in Vancouver and Thunder Bay, plus a bigger--. Then Richardson's they were all over. They had one in the Saint Lawrence. They had one in Thunder Bay. They had one in Vancouver, plus a good-sized elevator system in the country. So it gave you more--. They were well-connected to other firms, you know, the family, with their family. It's a peculiar thing about a lot of the grain trade, the private houses are all family owned, not so much shareholders. It just broadened your whole horizon.

BC: What were some of the other family grain companies?

DC: Like ADM. Oh, what's the name of those guys--. I should know it like the back of my hand. ADM was a big one, you know. The Dreyfus family, they're all Dreyfuses. The Bunges, they're all Bunge or Bunge born. There was Peavey Heffelfinger that was all privately owned. Cargill of course was actually a guy called Cargill there, but I forget the names now of the major players in there. But that was typical of the grain trade.

BC: So now, in 2011, not many family grain companies left.

DC: No, they're still there.

BC: Those ones are still there?

DC: Oh sure. Look at the Patersons. It's the Paterson family. You know the famous one, hung his hat all the time in Thunder Bay, Senator Norman Paterson. And Parrish & Heimbecker, that's the Parrish and Heimbecker family. Basically, the Parrishes are here, and the Heimbeckers are in Ontario. And those guys just keep going little by little. The Patersons are now in Australia, you know, just the younger generation.

The Dreyfus family is still there. The Bunge family is still there. The Toepfer family is still there, although Toepfer has now basically now has become ADM, and ADM is tightly controlled by a smaller group of shareholders, although they're a publicly-traded company. Cargill of course have expanded because they got employee ownership now. It was a way to get some of the money to--. The family keeps growing. The Richardsons of course still tightly controlled by the Richardsons, but I understand they have the same problem because there's a few of them not interested in the grain trade anymore and would like to get a little money. So I don't know how they'll--. Maybe they'll do it like Cargill did—offer shares out to the employees or something. That way they can buy.

BC: So while you were at Richardson, as an exporter, who was your biggest customer during the years?

DC: Who was the biggest customer? We did a lot of business in the Philippines, and I wouldn't say any particular was about five of the millers that we would deal with. We did a lot of business into Korea. Korea would be dependent more on the kind of crop we had because there were two groups. There were flour millers who were very price-competitive, so that was a tough business to get into. Then there was the feed guys. When we had a bad crop, they would become interested in Canada because they were strictly price buyers, but feed buyers are easier to deal with.

Then in Europe, oh, it was mixed because the Europeans wouldn't trade with you normally unless they had a bad crop, and then you would deal with--. The English millers for some strange reason were able to get dispensation from Brussels to buy Canadian milling wheat, certain quality, that they had to be adhered to. So you would get in, but we found that kind of [inaudible], but we would do it if it suited our purposes. And then we'd just look for people, or we'd go deal into places like Algeria. We'd do that with a French firm though because they had a connection.

We'd deal with Morocco, again that was basically a Dutch guy. We did a lot of barley with a Dutch. They would go into the Saudia Arabian market, which is special techniques to handle. Richardson nor myself felt comfortable. I'd rather take a little less money, and I get somebody else involved that knew what they were doing. So we did a lot of that business, when our Canadian barley, we had a decent crop. The other thing that happened, too, Canadian barley changed a lot was we started to go into pigs in a big way in Canada. So instead of having a large surplus of barley, suddenly we didn't have much. So that business virtually disappeared. There still are shipments going out, but we don't bother anymore because it's too small.

NP: A couple of questions have come up from listening to you. First of all, was the export division of Richardson's part of Pioneer or is it separate?

DC: No, it was part of the family. Now, when I left, George had retired himself and Hartley had taken over and part of it. They hired a new guy from Cargill, Kurt Vossen. Kurt was the same age as Hartley. Basically, he got rid of all the senior people out of Pioneer and slowly worked through the other divisions there and replaced them with Cargill people that he had worked with and knew. It wasn't a retirement on mine. But he had no dislike or like for me, but he did [inaudible] me. But he knew his own guy, so-- . [Laughs]

NP: The other thing that you said, if you could add to it, was that you preferred to deal through Holland with--.

DC: With the Saudis.

NP: With the Saudis. What was the special situations there that you felt more comfortable having the--?

DC: Saudis were always, all their business was run by families, the Sheiks. And the Sheiks basically wanted to keep the Bedouins happy. They were in the desert. "Leave them there. Let them feed their sheep," and all that. But we got to give them barley, and they'd subsidize the barley. They tried to grow it themselves, but it cost them a fortune trying to water it in the desert, you know. So you had to go in there and buy contacts.

Well, the Richardson family aren't going to pay off people. I mean, that was just a no-no. That was understood right from day one that if you have to buy your way into a business, we don't want that business. These people over in Holland, they have a European attitude, you know. If that's the way business has got to be done, okay. And the company wasn't uncomfortable doing it that way because--.

BC: They're intermediaries.

DC: Yeah, and the people were dealing with honourable.

NP: Was that the decision made by all Canadian companies or did different companies have different philosophies regarding it?

DC: Well, it is Canadian law to start with, but you know, but there's a question. A lot of Canadian companies have foreign offices. So to say they did or didn't do it, you know, I could refer to a couple that I know were doing a lot of the business we couldn't do. But they weren't doing it--. They were shipping Canadian but selling it to another division.

NP: I have one more question and that is can you take us through how a company decides to go into a market and what's involved in getting the business?

DC: Maybe the simple way is the jungle telegraph. You'd get wires from people soliciting you. The Wheat Board, they get a lot of stuff just because they are the Wheat Board. It's known worldwide that if you buy Canadian Wheat, it's got to originate with the Wheat Board. But the Wheat Board don't want to deal with a lot of these people. That's not their business. The big government kind of deals, that's one thing. So they have this list, what they call the accredited exporters, which we are one. They send these people to us and to others, too.

And I would say maybe one in a hundred maybe turn out to be--. We've had a couple that have turned out to be really good. We've had other people that have come to us and do our jurisprudence on them and see they're legit and there. But a lot of that business isn't permanent business, because it just depends on what's going on that time of the year. Wheat, for example, which is our biggest crop and export, the price is still controlled by the Board, so at times you could do business, but the Board aren't interested. So you'd have to tell your buyer, but now with an American firm I just send them and say to them, "Well, I'd like to help you, but I can't do it there, but talk to my Omaha people. I'll give you a name." Sometimes they do it that way.

Then of course you got an enormous amount of business that has developed because the feed peas and edible peas, lentils, become enormous, and that's wide open. The only trouble with that kind of market is a lot of it goes into specialized kind of buyers—a lot of people from India and, not so much China, but the Middle East and all that. That's really difficult at times to get a read on who you're dealing with. They're all sincere out there. And then you said, "Give me a bank name," and all that. And then you check, and you never heard of bank. And off you go to our banks here---. But on occasion the big Canadian banks that are very diversified overseas say, "We know those guys. We can help you out there." They know us so they can do it. We have a system in Canada, export development, where you can get insurance. The only trouble is the margins you kind of work for, by the time you paid for the insurance, there's no point in doing the business because--.

But then of course canola has become huge. But the trouble with canola now, when it first started out and it basically started--. Actually, McCabe were just at the beginning of it, but a company called Northern Sales, which doesn't exist anymore, spotted it and said, "This is going to be something." And then they were 100 percent right. They got in. But you used to be able to trade that very easily. But now it's controlled by the big crushers, basically Cargill, Richardson's, Bunge, and ADM to a little lesser extent. They controlled the supply, so a firm like us that doesn't have elevators have a tough time going into that.

BC: That's what the company that you're with now--.

DC: Gavilon.

BC: Gavilon.

DC: Now, we own--. See what happened was ConAgra Foods bought Peavey. The reason they bought Peavey, there was a situation developed that a lot of the huge American—Kraft, Kellogg's, other people that needed the raw product, the wheat, the barley, the ingredients—they got nervous, particularly one of these times when they Chinese would come in there, and what are we going to do? Our cost just doubled. What if we can't get it?

So they start to get into the grain business, that side. They hadn't really been into it, and ConAgra bought Peavey because Peavey had a whole chain of elevators, plus they had the National Grain up here for awhile. ADM did the same thing. They started to buy into grain elevators. Kraft were making sort of, not necessarily buying into it but making comfortable grain. Anheuser Busch, huge barley-volume people, were going right out to the farms and contracting, paying premiums for those guys just to grow for them. But again, the volatility of the market started to drive--. ConAgra used to just go nuts, and you'd have these what you call treasury types that control the money.

We'd come in and we'd have five boats all come in at once. You don't control all the boats. The boats do what they want to do. It'd be over a weekend, so they'd have to have \$50 million available and, "Oh, do you know when that's going to cost?" because they all try to keep their lines of credit as low as possible. It's cheaper for them.

So then you get upset, "Well, we're not paying for that. You're going to wait until Monday." So at least you can get your--
[Laughs] You can't run a business. But they knew that, and so they had an opportunity. In 2008, when the price of durum went over \$1000 a tonne--and this Gavilon outfit, based in New York, they're one of these kind of like a hedge funder and all that sort of thing there. We got a lot of money, but we're not into commodities. So I went to ConAgra, because ConAgra apparently had been shopping us quietly, just to see there. These guys would like to say, "Hey we'd like to take a look at that." And they liked the idea that they're physically in the grain. They're just not rolling dice and playing—buying a million tonnes of wheat and hope that a week later they'll have enough profit they'll sell it. You guys are really in the business. So that's what happened. Have you ever heard of a guy called George Soros?

BC: No.

DC: Huge financier and he's part--.

NP: American?

DC: He's part of, not Gavilon. We operate as a--. The company really put us into the portfolio as a company called Osprey, and George Soros has some of his money in there. He was interested also in the commodity side because it's a way to extend his billions, I guess. [Laughs] I don't know. But anyways, that's what went there. We were lucky in a way because this Osprey, a lot of these firms went up when [inaudible] went because of his pyramid scheme. Fortunately, we weren't in that kind of business, but it still turned everybody there, but it didn't affect us. They lost--. One of the firms they had to wind down, but they paid everybody out, and everybody else was fine. [inaudible] We're happy with it, expanding. We're growing because we have the Peavey elevators we bought about--. I think they said now we're the fifth largest in the States in terms of storage space and all that.

They have ambitions. They like to--. ConAgra was in Canada. They built four elevators as part of their plan to make sure that they could--. They were one of the biggest customers of the Wheat Board [inaudible] because they're huge flour millers, bakeries, and all that stuff. But when they started to get out, Richardson's bought the four of the ConAgra elevators, and of course these guys had wished they never had. I had to laugh, and this is just between us, you should turn the machine off. [Machine shut off.]

[Audio pauses]

BC: [Laughs] Gavilon.

DC: Yeah.

BC: Okay, Gavilon.

DC: Gavilon would like to become a bigger player in the world grain market and interested in growing with the right circumstances there because they feel like a lot of people do. Food is a basic of life and keep growing and it's got to be fed. Somehow, it's got to get from A to B, and we can do that.

BC: And you're in the Canadian division, and your card says Commodity Trader, so that's--.

DC: Nah, well, I'm really more of a consultant than--. I don't do any trading. Trading is all controlled by Omaha, which is a sensible thing. You know, you start having traders going around, as many as the banks, and you get what you call a rogue trader and next thing you know you're bankrupt.

BC: You said that when you retired from Richardson that you actually went over to Gavilon very shortly thereafter.

DC: No, ConAgra.

BC: ConAgra, oh my goodness, right. Then you went over.

DC: In 2000. Well, it was just a change. Everybody I worked with in ConAgra, I still worked with there because there was nobody let go or anything. In fact, there's still--. In Omaha, ConAgra have what they call a campus. It sits right on the Missouri River, just across from Council Bluffs in Iowa. Our office is still in the same offices in ConAgra campus. There was no hard feelings or anything else. It just was ConAgra wanted out, and we were happy to go out because we were restricted because of the--. And now we're working with people that understand agriculture.

NP: ConAgra, is it one of the big companies was South African--?

DC: Fifth largest in the world.

NP: No.

DC: They had--.

NP: Con something--.

DC: ConAgra has dealings with South Africa, yes.

NP: Who was it that bought out Canada Malting?

DC: They bought Canada Malting, but Canada Malting since has gone elsewhere. They sold it after buying it.

NP: Same firm then?

DC: Yeah, it wasn't their core business. Their core business was selling food to you and I—Hunts, Orville Redenbacher. They pretty well own all the margarine business.

NP: Fascinating.

BC: Well, looking at the sheet, [laughs] we've been around the world here. There's just so much more to ask you. Spanning your whole career, what would be the highlight of your career for you?

DC: I think just meeting people all over the world.

BC: We haven't really touched on how many places you've travelled.

DC: Well, you know, Anne and I, we go, and we visit these guys still. They're retired and we talk a bit. We're friends. I got them all on my--. Well that's the other thing, too, you're dealing with people. I'm probably one of the--. Most guys, when they get out of the business or change companies, they lose track. I still know the guys that I started with, if they're still around. I still keep their--. And I found it's very useful because sometimes—and maybe that's why ConAgra looked at me, and Gavilon looked at me [laughs]—that if I want to know something or they want to know something, I still know. There's about maybe the third generation now, but I still know these young guys. They still talk to me, don't treat me like I'm old and dottery yet. Of course, they don't see me. [Laughs]

NP: I want to get back to what Bea's saying.

DC: See the computer over there?

BC: Yes.

DC: That's Gavilon. I'm right into Omaha.

NP: You had mentioned the commodities trading floor when you first started, and there've been major changes in that. What has all of the changes—and first we had the Winnipeg Commodity Exchange or something before that, I guess, and that's changed—so how's that impacted on exports, if at all?

DC: Well, it's changed in the method the way it does, but it still does the same thing that it's always done—establishes prices.

NP: Has there been any impact on Canadian companies when the Commodity Exchange shut down here?

DC: I would say only in the sense that with no trading floor now where your physical presence was required, it's not there because it's all electronic, people have moved their offices all-over because you can trade from anywhere. I mean I'm sitting here at home, and I can trade.

NP: Over time is that going to make a difference given what you just said about the importance of knowing people?

DC: No, you still have the people because people are sources of information, or if you have a problem, can assist you in a problem. It's a give and take type thing, too, because if you keep somebody informed, he'll come back and give you information back, which is not always available despite the technology. There's still a lot going on there, and then we were talking about these organizations like GAFTA and FOSFA, and now you got these groups there. I know I've had experience in arbitrations in there, and I've got their contracts. Somebody who's coming in there and doesn't know, they might come to me and say, "What can you tell me? Where can I go?"

NP: And you don't need to have physical presence? You can be a computer presence?

DC: No, on the phone, sure. In fact, it's actually easier to keep in touch with a lot of people than it is when you were used to phones. When you were phoning overseas, and you'd get hung up or the thing would disappear on you. And the same with the telex, boy it was slow. The line was busy, and you'd have to wait. Faxes were the same thing there. It has improved communication a hundred fold.

NP: Bea had started asking you about your travels, where did you travel to?

DC: Actually, the only places I haven't been to is the Middle East and Africa. Most of Asia, Australia, New Zealand, East and West Europe, even East Europe when it was not so nice to visit. [Laughs] But--.

BC: So as you mentioned when you got into the business having a wife and two little kids and as the children got older, travelled a lot. So you probably did have to travel a fair amount even when your kids were little if you were in the export?

DC: Yes. It was great. In fact, there were a bunch of us as traders and there would be almost fights as to who was going to get the next trip. [Laughs] But after, I would say 10 or 15 years, it wears a little. It wasn't exciting, and I was just as happy to have a new, young guy go over because the contacts were already made even going out to see these people, I give them a little heads up what he would have to deal with. But still, kept in contact.

BC: Were there any markets that you felt were new that you opened, helped go into?

DC: I'd have to ask the Wheat Board that question because it seemed to me there was a couple that we broke into because they haven't done business, but I can't particularly--. Tunisia was a country, which only wants to buy durum, cheap durum, low quality durum. I remember the Board had a crop like this several years ago. Our Italian office at that time was interested, so we started to work on it. Tunisia is Third World, so you've got to be a little bit careful. They make you dot your "i's" and cross your "t's" if the markets gone against them. They like to buy six months ahead just because to have the type of internal--. They're not like a Western society. But anyways, our guys in Italy did a good job that way, and the Board were happy because it was a bad year and they got rid of a lot of stuff. The Tunisians didn't mind the quality, so it was a place. Since then, we've developed a lot of other competition, too, because once the trade see a whole bunch of boats going over there, they say, "Wow, why don't we do that, too?" Even some of the guys you were friends with doing the other thing. [Laughs]

BC: I think there's one last area that we'd like to--. This question clusters around the connection with other segments of the grain industry like the producers. You just mentioned the carriers, the boats going across, handlers, Grain Commission. Oh, I gave you too many, maybe just start on those couple.

DC: I mean, I got to know the guys in Thunder Bay really well because it paid off for you. The Thunder Bay guys with their hardhats and then you guys living in the lap of luxury with your expense accounts in Winnipeg. But you get to know them there, the terminal guy, and you have a problem or you say, “Look, I’ve got a buyer.” This would be non-Board products basically, although you could work with the Board on occasion if the business suited them and it didn’t complicate things for you. You could even there, and you’d say, “Look--.”

So we’d go down, and we made good friends with a guy called Don Munroe who ran the National-Cargill terminal there and then same with Richardson, Jim Simpson, you got to know him really well. He was a good friend of Don Munroe’s, so it made the relationship even though it switched. You could phone him up and say, “Hey, Don, am I going to have a problem with this?” You’d discuss it. We even got to the stage where instead of going into a motel in Thunder Bay, they’d have us at their home over on Broadway. So, you know, you build that kind of relationship.

I made sure that I knew the Grain Commission guys. If I had a problem—and they keep changing, too, because they’d retire and move on and all that—because then they know you, and you’re not some guy yelling down there. I’ll do things for the Grain Commission, like I’ll see we get internal reports that come in from all over. I’m not talking about trading or money matters, but stuff saying the European Union is going to do this on genetic modification there. Well, the Board of the Grain Commission is interested in that stuff. I make sure they see it. One, it gets the name. It’s coming, and I know they’re not getting it from anybody else. So when I phone up Randy Dennis, the chief inspector for Canada, he knows who I am, and I can say, “Look, I’ve got some paper here that I need to get. Can you guys produce it for me?” And if I can’t--. And most of them will try. They’re Canadian. They want to do the business if it’s possible. But they don’t like you coming in after the fact and saying, “Well you should’ve done this for me!” [Laughs] But if you don’t know who you’re talking to, that’s what happens. And you spread it around.

Like Omaha, one of the senior people are coming up in May. They want to meet the Board, and they’re going to do it there. And I can help them out there because I know those guys. You’re dealing with people that have their own problems, so you don’t march in there like a typical Yank and say, “This is the way you’re going to do it.” [Laughs]

BC: So you’re still enjoying the business?

DC: Oh yeah, because everything’s a new day. I got a problem with--. We’re trying to load a boat, and now the Board have had a miserable time getting the quality of grain they need. They made the sales before the crop was all done, and then of course they have trouble with the farmers because the farmers want to keep the good grains and get rid of their bad stuff out of their bin. So you got boats waiting. You got customers and the others are starting to get anxious. Some days aren’t all good.

NP: Did you deal with the shipping, then, as well?

DC: I used to do a lot of shipping because we'd book all the--. When I was with Richardson's and United Grain Growers, we would book the freight. Now it's done in Gavilon by our other--. Omaha basically control it.

NP: And you must, from the shipping perspective, you had talked about the difference that occurred early on in your career with the different size of ships, and there must have been really quite a shift, too, in shipping related to which markets you had to ship out of Thunder Bay versus the West Coast.

DC: That's a market like any other market. You get to know them, and basically you deal with brokers because ship owners are all over the world. There's a couple of big ones, Canadian owned, that you can talk to directly. Federal Commerce, they come into Thunder Bay all the time. In fact, they have more saltwater vessels than any other--. And they're Canadian owned. So they're really beneficial for Thunder Bay, when the market's right. Ship owners are like any other outfit. If the money is better taking coal from Australia to China, then bye-bye Canada. [Laughs]

NP: Did you have to deal with the railways at all?

DC: Not much. That was always the country and only get involved--. And I got to know the railway guys, too, just because sometimes you would ask them what their program was, "Are we going to have problems?" because it would give you kind of a heads up on of what maybe the Wheat Board might be doing. But it wasn't the same as the vessel guys. They were more important.

NP: Did Richardson's have a railway division that dealt with--?

DC: Anybody that has elevators and facilities have transport. They call it logistics.

BC: Well, I guess we're at the point of asking you if there's any other questions that we should've asked you that we didn't? Or that's something that we didn't even know the question to ask?

DC: There probably is, but I don't who your audience is going to be for this in the end. So it's somebody student in Lakehead University going to write a thesis on the grain business--.

BC: Could be, who knows.

DC: You probably answered all the questions he couldn't think of and there's probably more in there than he needs.

BC: Well, we're hoping that'll be a broader audience than that. That the history of the grain trade is very important Canadian history, and every aspect that we can highlight is really important in terms of educating the public and part of our history.

DC: Well, I think so, but I got a bias. Of course you being from Thunder Bay, it was always a big deal down there. It's a shame to go down to Thunder Bay and see all those derelicts standing there. I don't know why they don't just blow them down, make the harbour front look a little better.

BC: What do you think the defining moment that Thunder Bay, it shifted out of there? What was the major factor?

DC: Well, you know, the funny thing is a lot of the business we do I mentioned was Italy. Well Italy, for whatever reason, is different from any country else in Western Europe—right from the government down to the way they do business. It's the only country where you still got mom-and-pop's shopping there. It's just the way it is, not the huge conglomerates. I mean they have the huge conglomerates there. And their ports are the same! They got a dinky little port and everything else, perfect for Thunder Bay—the type of vessels are because the water is 26 feet through the Seaway. That's what the draft is at their ports. So that's going to be around. But there's other places that are coming in there, and as they get more money and all that, they won't spend the money on huge infrastructure at the ports first. That'll come later. So there's still--.

And right now, the Wheat Board, because the lake fleet has gotten so small and so old, there's actually more saltwater tonnage, but in order to actually attract the saltwater tonnage to come in because basically they have to come in what we call ballasted, no cargo. Sometimes when the auto industry is hot, you'll get a lot of European scrap metal coming into the car guys and all that, but very other little other traffic comes in. So you've got to put a spread on between St. Lawrence, which a bulk of Canadian grain gets shipped from, to encourage it to come to Thunder Bay. We've got three going to be coming in April. I just got a nomination of a boat today. It'll be a Thunder Bay boat because the Board have made it attractive. It's helping them because they can't get the lake freight.

NP: What do you mean by you get a nomination for a boat?

DC: Well, you book a boat, but they don't tell you what it is because these boats are [inaudible]. Some little guy in a back room he'd got it on his charter screen, I guess. He knows where it's going there, and he's got a contract with me that he's got to appear

within the first 15 days of April. So then that's what he did today. We know he had a boat. We didn't know which one, and he's told us which one now.

NP: Since we're talking about Thunder Bay and since you've travelled so widely, one of the things that our group is particularly interested in is the terminal elevators. When you travelled, did you ever see any of the Canadian engineered terminal elevators around the world?

DC: No.

NP: No? Didn't come into contact with them?

DC: No, but they had their own association, GEAPS, which basically is North American, but they would get involved because I know when I was with Richardson's—they owned the elevator in Sorel, Quebec—and they put in a belt system that was supported instead of everywhere else in North America. They run over rollers, things like that, keeps the belt--. Our guy—he was an American guy from Iowa that came up—he was an engineer and ran the elevator division for there. There was something wrong with our belt. They had to put a new system in anyways.

He went to Europe, and he saw elevators that the belts are actually running on compressed air. The wear and tear was a lot less there. So he put it in ours. I guess, their groups there's not that many elevators around the world in total numbers, not like people, so they'd probably have their own community I would think.

BC: Do you have any pictures or memorabilia that you think that we should make copies of or should end up with some day in the future?

DC: Slides I took of the boats and all that, but I'm sure you have as many down in T-Bay. The Richardson family on their 150th anniversary put out a wonderful book, which I'm sure you've seen, and they have a lot of Thunder Bay because they were one of the first in there.

NP: One of the things that we would like--. This project called Voices of the Grain Trade as the letter indicated is funded generously from the Paterson Foundation. The two groups working on it of the Lakehead Social History Institute through Lakehead University and a group called Friends of Grain Elevators, which is a group of people interested in trying to preserve a terminal elevator as a national historic site so that when they blow them all up, as you were suggesting, they're actually moving in that direction.

DC: Well, it won't be all of them. They need some of them. [laughs]

NP: That at some point we want to preserve one as a national monument.

DC: There were two on the Kam. Paterson had one and then I think it was Fort William Elevator Company.

NP: Actually, there were probably ten on the Kam at one point, yeah.

DC: Well, where is the Mission? Is it on the Kam or is it on the Mission River?

NP: It's on a territory that goes--. There's two islands at the mouth of the Kam River and so there's, even though it's probably the Kam River but they call them different names once they start going around the islands, which the islands are probably just sandbars. So the Mission Terminal was Searle Elevator so right next door to National.

DC: You're right.

NP: Yes and then they're sort of off in their own little space, but there were two elevators right up what was called the turning basin and then there was Paterson Elevator. Then there were three elevators, then there was Elevator D, then there was three elevators at CPR put up—A, B, actually perhaps four—and then the Empire Elevator right down at the mouth of the Kam. So that was there, and a little Gillespie Elevator on one of the islands. So at one point they were all there and now there's only two little elevators sort of across the elevator from the Mission Terminal, which used to be Searle, what used to be National is now Cargill, and Ogilvie's I missed. Ogilvie's was there as well and is still standing.

DC: That's still standing?

NP: It's still standing, yes. So we're trying to persuade the federal government to take us on as a national historic site at an elevator.

DC: Oh yeah!

NP: So just keep that in the back of your mind because I think what we're going to need to do is get as many people involved in the grain industry saying to the federal government, "This is an important part of our nation's history." So if you think of anything that you think might be worthwhile to feature in such a centre related to the export trade?

DC: There's so little actually written. There's a guy called Levine, L-E-V-I-N-E. He, for a while, he's gone onto other things now but he his first name started with an A but--.

NP: I think it's Allan.

DC: Allan, eh? He wrote on the grain trade for a while at the beginning. I think he may have been in university when he started to do that. He may have something. But, like you said, there's very little--. I mean we're all as kids and everything else with characters we were all going to write books. [Laughs] But I was just thinking the National Elevator, Cargill now, my son worked down there for two years. Got a lot of money, paid for his university. But he decorated the bin floor—the bin floor is the top of the bins just big—this graffiti, if you will. When Cargill got it, it probably wasn't their thing. National just left them. I often wonder. But Cargill when they got there, they keep people off the grounds. National was always--. But there, even Don Munroe, when he went over, knew me, but it was very difficult. He didn't like me coming over because I was wrong company. So I never got the chance to go up and see whether the bin floor had my sons murals still on them or not. [Laughs]

BC: Oh, neat.

NP: That is interesting. We did take a tour of Cargill when Jerry Franklin was there, but I don't know that we went to the bin floor. I certainly wasn't looking for the murals. Otherwise, I would've asked.

BC: I didn't go to Cargill.

DC: Well, if you would've been on the bin floor, you would've noticed them. They were that distinct.

BC: Well, when she gets in again, she'll look.

DC: [Laughs] But then she has to get to the bin floor.

BC: Nancy can get anywhere.

DC: Yeah, she is not competition at all. I don't know of course Cargill changes their--. Chabot, I can't remember his first name, French-Canadian, he was Don Munroe's senior guy, Chabot, but I don't know since then who's running anything.

NP: And that leads us, I think, so one of the last questions which is, are there any people that you think we should interview?

DC: Are you talking to Bill Parrish?

NP: Yes, fantastic interview.

DC: Oh, he's a great guy! I still see him there. Him and I go to the theatre on the same day. Then it's funny how you meet him. He's got a place at the Lake of the Woods. My daughter has a home there. We were down just in August, I guess, because the granddaughter is on a hockey team and they're trying to raise money. So the Liquor Commission in Keewatin allowed them to collect there, in front of their store. In comes Bill, [laughs] and I said, "I want \$20 from you for my granddaughter." And of course he did. And a week later I was down in the Grain Exchange and everybody telling me the story because Bill was telling them how Champion foisted his granddaughter on him. But he's a nice guy.

NP: If you think back now to the different companies that you've been with, you mentioned Dusty Tuthbridge, that's a person. Anyone with Richardson's that has retired and you think might be interested?

DC: The guy that ran, would've been a great interview, was a guy called Jim Dehod, but he passed away unfortunately, so he's gone. He was Jim Simpson's boss, and Jim Simpson was the manager of the terminal down there.

NP: Do you know if Jim Simpson is still alive?

DC: Who?

NP: Jim Simpson, is he still alive?

DC: I have a feeling he isn't.

NP: Dehod. Did we interview Mr. Dehod? I think that we may have before. Did he just recently die?

DC: Yeah, my feeling is that it's within the last couple of years.

BC: I think we interviewed him.

NP: I think we managed to interview him.

DC: Nice guy.

NP: Yeah, well, you know we have met so many wonderful people.

DC: But did you get a hold of Murdoch?

NP: Yes.

DC: Okay, well his dad ran the UGG Elevator for years. The two of them were as different as oil and water. Murdoch is still fine. He's at the Grain Commission, as a commissioner.

NP: How would you say oil and water?

DC: Well, Murdoch was kind of loosey-goosy, and Stan was a nice guy but very serious and I think Murdoch drove him nuts.

NP: You would've worked or had some contact with the Mallon's then as well? They were Manitoba Pool.

DC: Not so much. I was involved with Lake Shippers, now Canada Ports. In fact, I was president for a year, and Murdoch was the reason I became president because we wanted to get rid of a guy. He said, "Well you've got to do it." [laughs] "Why do I got to be the bad guy?" All this stuff.

NP: What does the president of Lake Shippers do?

DC: Yeah, the guy Eddie Gould I talked about that was there, he was president of Lake Shippers. The trade, all the companies belonged to the Lake Shippers—supposed to have a representative. It became Canadian Ports when they amalgamated with the Vancouver guys. But you've probably talked to all the Thunder Bay guys.

NP: Some of them, Gene Onchulenko, I don't know. He wasn't the head.

DC: I knew Gene, yeah, who was his boss? There was two guys. I can't remember their names now, though. One guy was--. Theoretically, we were the bosses of Thunder Bay, but this guy, there was no way we were the boss of Thunder Bay, not with him! Then he was replaced by a guy we had a little more control with. At least, he'd tell us something. But he's still around. He would

know who the--. Gene would know who that was. But they were always into Winnipeg, and we'd have an annual meeting in Thunder Bay in the summer. But they would come up two or three times to Winnipeg. But they got to know a lot of the grain trade.

NP: Well, when it comes to, right now, most of our interviews have been Thunder Bay and Winnipeg, but if we would truly want this to be a national project, we really do have to move a bit farther afield. We may come back to you again for some contact people out on the West Coast so that Bea's not lonely when she goes there in the wintertime. [Laughs]

DC: There's a guy named Coldicott.

NP: C-O-L-D-I-C-O-T-T?

DC: Yes, I can't remember his first name, but Coldicott. Murdoch for sure would know him because Murdoch was out--. He was sent from here, Lake Shippers, to start the Vancouver one.

NP: Okay, good.

DC: Yeah, so he's got experience. I think he's retired now, but as far as I know he's still around.

NP: When you were with Richardson's and you were doing the export there, were you the sole office or did you also have an employee on the West Coast?

DC: We had employees. I was responsible. We had an office in Vancouver, we had an office in Guelph, and we had an office in Montreal. I was responsible for those offices.

NP: Okay.

BC: Well, I think there's probably a whole lot more questions we could ask you, but we certainly appreciate everything you've shared with us. I've certainly learned that I know less.

DC: You know, after if you've done Bill Parrish and you've done Dusty, and any else like that, you're going to have a book like this.

NP: We interviewed George Richardson. Would you suggest interviewing Hartley as well with their years of being active overlap so much--?

DC: I would say George had really a lot more interest in the grain trade than Hartley did. Not that he doesn't have it, but he's really big into oil and gas, and he's into a lot there. You'd be better off with Kurt Vossen.

NP: We usually wait until people retire before we interview them because we feel they got a bit broader perspective over their career and also might be able to speak more freely, although none of them have ever spoken indiscreetly. They didn't get to their positions without being discreet people. So I add my thanks to Bea's. This has been another fascinating interview. I'm going off.

BC: Okay.

End of interview.