

## Researchers claim Canola protein can be harvested

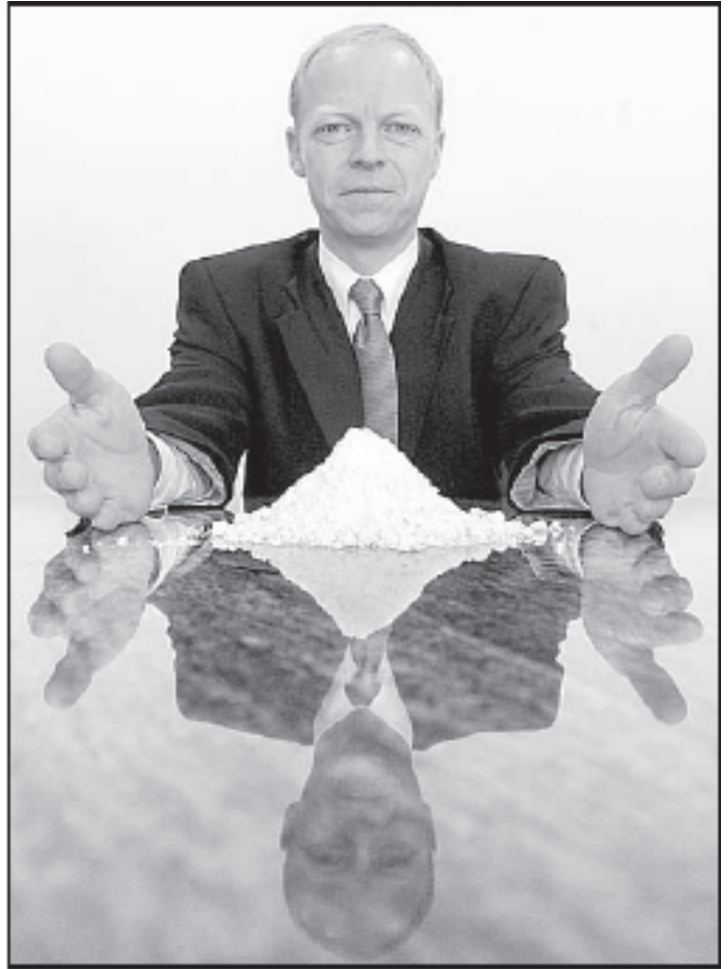
**Burcon Nutrascience hopes seed can catch piece of the pie**

By **MATTHEW DeBOCK**

**FOOD** | Health conscious consumers and fears of contaminated meat have turned plant protein into a multi-billion dollar industry. While soy is the dominant player, Vancouver's Burcon NutraScience is hoping another protein-rich seed crop will soon capture a slice of the pie. "Mother nature has been just as kind to canola meal as she has been to canola oil," Burcon president Johann Tergesen said. Despite its richness in protein, canola meal has never been exploited for human consumption, while whey, milk and soy proteins have turned into valuable commodities. Tergesen said the problem has been that the methods traditionally used to extract protein from soy don't work with canola. They leave a "wretched product, which is green, brown and black and foul

tasting," he said. Burcon claims it now has found the secret to harvesting usable canola protein. "We put canola meal into salt water and solubilize some of the protein," Tergesen said of Burcon's patented process. "The rest of the process is just filtering technologies aimed at separating that protein back out and drying it." Tergesen said most people don't realize the true value of protein products. "Almost everyone, when they first hear this, thinks nutrition," he said. "In fact, the commercial value relates more to functional attributes." He said that a cookie recipe may call for an egg, not for nutrition, but because the protein binds other ingredients together. "That is, in essence, what protein ingredients are all about. Even the head on your beer, it's the protein that enables the foaming," he said. "The surface tension on the bubbles is from the protein that's in it. Of course, there is nutritional products as well." Tergesen said

**See Below**



Glenn Baglo/Vancouver Sun

**Johann Tergesen, president of Burcon, with some protein powder that is derived from canola.**

## *Burcon won't see revenue until 2005*

**Continued from Above**

Burcon is able to extract two distinct proteins, which it has dubbed Puratein and Supertein. Burcon's research has shown Puratein to be very good for uses such as foaming, whipping and emulsifying, which could allow it to be used in food products from processed meat to mayonnaise, and industrial products from shampoo to pet food. Supertein is readily soluble and could be used in protein drinks and other nutritional products. "We could put it into 7 Up, and you'll get a clear product, and it won't

sediment into the bottom and wouldn't make it thick," Tergesen said. Burcon, which trades on the TSX Venture Exchange, is still at the research and development phase, and will not likely see any revenue until 2005. According to its annual report, released Monday, the firm spent nearly \$4 million last year trying to get their products ready for market. Tergesen said the firm has spent about \$9 million since acquiring the initial technology from Winnipeg-based BMW Canola in Oct. 1999. Raymond James analyst Martin Gagel said Burcon has shown excellent ability to raise cash for further research and development, including more than \$3 million

this spring. He said that while many venture companies are "all sizzle and no steak," Burcon has more going for it. "These guys have got a fair bit of steak on their platter as well," he said. "They've got a reasonable cash position. They've got unique technology, and they've brought on a good scientific staff." But Gagel said in order to show its viability, the company will need to find a partner firm to take their products to market. "The major thing we're working on is an alliance with one of those major partners," Tergesen said. He said Burcon has been in touch with the heavy hitters in the protein industry, including Archer Daniels Midland, Hargill, Dupont's Protein Technology International,

and Cereol. Once a partnership is in place, Tergesen said a large scale facility, producing about 25,000 metric tonnes of protein, could generate \$150 million in revenue per year. He said the market could handle three such plants, one each in North America, Europe and Asia, generating revenue of nearly half a billion dollars. "It's a very large opportunity," he said, adding that each plant would only use the canola meal from a single seed crushing plant. Gagel said despite the long road ahead, the company has a lot going for it. "It's not a sure thing, but given their technology, the people they have in place and their funding, there seems to be a reasonable shot that these guys will make it," he said.