

Guaranteed Delivery Contracts

The Guaranteed Delivery Contract (GDC) is a delivery contract that offers guaranteed 100 per cent acceptance. Producers are expected to deliver 90 to 100 per cent of their contract by a specified date or earlier, depending on market conditions. The CWB may offer GDCs for feed wheat, feed barley and No. 4 and No. 5 CWAD. GDCs capture sales targeted for specific grades.

New for 2010-11

Canada Western Red Winter (CWRW) wheat, Canada Western Soft White Spring (CWSWS) wheat and Canada Prairie Spring Red (CPSR) wheat will be offered on Series A contracts at the start of the crop year. For the balance of the crop year, these wheat classes will be contracted through GDCs, as required to meet marketing opportunities.

Canada Prairie Spring White (CPSW) wheat and Canada Western Extra Strong (CWES) wheat will be contracted solely through GDCs throughout the crop year. Series A, B and C have been discontinued for these classes.

Delivery requirements

The delivery requirement for GDCs has been changed from 100 per cent to 90 to 100 per cent delivery.

For GDCs, producers will be notified that they have 30 days to deliver the grain.

Grain signed up under a GDC can be delivered against a 2010-11 Producer Payment Option contract.

GDCs that are less than 90 per cent delivered will be subject to liquidated damages. If a producer encounters difficulties delivering grain, they can transfer a portion of, or the entire contract, to another producer. GDC transfer forms for 2010-11 will be available on our Web site.

The previous \$6 to \$25 liquidated damages clause has been changed to a formula-based calculation.

For more CWB information, please call 1-800-275-4292 (Monday to Friday, 8 a.m. to 6 p.m. CT (Winnipeg time) or e-mail: farmerservice@cwbc.ca.