

# AgriPro field day showcases new wheat varieties for 2008

By J.T. SMITH

It will be fall before long and time to sow winter wheat. An overflow crowd from Oklahoma and Texas got to see the latest from AgriPro at the recent 2008 AgriPro Wheat Field Day at the breeding facility at Lockett, Texas.

Rob Borchardt, AgriPro business manager, reported on new offerings:

■ **Jackpot.** This breed, the newest wheat from AgriPro, has good winter hardiness and yield. However, certified seed won't be available until fall 2009.

■ **TAM 203.** This variety is from Texas A&M wheat breeder Jackie Rudd of Amarillo and is marketed by AgriPro. It shows good yield and excellent resistance to both stripe rust and leaf rust.

■ **Fannin.** AgriPro doesn't recommend you grow Fannin north of Interstate 40. Fannin has done well in both Texas A&M and Oklahoma State

## Key Points

- AgriPro has a big lineup of winter wheat on market or in pipeline.
- New wheats are bred more for conditions in specific growing regions.
- AgriPro rates its wheat varieties for key performance traits.

University forage trials.

■ **TAM 111.** A Texas A&M-bred wheat that AgriPro markets. It has been the top wheat in western Kansas. It stands up well against stripe rust but is only fair against leaf rust.

■ **Jagalene.** This cross of Jagger and Abilene wheat offers high yields. It has performed well against stripe rust, but not leaf rust.

■ **Cutter.** This has been a good-to-excellent yielding wheat but is susceptible to leaf rust.

■ **Coronado.** The variety has shown some resistance to Hessian fly. With its high yields, the variety is popular in central Texas, where the Hessian fly has been a problem.

■ **Longhorn.** This beardless wheat yields well but can have problems with stripe rust. Longhorn is noted for making good forage for those aiming as much for grazing as grain.

■ **Dumas.** It is bred to be more of an irrigated variety of the Texas Panhandle region.

■ **Neosho.** The variety is bred for eastern Kansas.

■ **Postrock.** The breed is new from the Central Plains region program, and aimed at eastern Kansas.

■ **Art.** This new wheat is bred for southeast Kansas and northeast Oklahoma. Art is resistant to scytoporia.

■ **Doans.** It offers large yields and resists stripe rust and leaf rust.



**SUMMARIZING PERFORMANCE:** Rob Borchardt of AgriPro Wheat at Lockett, Texas, discusses the traits of some of the latest AgriPro varieties on the recent 2008 Wheat Field Day. AgriPro is the largest wheat-breeding program in North America.

# Glyphosate demand raises cost

By JASON VANCE

**P**ICTURE this: It's hurricane season and two gas stations sit across the street from each other.

One raises its gas price and every car in town lines up at the pumps across the street. Everybody keeps pumping until the little yellow bags appear on the nozzles.

That's what Monsanto Co. feared would happen to Roundup.

First the other glyphosate makers raised their prices until Roundup was cheaper than its generic competitors. If Monsanto didn't raise the price of Roundup, growers might not have any to spray over-the-top of their technology-intensive crops.

"As our competitors raised their prices to the point where Roundup was actually cheaper than generics it forced us to raise our prices to slow down the demand," says Jim Zimmer, vice presi-

## Key Points

- World demand pushed glyphosate prices, which pushed Roundup's price.
- Glyphosate prices could go higher, up \$1 to \$4 an acre over last year.
- Monsanto Co. ramped up its production, but can't meet demand.

dent of Monsanto's U.S. branded business. "We didn't want to be in a position that if a farmer had a Roundup Ready crop and wanted Roundup that we couldn't supply that. So that's the fundamental reasoning that we've had to take some price increases."

This situation started a little more than a year ago when global demand for glyphosate started going up faster than the supply.

"We anticipated this, so it's not a situation where we were caught off guard," Zimmer says. "So a year ago we started

making plans to increase our supply of Roundup brands by over 20% here in the U.S. for the 2008 growing season."

Since Monsanto officials anticipated this situation, many people are asking why they didn't ramp up production in the U.S. Their answer: With competitors having plenty of capacity, they didn't want to have an overrun of capacity to meet the demand; and prices had gotten so low that they weren't able to generate the kind of margins to justify building new capacity.

"I can tell you we are looking today at how we approach expanding our capacity to meet the ever-growing demand," Zimmer says.

Monsanto's two production facilities in Louisiana and Iowa that produce all the Roundup available in the U.S. are running at 100% of capacity. They can't produce any more than they are now, which means the cost of glyphosate could continue to increase.

The question of how much of an increase in the cost of glyphosate farmers can expect per acre is a complex question that depends on a lot of factors.

"Every crop is different, each product is different; whether the farmer is using it in conservation tillage and using a product like RT3 or whether the farmer is using Roundup WeatherMax," Zimmer says. "I can tell you in general it's going to range. You're going to have a range anywhere from maybe as low as a dollar an acre to in the neighborhood of \$3 to \$4 an acre increase. It really depends on where the farmer is at, what system they're in and when they make their purchase."

Even with the price increase, according to Monsanto the cost is still lower than the price forecasted for this year that the company did in 2001.

# China's growing pains push price

**T**HINK China makes product prices cheaper? Think again when the issue is glyphosate.

From the global aspect of the tightening supply of glyphosate, much can be explained by the situation in China, where a predominant number of the world's glyphosate producers are located, says Jim Zimmer, vice president of Monsanto's U.S. branded business.

The Chinese economy, particularly the manufacturing sector, is being hit from a lot of different angles, including the high fuel costs that are hitting everyone.

"What we are seeing over there though is the Chinese economy is really continuing to grow at an unprecedented rate," Zimmer says. "To the point where they're having difficulty with things like power; their manufacturing facilities are not being able to run at full capacity because power is being re-routed to metropolitan areas so the capacity is sitting idle at times."

Another issue is the Chinese government stepping in and putting environmental controls on manufacturing. In some cases manufacturing plants are not meeting those environmental guidelines so the government is closing facilities for periods of time to make sure they are meeting the new requirements.

"It's a short-term issue, similar to the power situation is a short-term issue," Zimmer says.

"But it's an issue that manufacturing deals with over there and our generic competitors get a lot of their product from there, and in turn is putting a lot of pressure on them to be able to supply the growing market here in the U.S.," he adds.

# High cost of glyphosate contributes to growers dropping cotton acreage

**C**OTTON growers use more glyphosate on their crop than either corn or soybean growers. With input cost increases looming larger on spreadsheets across the Cotton Belt, expect growers to turn to other crops.

Cotton producers spray anywhere from 2 to 3 quarts equivalent of Roundup in crop compared with about a quart equivalent in corn or soybeans, points out Kevin Eblen, vice president of Monsanto's Delta and Pineland business.

"I think in general [it's] what we're facing in cotton country," Eblen says, "For a whole lot of economic reasons, cotton producers are looking at growing other crops."

"They're looking at what crop they want to grow to be most profitable," he adds.

Even if a grower contracts for a peak price, Eblen says, input costs today severely curtail profit opportunity.

"When you look at what producers are going through right now on fertility costs, land cost and fuel costs," Eblen says, "there's been a lot of prices since 2001 that have severely escalated on them."