

What We Have Learned About the Economics of Non-GM Markets in the US

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Who's the non-GM crop grower?

- **Farm size**, land tenure
- Demographics (age, education)
- Location/geography
- Attitudes towards new technologies
- **Land allocation to non-GM production**

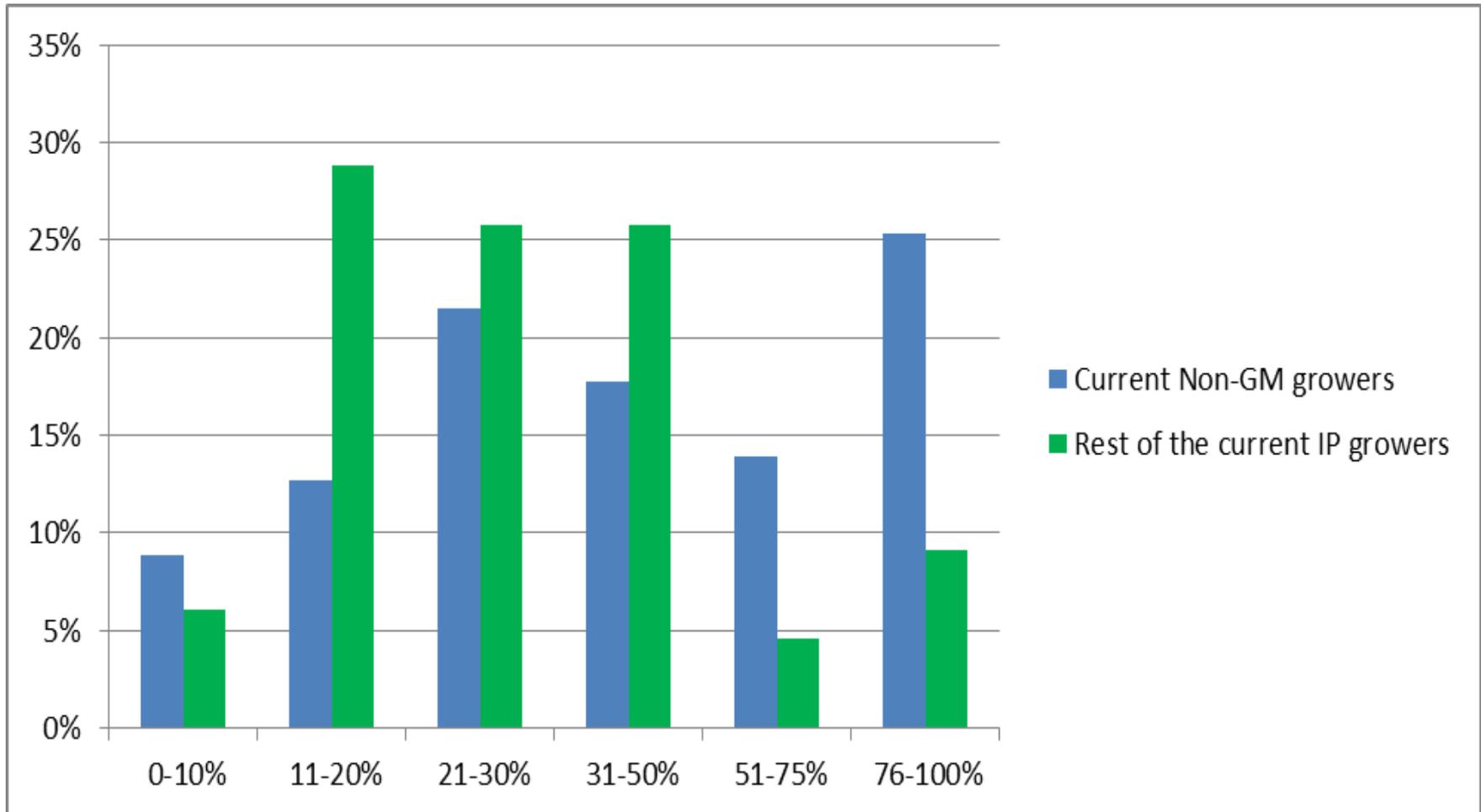
Who's the non-GM crop grower?

Firm size -- corn & soybean acreage

	<i>non-GM growers</i>	<i>Other IP growers</i>	<i>Commodity growers</i>
Less than 100 acres	16%	15%	22%
100 to 249 acres	4%	4%	4%
250 to 499 acres	13%	7%	10%
500 to 999 acres	21%	26%	25%
1,000 to 2,499 acres	31%	28%	27%
2,500 to 4,999 acres	10%	13%	10%
5,000 to 7,499 acres	1%	4%	1%
7,500 to 9,999 acres	1%	0%	1%
10,000+ acres	2%	2%	0%

Who's the non-GM crop grower?

Percentage of total crop acres used for IP production in past growing season



Who's the non-GM crop grower?

Q. In your opinion, how well-suited is your farm operation for the production of identity-preserved crops?

	<i>non-GM growers</i>	<i>Other IP growers</i>	<i>Commodity growers</i>
No at all well-suited --1	1%	1%	3%
2	4%	6%	7%
3	2%	6%	7%
Neutral	11%	15%	14%
5	21%	25%	19%
6	33%	31%	21%
Extremely well suited -- 7	21%	17%	12%

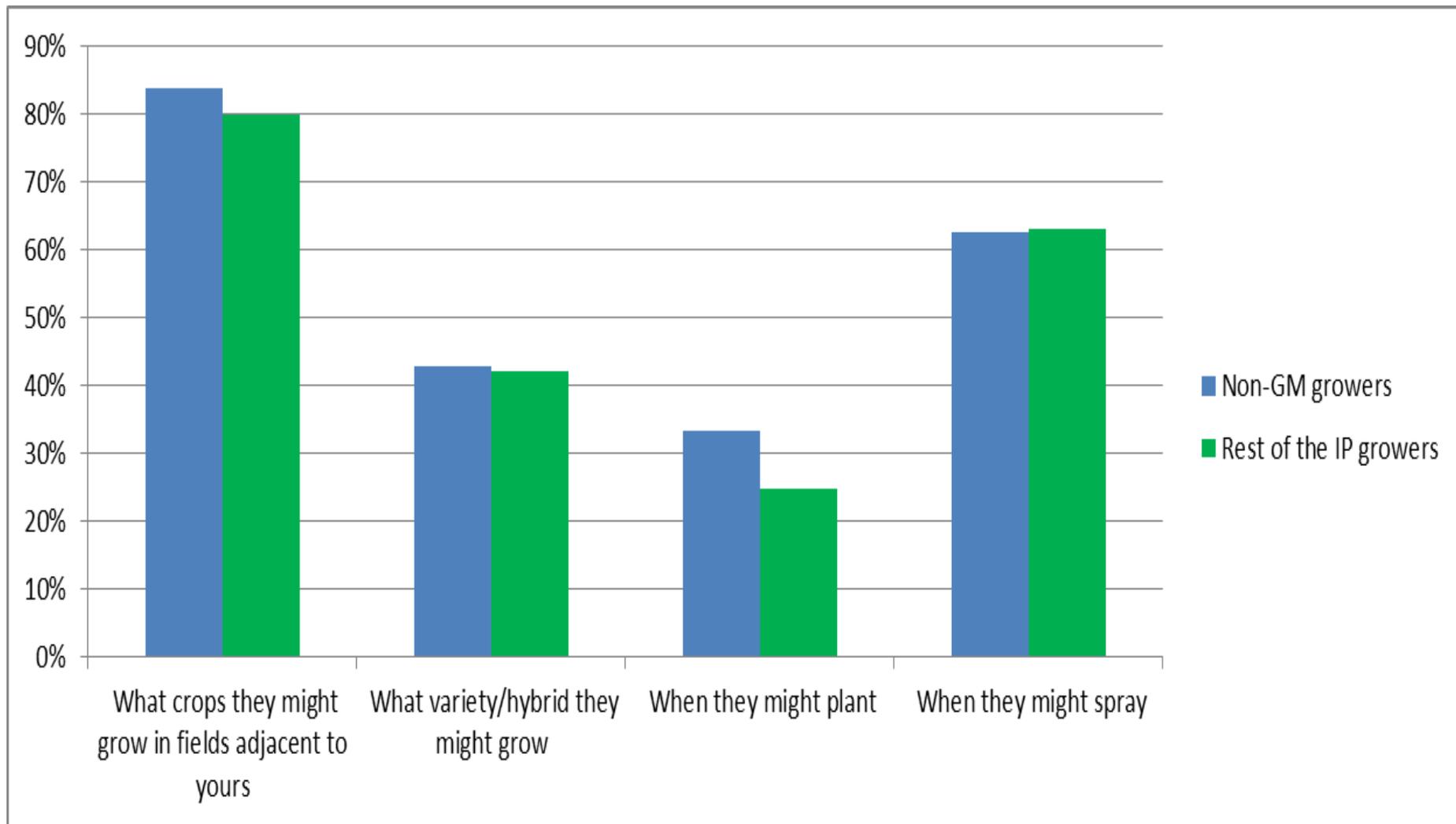
Perceived constrains & growth opportunities in non-GM markets

Perceived constraints to non-GM production

Q. If there was a non-GM program in your area but required a significant share of your (corn/soybean) acres would any of the following present a constraint?

	<i>Non-GM growers</i>	<i>Other IP growers</i>	<i>Commodity growers</i>
Agronomic performance of Non-GM crops	24%	42%	43%
Sufficient isolation	26%	43%	54%
Seed purity	18%	30%	32%
Grain storage	22%	26%	38%
Labor for cleanups	16%	24%	38%
Cooperation from neighbors	22%	34%	44%
Other	33%	20%	31%

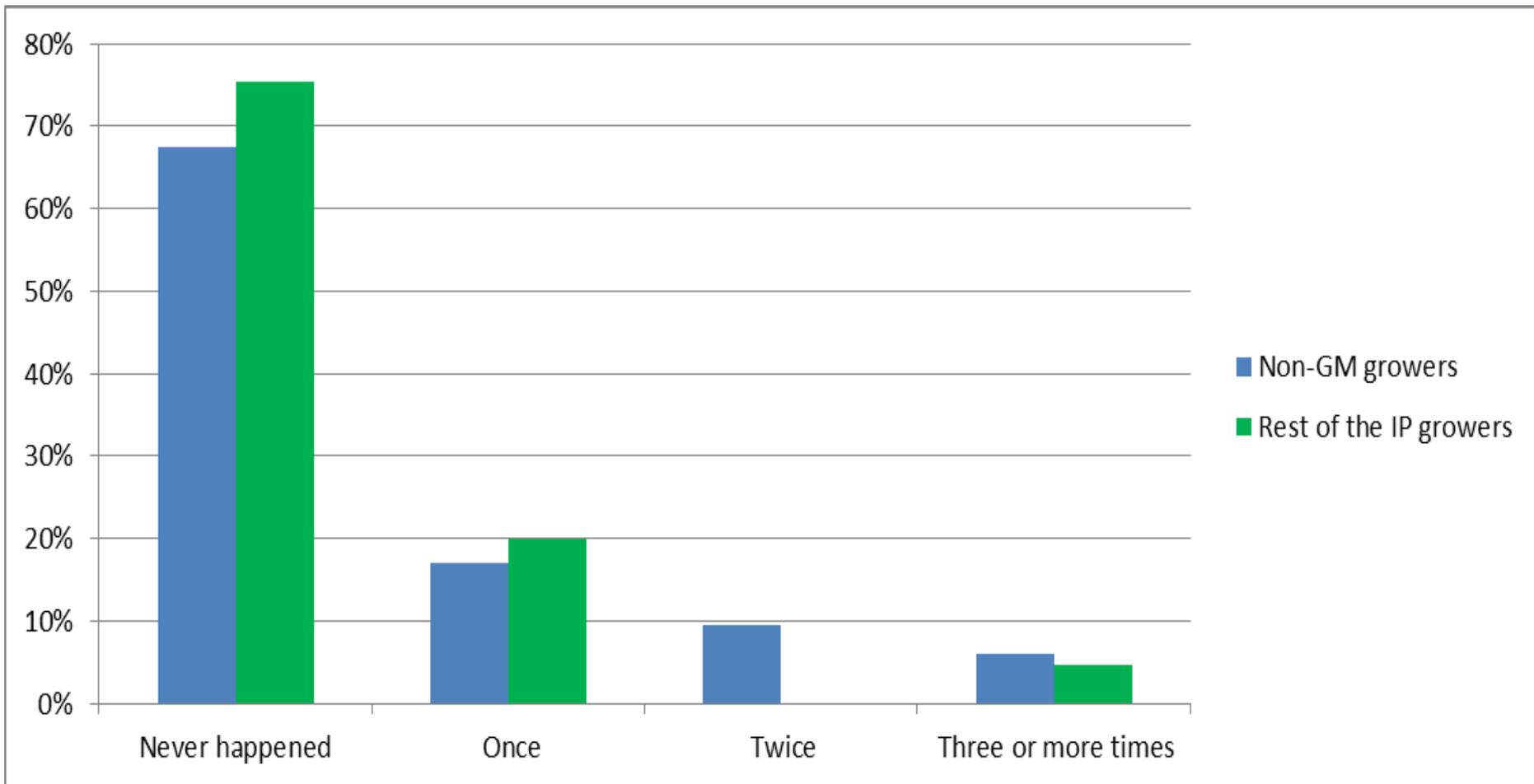
Coordination among neighboring growers



Pricing non-GM contract (cost) components

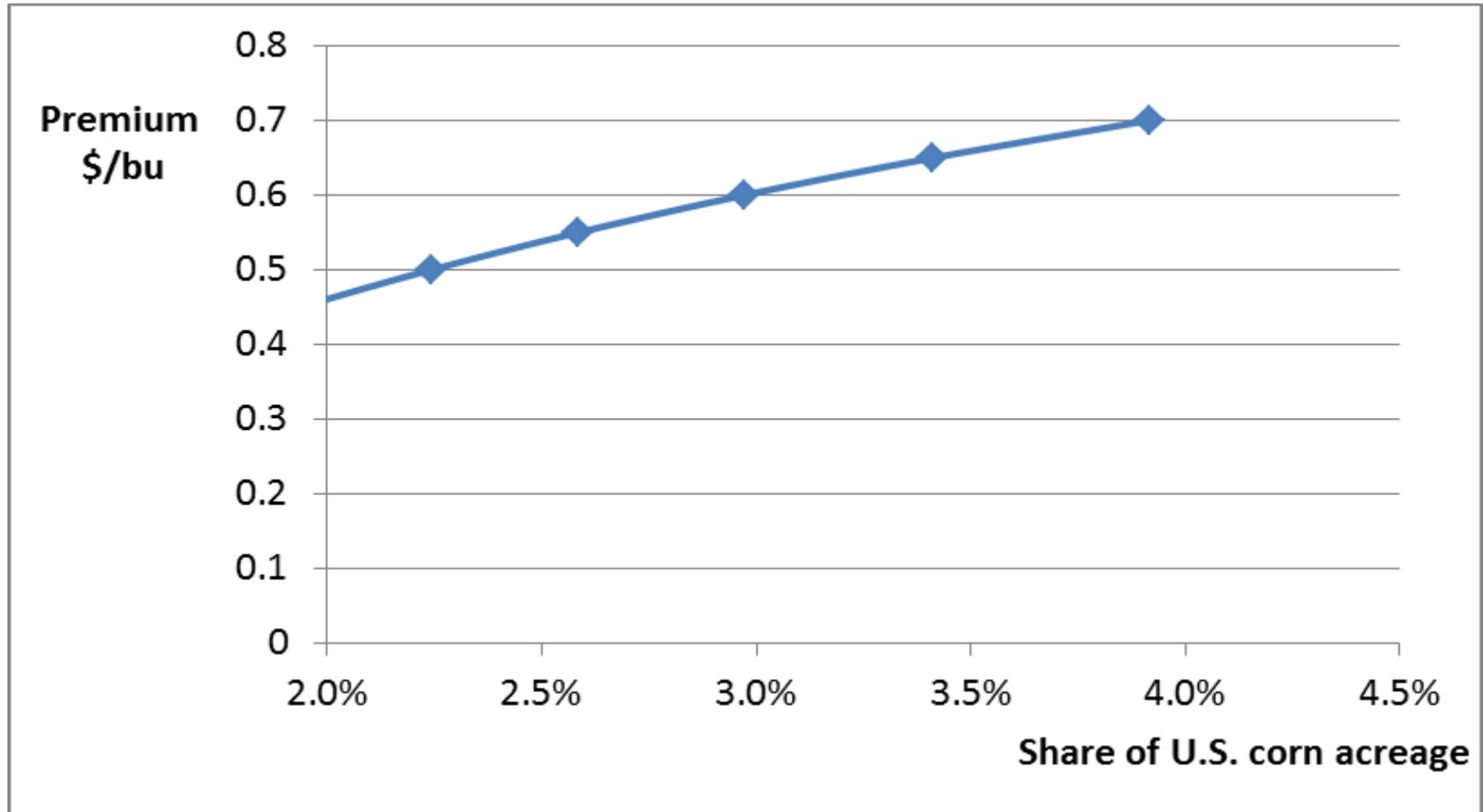
- Buyer call vs. harvest delivery
- Distance to delivery point
- Buyer access to fields & bins
- Defined IP measures
- Tolerances and thresholds
- “Other factors”

Declared incidence of rejections



1 out of 4 of those rejected were due to GM content

Acreage response function - corn



Funding for the surveys was provided by the United Soybean Board