

Smörgåsbord



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**New Way To Sell
Hybrid Seed Corn**

"We're going to change the way seed corn is sold," says George Jacques, Ellsworth, Wis., who last fall began running ads in major farm magazines to announce his new "no frills" way to sell hybrid seed corn, and to expose what he called "the myth."

"Most of the parent lines of seed corn you buy originate at one of 18 sources, making all seed corn pretty much the same no matter who you buy it from," said the initial advertisement announcing his new discount operation called George's Seed Outlets. "In plain talk, most seed companies are selling the exact same pedigrees as one another but are calling them their own. There is very little mystery in the seed corn business. This is how it works. Foundation inbreds — available to all seed companies — are purchased from industry suppliers out of a central common bank. They are crossed by seed companies in large production fields, then packaged, marketed and sold under many brand names. As a no frills operation, George's Seed Outlets can supply the same proven pedigreed hybrids at 20% lower cost." George promised in his advertisements.

By the end of December, they had generated close to 800 responses from prospective distributors and sales supervisors. The "business plan" George sends to prospective employees notes that "1985 was a very good seed corn production year so seed corn production costs are low. I have a choice of many good hybrids, and a choice of over 300 seed companies to buy from. I have selected only the best single crosses and have specified top seed quality. Their performance will be as good as the best on the market, only lower in price," explains George.

"We're using narrow margins and high volume to make it work," he told FARM SHOW. "There are no free caps, tennis shoes or trips. We offer no credit terms and no volume discounts. Legally, we're prevented from making a direct cross reference of our hybrids with similar branded hybrids. While we can't guarantee a farmer the exact same seed he's been buying under a brand label, we are able to supply seed which we feel is as good or better in performance. All seed we sell will be tested for germination and purity."

For the 1986 planting season, George's Seed Outlets is marketing in 11 states — Wisconsin, Minnesota, North and South Dakota, Nebraska, Iowa, Illinois, Indiana, Ohio, Michigan and Kentucky. "We plan to have one outlet in every county in areas with high corn acreage. Each outlet owner has an exclusive territory. A \$500 deposit, applied against the first seed invoices until used up, is

required to get a distributorship. This is to prevent someone from tying up a county without working it," says George.

He's offering 18 hybrids in 10 maturity groups from 75 to 120 days. It's all pure line single crosses, and modified single crosses, packaged in 80,000 and 90,000 kernel bags and available in medium flats and rounds, or small plateless kernel sizes.

The earlier a customer buys, the more he saves. A bushel of medium rounds, for example, retails for \$55.16 in January, \$56.05 in February, \$56.97 in March, \$57.82 in April and \$59 in May. Outlets will also sell alfalfa, sorghum and sunflower seed.

George, with 37 years experience, is well known and respected in the seed industry. For 27 years he worked for and headed the family-owned Jacques Seed Co., headquartered at Prescott, Wis. The firm was purchased in 1975 by Rorer-Amchem, a chemical company which was purchased in 1977 by Union Carbide. Agrigenetics, which bought Jacques from Union Carbide in 1980, was itself purchased, along with Jacques Seed, in January, 1985 by Lubrizol Corp., of Cleveland, Ohio. George stayed on as president through all the ownership changes until last August when he left Agrigenetics, claiming at the time he'd been fired.

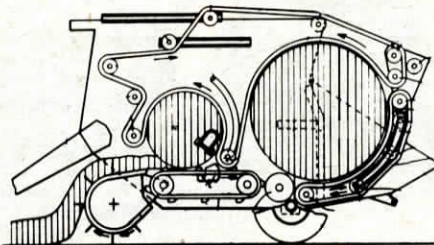
In a lawsuit that ensued over his departure, and a prior non-compete agreement, the two parties agreed last Nov. 27 to a settlement. That settlement, according to court documents, includes the following agreements:

- That George, for a period of three years, won't hire any present employees of Jacques Seed Co., or area supervisors. He can, however, sign up present Jacques dealers and former area supervisors and former employees.
- That, starting Jan. 1, 1986, George Jacques and George's Seed Outlets may not in advertising and promotion materials state that "all," "many," or "most" hybrid seeds are "identical" or "the same," and that the word "myth" won't be used in advertising or promotion in describing practices in the seed industry.
- That George agrees to make no reference in advertising describing his departure from Agrigenetics as a "firing" or other form of involuntary termination.
- That George can enter into competition with Jacques Seed Co.

"I put my own money into this new business venture because I believe in it," says George, who set up shop in a vacant building formerly occupied by a farm implement dealer. "I'm the sole owner-investor. No chemical companies, oil companies or conglomerates are involved," he notes.

For more information, contact: FARM SHOW Followup, George's Seed Outlets, Rt. 1, Hwy. 10, Ellsworth, Wis. 54011 (ph 715 273-3545).

Two-Bale Baler Not Ready Yet — FARM SHOW editors regularly search patent records for the latest new products. We recently spotted this new "continuous" baler patented by New Holland with an extra bale chamber that begins forming a second



bale while the first is being tied and ejected, eliminating the need to stop.

It looked great but we learned in a visit with New Holland design engineer Kenneth Underhill, principal developer of the experimental baler, that it would likely never reach the market. "It's too expensive to manufacture. We have to find a way to keep costs down so it doesn't cost more than 20%

above the price of a conventional, single chamber round baler," says Underhill, noting that other round baler manufacturers have also been trying to develop a two-bale baler. "Deere has a couple prototype machines and Vermeer has patented a baler with side-by-side chambers. The operator simply switches to a second windrow pickup when the first bale chamber's full."

So what's the bottom line on New Holland's new baler? It has been "shelved" until there is either a breakthrough in design or until economic conditions change.

**Good Time To Start
Farming, Says Expert**

"There is better opportunity to start farming today than any time in the last 10 to 15 years," Michael Boehlje, a University of Minnesota agricultural economist, told about 75 would-be farmers at a recent two-day workshop at the university's Waseca campus.

"The upside potential is better than the downside risk," Boehlje told his audience. "You have the opportunity to learn some very good lessons and not pay the tuition."

The very same conditions that have made finances miserable for highly indebted farmers are creating some bargains for their children and younger siblings. For example, land in many parts of the state is selling at half its peak price of several years ago. Used farm equipment can be bought for 35 cents on the dollar.

But in a period of low commodity prices, the chances of failure are still very real, without careful management of production, finances and marketing.

"If you're thinking, 'I'm getting started in farming to make a killing,' you ought to spend your time some other way," Boehlje cautioned. (Steve Brandt, Minneapolis Star and Tribune).

**Nebraska Co-op 'Walks'
Behind Its Products**

Bob Hurst, manager of the Arapahoe, Neb., Co-op, doesn't fool his customers. Last spring his Co-op put weed control chemical on 45 acres of soybeans for Mrs. Velma Sayer and her son, Dalwin, at nearby Cambridge. The chemical just didn't work.

The irrigated soybeans grew to a healthy, bushy 5-ft. height right along with 7-ft. pigweeds.

Hurst had told the Sayers if the spray didn't work, he, personally, would walk their soybeans. He meant what he said.

Right after work on Aug. 9, Hurst drove the 13 miles to the Sayer farm to walk beans. But he was not alone. Eight employees walked beans with him until dark. The field wasn't done, but they had "walked beans."

Several nights later, 24 people — Arapahoe employees, wives and children — were at the Sayer farm. They brought hoes, shovels, spades, corn knives and a tremendous sense of humor. The employees went out on their own time, after hours, and with no extra compensation.

Dalwin Sayer shook his head. "It was the nicest thing I ever saw," he said. (Farmland News)

World's Largest Dairy Herd — According to a recent report in Canada's COUNTRY GUIDE Magazine, the world's largest dairy herd is in Saudi Arabia's desert. At present, it consists of 10,000 milking cows but the Saudi government's goal is 25,000 head. Alfa-Laval equipment company supervised design and construction and helps manage the farm. Milk is cooled, processed and packaged at the farm and hauled to urban centers by a fleet of trucks. Saudi Arabia's next goal is to get into feed and meat production.