



I.D.E.A. Industry Update - January 4, 2002

Louis Dreyfus Partners in Nexera Canola Contracts for Japan

Dow AgroSciences Canada says Louis Dreyfus Canada Ltd. is now part of the company's Nexera canola contracting program.

According to Dow AgroSciences, Nexera has captured over 5% of the Japanese canola market in just three short years. Louis Dreyfus is to provide new marketing options for farmers and a reliable supply network for end use customers.

Louis Dreyfus says it will be working with independent retailers to supply Nexera canola seed to farmers. The grain marketing company says it has been very successful in delivering on other IP contracts.

Nexera canola varieties produce Natreon quality canola oil that is said to be a healthier and naturally stable alternative to partially hydrogenated vegetable oils.

Value of Crop Inputs Often Overestimated

University of Manitoba Soil Scientist Don Flaten says the value of crop inputs is often overestimated by traditional approaches to agricultural research.

"Based on conventional wisdom about the value of individual crop inputs, a farmer should be able to have a return over operating costs of \$300 an acre, even when canola is worth only \$5 a bushel. While the theory seems sound, it just doesn't work that way," explains the U of M Researcher and Associate Professor.

Flaten says most research is typically done on a single crop input, when all the other inputs are at adequate levels. A nitrogen application of 100 pounds an acre may provide a canola yield increase of 20 bushels an acre, with phosphate, sulfur and the other nutrients also providing yield increases when applied at optimum levels.

The yield response to herbicide use could be 15 bushels an acre, with a similar response to insecticide and fungicide. Treated hybrid seed could provide another 10 bushel per acre yield boost.

Viewed in isolation, each of the inputs may have been a good investment, but the theoretical yield from adding them all together might be more than 100 bushels an acre, which is totally unrealistic. Farmers rarely get canola yields that are even half that high.

502 - 45th Street West, Second Floor
Saskatoon, Saskatchewan
CANADA S7L 6H2

Tel: (306) 933-4904
Fax: (306) 244-4497
office@independentdealers.com