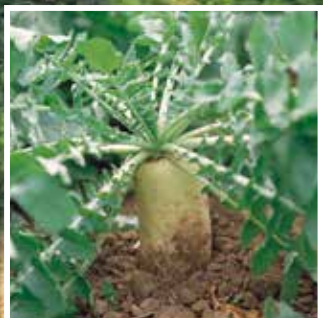


# **Oregon Contracting Handbook and Pricing Guide**

**FOR SEED PRODUCTION**

**Comprehensive Cost Budgets  
Oregon Seed Contracting Laws  
Model Seed Production Contract**



**Radish • Red Clover • Tall Fescue  
Perennial Ryegrass • Crimson Clover • Hazelnut**

**OGSBA**  
**OREGON GRASS SEED  
Bargaining Association**





# Oregon Contracting Handbook and Pricing Guide

## FOR SEED PRODUCTION

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[www.ogsba.com](http://www.ogsba.com)

Dear Seed Grower:

I want to express my thanks to all OGSBA members for your continued support. I also want to recognize the dealers who have joined us in our commitment to the ethical long-term sustainability of the Oregon seed industry. We do very much appreciate your support!

Farming is about lifestyle and heritage. We farm because we love it. But to sustain the lifestyle and our opportunity to pass our heritage to the next generation, it has to be profitable. Although we have secured stable prices at what were initially profitable levels, inflation is dramatically pushing our costs higher. Consequently, other crops are gaining acres in Oregon and displacing grass seed because grass seed, especially in the case of perennial ryegrass, has not been profitable enough and growers have sought alternative crops.

One of the keys to understanding whether or not we are getting ahead as growers is our cost of production. To provide greater insight into our costs, we have commissioned Dave Sunderland and Phil LaVine, formerly professors in the Chemeketa Community College Ag Program to develop cost of production budgets. Because costs on every farm are a little different, they based their budgets on the cost of hiring custom operators to produce crops on land owned or operated by a farmer, similar to how budgets are crafted in the Midwest corn, wheat and soybean areas. These budgets provide a credible benchmark all growers can measure their operations against.

Grass seed production in Oregon is not a new industry anymore, it has been here for many years. It is our goal to make sure it is consistently profitable for farmers.

Along with cost of production budgets we are including a revised copy of the seed contracting handbook that was first published in 2011 and has been out of print for a few years. I hope you find this information useful.

*Dustin Wilfong*  
*President, OGSBA*

## Introduction

The seed industry has for many years operated on friendly relationships between growers and dealers. A long-term successful relationship between these two parties is based on a contract that benefits both partners equally with clearly written responsibilities for each party. Clearly written and fairly balanced contracts are good business and good business provides opportunity for good friendships to develop.

The following pages explain the statutory provisions regarding seed contracts the industry brought forward in 2011. There are requirements for contracts that are negotiated and signed before a seed crop is planted and there is a statutory contract that is automatically in place if a contract is not signed until after a seed crop is planted. There are other provisions that provide guidance for the disposal of seed that does not meet the quality specifications in your contract and there are provisions supporting grower owned seed through “purchase” contracts and making them enforceable by the slow-pay no-pay process.



If you have questions or comments regarding any of these provisions, feel free to call Mark Simmons, the Executive Director for OGSBA, at 503-551-3208.

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## Definitions

**Production Contract:** A contract between a seed grower and a seed dealer for the production of grass seed.

**Seed Bailment Contract:** A contract between a seed dealer and seed grower for the production of grass seed. Also, it is a seed production contract wherein the seed dealer retains title to all seed, seed stock and plant life grown or used by the seed grower under the terms of the contract.

**Purchase Contract:** A contract for the sale of seed you have grown on your own without a production contract with a seed dealer.

**Producer or Grower:** The statutes define a “producer” as a person who grows seed on a commercial basis for a seed dealer and a “seed grower” as a person who grows seed on a commercial basis without entering into a contract with a seed dealer prior to harvesting the seed. In this handbook we have used the term “grower” throughout because it is commonly understood in the seed industry.

**Uniform Commercial Code:** A uniform body of law governing sales and other commercial transactions that has been adopted in similar form across all 50 states of the United States.

**Open Price Contract:** A contract entered into without a price for the goods or services.

## Oregon Statutory Grass Seed Production Contract

Oregon law provides a Statutory Seed Production Contract. This Statutory Contract guarantees growers certain rights and is automatically in force if a contract is not signed between a seed grower and seed dealer before the grass seed being contracted for is planted.

This contract is statutory and as such is **NOT** optional as a matter of Oregon law. If a grower plants seed for a dealer without signing a contract before the seed crop is planted, the grower may agree to better contract terms but may not agree to terms that are less favorable for him. Any agreement a grower is asked to consent to after the seed has been planted that is inconsistent with the Statutory Contract terms is not enforceable and is null and void in Oregon.

### Provisions of the Statutory Contract

**Payment:** Payment is due to the grower at the earliest of: 30 days after seed has been delivered to the dealer *or* by May 1 of the year following harvest *or* any other date(s) earlier than May 1 of the year following harvest that are agreed to in a contract signed after the seed was planted. In other words, the Statutory Contract authorizes alternatives for growers to get paid for seed before May 1 of the year following harvest. However, growers must be paid in full no later than May 1 of the year following harvest even if the dealer has not taken delivery of the seed.

**Storage:** Responsibility for **storage and risk of loss** transfers from the grower to the dealer upon the *earliest of* either when the grower presents the dealer with a test showing that the seed produced meets the quality specifications agreed to *or* when the dealer takes delivery of the seed.

**Length of the Contract:** Minimum two year contract term. A grower may agree to a longer contract but the statutory contract binds the dealer for two years.

**Other Contract Issues and Quality Standards:** The Statutory Contract does not specify seed quality standards or what type of bags or packaging will be used, or any other necessary terms. Growers must negotiate those issues and any other necessary contract terms with the dealer.





If the contract does not state a price for the seed and a grower must bring an enforcement action through the slow-pay no-pay process, an objectively reasonable market price will be set using Uniform Commercial Code standards as determined by rule. See the section on changes to the slow-pay no-pay process on page 10.

A contract initiated under the Statutory Contract standards may be extended after two years under the terms available for contracts negotiated and signed before the crop was planted. In other words, the delayed payment option available for contracts signed before seed is planted becomes an option if the grower finds that beneficial for him. See the following section of this handbook.

It is an implied condition of the Statutory Contract that the grower is abiding by the terms of the contract and making every effort to produce seed that meets the specifications outlined in the contract.

## Options for Seed Production Contracts Signed Before Seed is Planted

Oregon law provides more flexibility than the Statutory Contract for the negotiation of payment, storage and length of contract terms if these terms are negotiated and agreed to before seed is planted.

**Delayed Payment Option:** If a grower wishes to receive final payment for the seed produced under a contract with a seed dealer after May 1 of the year following harvest, he may do so. However, the contract must meet the following three requirements: 1) The price of the seed crop must be set no later than March 15 of the year following harvest; 2) The seed dealer must pay the grower at least 40% of what he owes the grower for the crop by March 15 of the year following harvest; and 3) The date when final payment is due must be established before the contract is signed. In this situation the final payment date may be extended beyond May 1 of the year following harvest to whatever date the grower and dealer find mutually agreeable. However, if the contract does not have all three of the provisions listed above, the payment dates revert to those in the Statutory Contract.



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A **renewal or extension of a seed production contract** may contain the delayed payment option listed above. However, if the renewed contract does not contain each of the three provisions outlined above, the payment terms revert to those provided in the Statutory Contract.

**Other Provisions:** Under the delayed payment option or with contracts signed before you plant the seed, the storage and risk of loss provisions, the length of contract term, seed quality and all other contract terms are left open for growers to negotiate with the seed dealer.

## Questions and Answers About Seed Production Contracts

*If a seed dealer doesn't provide me with a contract to review before I plant the seed and sends one to me at a later date do I have to agree to the dealer's contract?*

**No.** The Statutory Contract is in force and you may not agree to any terms that are less favorable to you. You may however agree to terms that are more favorable to you, such as a 3 year contract term instead of the 2 year term that is in the Statutory Contract or having the dealer pay for bags, or provide a payment in the fall regardless of whether or not the seed has shipped or any other arrangement that would be more beneficial to you.



*If a seed dealer sends me a contract either before or after I plant the seed can I just ignore it and rely on the Statutory Contract?*

**No,** that is not recommended. If the seed dealer sends you a contract before you plant the seed you need to negotiate your best deal, and return it within 10 days. If you receive the contract after you plant, the statutory contract is in force and you should let the dealer know that you did not receive the contract before you planted their seed.

*If a seed dealer never sends me a written contract do I have any obligation to him?*

**Yes,** you are bound by the terms of the Statutory Contract and so is the seed dealer. When two parties act as if they have a contract, courts have ruled that they do in fact have a contract. Providing seed stock to a grower to plant, and the grower then planting it, is conduct explained only by the existence of a seed production contract.

## Disposal of Seed that does not meet Contract Quality Standards

If a grower's contract with a seed dealer does not specify how seed that does not meet the quality standard in the contract will be handled, Oregon law provides a clear path for the disposal of such seed.

If routine test results show that the seed the grower produced does not meet the quality standards agreed to in contract, the grower may at any time send the test results to the seed dealer and inquire as to whether or not the dealer intends to purchase the seed. If the dealer responds within 30 days that he does intend to purchase the seed, his response forms the initial basis for the seed to be sold to him on a purchase contract. A grower may then establish the terms of the purchase contract (see section on Seed Purchase Contracts) and establish a price for the sale of the seed to the dealer. The price may be anything the grower and dealer agree to except that it may not be more than the price would have been for seed meeting contract quality standards.

A grower's initial communication with the seed dealer presenting him with the test results and inquiring as to the dealer's intentions to purchase the seed and his reply must be in a form that can be used to document that it was actually received by the other party.

If a grower sends an inquiry to a seed dealer asking if he intends to purchase seed the grower has produced for him that does not meet contract quality standards and the dealer does not reply within 30 days, the dealer's lack of response may be acknowledged by the grower as a refusal to purchase the seed and an authorization for the grower to sell the seed in any reasonable manner as Variety Not Stated Seed (VNS).

## Seed “Bailment” Contracts

Bailment/Production contracts are essentially service contracts such as seed contracts between a seed dealer and a seed grower for the production of proprietary seed. Oregon law specifies that seed production/bailment contracts do not create a security interest in the seed a grower produces for a dealer. With seed bailment/production contracts for the production a dealer’s proprietary seed varieties the dealer always owns the seed stock, the plants in the grower’s field and all seed produced.

A seed grower’s security interest is in his right to be paid for the seed he has produced under contract with a seed dealer. The seed grower’s right to be paid is subject to lien by the seed grower’s creditors.

## Notes on Seed Production Contracts; Things to be aware of and things to avoid

Oregon law requires that seed production contracts placed with Oregon growers may not provide for exclusive jurisdiction in another state or require that they be interpreted under the laws of any state other than Oregon.

Oregon law clarifies that an agent that enters into a seed production contract on behalf of a seed dealer is conclusively presumed to have actual authority to establish the performance obligations of the seed dealer under the contract

Seed dealers understand growers contract rights better than most growers do and everything that is in a dealer’s contract is there for a reason. *Do not sign a contract that you do not fully understand and agree with.*

“Price will be determined by dealer”, or “by mutual agreement”. Both of these provisions provide opportunity for disagreement that can delay payment to growers. Oregon seed law resolves this for the slow pay-no pay process by enacting a price resolution process based on the Uniform Commercial Code (UCC). However, it is uncertain that the



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UCC process for price determination will help a grower who wishes to use his federally provided PVPA rights. Growers have a much stronger position if they require that their contracts have an objective price setting standard such as the OGSBA negotiated price provides. By providing contracts that say the price will be set by dealer or by mutual agreement and not specifying an objective price setting standard or mechanism, dealers are effectively taking away grower's rights that are guaranteed by the PVPA.

*Seed Stock* should cost no more per pound than you receive for the first years crop and should come with a test to determine it's purity.

*Seed Storage* is provided for in the Statutory Contract. The monthly rate payable by dealers for seed storage should be noted in the contract. \$40 per cwt/ month is the minimum growers should accept for on farm seed storage. Contracts should also require that dealers carry insurance to cover risk of loss.

Contract language that isolates you from other growers. Keeping growers divided and isolated from each other works to the advantage of seed dealers. Growers have a federally protected right to form cooperatives for the purpose of marketing crops they produce. Contract language that infringes on your rights as a grower to affiliate with other growers for the purpose of negotiating prices or other contract terms should be deleted. Such language may read:

*This contract is personal and confidential....*

*Grower has not executed any agreement with any other party that grants that party the right to set provisions or to act as grower's agent for the product subject to this agreement....*

Oregon seed law specifies that contracts must be signed before seed is planted or the Statutory Contract is in force. Any language that attempts to circumvent this should be deleted. Such language may read:

*Grower agrees that planting seed stock shall be considered acceptance of this contract whether or not the contract is signed at time of planting.*

*Cost of bags.* Seed contracts typically require that growers pay for seed storage or shipment bags. This language should specify that a grower is to pay the cost of plain bags, nothing more. If a dealer wants branded bags he should be responsible for the added cost of such bags.

Contract terms can vary significantly and this is not intended to be an exhaustive list of issues growers will need to deal with in seed production contracts. It is important that growers understand their contract rights and that they do not sign any contracts that infringe on their rights or that they do not fully understand or agree with.



## Seed Purchase Contracts for Sales of Grower Owned Seed

Oregon law defines a Seed Purchase Contract as an agreement a grower enters into with a dealer or other customer for the sale of seed grown without a prior agreement with a seed dealer such as grower owned and open market varieties.

Seed Purchase Contracts must contain the following:

- A) The estimated date for seed delivery
- B) The terms and estimated date for the seed dealer to pay the grower for the seed.
- C) The amount of grass seed to be purchased, and
- D) The species, cultivars and quality standards of the grass seed to be purchased.

Although the price does not have to be set when a purchase contract is entered into it will simplify things considerably if it is.

Seed Purchase Contracts must require the seed dealer to make payment to the seed grower within 30 days after seed delivery. However, upon written mutual agreement between the seed grower and seed dealer, the grower may extend the time available for the dealer to make payment.

Seed Purchase Contracts between a seed dealer and a seed grower are enforceable by the Oregon Department of Agriculture under the slow-pay no-pay law. If for some reason a grower enters into a purchase contract with a dealer without setting a price for the seed and subsequently needs to seek a slow-pay no-pay enforcement action to collect payment, the ODA will set an objectively reasonable market price for the seed using the Uniform Commercial Code price setting standards.



## The Slow-Pay No-Pay Law

The slow-pay no-pay law provides an administrative process that is managed by the Oregon Department of Agriculture (ODA). This is a process that allows a grower to pursue payment from a seed dealer and is an alternative to a lawsuit. A grower may initiate a slow-pay no-pay claim if the grower has not been paid for seed as required in his contract even if the seed has not been shipped and is still in the grower's warehouse.

This law has undergone several revisions since it was first enacted. Prior to 2011 any seed production contracts that said the "price will be mutually agreed to" or the "price is to be set by the dealer" were not enforceable through the slow-pay no-pay process. This is because the State Attorney General's office had advised the Oregon Department of Agriculture that these contracts were not enforceable.

One of the Attorney General's concerns was the lack of a price setting mechanism that could be enforced. Changes to seed laws initiated by the Oregon Grass Seed Bargaining Association in 2011 remedied this by providing that if there is a slow-pay no-pay claim and the price is part of the dispute, the price will be set by applying existing Uniform Commercial Code price setting standards. This is intended to ensure that growers receive a fair market-based price for their seed using prices current at the time of the claim for seed of like kind and quality as a price setting standard. However, growers of perennial rye grass and tall fescue turf type seed can avoid the need to use the Uniform Commercial Code price setting process by requiring that their contracts with seed dealers reference an objective price such as the OGSBA negotiated price.

All production and purchase contracts are enforceable. And no provisions of seed production contracts or seed purchase contracts may alter the enforcement opportunity available to growers through the slow-pay no-pay process.

## Final Payment Date is now Enforceable

Prior to 2011 the slow-pay no-pay law had a loophole that was at times exploited by seed dealers in an effort to delay payment to growers. That provision said that final payment must be made by May 1 of the year following harvest "unless otherwise agreed" by the dealer and grower. This was effectively an opportunity for dealers to compel growers to agree to an unspecified payment date beyond May 1. ***This is no longer an option.***

All production contracts must now be paid in full by May 1 of the year following harvest. The only exception to this requirement is the delayed payment option that is available if a seed production contract is agreed to and signed ***before*** seed is planted. If this option is chosen a payment equal to 40% of the value of the contracted seed must be made by the dealer to the grower on or before March 15 of the year following harvest with final payment to be made at a time that is

determined before the contract is signed. This date for final payment may be after May 1 of the year following harvest or any date that is acceptable to both parties.

Seed Purchase Contracts for sales of grower owned or open market seed are now enforceable under the slow-pay no-pay law; see section on Seed Purchase Contracts.

## How to File a Slow-Pay No-Pay Claim

A claim is initiated when a grower completes an Oregon Department of Agriculture (ODA) Slow Pay/No Pay complaint form. Complaint forms may be obtained by contacting the ODA Commodity Inspection Office. A lawyer's advice is not required but may at times be helpful. A copy of the form is included in this handbook.

When the ODA receives a complaint, they must determine whether or not the grower has been paid in accordance with the contract. In order to proceed, the ODA will need; 1) a copy of the seed production or purchase contract, 2) production records showing the amount of seed produced or shipped under the production contract or shipped under the purchase





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contract, 3) a copy of the seed test showing that the seed produced or shipped meets the standards of the contract, and 4) records affirming non-payment by the seed dealer.

If the ODA investigation determines that the seed dealer has not provided payment according to the terms of the contract, the ODA will send the dealer a demand letter requiring payment of the amount due within 30 days, plus 1% interest per month on the amount past due.

At this point the seed dealer can either pay the amount due or file an administrative appeal. If the seed dealer does neither, the ODA may suspend the dealer's license until the dealer demonstrates that it is current with *all* growers.

If the seed dealer chooses to file an administrative appeal it can significantly extend the timeline to achieve resolution. Issues dealers have contested in the administrative appeal process include when payment was due, whether or not the seed met the quality standards set forth in the contract, and the price. If the dealer chooses to appeal the ODA determination of non-payment and the seed the grower is seeking payment for has already been shipped, the grower should seriously consider filing a lien extension as described in the section of this handbook on liens.

The fact that Oregon law requires contracts with firm payment timelines and has a price determination process using accepted Uniform Commercial Code standards will expedite future contract enforcement through the slow-pay no-pay process by removing road blocks that were previously in the way.

Slow-Pay No-Pay claims can be filed by contacting the:

Oregon Department of Agriculture

Commodity Inspection Division

635 Capitol ST NE Salem, OR 97301-2532

Email: [rblack@oda.state.or.us](mailto:rblack@oda.state.or.us).

Fax: 503-986-4620

Phone 503-986-4620

The ODA Slow-Pay/No-Pay complaint form can be found at:

<https://www.oregon.gov/ODA/shared/Documents/Publications/MarketAccess/SlowPayNoPayComplaintform.pdf>

## Filing a Lien to Ensure Payment or Preserve your Interest.

If a grower has shipped seed that has not been paid for, the grower has a 180 day lien on the seed inventory of the purchaser and the proceeds received by the purchaser from the sale of the seed. The lien attaches on the date when the seed has been physically transferred to the purchaser for an agreed consideration.

The Lien available to seed growers is the "Grain Producer's Lien" provided in ORS87.750 to 87.777. This lien applies to unpaid producers of agricultural seed including grass seed. The lien is for the contract price of the seed and if there is no agreed price it is for the reasonable value of the seed.

This lien is superior to all other classes of lien including the security interest of the seed dealer's creditors in the inventory or proceeds from the sale of the dealer's inventory regardless of whether the creditors lien or security interest attached to the inventory before or after the agricultural producer's lien attached.

In the case of a seed dealer default all agricultural producers liens attached to the seed dealers inventory



or the proceeds from selling the inventory are of equal priority and payable pro rata in proportion to the size of each lien.

There is no filing necessary to create the initial lien, however the lien expires on the 180<sup>th</sup> day after the grower actually delivered physical possession of seed to the dealer unless the grower files for an extension with the Oregon Secretary of State, Corporations Division – UCC. The lien can be extended to a full 18 months by filing Form GL-1 “Notice of Filing Extension of Grain Producer’s Lien”. There is a \$15.00 fee for filing the lien extension.

The Grain Producer’s Lien form is available on the Oregon Secretary of State’s Web page in the Uniform Commercial Code Section and can be found at: <https://sos.oregon.gov/business/Documents/ucc-forms/gl-1.pdf>

A copy of form GL-1 is also included in this handbook.

Once the grower has filed the GL-1 the grower needs to notify holders of competing security interests. Obtaining a lien search from the Oregon Secretary of State will expedite this process. If the purchaser is an individual, the grower should search in the purchasers’ state of residence. If the purchaser is a corporation the grower should search Oregon as well as their state of incorporation. After identifying creditors with security interest in inventory, proceeds or accounts receivable of the purchaser the grower should send each of them a copy of the grower’s lien notice via certified mail – return receipt requested. Send it to the address on the purchaser’s filed financial statement. This notice should be sent within 20 days of the date the grower filed the lien extension. Failure to provide notice to other creditors may cause the grower’s lien to be subordinated to the liens of those not sent notice. The assistance of your lawyer may be helpful.



If a seed dealer goes into bankruptcy, it is very important that the grower preserve his priority status by providing proper notice to other creditors. It is not necessary for the grower to send a copy of the lien extension to the purchaser of his seed however doing so may lead the dealer/purchaser to pay.

If the seed dealer the grower has a lien against pays the amount due, it is necessary for the grower to file a notice of lien satisfaction, form GL-2, with the Secretary of State’s Office, Corporations Division – UCC. The form GL-2 may be found at the following link: <https://sos.oregon.gov/business/Documents/ucc-forms/gl-2.pdf>

If a grower opens a slow-pay no-pay claim against a seed dealer and has already shipped the seed, the grower should seriously consider filing a lien extension.

## Plant Variety Protection Act

The Plant Variety Protection Act (PVPA) ensures the rights of those who develop and own proprietary plant varieties and in doing so it limits who growers can sell proprietary varieties of seed to.

The PVPA also provides specific rights to seed growers. If a grower has fully complied with the contract and produced the seed as required and the dealer does not uphold his end of the contract by paying for the seed and taking delivery, *“the producer shall be deemed to be authorized by the owner to sell such seed and to use the variety if” ... “the owner refuses to take delivery of the seed or refuses to pay any amounts due under contract within 30 days of the payment date specified in the contract”*. When the first 30 days after payment was due have elapsed, the PVPA requires the

grower to notify the dealer of the growers' intent to sell the seed unless the dealer pays for and takes delivery of the seed within 30 days of such notice. If the dealer fails to make payment and take delivery as required by the contract within this second 30 day period the grower is then authorized to sell the seed using the variety name.

The PVPA does not specify the price the dealer owes the grower for the seed, so the terms of the contract will determine the price the dealer owes the grower.

If a grower finds it necessary to use his rights under the PVPA to sell proprietary seed grown for a dealer and his contract says "price will be set by dealer" or "price will be set by mutual agreement" it leaves price open to dispute. A grower in this situation may find it very difficult to exercise his PVPA protected rights because the dealer would have the ability to offer and pay a price well below the market value of the seed and in doing so fulfill his obligations under the PVPA.

To fully exercise his rights a grower must insist on an objective price setting method that takes price setting out of the dealer's hands. OGSBA members can require that their perennial rye grass and tall fescue turf type seed contracts specify the OGSBA negotiated price and in doing so put themselves in a position to fully exercise their PVPA protected rights if they need to.

It is important for growers to fully understand their rights under the PVPA. If when growing for a seed dealer a grower only produces proprietary varieties and if the grower insists on an objective pricing mechanism in his seed production contract such as the OGSBA negotiated price, a grower has the tools necessary to ensure that he gets paid in a timely manner or is able to convert the crop to cash by selling it to another party.

We advise that you consult your legal counsel if you have any questions or concerns about exercising your rights under the PVPA.



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## 7 USC Sec. 2541

### TITLE 7 - AGRICULTURE

#### CHAPTER 57 - PLANT VARIETY PROTECTION

#### SUBCHAPTER III - PLANT VARIETY PROTECTION AND RIGHTS

#### Part K - Infringement of Plant Variety Protection

#### Sec. 2541. Infringement of plant variety protection

### STATUTE

#### (a) Acts constituting infringement

Except as otherwise provided in this subchapter, it shall be an infringement of the rights of the owner of a protected variety to perform without authority, any of the following acts in the United States, or in commerce which can be regulated by Congress or affecting such commerce, prior to expiration of the right to plant variety protection but after either the issue of the certificate or the distribution of a protected plant variety with the notice under section 2567 of this title:

- (1) sell or market the protected variety, or offer it or expose it for sale, deliver it, ship it, consign it, exchange it, or solicit an offer to buy it, or any other transfer of title or possession of it;
- (2) import the variety into, or export it from, the United States;
- (3) sexually multiply, or propagate by a tuber or a part of a Tuber, the variety as a step in marketing (for growing purposes) the variety;
- (4) use the variety in producing (as distinguished from developing) a hybrid or different variety therefrom;
- (5) use seed which had been marked "Unauthorized Propagation Prohibited" or "Unauthorized Seed Multiplication Prohibited" or progeny thereof to propagate the variety;
- (6) dispense the variety to another, in a form which can be propagated, without notice as to being a protected variety under which it was received;
- (7) condition the variety for the purpose of propagation, except to the extent that the conditioning is related to the activities permitted under section 2543 of this title;
- (8) stock the variety for any of the purposes referred to in paragraphs (1) through (7);
- (9) perform any of the foregoing acts even in instances in which the variety is multiplied other than sexually, except in pursuance of a valid United States plant patent; or
- (10) instigate or actively induce performance of any of the foregoing acts.

#### (b) Uses authorized by owner

- (1) Subject to paragraph (2), the owner of a protected variety may authorize the use of the variety under this section subject to conditions and limitations specified by the owner.
- (2) **In the case of a contract between a seed producer and the owner of a protected variety of lawn, turf, or forage grass seed, or alfalfa or clover seed for the production of seed of the protected variety, the producer shall be deemed to be authorized by the owner to sell such seed and to use the variety if -**
  - (A) **the producer has fulfilled the terms of the contract;**
  - (B) **the owner refuses to take delivery of the seed or refuses to pay any amounts due under the contract within 30 days of the payment date specified in the contract; and**
  - (C) **after the expiration of the period specified in subparagraph (B), the producer notifies the owner of the producer's intent to sell the seed and unless the owner fails to pay the amounts due under the contract and take delivery of the seed within 30 days of such notification. For the purposes of this paragraph, the term "owner" shall include any licensee of the owner.**
- (3) Paragraph (2) shall apply to contracts entered into with respect to plant varieties protected under this chapter as in effect on the day before the effective date of this provision as well as plant varieties protected under this chapter as amended by the Plant Variety Protection Act Amendments of 1994.

The full text of this section of the PVP Act may be found at:

<https://uscode.house.gov/browse/prelim@title7/chapter57/subchapter3/partK&edition=prelim>

## When May A Grower Withhold Delivery or Insist that a Dealer Pay Cash on Delivery (C.O.D.)?

A grower may require C.O.D. payment:

If the grower has discovered that the purchaser is insolvent, or

If the purchaser has failed to make a payment due.

A grower may also require C.O.D. payment if he has reasonable grounds to be concerned about the seed dealer's financial performance. In such cases a grower must make a written demand for adequate assurance of the seed dealer's ability to pay for the seed and may withhold delivery until he has received commercially reasonable assurance such as evidence that the seed dealer has acquired a performance bond. If the seed dealer does not respond within 30 days it is deemed a repudiation of the contract excusing the grower's obligation to deliver the seed.

If a grower is in the situation described above and is holding seed grown for a dealer under contract, the grower must still comply with the notice requirements of the PVPA if he wishes to sell the seed using the variety name.

## Opportunities for Oregon Seed Growers

Oregon is the source of at least 50% of the world-wide supply of turf type perennial ryegrass and 90% of the world-wide supply of turf type tall fescue seed. Because of the tremendous amount of each of these products that is grown here we have an opportunity that is rare in the world of agriculture.

By tracking the amount of seed we produce and balancing our production with the demand of our markets we can have a huge influence on price and maintain prices at profitable levels over time.

When too many individual growers each attempt to negotiate with seed dealers on their own, it weakens the position of all growers in the marketplace. If growers stay isolated from each other and compete with each other they eventually all lose. They find themselves in a "race to the bottom" as growers give away any opportunity for profit in an attempt to compete with their neighbors.

OGSBA provides growers an opportunity to collaborate when marketing their products. This opportunity allows fiercely independent growers to better stay *financially independent* through sales collaboration.

OGSBA is the only organization in the Oregon seed industry that is controlled exclusively by growers and as such is providing leadership to bring about positive change for growers.



# Oregon Statutory Contract

## Statutory Seed Production Contract

Oregon State Law provides that the **payment date, seed storage and length of contract, provisions outlined below are in force between a seed dealer and a seed grower if a contract for the production of a dealer's proprietary seed is not agreed to and signed *BEFORE* the seed in question is planted. These minimum contract standards are legally binding and are not optional in Oregon.** A grower may not agree to contract terms less favorable for him than those outlined below; however, a grower may agree to contract terms that are more favorable for him than those outlined below.

### 1. Payment Date Options:

☐ Payment is due 30 days after seed is delivered to the seed dealer upon the dealer's request, or May 1 of the year following harvest ***whichever occurs earliest***. The final payment date of May 1 is in force even if the seed dealer has not taken delivery of the seed as long as the grower has processed the seed and made it available for shipment.

☐ Staggered payment plans used by some dealers are legal as long as the final payment is made by May 1 of the year following harvest.

Payment dates: \_\_\_\_\_

### 2. Seed Storage and Risk of Loss:

Responsibility for storage and risk of loss transfers to the seed dealer when the grower presents the dealer with a test showing that the seed produced meets the quality specifications agreed to ***or*** when the dealer takes possession of the seed ***whichever occurs earliest***. The grower may clean the seed sooner than requested by the seed dealer's cleaning schedule. Cost for seed storage may be determined by the grower or may be negotiated between the dealer and the grower.

☐ Grower will provide seed storage at a rate of \$.35 per cwt. per month. (OGSBA suggested storage rate)

☐ Other agreement on seed storage: \_\_\_\_\_

### 3. Contract Term:

The **Oregon State Law provides a 2 year contract term**, however the parties may agree to a longer term contract.

☐ 3 year contract term.

☐ 4 year contract term.

### 4. Oregon Statutory process for disposal of seed produced by a grower that does not meet quality specifications required by a seed production contract; this applies to ALL seed production contracts no matter when signed:

If seed test results show that the seed produced does ***not*** meet the quality standards required by the seed dealer, the grower may at any time send the test results to the seed dealer and inquire as to whether or not the dealer intends to purchase the seed. If the dealer responds within 30 days that he does intend to purchase the seed, it shall be sold to the dealer under terms agreed to in a **Seed Purchase Contract**. The price may be anything the grower and dealer agree to except that it may not be more than the price would have been for seed meeting contract quality standards.

Grower's initial communication with the seed dealer presenting him with the test results and inquiring as to his intentions to purchase the seed and the dealer's reply to the grower must be in a form that can be used to document that it was actually received by the other party (e-mail with a response, hand delivery with a signed receipt, certified mail with return receipt).

If a grower sends an inquiry to a seed dealer asking if he intends to purchase seed the grower has produced for him that does not meet quality specifications in the contract, and the dealer does not reply within 30 days, the dealer's lack of response may be acknowledged as a refusal to purchase the seed and an authorization for the grower to sell the seed in any reasonable manner as Variety Not Stated Seed (VNS).

For an explanation of a **Seed Purchase Contract** as defined in Oregon law see the **Oregon Seed Growers Contracting Handbook** produced by the Oregon Grass Seed Bargaining Association.



**Additional components of a seed production contract that are not provided for in Oregon State Law; these should be negotiated between the seed grower and seed dealer:**

**5. Price determination:**

- ☐ OGSBA negotiated price.
- ☐ Call Dates that will be averaged to determine the price: \_\_\_\_\_

**6. Provision of Seed stock:**

- ☐ Dealer will provide seed stock at his actual cost (the per pound price paid to the grower who produced it).
- ☐ Upon delivery of seed stock dealer will provide a seed test to validate its purity.
- ☐ Other seed stock price agreement: \_\_\_\_\_

**7. Seed Bags and/or Packaging:**

- ☐ Dealer will provide bags at no charge.
- ☐ Dealer will provide bags at the actual cost of plain bags; the dealer will pay any additional cost for branded bags.
- ☐ Grower may provide plain bags from a source other than the dealer.
- ☐ Other packaging agreement: \_\_\_\_\_

**8. Seed Quality Specifications:**

Purity: \_\_\_\_\_ % Min.    Germination: \_\_\_\_\_ % Min.    ☐ Certified    ☐ Sod Certified  
Crop: \_\_\_\_\_ % Min.    ☐ Uncertified    ☐ OECD Blue Tag  
Inert: \_\_\_\_\_ % Max.  
Weed: \_\_\_\_\_ % Max.    Other: \_\_\_\_\_  
Seed testing will be paid for by grower using a seed testing vendor licensed in Oregon.

**9. Further Agreements:**

Grower agrees to faithfully perform his obligations under this contract and to furnish all the land, equipment and care necessary to properly grow, harvest, condition and package the seed crop in a timely manner.

Dealer agrees to faithfully perform his obligations under this contract, to provide the grower with weed and crop free seed stock and to pay for the seed produced under this contract in accordance with Oregon Law.

**Print Names:**

Grower: \_\_\_\_\_ Dealer: \_\_\_\_\_

**Signatures:**

Grower: \_\_\_\_\_ Dealer: \_\_\_\_\_

**Date Signed:**

Grower: \_\_\_\_\_ Dealer: \_\_\_\_\_

**Seed Company Name:** \_\_\_\_\_

The statutory contract provisions outlined above were provided in HB 2159 from the 2011 Oregon Legislative session.

**This information is provided by the Oregon Grass Seed Bargaining Association**

**By Growers - For Growers**

## Author Biographies

### Dave Sunderland

David Sunderland is the owner of Sunderland Solutions with over 30 years of experience providing consultations, training, and educational support to farm business owners.

Dave taught courses in business management and economics to farm and ranch business owners at multiple colleges and universities including Chemeketa Community College in Salem, Oregon. He has worked extensively with family-owned and closely held business entities and is keenly aware of the unique challenges of management, operation, and succession of a family-owned business.

Dave was raised on a family dairy farm in Idaho. After college he and his younger brother returned to the farm full time. They quickly reorganized the farming structure and within a couple of years increased the farm's productivity and efficiency to support three families. After several years and a heartfelt decision process, Dave decided to leave the farm and pursue a Master of Agricultural Economics at New Mexico State University.

Dave has a Masters of Economics and Agricultural Economics from New Mexico State University and a Bachelors in Animal Science from Brigham Young University. He lives in Salem, Oregon and loves to spend his free time with his wife and visiting their four children.



*Dave Sunderland*

### Phil La Vine

Phil LaVine is a 21-year instructor with Chemeketa Community College. Primarily teaching farm business management. These courses include record keeping and analysis, goal setting, budgeting, succession planning and taxation. He has also taught wine business management, wine marketing and horticulture business management. The AgriBusiness Management Program at Chemeketa has worked with over 1,400 family farms in the region. Phil specializes in software utilization to analyze farm records, interpretation of those records and business planning.

Phil lives in South Salem with his wife where they have raised three kids.

He has a Master of Economics and Agricultural Economics from New Mexico State University and a Bachelors in Farm Business Management from Fresno State University. His community service has included the Oregon Raspberry Blackberry Commission, Soil and Water Conservation District Chair, Rotary Club President, youth sports coach and judge for FFA and 4-H projects.

Phil has farmed macadamia nuts, coffee and nursery stock. He is a past vice president of the Federal Land Bank Association of Hawaii.



*Phil La Vine*



## Crop Enterprise Cost Summary Tool Narrative

### Intent

- Provide an economic tool to better understand the costs of production and determine the general economic health of the industry.
- Develop an understanding of the relationship of production costs to the impact on supply, demand and crop pricing.
- Reduce pricing uncertainty by mitigating over and under supply.
- Encourage growers to migrate from using "average farm costs" to focus on and think about their own production standards, inputs used, and custom rates paid.
- Develop a system which includes a complete understanding all the steps involved in a farm's costs of production (methods, practices, processes and resources) as a tool to decide on crop selection. The tool provides a process for each farm/grower to:
  - Itemize and document all the steps involved in their production process
  - Identify all the inputs and associated quantities required in their production process
  - Assign valid costs associated with each step, input and custom hire rates
- Develop a tool that individual growers can utilize to make informed decisions based on their resources available including land, capital, labor, time and skills. Resources available for Individual farms are not all equal or identical. Each farm tends to make micro-economic decisions for determining which crops to grow in a production cycle. Having a tool to document historical costs and to project accurate pro forma costs will help each grower make informed decisions and accept associated consequential risks.
- Create a demand for quality grass seed produced in Oregon by understanding how it is grown and encourage each grower to develop a plan and model for continuous improvement in establishing production standards and best practices.





- Encourage professionalism amongst growers as a standard to production and pricing.
- Document changes in costs of production, range and mean, in response to economic and other factors.

### Method

- Documented the cost of production for selected crops utilizing costs fees and rates arising from a commercial custom farm operation.
- It is assumed commercial custom operators includes variable cost, fixed costs, overhead costs, repair costs, replacement costs, management fees and a margin for profit (return on investment).

### Results vs Objective

- Family sized farms are evolving to larger sizes to better spread overhead costs and develop an efficient economy of size.
- The implication is there will be less individual grass seed growers.
- The remaining grower(s) can have more leverage since they will tend to be negotiating larger production contracts and armed with better understanding of costs of production growers can negotiate from a position of shared power
- Individual farm's production practices are often subsidized by market price increases in farm equity – primarily land. Subsequently, many producers may be understating their true cost of production. Consequently, in any given year, as long as land values continue to increase, growers can borrow an increasing amount of long- and short-term capital.
- The continued borrowing will eventually deteriorate equity and opportunity cost.
- This will be evident when the farmer sells or transitions the farm to the next generation and not enough cash or cash flow is available to secure a cost-effective transfer.



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- Maintain and enhance the consumer's image of Oregon being a supplier of high-quality grass seed through best practices, environmental and economic sustainability.
- Major retailers and big box stores buyers (Lowe's, Home Depot, etc.) tend to appreciate a consistent supply and to minimize price shocks due to shortages.
- Year-over-year modest price increases and/or decreases are an easier sell to volume buyers.
- An authorized grower's group might open a communication channel with major retailers and volume buyers to help convey why a stability in price and supply is desirable.

### Planned improvements to the method

- Create a process and structure a continuous improvement process for the tool.
- Annual review and feedback from growers, dealers and other professionals. Having growers and dealers participate in tool review and feedback will assist in generating a useable economic tool.
- Continue to use and update "Custom Farm" costs for evaluation but also to start collecting data from "Owner Farmer" operations and include this data in the study also.
- Document a line item analysis of Page 1 of the budget tool. Each line item to be reviewed, identified and briefly discussed so that there is a uniform interpretation of each line item.
- Document all production processes and procedures.

### Formal process for submitting comments

- Create a formal and structured process for submitting comments and inquiries to the authors. Inquiries of format and content may be directed to Sunderland Solutions ([sunderlandsolutions@gmail.com](mailto:sunderlandsolutions@gmail.com)).
- Comments and suggestions could be published which would add transparency and credibility.

## Additional Comments, glossary, definitions, explanations and remarks.

### Costs are divided into two categories

#### 1. Variable Costs

- a. Variable costs vary according to the level of production and depend directly on the number of acres farmed. Variable costs typically increase as acres and production increase.
- b. Variable cost examples include: fuel, repairs, fertilizer, chemicals, seed, labor (both operator and hired), utilities and interest on operating capital.

#### 2. Fixed Cost

- a. Fixed Costs do not vary with level of production and will occur even if no production takes place.
- b. Fixed cost examples include: depreciation, land charges, property taxes, interest and principal payments on non-current debt, insurance and management fees.
  - i. Management fee is an opportunity cost for management. This is representative of management fees charged by farm management firms and is an estimation of the value of an operator's management skills. The fee is calculated at 7% of expected gross receipts.
  - ii. Land cost is equal to the cash rent typical of the area.

**Prices shown in initial study** are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise.

# Crop Enterprise Cost Summary for: PERENNIAL RYEGRASS

## Two Production Years (Carbon Planted)

Cell color = A formula or function						
Production Year: 2020	Establishment		YEAR ONE	YEAR TWO	Accumulative	
Description	Per Acre		Per Acre	Per Acre	Per Acre	COMMENTS
Production and Income:						
Value (per pound)	0.00		0.80	0.80	0.80	Per pound seed price - OGSBA negotiated price
Yield	0.00		1,575.00	1,575.00	3,150.00	Per acre yield average - OGSBA negotiated yield
Primary Crop Value	0.00		1,260.00	1,260.00	2,520.00	Calculated revenue from harvested seed
Other Crop Income	0.00		100.00	100.00	200.00	Stumpage, straw sales, grazing, etc. - user input
Total Income:	0.00		1,360.00	1,360.00	2,720.00	
Variable Costs:						
Seed and Plants	25.00		0.00	0.00	0.00	Data is imported from standards worksheet
Fertilizer/Lime	0.00		73.20	155.70	228.90	
Chemicals	22.48		165.39	198.33	363.72	
Custom Work	579.45		188.26	157.88	346.14	
Hired Labor (Incl. Irrigation)	0.00		5.00	5.00	10.00	
Operator Labor	0.00		5.00	5.00	10.00	
Machinery Fuel	0.00		0.00	0.00	0.00	
Machinery Repairs	0.00		0.00	0.00	0.00	
Irrigation Power/Water	0.00		0.00	0.00	0.00	
Harvest	0.00		83.36	83.36	166.72	
Clean, Bag & Ship	0.00		141.75	141.75	283.50	
Other Variable Costs	5.00		9.00	9.00	18.00	
Interest - Operating Capital	19.54		20.75	23.38	44.13	
Total Variable Costs:	651.47		691.71	779.41	1,471.12	
Fixed Costs						
Land Charge	0.00		195.00	195.00	390.00	Data is imported from standards worksheet
Machinery Ownership	5.00		5.00	5.00	10.00	
Building Ownership	5.00		5.00	5.00	10.00	
Overhead	15.00		67.00	67.00	134.00	
Establishment Year Costs (Amortized over production years)	0.00		351.84	351.84	703.67	
Other Fixed Costs	0.00		7.67	7.67	15.34	
Management	27.20		95.20	95.20	190.40	
Total Fixed Costs:	52.20		726.71	726.71	1,453.41	
Total Costs:	703.67		1,418.42	1,506.11	2,924.53	
Economic Summary:						Economic summary calculations
Net Return Over Variable Costs			668.29	580.59	1,248.88	Total Income - Total Variable Costs
Net Return Over Total Costs			(58.42)	(146.11)	(204.53)	Total Income - Total Costs
Return to Labor & Management			46.78	-40.91	5.87	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)			1,773.02	1,882.64	3,655.66	Total Costs / Value per pound
Total Cost Per Pound			0.90	0.96	0.93	Total Costs / Average Yield (Per Acre)



# Crop Enterprise Cost Summary for: HAZELNUT

Cell color = A formula or function								
Production Year: 2020	ESTABLISH YEAR ONE	PRE- PRODUCTION YEAR TWO	PRE- PRODUCTION YEAR THREE	PRE- PRODUCTION YEAR FOUR	PARTIAL PRODUCTION YEAR FIVE	Production Years	Accumulative	
Description	Per Acre	Per Acre	Per Acre	Per Acre	Per Acre	Per Acre	Per Acre	COMMENTS
<b>Production and Income:</b>								
Value per pound	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.00	\$1.00	Per pound seed price
Yield	0	0	0	0	0	2,800	2,800	Per acre yield average
<b>Primary Crop Value</b>		\$ -	\$ -	\$ -	\$ -	\$ 2,800.00	\$ 2,800.00	Calculated revenue from harvested seed
Other Crop Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Crops between tree rows etc. - user input
<b>Total Income:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,800.00	\$ 2,800.00	
<b>Variable Costs:</b>								
Seed and Plants	620.00	0.00	0.00	0.00	0.00	0.00	0.00	Data is imported from standards worksheet
Fertilizer/Lime	21.60	112.18	138.75	215.55	215.55	345.55	345.55	
Chemicals	34.45	50.82	79.35	80.75	80.75	84.75	84.75	
Custom Work	591.44	249.94	333.20	411.40	435.40	302.22	302.22	
Hired Labor (Incl. Irrigation)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Operator Labor	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Machinery Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Machinery Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Irrigation Power/Water	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Harvest	0.00	0.00	0.00	0.00	70.00	70.00	70.00	
Clean, Bag & Ship	0.00	0.00	0.00	0.00	130.00	130.00	130.00	
Total Establishment Cost	10.00	5.00	5.00	5.00	23.00	23.00	23.00	
Interest - Operating Capital	39.82	13.24	17.51	22.35	29.84	29.86	29.86	
<b>Total Variable Costs:</b>	<b>1,327.31</b>	<b>441.18</b>	<b>583.81</b>	<b>745.05</b>	<b>994.54</b>	<b>995.38</b>	<b>995.38</b>	
<b>Fixed Costs</b>								
Land Charge	195.00	195.00	195.00	195.00	195.00	195.00	975.00	Data is imported from standards worksheet
Machinery Ownership	5.00	5.00	5.00	5.00	5.00	5.00	25.00	
Building Ownership	5.00	5.00	5.00	5.00	5.00	5.00	25.00	
Overhead	60.00	60.00	60.00	60.00	60.00	60.00	300.00	
Establishment Year Costs (Amortized over 10 production years)	0.00	0.00	0.00	0.00	0.00	575.52	575.52	
Other Fixed Costs	7.67	12.67	12.67	12.67	12.67	12.67	63.35	
Management	56.00	56.00	56.00	56.00	56.00	196.00	420.00	
<b>Total Fixed Costs:</b>	<b>328.67</b>	<b>333.67</b>	<b>333.67</b>	<b>333.67</b>	<b>333.67</b>	<b>1,049.19</b>	<b>2,383.87</b>	
<b>Total Costs:</b>	<b>1,655.98</b>	<b>774.85</b>	<b>917.48</b>	<b>1,078.72</b>	<b>1,328.21</b>	<b>2,044.58</b>	<b>3,379.26</b>	
<b>Economic Summary:</b>								<b>Economic summary calculations</b>
Net Return Over Variable Costs						1,804.62	1,804.62	Total Income - Total Variable Costs
Net Return Over Total Costs						755.42	-579.26	Total Income - Total Costs
Return to Labor & Management						961.42	-149.26	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)						2,044.58	3,379.26	Total Costs / Value per pound
Total Cost Per Pound						0.73	1.21	Total Costs / Average Yield (Per Acre)

# Crop Enterprise Cost Summary for: TALL FESCUE

Fall Planted

Cell color = A formula or function								
Production Year: 2020	Establishment	YEAR ONE	YEAR TWO	YEAR THREE	YEAR FOUR	YEAR FIVE	Accumulative	
Description	Per Acre	Per Acre	Per Acre	Per Acre	Per Acre	Per Acre	Per Acre	COMMENTS
Production and Income:								
Value per pound	\$0.00	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	Per pound seed price - 2020 OGSBA negotiated price
Yield	-	1,525.00	1,525.00	1,525.00	1,525.00	1,525.00	7,625.00	Per acre yield average - 2020 OGSBA negotiated yield
Primary Crop Value	0.00	1,220.00	1,220.00	1,220.00	1,220.00	1,220.00	6,100.00	Calculated revenue from harvested seed
Other Crop Income	0.00	100.00	100.00	100.00	100.00	100.00	500.00	Stumpage, straw sales, grazing, etc. - user input
Total Income:	\$ -	\$ 1,320.00	\$ 1,320.00	\$ 1,320.00	\$ 1,320.00	\$ 1,320.00	\$ 6,600.00	
Variable Costs:								
Seed and Plants	15.00	0.00	0.00	0.00	0.00	0.00	\$0.00	Data is imported from standards worksheet
Fertilizer/Lime	262.50	159.75	159.75	159.75	159.75	159.75	\$798.75	
Chemicals	47.96	135.21	135.34	135.34	135.34	135.34	\$676.59	
Custom Work	209.69	223.36	169.36	169.36	169.36	169.36	\$900.81	
Hired Labor (Incl. Irrigation)	0.00	5.00	5.00	5.00	5.00	5.00	\$25.00	
Operator Labor	0.00	5.00	5.00	5.00	5.00	5.00	\$25.00	
Machinery Fuel	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	
Machinery Repairs	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	
Irrigation Power/Water	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	
Harvest	0.00	83.36	83.36	83.36	83.36	83.36	\$416.80	
Clean, Bag & Ship	0.00	138.25	138.25	138.25	138.25	138.25	\$691.25	
Other Variable Costs	12.50	10.00	10.00	10.00	10.00	10.00	\$50.00	
Interest - Operating Capital	16.94	23.50	21.84	21.84	21.84	21.84	\$110.85	
Total Variable Costs:	564.59	783.44	727.90	727.90	727.90	727.90	3,695.05	
Fixed Costs								
Land Charge	0.00	195.00	195.00	195.00	195.00	195.00	\$975.00	Data is imported from standards worksheet
Machinery Ownership	2.50	5.00	5.00	5.00	5.00	5.00	\$25.00	
Building Ownership	2.50	5.00	5.00	5.00	5.00	5.00	\$25.00	
Overhead	12.50	67.00	67.00	67.00	67.00	67.00	\$335.00	
Establishment Year Costs (Amortized over production years)	0.00	122.20	122.20	122.20	122.20	122.20	\$610.99	
Other Fixed Costs	2.50	7.67	7.67	7.67	7.67	7.67	\$38.35	
Management	26.40	92.40	92.40	92.40	92.40	92.40	\$462.00	
Total Fixed Costs:	46.40	494.27	494.27	494.27	494.27	494.27	2,471.34	
Total Costs:	610.99	1,277.71	1,222.17	1,222.17	1,222.17	1,222.17	6,166.39	
Economic Summary:								Economic summary and analysis
Net Return Over Variable Costs		536.56	592.10	592.10	592.10	592.10	2,904.95	Total Income - Total Variable Costs
Net Return Over Total Costs		42.29	97.83	97.83	97.83	97.83	433.61	Total Income - Total Costs
Return to Labor & Management		144.69	200.23	200.23	200.23	200.23	945.61	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)		1,597.13	1,527.71	1,527.71	1,527.71	1,527.71	7,707.98	Total Costs / Value per pound
Total Cost Per Pound		0.84	0.80	0.80	0.80	0.80	0.81	Total Costs / Average Yield (Per Acre)

## Crop Enterprise Cost Summary for: **CRIMSON CLOVER**

Cell color = A formula or function				
<b>Production Year: 2020</b>	<b>Establishment</b>	<b>YEAR ONE</b>	<b>Accumulative</b>	
<b>Description</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>COMMENTS</b>
Production and Income:				
Value per pound		\$0.60	0.60	Per pound seed price - user input
Yield		1,200	1,200	Per acre yield average - Clean Seed
<b>Primary Crop Value</b>		<b>720.00</b>	<b>720.00</b>	Calculated revenue from harvested seed
Other Crop Income	0.00	0.00	\$0.00	Straw sales, grazing, etc. - user input
<b>Total Income:</b>	<b>\$ -</b>	<b>\$ 720.00</b>	<b>\$ 720.00</b>	
<b>Variable Costs:</b>				
Seed and Plants	21.00	0.00	0.00	Data is imported from standards worksheet
Fertilizer/Lime	44.80	67.50	67.50	
Chemicals	36.50	127.47	127.47	
Custom Work	319.82	48.68	48.68	
Hired Labor (Incl. Irrigation)	0.00	5.00	5.00	
Operator Labor	0.00	5.00	5.00	
Machinery Fuel	0.00	0.00	0.00	
Machinery Repairs	0.00	0.00	0.00	
Irrigation Power/Water	0.00	0.00	0.00	
Harvest	0.00	93.78	93.78	
Clean, Bag & Ship	0.00	108.00	108.00	
Other Variable Costs	5.00	50.00	50.00	
Interest - Operating Capital	13.21	15.63	15.63	
<b>Total Variable Costs:</b>	<b>440.33</b>	<b>521.06</b>	<b>521.06</b>	
<b>Fixed Costs</b>				
Land Charge	0.00	195.00	195.00	Data is imported from standards worksheet
Machinery Ownership	5.00	5.00	5.00	
Building Ownership	5.00	5.00	5.00	
Overhead	15.00	67.00	67.00	
Establishment Year Costs (Amortized over production years)	0.00	484.73	484.73	
Other Fixed Costs	5.00	7.67	7.67	
Management	14.40	50.40	50.40	
<b>Total Fixed Costs:</b>	<b>44.40</b>	<b>814.80</b>	<b>814.80</b>	
<b>Total Costs:</b>	<b>484.73</b>	<b>1,335.86</b>	<b>1,335.86</b>	
<b>Economic Summary:</b>				<b>Economic summary and analysis</b>
Net Return Over Variable Costs		198.94	198.94	Total Income - Total Variable Costs
Net Return Over Total Costs		-615.86	-615.86	Total Income - Total Costs
Return to Labor & Management		-555.46	-555.46	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)		2,226.44	2,226.44	Total Costs / Value per pound
Total Cost Per Pound		1.11	1.11	Total Costs / Average Yield (Per Acre)



Cell color = A formula or function				
<b>Production Year: 2020</b>	<b>Establishment</b>	<b>YEAR ONE</b>	<b>Accumulative</b>	
<b>Description</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>COMMENTS</b>
Production and Income:				
Value per pound		\$0.90	0.90	Per pound seed price - user input
Yield		800	800	Per acre yield average - clean Seed
<b>Primary Crop Value</b>		<b>720.00</b>	<b>720.00</b>	Calculated revenue from harvested seed
Other Crop Income	0.00	0.00	\$0.00	Straw sales, grazing, etc. - user input
<b>Total Income:</b>	<b>\$ -</b>	<b>\$ 720.00</b>	<b>\$ 720.00</b>	
<b>Variable Costs:</b>				
Seed and Plants	5.00	0.00	0.00	Data is imported from standards worksheet
Fertilizer/Lime	44.80	74.52	74.52	
Chemicals	36.50	127.47	127.47	
Custom Work	319.82	48.68	48.68	
Hired Labor (Incl. Irrigation)	0.00	5.00	5.00	
Operator Labor	0.00	5.00	5.00	
Machinery Fuel	0.00	0.00	0.00	
Machinery Repairs	0.00	0.00	0.00	
Irrigation Power/Water	0.00	0.00	0.00	
Harvest	0.00	93.78	93.78	
Clean, Bag & Ship	0.00	72.00	72.00	
Other Variable Costs	5.00	50.00	50.00	
Interest - Operating Capital	12.72	14.74	14.74	
<b>Total Variable Costs:</b>	<b>423.83</b>	<b>491.19</b>	<b>491.19</b>	
<b>Fixed Costs</b>				
Land Charge	0.00	195.00	195.00	Data is imported from standards worksheet
Machinery Ownership	2.50	5.00	5.00	
Building Ownership	2.50	5.00	5.00	
Overhead	12.50	67.00	67.00	
Establishment Year Costs (Amortized over production years)	0.00	460.73	460.73	
Other Fixed Costs	5.00	7.67	7.67	
Management	14.40	50.40	50.40	
<b>Total Fixed Costs:</b>	<b>36.90</b>	<b>790.80</b>	<b>790.80</b>	
<b>Total Costs:</b>	<b>460.73</b>	<b>1,281.99</b>	<b>1,281.99</b>	
<b>Economic Summary:</b>				<b>Economic summary and analysis</b>
Net Return Over Variable Costs		228.81	228.81	Total Income - Total Variable Costs
Net Return Over Total Costs		-561.99	-561.99	Total Income - Total Costs
Return to Labor & Management		-501.59	-501.59	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)		1,424.44	1,424.44	Total Costs / Value per pound
Total Cost Per Pound		1.60	1.60	Total Costs / Average Yield (Per Acre)

Cell color = A formula or function				
<b>Production Year: 2020</b>	<b>Establishment</b>	<b>YEAR ONE</b>	<b>Accumulative</b>	
<b>Description</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>COMMENTS</b>
<b>Production and Income:</b>				
Value per pound	\$0.00	\$1.00	\$1.00	Per pound seed price - user input
Yield	-	1,600.00	1,600.00	Per acre yield average
<b>Primary Crop Value</b>	<b>\$ -</b>	<b>\$ 1,600.00</b>	<b>\$ 1,600.00</b>	Calculated revenue from harvested seed
Other Crop Income	0.00	0.00	\$0.00	Straw sales, grazing, etc. - user input
<b>Total Income:</b>	<b>\$ -</b>	<b>\$ 1,600.00</b>	<b>\$ 1,600.00</b>	
<b>Variable Costs:</b>				
Seed and Plants	10.00	0.00	0.00	Data is imported from standards worksheet
Fertilizer/Lime	71.00	38.00	38.00	
Chemicals	60.41	46.20	46.20	
Custom Work	124.57	99.10	99.10	
Hired Labor (Incl. Irrigation)	0.00	5.00	5.00	
Operator Labor	0.00	5.00	5.00	
Machinery Fuel	0.00	0.00	0.00	
Machinery Repairs	0.00	0.00	0.00	
Irrigation Power/Water	0.00	0.00	0.00	
Harvest	0.00	83.36	83.36	
Clean, Bag & Ship	0.00	218.42	218.42	
Other Variable Costs	5.00	65.00	65.00	
Interest - Operating Capital	8.38	17.32	17.32	
<b>Total Variable Costs:</b>	<b>279.36</b>	<b>577.40</b>	<b>577.40</b>	
<b>Fixed Costs</b>				
Land Charge	0.00	195.00	195.00	Data is imported from standards worksheet
Machinery Ownership	0.00	5.00	5.00	
Building Ownership	0.00	5.00	5.00	
Overhead	10.00	67.00	67.00	
Establishment Year Costs (Amortized over production years)	0.00	321.36	321.36	
Other Fixed Costs	0.00	7.67	7.67	
Management	32.00	112.00	112.00	
<b>Total Fixed Costs:</b>	<b>42.00</b>	<b>713.03</b>	<b>713.03</b>	
<b>Total Costs:</b>	<b>321.36</b>	<b>1,290.44</b>	<b>1,290.44</b>	
<b>Economic Summary:</b>				<b>Economic summary calculations</b>
Net Return Over Variable Costs		1,022.60	1,022.60	Total Income - Total Variable Costs
Net Return Over Total Costs		309.56	309.56	Total Income - Total Costs
Return to Labor & Management		431.56	431.56	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)		1,290.44	1,290.44	Total Costs / Value per pound
Total Cost Per Pound		0.81	0.81	Total Costs / Average Yield (Per Acre)

Cell color = A formula or function				
<b>Production Year: 2020</b>	<b>Establishment</b>	<b>YEAR ONE</b>	<b>Accumulative</b>	
<b>Description</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>Per Acre</b>	<b>COMMENTS</b>
Production and Income:				
Value per Bushel	\$0.00	\$6.00	\$6.00	Per bushel price - user input
Yield (bushels)	-	125.00	125.00	Per acre yield average -
<b>Primary Crop Value</b>		<b>\$ 750.00</b>	<b>\$ 750.00</b>	Calculated revenue from harvested seed
Other Crop Income	0.00	100.00	\$100.00	Straw sales, grazing, etc. - user input
<b>Total Income:</b>	<b>\$ -</b>	<b>\$ 850.00</b>	<b>\$ 850.00</b>	
<b>Variable Costs:</b>				
Seed and Plants	22.50	0.00	0.00	Data is imported from standards worksheet
Fertilizer/Lime	66.00	68.25	68.25	
Chemicals	24.16	51.99	51.99	
Custom Work	68.04	42.78	42.78	
Hired Labor (Incl. Irrigation)	0.00	5.00	5.00	
Operator Labor	0.00	5.00	5.00	
Machinery Fuel	0.00	0.00	0.00	
Machinery Repairs	0.00	0.00	0.00	
Irrigation Power/Water	0.00	0.00	0.00	
Harvest	0.00	36.65	36.65	
Clean, Bag & Ship	0.00	45.00	45.00	
Other Variable Costs	5.00	5.00	5.00	
Interest - Operating Capital	5.74	8.03	8.03	
<b>Variable Costs:</b>	<b>191.44</b>	<b>267.70</b>	<b>267.70</b>	
<b>Fixed Costs</b>				
Land Charge	0.00	195.00	195.00	Data is imported from standards worksheet
Machinery Ownership	2.50	5.00	5.00	
Building Ownership	2.50	5.00	5.00	
Overhead	12.50	67.00	67.00	
Establishment Year Costs (Amortized over production years)	0.00	228.44	228.44	
Other Fixed Costs	2.50	7.67	7.67	
Management	17.00	59.50	59.50	
<b>Total Fixed Costs:</b>	<b>37.00</b>	<b>567.61</b>	<b>567.61</b>	
<b>Total Costs:</b>	<b>228.44</b>	<b>835.31</b>	<b>835.31</b>	
<b>Economic Summary:</b>				<b>Economic summary and analysis</b>
Net Return Over Variable Costs		582.30	582.30	Total Income - Total Variable Costs
Net Return Over Total Costs		14.69	14.69	Total Income - Total Costs
Return to Labor & Management		84.19	84.19	Net return + Owner labor + Operator labor + Management
Break-Even Yield (Per Acre)		139.22	139.22	Total Costs / Value per bushel
Total Cost Per Bushel		6.68	6.68	Total Costs / Average Yield (Per Acre)



# Oregon Corporate Tax Worksheet & Activity Example

## OREGON CORPORATE ACTIVITY TAX WORKSHEET

The Corporate Activity Tax is based on several income factors and may not apply in every farming situation. Calculations will be based on whole farm revenues.

[https://www.oregon.gov/dor/forms/FormsPubs/form-or-cat-instr\\_106-003-1\\_2020.pdf](https://www.oregon.gov/dor/forms/FormsPubs/form-or-cat-instr_106-003-1_2020.pdf)

Your Farm				
Line	1	Oregon commercial activity.	1	
Line	2	<b>Expenses attributable to commercial activity.</b> (greater of cost inputs or labor costs).	2	
Line	3	Subtraction percentage.	3	0.35
Line	4	<b>Cost subtraction.</b> Multiply line 2 by line 3.	4	
Line	5	<b>Taxable commercial activity.</b> Subtract line 4 from line 1.	5	
Line	6	Commercial activity threshold.	6	\$ 1,000,000
Line	7	<b>Taxable commercial activity in excess of \$1 million threshold.</b> Subtract line 6 from line 5.	7	
Line	8	Tax rate.	8	0.0057
Line	9	<b>Gross corporate activity tax.</b> Multiply line 7 by line 8.	9	
Line	10	Base tax.	10	\$ 250
Line	11	<b>Annual corporate activity tax.</b> Add line 9 to line 10.	11	
Line	12	Number acres farmed.	12	
Line	13	<b>Per acre CAT tax.</b> Divide line 11 by line 12.	13	

## OREGON CORPORATE ACTIVITY TAX EXAMPLE

The Corporate Activity Tax is based on several income factors and may not apply in every farming situation. Calculations will be based on whole farm revenues.

[https://www.oregon.gov/dor/forms/FormsPubs/form-or-cat-instr\\_106-003-1\\_2020.pdf](https://www.oregon.gov/dor/forms/FormsPubs/form-or-cat-instr_106-003-1_2020.pdf)

Example Farm (1,500 acres)				
Line	1	Oregon commercial activity.	1	2,079,000
Line	2	<b>Expenses attributable to commercial activity.</b> (greater of cost inputs or labor costs).	2	1,200,000
Line	3	Subtraction percentage.	3	0.35
Line	4	<b>Cost subtraction.</b> Multiply line 2 by line 3.	4	420,000
Line	5	<b>Taxable commercial activity.</b> Subtract line 4 from line 1.	5	1,659,000
Line	6	Commercial activity threshold.	6	\$ 1,000,000
Line	7	<b>Taxable commercial activity in excess of \$1 million threshold.</b> Subtract line 6 from line 5.	7	659,000
Line	8	Tax rate.	8	0.0057
Line	9	<b>Gross corporate activity tax.</b> Multiply line 7 by line 8.	9	3,756
Line	10	Base tax.	10	\$ 250
Line	11	<b>Annual corporate activity tax.</b> Add line 9 to line 10.	11	4,006
Line	12	Number acres farmed.	12	1500
Line	13	<b>Per acre CAT tax.</b> Divide line 11 by line 12.	13	2.67



## Production Operations: Custom Rates

Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase in inflationary costs.

Operation	Unit	Page 4 Custom Rates 2020	Data Sources and Comments
<b>TILLAGE OPERATIONS</b>			
Heavy Disk & Harrow	Acre	18.24	Average of published custom rate data from several states and custom farm providers in Oregon
Deep Chisel	Acre	19.35	
Subsoil or Rip	Acre	24.80	
Tillage & Finishing Combination	Acre	17.73	
Moldboard Plow, Harrow & Roll	Acre	22.93	
Land Level	Acre	26.05	
Headland	Acre	18.47	
Ditching	Acre	7.29	
<b>FERTILIZER APPLICATION - does not include fertilizer</b>			
Soil Testing	Per Sample	11.98	Average of published custom rate data from several states and custom farm providers in Oregon
Broadcasting Bulk Dry Fertilizer	Acre	7.62	
Spraying Liquid Fertilizer	Acre	9.16	
Spreading Lime	Acre	20.01	
<b>CHEMICAL APPLICATION- does not include chemical</b>			
Tractor and Sprayer	Acre	7.37	Average of published custom rate data from several states and custom farm providers in Oregon
Self-Propelled Sprayer - Buggy	Acre	9.46	
Aerial Sprayer	Acre	10.53	
<b>PLANTING &amp; DRILLING</b>			
Small Grains: Conventional Drill	Acre	17.50	Average of published custom rate data from several states and custom farm providers in Oregon
Small Grains: No-Till	Acre	20.76	
Grass Seed	Acre	20.86	
Clover/Alfalfa	Acre	18.27	
Air Seeder	Acre	19.73	
<b>SEED HARVEST</b>			
Swath/Windrow Grass Seed	Acre	31.26	Average of published custom rate data from several states and custom farm providers in Oregon
Combine Grass Seed	Acre	52.10	
Haul to Cleaner	Acre	10.42	
Windrow, Combine & Haul to Cleaner	acre	93.78	
<b>GRAIN HARVEST</b>			
Combine Grain	Acre	34.86	Average of published custom rate data from several states and custom farm providers in Oregon
Combine & Haul to Bin	Acre	36.65	
Tillage, Planting, Pest control, Harvesting & Hauling	Acre	104.20	
<b>SEED CLEANING</b>			
Grass Seed Cleaning	Pound	0.07	
Grass-Seed bagging	Pound	0.02	
Clover Seed Cleaning	Pound	0.07	

## Production Operations: Custom Rates

Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase in inflationary costs.

Operation	Unit	Page 4 Custom Rates 2020	Data Sources and Comments
Clover Seed bagging	Pound	0.02	Average of published custom rate data from several states and custom farm providers in Oregon
Radish Seed Cleaning	Pound	0.07	
Radish Seed bagging	Pound	0.02	
Wheat	Bushel	2.66	
HAY AND STRAW			
Swathing	Acre	17.84	Average of published custom rate data from several states and custom farm providers in Oregon
Raking	Acre	9.33	
Rake: 1000 lb Bale	Bale	3.13	
Baling: Small Bale	Bale	1.16	
Baling: 1000 lb Bale	Bale	11.83	
Stack: 1000 lb Bale	Bale	3.90	
Stack Large Round Bales	Bale	12.69	
Swath, Bale & Stack - 1000 lb Hay	Acre	57.31	
Swath, Bale & Stack - 1000 lb Straw	Acre	46.89	
FIELD BURNING, FLAIL			
Grass-Seed	Acre	21.62	Average of published custom rate data from several states and custom farm providers in Oregon
Flail	Acre	15.16	
HAZELNUT SPECIFIC OPERATIONS			
Production Pruning	Acre	15.03	OSU 2008 Publication: <i>The Costs and Returns of Establishing and Producing Hazelnuts in the Willamette Valley</i>
Maintenance Pruning	Acre	18.64	
Brush Removal	Acre	22.92	
Sucker Control	Acre	16.46	
Flailing Orchard	Acre	26.28	
Leveling Orchard	Acre	0.00	
Urea - Hazelnuts	Acre	7.42	
Potash - Hazelnuts	Acre	6.93	
Lime - Hazelnuts	Ton	0.00	
Herbicide Strip Spray - Hazelnuts	Acre	15.11	
Boron Spray - Hazelnuts	Acre	14.59	
Filbertworm Spray - Hazelnuts	Acre	12.88	
Aphid & Leafroller Spray - Hazelnuts	Acre	0.00	
Harvest Costs - Hazelnuts	Acre	16.39	
Sweeping - Hazelnuts	Acre	19.80	
Loading Totes - Hazelnuts	Acre	18.78	
Washing and Drying Nuts - Hazelnuts	Acre	0.00	

## Input and Material Costs

Item & Material Category	Item Description	Unit	Price Used in Budget	Comment and Notes
<b>CHEMICAL: HERBICIDE</b>				
Chemical: Herbicide	2,4-D	gal	25.67	Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase in chemical costs.
Chemical: Herbicide	Amine MCPA	gal	23.33	
Chemical: Herbicide	Axiom LB.	lb	29.00	
Chemical: Herbicide	Axiom OZ	oz	1.47	
Chemical: Herbicide	Banvel	gal	71.17	
Chemical: Herbicide	Basagran	gal	107.33	
Chemical: Herbicide	Boarder Spray	acre	10.00	
Chemical: Herbicide	Bronate	gal	48.00	
Chemical: Herbicide	Diuron	lb	5.83	
Chemical: Herbicide	Glyphosate	gal	23.00	
Chemical: Herbicide	Goal	gal	77.25	
Chemical: Herbicide	Gramoxone Inteon	gal	44.67	
Chemical: Herbicide	Harmony Extra	oz	7.37	
Chemical: Herbicide	Kerb	lb	38.00	
Chemical: Herbicide	Nortron	pt	10.88	
Chemical: Herbicide	Osprey	oz	3.78	
Chemical: Herbicide	Prowl H2O	gal	37.67	
Chemical: Herbicide	Raptor	gal	495.33	
Chemical: Herbicide	Select	gal	133.33	
Chemical: Herbicide	Spot Spray	acre	10.00	
<b>CHEMICAL: INSECTICIDE</b>				
Chemical: Insecticide	Capture	gal	260.67	Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase in chemical costs.
Chemical: Insecticide	Diomethoate	gal	50.17	
Chemical: Insecticide	Lorsban	gal	54.63	
Chemical: Insecticide	Mustang 1.5 EW	gal	217.33	
<b>CHEMICAL: OTHER</b>				
Chemical: Other	Apogee (PGR)	lb	56.30	
Chemical: Other	Charcoal	lb	0.88	
Chemical: Other	Palisade PGR	gal	225.00	
Chemical: Other	Quilt/Fungicide	gal	139.67	
Chemical: Other	Rodent Bait	lb	2.99	
Chemical: Other	Slug Bait	lb	2.04	
Chemical: Other	Stratego fungicide	oz	1.42	
Chemical: Other	Surfactant	gal	57.25	
<b>FERTILIZER</b>				
Fertilizer	0-0-21-21S-10.5Mg	lb	0.63	
Fertilizer	0-0-60	lb	0.32	
Fertilizer	10-20-20 LB.	lb	0.33	
Fertilizer	10-34-0	lb	0.24	



## Input and Material Costs

Item & Material Category	Item Description	Unit	Price Used in Budget	Comment and Notes
Fertilizer	11-52-0	lb	0.28	Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase in fertilizer costs.
Fertilizer	14-8-8 (S,Zn,B)	lb	0.22	
Fertilizer	16-16-16	lb	0.33	
Fertilizer	16-20-0-14	lb	0.32	
Fertilizer	32 Solution LB.	lb	0.19	
Fertilizer	33-0-0-12	lb	0.19	
Fertilizer	40-0-0-6	lb	0.21	
Fertilizer	46-0-0 Urea	lb	0.22	
Fertilizer	Boron	lb	0.67	
Fertilizer	Lime	ton	66.00	
LABOR				
Labor: General	General Labor	\$/hr	17.25	Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase inflationary costs.
Labor: Skilled	General Labor	\$/hr	20.70	
OTHER				
Other: Fees	Fees , Tests, Inspections, etc.	acre	5.00	
Other: Pollination	Bee Pollination	hive	47.50	
Other: Soil Samples	Soil and Grid Sample	acre	10.93	
OVERHEAD				
Overhead	Cash Land Rent	acre	195.00	
Overhead	Fuel: Diesel, Gas, Oil, Lubricants	acre	10.00	
Overhead	Insurance	acre	10.00	
Overhead	Other Variable Costs	acre	5.00	
Overhead	Phone	acre	5.00	
Overhead	Professional	acre	5.00	
Overhead	Property Tax	acre	40.00	
Overhead	Supplies	acre	10.00	
Overhead	Utilities	acre	5.00	
SEED				
Seed	Plant: Clover Crimson	lb	0.70	Prices shown in initial study are based on industry prices with grower input. Fuel and Fertilizer prices have been volatile in 2021 and are trending upwards significantly. As of 4/1/2021 fuel and fertilizer prices have already increased 30% and continue to rise. Please adjust your individual budget calculations to reflect the increase inflationary costs.
Seed	Plant: Clover White	lb	3.25	
Seed	Plant: Hazelnut Trees	acre	735.00	
Seed	Plant: Perennial Ryegrass	lb	2.50	
Seed	Plant: Radish - Daikon	lb	116.00	
Seed	Plant: Tall Fescue (turf type)	lb	3.00	
Seed	Plant: Wheat Spring	lb	0.25	
Seed	Plant: Wheat Winter	lb	0.25	

## Oregon Grass Seed Bargaining Association Board of Directors



### **Dustin Wilfong**

Dustin is OGSBA's current President. He farms tall fescue and perennial ryegrass, turnip, clover, grain, and hazelnuts near Perrydale with his wife and three children. An OGSBA member since 2012, he has been a board member since 2013.

### **Lynn Lorenzen**

Lynn has been an OGSBA member since 1996 and board member since 2019. He and his wife are fourth generation farmers of tall fescue, clover and hazelnuts in the Dayton area. They are helping raise their sixth generation on the farm.

### **Emily Woodcock**

Emily has been an OGSBA member since 2018 and a board member since 2021. Her family has farmed near Monroe for five generations. They raise tall fescue, wheat, hazelnuts, sugar beet seed, mint, squash, red clover, and green beans.

### **Blake Kauer**

Blake is the third generation of his family to farm in Yamhill County. They grow several species of grass seed, hazelnuts, blueberries, garlic, radish and other cover crops for seed. The Kauer family has been with OGSBA since its inception and Blake has been on the board since 2010.

### **Arnie Goddik**

Arnie has been an OGSBA member since 2000 and a board member since 2016. His family has farmed near Dayton since 1984, growing perennial ryegrass, strawberries, sugar beet seed, and wheat.

### **Darin Dalke**

Darin's family have been part of OGSBA since it started in 1994. Darin, his wife and two daughters, are the fourth generation of his family to farm their land near Aumsville. They grow perennial ryegrass, tall fescue, wheat, green beans, and sweet corn. Darin joined the board in 2021.

### **Jayson Hoffman**

Jayson joined OGSBA and the board of directors in 2020. He and his sisters are fifth generation Oregon farmers near Sherwood. They grow tall fescue, blueberries, blackberries, raspberries, strawberries, wheat, clover, pumpkins, and hazelnuts.

### **Steve Horning**

Steve is the fourth generation of his family to farm their land near Monroe. He grows tall fescue and hazelnuts. He has been a member of OGSBA for 12 years and a board member since 2017.

### **Tony Stroda**

Tony and his brothers are the fourth generation on the same farm south of Monroe. They grow forage and turf type grass seed, Christmas trees, hazelnuts, and feeder cattle. They have been OGSBA members for 20 years and Tony has been a board member for ten years.

### **Bruce Davidson**

Bruce farms in St. Paul with his wife and three daughters. OGSBA members since 1998, he joined the board in 2008. They grow perennial ryegrass, tall fescue, creeping bentgrass, fine fescue, vegetables for seed, and hazelnuts.

### **Nate Larson**

Nate has been a member of OGSBA since 2010 and a board member since 2020. He is the fourth generation on their farm north of Monroe. They grow tall fescue, annual ryegrass, hazelnuts, beans, and corn.

### **Mike Hawman**

Mike is a charter member of OGSBA and a board member since 2015. His children are the third generation on their farm in Hermiston. They raise perennial ryegrass, fine fescue, bermuda grass, seed corn, and alfalfa.