



**Farm Foundation**

*Conference, January 27-28, 2003*

**Product Differentiation and Market Segmentation  
in Grains and Oilseeds:  
Implications for an Industry in Transition**

Sponsored by  
The Economic Research Service, USDA  
And  
The Farm Foundation

**Monday, January 27, 2003**

8:30 – 9:00 a.m.      **Registration**

9:00 – 9:15 a.m.      *Welcome and Introduction* – **Neilson Conklin**, Director, Markets and Trade Economics Division, Economic Research Service

*Program Note*- **Aziz Elbehri**, Economic Research Service

9:15 – 10:30 a.m.      **Session I. Grain and Oilseed Markets Under Product Differentiation: Drivers of Change and Structural Trends**

Chair: **Joy Harwood**, Markets and Trade Economics Division, ERS

*Forces Driving Industrialization of Agriculture: Implications for the Grain Industry in the United States*

**Steven T. Sonka**, University of Illinois

*Differentiation Within the Grain and Oilseeds Sectors:*

*The Evolution and Reengineering of Supply Chains Increased*

**Tom Sporleder**, Ohio State University

10:30 – 11:00 a.m.      Coffee break

11:00 – 12:30 p.m.

**Session II. Product Differentiation and Marketing Systems: Current Trends and Developments in the Grain and Oilseed Industry**

Chair: **Mary Bohman**, Markets and Trade Economics Division, ERS

*Product Differentiation and Identity Preservation (IP): Implications for Market Developments in U.S. Corn and Soybeans*

**Karen Bender**, University of Illinois-Urbana Champaign

*Identity-Preservation in Marketing Systems in Canada: Developments in Wheat and Canola Sectors*

**Peter Phillips**, University of Saskatchewan

*Identity-Preserved Grain—Logistical Overview*

**Heidi Reichert**, USDA, Agricultural Marketing Service

12:30 – 1:30 p.m.

Lunch

1:30 – 3:00 p.m.

**Session III. Price and Market Implications of Differentiated Grain and Oil Crops: Analytical Approaches**

Chair: **Jim MacDonald**, Resource Economics Division, ERS

*Welfare effects of non-GMO identity preservation: the case of potential coexistence of GM and non-GM rapeseed in the EU*

**Marion Desquilbet**, INRA, France

*Product Differentiation and Price Behavior in Corn Markets With Identity-Preserved Types*

**Aziz Elbehri**, USDA, Economic Research Service

*The Economics of Thresholds in IP Systems: An Example From the U.S. Seed Industry*

**Nicholas Kalaitzandonakes**, University of Missouri-Columbia

3:00 – 3:15 p.m.

Refreshments

3:15 – 4:15 p.m.

**Session IV. Economics of Identity Preservation: Assessing Costs and Efficiency in the Grain Industry**

Chair: **Demcey Johnson**, Markets and Trade Economics Division, ERS

*The Logistical Costs of Marketing Identity-Preserved GM Wheat*  
**William Wilson**, North Dakota State University

*Segregation Costs and Efficiencies Within the Grain-Handling System*  
**Charles Hurburgh**, Iowa State University

*Costs and Efficiency of IP Production and Handling: A Perspective From the Field*  
**Lynn Clarkson**, Clarkson Grain Company, Inc.

4:15 – 4:30 p.m.

Break

4:30 – 5:30 p.m.

**Session V. Product Differentiation and Market Facilitation: Private and Public Initiatives**

Chair: **Elise Golan**, Resource Economics Division, ERS

*Public Role in Grain and Oilseed Marketing Facilitation: USDA Perspective*

**David Shipman**, USDA, Grain Inspection, Packers and Stockyards Administration

*Supply Chains, Quality Assurance, and Traceability: Using ISO Systems in Agriculture*

**Reg Clause**, Center for Industrial Research and Services, Iowa State University

*Marketing IP Grain with Quality Assurance: Genetic ID experience with “Cert ID” system*

**John Fagan**, Genetic ID

*Market Facilitation of Grain Marketing: The End-User’s Perspective*

**Frank Beurskens**, AgriBiz and Associates, Inc.

Tuesday, January 28, 2003

8:30 – 10:00 a.m. **Session VI. Producing Differentiated Crops: Costs, Incentives, and Organizational Implications**

Chair: **David Skully**, Markets and Trade Economics Division, ERS

*Recent Trends in High-Value Corn Production in the United States: Evaluation of the Economic Determinants Behind Growers' Decisions*  
**Bob Stewart**, Ag Education & Consulting

*Risk and Risk Management in the Production and Marketing of Value-Enhanced Grains*  
**Sharon Bard**, Ag Education & Consulting

*Contract Production and Market Coordination for Specialty Crops: The Case of Indiana*  
**Joan Fulton**, Purdue University

10:00 – 10:15 a.m. Coffee break

10:15 – 11:15 a.m. **Session VII. Production and Marketing of Differentiated Crops: A View From the Field**

Chair: **Barry Krissoff**, Markets and Trade Economics Division, ERS

*A Producer's Experience With Pharmaceutical IP Plants*  
**Bill Horan**, Iowa corn grower/ NCGA Board Member

*Servicing IP Production and Marketing: A Third-Party Role*  
**Bill Grande**, IdentityPreserved.com

*Procuring IP Grains and Ingredients: A Food Manufacturing Experience*  
**Ron Olson**, General Mills Grain Division

11:15 – 11:30 a.m. Break

11:30 – 12:30 p.m. **Session VIII. Implications for Research Priorities, Policy Issues, and Data Needs**

Chair: **Walter Armbruster**, The Farm Foundation

**Elizabeth Berry**, Grain and Feed Division, FAS-USDA  
**Charles Hurburgh**, Iowa State University  
**Tom Sporleder**, Ohio State University  
**Frank Beurskens**, AgriBiz and Associates, Inc

12:30 p.m. Adjourn