



Dear Department of Justice Members

My name is Kelly Phipps. I am the managing partner of Cullum Seeds, LLC an independent seed company, selling agricultural field seeds in the southern United States. Our corporate office is in Jonesboro, Arkansas and we have seed processing facilities in Waldenburg and Fisher, Arkansas. I would like to take this opportunity to comment in regard to your inquiry into the agricultural sector, specifically the seed industry.

I began my career in the seed business 25 years ago at the age of fifteen. Since that time, agriculture has seen a major shift from chemical based technology to seed biotechnology. The shift was a direct result of the ease and convenience of early seed biotechnology. It gave farmers the opportunity to be more efficient with their time, labor and money thus making farms more profitable. Today, seed biotechnology is at the verge of including natural resources such as water and nitrogen fertilize to these efficiencies, allowing the agriculture sector to produce more by using less.

Seed biotechnology has also been of great benefit for small independent seed companies like mine. We have been fortunate in the past ten years to develop relationships with at least ten different trait and genetic companies and that number continues to grow. These relationships allow for the differentiation in our products needed to stay competitive while fighting for farmer business year-to-year. In a highly competitive industry (12 brands just in Arkansas) farmers choose traits and genetics that make them the most profitable. Without seed biotechnology and an ability to choose products that fit our market area, there would be very little chance for companies like ours to survive. We would eventually fall victim to the higher volume-smaller margin model. Today we are able to compete with service and performance that brings value to our customer's farms. Any attempt to limit or interrupt our ability to license these traits and/or genetics would be detrimental to our business.

In conclusion, I would hate to think of how our business would look today without seed biotechnology. In the past ten years since our entrance into the biotech seed business, we have been able to add close to twenty jobs that would never have been created. Our employee benefits, although not perfect, have increased and overall company stability has improved drastically. It's a great time to be in the seed industry. Genetic and trait choices continue to increase; farmers continue to have choices pertaining to companies, brands and traits; and R&D has us on the path of using less of our natural resources while producing more.

As you consider the agriculture sector please remember the natural resistance to change. It would be a shame if resistance to change by a few derailed an industry moving forward in a time when increased production is much needed. If you would like to visit further about this matter, feel free to give me a call at 870-336-2290.

Sincerely

Kelly Phipps  
Managing Partner  
Cullum Seeds, LLC