

## Features

## SEED

# Mastin Method lowers seed cost

This Alberta seed grower wants you to use certified seed — no surprise there — and he's luring in customers with a price they can't refuse

BY LEE HART

**B**ob Mastin is banking his seed business on volume. The west-central Alberta seed grower doesn't have distribution rights to a lot of varieties, but he believes he has good ones. And by doing all he can to reduce costs, he's hoping more producers will buy more certified seed for high yielding oats and barley varieties and be dollars ahead.

Mastin, a seed grower for 30 years near Sundre (www.mastin-seeds.com), believes his system is working. He's selling out of oats and barley each year and many of his seed distributors are also reporting the same good "problem." Just since the interview in late January, one feedlot bought three B-train loads of certified seed for a high-yielding feed barley, and he shipped 40 tonnes of a top oat to Mongolia.

Mastin has developed what he describes as the Mastin Method of seed distribution. It isn't complicated. He pays a lower royalty for the rights to good varieties, has a "lean, mean" distribution system, and ultimately plans to sell certified seed to farmers for perhaps only 30 to 50 cents more per bushel over the cost of common seed.

"And when you consider all the benefits of growing certified seed, I believe producers will realize that 30 to 50 cents is a good investment," says Mastin.

His strategy is based on the fact that, aside from canola seed, only about 10 to 12 per cent of seed used to grow Western Canadian cereal crops is certified seed. Common seed is big business. Rather than compete with other seed growers for a chunk of the 12 per cent certified seed market, he's focused on capturing some of the common seed market.

## LOWER ROYALTY, MORE VOLUME

"If we can keep our costs down, which includes starting with a lower royalty, then hopefully we can sell four or five times more certified seed, recoup the royalty through volume, and it becomes a win/win situation for everyone," Mastin says.

Plant breeders have traditionally awarded the distribution rights to new seed varieties to larger established seed companies, the Viterras, SeCaris and Canerras of the world, who often are able

to pay fairly high royalties. The royalties are used to offset the estimated million-dollar development cost of bringing a new variety to the market. It isn't often that distribution rights have been awarded to individual seed growers and distributors.

Mastin currently has distribution rights to two oat and two feed barley varieties. The oats are AC Juniper and AC Mustang and the barleys are Sundre (six row) and the most recent, Busby (two row). He's also hoping to add two triticals and eventually spring wheat, durum, and malt barley to his line.

There were no backroom deals for Mastin to get the rights to these varieties. AC Juniper and AC Mustang oat varieties were developed by the late Solomon Kibite, a plant breeder at the Agriculture Canada research station at Lacombe, Alta. The distribution rights had originally been held by Alberta Wheat Pool, then Agricore United and finally Viterra, but the royalty agreement had long expired. Busby and Sundre barleys were newer varieties, out of Alberta Agriculture's breeding program, also in Lacombe, that were up for grabs. Seeing an opportunity to market these good quality varieties through his low cost distribution system, Mastin prepared proposals. Plant breeders were impressed by his novel and convincing bid.

AC Mustang was the first variety awarded to Mastin three years ago. Sundre, which he helped name, soon followed. Last year he added AC Juniper and Busby to his program.

Mastin, realizing the potential of the varieties, and looking to expand his own seed business, made his proposals to Agriculture Canada and Alberta Agriculture to acquire the rights at a lower royalty fee, emphasizing a lower seed cost should get more certified seed in the ground over more acres. At the same time, as a seed grower, on the fringe area of the main cereal production region, Mastin could use the isolated fields on his own farm to produce select and foundation seed to help maintain variety purity.

Mastin crops about 700 acres, which over the years was used for pasture, and continues to be surrounded by livestock operations. He's grown mostly select and foundation pedigreed seed. Seed growers use this high quality, pure seed to produce certified seed. His

seed-crop rotation includes canola, peas, barley and oats. Along with his own farm, he also has 20 contract growers, mostly grass seed producers in the Peace River Region, who also produce certified seed for Mastin Seeds to distribute across Western Canada.

He also has 50 seed distributors across all four western provinces. Most are seed growers themselves, although some are seed agents. Most of his distributors are in Alberta, and he has a few in Saskatchewan, Manitoba and B.C. He's still looking for more seed grower and agents interested in joining the Mastin Method of seed distribution. Anyone interested can email him at info@mastin-seeds.com.

## A REMINDER ABOUT PBR

Email and high-speed Internet have been important tools for Mastin in developing his low-cost seed distribution system. He can easily keep in touch with growers and distributors, and most details about seed products and availability are available on his website, given near the top of this article.

He's hoping by getting high quality, high performing varieties to the market at a reasonable price for certified seed, that more producers will keep buying certified seed. With Sundre barley, for example, he does ask all commercial farmers growing the variety to read and sign a statement that explains that Sundre is a variety protected by Plant Breeders Rights. The purpose of the statement isn't for legal prosecution, but more about tweaking their conscience. Farmers are welcome to grow Sundre barley for their own use, but the system has been developed to get certified seed to them at the lowest price. The statement is a notice: Don't screw up the program by selling common seed.

Baine Fritzler says farmers are responding to the availability of low cost certified seed. The seed grower and agent for Sundre barley at Govan, Sask., says in the current grain market, seed cost is certainly a factor to many producers. Seed companies can talk all they want about variety features, and the value of seed being true to variety, but many producers don't see value in paying an extra \$1 to \$1.50 per bushel to cover a royalty. "A guy could starve to death in Saskatchewan trying to make a liv-



Bob Mastin believes that by starting with a lower royalty, and thus a lower certified seed price, the cereal seed business in Western Canada can get more growers buying certified seed on a regular basis. Currently only 10 to 12 per cent of cereal seed used each year in Western Canada is certified.

ing selling cereal seed," he says.

As a grower and marketer of Sundre barley, he likes the Mastin Method and says producers are impressed the variety retails for about \$1 less per bushel than other varieties.

"I've sold out of Sundre barley seed every year that I've grown

it," he says. "First of all it is a good variety. I explain to a customer, if you're producing beef it has lots of straw, if you want grain it produces lots of grain, and if you're making silage, it makes excellent silage. And they ask how much is the seed, and I tell them, and they say 'that's not bad.' I have customers who come from 200 miles to buy Sundre seed."

"And I explain the reason they can buy a top quality barley for less money is because the royalty is lower. I ask them to read and sign the PBR statement and say if everyone plays by the rules maybe we can turn this thing around," meaning all seed prices may start to come down.

Fritzler says it is important for farmers to pencil out the cost of growing common seed. "I do some commercial cleaning on the side and I don't know one guy I can phone on the 15th of January when it is -25°C and say 'let's go, it's time to clean barley,' and they'd be anxious to leave their chair to bring barley in for cleaning," he says jokingly. "But really if you can buy certified seed that is 50 or 60

cents more than common seed, and you think cleaning your own is saving money, you need to give it a second thought. You can hardly start your truck for that kind of price difference."

Mastin points out several benefits to farmers of buying certified seed that more than make up the

difference in the price over common seed. In buying certified seed you get:

- Good quality, germination tested seed, and you know what you're getting.
- Most seed dealers have truck scales, so you can get it weighed.
- Many seed dealers have storage available, so you can leave the seed with the dealer until you need it.
- Many have seed treating facilities, so seed can be properly treated as it is picked up.
- Most seed dealers have professional loading facilities, making it easy to load a B-train, or tandem truck with seed.
- Many seed dealers also have agri-supply centres, so can buy crop protection products and other supplies all through one supplier.
- Many offer 24/7 telephone answering services so you can access information at any time.
- Working through a certified seed retailer, you can often get production and other agronomic information on how to produce the crop.

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