

Non-GMO and Organic Row Crops

A Market Assessment of the Future for Non-Traited Row Crops

Prospectus



February, 2017

Background and Purpose

Driven by consumer demand and recently enacted labeling laws, US retail sales of non-GMO foods and beverages are projected to increase at a compound annual growth rate (CAGR) of 12.9% in the next five years. Although food company supply chains are contracting more non-GMO and organic acres, production lags behind demand resulting in shortages in organic feed and produce and surging prices for non-GMO and organic products. Continuing to meet the growing demand for non-GMO and organic foods and beverages is a priority of the U.S. agriculture industry and has led to the need for up-to-date and accurate information about the state of the non-GMO and organic corn and soybean market.

Annual sales of non-GMO project verified products have increased from \$348.8 million in 2010 to more than \$19 billion as of march 2016. According to packaged facts, demand for non-GMO products is expected to grow 12 percent annually through 2018. With nearly 2,800 non-GMO project verified brands sourcing ingredients to comply with the standard, food and beverage industry demand is outpacing supply.

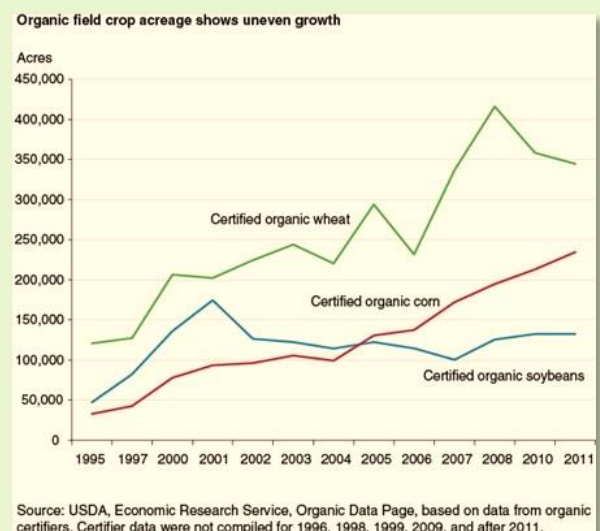
Source: Cargill Press Release October 2016

The main objective of this report is to provide an economic overview of the current and near future state of Non-GMO and organic production of corn and soybean field crops. Data will be gathered from the industry, including suppliers, producers and processing companies, to predict future trends and identify barriers that prohibit the growth of organic and Non-GMO production, particularly in the Midwest. The report will also identify potential solutions to addressing each of these barriers, and project how organic and Non-GMO production could grow as these barriers are overcome.

Compared with other studies of these markets, this report has the advantage of primary research among actual organic and Non-GMO farmers, as well as traditional commercial farmers. It will include historical and governmental data for reference, while the primary findings and forecasts are based on original primary research among producers, the supply chain and industry experts.

Report Contents

- Historical Trends in U.S. Corn Plantings
- Historical Trends in U.S. Soybean Plantings
- Current and Projected Non-GMO Soybean Acres
- Food Grade Non-GMO Soybean Acres
- Current and Projected Non-GMO Corn Acres
- Food Grade Non-GMO corn acres
- Total Certified Organic Farms by State
- Organic Corn Production acres projected to 2022
- Organic Soybean Production acres projected to 2022
- Trends in Price for Organic and Non-GMO
- Profiles of Organic and Non-GMO growers
- Producer barriers to increased Organic and Non-GMO production
- Industry barriers to increased Organic and Non-GMO production



Methodology

While the study will include data from secondary research sources, its main focus will be on primary quantitative and qualitative research among organic and Non-GMO producers, and commercial traditional farmers. Additionally, in-depth interviews of industry experts, and opinion leaders in the supply chain and end use sectors will be incorporated to provide a comprehensive overview of the rapidly growing market for non-GMO and organic grains and oilseeds.

Current Organic and Traditional Farmers

Findings and key recommendations will be based upon quantitative study of organic producers (attendees at a key organic conference, supplemented with telephone and/web-based surveys among organic growers and a web-based survey of traditional farmers.) For organic farmers, this quantitative effort will measure and document returns and challenges to organic growers and producers currently, as well as measure future production plans. Depending upon study demand, there will be a minimum sample of 100 organic producers, up to 200 producers.

Surveys among traditional commercial growers will determine interest in non-GMO and organic production, as well as identify and measure barriers to adoption including economic, agronomic, knowledge and sociological barriers. In addition, the survey will measure the potential success of various techniques to address the barriers identified. A minimum sample of 100 traditional growers, up to a sample of 400 growers, will be included in the study.



Buyers, Suppliers and Processors

Qualitative: 15- 25 In-depth Interviews

Expert interviews will consist of in-depth qualitative interviews with suppliers, processors and buyers in key non-GMO and organic market areas. One-on-one interviews offer the opportunity to gather information that is specific (i.e. demographic profiles) outside the presence of other respondents. It also has the advantage of gathering information that is quantifiable and uninfluenced by group dynamics.

Professional interviewers from Millennium and SMR&P will conduct the one-on-one personal interviews.



Sampling Plan

The following is the proposed sampling plan by audience segment:

Quantitative	Interviews
Organic farmers	100-200
Traditional farmers	100- 400

Qualitative	
Suppliers	10-12
Processors	3-7
Buyers/Elevators	2-6



Deliverables

- Millennium & SMR&P will provide complete market research and consulting services throughout the process, including research design, execution, data collection and processing, tabulation, economic analysis and projections, secondary research, expert interviews and a complete graphical report.
- A personal presentation of the research findings, conclusions and recommendations, plus a working session with key staff at client companies can also be included.

“Consumer demand for non-GMO food and beverages is growing, and Cargill is responding,” said Mike Wagner, Managing Director for Cargill Starches and Sweeteners North America. “We’re delighted to work with the Non-GMO Project, the leading verifier of non-GMO products in the United States. Their distinctive trademark is the most recognized symbol for non-GMO products in the country.”

Source: Cargill Press Release October 2016

Investment

Early Bird Price
(prior to March 15, 2017)

\$2,995

Regular Price
(after March 15, 2017)

\$4,500

I, (subscriber) do hereby subscribe to the Non-GMO and Organic Row Crop Study developed by Millennium Research Inc. and SMR&P for the price of \$ 2,995 (early subscription). I understand that I will receive a full report for this study on or before May 1, 2017, and that to receive the early subscription discount, I must order by March 15 2017, and pay prior to receiving the study report.

Accepted by:

Name: Title

Company:

Email:

Proprietary Materials and Ownership

All materials utilized in connection with this project including questionnaires, data tables, code sheets, reports and/or any other related materials arising from or connected with the execution of this project are the sole and exclusive property of Strategic Marketing Research & Planning Inc. and Millennium Research Inc.

Proprietary property used in executing this project including research design, methodology and analytical methods are the exclusive property of Strategic Marketing Research & Planning Inc. and Millennium Research Inc. and will not be utilized or divulged to parties other than those designated by Strategic Marketing Research & Planning Inc. and Millennium Research Inc.



Millennium Research is a leader in independent agricultural market research. It's a full-service firm with more than 25 years of experience talking with farmers, veterinarians and other agribusinesses. Its expertise in qualitative and quantitative design, management, execution and analysis of research allows clients to make more successful decisions in highly competitive markets. It is known for an exceptional breadth of ag knowledge, responsive client service, extraordinary design and insightful analysis.

Clients rely on Millennium Research's expertise and advice to develop research programs that provide not only data, but customer insight and market direction. We work on a continuous, long-term basis with our clients, developing a partnership to provide business acumen, leading to superior strategy and tactics.



Founded in 1991, SMR&P, has over 25 years of experience working with global agribusiness. SMR&P has extensive experience with quantitative and qualitative research in all facets of agribusiness including animal health, feed and nutrition, seed and crop, soil nutrients and agricultural chemicals. SMR&P has unique experience in developing custom-designed research methodologies that identify solutions to a wide range of marketing and management opportunities. We have directed all aspects of qualitative and quantitative research with audiences ranging from producers and manufacturers to end-users.

SMR&P's research has provided information about emerging market trends and technologies in agriculture to a host of clients including: Monsanto, Mosaic, Schering Plough, Merck, Syngenta, SGS, Land O Lakes Dupont/Pioneer, Cargill and John Deere. Final reports and tabulations are concise, easy to interpret, and support effective decision making. The customer can be confident that the information has come from experts who have a clear understanding of the agricultural world of today and of the future.

For Questions Contact:

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