



September 26, 2007

Dear Grower:

I wanted to take this opportunity to ask you to consider planting DEKALB® Roundup Ready® Winter Canola this season. For years, there has been an active search for a true rotational crop with winter wheat, and that search has led us to winter canola.

Here are some key points I would like you to consider:

1. Break the Cycle – Continuous winter wheat leads to numerous production issues. Adding winter canola to the rotation has these tremendous benefits:
 - a. Winter canola is not susceptible to many of the soil-borne mosaic viruses that have plagued wheat production in recent years
 - b. Winter canola is not susceptible to Hessian fly damage
 - c. Winter canola is a broadleaf, tap-rooted crop with the ability to break up plow pans and the potential to go after deep nitrogen in the soil profile.
 - d. DEKALB Roundup Ready Winter Canola Seed is available pretreated with both fungicide and insecticide to help alleviate concerns with diseases and insects in the fall.
 - e. DEKALB Roundup Ready Winter Canola Seed has the added convenience of applying Roundup agricultural herbicides in-crop to clean up problem grass and broadleaf weeds.
2. Economics (see financial budget information on page 3)
 - a. At current production contract prices (\$0.15 per pound), winter canola has the potential for profits similar to or better than wheat.
 - b. “Local” canola delivery points have been and will continue to be established in major winter canola production areas.
 - c. Research and grower experience have shown that winter wheat following winter canola has higher yield potential (generally 10% to 20% higher versus wheat following wheat).
 - d. Seedbed following winter canola is mellow and ideal for seeding of winter wheat in the fall.
3. Seed – DEKALB is pleased to offer adapted Roundup Ready Winter Canola products.
 - a. DKW13-86 – variety well suited for medium- to coarse-textured soils.
 - b. DKW13-62 – variety well suited for heavier-textured (high clay content) soils.
 1. Both products are available with Prosper Seed treatment to protect your investment against seedling diseases and insects throughout the fall.
 - c. DEKALB Winter Canola Technology Centers, Monsanto agronomists and local field advisers are available to support you in growing a successful crop.

I know that this is a lot to consider, and with historically high wheat prices, you are wondering if it is worth the risk. I would reason that winter canola presents an excellent opportunity and I encourage you to give it a try, especially this year, when quality seed wheat is in short supply and expensive when it can be found. Time is running short for timely planting of winter canola this season, so don't delay ordering today.

Sincerely,

Jeff Koscelny, Ph.D.
DEKALB Winter Canola Manager





WHERE TO PURCHASE DEKALB ROUNDUP READY WINTER CANOLA SEED

DEKALB ROUNDUP READY WINTER CANOLA TECHNOLOGY CENTERS (August, 2007) - listing may not be complete at all times.					
State	County	Name	City	Telephone	Contact Name
Oklahoma	ALFALFA	WILBER FERTILIZER SERVICE LLC	CHEROKEE	(580) 596-3440	Jeff Wilber
Oklahoma	BLAINE	WHEELER BROTHERS - WATONGA	WATONGA	(580) 623-7223	Danny Peeper
Oklahoma	CADDO	APACHE FARMERS COOPERATIVE - APACHE	APACHE	(580) 588-3351	Don Oswald
Oklahoma	CANADIAN	HELENA CHEMICAL - EL RENO	EL RENO	(405) 262-3141	Bobby Shelton
Oklahoma	CRAIG	CRAIG COUNTY FARM SUPPLY	WELCH	(918) 788-3251	Darrel Goins
Oklahoma	CUSTER	UAP - CLINTON	CLINTON	(580) 323-6300	Kent Watkins
Oklahoma	CUSTER	WHEELER BROTHERS - THOMAS	THOMAS	(580) 661-3501	Rodney Wilson
Oklahoma	GARFIELD	STEINERT SEED	COVINGTON	(580) 864-7622	Matthew Austin Steinert
Oklahoma	GRADY	APACHE FARMERS COOPERATIVE - CHICKASHA	CHICKASHA	(580) 588-3346	Kevin Whitney
Oklahoma	GRANT	FARMERS GRAIN CO	POND CREEK	(580) 532-4273	Rick Howard
Oklahoma	JACKSON	HELENA CHEMICAL - ALTUS	ALTUS	(580) 477-0986	Johnny Hamilton
Oklahoma	JACKSON	UAP - ALTUS	ALTUS	(580) 477-3200	Farrel Nobles
Oklahoma	KAY	CURL FARMS	BRAMAN	(580) 385-2393	James Curl
Oklahoma	KINGFISHER	PLAINS PARTNERS LLC	OKARCHE	(405) 263-7289	Jason Kroener
Oklahoma	MAJOR	GARD SEED SERVICE	FAIRVIEW	(580) 438-2320	Matt Gard
Oklahoma	MUSKOGEE	UAP - WEBBERS FALLS	WEBBERS FALLS	(918) 464-2012	Hayden Henry
Oklahoma	NOBLE	MORRISON GRAIN & AG SERVICES INC	MORRISON	(580) 724-3322	Randy Will
Oklahoma	NOBLE	DIAMOND K SEEDS	RED ROCK	(580) 761-6602	Tony Kodesh
Oklahoma	OKMULGEE	GREENLEE FARMS SEED	OKMULGEE	(918) 733-2667	Robert Greenlee
Oklahoma	TEXAS	ADM GRAIN - GUYMON	GUYMON	(580) 338-3381	Randell Varnell
Oklahoma	TEXAS	ADM GRAIN - HOUGH	GUYMON	(580) 338-3151	Doug Werner
Oklahoma	TEXAS	ADM GRAIN - TYRONE	TYRONE	(580) 854-6285	Shane Claypool
Oklahoma	WAGONER	HELENA CHEMICAL - COWETA	COWETA	(918) 482-3363	Dennis Olsen
Oklahoma	WASHITA	WHEELER BROTHERS - CORDELL	CORDELL	(580) 832-5304	Mickey Lockhart
Oklahoma	WOODS	FARMERS COOPERATIVE ASSOCIATION	ALVA	(580) 430-6005	Donette Stauffer
Oklahoma	WOODS	DACOMA FARMERS COOPERATIVE	DACOMA	(580) 871-2231	Joe Royster
Kansas	BARBER	PAT AG	KIOWA	(620) 825-4310	Monty Williams
Kansas	FINNEY	GARDEN CITY CO-OP INC	GARDEN CITY	(620) 275-6161	Barry Brant
Kansas	FINNEY	HELENA CHEMICAL MW GARDEN CITY	GARDEN CITY	(620) 275-1988	Mike Green
Kansas	HARVEY	LOHRENZ SEEDS	BURRTON	(620) 345-8904	Seed Contact
Kansas	KINGMAN	CAIRO CO-OP	CUNNINGHAM	(620) 672-3961	Terry Fox
Kansas	KIOWA	ADM GRAIN - GREENSBURG	GREENSBURG	(620) 723-2154	Todd Dean
Kansas	PRATT	KANZA COOPERATIVE ASSOCIATION	IUKA	(620) 546-2593	Bryan Nicholson
Kansas	RENO	FARMERS CO-OP ELEVATOR CO	NICKERSON	(620) 422-3207	Herb Stange
Kansas	SUMNER	BOB MEEKER	WELLINGTON	(620) 434-5448	Bobbie G Meeker
Kansas	WICHITA	ADM GRAIN LEOTI	LEOTI	(620) 375-4811	Michael Hernandez
Texas	DALLAM	PREMIER AG LLC	DALHART	(806) 244-4900	Brent Clark

ESTABLISHED WINTER CANOLA DELIVERY POINTS (current as of Sept. 21, 2007)

STATE	CITY	ELEVATOR
Oklahoma	Afton	Peachner Grain
Oklahoma	Alva	Farmers Co-op Assn.
Oklahoma	Apache	Apache Farmers Co-op
Oklahoma	Cordell	Wheeler Bros.
Oklahoma	Drummond	Farmers Cooperative
Oklahoma	Eagle City	Wheeler Bros.
Oklahoma	Hillsdale	Farmers Grain Company
Oklahoma	Mooreland	Dacoma Farmers Co-op Assn.
Oklahoma	Okarche	Plains Partners
Oklahoma	Watonga	Wheeler Bros.
Oklahoma	Waynoka	Dacoma Farmers Co-op Assn.
Kansas	Anthony	Anthony Farmers Co-op Elevator
Kansas	Kiowa	OK Co-op Grain
Texas	Vernon	Farmers Co-op Gin & Elevator





POTENTIAL ECONOMICS OF WINTER CANOLA VERSUS WINTER WHEAT

FINANCIAL BUDGETS FOR FIELDS WITH HEAVY WEED PRESSURE FOR WINTER WHEAT, ROUNDUP READY WINTER CANOLA AND WINTER WHEAT FOLLOWING WINTER CANOLA (adapted from written paper titled Side by Side Economics of Winter Canola and Winter Wheat by Dr. Francis Epplin at the third annual winter canola conference held July 19, 2007). For Informational Purposes Only.									
				Wheat (grain only)		Roundup Ready Canola		Wheat (following canola)	
	Item	Units	Price per unit	Quantity	Value	Quantity	Value	Quantity	Value
Output	Wheat Yield	bu/acre	\$ 6.00	38	\$ 228.00			43.7	\$ 262.20
Output	Canola Yield	lbs/acre	\$ 0.150			1800	\$ 270.00		
Output	Gross Returns	\$/acre			\$ 228.00		\$ 270.00		\$ 262.20
Inputs									
Seed	Wheat seed	bu	\$ 10.00	1	\$ 10.00			1	\$ 10.00
Seed	Canola seed	lbs	\$ 3.80			5	\$ 19.00		
Fertilizer	Urea (46-0-0)	lbs	\$ 0.22	113	\$ 24.87	134	\$ 29.46	138	\$ 30.32
Fertilizer	DAP (18-46-0)	lbs	\$ 0.23	50	\$ 11.50	50	\$ 11.50	50	\$ 11.50
Fertilizer	AMS (21-0-0-24S)	lbs	\$ 0.14			21	\$ 2.94		
Fertilizer	Application	acre	\$ 4.00	1	\$ 4.00	2.5	\$ 10.00	1	\$ 4.00
Herbicide	Wheat (broadleaf)	acre	\$ 5.00	1	\$ 5.00			1	\$ 5.00
Herbicide	Wheat (grass)	oz	\$ 4.60	3.5	\$ 16.10				
Herbicide	Roundup Original MAX	oz	\$ 0.25			44	\$ 11.00		
Additives	AMS	units	\$ 0.13			2	\$ 0.25		
Herbicide	Application	acre	\$ 4.00	2	\$ 8.00	2	\$ 8.00	1	\$ 4.00
Insecticide	Wheat - dimethoate	pint	\$ 4.00	0.75	\$ 3.00			0.75	\$ 3.00
Insecticide	Seed Treatment	acre	\$ 5.95			1	\$ 5.95		
Insecticide	Canola - Warrior	oz	\$ 2.50			3	\$ 7.50		
Insecticide	Application - Aerial	acre	\$ 5.00	1.33	\$ 6.65	1	\$ 5.00	1.33	\$ 6.65
Fungicide	Wheat - Dividend	acre	\$ 12.50	0.33	\$ 4.13			0.33	\$ 4.13
Insurance	Wheat	acre	\$ 4.00	1	\$ 4.00			1	\$ 4.00
Insurance	Canola	acre	\$ 8.50			1	\$ 8.50		
Equipment	Fuel, Lube, Repairs	acre	\$ 16.50	1	\$ 16.50	1	\$ 16.50	1	\$ 16.50
Capital	Annual Op. Capital	\$	\$ 0.07	57	\$ 3.99	68	\$ 4.76	57	\$ 3.99
Harvest	Wheat - base	acre	\$ 20.00	1	\$ 20.00			1	\$ 20.00
Harvest	Wheat - >20 excess	bu	\$ 0.20	18	\$ 3.60			23.7	\$ 4.74
Harvest	Wheat - Hauling	bu	\$ 0.20	38	\$ 7.60			43.7	\$ 8.74
Harvest	Canola - base	acre	\$ 22.00			1	\$ 22.00		
Harvest	Canola - >20 excess	per bu	\$ 0.22			16	\$ 3.52		
Harvest	Canola - Hauling	per bu	\$ 0.22			36	\$ 7.92		
	Total "cash" costs	\$/acre			\$ 148.93		\$ 173.80		\$ 136.57
Profit/Loss		\$/acre			\$ 79.07		\$ 96.20		\$ 125.63

Note: Assumes an average of 15% yield increase due to rotational benefits in the Wheat following Canola Calculations

BOTTOM LINE:

I realize the above is an eye chart, but I wanted to show the details behind the calculations. Per the above financial budget prepared using seemingly realistic farmgate new crop values for July 2008 winter wheat and winter canola prices, Roundup Ready Canola offers a tremendous opportunity not only in the coming season to clean up your wheat production fields via rotation but also the opportunity to realize substantial profitability in the following winter wheat crop due to the natural benefits of crop rotation and the potential yield increase.

Base Wheat profitability: **\$79.07/acre**

Base Canola profitability: **\$96.20/acre**

Difference in profitability: **\$17.13/acre** in favor of winter canola potential

Next Year's Wheat profitability following canola: **\$125.63/acre**

Predicted Continuous Wheat profitability: **\$79.07/acre**

Incremental income potential due to rotation: **\$46.56/acre**

