Marketing Certified Seed As a Bulk Retail Facility

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Seed Certification

• Decentralized Production and Distribution
• Pedigreed, traceability, limited generations
• Varietal purity and identity is the gold standard we strive for
• “Certified Seed” is governed by the Federal Seed Act, Kansas Seed Law, and each state’s designated authority (i.e. KCIA)
Evolution

• First certified wheat variety in Kansas was KanRed in 1919.

• Certified growers grew and sold seed mostly locally. Weren’t a lot of varieties, and varieties were longer-lived. Land Grant Colleges released most varieties.

• Private Companies enter the market and the number of varieties increase.
Evolution

- Certification standards evolved to allow exchange seed between growers. Allowed handling more varieties and to move seed to areas of low supply.

- Bulk has replaced the bag.

- Around 2002 the bulk retail facility program developed at the request of cooperatives.

- Bulk sites allow Agri-businesses to handle bulk seed, expands marketing opportunities for both the agri-business and the certified grower, and expands distribution of seed.
Bulk Retail Facility

• Governed by Certified Seed Standards, Kansas Seed Law, Federal Seed Act, Plant Variety Protection Act.

• Must be approved by KCIA to buy/sell Kansas Certified Seed.

• Must commit to upholding the integrity of the certification program.

• As the labeler, accepts liability for seed sold—you are first contact if there is a problem.
3 General Steps of Operation

• Acquire the seed — Bulk Resale, eligible seed, proper procedure.

• Track the Seed — location, disposition, carryover.

• Sell the Seed — labeling, Bulk Retail Certificate, Bulk Invoice Label.
Acquiring Seed (Resale)

• Transaction is called a “Resale” and a Transfer or Resale of Kansas Certified Seed in Bulk form is used.

• Seed received must have completed certification and meet or exceed the seed analysis as noted on the form.

• Purchase of additional seed of the same seed lot uses a different declaration form.
Acquiring Seed (continued)

• Certified seed can move a maximum of three times: grower>resale>resale>farmer.

• 1\(^{st}\) Resale: From grower to Bulk Retail Facility. This seed can be resold, or sold to the farmer (final sale).

• 2\(^{nd}\) Resale: The seller received this seed from grower (1\(^{st}\) move) and resales to you (2\(^{nd}\) move). You can only sell to farmer (3\(^{rd}\) move).
Acquiring Seed (continued)

• Blends: there are no certified blends, only blends of certified seed.

• Each component of a blend must be eligible.

• Label Analysis is the most restrictive seed analysis of the seed components: lowest germ, highest inert, etc.

• Blend label i.e. 40% Variety 1 35% Variety 2 25% Variety 3 Wheat Blend (components are listed in order of amount and equal 100%).
This is the form you use to buy Kansas Certified Seed for resale.

It is a chain of custody assigning the certification of the seed to you as well as the liability for keeping the variety pure and in condition.

Your purchase will be a 1\textsuperscript{st} resale or a 2\textsuperscript{nd} resale. Both are described within the form.

Both parties must sign

Mail, fax or scan to KCIA within five days

This form has to be used for only the first purchase of a specific lot of certified seed. Subsequent purchases of same seed lot uses different form.

### Transfer or Resale of Kansas Certified Seed in Bulk

**Serial Number:** 6107

<table>
<thead>
<tr>
<th>Class</th>
<th>Variety</th>
<th>Crop/Kind</th>
<th>Origin</th>
<th>Net Weight (lbs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Not a Protected Variety</td>
<td>☐ Certified</td>
<td>☑ Treated</td>
<td>☑ Untreated</td>
<td></td>
</tr>
<tr>
<td>☑ 1\textsuperscript{st} Resale</td>
<td>☑ Kansas Noxious weed seed; Test month/year:</td>
<td>☑ Buyer assumes responsibility to properly market this seed lot as</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ 2\textsuperscript{nd} Resale</td>
<td>☑ Kansas Noxious weed seed; Test month/year:</td>
<td>☑ Buyer assumes responsibility to properly market this seed lot as</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Container Condition:** ☐ Clean ☐ Contaminated ☐ Unknown ☐ Unknown

**Type of Reassignment:** (check only one)

- ☐ TRANSFER of bulk certified seed from original applicant Field No. to KCIA Category I Approved Reseller who MUST condition the seed and complete certification prior to resale or retail sale of the seed. A Transfer Kit is required. Label the transfer kit and sample bags, and final C21 sample(s) **6107** Submit Transfer Kit with sample and KCIA copy within 5 business days.

- ☑ 1\textsuperscript{st} Resale movement of bulk registered or certified class seed from original applicant to a KCIA approved reseller who can label the seed for resale or retail sale. This seed lot has been certified as Resale Certification No. 6107. ☑ Buyer assumes responsibility to properly market this seed lot under Resale Certification No. 6107. Submit KCIA copy within 5 business days.

- ☑ 2\textsuperscript{nd} Resale movement of bulk registered or certified class seed to a KCIA approved reseller who MUST label this seed for RETAIL SALE ONLY. This seed lot has previously moved as Resale Certification No. **6107**. ☑ Buyer assumes responsibility to properly market this seed lot under Resale Certification No. **6107**. Submit KCIA copy within 5 business days.

**Additional Comments/Information:**

The seller warrants only that the seed complies with all applicable Kansas certification standards and is limited as labeled above; gives no warranty, expressed or implied as to productiveness of this seed and will not be responsible for the resultant crop in any way. It is mutually agreed that liability is limited to the purchase price of the seed. The buyer agrees that this certificate is evidence of the seed transaction stated and assumes all responsibility to maintain the integrity of the seed.

**Date**

**Signature**

**Copy Distribution:** White: KCIA Yellow: Buyer Pink: Seller

Kansas Crop Improvement Association makes no warranty of any kind, expressly or implied, including merchantability or fitness for purpose, or otherwise, which extends beyond the certification that the seed inspected met the regulations of the agency. This certificate is void if not dated within nine months of the "Date Tested" shown above.

Document DS1 - Transfer or Resale of In-state seed

Version 5-29-09

Effective 1-12-09

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For additional purchase of seed of the same certification number, this form can be printed from www.kscrop.org > Forms and Manuals, and used instead of the form above.

Mail, fax, or scan to KCIA within 5 business days.
Tracking Seed (traceability)

• Records must be kept of seed received (certification number, resale number); amount received; location of seed; and disposition of seed (amount sold, dumped, and carryover).

• Can use company’s inventory program to report, or the bin inventory sheet supplied by KCIA.

• Must report activity to KCIA by December 15.
Selling Seed (labeling)

- All seed sold in Kansas must be properly labeled.
- All certified seed must be labeled with an official label or document issued by agency and in compliance with laws.
- Kansas certification standards also require a statement of Plant Variety Protection Act protection.
Selling Seed (continued)

Certified seed can be sold using

- *Bulk Retail Certificate*

- *Bulk Invoice Label*

Each method has advantages and disadvantages
Certified Seed Lot Numbers

• The certification number changes as follows:
  DXXXXX = original grower
Changes to 21-9FFFFF: year, 9=resale seed, FFFF is the serial number of the transfer form used to receive the seed
Do not sell seed on the seed growers lot number
Must use cert number, but can also assign sub lot
When you order bulk certificates for retail sale to farmers, you can ask for “blank certificates”. These will come to you with name and seed analysis preprinted, but you will be responsible for completing the information shown in yellow and red.

You can order certs complete (except for red) but blanks allow you to use certs for more than one variety and will not expire due to date of testing.
Until the label is attached to an invoice or scale ticket that lists the weight and certification number/variety, it is considered an incomplete label.

Once attached, the invoice or scale ticket becomes the legal label.
Tracking Seed Through Your Facility

To ease record keeping and labeling, since all seed must meet quality standards set higher than the minimum, you are allowed to combine different eligible lots of the same variety into the same bin. Note on the bin inventory sheet below that the first resale lot into the bin becomes the number for labeling while all other seed placed in the bin in recorded on the bin inventory sheet.
Tracking Seed Through Your facility

• Seed does not have to pass physically through your facility. You can pick up the seed from the grower and deliver directly to the farmer. This allows you to handle more varieties than you have bins for.

• But **all** paperwork must be in place: transfer or resale form or declaration of additional purchase; bulk retail certificate or bulk invoice label; entry into a bin inventory sheet for that variety.
Tracking Seed Through Your Facility

• Your facility is allowed to bag seed in sealed containers provided you have the equipment and scales to do so. Once bagged and sealed, such containers can be placed at other facilities for retail sale.

• You must obtain the proper labels for sealed containers from KCIA.

• Designate on the bin inventory sheet for that variety the amount bagged.
Track the seed through your system, submit inventory sheets and other docs i.e. KCIA copies of bulk retail certificates by Dec. 15.

### Bulk Retail Facility Bin Inventory Sheet

<table>
<thead>
<tr>
<th>Date</th>
<th>KCIA Cert #</th>
<th>Purchased From</th>
<th>Re-Sale Cert #</th>
<th>Sold To</th>
<th>Bushels</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-3-03</td>
<td>D22222</td>
<td>J. SEEDGROWER</td>
<td>03-90686</td>
<td>IN</td>
<td>1500</td>
<td>1500</td>
</tr>
<tr>
<td>9-8-03</td>
<td></td>
<td></td>
<td></td>
<td>PETE PRODUCER</td>
<td>1000</td>
<td>500</td>
</tr>
<tr>
<td>9-10-03</td>
<td>D22222</td>
<td>J. SEEDGROWER</td>
<td>03-90686</td>
<td>IN</td>
<td>2000</td>
<td>2500</td>
</tr>
<tr>
<td>9-10-03</td>
<td></td>
<td></td>
<td></td>
<td>WILLIE WHEATSPIKE</td>
<td>600</td>
<td>1900</td>
</tr>
<tr>
<td>9-13-03</td>
<td></td>
<td></td>
<td></td>
<td>GERALDINE GLUTEN</td>
<td>800</td>
<td>1100</td>
</tr>
<tr>
<td>9-16-03</td>
<td>D55555</td>
<td>CECIL CERTIFIER</td>
<td>03-90754</td>
<td>IN</td>
<td>2000</td>
<td>3100</td>
</tr>
<tr>
<td>9-18-03</td>
<td></td>
<td></td>
<td></td>
<td>BILL BIGFARMER</td>
<td>3000</td>
<td>100</td>
</tr>
<tr>
<td>9-20-03</td>
<td>D78210</td>
<td>J. SEEDGROWER</td>
<td>03-90691</td>
<td>IN</td>
<td>3500</td>
<td>3600</td>
</tr>
<tr>
<td>10-10-03</td>
<td></td>
<td>GARY GLUMECHBLotch</td>
<td></td>
<td>HENRIETTA HAILSTONE</td>
<td>600</td>
<td>3000</td>
</tr>
<tr>
<td>10-15-03</td>
<td></td>
<td></td>
<td></td>
<td>HUGH HUFIELD</td>
<td>900</td>
<td>2100</td>
</tr>
<tr>
<td>10-22-03</td>
<td></td>
<td>FRANK FARMMANAGER</td>
<td></td>
<td>DUMPED</td>
<td>600</td>
<td>1500</td>
</tr>
<tr>
<td>12-15-03</td>
<td></td>
<td></td>
<td></td>
<td>DUMPED</td>
<td>1400</td>
<td>100</td>
</tr>
</tbody>
</table>

*For labeling purposes, the “9” number of the certificate used to received the first seed placed in the bin may be used as the “certified bin number” and may be used as the certification number when ordering labels from KCIA to use for all sales of the stated variety from this bin for the current year. However, the inventory must show all actual re-sale numbers and information pertaining to each addition of seed to the bin.*
Diligence

• Insure that all equipment (bins, augers, seed treaters, trucks) used to handle and transport seed is “kernel clean”.

• A fertilizer tender used for seed transport is a risk for contamination. i.e. rye.

• Insure correct variety is delivered, as varieties differ in traits, i.e. strip rust resistance.

• Keep accurate records.

• Ensure all personnel handling seed is trained.
Final Word – Plant Variety Protection

• PVPA was passed to protect investment in new variety development. This intent was to insure profit for companies to re-invest in research and new varieties. Whether they believe this or not, PVP ultimately benefits the farmer.

• May or may not have Title V protection requiring certification but still prohibits “brownbagging”.

• Farmer Exemption allows farmer to keep seed for own planting BUT cannot sell seed. There are exceptions for traited varieties where plant back is not allowed!!

• Brown bagging is illegal and hurts the seed industry.

• Some varieties, such as Clearfield types do not allow a farmer to keep seed back. CSO=Certified Seed Only = no plant back.