



RAFI

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Terminator Takeover?

Will financial troubles put Delta & Pine Land Inc. on the auction block?

Delta & Pine Land, the maverick seed company that vows to commercialize the notorious Terminator technology, is in trouble. Delta & Pine Land announced earlier this week that its president is quitting, the company will eliminate 7 percent of its work force and they are shutting down a facility in Arizona.

The Mississippi-based cotton seed company, the 9th largest seed business in the world, is the only company to publicly announce its intention to commercialize Terminator seeds – a technology that genetically modifies plants to produce sterile seeds, forcing farmers to return to the commercial seed market every year. The USDA and Delta & Pine Land jointly own three patents on genetic seed sterilization. On August 1 the US Department of Agriculture announced that it had concluded negotiations to license the Terminator technology to Delta & Pine Land. (See RAFI News Release, “USDA Says Yes to Terminator,” 3 August 2001, www.rafi.org)

Will financial hard times put Delta & Pine Land (D&PL) on the auction block? Which Gene Giant will risk acquiring Terminator technology next? Is Terminator an asset or a liability?

Financial Advice for D&PL: “USDA’s recent announcement on the licensing of Terminator technology is perceived internationally as a ‘declaration of war’ against Third World farmers,” explains Julie Delahanty of RAFI. An estimated three-quarters of the world’s farmers routinely save seed from their harvest to re-plant the following season.

“The stigma of ‘suicide seeds’ is a noose around the company’s neck,” adds RAFI’s Hope Shand, “Delta & Pine Land can cut its losses now, simply by abandoning Terminator seed technology.”

Takeover Target? With the economy in a free fall, Delta & Pine Land becomes an attractive takeover target, once again, for a handful of Gene Giants looking to acquire major market share in the seed business. The company controls approximately three-quarters of the US cotton seed market, and has extensive foreign operations. Delta & Pine Land proved that it was willing to be acquired back in 1998, when Monsanto announced that it would buy Delta & Pine Land for a stunning \$1.8 billion. The deal collapsed, partly because of overwhelming public opposition to Terminator technology and Monsanto’s burgeoning debt load.

Who could afford to acquire D&PL? Monsanto (now owned by Pharmacia), DuPont, Dow, Syngenta, Bayer and BASF are all possible suitors. Bayer is in the midst of negotiating a deal to acquire Aventis’s seed and agrochemical division. Monsanto already has a joint venture with D&PL. BASF is looking to extend its position in ag biotech.

Take Action on Terminator: Civil society organizations (CSOs) around the world will take the anti-Terminator campaign to the World Food Summit Five Years Later, 5-9 November 2001.

TERMINATOR'S GLOBAL REACH?

With annual sales of US\$301 million last year, D&PL is the world's 9th largest seed company. Subsidiaries and joint ventures include:

- Ellis Brothers Seed
- Arizona Processing
- Mississippi Seed
- Hartz Cotton
- Sure Grow Seed
- Turk Deltapine, Inc.
- D&M International LLC (joint venture with Monsanto)
- D&M Partners
- D&M Brasil, Ltda
- D&PL Argentina, Inc.
- D&PL China, Inc.
- D&PL China PTE, Ltd.
- D&PL Investing Corp.
- D&PL Investments, Inc.
- D&PL Mexico, Inc.
- Deltapine Paraguay, Inc.
- D&PL South Africa, Inc.
- D&PL International Technology Corp.
- Delta and Pine Land International, Ltd.
- Delta Pine de Mexico, S.A. de C.V.
- Deltapine Australia Pty. Limited
- D&PL Semillas Limitada
- Delta & Pine Land Hellas Monoprosopi E.P.E.
- D&PL Brasil, Ltda.
- D&PL Technology Holding Corp.
- CDM Mandyu S.R.L. (joint venture between D&M International and Ciagro)
- D&M Brasil, Ltda
- Atled Corporation
- Greenfield Seed Company
- Hebei Ji Dai Cottonseed Technology Company, Ltd. (joint venture controlled by D& PL China)
- Paymaster Technology Corp.
- Anhui An Dai Cottonseed Technology Company, Ltd (joint venture between D&PL China and Anhui Provincial Seed Corp.)
- MDM Maeda Deltapine Monsanto Algodao Ltda (joint venture between D&M and Maeda Administracao e Participacoes Ltda)

Citizens should contact their Ministers of Agriculture now. Urge your government to endorse a formal ban on Terminator technology at the World Food Summit in November. There is no doubt that D&PL seeks to deploy Terminator seeds in the South. Murray Robinson, the company's new president, told a US seed trade journal in 1998 that D&PL's seed sterilizing technology could be used on over 405 million hectares worldwide (an area the size of South Asia), and that it could generate revenues for his company in excess of \$1 billion per annum.¹ Robinson said that the newly patented technique will provide seed companies with a "safe avenue" for introducing their new proprietary technologies into giant, untapped seed markets such as China, India and Pakistan.

Concerned citizens, farmers and civil society organizations can also send a message directly to Delta & Pine Land's new president, and current CEO, Murray Robinson. Let D&PL know that Terminator is anti-farmer, dangerous for the environment and disastrous for world food security. Terminator technology is also bad for business!

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RAFI is an international civil society organization based in Canada. We are dedicated to the conservation and sustainable use of biodiversity and to the socially responsible development of technologies useful to rural societies.

¹ Robinson was interviewed by Bill Freiberg, "Is Delta and Pine Land's Terminator Gene a Billion Dollar Discovery?" *Seeds and Crop Digest*, May/June, 1998.