



FACT SHEET _____ FEBRUARY 2006

UNDERSTANDING MONSANTO'S TECHNOLOGY AGREEMENT

Liability for the spread of Monsanto's GM seeds is a serious threat to all farmers, whether they grow GM seeds or not. Patents afford Monsanto ownership of its GM seeds even after a farmer purchases and plants the seeds. To protect its patent rights, Monsanto enforces a "limited use license" called a Technology Agreement (TA). This contract subjects farmers to invasions of their private property and personal records, and shields Monsanto from liability associated with contamination events and market rejection involving GM crops.

Because Roundup Ready alfalfa is a perennial crop, farmers face even greater challenges for containing the GM trait. Below is a list of obligations and legal limitations farmers accept when signing Monsanto's TA (see TA for details).¹

- Farmers accept all the terms of the Technology Agreement (TA) by signing it or simply opening a bag of Monsanto's seed. Farmers have no opportunity or rights to negotiate the terms of the contract.
- Farmers who sign the TA agree to have all of their rights under the Federal Privacy Act waived.
- Farmers may be required to settle all legal disputes concerning Monsanto in St. Louis, Missouri (Monsanto's headquarters), regardless of where the farmer lives.
- Farmers cannot save any seed or provide any seeds to others.
- Farmers must allow Monsanto full access to their records, including USDA, FSA, Risk Management Agency (RMA), and invoices for all seed and chemical purchases, and allow Monsanto to copy any relevant receipts and documents.
- There is no time limit to this contract—Monsanto can review a farmer's documents, fields and crops even after the farmer has stopped growing Monsanto's seeds.
- Monsanto will not honor any warranties if the farmer does not also use Monsanto approved chemicals with Monsanto GM seeds.

- All Monsanto cotton seed disputes are resolved through binding arbitration.
- If farmers are caught violating the contract, Monsanto will seek to collect damages and attorneys' fees and costs from farmers.
- Farmers accept all liability and responsibility for keeping GM crops out of markets, elevators or other farmers' fields that do not want or allow GM crops.

Monsanto's 2006 Technology Use Guide (TUG) & Roundup Ready (RR) Alfalfa

In addition to the TA, farmers are responsible for understanding and following the TA's supplementary publication, the Technology Use Guide (TUG), 42 pages of guidelines for growing and marketing Monsanto's GM crops. Because RR alfalfa is not approved for export, growers who purchase RR alfalfa seed must sign a Seed and Feed Use Agreement—a "domestic use contract"—in addition to the TA. Alfalfa producers should be aware of the following rules and procedures included in the 2006 TUG (see TUG for details).

Seed and Feed Use Agreement

Monsanto is calling the initial release of RR alfalfa a "Limited Domestic Launch." Producers are expected to sign this domestic use contract to ensure RR alfalfa is not exported.

Stand Takeout and Volunteers

The TUG outlines the management of RR alfalfa volunteers and stand takeout. Farmers must consult their "regional technical guides" to learn proper stand takeout

methods. The TUG does not recommend specific herbicides for stand takeout. It only refers to “appropriate commercially available herbicide treatments.”

Pollen Flow

Monsanto acknowledges that RR alfalfa cross-pollinates with other alfalfa crops. The TUG outlines factors that contribute to cross-pollination but does not require preventative measures for mitigating the transfer of the GM trait. Cross-pollination of GM crops with organic and other non-GM crops, and the presence of volunteer GM seeds (seeds that germinate late, are inadvertently planted, or are dropped by the plant), could increase production costs, reduce profits, or even eliminate markets for non-GM farmers and ranchers.

Roundup Rewards

As with all of Monsanto’s seed products, in order to benefit from Monsanto’s “Roundup Rewards” program, a farmer must use a Roundup product. This means RR alfalfa producers who experience poor stand performance or other problems with RR alfalfa seed are not eligible for warranties or other compensation if they use generic glyphosate instead of Monsanto’s brand.

Yield

Alfalfa is different from RR soybeans in that not every plant will have the gene for tolerating glyphosate.² Some field trials experienced stand losses of up to 12% from herbicide application over a 25-pound per acre seeding rate.³ Another source mentioned that a location of RR alfalfa trials experienced 25% alfalfa seedling kill with a Roundup application.⁴ The TUG acknowledges this potential loss, but provides no remedy. It reads:

Due to the genetic diversity of alfalfa, up to 10% of the seedlings are susceptible and will not survive the first application of Roundup WeatherMAX or Roundup UltraMAX II. The initial application is necessary to eliminate the effects of stand gap created by loss of non-Roundup Ready plants and to ensure adequate spray coverage of emerging weeds before crop canopy interference.

Sprout Production

The TUG states that RR alfalfa seeds are not to be used for sprout production, only for forage.

More Information

For more information, refer to the following resources:

- Monsanto’s 2006 Technology Agreement (<http://www.dahlcoseeds.com/images/forms/2006techagreement.pdf>) and Technology Use Guide (http://www.monsanto.com/monsanto/us_ag/layout/stewardship/tug/default.asp)
- Farmers’ Guide to GMOs
- *Monsanto vs. U.S. Farmers*

Footnotes

¹ Thanks to Farmer’s Legal Action Group and Rural Advancement Foundation International for this overview of Monsanto’s Technology Agreement, which is drawn from their *Farmers’ Guide to GMOs*, available at <http://www.rafiusa.org/pubs/puboverview.html> or <http://flaginc.com/pubs/publist.htm#FLAR>.

² <http://64.233.179.104/search?q=cache:-1R47YwS5HUI:extension.missouri.edu/agconnection/newsletters/>

³ Cline, Harry. “Trials probe Roundup Ready alfalfa,” *Western Farm Press*, October 5, 2002.

⁴ Canevari, W. Mick. *New Herbicide Tools in Alfalfa Stand Establishment*, University of California Cooperative Extension.



WORC:

Billings Office

2401 Montana Ave., #301 (406)252-9672
Billings, MT 59101 (406)252-1092 FAX
billings@worc.org
www.worc.org

Washington, D.C. Office

110 Maryland Ave., NE, #307 (202)547-7040
Washington, DC 20002 (202)543-0978 FAX
dc@worc.org

Lemmon, SD Office

2307 5th Ave NE (701) 376-7077
Lemmon, SD 57638 (701) 376-7077 FAX
jerilynn@worc.org

Montrose, CO Office

60584 Horizon Drive (970)323-6849
Montrose, CO 81401 (970)323-8840 FAX
montrose@worc.org

WORC Member Groups:

DAKOTA RESOURCE COUNCIL

PO Box 1095 (701)483-2851
Dickinson, ND 58601 (701)483-2854 FAX
drc@drcinfo.com
www.drcinfo.com

DAKOTA RURAL ACTION

PO Box 549 (605)697-5204
Brookings, SD 57006 (605)697-6230 FAX
action@dakotarural.org
www.draction.org

IDAHO RURAL COUNCIL

PO Box 118 (208)352-4477
Bliss, ID 83314 (208)352-4645 FAX
irc@idahoruralcouncil.org
www.idahoruralcouncil.org

NORTHERN PLAINS RESOURCE COUNCIL

2401 Montana Ave., #200 (406)248-1154
Billings, MT 59101 (406)248-2110 FAX
info@northernplains.org
www.northernplains.org

OREGON RURAL ACTION

PO Box 1231 (541)975-2411
La Grande, OR 97850 (541)975-1844 FAX
jsd@oraction.org
www.oraction.org

POWDER RIVER BASIN RESOURCE COUNCIL

934 N. Main St. (307)672-5809
Sheridan, WY 82801 (307)672-5800 FAX
resources@powderriverbasin.org
www.powderriverbasin.org

WESTERN COLORADO CONGRESS

P.O. Box 1931 (970)256-7650
Grand Junction, CO 81501 (970)243-5984 FAX
info@wccongress.org
www.wccongress.org