An Update on PVMI, the Potato Variety Management Institute

Jeanne Debons, Executive Director, PVMI January 27, 2010

PVMI was started as a non-profit organization in 2005 by the three potato commissions of Idaho, Oregon and Washington. Its job is to promote the new potato varieties developed by the Tri-State Research and Breeding Program, and also collect license and royalty fees based on the amount of seed grown.

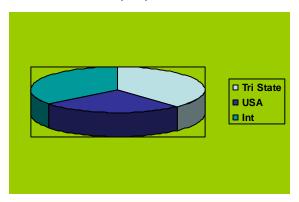
In 2009, PVMI collected sufficient royalty fees to send a check for \$100,000 to the university programs. This amount was divided by four institutions: the University of Idaho, Oregon State University, Washington State University and the USDA Agricultural Research Service.

Early in 2010 the PVMI Board, which is made up of a single representative from each of the three states potato commissions as well as two growers from each state, decided to reduce the license fees to \$250 per year for all seed growers outside the Tri-State area and to \$100 per year for seed growers located in the Tri-State area. A single annual license covers all 24 varieties that PVMI administers on behalf of the program. The reason for the Board's decision is that they do not want the license fee to act as a deterrent for growers to evaluate the new varieties. It is the royalties from good new potato varieties that will ultimately make the money for the grower and PVMI.

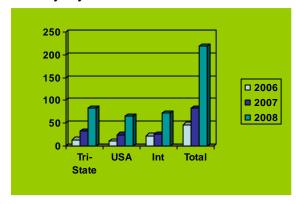
Royalties are due when seed is sold off the farm and are \$0.25/CWT for Tri-State growers, \$0.50/CWT for U.S. growers outside the Tri-States and \$1.00/CWT for all seed growers outside the U.S.

Since January 2006 almost \$600,000 in license and royalty fees have been collected. The breakdown of these fees is approximately 35% collected from Tri-State growers, 34% collected from seed growers in the U.S. and 31% collected from outside the U.S. In the future, royalties will become the larger proportion of funds collected not only because the annual fee has been reduced but also because a successful variety will generate much more income. The breakdown in licenses and royalties overall collected to date is 42% licenses and 58% royalties. In the 2008 seed crop year, i.e. prior to the decrease in license fees, the proportion was 35% from license and 65% from royalties, so we are beginning to see the trend.

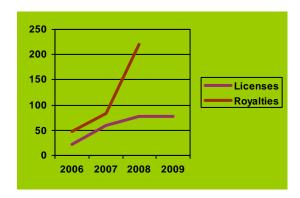
Total Royalty Contribution



Royalty Breakdown 2006 -2008







Alturas and **Ivory Crisp** have now both received PVP (Plant Variety Protection) status and as such will have royalties collected. That means for seed grown in 2009 for **Ivory Crisp** and for seed grown in 2010 for **Alturas**, royalties will be due.

Premier Russet was expected to be a potential "silver bullet" potato so that many seed growers have had acreage during the last couple of years. During the past year, as has been the case with several successful varieties in the past (Ranger, Umatilla) there were some problems associated with its growth (hollow heart), bruising and/or storage. There are management methods to avoid all or most of these issues and growers in the future need to consult the agronomy and management notes put out by both the University of Idaho team at Aberdeen as well as the WSU researchers. These are available at www.pvmi.org. With the new varieties one needs to remember one is dealing with the equivalent of a high performance race car. One can not just put gas in it and go. Specifically the nitrogen requirements can be very different. My opinion is that these are still early days on these and other new varieties and we need to proceed cautiously. Unexpected crop performance requires one to examine the assumptions used (fertility, water, spacing, harvest qualities, etc). These varieties have excellent qualities (cold sweetening resistance, long storage, low sugars, high protein, PVY resistance, etc.), so it would be better to see if we can manage their idiosyncrasies, rather than give up on them.

Gallatin Russet (A88338-1) was released in 2009 as a non-PVP, free public variety. Anyone can have access to it without requiring a license or royalties. This variety is prone to hollow heart but field management can overcome this problem.

Severe cuts to the Tri-State Research and Breeding Program have been made by both state and federal governments. This means that experiment stations are under threat. PVMI hopes to provide enough income in the future so that this will be less of a threat, but in the meantime the program is struggling financially. The new varieties need to perform and be adopted by the processors and Quick Service Restaurants so that PVMI, and return of funds back to the program, is a success. Without PVMI we risk that only private companies will be able to afford the high cost of breeding, and the Pacific Northwest would not have the dedicated program they deserve.

PVMI publishes a semi-annual newsletter <u>Variety News</u> on paper and on-line versions as well as providing Agronomy Notes and Management Bulletins produced by the Tri-State Breeding and Research Program. There are links to many of the important potato places as well as descriptions of the new varieties and a place to find information about buying or selling your PVMI varieties seed. <u>www.pvmi.org</u>