

Research and Development Fees:

Recently the University of Nebraska began assessing research and development fees (R&D fees) on its most recent variety releases and lines that can be licensed. A number of seed purchasers have wondered why is there this new cost for purchasing seed. The reasons for the R&D fees are:

1. Plant breeding is expensive and its costs continue to increase. Each year over 800 crosses are made; over 2,000,000 early generation plants are grown; over 40,000 short rows are observed; and over 10,000 small plots are harvested. It takes 12 to 13 years to release a variety.
2. To insure there will be new varieties in the future, a new way of funding the program needed to be developed. For triticale, there are no sources of support and for wheat, we have relied on the generosity of our supporters to the point where they can no longer meet increased costs.
3. With the declining state and federal budgets for agriculture, there are insufficient funds to support the wheat improvement efforts. In addition, the University is looking for ways to support its programs by deriving value from its research so that it can lessen the impact of present and future cuts to its overall budget.
4. The 2002 wheat crop was the smallest crop since 1944 and the check-off funds were insufficient to support the wheat improvement efforts. In addition, even if the wheat crop had been larger, the Nebraska Wheat Board, which has been very generous to the wheat improvement efforts, would soon be able to only support the wheat improvement efforts and not many of the other excellent University and other projects they support.
5. Public breeding programs in Nebraska and in neighboring states in wheat and other crops have reached a similar conclusion and now assess R&D fees.

How are the R&D fees spent?

The majority of the fees will be returned to the breeding program to develop new varieties. There will be a collection fee by the agency collecting the R&D fees to cover their costs. There will be some indirect costs assigned to the R&D fee to cover the fiscal management of the accounts and also the past investment in developing varieties. No money will be given to the variety originator for his or her personal use.

Is it in my best interest to pay R&D fees?

Research is expensive and unfortunately in the current budget climate, there is little federal and declining state support for applied plant breeding. If you would like to have new varieties, then the only way we can continue their development is by R&D fees. The wheat and triticale improvement team would prefer not to charge R&D fees, but we have not identified another funding mechanism to insure the future well being of the development efforts and Nebraska's wheat and triticale industry.

If you have a question about wheat or triticale R&D fees, please contact Dr. P. Stephen Baenziger at 402-472-1538 or pbaenziger1@unl.edu.