



November 1, 2017

Clearfield® Varieties Offer a Better ROI for 2018

Adding Clearfield® varieties to your acres can add to your overall bottom line. However, where do these varieties fit for optimal production?

Every acre and environment is different, and there's not a one-size-fits-all variety or hybrid. There are many times I get calls where I feel that a hybrid is better suited for a particular situation, such as planting very late or on marginal ground with water issues, etc. Planting hybrids is more costly when it comes to seed and other management expenses, so this must be taken into consideration. In fact, planting Clearfield varieties early on farms that are easy to manage and reserving Clearfield hybrids for hard-to-manage ground and later planting will give you more bang for your buck, based on university studies.

One of the first decisions is to determine which acres in a farming operation need Clearfield technology. The Clearfield system is still one of the most effective and least costly weed control programs. The next decision is where to plant Clearfield varieties and hybrids to optimize returns. University and Horizon Ag research shows that Clearfield varieties perform best when planted early whereas Clearfield hybrids fare better planted a couple of weeks into the planting season.

Based on Mississippi State University enterprise budgets, there is an approximately \$101 per acre higher direct cost associated with Clearfield hybrids than Clearfield varieties. It takes a 19 bushel per acre yield difference between Clearfield varieties and hybrids to break even at a selling price of \$5.40 per bushel. Three-year university data shows an average yield difference of 22 bushels per acre between CLXL745 and CL153; however, this yield spread is less when Clearfield varieties are planted early and on easier-to-manage fields. Many growers have reported a smaller yield

spread on their individual farms. Table 1 shows the Clearfield hybrid profit/loss compared to Clearfield varieties.

Table 1. Clearfield Variety Yield Difference and Resulting Profit for a Clearfield Hybrid at \$5.40 per Bushel Price Point.

Clearfield Variety Yield Difference	Clearfield Hybrid Profit Selling Price \$5.40/bushel
-40	115
-30	61
-20	8
0	-20
20	-209

Based on direct costs calculated from Mississippi State University enterprise budgets.

This return on investment spread widens when milling discounts and premiums are added. Milling data from university trials averaged over two years shows the average milling yield of CLXL745 was 48/70, and the average for CL153 was 61/71. Table 2 shows the yield difference needed between these two varieties when the industry standard discount/premium of \$0.02/\$0.04 per bushel for head/total rice for milling above or below a 55/70 is applied.

Table 2. Clearfield Hybrid Profit/Loss When Milling Premium/Discount Is Applied.

Clearfield Hybrid Yield	Clearfield Variety Yield			
	160	170	180	190
170	-106	-162	-219	-275
180	-54	-110	-166	-222
190	-1	-57	-113	-170
200	52	-5	-61	-117
210	104	48	-8	-64

Based on Mississippi State University Enterprise budget direct costs and historical milling yield from two-year university data.

Table 3 demonstrates the following scenario: CL153 had an average field yield of 185

Bu/A with a milling of 61/71, and CLXL745 yielded 200 Bu/A with a milling of 48/71. CL153 has \$89/A more net income over CLXL745.

Table 3. *Income Comparison of CL153 (185 Bu/A) and CLXL745 (200 Bu/A) With Milling Premium/Discount Applied.*

	CL153	CLXL745
Yield Bu/A	185	200
Price/Bu With Premium/Discount	5.62	5.26
Income/A	\$1040	\$1052
Total Direct Cost/A	\$840	\$941
Net Profit	\$200	\$111

Sunny Bottoms

Senior Technical Services Manager
(225) 241-5526

www.horizonseed.com