



StaufferSeeds

Quarterly

Winter 2001

StaufferSeeds purchases equity stake in ProdiGene Anthony Laos made Chairman and CEO of ProdiGene



Dr. John Howard and Anthony Laos in ProdiGene's greenhouse

StaufferSeeds has purchased a substantial equity share in partner company ProdiGene. Based in College Station, Texas, ProdiGene is focused on creating delivery systems for high value protein products with transgenic corn. ProdiGene's Board of Directors has also voted to place StaufferSeeds Chairman and CEO Anthony Laos as Chairman and CEO at ProdiGene.

"The Board of Directors welcomes Mr. Laos to the helm of ProdiGene. His operational management expertise and industry perspective are a perfect compliment to our current business growth objectives," says ProdiGene founder and Chief Scientific Officer, Dr. John Howard.

StaufferSeeds and ProdiGene have been working together for three years to develop plant based production systems for high value industrial and pharmaceutical products. During the 2000 season, StaufferSeeds and ProdiGene harvested seven different corn crops containing ProdiGene's high value proteins.

"StaufferSeeds and ProdiGene are building plant based protein production systems that will create more value from existing resources, such as a grower's land and local distribution infrastructure. This is what makes StaufferSeeds different from other seed companies," Mr. Laos explains. "This investment and my appointment as Chairman and CEO further solidifies this relationship."



To read the complete press release visit www.staufferseeds.com



Avidin and Aprotinin from our transgenic corn



Independent yield results... the report cards are in! See page 2

Inside this issue...

- StaufferSeeds No.2 Yellow Dent Products for 2001
- An Update on the StaufferSeeds ValuePlus seed products
- Introducing the StaufferSeeds ValuePlus Seed Program
- An Interview with ProdiGene founder Dr. John Howard

Web Site Update

Visit www.staufferseeds.com where you'll find information on our hybrids and the innovative StaufferSeeds ValuePlus seed line. Apply to join the StaufferSeeds ValuePlus Seed Program or contact us to let us know what's on your mind!





Independent Yield Results

Hybrid	Yield*	Test Weight
Northern Region		
2517	175.0 bu./acre	56.7
2419	167.1 bu./acre	56.2
2428	176.5 bu./acre	55.3
2433	170.3 bu./acre	56.1
2517Bt	176.7 bu./acre	56.0
2548	167.3 bu./acre	55.2
Central Region		
2207	185.0 bu./acre	56.6
2640	186.9 bu./acre	57.6
2666	185.9 bu./acre	57.3
2688	192.1 bu./acre	58.7
2699	190.2 bu./acre	57.2
2705	188.9 bu./acre	57.1
Southern Region		
2721	188.4 bu./acre	58.3
2729	190.2 bu./acre	58.8
2818	190.8 bu./acre	57.3
2845	192.7 bu./acre	56.0
2820	188.4 bu./acre	57.1

**Yield data has been calculated at 15.5% moisture and averaged across multiple locations.*

**StaufferSeeds
2001 Yellow Dent**

The results are in! Independent yield tests from across the corn belt confirm that StaufferSeeds' new No.2 Yellow Dent products are performers. These new Yellow Dent seed products have been developed through extensive research and development by our corn breeders... efforts that produce plants that perform consistently and reliably in independent trials across our region.


We introduced 28 new products this year and we have put them to the test. A number of independent county yield trials and multiple independent crop consultants have planted our new hybrids and collected impartial competitive yield data on them. We're happy to

report that many of our new products outperform several of our best selling hybrids such as our 2517, 2207 and 2820! The proof is the chart to the left.

Media Update

"As a biopesticide, Avidin is better than Bacillus thuringiensis (Bt) in corn because it has a knockout punch that hits a broader range of insects," says USDA chemist Karl J. Kramer.

StaufferSeeds and ProdiGene have been producing Avidin in corn for the past three years. Exciting news? You bet!

 Find the full text of this and many other articles in the News and Articles section of the StaufferSeeds web site located at: www.staufferseeds.com/0701news.htm.


**Introducing the
StaufferSeeds ValuePlus
Seed Program!**

By becoming a StaufferSeeds Yellow Dent seed customer today, you may qualify to produce StaufferSeeds ValuePlus IP seed products, genetically enhanced to grow high value industrial and pharmaceutical products, when they become available in your area. This offer is the foundation of the StaufferSeeds ValuePlus program and it's a win-win situation for growers. Why?

First, you benefit today by growing StaufferSeeds quality hybrid seed products... products that contain the highest quality genetics available today and that consistently perform in a league with the best hybrids in the industry.

Second, you benefit tomorrow by growing the StaufferSeeds ValuePlus Identity Preserved products... genetically enhanced corn seed that will generate more value per acre for your operation than any other seed product currently on the market.



 Sign up today at www.staufferseeds.com/0504appl.htm or call 1-800-496-1470 for more information.



StaufferSeeds ValuePlus Seed Product Update

Three years of research and development with ProdiGene has paid off. This year StaufferSeeds harvested and delivered seven different crops for ProdiGene containing high value industrial and pharmaceutical proteins. Of the seven products, research chemicals Avidin and Aprotinin will be processed and delivered to Sigma Chemical and industrial enzyme Laccase will be delivered to Genencor International.

Other products harvested this year by StaufferSeeds include:

- TGEV vaccine for swine, currently being tested with the USDA.
- LTB vaccine for humans against E.Coli, currently in pre-clinical testing.
- Brazzein, an intense natural sweetener 2000 times sweeter than sucrose.

“The success we have achieved and the partners we have attracted with our technology are qualitative and quantitative proof that what we are doing is for real,” explains Dr. Howard.

ProdiGene currently has a total of 16 high value products in development. Many of these have been bred into StaufferSeeds germ plasm and are nearing production. Production is taking place in Nebraska, Iowa, Florida,



Contract producer Rod Beins of Aurora, Nebraska

Hawaii, Puerto Rico and Argentina to produce commercial quantities of seed that will be licensed to StaufferSeeds contract producers.



To learn more about the StaufferSeeds ValuePlus seed products visit our web site at www.staufferseeds.com/0401valu.htm

Interview with Dr. John Howard

Dr. John Howard is the founder and Chief Scientific Officer at ProdiGene. Dr. Howard was Director of the Biotechnology Research Department for Pioneer Hi-Bred Intl. from 1987—1994. From 1994—1996, he was Director of the Protein Products Division of Pioneer, where he founded a program to develop and produce recombinant protein products from plants. In 1996, Dr. Howard left Pioneer to create ProdiGene.

Q. What is ProdiGene?

A. ProdiGene is an industry leading life sciences company focused on producing human, animal and industrial protein products in transgenic plants. This year StaufferSeeds produced seven crops for us, two of which are currently sold by ProdiGene's partner Sigma Chemical. Working with grain produced by StaufferSeeds, ProdiGene is the first and only company to commercialize high value proteins from plants.

Q. How does StaufferSeeds help ProdiGene?

A. StaufferSeeds is ProdiGene's exclusive seed and grain supplier. Plants from ProdiGene's labs are bred with StaufferSeeds' elite germ plasm to produce hybrid corn adapted to different maturity zones. StaufferSeeds helps ProdiGene by developing, marketing and producing high volumes of Identity Preserved hybrid corn seed containing our products. The StaufferSeeds

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Dr. John Howard,
Founder of
ProdiGene.



Our sales force speaks out!

Dave Williamson is a Territory Sales Manager and owner of TriState Stauffer. Dave markets our products in StaufferSeeds' northern region including Southern Minnesota and Northern Iowa. Here's what he has to say about...



The StaufferSeeds Quality No.2 Yellow Dent Products

"Year after year the StaufferSeeds hybrids perform as well as or better than the best seed on the market. My customers have found that if they are not planting StaufferSeeds hybrids such as 2517 they may not be realizing maximum yields on their acres. The research and development StaufferSeeds has put into its hybrid lineup is paying off! We've got a strong product line that I am proud to represent."

The StaufferSeeds ValuePlus Seed Program

"I view The StaufferSeeds ValuePlus program as a no risk offer that gives early adapters the opportunity to be part of an elite group of corn producers. I convey to each and every prospect that by joining now, they can become one of the first producers of the ValuePlus products and realize significant returns without any risk. Our program allows producers the opportunity to improve their bottom line by becoming associated with StaufferSeeds without burdensome requirements such as planting 75% — 100% of your acres with StaufferSeeds products."

You can reach Dave directly at dwilliamson@staufferseeds.com

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ValuePlus IP hybrid corn seed products are the bio-reactors in ProdiGene's high value industrial and pharmaceutical protein production system. Working together we have created a system that has proven a viable alternative to traditional animal and bacteria cell based protein production systems.

Q. How will Anthony Laos help ProdiGene as Chairman and CEO?

A. With Tony at the helm of ProdiGene, myself and the other technology staff can focus on improving our technology platform and allow Tony to coordinate day to day operations across StaufferSeeds and ProdiGene. With everyone focusing on their respective core competencies, we will be able to develop products and get to market faster.



Visit ProdiGene online at www.prodigene.com



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