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KWS builds biotech research center in St. Louis

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Biotechnology and Other New Production

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Planting Seeds

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Report Highlights:

The German seed company KWS is starting a new biotech research center in Missouri. This can be seen as a reaction to negative attitudes toward biotech crops in Europe as well as non-existent markets. KWS is the third major German agricultural company to move its biotech research to the United States. Bayer has already done so in 2004, and BASF followed in 2012. FAS Berlin reached out to KWS as part of the Obama Administration's broader effort to increase foreign investment in the United States.

General Information:

The German seed company KWS is increasing its presence in the United States. The company is currently building a research center in St. Louis in the US state of Missouri. The research center will start with 25 employees at the end of 2014 or beginning of 2015. The number of employees will be increased to 80 over the next 3 to 5 years. There were some news reports that by building the new research center, KWS wants to shift all its biotech research to the United States, but the company officially contradicted the press on this point. According to information from the company, the research center at the company's headquarters in Einbeck in the German State of Lower Saxony will remain there and will be expanded in the future. There is no information how many people work in biotech research at KWS. There are about 640 employees working in research and breeding in Germany. The company employs 4,800 people in total.

The FAS Office in Berlin, Germany, reached out to KWS as part of the Obama Administration's broader effort to increase foreign investment in the United States. FAS Berlin visited the headquarters of KWS in Einbeck on April 10, 2013 and found out that KWS is generally very pleased with the U.S. operating environment. The company's investment in the United States is driven by the size and growth of the U.S. seed market, which in turn is driven by rapid U.S. farm adoption of new production technologies. KWS sees the reasonable and predictable nature of the U.S. plant regulatory system to be a very positive attribute.

KWS is the fifth largest seed producer in the world. In the past financial year the company made a total of 1.2 billion euros in sales – a third came from genetically modified plants that are sold mainly in America. KWS's biotech sugar beet seed dominates the U.S. market. According to Philip von dem Bussche, spokesman of the management board, KWS will not only research biotech, but also new breeding techniques such as mutations, genome analysis, and new DNA markers. Bussche sees a location advantage in St. Louis and appreciates the access to best researchers. He added that university institutions and a young start-up scene are a bonus in St. Louis. And he mentioned that graduates of American universities have not only theoretical knowledge, but also practical experience.

KWS is the third major German agricultural company that moves its biotech research to the United States. Bayer shifted its biotech research from Germany to the United States and Belgium in 2004. BASF moved its biotech research to North Carolina in 2012.