

## August Observations/Market Comments

The past month's shipping activity has reflected a pretty empty pipeline. Akin to the past couple of years, a good bit of what is being shipped right now is out of new crop, due to the fact that we entered the month with little to no carryover in many species. Farmers in general are reporting good yields. Harvested acreages are also up for most crops. These factors have resulted in most items either staying at the same price or softening.



**Crimson Clover** - The most notable drop has been that of crimson clover. Yields are up, acres are up, and typical international pressure is down. This crop also saw a bit of carryover; although it didn't last long. We've been shipping raw and coated crimson as fast as we get it in. With the price correction to a more favorable level, we may see strong movement for yet sometime.

**Annual Ryegrass** - This year has been a perfect storm for annual ryegrass. The little bit of carryover and anticipation of a good, early crop pushed prices slightly lower early summer. More than that, it put buyers in a "wait and see position." Harvest came about as good as it could get; great weather, early crops. Seed flowed through cleaners quickly. Then came the news from the railways - a gloom and doom forecast declaring that they anticipated a 40% shortage of equipment for this season. We responded by ordering everything we could get our hands on and began shipping as much as we could. It wasn't enough. Some weeks we have only received 1/6 of the box cars that we could have shipped. That's hard ground to make up. And those cars that have rolled are rolling verrry slowww across the country. Many customers are frustrated. So are growers who have cleaned their seed early and are waiting for it to ship. The full barns and slow movement has also pushed annual prices down a small notch.

Thankfully, one option that has been helping is the use of stack trains. Numerous customers are converting their boxes into stacks (1 box = 4 stacks). You can imagine that although this gets seed rolling, it causes additional challenges. The stack loads increase dramatically and now are a factor in increased traffic flowing over the rail lines by stack. Sort of like a road construction detour. Additionally, every converted box to stack adds additional paperwork, labor, etc. It's kept us hopping, to say the least. We thank all of our customers for their patience as we try to do our best to meet your needs. We do feel your pain!



**Peas** - Both common Austrian Winter Peas and proprietary peas, like our new Lynx and Windham peas can't get harvested and cleaned soon enough. The years where carryover satisfied July and August buyers seem like distant memories. It has only been within the past couple of weeks that Oregon-grown Austrians have been harvested; they are going out the door as fast as they can get cleaned. The bitter cold winter got the best of the Washington-grown Windhams. Fortunately, our new Lynx, grown in the same area survived. Harvest happened only last week, with clean seed hopefully shipping next week. Unfortunately for those who did not committ early, this crop is already sold out. The challenge for next year is also already set - there will be no carryover to start the new year. That said, we will be asking those interested in 2015 Lynx to provide us with their estimated needs very soon. Hopefully, by 2016 we will have sufficient carryover to satisfy normal July/Aug needs. For those who need AU peas during this timeframe, it may behoove them to watch how this fall's harvest plays out and book their 2015 July/Aug needs well in advance.



**Turf-type Ryegrass and Tall Fescue** - While prices have dropped a bit from last year's highs, due to anticipated good harvests, we are still very early in season. Interest and shipping of both crops is going very good, and it is yet unknown just how good fall consumption will play out. Most seem interested in getting seed rolling right now at a fair price and letting the market figure out what these species are worth as the season unfolds.