Monsanto invests $100M in seed production capacity

The Associated Press

Monsanto plans to spend more than $100 million to expand production at four of its seed processing plants in Nebraska, Indiana and Iowa to meet growing demand for its corn seeds.

The Lincoln Journal Star (http://bit.ly/Pu0WWf) reports that most of the money will be spent at Monsanto plants in Waco, Neb., and Remington, Ind., but more capacity will also be added at plants in Grinnell and Williamsburg, Iowa.

The St. Louis-based company announced the expansion on Wednesday.

"We're expanding to give farmers the seed they desire," Monsanto spokeswoman Kathleen Manning said.

The money for the expansion will pay for more dryers and expanded warehouse space at the plants.

The expansions will lead to some increase in employment, but Manning said the company wasn't sure how many jobs will be added so no figures were released.

Monsanto contracts with farmers to raise seed corn in their fields. Company officials plan to talk with farmers within about 50 miles of these seed-production plants to increase the acres of seed corn being grown.

Monsanto is focusing its investment in areas like Waco where the farmland is irrigated to help protect its seed production against drought conditions.

The expansion announcement for Waco comes just a year after Monsanto celebrated opening the $135 million seed plant, which employs 70 people full time.

Monsanto is one of the biggest makers of genetically engineered seeds and the herbicide Roundup. It competes with DuPont Pioneer, Syngenta and Mycogen in the seed business.

Monsanto said in October that it generated $2.05 billion net income on $13.5 billion revenue in the last fiscal year.

The company hopes to have the expanded plants operational by next fall's harvest.

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Information from: Lincoln Journal Star, http://www.journalstar.com

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