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**ORCHARDGRASS**—This grass is used in the northern states for pastures and grass hay. Oregon has recently become the nation's leading producer of orchardgrass seed with more strains than any other state.

**THE ECONOMIC SIGNIFICANCE OF OREGON'S SEED INDUSTRY**

Seed sales provided Oregon farmers with $31 million in 1968. As this $31 million moves through the economy, in successive rounds of spending, additional income is generated and the impact of the "seed dollar" is magnified.

The magnitude of the total economic impact is directly determined by three forces, or leakages, which reduce final impact by removing dollars from the state's economy. The forces are: 1) savings by individuals, 2) out-of-state purchases by individuals, and 3) out-of-state purchases by businesses. The economic impact of the successive rounds of spending, including the 31 million dollar sales value of all seeds, is estimated at approximately 43.5 million dollars—about 1.4 times the original seed industry income. Applying the same multiplier to the $26 million grass seed industry represents an economic impact of $36.4 million to the economy of the state.

**PROPERTY TAXES**

Real property taxes accruing to all seed crop land totaled approximately 1.6 million dollars in 1968. More than 1.3 million of these tax dollars can be attributed to grass seed land. Other tax dollars derived from seed growers have not been estimated, but are a significant contribution to the tax base of Oregon.

**PROCESSING ADDS VALUE**

Cleaning, sacking, and handling added about 12 percent, or 3.7 million dollars, to the value of the 1968 crop. Blending and small packaging of grass seeds has been increasing within Oregon in recent years.

**EFFICIENT METHODS USED**

Because of continually increasing costs of production, Oregon's seed producers must employ the most modern cultural methods along with sound management practices in order to make reasonable profits. Yields and seed quality must be high in order to make seed production profitable enough for the industry to continue its important economic contribution to the state.
Grass and legume seeds (commonly known as the "seed industry") are important to the economy of Oregon and especially to the many people whose incomes are affected by the seed industry. Producing 41 percent of the nation’s grass and legume seeds, Oregon growers have consistently rung up $29-$31 million in sales in recent years. Dollars from these initial seed sales circulate through Oregon’s economy with a multiplying effect as farmers buy fertilizer, tractors, groceries, automobiles, toothpaste, and shoes for their children to wear to schools financed in large part by farm tax dollars.

The bulk of Oregon's seed production comes from grass seeds produced in the Willamette Valley. The superior quality of Oregon-grown seeds has made them famous throughout the world.

Oregon Seeds Dominate National Production

Oregon has 308,000 acres in seed production—83 percent of which is in grass seed. Over four-fifths of these acres produce seeds for which Oregon’s growers are the nation’s leading producers.

<table>
<thead>
<tr>
<th>Seed Type</th>
<th>Acres</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Ryegrass*</td>
<td>87,000</td>
<td>8,463</td>
</tr>
<tr>
<td>Perennial Ryegrass*</td>
<td>47,000</td>
<td>4,382</td>
</tr>
<tr>
<td>Kentucky Bluegrass*</td>
<td>31,500</td>
<td>5,171</td>
</tr>
<tr>
<td>Fine Fescues*</td>
<td>31,000</td>
<td>2,621</td>
</tr>
<tr>
<td>Bentgrass*</td>
<td>28,000</td>
<td>2,248</td>
</tr>
<tr>
<td>Crimson Clover*</td>
<td>14,500</td>
<td>1,175</td>
</tr>
<tr>
<td>Alfalfa</td>
<td>13,500</td>
<td>2,026</td>
</tr>
<tr>
<td>Orchardgrass</td>
<td>8,590</td>
<td>1,925</td>
</tr>
<tr>
<td>Hairy Vetch*</td>
<td>8,000</td>
<td>403</td>
</tr>
<tr>
<td>Other Grasses and Legumes</td>
<td>38,910</td>
<td>2,561</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>308,000</td>
<td>30,975</td>
</tr>
</tbody>
</table>

* Oregon is the leading producer.

Willamette Valley Growers Sell Most Seeds

Some facts about the $29-$31 million realized annually from sales of Oregon-grown grasses and legumes to other states and foreign countries are presented below.

- Nearly 85 percent of these sales come from grass seed.
- 81 percent of seed sales come from Willamette Valley production, where climatic conditions favor concentration of commercial seed production.
- 43 percent of all seed sales come from Linn County.

Grass Seeds Are World Famous

More than 250,000 acres in Oregon are devoted to grass seed production. Sales from these acres exceeds $26 million, more than 84 percent of total seed sales. The remaining $5 million is derived from legume seed production.

An abundance of winter and spring moisture combined with dry summers provides ideal conditions for grass seed production in the Willamette Valley. Comparable yields and quality of seed are rare in other parts of the world. Oregon is famous over the world for its grass seeds, bringing foreign dollars to our country and state.

RyeGrass—Oregon’s Willamette Valley produces virtually 100 percent of all ryegrass seed grown in the United States. This seventh-ranked agricultural crop is well...

This circular was prepared by Willis E. Middlemiss and Robert O. Coppedge, Assistant in Agricultural Economics and Extension Agricultural Economist, respectively, Oregon State University.

For more details on the industry see Willis E. Middlemiss and Robert O. Coppedge, "Oregon’s Grass and Legume Seed Industry in Economic Perspective."
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