

Some have asked, “Why the price increase?”

The short answer is that we have to meet the ever increasing expenses of operating a full service, top-of-the-line seed lab. Expenses have gone up, and while we have done many things to keep our prices down while still increasing revenue, we still need to raise prices to cover the increases.

Over the past 15-20 years, the number of samples and tests that the Lab analyzes has remained nearly constant. As a result, the amount of germination paper and other testing supplies has remained nearly constant. However, the cost of those supplies has not remained constant. It has increased about as much as the inflation rate of other goods. In other words, costs have gone up. Inflation over that timeframe was just over 7.75%.

Some of the ways the Lab has looked to increase income include the following. Based upon customers’ requests and the idea that the Lab’s role is to facilitate the movement of seeds, the Lab began offering ISTA testing. The Lab has also sought and received accreditation for seed health testing that last year began to generate revenue. Finally, with the increased wildfires and other drivers for reclamation species using local ecotypes there has been a large increase in the numbers of native species being tested by the Lab. The revenues generated by these efforts has begun to be significant in the past 2 years, however, it is not enough to offset expenses.

Additionally, employment expenses have increased substantially. The average cost of employment in the US increased by 25-50% in the past 5 years depending upon the working sector and the longevity of the employee. With the cost of health benefits doubling in the past couple years they are a significant part of this increase. In other words, wages and benefits have increased more than any other item.

An 8-9% price increase, as we have planned, will generate about enough revenue to meet the cost of our increased expenses. Along with that increase, we continue to be committed to the development of new efficiencies and the addition of new tests that will add to revenue without substantially increasing costs. We are in our second century of serving the seed growers of Oregon and look forward to serving you for a very long time. We thank you for your continued support.