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## USDA Confirms Presence of Genetically Modified Wheat, Trade Impact Possible

May 30, 2013

The United States Department of Agriculture announced on May 29, 2013, that it confirmed the presence of a genetically modified wheat variety on an Oregon farm. Reports state that the wheat was developed by Monsanto and field tested in Arizona, California, Colorado, Florida, Hawaii, Idaho, Illinois, Kansas, Minnesota, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington and Wyoming between 1998 and 2005. According to the USDA's press release, "There are no genetically engineered wheat varieties approved for sale or in commercial production in the United States or elsewhere at this time."

The presence of genetically modified wheat in the U.S. could have significant impact on the exporting of U.S. wheat to other countries. According to U.S. Wheat Associates, the United States is the largest single wheat exporter in the world. The Oregon Wheat Commission states Oregon exports 90 percent of its wheat production.

While the USDA said it has no information that the genetically modified wheat variety entered commerce, its investigation is ongoing.

Gray Reed & McGraw attorneys Bill Chaney and Drew York represented hundreds of rice farmers in the *In re Genetically Modified Rice Litigation* resulting from the USDA's 2006 announcement that one of Bayer CropScience's genetically modified rice varieties was found in the commercial rice supply.

"Some of the facts from yesterday's USDA report on the discovery of GMO wheat appear to be very similar to the USDA's initial announcement in 2006 of the discovery of Bayer CropScience's GMO rice," said Chaney and York in a joint statement. "Given that yesterday's announcement indicates the GMO wheat was only found in one farmer's field, it is too early to tell whether any significant trade impact or economic loss will ensue as a result. But we are monitoring the situation very closely and have already seen reports that, in response to yesterday's announcement, Japan today cancelled a tender for almost 25,000 metric tons of US western white wheat."

Chaney was a Court-appointed member of the Plaintiffs' Executive Committee and also the Non-Producer Liason Counsel in the genetically modified rice litigation against Bayer CropScience. Chaney and York collectively served on the trial teams for four cases that went to verdict, all of which resulted in jury awards for rice farmers that totaled over \$50 million. As a result of those trials, Bayer CropScience entered into settlement agreements to resolve all farmer claims for \$750 million. Additionally, Chaney and York represented two



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rice mills and a rice exporter whose claims were resolved before trial for more than \$10 million.

For more information, please contact Chaney at [wchaney@grayreed.com](mailto:wchaney@grayreed.com) or York at [dyork@grayreed.com](mailto:dyork@grayreed.com) or call 214.954.4135.