

# POLICIES & REGULATIONS FOR A THRIVING CANADIAN AGRI-FOOD SYSTEM

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## Poster 23

### **HYBRIDIZATION AND THE DYNAMICS OF VALUE CAPTURE IN THE CANOLA INDUSTRY**

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The hybridization of seed production enables stronger intellectual property rights for seed breeders. Stronger IPRs have attracted significant amounts of investment to the crop sector resulting in dramatic increases in yield trends for hybrid crops such as canola and corn. However, stronger IPRs have also enabled seed producers to capture significant value from breeding activity. Comparing the price and yield trends before and after hybridization of canola in Canada indicates that increases in seed prices has been proportionally higher than yield improvements. Although hybridization has clearly benefited farmers via the better crop genetics, it has also enabled seed producers to capture a larger share of farmers' revenue every year.