



February 17, 2010

Congressman David Wu  
2338 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Wu:

Northwest Farm Credit Services is a cooperatively owned agricultural lender and part of the national Farm Credit System. We serve more than 12,000 agricultural producers and rural residents throughout Oregon, Washington, Idaho, Montana and Alaska through the extension of over \$8 billion in credit and related services. We write to encourage your support of the continued funding of two projects being conducted by Oregon State University.

**The Endophyte Project.**

Endophyte infected grass seed straw can have deleterious effects on animals when ingested. In 1998, shipments of Oregon grass seed straw bound for Japan were temporarily stopped. In 2000, Japanese veterinarians reported more than 5,400 animals in Japan could have had clinical signs of endophyte toxicosis from Oregon straw. In 2008, grass straw exporters shipped more 30,000 containers of straw overseas. In 2009, Drs. Miyazaki and Hayakawa reported that the number of clinical cases of endophyte disease in Japan had been reduced to zero. This has been largely the result of the OSU certificate program. OSU is working on a permanent solution that requires developing a microbial probiotic to give to horses, cattle, or sheep to biodegrade these toxins before they go systemic. Research at OSU, with cooperators at the University of Missouri, the University of Arkansas, and USDA, are working toward a solution to the endophyte problem. Continued funding is critical to these efforts.

**The Bioremediation of Munitions Project.**

Bioremediation is based on an "agricultural alternative" to the 30 billion dollar cost to cleanup military bases (the Umatilla Army Base in Oregon is one of the sites). Research has shown TNT and other munitions residues are able to be absorbed from the soil by cool season grasses. When sheep graze these grasses, their ruminant microbes degrade these toxins. Previous studies in this project have proved the non-deleterious effect of this consumption on sheep. Funds are being requested to do "proof of concept" studies on three grass species. If successful, this approach will not only provide significant savings of taxpayer dollars compared to other methods of dealing with these munitions, but it will generate whole new markets for Oregon grass seed. The Oregon Seed Council has estimated that this technology could increase markets by 70 to 120 million pounds of grass seed per year. Oregon State University is requesting an increase in funding for this research from \$120,000 per year to \$600,000 per year.

We believe research of this type is not only critical to the grass seed industry but has significant benefits for all of agriculture and the economy of Oregon. Where we recognize current economic realities and budget constraints, we encourage your support of continued funding of these projects. Through this type of research, we can protect our export markets and the jobs which rely on them. If you would like additional information on this project, please contact A. Morrie Craig, Professor of Toxicology, Oregon State University at 541.737.3036 or at [A.Morrie.Craig@oregonstate.edu](mailto:A.Morrie.Craig@oregonstate.edu).

Sincerely,

Thomas M. Tracy  
Executive Vice President and General Counsel

Letter also sent to:

Senator Jeff Merkley (D)  
Senator Ron Wyden (D)  
Congressman Earl Blumenauer (D)  
Congressman Kurt Schrader (D)  
Congressman Peter Defazio (D)  
Congressman Greg Walden (R)