

Message

**From:** IVERSON, JORDAN [AG/1000] [/o=Monsanto/ou=NA-1000-01/cn=Recipients/cn=802291]  
**on behalf of** IVERSON, JORDAN [AG/1000] [/o=monsanto/ou=na-1000-01/cn=recipients/cn=802291]  
**Sent:** 11/14/2014 11:34:40 AM  
**To:** BOLLMAN, SCOTT L [AG/1000] [scott.l.bollman@monsanto.com]  
**Subject:** XtendFlex Contingency USLT 11\_18\_14.pptx  
**Attachments:** XtendFlex Contingency USLT 11\_18\_14.pptx

Newest version

BADER FARMS ET AL v. MONSANTO ET AL.  
**EXHIBIT**  
**PLTF-510**

EXHIBIT  
S10  
9-23-19 TR  
PENGAD 800-631-6888

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MON007930



USLT November 18<sup>th</sup>, 2014

Jordan Iverson  
Scott Bollman  
Shea Murdock  
Nico Callaneo

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## Agenda

- Milestones to Date
- USDA Timing and Manufacturing Plans
- Dicamba Label Timing and Contingency Proposal
- Financial Risks of Approval Delays
- Communication Plans

## Team Objectives & Outcomes

1. Align on updated Contingency Assumptions
2. Reconfirm approval on launching Bollgard II® XtendFlex™ w/o OTT Dicamba label
3. Gain approval on trait price point and rebate strategy
4. Evaluate Financial Risks and Steps to Overcome

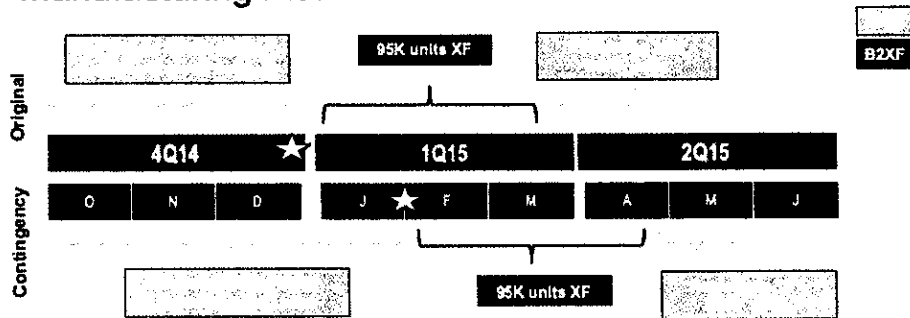
## Team Milestones

Updated 11/2/2018	MS	AR	TX	AZ	California	Total
Available Units (90% Confidence)	16,085	18,235	18,287	32,382	10,000	95,000
Available Units (65% Confidence)	22,095	25,049	21,016	34,512	14,087	116,759

1. 10K Regulated Seed Production Acres w/o Compliance Infractions
2. If upside is achieved, first 5K units to be designated as seed production
3. If upside >5K units, position additional supply on variety fit
4. Strong Early

# Bollgard II® XtendFlex™ Timing and Manufacturing Plan

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**Considerations:**

- No impact on XtendFlex total 750K acre launch
- Confirmed and aligned w/ Mfg team
- PM to provide direction on variety priority, historical treatment and package, & shipping
- Field Sales – accuracy in orders and forecasts critical; no "reworks" on XF
- Begin XtendFlex processing at deregulation

**Potential Contingency Plan Risks:**

- SKU mix out of position (package and treatment)
- Risk of increased obsolescence
- Increased B2RF downstream treating
- Product availability of lower volume products
- USDA delays past late Jan – XF volume
- No major financial impacts from adjusted plan
- Shortened selling season

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**Notes:**

Team doesn't plan to close for holidays  
 650K gross B2RF units by Feb 4<sup>th</sup>  
 as of 11/11: 500K units remaining  
 \$5.00 per unit for reworks of treatment/package

## 2015 Budget Current Dicamba Registration Assumptions

### 2015 Budget Assumptions:

- December deregulation with dicamba labeled in all cotton states
- May 2014 EPA signaled 6 states; continued to push for all states (proactive approach with MON, NCC, and others)

### Current Assumptions:

- USDA: Deregulation in mid to late January
- EPA:
  - Hopeful for draft label early to mid-December (MO, AR, TN, MS, LA, OK)
  - If follow DOW timings would have label in 6 states at mid-June
    - Mid-June limits opportunity for growers to take full benefit of dicamba
  - Unlikely to no opportunity for additional states
    - TX, GA, FL, SC, NC, AL, VA, KY, KS, NM, AZ

## Reconfirm Support to Launch without Dicamba Label

### Benefits

- XtendFlex – Growers will still have the choice and flexibility to use glyphosate and glufosinate
- 35%+ of cotton planted in 2014 contains Liberty® tolerance
- Key Academic support and weed management recommendations include Liberty
- Need to establish XF trait (weed control parity) and new varieties on growers farms
- Enable 2016 penetration targets
- Maintain first mover advantage

### Risks

- Growers push back on increased tech fee with no dicamba
- Growers make off label applications of dicamba
- Industry and regulatory reaction

### Plan

- Launch XtendFlex and implement a robust communication plan that dicamba cannot be used

## Communication and Grower & Retail Education Tactics

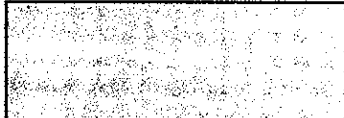
• Robust plan includes multiple communications to growers and dealers  
• PSLT approval – 7/23/14  
• Review with ERST – 12/08/14

TUG addendum stating read and follow local and state labels	Feb – May 2015
Letter to all growers who purchase	March 2015
Letter to all dealers with inventory	March 2015
Communication and direction through SRP's	Winter 2015
Weed Management Recommendations through RR PLUS	Jan – June 2015
Incorporate messages into winter grower group training	Jan – March 2015
Pallet and Bollbox packaging inserts	At Seed Delivery
Local Sales Team 1:1 outreach with select growers	Jan – June 2015
Attachment to dealer Bill of Lading	At Seed Delivery
Technical bulletins through TD/A Teams	Spring 2015
Bulletins and notice through extension and influential academics	Spring 2015



## Introductory RR PLUS Chemistry Rebate Recommendation

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\$	6.00	\$	3.00	\$	(2.1)
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### How we position:

- Price point established on price card and communicated broadly
- Developing an instant rebate off invoice
- Position at time of purchase as an "Introductory RR PLUS Chemistry Rebate"

### Business Rationale:

- Shortened selling season
- Grower are expecting ability to use dicamba
- Weed control trait parity to GL/LL
  - \$5/acre instant rebate from Bayer for purchase of Liberty
- Risk of Liberty supply availability and increasing price

### By implementing rebate:

- Still able to establish initial B2XF price
- Positions rebate to chemistry vs trait
- Alleviate grower pushback of not having dicamba
- Enables adoption of 750K acres of XF

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50% of growers indicate intent to use OTT

## XtendFlex Deregulation Timing Increases Risk of Cannibalization

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DPL (original budget)	3.5	25%	\$ 22.2
DPL (adjusted plan)	2.5	50%	\$ 14.8

- Shortened selling season
  - 70% of cotton orders taken Jan to Feb
  - Uncertainty limits opportunity to leverage XF
- Moving from superior to parity weed control trait offering
- New, never experienced varieties in B2XF
- Growers have experience w/ established LL varieties (ST4946GLB2 & 499WRF)

### Proactive Tactics to Date:

- Direction to sales teams to minimize cannibalization
- Grower targeting focused on Alt Platform
- Positioning of Southern Distribution Strategy

### Additional Tactics to be Considered:

- Grower conversion program offer
- Distribution program incentive
- SxS, trial offer against Dow, BCS
- Activate LCR holdback locally
- Reward team level for results

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## Overcoming '14 Share of Market Shortfall

DPL	Share					Gross Profit
	26.1%	24.1%	29.6%	3.5%	2.0%	
						\$ 10.2

### Actions & Opportunities to Gain 2 DPL Share Points from 2014

- Investments in distribution profitability **-\$4.2M**; parity to BCS and DOW
- Execution of Southern Distribution Strategy
- Momentum of new DPL products (1321 & 1454NR)
- New variety introductions in Texas
- Experience in variety performance due to rain in TX
- Improved moisture conditions for 2015 (71K vs 2.5K PYTD order bank)

## Communication Strategy

Coastal RLT	Week of Nov 17 <sup>th</sup>	High level assumptions (USDA approval only)
Licensees	End Nov/Early Dec	New assumed USDA timing
National Cotton Council	Mid December	Reevaluate and reaction to current regulatory milestones
Field Sales/TA/TDR	Late Jan (post deregulation)	Pricing, programs, dicamba label direction, final launch
SAMs &	Ahead of Field	

## What this plan enables: Successful 2015

- Launched XtendFlex on 750K acres
- Established foundation trait price of \$6/A
- Grew Deltapine share
- Maintained 1<sup>st</sup> mover advantage over DOW
- Germplasm experienced on grower's fields
- Positioned for full dicamba label in all cotton states in 2016
- Positioned to enable 1.7M acres of XtendFlex in 2016

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BACKUP

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