

Interview with the agronomist José María Collazo (President of Collazo & Asociados)

Seeds: a U.S. company left a business in the country and an Argentine company will follow it

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Cal West Seed, which had been in business since 2003, discontinued the activity and Collazo & Asociados will continue the commercialization of alfalfa with another company: South West SA; details and the bet for the future.



Under the name of South West SA, the company Collazo y Asociados will continue with Cal West Alfalfas in the country.

Despite Argentina's macroeconomic difficulties, the seed industry does not stop and continues with new investments and challenges. One of them is Collazo & Asociados, a company with more than 40 years in the agricultural sector, which after a relationship of many years **with Cal West Seeds**, from California, United States, **decided to continue with the alfalfa business in the country.**

Currently, with materials in the field that **are at the first genetic level, they have a new generation that will be launched starting next season** and, through innovation, they are already testing materials to continue providing growth in 10 years' time.

It is worth remembering that **Collazo & Asociados** has operated in different activities such as **planting pool, field management, seed treatment plant** and has always had an active participation **in the forage seed industry since 1985**. In 1992 and after years of exploring the different potential areas for alfalfa seed production, it started a relationship with Cal West Seeds.



Jose Maria Collazo: The seed is the product, but for a business to exist, it is very important to have a client and to treat him accordingly.

The North American company already had a long history in Argentina when it introduced the Cuf 101 variety in 1970. In the 1990s, **geneticist Jonathan Reich** began to select materials in the different alfalfa zones of the country **that showed good characteristics in terms of tolerance to water stress, frost, foliar and root diseases, as well as tolerance to aphids and thrips**.

At that time, the main customer in Argentina was Dekalb and engineer Guillermo Scheidl began to collaborate with Reich, developing numerous materials until today, also adding Maximiliano Piñeiro Picazo, who joined the team in 2015.



Jonathan Reich is the Alfalfa Seeds Breeder of the North American company

After the selection process, the materials were always finished in cages in Anguil, La Pampa, **which resulted in high tolerance to cold and drought**. This fact generated an enormous productive leap, especially in non-dormant alfalfas (groups 8 and 9). The adaptation achieved based on local selection also generated an important differentiation with materials from Australia that came from a climate very different from that of the humid pampas.

Another distinctive feature of **the latest generation of alfalfas is the bush** character of the plants, developing a large number of fine stems and a multiplicity of leaves, which, in addition to generating a differential in the amount of grass, makes it a high quality grass.

In 2003, Cal West Seeds was established in the country and **Collazo & Asociados took over the management of the company**, increasing its customer base by joining Monsanto's Magnum Network (ex-Dekalb).

Today, after 20 years, Cal West Seeds decided to discontinue the business in Argentina and it is then that **José María Collazo, agronomist engineer and president of Collazo & Asociados**, took the decision to move forward, through the formation of a new company, **South West SA, which will continue with Cal West alfalfas in the country**.

For the executive, the decision to continue with the business in the current context of uncertainty is linked to its people. "First of all, the people, by which I mean those who participate on a daily basis in research, production, administration, logistics and, of course, our sales team, and by that I mean the team of zonal sales representatives as well as the Distribution Network, which I consider one of the best in the country. **In short, we rely heavily on our distributors and their sales team, because they are the ones who are close to the growers in each location and can detect the needs of each one in time. The seed is the product, but for a business to exist, it is very important to have a customer and to serve them properly**", he said.

He added: "Today, in addition, communication has changed a lot the way to reach the customer, we also try to update ourselves and we know that online sales, digital stores, are something that is also coming, just as today in the sector, financing plays a very important role. Therefore, we also participate in the Campo Simple Digital Store".



Collazo believes in the resilience of the producer, in the people and in the fact that Argentina will move forward.

"We are not unaware of the risks of this decision, today we are facing a very important crisis, an agricultural sector strongly hit by the drought of the last season", he added.

In this scenario, Collazo remarked that he is concerned about "the political uncertainty, the little attention that has been paid to the countryside in spite of being a great producer of foreign currency, the country risk, the cost of financing in relation to such risk and the current inflation".

"Macro and micro show us a difficult 'today' for any SME that wants to establish a medium or long term project. To this we can add the difficulties of the seed industry in the approval of import permits (the SIRAs), **when in alfalfa we do not have in our country agro-climatic conditions for the profitable production of seed.** It is also difficult to understand that decision makers only think about how to get there, when the lack of alfalfa seed is one of the most important inputs for meat and milk production under a pastoral system", he said.

However, he stressed that despite this, he believes "in the resilience of the producer, in the people and in the fact that Argentina is going to move forward".

"Sometimes you just have to pull the cart until the melons settle, but we bet that this is a possible country, and that our children or grandchildren will not continue to look at Ezeiza as the path to take", he concluded.



Agronomist Maximiliano Piñeiro.