



# CENTER FOR FOOD SAFETY

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## Market Rejection of Genetically Engineered Foods

With a few notable exceptions, genetically engineered (GE) foods have been overwhelmingly rejected by consumers, retailers, food companies and farmers since first introduced in 1994.<sup>1</sup> The depth of market rejection of GE foods is arguably unparalleled by any other consumer product. Massive rejection of GE fruits and vegetables in particular has led to a steep decline in research and development activities in this area.<sup>2</sup> A few of the more prominent examples are:

- **GE wheat:** In 2004, Monsanto halted plans to commercialize genetically engineered wheat due to intense pressure from farm groups concerned over export market loss in the EU and beyond.<sup>3</sup>
- **GE potatoes** were withdrawn from the U.S. market in 2001 by Monsanto after a series of major market rejections, including by McDonald's, Burger King, McCain's and Pringles.<sup>4</sup>
- **GE flax seed** was taken off the market in 2001 under pressure from the Flax Council of Canada and the Saskatchewan Flax Development Commission because European customers, who buy 60 percent of Canada's flax, said they didn't want GE flax.<sup>5</sup>
- **GE rice** has also faltered with Aventis backing off from commercializing its herbicide resistant GE rice largely because of warnings from millers and large value-added domestic and foreign producers that they'll reject it.<sup>6</sup>
- **GE sugar beet** has also been rejected by U.S. sugar refiners who told farmers to avoid GE sugar beet because Japan, which accounts for 80% of the sugar beet pulp market from the US, will not buy GE crops.<sup>7</sup>
- **GE papaya**, grown exclusively in Hawaii, has been rejected since its introduction in the late 1990s by Japan, the leading export market, leading to depressed prices and driving papaya growers out of business.<sup>8</sup>
- **GE field corn:** In 2000, Pepsico's Frito-Lay said it is "playing it safe" by requiring **non-GE** corn from its hundreds of contract growers, who supply 95% of the one billion plus lbs. of corn the company uses for its snack products.<sup>9</sup>
- **GE sweet corn** has been rejected by Del Monte and other food companies that market sweet corn products.<sup>10</sup>
- **GE popcorn**, though approved, is not grown. According to the U.S. Popcorn Board: "There is no genetically modified popcorn (kernels) currently available for sale in domestic or international markets."<sup>11</sup>

<sup>1</sup> For a good overview of rejection of GE crops at all levels of the food supply chain, see: "Monsanto & Genetic Engineering: Risks for Investors," Innovest Strategic Value Advisors, Jan. 2005, [www.innovestgroup.com/pdfs/2005-01-01\\_Monsanto\\_GeneticEngineering.pdf](http://www.innovestgroup.com/pdfs/2005-01-01_Monsanto_GeneticEngineering.pdf)

<sup>2</sup> USDA APHIS Workshop (2004). Public Research and Regulatory Review of Small-Market (Specialty) Biotechnology Derived Crops, Proceedings/Summary, p. 44. [http://www.csrees.usda.gov/nea/biotech/in\\_focus/biotechnology\\_if\\_smallmarket.html](http://www.csrees.usda.gov/nea/biotech/in_focus/biotechnology_if_smallmarket.html)

<sup>3</sup> Washington Post (May 11, 2004). Monsanto Pulls Plan To Commercialize Gene-Altered Wheat, <http://www.washingtonpost.com/wp-dyn/articles/A15998-2004May10.html>

<sup>4</sup> Wall Street Journal (April 28, 2000) McDonald's, other fast food chains pull Monsanto's bioengineered potato, <http://www.connectotel.com/gmfood/ws280400.txt>; Ontario Farmer (March 6, 2001) Monsanto pulls plug on NatureMark spuds

<sup>5</sup> According to the Canadian Food Inspection Agency, Plant Biosafety Office, the GE flax was deregistered on April 1, 2001; The Leader Post (June 22, 2001) GM flax off the market

<sup>6</sup> Schubert R. (Feb. 22, 2002) GE rice resistance - market rejects gene-altered crop, <http://www.cropechoice.com/leadstry0137.html?recid=595>

<sup>7</sup> Wall Street Journal (April 27, 2001) Refiners shun bioengineered sugar beets, frustrating plans for Monsanto, Aventis, [http://www.biotech-info.net/refiners\\_shun.html](http://www.biotech-info.net/refiners_shun.html)

<sup>8</sup> Bangkok Post (April 27, 2006). Hawaiian papaya: market loss and contamination, <http://www.biothai.org/cgi-bin/content/news/show.pE0206>; The Honolulu Advertiser (March 19, 2006). Papaya production taking a tumble, <http://the.honoluluadvertiser.com/article/2006/Mar/19/bz/FP603190311.html>

<sup>9</sup> Food & Drink Weekly (Jan. 31, 2000). Frito-Lay, Inc. - Brief Article, [http://www.findarticles.com/p/articles/mi\\_m0EUY/is\\_4\\_6/ai\\_59479645](http://www.findarticles.com/p/articles/mi_m0EUY/is_4_6/ai_59479645)

<sup>10</sup> USDA APHIS Workshop (2004), op. cit., p. 55

<sup>11</sup> <http://www.popcorn.org/frames.cfm?main=about>