

# **Understanding Generic Crop Protection Products**

Whether you're looking to buy peanut butter, pain relievers, or crop protection chemicals, a branded product from a company you know over a low-cost, no-name generic feels like the safe choice. But what's the real difference between generic and branded crop protection products?

If the branded product is 3x more expensive, is it 3x more effective? As a farmer, having a firm grasp on your input costs allows for greater profitability and long-term viability.

#### What Is a Generic Crop Protection Product?

A generic <u>crop protection</u> product is manufactured and sold by a company other than the original manufacturer but contains the same Active Ingredient(s) (A.I.). Generic chemicals usually enter the market 12 -20 years after the initial discovery of the active ingredient(s) once the original product's patent expires.

have had their initial patents expire and farmers have more choice than ever with all the generics entering the market. We've created this resource to help answer farmers' most common questions on understanding and using generics.

# Do Generic Products Work as Well as the Equivalent Branded Products?

From a regulatory standpoint, generic versions of branded products must have the same A.I. components to be registered by the government regulator. The A.I. carries the pesticidal activity but the co-formulants, including surfactants and adjuvants, have a big impact on performance (e.g. by improving the penetration of the pesticide, allowing targeted application, etc.)

Formulations, or the way the products are manufactured and "put together" can be different thus resulting in some brands not mixing as well or the co-products settling out with time. Some generics are better than the original product brands, some are not. At Huffman LLC we are very careful to choose the generic products that are as good or better than the original product brand. Not all generic products are created equal!! If it seems too good or cheap to be true, it may or may not be! We at Huffman LLC are glad to help farmers find the best value.

## Why Are Generic Products Priced Lower Than Branded Products?

Generic products are generally cheaper than their branded counterparts for several reasons, including:

- 1. Branded manufacturers predominantly are large multinational corporations. Funding all those people, facilities and R&D require them to extract greater revenue from their products through higher prices. Also, it requires a lot of R&D and failed attempts to develop even one successful product.
- 2. It costs >\$260M USD and takes over 11 years (2) to bring an active ingredient to market. To justify such a substantial investment, branded companies need to extract high prices and profits.
- 3. Branded products often will charge a brand premium for their products, extracting extra value for the recognition of their company and their product.

### Are Generic Products Identical to Branded Products?

Not always. Generic products usually mirror branded products as closely as they can. However, they are not always identical and can have different uses on the label, different concentrations of A.I. and other differences.

The label is the best place to find the specifics on a product. Compare more branded and generic products labels for free with <u>CDMS Label Database</u>.

Here are the basics on generics vs. branded products:

- A generic product is usually like a branded product but made by a different company.
- Generic active ingredients are held to the same regulatory standards as branded active ingredients.
- Branded companies may purchase active ingredients from the same manufacturing plant as generic companies.
- Generic chemicals tend to cost less than their branded equivalents.
- Competition is good for farmers! Generic products give farmers more options and lead to lower input prices.
- When choosing to use generic products instead of branded products, it's about understanding what you get for the higher price you pay. Is the brand premium you pay worth the extra cost for you? If you're interested in exploring cost-saving and performance-enhancing strategies and don't want manufacturer bundles, generics might be for you. Let us help you find what is best for you in both price and performance.
- The number one rule of thumb when considering generics: read your labels. (You can find thousands of chemical labels here). Knowing what's in your products will give you the information you need to pay for ingredients, not logos.

Still not sure what to do??? Get in touch with someone who can help!

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