



# State of the Bio-Control Industry in North America

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## Overview

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- **Survey conducted by ANBP**
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## **ANBP, who are we?**

- **Stands for: “Association of Natural Bio-Control Producers”**
- **Professional association representing the biological pest control management industry**
- **Founded in 1990**
- **Our mission is to “address key issues of the augmentative biological control industry through advocacy, education, and quality assurance”**
- **In essence we are similar to the Microbial division of the IBMA, but have a different structure**

## Survey

- **ANBP conducted a survey in summer 2007**
- **The survey compares U.S. and Canadian responses**
- **Goals of the survey were:**
  - Learn whether the industry was increasing, subsiding or stagnating?
  - Elucidate some of the underlying influences on the development of biological controls in North America
  - Create a baseline for future surveys
- **In reality, this industry is extremely difficult to generalize**
  - Serves many unique markets.
  - Producers do not want to disclose any information on successful markets because they do not want to expose the markets that they have opened to potential competitors

## Method

- **Carefully designed to assure potential respondents that no market information would be disclosed**
- **Survey request sent via email in early July**
- **Sent to all known producers in North America regardless of their ANBP membership status**
- **Repeated the email 3 times to non-respondents**
- **Confidential responses were received during July and August of 2007.**
- **To avoid disclosing the exact responses to each question, ranges and averages are reported**

## Results

- **There were 14 respondents of approximately 28 North American producers**
- **Only current ANBP members answered, representing 64% of 22 ANBP producers**
- **Not all questions were answered, especially percentages for revenues and employees. These cases are recorded as N/A.**
- **North American companies produce from 1 to 14 species, but only 1 to 4 species account for the majority of a given company's income from production (see Table 1)**

**Table 1**  
**A comparison of the number of species produced and the number of markets served in the United States and Canada**

#	QUESTION	UNITED STATES		CANADA	
		RANGE	AVG.	RANGE	AVG.
1	How many species do you produce in North America (not including bumblebees)?	1 - 14	5.1	3 - 13	7.0
1a	How many species are responsible for 50% or more of your income (starting with highest gross dollar revenue by species)?	1 - 2	1.4	0 - 4	1.7
4	How many markets do you or your distributors actively cultivate for the sale of your products?	1 - 20	8.7	10 - 14	11.7
5	Of the total markets, included in your count for Question 4, how many of the largest markets together account for 50% or more of your gross annual income from production?	1 - 7	2.5	2 - 2	2.0
13	Of the natural enemy species that you produce (Q. 1), what per cent of the species have the majority of their volume going into confined situations (for example: greenhouses and barns)?	<u>5 - 90</u>	<u>36.8</u>	<u>5 - 100</u>	<u>61.2</u>

**Table 2**  
**A comparison of revenue and employee hours in 2007 versus 2002**

#	QUESTION	UNITED STATES			CANADA		
6	Has your gross revenue from production increased, stayed the same, or declined since 2002?	<u>INCREASE</u>	<u>DECREASE</u>	<u>SAME</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>SAME</u>
	Percent of replies	78%	11%	11%	25%		75%
	If you care to name the per cent change, please do so, but it is not essential to this survey						
	Range of Change	30 - 100%	N/A	N/A	24 - 50 %		N/A
	Average	53.67%	N/A	N/A	N/A		N/A
7	Has your number of employee hours increased, stayed the same, or declined since 2002?	<u>INCREASE</u>	<u>DECREASE</u>	<u>SAME</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>SAME</u>
	Percent of replies	33%	44%	23%	33%	33%	33%
	If you care to name the per cent change, please do so, but it is not essential to this survey						
	Range of Change	N/A	5 - 30%	N/A	N/A	20 - 35%	N/A
	Average	N/A	17.5%	N/A	N/A	27.5	N/A

**Table 3**  
**The influence of competition on biological control producers  
in the United States and Canada**

#	QUESTION	UNITED STATES		CANADA	
		RANGE	AVG.	RANGE	AVG.
8	Of your total markets, in how many do you feel intense and harmful competition?	0 – 6	2.0	2 – 10	5.7
9	Of your total markets, in how many markets does the competition enhance sales by increasing customer awareness and interest?	0 – 7	1.3	5 – 12	9.0



**Table 4**  
**A comparison of the influence of public funding  
on the current development of commercial beneficial species  
in United States and Canada**

#	QUESTION	UNITED STATES		CANADA	
		RANGE	AVG.	RANGE	AVG.
2	Of the species that you produce, how many of them are produced using knowledge that was developed by publicly funded research at public institutions?	0 – 7	2.8	2 – 13	6.2
10	In how many of the markets that you included in the count for question 4 have publicly funded research and extension been a driving force in developing natural enemy use of your species in the field?	0 – 4	0.6%	1 – 10	4.7

## Interpretation

- **These data suggest that we should directly compare various public-private research and development models so that we can best understand how to support the development of commercial biological control products**
- **Overall, the industry is expanding or holding even. It considers some competition harmful and some helpful. The influence of public funding has had more impact in Canada than in the U.S**

## **In conclusion**

- **What is the state of the industry in North America?**
- **I think we have raised more questions than we have answers**
- **Still a vibrant industry, one with potential and one in which the stake holders are still prepared to invest time and money**
- **The outdoor and ornamental markets still remain largely unserved**
- **Introduction of less expensive production methods I think these markets will play a huge roll in the continued growth of our industry**



**THANK YOU**

**Questions?**