



Stanford eCorner

Overview of AgraQuest

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Video URL: <http://ecorner.stanford.edu/videos/1480/Overview-of-AgraQuest>

Marrone gives an overview of AgraQuest and talks about how the company has differentiated itself in the pesticide industry.



Transcript

So the company that I founded in 1995, AgraQuest discovers, develops market's effective environmentally natural products. And I'll explain briefly how we do this. I don't, certainly don't have time to get in all the technical part of that. So the keyword is effective. When I started AgraQuest, I did a market survey of growers and the distributors who sell to growers and they told me that these products are snake oils. They don't work. We're not going to buy them. And I said what if there's a natural product that's effective? It's not a snake oil. So the whole idea is that there are products that can compete with chemical pesticides in every way, shelf life, ease of use, performance and that's what AgraQuest has focused on and we have proven that you can do that. Discover these natural things that can work as well as chemicals and provide value the same or better than chemicals.

So an overview of the company, I started in '95, we're headquartered in Davis, bought a manufacturing plant in the year 2000 that's in Tlaxcala, Mexico. We've got 80 employees, several products in the market they're all patented and it's a proprietary business. We compete with Bayer and Syngenta, Dupont, Dow, BASF and they are very big multibillion dollar companies that put a lot of money into developing new chemical pesticides, raised 60 million of capital, and sales now. I left AgraQuest March 31st. AgraQuest has now moved from discovery and development and has ramping up sales very quickly more than doubling, doubling or more than doubling sales. Just like drug discovery companies do. Penicillin from a mold. Your antibiotics from microorganisms. We go out and collect compost, dead bugs, leaves, flowers bring them back to the laboratory and find the microorganisms that live there and then understand that chemistry, the natural products, the compounds that are excreted by these microbes optimize those in fermentation. So that every batch in our plant in Mexico is producing a defined amount of this pesticidal compound in there.

And that way having that very defined high level of that compound has made our products better than what traditional natural products as snake oils. A company would find the microbe they just grow it any old way and then every batch would be very inconsistent and get a bad reputation in the marketplace. Then through a process of, process development and commercial development go out and do field trials, test on the actual farmers field, see if it works and get it to market.