

COMPOSITIONS AND METHODS FOR CONTROLLING PLANT PESTS

Field of the Invention

The present invention is in the field of biopesticides. More particularly, this invention relates to the finding that a novel strain of *Bacillus subtilis*, AQ713, can inhibit a broad range of fungal and bacterial plant diseases and also have activity against insects. The invention also relates to fungicidal, bactericidal, and insecticidal compositions comprising this novel *Bacillus* strain and the antibiotics and metabolites produced by this strain either alone, or in combination with other chemical and biological pesticides.

Background of the Invention

For a number of years, it has been known that various microorganisms exhibit biological activity so as to be useful to control plant diseases. Although progress has been made in the field of identifying and developing biological pesticides for controlling various plant diseases of agronomic and horticultural importance, most of the pesticides in use are still synthetic compounds. Many of these chemical fungicides are classified as carcinogens by the EPA, are toxic to wildlife and other non-target species. In addition, pathogens may develop resistance to chemical pesticides (see, e.g., Schwinn *et al.*, p. 244, ADVANCES IN PLANT PATHOLOGY: PHYTOPHTHORA INFESTANS THE CAUSE OF LATE BLIGHT OF POTATO (Academic Press, San Diego 1991).

Every year, \$250-300 million dollars worth of chemical pesticides are used to control corn rootworm infestations. Many of these chemical pesticides are toxic to humans, wildlife and other nontarget species. Also some have been found in the ground water. New chemical insecticides cost \$100 million to develop.

Biological control offers an attractive alternative to synthetic chemical fungicides. Biopesticides (living organisms and the naturally produced compounds produced by these organisms) can be safer, more biodegradable, and less expensive to develop.

Biopesticides developed from microorganisms are highly desired for integrated pest management programs in agriculture, public health and urban settings. One commonly used biopesticide is the gram positive bacterium *Bacillus thuringiensis*. Pesticidal *B. thuringiensis* strains are known to produce crystal proteins during sporulation, which are specifically toxic to certain orders and species of insects and nematodes (See, e.g., U.S. Patent No. 4,999,192 and U.S. Patent No. 5,208,017). Proteinaceous endotoxins produced by *B. thuringiensis* also act as insecticidal agents against corn rootworm and other beetles (see e.g., U.S. Patent No. 5,187,091; Johnson, T.J. et al. (1993), *J. Economic Entomology*, 86:330-333). *B. thuringiensis* endotoxins have been shown to be effective as purified crystals, washed cell pellets, and expressed proteins. Warren et al. (WO 96/10083), disclose non-endotoxin proteins produced during the vegetative stage of *Bacillus cereus* and *B. thuringiensis*. These vegetative proteins, called Vip1 and Vip2 have potent activity against corn rootworm (northern and western). Estruch et al. (1997) *Nature Biotechnology* 15:137-141 and Mullins et al. (1997), *Appl. Environ. Microbiol.* 63.

One *B. thuringiensis* thermostable metabolite, termed beta-exotoxin has also been shown to have pesticidal properties. Burgieron and Biache (1979), *Entomophaga* 11:279-284 report a beta exotoxin that is active against Colorado potato beetle (*Leptinotarsa decemlineata*). In addition, the known *B. thuringiensis* beta-exotoxins exhibits non-specific pesticidal activity, killing not only nematodes, but also flies, armyworm, mites, and corn rootworm. Sigma exotoxin has structure similar to beta-exotoxin, and is active against Colorado potato beetle (Argauer et al. (1991) *J. Entomol. Sci.* 26:206-213). Alpha-exotoxin is toxic against larvae of *Musca domestica* (Cluthy (1980) *FEMS Microbiol. Lett.* 8:1-7). Gamma-exotoxins are various proteolytic enzymes, chitinases and proteases. The toxic effects of gamma exotoxins are only expressed in combination with beta-exotoxin or delta-endotoxin. Forsberg et al. (1976) "*Bacillus thuringiensis*: Its effects in Environmental Quality," National Research Council of Canada. Stonard et al. (1994) *ACS Symposium Series* 551:25 report a water-soluble secondary metabolite active against corn rootworm in the supernatant of a *Bacillus cereus* strain.

There are no documented strains of *Bacillus subtilis* with broad spectrum insecticidal activity.

Screening programs have identified certain *Bacillus* spp. (*Bacillus* spp. includes *B. subtilis*, *B. cereus*, *B. mycoides*, *B. thuringiensis*) strains that exhibit antifungal activity. (See e.g. Stabb *et al.* (1990) *Applied Environ. Microbiol.* 60:4404-4412). These strains have been shown to produce zwittermicin-A and or kanosamine (Milner *et al.* (1996) *Appl. Environ. Microb.* 62:3061-3066), two antibiotic agents that are effective against the soil borne disease damping off, caused by *Phytophthora medicaginis*, *P. nicotianae*, *P. aphanidermatum* or *Sclerotinia minor* (see Stabb *et al.*, *supra*). Zwittermicin-A is a water soluble, acid stable linear aminopolyol molecule (see, He *et al.*, (1994) *Tetra Lett.* 35(16):2499-2502.

U.S. Patent No. 5,049,379 to Handelsman *et al.* describes how zwittermicin-A produces damping off in alfalfa and soybeans. When the seed was coated with *B. cereus* ATCC 53522, the pathogenic activity of root rot fungus is inhibited. Similarly, application of spore-based formulations of certain *B. cereus* strains to soybean seeds or the soil surrounding the seeds has been shown to improve soybean yield at field sites. (See, Osburne *et al.* (1995) *Am. Phytopathol. Soc.* 79(6):551-556). Methods of applying biopesticides are well known in the art and include, for example, wettable powders, dry flowables, microencapsulation of effective agents, liquid or solid formulations of antibiotic fractions from suitable cultures. (See e.g., U.S. Patent No. 5,061,495 to Rossall or U.S. Patent No. 5,049,379 to Handelsman).

Smith *et al.* (1993) *Plant Disease* 77(2):139-142 report that the activity of the soil-borne fungus, *Pythium aphanidermatum*, that causes cottony cucumber leak, can be suppressed using zwittermicin-producing *B. cereus* strain UW85. Leifert *et al.* (1995) *J. Appl. Bacteriol.* 78:97-108 report that the production of anti-*Botrytis* and anti-*Alternaria* antibiotics by two *Bacillus* strains, *B. subtilis* CL27 and *B. pumilus* CL 45. The whole broth and cell-free filtrates were active against *Botrytis* and *Alternaria* in in vitro tests and were active against *Botrytis* in in vivo small plant tests on *Astilbe*. Leifert *et al.* (1997) U.S. Patent No. 5,597,565 disclose *B. subtilis*, *B. pumilus*, and *B. polymyxa* that are particularly effective at inhibiting post harvest

disease causing fungi. They also disclose the presence of antibiotics produced in the cell-free culture filtrate and their activity at different pH values, but they do not identify these compounds.

Rossall (1994) U.S. Patent No. 5,344,647 discloses *Bacillus subtilis* strains
5 with broad anti-fungal activity. Sholberg *et al.* (1995) *Can J Microbiol.* 41:247-252,
Swinburne *et al.* (1975) *Trans. Brit. Mycol. Soc.* 65:211-217, Singh and Deverall
(1984) *Trans. Br. Mycol. Soc.* 83:487-490, Ferreira *et al.* (1991) *Phytopathology*
81:283-287, and Baker *et al.* (1983) *Phytopathology* 73:1148-1152 disclose the use
of *Bacillus* spp. and *Bacillus subtilis* as biocontrol agents of fungal plant pathogens.
10 Baker *et al.* (1983) *Phytopathology* 73:1148-1152 also report on an antifungal
Bacillus subtilis for use on plant pathogens. Pusey *et al.* (1988) *Plant Dis.* 72:622-
626, Pusey and Robins (U.S. Patent No. 5,047,239), and McKeen *et al.* (1986)
Phytopathology 76:136-139 disclose control of post harvest fruit rot using *B. subtilis*.
McKeen *et al.*, *supra*, have shown that antibiotics similar to the low molecular
15 weight iturin cyclic polypeptides contribute to this fungicidal activity of *B. subtilis*.

Liu *et al.* (1995) U.S. Patent No. 5,403,583 disclose a *Bacillus megaterium*,
ATCC 55000 and a method to control the fungal plant pathogen, *Rhizoctonia solani*.
Islam and Nandi (1985) *J. Plant Diseases and Protection* 92(3):241 -246 disclose a
Bacillus megaterium with antagonism to *Drechslera oryzae*, the causal agent of rice
20 brown spot. The same authors, Islam and Nandi (1985) *J. Plant Diseases and*
Protection 92(3) 233-240 also disclose in vitro antagonism of *B. megaterium* against
Drechslera oryzae, *Alternaria alternata* and *Fusarium roseum*. They discuss three
components in the culture filtrate. The most active antibiotic was highly soluble in
water and methanol with a UV peak at 255 nm and a shoulder at 260 nm, which
25 proved to be a polyoxin-like lipopeptidc. Cook ((1987) *Proceedings Beltwide Cotton*
Production - Mechanization Research Conference, Cotton Council, Memphis, pp.
43-45) discloses the use of a suspension of *Bacillus megaterium* to reduce the
number of cotton plants killed by *Phymatotrichum omnivorum*, a cause of cotton root
rot.

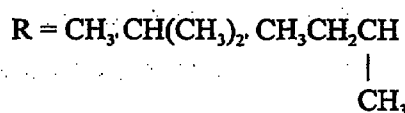
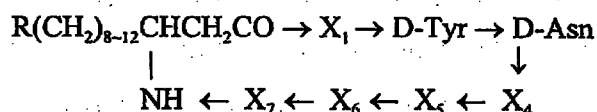
Antibiotic production of *B. megaterium* has been recorded by Berdy (CRC Handbook of Antibiotic Compounds, Vols. I-XIV, (CRC Press, Inc., Boca Raton, FL 1980-87) who reports production of low mammalian toxic peptide antibiotics such as ansamitocin-PDM-0, bacimethrin, megacin, pentapeptide and homopeptides.

5 Bacilli are known to produce antifungal and antibacterial secondary metabolites. University of Wisconsin and Cornell University researchers have identified a novel fungicidal compound, zwittermicin A, produced by *Bacillus sp.* (He *et al.* (1994) *Tetra. Lett.* 35(16):2499-2502). A second fungicidal metabolite produced by the same strain was recently identified as the known amino-sugar,
10 kanosamine (Milner *et al.* (1996) *Appl. Environ. Microb.* 62:3061-3065).

Another group of previously described *Bacillus* metabolites are the cyclic lipopeptides of the iturin class, some of which are potent fungicidal agents. These agents consist of a cyclic octapeptide with seven α -amino acids and one β -amino acid with an aliphatic side chain. There are several groups of iturins that differ in
15 order and content of the amino acid sequence. These are shown in Table 1 below. Generally, a suite of related molecules is produced with differences in the length and branching of the aliphatic amino acid residue. When tested against *Saccharomyces cerevisiae*, mycosubtilin was found to be the most active agent (LC50 = 10 μ g/mL) followed by iturin-A and bacillomycin L (both having an LC50 = 30 μ g/mL) (Beeson
20 *et al.* (1979) *J. Antibiotics* 32(8):828-833). The mode of action of these cyclic lipopeptides has been reported to be due to interaction with fungal membranes creating transmembrane channels that permit release of vital ions (Latoud *et al.* (1986) *Biochem. Biophys. Acta* 856:526-535). Iturin-C is inactive against fungi including *Penicillium chrysogenum* (Peypoux *et al.* (1978) *Tetrahedron Lett.*
25 34:1147-1152).

Table 1
Structures of the iturin family of antibiotics

Antibiotic	L-Asz(X1)	X4	X5	X6	X7
Iturin A	L-Asn	L-Gln	L-Pro	D-Asn	L-Ser
Iturin C	L-Asp	L-Gln	L-Pro	D-Asn	L-Ser
Bacillo- mycin D	L-Asn	L-Pro	L-Glu	D-Ser	L-Thr
Bacillo- mycin L	L-Asp	L-Ser	L-Gln	D-Ser	L-Thr
Bacillo- mycin F	L-Asn	L-Gln	L-Pro	D-Asn	L-Thr
Myco- subtilin	L-Asn	L-Gln	L-Pro	D-Ser	L-Asn



A research group at the USDA has investigated the structure/activity relationship of the iturins by synthesizing a number of analogs differing in the amino acid chain length. The researchers reported that the activity of the iturins increased with the length of the fatty acid side chain and the terminal branching in the order iso>normal>antiiso (Bland *et al.* (1995) *Proc. Plant Growth Regulation Soc. Am.* 22nd:105-107). They also state that the "amounts of iturins obtained from natural production are inadequate to be commercially viable" based on their work with a number of iturin producing strains of *Bacillus*.

Another groups of cyclic lipopeptides isolated from *B. cereus* are the plipastatins. These compounds are a family of acylated decapeptides, the structures

of which are shown in Figure 1 (Nishikiori *et al.* (1986) *J. Antibiotics* 39(6):755-761). These compounds were originally isolated as inhibitors of porcine pancreatic phospholipase A₂ (Umezawa *et al.* (1986) *J. Antibiotics* 39(6):737-744), but were later found to inhibit some plant pathogenic fungi including *Botrytis*, *Pyricularia* and
5 *Alternaria* (Yamada *et al.* (1990) *Nippon Noyaku Gakkaishi* 15(1):95-96). Yamada also reported a synergistic effect observed between iturin A and the plipastatins, both produced by the same *B. subtilis* strain.

Work has been carried out on fermentation improvements to increase production of the iturins in both liquid (Phae and Shoda (1991) *J. Ferment. Bioeng.*
10 71:118-121); Ohno *et al.* (1993) *J. Ferment. Bioeng* 75:463-465) and solid state fermentations (Ohno *et al.* (1992) *Biotech. Lett.* 14(9):817-822; Ohno *et al.* (1995) *J. Ferment. Bioeng.* 5:517-519). There is a report of synergy between the closely related surfactins, that are themselves inactive, and the iturins produced by the same *B. subtilis* strain (Hiraoka *et al.* (1992) *J. Gen. Appl. Microbiol.* 38:635-640). The
15 nucleotide sequence for the gene that co-regulates biosynthesis of iturin A and surfactin has been published (Huang *et al.* (1993) *J. Ferment. Bioeng.* 76(6):445-450). Field work on iturin-producing strains has concentrated on soil treatment for control of *Rhizoctonia* (Asaka and Shoda (1996) *Appl. Environ. Microbiol.* 62:4081-4085) and foliar field applications of iturins have not been reported.

20 Another cyclic lipopeptide compound produced by *B. subtilis* is surfactin, which possesses an exceptional surfactant activity (Kaninuma *et al.* (1969) *Agric. Biol. Chem.* 33:973-976). Surfactin contains a C14 or C15 β -hydroxy fatty acid linked by a lactone ring to a heptapeptide moiety with a LLDLLDL (SEQ ID NO:1) sequence (Arima *et al.* (1968) *Biochem. Biophys. Res. Commun* 31:488-494. Sandrin
25 *et al.* ((1990) *Biotechnol. Appl. Biochem.* 12:370-375) found *B. subtilis* strains that produced both surfactin and iturin A, the bacillomycins F and L and mycosubtilin.

The novel microorganism AQ713 discovered by the inventors, previously thought to be a strain of *Bacillus megaterium* and now identified as a strain of *Bacillus subtilis*, produces A iturins, plipastatins and surfactins. Production of this
30 combination of lipopeptides by a microorganism has not been previously reported.

In addition, the inventors have discovered that AQ713 also produces a newly described group of compounds designated as "agrastatins." The combination of all three of the above known compounds with the novel agrastatins is also novel.

5 Disclosure of the Invention

A novel antibiotic-producing and metabolite-producing strain of *Bacillus subtilis*, previously identified as *Bacillus megaterium*, is provided that exhibits broad fungicidal and bactericidal activity and also exhibits insecticidal activity. Also provided is a novel metabolite from the novel *B. subtilis* with activity against foliar and subterranean insects. Also provided is a method of treating or protecting plants from fungal, bacterial and insect infections comprising the step of applying an effective amount of the antibiotic-producing *Bacillus subtilis*. The antibiotic-producing *Bacillus subtilis* can be provided as a suspension in a whole broth culture or as an antibiotic-containing supernatant obtained from a whole broth culture of the
10 antibiotic-producing strain of *Bacillus*. Also provided is a method of treating or protecting plant roots from subterranean infestations (e.g., corn rootworm) comprising the step of applying an effective amount of the novel metabolite-producing *Bacillus subtilis*, whole broth culture or culture supernatant. The novel metabolite-producing *Bacillus subtilis* can be provided as a suspension in a whole
15 broth culture or as a metabolite-containing supernatant or a purified metabolite obtained from a whole broth culture of the microorganism. Also provided are novel compounds, agrastatins, produced by the novel strain AQ713 and a novel combination of compounds comprising iturin A, a plipastatin, a surfactin and an agrastatin.

25

Brief Description of the Drawings

Figure 1 shows the structure of the plipastatin antibiotics (SEQ ID NO:2).

Figure 2 shows the HPLC chromatogram of AQ713 metabolites.

30

Modes of Carrying Out the Invention

The present invention provides a novel strain, AQ713, of *Bacillus subtilis*, previously identified as a *Bacillus megaterium*, or mutants thereof with the broad antifungal, insecticidal and antibacterial activity. This novel strain is designated
5 AQ713 and was deposited with the NRRL on March 7, 1997 under the provisions of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purpose of Patent Procedure under Accession No. B-21661. It was subsequently identified as *Bacillus subtilis* by the American Type Culture Collection (ATCC).

10 The invention also includes methods of treating plant roots or soil to control insect infestations with a bacterial suspension of AQ713 or a metabolite-containing supernatant of a culture of AQ713 or purified metabolites from strain AQ713.

The invention also includes methods of preventing and treating fungal, bacterial and insect diseases in plants using such bacterial strains or antibiotic-
15 containing supernatants or pure antibiotics obtained from such bacterial strains. The invention also includes methods of treating plant foliage, roots or the soil surrounding the plant to control insects and insect larvae with a bacterial suspension of AQ713 or a metabolite-containing supernatant of a culture of AQ713 or purified metabolites from strain AQ713. The invention also includes a solvent-extractable
20 metabolite with activity on insects with a molecular weight of less than 10,000 Dalton. The invention further includes novel compounds, agrastatins, produced by the novel microorganism. Also included is a novel combination comprising an A-type iturin, a plipastatin, a surfactin and an agrastatin.

25 Definitions

As used herein, "biological control" is defined as control of a pathogen or insect by the use of a second organism. Known mechanisms of biological control include enteric bacteria that control root rot by out-competing fungi for space on the surface of the root. Bacterial toxins, such as antibiotics, have been used to control

pathogens. The toxin can be isolated and applied directly to the plant or the bacterial species may administered so it produces the toxin *in situ*.

The term "bacteria" includes any prokaryotic organism that does not have a distinct nucleus.

5 The term "fungus" or "fungi" includes a wide variety of nucleated spore-bearing organisms that are devoid of chlorophyll. Examples of fungi include yeast, molds, mildews, rusts, and mushrooms.

"Fungicidal" means the ability of a substance to increase mortality or inhibit the growth rate of fungi.

10 A "mutant" is an organism bearing a mutant gene that expresses itself in the phenotype of the organism.

"Antibiotic" includes any substance that is able to kill or inhibit a microorganism. Antibiotics may be produced by a microorganism or by a synthetic process or semisynthetic process. The term, therefore, includes a substance that
15 inhibits or kills fungi, for example, zwittermicin-A or kanosamine.

"Antifungal" includes any substance that is able to kill or inhibit the growth of fungi.

The term "culturing" refers to the propagation of organisms on or in media of various kinds. "Whole broth culture" refers to a liquid culture containing both cells
20 and media. "Supernatant" refers to the liquid broth remaining when cells grown in broth are removed by centrifugation, filtration, sedimentation, or other means well known in the art.

An "effective amount" is an amount sufficient to effect beneficial or desired results. An effective amount can be administered in one or more administrations. In
25 terms of treatment and protection, an "effective amount" is that amount sufficient to ameliorate, stabilize, reverse, slow or delay progression of the fungal or bacterial disease states.

As used herein, the term "insects" includes all organisms in the class "Insecta." "Pre-adult" insects refers to any form of an organism prior to the adult
30 stage, including, for example, eggs, larvae, and nymphs. "Insecticidal" refers to the

ability of a substance to increase mortality or inhibit growth rate of insects.

"Nematicidal" refers to the ability of a substance to increase mortality or inhibit the growth rate of nematodes. "Pesticidal" refers to the ability of a substance to increase mortality or inhibit the growth rate of insects, nematodes and mites.

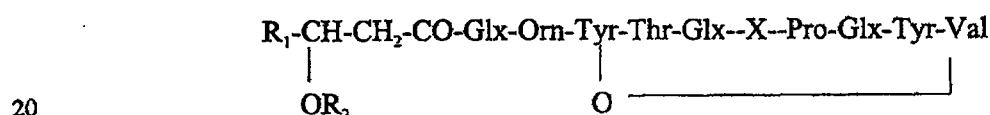
5 "Positive control" means a compound known to have pesticidal activity.

"Positive controls" include, but are not limited to commercially available chemical pesticides. The term "negative control" means a compound known not to have pesticidal activity. Examples of negative controls are water or ethyl acetate.

10 The term "solvent" includes any liquid that holds another substance in solution. "Solvent extractable" refers to any compound that dissolves in a solvent and which then may be isolated from the solvent. Examples of solvents include, but are not limited to, organic solvents like ethyl acetate.

The term "metabolite" refers to any compound, substance or byproduct of a fermentation of a microorganism that has pesticidal activity. Antibiotic as defined
15 above is a metabolite specifically active against a microorganism.

The term "agrastatins" refers to a group of novel compounds having the following structures (SEQ ID NO:3):



where R_1 is a branched or straight aliphatic side chain, C8-C20; X is either Ala or Val; R_2 is an acetate or an ester derivative; and Glx is Gln or Glu. These compounds have broad range antibacterial, anti-insecticidal and antifungal activity.

25 We describe a novel metabolite and antibiotic-producing strain of *Bacillus subtilis*, previously identified as *Bacillus megaterium*, that has broad antifungal and antibacterial activity and that also kills or stunts insects and their larvae. In another aspect, the present invention provides a method of treating or protecting plants from fungal, insect and bacterial infections comprising applying an effective amount of a
30 supernatant obtained from a whole broth culture of *Bacillus subtilis* AQ713 within

the present invention. The supernatant may be obtained well known in the art including centrifugation, filtration, sedimentation and the like.

In another aspect, the invention encompasses a method of treating or protecting plants from fungal, insect and bacterial infections comprising applying an effective amount of the whole broth of the novel strain *Bacillus subtilis*.

In further aspect, the invention encompasses a method of treating or protecting plants from fungal, insect, and bacterial diseases comprising applying an effective amount of the antibiotic produced by the novel strain of *Bacillus subtilis*.

In another aspect, the present invention provides a method of treating or protecting plants and plant roots from insect and larvae infestations comprising applying an effective amount of a supernatant obtained from a whole broth culture of *Bacillus subtilis* AQ713 within the present invention. The supernatant may be obtained well known in the art including centrifugation, filtration, sedimentation and the like.

In another aspect, the invention encompasses a method of treating or protecting plants and plant roots from insect and larvae infestations comprising applying an effective amount of the whole broth of the novel strain *Bacillus subtilis*.

In further aspect, the invention encompasses a method of treating or protecting plant roots from insect infestations comprising applying an effective amount of the metabolite produced by the novel strain of *Bacillus subtilis*.

In order to achieve good dispersion and adhesion of compositions within the present invention, it may be advantageous to formulate the whole broth culture, supernatant and/or metabolite/antibiotic with components that aid dispersion and adhesion. Suitable formulations will be known to those skilled in the art.

Compositions within the present invention can be formulated as wettable powders, granules and the like, or can be microencapsulated in a suitable medium and the like. Examples of other formulations include, but are not limited to soluble powders, wettable granules, dry flowables, aqueous flowables, wettable dispersible granules, emulsifiable concentrates and aqueous suspensions. Other suitable formulations will be known to those skilled in the art.

In yet a further aspect of the present invention, a novel group of compounds designated "agrastatins" are provided. These compounds exhibit antibacterial and antifungal activity in addition to anti-insect activity.

In still a further aspect of the present invention, a novel combination
5 comprising an A-type iturin, a plipastatin, a surfactin and an agrastatin is provided.

In another aspect of the present invention, methods of treating or protecting plants from insect, fungal and bacterial diseases comprising applying an effective amount of a novel combination of compounds comprising an A-type iturin, a plipastatin, a surfactin and an agrastatin are provided.

10 Further provided herein is a lipopeptide extract isolated from strain AQ713 with insecticidal activity and a surfactin lipopeptide isolated from strain AQ713 with insecticidal activity. Thus, this invention also provides a method for treating or protecting plants and/or fruits from insect infestations by applying an effective amount of the isolated lipopeptide or isolated surfactin to the foliage, roots or the soil
15 surrounding the plants or roots. These isolated compositions can be combined with other known pesticides or insecticides and may be formulated as described above for AQ713 and applied as wettable powders, granules, flowables or microencapsulated.

All patents and publications cited herein are hereby incorporated by reference in their entirety. The following examples are provided to illustrate the invention.

20 These examples are not to be construed as limiting.

EXAMPLES

Example 1

Characterization of Strain AQ713

25 The isolate was identified based on utilization of the Biolog microplate panel (Biolog, Inc., Hayward, CA) as described in Bochner (1989) *Nature* 339:157-158. The Biolog microplate is comprised of prefilled and dried panel wells with 95 different carbon substrate plates available for gram positive and gram negative bacteria. The isolate was grown in liquid medium at 28°C and after 24 hr a washed
30 cell suspension (0.85% saline) was inoculated into each panel well of a GP

Microplate (Biolog, Inc.). After 24 hr at 28°C, carbon utilization reactions were assessed. Substrate utilization profiles were then compared to the Biolog Gram-Positive Data Base (release 3.50) and isolated to closest similar species. Biolog results gave a similarity index of 0.883 to *Bacillus megaterium*.

- 5 A more extensive characterization of AQ713 was conducted by the American Type Culture Collection, (ATCC) 10801 University Blvd., Manassas, VA, 20110-2209.

Isolate submitted as: Unknown; Strain AQ 713

10

Isolate identified as: Using the available physiological and biochemical data, this strain most closely resembles *Bacillus subtilis*.

15

Cellular morphology: The motile cells are found in singly, with one endospore formed in the central or subterminal region. The cells are uniformly stained Gram positive.

Colonial morphology: The colonies are opaque and irregular with convex elevation, a rough, dull surface and an erose margin.

20

Characterization Data of Strain AQ713:

Rods	+	Colony opaque	+
Rods straight	+	Colony entire	-
Rods curved	-	Colony erose	+
Cells single	+	Colony lobate	-
Cells chained	-	Colony circular	-
Ends tapered	-	Colony irregular	+
Ends rounded	+	Colony rhizoid	-
Ends squared	-	Colony low convex	+
Endospore formed	+	Colony high convex	-
Sporangium swollen	-	Colony flat	-
One spore/cell	+	Colony raised	-
Spore round	-	Colony glistening	-
Spore cylindrical	+	Colony dull	+
Spore oval	+	Colony dry	-
Spore central	+	Colony smooth	-
Spore terminal	-	Colony rough	+
Spore subterminal	+	Soluble brown pigment	-
Gram stained	+	Soluble black pigment	-
Gram positive	+	Soluble yellow pigment	-
Gram negative	-	Insoluble brown pigment	-
Gram variable	-	Insoluble black pigment	-
Vacuoles present	-	Insoluble yellow pigment	-
Colony translucent	-	Insoluble orange pigment	-

Colony transparent	-	Insoluble red pigment	-
Cells motile	+	Acid from lactose	-
Growth at 15° C	+	Gas from lactose	-
Growth at 20° C	+	Acid from mannitol	-
Growth at 26° C	+	Gas from mannitol	-
Growth at 30° C	+	Acid from mannose	-
Growth at 37° C	+	Gas from mannose	-
Growth at 45° C	+	Acid from sucrose	weak
Growth at 50° C	weak	Acid delayed > 14 days	weak
Growth at 55° C	-	Gas from sucrose	-
Growth at 60° C	-	Acid from trehalose	-
Growth at 65° C	-	Gas from trehalose	-
Catalase	+	Acid from xylose	-
Oxidase	+	Gas from xylose	-
Casein hydrolysis	+	Aerobe	-
Gelatin liquification	+	Facultative	-
Hippurate hydrolysis	-	Microaerophile	+
Lecithinase degradation	-	Anaerobe	-
Starch hydrolysis	+	Gas from sealed nitrate	-
Tween 80 hydrolysis	+	Gas from sealed glucose	-
Tyrosine decomposition	-	Indole	-
Growth in 2% NaCl	+	Nitrate to nitrite	+
Growth in 5% NaCl	+	Nitrate to gas	-
Growth in 7% NaCl	+	Methylene blue reduction	+
Growth in 10% NaCl	+	Methylene blue reoxidation	-
Growth in 0.2% Na azide	V	Litmus milk acid	-
Growth at pH 4.5	+	Litmus milk coagulated	-
Growth at pH 6.0	+	Litmus milk alkaline	+
Acid from arabinose	-	Litmus milk reduced	+
Gas from arabinose	-	Litmus Milk peptonized	+
Acid from cellobiose	weak	VP (5198) positive	+
Acid delayed > 14 days	weak	VP (5331) positive	+
Gas from cellobiose	-	pH VP 5198 6.0 or less	-
Acid from fructose	+	pH VP 5198 6.5 -7.5	+
Acid delayed > 14 days	-	pH VP 5198 8.0 or more	-
Gas from fructose	-	Citrate utilization	+
Acid from glucose	+	Propionate utilization	-
Acid delayed > 14 days	-	Phenylalanine deamination	-
Gas from glucose	-		

Comments: Using the available physiological and biochemical data, this strain most closely resembles *Bacillus subtilis*.

Key Characterization Results

Characterization Test	Strain AQ713	<i>Bacillus subtilis</i>
Swollen sporangium	-	-
Anaerobic growth	microaerophilic	microaerophilic
VP reaction	+	+
pH of VP	7.0	5.0 - 8.0
Maximum temperature growth	55° C	45 - 55° C
7% NaCl growth	+	+
Acid from glucose	+	+
Acid from arabinose	-	+
Acid from xylose	-	+
Acid from mannitol	-	+
Casein decomposition	+	+
Tyrosine decomposition	-	-
Citrate utilization	+	+
Propionate utilization	-	-

Reference:

Gordon, R.E., W.C. Haynes and C.H.N. Pang. 1973. The Genus *Bacillus*. Handbook No. 427. U.S. Department of Agriculture, Washington, D.C.

5

Example 2**Activity of AQ713 Against Corn Rootworm**

Bacillus samples were grown in a *Bacillus* culture media. Medium 2 contained 5% peptone, 5% dextrose, 3% yeast extract, 3% malt extract, 1.5% proflo cotton seed extract (59% protein, 4.26% fat, 6.73% ash, 3.19% fiber and trace amounts of gossypol; the balance is water), 10% soy flour, and 0.5% $\text{MgSO}_4 \times 7\text{H}_2\text{O}$. Medium 3 contained the same ingredients, except with 20% peptone and 3.4% KH_2PO_4 and 4.3% K_2HPO_4 . One day old streaked cultures were used to inoculate 250 mL baffled shake flasks. Flasks were shaken at 200 rpm at 29°C for 5 days. To

10

assay insecticidal activity, 35 mL of culture broth were centrifuged at 5,200 rpm for 20 minutes and the supernatant used in microassay described below.

Assays were performed in 96-well microplates. Each well contained a solid agar substrate, a test organism and either a positive control, a negative control or
5 supernatant obtained as described in Example 1 from the novel *Bacillus* strain.

To assay insecticidal activity, an agar substrate was prepared for the wells of the microplate according to Marrone *et al.* (1985), *J. Econ. Entomol.* 78:290-293. To assay nematocidal activity, plain agar (1.5%) was used in the wells instead.

A 1 ppm solution of Avid® (avermectin) was used as a positive control.
10 Deionized water was used as a negative control. Two replicates of test sample or control were used for each assay. 40 µL of supernatant sample or whole broth grown in medium 1, 2 or 3 were dispensed into each sample well. Plates were then placed in a fume hood to dry for approximately 2-3 hours until the agar solution was dried.

Test organisms were either pre-adult corn rootworm (*Diabrotica*
15 *undecimpunctata*), pre-adult German cockroaches (*Blatella germanica*), pre-adult beet armyworms (*Spodoptera exigua*), pre-adult flies (*Drosophila melanogaster*), or the N2 strain of the nematode *Caenorhabditis elegans*. Test organisms were diluted in 0.1% agar to a concentration of approximately 5 organisms per 25 µL of agar dispensed into each well. The microplate was sealed with an airtight substance such
20 as Mylar®, and each well ventilated with a pin press. The plates were incubated at 27°C for up to 7 days.

After incubation, wells were scored by noting neonate mortality or the degree of larval development. Sample wells containing all dead or stunted larvae were given a score of 1, wells containing some dead and other severely stunted larvae were
25 given a score of 2, live but stunted larvae were scored as 3 and sample wells containing no dead larvae were given a score of 4. Scores were averaged among replicates within each sample. Results are summarized in Tables 2 and 3.

Table 2: Score Rating of AQ713 Against Insect Pests Whole Broth

	<i>C. elegans</i>	Corn rootworm	Beet armyworm	Fruit Fly	Positive Control	Negative Control
Medium 2	NT	1.0	4.0	4.0	1.0	4.0
Medium 3	NT	2.0	4.0	4.0	1.0	4.0

NT = not tested

5 Table 3A: Score Rating of AQ713 Against Insect Pests Supernatant Test 1

	<i>C. elegans</i>	Corn rootworm	Beet armyworm	Fruit Fly	German Cockroach	Positive Control	Negative Control
Medium 2	4.0	3.0	4.0	4.0	4.0	1.0	4.0
Medium 3	4.0	4.0	4.0	4.0	4.0	1.0	4.0

These tests show that AQ713 was active in both media as a whole broth culture, with the best activity in medium 2. The supernatant was only active when AQ713 was grown in medium 2.

10 Test Number 2.

AQ713 was tested again against beet armyworm and corn rootworm in a third medium in shake flask or a 10 liter fermenter, called medium 4. It contained the same ingredients as medium 3 without proflo cotton seed extract. All other procedures were the same as above. The test was repeated two or three times.

15

**Table 3B: Score Rating of AQ713 Against Insect Pests
Supernatant Test**

	Corn rootworm	Beet armyworm	Positive Control	Negative Control
Supernatant	1.0, 1.0, 1.0	1.0, 2.0	1.0, 1.0, 1.0	4.0, 4.0, 4.0
Medium 4				
Whole Broth	1.0, 1.0	2.0, 1.0	1.0, 1.0	4.0, 4.0
Medium 4				

AQ713 supernatant and whole broth was highly active against corn rootworm and armyworm in medium 4.

Example 3

5 Activity of AQ713 against green peach aphids

AQ713 was tested in medium 4 using batches of AQ713 grown twice in two different 10 liter fermenters and twice in one 400 liter fermenters for 48 hours. The green peach aphid, *Myzus persicae* was tested in addition to corn rootworm and armyworm. Both whole broth (WB) and supernatant (S) were tested from one of the 10 400 liter batches. To test green peach aphid, 40 microliters of the sample of AQ713 were pipetted onto a small filter paper disk at the bottom of each of 8 wells in a 96-well plate. The plates are then dried under a fume hood for 1-2 hours. Aphids are added to each well by gently tapping the aphids off of cabbage leaves. The bottom of the well was covered with aphids. When a column of wells is filled, the plate is 15 capped with a cap strip to keep the aphids in place. The test plates are incubated at 20-22°C. The test is rated in 48 hours, using a microscope to count the number of aphids alive and dead. The wells are then given a score on a scale from 1 to 4 as with the other insects (4 is no dead insects, 1 is 100% kill).

20 **Table 4: Score Rating of AQ713 Against Green Peach Aphid**
Supernatant (S) and Whole Broth (WB) Test

		Green Peach		
		Aphid	Positive Control	Negative Control
10 liter (1)	S	2.0	1.0	4.0
10 liter (2)	S	2.0	1.0	4.0
400 liter (1)	S	1.0	1.0	4.0
400 liter (2)	W B	1.0	1.0	4.0
400 liter (2)	S	1.0	1.0	4.0

This test against small and large fermentations of AQ713 show that both whole broth and supernatant are highly effective at killing green peach aphid.

Example 4

5 Plant Test of AQ713 Against Green Peach Aphid

Six inch high pepper plants (Yolo Wonder) were grown in six packs in a greenhouse. The peppers were allowed to be infested naturally from resident green peach aphid populations in the greenhouse. The peppers were sprayed to runoff with a hand held sprayer. AQ713 samples tested were whole broth and spray dried
10 powder of the whole broth grown in a 400 liter fermenter in medium 4. After three days, 75% of the aphids on the AQ713-treated peppers were killed. There were no dead aphids in the untreated or water treated peppers.

Example 5

15 Chemical Properties of the AQ713 Metabolite

Active Against Corn Rootworm

50 mL of AQ713 was grown in media 2. To each culture was added 50 mL ethyl acetate and the mixture was shaken in a separatory funnel for 2 minutes. The aqueous layer was removed and the organic layer was collected in a bottle containing
20 magnesium sulfate. The organic filtrate was then filtered into a round bottom flask and the solvent removed on the rotovap.

For the bioassay, the dried organic extract was redissolved in 2.5 mL acetone. A 40 μ L aliquot was removed and diluted to 800 μ L with 70% acetone/water. This is a 10X concentration of the organic extract. Serial dilutions were carried out to
25 obtain samples on neonate corn rootworm with percent mortality recorded of neonate larvae (1 per well in a microtiter plate as prepared above) after 7 days. The results are recorded in Table 5.

Table 5: Activity of Ethyl Acetate Extracts of AQ713 Against Corn Rootworm

<u>Sample</u>	<u>Percent Mortality</u>
AQ713: Organic extract 10X	89
Organic extract 5X	93
Organic extract 1X	65
Whole broth	100
70% acetone/water	27
Water	59

The results show that AQ713 produces a solvent-extractable metabolite that kills corn rootworm.

- 5 To determine the molecular weight range of the active metabolite, a 50-mL culture of AQ713 was grown in media 2. One mL was placed into a microfuge tube and spun at 12,000 rpm for 15 minutes. The supernatant was removed. 500 microliters of supernatant was placed on top of a 10,000 Dalton molecular weight centricon filter. These were centrifuged according to the manufacturer's instructions
- 10 (12,000 rpm for 35 minutes). The filtrate was collected and the retentate recovered by centrifugation and washing of the filter. Samples of the supernatant, filtrate and retentate were tested against neonate corn rootworm larvae (96 well-plate with insect diet, Marrone *et al.*, *supra* as above; 40 μ L of sample per well and 8 wells for each sample, 1 larva/well). The results of the test are shown in Table 6.

15 **Table 6: Molecular Weight Cutoff of AQ713**

<u>Percent Mortality</u>		
<u>Against Corn Rootworm</u>		
AQ713:	supernatant	43
	filtrate	63
	retentate	17

The results show that the supernatant and filtrate were active, thus the molecular weight of the metabolite is less than 10,000 Dalton.

Example 6

5 **Chemical Properties of the AQ713 Metabolite Active Against Plant Pathogens**

50 mL of AQ713 was grown in media 2. To each culture was added 50 mL ethyl acetate and the mixture was shaken in a separatory funnel for 2 minutes. The aqueous layer was removed and the organic layer was collected in a bottle containing magnesium sulfate. The organic filtrate was then filtered into a round bottom flask
10 and the solvent removed on the rotovap.

For the bioassay, the dried organic extract was redissolved in 2.5 mL acetone. A 40 μ L aliquot was removed and diluted to 800 μ L with 70% acetone/water. This is a 10X concentration of the organic extract. A 96-well plate assay (described below) plant pathogen assay with *Pythium ultimum* and *Botrytis cinerea* was
15 conducted to determine activity of the organic extract. The whole broth gave 100% control (score of 1), but the 10X organic extract gave no control of the two plant pathogens (score of 4). This indicates that the active antibiotics, unlike the corn rootworm active metabolites produced by AQ713 are not extractable in an organic solvent such as ethyl acetate.

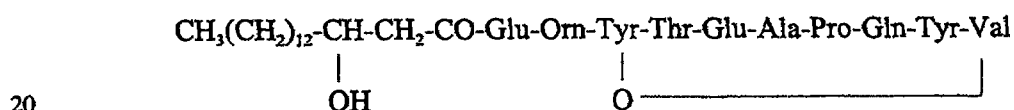
20 To extract the active antibiotic fraction and isolate a novel compound, agrastatin A, a butanol extract was made of the fermentation broth by first extracting the broth two times with an equal volume of ethyl acetate and separating the layers. The aqueous fraction was then extracted two times with an equal volume of butanol. The butanol extracts were combined and solvent was removed with a rotary
25 evaporator. A powder was obtained by freeze drying the resulting extract.

The powder was dissolved in 80% acetonitrile/water and sonicated. The solution was applied to a C-18 solid phase extraction (SPE) cartridge that had been activated with methanol and equilibrated with 80% acetonitrile/water. The SPE cartridge was eluted with 80% ACN/water and this eluent was collected and the
30 solvents removed. The eluent was further purified by HPLC. A C-18 HPLC column

(1 cm X 25 cm) was used (UV detection at 210 nm) with an acetonitrile + 0.05% TFA/water + 0.05% TFA solvent gradient as follows: 0-20 minutes, 33% ACN; 20-30 minutes, 40% ACN; 30-45 minutes, 45-55% ACN; and 45-63 minutes, 55% ACN.

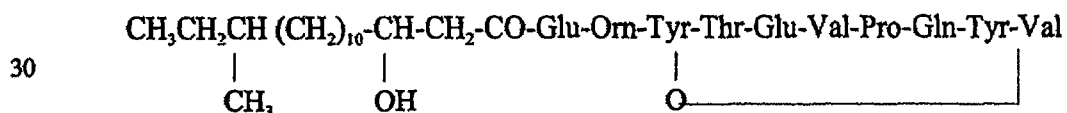
5 An HPLC chromatogram of AQ713 shows the presence of the iturins, iturin-like compounds (plipastatins and agrastatins) and surfactins, see Figure 1. Iturins A2, A3, A4, A7 and A6 were identified by a combination of NMR data and LC mass spectrometry data and comparison to literature values. Surfactins were identified by comparison to purchased surfactin standards by HPLC and by LC mass spectrometry.

10 The iturin-like compounds were determined to be a mixture of plipastatins and the novel agrastatins by a combination of amino acid analysis and LC mass spectrometry. Extensive NMR data was also collected for one of the novel compounds (HPLC peak 20), designated agrastatin A. Agrastatin A was found to contain the following amino acids: Thr; 3 Glu; Pro; Ala; Val; 2 Tyr; and Orn. This
15 make up differs from plipastatin A by the presence of Val and the loss of Ile. The molecular weight of agrastatin A was determined to be 1448 which corresponds to the following structure (SEQ ID NO:4):



The straight chain nature of the fatty acid portion was confirmed by ¹H NMR. The position of the amino acids in the cyclic peptide was determined by detailed analysis of the TOCSY and ROESY datasets.

25 Mass spectrometry and amino acid analysis of agrastatin B (HPLC peak 26) suggest that its structure is similar to plipastatin B2 with the substitution of the Ala residue with Val. The structure is shown below (SEQ ID NO:5):



Example 7**Activity of AQ713 Against Plant Pathogens in *in-vitro* Culture (96-well plate)**

To determine if AQ713 is effective against the fungi, *Phytophthora infestans*, *Pythium ultimum*, *Botrytis cinerea*, *Rhizoctonia solani*, *Alternaria solani*, the following experiments were performed. 96-well plates (flat-bottomed, 400 microliters per well, Nunc brand) were filled with an agar medium (potato dextrose agar) (PDA, Difco). *Phytophthora infestans* cultures were grown for three days in liquid YPG-1 medium (0.4 g yeast, 0.1% KH₂PO₄, 0.5% MgSO₄ X 7 H₂O, 1.5 % glucose). For the other fungi, spores were scraped from the surface of petri plates and 0.1-0.2 mL aliquots of deionized water and spore suspension (concentration approximately 2 X 10⁶ spores/mL) of pathogen were spread onto the agar.

AQ713 was grown for 72 hours in the medium 2 or 3 as described in Example 2. To obtain supernatants, the whole broth culture was centrifuged at 5,200 rpm for 20 minutes. The fungal plant pathogens were pipetted onto the 96-well plates (8 wells/pathogen). The presence or absence of fungal growth was recorded for each of 8 wells. Approximately 40 µL of AQ713 supernatant or 20 µL of whole broth was added to each well. A score of "1" means complete inhibition of fungal growth. A score of "4" means no inhibition of fungal growth. Results are shown in Table 7.

Table 7: *In Vitro* Inhibition of Fungal Growth (96-well plate)

<u>AQ713 Supernatant</u>	<u>Media 2</u> <u>Score</u>	<u>Media 3</u> <u>Score</u>
<i>Phytophthora infestans</i>	1	1
<i>Pythium ultimum</i>	1	1
<i>Botrytis cinerea</i>	1	1
<i>Rhizoctonia solani</i>	4	1
<i>Alternaria solani</i>	1	1
 <u>AQ713 Whole broth</u>		
<i>Colletotrichum cocodes</i>	1	NT
<i>Alternaria brassicicola</i>	1	NT
<i>Botrytis cinerea</i>	1	NT
<i>Cladosporium cucumerinum</i>	1	NT
<i>Monilinia fructicola</i>	1	NT
<i>Venturia pyrina</i>	1	NT
<i>Rhizoctonia solani</i>	1	NT
<i>Alternaria solani</i>	1	NT

NT: Not tested

The results show that AQ713 has broad fungicidal spectrum *in vitro* and that both the whole broth and supernatant are highly active. The supernatant was active on

5 *Rhizoctonia solani* in medium 3 but not medium 2.

Example 8

Activity of AQ713 Against Plant Pathogens in *in vitro* Culture (zone assay)

To determine the activity of AQ713 in an agar diffusion (zone) assay, plant
 10 pathogen spores were spread over the surface of potato dextrose agar in 10 cm petri
 dishes. 7.0 mm wells were removed from the agar and a 100 μ L sample of the
 supernatant of AQ713 grown in medium 2 was placed in the well. Supernatant was
 prepared by centrifuging at 4200 rpm for 40 minutes. The supernatant was then spun
 again at 4200 rpm for another 40 minutes. Typical results consisted of a zone of no
 15 growth and/or reduced growth of the pathogen around the well. The zone size in
 millimeters was measured and recorded. The results are shown in Table 8.

Table 8: *In Vitro* Inhibition of Fungal Plant Pathogen Growth (Zone Test)

	<i>Alternaria</i> <i>brassicicola</i>	<i>Botrytis</i> <i>cinerea</i>	<i>Monilinia</i> <i>fructicola</i>
AQ713 supernatant			
Zone size (mm)	16	23	14
AQ713 Whole broth	22	15	18

Example 9**Activity of AQ713 Against Bacterial Plant Pathogens**

- 5 A standard agar diffusion assay was set up as in Example 6. A lawn of each bacterial pathogen was spread over the surface of a petri plate. 100 μ L of AQ713 whole broth grown in medium 2 was placed in each well. The size of the zone was measured in millimeters.

Table 9: *In Vitro* Inhibition of Bacterial Plant Pathogens (Zone Test)

AQ713 Whole broth:	Inhibition Zone (mm)
<i>Acidovorax avenae</i> subsp. <i>citrulli</i>	18
<i>Pseudomonas syringae</i> pv. <i>Tomato</i>	11
<i>Xanthomonas campestris</i> pv. <i>Campestris</i>	18
<i>Erwinia carotovora</i> subsp. <i>Carotovora</i>	11
<i>Clavibacter michiganense</i> subsp. <i>Michiganense</i>	22

AQ713 was active against all species of bacterial plant pathogens tested *in vitro*.

Example 10**Activity of AQ713 Against Plant Pathogens in Plant Tests**

15 The activity of AQ713 was tested against gray mold, *Botrytis cinerea*, on beans and geranium leaves, *Alternaria solani* on tomato seedlings, and downy mildew of lettuce, *Bremia lactucae*.

- 20 For *A. solani*, tomato seedlings at the 2-3 leaf stage planted in 6-packs were sprayed to runoff with AQ713 whole broth (media 2). After spraying, the seedlings were allowed to dry (about 1.5 hours). The seedlings were then sprayed with 5.0 X

10⁴ spores/mL. Seedlings were covered with a plastic dome and kept at 28°C in a Percival incubator. Water with no AQ713, with and without spores of the pathogen was used as a negative control and a positive pathogen control. Four days later the test was read. For the water *A. solani* control, there were uniform lesions over all the leaves and the cotyledons were detached and severely infected (rating of 5 = complete infection, no control). AQ713 treated plants had a few light lesions scattered on the true leaves. The cotyledons were attached but with some small lesions (rating of 1). The negative control was not infected.

A second test was set up using detached tomato seedlings (stems broken off at the ground level) placed in mason jars filled with water put under domes and stored as above. The plants were sprayed as above and the symptoms of *A. solani* were recorded four days later. There were no symptoms on the negative control. On the positive control, there were uniform lesions over the seedlings. The AQ713 treatment was rated 1 (few or no lesions). Two days later, the plants in the positive control were destroyed, but the AQ713 treated seedlings were virtually clean and looked the same as the negative controls (water sprayed plants).

For the test on *Botrytis cinerea*, the first true leaves of a bean plant were wounded by pressing the mouth of a 13 X 100 culture tube onto each leaf. Each leaf received two wounds/leaf. The leaves were sprayed with AQ713 whole broth (media 2) or water alone or the pathogen alone. When dry, they were again sprayed with *B. cinerea* spores (0.8 X 10⁶ spores/mL). The leaves were placed in flats covered with plastic domes and stored at 18-20°C in a Percival incubator. Five days later, the positive control (pathogen alone) was rotted in an area about 25 mm in diameter. The negative control (water alone) had no rotting. AQ713 showed no infections on 7 of 8 circles where the leaves were wounded. The one that was infected had light infection at two locations around the circle.

For the *Bremia* test, lettuce seeds were planted in a layer of sterilized potting mix containing peat, perlite and vermiculite in small clear plastic plant condominiums about 8 centimeters high and wide. After the lettuce germinated (one week), the lettuce seedlings were sprayed with the AQ713 broth or supernatant

sample. The plants were allowed to dry and then downy mildew spore suspension from infected lettuce seedlings was sprayed onto the seedlings. The plastic covers were placed over the plants and incubated at 18-20°C in a Percival incubator. One week later, the test was evaluated. AQ713 did not prevent downy mildew from
5 *Bremia* on lettuce seedlings.

Example 11

Efficacy of AQ713 Against Plant Diseases (Greenhouse Test)

Grape Downy Mildew

10 AQ713 was grown in a soy-based medium in a 400 liter fermenter for 48 hours. Grape plants (cultivar Chardonnay) were sprayed with a hand-held sprayer to run-off with whole broth from the 400 liter fermentation run diluted with sterile water to 0.5X and 0.25X concentrations. When the foliage dried, the plants were sprayed a second time. After drying, the plants were inoculated with the pathogen
15 causing grape downy mildew, *Plasmopara viticola*. Three plants were treated for each dose. Each plant was evaluated by estimating the percent disease control based on a scale from 0 to 100% control. 100% control is a plant with no visible lesions. A chemical fungicide, metalaxyl, was used for comparison. The results were as follows:

AQ713 0.5X whole broth	97.7% control
AQ713 0.25X whole broth	100% control
Metalaxyl 30 ppm	100% control
Metalaxyl 10 ppm	98.3% control
Metalaxyl 1 ppm	80% control

20 The results demonstrate that AQ713 effected control of grape downy mildew as well as the chemical fungicide.

Example 12

Efficacy of AQ713 Against Squash Powdery Mildew

AQ713 was grown in a soy-based medium in a 400 liter fermenter for 48 hours. Squash plants (Crookneck and Acorn) were sprayed with a hand-held sprayer to run-off with whole broth from the 400 liter fermentation run and a sample diluted with sterile water to 0.5X concentration. After drying, the plants were inoculated with the squash powdery mildew pathogen, *Sphaerotheca fuliginea*. Two plants were treated for each dose. Spray dried powder of the whole broth was also tested. The 400 liter fermentation broth was spray dried to remove the water. 10% and 2.5% spray dried powder solutions were sprayed on the plants to run-off as above. The incidence of powdery mildew disease was rated on a score from 0 to 5. The 5 rating is 100% disease whereas the 0 rating is no disease. The results are shown below in Table 10.

Table 10

Test Suspension	Acorn Squash Plant 1	Acorn Squash Plant 2	Crookneck Squash Plant 1	Crookneck Squash Plant 2
AQ713 1X whole broth	0	0	0	0
AQ713 0.5X whole broth	0	0	0	0
AQ713 10% spray dried powder	0	0	0	0
AQ713 2.5% spray dried powder	0	0	0.5	1

AQ713 whole broth and spray dried powder provided nearly complete control of squash powdery mildew.

Example 13**Efficacy of AQ713 on Late Blight, Gray Mold, Grape Powdery Mildew, Cereal Powdery Mildew, Sheath Blight and Rice Blast in the Greenhouse**

5 AQ713 was grown in a soy-based medium for 72 hours in a 250 mL shake flask. The disease, causative pathogen and host are listed in Table 11 below. This whole broth culture was tested on the plants as shown in Table 11 below.

Table 11

Disease	Plant Pathogen	Host
Late Blight	<i>Phytophthora infestans</i>	Tomato
Gray Mold	<i>Botrytis cinerea</i>	Pepper
Sheath Blight	<i>Rhizoctonia solanii</i>	Rice
Rice Blast	<i>Pyricularia oryzae</i>	Rice
Powdery Mildew	<i>Uncinula necator</i>	Grape
Powdery Mildew	<i>Drysiphe graminis</i> f. sp. <i>graminis</i>	Wheat

10 Each broth was sprayed to run-off at 1X concentration on the test plants with a hand held sprayer, allowed to dry and then sprayed a second time. Three plants were treated for each disease and treatment. After drying, the plants were inoculated with the pathogens. Each plant was evaluated by estimating the percent disease control based on a scale from 0 to 100% control. 100% control refers to a plant with
15 no visible lesions. Chemical fungicides were used for comparison Disease index is the severity of the disease on the untreated control.

Table 12

	<i>P. infestans</i>	<i>B. cinerea</i>	<i>E. graminis</i>	<i>U. necator</i>	<i>P. orzae</i>	<i>R. solani</i>
AQ713	70	100	84	100	100	100
Metalaxy 30 ppm	100					
Metalaxyl 10 ppm	77					
Propico- nazole 10 ppm		87				
Propico- nazole 5ppm		57				
Propico- nazole 0.5 ppm			100			
Propico- nazole 0.2 ppm			54			
Myclo- butanil 30 ppm				100		
Myclo- butanil 10 ppm				100		
Pencycuron 50 ppm					100	
Pencycuron 10 ppm					100	
Benomyl 100 ppm						100
Benomyl 40 ppm						77
Disease Index (%)	80	95	70	50	60	80

AQ713 showed activity that was equivalent to chemical fungicides on all the pathogens tested.

5

Example 14

Efficacy of AQ713 Against *Brassica* Downy Mildew

Bacillus strain AQ713 was grown in a ten liter fermenter in a soy-based medium for 48 hours. The whole broth culture at 1X strength was sprayed onto three week-old cauliflower and Brussels sprouts plants at the full cotyledon stage with an artist's air brush powered by compressed air. Three replicates of 15-25 seedlings/pot

10

were sprayed per treatment. Quadris™, an azoxystrobin fungicide from Zeneca, was also sprayed on plants (three per treatment) at rates of 250 ppm and 125 ppm. A spore suspension of downy mildew, *Peronospora parasitica*, at $1-5 \times 10^4$ spores/mL was sprayed onto the *Brassica* plants after the AQ713 and Quadris sprays dried. The plants were held at 15-17°C for 24 hours for infection, then the seedlings were incubated at 20-24°C for six days. The pots were returned to 15-17°C overnight to allow sporulation of the pathogen until the test was rated. Each plant was evaluated by estimating the percent disease control based on a scale from 0 to 100% control. 100% control is a plant with no sporulating lesions. The results averaged across replicate pots are shown below in Table 14.

Table 14

	Reading taken December 23	Reading taken December 30	Reading taken January 6
AQ713 whole broth	100	90	75
Quadris 250 ppm	100	NT	NT
Quadris 125 ppm	NT	100	100
Water Control	0	0	0

NT = Not Tested

AQ713 controlled downy mildew effectively for three weeks in duration.

Example 15

Synergism of AQ713 and a Commercial Fungicide

AQ713 was grown in a ten liter fermenter in a soy-based medium for 72 hours. The bacterial culture was diluted with sterile water to 0.5X and 0.25X concentrations. The culture at 1X, 0.5X and 0.25X concentrations was sprayed onto three week-old pepper plants with an artist's air brush powered by compressed air. Three plants were sprayed per treatment. Quadris™, an azoxystrobin fungicide from Zeneca, was also sprayed on plants (three per treatment) at concentrations of 500 ppm, 250 ppm and 125 ppm. In addition, combinations of Quadris plus the whole

broth culture of AQ713 in a 1:1 ratio were sprayed onto pepper plants (three per treatment). The treatments with and without Quadris are outlined in Table 15 below. A spore suspension of *Botrytis cinerea*, gray mold, at 1×10^6 spores/mL was sprayed onto the pepper plants after the AQ713 and Quadris sprays dried. The plants were
 5 held at 20-22°C for 3 days until the test was rated. The incidence of gray mold disease was rated on a score from 0 to 5. The 5 rating indicates 100% disease whereas the 0 rating indicates no disease. The results are shown in Table 15 below.

Table 15

Treatment	Rating Replicate 1	Rating Replicate 2	Rating Replicate 3	Rating Average
AQ713 1X	0.5	0.5	1.5	0.8
AQ713 0.5X	2.0	2.5	2.0	2.2
AQ713 0.25X	3.0	3.0	2.0	2.7
Quadris 500 ppm	4.0	3.5	4.0	3.8
Quadris 250 ppm	2.5	3.5	3.0	3.0
AQ713 1X+ Quadris 500 ppm	0.5	1.0	1.0	0.8
AQ713 1X + Quadris 250 ppm	1.0	1.0	0.5	0.8
AQ713 0.5X + Quadris 250 ppm	0.5	1.0	1.0	0.8
AQ713 0.25X + Quadris 250 ppm	0.5	1.0	2.5	1.3
Water control	4.0	5.0	5.0	4.7
Water control 2	5.0	5.0	5.0	5.0

10

The results clearly show that combinations of Quadris and AQ713 control gray mold disease significantly better than either Quadris or AQ713 alone.

Example 16**Determination of the Insecticidal Components of Strain AQ713**

The extraction of the lipopeptide fraction (iturins, plipastatins, agrastatins and surfactin) for testing on insects was carried out as follows:

5 The whole broth is vortexed and the pH is adjusted to 1.5 with HCl, vortexed again, then centrifuged for 15 minutes at 10,500 rpm. The supernatant is poured off and discarded. The pellet is suspended in 80% acetonitrile/water (ACN/H₂O) and then sonicated for 30 minutes. The sample is centrifuged again for 15 minutes and then the pellet is suspended again in 80% ACN/H₂O by vortexing. It is centrifuged
10 again for 15 minutes and then dried in a speed vacuum overnight. The sample is then redissolved in 80% ACN/H₂O.

Surfactin, one of the lipopeptides, was tested alone. Surfactin was purchased from Sigma Chemicals (St. Louis, MO) and is identical to the surfactin in AQ713 as verified by HPLC. Therefore, Sigma surfactin was used in tests against insects.

15

Table 16: Activity of Lipopeptides Against Insect Pests

	<i>C. elegans</i>	Corn rootworm	Beet armyworm	Green Peach aphid	Positive Control	Negative Control
Lipopeptide extract	4.0	NT	4.0	2.0	1.0	4.0
Surfactin	4.0	2.0	4.0	2.0, 3.0, 2.0	1.0	4.0

NT = Not tested

The lipopeptide extract of strain AQ713 is insecticidal. Surfactin alone
20 shows activity against aphids and corn rootworm, but not armyworm. Therefore, the insecticidal activity of strain AQ713 can be partially explained by the lipopeptides in strain AQ713.

While the invention has been described in detail herein and with reference to specific embodiments thereof, it will be apparent to one skilled in the art that various
25 changes and modifications can be made to the invention as described above without departing from the spirit and scope thereof.



What is claimed is:

1. A method for protecting or treating plants and fruit from insect infestations, comprising applying an effective amount of the *Bacillus subtilis* strain AQ713, NRRL Accession No. B-21661 or mutants thereof having all the identifying characteristics of said strain to said plants and fruit.
2. The method of claim 1, wherein the insect infestations are foliar insect infestations or subterranean insect infestations
3. A method for protecting or treating plants and fruit from insect infestations comprising applying an effective amount of a metabolite produced by the *Bacillus subtilis* strain of claim 1 that exhibits activity against insects, is solvent extractable and has a molecular weight of less than 10,000 Dalton, to said plants and fruit.
4. The method of claim 3, wherein the insect infestations are foliar insect infestations.
5. The method of claim 3, wherein the insect infestations are subterranean insect infestations.
6. A method for protecting or treating plants and fruit from insect infestations comprising applying an effective amount of a supernatant obtained from a culture of the *Bacillus subtilis* strain AQ713 that exhibits activity against insects.
7. The method of claim 6, wherein the insect infestations are foliar insect infestations.
8. The method of claim 7, wherein the insect infestations are subterranean insect infestations.
9. The method of any of claims 1 to 7, further comprising applying an effective amount of a biological or chemical pesticide.
10. The method of claim 1, wherein the *Bacillus subtilis* strain AQ713 is applied as a whole broth culture.
11. The method of claim 1, wherein the *Bacillus subtilis* strain AQ713 is applied as a supernatant.

12. The method of claim 6, wherein the *Bacillus subtilis* strain AQ713 is applied as wettable powders, granules, flowables or microencapsulations.

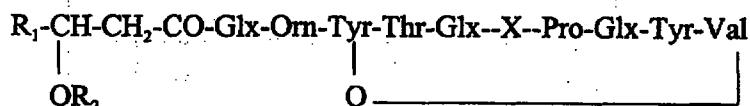
13. The method of any claims 1 to 7, wherein the roots of plants or the soil around the roots are treated.

14. The method of claim 13, wherein the roots of plants or the soil around the roots are treated.

15. A lipopeptide extract isolated from strain AQ713 with insecticidal activity.

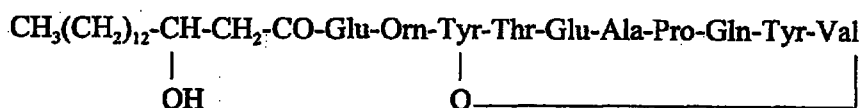
16. A surfactin lipopeptide isolated from strain AQ713 with insecticidal activity.

17. A method for protecting or treating plants and fruit from insect infestations comprising applying an effective amount of a compound having the formula:

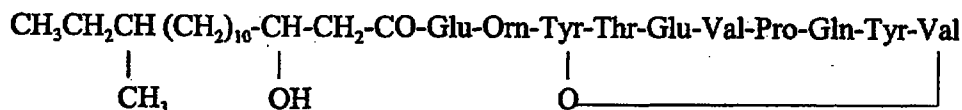


wherein R_1 is a branched or straight aliphatic side chain of C8-C20; X is either Ala or Val, R_2 is an acetate or an ester derivative and Glx is Gln or Glu.

18. A method for protecting or treating plants and fruit from insect infestations comprising applying an effective amount of a compound having the formula (SEQ ID NO:4):



or (SEQ ID NO:5)



19. A method for protecting or treating plants and fruit from insect infestations comprising applying an effective amount of a composition comprising A-type iturin, a plipastatin, and surfactant.

20. The method of claim 20, further comprising applying an effective amount
5 of agrastatin.

21. A lipopeptide extract isolated from strain AQ713 with insecticidal activity.

22. A surfactin lipopeptide isolated from strain AQ713 with insecticidal activity.

10 23. A method for treating or protecting plants or fruit from insect infestations comprising administering an effective amount of a composition comprising the extract of claim 22.

24. A method for treating or protecting plants or fruit from insect infestations comprising administering an effective amount of a composition comprising the
15 surfactin of claim 23.

25. The method of claims 24 or 25, wherein the composition is applied to the soil around the roots of the plant or the roots are treated.

