



Attorney General Bonta Joins Bipartisan Lawsuit Against Agricultural Chemical Companies Syngenta and Corteva for Anticompetitive Practices

Press Release / Attorney General Bonta Joins Bipartisan Lawsuit Against Agri...

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OAKLAND – California Attorney General Rob Bonta today joined a bipartisan multistate coalition in filing a lawsuit against two of the world's largest chemical companies, Syngenta and Corteva, for violations of federal antitrust law. Today's lawsuit alleges that Syngenta and Corteva used anticompetitive loyalty programs to keep prices higher for certain active ingredients used in common crop protection products, effectively extending the patent protection periods by discouraging generic manufacturers from entering the market.

"Many California families are struggling to put food on the table as the cost of living continues to rise," said Attorney General Bonta. "Paying the grocery bill should not be a source of stress. California is a place of agricultural abundance, growing more than half of all fruits and vegetables in the United States. As Attorney General, I am committed to protecting California farmers and their customers from anticompetitive practices that keep prices artificially high and stifle competition. Today's lawsuit against Syngenta and Corteva is an important step toward tackling anticompetitive abuses by those in power and a step toward restoring competition in the marketplace."

California is an agricultural leader in the United States, generating more than \$50 billion in economic output annually. In fact, 61% of all vegetables and 54% of all fruits and nuts grown in the United States are produced in California. As a result, California has a strong interest in maintaining competition in the agriculture and agricultural chemical industry and supporting the farms that have long been the bedrock of California's economy.

Crop protection chemicals — or pesticides — are an integral component of agricultural production in many markets, facilitating a successful growing season and higher yields. When a manufacturer like Syngenta or Corteva develops a new active ingredient for these products, the company often applies for and receives patent protections of up to 20 years and additional time with exclusive-use terms under the Federal Insecticide, Fungicide, and Rodenticide Act before generic products using these ingredients may enter the market. After these protections expire, however, manufacturers must compete on the merits against generic suppliers.

In today's lawsuit, the states and the Federal Trade Commission (FTC) allege that Syngenta and Corteva violated the federal Sherman Act and Federal Trade Commission Act, as well as state law, through their use of loyalty programs to slow generic entry after the end of patent and regulatory exclusivity, and to minimize the competitive impact of these generic products on the prices and market shares of Sygenta and Corteva branded products containing the same active ingredients. The lawsuit

specifically argues that Syngenta and Corteva's anticompetitive unfair and anticompetitive conduct has impacted the sale of six common products containing Corteva's Rimsulfuron, Oxymyl, and Acetochlor and Syngenta's Azoxystrobin, Mesotrione, and Metolachlor.

Attorney General Bonta joins the Federal Trade Commission and the attorneys general of Colorado, Illinois, Iowa, Indiana, Minnesota, Nebraska, Oregon, Texas, and Wisconsin in filing the lawsuit.

A copy of the complaint is available here.

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