



[FILE A COMPLAINT](#)

Colorado joins lawsuit against pesticide makers alleging practices that reduce competition and increase prices for farmers

Sept. 29, 2022 (DENVER)—Attorney General Phil Weiser has joined nine other states and the Federal Trade Commission in filing a lawsuit against pesticide makers Syngenta and Corteva, alleging anti-competitive practices that have harmed farmers.

The complaint, filed today in U.S. District Court in the Middle District of North Carolina, accuses the defendants of using “loyalty programs” with pesticide distributors to exclude generic competitors from the market. The programs induce distributors to sell Syngenta and Corteva products—and to disfavor their generic rivals—long after their patent and other protections on the pesticides have expired, thereby inflating prices to farmers and, ultimately, consumers. These unlawful business practices have cost farmers many millions of dollars a year, the complaint alleges.

“Effective enforcement of the antitrust laws to protect farmers and to address concerns of inflated food prices is a priority,” said Weiser. “Ensuring that dominant firms, including ones who previously benefited from patent protection, cannot maintain their market share through anticompetitive means is critical to protecting fair competition.”

The lawsuit accuses Syngenta and Corteva of violating state and federal laws, including the FTC Act and the Clayton Act. The FTC and state attorneys general ask the court to end the restrictive loyalty programs and grant equitable monetary relief and attorney fees, among other remedies.

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Syngenta—based in Basel, Switzerland, and a subsidiary of Sinochem Holdings Corp. of China—and Corteva, based in Indianapolis, are among the largest makers of crop-protection products in the U.S. The companies’ products are used on a wide range of grains, vegetables, fruits, and other crops, helping improve yields and food security.

To encourage innovation, companies such as Syngenta and Corteva can initially develop, patent, and register active ingredients in their products and exploit their commercial potential for several years. After those protections expire, generic manufacturers may enter the market with products with the same active ingredients and relying on the same toxicology and environmental impact studies. This competition ordinarily leads to dramatic price reductions, benefiting farmers and consumers.

The complaint accuses Syngenta and Corteva of undermining this system by paying incentive payments, or “rebates,” to distributors on one condition: The distributor must keep its purchases of comparable generic products below a low threshold. Corteva and Syngenta have entered into loyalty-program agreements with substantially all leading distributors in the U.S., depriving producers of rival generic products from a critical distribution channel. In turn, the distributors sell the products containing the branded ingredients to retail outlets.

The FTC commissioners voted today to pursue the lawsuit. In addition to Colorado, the lawsuit was joined by the attorneys general of California, Illinois, Indiana, Iowa, Minnesota, Nebraska, Oregon, Texas, and Wisconsin.

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