

US regulators likely to demand Bayer-Monsanto scale back domination of GMO cotton market

Bayer AG's plan to acquire Monsanto Co. is likely to spur U.S. regulators to demand the sale of some cottonseed assets to alleviate concerns that the \$66 billion deal could hurt competition in one of the country's largest row crops.

U.S. government data shows the companies had about 70 percent of U.S. cottonseed sales last year, which means it's almost certainly an area they'll have to address. Monsanto Chief Executive Officer Hugh Grant said [Sept. 14]... that there's "very little overlap" with Bayer. The German company declined to discuss which assets might need to be sold in order to get regulatory approval.

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Cottonseed, canola seed and glufosinate herbicide assets, with sales totaling about \$1.2 billion, may need to be divested, analysts at Sanford C. Bernstein & Co. said in a note [Sept 14]. The deal also faces conglomerate antitrust issues, a U.S. national security review and a U.S. Senate hearing on the ongoing wave of agriculture consolidation, Bernstein said...

"We expect significant antitrust and political hurdles and assign 50 percent probability of deal completion," the Bernstein analysts, led by Jeremy Redenius, said. "The market seems to agree."

The GLP aggregated and excerpted this blog/article to reflect the diversity of news, opinion and analysis. Read full, original post: [Bayer-Monsanto Combination Likely Too Big in U.S. Cottonseed](#)