

Bayer presses on with Monsanto integration as stock suffers

August 16 2018



Two months after it bought the US firm, "the integration of Monsanto into the Bayer Group can begin," the Germany-based company said

German chemicals and pharmaceuticals giant Bayer said Thursday it would finally begin integrating US seeds and pesticides maker Monsanto

into its business, after meeting competition authorities' final conditions for the merger.

Two months after it bought the US firm, "the integration of Monsanto into the Bayer Group can begin," the Leverkusen-based company said.

Thursday saw Bayer complete the sale of a final tranche of crop science businesses worth 5.9 billion euros (\$6.7 billion) to rival BASF under concessions imposed by cartel watchdogs.

But there was no honeymoon for the merged groups after the successful conclusion of their two-year courtship.

Investors have been shying away from Bayer's shares since Monday, after a jury awarded a dying California groundskeeper almost \$290 million last week, finding that flagship Monsanto weedkiller Roundup caused his cancer.

Stock in Bayer was down 5.9 percent at 76.01 euros by 2:55 pm (1255 GMT) in Frankfurt, having lost 18.6 percent this week.

Around 4,500 other court cases are pending and the reputation of glyphosate, the key ingredient in Roundup, has suffered, meaning analysts see Bayer both threatened by legal costs and risking future lost sales.

"Bayer believes the jury's decision is at odds with the weight of scientific evidence," the group said in its statement Thursday, adding that Monsanto will appeal the decision.

Where previously it was muzzled in Monsanto's legal entanglements, "today... Bayer also gains the ability to become actively involved in the defence efforts in the glyphosate trials and any other legal disputes," it

added.

© 2018 AFP

Citation: Bayer presses on with Monsanto integration as stock suffers (2018, August 16)
retrieved 15 May 2024 from <https://phys.org/news/2018-08-germany-bayer-monsanto.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.