

## Bayer divestments

....Bayer AG has reached an agreement with SC Johnson on the sale of the household insecticides business of its Consumer Care Division, consisting of insect control, cleaning and air freshener products. The agreement will give SC Johnson worldwide rights to such brands as Baygon®, Autan®, Bayclin® and Bayfresh®, among others. The two companies have agreed on a purchase price of EUR 725 million. The transaction is intended to be closed prior to year end for the majority of countries, subject to any legally required approvals by the relevant merger control authorities.

....Bayer CropScience AG has announced that it intends to sell a package of selected insecticides and fungicides to BASF AG while retaining certain back-licenses for non-agricultural applications. The total package is valued at EUR 1,330 million. Taking into consideration the back-licenses the cash purchase price amounts to EUR 1,185 million. This transaction is subject to approval by the European Commission and the U.S. Federal Trade Commission. Following the respective consent orders the agreements with BASF contain assets and rights related to two insecticides (fipronil and ethiprole) and a number of fungicides (prochloraz, iprodione, triticonazole, fluquinconazole and pyrimethanil) for certain regions and application fields. BASF will also acquire the Aventis CropScience manufacturing plant in Elbeuf, France.

....Bayer CropScience has agreed to sell or license out a number of crop protection products (including Goltix, Herald, Baytan, Folicur, Gusathion and Thiodan) to Israel-based agrochemicals company Makhteshim-Agan Industries Ltd., pending approval by the European Commission and national antitrust authorities. For details (sale or license/geographical regions *etc.*) of the agreements with Makhteshim-Agan see <http://www.bayer.com/> or <http://www.main.co.il/mainweb/>

....Bayer CropScience has agreed to divest its wheat herbicide Everest® to San Francisco-based Arvesta Corporation, pending approval by the U.S. and Canadian regulatory authorities. Registered since October 2000, Everest® is a selective post-emergence grass herbicide for early season control of wild oats, green foxtail and other grasses in winter and spring wheat

crops. Everest® provides growers with a rotational tool to manage resistance and is currently sold primarily in Canada and the United States.

## Acquisitions

....*Lonza acquires biocide technology*  
Exclusive distribution rights have been acquired by Lonza for a biocide technology for wood protection, personal care and household, institutional and industrial applications from Intelligent Biocides of Tyngsborough, MA, USA. Known as Surfacine the technology is a persistent, silver-based antimicrobial.

### ....*Merck sells rodent control business*

Merck affiliate Liphatech is to sell its global rodenticide business, including global rights to the Liphatech name, to DeSangosse. Liphatech's rodenticide production site at Milwaukee, WI, USA will be transferred to DeSangosse. Production at Pilar, near Buenos Aires, Argentina, will continue on a toll manufacturing basis. Operations at Meyzieu, France, will cease by the end of 2003 as production moves to DeSangosse's headquarters at Pont-du-Casse, France. Merck's current Liphatech subsidiaries will be renamed Nitragin.

....*Nufarm buys Orica/Incitec Crop Care*  
Incitec and Orica have agreed to sell their crop protection business, Crop Care Australasia, to Nufarm, Australia, for A\$75 M. The deal is subject to clearance from the Australian Competition and Consumer Commission. Crop Care Australasia produces and supplies crop protection chemicals to Australia, New Zealand and other export markets.

## Expansions

### ....*Ravenna plant launches Endura's proprietary synthetic route*

Italian company Endura, a producer of active ingredients and synergists for insecticides, has commissioned a new unit for the production of piperonyl butoxide (PBO) at Ravenna, Italy. The unit started up at the end of 2001 and uses an innovative synthetic route developed by Endura, based on catechol raw material. A new pilot plant will be operational in 2002, allowing the scaling up of various development projects in the field of synthetic pyrethroids. A new

multi-purpose production plant for tetramethrin and other active ingredients will be onstream in Ravenna by mid-2003.

## Rationalisations

### ....*Bayer continues staff cut-back*

Bayer CropScience has announced a restructuring plan that will affect staff at its French headquarters in Lyon. The restructuring will lead to the workforce in France being reduced by 525 from 2125 to 1600. The parent company continues with its restructuring which will lead to a further 4700 job losses in addition to the 10,300 already announced redundancies that will take place over the period 2002 to 2005.

### ....*Syngenta continues cost-cutting*

Syngenta plans a further \$100 M of cost savings through further reductions in research collaborations, the closure of several field stations and reduced R&D spending from its current level of 11% of sales, now believed to be unsustainable. As a consequence of these decisions, Syngenta has withdrawn from its collaboration with the John Innes Centre and Sainsbury Laboratory at Norwich, UK. It has already reduced its business in Argentina by 30% because of difficult economic conditions.

### ....*BASF realigns its research*

BASF is realigning its global crop protection R&D activities. Active ingredient research will be intensified in insecticides and fungicides, where there is substantial market potential for innovative products. Herbicide research is being adjusted to reflect a declining market with fewer opportunities. Capacities are being reduced in development and formulation of products. The promising area of seed treatment is being added to the research program, following its acquisition of several products from Bayer CropScience.

Within the next 3 years, positions in the area of crop protection R&D at BASF will be reduced worldwide by more than 20% to about 1130. Research activities in Princeton, NJ, Greenville, MS, and Ebina, Japan, have already been closed this year. By 2003, BASF will also sell its operations at Gosport, UK, and Nelspruit, South Africa. Capacities of the remaining R&D sites will be adjusted in accordance with the new strategy. Around 100 jobs will be eliminated over the next 3 years in the Ludwigshafen and Limburgerhof R&D units.

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