

## **GENE GIANTS SEEK “PHILANTHROGOPOLY”**

A report released today by ETC Group warns that 6 multinational Gene Giants control the current priorities and future direction of agriculture research worldwide. Syngenta, Bayer, BASF,<sup>1</sup> Dow, Monsanto and DuPont control 59.8 % of commercial seeds and 76.1 % of agrochemicals. The same 6 companies account for at least 76 % of all private sector R&D in these two sectors.

Amid unprecedented corporate concentration, ETC Group’s report provides a critical look at new initiatives launched by the Gene Giants – including the false promise of cheap, post-patent GE seeds – aiming to appease antitrust regulators and pass off oligopolistic practices as acts of charity. Meanwhile, the world’s two richest men – Bill Gates and Mexico’s Carlos Slim – are teaming up with CIMMYT (the international public maize and wheat breeding center based in Mexico) to get bargain GE seeds and traits in the hands of farmers in the global South.

“The notion that farmers in the South will benefit from post-patent GE seeds is patently absurd,” said Silvia Ribeiro, ETC’s Latin America Director. “Under the guise of charity, the Gene Giants are devising new schemes to soften opposition to transgenics and reach new markets. In reality, the Gene Giants don’t have the capacity or the interest to supply the diversity needed in sustainable farming systems or to meet the urgent need for locally adapted varieties, especially in the face of climate change,” said Ribeiro.

In the face of soon-to-expire patents on a handful of biotech traits, the big-hearted Gene Giants claim they are making it possible to gain access to generic biotech traits through a legally-binding “accord.” The deal, which was originally drafted by Monsanto, encompasses two agreements<sup>2</sup> that lay out the rules for access to generic biotech traits at patent expiration. According to ETC Group, the contracts will ultimately control the terms of access to expired traits and reinforce market power among a handful of giant seed companies.

**Appeasing Antitrust Angst:** ETC Group reveals that the Gene Giants’ post-patent generic seed scheme – and, specifically, “facilitating access” to Monsanto’s soon-to-expire Roundup Ready soybean trait – is one of the primary reasons the US Department of Justice suddenly dropped its 3-year probe of Monsanto in November 2012, just weeks after the Gene Giants consulted with the antitrust regulators and launched the generic seed agreement.

In January 2013 Swiss-based Syngenta, the world’s top-ranking agrochemical giant and third largest seed firm, launched a separate initiative – a new online licensing platform to “share the benefits” of a select group of the company’s patented seeds and traits. The new intellectual property (IP) platform – dubbed “the iTunes of plant breeding and innovation sharing in agriculture” – pledges to make licenses on patented seeds and traits available for free to researchers in the global South. More than a clever and calculated public relations move, Syngenta’s “iTunes” gambit may be designed expressly to mollify anti-plant-patent fervor in Europe.

“Most countries in the South don’t recognize Syngenta’s patents on seeds and traits in the first place, so the company’s offer to give free licenses to researchers in the global South is a Trojan Horse – a move that encourages developing countries to adopt GE seeds and capitulate to the supremacy of patent laws, even when there is no legal obligation to do so,” explains Neth Daño of

ETC Group. “Syngenta is imposing the terms and conditions for technology transfer to the global South based on its self-appointed IP rules,” said Daño.

Antitrust regulators must not allow an oligopoly to control global agricultural inputs, says ETC Group. The world needs agricultural biodiversity to achieve the Right to Food and respond to the challenges of climate chaos. National governments and UN agencies must take urgent action.

**For more information:**

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<sup>1</sup> BASF is active in the seed sector and is a leader in agrochemical sales and pesticide research, but it does not rank among the top 6 in global seed sales.

<sup>2</sup> 1) The 38-page Generic Event Marketability and Access Agreement (GEMAA); and 2) the Data Use and Compensation Agreement (DUCA), which is not yet finalized.