

Mergers: Commission conditionally clears both FMC's acquisition of parts of DuPont's crop protection business and DuPont's acquisition of FMC's Health and Nutrition business

Today's decisions follow the Commission's clearance, subject to conditions, of the Dow/DuPont merger in [March 2017](#). DuPont committed to divest major parts of its global crop protection business, including its global research and development organisation, which FMC now acquires. As part of the deal to acquire these parts of DuPont's crop protection business, FMC is selling its Health and Nutrition business to DuPont.

FMC's acquisition of parts of DuPont's crop protection business

Clearance of this transaction is conditional on the divestment of FMC's sulfonylurea and florasulam businesses in the European Economic Area (EEA). Sulfonylureas and florasulam are herbicides used to control broadleaf weeds in cereal crops.

The Commission had concerns that the transaction, as originally notified, would have allowed FMC to unilaterally raise prices in a number of national markets in the EEA by eliminating a close competitor (DuPont). This would have been the case for products to control broadleaf weeds once crop seedlings have emerged (post-emergence control) in cereals. The commitments offered by FMC address these concerns.

FMC offered to divest its sulfonylurea and florasulam businesses in the EEA through exclusive licences to thifensulfuron-ethyl, tribenuron-ethyl, metsulfuron-ethyl and florasulam – including mixtures with other active ingredients – and the necessary personnel to run these businesses.

DuPont's acquisition of FMC's Health & Nutrition business

Clearance of this transaction is conditional upon the divestment of DuPont's global alginates business. Alginates are used as stabilising, thickening or gelling agents in food and pharmaceutical products.

The Commission had concerns that the transaction, as originally notified, would have strengthened FMC's dominant position on alginates for use as pharmaceutical excipients and would have significantly reduced competition for food applications by eliminating an important competitor (FMC) in the EEA market. The commitments offered by DuPont address these concerns.

DuPont offered to divest its global alginates business, including all tangible and intangible assets for the sourcing, development, manufacturing,

packaging or sale of alginates. This includes DuPont's manufacturing plant located in Landerneau (France), a licence to use DuPont's GRINSTED® Alginate brand for a certain period of time, as well as DuPont's pectin-alginates mixtures.

In view of the remedies proposed in each of these transactions, the Commission concluded that, as modified, the proposed transactions would not significantly impede effective competition in the EEA. Both decisions are conditional upon full compliance with the respective commitments.

Companies and products

DuPont is headquartered in the US. It is the ultimate parent company of the DuPont group, which researches, develops, produces, distributes, and sells a variety of chemical products, polymers, agro-chemicals, seeds, food ingredients, and other materials.

FMC is also headquartered in the US. It is a global specialty chemicals company with interests in agricultural, industrial and consumer markets.

Merger control rules and procedures

FMC's acquisition of parts of DuPont's crop protection business was notified to the Commission on 8 June 2017. DuPont's acquisition of FMC's Health & Nutrition business was notified to the Commission on 7 June 2017.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

More information on this case is available on the Commission's [competition](#) website, in the public [case register](#) under the cases numbers [M.8345](#) and [M.8440](#).