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Monsanto plans to divest Syngenta's seed business

REUTERS

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Monsanto Co, the world's largest seed company, said on Wednesday it plans to divest all of Syngenta Ag's seeds and traits businesses as well as some overlapping chemistry assets to get regulatory approval for a takeover of its Swiss rival.

Monsanto President Brett Begemann said in a statement that the US-based Monsanto sees an acquisition of Syngenta as a move toward "redefining the future of agriculture," and is confident it can address regulatory concerns about a combination of the two agrichemical and seed giants.

Syngenta already has reject-

ed a \$45-billion offer, but Monsanto continues to pursue a deal.

Syngenta officials reacted swiftly to Monsanto's comments, saying a sell-off of its seeds business would not be enough to allay regulators' concerns about the tie-up.

"The regulatory hurdles are more challenging than implied by the announcement," a Syngenta spokesman said in a statement.

Several industry sources say acquiring Syngenta is a "compelling need" for Monsanto, as the US seed company known best for its Roundup herbicide and biotech seeds faces mounting threats from both regulatory scrutiny and consumer opposition.