

IP Our Cornerstone; Innovation Can Help Farmers, says Bayer

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Leverkusen: Monsanto and Bayer will act separately until closing the merger deal which is expected by the end of 2017, Bayer India told ET. Bayer, the German chemicals giant, which will also inherit the legal issues of Monsanto India after sealing the merger, would like to work in a market where patents are respected, and would open clear communication channels with the government to address any issue.

On September 14, Bayer said it will acquire Monsanto for \$66 billion, following which offered to buy 26% in Monsanto India. Speaking to ET just before the signing the deal, top Bayer officials spoke about the importance of the Indian market and their plans for the country.

Dwelling on the debate in the Indian seed industry on sharing of IP and government's policy towards it, Marc Eeichardt, head of Agricultural Commercial Operations and member of the executive committee of the crop science division, said, "We make intellectual property our cornerstone to make sure that



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at least we can operate in a market where patents and intellectual property are respected. That's why we are investing more than 10% in research and development—that's more than Euro 1.1 billion. We need about 10 years to develop a product and want that money to come back so that we can continue with innovation, which can help the farmers."

On Monsanto's withdrawal of application for next gen Bt cotton seeds, he said, "If you have an issue with new technology, the best thing we can do is to open a clear communication channel with the governments and institutions."

In India, Bayer offers GM tech only in Bt cotton. In seeds business, its focus in India is in vegetable seeds, but it does not see markets accepting GMOs. However, Bayer has a strong presence in North America in GM soyabean, and is considering if it can adapt some varieties for India. Hyderabad is the centre of its rice business in Asia and Indonesia and Malaysia will be serviced out of India. "We are starting to build our business in hybrid mustard seeds," said Adrian Persy, head of R&D, Bayer.

(The reporter was in Leverkusen on the invitation of Bayer)

 ON GM FOOD

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ADRIAN PERSY
R&D, Bayer