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**United States Senate**

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

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June 14, 2016

**VIA ELECTRONIC TRANSMISSION**

Ms. Renata Hesse  
Principal Deputy Assistant Attorney General, Antitrust Division  
United States Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Ms. Hesse:

I write to express concerns with the proposed merger of Dow Chemical Co. and DuPont Co. and how it will impact competition in the agricultural biotechnology and seed industry. The proposed transaction, with a value estimated at \$130 billion, currently would result in the largest biotechnology and seed firm in the United States. I am concerned that this transaction will decrease competition in an agriculture sector that has already been subject to a number of waves of consolidation in recent years. I am concerned that the proposed transaction could raise barriers to entry in the market for smaller companies and potentially harm innovation. I also am concerned that the proposed transaction could adversely impact choice and price of products for farmers and consumers.

Dow Chemical has an estimated value of over \$70 billion, whereas DuPont has an estimated value of \$58 billion. According to a press statement released by the two companies, the parties intend to merge and then split into three independent, publicly traded companies focusing on agriculture, material science and specialty products.

I have heard concerns that the proposed merger will alter agricultural input markets for seeds and chemicals. I have heard concerns that the merger will vertically integrate traits, seed and chemicals, which will make it more difficult for smaller biotechnology companies, independent producers and independent crop input companies to compete. I also have heard concerns that the merger will

reduce cultivation, chemical and seed choices for farmers, as well as raise prices for them – which ultimately will impact consumers and the food system. Further, I have heard concerns that the proposed merger could curtail critical research and development initiatives which are a significant driver for innovation in the industry.

I urge the Antitrust Division to conduct a careful analysis of this proposed transaction to ensure that a competitive market in the agricultural biotechnology and seed industry is not impacted in an adverse way, considering the current backdrop of proposed mergers (ChemChina and Syngenta AG) and merger discussions (Monsanto Co. and Bayer AG).

Thank you for your attention to this matter. I look forward to hearing from you soon.

Sincerely,

  
Charles E. Grassley  
United States Senator