

## Glyphosate revolt rocks Germany Inc.

*Bayer's management board suffers massive vote of no confidence over glyphosate.*

By [Simon Marks](#), [Eddy Wax](#) and [Maxime Schlee](#)

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*Bayer might not have known what it was letting itself in for when it purchased Monsanto | Adam Berry/Getty Images*

You can't blame the Americans at Monsanto any more. Europe's most politically inflammatory chemical — the ubiquitous weedkiller glyphosate — is now well and truly a German problem.

Shareholders of the German chemical giant Bayer staged a full-blown revolt at a heated 13-hour meeting in Bonn on Friday, arguing that the management failed to see the company was inheriting a raft of nightmarish litigation associated with glyphosate when it bought [U.S. agrichemical giant Monsanto](#) for \$66 billion last year.

The investors are furious that a blue-riband European company is now potentially exposed to billions of dollars of claims over the glyphosate-based

weedkiller Roundup, created by Monsanto. Two U.S. court verdicts over the past year found that the world's most popular herbicide caused cancer, hauling shares in Bayer down about 40 percent since August. Bayer has appealed those decisions but is now facing an avalanche of some 13,400 claims.

Ultimately only 44.48 percent of shareholders on Friday backed the management board headed by Chief Executive Werner Baumann. While the vote has no binding power, this is a huge reversal from the 97 percent support the board won last year. Support of only 61 percent from shareholders was enough to dislodge joint chief executives at Deutsche Bank in 2015.

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"It is about time Bayer came to grips with the fact that they purchased Monsanto's misconduct and, now, need to do right by the victims. It's time to resolve these lawsuits and give Bayer shareholders confidence again in corporate leadership," said Brent Wisner, an attorney at Baum, Hedlund, Aristei & Goldman, which is representing plaintiffs in the lawsuits against Monsanto.

"I don't understand how the company did not understand what was going to happen" — *Eric Andrieu, French Socialist MEP*

Glyphosate is one of the most hotly debated political topics across Europe. Farmers insist it is vital to preserve yields of everything from carrots to potatoes, while environmentalists argue that it is a potential carcinogen and damages soil.

The European Commission has appointed the food safety authorities in France, Hungary, the Netherlands and Sweden to re-evaluate its safety and EU countries will vote on whether to reapprove the substance by the end of 2021. In the meantime, countries such as Germany are weighing up the best way to reduce usage. This is, however, contentious and the German agricultural and environment ministries have been at loggerheads over how fast to slash pesticide usage.

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"We want an EU-wide ban after the current five-year EU admission has ended. Until then, it should only be used [under certain conditions](#) in order to avoid intolerable impacts on biodiversity," said Nikolai Fichtner, a spokesperson for the German environment ministry. The agriculture ministry said that it is working closely with the environment ministry to work out a reduction plan "in the near future."

## Sound science

Bayer's management argues that the furor is unscientific and that glyphosate poses no danger. Chief Executive Baumann sought to forestall the shareholder revolt in Bonn on Friday morning by saying: "We were convinced at the time — and we are today — that glyphosate is a safe product when used as directed. That view is based on science and on the practical experience of farmers over a period of more than 40 years."



*Bayer Chief Executive Werner Baumann at the meeting in Bonn | Maja Hitij/Getty Images*

"The plaintiffs' attorneys in the United States wrongly claim that glyphosate-based products are carcinogenic and that Monsanto knowingly exposed its customers to this risk ... These really are quite incredible accusations," he added.

Chairman Werner Wenning reiterated that stance [in a statement](#) Saturday, in which Bayer's supervisory board threw its support behind Baumann and his team.

Eric Andrieu, a French Socialist lawmaker in the European Parliament, who also heads the institution's committee on pesticides, said it is hard to understand the company's position. "The fact that Bayer absorbed Monsanto while there were so many litigations ongoing in America, I don't understand how the company did not understand what was going to happen," he said. "I absolutely understand the concern among Bayer's shareholders."

[Net profit](#) at Bayer during the first quarter of 2019 fell by 36.5 percent to €1.2 billion compared to the same quarter in 2018 owing to costs linked to the Monsanto acquisition, the company announced on Thursday.

## Onto the barricades

People attending the shareholder meeting said the discussions centered on widespread concern linked to the company's decision to merge with Monsanto.

A representative for Deutsche Schutzvereinigung für Wertpapierbesitz, a leading association for private investors, told Friday's meeting that the litigation in the U.S. represents corporate risk amounting to €100

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billion and questioned whether sufficient due diligence was done when acquiring Monsanto.

“We as investors see Bayer as being confronted with claims for damages and a massive reputational damage, which is reflected in stock prices ... The risks for us as shareholders are already enormous and incalculable,” the representative told the annual meeting, according to a voice recording obtained by POLITICO.

“The acquisition of Monsanto and the wave of lawsuits related to it heavily burden the company. Here the question arises whether due diligence was really in every respect extensively [carried out],” the person added.

“Why is Bayer giving itself the bee-killer image?” —  
*Christopher Koch, beekeeper*

A Bayer employee in the audience countered the concerns saying: “I think that the entire absurdity of the process and this lawsuit industry in the U.S. receives too little attention. To question the entire deal on this basis seems quite unfair to me.”

The annual meeting was also addressed by Christoph Koch, a beekeeper, who accused shareholders of contributing to a decline in bee life across Europe due to the use of pesticides. “By now we’re talking about insect deaths of a gigantic scale. You, ladies and gentlemen, have a certain stake in this.”

“Why is Bayer giving itself the bee-killer image?”

*This article has been updated with Bayer’s statement following the vote.*