

**STATES DISTRICT COURT  
DISTRICT OF MINNESOTA**

JSB FARMS, LLC, individually and on  
behalf of all others similarly situated,

Plaintiff,

vs.

BAYER CROPSCIENCE LP, BAYER  
CROPSCIENCE, INC., CORTEVA, INC.,  
PIONEER HI-BRED INTERNATIONAL,  
INC., CARGILL INCORPORATED, BASF  
CORPORATION, SYNGENTA  
CORPORATION, WINFIELD  
SOLUTIONS, LLC, UNIVAR SOLUTIONS,  
INC., FEDERATED CO- OPERATIVES  
LTD., CHS INC., NUTRIEN AG  
SOLUTIONS INC., GROWMARK INC.,  
GROWMARK FS, LLC, SIMPLOT AB  
RETAIL SUB, INC., AND TENKOZ, INC.,

Defendants.

Case No.

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

Plaintiff JSB Farms, LLC by and through its undersigned counsel, brings this Complaint on behalf of itself and all others similarly situated against Defendants Bayer CropScience LP, Bayer CropScience, Inc., Corteva, Inc., Pioneer Hi-Bred International, Inc., Cargill Incorporated, BASF Corporation, Syngenta Corporation, Winfield Solutions, LLC, Univar Solutions, Inc., Federated Co- Operatives Ltd., CHS Inc., Nutrien Ag Solutions Inc., Growmark Inc., Growmark FS, LLC, Simplot AB Retail Sub, Inc., and Tenkoz, Inc. (together, "Defendants") for violation of federal antitrust laws, state antitrust laws, state unfair competition laws, consumer protection laws, and unjust enrichment laws.

## I. INTRODUCTION

1. This case is about the future of the farming industry in America. Over the last few years, the cost of Crop Inputs – seeds and crop protection chemicals such as fungicides, herbicides, and insecticides – has increased at a significantly faster rate than profits from farmers’ crop yields. These cost increases are proving increasingly devastating to farmers, who are now the least profitable level of the American food supply chain and are drowning in hundreds of billions of dollars of operating debt that is forcing them into bankruptcy at a record pace, creating a crisis in the agriculture community.

2. Plaintiff’s action focuses on an unlawful agreement between the above-identified Defendants to artificially increase and fix the price of Crop Inputs, ranging from seeds to crop protection chemicals such as pesticides (e.g., herbicides, fungicides and insecticides) used by farmers.

3. Defendants are manufacturers, wholesalers, and retailers of Crop Inputs.

4. Defendants BASF Corporation, Bayer CropScience, Inc., Corteva, Inc., Pioneer Hi-Bred International, Inc., and Syngenta Corporation (the “Manufacturer Defendants”) are manufacturers of Crop Inputs.

5. Defendants Cargill Incorporated, Univar Solutions, Inc., and Winfield Solutions, LLC (the “Wholesaler Defendants”) are wholesalers of Crop Inputs.

6. Defendants CHS Inc., Federated Co-Operatives Ltd, Growmark Inc., Nutrien Ag Solutions Inc., Simplot AB Retail Sub. Inc., and Tenkoz Inc. (the “Retailer Defendants”) are retailers for Crop Inputs.

7. Over the past three decades, a series of mergers and acquisitions created the “Big Four” of the crop inputs industry: BASF, Bayer, Corteva and Syngenta—the named Manufacturer

Defendants in this action. Together these companies dominate the seed and crop protection chemicals input markets. For example, in 2014-2015, these firms together controlled over 82% and 76% of corn and soybean seed sales. Upon information and belief, Defendants' share of these markets has increased since then.

8. The Manufacturer Defendants seek to channel purchases of their Crop Inputs through either their own digital platforms or through traditional agricultural wholesale and retailers, namely, the Wholesale and Retail Defendants, so that they can artificially increase the prices of Crop Inputs.

9. The Manufacturer Defendants maintain a competitive advantage over the Wholesale and Retail Defendants who are economically dependent upon large rebates from the Manufacturer Defendants tied to sales goals. As a result, pushing the Manufacturer Defendants' products is engrained into the traditional agricultural wholesale and retail business model, from which all three defendant groups profit well.

10. As the number of manufacturers shrank to the Big Four, as well as a limited number of wholesalers and retailers, a lack of competition has left farmers with less affordable Crop Inputs.

11. Leading to this growing-untenable situation for farmers, Defendants established a secretive distribution process that keeps Crop Inputs prices inflated at supracompetitive levels. In furtherance of their conspiracy, Defendants also denied farmers access to relevant market information, including transparent pricing terms, that would allow comparison shopping and better-informed purchasing decisions, as well as information about seed relabeling practices that would enable farmers to know if they are buying newly developed seeds or identical seeds repackaged under a new brand name and sold for a higher price.

12. Beginning at least as early as 2014, new online Crop Inputs sales platforms offered

pricing comparison tools to allow farmers to view what other farmers were paying for the same Crop Inputs, increasing price transparency. These online sales platforms, including Farmers Business Network (“FBN”) and AgVend Inc., were successful and in high demand with farmers.

13. Viewing this success and the ability of such online sales platforms to impact the market position and price control of the traditional agricultural wholesale and retail distribution, Defendants conspired and coordinated to boycott these online Crop Inputs sales platforms. For example, the Manufacturer Defendants and Wholesaler Defendants agreed amongst themselves not to sell Crop Inputs to FBN and enforced strict discipline on Retailer Defendants who failed to comply with the boycott. Defendants Syngenta, Bayer, BASF, and Corteva used audits and inspections of their authorized retailers to ensure that online Crop Inputs sales platforms were unable to obtain Crop Inputs from their authorized retailers.

14. Defendants’ boycott succeeded. As a result of Defendants’ anticompetitive conduct, online Crop Inputs sales platforms, such as FBN and AgVend, were unable to purchase Defendants’ Crop Inputs to sell them on their platforms. Because Defendants are the dominant manufacturers and sellers of Crop Inputs, this was a devastating blow to these sales platforms and directly harmed farmers in taking away a lower cost option for purchasing these Crop Inputs.

15. Given the structure of the Crop Inputs industry with the necessary relationships between manufacturers, wholesalers, and retailers, an effective boycott of electronic platforms would not have been feasible absent actual coordination and cooperation among Defendants. Absent an agreement among themselves, Defendants’ actions were against their independent economic self-interests.

16. As a direct and proximate result of Defendants’ anticompetitive conduct, Defendants’ have maintained supracompetitive prices for Crop Inputs by denying farmers access

to accurate pricing information and have injured farmers by forcing farmers to accept opaque price increases that drastically outweigh any increase in crop yields or market prices.

17. Defendants' anticompetitive conduct is the subject of ongoing investigations by both the Canadian Competition Bureau ("CCB") and the United States Federal Trade Commission ("FTC").

18. A Canadian federal court has found that there is sufficient evidence to require Defendants to also produce records concerning their coordinated anticompetitive conduct in the United States. Further, as reported by various news agencies, CCB officials have documents that suggest a coordinated effort among the corporations to block FBN.

19. In regard to the FTC investigation, at least one defendant, Corteva, has received a subpoena directing it to submit documents to the FTC that are related to Crop Inputs "in order to determine whether Corteva engaged in unfair methods of competition through anticompetitive conduct."

## II. PARTIES

### **Plaintiff**

20. Plaintiff JSB Farms, LLC is a Minnesota corporation and had its principal place of business in Minnesota at all relevant times. During the Class Period and while operating in Minnesota, Plaintiff purchased one or more Crop Inputs, for its own use for its farming operation and not for resale, that was manufactured or sold by one or more Defendants. Plaintiff suffered injury as a result of Defendants' conduct alleged herein.

### **Manufacturer Defendants**

21. Bayer AG is a multinational pharmaceutical, chemical, and agriculture company. It organizes itself into four divisions, each with its own management and corporate organization.

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