

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,
U.S. Department of Justice
Antitrust Division
450 Fifth Street NW, Suite 8700
Washington, DC 20530,

STATE OF IOWA,
1305 East Walnut Street
Des Moines, IA 50319,

STATE OF MISSISSIPPI,
550 High Street
Jackson, MS 39201,

STATE OF MONTANA,
555 Fuller Ave
Helena, MT 59601,

Plaintiffs,

v.

THE DOW CHEMICAL COMPANY
2030 Dow Center
Midland, MI 48674

and

E.I. DU PONT DE NEMOURS AND
COMPANY
974 Centre Road
Wilmington, DE 19805,

Defendants.

COMPLAINT

The United States of America, acting under the direction of the Attorney General of the United States, the State of Iowa, the State of Mississippi, and the State of Montana (collectively,

“Plaintiff States”), acting by and through their respective Offices of the Attorney General, bring this civil action to enjoin the proposed merger of The Dow Chemical Company (“Dow Chemical”) and E.I. du Pont de Nemours and Company (“DuPont”).

I. INTRODUCTION

1. In December 2015, Dow Chemical and DuPont announced that they had agreed to a merger of equals in a transaction with an estimated value exceeding \$130 billion. Both Dow Chemical and DuPont are among the largest chemical companies in the world.

2. Dow Chemical and DuPont each make a wide variety of innovative crop protection chemicals used by farmers across the United States. Each company also manufactures a number of petrochemicals, including high-pressure ethylene derivatives that are crucial inputs to a number of important products and industries.

3. The agricultural sector is a large and vital part of the American economy. American farmers grow crops to feed consumers in the United States and abroad, to sustain livestock, and to produce alternative energy to power homes, vehicles, and industries. Every year, American farmers plant tens of millions of acres of corn, soybeans, wheat, and specialty crops, such as fruits, nuts, and vegetables. To meet the needs of a growing population, American farmers rely on a variety of effective crop protection chemical products, including herbicides and insecticides, which protect crops from weeds and insects that damage crops and reduce yield.

4. Dow Chemical and DuPont are two of only a handful of chemical companies that manufacture certain types of crop protection chemicals. Vigorous competition between Dow Chemical’s and DuPont’s crop protection chemicals has benefitted farmers through lower prices, more effective solutions to certain pest and weed problems, and superior service. In

particular, Dow Chemical and DuPont compete in the U.S. sales of broadleaf herbicides for winter wheat and insecticides for chewing pests. That competition would be lost if the merger is consummated. Accordingly, the proposed acquisition likely would substantially lessen competition in the markets for certain crop protection chemicals in the United States in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18.

5. Dow Chemical and DuPont also compete in the manufacture and sale of two types of high-pressure ethylene derivative products called acid copolymers and ionomers, which are used in the production of flexible food packaging and other industrial applications. The combination of Dow Chemical and DuPont would result in a merger to monopoly in the production of acid copolymers and ionomers in the United States. Accordingly, the proposed transaction likely would substantially lessen competition in the markets for acid copolymers and ionomers in the United States in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18.

II. DEFENDANTS AND THE TRANSACTION

6. Dow Chemical, founded in 1897, is headquartered in Midland, Michigan, operates in approximately 180 countries, and employs over 50,000 people worldwide. In 2016, Dow Chemical had revenues of approximately \$48 billion. Dow Chemical's primary lines of business are chemical, plastic, and agricultural products and services. Dow Chemical's products are used in various industries, ranging from agriculture to consumer goods.

7. DuPont, founded in 1802, is headquartered in Wilmington, Delaware, operates in approximately 90 countries, and employs more than 60,000 people worldwide. In 2016, DuPont reported revenues of \$24.5 billion. DuPont's primary products include crop protection chemicals and performance products, such as plastics and polymers.

8. Pursuant to a December 11, 2015 agreement, Dow Chemical and DuPont have

agreed to an all-stock merger of equals. At the time of the merger announcement, the combined market capitalization of the companies was \$130 billion. The merger plan contemplates spinning off the firms' combined assets into three separate, publicly-traded companies as soon as feasible. One of those companies would focus on agriculture products (with approximately \$18 billion in revenue), another on material sciences (approximately \$51 billion in revenue), and a third on "specialty" products, such as organic light-emitting diodes and building wrap (approximately \$13 billion in revenue).

III. JURISDICTION AND VENUE

9. The United States brings this action under Section 15 of the Clayton Act, 15 U.S.C. § 25, to prevent and restrain defendants from violating Section 7 of the Clayton Act, 15 U.S.C. § 18.

10. The Plaintiff States bring this action under Section 16 of the Clayton Act, 15 U.S.C. § 26, to prevent and restrain the defendants from violating Section 7 of the Clayton Act, 15 U.S.C. § 18. The Plaintiff States, by and through their respective Attorneys General, bring this action as *parens patriae* on behalf of and to protect the health and welfare of their citizens and the general economy of each of their states.

11. Defendants Dow Chemical and DuPont sell crop protection chemicals, including herbicides and insecticides, and acid copolymers and ionomers throughout the United States. They are engaged in the regular, continuous, and substantial flow of interstate commerce, and their sales of crop protection chemicals and acid copolymers and ionomers have had a substantial effect on interstate commerce. This Court has subject matter jurisdiction over this action under Section 15 of the Clayton Act, 15 U.S.C. § 25, and 28 U.S.C. §§ 1331, 1337(a), and 1345.

12. Defendants have consented to venue and personal jurisdiction in this judicial district. Venue is therefore proper in this district under Section 12 of the Clayton Act, 15 U.S.C. § 22, and 28 U.S.C. § 1391(c).

IV. CROP PROTECTION CHEMICALS

A. Background

13. Crop protection chemicals are used to protect crops from damage or loss from other biological organisms such as weeds, insects, or disease (e.g., fungus). Crop protection chemicals are critical to protecting crop yield — the total amount of a crop produced at each harvest — which benefits farmers and American consumers.

14. Crop protection chemicals can be separated into three broad categories that have different qualities and attributes: herbicides (to combat weeds); insecticides (to combat insect pests); and fungicides (to combat microbial disease).

15. The key component of any particular crop protection chemical is the “active ingredient,” which is the chemical molecule that produces the desired effect against the targeted weed or insect pest. Crop protection chemicals are typically sold as “formulated products” that contain the active ingredient and also inactive ingredients such as solvents, fillers, and adjuvants used to stabilize the active ingredient and facilitate its effective use on the intended crops.

16. Both active ingredients and formulated products must be registered with the U.S. Environmental Protection Agency (“EPA”) and approved for use. In order to gain approval, products must meet stringent toxicity and efficacy standards. Approvals are granted on a crop-by-crop basis and contain strict dosage requirements. A farmer wishing to control a certain pest on his or her farm can use only the products and dose-rates that the EPA has

approved for the particular crops to which the product will be applied.

17. The crop protection industry includes a handful of large integrated research and development firms (including Dow Chemical and DuPont) that develop, manufacture, and sell crop protection chemicals. While the large research and development firms sometimes sell directly to farmers, their primary customers are large distributors and farmer co-ops that resell products to farmers.

1. Broadleaf Herbicides for Winter Wheat

18. Both Dow Chemical and DuPont produce herbicides for winter wheat. Winter wheat is a type of grass that is planted in autumn and produces an edible grain. In the United States, winter wheat is grown primarily in the Great Plains states, including Kansas, Nebraska, and Texas.

19. Herbicides are chemicals used to combat weeds that harm crops. They can be selective (killing only certain types of plants) or non-selective. Non-selective herbicides kill all plant matter, including weeds and the crop. Because of this, non-selective herbicides are typically used after the crop is harvested, to clear the field of remaining weeds. Selective herbicides target only weeds, and are applied “post-emergence,” or during the growth of the crop.

20. There are three common types of selective herbicide products: broadleaf, grass, and cross-spectrum. Broadleaf herbicides primarily eliminate or suppress broadleaf weeds. Grass herbicides primarily eliminate or suppress grass weeds. Cross-spectrum herbicides are effective on both grass and broadleaf weeds. Each herbicide formulation has a different spectrum of weeds on which it is effective, so a farmer chooses an herbicide based on the particular kinds of weeds threatening the crop.

21. Herbicides are registered with the EPA for use on particular crops. Because crop choices and weed threats vary from farm to farm, the options available to farmers may vary from location to location, depending on the specific crop/weed combinations a farmer faces.

22. Dow Chemical and DuPont both offer herbicides that are labeled and registered for the control of broadleaf weeds in winter wheat crops. DuPont's Finesse product is the top broadleaf herbicide used to combat the weed spectrum that typically threatens winter wheat crops. Dow Chemical recently introduced a new broadleaf herbicide for winter wheat, called Quelex.

2. Insecticides for Chewing Pests

23. Dow Chemical and DuPont also sell insecticides for chewing pests. Insecticides are used to suppress or eliminate insect infestations in crops. There are three main classes of insect pests: (1) chewing insects (e.g., moth larvae and beetles); (2) sucking insects (e.g., aphids and stink bugs); and (3) thrips (i.e., thrips), which have attributes of both chewing and sucking pests.

24. Insecticide use is particularly important for specialty crop farmers of tree fruit, tree nuts, and other fruits and vegetables ("specialty crops"). Any damage to specialty crops, no matter how slight, can result in the fruit or nut being rejected for sale. Thus, specialty crop farmers are particularly averse to the risk of insect damage when choosing an insecticide. Specialty crop farmers also value selective chemistry insecticides because they are less harmful to beneficial insects (such as bees and parasitic wasps) that not only pollinate fruit, but also help to control damaging insects, such as mites. In contrast, broad spectrum chemistries, such as pyrethroids, kill most of the insects in a field, including beneficial ones.

Farmers therefore either minimize their use and/or use them towards the end of a growing season.

25. DuPont produces the active ingredient chlorantraniliprole, which DuPont markets under the trade name, Rynaxypyr. Rynaxypyr is one of the best selling and most effective active ingredients used to combat chewing pests on the market. Rynaxypyr is patent-protected until 2022. In the United States, Rynaxypyr is marketed and sold in formulations under the brand names Altacor, Coragen, and Prevathon. DuPont's 2015 U.S. insecticides sales totaled \$118 million; of that total, Rynaxypyr sales accounted for \$73 million.

26. Dow Chemical manufactures and sells two active ingredients which are also effective against chewing pests: (1) methoxyfenozide, sold under the brand name Intrepid, and (2) spinetoram, sold under the brand names Delegate and Radiant. In 2015, Dow Chemical had a total of \$165 million in U.S. insecticides sales. Of that total, spinetoram sales accounted for \$57 million and methoxyfenozide sales accounted for \$34 million.

B. Relevant Markets

1. Broadleaf Herbicides for Winter Wheat Sold in the United States

27. To combat broadleaf weeds in winter wheat, particularly in the central plains of the United States, farmers need broadleaf herbicides that are labeled and registered for use on winter wheat. Farmers of winter wheat cannot use grass herbicides to combat broadleaf weeds because they are ineffective. Farmers would not use cross-spectrum herbicides to combat broadleaf weeds, as cross-spectrum herbicides are significantly more expensive and, thus, it would not be cost-justified to use cross-spectrum herbicides for broadleaf weeds alone. Farmers would not forgo using broadleaf herbicides altogether, because doing so would risk significant wheat yield losses.

28. All herbicides sold in the United States must be registered and approved by the EPA. Similar products available in other countries cannot be offered to United States customers due to EPA regulations, so they are not competitive constraints.

29. A small but significant increase in the price of broadleaf herbicides sold in the United States labeled and registered for use on winter wheat would not cause customers of those herbicides to substitute to grass or cross-spectrum herbicides, nor would farmers forgo using herbicides altogether and risk weed damage to their crops. As a result, customers are unlikely to switch away from broadleaf herbicides sold in the United States in volumes sufficient to defeat such a price increase. Accordingly, the development, manufacture, and sale of broadleaf herbicides sold in the United States labeled and registered for use on winter wheat is a line of commerce and relevant market within the meaning of Section 7 of the Clayton Act.

2. Insecticides for Chewing Pests Sold in the United States

30. Insecticides for chewing pests are targeted to combat a particular type of pest, and insecticides for other types of pests cannot, in general, be used as substitutes. While there are broad-spectrum insecticides which are effective on more than one type of pest, those insecticides tend to kill indiscriminately, including beneficial insects. Specialty crop farmers in California, Washington and elsewhere need beneficial insects such as bees to pollinate their crops. These farmers would not, however, choose to forgo managing the insect pests which attack their crops, because even slight damage can result in an entire harvest being rejected for sale.

31. All insecticides sold in the United States must be registered and approved by the EPA. Similar products available in other countries cannot be offered to United States

customers due to EPA regulations, so they are not competitive constraints.

32. A small but significant increase in the price of chewing pest insecticides sold in the United States would not cause customers of those insecticides to substitute to broad-spectrum insecticides, nor would farmers forgo using insecticides altogether and risk severe pest damage to their whole crop, in volumes sufficient to defeat such a price increase.

Accordingly, the development, manufacture, and sale of chewing pest insecticides sold in the United States is a line of commerce and relevant market within the meaning of Section 7 of the Clayton Act.

C. Anticompetitive Effects of the Proposed Acquisition

1. Broadleaf Herbicides for Winter Wheat

33. Dow Chemical and DuPont are two of the four largest suppliers of broadleaf herbicides for winter wheat crops in the United States. Together they account for over forty percent of the total market, with combined annual sales of \$81 million in 2015. Dow Chemical and DuPont compete head-to-head for the development, manufacture, and sale of broadleaf herbicides for winter wheat. That competition, which would be lost if the merger is consummated, has benefited farmers through lower prices, more effective solutions, and superior service.

34. Competition between Dow Chemical and DuPont has also spurred research, development, and marketing of new and improved broadleaf herbicides for winter wheat. For example, Dow Chemical intends to market its Quelex herbicide, which was recently introduced into the market, to farmers of winter wheat that currently use DuPont's market-leading Finesse product. DuPont considered adopting competitive responses, including price reductions, to protect its market share from Dow Chemical's Quelex herbicide.

35. The proposed merger, therefore, likely would substantially lessen competition for the development, manufacture, and sale of broadleaf herbicides for winter wheat, in violation of Section 7 of the Clayton Act. This likely would lead to higher prices, less favorable contractual terms, and a reduced incentive to spend significant resources in developing new products.

2. Insecticides for Chewing Pests

36. Dow Chemical and DuPont are the two largest suppliers of insecticides used on chewing pests in the United States. Together they account for \$238 million in annual sales. The merger of Dow Chemical and DuPont likely would substantially lessen competition in the market for the development, manufacture, and sale of chewing pest insecticides.

37. If the merger between Dow Chemical and DuPont is consummated, the combined company will control nearly seventy-five percent of the market for chewing pest insecticides in the United States. Additionally, Dow Chemical and DuPont's closest competitor sells competing products that are mixed with DuPont's Rynaxypyr, for which the competitor has a license. As a result, specialty crop farmers would have little alternative but to accept increased prices post merger.

38. Competition between Dow Chemical and DuPont has benefited customers of chewing pest insecticides through lower prices, more effective solutions, and superior service. Customers also have benefited from the competition between Dow Chemical and DuPont by obtaining more favorable contract terms, such as financing and priority in product shipments to coincide with crop growing seasons. A combined Dow Chemical and DuPont would have the incentive and ability to eliminate or restrict financial and other incentives to customers, extinguishing this competition and those tangible and valuable benefits to customers.

39. The proposed merger, therefore, likely would substantially lessen competition for the development, manufacture, and sale of chewing pest insecticides, in violation of Section 7 of the Clayton Act. This likely would lead to higher prices, less favorable contractual terms, and less innovation.

D. Difficulty of Entry

40. The discovery, development, testing, registration, and commercial launch of a new herbicide or insecticide can take ten to fifteen years and can cost well over \$150 million dollars. Given the lengthy development cycle, the high hurdles and substantial cost of regulatory approval, entry of additional competitors in the market for either broadleaf herbicides for winter wheat or chewing pest insecticides is not likely to be timely or sufficient to defeat a post-merger price increase.

V. ACID COPOLYMERS AND IONOMERS

41. High-pressure ethylene derivatives (“HiPEDs”) are plastic resins produced by “cracking,” or breaking down, petrochemicals into their constituent parts and combining them with various molecules to produce polymer resins. The resulting resins, such as low density polyethylene, ethylene vinyl acetate, acrylate copolymers, grafted polyolefins, acid copolymers, and ionomers, have different performance characteristics, such as hardness, corrosion resistance or scratch resistance, depending on the materials used in their construction.

42. HiPED resins are mixed with other plastic resins to manufacture numerous plastic products, such as films, bottles, coatings, and packaging. Customers source particular HiPED resins that meet their specific needs and requirements and build their manufacturing process around specific resin combinations that give the final product the desired performance

characteristics.

43. Unlike most HiPED resins, where there is substitution possible for both the supply and demand of the products, neither customers nor manufacturers can easily switch between acid copolymers and ionomers (two specific types of HiPED resins) and other HiPED resins.

A. Acid Copolymers

44. Acid copolymers are a specific type of HiPED resin manufactured using highly acidic input products. In order to handle inputs with high acid content, HiPED resin manufacturers must install specific corrosion-resistant equipment that is not used for the manufacture of other HiPED resins. Such equipment can cost millions of dollars.

45. Acidic inputs make acid copolymers both highly adhesive and very durable. As a result, acid copolymers are used to create strong seals between substrates, or “tie layers,” of flexible packaging. Their increased adhesive ability is particularly necessary in applications where packaging will be exposed to challenging environments, such as high levels of grease, oil, acid, or dust.

46. Because of these characteristics, packaging films made using acid copolymers are ideal for use in the food and beverage industry. Indeed, this industry consumes the vast majority of acid copolymers produced, for use in products such as juice boxes, toothpaste tubes, and meat and cheese wrap, among others. Unlike other plastic films, food and beverage packaging must adhere to strict food safety guidelines, and significant deviations from approved formulas must undergo a rigorous requalification process that can take significant time and expense.

47. Both Dow Chemical and DuPont manufacture acid copolymers in the United

States. Dow Chemical manufactures acid copolymers in a dedicated corrosion-resistant facility that is part of its larger chemical complex in Freeport, Texas. DuPont manufactures acid copolymers and other HiPED resins on corrosion-resistant manufacturing lines within facilities located in Sabine, Texas and Victoria, Texas.

B. Ionomers

48. Ionomers are another specific type of HiPED resin. They are directly derived from acid copolymers and are produced by neutralizing acid copolymers with sodium, zinc, magnesium, or other salts. As a result of this process, ionomers are hard and durable. When added to a plastic coating, ionomers make the resulting product more impact- and cut-resistant.

49. Ionomers are used in a multitude of applications, such as decking and automotive parts. Ionomers are preferred for these end uses because their superior toughness and impact resistance protect the underlying product from the repeated blows it is subjected to.

50. Both Dow Chemical and DuPont produce ionomers in the United States. DuPont manufactures ionomers in-line with its acid copolymer production in Sabine, Texas. Dow Chemical manufactures acid copolymers in its Freeport, Texas facility and then ships them to Odessa, Texas, where a third party converts them to ionomers.

C. Relevant Markets

1. Acid Copolymers

51. Food and beverage packaging manufacturers purchase the majority of acid copolymers produced in the United States. These customers rely upon the superior sealant and adhesive characteristics acid copolymers provide as compared to other HiPED resins.

Additionally, because food and beverage packaging must adhere to strict food safety guidelines, significant deviations from approved formulas must undergo a rigorous qualification process that can take significant time and incur additional costs. Most customers therefore would not switch to another product if faced with a significant and non-transitory increase in the price of acid copolymers.

52. Customers have consistently reported that purchasing acid copolymers abroad is not a realistic option for domestic purchasers, due to taxes, tariffs, logistical costs, and the longer lead times associated with importing acid copolymers. Most customers report that it would take considerably more than a small, significant, and non-transitory increase in price to make European suppliers a viable alternative to Dow Chemical and DuPont.

53. A small but significant increase in price for acid copolymers sold in the United States would not cause customers to turn to another product in sufficient numbers to defeat such a price increase. Thus, the development, manufacture, and sale of acid copolymers in the United States constitutes a relevant product market and line of commerce under Section 7 of the Clayton Act.

2. Ionomers

54. Customers purchase ionomers for the superior impact- and cut-resistance characteristics that are not available in other HiPED resins. These customers rely on the hardness and resilience that an ionomer-based coating provides as compared to other coatings. Customers cannot switch to other, less resilient, coatings and cannot forgo the use of protective coatings altogether, as either choice would significantly decrease the useful lifespan of the underlying products. Most customers therefore would not switch to another product if faced with a small but significant and non-transitory increase in the price of

ionomers.

55. U.S. customers cannot turn to ionomer suppliers abroad due to taxes, tariffs, logistical costs, and longer lead times associated with importing ionomers. Most customers report that it would take considerably more than a small, significant, and non-transitory increase in price to make European suppliers a viable alternative to Dow Chemical and DuPont.

56. A small but significant increase in price for ionomers sold in the United States would not cause customers to turn to another product in sufficient numbers to defeat such a price increase. Thus, the development, manufacture, and sale of ionomers in the United States constitutes a relevant product market and line of commerce under Section 7 of the Clayton Act.

D. Anticompetitive Effects of the Proposed Transaction

1. Acid Copolymers

57. Dow Chemical and DuPont are the only two manufacturers of acid copolymers in the United States. Dow Chemical controls over 80 percent of the U.S. market and DuPont is responsible for 19 percent of sales (less than one tenth of one percent of acid copolymers are imported). The merger of the only U.S. manufacturers of these products would leave customers with little alternative but to accept increased prices post merger.

58. As a result of head-to-head competition between Dow Chemical and DuPont, customers have obtained better pricing, service, and contract terms. In some cases, customers report that Dow Chemical and DuPont have competed to assist customers with the development of new uses for existing acid copolymer products, allowing customers to expand sales and better serve their own consumers. Customers also have benefited from the

development of new acid copolymer products, which has been spurred on by competition between Dow Chemical and DuPont.

59. The proposed merger would likely substantially lessen competition for the development, manufacture, and sale of acid copolymers in violation of Section 7 of the Clayton Act. The U.S. market for acid copolymers is highly concentrated and would become significantly more concentrated as a result of the proposed merger to monopoly: Dow Chemical and DuPont will control over 99 percent of the acid copolymers market in the United States post merger, leading to higher prices and reduced innovation.

2. Ionomers

60. Dow Chemical and DuPont are the only two manufacturers of ionomers in the United States, where the two companies collectively are responsible for all sales. Dow Chemical and DuPont are each other's only competitor for ionomers and customers would have no alternative but to accept increased prices post merger.

61. Customers have benefited from the competition between Dow Chemical and DuPont. Dow Chemical is the only company contesting DuPont's near-monopoly in ionomers. Its presence has resulted in better pricing and contract terms for customers, who otherwise would have no choice but to purchase from DuPont. Customers also have benefited from competition between Dow Chemical and DuPont to develop new products from ionomers and new uses for existing ionomer products.

62. The proposed merger would likely substantially lessen competition for the development, manufacture, and sale of ionomers in violation of Section 7 of the Clayton Act. The market for ionomers is highly concentrated and the proposed merger would result in a monopoly, leading to higher prices and reduced innovation.

E. Difficulty of Entry

1. Acid Copolymers

63. In addition to the specialized equipment required to produce ethylene derivatives generally, acid copolymer manufacturing requires a high-pressure autoclave and all equipment surfaces must be coated with a corrosion-resistant material. Only Dow Chemical and DuPont have both high-pressure autoclaves and corrosion-resistant equipment. The cost associated with upgrading an existing ethylene derivative manufacturing operation to produce acid copolymers is estimated to be in the millions of dollars. If the merged firm were to raise prices, timely and sufficient entry is unlikely to deter or counteract competitive harm.

2. Ionomers

64. The manufacturing of ionomers requires specialized know-how as well as ready and reliable access to acid copolymers, a key input into ionomer manufacturing. Post merger, Dow Chemical and DuPont will effectively control the entire U.S. market for acid copolymers. As such, even if a third party has the technical capability to manufacture ionomers, it would be limited by the amount of acid copolymers it could obtain on the open market — a market primarily controlled by the merged entity. Because of the specialized know-how and the likely foreclosure of access to a key ingredient, if the merged firm were to raise prices, timely and sufficient entry would be unlikely to deter or counteract competitive harm.

VI. VIOLATIONS ALLEGED

65. If allowed to proceed, Dow Chemical and DuPont's proposed merger would likely reduce or eliminate competition in the markets for broadleaf herbicides for winter wheat

and chewing pest insecticides, and tend to create a monopoly in the markets for acid copolymers and ionomers, in the United States in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18.

66. Among other things, the transaction would:
- (a) eliminate significant present and future head-to-head competition between Dow Chemical and DuPont in the markets for broadleaf herbicides for winter wheat, chewing pest insecticides, acid copolymers, and ionomers;
 - (b) likely raise prices for broadleaf herbicides for winter wheat, chewing pest insecticides, acid copolymers, and ionomers;
 - (c) likely eliminate innovation rivalry by two of the leading developers of new crop protection chemicals;
 - (d) consolidate the supply of acid copolymers and ionomers under the control of a single firm; and
 - (e) likely cause the number and quality of advances in acid copolymers and ionomers to decrease.

VII. REQUESTED RELIEF

67. Plaintiffs request that the Court:
- (a) adjudge and decree that the proposed merger between Dow Chemical and DuPont is unlawful and in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18;
 - (b) preliminarily and permanently enjoin and restrain defendants and all persons acting on their behalf from entering into any agreement,

understanding, or plan whereby Dow Chemical and DuPont would merge or combine;

- (c) award Plaintiffs the costs of this action; and
- (d) grant Plaintiffs such other and further relief as the Court may deem just and proper.

DATED: June 15, 2017

Respectfully submitted,

FOR PLAINTIFF UNITED STATES OF AMERICA:



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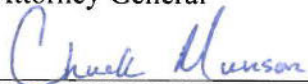
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A handwritten signature in black ink, appearing to read 'Crystal Utley Secoy', is written over a horizontal line. The signature is fluid and cursive.

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