

Bayer Settles Suit With Rice Farmers in Texas, Other States

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DALLAS - Bayer CropScience, LP, an affiliate of German-based Bayer AG, and attorneys representing thousands of U.S. long-grain rice farmers have agreed to a landmark \$750 million settlement stemming from the discovery of two strains of genetically modified rice in Missouri, Texas, Arkansas, Louisiana and Mississippi crops.

The settlement reached today is designed to preclude additional legal action against Bayer while offering eligible rice farmers, as well as their share-rent landlords, certain damage awards based upon acreage of damaged crops and other factors. Farmers who suffered losses due to Bayer's actions but have not taken action now have 90 days to enroll in the settlement.

Starting in 2006, the discovery of rice crops contaminated in several states led to a dramatic drop in U.S. rice prices, as the European Union stopped purchasing the American product. U.S. farmers suffered market losses due to the much lower demand for their rice, as well as damage to their land and equipment contaminated by the genetically modified rice called "Liberty Link Rice."

Most of the affected farmers who participate in the settlement will receive market loss damages of approximately \$310 per acre and some farmers (depending on the type of rice they grew in 2006) could receive an additional \$100 per acre for year their 2006 crop. Additional provisions for the potential recovery of other extraordinary losses are also included in the agreement.

"This settlement provides a significant recovery to farmers and landlords damaged by Bayer's conduct, and represents the culmination of over four and one-half years of hard fought litigation," said William Chaney of Gray Reed & McGraw, one of the lead attorneys for the rice farmers. "Bayer denied liability and aggressively challenged the farmers' damages, but juries consistently found Bayer liable for allowing the genetically modified rice to escape into commercial channels. Additionally, the liability was not restricted to Bayer CropScience, LP, but was assessed against Bayer AG and Bayer CropScience AG, and other Bayer companies."

Chaney added: "As the settlement agreement contains minimum participation thresholds, all eligible farmers and landlords are encouraged to sign up for this settlement within the 90-day enrollment period."

William Chaney and Drew York of the law firm of Gray Reed & McGraw in Dallas, along with Duckett, Bouligny & Collins in El Campo, Texas and the Landry Law Firm in Crowley, Louisiana, represent affected rice farmers and landlords from Texas and Louisiana. Chaney and York also represent numerous farmers and landlords in Jefferson and Chambers Counties in Texas, as well as Stuttgart, Arkansas. Previously, they helped try three "bellwether" trials in the MDL involving farmers from Missouri, Arkansas and Louisiana that resulted in verdicts for those farmers of \$2.2 million, \$1.5 million, and \$500,000.00, respectively.

Chaney also serves as a member of the plaintiffs' executive committee in the multidistrict rice litigation being conducted in the United States District Court for the Eastern District of Missouri in St. Louis. He is also a member of the Negotiating Claimant's Counsel for settlement, along with Don Downing Adam Levitt, Richard Arsenault, and Scott Powell. Each of these attorneys, along with Grant Davis, participated in some of the "bellwether" trials.