



**Drexel Chemical Company**

June 19, 2012

**REVISED**

Committee on Ways and Means  
United States House of Representatives

Re: HR 4474

Dear Sirs:

Drexel Chemical Company opposes the Miscellaneous Tariff Bill, HR 4474.

HR 4474, as it is worded, would exclude generic Metolachlor from the requested duty rate reduction and places Drexel at a competitive disadvantage against Syngenta.

In order to gain some understanding of the United States Metolachlor market some background information is provided.

Ciba-Geigy first registered Metolachlor with the United States Environmental Protection Agency (EPA) as a herbicide on April 1, 1977. Metolachlor was widely accepted by American farmers as an improvement over other herbicides.

Metolachlor was produced for Ciba-Geigy and its successor company Novartis in the United States at Monsanto's Muscatine, Iowa chloroacetamide production facilities for over 20 years until Novartis sought to convert the Metolachlor market over to a "newer" Metolachlor product that would be produced in Switzerland.

Chemically, Metolachlor is composed of two chiral isomers, s-Metolachlor and r-Metolachlor in equal proportions. The "newer" Metolachlor, Novartis labeled as s-Metolachlor, is composed of 88% s-Metolachlor and 12% r-Metolachlor.

Before Novartis could convert the US market over to "newer" metolachlor, Cedar Chemical Company petitioned the EPA for a Metolachlor registration in early 2000. Novartis and its successor company, Syngenta, vigorously opposed Cedar's registration application causing its issuance to be delayed until March 2002. Even then, Syngenta filed suit in Federal Court against the EPA to attempt to overturn the EPA decision to grant a generic Metolachlor registration. The Court ruled EPA's actions in granting generic Metolachlor registrations were proper. Drexel and Sipcam Agro USA soon followed Cedar in receiving Metolachlor registrations.

Novartis/Syngenta represents the s-Metolachlor as a more active product that can be used at lower rates than Metolachlor. This is not the case. Both are registered for use at the same rates, on the same crops in the same manner. Industry and university tests cannot detect a difference in efficacy. Nearly 10 years of commercial use have not shown a difference in herbicide efficacy.

All Metolachlor sold in the United States is imported. Syngenta imports its Metolachlor technical grade from Switzerland. Drexel imports its Metolachlor technical grade from China. Both Syngenta and Drexel formulate their end use Metolachlor products here in the United States. We believe the other two generic suppliers to the market, Sipcam and Makhteshim-Agan North America also import their technical grade Metolachlor and formulate in the United States.

Drexel requests a reduction in the duty rate on s-Metolachlor be denied or that the wording in HR 4474 be revised to include the competitive generic Metolachlor under the duty reduction.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stanley Bernard".

Stanley Bernard  
Vice President

Copy: Senate Committee on Finance  
Bob Shockey  
Leigh Shockey