

## US judge slashes \$2bn verdict against Bayer in Roundup case

Damages award reduced to \$87m in partial victory for German chemicals company

Tobias Buck in Berlin JULY 26, 2019



Bayer scored a partial victory in its long-running legal battle over allegations that its Roundup pesticide causes cancer, after a California judge slashed the damages awarded in the most costly case so far for the German chemicals and pharmaceuticals group from \$2bn to \$87m.

The decision reverses — at least in part — a jury verdict handed down in May that shocked Bayer investors and triggered yet another sharp slide in the group's share price. It was the third ruling in a row that found a causal link between Bayer's glyphosate-based weed killer and cancer, and the biggest legal setback so far. The two earlier rulings, also made by California juries, had imposed much lower damages.

The latest case involves Alva and Alberta Pilliod, an elderly US couple suffering from non-Hodgkin lymphoma after years of exposure to Roundup. In May, the jury awarded them \$1bn each in punitive damages, as well as millions of dollars to cover medical costs and non-economic damage.

In a statement, Bayer said it welcomed the judge's decision as a "step in the right direction", but that it would still file an appeal to have the entire verdict overturned. The German group has insisted all along that glyphosate-based pesticides are safe for use.

"The court's decision to reduce the punitive, non-economic, and future medical damage awards is a step in the right direction, but we continue to believe that the verdict and damage awards are not supported by the evidence at trial and conflict with the extensive body of reliable science and conclusions of leading health regulators worldwide," Bayer said.

A reduction in the damages award in the Pilliod case had been widely expected. The US Supreme Court has ruled in the past that punitive damages should not exceed compensatory damages by a factor of more than nine. In the Pilliod case, the punitive element — \$2bn in total — exceeded the compensatory award of \$55m by a factor of 37.

Bayer's shares have lost more than a third of their value over the past 12 months, largely as a result of the legal risk associated with Roundup. There are currently more than 13,000 similar

cases pending in US courts.

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