

BASF raises 2020 sales target for its Crop Protection division to 8 billion

DATE : 2013-10-03

BASF is raising the long-term sales target for its Crop Protection division and now expects it to achieve sales of more than 6 billion by 2015 and 8 billion by 2020 (previously: 6 billion in 2020). To support this, BASF will invest approximately 1.8 billion to build and upgrade production and formulation capacities between 2013 and 2017. BASF will also continue to expand its portfolio of solutions and increase initiatives that support growers with their overall farm management.

We have made great progress over the past years. We have demonstrated sustainable growth in our sales and earnings and are confident we will continue with this development, said Markus Heldt, President of BASF's Crop Protection division. This success stems from our commitment to providing innovations that address the importance of having sufficient and high quality food for a growing population. We continue to expand our portfolio, for and beyond crop protection products, to deliver integrated technologies that can help growers run their business more efficiently.

Increased investments in innovative solutions

For the period from 2013 to 2017, BASF will double annual investments in production plants for its Crop Protection division from approximately 150 million to more than 300 million. Amongst others, this figure covers plans to expand production capacities for the blockbuster fungicides F500® and Xemium® in Germany as well as for key herbicides dicamba and Kixor®, which are produced in the United States. BASF is also planning to build new or expand existing formulation plants at several sites around the world, with strong emphasis on Asia.

The total peak sales potential for BASF's crop protection pipeline represented by products launched between 2010 and 2020 is now estimated at 1.7 billion, 500 million more compared to the previous year. The pipeline's value is largely supported by successful product launches in all indications. A significant contribution is expected from Xemium and promising novel herbicides and herbicide tolerant solutions, along with products from the fields in Functional Crop Care. To reach its targets, BASF will maintain its commitment to investing around 9% of the Crop Protection division's sales into R&D activities, targeted towards developing new active ingredients, formulations and solutions beyond crop protection.

Portfolio expansion through Functional Crop Care

Functional Crop Care, BASF's newly-established global unit for solutions beyond the boundaries of traditional crop protection products, will greatly expand BASF's portfolio of solutions for growers. Through the completed structural integration of U.S.-based company Becker Underwood, BASF has become a leading global provider of seed solutions offers, including biological ones, and can further help growers to improve and increase their production.

SOURCE Mena Report