



## **Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics, 3rd edition**

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### **Description**

The Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics report provides comprehensive understanding and unprecedented access to the merger and acquisition (M&A) agreements entered into by the worlds leading biopharma companies.

Fully revised and updated, the report provides details of merger and acquisition agreements from 2003 to end 2009.

The report provides a detailed understand and analysis of how and why companies enter merger and acquisition deals. The majority of deals are acquisitions whereby the acquirer acquires the target company in a cash and/or equity transaction.

Understanding the flexibility of a prospective partner's negotiated deals terms provides critical insight into the negotiation process in terms of what you can expect to achieve during the negotiation of terms. Whilst many smaller companies will be seeking details of the payments clauses, the devil is in the detail in terms of how payments are triggered – contract documents provide this insight where press releases and databases do not.

This report contains over 750 links to online copies of actual merger and acquisition contract documents as submitted to the Securities Exchange Commission by biopharma companies and their partners.

Contract documents provide the answers to numerous questions about a prospective partner's flexibility on a wide range of important issues, many of which will have a significant impact on each party's ability to derive value from the deal.

The initial chapters of this report provide an orientation of merger and acquisition dealmaking and business activities. Chapter 1 provides an introduction to the report, whilst chapter 2 provides an analysis of the trends in mergers and acquisitions as well as a discussion on the merits of each type of deal.

Chapter 3 provides an overview of the structure of merger and acquisition deals. The chapter includes numerous case studies to enable understanding of both pure merger/acquisition deals and multicomponent deals where acquisition forms a part.

Chapter 4 provides a review of the leading M&A deals since 2000. Deals are listed by headline value, signed by bigpharma, most active bigpharma, and most active of all biopharma companies. Where the deal has an agreement contract published at the SEC a link provides online access to the contract.

Chapter 5 provides a comprehensive listing of the top 50 bigpharma companies with a brief summary including M&A frequency and acquired companies since 2000 followed by a comprehensive listing of M&A contract documents available in the public domain. Each deal title links via Weblink to an online version of the actual contract document, providing easy access to each contract document on demand.

Chapter 6 provides a comprehensive listing of all merger and acquisition agreement contracts available in the public domain, respectively. The chapter is organized by A-Z company name. Each deal title links via Weblink to an online version of the actual contract document, providing easy access to each contract document on demand.

## Key benefits

Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics provides the reader with the following key benefits:

- In-depth understanding of merger and acquisition deal trends since 2000
- Analysis of the structure of merger and acquisition agreements with numerous real life case studies
- Comprehensive access to over 750 actual merger and acquisition contracts entered into by the world's biopharma companies
- Detailed access to actual merger and acquisition contracts entered into by the leading fifty bigpharma companies
- Insight into the terms included in a merger and acquisition agreement, together with real world clause examples
- Understand the key deal terms companies have agreed in previous deals
- Undertake due diligence to assess suitability of your proposed deal terms for partner companies

## Report scope

Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics is intended to provide the reader with an in-depth understanding of the merger and acquisition trends and structure of deals entered into by leading biopharma companies worldwide.

Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics includes:

- o Trends in merger and acquisition dealmaking in the biopharma industry since 2000
- o Analysis of merger and acquisition deal structure
- o Case studies of real-life merger and acquisition deals
- o Access to over 750 merger and acquisition contract documents
- o The leading merger and acquisition deals by value since 2000
- o Most active merger and acquisition dealmakers since 2000
- o The leading merger and acquisition partnering resources

In Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics, the available contracts are listed by:

- o Company A-Z
- o Headline value

Each deal title links via Weblink to an online version of the actual contract document, providing easy access to each contract document on demand.

The Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics report provides comprehensive access to available contract documents for over 750 merger and acquisition deals. Analyzing actual contract agreements allows assessment of the following:

- o What are the precise merger or acquisition terms agreed between the parties?
- o What is the plan of merger and how will it be implemented?

- o What is actually being acquired by the acquiring company?
- o What is the payment structure for the deal?
- o What are conditions of merger or acquisition?
- o What are the rights of shareholders and dissenters?
- o How are the key terms of the agreement defined?
- o How are IPRs handled and owned?
- o Who is responsible for what in the acquisition?
- o How is confidentiality and publicity managed?
- o Under what conditions can the deal be terminated?
- o Which boilerplate clauses does the company insist upon?
- o Which boilerplate clauses appear to differ from acquisition to acquisition?
- o Which jurisdiction does the company insist upon for agreement law?

#### Executive Summary

Welcome to the revised and updated Merger and Acquisition Agreements in Pharma, Biotech and Diagnostics report.

The report provides a detailed understand and analysis of how and why companies enter merger and acquisition deals. The majority of deals are acquisitions whereby the acquirer acquires the target company in a cash and/or equity transaction. Fully revised and updated, the report provides details of merger and acquisition agreements from 2003 to end 2009.

Understanding the flexibility of a prospective partner's negotiated deals terms provides critical insight into the negotiation process in terms of what you can expect to achieve during the negotiation of terms. Whilst many smaller companies will be seeking details of the payments clauses, the devil is in the detail in terms of how payments are triggered – contract documents provide this insight where press releases and databases do not.

Merger and acquisition is a constant activity within the biopharma sector. In the past, biopharma companies have sought to merge or acquire competitor companies in order to achieve critical mass both in R&D and sales and marketing, thus ensuring continued growth and dominance in a highly competitive and global marketplace.

In 1987, the largest ten companies were responsible for approximately twelve percent of global pharmaceutical sales. By 2002, this figure had become nearly fifty percent. This concentration was principally due to bigpharma mega mergers.

The rewards offered for the successful marketing and sale of a block buster drug are enormous, therefore it is not surprising to see bigpharma seeking ways of maximizing returns. Licensing has often been a means of achieving such global presence, but increasingly bigpharma has sought to acquire its way into the major pharmaceutical markets. Until recently the mega merger was a popular means of growing presence globally; however the last few years have seen a concentration on smaller acquisitions to bolster R&D pipelines.

Historically, M&A has seen short term value creation (at least in the reasoning for the deal) as the driver for the deal to go ahead. Recent examples include Sanofi Synthelabo – Aventis merger in 2004 to create Sanofi-Aventis, Pfizer – Warner Lambert merger in 2000, Bayer-Schering in 2002 to create Bayer Schering, Glaxo Wellcome – SmithKline Beecham in 2000 to create GlaxoSmithKline, and Merck – Serono in 2006 to create Merck Serono - creating several of the leading bigpharma companies in the industry today.

M&A deals are by far the highest value deals seen in the biopharma sector. One of the largest recent mergers was between AstraZeneca and MedImmune – a deal valued at \$15,600 million in April 2007. Many analysts suggested that

AstraZeneca overpaid for MedImmune and the stock dropped by 4% after the announcement. This was primarily because analysts were looking at the short term value generation that was considered limited, whilst the company was seeking longer term value growth in the increasingly important biotech sector.

Bigpharma M&A activity seems to oscillate from low to high to low, as companies seek different means of generating value and critical mass. At the present time, we appear to be in a low M&A activity period, with only a handful of bigpharma-bigpharma deals in the past few years. This may be due to some disillusionment amongst investors due to the failure of past deals to deliver on the promises at the time of the transaction. These 'promises' often include increased R&D, improved development and marketing product pipelines, consolidated marketing and sales activities and so on. However, delivery on these promises is often overtaken by a need to again bolster the R&D pipeline as compounds fail in development, marketed products reach patent expiry, and safety concerns result in product withdrawal.

M&A activity is very active amongst bigpharma-smaller company or smaller company-smaller company. During 2009 over three hundred M&A deals were announced. This has resulted in create faster growth, international market penetration, combining of development pipelines, and synergizing sales and marketing resources. In addition, M&A has recently been seen as a viable alternative to IPO for investors seeking to exit an investment.

This report focuses on M&A between bigpharma-bigpharma, bigpharma – smaller company, and smaller company-smaller company, providing a detailed insight into all such deals.

This report contains over 750 links to online copies of actual merger and acquisition contract documents as submitted to the Securities Exchange Commission by biopharma companies and their partners.

Contract documents provide the answers to numerous questions about a prospective partner's flexibility on a wide range of important issues, many of which will have a significant impact on each party's ability to derive value from the deal.

For example, analyzing actual company agreements allows assessment of the following:

- o What are the precise merger or acquisition terms agreed between the parties?
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- o What is actually being acquired by the acquiring company?
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The initial chapters of this report provide an orientation of merger and acquisition dealmaking and business activities. Chapter 1 provides an introduction to the report, whilst chapter 2 provides an analysis of the trends in mergers and acquisitions as well as a discussion on the merits of each type of deal.

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Chapter 4 provides a review of the leading M&A deals since 2000. Deals are listed by headline value, signed by bigpharma, most active bigpharma, and most active of all biopharma companies. Where the deal has an agreement contract published at the SEC a link provides online access to the contract.

Chapter 5 provides a comprehensive listing of the top 50 bigpharma companies with a brief summary including M&A frequency and acquired companies since 2000 followed by a comprehensive listing of M&A contract documents available in the public domain. Each deal title links via Weblink to an online version of the actual contract document, providing easy access to each contract document on demand.

Chapter 6 provides a comprehensive listing of all merger and acquisition agreement contracts available in the public domain, respectively. The chapter is organized by A-Z company name. Each deal title links via Weblink to an online version of the actual contract document, providing easy access to each contract document on demand.

The report also includes numerous tables and figures that illustrate the trends and activities in merger and acquisition dealmaking since 2000.

In conclusion, this report provides everything a prospective dealmaker needs to know about M&A by using actual contract documents and clauses to provide real-life analysis and insight.

## **Table of Contents**

Executive Summary

Chapter 1 – Introduction

Chapter 2 – Trends in M&A dealmaking

2.1. Introduction

2.2. Difference between merger and acquisition deals

2.3. Trends in M&A deals since 2000

2.3.1. Japanese M&A accelerates

2.3.2. Option to acquire the new acquisition?

2.3.3. Case study 1: Cephalon – Ception

2.3.4. Case study 2: Endo – Indevus

2.4. When M&A can be useful

2.5. Attributes of M&A deals

2.6. Partnering deals with M&A component

2.6.1. Partnering as a precursor to M&A

2.6.1.a. Case study 3: Shire – New River

2.6.2. Equity as part of partnering deal

2.6.2.a. Case study 4: Merck – Gtx

2.6.2.b. Case study 5: Pfizer – Icagen

2.6.2.c. Case study 6: Genentech – Tercica

2.6.3. Conversion of partnership to acquisition

2.6.4. But M&A is not always the route followed

2.7. Bigpharma mega mergers – are we at the end of the road?

- 2.7.1. Growth of Pfizer through M&A
- 2.7.2. Growth of GlaxoSmithKline through M&A
- 2.8. Accessing innovation through M&A
  - 2.8.1. Bigpharma acquisitions of small companies
    - 2.8.1.a. Case study 7: Abbott – Kos Pharmaceuticals
    - 2.8.1.b. Case study 8: Merck – Sirna Therapeutics
  - 2.8.2. Medium and small biopharma – use of M&A
    - 2.8.2.a. Case study 9: Merck KgaA – Serono
    - 2.8.2.b. Case study 10: Nycomed – Altana
  - 2.8.3. Using M&A to build a company
    - 2.8.3.a. Case study 11: Shire – built from M&A
    - 2.8.3.b. Case study 12: Zeneus - acquiring a ready-made European capability
    - 2.8.3.c. Case study 13: Novartis – from pure pharma to half generic
  - 2.8.4. Emergence of biotech-biotech mergers
    - 2.8.4.a. Case study 14: Merger between Biogen and Idec
    - 2.8.4.b. Case study 15: Amgen acquisition activity
- 2.9. The emerging role of private equity in M&A
- 2.10. Implementing M&A transactions
- 2.11. Joint ventures as alternative to M&A
- 2.12. The future of M&A in biopharma

## Chapter 3 – Overview of M&A deal structure

- 3.1. Introduction
- 3.2. Pure versus multi-component acquisition deals
- 3.3. Pure M&A agreement structure
  - 3.3.1. Example acquisition agreements
    - 3.3.1.a. Case study 16: Novartis – Eon Labs – February 2005
- 3.4. Acquisition as part of a wider alliance agreement
  - 3.4.1. Example acquisition option clauses
    - 3.4.1.a. Case study 17: MGI Pharma – AkaRx – October 2007
- 3.5. Merger agreements
  - 3.5.1. Example merger agreements
    - 3.5.1.a. Case study 18: Corgentech – AlgoRx – September 2005

## Chapter 4 – Leading M&A deals

- 4.1. Introduction
- 4.2. Top M&A deals by value
- 4.3. Top merger deals
- 4.4. Top M&A deals signed by bigpharma
- 4.5. Most active M&A dealmakers
  - 4.5.1 Inverness Medical Innovations

4.5.2. Johnson & Johnson

4.5.3. Novartis

4.6. Bigpharma M&A deal activity

4.7. Bigpharma created through M&A

4.7.1. Forcing Japanese pharma into the M&A game

Chapter 5 – Bigpharma M&A agreements

5.1. Introduction

5.2. How to use M&A agreements

5.3. Company M&A agreement listings

Abbott

Actavis

Alcon Labs

Allergan

Amgen

Astellas

AstraZeneca

Baxter

Bayer

Biogen Idec

Boehringer Ingelheim

Bristol-Myers Squibb

Cephalon

Chugai

CSL

Daiichi Sankyo

Dainipon Sumitomo

Eisai

Eli Lilly

Forest Laboratories

Genentech

Genzyme

Gilead Sciences

GlaxoSmithKline

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Johnson & Johnson

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Merck Serono  
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Mylan  
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Otsuka  
Pfizer  
Procter & Gamble  
Ratiopharm  
Roche  
Sanofi-Aventis  
Schering Plough  
Servier  
Shire  
Solvay  
Takeda  
Teva  
UCB  
Watson  
Wyeth

## Chapter 6 – M&A agreement directory 2003-2009

### 6.1. Introduction

### 6.2. Company A-Z

### Appendices

#### Appendix 1 – M&A references

#### Appendix 2 – Resources

#### Appendix 3 – Deal type definitions

#### Appendix 4 – Example M&A contract document – mega acquisition

#### Appendix 5 - Example M&A contract document – acquisition

### Figures

Figure 1: Definition of merger and acquisition

Figure 2: Trends in M&A deal announcements, 2000-2009

Figure 3: Merger specific deals 2000-2009

Figure 4: Key recent M&A trends – 2005 to present

Figure 5: Recent Japanese M&A

Figure 6: Recent 'option to acquire' deals

Figure 7: Situations where M&A can prove useful

Figure 8: Recent private biotech acquisitions

Figure 9: Partnering deals including equity stake – 2000 to 2009

Figure 10: Recent partnering deals involving equity participation in the licensor

Figure 11: Equity investments converting to acquisitions

Figure 12: Pfizer's growth through M&A since 2000

Figure 13: GSK's growth through M&A

Figure 14: Shire's M&A history

Figure 15: Amgen's biotech-biotech acquisition trail

Figure 16: Private equity M&A activity, 2007-2009

Figure 17: Issues in implementing M&A agreements

Figure 18: Joint venture agreements, 2000-2009

Figure 19: Example joint ventures in the biopharma sector

Figure 20: Future trends in M&A in biopharma

Figure 21: Components of the acquisition deal structure

Figure 22: Components of the merger deal structure

Figure 23: Top 50 M&A deals by value since 2000

Figure 24: Top merger deals by value since 2000

Figure 25: Top 50 M&A deals signed by bigpharma value since 2000

Figure 26: Growing by acquisition - most active M&A dealmakers 2003-2009

Figure 27: Building through M&A – Inverness Medical Innovations

Figure 28: Building through M&A – Johnson & Johnson

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