

EU approves merger of Pfizer off-patent unit and Mylan

April 22 2020

The European Commission on Wednesday authorised a merger of US drug giant Pfizer's off-patent business unit with the pharmaceutical company Mylan to create a global powerhouse for lower-cost medicines.

The merger between Pfizer's Upjohn unit, based in China, and Netherlands-based Mylan will create a new company selling popular products such as Viagra, the anti-cholesterol drug Lipitor and the anti-allergy injector EpiPen.

But it is conditional on Mylan divesting certain generic medicines, the Commission said in a statement.

Once effected, it would ensure the merger "does not harm competition, thus preserving competitive access to certain genericised medicines for national health services and European citizens," EU competition commissioner Margrethe Vestager said.

Mylan and Upjohn overlap in cardiovascular, genito-urinary, musculoskeletal, [nervous system](#), and sensory organ treatments areas, but "no competition concerns arise for the majority of the products" both companies put out, the Commission said.

There were concerns only for 36 molecules used in their respective [generic medicines](#) in certain countries in Europe, requiring Mylan to offload those activities.

The merger, announced in July 2019, will see a new company formed with revenues of around \$20 billion, in which Pfizer shareholders will take 57 percent of the equity and the Mylan shareholders the rest.

It came about as the generic medicine sector adapted to increased competition from laboratories in India.

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Citation: EU approves merger of Pfizer off-patent unit and Mylan (2020, April 22) retrieved 6 May 2024 from <https://medicalxpress.com/news/2020-04-eu-merger-pfizer-off-patent-mylan.html>

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