

Pfizer buys biotech firm Seagen for \$43 billion

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Pfizer and Seagen expect to complete their transaction in late 2023 or early next year.

US pharmaceutical giant Pfizer announced Monday that it had reached a deal to buy biotech firm Seagen, specializing in innovative cancer

treatment, for \$43 billion.

Pfizer is offering \$229 per share in cash, and the companies expect to complete the transaction later this year or in early 2024, they said in a statement.

"Pfizer is deploying its [financial resources](#) to advance the battle against cancer," said Pfizer CEO Albert Bourla.

"Oncology continues to be the largest growth driver in global medicine, and this acquisition will enhance Pfizer's position in this important space," Bourla added.

Seagen—leading in the research, development and commercialization of cancer treatments—is growing, with a 12 percent increase in revenue forecast this year to \$2.2 billion.

Targeting cancer

The company, headquartered in Washington state, came to major drugmakers' attention with its work on [antibody-drug conjugates](#) (ADCs) that are "designed to preferentially kill [cancer cells](#)."

The agreement has been approved by the boards of both firms, and will be subject to regulatory and shareholder approvals.

A [deal](#) would have to pass heightened scrutiny from antitrust regulators.

The Biden administration has also been seeking to keep down drug prices.

Pfizer expects to finance the deal through \$31 billion of new long-term debt and a "combination of short-term financing and existing cash."

For now, Pfizer Oncology has a portfolio of 24 approved innovative cancer medicines that generated \$12.1 billion in 2022, it said.

The deal with Seagen would double Pfizer's early-stage oncology clinical pipeline, the pharmaceutical firm added.

"The addition of Seagen's world-leading ADC technology will position us at the forefront of innovative cancer care," said Chris Boshoff, Pfizer's chief development officer of oncology and [rare disease](#).

Seagen CEO David Epstein added that "the proposed combination with Pfizer is the right next step for Seagen to further its strategy."

According to reports, Pfizer competitor Merck was in talks with Seagen previously but these did not go through.

Pfizer expects that Seagen may contribute more than \$10 billion in risk-adjusted revenues in 2030, "with potential significant growth beyond 2030," the company said.

Seagen's portfolio includes three products with ADCs, including Padcev, which is used for the treatment of urothelial cancer.

The US Food and Drug Administration is looking into combining Padcev with Merck's Keytruda in treating patients with advanced bladder cancer who are not eligible for chemotherapy.

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