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06 February 2015 | News | By BioSpectrum Bureau

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Recently, US-based drug giant Pfizer announced that it would acquire Hospira, an injectable specialist, in a \$16 billion deal. The acquisition will make Pfizer a leading player in the emerging markets and help Pfizer to enhance its product portfolio for hospital based injectable drugs and biosimilars.

With many of Pfizer's blockbuster drugs losing patent protection, the company needs new products to beef up its portfolio and earnings. Moreover, Hospira has an attractive pipeline of biosimilars, including a biosimilar of Johnson & Johnson's Remicade approved in Europe.

Though Hospira has a broad portfolio of generic injectable drugs and biosimilars, the company has been under the regulatory scanner, scrambling to solve the persistent manufacturing issues and quality problems at its facilities.

The lure for Pfizer is a global biosimilar market that could soar up to \$20 billion in sales in five year. The deal clearly underscores that biosimilars would be the upcoming pharmaceutical revolution.

Hospira is currently selling its biosimilars in Europe and Australia, and is seeking approvals to sell the drugs in the US. Acquiring Hospira would turn Pfizer, which has been trying to build up its biosimilars business, into a top player along with Novartis AG .

