



Current Agreements

Dealdoc

Acquisition agreement for Fougera

Fougera Pharmaceuticals
Novartis

May 03 2012

Acquisition agreement for Fougera

Companies:	Fougera Pharmaceuticals Novartis
Announcement date:	May 03 2012
Deal value, US\$m:	1525 : sum of transaction

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Details

Announcement date:	May 03 2012 Bigpharma Pharmaceutical Specialty pharma Generic pharma
Industry sectors:	
Therapy areas:	Dermatology

Financials

Deal value, US\$m:	1525 : sum of transaction
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Termsheet

Novartis is buying specialty dermatology generics firm Fougera Pharmaceuticals for \$1.525 billion in cash.

The Swiss drug giant says adding Fougera to its Sandoz generics business will transform the latter into the world's biggest generic dermatology medicines operation, with estimated annual global sales approaching \$620 million.

Fougera was previously part of Nycomed but has operated on a standalone basis since the sale of Nycomed to Takeda Pharmaceuticals in 2011.

The firm made net sales of \$429 million in 2011 and employs about 700 people across its two primary sites in New York.

In addition to its U.S. dermatology generics business, the firm operates a branded specialty dermatology pharma business, PharmaDerm, with in-house expertise and facilities for formulation development, clinical development, manufacturing, distribution, and sales and marketing.

Press Release

23 July 2012

Sandoz Completes Acquisition of Fougera (AAA), Positioning Sandoz as 1 in Generic Dermatology Globally

7/23/2012 9:53:35 AM

HOLZKIRCHEN, Germany, July 23, 2012 /PRNewswire/ -- Sandoz has completed its USD 1.525 billion acquisition of specialty US dermatology company Fougera Pharmaceuticals on a cash and debt free basis.

Fougera had net sales of USD 429 million in 2011 in the US alone and, combined with Sandoz's existing generic dermatology franchise, this positions Sandoz as the new #1 in generic dermatology medicines both globally and in the US. Fougera has strong dermatology development

and manufacturing expertise, particularly in the area of semi-solid forms such as creams and ointments, as well as a well-known branded business, PharmaDerm.

"We are pleased to combine Fougera's strong portfolio and pipeline of dermatology medicines with Sandoz's existing global leadership positions in biosimilars and generic injectables, ophthalmics and antibiotics," said Sandoz's global head Jeff George. "This will significantly enhance the range of affordable, high-quality medicines that Sandoz can offer to patients and payors in the US and around the world."

Dermatology generics is an important and rapidly-growing segment of the US market, which IMS estimated at USD 2.1 billion in 2011 sales and which had strong double digit annual growth between 2009 and 2011(1). Dermatology covers a range of often complex diseases from acne to psoriasis to fungal infections to skin cancer.

In addition to building on the two companies' overlapping customer base in the US, Sandoz will leverage both its leading position in the US generics sector and its presence in over 140 countries to expand Fougera's broad dermatology portfolio to new markets around the world.

"We welcome Fougera into Sandoz and Novartis and we look forward to working together to meet the needs of all our stakeholders," said Don DeGolyer, President of Sandoz US. "Sandoz and Fougera share a strong culture based on quality, excellence, and a determination to succeed in the interests of the patients we serve."

Fougera, whose history as a leader in US dermatology goes back more than 160 years to its founding in 1849, will be integrated into Sandoz's US business based in Princeton, New Jersey, but will continue to exist as a separate legal entity. Fougera, based in Melville, New York, will be home to a new center of excellence for generic dermatology development and manufacturing within the global Sandoz network.

Fougera Pharmaceuticals currently employs approximately 700 people across its US sites. It operates two main businesses: Fougera, a leading player in the US dermatology generics sector with 45 products and more than 200 SKUs, and PharmaDerm, a branded specialty pharma business with 17 brands and over 40 SKUs.

The sellers comprise a consortium of private equity funds led by Nordic Capital Funds V and VI, including DLJ Merchant Banking Partners (a Credit Suisse affiliate) and Avista Capital Partners.

About Sandoz

Sandoz, a Division of the Novartis group, is the second-largest generic pharmaceuticals company globally, offering a wide array of high-quality, affordable products that are no longer protected by patents. Sandoz holds the #1 position globally in biosimilars as well as generic injectables, ophthalmics, dermatology, and antibiotics. Sandoz has an overall portfolio of about 1000 compounds and sells its products in 140 countries. Key product groups include antibiotics, treatments for central nervous system disorders, gastrointestinal medicines, cardiovascular treatments and hormone therapies. Sandoz develops, produces and markets these medicines along with pharmaceutical and biotechnological active substances and anti-infectives. In addition to strong organic growth in recent years, Sandoz has made a series of acquisitions including Lek (Slovenia), Sabex (Canada), Hexal (Germany), Eon Labs (US), EBEWE Pharma (Austria), and Oriel Therapeutics (US). In 2011, Sandoz employed approximately 24,000 people (full time equivalents) worldwide and posted sales of USD 9.5 billion.

About Fougera

Fougera Pharmaceuticals Inc. operates two primary divisions in the US focused on specialty pharmaceuticals in dermatology: Fougera, its generic dermatology medicines business, and PharmaDerm, its branded dermatology business. Founded in 1849, the Fougera division is the leading manufacturer and distributor of a wide range of topical products. The PharmaDerm division is dedicated to developing and commercializing novel prescription products to treat diseases and conditions of the skin the largest organ of the human body. For more information on Fougera's complete line of products, please call Customer Service at (800) 645-9833 or visit the company online at www.fougera.com. Information on PharmaDerm products can be found online at www.pharmaderm.com and savage products at savalabs.com.

3 May 2012

Novartis to Buy Dermatology Generics Firm Fougera for \$1.525B Cash

Novartis is buying specialty dermatology generics firm Fougera Pharmaceuticals for \$1.525 billion in cash. The Swiss drug giant says adding Fougera to its Sandoz generics business will transform the latter into the world's biggest generic dermatology medicines operation, with estimated annual global sales approaching \$620 million.

"The addition of Fougera's leading portfolio further strengthens Sandoz' differentiated products strategy," comments Jeff George, global head of Sandoz. "Fougera brings us valuable technical capabilities in the area of topical dermatology products, particularly in the development and manufacturing of semisolid forms such as creams and ointments."

Fougera was previously part of Nycomed but has operated on a standalone basis since the sale of Nycomed to Takeda Pharmaceuticals in 2011. The firm made net sales of \$429 million in 2011 and employs about 700 people across its two primary sites in New York. In addition to its U.S. dermatology generics business, the firm operates a branded specialty dermatology pharma business, PharmaDerm, with in-house expertise

and facilities for formulation development, clinical development, manufacturing, distribution, and sales and marketing.

Filing Data

Not available.

Contract

Not available.