



Current Agreements

Dealdoc

Asset purchase and supply agreement for Rugby over-the-counter products

Watson Pharmaceuticals
Harvard Drug Group

Oct 29 2012

Asset purchase and supply agreement for Rugby over-the-counter products

Companies:	Watson Pharmaceuticals Harvard Drug Group
Announcement date:	Oct 29 2012
Deal value, US\$m:	117 : sum of asset purchase

- [Details](#)
- [Financials](#)
- [Termsheet](#)
- [Press Release](#)
- [Filing Data](#)
- [Contract](#)

Details

Announcement date:	Oct 29 2012
Industry sectors:	Bigpharma Pharmaceutical Consumer health Generic pharma Central Nervous System » Nausea Central Nervous System » Pain Immunology » Allergy
Therapy areas:	Infectives » Viral » Common cold Metabolic » Nutrition and vitamins Public Health » Addiction » Smoking Respiratory » Symptoms » Cough
Technology types:	Small molecules Asset purchase
Deal components:	Distribution Marketing Supply
Stages of development:	Marketed

Financials

Deal value, US\$m:	117 : sum of asset purchase
---------------------------	-----------------------------

Termsheet

Watson Pharmaceuticals has sold its Rugby over-the-counter pharmaceutical products and trademarks to The Harvard Drug Group for approximately \$117 million.

The Rugby OTC portfolio includes more than 250 SKUs of cough and cold, allergy, pain relief, nausea relief, nicotine gum, vitamin and nutritional supplement products which are sold through various healthcare outlets across the United States.

Under terms of the agreement, Harvard Drug has acquired the Rugby trademark and all rights to market, sell and distribute OTC products and nicotine gum products sold under the trademark.

Watson retains all rights to manufacture, sell and distribute all store-branded nicotine gum products, as well as other non-Rugby OTC products in its portfolio. Watson retains ownership of its nicotine gum Abbreviated New Drug Applications (ANDAs) as well as its nicotine gum manufacturing facilities.

Also as part of the transaction, Watson and Harvard have entered into a supply agreement under which Watson will manufacture and supply nicotine gum products sold in the Rugby and Major labels.

Press Release

Watson Pharmaceuticals, Inc. (WPI) Announces Sale of Rugby OTC Product Trademark and Assets to Major Pharmaceuticals, a Division of the Harvard Drug Group, LLC

PARSIPPANY, N.J., Oct. 29, 2012 /PRNewswire/ -- Watson Pharmaceuticals, Inc. (NYSE: WPI), a leading specialty pharmaceutical company, today announced that it has sold its Rugby over-the-counter ("OTC") pharmaceutical products and trademarks to The Harvard Drug Group, LLC, a leading distributor and provider of private label OTCs and generic prescription products, for approximately \$117 million. The transaction received clearance from the U.S. Federal Trade Commission on October 19, 2012 under requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR Act").

The Rugby OTC portfolio includes more than 250 SKUs of cough and cold, allergy, pain relief, nausea relief, nicotine gum, vitamin and nutritional supplement products which are sold through various healthcare outlets across the United States.

"I am confident that Major, with its leadership position as a marketer of OTC products, will be more strategically positioned to maximize the value of the long-known and respected Rugby name," said Paul Bisaro, President and CEO of Watson. Acquired by Watson in 1998, Rugby possesses more than 40 years of history marketing OTC products.

"We are extremely excited about acquiring the Rugby product line. Rugby has a strong legacy of providing quality and value for pharma-care providers and consumers. The combination of Major and Rugby will create supply chain efficiencies and enhance service levels," said Terry Haas, CEO of The Harvard Drug Group, LLC ("Harvard Drug").

Under terms of the agreement, Harvard Drug has acquired the Rugby trademark and all rights to market, sell and distribute OTC products and nicotine gum products sold under the trademark. Watson retains all rights to manufacture, sell and distribute all store-branded nicotine gum products, as well as other non-Rugby OTC products in its portfolio. Watson retains ownership of its nicotine gum Abbreviated New Drug Applications (ANDAs) as well as its nicotine gum manufacturing facilities. Also as part of the transaction, Watson and Harvard have entered into a supply agreement under which Watson will manufacture and supply nicotine gum products sold in the Rugby and Major labels. Harvard Drug will manage and maintain the Rugby business within their Major Pharmaceuticals division.

About Watson Pharmaceuticals, Inc.

Watson Pharmaceuticals, Inc. is an integrated global specialty pharmaceutical company. The Company is engaged in the development, manufacturing, marketing and distribution of generic pharmaceuticals and specialized branded pharmaceutical products focused on Urology and Women's Health. Watson has operations in many of the world's established and growing international markets.

About The Harvard Drug Group, LLC

Harvard Drug Group, L.L.C. is a leading wholesale distributor and provider of private label OTC's and generic prescription products under the Major Pharmaceuticals brand. Headquartered in Livonia, Michigan, with distribution facilities in Livonia, Michigan; Decatur, Alabama; and Indianapolis, Indiana, Harvard Drug has over 15,000 customers including hospitals, nursing facilities, chain and independent pharmacies, buying groups, medical clinics, doctors, veterinarians and wholesale distributors. The company has approximately 500 employees, is the eighth largest distributor of generic drugs in the United States and distributes over 18,000 products.

Filing Data

Not available.

Contract

Not available.