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In Vivo's Deals Of The Month, June 2017

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In Vivo's editors pick June's most significant deals, including Idorsia's IPO and Medtronic's outcomes-based contract with Aetna. (Free article.)

Top Alliance: Medtronic & Aetna's Outcomes-Based Insulin Pump Deal

[Medtronic PLC](#) and [Aetna Inc.](#) have signed an outcomes-based agreement regarding reimbursement of the medtech's self-adjusting insulin pump systems. Medtronic intends to use A1C measures, which reflect average blood glucose levels, to determine whether patients using its pumps are maintained within an acceptable blood-sugar range. If patients fall outside of that range, the company will pay Aetna a rebate. Medtronic entered into a similar four-year deal with [UnitedHealth Group Co.](#) a year ago and plans to work with other insurance providers as well.

Top Financing: Idorsia's IPO

[Idorsia Pharmaceuticals Ltd.](#) grossed CHF1.19 billion (\$1.23 billion) in an initial public offering on the SIX Swiss Exchange through the sale of 119 million registered shares at a debut price of CHF10. Idorsia spun out of [Actelion Pharmaceuticals Ltd.](#) (taking over its discovery operations and certain early clinical development assets) in January 2017 as a part of the latter's \$30 billion takeover by [Johnson & Johnson](#). Concurrent with the IPO, J&J's [Cilag GMBH International](#) division provided Idorsia with a CHF580 million (\$600 million) loan convertible into shares of Idorsia, potentially up to a 32% stake in the company. The first tranche of 11 million shares (issued as part of the IPO) was immediately converted into shares representing an initial 9.9% ownership by Cilag. [\[See Deal\]](#)

Top M&A: PE Expands Geographic Reach With EuroImmun Buy

[PerkinElmer Inc.](#) will pay \$1.3 billion in cash for [EuroImmun AG](#), a German multinational specializing in autoimmune, infectious disease and allergy diagnostics. EuroImmun generated \$310 million in revenue in 2016: 45% came from China, 30% from its Europe and Middle East and Africa businesses and 20% from "rest-of-world" markets, including India. Only 5% of its revenue came from the US, where PerkinElmer has a big presence because of its market-leading position in reproductive health. The transaction will also bring tax benefits to PerkinElmer, allowing it to

use both current and future overseas cash more efficiently. In 2016, PE's Diagnostics division generated revenue of \$603.2 million, approximately 28% of its total revenue. EuroImmun's acquisition will boost that to roughly 40%. [\[See Deal\]](#)