

Bayer to acquire Schiff Nutrition for \$1.2 billion

31 October 2012 | News | By BioSpectrum Bureau

Bayer to acquire Schiff Nutrition International for US\$ 1.2 billion



Singapore: Bayer HealthCare signed a merger agreement to acquire Schiff Nutrition, a leading company offering vitamins and nutritional supplements. Schiff's product portfolio includes core brands such as MegaRed, Move Free and Airborne, among others. The transaction values Schiff at \$1.2 billion representing \$34 per share in cash. Closing is expected by year end 2012.

"Bayer is committed to augment its organic growth with strategic bolt-on acquisitions. This transaction represents an excellent strategic fit for our HealthCare business," said Dr Marijn Dekkers, CEO, Bayer. "The Schiff business significantly enhances our presence and position in the US, which accounts for more over-the-counter and nutritional products sales than any other country in the world."

"We will utilize our extensive marketing, sales and distribution expertise to further develop the strong brands we are acquiring," said Dr Jorg Reinhardt, CEO, Bayer HealthCare. "We will also look to leverage Schiff's new technology platforms with innovation potential for other Bayer-owned brands and markets globally."

Mr Tarang P Amin, president and CEO, Schiff, said that, "Schiff has a 75-year heritage of providing consumers with quality nutritional products. We are focused on building premium brands and leading innovation. We believe Bayer is well positioned to take our leading brands to the next level."

Schiff generated net sales of \$259 million for its fiscal year ending May 31, 2012. On September 18, 2012, Schiff publicly announced that net sales for fiscal year 2013 were projected to grow between 43-to-46 percent. Expected sales growth includes contributions from new products and brand building as well as Airborne, which was acquired by Schiff on March 30, 2012.