

Company: Meridica  
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## **PA Consulting's Meridica sold to Pfizer for \$125m**

23 September 2004-Pfizer, the pharmaceuticals group, is to pay \$125m (£69.8m) for Meridica, a Cambridge-based drug delivery company owned by PA Consulting Group.

Meridica, which was spun out of PA three years ago, has developed a dry powder inhaler that can be used by patients with asthma and other respiratory diseases.

Pfizer, which last year acquired a 10% stake in the company and a licence for the inhaler, will pay \$125m to buy the other 90% of the equity owned by PA and Meridica staff.

Kelvin Cooper, a senior vice-president at Pfizer, said the Meridica technology would be used on a wide range of products in its pipeline of respiratory treatments.

Pfizer had been looking around at a number of different devices and had decided to acquire Meridica after working with its staff for a year.

Mr Cooper said: "It will help us get our products to market much quicker." Most of the experimental drugs that might benefit from the Meridica inhaler were still at least five years away from being approved.

Jon Moynihan, chairman of PA Consulting, said the Pfizer deal was by far the biggest it had struck for one of its companies. "It will give the board of PA the confidence and wherewithal to put more money into various ventures," he said.

The group, which began five years ago to invest in companies that exploited its own ideas, has two other ventures, one in 3G telecommunications and the other a human relations consultancy. Mr Moynihan said the group had so far invested about £30m in the three companies.

Meridica's inhaler is designed to carry a large number of doses, making it more convenient for patients, and the company hopes it will have applications for diseases other than respiratory problems.

The dearth of new drugs in recent years has led pharmaceuticals companies to look more closely at the area of drug delivery.

A new way of taking a drug can allow a pharmaceuticals company to revive a drug whose patent is ending. Moreover, it can increase the competitiveness of new drugs, especially in the crowded markets for asthma and allergy treatments.