BioSpectrum
the business of Bio & Health Sciences
ASIA EDITION

Yellow Wood Partners to acquire Dr. Scholl's from Bayer

July 23, 2019 | News

With the acquisition of Dr. Scholl'sÃ¢â??Â¢, Yellow Wood Partners will create a stand-alone company in which it plans to invest in all aspects of the business to drive the growth and profitability of the brand

Yellow Wood Partners has entered into a definitive agreement to buy the Dr. Scholl's™ business from Bayer for a purchase price of 585 million U.S. dollars.

Dr. Scholl's™ is an iconic, one-of-a-kind brand, which is synonymous with foot care. The brand has an over 110 year heritage with unmatched brand equity in the foot care category and the #1 sales position in the most attractive segments – a true category leader. Dr. Scholl's™ generated sales of 234 million U.S. dollars in 2018.

With the acquisition of Dr. Scholl's™, Yellow Wood Partners will create a stand-alone company in which it plans to invest in all aspects of the business to drive the growth and profitability of the brand to deliver value for all of its stakeholders. The divestiture enables Bayer to focus on building its core over-the-counter brands.

Yellow Wood Partners will acquire the product rights to Dr. Scholl's™ in the Americas and take over approximately 30 dedicated brand personnel in the United States and Canada, including Sales and Marketing, Research & Development and others. The transaction is expected to close in Q4 2019 subject to the satisfaction of customary closing conditions, including approval by the competition authorities.

Citi and Sawaya Partners acted as financial advisors to Bayer, while Covington & Burling provided legal advice. Fried Frank acted as legal advisor to Yellow Wood.