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ASIA EDITION

Japan's Otsuka Pharma & ICU Medical sign $200 M deal to create joint venture in North America for manufacturing IV solutions

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Joint venture becomes part of a global manufacturing network with scale and redundancy



US-based ICU Medical, Inc., a worldwide leader in the development, manufacture and sale of innovative medical devices, and Japan's Otsuka Pharmaceutical Factory, Inc. (OPF), global IV solutions manufacturing subsidiary of Otsuka Holdings Co., have together announced the creation of a joint venture to provide additional supply chain resiliency and innovation to the North American IV solutions market.

The joint venture brings together OPF's expertise and global manufacturing scale, spanning 16 separate IV solutions production sites across Asia, with ICU Medical's strong North American production and distribution in the same category.

OPF's history of innovation and consistent investment in state-of-the-art IV solutions manufacturing technologies combined with ICU Medical's differentiated IV pumps and consumables will create a valuable offering for North American customers across these complementary infusion products.

Under the terms of the agreement, ICU Medical will provide commercial services for the joint venture to ensure seamless operations for North American customers.

Key economic terms of the joint venture include an upfront payment of approximately$200 million from OPF to ICU Medical at inception, performance-based milestones at the end of 2026, and a backend put-call option in 2030 and beyond.

The North American IV solutions market has faced persistent supply chain challenges, including disruptions from Hurricane Maria in 2017 and Hurricane Helene in 2024, underscoring the urgent need for action and geographic supply chain redundancy. By partnering in this joint venture, ICU Medical and OPF will work together to pursue long-term US FDA approval of overseas manufacturing sites and in the near term, seek import authorization if necessary for the US market while focusing on accelerating new product development.