

J&J becomes 5th pharma MNC to shut in Pakistan

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Singapore: Abbott Pakistan may acquire certain assets of Johnson & Johnson (J&J) Pakistan, according to The News. Johnson & Johnson is up for sale in Pakistan and Abbott along with Organon Bio Sciences (OBS) seem to be the only firms left in the race for the proposed acquisition after ICI and Pfizer stepped back. Industry sources have also revealed that Johnson & Johnson is also looking to sell Janssen Pakistan.

If the proposed acquisition occurred and if the acquiring entity was Abbott Pakistan, then such acquisition is likely to have a minor but positive impact on the business of Abbott Pakistan, which is estimated to be less than 10 percent of Abbott Pakistan's turnover.

Johnson & Johnson decided to shut its Pakistan operations due to the country's poor economic conditions and the absence of a functional regulatory setup. J&J would be the fifth pharma MNC to shut shop in Pakistan in the last few years, following on the footsteps of others such as Bristol-Myers Squibb (BMS), Merck Sharp & Dohme (MSD) and Searle Pharmaceuticals.

Mr Malik Saadatullah, company secretary, Abbott Laboratories Pakistan, said that the Abbott Group is presently evaluating an asset purchase transaction, following which it may acquire certain assets in Pakistan from another entity.

He added, "It is yet to be determined as to whether the proposed acquisition will be effected by the Abbott Group from overseas or through its local subsidiary, Abbott Laboratories Pakistan. The proposed acquisition is subject to an affiliate member of the Abbott Group being selected as the preferred bidder, the completion of due diligence satisfactory to the Abbott Group and negotiation and execution of the necessary transaction documents and satisfaction of all conditions in such documents. It will also be subject to the receipt of all relevant regulatory consents."