

Actavis plans name change to Allergan

February 18 2015, by Tom Murphy



In this Nov. 17, 2014 file photo, Actavis CEO Brenton Saunders, left, and Allergan CEO David Pyott pose for a photo on the floor of the New York Stock Exchange. Actavis said Wednesday, Feb. 18, 2015 that it will adopt the Allergan corporate name after securing Actavis shareholders' approval for the switch at its annual meeting later this year. (AP Photo/Richard Drew, File)

Drugmaker Actavis is planning to change its name as it draws closer to finishing another big deal, the \$66 billion purchase of Botox maker Allergan that it announced last fall.

Actavis said Wednesday that it will adopt the Allergan corporate name after securing Actavis shareholders' approval for the switch at its annual meeting later this year.

Ireland-based Actavis outbid Canadian drugmaker Valeant Pharmaceuticals for Allergan with an offer of about \$219 in cash and stock for each share. Both Actavis and Allergan shareholders are scheduled to vote on the deal March 10. Allergan is based in Irvine, California.

Actavis plans to use its new corporate name for its global portfolio of branded drugs, but it will keep Actavis for certain regions and products.

Actavis CEO Brent Saunders said in a statement from the company that the change will help ensure "that our corporate identity reflects the dramatic evolution of our company within the pharmaceutical industry."

Actavis has grown rapidly through several acquisitions over the past few years. It completed a \$28 billion purchase of Forest Laboratories last year. Before that, the drugmaker spent \$8.5 billion on Warner Chilcott and moved its headquarters to Ireland from New Jersey after merging with Watson Pharmaceuticals.

The company said Wednesday at its annual investor meeting in New York that it has nine potential treatments in mid- or late-stage clinical development, and it sees growth opportunities in key specialties like women's health and the central nervous system.

Mid- and late-stage testing are usually the final two stages of a drug's development before regulators review the compound for possible marketing approval.

Actavis also reported on Wednesday fourth-quarter adjusted earnings of

\$3.91 per share and revenue of \$4.06 billion, both of which topped Wall Street forecasts. Actavis had predicted in January that its forecast would beat the consensus.

Actavis also hiked its outlook for the new year after reporting earnings. It now expects adjusted earnings to range from \$16.30 to \$17.30, up from the initial forecast it made last summer for [earnings](#) of \$15.60 to \$16.80.

Analysts expect, on average, \$16.91 per share, according to the data firm FactSet.

U.S.-traded shares of Actavis PLC fell \$4.83, or 1.7 percent, to \$282.07 Wednesday morning, while broader indexes slipped. The stock has already climbed more than 11 percent so far this year, as of Tuesday's market close.

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