Bristol-Myers Squibb to Sell its HIV R&D Portfolio to ViiV Healthcare

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PRINCETON, N.J.--(BUSINESS WIRE)--Bristol-Myers Squibb Company (NYSE:BMY) today announced that it has entered into two individual agreements with ViiV Healthcare, a global HIV company, to divest its pipeline of investigational HIV medicines consisting of a number of programs at different stages of discovery, preclinical and clinical development. Under these agreements, ViiV will pay to Bristol-Myers Squibb upfront payments totaling $350 million with potential development and regulatory milestone payments of up to $518 million for the clinical assets and up to $587 million for the discovery and pre-clinical programs. Once products are approved and commercialized, ViiV Healthcare will pay tiered royalties. Additionally, ViiV Healthcare will pay sales-based milestone payments of up to $750 million for each of the clinical assets and up to $700 million for each of the discovery and pre-clinical programs. Completion of the divestiture is expected during the first half of 2016, subject to customary closing conditions, including clearance under the Hart-Scott-Rodino Antitrust Improvements Act. These transactions are consistent with the evolution of Bristol-Myers Squibb’s strategic focus, including the decision to discontinue its discovery efforts in virology announced in June.

“Bristol-Myers Squibb has been committed to the HIV community for almost three decades, contributing significantly to the science and to the transformation in the treatment of this disease,” said Francis Cuss, MB.BChir, FRCP, chief scientific officer, Bristol-Myers Squibb. “Given the remaining unmet medical needs in HIV, Bristol-Myers Squibb continued its discovery of novel treatment approaches and the agreements with ViiV Healthcare now put the development of these potentially first-in-class compounds into the hands of a global specialist company exclusively dedicated to finding new medicines for people living with HIV.”

The Bristol-Myers Squibb clinical stage HIV pipeline includes an attachment inhibitor (BMS-663068), currently being investigated in Phase III as a therapeutic option for heavily treatment-experienced patients, and a maturation inhibitor (BMS-955176), currently being investigated in Phase Iib development for treatment-naïve and treatment-experienced patients. Both investigational medicines have novel modes of action and if approved would be first to market in their respective classes. The pipeline also includes active preclinical and discovery stage programs.

ViiV Healthcare will manage and resource the acquired development programs and Bristol-Myers Squibb will continue to provide, at ViiV Healthcare’s expense, certain research and development support during a transitional period. Approximately twenty Bristol-Myers Squibb employees are being offered the opportunity to transfer to ViiV Healthcare.

The agreements with ViiV Healthcare do not impact Bristol-Myers Squibb’s marketed HIV medicines, including Reyataz, Evotaz, Sustiva and Atripla. Bristol-Myers Squibb remains committed to the commercialization of these products and to those patients who rely on these medicines.

About Bristol-Myers Squibb

Bristol-Myers Squibb is a global biopharmaceutical company whose mission is to discover, develop and deliver innovative medicines that help patients overcome serious diseases. For more information, please visit www.bms.com or follow us on Twitter at http://twitter.com/bmsnews.

Bristol-Myers Squibb Forward Looking Statement

This press release contains “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995 regarding the research, development and commercialization of pharmaceutical products. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and could cause actual outcomes and results to differ materially from current expectations. No forward-looking statement can be guaranteed. Among other risks, there can be no guarantee that the divestiture will be completed, or if it is completed, that it will close within the anticipated time period. In addition, the compounds described in this release are subject to all the risks inherent in the drug development process, and there can be no assurance that the development of these compounds will be successful. Forward-looking statements in the press release should be evaluated together with the many uncertainties that affect Bristol-Myers Squibb's business, particularly those identified in the cautionary factors discussion in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2014, its Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. Bristol-Myers Squibb undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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