

Menarini proves Covid-19 no barrier to deal-making



[Lisa Urquhart](#)

Large-scale M&A might be off the table during the Covid-19 pandemic, but Menarini proved today that the day-to-day business of smaller transactions continues, as companies bolster pipelines and expand into new markets. The privately held Italian pharma group is buying Stemline Therapeutics in a deal valued at up to \$677m, essentially for Stemline's lead product, the FDA-approved cancer drug Elzonris. This will give Menarini access to the US oncology market, and beef up its own fledgling cancer portfolio. The \$12.50 a share Menarini is paying - \$11.50 in cash - is a 140% premium to Stemline's closing price on Friday. This is a bold move for Menarini, which rarely does M&A; its biggest licensing deals include buying regional rights to the heart drug Ranexa back in 2008, and three antibiotics from Melinta Therapeutics in 2018. Given the estimated economic impact to its home country from Covid-19 it is not surprising that Menarini is looking to strengthen its presence in the US and other European countries through an approved product. Beefing up in oncology, the industry's fastest growing therapy area, is also a sensible move.

Selected Menarini deals

Partner	Product	Type	Date	Indication	Value (\$m)
Stemline Therapeutics	Elzonris	Acquisition	May 2020	Blastic plasmacytoid dendritic cell neoplasm	677
CV Therapeutics	Ranexa	In-licensed	Mar 2008	Angina, coronary artery disease	385*
Melinta Therapeutics	Orbactiv	In-licensed	Oct 2018	Skin infections; gram positive infections	265*
4SC	Resminostat	In-licensed	Apr 2015	Non-Hodgkin lymphoma; hepatoma	103*

*Total deal value, terms also involved up-front payments. Source: EvaluatePharma.

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