Evaluate Vantage

May 07, 2021

The insulin delivery landscape changes

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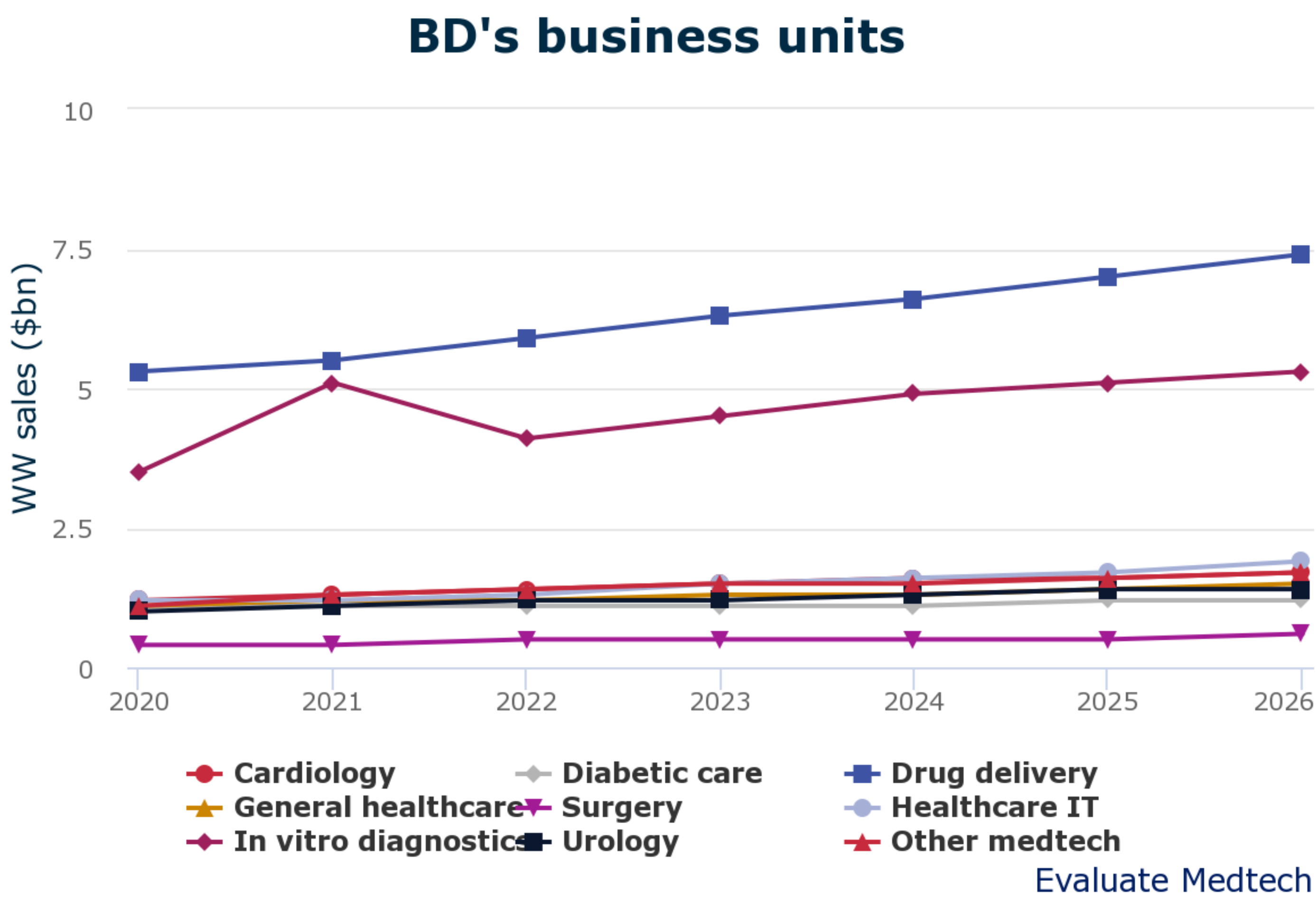
Becton Dickinson’s diabetes business, a major supplier of insulin pen injection devices, is by far the company’s slowest-growing unit, *Evaluate Medtech* data show. The consensus of sellside forecasts puts the division's annual growth at just 1% between 2020 and 2026, compared with 5-7% for all BD’s other divisions. This is clearly part of the rationale for the company’s decision, announced yesterday, to spin the unit off as a separate publicly traded company. BD’s chief executive, Tom Polen, said that, once independent, the diabetes business would be able to “unleash its growth potential” through more efficient allocation of its own capital. Leerink analysts said the division was a drag on the company’s topline growth rate, adding that the spin-off was likely necessitated by BD’s desire to pursue strategic investments in other areas. Lilly has also been cutting deals in this same segment: yesterday it agreed to make its Tempo Pen insulin injector and Tempo Smart Button, a small device that automatically records medication usage, compatible with diabetes management platforms from Dexcom, Glooko, Roche and the French group Mydiabby Healthcare.



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