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Podcast: What Does The Pfizer/Seagen Merger Mean For M&A In 2023?

A Discussion Of Current Deal Trends

by **Joseph Haas**

Scrip overviews biopharma deal-making in 2022 and discusses the Pfizer/Seagen merger and its ramifications for the remainder of 2023, with EF Hutton analyst Mike King and Mintz attorney Matt Gardella.

[Pfizer Inc.](#)'s \$43bn offer to buy [Seagen Inc.](#) in March was the biggest biopharmaceutical merger-and-acquisition deal since 2019. With 2022 having yielded the lowest amount of biopharma M&A by dollar value in several years, *Scrip*'s Joseph Haas discussed the Pfizer/Seagen deal, biopharma deal-making in 2022 and where it may be headed in 2023 with Mike King, managing director and head of healthcare research at EF Hutton Group, and Matt Gardella, an attorney focused on biopharma deal-making at US law firm Mintz.

The macro-economic environment continues to create challenging conditions, and the impacts of the Inflation Reduction Act of 2022 are just starting to be felt in the biopharma sector. King noted Pfizer framed the Seagen deal for the potential patent protection and valuation of antibody-drug conjugates, Seagen's main specialty. (Also see "[Pfizer Pays \\$43bn For Seagen With Goal Of Rapidly, Globally Advancing ADCs](#)" - *Scrip*, 13 Mar, 2023.) Plus, he added, Pfizer had the pocketbook to acquire Seagen and with its broad portfolio and large R&D

2022 Deal-Making Snapshot: One Big Deal Didn't Change The Downward Trends

By **Joseph Haas**

21 Apr 2023

Even with Amgen's \$27.8bn acquisition of Horizon in mid-December, biopharma M&A volume, total value and average deal value all dropped substantially from 2021.

organization, “they can make anything work.”

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Gardella, whose practice advises smaller firms on business development, including possible acquisition by larger companies, said he is looking to see more deals including contingent-value rights (CVRs) during the rest of 2023, as that is a good way to bridge gaps between buyers and sellers.

King and Gardella shared their assessment of business development in the year just past. Gardella also predicted that if 2023 is a big year for biopharma M&A, oversight by the US Federal Trade Commission review of such deals is likely to be more thorough under the current administration than the previous one when the industry saw its last M&A boom in 2019. (Also see "[Pfizer/Seagen Merger Seems Set To Clear As US FTC Sticks To Traditional Review](#)" - Pink Sheet, 29 Apr, 2023.)

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