

06 Dec 2023 | News

AbbVie Strikes Again By Teeing Up \$8.7bn Offer For Cerevel

by Joseph Haas

A week after bidding more than \$10bn for ImmunoGen, AbbVie made one of 2023's largest acquisitions again, this time betting big on Cerevel and its emraclidine for schizophrenia.

AbbVie Inc. made a big splash in mergers and acquisitions for the second time in a week on 6 December, announcing an \$8.7bn offer to acquire *Cerevel Therapeutics Holdings, Inc.* on the strength of its Phase II emraclidine for schizophrenia and potentially other neuropsychiatric indications. Together, the Cerevel buyout and the *ImmunoGen, Inc.* deal announced 30 November are two of the year's four biggest biopharmaceutical M&A transactions and make the Chicago-area pharma the year's second-biggest spender.

With two bolt-on deals designed to strengthen its portfolio diversification efforts, AbbVie comes in second to *Pfizer Inc.* with its pending \$43bn purchase of *Seagen Inc.* (Also see "[The Biggest M&A Announcements Of 2023 Show Deals Are Getting Bigger](#)" - In Vivo, 15 Nov, 2023.) AbbVie itself had the second-largest M&A deal of 2019 with its \$63bn acquisition of *Allergan plc*, which laid the groundwork for the neuroscience expansion AbbVie is undertaking with Cerevel. (Also see "[AbbVie Will Use Allergan Revenue To Fund Combined Firm's Large R&D Pipeline](#)" - Scrip, 27 Jun, 2019.)

The takeout of ImmunoGen for roughly \$10.1bn was a play to strengthen AbbVie's prospects in the cancer antibody-drug conjugate space, as the firm similarly looks to grow its oncology business. (Also see "[AbbVie Spends \\$10bn On ImmunoGen To Improve Chances In ADC Space](#)" - Scrip, 30 Nov, 2023.)

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AbbVie unveiled its bid for Cerevel, structured as a \$45-per-share offer for the Cambridge, MA-based biotech, on 6 December. Both companies' boards of directors have approved the deal, which is expected to close in mid-2024, AbbVie said.

The deal helps AbbVie build on its neurology portfolio, currently led by Vraylar (cariprazine), the blockbuster antipsychotic it obtained in its buyout of Allergan. In addition, the aesthetic giant Botox (onabotulinumtoxinA), another Allergan-developed blockbuster, derives most of its therapeutic product revenue from its use in migraine prevention.

Emraclidine, a positive allosteric modulator of the muscarinic M4 receptor, has potential in multiple diseases, AbbVie said, noting it is in two Phase II studies that are meant to be registration-enabling. The drug demonstrated efficacy and safety in schizophrenia in a Phase Ib study and is also being investigated as a treatment for dementia-related psychosis in Alzheimer's disease as well in Parkinson's disease. (Also see "[Cerevel Makes Progress, But Karuna Still One To Watch In Schizophrenia](#)" - Scrip, 6 Jul, 2021.)

The deal also will bring to AbbVie's pipeline clinical candidates for Parkinson's (tavapadon, a first-in-class dopamine D1/D5 selective partial agonist), major depressive disorder (CVL-354, a kappa opioid receptor antagonist) and treatment-resistant epilepsy and panic disorder (darigabat, a Phase II alpha 2/3/5 selective GABA receptor modulator).