Pfizer Animal Health To Acquire Synbiotics Corporation, Entering Diagnostics Sector

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MADISON, N.J.--Pfizer Animal Health today announced an agreement to acquire Synbiotics Corporation (Pinksheets SYNB.PK), a privately held, Kansas City-based leader in the development, manufacture and marketing of immunodiagnostic tests for companion and food production animals.

Veterinary immunodiagnostics, a methodology using antigen-antibody reaction to detect viruses or bacteria in animals, is a sector growing an estimated 8% annually, twice the rate of the animal health industry as a whole. The global immunodiagnostics market is valued at $735 million, according to industry sources. Factors accelerating growth include increasing interest among companion animal owners in monitoring the health and maintaining wellness of their dogs, cats and horses. Likewise, livestock producers, striving to meet increasing worldwide demand for animal-derived food protein, are placing greater emphasis on immunodiagnostics to safeguard the health of livestock animals.

“Our acquisition of Synbiotics, with its best-in-class product portfolio, promising research and development pipeline, and manufacturing capability, will bring Pfizer Animal Health closer to its goal of becoming a comprehensive solutions provider to the animal health industry,” said Juan Ramón Alaix, president, Pfizer Animal Health. “By integrating animal health diagnostics with our innovative portfolio of vaccines and medicines, we can do more to help veterinarians deliver optimal care for livestock and companion animals and provide the right medicine to the right animal at the right time.”

According to Mr. Alaix, the acquisition will not only allow Pfizer Animal Health to enhance its offerings to veterinarians at point of care in the clinic and on the farm, but also to expand into products for diagnostic reference laboratories and reproductive services for canine breeders.

“We look forward to continuing to serve existing Synbiotics customers as well as serving new customers with Synbiotics’ portfolio of proven and effective diagnostics solutions,” Mr. Alaix said.

“Pfizer Animal Health is the ideal partner for Synbiotics,” said Paul Hays, Chief Executive Officer of Synbiotics Corporation. “Pfizer Animal Health’s global reach, commercial operations, and expertise in regulatory and marketing functions will expand customer access to such leading products as WITNESS® and ASSURE® for companion animals, the SERELISA® franchise for livestock animals, and PROFLOK for poultry into new markets — especially in emerging markets. Marrying Synbiotics’ R&D expertise in diagnostics with the strength of Pfizer veterinary R&D also is expected to help accelerate our diagnostic development program.”

According to Hays, Synbiotics estimates that its common shareholders will be entitled to receive up to approximately $0.306 per share in cash in connection with the acquisition, of which approximately $0.019 per share will be held in escrow as a fund against which Pfizer may make claims for losses arising from any breaches of Synbiotics’ representations, warranties, covenants and agreements and similar customary matters. The acquisition is expected to close later this week.

With its agreement to acquire Synbiotics, Pfizer Animal Health is affirming its commitment to help companion animals and horses live healthier longer lives and to help assure a safe food supply from healthy cattle, poultry, pigs and fish worldwide using sustainable production practices. Pfizer Animal Health’s entry into veterinary diagnostics follows a series of moves in 2010 that position the business as the partner of choice to the animal health industry. These include:

About Synbiotics Corporation

Synbiotics is a leading developer and manufacturer of veterinary diagnostics and services for veterinary practices, livestock and poultry producers, reference laboratories and animal breeders worldwide. New product R&D is centered at the Synbiotics headquarters in Kansas City, Missouri and also performed in manufacturing locations in Lyon, France and in San Diego, California, and through R&D collaborations with the University of Maryland and Kansas State University. Synbiotics’ facilities are permitted by the United States Department of Agriculture (USDA) and are ISO 9001 certified. For more information, visit www.Synbiotics.com.

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At Pfizer, we apply science and our global resources to improve health and well-being at every stage of life. We strive to set the standard for quality, safety and value in the discovery, development and manufacturing of medicines for people and animals. Our diversified global health care portfolio includes human and animal biologic and small molecule medicines and vaccines, as well as nutritional products and many of the world’s best-known consumer products. Every day, Pfizer colleagues work across developed and emerging markets to advance wellness, prevention, treatments and cures that challenge the most feared diseases of our time. Consistent with our responsibility as the world’s leading biopharmaceutical company, we also collaborate with health care providers, governments and local communities to support and expand access to reliable, affordable health care around the world. For more than 150 years, Pfizer has worked to make a difference for all
who rely on us. To learn more about our commitments, please visit us at www.pfizer.com.

DISCLOSURE NOTICE: The information contained in this release is as of December 29, 2010. The Company assumes no obligation to update forward-looking statements contained in this release as a result of new information or future events or developments. This release contains forward-looking information about an agreement by Pfizer to acquire Synbiotics Corporation, including the anticipated price per share, and about Synbiotics’s product portfolio and research and development pipeline, including the potential benefits thereof. Such information involves substantial risks and uncertainties including, among other things, the satisfaction of conditions to closing the agreement; the uncertainties inherent in research and development activities; and competitive developments.

A further list and description of risks and uncertainties can be found in Pfizer’s Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and in its reports on Form 10-Q and Form 8-K.

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