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French drug firm expands in Mass.

Sanofi-Aventis to buy Acambis for \$549m

By Todd Wallack, Globe Staff | July 26, 2008

Another major pharmaceuticals company is expanding its presence in Massachusetts.

French drug giant Sanofi-[Aventis SA](#) said yesterday it plans to buy [Acambis PLC](#), a British vaccine maker that has significant operations in the state, for \$549 million. The price represents a 65 percent premium to Acambis's closing stock price Thursday.

Acambis has a research center in Cambridge with 120 employees and a manufacturing plant in Canton with about 60 workers. Sanofi-Aventis plans to retain both sites.

"This is not one of those slash-and-burn acquisitions," said Acambis chief executive Ian Garland. "They expect to continue to invest" in the Massachusetts operations, he said.

Sanofi-Aventis already has a small research center in Cambridge, one of four in the United States, with about 70 employees. After the purchase, Sanofi-Aventis will have 250 employees in Massachusetts.

The Paris-based company is just the latest major drug maker to enlarge its footprint in Massachusetts, home to one of the world's largest biotech clusters.

Other large drug companies in the region include [Pfizer Inc.](#), [Novartis AG](#), [GlaxoSmithKline PLC](#), [AstraZeneca PLC](#), [Abbott Laboratories](#), [Merck & Co.](#), Wyeth, and [Bristol-Myers Squibb Co.](#)

Acambis already has a lengthy relationship with Sanofi-Aventis's vaccines unit. The companies are jointly trying to develop vaccines to fight Japanese encephalitis, dengue fever, and West Nile virus.

"The acquisition represents the next phase for the two companies' long-term relationship," Sanofi said.

But Acambis might be best known for its smallpox vaccine. This year, it signed a \$425 million, 10-year contract to supply the vaccine to the US Centers for Disease Control and Prevention, which could use the vaccine to counter a terrorist attack. Sanofi-Aventis, meanwhile, is one of the world's largest makers of influenza vaccines as well as France's biggest drug company.

Acambis, based in Cambridge, England, is also in the early stages of developing treatments for ailments such as influenza and genital herpes.

Material from Globe wire services was used in this report. Todd Wallack can be reached at twallack@globe.com.