

The Italian Group Rottapharm buys Laboratori Guieu

Milan, 14 December 1999 - New acquisition in the international Pharmaceutical panorama. Laboratori Guieu, leader in the intimate hygiene soap market, today becomes part of the Italian Rottapharm Group already present in this sector with Rx products. The synergy between the two companies, which will continue to maintain their separate business identities and structures, will give rise to a new and important Pharmaceutical presence which has as its prime objective a leadership position in gynaecology thanks to the combined expertise of the two companies as well as their similar profiles and value.

"The acquisition of Laboratori Guieu is a strategic choice", confirms Luca Rovati, Managing Director of Rottapharm and new President of Laboratori Guieu, "above all we wish to emphasise that our new identity is the result of real synergies which will produce significant development in the gynaecological sector".

Laboratori Guieu, sold to the multinational Italian group from Bristol-Mayers Squibb, was established in 1901 and given its name by French founding family. It owns more than 50% of the intimate hygiene soap market in Pharmacy and forecasts invoiced sales for 1999 at the level of 60 billion Lire, +3% Vs 1998. One of the objectives of the company over the next five years, which has more than 100 employees and 34 sales agents, is to double invoiced sales as it will also be able to launch its products in other European, Asian and American markets taking advantage of the established international presence of the Rottapharm Group. The most well-known brands are Saugella for intimate hygiene and Babygella for baby skincare which are detailed to medical specialists and Pharmacists through medical and Pharmacy sales forces. There is also a strong social involvement as Laboratori Guieu has held for the past four years an information campaign in May aimed at reaching all Italian women explaining the importance of prevention in intimate hygiene.

It will be Saugella, which has always distinguished Laboratori Guieu, together with the other products in its portfolio, which will make possible an effective integration with Rottapharm and the realisation of project "gynaecological expertise".

The Rottapharm Group, multinational with headquarter at Monza, was founded in 1961 with the Rotta Research Laboratorium by Prof. Luigi Rovati university lecturer in Pharmacology. The company has an invoiced sales value in Italy of 60 billion Lire but Italy represents only a small portion of Group sales as 80% of total business value comes from abroad. This is thanks to an ambitious expansion strategy - the group is present in 64 countries around the world - which has established international commercial activity through subsidiaries and licence agreements.

The consequent financial stability allows Rottapharm to continue investing in new research activity. Rottapharm, with more than 500 Pharmaceutical patents, is very concentrated in R&D (more than 100 of its employees are active in the R&D Division) and was the first company in Europe to develop the transdermic matrix patch, Dermestril, for menopause HRT and has therefore become market leader in Italy and a leading company in Europe. Apart from gynaecology, Rottapharm is present in rheumatology (in particular arthrosis with Glucosamina Sulphate - Dona - international market leader) osteoporosis and GI.