

Evonik to acquire Birmingham-based LACTEL® Absorbable Polymers from DURECT Corporation

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- LACTEL® brand of biodegradable, PLGA-based polymers to be integrated into Evonik's Health Care business
- Acquisition marks a consequential step in the growth agenda of Evonik's life-science division Nutrition & Care
- Acquisition further expands Evonik's market-leading portfolio of functional excipients and biomaterials

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Essen, Germany. Evonik has signed an agreement to acquire the LACTEL® business of biodegradable polymers from DURECT Corporation (Nasdaq: DRRX) for USD 15m. The transaction is expected to close by Q1 2021 pending the satisfaction of certain customary closing conditions. An offer will be extended to each of the 15 employees of DURECT located in Birmingham, Alabama, which are associated with the LACTEL® business to transition to the Evonik.

“The acquisition of the Lactel® business will strengthen both our innovation growth field Healthcare Solutions and Evonik's position as a globally leading CDMO for drug delivery solutions”, says Johann-Caspar Gammelin, Head of the Nutrition & Care Division of Evonik. The acquisition of the LACTEL® business marks a consequential step in the growth agenda of the life-science division Nutrition & Care. The LACTEL® business will benefit from fast-growing markets such as advanced drug delivery, biomaterials for tissue engineering, and the 3D printing of implantable medical devices.

“It has been a pleasure working with the highly motivated and talented LACTEL® team. We have confidence that Evonik will apply its resources and commitment to excellence to enable the LACTEL® product line and supporting team members to thrive,” says James E. Brown, President and Chief Executive Officer of DURECT Corporation. With Evonik's global reach, existing and new customers will benefit from tapping into Health Care's twelve global laboratories staffed with formulation, application and regulatory experts to assist in bringing their products faster to the market.

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Registered Office is Essen
Register Court Essen Local Court
Commercial Registry B 19474

“The integration of the LACTEL® business into Evonik’s market-leading portfolio of functional excipients, biomaterials and integrated CDMO services will strengthen our position as a preferred development partner and solutions provider for pharmaceutical and medical device customers,” says Thomas Riermeier, Head of the Health Care business line. “By welcoming LACTEL® and members of their team into the Evonik family, we look forward to providing customers with even greater platform versatility as well as other value-adding services.”

Poly(lactide-co-glycolide) (PLG or PLGA) polymers are widely used as a functional excipient to control the release of parenteral drug products. They are also utilized to control the biodegradation of implantable medical devices across various orthopedic, cardiovascular, wound healing and other applications. RESOMER® and LACTEL® are two of the most preferred brands of standard and custom PLGA polymers.

Company information

Evonik is one of the world leaders in specialty chemicals. The company is active in more than 100 countries around the world and generated sales of €13.1 billion and an operating profit (adjusted EBITDA) of €2.15 billion in 2019. Evonik goes far beyond chemistry to create innovative, profitable and sustainable solutions for customers. More than 32,000 employees work together for a common purpose: We want to improve life today and tomorrow.

About Nutrition & Care

The focus of the business of the Nutrition & Care division is on health and quality of life. It develops differentiated solutions for active pharmaceutical ingredients, medical devices, nutrition for humans and animals, personal care, cosmetics, and household cleaning. In these resilient end markets, the division generated sales of around €2.9 billion in 2019 with about 5,300 employees.

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