

Bayer in talks for Merck unit

BLOOMBERG

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Bayer AG is in exclusive talks to acquire Merck & Co's consumer business and is prepared to pay about \$14 billion for the division, people with knowledge of the matter said.

An announcement is likely to come in the next few days, said the people, who asked not to be identified because the talks are private. While the two sides have agreed to a deal in principle, they are still working out details and have not formally reached an agreement, the people said.

The terms would include cash and an exchange of pharmaceutical assets, possibly structured as a joint venture, the people said.

A deal would strengthen Merck's core drug business, while helping Bayer to beef up its consumer-products line by adding brands including Claritin allergy relief.

It would be similar to other recent pharmaceutical transactions, in which companies have sold weaker business lines and added to areas where they are more competitive.

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