# Merck to buy Verona Pharma for £7.5bn to boost respiratory drug portfolio



US pharmaceutical giant Merck is set to acquire London-based biotech company Verona Pharma for approximately £7.5 billion ($10 billion), marking a significant expansion of Merck’s portfolio in respiratory medicine. Verona Pharma, a specialist in lung diseases, developed Ohtuvayre (ensifentrine), a newly approved inhaled treatment for chronic obstructive pulmonary disease (COPD), commonly known as ‘smoker’s lung’. This acquisition signals Merck’s strategic pivot to diversify its offerings amid looming patent expirations on its blockbuster cancer drug, Keytruda, which generated over £20 billion in revenue last year but faces critical patent expiry starting in 2028.

Ohtuvayre, approved by US regulators in June 2024, is Verona’s first commercial product and has swiftly gained traction with over 25,000 prescriptions filled in the US alone. The drug is a first-in-class selective dual inhibitor of phosphodiesterase 3 and 4 (PDE3 and PDE4), designed for maintenance treatment of COPD in adults. Analysts estimate that its sales could reach up to $4 billion annually by the mid-2030s, reflecting strong growth potential within Merck’s expanding respiratory portfolio. The therapy is also under investigation for treating other respiratory conditions such as non-cystic fibrosis bronchiectasis, highlighting additional development avenues.

Founded in 2005 and headquartered in London, Verona Pharma is listed on the New York Stock Exchange. Following the announcement of the acquisition, Verona’s shares surged by over 20 percent to $104.80, reflecting investor confidence in the deal and the future prospects of Ohtuvayre. Merck's acquisition of Verona represents its largest deal since the £8 billion acquisition of Prometheus Biosciences in 2023 and is its first significant buyout of 2025.

This deal underscores Merck’s broader strategy to reduce its dependency on Keytruda by bolstering its presence in therapeutic areas outside oncology, particularly respiratory diseases, which represent a substantial unmet medical need. COPD alone affects more than 14 million adults in the US and constitutes one of the leading causes of death worldwide. By integrating Verona’s innovative respiratory treatments, Merck aims to diversify its revenue streams and ensure sustainable growth amid an evolving pharmaceutical landscape.

While Merck has highlighted this acquisition as pivotal for the company’s future, market analysts will be closely watching how successfully it integrates Verona’s pipeline and expands Ohtuvayre’s market penetration amid competitive pressures in respiratory drug development.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/money/markets/article-14891013/US-pharma-giant-Merck-snaps-London-lung-specialist-Verona-Pharma-7-5bn.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.ft.com/content/bf1c2253-15b3-426a-975d-15ddca1d84a5), [[4]](https://www.reuters.com/legal/transactional/merck-acquire-verona-pharma-10-billion-2025-07-09/), [[5]](https://www.cnbc.com/2025/07/09/merck-to-acquire-verona-pharma.html), [[7]](https://www.biospace.com/press-releases/merck-to-acquire-verona-pharma-expanding-its-portfolio-to-include-ohtuvayre-ensifentrine-a-first-in-class-copd-maintenance-treatment-for-adults-and-expected-to-drive-growth-into-the-next-decade)
* Paragraph 2 – [[2]](https://www.ft.com/content/bf1c2253-15b3-426a-975d-15ddca1d84a5), [[3]](https://www.apnews.com/article/adcb220a202e33de8f93441dbd0eb8df), [[6]](https://www.veronapharma.com/news/merck-to-acquire-verona-pharma-expanding-its-portfolio-to-include-ohtuvayre-ensifentrine-a-first-in-class-copd-maintenance-treatment-for-adults-and-expected-to-drive-growth-into-the-next-dec/)
* Paragraph 3 – [[1]](https://www.dailymail.co.uk/money/markets/article-14891013/US-pharma-giant-Merck-snaps-London-lung-specialist-Verona-Pharma-7-5bn.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[6]](https://www.veronapharma.com/news/merck-to-acquire-verona-pharma-expanding-its-portfolio-to-include-ohtuvayre-ensifentrine-a-first-in-class-copd-maintenance-treatment-for-adults-and-expected-to-drive-growth-into-the-next-dec/)
* Paragraph 4 – [[1]](https://www.dailymail.co.uk/money/markets/article-14891013/US-pharma-giant-Merck-snaps-London-lung-specialist-Verona-Pharma-7-5bn.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[3]](https://www.apnews.com/article/adcb220a202e33de8f93441dbd0eb8df), [[5]](https://www.cnbc.com/2025/07/09/merck-to-acquire-verona-pharma.html), [[7]](https://www.biospace.com/press-releases/merck-to-acquire-verona-pharma-expanding-its-portfolio-to-include-ohtuvayre-ensifentrine-a-first-in-class-copd-maintenance-treatment-for-adults-and-expected-to-drive-growth-into-the-next-decade)

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## Bibliography

1. <https://www.dailymail.co.uk/money/markets/article-14891013/US-pharma-giant-Merck-snaps-London-lung-specialist-Verona-Pharma-7-5bn.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.ft.com/content/bf1c2253-15b3-426a-975d-15ddca1d84a5> - Merck has agreed to acquire Verona Pharma for approximately $10 billion, marking its largest acquisition in two years and a significant move into respiratory medicine. The purchase adds Verona's COPD drug, Ohtuvayre, to Merck’s pipeline. Approved in the U.S. in 2024, Ohtuvayre has already filled 25,000 prescriptions and is projected to generate up to $4 billion in annual sales by the mid-2030s. The acquisition is part of Merck’s strategy to offset revenue losses from its blockbuster cancer drug Keytruda, which faces patent expiration by 2028.
3. <https://www.apnews.com/article/adcb220a202e33de8f93441dbd0eb8df> - Merck & Co. has announced a $10 billion acquisition of Verona Pharma, a London-based company specialising in respiratory diseases. This strategic move gives Merck access to Verona's COPD medication, Ohtuvayre, which was approved by U.S. regulators over a year ago for treating chronic obstructive pulmonary disease (COPD) in adults. COPD is a serious, progressive lung disease affecting over 14 million U.S. adults. Ohtuvayre, launched in August as Verona’s first commercial product, is also being evaluated for another respiratory condition, non-cystic fibrosis bronchiectasis.
4. <https://www.reuters.com/legal/transactional/merck-acquire-verona-pharma-10-billion-2025-07-09/> - Merck has announced its plan to acquire UK-based Verona Pharma for approximately $10 billion. This strategic acquisition aims to bolster Merck's presence in respiratory treatments. The deal comes as Merck prepares for the impending patent expiration of its blockbuster cancer drug, signalling a move to diversify and strengthen its pharmaceutical portfolio.
5. <https://www.cnbc.com/2025/07/09/merck-to-acquire-verona-pharma.html> - Merck will buy UK-based Verona Pharma for about $10 billion, the companies said on Wednesday, strengthening the U.S. drugmaker's respiratory treatments as part of efforts to reduce dependence on its blockbuster cancer treatment. Keytruda, the world's top-selling drug with nearly $30 billion in revenue last year, is nearing key patent expirations from 2028, and Merck has doubled down on efforts to reshape its portfolio.
6. <https://www.veronapharma.com/news/merck-to-acquire-verona-pharma-expanding-its-portfolio-to-include-ohtuvayre-ensifentrine-a-first-in-class-copd-maintenance-treatment-for-adults-and-expected-to-drive-growth-into-the-next-dec/> - Verona Pharma has announced that Merck will acquire the company for $107 per American Depositary Share, valuing the deal at approximately $10 billion. Through this acquisition, Merck will add Ohtuvayre (ensifentrine), a first-in-class selective dual inhibitor of phosphodiesterase 3 and 4 (PDE3 and PDE4), to its growing cardio-pulmonary pipeline and portfolio. The U.S. Food and Drug Administration approved Ohtuvayre in June 2024 for the maintenance treatment of chronic obstructive pulmonary disease (COPD) in adult patients.
7. <https://www.biospace.com/press-releases/merck-to-acquire-verona-pharma-expanding-its-portfolio-to-include-ohtuvayre-ensifentrine-a-first-in-class-copd-maintenance-treatment-for-adults-and-expected-to-drive-growth-into-the-next-decade> - Merck has announced its plan to acquire UK-based Verona Pharma for approximately $10 billion. This strategic acquisition aims to bolster Merck's presence in respiratory treatments. The deal comes as Merck prepares for the impending patent expiration of its blockbuster cancer drug, signalling a move to diversify and strengthen its pharmaceutical portfolio.