



DIVE BRIEF

Ajinomoto spices up its biopharma business with gene therapy deal

The Japan-based company has agreed to buy Forge Biologics, a three-year-old startup that is both a gene therapy developer and a contract manufacturer.

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Forge Biologics, a gene therapy developer as well as a CDMO, is based in Columbus, Ohio. Courtesy of Forge Biologics

Dive Brief:

- Gene therapy developer and manufacturer Forge Biologics has agreed to be acquired by Ajinomoto Co., the companies announced Monday.
- The Japanese multinational food and biotechnology company will pay \$554 million to Forge shareholders. On a cash-free and debt-free basis, the deal values Forge at \$620 million, Ajinomoto said.
- Ajinomoto and Forge expect the deal, which is one of the largest gene therapy transactions this year, to close in the fourth quarter of this year.

Dive Insight:

Biotech dealmaking has picked up through the year, with a few gene therapy acquisitions sprinkled in. Last month, Kyowa Kirin

picked up gene therapy developer Orchard Therapeutics to get access to its treatment Libmeldy in a \$387 million deal. A handful of other gene therapy developers, as well as one manufacturer, have also been bought by larger drugmakers over the past year.

The deal “brings ... an entirely new capability” to Ajinomoto, said the company, which known for its production of frozen foods and seasonings such as MSG, as well as its work with semiconductors and amino acids.

“Our teams share a commitment to investing in innovation that helps our clients succeed in delivering therapies to patients in need,” Timothy Miller, Forge’s CEO, said in a statement.

Miller co-founded Forge in 2020 with Erandi de Silva and Jaysson Eicholtz and quickly drew several rounds of financing, raising \$330 million by the time of its Series C in 2022. Its backers include Perceptive Advisors, RA Capital Management, Drive Capital and Surveyor Capital, a part of Citadel.

Forge currently has one drug in a clinical trial, a gene therapy for a rare neurodegenerative condition called infantile Krabbe disease. The Phase 1/2 study is expected to be completed by the end of 2025. A second gene therapy with an undisclosed rare disease target is in preclinical development.

Forge also operates a 200,000-square foot manufacturing facility in Columbus, Ohio, employing over 300 people to develop viral vectors and plasmids. Forge is somewhat unusual in running a CDMO business as well as developing its own therapies.

Chris Garabedian, the chairman of Forge’s board, called the deal a “win-win transaction” in a LinkedIn post.

“At a time when Forge was ready to scale their offerings and broaden their client base, Forge found the right partner in Ajinomoto to continue their growth trajectory and meet their long-term objectives,” Garabedian wrote.