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NuVasive pays \$380M for Ellipse

By Bradley J. Fikes | 4:59 p.m. Jan. 5, 2016

Expanding its reach in spinal surgery products, San Diego's NuVasive [said Tuesday](#) it will pay \$380 million cash to buy fellow medical device company Ellipse Technologies.

The price for Aliso Viejo-based Ellipse will be paid up-front, NuVasive chairman and chief executive Greg Lucier said in a conference call. It may include \$30 million more payable in 2017 if revenue targets are met.

Combining the two companies provides a "category-killing combination," Lucier said. NuVasive's line of minimally invasive products and procedures for spinal maladies meshes with Ellipse's spinal bracing and limb-lengthening offerings for pediatric deformities.

Lucier said Ellipse is notable for innovations such as its MAGEC magnetically adjustable implant systems, which can be adjusted non-invasively over time, as patients heal or age. These systems reduce the need for repeat surgeries, benefiting patients and saving

the health care system money.

NuVasive plans to introduce the magnetic adjustment technology into more products, he said.

NuVasive is one of the largest biomedical companies in San Diego. Shares closed Tuesday before the announcement at \$53.44, up \$1.19 for the day. The closing price gave NuVasive a market value of \$2.62 billion.

And NuVasive plans to keep the momentum going, Lucier said.

"You'll see further acquisitions from NuVasive in the coming months," Lucier said, declining to be more specific.

The purchase is expected to close by the end of February, subject to meeting closing conditions and gaining regulatory approvals.

Growth by acquisition is a characteristic of Lucier. He employed that strategy to expand Carlsbad's Life Technologies before it was purchased by Thermo Fischer Scientific for \$13.6 billion, a deal [completed in February 2014](#).

One of Lucier's biggest deals at Life Technologies was [the 2010 acquisition of DNA sequencing company Ion Torrent](#) for up to \$725 million.