

Massy Distribution sale on pause pending decision on insulin



FILE: Former Massy CEO, David Affonso, left, with the current Massy CEO, James McLetchie, during an interview with Guardian Media in May. Affonso retired on September 30, making way for McLetchie's appointment on October 1.

Massy Holdings Ltd's planned sale of its Jamaican distribution business to Acado Ltd, a subsidiary of T&T's Agostini, has been frozen pending the sale of an insulin brand to a third party distributor.

The Jamaican Fair Trading Commission (FTC) indicated that the issuance of a non-objection letter to the transaction is contingent on the sale of an insulin brand to another party.

According to the FTC, the three available insulin brands are distributed between Massy Distribution Jamaica Ltd and Aventa Jamaica, Agostini's pharmaceutical distribution business.

A review by the Business Guardian of Jamaica's National Health Fund revealed that there are more than 30 subsidised insulin products for diabetic users. The Humulin brand, a product manufactured by Eli Lilly and Company, is distributed by Aventa Jamaica while Massy Distribution Jamaica distributes Apidra, Lantus and Novolin which are manufactured by Novo Nordisk and Sanofi. Jamaica's Ministry of Health indicated in August 2020 that an estimated 11.9 per cent of Jamaicans or 236,200 Jamaicans have diabetes.

In a notice on November 20, the Jamaican FTC indicated, "On May 27, 2025, the FTC formally notified the parties and began negotiations to ensure the acquisition does not compromise the accessibility or affordability of insulin, given its critical importance to individuals living with diabetes."

According to the parties, Massy's consumer products division will be managed directly by Acado, while its pharmaceutical operations will be integrated with Aventa.

This creates a dilemma for the Massy deal as it would require the forced divestiture of an insulin brand by either Jamaican company to a competitor. The three manufacturers of those known insulin brands control an estimated 90 per cent of global insulin supply, with Novo Nordisk indicating that its global diabetes market share at 33.7 per cent.

Cari-Med Group Ltd, Jamaica's largest pharmaceutical distributor, distributes the Swiss brand of products which is manufactured by Acado Foods. Seprod Ltd controls Facey Pharmaceuticals, Jamaica's second largest distributor.

While Massy Distribution Jamaica's financials aren't public, Massy attributed four per cent of its integrated retail segment revenue or \$417 million from the Jamaican business in 2024.

Massy's 2024 annual report noted that the business experienced challenges with the loss of a major line. Massy Distribution Jamaica previously distributed the Carlisle portfolio of goods before it went to Aventa Jamaica in January 2024. Agostini previously acquired Carlisle Laboratories in December 2022.

Massy Holdings's latest financials revealed that the Jamaican business reported \$2.69 million in net profit for the third quarter and \$13.83 million for the nine month period. Although it's unknown the impact that a divestiture would have on either business, it could create complications for other brands distributed by the same manufacturer, possibly putting other distributed products at risk.

Massy indicated in February that this sale was done due to what it described as limitations on the ability to develop the business to its fullest potential since it didn't have a manufacturing or retail presence in the Jamaican market.

The Business Guardian posed several questions to Massy on Tuesday on the Jamaica FTC's concerns that the sale of Massy Distribution to a subsidiary of Agostini, could create a monopoly in the sale of insulin products.

In response to the questions, Massy said: "The Jamaica Fair Trading Commission's (FTC) review is ongoing. Given the sensitivity at this stage and out of respect for all parties, Massy will not be commenting publicly at this time. The company remains fully committed to executing all transactions with integrity, transparency, and in full compliance with applicable laws and regulations. Massy respects the FTC's review process and continues to cooperate constructively as the regulator completes its assessment."

This is the second Jamaican transaction in two years that has come under fire by the Jamaican FTC. Massy Holdings had to make certain amendments and concessions when it acquired IGL (St Lucia) IBC Ltd in August 2023. Massy bought this business for US\$140.3 million and it is the largest player in the Jamaican gases market.

James McLetchie was appointed as the CEO of Massy Holdings Ltd on October 1, 2025, succeeding David Affonso, who retired on September 30, 2025.