

Market Overview

Outsourced research services continues to experience a shift to a 'one-stop-shop' model. As groups recognize the benefits of having a broad array of service offerings under one roof, they have turned to acquisition to fulfil this strategy. The sector has continued to see consolidation in a number of segments including research site networks and niche service providers. Large industry players such as PAREXEL and Charles River continue to be the most active in the M&A market. Looking towards the rest of 2016, we expect to see CRO's make additional investments into technology services that allow them to more efficiently and accurately provide research capabilities to the pharmaceutical industry.

SELECT TRANSACTIONS:

| Date | Acquirer | Target | Description |
|----------------|------------------------|---------------------|--|
| September 2016 | PAREXEL | ExecuPharm | PAREXEL, a global biopharmaceutical services provider, announced it has entered into a definitive agreement to acquire ExecuPharm, a global functional service provider serving the biopharmaceutical industry. With ExecuPharm, PAREXEL will expand and strengthen its existing functional service capabilities and allow customers to fulfill all of their clinical development outsourcing needs through a single company. Financial terms of the transaction were not disclosed. |
| September 2016 | Charles River Labs | Agilux Laboratories | Charles River Laboratories acquired Agilux Laboratories, a Worcester, Massachusetts-based contract research organization that provides a suite of integrated discovery, small and large molecule bioanalytical services, and pharmacology services. The acquisition of Agilux Laboratories supports Charles River's strategy to offer clients a broader, integrated portfolio that enables them to work continuously from the earliest stages of drug research through the nonclinical development process. Financial terms of the transaction were not disclosed. |
| August 2016 | Advent International | inVentiv Health | Advent International, a private equity firm, completed a recapitalization of inVentiv Health. InVentiv provides comprehensive and integrated clinical and commercial outsourcing services to the biopharmaceutical industry. The partnership will help inVentiv Health fund future growth initiatives. Financial terms of the transaction were not disclosed. |
| August 2016 | Cinven | BioClinica | BioClinica has been acquired by the private equity group Cinven. BioClinica is a specialty services provider that utilizes expertise and technology to create clarity in the clinical trial and drug development process. BioClinica will look to leverage Cinven's global expertise, deep industry relationships and investment experience in the healthcare industry, including in the CRO sector with Medpace. Financial terms of the transaction were not disclosed. |
| August 2016 | Velocity Fund Partners | Indipharma | Velocity Fund Partners, a Pittsburgh private equity company, has acquired Philadelphia-based clinical contract research organization Indipharma and is relaunching the CRO as InClinica. InClinica works across all phases of clinical development, with a particular strength in assisting small to mid-sized companies entering first in man and phase 2 studies. Financial terms of the transaction were not disclosed. |
| July 2016 | BioClinica | Compass Research | Bioclinica, a provider of specialized technology-enabled services supporting clinical trials, acquired Compass Research, a U.S.-based clinical research site network with direct access to a number of specialized populations with neurodegenerative disorders and other diseases found in aging demographics. Financial terms of the transaction were not disclosed. |