

# Q3-2018 CRO Update



## Market Update

While the previous four quarters had been defined by super mergers and strategic consolidation, the third quarter of 2018 saw a resurgence of private equity investment into the contract research space. Noted healthcare investors, Northlane Capital Partners and Webster Capital, recapitalized Firma Clinical Research and JBL Clinical Research respectively. These transactions follow a steady increase of research dollars flowing to outsourced clinical research contracts, which has refueled interest in the space from financial sponsors. Provident expects to see this interest level continue for the remainder of 2018 as the industry continues to experience significant tailwinds.

## Select Transactions

Month	Acquirer	Target	Deal Description	Employees
July	Synteract	Cu-Tech	Synteract, a top contract research organization, has acquired Cu-Tech. Cu-Tech is a dermatology contract research organization. The acquisition follows Synteract's strategy of developing highly-expert therapeutic areas of focus. Financial terms of the deal were not disclosed.	50-200
July	Northlane Capital Partners	Firma Clinical Research	Northlane Capital Partners, a private equity firm, has made an investment in Firma Clinical Research, a niche contract research organization providing services to the biopharmaceutical industry. Financial terms of the deal were not disclosed.	51
August	Webster Capital	JBR Clinical Research	Webster Capital, a private equity firm, has acquired JBR Clinical Research. JBR is a clinical research site manager conducting post-op pain studies on behalf of pharmaceutical companies. Financial terms of the deal were not disclosed.	51-200
September	M3 Wake Research	Pharmacology Research Institute	M3 Wake Research, a clinical subsidiary of M3 USA, has acquired Pharmacology Research Institute (PRI). PRI is a leading U.S. clinical research firm, providing access to specialized patient populations with multiple neurodegenerative disorders and other diseases of aging demographics. Financial terms of the deal were not disclosed.	N/A
September	WDB Medical Data	DZS Clinical Services	WDB Medical Data, a global provider of contract research organization and R&D services to the biopharmaceutical and medical device industry, has acquired DZS Clinical Services. DZS provides clinical development and data analytic services for global pharmaceutical, biotech and medical device companies. Financial terms of the deal were not disclosed.	11-50
September	Brooks Automation	GENEWIZ	Brooks Automation, a leading worldwide provider of automation and cryogenic solutions, has announced the acquisition of GENEWIZ. GENEWIZ is a global contract research organization that provides research services for pharmaceutical, biotechnology, clinical, academic, agricultural, and government institutions. The total cash purchase price of the acquisition will be approximately \$450 million.	501

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## Upcoming CRO Conferences

*7<sup>th</sup> International Conference of Clinical Trials*  
*September 24<sup>th</sup> to September 26<sup>th</sup> Chicago, Illinois*

*3<sup>rd</sup> Drug Development Forum*  
*October 1<sup>st</sup> – 3<sup>rd</sup> 2018 Boston, Massachusetts*