

Q2-2019 Pharmaceutical CDMO & CRO Update



Market Update

The contract development and manufacturing sector observed robust acquisition activity during the second quarter of 2019. Buoyed by increased investment and confidence in gene therapy and biologic drug development, CDMO's are using transactions to penetrate these markets. Within the CRO space, clinical trial management providers have become an attractive ancillary service line to companies seeking differentiation in an increasing competitive environment.

Notable Transactions:

Month	Acquirer	Target	Target Focus	Deal Description
May	Bioanalytical Systems (BASi)	Smithers Avanza CRO Operations*	CRO	BASi has acquired Smithers Avanza's CRO division. The deal adds horizontal capacity and broadens BASi's capabilities in toxicology and drug disposition services.
May	Ardena	Syntagon	CDMO	To create API capacity, Ardena has acquired Syntagon, which will expand its current facilities to six. By expanding API abilities, Ardena will be positioned to enter an emerging European biotech market.
May	Catalent	Paragon Bioservices	CDMO	Catalent, a globally diversified CDMO, has acquired Paragon Bioservices to capitalize on the gene therapy market. The acquisition supports Catalent's pursuit to integrate end-to-end solutions.
May	Evotec	Just Biotherapeutics	CDMO	Evotec acquired Just Biotherapeutics, providing access to the Pacific Northwest, a biologics hub. Despite being a young company, Just Biotherapeutics established itself as a leader in biologics development during its five year history.
May	Navitas	KAI Research	CRO & Clinical Trial Management	Navitas has acquired KAI Research in an effort to boost phase II and III trial work in North America. CRO's have identified clinical trial management as a promising ancillary service line.
April	Sterling	CiventiChem CDMO Operations*	CDMO	Sterling has acquired CiventiChem's CDMO business to enter the U.S. market. Given the prevalence of large sponsors and a robust biotech pipeline, the U.S. remains a sought after geography.

* Transaction was a corporate divestiture.

Provident Industry Coverage Team

Ajeya Shekar
Vice President
ashekar@providenthp.com
(617) 226-4251

Bill Bolding
Analyst
bbolding@providenthp.com
(310) 359-6616

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2019 Contracting & Outsourcing Conference
September 26th
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