

# Q3-2019 Pharmaceutical CDMO & CRO Update



## Market Update

As the number of independent CRO's with market share continues to decrease, motivated strategic acquirers are investing in ancillary service lines such as clinical trial management via acquisitions of new sites. The continuing shift in drug sponsors' focus from scalable small molecule development to high value biologic and biosimilar research has also forced service providers to re-tool their capabilities in lab services and regulatory compliance.

## Notable Transactions:

Month	Acquirer	Target	Target Focus	Deal Description
September	Accelerated Enrollment Solutions (AES)	Bioclinica's Clinical Research Business	CRO	Accelerated Enrollment Solutions, a business unit of PPD, has acquired Bioclinica's Clinical Research Site Business. The Research Site Business is a CRO that provides drug development, laboratory and life cycle management services. This acquisition allows AES to add four dedicated research sites in Florida.
August	Cambrex	Avista	CDMO	With the support of their private equity partner Permira, Cambrex has acquired Avista for a purchase price of ~\$250mm. Ampersand Capital Partners held a majority stake in Avista prior to the transaction, and is expected to exit at an above-market return.
August	Permira	Cambrex	CDMO	An affiliate of global investment firm Permira has acquired Cambrex, a firm that focuses on R&D and the manufacturing of small molecule therapeutic services. This acquisition positions Cambrex for further growth in the CDMO sector.
July	Covance, Inc.	Regulatory & Clinical Research Institute, Inc. (RCRI)	CRO	Covance, Inc. has acquired Regulatory & Clinical Research Institute, Inc., a company that provides CRO services to the medical device, IVD, and bioscience industries. Covance, Inc. is the drug development business of LabCorp.
July	Meridian Clinical Research	Regional Clinical Research, Inc.	CRO	Meridian Clinical Research has acquired Regional Clinical Research, Inc. This expands Meridian Clinical Research's operations to 20+ investigative sites and enhances their therapeutic expertise in infectious disease, neurology, and women's health.

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