

Q4-2020 Pharmaceutical Services Update

Market Update

Consolidation among CROs, CDMOs, and clinical trial service providers accelerated considerably in the final quarter of 2020. As expected, with clinical trial volume rebounding after the initial onset of COVID-19, many deals that were previously halted could close with trial and study enrollment returning to normal levels. Syneos Health was particularly active, closing two meaningful transactions with both Illingworth Research Group and Synteract. The two deals highly two overarching themes for the CRO space; the evolution of decentralized trials, and long-term revenue potential from serving emerging small and mid-sized biotech sponsors.

Select Transactions:

Month	Acquirer	Target	Target Focus	Deal Description
December	Kohlberg & Mubadala	PCI Pharma Services	Clinical Trial Services	Kohlberg and Mubadala have acquired a majority stake in PCI Pharma Services, previously owned by the Partners Group. PCI is a provider of supply chain services for clinical trials and pharmaceutical development.
December	Genesis Drug Discovery & Development	STATKING Clinical Services	CRO	Genesis is expanding its CRO division through the acquisition of STATKING, an Ohio-based provider of clinical trial management, biostatistics, and study monitoring to CROs and sponsors.
December	Syneos Health	Illingworth Research Group	Clinical Trial Services	Illingworth Research Group, a provider of patient-facing clinical trial services in the home setting, has been acquired by Syneos Health. Partnering at the home health level will allow Syneos to decentralize certain trials.
December	Merck KGaA	AmpTec	CDMO	To support its growing mRNA-business outside of vaccine development, Merck KGaA has acquired AmpTec. The combination of the two German companies will enhance Merck's speed to market in developing new COVID diagnostics.
December	SK Capital	Catalent (BFS Division)	CDMO	Catalent has divested its Blow-Fill-Seal (BFS) division to SK Capital. The deal will help Catalent fund technology and infrastructure investments in rapidly-growing cell and gene therapy services.
October	Syneos Health	Synteract	CRO	North Carolina-based Syneos Health has acquired Synteract in an effort to partner with more emerging small and mid-sized biopharmaceutical sponsors. Interest has been buoyed by sustained investment in emerging biotech.

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