



Stakeholder Update

STUDY IDENTIFIES LARGE CONCENTRATION OF CONTRACT RESEARCH ASSETS IN KANSAS CITY REGION

*Leading pharmaceutical and biotech companies outsource more than
\$1 billion in drug development research to area organizations*

Chicago, Ill. (June 21, 2011) - According to a new study released today at the annual meeting of the **Drug Information Association** in Chicago, the greater Kansas City region is home to a significant cluster of contract research organizations (CROs) and contract service providers (CSPs), with more than \$1 billion in annual revenue.

Commissioned through an innovative partnership consisting of the **Kansas Bioscience Authority**, the **Kansas Bio Organization**, the **Kansas City Area Life Sciences Institute** and the **Kansas City Area Development Council**, the study also found that the Kansas City region is home to approximately 70 CROs and CSPs employing more than 9,000 people.

"Working with our regional partners, we commissioned this study because we knew there was a wealth of contract research and service activity in the region," said David Vranicar, interim president and CEO of the Kansas Bioscience Authority, "but it was surprising - even to those of us who know the space well - to learn that this is an industry that exceeds one billion dollars in revenue locally. Of equal significance is the diversity of the region's CRO and contract service provider offerings, spanning every stage of drug development required to identify and bring new drugs and devices to market."

Nearly every major global pharmaceutical company has utilized contract research services in the Kansas City region.

Increasing pressure on pharmaceutical and biotech companies to address unmet medical needs is driving demand for CROs and CSPs to deliver high-quality contract research. Outsourcing these activities gives drug developers increased flexibility to accommodate research and staffing constraints in their development pipelines. By leveraging the specific research experience provided by CROs and CSPs, outsourcing can significantly lower costs and shorten timelines.

"Research sponsors need to be confident that CROs and CSPs can deliver rigorous

scientific results efficiently," said Peter Simon, founder of the Wellesley, Mass.-based Simon Management Group, who conducted the research*. "The decision of a sponsor to utilize a particular CRO or contract service provider is often driven by referrals and personal recommendations, which offer an assurance of quality and efficiency. What is impressive about the Kansas City CRO and service provider community is that it can meet the large-scale needs of major pharmaceutical companies *and* provide the more personal, hands-on partnerships valued by many emerging biotech companies. These are experienced companies with proven track records."

"The presence of so many experienced and reputable CROs and CSPs in the Kansas City region represents a significant benefit to biotech and pharmaceutical research sponsors," said Angela Kreps, president of Kansas Bioscience Organization. "A tightly-knit network of CROs and CSPs enables regional referrals that can save research sponsors time and money - both of which are top priorities in drug development. We believe these findings represent an opportunity to work together to grow our regional offerings and attract even more companies, employees, and investors. We see one billion in annual revenue as the start, not the end, of our efforts to develop this regional asset."

To learn more about Kansas City's regional contract research organizations and CSPs, contact one of the following partner organizations:

[Kansas Bioscience Authority](#) - Tom Krol, PharmD, CLP, at (913) 397-8300 or krol@kansasbioauthority.org

[Kansas Bioscience Organization](#) - Angela Kreps at (913) 495-4334 or akreps@kansasbio.org

[Kansas City Area Life Sciences Institute](#) - Dan Getman at (816) 753-7700 or DGetman@kclifesciences.org

[Kansas City Area Development Council](#) - Kimberly Young at (816) 374-5627 or young@thinkkc.com

[Beckloff Associates](#) - Michael C. Beckloff at (913) 661-3807 or mbeckloff@beckloff.com

[KCAS, LLC](#)- Terry W. Osborn, Ph.D., MBA at (913) 248-3003 or terry.osborn@kcasbio.com

*To view the research summary, [click here](#).

