

Gene Therapy Firm AveXis Durham Expansion Will Add 200 Jobs And \$60 Million In Investment

By Administrator

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RALEIGH: AveXis, Inc., a leading gene therapy company developing treatments for rare and life-threatening neurological diseases, will create 200 jobs as it expands its manufacturing center in Durham County. The new center was first announced in May of last year. AveXis will invest an additional \$60 million in the facility.

“North Carolina’s expertise in the life sciences continues to lead the nation,” said Governor Roy Cooper. “Pioneering companies like AveXis keep our state at the forefront of promising new approaches like gene therapy, which opens up new ways for us to tackle tough diseases.”

A Novartis company headquartered in Bannockburn, Illinois, AveXis’ initial product candidate, AVXS-101, now known as ZOLGENSMA® (onasemnogene abeparvovec-xioi),* is an investigational gene replacement therapy for the treatment of spinal muscular atrophy (SMA) Type 1. ZOLGENSMA is designed to address the genetic root cause of SMA Type 1, a deadly neuromuscular disease with limited treatment options. ZOLGENSMA previously received Breakthrough Therapy designation and has been granted Priority Review by the FDA, with regulatory action anticipated in May 2019.

“Our primary focus is to bring gene therapies to patients suffering from devastating rare neurological genetic diseases, such as SMA, genetic amyotrophic lateral sclerosis and Rett syndrome. Continued investment in our infrastructure in North Carolina will allow us to manufacture multiple gene therapies simultaneously, helping us reach more patients, faster,” said Andy Stober, Senior Vice President of Technical Operations and Chief Technical Officer, AveXis. “Gene therapy manufacturing requires a highly skilled team, and Research Triangle Park is an ideal location for our continued expansion as it enables us to recruit top talent, including through partnership with local schools and colleges.”

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“Life science companies like AveXis understand the many advantages our state offers biomanufacturers” said North Carolina Commerce Secretary Anthony M. Copeland. “I’m pleased to see a growing number of gene therapy companies join North Carolina’s established industry cluster, taking advantage of the world-class talent and educational resources available here.”

The North Carolina Department of Commerce and the Economic Development Partnership of N.C. (EDPNC) led the state’s support for the company’s expansion.

AveXis will create a variety of positions in Durham County, including scientists, engineers, analysts, manufacturing and operations personnel. Salaries for the new positions will average \$72,952, which is higher than the current Durham County average wage of \$68,731.

AveXis’ expansion in Durham County will be facilitated, in part, by a Job Development Investment Grant (JDIG) approved by the state’s Economic Investment Committee earlier today. Over the course of the 12-year term of this grant, the project will grow the state’s economy by an estimated \$1.3 billion. Using a formula that takes into account the new tax revenues generated by the new jobs, the JDIG agreement authorizes the potential reimbursement to the company of up to \$1,447,500, spread over 12 years. State payments only occur following performance verification by the departments of Commerce and Revenue that the company has met its incremental job creation and investment targets. AveXis must also remain in full compliance with its May, 2018 JDIG in order to receive payments from

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today's grant. JDIG projects result in positive net tax revenue to the state treasury, even after taking into consideration the grant's reimbursement payments to a given company.

Because AveXis chose to expand in Durham County, classified by the state's economic tier system as Tier 3, the company's JDIG agreement also calls for moving as much as \$483,000 into the state's Industrial Development Fund – Utility Account. The Utility Account helps rural communities finance necessary infrastructure upgrades to attract future business. Even when new jobs are created in a Tier 3 county such as Durham, the new tax revenue generated through JDIG grants helps more economically challenged communities elsewhere in the state.