

Cell Therapy Biotech Company To Invest \$157 Million And Create 200 jobs In Durham

By Administrator

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CARsgen Therapeutics Corporation, an innovative biotechnology company pursuing medicines to treat cancer will create approximately 200 jobs and invest \$157 million in Durham, Governor Roy Cooper announced today. The company's selection of the Research Triangle area will establish its first biomanufacturing site in North America. CARsgen Therapeutics currently has its U.S. clinical development operations in Houston, Texas. "Global companies know that North Carolina is a world class leader in biotechnology," said Governor Cooper. "Our state's skilled workers, educational institutions and business environment provide life science companies with the tools they need to succeed."

CARsgen Therapeutics Corporation, a wholly-owned subsidiary of CARsgen Therapeutics Holdings Limited, is a clinical stage biotechnology company specializing in what's known as chimeric antigen receptor (CAR) T cell therapies, a type of therapy that engages people's immune systems in a new way. The therapeutic approach can yield medicines for various human cancers, including leukemia, lymphoma, and solid tumors. The company's project in North Carolina will establish a 37,000 square foot clinical/early-stage commercial manufacturing facility and then a 100,000 square foot cGMP commercial manufacturing facility in Durham that will eventually produce FDA approved cell therapies.

"We are very excited to receive the JDIG grant approval from the State of North Carolina," said Dr. Zonghai Li, CEO, CSO and Chairman of CARsgen Therapeutics. "CARsgen will continuously develop and embed innovations to advance the revolutionary CAR-T cell therapy for unmet clinical needs. The company has launched clinical studies of our leading CT053 and CT041 CAR-T cell therapies in the United States. The new facilities will expand our global cGMP manufacturing capacity to produce the innovative CAR-T cell products for the U.S. patients."

"It's exciting to see a company at the cutting-edge of science join our growing biotech industry cluster," said North Carolina Commerce Secretary Machel Baker Sanders. "From companies exploring gene therapies to the innovative work CARsgen is conducting with immune-oncology, there's no question that North Carolina will continue to play an important role in the future of this industry and the many lives of those impacted by the life sciences sector."

Although wages will vary by job position, the aggregate average salary of the new positions will reach \$76,061, bringing a payroll impact of \$15.2 million to the region each and every year. The current average wage in Durham County is \$75,892.

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CARsgen Therapeutics' project in North Carolina 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 is estimated to grow the state's economy by \$1.04 billion. Using a formula that takes into account the new tax revenues generated by the 200 new jobs, the JDIG agreement authorizes the potential reimbursement to the company of up to \$1,616,250, spread over 12 years. Over the 12 years, those state tax revenues will exceed \$31.1 million.

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. 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.

CARsgen's JDIG agreement also could move as much as \$538,750 into the state's Industrial Development Fund – Utility Account for use by rural communities elsewhere in the state. The Utility Account helps finance necessary infrastructure upgrades in more economically challenged areas of the state to attract future business.

“Durham attracts the most innovative companies in the world and today's decision continues that positive trend,” said N.C. Representative Zack Hawkins. “We welcome these new jobs and the talent they will bring to our area and look forward to the life-saving medicines these employees will bring to people in need.”

“Research Triangle Park broke records as one of the nation's first research parks, but I'm proud we didn't rest on our laurels,” said N.C. Senator Natalie Murdock. “It's great to see this treasured resource continue to grow and renew itself by attracting new ideas and companies to our area.”

Partnering with the North Carolina Department of Commerce and the Economic Development Partnership of N.C. on this project were the North Carolina General Assembly, the North Carolina Community College System, the North Carolina Biotechnology Center, Duke Energy, the City of Durham, Durham County and the Greater Durham Chamber of Commerce.