FOR IMMEDIATE RELEASE · January 21, 2021

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Governor Northam Announces Pharmaceutical Manufacturer Civica Inc. to Create 186 New Jobs in City of Petersburg

~ Company to invest $124.5 million to establish new facility adjacent to Phlow Corporation ~

RICHMOND—Governor Ralph Northam today announced that pharmaceutical manufacturer Civica Inc. (Civica) will invest $124.5 million to establish its first in-house pharmaceutical manufacturing operation in the City of Petersburg. The project will create 186 new jobs.

Civica is a nonprofit generic drug company launched in 2018 to address the problem of chronic generic drug shortages and high drug prices, and a key partner for the new U.S. government-funded partnership with Phlow Corporation, Medicines for All Institute, and AMPAC Fine Chemicals. Through this partnership, Phlow executed a $354 million contract with the U.S.
Biomedical Advanced Research and Development Authority (BARDA) to produce essential medications using advanced manufacturing processes from the Medicines for All Institute based at the College of Engineering at Virginia Commonwealth University (VCU). As part of this initiative, Civica will construct a 120,000-square-foot state-of-the-art manufacturing facility on Normandy Drive adjacent to Phlow’s future operation and AMPAC’s existing facility. The Civica plant will manufacture vials and syringes of injectable medicines used for COVID-19 patient care, emergency rooms, surgeries, and the treatment of serious infections and hypertension, which will be shipped to hospitals across the country.

“This project is a tremendous win that will cement Virginia’s status as a leader in pharmaceutical manufacturing, an industry that remains at the forefront of responding to the global pandemic,” said Governor Northam. “Civica’s partnership with Phlow Corporation, Medicines for All Institute, and AMPAC Fine Chemicals will ensure the general public has access to high-quality, lifesaving medicines and provide a critical avenue for domestic drug manufacturing capabilities. I am confident the City of Petersburg will provide the environment to facilitate Civica’s growth and success.”

Civica Inc. is a 501(c)(4) social welfare organization established by leading U.S. health systems and three philanthropies to reduce chronic generic drug shortages and related price spikes. Today, more than 50 health systems are Civica members, representing approximately 1,350 hospitals and nearly one-third of licensed hospital beds in the nation.

“We congratulate Civica on impressive growth and look forward to a long partnership as the company puts down roots in the City of Petersburg, enhancing the Commonwealth’s pharmaceutical manufacturing cluster,” said Secretary of Commerce and Trade Brian Ball. “This important project involved many partners and moving parts, and we are thrilled to see it come to fruition. Virginia is a major player in the life sciences industry, and we remain committed to providing the workforce training programs to ensure access to a skilled talent pipeline for years to come.”

“With its welcoming partnerships, central location along I-95, and growing life sciences workforce, we are thrilled to build our new facility in Virginia,” said Martin VanTrieste, President and CEO of Civica. “In addition, our partnership and co-manufacturing location with Phlow and AMPAC will be instrumental in our efforts to simplify what is typically a very complex supply channel. This is a dream come true for Civica and our hospital partners as we work together to stabilize the supply of quality medicines for patients across the country.”

“Over the last decade, many essential medicines have not been available when patients need them most, and the COVID-19 pandemic has further revealed significant vulnerabilities in our U.S. medical supply chain,” said Eric Edwards, MD, PhD, Co-Founder, President, and CEO of Phlow Corporation. “We are thrilled to be a part of a unique partnership between Civica Rx, VCU’s Medicines for All Institute, and AMPAC Fine Chemicals to develop an advanced pharmaceutical manufacturing campus in Central Virginia that will provide a comprehensive, end-to-end solution. This announcement brings us one step closer to our goal of helping to ensure every American will have access to the essential medicines necessary to sustain life and conquer disease for decades to come.”
“We believe this important collaboration represents a major milestone towards the realization of our vision for producing 100 percent of all essential medicines in the U.S.,” said Dr. Frank Gupton, Co-Founder of Phlow Corporation, Chair of the Department of Chemical and Life Science Engineering at VCU, and CEO of the Medicines for All Institute. “As a strategic partner in this effort, VCU and the Medicines for All Institute will develop and commercialize innovative chemical process technologies that will improve the lives of every American by ensuring access to affordable medicines that meet or exceed quality standards set by the Food and Drug Administration.”

The Virginia Economic Development Partnership (VEDP) worked with the City of Petersburg, Virginia’s Gateway Region, and the Community College Workforce Alliance (CCWA) to secure the project for Virginia. Governor Northam approved a $5.7 million grant from the Commonwealth’s Opportunity Fund to assist Petersburg with the project. The company is also eligible to receive benefits from the Port of Virginia Economic and Infrastructure Development Zone Grant Program.

Support for Civica’s job creation will be provided through the Virginia Talent Accelerator Program, a workforce initiative created by VEDP in collaboration with the Virginia Community College System, with funding support from the Northam administration and the Virginia General Assembly. Launched in 2019, the program accelerates new facility start-ups through the direct delivery of recruitment and training services that are fully customized to a company’s unique products, processes, equipment, standards, and culture. All program services are provided at no cost to qualified new and expanding companies as an incentive for job creation.

“The City of Petersburg welcomes Civica to our bioscience industry, which includes AMPAC Fine Chemicals and Phlow Corporation,” said Mayor of Petersburg Sam Parham. “Our partners at VEDP, Virginia’s Gateway Region, and the Community College Workforce Alliance, along with Dr. Edwards and Dr. Gupton, have helped us compete on a national level to bring cutting-edge technology to our city.”

“Virginia’s Gateway Region is known for advanced manufacturing, and we are thrilled that critical pharmaceutical ingredients for Americans will be produced right here in Petersburg, the heart of the Gateway,” said Keith Boswell, President and CEO of Virginia’s Gateway Region Economic Development Organization. “We look forward to partnering with Civica to support this growing cluster and bring jobs back to Virginia.”

“CCWA is proud to be working with John Tyler Community College, VEDP, Virginia’s Gateway Region, and The Cameron Foundation to research and develop education and training pathways to meet Civica’s future needs for a skilled workforce,” said Elizabeth Creamer, Vice President of Workforce Development at CCWA. “We are already working with VEDP and the company to ensure Tyler and CCWA are ready to prepare job seekers for the outstanding career opportunities available through Civica’s location in our region.”

“The Port of Virginia welcomes Civica’s decision to establish its first in-house pharmaceutical manufacturing operation in the City of Petersburg,” said Virginia Port Authority CEO and
Executive Director John F. Reinhart. “This project is not only a win for Virginia, but an opportunity to expand access to generic drugs to more Americans. This announcement is a great way to start 2021 as we move towards an economic recovery.”

“I am beyond excited to welcome Civica Inc. to the City of Petersburg,” said Senator Joseph Morrissey. “With COVID-19 on the rise again in Virginia, it is important that we have companies such as Civica producing much-needed pharmaceuticals. Additionally, Petersburg, Virginia State University, and the surrounding area will certainly benefit from the addition of 186 good-paying jobs. I look forward to working with Civica to bring economic development to a city as deserving as Petersburg.”

“The announcement that Civica has chosen Petersburg for the site of its first in-house pharmaceutical operation marks a historic and exciting new chapter for our city and our region,” said Delegate Lashrecse D. Aird. “After months of collaborative work, I could not be more pleased to see this partnership coming to fruition. This is a significant investment in high-quality jobs that establishes durable economic opportunities for our hardworking community at a time when we need it most.”

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