



Commonwealth of Kentucky
Office of the Governor

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Contact:

Kerri Richardson
502.564.2611
502.330.6633

Jill Midkiff
502.564.2611
502.330.1185

Mandy Lambert
502.564.7670

**Governor Beshear Announces Expansion of Lexington
Pharmaceutical Company**

Summit Biosciences develops and makes drugs administered through nasal sprays

FRANKFORT, Ky. (Dec. 14, 2009) – Gov. Steve Beshear and Cabinet for Economic Development representatives today joined community and company officials to announce Lexington-based Summit Biosciences, a specialty pharmaceuticals business and client of the Lexington Innovation and Commercialization Center, will expand its operation creating 22 new jobs and investing over \$5 million in the Commonwealth. Seventeen of the projected new jobs are high-tech positions with an average annual salary of more than \$64,000.

Summit develops and manufactures generic prescription and new over-the-counter (OTC) pharmaceutical products administered to patients by means of a nasal spray. The company plans to submit the first of several applications to the U.S. Food & Drug Administration (FDA) in mid-2010 in order to receive approval to manufacture and market its generic products starting in 2011 and 2012.

“The creation and retention of jobs for Kentuckians continues to be a top priority of my administration,” said Gov. Beshear. “During these difficult economic times, I am especially pleased to announce that 22 new quality jobs will now be available in Lexington. The drugs under development by Summit Biosciences take advantage of an increasingly popular medication delivery method, which can help boost the company’s sales and lead to the creation of many new high-tech jobs in Kentucky.”

The company is also developing new OTC nasal spray products for which it will apply for patents and plans to begin manufacturing in the first quarter of 2010. Several patent applications are expected to be filed in 2010 relating to the company's OTC products.

To date, Summit has secured a partnership with a publicly traded generic-drug manufacturing company to jointly develop generic versions of five FDA-approved nasal spray products, including one to treat osteoporosis and others used to treat migraine headaches. The company has also secured a contract manufacturing agreement with a company to develop and make a new nasal spray product to treat pain.

"We are pleased with the excellent progress we have made thus far toward commercializing our products, reducing healthcare costs and creating jobs," said Greg Plucinski, chief operating officer at Summit Biosciences. "We secured our first partnership agreement in June, completed the acquisition of our fully equipped manufacturing facility in August and are currently focused on developing our pipeline products."

The Kentucky Economic Development Finance Authority (KEDFA) preliminarily approved Summit Biosciences for funding up to \$250,000 in the form of a forgivable loan from the Cabinet for Economic Development's High-Tech Pools, which are used to build technology-based and research-intensive companies and projects. KEDFA also preliminarily approved Summit Biosciences for tax incentives up to \$500,000 under the Kentucky Business Investment (KBI) program. KBI incentives can be earned through corporate income tax credits and wage assessments.

"The support from the state and city will contribute immensely toward our greater goals as we bring lower-cost generic and innovative nasal spray products to market," added Plucinski. "We look forward to receiving additional support and are proud to contribute to job creation and reducing the cost of healthcare through the growth of Summit Biosciences."

"Today's announcement illustrates the potential of our healthcare and our high-tech sectors and the enormous benefit of being the hometown of the University of Kentucky and its outstanding College of Pharmacy," said Lexington Mayor Jim Newberry. "The nationally ranked College has long been a leader in the development of nasal delivery systems, and Summit Biosciences has funded portions of this research. The good jobs that will be created by Summit also illustrates the strength of an economic development process that involves government, the University and the private sector."

"Summit Biosciences is the type of company that will make a great impact on the Bluegrass region," said Commerce Lexington President & CEO Bob Quick. "Summit is working diligently on developing products that will reduce healthcare costs, as well as creating high-tech jobs for our citizens. The Bluegrass Business Development Partnership has worked closely with Summit, and we are excited to welcome them to Lexington."

For more information on Summit Biosciences, visit www.summitbiosciences.com. A community profile for Lexington can be viewed at <http://thinkkentucky.com/EDIS/cmnty/index.aspx?cw=053>.

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