

M E M O

March 2, 2015

**FROM: KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER**

TO: ECONOMIC DEVELOPMENT INVESTMENT BOARD

RE: LEXINGTON JOBS FUND APPLICATION RECOMMENDATION – SUMMIT BIOSCIENCES

PROJECT COMPANY:

Summit Biosciences

COMPANY APPLICATION REQUEST:

\$100,000 Grant

10 Years

PROJECT DESCRIPTION:

Summit Biosciences is a pharmaceutical company that is actively developing, manufacturing and commercializing generic and innovative nasal spray drug products. Summit develops their own products as well as providing contract development and manufacturing services to their partners and clients.

Summit Biosciences is headquartered in Lexington at the Coldstream Research Campus. The Summit facility contains a laboratory, manufacturing, warehousing area and offices. The company also recently leased 3,500 square feet of warehouse space at the Coldstream Research campus.

Summit currently employs 28 full-time staff and 6 part-time staff at their Lexington facility.

Summit Biosciences request for a \$100,000 grant would help cover rent, payroll and other operating cost related to a new 35,000 square foot building. The company project that within two years they will hire an additional 9 employees at a median hourly rate of \$42.31 exclusive of benefits. The expansion would allow the company to manufacture two nasal products if they are approved by the FDA. The FDA approval is currently under review.

RECOMMENDATION:

For the purposes of the Lexington Jobs Fund, we propose a three stage disbursement in the form of a forgivable loan to be personally guaranteed:

- \$50,000 upon approval of the incentives
- \$25,000 upon the hiring of the third position
- \$25,000 upon the hiring of the sixth position

The monitoring period for the incentive will be ten (10) years, which is consistent with state incentive programs. No interest will be charged to the principal as long as the company is in compliance.