

News Release

Civica to Build an Essential Medicines Manufacturing Facility in Virginia

The new facility, part of a partnership with Virginia-based Phlow Corp., will employ more than 180 people and will help ensure a safe, stable, and affordable supply of essential generic medicines for U.S. patients

Civica will produce sterile injectable medications used in hospitals for COVID-19 patient care, emergency room and intensive-care unit treatments, surgeries, and to treat other serious conditions

SALT LAKE CITY, January 21, 2021 – Civica Rx (Civica, Inc.) today announced, [along with Virginia's Governor Ralph Northam](#), its plans to build a 120,000 square-foot sterile injectable manufacturing facility in Petersburg, Virginia, potentially creating more than 180 jobs. The new plant represents a \$124.5 million investment.

Building its own state-of-the-art manufacturing operation in the United States has been a part of Civica's supply strategy since it was founded by leading health systems and philanthropies in late 2018 to address drug shortages and ensure a resilient supply of quality medicines at affordable prices for U.S. patients.

"This is a dream come true for Civica and our hospital partners as we continue to work together to stabilize the supply of essential medicines for patients across the country," said Martin VanTrieste, President and CEO of Civica. "This Virginia plant and our future employees there will play an instrumental role in preventing the chronic drug shortages that have interrupted hospital operations and put patients at risk for over a decade."

Civica is a key collaborator in the U.S. government-funded partnership with Phlow Corp, Medicines for All Institute at Virginia Commonwealth University and AMPAC Fine Chemicals, which is also located in Petersburg. Through this partnership, Phlow executed a \$354 million contract with the U.S. Biomedical Advanced Research and Development Authority (BARDA) to manufacture essential medications from beginning to end, including starting raw ingredients, Active Pharmaceutical Ingredients (APIs) and finished dosage forms. Civica's role is to produce finished dosage medications in vials and syringes for patient care in Civica member hospitals and for the U.S. Strategic National Stockpile.

"Too many Americans go without access to key medications due to a broken and unreliable supply chain. This step today helps to fulfill our bold vision of making the U.S. a Country where every human being has access to the essential medicines necessary to sustain life and conquer disease," said Eric Edwards, MD, PhD, co-founder, president and CEO, Phlow. "Essential medicines previously in shortage will be more accessible and affordable for decades to come because of the unique partnerships we've formed, including this critical partnership with Civica, along with Virginia Commonwealth University's Medicines for All Institute and AMPAC Fine Chemicals. The medicines we make today will save countless American lives tomorrow."

To date, Civica has worked with multiple quality generic drug manufacturers that have U.S. FDA approved manufacturing facilities and capacity to produce Civica-labeled medications as a way to deliver shortage medications to market immediately. As these valued partnerships endure, Civica is also developing its own generic drugs for FDA approval to supplement these partnerships and help mitigate the risk of shortages.

The Civica manufacturing plant will include disposable technology and advanced technology filling lines to produce 90 million vials and 50 million pre-filled syringes a year, steam sterilization capability, automated visual inspection and packaging lines, and controlled temperature warehousing of raw materials and finished medications. The facility will be built to accommodate future growth.

“We’re building a world-class, state-of-the-art facility,” said VanTrieste. “Highly automated technology is what is required to make robust, complex sterile injectable medications.”

Civica has initiated facility construction and expects to begin operations within three years. A talented, highly experienced plant leadership team is already on board, and hiring for the rest of the team members will begin this quarter and continue over the next two years.

Civica by the Numbers

- Civica serves over 50 health systems, representing more than 1,350 hospitals and over 30 percent of all licensed hospital beds in the United States (Civica also supplies the U.S. Department of Veterans Affairs, the U.S. Department of Defense and “340B” hospitals, which care for vulnerable patients in some of the most underserved areas of the country).
- To date, Civica has provided approximately 25 million vials or syringes of essential generic medications to hospitals, which have been or are being used to treat approximately 10 million patients.
- Eleven Civica medications are being used to help care for COVID-19 patients, including neuromuscular blocking agents, sedatives, pain management medications, and blood thinners. Civica and its supply partners met surge hospital demand of up to 400 percent for some medications and also provided 2.1 million vials to the U.S. Strategic National Stockpile.
- Civica now has 41 different generic medications available for hospitals in multiple dosage forms and is building towards 100 drugs by 2023.

About Civica Rx

Civica Rx is a 501(c)(4) social welfare organization established in 2018 by health systems (CommonSpirit Health, HCA Healthcare, Intermountain Healthcare, Mayo Clinic, Providence St. Joseph Health, SSM Health, and Trinity Health) and philanthropies (Gary and Mary West Foundation, Laura and John Arnold Foundation, and Peterson Center on Healthcare) to reduce chronic generic drug shortages and related price spikes in the United States. Celebrating its 2nd Anniversary in 2020, Civica is making strides to ensure patients and their needs come first and that essential generic medications are accessible and affordable. Learn more at civicarx.org and civicarx.org/media-center.

About Phlow

Phlow Corp. (“Phlow”) is a public benefit pharmaceutical manufacturing company dedicated to providing high-quality, low-cost pharmaceuticals through state-of-the-art, U.S. based advanced manufacturing processes. The company will manufacture precursor chemical ingredients, active pharmaceutical ingredients (API), and finished pharmaceutical products, domestically for essential medicines critical to the Nation’s healthcare. To help ensure the quality, safety, and affordability of pharmaceutical products of strategic importance to the United States, Phlow utilizes advanced manufacturing platforms, including continuous manufacturing, to provide essential medicines to its customers, health systems, and government partners.

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