

Michael F. Easley
Governor



State of North Carolina
Office of the Governor

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GOV. EASLEY ANNOUNCES 1,000 NEW JOBS FOR DURHAM COUNTY
JDIG And One North Carolina Fund Grants Help Quintiles Transnational Corp. Expand In Durham

RALEIGH – Gov. Mike Easley today announced that Quintiles Transnational Corp. will expand in Durham County, creating 1,000 jobs and investing \$10.1 million during the next six years. The announcement was made possible in part by \$2 million from the One North Carolina Fund and a Job Development Investment Grant (JDIG).

“Quintiles’ expansion further strengthens our nationally-recognized leadership in biotechnology, pharmaceuticals and life sciences,” said Easley. “For the 3rd straight year North Carolina is ranked No. 3 in the nation for biotechnology according to Ernst & Young’s annual survey. We became a national leader in this field because we have made smart investments in education, infrastructure improvements and worker training coupled with sound fiscal policies that keep business costs down.”

Headquartered in Durham, Quintiles is the world’s largest clinical research organization, measured by global revenue. It is ranked 781st on the FORTUNE 1,000 list of largest U.S. companies with 2005 revenues of nearly \$2 billion. The privately-held company helps drug makers develop and commercialize new medicines. Its core business is conducting clinical trials under contract to pharmaceutical and biotechnology companies.

Quintiles is a major employer in the Research Triangle region with more than 1,000 employees currently working in Durham and Morrisville. The additional 1,000 jobs that will be created will range from management positions to clinical operations employees to administrative staff. Pay for these jobs will vary, but the average annual salary for the positions will be more than \$65,000 not including benefits. That is significantly more than the Durham County average of about \$46,000 not including benefits.

“We are delighted to be a home-grown North Carolina company and to affirm our commitment to our roots by expanding our global headquarters and operations staff in Durham County,” said Dennis Gellings, Quintiles’ chairman and CEO. “There are a handful of places in the world where drug development is truly vital, and the Research Triangle area is one of them. We thank the state of North Carolina and Durham County for being excellent partners as we expand and look to the future.”

In addition to the \$10.1 million that Quintiles plans to invest, a private developer will put up approximately \$50 million to develop and build a facility in Durham for the company to lease. That brings the total private investment in the project at more than \$60 million.

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The company considered several other locations including Overland Park, Kan. and Kansas City, Mo., before deciding to expand in North Carolina.

This is the 50th Job Development Investment Grant award Easley has announced since the program's inception in 2002. The state's Economic Investment Committee earlier today voted to award a JDIG grant to the company to facilitate the project. Under terms of the JDIG agreement approved by the committee, a 12-year grant will be established. Over the life of the grant, the N.C. Department of Commerce estimates the project will:

- Generate a cumulative gross state product value of about \$962.5 million;
- Produce a positive, cumulative net state revenue impact of \$4.7 million;
- Contribute \$7.14 million to the state's Industrial Development Fund for infrastructure improvements in rural and economically distressed areas of North Carolina.

For each year that Quintiles meets its required performance targets, the state will provide a grant equivalent to 75 percent of the state personal income withholding taxes derived from the creation of the new jobs. If the organization creates all of the jobs called for under the agreement, in addition to retaining existing jobs, and sustains those jobs for 12 years, Quintiles could receive a maximum benefit of \$21.4 million.

Job Development Investment Grants are awarded only to new and expanding businesses and industrial projects whose benefits exceed the costs to the state and which would not be undertaken in North Carolina without the grant. The One North Carolina Fund assists the state in industry recruitment and expansion by providing financial assistance through local governments to attract business projects that will stimulate economic activity and create new jobs in the state. Together the JDIG and One North Carolina Fund have helped create more than 35,000 jobs since 2001 and private investment of more than \$5 billion dollars.

Other partners who assisted in this project include the N.C. Department of Commerce, Durham Technical Community College, Durham County and the Greater Durham Area Chamber of Commerce.

For more information about the company or potential job opportunities, visit www.quintiles.com.

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