

Investment Opportunity – Pharmaceutical Manufacturing

The Edmonton Metropolitan Region has well established pharmaceutical manufacturing infrastructure and one of the world's top AI research centres. We're well positioned to be an emerging hub for pharmaceutical manufacturing.

ABUNDANT TALENT

Chemists, Virologists, and Researchers

\$25-100M

*Immediate and sustained demand for
made-in-Canada Pharmaceuticals*

NEW GOVERNMENT INCENTIVES

CEIV PHARMA CERTIFIED SUPPLY CHAIN

Trade agreements accessing
**1.4B GLOBAL
CONSUMERS**

8% CANADA'S LOWEST TAX RATE

OPPORTUNITY

The COVID-19 pandemic shone a spotlight on the issue of drug shortages and created a heightened concern over the need to secure a reliable supply chain for pharmaceuticals.

In Canada alone there are 32 designated drugs currently classified under a Tier 3 drug shortage – 24 of these impacted patient care during the pandemic – clearly demonstrating the need for domestically manufactured products.

Supply chains have been disrupted and new ones are being created globally. This has created an opportunity for investors to capitalize on this growing trend.

The Edmonton Metropolitan Region is well positioned for co-locating essential medicine supplies in a stable and reliable political and economic climate.

EXISTING CAPACITY CAN BE SCALED UP

- The Edmonton region has well established pharmaceutical manufacturing infrastructure, which can be scaled up. Companies can compete for supply contracts across Canada with an estimated value of \$25-100 million.
- The provincial public healthcare system in Alberta is the largest in the country – translating into potential for upfront bulk orders, which would support the scale up phase of business development.

EXPERTISE AND TALENT

- The Edmonton region has a large pool of engineers and trades professionals with experience in petrochemical and chemical manufacturing whose skills could easily transition to pharmaceutical manufacturing.
- Post-secondary institutions produce a reliable supply of skilled talent needed for pharmaceutical production.
- Immigration-friendly government policies make it easy to attract and retain international skilled talent.
 - Alberta Advantage Immigration Strategy
 - Canada Global Skills Strategy

GOVERNMENT SUPPORT AND INCENTIVES

- Pharmaceutical manufacturing has been endorsed by the provincial government as part of their Economic Recovery Plan.
- Companies benefit from the Government of Canada investment tax credit ranging from 15% to 35% for scientific research and experimental development opportunities.
- The newly announced Innovation Employment Grant will support SMEs that invest in R&D with a grant worth up to 20% of qualifying expenditures.

LOGISTICS AND MARKET ACCESS

- The Edmonton International Airport is the only one in Canada to maintain CEIV Pharma certification.
- Circumpolar routes in air transport gives the Edmonton region an unmatched strategic advantage in terms of location.

CLIMATE

- The environmental conditions in the Edmonton region (i.e. low humidity) are well suited for drug manufacturing.
- Facilities in other jurisdictions regularly shut down during periods of high humidity.

INDUSTRY SUPPORT AND INNOVATION

- Applied Pharmaceutical Innovation (API)
 - Helps innovators commercialize their ideas, accelerating the drug development process.
 - Has attracted \$31 million in investment since its launch in 2018.
- Health City
 - An economic development initiative connecting and accelerating the health innovation ecosystem in the Edmonton region.
- Alberta Innovates – Health Research Funding program
- University of Alberta – 19 medical research centres – several have an emphasis on pharmaceutical products including the Drug Development Innovation Centre, Li Ka Shing Institute of Virology, and Precision Health
- Merck Health Accelerator
- TEC Edmonton

CASE STUDY - GILEAD

- Gilead established a major manufacturing facility in Edmonton - currently employing more than 400 staff, 90% of which have post-secondary education.
- Gilead continues to invest in Edmonton and are expanding to add another process tower including nine reaction vessels as well as ancillary filtration and drying equipment.

LOCAL SUPPLY CHAIN

Companies include:

- General Intermediaries of Canada
- Rane Pharmaceuticals
- Dow Chemicals
- TC Scientifica
- SV Chembiotech
- BASF Canada
- INEOS
- Grace Chemicals
- Praxai

Contact Edmonton Global's Dr. Stefan Scherer to receive a detailed business case and competitiveness scan for pharmaceutical manufacturing investment opportunities in the Edmonton Metropolitan Region.

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