



Commonwealth of Kentucky
Office of the Governor

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**Scientific Products and Services Startup Hera BioLabs
to Invest \$1.8 Million in New Headquarters**

Lexington biotech firm provides specialized products and services for pharma research

FRANKFORT, Ky. (April 28, 2016) – Gov. Matt Bevin and Lexington Mayor Jim Gray today announced Hera BioLabs Inc., a biotech startup providing genetically specialized products and services for scientists and pharmaceutical researchers, will establish a new headquarters and create 23 jobs in Lexington with an investment of \$1.8 million.

“Hera’s products and services hold promise in contributing to the fight against cancer and other diseases that affect us all,” said Gov. Bevin. “Our ability to attract, retain and assist in the growth of companies in the biomedical and pharmaceutical industry, underscores Kentucky’s status as an innovative state addressing real and persistent problems. We welcome Hera BioLabs to the Commonwealth and look forward to helping them grow.”

Hera plans to outfit an existing building to produce specialized laboratory rat models that could make pharmaceutical testing quicker, safer and more cost effective. Buildout will include positive-pressure barrier rooms for housing the rats, as well as office and laboratory space.

Established in 2015 as a spinoff of Lexington-based Transposagen Biopharmaceuticals Inc., Hera will move its current seven employees from the University of Kentucky campus to its new facility. Jack Crawford, Hera CEO, said he expects to open the new location this summer.

“We aim to help develop a safer, healthier world through the advancement of toxicology testing. Kentucky is an ideal location for a CRO like Hera to start and grow as it offers a competitive edge in manufacturing and an excellent place to recruit and attract the type of talent we are looking for,” Crawford said.

Mayor Gray said the expansion speaks to Lexington's efforts to foster the industry.

"Hera's success is Lexington's success in creating an environment that attracts entrepreneurship and enables businesses to prosper," said Mayor Gray. "When a home-grown biotech firm expands here we know we're on the right track."

Scientists, including pharmaceutical researchers, can use the specialized rats to more accurately test drugs and other therapies before moving to human clinical trials. Crawford said that step promises to reduce the high failure rate of expensive and time-consuming clinical trials.

Additionally, Hera plans to provide services to external researchers including laboratory services and animal husbandry, as well as various specialized cell lines and lab rats for toxicology testing.

Sen. Ralph Alvarado, M.D., of Winchester, said Hera, as a locally grown startup, will create high-skill jobs in the regional economy and could help improve the drug-development process on an international scale.

"Companies like Hera that combine scientific knowledge with the latest technology have and will continue to make tremendous contributions in the field of human health," said Sen. Alvarado. "I congratulate Hera on taking this latest step to establish its new headquarters and playing a larger role in the Bluegrass region's thriving biomedical industry."

Rep. Ruth Ann Palumbo, of Lexington, said Lexington will provide a hand-in-glove fit for the company's new headquarters.

"Combining a new facility with its promising technology and a background with Transposagen, Hera BioLabs can accomplish great things here in Lexington," Rep. Palumbo said. "The area offers a broad range of resources, from the expertise and graduates trained at the University of Kentucky, to Lexington's private-sector biomedical companies to members of the skilled local workforce. I congratulate Hera and look forward to seeing the company succeed."

Commerce Lexington Inc. President & CEO Bob Quick welcomed the expansion.

"Cutting edge technology is being done right here in Lexington by Hera BioLabs," Quick said. "We're proud that Hera is expanding its company and technology in our city and creating 23 new jobs for our citizens. Thank you to Hera for your investment and commitment to Lexington."

To encourage the investment and job growth in the community, the Kentucky Economic Development Finance Authority preliminarily approved the company for tax incentives up to \$300,000 through the Kentucky Business Investment program. The performance-

based incentive allows a company to keep a portion of its investment over the agreement term through corporate income tax credits and wage assessments by meeting job and investment targets.

In addition, Hera can receive resources from the Kentucky Skills Network. Through the Kentucky Skills Network, companies are eligible to receive no-cost recruitment and job placement services, reduced-cost customized training and job training incentives. Last year, the Kentucky Skills Network trained more than 84,000 employees from more than 5,600 Kentucky companies.

For more information on Hera BioLabs, visit www.herabiolabs.com.

A detailed community profile for Fayette County can be viewed [here](#).

Information on Kentucky's economic development efforts and programs is available at www.ThinkKentucky.com. Fans of the Cabinet for Economic Development can also join the discussion on [Facebook](#) or follow on [Twitter](#). Watch the Cabinet's "This is My Kentucky" video on [YouTube](#).

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