

## **On Site: Chesapeake IRB Acquires IRB Services, Expanding into Canada and Continuing its Plans for Growth**

Expanding through acquisition beyond its U.S. borders, Chesapeake IRB has completed the acquisition of IRB Services, considered the largest independent institutional review board in Canada.

Financial terms of the transaction were not disclosed.

IRB Services, headquartered in Aurora, Ontario, provides federally mandated IRB services to pharmaceutical, biotechnology and medical device companies, universities, academic medical centers, hospital systems, and governmental entities to assure the protection of rights and welfare of human subjects participating in research.

The company reviews research on human participants, as well as research involving anonymous human tissue samples obtained from federal government agencies or other organizations in Canada, the U.S., and internationally. The company also has official Canadian provincial recognition.

In July 2012, IRB Services gained greater visibility when Trafalgar Ethics Board, a Canada-based independent ethics board, voluntarily closed its doors. IRB Services stepped in to guide the closing and assume responsibility for nearly 40 urology, allergy and behavioral studies involving approximately 200 researchers working with a variety of pharmaceutical companies.

Founded in 1993, IRB Services is the only Canadian IRB accredited by the Association for the Accreditation of Human Research Protection Programs (AAHRPP). It will retain its name, leadership and Canadian location, and will operate as a wholly owned subsidiary of Chesapeake IRB.

"We were approached by others," said Jack Corman, IRB Services founder and president, "but I wanted the right equity partner and a culture where putting human protection first is at the core."

For Corman, working with Felix Gyi, founder and CEO of Chesapeake, was the deciding factor. He said Gyi shares his values and business outlook.

"With [Gyi], we can move forward in advocating good ethical research, smart ethical reform and do it better together than doing it alone," said Corman.

He also praised Audax Group, the Boston private equity firm that acquired Chesapeake nearly two years ago. That equity funding has enabled Chesapeake to expand, last month completing its first acquisition, of Cincinnati-based Goodwyn IRB.

"For me, having spent time with Audax and Felix, there was a natural agreement on where we are going as a combined company," said Corman.

For Chesapeake, the acquisition of IRB Services combines two AAHRPP-accredited organizations and expands its geographical reach.

"Adding IRB Services to our team is the realization of a long-time goal for us, because it offers our clients a combined North American expertise and service capability that is unparalleled in our industry," said Jeff Wendel, Chesapeake IRB president, who cited IRB Services' outstanding reputation and long standing dedication to the protection of human subjects.

The acquisition continues a trend of private equity firms investing in middle-market healthcare companies, notably IRBs. In 2012, Arsenal Capital acquired WIRB and the Copernicus Group IRB to form The WIRB Copernicus Group. Last year, the combined company acquired Research Dataware, a software developer and provider of IRB NET software for IRBs.

— Ronald Rosenberg

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