

Pennsylvania Senate Committee on Institutional Sustainability & Innovation
Life Sciences Hearing – Tuesday, April 1, 2025
Majority Chair: Senator Frank Farry
Minority Chair: Senator Tim Kearney

Good afternoon and thank you to Chairman Farry and Senator Kearney for the opportunity to share a bit about lovance's presence and continued growth in Pennsylvania and the Philadelphia Navy Yard. I am Laurel Todd, Vice President, US Market Access and Policy, at lovance.

lovance aims to be the global leader in innovating, developing and delivering novel cell therapies for people with cancer. On February 16, 2024, the Food and Drug Administration (FDA) approved AMTAGVI. AMTAGVI is a tumor-derived autologous T cell immunotherapy indicated for the treatment of adult patients with advanced melanoma, who have progressed on first line treatments.

Our technology seeks to utilize a patient's own immune cells to deliver a personalized approach to fighting cancer. When cancer is detected, the immune system creates cells called tumor infiltrating lymphocytes, or "TIL", to locate, attack and destroy cancer cells in the body. If cancer prevails, TIL are unable to perform their intended function. That's where we come in. At our lovance Cell Therapy Center (iCTC) in the Philadelphia Navy Yard, our employees manufacture novel cancer cell therapies from a process that rejuvenates and multiplies a patient's TIL cells so they can be returned to the patient to fight their cancer. This is a technology that originated in the National Cancer Institute (NCI) in the 1980s. We licensed the technology from NCI and innovated and evolved the manufacturing process to move this breakthrough therapy out of a small set of academic centers to patients across the US and beyond.

lovance has evolved from an early-stage biotech to a commercial company with two products and a deep, robust pipeline. To put this in perspective, in 2016, lovance emerged as a rebranded company and had just reached the milestone of 50 employees.

Less than three years later, we broke ground and built the iCTC, in the Navy Yard. iCTC is the first manufacturing facility dedicated to producing TIL therapy. Today iCTC stands as one of the largest cell therapy manufacturing centers in the world and we continue to expand the campus. We acquired Proleukin in the last two years, which is a significantly beneficial addition to our portfolio in providing control of the IL-2 supply chain and adding incremental revenue for lovance.

We are strategically located in Philadelphia – the birthplace of cell and gene therapies and the home of leading academic institutions active in research. Greater Philadelphia's

support for workforce training and development is essential to allowing the region to capture future growth in cell and gene therapy versus competing areas.

After conducting a nationwide search to determine where to establish our manufacturing facilities, we ultimately landed on Philadelphia – in large part due to the Keystone Opportunity Zone. As may know, the KOZ program develops a community's abandoned, unused, underutilized land and buildings into business districts and residential areas. The KOZ in Philly provided us the largest financial benefit across all major US markets for a manufacturing site. Developing in a KOZ offers companies an abatement of all state and local taxes, including real estate and corporate income taxes, which has led to significant savings and is a critical benefit to commercial stage life science companies, like lovance. And with the airport next door, and many other large airports a short distance away, we are able to deliver TIL therapy across the U.S., Europe and even Australia.

Since breaking ground at the iCTC in 2019, lovance has expanded from less than 15 employees in Philadelphia to more than 600 employees and contractors, and over 900 company-wide today.

lovance employs a diverse workforce that resembles the Greater Philadelphia community. A variety of backgrounds, as well as a broad range of academic experience, are represented across the organization including manufacturing technicians, scientists, and management professionals.

Key to this growth has been our partnership with the Skills Initiative for the Aseptic Manufacturing Technician Training Program. Philadelphians with at least a high school equivalency are eligible to participate in class- and lab-based training followed by a 12-week externship at lovance. Participants who successfully complete the program are considered for employment at lovance as associate aseptic manufacturing technicians. As a result of this program, lovance has hired 26 graduates from this program. In 2025, we have three additional cohorts and have expanded the program with the Skills Initiative to include additional partners. In addition, we are working on programs for more experienced employees, and I look forward to sharing more about those initiatives in the future. We hope our collaborations with local schools and organizations will serve as a model to build deep, diverse life sciences talent pipelines across Greater Philadelphia, more broadly in Pennsylvania, and beyond.

It's incredible what we've accomplished as a company to scale TIL therapy from very limited use at a small number of academic centers to a broadly accessible commercial product at roughly 70 treatment centers. The story of TIL has been decades in the making and approval was a monumental occasion for the medical community and the cell and gene therapy industry. We're the first truly personalized cell therapy approved for a solid

tumor with long term responses and curative intent. We are also the only biotech to launch a cell therapy on this scale independently, without a larger pharma partner or as a larger biopharma subsidiary. lovance is also the first with two approved manufacturing sites at the time of approval.

The Amtagvi approval generated a lot of excitement in the medical, patient and advocacy communities, not just for melanoma, but for those affected by other solid tumor cancers who see the promise of TIL, and we continue to see this excitement through ongoing regional and national media coverage featuring Amtagvi patients.

We are proud of our ability to provide Amtagvi for our patients. We've heard numerous stories over the years from patients who had been told to get their affairs in order, that the next step is hospice. Thanks to TIL therapy, many people who had advanced cancer are now cured or in durable response. These patients have had the opportunity to spend time with friends and family, and to celebrate milestones for months, years and in some cases decades longer. At the iCTC, many of our patients are featured prominently in our facilities and in the media. These are just a handful of examples of the potentially curative impact of Amtagvi, as a result of the work we do at lovance in Pennsylvania.

There are so many more patients who need another treatment option, and we believe that lovance will make a substantial impact in their lives. We intend to further expand our manufacturing footprint in the Navy Yard to meet that demand. lovance has a very bright future and continued support for the life sciences in Pennsylvania will continue to be a big part of our story.

As the legislative leaders for the Life Sciences in Pennsylvania, you have the opportunity to bring new treatments and cures for patients who are in desperate need of new options. As I described, the KOZ was, and continues to be, a huge part of lovance's success in Pennsylvania. We have partnered with key groups in the Philadelphia region to focus on work force development to support our growth as well as other life sciences companies in the region. Governor Shapiro has proposed an Innovation Fund in his most recent budget that would support the continued growth of the life sciences industry in Pennsylvania, and lovance urges this Committee to support the inclusion of this request in the final budget.

Thank you again for the opportunity to present the lovance story – one supported by key initiatives this legislative body has advanced. I am happy to address any questions you may have.