



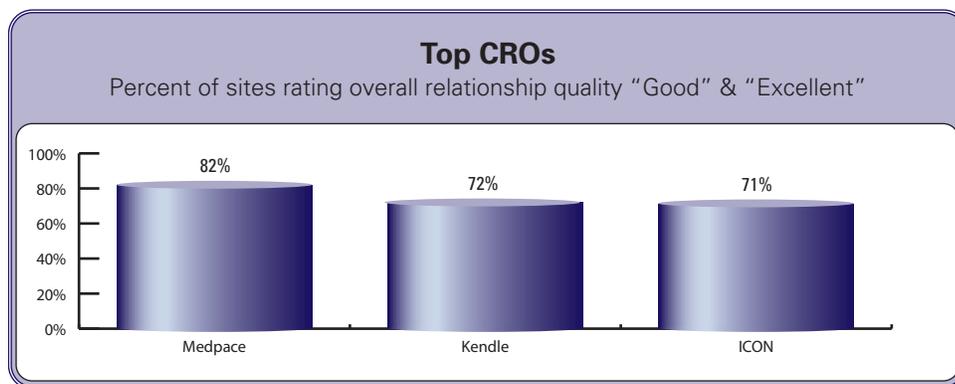
U.S. Sites Rate Medpace, Kendle, ICON as Top CROs in 2009

Medpace, a private CRO on the rise, has been rated number one by U.S. investigative sites that it works with. Kendle, which came in second, has ranked in the top three in CenterWatch's survey the past three years, but was recently hit by a large number of project cancellations. Third place ICON returns to the top three for the first time since 2005.

Investigators were asked to rate the CROs that they have worked with during the past two years on a wide range of attributes and responsibilities. A total of 950 investigative sites completed the survey.

The results of the 2009 CenterWatch Survey of Investigative Sites in the U.S. are in, with Medpace taking the number one spot by being rated "Good" or "Excellent" by 82% of U.S. investigative sites surveyed. This year marks the first time Medpace has occupied the top spot. Kendle took second place with 72% "Good" or "Excellent" ratings and ICON ranked third with 71% "Good" or "Excellent" ratings.

"It's an honor to be supported by critical partners of ours—sites. I think it's a reflection of the close relationship that we have with sites with which we work. Our success is dependent upon them, and we do our best to support them," said Medpace president and CEO



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

August Troendle, M.D.

Of the three top contract research organizations this year, Kendle is the only one that has ranked consistently in the top 3 for three years in a row. Kendle was ranked first in the 2007 U.S. site survey and second in the 2008 European site survey.

ICON's last appearance in the top 3 was when it was ranked second in the 2005 U.S. site survey.

Medpace received the highest ratings of "Excellent" for 27 of the 29 attributes measured. Kendle, ICON, and Covance also made impressive showings, ranking in the top 3 for "Excellent" ratings across many survey attributes. ICON showed the most improvement from 2007 by receiving 71% "Good" or "Excellent" ratings, up from 59% in 2007.

"We've expanded globally over the last five to six years, and one of the things we've really

tried to do is ensure that, despite our rapid growth, we maintain our quality, service, delivery, professionalism, good relationships with our investigator sites and good relationships with our clients and our personnel. To be able to get some independent validation is always a real positive thing for us, so I'm very happy about the results," said John Hubbard, global president of ICON Clinical Research.

Survey Methodology

CenterWatch conducted the survey among 22,500 U.S. investigative sites in early 2009. The survey was done on the Internet, and minimal paper surveys were collected. The CenterWatch survey instrument was originally developed with input from clinical research professionals, with minor modifications made over time. A total of 950 investigative sites completed the survey, representing a 4%

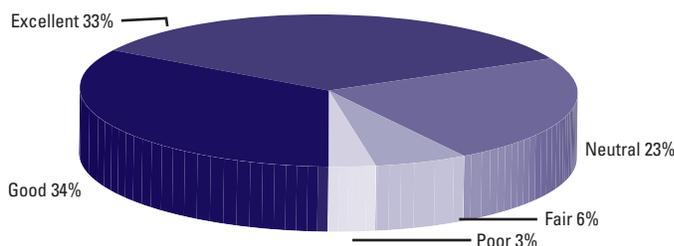
M E D P A C E

Global Headquarters

4620 Wesley Avenue • Cincinnati, Ohio 45212 • USA

Toll-free: +1.800.730.5779 • Tel: +1.513.579.9911 • Fax: +1.513.579.0444 • www.medpace.com

Average Rating for the Typical CRO, 2009



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

response rate.

Approximately 30% of the sample work as investigators, with the remaining 70% describing themselves as study coordinators or administrators. Investigators had an average of 11 years of experience with clinical research. Seventy-two percent of researchers conduct clinical research on a full-time basis, while 28% reported part-time involvement in clinical research.

Investigators were asked to rate the CROs that they have worked with during the past two years on a wide range of attributes and responsibilities. Investigators were also asked to provide ratings for the three companies that they have worked with most frequently and to rate these companies on 29 relationship attributes involving project management, personnel, workstyle, study initiation and ongoing study conduct activities. Sites were also asked to rate the importance of all the attributes to the success of their clinical studies.

In all, 11 CROs are rated by investigative sites in this year's survey, representing a larger pool of companies than were rated in past surveys.

Detailed Highlights

The average CRO rating was 67% "Good" or "Excellent," up from 65% in 2007. The gap between the average sponsor rating (73%) and the average CRO rating (67%) is six percentage points, the same gap between sponsors and CROs in the 2007 survey. This represents

a narrowing of the traditional gap between sponsors and CROs, which in CenterWatch surveys prior to 2007 have typically been 10 percentage points.

This year, the top importance ratings of CROs and sponsors match, meaning that those factors that are viewed as essential to the success of a study are valued equally by both sponsors and CROs. Having both professional and well-trained monitors and clinical research associates (CRAs) in addition to having knowledgeable monitors and CRAs were rated important by investigative sites. Also, being organized and prepared and showing responsiveness to inquiries were rated important. Last, good overall protocol design was seen as an essential attribute to the success of a study.

Staff Professionalism

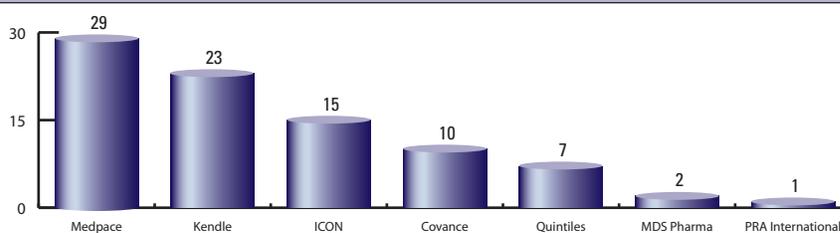
Professionalism was the category rated most important by sites. Attributes within this category were professionalism of medical and

administrative staff as well as monitors and CRAs. Sites also rated the degree to which CRAs and managers are knowledgeable. Having professional monitors or CRAs is the attribute rated most highly within this category and considered most important in the survey overall. Medpace led the "Excellent" ratings in this category with 58%, followed by ICON with 41% "Excellent" ratings by sites, and Covance with 39% "Excellent" ratings.

"I think critical to that component is our therapeutic focus. We only market ourselves in specific therapeutic areas in which we have experience and staff that are knowledgeable," said Troendle. Medpace, which was founded in 1992 and has more than 1000 employees, specializes in the areas of cardiology, oncology and metabolism. The company's revenues in 2008 were \$143 million, according to Dun & Bradstreet.

"A relationship can only be built with some sort of continuity, and I think our turnover rate of 5% for CRAs, which is less than half what the competition has, I think that's an important factor," Troendle said. "Part of that is our central model. Most of the industry has gone to a regionally based support model for CRAs—for monitors. Ours is one almost entirely centrally-based. People say, 'Well, it's less efficient, you've got to travel people,' but I think, in the end, we're a lot more efficient. Maybe you spend an extra hour and a half on average on travel, but it really doesn't wind up being that much—it's maybe 5%

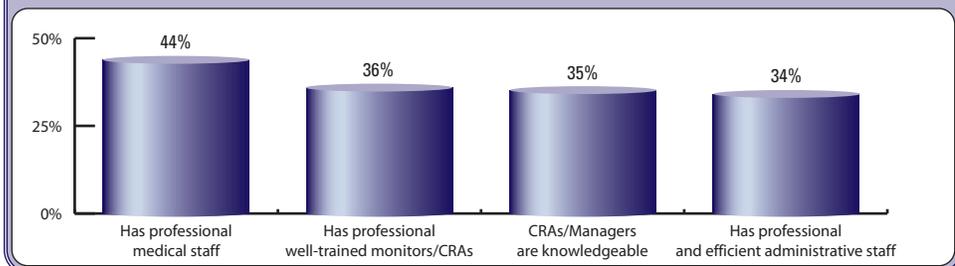
Highest Frequency as a Top 3 Rated CRO Across 29 Relationship Attributes



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

Quality of Staff Professionalism

Average percent of sites rating sponsor "Excellent"



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

more time—but the amount of savings in not having turnover ... Regional CRAs don't have as close contact; they don't have as much interest in the company; they don't really see it as part of their team—their family. They're kind of independent. We have a centrally based monitoring group in Cincinnati, and I think that really leads to cohesion as a group and low turnover."

Sites also viewed knowledgeable CRAs and managers as essential to conducting a successful study. Medpace received "Excellent" ratings by 56% of sites, followed by Kendle with 43% of sites rating the company "Excellent"; and 39% of sites giving ICON an "Excellent" rating.

"The project leaders at Kendle are very empowered to run the study and the entire team. I think that the CRAs, in particular, have a real loyalty to that team approach," said Kendle president and CEO Candace Kendle. "It's quite challenging to manage someone you may never see. Getting to global project management and loyalty is very challenging, and I think the project leaders feel that they have an obligation to their team even though they are never in the same room together. It's a real management skill to bring a team together around the globe." Kendle is a public CRO with revenues of \$475 million last year.

General Project Management

Within the category of general project man-

agement, sites were asked to assess the importance of the following attributes: organized and prepared; sets realistic project timelines; responsiveness to inquiries, sets realistic patient enrollment goals; effectively works with sponsors; and maintains open communication. This category was evaluated second most important with 79% of sites indicating that these attributes were essential.

The top importance rating in the category of general project management was for the attribute "organized and prepared." Medpace led with 60% "Excellent" ratings followed by Covance at 45% and ICON at 43%.

ICON, a public company with more than 7,100 employees and revenues of \$365 million last year, implemented a company-wide initiative to improve its global project management a few years ago. As part of the initiative, called EXPEDITE, the CRO created a dedicated project management office that supports project managers by providing easy access to study-related information, planning assistance, proj-

ect management tools, and help in patient recruitment and site feasibility.

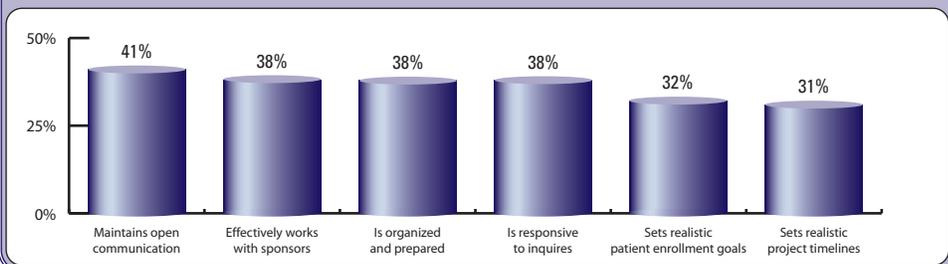
"The place where a lot of projects fail is they set unrealistic timelines, they don't do adequate feasibility, sometimes they end up starting projects well into the process and put everyone under a lot of pressure," said ICON's Hubbard. "Those things still happen, but the idea is to try to keep those to a minimum because that doesn't work for anyone. It doesn't work for the client, it doesn't work for us and it doesn't work for the site. I don't believe you deliver a good quality service when you're at a frenetic pace. We're trying to do better front-end work, and that's really where this project management office comes into place."

Another attribute that was considered essential by sites was responsiveness to inquiries. Medpace received 68% "Excellent" ratings by sites, followed by Kendle at 45% "Excellent," and Covance with 44% "Excellent."

"I think [good project management] is often a reflection of two things: Our clinical trial manager knows the area well and responds to questions without having to ask a third party, and also we're empowered often with the relationship we have with our sponsors to manage the project relatively autonomously," Troendle said. "It's a reflection of our full-service therapeutic focus mix of work where we are often making the decisions—we are often empowered to make those decisions locally—and having project man-

Quality of General Project Management

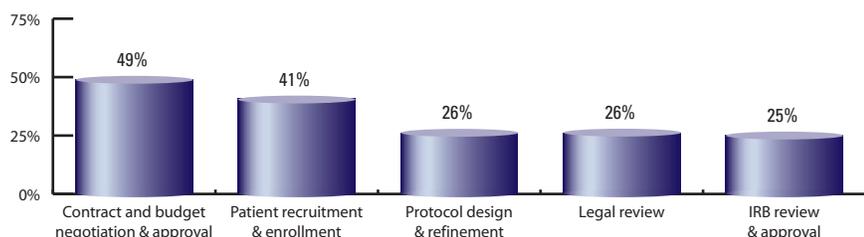
Average percent of sites rating sponsor "Excellent"



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

Factor Most Often Causing Study Delays

Percent "Most Often Causes Delays"



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

agers that don't have to ask a lot of people to get answers."

Oftentimes, responding to inquiries involves responding to criticism, said Kendle, so her team's ability to deal with that criticism is critical to how they are viewed by investigator sites.

"I like to think that we know how to take criticism. When you're in a service business, you're not going to do everything right. You're not going to understand what the customer wants every time, and you have to be willing to accept and act on criticism. It's wanting you to do something differently; it's not about you personally," Kendle said.

Study Initiation

Within this category, investigators rated CROs on aspects of the protocol, including good overall protocol design, having protocols where scientific rationale is aligned with clinical practice realities, ability to carry out the protocol, and provides protocols that require minimal amendments. Also included is whether or not a CRO has uncomplicated case report forms; holds informative investigator meetings, and has efficient contract and budget negotiations (if responsible for overseeing this aspect). The category of study initiation was rated important by 78% of sites.

The top rated attribute in this category is good overall protocol design. Sites rated Medpace highest (46% "Excellent"), followed by Kendle (41% "Excellent") and ICON (40%

"Excellent"). Good protocol design is also an attribute identified by sites as essential for sponsors.

"We've put in place a dedicated group globally that focuses on study initiation activities," said ICON's Hubbard. "This group acts as a liaison with the site, helps them with regulatory document preparation, works with the regulatory agencies in the countries for the submissions, and then also follows up when there are questions regarding regulatory submissions. They act as sort of that liaison with the site and the regulatory bodies and try to help make that workload a little bit easier for the sites to handle. In a lot of cases, these sites see patients for clinical practice as well, so, even though they might have resources that actually do the trial, they've got a day job as well in terms of patient care. So, anything we can do to support that, we try to do."

ICON's study initiation group also handles investigator contract negotiations. The group's involvement makes the entire process run

more smoothly, Hubbard said.

"What we try to do is form relationships so that it's the same people working with the same centers at the same institutions over and over again so that they build a relationship. It makes it a lot easier when you're trying to negotiate investigator fees and per-patient costs and things like that," Hubbard said.

Ongoing Study Support

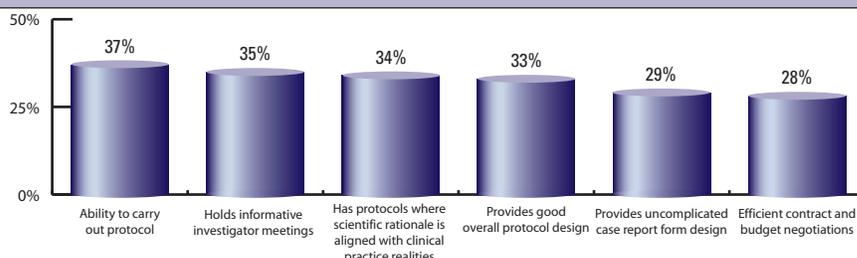
This category examines timely drug availability and aspects of patient recruitment including adequate funding and support for planning and implementation. Also included within ongoing study support is having low monitor turnover as well as utilizing technology and efficient query handling

Kendle received two top scores in the ongoing study support category. Kendle received the highest rating of "Excellent" for timely drug availability at 49%. Timely drug availability was rated most important in this category. Medpace received 46% "Excellent" ratings on this attribute, and Quintiles received 45% "Excellent." ICON showed improvement from its 2007 ratings and was up six percentage points for timely drug availability this year. Kendle also led with the highest rating of "Excellent" (39%) for providing patient recruitment planning and implementation assistance.

"So much of [timely drug availability] is controlled by the sponsor and so much of it is about expectations at the sites. So it's constant

Quality of the Study Initiation Process

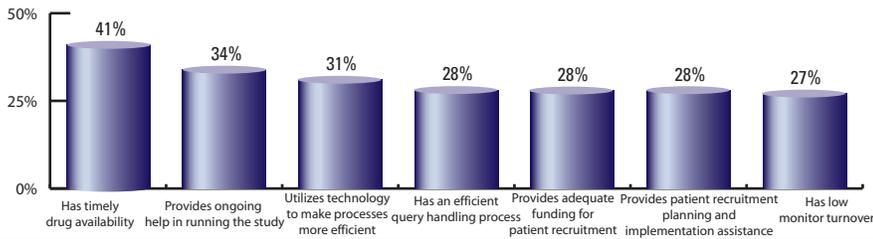
Average percent of sites rating sponsor "Excellent"



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

Quality of Ongoing Study Support

Average percent of sites rating sponsor "Excellent"



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

communication about when a drug is going to be available, understanding import/export regulations...so much of it is just paying attention to the details," Kendle said. "Sites want to know if they're going to have drugs for their patient when they arrive next Tuesday. They don't want to know that it's sitting on the customs dock on Monday. They want to know: Will their patients be able to receive the drug when they arrive? So much of it is about detailed shipment and arrival planning. We've had drugs sitting on docks—I'm sure every CRO has had that—so it's how you manage that."

Grant Payments

The grant payment category assesses fairness and promptness of payments and the degree to which payment schedules are realistic. The grant payment process was rated important by 76% of sites. Sites gave Medpace 37% "Excellent" ratings for promptness of grant payments with Kendle at 35% "Excellent," and Quintiles at 30% "Excellent." Traditionally, this category has received low ratings of "Excellent" over time and received 28% "Excellent" for its overall average for this year and in the 2007 U.S. survey.

Workstyle

The attributes in this category are flexibility, supportive culture, and a collaborative team

environment. This category received the lowest importance rating in the survey.

The top attribute in this category in importance is flexibility—willingness to modify protocols and budgets. This attribute received the overall lowest rating of "Excellent" across attributes with Medpace rated 37% "Excellent"; Covance at 29% "Excellent"; and MDS Pharma at 27% "Excellent."

Medpace is able to offer more flexibility than some of the other large public CROs, Troendle said.

"We're a privately held company, which, to some extent, might help facilitate a few things," he said. "For example, when you start a study, initial funding for investigators is sometimes delayed by sponsoring companies—just because of invoicing, when they expected to have cash available, they may not have planned on such a rapid startup of sites, etc. We'll need to make payments to investigators, and if that runs ahead of their escrow accounts for investigators, they often have a delay. We will often

just front the money for them. We have the financial ability to do so and the risk with a larger sponsoring company is small, but most companies wouldn't do that. We try to think of the relationship. For a small site, getting that upfront payment may be critical to their cash flow. Obviously it's something that's a cost to us but it's worth it for the relationship and to not see them have a hard time getting the study going and maybe make them slow down and not be able to work with us. We try to be flexible and understand their needs," Troendle said.

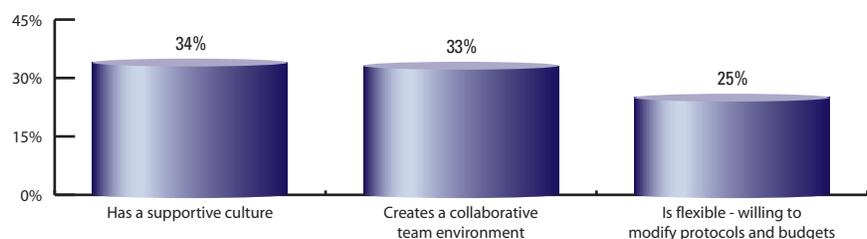
Overall Findings

The overall CRO rating of "Good" or "Excellent" given by sites is up two percentage points from the 2007 US survey. More than two-thirds of investigative sites give the CROs that they work with a "Good" or "Excellent" rating. Having professional monitors or CRAs was considered the most critical factor in the survey in conducting a successful study. Having individuals in place that can effectively manage and execute trials becomes the key to conducting a successful trial. Individuals who manage performance at the site level must have a strong knowledge base and high level of professionalism.

—Paul Dewberry and Molly Rowe

Quality of Workstyle

Average percent of sites rating sponsor "Excellent"



Source: CenterWatch Survey of Investigative Sites in the U.S.: 2009 (n=950)

Headquarters

Medpace Americas

4620 Wesley Avenue
Cincinnati, Ohio 45212
USA

Toll-free: +1.800.730.5779

Tel: +1.513.579.9911

Fax: +1.513.579.0444

Medpace Europe BV

Rivium Boulevard 102b
2909 LK Capelle Aan Den IJssel /
Rotterdam
Netherlands

Tel: +31 10 2667711

Fax: +31 10 4473838

Medpace Singapore Pte. Ltd.

Unit #01-02
Nordic European Centre
3 International Business Park
Singapore 609927

Tel: +65 6896 4351

Fax: +65 6896 4361

Select Offices

Beijing Medpace Medical Science & Technology Ltd.

No 23, East Business Tower
Sheng Shi Long Yuan
No 1005, Gao Bei Dian Xiang Xi Dian.
Chaoyang District
Beijing 100022
China

Tel: +86 10 87706877

Fax: +86 10 87706422

Medpace Clinical Research India Pvt. Ltd.

Reliable Plaza, Ground Floor
K-10, Kalwa Industrial Area
Thane-Belapur Road, MIDC
Navi Mumbai
400 708
India

Tel: +91 22 6786 3000

Fax: +91 22 6786 8009

Subsidiaries

Imagepace

Medpace Bioanalytical Laboratories

Medpace Clinical Pharmacology

Medpace Reference Laboratories