

Cancer-fighting biotech firm breaks ground on production plant in El Segundo

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Nick Green



A biotechnology company that hopes to revolutionize cancer treatment broke ground Thursday for a 43,500-square-foot Frank Gehry-designed drug manufacturing plant in El Segundo that will create about 200 jobs when it opens in 2017.

The Utah Street plant is the first production facility for Santa Monica-based Kite Pharma, which was founded in 2009 by eight former UCLA students.

Kite Pharma is part of a growing number of biotech start-ups that hope to replace traditional chemotherapy with what's called precision immunotherapy.

“We had a vision — the vision that we can use the immune system of the patient to fight his own cancer,” said CEO Arie Beldegrun. “More people will win their battle against cancer and more lives will be saved by the work we are going to do here.

“We selectively activate a patient’s own killer T-cells to seek, fight and destroy selectively cancer cells by sparing healthy cells,” he added. “By doing so we have seen tumors ... melting away within weeks. And this is in patients that failed chemotherapy, failed every possible treatment and had way less than six months to live.

“So this is the power of the immune system when it is genetically engineered specifically to recognize the patient’s own cancer. And some of these patients have now been alive up to five years and some of them we already feel are probably cured of their disease.”

Kite was attracted to El Segundo by its proximity to Los Angeles International Airport, which was seen as key to the efficient distribution of its products.

Moreover, the high-tech manufacturing jobs Kite is creating are exactly the type of high-wage skilled positions that have fled California in recent years, said El Segundo Mayor Suzanne Fuentes, who is an engineer at Northrop Grumman.

She described Kite as developing “stunningly exciting technology.”

“It’s so important for our country to do things and make things and not depend on other countries,” Fuentes said. “To have manufacturers like this right here in El Segundo, in our city, in our state, our country, is fabulous.”

Kite’s decision to locate a manufacturing plant is the latest coup for the small, business-friendly city that some see as punching above its weight.

Indeed, one former Torrance city councilman noted recently that, arguably, El Segundo has supplanted its much bigger neighbor as the South Bay’s pre-eminent business location, a contention Fuentes called “flattering.”

Last month, The Point — an \$80 million shopping center that caters to high-end consumers — opened its doors.

In May, a Colorado-based health care company announced it was moving 800 workers from a Torrance-adjacent sliver of Los Angeles on Western Avenue to a new 185,000-square-foot office in El Segundo.

And in March, El Segundo stole away from Torrance the Japanese company that owns the lucrative Hello Kitty franchise.

Torrance, meanwhile, which will lose one of its largest employers when Toyota moves to Texas in 2017, is getting a new Costco Wholesale store and is having an overhaul of dowdy Del Amo Fashion Center underway, something many city officials believe was long overdue.

“We truly are a city where big ideas take off, and ideas don’t come much bigger than Kite Pharma,” Fuentes said. “We’re known as an aerospace city and now we’re branching out into other businesses and technologies.”

Kite Pharma, whose shares are listed on Nasdaq, is scheduled to release its second-quarter financial results on Monday. The stock closed at \$71.98 Thursday, down almost 6 percent.

In the past year, the stock has traded from a low of \$21.67 to a high of \$89.21.

http://tbrnews.com/business/cancer-fighting-biotech-firm-breaks-ground-on-production-plant-in/article_51a6c190-3d2d-11e5-84bb-4702dbf9e0f4.html