

NORTHSTAR EXPECTS MORE GROWTH IN BELOIT

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Austin Montgomery/Beloit Daily News Executive team members from NorthStar Medical Radioisotopes and Hendricks Holding celebrate the ribbon cutting of NorthStar's latest production expansion that saw construction for the last 18 months.

BELOIT - NorthStar Medical Radioisotopes has grown quickly in the past year and on Thursday the company celebrated completion of its latest expansion while looking ahead at future growth in Beloit.



NorthStar hosted a ribbon cutting and groundbreaking ceremony at its Beloit headquarters in the Gateway Business Park in Beloit, bringing in over 200 federal, state and local officials to mark another milestone for the company.

In April of 2018, NorthStar started construction on a 20,000-square-foot processing facility and Thursday marked its completion.

According to NorthStar CEO Stephen Merrick, the company's isotope processing building is now ready to receive equipment ahead of once again seeking Food and Drug Administration (FDA) approval for the facility. Future FDA submissions follow the company receiving FDA approval in February of 2018 to market its patented RadioGenix system to radiopharmacies across the country.

The company's big year in 2018 culminated with being recognized by the U.S. Department of Energy's Nuclear Security Administration as the first domestic producer of non-uranium molybdenum-99 (Mo-99) in nearly three decades.

Mo-99 is used in combination with Technetium-99 (Tc-99m), the most widely used isotope in radio-medical imaging. Tc-99 is used in around 40 million procedures worldwide each year to diagnose cancer, heart disease, infection and inflammation. The U.S. accounts for 50% of all Mo-99 and Tc-99m used in the global health care market.

Thursday also marked the start of construction on a new particle accelerator building that will use electron accelerators to convert the isotopes to be used in the production process before being processed and shipped to pharmacies and imaging labs across the country. The new building will shift NorthStar's production from a reactor in Columbia, Missouri to the Beloit complex. The accelerators are currently under construction in Belgium, Merrick said.

NorthStar's vision to provide a sustainable, safe supply of radioisotopes took off in 2011, when company officials met with National Nuclear Security Administration (NNSA) officials to share their vision for their products.

The NNSA has provided over \$160 million in federal funds to businesses like NorthStar, having awarded NorthStar \$65 million towards technology development.

"It's our objective to have the companies we support establish the capability to meet the U.S.'s entire Mo-99 demand produced without the use of highly-enriched uranium," Senior NNSA Adviser Jeffrey Chamberlin said.

Chamberlin said the unplanned reactor outages revealed "endemic flaws" in the global supply chain that is reliant on weapons-grade highly-enriched uranium (HEU) - a national security threat to countries worldwide, making NorthStar's domestic production of isotopes without HEU all the more valuable. Chamberlin said he first came to Beloit to meet with NorthStar officials who had a vision, but little infrastructure in place.

"That was a possibility that still seemed very far away when we stood on that hill eight years ago. The land has transformed into a new and expanding complex.

NorthStar has a goal of providing half of all U.S. demand for Mo-99, and Chamberlin said Thursday's event was a "key step in that journey for innovation and execution."

The company has received substantial private investments from groups like Hendricks Holding and Oberland Capital Management to support research and development.

"Every time I would make an investment I knew that I was doing something that was world-changing," said Hendricks Holding Company Chair Diane Hendricks. "I knew they were looking at something to change the industry and looking to make the world a safer place."

Merrick said NorthStar currently has 170 employees, with more expected hires along the way at the Beloit corporate headquarters and in Madison at the NorthStar research and development facility.

"We really have an exciting future and we will continue to grow and continue to hire more employees and we are going to give our customers a reliable supply of radioisotopes," Merrick said.