

Damp squib: a magnet supplied by Oxford Instruments for CERN's Compass experiment struggled to produce a high enough field strength.

L. GUIRAUD/CERN

Systems of Palo Alto, California. In March, it appointed a new chief executive, Jonathan Flint — a trained physicist with management experience in other British high-tech firms.

A brand-new generation of magnets is a key part of the company's future growth strategy, says Adrian Phillips, an analyst at the UK investment company Williams de Broe in Birmingham. The superconducting division has two particularly promising magnets in the pipeline, both of which look to extend the limits of its existing technology.

Molecular distinctions

A 950-megahertz, 22–23-tesla magnet will be delivered in October for use in MRI systems, Cuthbert says, allowing researchers to make more detailed distinctions between molecules. The division is also developing an 800-megahertz magnet that is actively shielded to restrain any stray field, improving safety and leading to more efficient use of lab space.

At the superconductivity division, analysts say, there will be less emphasis on ambitious, one-off projects to meet special customer requirements and more on standard products that play to the company's undoubted strengths.

Since Flint's appointment, the company's share price has remained relatively strong, and investors have high hopes for the future, says the London-based financial analyst who spoke anonymously to *Nature*.

"The company has always had undoubted technical expertise, but it has never been translated into consistent, profitable growth," she adds. "The arrival of a new chief executive from outside gives the hope that he will convert the technology into earnings growth, and deliver returns to shareholders." ■

IN BRIEF

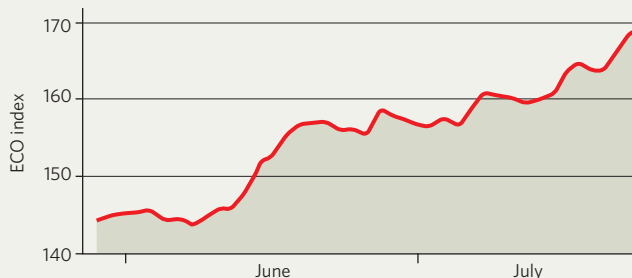
SUBSIDY PUSH The biotechnology industry and Elias Zerhouni, director of the National Institutes of Health, have called on the US government to allow companies funded by venture capital to rejoin a research-support programme. Lawmakers decided two years ago that companies majority-owned by venture capitalists should be kicked off the Small Business Innovation Research programme and that participation should be limited to small, independent businesses. But bills now before Congress would restore access to the subsidy for such companies.

INTEL PLANS FAB The world's largest chip manufacturer has announced that it will spend a cool \$3 billion on its next chip-fabrication facility near Phoenix, Arizona. Intel says this will be its first plant to produce chips with components only 45 nanometres apart — about twice as compact as current technology — on wafers 300 millimetres in diameter. As *Nature* went to press, Intel hadn't yet confirmed reports attributed to Israel's prime minister, Ariel Sharon, that it will also build a second chip-making plant in Israel.

AIDS AWARENESS A Chinese pharmaceutical company has signed a pact with a US health foundation to supply drug precursors at a discount price to companies that make generic AIDS drugs in India. The William J. Clinton Foundation, which was started by the ex-president in 2001, signed the agreement in Xiamen, China, with the Mchem Pharma Group. Under its terms, Mchem is also expected eventually to export finished AIDS drugs at affordable prices. It is the first Chinese company that the foundation has enlisted in its efforts to improve the availability of AIDS drugs in the developing world.

MARKET WATCH

CLEAN-ENERGY STOCKS



Stocks in companies dedicated to energy efficiency and renewables have surged forward this summer on mounting evidence that governments — and markets — are taking alternative energy more seriously.

The WilderHill Clean Energy Index (ECO on the American Stock Exchange) rose in value by almost 20% during June and July (see graph) as high oil prices, together with various corporate and political initiatives, bolstered investors' confidence in the sector.

The expected passage of an energy bill by the US Congress has fuelled positive sentiment, says Robert Wilder, a former political scientist at the University of California at Santa Barbara, whose company runs the index. Although the final bill won't include targets for renewable energy production, as some had hoped, its various measures have still boosted share values in the sector. "There are

enough subsidies in there for everyone," Wilder says.

He adds that the healthier performers in the index — such as Connecticut-based Distributed Energy Systems, which sells systems for supplying power from multiple sources into decentralized markets — are doing well on the basis of actual revenues and profits, rather than on speculation about future sales.

Michael Liebreich, head of London-based New Energy Finance and a member of the WilderHill index's advisory board, says an energy bill passed in China and the announcement of an environmental strategy by General Electric in May (see *Nature* 435, 410; 2005) have also improved market sentiment. The investment climate in clean energy, he says, "is moving from a gambling mentality to a more realistic phase, where risks are better understood by sophisticated investors".

SOURCE: WILDERSHARES