

Sky's the limit: the GIOVE-A navigation satellite was a step up for Surrey Satellites.

microsatellites, says Carissa Christensen, a space analyst with the Tauri Group, a consultancy based near Washington DC. The Department of Defense, for example, has said that it wants a capability to quickly launch customized satellites to monitor specific regions of interest — or to spy on other satellites. If branches of the Pentagon decide to invest big in small satellites, she says, this could “create a much more robust set of competitors than Surrey currently has”.

So far, the company has struggled to establish a presence in the United States, mainly because of the 1988 Act. Additionally, stringent US export control rules make it tricky for satellite customers in the US government to talk directly to overseas contractors about their technical requirements.

So Surrey Satellites is working to build partnerships in the United States that will give it better access to the world's largest satellite market. This April, it signed a marketing agreement with the US branch of defence contractor BAE Systems. Davies hopes it will bring the contacts and legal knowledge needed to nurture better relationships with US customers. And the Surrey Satellites' newest investor, Space-X, hopes to develop cheap launch vehicles for possible use with its satellites in the United States. Taken together, company officials hope, these moves could crack the US market. ■

IN BRIEF

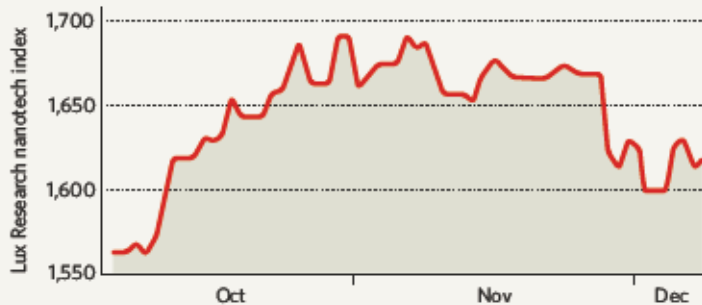
PFIZER SETBACK The world's largest drug company is facing some turbulence after a large human trial of its cholesterol drug candidate torcetrapib was abandoned. The 2 December announcement that the trial would end, due to an unexpectedly high death rate among its participants, caused Pfizer's shares to fall from almost \$28 to \$25, knocking about \$20 billion off its market capitalization. Analysts say that the New York-based company may be forced to revisit its entire corporate strategy as vital revenue earners — such as cholesterol drug Lipitor, the world's biggest selling drug, which torcetrapib was intended to replace — come off patent.

SWISS ROLE Oerlikon, a Zurich-based engineering company, has won a SFr320 million (US\$268 million) to equip a huge solar-cell factory in Offenbach, Germany. The plant, which is being built by Saudi-backed solar-cell producer API, will be able to build enough cells to install 160 megawatts of electricity-generating capacity each year. The order reflects growing demand for solar cells: Oerlikon said in a statement that its solar business — which uses cheaper, amorphous silicon instead of the pure crystals used on most photovoltaic cells — was “exceeding all expectations”.

NOT TICKING Shares in British biotechnology company Evlutec plunged by three-quarters after its drug candidate rEV131, which is extracted from tick saliva, failed in a human trial for the treatment of hay fever. The company, a spin-off of the Centre for Ecology and Hydrology in Oxford, UK, is continuing to test the drug for other uses, including the treatment of eye inflammation after cataract surgery (see *Nature* 439, 533; 2006). Mark Carnegie Brown, the company's chief executive, said the trial failure was “tremendously disappointing”.

MARKET WATCH

NANOTECHNOLOGY STOCKS



Nanotechnology stocks in the United States have held up well in the past two months — unless, that is, they had the misfortune to be associated with silver nanoparticles.

Shares in Nucryst Pharmaceuticals — a company based in Wakefield, Massachusetts, that uses such particles in its popular wound dressings — took another hammering after the US Environmental Protection Agency (EPA) said it would regulate washing machines that used silver nanoparticles to kill germs (see *Nature* 444, 520; 2006). Nucryst uses such particles in unrelated applications. But its shares — already sharply down after a failed September dermatology trial — took a tumble late last month and are now trading at a quarter of their summer high.

The Lux Research index, which contains a basket of stocks producing

and using nanotechnology, has nonetheless held steady. Peter Hebert, chief executive of New York-based Lux Research, which compiles the index, says that despite a weakening US economy, corporate investment in nanotechnology continues to expand. He adds that the EPA ruling has been misinterpreted and won't hurt nanotech as a whole.

The end of the year saw better showings by Flamel Technologies of Lyon, France, whose shares surged after the US Food and Drug Administration approved a GlaxoSmithKline heart drug delivered using Flamel's microparticle system, and have almost doubled to \$32 since the summer. And shares in Oregon-based FEI, which makes scanning electron microscopes, rose sharply in November on good quarterly results.

Colin Macilwain