



D.J. PHILLIP/AP

Coal-fired power plants such as TXU's Big Brown get the thumbs-down in Texas.

ble to get the environmentalists on board, we weren't going to do the deal." Reilly says the increasing need for power in Texas will be met with a mix of clean and less clean technologies and demand-side management.

A report prepared in January by energy-efficiency consultancy Optimal Energy of Bristol, Vermont, in response to the original 11-plant plan, suggests that tough, California-style efficiency programmes, plus combined heat and power schemes, could keep pace with Texan demand for electricity, which is expected to rise by about 2% each year.

Other bidders for TXU have until 16 April to come forward — although a recent fall-off in the company's share price suggests that the market does not expect them to. Daniele Seitz, analyst at New York investment bank Dahlman Rose, says that this deal is for big fish only. Any buyer would also be obliged to replicate environmental aspects of the deal, other analysts say. This shows clearly that carbon emissions can no longer be ignored — even in Texas.

Outside observers caution, however, that any plan to meet growing electricity demand without resorting to coal has yet to deliver. "This hasn't been stress tested," says Michael Liebreich, head of New Energy Finance, a London-based energy consultancy. "If there are blackouts, all bets are off." ■

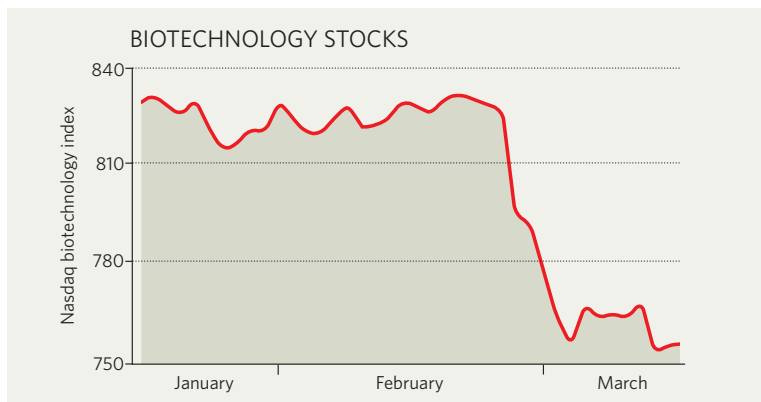
IN BRIEF

OUT OF THAILAND As tension mounts over drug-pricing policy, pharmaceutical company Abbott says it will not be launching seven new drugs in Thailand, including treatments for HIV and bacterial infections. The move follows the country's decision to issue 'compulsory licences' that allow it to make or import cheap versions of several patented drugs. One of these is Kaletra, an anti-HIV drug from Abbott. The company says it decided to withhold the new drugs on the grounds that it can no longer defend its patents in Thailand.

SCOT FREE Charges brought against senior managers of computer company Hewlett-Packard for spying on their own employees and board members have been dropped. In a 14 March settlement at the Santa Clara County Superior Court between the judge and the California state prosecutors, all charges against Patricia Dunn, the former company chairman who had to resign last year over the scandal, were dismissed, and charges against the other four defendants have been reduced to misdemeanours. The charges rocked Hewlett-Packard after Dunn and her colleagues launched a no-holds-barred investigation into the leaking of details of company board meetings to the media.

ILLUMINATION DELAYED Attendees at the American College of Cardiology meeting in New Orleans next week won't see the much-anticipated results of the study that forced Pfizer to pull the plug on its next-generation cholesterol drug torcetrapib (see *Nature* 445, 13; 2007), the company says. The detailed results were to have been released at the meeting, but are taking longer to analyse than expected. Before the 15,000-subject trial was stopped last December, deaths among patients taking torcetrapib were significantly higher than among those who were not taking the drug.

MARKET WATCH



This week Wood Mackenzie, an Edinburgh-based research and consulting firm, reviews recent trends in biotechnology stocks.

From mid-January, the Nasdaq Biotechnology Index set out on a gradual upward trajectory — only to be interrupted by a sharp drop in late February. This fall wasn't biotechnology-specific, however — it reflected the global market correction at the end of that month.

The biggest mover in the index over the past two months is California-based Onyx, whose stock price more than doubled in the week starting on 12 February. These gains — which survived the correction — came in response to strong data for its oncology drug, Nexavar, in late-stage clinical trials for the treatment of liver cancer. Onyx's partner for Nexavar is the German drug firm Bayer Schering, which already

markets the drug for renal cancer treatment in the United States and the European Union.

Other gains were triggered by robust financial performance reported by a small number of biotech firms. Gilead Sciences, also of California, posted a 48% year-on-year rise in fourth-quarter revenues, underpinned by a surge in sales of its HIV drugs. The market liked Gilead's forecast that total sales could reach \$3.5 billion in 2007, up 35% from last year: the company's shares duly hit their highest-ever level on 21 February.

The biotechnology index underperformed broader indices last year and is now faced with the challenge of recovering from the February dip. The performances of these Californian companies provide early indications that it may yet manage to do so. ■