

# Robert Tjian

With a knack for attracting the right scientists, Bob Tjian set out to build a mega-biotech conglomerate. He fell short of his lofty goal, but his company was still a success.

When Bob Tjian, a university biochemist, was thinking about starting a company in 1990, nothing less than a stand-alone biotech giant was going to be good enough. The science had to be original and it had to be the best.

So, when Dave Goeddel, a top scientist at Genentech, asked Tjian to cofound a startup with him, Tjian promptly declined. He recalls, "I said 'No, I'm not really interested, because how are we going to be better than Genentech?'" Tjian (pronounced Tee-jen) eventually changed his mind, but his sentiments set the tone for the business strategy of what became one of the hottest biotech companies in the 1990s—Tularik.

Much like the way founders of today's biotech giants started out, Tjian and Tularik's cofounders began with a grand vision that spanned the next 20 years, a long time for a venture capitalist (VC) to hang on. Starting in a small space above a garage in Belmont, California, in January 1992, they wanted to discover drugs based on an understanding of how genes are controlled inside the cell through transcription factors (proteins that turn genes on and off), and to make those drugs in the form of pills—two fairly novel endeavors at the time.

Although their business model probably couldn't be replicated now, their plan didn't seem to scare VCs away then. "In today's world, regrettably, people have less patience and tolerance for that kind of risk," says Grant Heidrick, a partner in Menlo Park, California-based Mayfield Fund, Tularik's first investor. Tularik raised more than \$250 million by the time the company went public in 1999.

Of course, it helped that the founders had big names. Tjian was well known for his pioneering work in transcription factors. In 1977, during his postdoc at Cold Spring Harbor Laboratory in Cold Spring Harbor, New York, he became the first to isolate a nonbacterial transcription factor, garnering hotshot status in the field. Tjian went to Berkeley after his postdoc where he has remained ever since. There, he and his group identified the first gene-specific transcription factor in a human cell, dubbed Sp1. He was appointed a Howard Hughes investigator in 1987.

Tjian was surrounded by talent, too. Another cofounder, Goeddel, a molecular biologist who was one of Genentech's first scientists, had led the company in cloning major products, such as human insulin, human growth hormone and a heart attack remedy. The third founder, Steve McKnight, came from Carnegie Institution in Baltimore, and brought experience in cell biology and medicine. They later recruited Bob Swanson, the cofounder of San Francisco-based Genentech, to chair the board.

By the time Thousand Oaks, California-based Amgen acquired the company in March, 2003, Tularik had grown to nearly 300 scientists—some of them from the original batch hired when the company first began.

At first glance, it's not clear what made the company attractive to Amgen. Tularik never brought a product to market. It didn't have a remarkable number of patents. It lost money every year. And although its science was novel when it first began, within a few years, Tularik

was one of many companies working on gene regulation, intracellular pathways and small molecules.

Tularik's strength, say investors, was less tangible than milestones and numbers. Tularik had the right people—an attribute that can take a company much further than the right science. "We're interested in Tularik for the broader strength of their research talent, not for any particular molecule in their pipeline," an executive from Amgen told the *New York Times* when the company announced the acquisition of Tularik in a deal worth \$1.3 billion.

Much of that research talent can be attributed to Tjian, his cofounders say. By keeping his job as head of a laboratory at the University of California at Berkeley, Tjian was able to stay in tune with upcoming talent. Persuasive, inspirational and a magnet for hard-driven scientists, Tjian convinced some of the hottest postdocs to come to Tularik. "We needed open minds. We wanted them to feel it was their company," Tjian says. "The young ones are willing to take the risk. So we bring them in and let them grow."

That's not to say that Tjian—called 'Tij' by his friends and colleagues—was the easiest investigator to work for. He had a legendary reputation as an intense, competitive scientist and a hard taskmaster in his Berkeley

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laboratory—something he readily admitted. "He didn't feel the need to make it look like a happy environment," says Steve Smale, one of Tjian's postdocs at Berkeley in the mid-1980s. "He had high standards and little tolerance for laziness. That attracted a certain type of person and would drive away those who didn't want to be in that environment," he says.

Tjian's intensity touched many things in his life. He worked over holidays and late nights and pushed his postdocs to do the same. Smale's first day in the laboratory was 9 a.m. on New Year's Day. Tjian even fished with intensity, once going five days without a single catch. "He fishes the same way he does his science," says Goeddel. "He could be having terrible luck and he'd still focus on every cast."

During all these years at Tularik, Tjian found that overseeing scientists at a company was different from running an academic team. He learned to take a step back and let others focus on their specialty. "Know what you don't know," Tjian says. "As a founder, I was conscious not to meddle in things I didn't know, like operations."

Overall, Tjian got a pretty good deal. He is credited as a founder of a successful company, where he played an advisory role only, never joining the board or spending a lot of time on-site. He also gained an appreciation of the way clinical research works that he could apply to his basic research at his university. But in the end, his company fell short of his original—albeit lofty—goal to build a stand-alone company; an economic reality important for any entrepreneur to learn.

Emily Waltz, *New York*