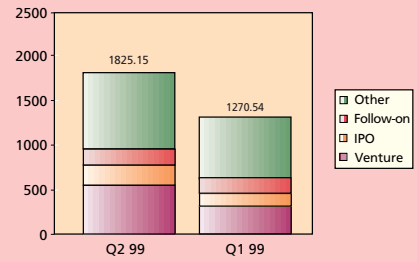
Biotech fundraising



Value in US$ million. Source: BioCentury

New Market launched

BioMarin Pharmaceuticals (Novato, CA) is the first company to be quoted on SWX New Market (Zurich), the Swiss Exchange's new segment for high-tech growth companies. The company started trading on July 20, hoping to raise US$60 million by a dual listing, offering 1.8 million shares on the New Market and 2.7 million on Nasdaq. Although biotech firms have a reputation of being unstable and bad performers, "We're not in the business of beauty contests," says Swiss Exchange spokesperson Leo Hug, "if the candidate meets the listing criteria, it will be quoted." So far, no other companies have applied to list on the New Market, but Hug dismisses allegations that growth markets have lost their attraction.

BIA drafts code of practice

In the light of the rapid and recent falls from grace of companies such as British Biotech (Oxford, UK) and Cortecs (Isleworth, UK), the UK trade organization the BioIndustry Association proposed a code of conduct on July 8 that urges companies to seek external advice both on matters that have to be disclosed to shareholders and on scientific/clinical affairs. BIA plans to "name and shame" transgressors and, if necessary, revoke their membership of the association (*Nature Biotechnol.*, **17**, 12).

US, EU harmony initiative

In June, the White House announced a Transatlantic Economic Partnership biotechnology pilot project, which the Office of US Trade Representative (Washington, DC) will coordinate. A major aim of this project is to harmonize standards and reduce regulatory barriers through increased cooperation in conducting biotechnology product reviews before their commercialization. For instance, US and EU regulatory officials will compare product applications by examining documents of transgenic plant products that have already been reviewed. In addition, plans call for officials to monitor each other's processing of an application filed simultaneously in the US and the EU by a willing industry participant. The central goal is to build a more timely and transparent regulatory system in the EU, which industry representatives and US officials say will remove an ongoing trade irritant and contribute to potentially increased sales of innovative biotechnology products in the EU.

Orphan drugs in Europe

In June, a council of EU ministers and the EC (Brussels) reached a consensus on the Orphan Medicinal Products Regulation. Based on the US Orphan Drug Act, which was established in 1983, the EU regulations aim to encourage smaller companies to develop drugs for rare diseases affecting less than 10,000 people in the EU. Under the proposal, a company developing an orphan drug would receive financial incentives, such as a waiving of fees normally required by the European Medicines Evaluation Agency (EMEA; London), as well as 10 year's market exclusivity when selling the developed drug (*Nature Biotechnol*, **16**, 815). However, details of a budget that would allow the EMEA to waive fees for orphan drugs remain unclear, and other points, such as whether or not orphan status could be granted more than once in the same indication, remain to be resolved. The regulation now goes before the EP (Strasbourg) for a second reading. If endorsed by the EP and the EC, the regulation is expected to be in place by mid-2000.

Research collaborations

Company 1	Company 2	$ Millions	Details
Japan Tobacco (Wilmington, DE)	Zeneca Agrochemicals (Osaka)	0.82	A 50-50 joint venture aimed at developing rice genetically modified tp resist rice blast. Fungal disease control genes from both companies will be introduced into rice varieties owned by JT. The venture (based in Shizuoka) will also aim to improve nutritional profile, taste, texture, and yield of rice.
Cytogen (Princeton, NJ)	Progenics (Tarrytown, NY)	*	A joint venture to develop vaccine and antibody-based therapies for prostate and other cancers using Cytogen's Prostate-Specific Membrane Antigen Technology. Progenics will pay licensing fees and some preclinical funding to Cytogen, which will have North American marketing rights on resulting products.
Johnson & Johnson (Plainsboro, NJ)	Integra LifeSciences (Plainsboro, NJ)	*	An agreement whereby Integra will make artificial skin for permanent dermal regeneration in severe burn patients, and J&J will market and sell it globally except in Japan. The companies will also work together on developing new skin repair products and expanding the uses of artificial skin.
ZymeTx (Oklahoma City, OK)	Alberta Research Council Canada	*	A joint venture to develop antiviral therapeutics by combining ZymeTx's expertise in viral therapeutic screening and testing with the ARC's resources and synthetic chemistry know-how.
Oxford Biomedica (Oxford, UK)	Modex Therapeutics (Lausanne, France)	*	Using Oxford's technology to deliver gene constructs to encapsulated cells, Modex will initially develop therapeutic implants containing insulin-producing beta cell lines for the treatment of insulin dependant diabetes.

*financial details not disclosed