Pessimistic response to FDA leadership change

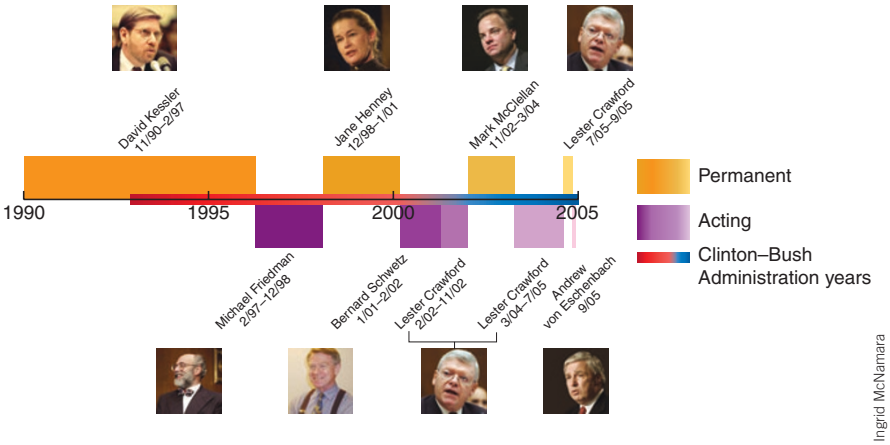
In September, Lester Crawford resigned as commissioner of the US Food and Drug Administration (FDA), leaving a leadership vacuum that was quickly filled by President Bush's appointment of Andrew von Eschenbach, formerly the director of the National Cancer Institute (NCI), as acting commissioner. The lack of certainty in the FDA leadership is likely to further stultify agency decision-making and force biotech companies to stick to pharmaceutical alliances rather than going it alone in seeking drug approval.

The change comes at a time when FDA is already under intense pressure and scrutiny over a number of issues, including safety monitoring in the wake of the withdrawal of Vioxx (rofecoxib) and concerns about other COX-2 inhibitors, the resignations of Susan Wood, director of the Office of Women's Health, and Frank Davidoff, of the over-the-counter drugs advisory committee, over perceived political influences governing the rejection of Woodcliff Lake, NJ-based Barr Laboratoires' Plan B (levonorgestrel) morning-after pill, follow-on biologics and concerns over transparency of clinical trial data, among others.

Many see the change in leadership as a further sign of crisis. "I think the agency has left a period of uncertainty, and has now entered an era of instability," says Kenneth Caitin, director of the Tufts Center for the Study of Drug Development in Boston. He laments the choice of a director who remains affiliated with NCI, even though von Eschenbach has temporarily relinquished his leadership position with the cancer agency.

Caitin questions whether von Eschenbach will be fully committed to FDA. He also points out that the new commissioner has announced his aim to make cancer a manageable disease by 2015, implying that he views NCI as a drug development agency and is now in a position to influence the agency responsible for overseeing drug approval. "Even if he is not in a conflicted state, the fact is that it is an apparent conflict of interest. At a time when the agency is struggling for credibility, I think [he is] a bad choice," says Caitin.

Von Eschenbach's retained position with NCI suggests that Bush views him as an interim director. Caitin points out that FDA went rudderless for the first 22 months of Bush's first term. "My guess is that the current administration has no plans to find a full-time commissioner before the end of [President Bush's] term."



All change. The post of FDA Commissioner is beginning to resemble a revolving door.

Leadership is of paramount importance now, says Gary Messplay, head of the food and drug practice at the law firm Hunton & Williams in Washington, DC. "As good as the people at FDA are, they need leadership to give them a framework for making these difficult decisions. In the absence of leadership, the people in the agency are sort of stuck," he says.

Such uncertainty could be bad news for the biotech industry. The Plan B controversy is a worrying example. The basic and clinical science behind any new venture is risky enough—if political forces can dictate approval decisions, it adds an additional layer of risk. "It's one thing to say, if a drug is safe and effective, we can get it approved. It's another to say, if it's safe and effective, and if there is no political fallout," Messplay points out. Further interference in the regular FDA process has been hinted at by industry observers, as the agency recently failed to approve the follow-on version of human growth hormone Omnitrope, the first of its kind in the US (p. 1327).

But biogenerics are not the only casualties. The agency's turmoil and the fallout from COX-2 inhibitors have many pessimistic about the near-term prospects for innovative drugs. Safety is likely to be the central focus of the agency this year and next, and perhaps into 2007, says Greg Page, leader of the FDA life sciences practice at Deloitte National Life Sciences & Healthcare Regulatory Practice in Jericho, New York. "Unless [a company] can demonstrate a real breakthrough technology with an astonishing payback, for which the agency feels it can tolerate some safety risk… it will face real challenges getting new drugs into the market," he says. Others agree that innovation is likely to suffer in the near future. "If you have an overregulated industry… there is a very real danger that [companies] will start to focus on more conservative [research programs]," says Stuart Bowman, vice president life sciences with the consulting firm Wood Mackenzie in Edinburgh.

Caitin predicts much more codevelopment and many more licensing agreements between small biotechs and big pharmas. In the uncertain environment of the next couple of years, he believes that few biotechs will be able to transform themselves into large companies that market their own products, the way companies like Genentech and Amgen did.

Page is not entirely pessimistic, however. He sees a glimmer of hope in von Eschenbach's background at NCI. Crawford was more of a career bureaucrat—a good one, Page says, but "he wasn't going to make waves the way McClellan did, he was strictly sailing the ship. There is some hope that a research-oriented leader within FDA may have some ability to focus the agency on the benefit side of the risk-benefit ratio."

It's possible, but Page isn't upbeat. As long as von Eschenbach insists on keeping his foot in the door at NCI, "I don't think he'll have a lot of credibility," Page says. "He may not have the ability to make those changes." Still, Bowman sees no need for radical change within the agency: "The key thing is to make sure post-market surveillance is more rigorous.

Jim Kling, Bellingham, Washington

Erratum: Banking on cord blood from India

Jayaraman Killugudi
Nat. Biotechnol. **23, 1033 (2005)**

In the print version of this article and the version originally published online, there is an error in the box on page 1033, paragraph 1, line 1. It read "Histostem, the South Korean biotech company…." It should have read "the Los Angeles-based Histostem Inc." The latter company is expanding into India, not the firm's affiliate, Korea-based Histostem Corp. Histostem Inc. acquired the territorial right to use the Korean company's technology in the Americas, Europe, Russia, India and Taiwan. The error has been corrected in the PDF version of the article. This correction is appended to the PDF version.

Erratum: Korean biotechs seize opportunity to list on public markets

Sabine Louët
Nat. Biotechnol. **23, 1189–1190 (2005)**

In the print version of this article and the version originally published online, a company name was misspelled. On page 1190, Box 1, paragraph 1, line 3, "Macrogene" should have been "Macrogen." This correction is appended to the PDF version.

Erratum: Pessimistic response to FDA leadership change

Jim Kling
Nat. Biotechnol. **23, 1325 (2005)**

In the print version of this article and the version originally published online, a name was misspelled. On page 1325, paragraph 3, line 4; paragraph 4, line 1, 12; and paragraph 9, line 1, the surname of Kenneth Kaitin, director of the Tufts Center for the Study of Drug Development in Boston, has been misspelled. It should have read 'Kaitin' instead of 'Caitin.' This correction is appended to the PDF version.

Erratum: China's biotech experiments

Hepeng Jia
Nat. Biotechnol. **23, 1471–1472 (2005)**

In the print version of this article and the version originally published online, the person in the photo on page 1471 was misidentified. The caption should have read "Zailin Yu, president of Beijing-based Bioway-Fortune Research Center for Gene Drugs, received financial support from a South Korean venture capital group. Most Chinese biotech entrepreneurs are not as fortunate." This correction is appended to the PDF version.

Corrigendum: Multivalent avimer proteins evolved by exon shuffling of a family of human receptor domains

Joshua Silverman, Qiang Lu, Alice Bakker, Wayne To, Amy Duguay, Ben M Alba, Richard Smith, Alberto Rivas, Peng Li, Hon Le, Erik Whitehorn, Kevin W Moore, Candace Swimmer, Victor Perlroth, Martin Vogt, Joost Kolkman & Willem Pim C Stemmer
Nat. Biotechnol. **23, 1556–1561 (2005)**

In the print version of this article and the version originally published online, the second author's name was spelled incorrectly. The second author is Q Liu, not Q Lu as originally indicated. This correction is appended to the PDF version.