

layed pending the outcome of the appeal. He did not go as far as the agency would have liked, however. It had also wanted to ban cigarette logos on clothes, prevent advertisements on billboards near schools and playgrounds, and reduce most advertisements to black-and-white text only. But Osteen said that the statute cited by the FDA in its bid for these restrictions did not apply in this case. The FDA has authority under another statute — its drugs provisions — to regulate the promotion and advertising of drugs, and is expected to use this approach if its appeal fails.

The major cigarette companies tried to emphasize the positive, saying in a

joint statement that they were happy with the judge's decision to continue to allow them to advertise. But they insisted they would continue to fight the decision, arguing that only Congress has the right to grant the FDA jurisdiction over tobacco. A lengthy and acrimonious legal battle is now inevitable, as both sides are appealing the part of the decision that they lost. Ultimately, the case is expected to reach the US Supreme Court.

MARLENE CIMONS
Washington, D.C.

•Britain bans tobacco advertising—see page 595.

•Nature Medicine July issue — *The American Cancer Society speaks out*

one is likely to see changes in the management of that organization". However, he says, it is unlikely that medical providers owned by pharmaceutical companies would try to directly influence a physician's prescribing practices. He believes, nevertheless, that a healthcare provider should retain one or more physicians at its helm as a buffer to ensure that patients' interests are protected.

Zeneca began to show an interest in disease management three years ago, when it bought a consulting service that serves drug companies and managed care organizations. Its latest move takes it directly into service delivery. In the US in particular, says O'Brien, healthcare delivery is "a very good business, with many opportunities for growth". Judith Auchard, spokesperson for Zeneca, adds that the company's R&D efforts for new cancer therapies would be strengthened by direct access to data from patients on the outcomes of trials of various drugs, including the company's own.

VICKI BROWER
New York

Drug company buys US cancer treatment clinics

In a move that has raised the eyebrows of some medical ethicists, Zeneca, a British pharmaceutical company that controls half the world market for anticancer drugs, has taken over a US healthcare company that runs about a dozen cancer treatment centers in top US hospitals. This is the first time a pharmaceutical company has owned a healthcare service with the power to prescribe its own drugs in preference over others.

The timing and the nature of the deal took many by surprise. Zeneca had acquired a 50-percent stake in the company, Salick Health Care (SHC) two years ago, with the option of a complete buyout in late 1997. But the takeover came six months earlier than expected and Zeneca's head, Sir David Barnes, ousted Bernard Salick, the physician who founded and headed the healthcare company, without warning and replaced him with a Zeneca veteran, Michael O'Brien. "The deal poses the possibility of conflict of interest, just as if a company produced a diagnostic and a therapeutic for the same disease," says Mildred Cho, assistant professor of bioethics at the University of Pennsylvania in Philadelphia. "How the situation will play out won't be immediately known, but there is certainly the potential for undue influence [on the behavior of physicians working for SHC]."



Ousted: Bernard Salick

Cho is also concerned by the fact that Zeneca will continue to use the Salick name for the centers, which operate in hospitals from New York to California. "If you were a patient, wouldn't you want to know your clinic was owned by a drug company?" she asks.

O'Brien strongly rejects Cho's concerns.

"I am amazed the issue of conflict of interest has even come up," he says. Physicians who work at SHC are not directly employed by Zeneca, but rather by the hospitals in which the centers are located. "Even if we tried to exert pressure on them to prescribe our drugs, doctors would not accept such restrictions," says O'Brien.

Zeneca's sales to the Salick centers currently account for a mere fraction of its US market and although the company expects some growth, this will not significantly affect its overall revenue, it says. The company's anticancer products are mostly restricted to hormonal treatments, not a broad spectrum of therapies. The centers will be kept organizationally separate from Zeneca's drug division to prevent undue influence, says O'Brien.

Salick has declined to comment specifically on the Zeneca deal. But he argues that, as a general principle, "when a medical provider replaces a physician as its head with a pharmaceutical executive,

India backs gene therapy programme

Scientists and public health experts in India are divided over their government's decision to encourage research into gene therapy. Although the nation has more pressing health problems than genetic disorders, such as malnutrition and diarrhoeal disease in children, its government fears that unless it invests in new approaches to treatment now, it may not be able to cope with disorders that will surface after communicable diseases such as polio are controlled.

"At least six gene therapy studies will get going in six months' time," says T.S. Rao, a director in the Department of Biotechnology (DBT) which is funding the studies. Guidelines for conducting trials in people have been circulated to scientists and the DBT has set up an Advisory Committee for GeneTherapy Research and Bioethics to scrutinize research protocols.

India will fund the studies from its ongoing programme of research into human genetics, whose budget is \$20 million over five years. This year, the biotechnology department will make about \$1 million of the fund available for