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These bioreactors produce ethanol from cellulose, but will they be built on an industrial scale?

analysis or validation,” says Lawrence Murphy, the lab’s manager of enterprise development programmes.

Critics say that such rules are an immense impediment to technology transfer. Dan Reicher was assistant energy secretary in the Clinton administration and now runs New Energy Capital, a firm in New England that backs renewable energy projects. He says that there is far too little coordination between government and the private sector.

“The Department of Energy has got to shift from research to deployment issues,” says Mark Sinclair, deputy director of the Clean Energy States Alliance, a non-profit collaboration of 17 state funds to promote markets for clean energy, headquartered in Vermont. Sinclair would like to see federal action that would encourage, for example, the adoption of photovoltaics by home builders.

“We are in policy wasteland,” agrees Green. He points out that even though 22 states require electricity firms to generate a minimum percentage of power from renewable sources, they each have different rules and targets, which makes life hard for companies.

Others are more sanguine, arguing that good ideas will work their way through to the market in the end. Despite the lack of a national energy policy, business will see plenty of opportunities for high returns as long as the price of oil and gas remains high. “The capital markets are driving this train,” says Fusaro. ■

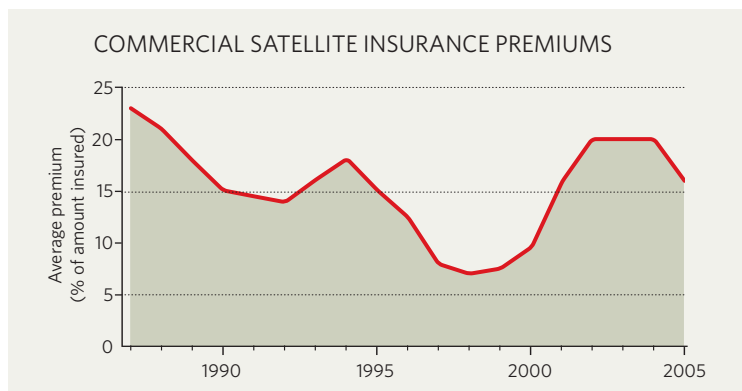
IN BRIEF

INDIAN OVERDRIVE IBM has announced a huge push of people and resources into India, saying that it will invest US\$6 billion there over the next three years. Its plans were unveiled by IBM chairman Sam Palmisano and Indian president Avul Kalam to a crowd of 11,000 cheering employees in Bangalore on 6 June. They include the expansion of existing computer laboratories in that city, as well as the establishment of a global telecommunications laboratory in New Delhi. The computer firm, headquartered in Armonk, New York, already employs some 43,000 people in India — more than it does in any other country outside the United States.

BACK ON SALE The US Food and Drug Administration (FDA) says it will allow the multiple sclerosis drug Tysabri to return to the market — under strictly monitored conditions. Tysabri (natalizumab) was approved in 2004 but pulled from sale in February last year after its manufacturers, Biogen Idec of Massachusetts and Irish biotechnology company Elan, said that two patients had died in clinical trials of the drug. Shares in the two companies dipped on the 5 June decision, however, owing to the harshness of the proposed restrictions: Biogen Idec dropped \$2.32 to \$45.39, and Elan fell \$2.46 to \$16.52.

GENERIC GO-AHEAD The FDA, under pressure from the courts (see *Nature* 441, 23; 2006), has approved a copycat version of a biologic — a drug made from living cells — for the first time. Omnitrope, which won European approval in April, is a generic version of Pfizer’s Genotropin (a human growth hormone) and has been approved for the treatment of growth disorders. Sandoz, the German Novartis unit that makes Omnitrope, labelled the decision a “breakthrough” for makers of generics. But the FDA says its decision does not set a precedent for approval of generic biotech drugs, because most of them are regulated by a different statute from that applying to growth hormones.

MARKET WATCH



If you’re an insurance company that finds house fires and fender-benders a little bit mundane, there’s always the space business.

With premiums of, say, US\$40 million a shot and payouts that can be ten times that, insuring commercial satellite launches is not for the faint-hearted.

Yet after a series of accidents that took these premiums to highs of as much as one-fifth of entire project costs, premiums slipped back last year (see graph).

“Insurers are in business to make a profit, so if you have a period when the business is profitable, others will come into the market,” explains Rick Hauck, former chief executive of AXA Space, a satellite insurer based in Bethesda, Maryland.

Premiums rose sharply after the solar panels failed on six Boeing 702 communications satellites in 2000 and 2001 — costing insurers some \$1.5 billion. High premiums subsequently put a damper on commercial satellite launches, which were already suffering from the collapsing fortunes of the telecommunications industry.

But an assessment by the US Federal Aviation Administration, published last month, suggests that premiums are finally starting to dip again.

No one knows whether the fall will be sustained. “It is in the hands of events,” says Hauck. “If there are profits, others come in to compete and that puts pressure on the rates.” ■

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