



GTC

The bleat goes on: a drug from transgenic goats has finally been approved, in Europe at least.

five years ago was attracting a huge amount of interest," says Knight. "But it does seem to have lost ground to other methods."

Competition is also provided by transgenic plants, Knight adds. Like animals, plants can be engineered to produce therapeutic antibodies and vaccines. Admittedly, it is harder to stop transgenic lines escaping into the environment, and there is a greater chance that proteins made in plants will provoke adverse immune responses in humans. But they promise shorter production times and a lower probability of contamination by viruses or prions.

Big companies, such as Indianapolis-based Dow AgroSciences and Swiss firm Syngenta, are already backing pharmaceutical production in plants. In fact, the next transgenic drug expected to gain EMEA approval is CaroRX, a product from California firm Planet Biotechnology that stops a cavity-causing bacterium from sticking to teeth.

Meanwhile, companies such as GTC and Pharming continue their slow march to the animal market. Interestingly, GTC's next big project is producing alpha-1-antitrypsin, the drug that caused PPL Therapeutics to fail.

Meade is undaunted by the drug's fraught history. "It's fair game," he says. "We've got goats that make 20 grams per litre." ■

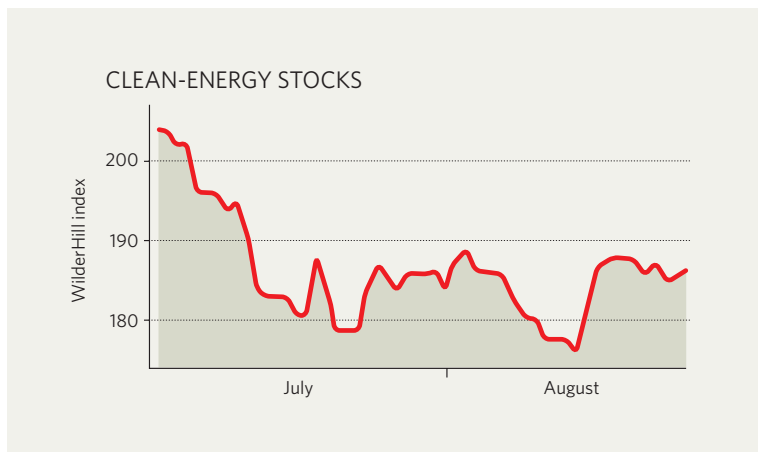
IN BRIEF

TOXIC TURNAROUND A US federal judge has overturned a 2004 rule that was meant to streamline the regulatory approval of pesticides. Manufacturers must now once again consult with officials from the Fish and Wildlife Service over the effects their chemicals might have on endangered animals and plants. A coalition of environmental groups that had sued the government hailed the decision on 24 August as a victory. In a separate ruling, a federal appeals court on 29 August upheld an earlier decision that the Environmental Protection Agency did not violate clean-air laws by allowing more of the pesticide methyl bromide to be produced.

BIG DEAL In one of the largest deals ever between a drug company and a biotechnology company, GlaxoSmithKline has signed a \$1.5 billion agreement with a northern California firm called ChemoCentryx. The firm will get \$63.5 million up front, with the rest of the money to follow if it meets certain targets while developing drugs. Its research will focus on four particular chemical receptors. The deal includes Traficet-EN, a drug to treat inflammatory bowel disease that is currently in clinical trials.

SPACE RACE Lockheed Martin of Bethesda, Maryland, has won a contract to build the next generation of spaceship for NASA. The deal is worth \$3.9 billion. The vehicle, dubbed Orion, will take astronauts to the international space station and make extended visits to the Moon. The company beat the combined forces of Northrop Grumman, headquartered in Los Angeles, and the Chicago-based Boeing to get the contract, which provides for the construction of two capsules: one for astronauts and a second to carry cargo to the space station. The contract sets aside \$3.5 billion more for additional capsules after the prototypes are built, as well as \$750 million for support and modifications as needed.

MARKET WATCH



Clean-energy stocks have continued to drop over the past two months, although analysts say the plunge is a natural stock-market correction rather than any sign that the industry is in trouble.

Companies that specialize in solar, wind, biofuels and other clean energy technologies continue to thrive overall — even though the WilderHill Clean Energy Index (ECO on the American Stock Exchange) has dropped markedly since May.

The fall reflects pessimism in the stock market as a whole, says Robert Wilder, chief executive of WilderShares in Encinitas, California, which maintains the index.

"The industry is catching up with a bulge of investment that happened over the past 18 months," adds Michael

Liebreich, chief executive officer of New Energy Finance in London.

Now it's up to companies to make good on all the recent investor interest — for instance, by increasing the manufacture of wind turbines or silicon for solar cells.

Public share offerings have quieted down through the summer, but several clean-energy companies — such as Hawkeye Holdings, an ethanol producer based in Iowa — are expected to go public soon.

Liebreich says that clean-energy stocks should begin to rise again before the end of the year, as growth takes off again after the correction. "Directionally there's no question where it's going," he says.

Alexandra Witze ■

SOURCE: WILDERSHARES