



Clinical view: medical diagnostics is a critical area of expansion for Siemens.

Klaus Kleinfeld and chairman Heinrich von Pierer were forced to step down.

Kleinfeld — who was chosen last week to run the aluminium company Alcoa — had already sought to reduce the range of company activities, giving up, for example, on the mobile-phone business. Siemens shares had doubled in value during his watch.

Löscher must now complete the restructuring process while restoring the company's reputation. He agreed to buy Dade Behring, an Illinois-based medical-diagnostics supplier, for \$7 billion on 26 July — and to sell VDO, Siemens' auto-parts unit, for \$7.6 billion on the same day. The markets didn't like the deals much, believing that Siemens could have done better on the pricing of both.

Siemens had already purchased German company Bayer's medical-diagnostics unit for almost \$6 billion in 2006, as well as two US companies in the same sector. The acquisition of Dade Behring makes Siemens the second-largest player, after Roche Diagnostics of Switzerland, in a global diagnostics market worth some \$60 billion.

Although the market has been tough on Siemens over the past month, most analysts accept that acquisitions make sense in the long term, and will improve the firm's strategic position in medical technology. That, they believe, will help Siemens to maintain its place as a lynchpin of the German economy and one of the world's most successful technology companies. ■

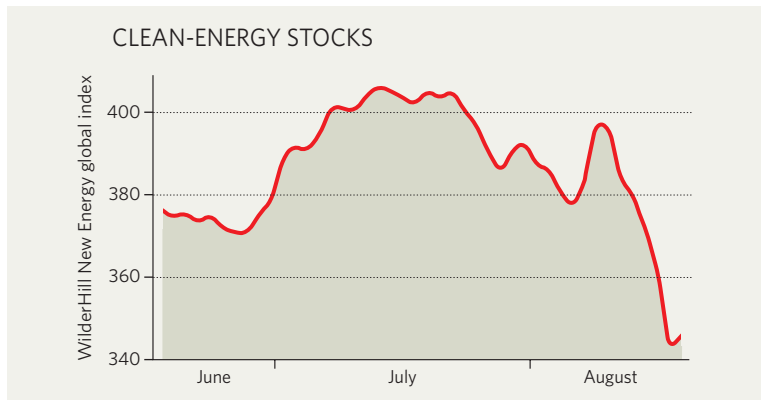
IN BRIEF

BIOTECHNOLOGY BLOW Amgen says it will cut between 2,200 and 2,600 jobs in response to falling sales of its anaemia drug, Aranesp (see *Nature* 447, 899; 2007). These will be the first-ever layoffs at the Thousand Oaks, California-based company, whose phenomenal rise has — together with that of Genentech in San Francisco — provided the dominant corporate model for the biotechnology industry worldwide. But Amgen has come under pressure from Wall Street to cut costs: announcing a restructuring on 15 August, the company said that the proportion of revenue spent on R&D would drop from last year's 23% to about 20%.

WIND-ENERGY BOOM The United States is set to install more than 3,000 MW of wind-power capacity this year, up from 2,450 MW last year, according to figures compiled by the American Wind Energy Association. Total installed capacity now stands at about 12,600 MW: just over 1% of total US electrical generating capacity. Analysts say that the wind-energy market is maturing, with lenders and investors increasingly happy to support new projects.

PAINKILLER PULLED A Novartis painkiller that is a rare surviving member of the COX2 inhibitor class of drugs has been withdrawn from the market in Australia, where an estimated 60,000 people were taking it. Australian regulators cancelled the registration of the drug, Prexige (lumiracoxib), on 11 August, saying that they had received eight reports of serious liver toxicity, including two deaths and two people who required liver transplants. The Swiss company sells the drug in over 50 countries including the United Kingdom, and is applying for marketing approval in the United States (see *Nature* 448, 400–401; 2007.)

MARKET WATCH



The global plunge in stock markets over the past three weeks has taken the wind out of the sails of clean-energy stocks, ending a powerful run that saw their value grow by some 40% in the year to mid-July.

The WilderHill New Energy Global Innovation Index (NEX), which tracks a number of companies around the world with strong interests in renewable energy, plateaued in July and then tumbled this month, along with the general stock markets. Some observers say that, for clean-energy stocks, this was an overdue correction.

The index has been hit hard by the market turmoil, says Michael Liebreich, chief executive of London-based New Energy Finance, which co-compiles the index with WilderShares of California. "It's taking a little bit of a beating," he says, "but it's still ahead on the year." The

index started 2007 at 289 and hit 400 before retreating this month (see above).

The early summer had been particularly strong for US clean-energy companies, which had (and indeed still have) high hopes that the energy bill winding its way through Congress will provide fresh incentives for investment in wind and solar power. Rob Wilder, president of WilderShares, says that just before this month's general market slump, investors were betting that the bill would pass — and boost demand for renewable energy sources in the United States.

"We expect to see further turbulence and volatility," says Liebreich, who has been warning for some months that the index was due to dip (see *Nature* 447, 17; 2007). "But the fundamentals of the industry are very strong. In a way I actually welcome the correction." ■

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