CORPORATE INVESTMENT

SEARLE LEAVING ITS LEGACY IN THE U.K.

OXFORD, U.K.—Three years after being taken over by Monsanto (St. Louis, MO) and closing its biotechnology center at High Wycombe, G. D. Searle has established a new research base in the United Kingdom. The company is donating £2.9 million (just under \$5 million) toward the cost of a building to house Oxford University's Glycobiology Institute, to focus on the structure and properties of the oligosaccharides that are attached to many essential proteins. Directed by Raymond Dwek, the center will employ 60 scientists, 10 of them seconded from Monsanto headquarters. Although so strapped for cash that it launched its first ever fundraising campaign recently, the university will put £800,000 (\$1.35 million) into the Institute and almost \$2.2 million into a new botany department, to occupy two floors of the new building. Searle will have rights in the commercial development of research findings from Dwek and his team.

Establishment of the Institute consolidates Monsanto's funding of Oxford glycoprotein work, which began

in 1983 and has been running at about \$850,000 per annum. "The development of this on-site collaborative group provides us with a unique opportunity to apply oligosaccharide technology towards the development of novel therapeutic agents," said Searle's president of R&D, Joseph Davis. Currently working on defective serum immunoglobulins and the pathogenesis of rheumatoid arthritis, Dwek already has evolved a diagnostic test based on galactose abnormalities on immunoglobulins in young patients with this disease. In collaboration with Tom Rademacher, clinical and research director of the Institute, he is also investigating defective glycoproteins related to acquired immunodeficiency syndrome (AIDS), cancer, tuberculosis, and Crohn's disease.

Meanwhile, British Biotechnology Ltd. (BBL)—the Oxford-based company established in December 1986 by former G. D. Searle chief Brian Richards and Keith McCullagh—has issued a new prospectus and begun raising \$30–50 million from institutional investors in Europe and Japan.

BBL was launched with \$3.6 million from a consortium of U.K. and U.S. venture capitalists, allowing Richards and McCullagh to take the core of their Searle research team with them to create the new company, which now employs 120 people. At the time of the last financing, in January 1988, BBL's capitalization was £17.5 million (over \$29 million in 1989 dollars). The current share issue values the company at \$100 million.

BBL's most conspicuous successes so far have been in marketing 29 different "designer genes," with estimated sales of almost \$1.2 million this year. In March, BBL announced the signing of a licensing agreement with SmithKline Beckman (Philadelphia, PA) for the development and marketing of novel collagenase inhibitors for treating arthritis.

Coincident with the share issue flotation, BBL announced the appointment, as a non-executive director, of Sir Charles Reece, who retired recently from Imperial Chemical Industries (London), where he was research director from 1979 until this past January.

—Bernard Dixon

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