

BUSINESS AND REGULATORY NEWS

Nuffield Council dishes up biotech report

A report into the ethical and social issues surrounding genetically modified crops was published by the Nuffield Council on Bioethics (London) at the end of May. The 10 members of the working party that produced the report included chef Prue Leith, the program advisor to the environmental charity, the Green Alliance, and Derek Burke, former chair of the UK Advisory Committee on Novel Foods and Processes, but included no industry representatives. The report strongly emphasized that GM food was safe, but it upheld the right of consumers to choice, saying there should be measures to ensure appropriate labeling of GM and non-GM food and encouraged producers to provide lines of non-GM food. It also concluded that it would be immoral not to continue development and testing of GM crops because it would deprive those in the developing world of an essential technical route that could help them tackle hunger and malnutrition. However, the report also points out that the vast majority of the crops that are currently in production or under development are not directed toward the developing world and that the big five agrochemical and seed firms are responsive to the needs of their major markets, not those of the poor. The Nuffield report argues that the correct course for those who are uncomfortable with GM crops and food is not to stop research but to redirect it.

US says no to GM labels

In June, officials announced the US will endorse the creation of an international panel to examine the safety and nutritional value of genetically modified foods. But US Food and Drug Administration director, Bob Lake, said that the US would not support a broader mandate for the panel to include social and economic issues. The panel will be created under the Codex Alimentarius Commission, an international food safety and quality organization that met in Rome at the end of June. Under the codex, the US will support labeling of food products that contain allergens but it would continue to oppose the labeling of biotechnology food products.

A yen for biotech

Increased support for biotechnology is on the list of measures included in the Japanese government's latest job-creating effort aimed at reviving the nation's industrial competitiveness. The ¥500 billion (US\$ 4.2 billion) package aims to generate 700,000 public- and private-sector jobs through supporting fast-growing industries such as biotechnology, medicine, and information sciences. The government plan, announced in June, addresses three main issues: aiding corporate reorganization, nurturing venture businesses, and promoting technological development in growth fields. Companies in such fields, particularly small businesses carrying out innovative research with potential for

commercialization, will be awarded a total of ¥100 billion from this year's supplementary budget, the details of which will be announced in September. According to the plan, commercialization of biotechnology research will be promoted through improved links between industry and the academic community, as well as by merging biotechnology-related programs under different ministries, such as genome research, into a collective effort. The government's move is in line with its 10-year plan to expand Japan's biotechnology market (*Nature Biotechnology* 17, 320–321).

Abbott's \$335 M HIV buy

Last month, Abbott Laboratories (Abbott Park, IL) and Triangle Pharmaceuticals (Durham, NC) announced a deal that significantly expands Abbott's antiviral portfolio. While Abbott currently owns two HIV protease inhibitors (Norvir, approved and ABT-378, in phase III development), Triangle has three nucleoside reverse transcriptase inhibitors and one non-nucleoside reverse transcriptase inhibitor for the treatment of HIV and HBV. The companies will co-promote the six drugs in the US, but Abbott will have exclusive rights elsewhere. As part of the deal, Abbott will buy 6.57 million shares (□17%) of Triangle stock for about \$119 million, and will provide \$31.7 million in research funding and up to \$185 million in milestones. The companies, which hope to launch at least one new antiviral each year over the next four years, will share any profits. The deal gives money and validation to Triangle, which has been seeking a portfolio deal with one strong partner as an alternative to licensing global rights to multiple partners or being acquired. The combined HIV and HBV market accounts for \$3.5 billion in worldwide sales.

GM roundup

□ A group of major European retailers, among them Britain's J. Sainsbury and Marks & Spencer, France's Carrefour, and Switzerland's Migros, have established a consortium to promote genetic apartheid. The group wants to find sources of non-genetically modified soy and ensure that segregation is in place throughout the supply chain. With scant regard for either the rationality of food safety or the economics of supply, the retailers are content to absorb the costs of segregation into the prices of their "premium" non-GM lines.

□ At the beginning of June, the UK's leading food retailer, Tesco, was forced to withdraw its own delicious deep-pan pizza from its shelves after a BBC investigative team showed that the product contained meal from genetically modified soybeans. The supermarket had apparently received written assurances from its suppliers that the product was just like Mama used to make (when she worked in the processed-food factory) and also GM-free. But when the BBC sent the product to an analytical laboratory in northern Germany, it was found to contain 4% of GM soy. Tesco now plans to relaunch the product without soybean ingredients.

□ Processed-food tycoon Sir Paul McCartney, who in the 1960s played with the pop combo, the Beatles, has reportedly spent \$5 million to ensure that the vegetarian products that bear his late wife's name are GM-free. Linda McCartney was a high-profile vegetarian who launched a range of healthily processed simulated-meat sausages, burgers, and pies in 1991. In response to claims by another BBC team that the soy used in the McCartney range was "contaminated" with trace amounts of GM soy, the company's food factory has been closed and steam cleaned. Each pack in the tasty and nutritious McCartney range will, on relaunch, bear the logo, "Say No to GMO," allegedly part of a lyric originally suggested by Sir Paul (but rejected by John Lennon) for the Beatle's classic, "Lucy in the Sky with Diamonds."

□ "Green activists" unable to distinguish between GM and non-GM crops have nevertheless managed to force a UK seed firm to withdraw any further plans to test GM crops. Vandals attacked a number of experimental field test sites and the company, CPB Twyford (Thriplow, UK), has said that it will stop testing while the threat of "indiscriminate vandalism" still exists.

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