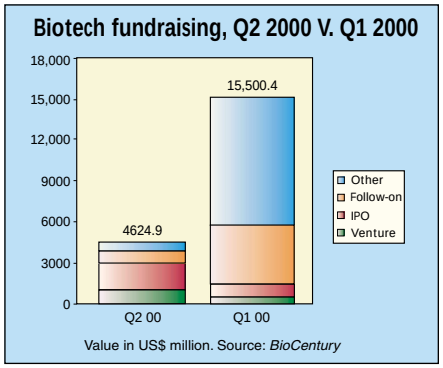
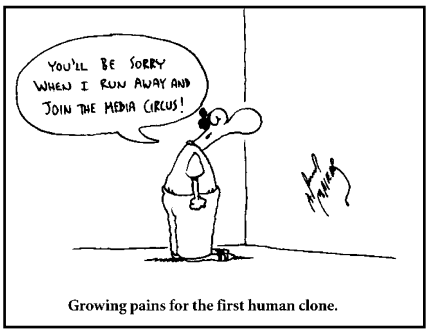


Biotech for third world

A white paper released in early July spells out the promise of agbiotech for alleviating poverty and hunger in the developing world. The report, issued by a working group of the US National Academy of Science, the Royal Society of London, and five academies of science from developing countries including China and India, says governments should base their decisions regarding regulation of GM foods on sound science. It also urges private companies to share their technologies with scientists and farmers in developing countries, allow farmers to reuse seeds, and focus more attention on improving crops that are staples in Third World diets. Val Giddings, vice president of food and agriculture for the Biotechnology Industry Organization (Washington, DC), says biotech companies have already made major donations to developing countries and the public sector needs to increase funding for basic research. *JG*



Growing pains for the first human clone.

Changes to RAC

At its June 28-29 meeting, the Recombinant DNA Advisory Committee (RAC) of the US National Institutes of Health endorsed a plan to give increased power to RAC in its oversight of gene therapy clinical trials. The group supported a proposal that would harmonize reporting requirements for serious adverse events, so that NIH receives the same reports as the Food and Drug Administration. Currently, NIH requires that all serious adverse events be reported immediately, whereas FDA has a varied deadline, ranging from 7 days to 1 year, based on severity. In addition, RAC agreed with a proposal that gene therapy protocols should be submitted to NIH at the same time they are submitted to researchers' Institutional Review Boards (IRBs). RAC would not have power to block the trials, but the IRBs would be required to review RAC's complaints. Acting NIH Director Ruth Kirschstein is expected to issue the new guidelines for RAC oversight in the next few months. *JG*

Monsanto ruling dismissed

The California Court of Appeals (San Diego, CA) has dismissed a $174.9 million jury verdict against Monsanto, now part of Pharmacia (Peapack, NJ), in a patent dispute with ag-bio rival Mycogen, now owned by Dow Chemical (Midland, MI). The 7-year-old dispute involves Monsanto's genes that make crops resistant to its Roundup herbicide. Monsanto licensed them to Lubrizol (Wickliffe, OH) in 1989, and when Mycogen purchased a controlling interest in Lubrizol in 1993, it demanded access to the genes. Monsanto refused and Mycogen sued. Monsanto eventually turned over the genes, but Mycogen then filed another lawsuit, arguing that the delay caused loss of profits. A California jury awarded Mycogen $174.9 million in March 1998, but a three-judge panel has now ruled that Mycogen shouldn't have received any money because it had sued once before. Dow Chemical will appeal the ruling. *EN*

Research collaborations

Company 1	Company 2	$ (Millions)	Details
BioChem Pharma (Laval, Quebec)	Maxim Pharmaceuticals (San Diego, CA)	55	The companies will share research responsibilities in development of anticancer compounds based on Maxim subsidiary Cytovia's CV2105 class of small molecule compounds. BioChem Pharma will give Maxim licensing, research, and milestone payments of up to $55 million in return for worldwide development and manufacturing rights.
Idec Pharmaceuticals (San Diego, CA)	Taisho Pharmaceutical Co. (Tokyo, Japan)	35	A deal to develop monoclonal antibody therapies for treatment of inflammatory and autoimmune diseases. Idec, which has identified monoclonal antibodies that block macrophage migration inhibitory factor, will receive $18.5 million in R&D funding over the next four years, in addition to license and milestone payments.
Axcell Biosciences (Newtown, PA)	Institute for Systems Biology (Seattle, WA)	*	An agreement to chart the protein-interaction changes in prostate cancer cells in order to work out how changes in cell signaling turn normal cells malignant. Axcell will construct protein signaling pathways using cloned DNA samples from normal and cancerous prostate tissue provided by ISB. Axcell will deposit resulting information into its proteomics database, while ISB will use it in systems research.
Dow Chemical (Midland, MI)	Diversa (San Diego, CA)	*	A 50/50 joint venture to develop and commercialize industrial enzymes based on Diversa's DNA extraction and evolution technologies. Diversa will contribute several product candidates and will receive technology development, R&D, and other payments over the next five years.
Transgene (Strasbourg, France)	Introgene (Leiden, Netherlands)	*	The companies will develop complementation cell lines for commercial production of adenovirus vectors for gene therapy. The agreement provides nonexclusive cross-licensing for the companies' intellectual property rights and for joint development and marketing of cell lines.

*Financial details not disclosed