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Going Direct

There was a time when biotechnology companies imagined they would bump the slowly revolving pharmaceutical companies out of drug development orbit. There was a time when pharmaceutical companies didn't find much of interest in the doings of biotechnology upstarts. There was a time when academia didn't have much use for either group, as they were doing the real research, after all.

Not any more.

With the U.S. federal budget for biomedical research an easy target for science budget killers, the U.S. biotech financial sector in disarray, and pharmaceutical companies furiously repositioning themselves in anticipation of global health-care reform, one thing is clear in the chaotically evolving cosmology of the new biopharmaceutical universe: Traditional descriptions of the relationship between basic and applied research are being rewritten. Future successful drug discovery and development requires the intimate and collaborative cooperation of academia and industry. For this reason, *Bio/Technology*, in conjunction with Recombinant Capital and the University of California, San Francisco, is sponsoring a conference called "Going Direct: Capturing Biomedical Innovation and Bringing It to the Marketplace" on the 13th and 14 of this month in San Francisco (for information: 212-477-9699). At "Going Direct" we hope to provide a forum in which the research heads of major pharmaceutical companies, the CEOs of important biotech companies, and academics from significant institutions can present their views of, and expectations for, biological research in industrial and academic settings over the next 10 years.

There is quite a bit to talk about. As many biotech and pharmaceutical companies have already discovered, creative licensing and strategic alliance agreements among themselves and with academic institutions can make the process of translating innovative ideas into new drugs and new therapeutics a more efficient and cost-effective enterprise.

Given the proper fit, the potential advantages for all concerned are considerable. Good drug discovery is knowledge and information intensive and requires access to, and analysis of, the vast amounts of information being generated by the worldwide scientific community. More new collaborations across this community should improve access to this information, and, one would hope, improve technology transfer. Better resource allocation and cost containment are other obvious benefits. Not all pharmaceutical companies can start a world-class biotech operation from the ground up. Not all biotech companies can become fully integrated drug companies (see "Surviving the '90s: Can Biotech Master Clinical Trials?" by Stephen Edgington in this issue). Not all academic institutions can rely solely on their endowments and government funding to keep the quality of their research high.

These collaborations prompt questions as well as answers: If basic, nonmarket-driven (university), research continues to be funded primarily by the U.S. federal government (as well as nonprofits like the Howard Hughes Medical Research Institute), what are the best mechanisms for maintaining and increasing government support of these efforts? Can market-driven and inquiry-driven research coexist at a given institution? What research and enabling technologies belong in the public domain, and who gets to own the rest—and for how long? What are the benefits and risks of direct collaboration between academia and large pharmaceutical companies? The restructuring of the Scripps-Sandoz agreement is one indication that the problems that will inevitably arise can be addressed satisfactorily.

Academia and industry have to be flexible in their responses to the rapidly changing conditions of the new health-care- and funding-buffeted universe. Academia-industry agreements and alliances may improve the environment for all members, not only by virtue of pooled resources, but by leading to better, faster drug discovery and development processes.

—SUSAN HASSLER