ing in-house personnel.

For example, Hambrecht and Quist (San Francisco, CA) has recently established a "bioscience" division. Robert J. Kunze left W.R. Grace (New York, NY), where he was in charge of corporate technology, to become managing director of H&Q's venture capital operation. "Now we are going to put some horsepower and resources into being sure that we reach the biosciences community at large," Kunze reports. "Biotechnology will become an increasingly important part of our venture capital portfolio." The company will finalize its strategy around the end of the year, he claims; it has already made an offer to a biotechnology analyst at another firm.

Montgomery Securities (San Francisco, CA) recently established a biomedical team. Scott R. King and Steven J. Sogin came from Remora Associates (Palo Alto, CA), which was setting up a venture capital investment fund, to join Janice LeCoq, who analyzes biomedical technology. "Overall, I think we're one of the strongest in the biomedical area," LeCoq says. Sogin, however, stresses that biotechnology is a small part of Montgomery's health care group, and that he believes the exponential growth of biotech analysis is over.

"What we're trying to do at Prudential-Bache is to generate a major force in coordinated coverage in health care, and biotechnology is part of that," says Nina M. Siegler, who left Paine Webber Mitchell Hutchins last summer to become senior biotechnology analyst at Prudential-Bache Securities (New York, NY). She says the gear-up on Wall Street has not involved research and analysis so much as it has investment banking—bringing companies public is a time-consuming process for the underwriter.

Firm-hopping by biotech analysts may be a barometer of which securities houses are emphasizing biotechnology. Joellen Fisher moved from Smith Barney, Harris Upham & Co. (New York, NY) to become a hospital and medical technology analyst at Morgan Stanley & Co. (New York, NY). "Certainly the fact that I'm following the biotechnology stocks means that the firm is interested in the area and is devoting resources to it," she says; Morgan Stanley showed little interest in biotechnology before 1981. She learned about the industry while researching related fields, and relies on a Ph.D. consultant when necessary. But, says Fisher, "for the most part the people following the industry are people with some scientific background and little experience with Wall Street."

Several firms already specialize in biotechnology analysis, notably E. F. Hutton, with Zsolt Harsanyi (New York, NY) and Nelson Schneider (Washington, D. C.), and Robertson, Colman & Stephens (San Francisco, CA), with M. Kathy Behrens. In addition, Sarah Kendall Bayles, a health care analyst, has been writing biotechnology reports for Oppenheimer & Co. (New York, NY) for two years.

Smith Barney is not known for its biotechnology involvement, but this could be changing; the firm underwrote last summer's initial public offering of Amgen (Thousand Oaks, CA). "We'll gradually increase our coverage of the industry," says analyst Joseph France. He claims the company would look for analysts "who understand the financial aspects. The technology can be learned."

Other securities firms may also be gearing up in the biosciences. Dean Witter Reynolds is reportedly in the market for a biotechnology analyst, and Kidder Peabody & Co. may be looking for a health care researcher. The industry requires qualified biotech and biomedical analysis and, as one expert put it, "Wall Street people just can't do the job at this stage of the game." **—Arthur Klausner**

SEVEN YEARS IN THE MAKING

DUTCH MAY LEGISLATE GENE-SPLICING REGULATION

THE HAGUE, The Netherlands—After more than seven years of intensive debate, the Dutch may have decided how to regulate recombinant DNA research and development.

Citing the new Occupational Health and Safety Work Act, the two year-old Committee on Moral and Social Aspects of Recombinant DNA has proposed that oversights of rDNA research should be turned over to the "Ad Hoc Committee." This second committee, which currently has only an advisory role, evaluates risk in university and industry experiments, and has developed guidelines similar to those of the National Institutes of Health in the U.S.

Experts expect that the proposal—which essentially would legalize work already being done by the committee, and perhaps give it added responsibility for ethical issues—will be implemented legally in the near future. If they are right, then Holland's regulatory policy will become similar to that of countries such as the United Kingdom and Sweden. The proposition also accords with the policy of the European Community, which—unlike the United States—strongly supports registration and legislation of rDNA research. Under current regulations, scientists can do rDNA experiments only after getting clearance both from the local government, under the Nuisance Act, and from the Occupational Health and Safety Inspection, which is concerned with safety in the work place.

Led by Adrian Oele, governor of the province of Drenthe, the Committee on Moral and Social Aspects of rDNA includes representatives of employers and trade unions, as well as a philosopher, a lawyer, and a theologian. Another member belongs to the left wing Union of Concerned Scientists, which for ten years has been troubled about the safety and social acceptability of rDNA work.

Oele's committee made its proposal in a report to the Secretary of State for Education and Science Policy, Chris Deetman. Advice from this committee is not without precedent. It has recommended the founding of a national, strictly contained Class-III laboratory for high-risk recombinant DNA research, to be established with the Organization for Applied Research TNO in Rijskijk, over dissent by trade union representatives and the Union of Concerned Scientists. According to trade union leader Leo Van Hattem, the technical risk analysis used by the committee did not consider public perception and acceptance of risk. However, the trend toward classifying more research in the lower risk C-I and C-II ranks casts doubt on the need for a C-III lab, at least for industrial research.

Legalization of the Ad Hoc Committee's advisory work, says Oele, should allow it to advise the government regularly on moral and social, as well as technical aspects of new developments in DNA research. He concludes, "The traffic light for continuation of DNA research is neither red nor green. Registration and legalization of guidelines means an orange flashing light." **—Joost van Kasteren**