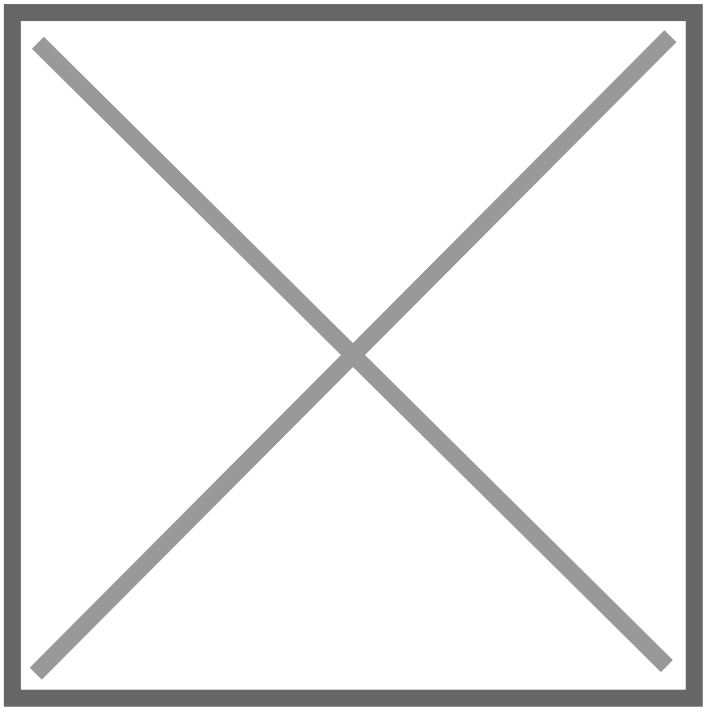
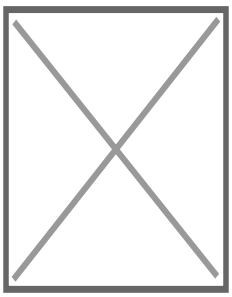
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Australia is a popular place for clinical trials

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"Australia is a popular place for clinical trials"



- Garry Draffin, CEO, Invest Australia

Invest Australia is Australia's national inward investment agency, set up by the Federal Government in 1997 to promote inward investment. Invest Australia advises companies from overseas about Australia's competitive advantages as an investment destination and actively facilitates investment projects into Australia. Garry Draffin, CEO, Invest Australia, shares his views on the opportunities and the possibilities.

What is Australia's offering to the Indian Biotechs?

Australia is generally recognized as the number one biotech destination in the Asia- Pacific region. There are over 400 registered biotech companies in Australia. And several of them are floated on the Australian Stock Exchange. The market capitalization at the moment is A$30 billion. The total funds raised in the biotech sector in 2004 were A$534 million, of which A$311 million was follow-on capital raisings. Australian biotechnology organizations had 315 therapeutic products under development by the end of December 2004, excluding those being trialed by overseas companies. The Australian Government invested around A$1.29 billion in biotechnology related R&D in 2003.

So it is a very vibrant and growing sector. However, the issue that needs to be addressed is increasing Australia's focus on this sector through increased cooperation with India. At this moment Australian companies instinctly turn to the US for partnerships and collaborations. India is probably the second big destination for biotech in the Asia Pacific region. And I am absolutely sure that India intends to become the #1 destination. One of the ways to do this is through closer collaboration with Australia. We have a lot of capabilities and can add to the intellectual horsepower that exists in India.

About 45 percent of the companies in Australia are engaged in therapeutic work and of the rest nearly 16 percent would be in the agricultural biotech and 15 percent in diagnostics. India and Australia are both looking at these areas.

One of the other areas that is worthwhile bearing in mind is that Australia has recently signed a free trade agreement with the US. The agreement creates a favorable climate for biotech collaboration between the US and Australia. That may be an advantageous way for the Indian companies to enter the US. Indian companies can establish arrangements with the companies in Australia, which have a vehicle to engage with the US market.

Are you actively promoting partnerships between the tier II and III companies in the life sciences sector?

Yes we are. Australia has some significant advantages in terms of clinical research and is a popular place for clinical trials. The Australian government has put a lot of money into the innovation programmes. In 2003, the Government provided A$1.29 billion in public biotech spending. It has committed about A$150 million to biotechnology R&D across its programs and fellowships. The list of companies that are working in this program include leading players from
the world.

Can Indian companies collaborate under these programs and also get incentives and concessions?

Yes they can. However, the incentives apply to companies registered and developing products in Australia. The key issue for Indian companies wanting to participate in the incentives provided by the Australian government is to have resources and partnerships on the ground in Australia. Having said that the consultancies and partnership take place worldwide.

How do we get them to shake hands?

It's all the usual things. For example, AusBiotech 2005 National Conference is being held in Perth during November. And am hoping a good sizeable delegation from India comes down. We recently hosted the Forbes Conference in Sydney and a large Indian delegation came there. Several major pharma and biotech companies too came on that mission. So it is a matter of knocking on doors to make sure that people are aware of what the opportunities are and facilitate the market to move. In my visits to India, I am trying to promote the profile of the Australian biotech.

Further, all the state governments are active in India. West Australia is clearly here. South Australia is opening an office in Chennai. Queensland is here in Bangalore. Victoria is in Bangalore. So people are creating the awareness and things are starting to happen.

What is the general perception about the Indian life sciences companies in Australia?

The general perception unfortunately is low. There is not much of knowledge about what is happening in India in the Australian market. Australia is not good at promoting its attributes in India and Indian companies are not promoting their skill sets in Australia either. There has to be more of this two-way engagement.

N Suresh with Ch. Srinivas Rao

PAKISTAN

Pakistan formulates biotech policy

The National Commission on Biotechnology (NCB) has formulated a draft national biotechnology policy and action plan and presented it to the Ministry of Science and Technology to promote the uses and applications of new biotechnology both in agriculture and healthcare in Pakistan.

Speaking to BioSpectrum, Dr Anwar Nasim, chairman, NCB during his visit to Mumbai, said, "Pakistan too is keen to benefit from biotechnology. The ministry of science and technology has been funding many projects related to biotechnology. It has already invested more than Rs 1 billion in various research projects. About 27 government institutes/organizations and universities are working in the field of biotechnology. "

He further said, "The NCB has been doing lot of activities to promote biotechnology in Pakistan. The NCB has already organized many seminars/workshops in different cities. The commission has organized national conferences on agriculture biotechnology, industrial and environment biotechnology and health biotechnology, international conference on biotechnology for salinity and drought tolerance in plants and a workshop on understanding the gender dimensions of biotechnology research and application at different places."

TAIWAN

DCB forms a Gene Vector Consortium

The Development Center for Biotechnology (DCB), a non-profit, government-funded R&D institute in Taiwan, recently formed an international consortium of companies involved in the field of gene vector technology-based drug development, called the Gene Vector Consortium. The DCB has been working on building up its expertise in gene vector technology. Integrating its expertise in gene vector technology and production with local and international companies having existing capabilities in this field, the DCB invited North Carolina, US-based AsklÃ?Âªpios Biopharmaceutical, Inc., as well as two Taiwan-based companies-contract biopharmaceutical manufacturer Mycenax Biotech, Inc., and CESCO Bioengineering Co. Ltd, to jointly develop contract manufacturing services for gene vectors.

Source: www.biotecheast.com

UNITED KINGDOM

BIA to contribute to 'fair' market study

"The BioIndustry Association (BIA) looks forward to representing its bioscience member companies in contributing to the Office of Fair Trading (OFT) market study and enabling our member experience to add value to the study," said Aisling Burnand, chief executive officer of the BIA.

The OFT study will assess whether the Pharmaceutical Price Regulation Scheme (PPRS) provides an effective way of meeting its stated aims such as secure the provision of safe and effective medicines for the NHS at reasonable prices; promote a strong and profitable pharmaceutical industry capable of such sustained research and development expenditure as should lead to the future availability of new and improved medicines; encourage the efficient and competitive development and supply of medicines to pharmaceutical markets in this and other countries.

The current Pharmaceutical Price Regulation Scheme agreement has a disproportionate impact on innovative bioscience companies that are highly likely to have small portfolios, often limited to one or two products.

Larger pharmaceutical companies have the option of making price cuts across a portfolio while maintaining prices on individual products and this option is not open to smaller bioscience companies. Therefore smaller companies with fewer products are at a disadvantage to larger companies with larger portfolios.

"The BIA's main concern with the Pharmaceutical Price Regulation Scheme is the disproportionate impact it has on innovative bioscience companies, which have often just one or two marketed products, and are therefore unable to split price cuts across a portfolio. We will be making this point constructively in our communications with the OFT, " noted Aisling Burnand.

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Source: www.bioindustry.org

AMERICA

"Biomedical research has taken a backseat"

"Biomedical research has taken a backseat to the pressure tactics of animal rights extremists. Ethical animal research has played a vital role in virtually every major medical advance of the last century Ã¢â?¬â?? for both human and animal health. This research is invaluable in the development of life-extending treatments for people, as wells as cats, dogs, farm animals, wildlife and endangered species," said James C Greenwood, president and CEO of the Biotechnology Industry Organization (BIO).

Reacting to the recent decision of the New York Stock Exchange (NYSE) to postpone the listing of Life Sciences Research (Huntingdon Life Sciences) on NYSE, in a letter addressed to the NYSE chairman, John Thain and president, Catherine Kinney, he said, "I want to covey a collective disappointment of the biotechnology industry to the NYSE's reaction to threats from terrorists claiming their actions on behalf of the rights of animals."

He further noted, "BIO members stand together in our opposition to any efforts that would hinder our ability to develop and produce products that are safe for patients, consumers, populations, pets, livestock, wildlife and ecosystems. The ability to conduct humane and responsible animal- based research must be preserved to help conquer disease, alleviate suffering and improve the quality of life. Biotechnology companies have depended on this research to develop more than 200 drugs and vaccines approved by FDA, helping 325 million people worldwide and preventing incalculable human suffering.

In Senate testimony this year, the Federal Bureau of Investigation (FBI) stated that animal rights extremists are recognized as the nation's top domestic terrorism threat. These groups have committed more than 1,100 criminal acts in the United States since 1976, resulting in damages conservatively estimated at approximately $110 million.

Source: www.bio.org

FRANCE

French investors for creation of JEIC status

Fourteen specialized high-tech venture-capital funds, representing almost 7 billion euros in investment capacity and sitting on the boards of directors of several hundred innovative SMEs, are launching a solemn appeal to Prime Minister of France for the establishment of the status of Jeune Entreprise Innovante CotÃ?Â©e (JEIC)- Young Listed Innovative Enterprise in 2006.

"In the absence of JEIC status and a lucrative stock market, venture-capital investors will reduce their investment in French SMEs and many SMEs will be sold to large groups or to overseas SMEs", said Philippe Pouletty, chairman of France Biotech and of the Strategic Council for Innovation.

Intended to benefit the last link in the chain of financing to innovative SMEs, JEIC status would be granted for eight years following stock market listing to any innovative SME that uses over 10 percent of its expenditure on R&D, has fewer than 2,000 employees and a turnover of less than 150 million euros. JEIC status would attract French investors through targeted tax benefits favoring research and development and the growth of SMEs: shareholders would be exempt from capital gains tax, inheritance tax and wealth tax on their JEIC securities.

For a modest budget cost, recently estimated by the Ministry of Industry and the SCI at only 25 million euros per annum, JEIC status will leverage French private and international investment and will enable world champions to emerge among our SMEs with major potential.

Source: www.france-biotech.org

NEW ZEALAND

BioAgri improves farm productivity in New Zealand

New Zealand's agritech sector has been at the forefront of technological developments, which have allowed significant improvements in farm productivity.

A report released by the National Bank of New Zealand highlighted the role played by the agritech sector in maintaining agriculture's contribution to New Zealand's economy.

The report said the sector is also closely aligned with improvements in marketing and an emphasis on value added which have contributed better offshore returns for New Zealand's still predominately agricultural exports. Through three channels the sector has been contributing to the New Zealand economy.

The channels include; by generating direct revenue and export earnings in its own right; from products and services facilitating 'best practice' farm management techniques; and allowing significant value to be extracted from farm products by identifying and meeting consumer preferences.

However, the report said many of businesses in the sector are small and lack the resources and ability to specialize of larger firms.

It has identified industry body New Zealand Agritech Incorporated as an avenue to capture the critical mass required to address collective needs.

The society's principal involvement is in co-operative marketing promotions in overseas markets as an avenue for members to establish and strengthen international distribution networks for their goods and services.

Source: www.nzbio.org.nz

SINGAPORE

Public sector R&D budget on the rise in Singapore

The budget for public sector R&D in Singapore has more than doubled to almost S$12 billion over the next five years, as part of a strategy for transforming Singapore into a knowledge-based economy. Singapore's total public sector R&D budget was about S$5 billion for FY2001 to FY2005, and that figure excludes defense research.

The Cabinet has approved Ministerial Committee for R&D (MCRD)'s recommendations that this be raised to S$12 billion for FY2006 to FY2010. Five thrusts that would propel future economic growth include: to provide more resources, to focus on niche areas, to achieve a balance of investigator-led and mission-oriented research, to encourage more private sector research, and to strengthen the bridge between R&D and business.

Source: www.biomed-singapore.com