



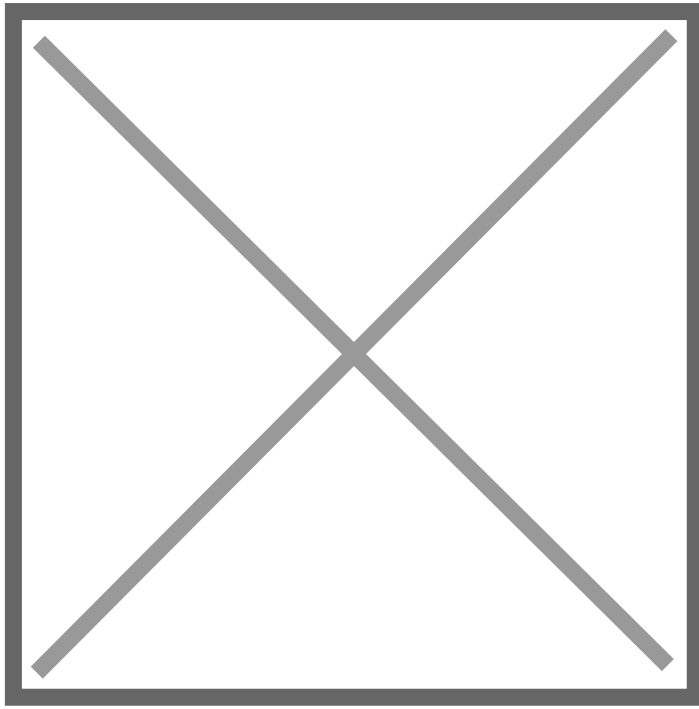
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Pennsylvania biosciences community starts Janney Pennsylvania Bio Index

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The Pennsylvania biosciences community has started an index that will appear on the Pennsylvania Bio website, www.pennsylvaniabio.org. Pennsylvania Bio joined with Janney Montgomery Scott to create this index to track the performance of its publicly traded companies and to draw further attention to the success of Pennsylvania biosciences community.

Pennsylvania has a vibrant and growing biosciences industry in the commonwealth. According to some analysts the Life Sciences sector revenues could reach \$200 billion by 2010. The Commonwealth of Pennsylvania has made a major strategic investment in developing and attracting new Life Science companies and, once they are incepted, to continue to grow them. This Life Sciences activity is predicated on research carried out at the state's major universities and other institutions.

For the purpose of this growth, the Commonwealth has pledged and continues to invest \$2 billion in its life sciences enterprise. That leadership is demonstrated further by the fact that Philadelphia was chosen to host the BIO2005.

Pennsylvania is the second largest biopharmaceutical state in the US and has the largest concentration of tissue engineering firms in the nation. In fact, about 12 percent of the US biotech companies reside in the state, totaling over 160 biotech companies and 158 laboratories. According to a report during BIO 2004, Pennsylvania's bioscience industry is growing strong with 83,860 jobs in the industry and an average employee salary of \$65,060. Some 2,038 businesses are part of the Keystone State's bioscience and bioscience-related industries, and these companies pay a total of \$5.5 billion in total wages. Companies in the bio-pharmaceutical sector, which are engaged in the research, discovery and development of therapies, reported that the employment grew over 5 percent in 2002 to 27,121 employees. Further, Pennsylvania is home to 330 companies in the medical device and diagnostic sector, employing 18,024 Pennsylvanians and providing total annual wages of \$808 million. The report also details venture capital investment from 2001 through the first quarter of 2004. The VC investment began to rise between 2002 and 2003, and the first quarter of 2004 showed a marked upswing in investments in Pennsylvania bioscience companies with more than \$150 million going to the community.

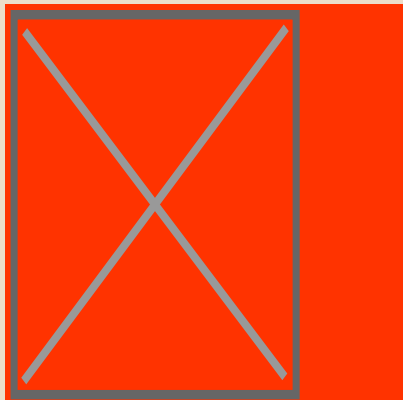
The main reasons for the growth has been due to strong policy leadership and creation of programs that support the growth of this industry, most notably the Life Sciences Greenhouse Initiative, he adds. Economic Stimulus programs such as expanded research and development tax credits with tradability, New Pennsylvania Venture Guarantee, New PA Venture Capital Investment, Keystone Innovation Zones and Core Industries provide more than \$450 million every year that will specifically benefit the entrepreneurial life sciences community. The Economic Stimulus Package, together with \$2 billion plus Life

Sciences Enterprise program focuses on meeting the needs of developing life sciences companies for capital. For fiscal year 2003, Pennsylvania ranked fourth in the nation for funding through the National Institutes of Health, receiving \$1.3 billion in funding. Two Pennsylvania universities-University of Pennsylvania and University of Pittsburgh-ranked in the top 10 nationally for NIH funding.

Source: <http://www.pennsylvaniabio.org> and <http://www.inventpa.com>

"Singapore committed to developing biomedical sciences"

Dr Beh Swan Gin, director of Biomedical Sciences Group, Singapore Economic Development Board



Dr Beh Swan Gin, Director Biomedical Sciences Group, Singapore Economic Development Board

What are the strengths of Singapore in biotech?

Singapore's interest extends beyond biotechnology and includes pharmaceuticals, medical technology and healthcare services. As such, we use the term "Biomedical Sciences" (BMS) instead.

In our view, Singapore's strengths include the availability of top-class scientific talent, our culture for innovation, the presence of leading biomedical companies from all over the world, our strategic location providing easy access to key markets in Asia, and the strong regime for intellectual property rights protection.

We also work hard to ensure that the industry is provided with state-of-the-art infrastructure. For research, the S\$500-million Biopolis is a good example of our commitment. It is an integrated R&D complex with two million sq. feet of space that houses BMRC's five research institutes as well as R&D laboratories of numerous pharmaceutical and biotechnology companies. Opened in October 2003, the Biopolis also offers ready-fitted laboratory space for start-ups as well as laboratory support services specifically tailored for BMS companies. In addition, tenants will be able to tap on shared facilities such as mass spectrometry, DNA sequencing, library, auditorium, meeting rooms and lifestyle amenities. About 90% of the space in Biopolis has been taken up and Phase 2 of Biopolis is expected to be launched in early 2005.

Apart from the Biopolis, the 183-hectare Tuas Biomedical Park also plays an instrumental role in attracting global biomedical companies to set up their manufacturing bases in Singapore. An additional 188 hectares will be developed as Park II to cater to the strong international interest. The Tuas Biomedical Park is located in close proximity to the manufacturing hub of Jurong Industrial Estate.

What are the schemes on offer to this industry?

Companies in Singapore enjoy a low corporate tax rate of 22 percent and this will be further reduced to 20 percent in 1-2 years. Depending on the project, EDB BMSG is also prepared to consider providing tax incentives such as the Pioneer status, which provides for full corporate tax exemption for upto 10 years. This incentive support is similar to that available for other industries.

In addition, EDB's Bio*One Capital manages S\$1 billion in several funds to invest in overseas or local biomedical companies with economic spin-offs to Singapore. Bio*One also has a BMS Innovate 'N' Create (INC) Scheme to provide seed capital for start-ups.

What is the size of the BMS industry in Singapore?

In 2003, the BMS industry's manufacturing output reached S\$11.3 billion, a 15.9 per cent increase over 2002. The pharmaceutical sector contributed S\$9.5 billion or 84 per cent of the total with the rest coming from medical device and equipment production. Employment in the biomedical sciences cluster also exceeded 7,500 in 2003.

Singapore's biomedical manufacturing output has almost doubled since 2000, the year we started our BMS effort. We are well on our way of hitting our target of S\$12 billion in manufacturing by 2005. In fact, we should reach this target this year.

Leading BMS players with manufacturing presence in Singapore include Applied Biosystems, Aventis, Baxter, Becton Dickinson, Ciba Vision, GlaxoSmithKline, Kaneka, Merck, Novartis, Pfizer, Schering-Plough, Siemens Medical and Wyeth. In R&D, the companies include Eli Lilly, ESI, GlaxoSmithKline, Merlion Pharma, Novartis, Paradigm Therapeutics, PharmaLogicals Research, S*Bio, Viacell, and Qugen.

Ireland leads Europe in life sciences

Ireland is leading Europe in the life science research field, with the Irish Government investing E2.5bn in innovation and technology. This was told at a conference in London that was backed by Irish Government. Over the last decade, Ireland has seen a dramatic rise in both indigenous and foreign life science investment as 170 life science companies and 13 of the top 15 pharmaceutical companies now have significant bases in Ireland.

The Irish Government, and agencies such as Enterprise Ireland, the Science Foundation Ireland and the Industrial Development Agency, are ensuring Ireland's ongoing success, including a commitment to invest E2.5bn in innovation and technology in the coming years.

The conference also launched the UK's first all Irish scientific network, TechLink UK - Ireland designed to assist Irish networking in the UK. Dr Peter Fearon, Chair of the new group said that, until recently, the UK-based Irish scientific community has not felt the need to network in the UK.

However, the opportunities in Ireland are now providing a catalyst for closer dialogue.

Source: www.biotechnologyireland.com

Austria's Biotech sector booms

Austria boasts a thriving biotech sector, which is highly attractive to investors. The country's biotech industry profits from the commitment of both private investors as well as governmental incentives for high-tech projects. This development over the past few years can be attributed to effective technology promotion measures resulting from the close cooperation between the business and scientific communities.

"Investors and researchers are aware that they can rely on Austria. The government has recognized R&D to be one of its main future-oriented priorities, which will particularly benefit biotechnologies," says Werner Lanthaler, CFO of Intercell AG, a Vienna-based biotech firm manufacturing so-called "smart vaccines" designed to combat infectious diseases and malignant tumours.

In the year 2004, a total of 5.27 billion Euros will be invested in R&D in Austria, which represents a 2.97 percent share of the nation's gross domestic product. This means that Austria's gross domestic R&D expenditures will surpass both the EU average of 1.93 percent (Source: Austrian Statistical Office, 2004) and Germany's national R&D quota of 2.52 percent (Source: National Research Report 2004). Austria's R&D drive is focusing on promoting life sciences as well as information and communication technologies, nanotechnology, mobility and transport, as well as environmental protection and energy projects.

The pharmaceutical and biotechnology sectors in Austria invested approx. 370 million Euros in their R&D activities in 2003. An additional 110 million Euro was committed to new research facilities (Source: Austrian Federal Chamber of Commerce, 2003). In the years 2002 and 2003, large-scale investments in Austria as a business location were made by Baxter, (205 million Euro), Boehringer Ingelheim (60 million), Ebewe (8 million), Sandoz (168 million) and Sanochemia (3 million).

Partnerships among several academic and/or business partners are promoted within the framework of the national genome research program called "GEN-AU." 10.5 million Euros in funding is available each year for this program, which supports projects in the fields of proteomics (analysis of protein molecules) and cancer therapy, to give just two examples.

Life Science Austria, a program developed by the Federal Ministry of Economic Affairs, initiates and provides support for academic spin-offs and start-ups in the biotechnology sector. Biotech centers have emerged in Innsbruck (Tyrol), Graz (Styria), Krems (Lower Austria) and in the province of Burgenland, which all complement Vienna, the country's leading biotech hub. In particular, Life Science Austria supports the patenting of innovations and the commercial realization of biotech projects. The Vienna region already ranks among the top 15 EU regions (out of a total of 150) in terms of the number of biotechnology patents.

Source: www.aba.gv.at

EU Commission to ask members to lift GM bans

The EU Commission will ask a number of its member states to lift their bans on certain EU approved GM products at the Regulatory Committee meeting in Brussels. Five member states (1) have national bans on 5 EU-approved biotech crops. These bans were imposed using the safeguard clause of Directive 90/220 that permits such bans if there are real safety

concerns, but that also requires that new scientific information be provided to support such bans. In July 2004, the European Food Safety Authority reinforced earlier opinions by the European Commission's Scientific Committee and confirmed that these various national bans were not scientifically justified (2) — there is no information to support their claims that these products are unsafe.

"The fact of the matter is that the EU's Food Safety Authority has rejected all of the "new" information provided by these member states. They have no scientific basis to maintain their bans," says Simon Barber, Director of the Plant Biotechnology Unit at EuropaBio, the EU association for bioindustries. The Commission in its role as guardian of the treaty is upholding EU law by requesting these countries to withdraw their bans.

Source: www.europabio.org