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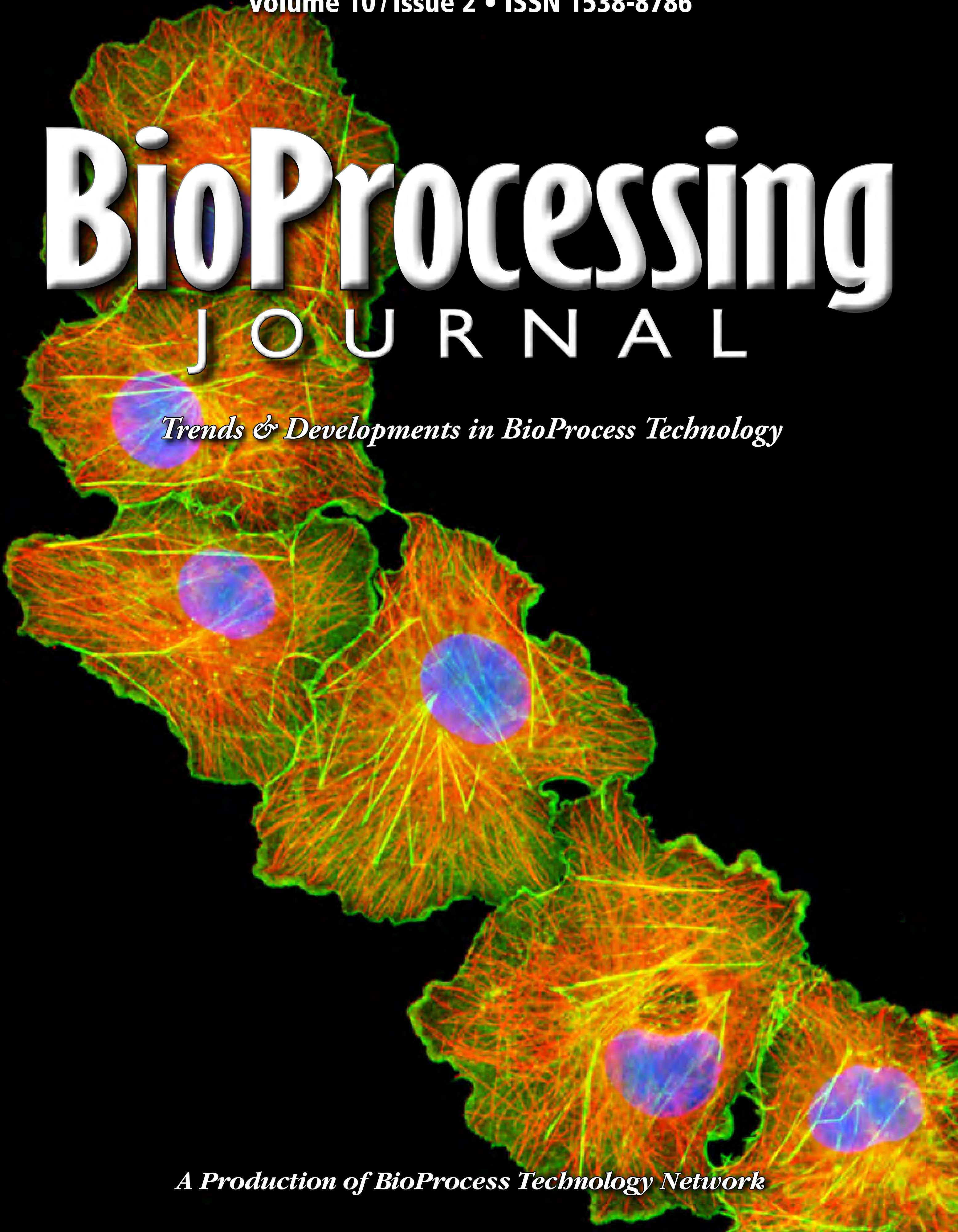
Trends & Developments in BioProcess Technology



A Production of BioProcess Technology Network

From the Publisher

At the risk of sounding political, I feel compelled to share my thoughts on some recent observations, as well as the absence of observations I'd like to have.

First, I'm still dying to learn what the regulations are that are keeping American businesses from expanding their operations and hiring people. We keep hearing that the government has to illuminate regulations that are killing jobs, but I just can't determine what these are. Surely the biopharmaceutical industry isn't suggesting that it regulate itself while asking the government to protect it from litigation if something goes wrong. And I can't believe that workplace safety or child labor laws must be abolished. So in this regard, I'll just have to keep searching until things make sense, or I find they were never meant to.

For the rest of the economy, companies aren't hiring or building plants because of a lack of consumer demand. But with biopharmaceuticals, consumption hasn't gone down and patients are screaming for even better choices. *Who could ask for a more secure and rapidly growing market?*

And then when it comes to the Affordable Care Act, what is all this talk about onerous regulations on businesses and a half-trillion dollars in additional costs? From my read, this law gives businesses an option to cut healthcare costs by having their employees obtain coverage through exchanges and pay for it themselves. Then if they choose to do so, companies can give pay raises or bonuses to compensate their employees for what they are paying for their own insurance, which should still be less than what they were paying since so many more people will be insured. To me this sounds like a situation that offers more choices and not more regulations.

The biggest problem in healthcare is that costs are still too high, and much of this comes from the uninsured getting free care in emergency rooms. These costs are passed on to everyone else, and would be far lower if everyone had insurance and didn't wait until they had emergencies before seeking help. Maybe we'd stop seeing hospital bills containing $15 for two Tylenol, $20 for a bandaid, and $36 for a pair of exam gloves.

And for those who want "*government out of their lives,*" they need to understand that NIH, NIAID, and BARDA funding is keeping many companies going that would have been gone long ago. And these are the companies that are developing the really tough applications like cellular vaccines and gene therapies, when almost all the large companies have dropped their internal programs for these applications and aren't investing in the research being done by others.

Almost every day, I read news clips in which major biopharmaceutical companies are cutting R&D while they spend billions on acquisitions. The management incentives must be all wrong for this to be happening since I can't complete one hand when counting the number of acquisitions and mergers that have done anything but eliminate competition, enrich law firms, support investment banks, and put big bucks into the pockets of a few top executives. *Something has to change.*

What biopharmaceutical companies need are more products plus more efficient ways to develop new products and move them through the clinic. And for this they need R&D, the right types of strategic partnerships, reasonable licensing deals, and a highly trained workforce. Once they need them, they won't be able to get the people back that they are laying off. They've spent years training these folks and building strong teams, and it will take them years to rebuild these teams when they get over their acquisition fever and get back to serious business.

We need leadership from the people who control the large biopharmaceutical companies, and not a self-serving obsession with actions that only benefit a small number of high-level individuals. *Why aren't the shareholders screaming, and will it take an "Occupy Wall Street" movement to reinstate sanity in this industry?*

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