Farewell Editorial

The Journal of Commercial Biotechnology *has been fortunate to have been served by an outstanding editor in Dr Nick Scott-Ram whose term of office will expire at the end of Volume 7. During the three years of Nick's Editorship, the journal has emerged into a confident and important quarterly, making a valuable contribution to those commercialising biosciences. We are indebted to Nick for all his hard work on the journal. Below follows a farewell from Nick.*

It is three years since *The Journal of Biotechnology in Healthcare* was relaunched as the *Journal of Commercial Biotechnology*. In the ensuing period the biotechnology industry has witnessed a number of major successes, coupled with more sobering hurdles and difficulties. It has been a case of two steps forward and one step back. As we enter what appears to be a period of belt-tightening and potential recession, the industry remains secure in the knowledge that it has weathered such cycles before and that it is, if anything, better placed than at any time before to weather the current difficulties.

The successes have been notable: the sequencing of the human genome, the emergence of e-health, the continued launch of new products, the robust rate of new company formation in Europe and the USA, the substantial increase in market capitalisation of the industry as a whole, and the evolution of new business models to drive commercial and sustained growth. On the downside, there remain areas of difficulty, such as the public acceptance of genetically modified (GM) foods, the inevitable product and corporate failures, and the continued ethical debate across a broad front of issues, a debate that has difficulty keeping pace with the rate of technological advancement. Nevertheless, difficult lessons are being learnt, as companies realise the importance of clear and transparent communication with the different consumers.

Companies are also pursuing more sophisticated business models, learning to mix complex R&D programmes with strategies that ensure a quicker time to profit and a more market-driven focus. The basic model of building an R&D business alone, with adequate returns being generated from out-licensing to major partners is becoming more difficult to sustain. The need to understand the complex dynamics of the market-place, as healthcare delivery undergoes a major transformation, is more important than ever before.

As the industry has evolved, the *Journal* has aimed to reflect the excitement and enthusiasm of a vibrant emerging industry. Apart from refining the focus on business and commercial issues, the *Journal* has also focused on key topics such as GM foods, the impact of the Internet on the biotechnology industry, financing, technology transfer and the future of medicine.

The next three years will inevitably bring more change. Apart from delivering sustainable growth to shareholders, biotechnology companies are likely to face new challenges in the future. Some of these challenges will be familiar, such as the financing of growing businesses, the patentability of human genes, the regulatory, safety and consumer acceptance of GM foods, animal testing, and the ability to manage R&D in the face of escalating costs and market fragmentation. Others will be new.

Over the last few years, the industry has come to recognise the importance of public ethical debate. It has also remained firmly focused on the developed world, where the markets and returns on investment in R&D are much more attractive. Yet, as the consolidation within the healthcare industry continues unabated, developing world issues, particularly the economic and human devastation of diseases such as AIDS, malaria and TB are coming to the

fore. As before, the warning signs are there. While, for many companies, such issues do not directly affect them, the problem will be in the public perception and political fall-out. The difficulties of healthcare delivery for developing countries in relation to the above diseases will become a political pressure point that will not go away and the issue today is whether the biopharmaceutical industry will read the signs early enough and act in a manner that avoids a polarisation of issues.

In conclusion, I would like to take this opportunity to thank all the members of the Editorial Board for their support and contribution to the *Journal* over the last three years. Without their enthusiasm, input and reviewing, the *Journal* could not have evolved into what it is today. One person who also deserves a special mention is Julie Simkins of Henry Stewart to whom I owe a big thank you for all her hard work. Finally, I would also like to thank the UK Bioindustry Association for their support. I very much hope that the quality and content of the *Journal* evolve and keep pace with the dynamic changes in the industry.

Nick Scott-Ram
Managing Editor