

Biotechnology industry on economic roller-coaster

The biotechnology industry has been on the downhill slope of an economic roller-coaster during the last 2 years, according to a report in the *Journal of the National Cancer Institute*.

After the completion of the Human Genome Project, stock prices of genomics and other companies increased dramatically. However, when it became apparent that the sequencing of the human genome would not have an immediate impact on drug discovery, stock prices began to fall. In addition, a number of corporate scandals led to a feeling of corporate mistrust and economic uncertainty.

Although the number of biotechnology drugs either in the clinic or awaiting approval is higher than ever, there were fewer drug approvals in the last 2 years than in the years before them. However, while stock prices were down, venture capital increased in 2001. Furthermore, in January of this year, the financing window began to open.

Notably, the majority of biotechnology drugs in the clinic or awaiting approval are cancer drugs. Furthermore, *"in the future, more progress can be expected with the expansion of molecular targeting and the application of pharmacogenomics to determine in which patient subgroups a drug is most likely to be active"*, says the report. The future looks promising and large biotechnology companies are already showing significant increases in sales.

Brower V. Biotech industry tries to recover from 2-year lull. *Journal of the National Cancer Institute* 95: 348-349, 5 Mar 2003 800925800