

UC leading effort to build biotech projects in Asia

BY RON LEUTY

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At lantic salmon, Malaysia, biotechnology and the University of California are coming together to help overseas researchers, entrepreneurs and their countries.

The goal, organizers of the effort say, is clear: By focusing on their own backyards, countries with emerging economies and biotech aspirations can do good while doing well.

The effort was launched in October with a one-week workshop at QB3, the California Institute for Quantitative Biosciences, that attracted more than 20 people, including the CEO of a Malaysian biotech firm and a senior adviser of a Vietnamese biotech.

The course was organized by David Charron, a professor at the Haas School of Business at the University of California, Berkeley, but the star may have been Chiron Corp. co-founder Pablo Valenzuela.

Valenzuela returned to his native Chile and, among other things, studied how biotechnology could succeed there without going head-to-head with a Chiron, Genentech Inc. or other biotech big fish.

His answer came in the form of a big fish, the Atlantic salmon, plagued with a bacteria that has cost Chile's farmed salmon industry a reported \$150 million annually.

As director of the Science for Life Foundation, which links scientists and industry, Valenzuela helped find a vaccine from a standard technology he knew from Chiron.

The vaccine, developed in Chile at a fraction of what it would cost to bring along a vaccine from scratch, eventually was licensed to an arm of Novartis AG.

It's a Silicon Valley model applicable in any country, said P'ng Loke, a Malaysian-born research scientist in the department of medicine at the University of California, San Francisco. He worked with the gov-

ernment-sponsored Malaysian Biotechnology Corp. to develop the October workshop.

"That's kind of what we're hoping to accomplish — there is useful technology to attack localized problems," said Loke, who was a post-doctoral fellow at QB3. "But that technology also might lead to discoveries with a global impact."

In Malaysia, for example, biotechnology could be used to increase the efficiency of palm oil production, he said.

Valenzuela talked of using biotechnology to extract copper from a bacteria that typically is washed out of copper ore.

"The key point is he went in and saw what (Chile) really needed and wasn't met by biotech today, and he's set up companies to do that," said QB3 Director Reg Kelly.

About half of the course was devoted to participants formulating business plans and working as teams, Kelly said.

Holding the workshop in the Bay Area eventually can help biotech leaders in other countries connect with Northern California companies and venture capital firms, Loke said.

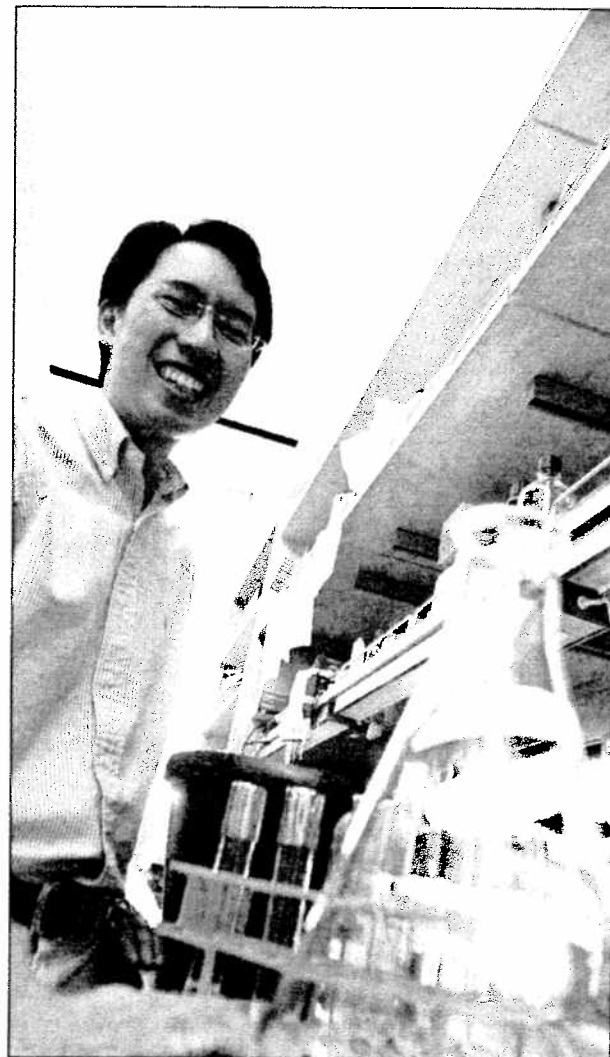
As a result, VCs may make more investments outside the United States or a local biotech could see a technology's application from a different perspective.

This year's course was funded with \$100,000 from the Malaysian Biotechnology Corp., and Malaysia sent about 20 people.

Next year, with a greater lead time and advertising, organizers hope to attract scientists, business leaders and government officials from Latin America, Africa and eastern Europe as well as Asia.

"There are lots of these courses around, lots of countries trying to develop biotech," Loke said. "But the situations in these countries are different. There isn't a Silicon Valley environment in those places."

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"There is useful technology to attack localized problems" in Asian countries, says UCSF's Loke.

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