



Iowa Biotech Association Monthly Update August 2010

This message was sent to you as a benefit of membership in the IBA. If you would like more information on any topic or no longer wish to receive these messages, please email Michael Ott at otterm@gmail.com or call (319) 621-8580

Late Breaking News

The Annual Membership Meeting will take place at 9am on Sept. 10th at the BVC Board Room at the University of Iowa's BioVentures Center. The address is 2500 Crosspark Road, Coralville, IA 52241. We hope to see you there. Our quarterly board meeting will follow.

Federal agencies have begun the legislative review of the enacted Healthcare legislation. Among the items identified by the IRS will be the need to write new rules to implement provisions of the law. You can see the projections for the "Health Insurance Reform at a Glance Implementation Timeline" at www.healthreform.gov or www.KFF.org. The IRS will be hiring 16,000 under the new law.

Industrial & Environmental

I wrote an Op-Ed piece that has been picked up by a few outlets about the current state of the ethanol market **and calling on the EPA to raise the E10 standard:**

<http://gazetteonline.com/opinion/guest-columns/2010/08/22/higher-ethanol-blend-benefits-country> A group based in Illinois shares the sentiment:

http://www.ethanolproducer.com/article.jsp?article_id=6900



The Iowa Corn Growers Association **sponsored the founding of Zea Capital**, a closed end fund that will invest in Iowa companies. Visit www.zeacapital.com to learn more.



DuPont Danisco Cellulosic Ethanol LLC Genera has **broken ground on their biomass processing center** which will handle 50,000 tons of switchgrass to be converted into biofuels by DDCE:

http://www.ethanolproducer.com/article.jsp?article_id=6874



Fiberight plans to **build a second cellulosic ethanol demonstration plant** at the site of their VA pilot plant:

http://www.ethanolproducer.com/article.jsp?article_id=6778



The National Ag Based Lubricants center at UNI **received a \$370,000 grant** to study lubricants for rail transportation:

<http://www.uni.edu/newsroom/stories/unis-nabl-to-investigate-bio-based-lubricant-use-in-rail-industry>

Tate & Lyle **repaid the state of Iowa \$1.42 million** in incentives for its stalled ethanol plant in Fort Dodge: http://www.ethanolproducer.com/article.jsp?article_id=6907

Flint Hills Resources, a Koch Industries subsidiary, **bought two Hawkeye Renewables ethanol plants** via bank auction:

<http://www.desmoinesregister.com/article/20100818/BUSINESS01/8180344/1030/Oil-company-buys-2-ethanol-plants>

Gevo **acquired the Agri-Energy ethanol plant** in Luverne, MN and will convert it to produce isobutanol: http://www.ethanolproducer.com/article.jsp?article_id=6886

Enzymes found in termite guts may increase cellulosic ethanol conversion efficiency: <http://domesticfuel.com/2010/08/25/gators-study-termites-for-cellulosic-ethanol/>

Global **fossil fuel subsidies are twelve times greater** than renewable energy subsidies: <http://www.bloomberg.com/news/2010-07-29/fossil-fuel-subsidies-are-12-times-support-for-renewables-study-shows.html>

Biofuel tax credits **will be reduced and only extended** for 1 year: http://www.ethanolproducer.com/article.jsp?article_id=6869

Purdue researchers calculate that **corn cobs will have to be priced at \$100-120/ton** in order to be economically viable for farmers: <http://www.ncga.com/files/pdf/ExtensionPublicationBEEEditsaccepted.pdf>

Biomass supplies 15 million megawatt hours of power and **is expected to grow to a \$53 billion industry** in the next 10 years: <http://www.ecoseed.org/en/general-green-news/renewable-energy/biofuel/biomass/7680>

The World Bank **reverses its stance on biofuels in the food vs. fuel 'conflict'**. Their data show very little correlation between biofuel usage and food prices, with much stronger

correlations due to currency and speculative effects:

<http://biofuelsdigest.com/bdigest/2010/08/02/world-bank-reverses-the-effect-of-biofuels-on-food-prices-has-not-been-as-large-as-originally-thought/>

BP will not sell its alternative energy businesses as it looks for capital in order to deal with the spill in the Gulf: <http://www.marketwatch.com/story/bp-no-plans-to-sell-alternative-energy-units-2010-07-14>

Lallemand and Xylogenics have formed a **partnership to develop and commercialize genetically enhanced yeasts** for first generation ethanol production: <http://domesticfuel.com/2010/08/11/lallemand-embarks-on-new-yeast-project/>

Food & Agriculture



PIONEER® Pioneer will build a new research center in Orange City, IA to expand development and test new corn hybrids: <http://www.pioneer.com/web/site/portal/menuitem.d56b8a4ea19ecbea89108910d10093a0/>

Cargill **launched a heart-healthy drink** including its Corowise plant sterols: <http://www.beveragedaily.com/Formulation/Cargill-presents-chocolate-drink-prototype-at-IFT/>

228 million eggs from Iowa are being **recalled due to a salmonella outbreak**: http://news.yahoo.com/s/ap/us_tainted_eggs A food safety bill which would have prevented or mitigated the disaster has new life after being stalled in Congress: <http://www.desmoinesregister.com/article/20100825/BUSINESS/8250363/Bill-allowing-FDA-recalls-is-stuck> The source of the problem has been identified as hen feed: <http://www.desmoinesregister.com/article/20100827/BUSINESS01/8270351/Egg-recall-Salmonella-bacteria-found-in-chicken-feed>

The U.S. Environmental Protection Agency is considering a **crackdown on farm dust**. Enforcement of this is questionable and the long range effects are unknown: <http://www.news9.com/Global/story.asp?S=12899662>

New USDA rules aimed at **curbing the buying power of larger corporations** may damage the industry's marketing structure: <http://www.desmoinesregister.com/article/20100808/BUSINESS01/8080332/1030/Proposed-livestock-buying-rules-stir-discord>

The USDA expects **food inflation to slow** to levels not seen since 1992:

http://www.agnetwork.com/thursday_newsletter.aspx?oid=1219103&tid=Archive&hq_e=el&hq_m=796861&hq_l=17&hq_v=5f53f8d16f

Did a conversion to a **meat based diet 2 million years ago make humans smarter?**

<http://www.npr.org/templates/story/story.php?storyId=128849908&sc=nl&cc=es-20100808>

Cloned animals might be **more lucrative if their products are used for medicine** rather than food: <http://www.jsonline.com/features/health/100703769.html> Despite regulations, **food and milk from cloned animals** is making its way to grocery shelves:

<http://www.nytimes.com/2010/07/30/business/global/30cloning.html>

John Deere's **profits rose 47%** from last year and they predicted a 5-10% uptick in sales for 2011: <http://blogs.desmoinesregister.com/dmr/index.php/2010/08/18/deere-profits-rise-47-percent/>

Energy from transportation is actually **a small component of the calories** required to get food to your table:

<http://www.nytimes.com/2010/08/20/opinion/20budiansky.html?th&emc=th>

A single **corn stalk with 27 ears** has researchers puzzled:

http://www.globegazette.com/news/local/article_08cc6d22-ab0f-11df-8138-001cc4c03286.html

GM crops in Italy were **burned by activists**: <http://www.digitaljournal.com/article/295896>

Consolidation continues in the fertilizer business. BHP Billiton is pursuing a \$39 billion takeover of Potash, and Agrium is interested in buying side businesses which may be spun out: <http://www.nytimes.com/reuters/2010/08/30/business/business-us-potashcorp-agrium.html?dbk>

Healthcare & Pharmaceuticals



Amgen's Vectibix **failed to show significant improvement in an FDA trial** of head and neck cancer treatments:

<http://sanfrancisco.bizjournals.com/sanfrancisco/stories/2010/08/09/daily47.html>



Be well Merck and Stallergenes are developing **allergy pills which would replace allergy shots**: <http://www.latimes.com/news/health/la-he-allergies-immunotherapy-pills-20100802,0,4963662.story>



Pfizer is researching a **drug that can help reset the body's clock**:

<http://www.reuters.com/article/idUSTRE67M3ZE20100823>



Vertex reports that a majority of patients in its Phase III telaprevir study were cured of Hep C in a 24 week trial: http://www.fiercebiotech.com/story/vertex-telaprevir-cuts-hep-c-treatment-time-half/2010-08-10?utm_medium=nl&utm_source=internal



Genzyme rejected Sanofi-Aventis' **\$18.5 billion takeover offer**:

<http://dealbook.blogs.nytimes.com/2010/08/30/genzyme-rejects-sanofi-bid/>



GlaxoSmithKline entered a **\$139 million partnership with Five Prime Therapeutics** to develop treatments for skeletal muscle disorders:

<http://www.businessweek.com/ap/financialnews/D9HC7TM00.htm>

Geron is **testing spinal cord injury treatments** with embryonic stem cells:

http://online.wsj.com/article/SB10001424052748703999304575399312648917190.html?mod=dist_smartbrief

Federally funded **stem cell experiments are back on hold** after a court ruling declared the Obama administration's new rules invalid:

<http://www.nytimes.com/2010/08/25/health/policy/25stem.html?th&emc=th> This will only affect publicly funded experiments, so established private companies can still continue. University research and startups dependent on government funding are on hold for now: http://online.wsj.com/article/BT-CO-20100824-712557.html?mod=dist_smartbrief

Drug trials **funded by the pharmaceutical industry are much more likely to be successful** than those funded by governments or non-profits:

<http://www.latimes.com/health/boostershots/la-heb-studies-20100802,0,5108505.story?track=rss>

Pharmaceutical companies **are licensing and acquiring drugs earlier and earlier** in attempts to bolster their pipelines:

http://online.wsj.com/article/SB10001424052748704271804575404902333961806.html?mod=dist_smartbrief

Expedited FDA approval for rare children's diseases is under discussion in a new bipartisan Senate bill: <http://thehill.com/blogs/healthwatch/prescription-drug-policy/113109-senate-bill-would-expedite-drugs-targeting-rare-kids-diseases>

Alzheimer's disease **may be detected earlier** using spinal fluid analysis:

<http://www.reuters.com/article/idUSTRE6784I020100810>

This was done in a precedent setting collaborative effort that will be replicated for Parkinson's disease:

http://www.nytimes.com/2010/08/13/health/research/13alzheimer.html?_r=1&th&emc=th

Horizon Pharma Inc. plans to sell up to **an estimated \$86.3 million in an initial public offering**: http://online.wsj.com/article/BT-CO-20100803-720835.html?mod=dist_smartbrief

Dicerna Pharmaceuticals, an RNAi platform development company, **raised \$25 million in a Series B round**: <http://www.masshightech.com/stories/2010/08/09/daily25-Dicerna-rounds-out-25M-Series-B-financing.html>

Liver cells were **made from reprogrammed skin cells**, which could make the use of embryonic stem cells unnecessary:

<http://www.reuters.com/article/idUSTRE67O4RC20100825>

An **artificial lung was successfully implanted in a 2 year old**, the youngest to ever be successfully treated:

http://www.bizjournals.com/stlouis/stories/2010/08/23/daily40.html?s=industry&i=health_care

New Members:

If you know of a company that would benefit from the Association's advocacy, financial savings and education/workforce focus, please have them contact the Association at (319)-621-8580 or email otterm@gmail.com. Membership details available at www.iowaBiotech.com.

Events

Livestock Biotech Summit, Sept. 28-30, Sioux Falls, SD. For details go to www.bio.org/livestockbiotechsummit.

Iowa Venture Forum, Oct 5-6 in Des Moines:

<http://www.investiowa.com/ivic/web.nsf/callforapplications.html>

Platt's Next Generation Biofuels Summit, Oct. 4-5, Chicago, IL. For details go to <http://www.platts.com/ConferenceDetail.aspx?xmlpath=2010/pc037/index.xml>

National SBIR, Nov 8-10, Oklahoma City, OK: www.sbirok.org

BIO is seeking Papers and Panels for the 2010 Pacific Rim Summit in Honolulu, HI from Dec. 11-14: http://www.bio.org/pacrim/presenters/submit_abstract.asp

Want to promote your biotechnology conference, symposium or training class?

SEND A NOTE TO MICHAEL OTT AT OTTERM@GMAIL.COM Members may submit their event for a free listing on the Event Calendar that appears on IowaBiotech.com and other affiliate state associations. Discounted rates are available for prospective members.

PURCHASING AGREEMENTS:

One of the largest benefits of membership in the IBA is access to discounted merchandise through our purchasing partners. Please contact us at 515-327-9156 for details on:

Lab Equipment Supplies and Chemicals:	Primary Contract- Thermo Fisher Scientific Secondary Contract- VWR
Lab Casework & Equipment:	Primary contract- Fisher Hamilton/Wynn O. Jones Secondary - TMI & Kewaunee/Innovative Lab Sys.
Analytical Equipment & Supplies	Shimadzu Scientific and Beckman Coulter
Office equipment, Supplies & Furniture	OfficeMax

Speakers

IBA staff are available to give 15-60 minute speeches to interested groups, such as Rotary Clubs, trade associations, or civic groups. A broad range of topics could be discussed, included biotechnology, healthcare, food vs. fuel, legislative policy, investment and more. Contact Rachel Hurley at (515) 327-9156 or rhurley.iowabiotech@gmail.com

Today's Thought:

Hire the best. Pay them fairly. Communicate frequently. Provide challenges and rewards. Believe in them. Get out of their way and they'll knock your socks off."

--Mary Ann Allison