

Health Policy Newsletter

Volume 16 Number 2

June, 2003

Article 4

2003 Philadelphia-Japan Health Sciences Dialogue

Christine W. Hartmann, MSS*

* Thomas Jefferson University

Copyright ©2003 by the author. *Health Policy Newsletter* is a quarterly publication of Thomas Jefferson University, Jefferson Medical College and the Office of Health Policy and Clinical Outcomes, 1015 Walnut Street, Suite 115, Philadelphia, PA 19107.

Suggested Citation:

Hartmann CW. 2003 Philadelphia-Japan health sciences dialogue. *Health Policy Newsletter* 2003; 16(2): Article 4. Retrieved [date] from <http://jdc.jefferson.edu/hpn/vol16/iss2/4>.

2003 Philadelphia-Japan Health Sciences Dialogue

"Building Japanese and U.S. Alliances among Government, Academia, and Industry" was the topic of the fourth annual Philadelphia-Japan Health Science Dialogue held in Philadelphia this past February. The event, which was sponsored by the Japan America Society of Greater Philadelphia, drew approximately 70 attendees from a spectrum of organizations, both U.S. and Japanese.

Opening remarks, delivered by Paul C. Brucker, MD, President of Thomas Jefferson University, stressed the importance of government, industry, and academic alliances in an environment such as Philadelphia's, with its concentration of related organizations and centers. Dr. Brucker pointed out that the translation of scientific inventions from the laboratory to the commercial market has not always received the attention it deserves, but that with the passage of the Bayh-Dole Act in 1981, partnerships between academia and industry have been greatly fostered at institutions across the country, including Jefferson. Such cooperation has translated into dramatic increases in the research budget and provided benefits to everyone: patients, the regional economy, and investors.

Frank Baldino, Jr., PhD, Chairman and CEO of Cephalon, a Pennsylvania biotech company, used the opportunity during his keynote address to discuss specifically the significance of alliances in the global pharmaceutical industry. Such alliances, he said, have the "power to transform companies and industries." The government, academic centers, and industries need each other to survive, but the relationships among them remain tenuous. While there exist numerous examples of successful and prosperous relationships that have been formed, such as that between Stanford University and GenoTech, the creation of more alliances can only serve to balance risk, particularly risk inherent to the biotech industry. Partnerships between large and small companies, early stage and late stage programs, and second or third generation and cutting edge products are all examples of the types of alliances which Dr. Baldino suggested can foster more stability for the industry, allowing innovation to take place within a sound business strategy.

The benefits of industry-university cooperation were the focus of a panel discussion that outlined some of the differences between the Japanese and U.S. systems, while stressing the commonality of many of the goals. Louis P. Berneman, the Managing Director of the University of Pennsylvania Center for Technology Transfer, pointed to the positive economic impact of cooperative efforts between industry and universities if the two can overcome some of their inherent conflicting values. Akio Nishizawa, PhD, from Tohoku University in Miyagi, Japan, described recent developments in Japan that stress the importance of technology transfer to help rejuvenate the ailing economy. The Japanese government has created technology licensing organizations (TLOs), of which 28 existed in 2002, to occupy the space between universities and industry, hoping to create an impact similar to that of the Bayh-Dole Act. However, the impact of TLOs has so far been small, and Dr. Nishizawa maintained that dramatic structural changes would be necessary to promote true tri-lateral networks among the state, academia, and industry. Biotechnology business strategy and global alliances were addressed by Yoshio Matsumi, Executive Councillor, International Affairs for Itochu Corporation. Mr. Matsumi described Itochu's business strategy, which includes a focus on strategic alliances with companies and academic centers in the U.S., the European Union, Australia, and Japan. During the discussion

period, the three panelists voiced opinions on, among other issues, different ways that larger pharmaceutical companies can work with universities in the U.S. and Japan.

Afternoon speakers included Mark Schweiker, President and CEO, Greater Philadelphia Chamber of Commerce and former Governor of Pennsylvania; Roger Longman, Managing Partner, Windover Information, Inc.; Michael Devlin, Partner, McKinsey and Company, Tokyo; Takahiko Iwaya, Director, Health and Welfare Department, JETRO New York; Leslie Alexandre, President and CEO, North Carolina Biotechnology Center; and Edward Lentz, Of Counsel, Intellectual Property, Morgan, Lewis and Bockius. The various topics covered, including the drivers behind U.S. and Japanese alliances, elicited numerous questions from the audience.

Throughout the day, the value of and need for frequent and mutually beneficial alliances among government, academia, and industry were stressed. Mutual understanding of differences in cultures, both international and organizational, remains a crucial factor in the creation of solid relationships. Benefits from alliances, however, can far outweigh any difficulties encountered from overcoming obstacles and can provide the means by which creative invention, strategic commercialization, and financial benefit are merged to the advantage of all stakeholders.

About the Author

Christine W. Hartmann, MSS, is a Project Director for the Office of Health Policy and Clinical Outcomes at Thomas Jefferson University. Please address comments to christine.hartmann@jefferson.edu.