

## THE LAST WORD

# IBA & ABC: A DIFFERENCE IN PERSPECTIVE

by Richard D. Godown

The case for two U.S. biotechnology organizations was stated eloquently in this column last month (*Bio/Technology* 9:492, May '91). The Industrial Biotechnology Association (IBA) and the Association of Biotechnology Companies (ABC, Washington, DC) share the desire to work cooperatively on behalf of biotechnology. And we agree that, at this stage, separate organizations make sense.

In 1989 IBA proposed a merger, and serious talks were held at the Board of Directors level. In October of that year, ABC formally responded that "merger of the two associations would be premature." To our surprise, on close examination there appeared a marked difference in corporate culture. The regularly trotted-out misperception of big vs. little companies did not keep us apart. It turns out there are genuine differences in our mission and goals.

IBA exists to serve the best interests of the U.S. biotechnology industry—including U.S. companies who want to do business overseas and foreign biotechnology companies who want to do business in the U.S. market. The formula works well. ABC, founded two years after IBA, purposefully reached out to "anyone who wanted to make a contribution through the various biotechnologies" to establish its membership base. And that desire to represent the new scientific development in all its global aspects has made the difference.

*The Voice of Industry:* IBA is a trade association formed along classic lines. Nineteen policy-making committees channel input from over 800 industry experts. Assisted by our staff of twelve, they explore the ramifications of proposed federal and state legislative and regulatory action and offer solutions of their own in areas most vital to the development of commercial biotechnology. They meet with the Food and Drug Administration, the Environmental Protection Agency, the U.S. Department of Agriculture, the National Institutes of Health, and the Patent Office, as well as congressional staff and officials from the White House, to point out the impact of government policy on the ability of biotech companies to develop at home and compete abroad. Their recommendations, contained in a series of IBA testimony, issue papers and public statements, are directly reflected in the Report on National Biotechnology Policy, released by the President's Council on Competitiveness and commented on by Vice President Quayle when he met with the IBA Board in February. Of similar importance, a recent meeting with the new FDA Commissioner, David Kessler, produced an array of suggestions concerning the revitalization of that agency and an enumeration of specific steps which will lead to safe but speedier review and approval of new biotechnology products. IBA has also arranged for the bioagriculture sector to present directly to the White House Biotechnology Working Group their concerns about the absence of a clear path from greenhouse and test plot to the commercial market for their products. Our meetings with the Patent Commissioner have been instrumental in improving patent protection and doubling the number of patent examiners over the past three years.

We are in dead earnest about voicing the opinion of industry, and develop our positions through a chain of working groups, subcommittees, full committees, and formal Board actions. Recorded votes are taken to ensure an accurate reflection of industry's position and democratic decision-making for our membership. In the aggregate, our companies employ an estimated 80-85 percent of those working in commercial biotechnology and account for a similar portion of the investment. They also produce over 95 percent of the products. To serve on our Board or policy committees, to vote on policy issues or qualify for regular membership, a company must be in the commercial market or headed there with a biotechnology product. Hence IBA's label, the voice of the industry.

In contrast, ABC has accepted the responsibility for speaking for the whole of biotechnology, the combination of everyone who has an interest—whether business, academic, or government related. By adopting a one-man-one-vote rule and by including universities, biotechnology centers, service, and consulting firms, they have set themselves an extremely difficult task of reaching consensus: When ABC goes on record, their voice extends considerably beyond the commercial arena since their Board has included publishing, accounting, and law firm representatives along with state-related biotechnology center officials.

We view this breadth and scope as being very healthy. It benefits everyone to have a dialogue on biotechnology occurring in places other than commercial circles. Happily we are on the same side most of the time and both try hard to conform our positions in the overall interest of biotechnology.

*Big vs. Small:* In 1981, seven fledgling companies—Amgen, Biogen, Cetus, Genetics Institute, Genex, Agrigenetics, and Molecular Genetics—decided it was worth \$10,000 dues to have a trade association dedicated to advancing the interests of the infant biotechnology industry. Our dues have given rise to the misunderstanding that we represent "the big guys." You couldn't get smaller than those seven companies were then. Today, 50 percent of our members have fewer than 300 employees and two-thirds of our Board are CEOs of independent biotechnology firms, small by any realistic measure. Size has never been an issue with IBA.

*The Future:* The alacrity with which investors have currently poured over \$1 billion new capital into biotechnology companies, coupled with the long list of biotechnology products in the pipeline, dictates a bright future for biotechnology in all its aspects. But with expansion comes problems. Regardless of what sector you represent, the need for informing the public, responding to our critics, and managing each major issue successfully, is real. We look forward to continuing to work with ABC to get the job done.

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