



Silver Lining in the Defeat of the Stem Cell Bond Referendum (and a Modest Proposal)

BY TED ZANGARI

The biggest surprise of last November's election was the defeat of the \$450 million bond referendum for stem cell research. Nearly 53 percent of New Jersey voters rejected the proposal despite favorable opinion poll numbers leading up to the election.

While political pundits ponder the reasons for voter rejection, some key state policymakers are already vowing to make another run at publicly funding stem cell research. The New Jersey Technology Council applauds legislative efforts to fund technology research of any kind. But before any new initiative is launched, policymakers would be smart to first consider a compelling overarching issue: the erosion of New Jersey's predominance in the global pharmaceutical industry.

a disproportionate amount of the state's preciously scarce research and development dollars to a single area of biomedical research (on top of the \$270 million already appropriated to stem cell research) is a huge bet. First, stem cell research is a narrow methodology that comprises merely one aspect of the more general discipline of regenerative medicine. Second, utilizing embryonic, placental, umbilical cord, blood, or other "stem" cells that are not yet fully committed to a specific function or tissue type may have practical limitations, and the biomedical research community is still uncertain which approach is best in any specific disease.

New Jersey can better solidify its preeminence in the global pharmaceutical industry by launching a diversified biomedical research initiative. That's the lesson we can take away from the multi-decade, federally funded "War on Cancer" begun in 1971 in which cancer research benefited immensely from steady advances made by scientists working in multiple disciplines, at multiple public and private institutions, supported by very competitive, peer-reviewed grants.

So here's a modest proposal to make the State of New Jersey the center of excellence in biomedicine:

First, the state should pursue multiple and diverse sources and approaches to biomedical research that go well beyond stem cells – no matter how promising that area of research may be. In other words, the state's focus should be re-directed to understanding the differential aging of various cell types in the body, and other fundamental topics of regenerative medicine.

Second, the state should add geographic and industry diversity to its initiative by encouraging competition between and among a multitude of public and private research centers, hospitals, and young companies throughout New Jersey. In that regard, it is encouraging that Gov. Jon S. Corzine announced his vision for a "technology corridor" in and around soon-to-be-closed Fort Monmouth for all sorts of medical and high-tech research.

Third, New Jersey should replace ad hoc budget appropriations with a competitive grant process in which scarce public funds are awarded only to those applicants whose science can pass rigorous peer-review – perhaps by funding applicants in relation to their success in competing for federal grants.

If New Jersey is going to remain the hub of the global pharmaceutical industry, if New Jersey is going to successfully parlay its scientific achievements to capture newly emerging technologies such as biotechnology, nanotechnology and medical device technology, and, quite frankly, if New Jersey is going to create new jobs and much-needed new revenue, then New Jersey must immediately halt the erosion of its market share of biomedical research.

We owe it to ourselves and to our children to pursue this goal based on sound scientific objectives and good business judgment, not politics, patronage, or popular trends

Ted Zangari is a member of the Sills Cummis & Gross law firm in Newark and Princeton, and co-chairs its MedTech Law practice group. He currently serves as chairman of NJTC's Government Affairs Committee.



Although New Jersey is home to about 80 percent of the world's pharmaceutical industry, the state is losing its reputation in biomedical research. Recently, some of these pharmaceutical giants have moved their scientists and established new research centers elsewhere, particularly in Boston, which offers access to scientists and clinicians at multiple medical research institutions who are excelling at multiple biomedical research initiatives. At the same time, grants from the National Institutes of Health (NIH), the major source of federal dollars for biomedical research, to states in the Northeast have been lowest in New Jersey over the past 10 years.

So while stem cell research is a promising technology, the allocation of