
The pharmaceutical industry has clearly recognized the importance of biotechnology companies for providing access to new and innovative health-care products. Some notable alliances have been formed with Canada's biotechnology companies:

- ❑ German health-care giant **Fresenius A.G. Oberusel** has partnered with **Hemosol Inc.** to develop, produce and market Hemolink™, the company's red blood-cell substitute. Fresenius is investing \$40 million in the alliance.
- ❑ **Hoechst-Roussel Canada Inc.** of Montreal and **Hoechst-Roussel Pharmaceuticals Inc.** of Somerville, New Jersey, have signed a five-year research and development alliance with, and investment in, **Allelix Biopharmaceuticals Inc.** The alliance is designed to accelerate the discovery and development of drugs for psychiatric disorders, particularly schizophrenia. The biotechnology-oriented research and drug discovery program will focus on the dopamine and serotonin receptors in the central nervous system. Novel drugs developed through this research should be useful in treating diseases such as schizophrenia and other psychoses. Under the terms of the alliance, Allelix will receive, from Hoechst-Roussel Canada, over the period of the agreement, annual R&D funding and clinical milestone payments estimated to be worth \$53 million.
- ❑ **Warner Lambert** has invested \$30 million in an alliance with **BioChem Pharma Inc.** involving anti-thrombosis research.

Demand for biotechnology applications is increasing in North America. According to a survey of this industry (*Canadian Biotech '94: Capitalizing on Potential*, Ernst & Young, September 1994), North American sales of human therapeutics and diagnostics are expected to increase from their current level of US\$8 billion to over US\$28 billion by 2004. Throughout North America, as a consequence of greater knowledge and maturing research programs, potential applications have been on the rise and are expected to accelerate.