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Pursuit Of Truth Was Not An NIH Objective In Gallo Case, Dingell Staff Report Says

US government officials have deliberately suppressed evidence relevant to the dispute over patent rights to the blood test for the virus that causes AIDS, a Congressional subcommittee stated in a report.

The unpublished report by the Subcommittee on Oversight and Investigations of the House Committee on Energy and Commerce also claimed that throughout the 10-year controversy that followed the discovery of the virus, the government's efforts were aimed at salvaging reputations rather than establishing the truth.

The report reserves its sharpest criticism for former NIH Director Bernadine Healy, who, the document alleges, launched a campaign to defend the claim that NCI scientist Robert Gallo had isolated the AIDS virus and developed the blood test for the disease.

The document also criticizes current NIH Director Harold Varmus for what is described as his resistance to acknowledging that a virus first

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In Brief

Yale Cancer Center Begins Reorganization, Names New Deputy Director, Prevention Chief

REORGANIZATION of Yale Cancer Center administration has begun. **Jose Costa** will become deputy director of the center, associate director of basic science, and director of basic science shared resources. He is a professor of pathology at Yale Univ. School of Medicine. **Susan *Mayne*** *will become* associate director for prevention and control. She is an assistant professor, Dept. of Epidemiology and Public Health. "These two new appointments mark the beginning of our restructuring of the center," center director **Vincent DeVita** said. . . . **JOHN POTTER** was named head, Cancer Prevention Research Program, Fred Hutchinson Cancer Research Center. Potter, of Univ. of Minnesota Div. of Epidemiology, succeeds **Maureen Henderson**, who will focus on the Women's Health Initiative. . . . **AL BENSON III**, program leader of the Rovert Lurie Cancer Center's adult oncology program and director of the clinical research office, received the 1994 Young Investigator Award from the Eastern Cooperative Oncology Group. He will present the Thomas E. Davis Memorial Lecture at the ECOG group meeting in April. . . . **CHARLES BALCH**, interim executive vice president for health affairs, M.D. Anderson Cancer Center, received the Award for Scientific Excellence in Medicine from the American-Italian Foundation for Cancer Research.

Congressional Report Alleges 10-Year Cover-up In Gallo Case

(Continued from page 1)

isolated by scientists at Institut Pasteur in Paris was used to develop the blood test. Varmus is also faulted for overruling NCI Director Samuel Broder's personnel decisions affecting Gallo as well as for what is described as his efforts to frustrate Broder's plans to restructure the Laboratory of Tumor Cell Biology, which Gallo heads.

A copy of the report, which concludes a three-year investigation by the subcommittee, was obtained by **The Cancer Letter**.

According to the report, a "continuing cover-up" by government officials began soon after the 1984 announcement of discovery of the AIDS virus. Initially, officials suppressed evidence that contradicted Gallo's claim that he was the discoverer of the virus, the report said.

"At a crucial point early in the LTCB's HIV research, international politics and the technocrats committed to those politics virtually took over that research, claiming the laboratory's putative accomplishments as accomplishments of the US administration, and by extension, the United States itself," the report said.

"The LTCB's interests became the government's interests; defending the LTCB scientists' reputations and claimed accomplishments became necessary for defending the honor of the United States....

"The result was a costly, prolonged defense...in which the LTCB's 'science' became an integral element of the US government's public relations [and] advocacy efforts. The consequences for HIV research were severely damaging, leading, in part, to a corpus of scientific papers polluted with systematic exaggerations and outright falsehoods of unprecedented proportions," the report said.

According to the report, the credit for the discovery of AIDS virus and the blood test for the disease belongs to the French.

"The real inventors of the HIV blood test were the IP scientists, who had developed and begun to use their blood test" nine months before the Americans, the report said.

The report, "Investigation of the Institutional Response to the HIV Blood Test Patent Dispute and Related Matters," represents the bipartisan consensus of the subcommittee staff, a staff member said to **The Cancer Letter**. The report was first described in an article in the Chicago Tribune Jan. 1.

It is unclear whether the Republican majority will publish the report. Rep. Joe Barton (R-TX) took over as chairman of the subcommittee when the 104th Congress was sworn in this week. Under its former chairman, Rep. John Dingell (D-MI), the controversial subcommittee undertook investigations of a number of top scientists, including Gallo, David Baltimore and Bernard Fisher.

Gallo Attorney: Report is "Lunacy"

Gallo's attorney Joseph Onek said the subcommittee report was "a classic example of lame duck lunacy."

The report "rehashes baseless charges that both the US Attorney and the Office of Research Integrity were unwilling to present to an independent tribunal," Onek, an attorney with the Washington firm of Crowell & Moring, said in a statement.

In late 1993, ORI withdrew all charges against Gallo after an HHS appeals board exonerated his former associate, Mikulas Popovic.

"The report also obscures the one salient historical fact: Dr. Gallo and his colleagues were the first to demonstrate that a new virus was the cause of AIDS and the first to develop the blood test that has saved tens of thousands of lives," Onek said.

"The AIDS epidemic is now expected to kill millions of people throughout the world," Onek said. "In this time of crisis, there are significant and legitimate questions about the effectiveness of our research efforts and the appropriateness of our drug approval and evaluation processes. If the subcommittee staff had chosen to investigate these questions, they could have served an important function. Instead, the staff has wasted hundreds of

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thousands of taxpayer dollars on a hallucinatory witch-hunt.

"The American people and the victims of AIDS deserve far better," Onek said.

Attempts by **The Cancer Letter** to reach Gallo were unsuccessful.

In January 1994, the US Attorney for the District of Maryland in Baltimore decided not to prosecute Gallo and Popovic on allegations that included making false statements. In 1991, the US Attorney for the District of Columbia also chose not to prosecute the scientists, citing insufficient evidence and the complexity of the scientific issues.

Sources said Gallo has been seeking a position outside NIH (**The Cancer Letter**, July 1, 1994).

Inability of NIH to Investigate Itself

According to the report, the subcommittee's investigation was intended as a case study to determine the ability of the NIH intramural research program to deal with cases of alleged misconduct.

"While there will always be individual scientists who go wrong, what marks this is the way much of the US government got sucked in, perpetrating and promoting a big lie," Suzanne Hadley, a former subcommittee staff member who led the investigation, said to **The Cancer Letter**.

Hadley initially became involved in the Gallo case as an NIH scientific misconduct investigator, but was removed from the case by former NIH Director Bernadine Healy.

"Whatever system NIH might have for investigating intramural research, it would not have been adequate for this," Hadley said of the Gallo case. "Almost from the very beginning, politics took over the science.

"Nobody wanted to know the truth at NIH. There was no system that was adequate for NIH to investigate itself," she said.

Last summer, NIH Director Harold Varmus acknowledged that "scientists at NIH used a virus provided to them by Institut Pasteur to invent the American test kit" (**The Cancer Letter**, July 15, 1994).

A Decade-long Cover-up?

From the start of the controversy, NIH and HHS officials relied primarily on Gallo's assertions that his virus differed from the one isolated by the French.

The "cover-up" began with Gallo and his colleagues, who "knew or had reason to know" that the virus they claimed to have discovered was in fact the Pasteur virus, the report said.

"Within weeks of the announcement of their putative 'discoveries,' the LTCB scientists had additional, compelling evidence that their virus was the Institut Pasteur virus," the report said.

As the controversy continued, senior NCI officials came to Gallo's defense without fully investigating the evidence, the report said. Later, NIH and HHS officials and attorneys were brought in to "defend the position."

The report does not resolve the question of whether the French virus contaminated Gallo's virus by accident or whether, at the outset, it was intentionally misappropriated.

However, the report said, the actions of Gallo and his colleagues, at the time they performed their experiments, and within a few weeks of the announcement, "make compelling the case that there was something to hide, that the LTCB scientists knew there was something to hide, and that they made every effort to do exactly that."

According to the report, within weeks of the announcement of the discovery, Gallo and NIH officials had the following evidence:

- A comparison of the genetic codes of the French and American viruses by Gerald Myers, a scientist at the Los Alamos National Laboratory. In a letter to NIH, Myers warned that a "double fraud" had been committed.
- The Centers for Disease Control compared Gallo's AIDS test with one developed by the Pasteur scientists nine months earlier. The CDC found that the two tests "performed equally well, both at high levels of accuracy."
- In June 1984, the Gallo laboratory began its own genetic comparisons of AIDS isolates. The results showed that the IP and the LTCB viruses were identical.

The report said that in many instances Gallo made misleading statements, failed to come forward with evidence, or changed his story:

- Although there is evidence that Gallo knew of the existence of the French AIDS blood test and the CDC comparison, he did not inform the US Patent Office of this knowledge, despite a legal obligation to disclose information material to the patent application. The Institut Pasteur had applied for a patent on its AIDS test months before Gallo filed his application.
- Gallo claimed for several years that his virus

could not have been contaminated with the IP virus because the lab was unable to grow the IP virus. After an independent study in 1991 found that the LTCB's virus was the same as the IP virus, Gallo acknowledged that his lab did grow the IP virus.

• At one point, Gallo alleged that Pasteur scientist Luc Montagnier had contaminated the IP virus with the LTCB virus. After Montagnier objected to this "reverse contamination" scenario, Gallo suggested that the patients from whom the two viruses were derived might have had intimate contact, with one patient infecting the other.

• Gallo has said that he had no motive to appropriate the Pasteur virus because there were several other candidate viruses growing in his lab. The report disputed this claim. The only other AIDS virus that could have been used to make the blood test—an isolate called RF—"was not ready to be used and there could be no certainty about when it would be ready," the report said.

The Institutional Response

After the Institut Pasteur challenged Gallo's patent, "HHS officials accepted uncritically everything they were told by Dr. Gallo and his colleagues, incorporating the LTCB scientists' information unqualifiedly and without confirmation into official reports of the Department," the report said. "When these officials encountered hard evidence that contradicted the NCI/HHS claims, the evidence was ignored, discarded and/or suppressed."

The first internal report on Gallo's AIDS research was written by then-NCI associate director Peter Fischinger, who, as a top NCI official, "had a significant investment in a favorable outcome," the subcommittee report said.

The "Fischinger Report" became the central document which HHS attorneys used in their defense of the Gallo patent. "The manner in which Dr. Fischinger went about his task makes clear how perverse was the entire effort, and how distorted an account the Fischinger report provided," the report said. "Selected 'facts' were uncritically incorporated...into Dr. Fischinger's report; contrary facts and evidence were neither sought nor examined. When contrary evidence nonetheless appeared, it was ignored or suppressed."

The Fischinger report included many "demonstrably false claims," the subcommittee wrote.

After completing his investigation, Fischinger wrote a confidential memorandum to Gallo asking for a "written statement" that the IP virus, then called LAV, "was never used in any connection in...the isolation of the HTLV-IIIb line," the subcommittee report said.

Gallo associate Popovic responded that, "The development of H9/HTLV-IIIb was almost entirely confined to the tissue culture room 6B03A where no LAV was ever used." This was a "transparent evasion," the subcommittee report said.

At the time the Fischinger Report was receiving final approvals at HHS, other HHS officials were in possession of evidence from CDC and NIH scientists that the viruses were genetically identical, the report said. Detailed memoranda and data from the NIH laboratory of Malcom Martin "showed the presence in the IP virus of a marker found in only one other isolate," the Gallo's lab's IIIb, the report said.

These documents "vanished from HHS official files and were withheld from the subcommittee for nearly two years," the report said.

"The revelation of this evidence from within HHS, strongly supportive of the IP claims and damning to the claims of Gallo et al., should, at a minimum, have led to a genuinely objective examination," the report said. "But no objective inquiry took place at HHS."

In an interview with **The Cancer Letter**, Fischinger defended the NCI internal investigation.

"In writing that report, we asked Dr. Gallo and his scientists to counter all of those objections," said Fischinger, who is now director of the Hollings Cancer Center, Medical Univ. of South Carolina.

"Dr. Gallo presented a lengthy and scientifically astute defense of why he thought the viruses had small differences. At that time, there was no other authority in the world who could counter it," Fischinger said.

"That was why it was convincing at that time," he said.

HHS Strategy: Defend the Claim

In 1985, HHS official Lowell Harmison sought advice from outside patent attorneys about the ability of the Gallo patent to withstand challenge from the French, the report said. According to the report, none of the opinions was favorable.

The NIH patent attorney, Leroy Randall, produced the most negative opinion. Randall said the French would be able to "copy the claims" of Gallo with the exception of a single claim for the HIV envelope protein.

"Thus, by November 1985, both on the legal front

and on the scientific front, the case for Gallo et al. was in considerable doubt," the report said. "HHS officials still determined to actively defend those claims for as long as possible...while at the same time they negotiated a settlement as favorable as possible to HHS and the United States."

US officials went on the offensive to thwart Pasteur's document requests under the Freedom of Information Act. "The US government seriously delayed and obstructed document production under FOIA, until IP attorneys filed suit to compel production," the report said.

HHS produced "fewer than half" the documents it estimated were responsive to the FOIA request, and only after "significant delays," the report said. The existence of many documents was not revealed to the Pasteur attorneys, although that is a requirement of the law. Documents were produced "in a scattered, haphazard fashion...in no particular order and without regard to dates."

In addition, "many documents were copied in such a manner that they were entirely illegible."

Healy's "Save Bob" Campaign

US and French officials signed a settlement agreement in 1987, splitting the royalties from the AIDS blood test.

However, in 1990 the questions about the use of the French virus led acting NIH Director William Raub to appoint an independent panel of the National Academy of Sciences to review the handling of the Gallo case by NIH.

Also around that time, the NIH Office of Scientific Integrity began its investigation of the case.

In 1991, Gallo conceded that the blood test was based on the virus discovered by Institut Pasteur scientists, most likely the result of an accidental contamination in his laboratory, he said.

With these challenges underway, the newly appointed NIH director, Bernadine Healy, announced to Dingell that "she felt she had to 'save Bob,'" the subcommittee report said. "In short, Dr. Healy did everything she could to protect her superstar, senior scientist."

Healy demanded that OSI rewrite a draft report that found misconduct on the part of Popovic. The OSI report also severely criticized Gallo.

"When her order for a rewrite was refused, Dr. Healy replaced the chief investigator [Suzanne Hadley] with one more malleable," the subcommittee report said. The resulting OSI report was "watered down," the subcommittee document said.

Negative comments about Gallo from the OSI's original report were incorporated into a confidential memorandum, which has never been publicly released, the report said. According to the subcommittee report, the memorandum stated, "...Dr. Gallo's conduct had in numerous respects fallen well short of the conduct expected of a responsible senior scientist and laboratory chief.... The investigative team saw this as a significant failure to Dr. Gallo's part to comprehend the need for accuracy and complete truthfulness in research... [Gallo] fostered conditions which provided the opportunity for the creation of falsified/fabricated data and falsified scientific reports."

In 1992, the National Academy of Sciences' panel completed its investigation and produced a report critical of Gallo.

Healy chose to ignore the findings of the NAS panel and commissioned her own ad hoc committee of top NIH scientists, whom she called her "wise men," the report said. Healy required the members to sign a secrecy agreement.

Even this hand-picked group determined that Gallo "should be fired as an NIH laboratory chief," the subcommittee report said.

Faced with this finding, Healy called a second meeting of the "wise men." Although the group has been assured that its meetings were secret, they "suddenly found themselves confronted with Dr. Gallo and his attorney," the subcommittee report said. In a lengthy presentation, Gallo denied all wrongdoing.

When the meeting ended, Healy "demanded a ruling...as to whether Dr. Gallo and committed scientific misconduct," the report said. The committee said it could not make such a judgment, the report said.

Healy then granted press interviews during which she revealed the existence of the "wise men" group and said Gallo had refuted the charges against him.

Having made her own comments to the media, Healy arranged for a press conference for Gallo.

That press conference was to be held under the auspices of the National Cancer Advisory Board's Subcommittee on AIDS. However, Gallo's press conference was canceled at the last minute, after HHS general counsel Michael Astrue determined that conducting the conference would be "unauthorized and inappropriate" and "a guaranteed circus that will undermine years of effort to ensure public confidence in the fairness of the Department's review of the Gallo

matter."

In another effort to "save Bob," Healy had NCI prepare a "Statement of Material Facts" about the Gallo controversy, which contained significant omissions and incorrect statements, the subcommittee report said.

The statement "was nothing more than a modern-day version of the Fischinger Report," the report said.

Also, NIH commissioned an "independent review" of the blood test patent. The review, the "Allegretti & Witcoff" report, cost $150,000. It found that the patent claims were solid.

However, the subcommittee report states, the review was based primarily on the NCI statement and an interview with Gallo.

The Varmus Era

The report credited NIH Director Harold Varmus with ending the "atmosphere of overt protectionism of Dr. Gallo" at NIH.

However, the congressional document noted Varmus's resistance to altering the US-French royalty agreement even after it was clear that the French virus was used to develop the blood test.

"Dr. Varmus refused to even consider a possible reallocation of royalties...until he was confronted with a serious threat of an imminent lawsuit," the report said. "Even when he finally agreed to a reallocation of the royalties, Dr. Varmus merely negotiated an increase in the [French] share of the royalties, based on a disingenuous explanation of accounting anomalies, rather than the proven fact that the LTCB scientists, contravening a formal transfer agreement, used the IP AIDS virus isolate to make their blood test."

The report describes the following sequence of events:

In June 1994, Institut Pasteur lobbied HHS to restructure the royalty agreement. At the same time, the HHS Office of Inspector General was about to issue a report critical of Gallo's statements on the patent application and questioning whether Gallo and Popovic should continue to receive royalties from the blood test.

The subcommittee report said Varmus had to have known that OIG was about to issue its findings. However, in a letter dated June 8 he wrote to Pasteur officials that, "no alteration of our shared royalty arrangement is warranted."

After the OIG report came out, the Institut Pasteur sent Varmus an "outraged response," and threatened to file suit.

In a June 23 response, Varmus wrote to Pasteur officials that HHS might be willing to acknowledge that "the French virus was used by NIH scientists in developing the American test kit" and reopen negotiations over the royalties (**The Cancer Letter**, July 1, 1994).

In July, NIH and the Institut Pasteur reached an agreement that gave the French a greater share of the royalties.

At the same time, NIH officially acknowledged that Gallo had used the virus discovered by Pasteur scientists to develop the blood test (**The Cancer Letter**, July 15, 1994).

At that time Varmus said at a press conference that the royalty shares were renegotiated "because the US has been collecting significantly more in royalties than France."

Will Varmus Support Broder?

According to the report, Varmus refused to forward the evidence amassed by the HHS Office of Research Integrity to the Surgeon General's Board of Inquiry, the disciplinary body for members of the PHS Commissioned Corps. Gallo is a captain in the corps.

In addition, the report said, Varmus has systematically frustrated NCI Director Broder's personnel and organizational plans affecting Gallo.

According to the report, Broder has urged Gallo to seek employment outside of NIH.

Broder told the subcommittee staff that if Gallo remained at NCI, Broder "intends to significantly restructure Gallo's responsibilities to address some of the concerns that exist about his leadership and management of the LTCB," the report said.

Varmus met with Gallo, against Broder's advice, while Broder was away recently, the report said.

"Following that meeting, Dr. Gallo contacted several journalists, telling them the media restrictions imposed on him in 1991 had been lifted," and he began appearing on television and in the press, the report said. "Dr. Broder was not consulted about the lifting of the restrictions; Dr. Broder has said that as far as he is concerned, the restrictions remain in place."

"Dr. Varmus also has raised procedural questions about Dr. Broder's plan for an interim relocation of the LTCB to provide better supervision for Dr. Gallo and his colleagues," the report said. "Consequently, it remains unclear whether Dr. Varmus will support

or obstruct Dr. Broder's long-range plans for dealing with the fitness questions raised by the several investigations of Gallo et al."

Last month, Broder announced his plans to leave NCI by next spring.

Implications for Policy Issues

The subcommittee report acknowledged that during the three-year investigation of Gallo, "questions occasionally were raised about the need for an exhaustive investigation of events that began well over a decade ago."

"It was essential to understand the reasons why, not just to understand the instant case, but to understand its implications for any of the myriad of 'high stakes' science policy issues that government scientists and officials confront with increasing frequency.

"Without the investigations, without an authoritative accounting of the facts, the falsehoods would have remained as the definitive record," the report said. "The people and the scientific community deserved to know the truth."

"One of the most remarkable and regrettable aspects of the institutional response to the defense of Gallo et al. is how readily public service and science apparently were subverted into defending the indefensible," the report said.

NCI and HHS science administrators played a "crucial role" at the beginning of the French and American dispute.

"The deliberately negligent 'fact-finding' conducted by these individuals, combined with their deliberate suppression of incriminating evidence, set the stage for everything that happened thereafter," the report said.

"But the attorneys bear significant responsibility as well, for they clearly did not seek diligently to 'develop a full and fair record' of the facts about the claims of Gallo et al.

"Neither did HHS officials and attorneys...deal responsibly with the accumulating evidence that there were serious problems in the US government's claims.

"Instead, they pushed on with their 'litigation strategy,' all the while adding deception to deception...

"HHS officials and attorneys should have recognized early on that the falsehoods could not be indefinitely sustained.

"HHS sought only to 'defend the position,'" the report said.

"HHS did not seek the truth."

Zeneca Buys Stake In Salick, Gains Managed Care Access

Zeneca Group (NYSE: ZEN) of London has signed a definitive agreement to purchase a 50 percent stake in Salick Health Care Inc. (NASDAQ: SHCI) of Los Angeles.

The $440 million transaction, announced late last month, is expected to allow Salick to step up its growth as well as give Zeneca access to managed care organizations, oncologists, other specialists, and their patients, the two companies said.

Under the agreement, Salick would become a separate company within the Zeneca Group and the existing Salick management team, which is committed to the transaction, would remain in place.

The Salick-Zeneca alliance is likely to play a major role in shaping managed care in cancer, several industry observers said.

Another major player is expected to emerge in a matter of weeks, as 13 comprehensive cancer centers are completing the organization of a consortium aimed at competing for managed care business, sources said.

Also, several drug companies are preparing to enter the managed care market, but these efforts have been on a much lower scale and none are publicly discussed.

"This strategic alliance will allow Salick to expand further its innovative health care service networks and disease management services," said Bernard Salick, who will remain chairman, CEO and president of the company he founded.

"Our outcome-oriented, high-quality, cost-effective approach to health care will allow us to compete aggressively in the global marketplace. Our ability to match product design and price structure to payers' needs is unrivaled in the industry," Salick said in a statement.

Though Salick's board structure will include equal representation from Zeneca, the Los Angeles company's management structure will not be changed. At the time of the last annual shareholders meeting, Salick held shares representing approximately 40 percent of the outstanding voting rights of the company stock, the company said.

"This innovative move should allow both companies to generate, share and utilize information to improve the quality, cost-effectiveness, management and outcomes of cancer care," said David Barnes, Zeneca's CEO.

"It should also provide Zeneca with valuable

insights into the unmet needs of the total cancer market, improving the focus of the company's R&D. The exciting model of patient care that Salick has developed may find application elsewhere in disease management.

"We see this move as the establishment of a valuable, further option point for the future growth of Zeneca against a rapidly changing health care market," Barnes said.

Founded in 1983, Salick provides health care and managed care in several areas:

—Ten strategically located cancer centers run by the company in conjunction with teaching and community hospitals provide a full range of support services, state-of-the-art equipment and service-oriented facilities. The centers contributed 77 percent of Salick's operating income last year, the company said.

—Separate subsidiaries provide inpatient and outpatient kidney dialysis, infusion, nutritional and other services in home settings and specialized outpatient facilities; these businesses accounted for 23 percent of operating income in the year ended Aug. 31, the company said.

—A managed care subsidiary, SalickNet, offers disease management services in oncology to health care purchasers. The company has developed proprietary practice guidelines, outcomes analysis and case-management techniques. SalickNet recently signed the first contract of its kind to provide capitated cancer care to Physicians Corporation of America, a Miami-based health maintenance organization.

The deal will allow Zeneca to expand its presence in the US cancer market, which accounts for about $40 billion in medical costs annually. Pharmaceutical products account for about 6 percent of these expenditures.

For the year ended Aug. 31, Salick Health Care Inc. had net assets of $102 million and made pre-tax profits of $16.9 million on sales of $131.5 million.

The purchase of Salick stock is a second US managed care venture for Zeneca. Earlier this year, Zeneca established a primary care disease management subsidiary, Stuart Disease Management Services Inc., which focuses on cardiovascular disease.

Under the latest agreement, Salick shareholders would receive in exchange for each two shares held: $37.75 in cash from Zeneca ($195 million); one share of a new special common stock to be issued by Salick; and a payment to holders of record at closing from Salick of $1.25, payable in two equal installments at 6 and 12 months after closing.

The new special common stock would carry a right on the behalf of the shareholders to sell the stock to Salick and an obligation on Zeneca to fund the purchase, at 2.5 years after closing at a price of $42 per share. The new stock would also carry a right on behalf of Salick to buy the special common stock for a period of 4 years at market price, subject for the first 2.6 years to a minimum and maximum price.

The floor on the call is $42, discounted by 4 percent per annum compounded, if the call is made before 2.5 years, and the cap is $50.

The closing is anticipated at the end of the first quarter of 1995, the companies said.

RFP Available

MAA NCI-CN-55079-63

Title: **Evaluation Of Chemopreventive Agents By In Vitro Techniques**

Deadline: Approximately Feb. 10

The Chemoprevention Branch of the NCI Div. of Cancer Prevention and Control is soliciting proposals for the Evaluation of Chemopreventive Agents by In Vitro Techniques to increase the number of Master Agreement Holders. Current MA Holders for this program are not required to submit a proposal. This MAA is issued to solicit MA Holders who have capabilities to screen and evaluate the activity of chemopreventive agents in various in vitro assays of cell transformation. Some of the agents to be used in this project are potentially hazardous. The in vitro systems may involve the use of carcinogens, tumor cells, or tumor viruses. Where indicated, tissue and compound handling must be performed in (at least) Class I laminar flow cabinets, which must meet NIH specifications for work with these agents. The offeror will comply with NCI safety standards for research involving chemical carcinogens. It will be required that the facilities have operating tissue culture/cell biology and chemistry laboratories that are suitable for using hazardous and/or carcinogenic materials as test materials. The contractor must have equipment necessary to accomplish the studies including laminar flow hoods, CO2 incubators, equipment for sterility testing, isotope counters, spectrophotometer, hazardous chemical storage cabinets and refrigerators, equipment such as microscopes and miscellaneous laboratory equipment. The laboratory must have computer facilities and equipment for data collection and storage. Period of performance will be three years. It is estimated that up to four Master Agreement Orders per year will be issued.

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