

Business end of medical research

Jill Rowbotham | September 02, 2009

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ABOUT 12 years ago, endocrinologist Paul Kelly left Sydney's Garvan Institute of Medical Research to build a career combining medical research and business. Genome-mapping was causing enormous excitement, and Kelly went to Cambridge in England to co-found clinical company Gemini Genomics.

"I am regularly told how unusual my career path has been," Kelly says. "When I left medicine in 1997 I was told I was nuts. The issue in Australia is, why is medical entrepreneurship the road less travelled?"

The path taken by Gemini Genomics led to a merger with gene-sequencing company Sequenom in 2001; at that point, Gemini Genomics was valued at more than \$US250 million. Its work had ranged from identifying genes that might correlate with certain diseases, such as diabetes, to collecting genetic samples from volunteers, as well as data from other medical companies, building databases researchers could use for testing. It also developed its own diagnostic tests.

Now Boston-based, Kelly's latest trip to Australia has included a lecture about medical entrepreneurship at his alma mater, the University of NSW.

"Australian doctors do not see entrepreneurship as a legitimate way to go in their careers," he says. "Undergraduate medical courses are all about medical vocation. Innovation and improving the practice of medicine should be seen as part of that (vocation). That needs to be encouraged, especially in the context of the huge challenge Australia and the world faces, which is the ageing population."

In Sydney this week Kelly is also doing work with Australian venture capital company OneVentures, of which he is a general partner and executive director.

Under a federal government Innovation Investment Fund licence awarded last year, OneVentures must raise \$20m, at which point it will receive matching government funding. It will invest in early stage companies in the areas of clean technology, life sciences and information technology and telecommunications.

"Australian venture capital companies have not performed terribly well and one of the struggles we have had is that perception," Kelly says. "Those who start companies generally move offshore and work in the US and Europe, as I had to."

Gemini Genomics is one of a string of overseas biomedical companies Kelly created or restructured, and last year, on meeting OneVentures managing partner Michelle Deaker, he embraced the idea of doing something to foster the spirit of enterprise in his home country.

Kelly says Australia should capitalise on its proven and internationally recognised strengths in research and development in health care and related fields.

He believes universities should concentrate on attracting as many undergraduates as possible into medicine, engineering and sciences, and imbuing them with a sense of the innovative possibilities in their future professional lives. This seems to him a more productive approach than counting the commercial returns on university-generated patents.

"I think we are failing in not encouraging entrepreneurialism in our science and medical graduates," he says. He would like to see more medical students offered summer internships at biomedical companies or centres of innovation within their own universities, experiences highly prized in the US. Another imperative, he says, is preparing young entrepreneurs to operate in a multilingual business world; they should learn at least one other language.