

# Madoff scandal's impact on the life sciences

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While the Bernard Madoff Ponzi scheme led to the collapse of the Picower Foundation, a major benefactor for life science research, many bioindustry observers view the fallout from the scandal as a minor consequence in the larger economic picture, reports *Genetic Engineering & Biotechnology News* (GEN).

They look at the Madoff factor as representing only one challenge to a global financial environment that has been rocked by declining stock prices, additional scandals, and malaise, according to the March 15 issue of GEN.

"One result of the Madoff affair is that a number of endowment institutions are moving their funds away from what they consider risky investments," says John Sterling, Editor in Chief of GEN. "But as costly as the [scandal](#) was, it is really just part of an overall gloomy funding environment right now."

Brandeis University was one of those directly affected by the Madoff scheme. University officials note that many of their donors had invested with the Madoff company. Academic medical and bio-related research projects, which are definitely feeling the immediate effects of the Madoff meltdown and the general economic situation, are tightening their belts, according to Nilou Arden, Ph.D., director of biotechnology at NovoCatalysis, a consulting firm.

Abi Barrow, director of the Massachusetts Technology Transfer Center, points out that the Madoff case is an "exaggerated part of the bigger

policy picture" that will not impact startups as much as the number of university research initiatives, which are expected to decrease.

Other organizations and companies that commented in the GEN article on Madoff and the current economic crisis include the Howard Hughes Medical Institute, Epigenomics, VentureEdge, Crystal Cove Capital, Foley Hoag, Bentley University, Ernst & Young, PolyMedix, BioEnterprise, Unigene, and the Colorado Biosciences Association.

More information:

<http://www.genengnews.com/articles/chitem.aspx?aid=2824&chid=0>

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