

Funding gaps threaten a new breed of global health partnerships

Toronto, ON, October 24, 2007- More drug research projects are underway globally than ever before, each with the potential to revolutionize the battle against a host of neglected diseases causing the needless death or disfigurement of millions of the world's poor. However there is a risk these drugs may not make it to market because of chronic shortfalls in funding, says Ross Wallace, a Global Youth Fellow of the Walter and Duncan Gordon Foundation and Director of Strategic Partnerships with MaRS Discovery District in Toronto.

Neglected diseases kill more than 3 million people every year, with children and pregnant women the most vulnerable. Over the past ten years, Public-Private Partnerships (PPPs) have facilitated the development of drugs to fight some two-dozen neglected diseases including tuberculosis, leishmaniasis, leprosy and hookworm.

However Wallace, who recently conducted research on global PPPs with the University of Toronto and St. Michael's Hospital says, "While private foundations have played an influential role in offering strategic and financial support to PPPs, the backing of national governments has been sorely lacking, Canada included."

Today more than a dozen drugs are in clinical trials and two new products were launched within the last year. One developed by DNDi, a partnership between Médecins Sans Frontières and five developing world public sector health organizations and the other by the Institute for One World Health, a San Francisco based non-profit pharmaceutical company backed by partners including the Bill and Melinda Gates Foundation.

"In less than a decade, PPPs have completely transformed drug development in the neglected diseases space," says Wallace. "Since the late 1990s the emergence of a number of PPPs has radically changed the process of discovery, development and delivery of pharmaceuticals designed to fight these diseases."

In contrast, from 1976 to 1997, only 13 drugs were developed to combat neglected diseases, a period marked by little or no interest from pharmaceutical companies because of high research and development costs, as well as the expectation of low profits from developing world markets where these diseases thrive.

"PPPs have caused a paradigm shift in the thinking of a number of pharmaceutical company executives," says Wallace. "Multinational firms involved in the neglected disease space today operate under a "no-profit, no-loss" formula and focus instead on non-financial benefits around corporate social responsibility," says Wallace. "These vital organizations are succeeding because they leverage the intrinsic strengths of both sectors."

PPPs rely on the private sector for early stage pharmaceutical research and on public sector partners for their expertise in developing country clinical trials and regulatory approval.

"Leveraging the benefits of corporate social responsibility is working for PPPs. Now governments need to demonstrate their commitment by providing greater financial and strategic support. PPPs need funding dollars for the clinical development and trial of products on a scale only governments can provide," says Wallace.

About the Ross Wallace

Ross Wallace is the Director of The MaRS Discovery District, a not-for-profit corporation supporting scientific innovation by connecting business and science communities. A former co-chair of the Rotman Conference on Business and Society, Wallace is a 2006 Global Youth Fellow of the Walter and Duncan Gordon foundation.

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