HIGH-ENERGY PHYSICS

Peña to Review LHC Agreement

The U.S. government plans to review its tentative agreement with Europe to help build the Large Hadron Collider (LHC), to make sure it is a good deal for this country. The review, announced last week by Energy Secretary Federico Peña, comes at the urging of Representative James Sensenbrenner (R–WI), who chairs the House Science Committee. Agency officials say they are confident that most of the lawmaker's concerns can be met with only minor changes to the proposed partnership, while European managers insist that the current agreement already addresses most of Sensenbrenner's worries.

Department of Energy (DOE) officials hope to provide $450 million worth of hardware for the accelerator and its two main detectors, with the National Science Foundation chipping in an additional $80 million for the detectors. The LHC, with a total budget of $5 billion, is slated for completion in 2005 at CERN in Geneva; DOE and CERN managers signed a draft agreement in February spelling out U.S. and European responsibilities. But some House members, including Sensenbrenner, think the United States is getting a raw deal, and the House Science Committee has denied specific funding for the project in the 1998 DOE authorization bill. The bill should reach the House floor next week.

Skeptics in Congress harbor deep resentment toward Europe's perceived indifference to the fate of the Superconducting Super Collider (SSC), which was voted down by Congress in 1993. Last week, at a colloquium sponsored by the American Association for the Advancement of Science (AAAS, which publishes *Science*), Sensenbrenner accused CERN officials of having "raised an upright finger" at U.S. requests for financial backing for the SSC. His main concern now is that the United States lacks an adequate management role in the LHC and that cost overruns could lead to requests for additional U.S. funds. He also wants a contractual agreement to ensure U.S. access to the complex and a pledge of financial support from European science managers for any future accelerator in the United States, in return for U.S. help with the LHC. Finally, House staffers say the committee chair would like CERN to revise procurement practices that he believes discourage the purchase of U.S. goods.

Colliding views. Rep. Sensenbrenner wants U.S. to rethink its agreement with CERN on the LHC.

"The answers to all his questions are in the agreement we negotiated," says Christopher Llewellyn Smith, CERN's director-general. "It is a mutually very beneficial deal, and I think that with explanation and time, Congress will understand it is a good deal." As a CERN observer, Llewellyn Smith says, the United States will have a forum to express its concerns. CERN already has a written open-access policy for non-European researchers, he notes, and the LHC agreement includes further assurances. As for unexpected costs, he says, "we think the chance of overrun is very small" given that the device is being built in an existing tunnel.

Sensenbrenner met with Peña on 23 April; 2 days later, at the AAAS colloquium, Peña said that some of the chair's concerns are legitimate. Saying that he is willing to "go back and make some changes," Peña noted that some revisions may not require action by the full CERN council. Other Administration officials agree with Llewellyn Smith's overall assessment about access and costs, and they are loath to demand a larger U.S. management role. "We don't want to be a CERN member," says one official. "That would be too expensive."

–Andrew Lawler

With reporting by Alexander Hellemans in Paris.

SCIENCE AND COMMERCE

Disclosing Data Can Get You in Trouble

Even if you hold no stock in a company sponsoring your research, you can get yourself into serious legal trouble if you speak too freely—even to your spouse—about results that could affect the company's stock price. Milton Mutchnick is learning that the hard way. On 10 April, the U.S. Securities and Exchange Commission (SEC) filed insider-dealing charges against Mutchnick, a gastroenterologist and well-known expert in liver diseases at Wayne State University School of Medicine in Detroit, along with his former assistant, Rangarao Panguluri. The SEC has accused them of illegally disclosing early, negative results in a clinical trial of a hepatitis-B drug (thymosin alpha 1), allowing friends and relatives to beat the market by selling off stocks.

The SEC's associate director of enforcement, Thomas Newkirk, says this is the first insider-trading case the SEC has brought against clinical researchers. He claims that the "tippees" who received the early information from Mutchnick and Panguluri in 1994 avoided financial losses by quickly selling stock in two companies—Alpha 1 Biomedicals of Bethesda, Maryland, which sponsored the trial Mutchnick supervised, and SciClone Pharmaceuticals Inc., of San Mateo, California, which had bought the rights to market thymosin alpha 1 overseas. Three days after the clinical results were leaked in April 1994, Alpha 1 Biomedicals issued a press release saying that the clinical data would not support an application to market the drug in the United States, and it abandoned the project. SciClone's stock also took a hit, but the company didn't give up. Under drug-export rules that Congress simplified in 1996, it has been selling thymosin alpha 1 in China for hepatitis B and other infections. And the company announced this year that it plans to market the drug in at least 25 foreign countries.

Panguluri, now a physician in private practice in Anaheim, California, is contesting the SEC charges. Neither he nor his attorney responded to phone messages left at their offices. Mutchnick agreed to a judgment last month that requires him to pay the government $163,494.75—a fine equivalent to the stock losses the SEC claims his friends and relatives avoided because they got access to inside information. The judgment, in which Mutchnick neither admits nor denies the SEC's charges, also compels him to avoid speaking against the agreement.

Mutchnick thought he and his colleagues had insulated themselves from potential conflicts of interest when they ran the clinical trial of thymosin—the first major test of the drug. "None of the investigators [in the thymosin trial] held stock" in companies backing the drug, Mutchnick says, adding, "I thought that gave immunity" to conflict-of-interest and insider-trading charges. But, in this case, the researchers are charged with violating a section of the 1934 Securities Exchange Act by "disclosing or misappropriating ... material, nonpublic information concerning the Phase III trial of thymosin."

Mutchnick, noting that the experience has been "very hurtful," claims he got into trouble in part through "my own naiveté." As the principal investigator, he says, "it never occurred to me that I couldn't talk about my impressions" of how the trial was going. Mutchnick was both principal investigator and, during years of tox-