

# Turning the NHS into the National Wealth Service

After decades as a cash black hole, plans are afoot to transform Britain's much-maligned health service into a cash cow. **Lauren Mills** reports



Evans: 'Practitioners have the ideas'

**W**hen most people think of the National Health Service, they think cash-strapped hospitals, lengthening waiting lists and reels of red tape.

Yet the NHS has the potential to become a goldmine of medical innovation. Few could be better placed to invent revolutionary ways of caring for people than those doing the caring. In among Britain's 100,000 medical practitioners are an army of inventors bursting with innovative ideas for medical devices and surgical techniques.

The nature of their work means most medics are too busy to exploit their ideas. Even if they had the time, they would not know how to start out on the long and bumpy road to commercial success.

Now Lord Sainsbury, the science minister, plans to establish a task force to see how the NHS and its entrepreneurial

employees can exploit their ideas. Sainsbury is expected to discuss the plan this week with Tony Blair, the prime minister.

His timing is good. Last Thursday Blair delivered a pro-science speech to the Royal Society, the UK's senior scientific body, as he pledged to make Britain the "best place in the world" for (controversial) stem cell research.

Meanwhile Sir Christopher Evans, the biotechnology entrepreneur, is turning his attentions to the NHS as a source of commercially viable medical inventions – and potentially lucrative business opportunities – for his venture capital vehicle Merlin Biosciences.

"Medical practitioners are the people who have the ideas. They are in the best position to create things. But they have no spare time, no spare cash and no real knowledge of how to create a business," he says.

Evans is one of those entreating

Sainsbury to set up the task force. But he also wants the Government to set aside cash to help inventors develop their ideas into prototypes capable of attracting private money.

Evans argues that help is vital.

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Without it, given that the path to commercial success is so unclear the vast majority of would-be inventors give up without even trying.

Andrew Goldberg, a London-based orthopaedic registrar, became so frustrated at the waste of the NHS's intellectual resources

that he set up Medical Futures, a private venture that aims to help medical professionals through an annual awards ceremony and a string of networking events.

"It became obvious that there were intangible barriers between an idea and commercial success," he says.

Doctors who come up with new ideas need to patent them as quickly as possible to protect them – and patent lawyers do not come cheap. Then there is the unfamiliar world of business plans and boardroom negotiations with would-be commercial partners – not to mention arguments about who owns the rights to the intellectual property.

Gareth Jones, a partner with lawyers Bevan Ashford, says: "The law says if an employee invents something during the course of his employment, then the intellectual property belongs to the employer. The burden of proof is with the inventor to prove

he invented it in his own time, and not as part of his duties, and then he will be successful."

This sounds straightforward enough, but it rarely is. The NHS wants to reap some financial reward from the inventions it spawns and, while this seems fair, the health service offers very little by way of support to the inventors – financial or otherwise.

Universities, in comparison, have for years been nurturing their more entrepreneurial scientists and technologists – often in co-operation with big business. There have been numerous successful businesses spawned by universities over the past few decades. The NHS should take note.

Dr Michael Vassallo, creator of a device to monitor heart beats and detect heart attacks, says: "It is frustrating because you believe something may be worth pursuing, but on the other hand you do not really find any help. I am not a

professional person. I am an amateur at this, but I want it to work because it is a good idea."

Vassallo's heart attack monitor won an award from Medical Futures last week. The next stage is to persuade a venture capitalist to join the project and help fund it through development to production.

If the NHS can devise a sensible process for the transfer of ideas into commercially viable companies it stands to generate a healthy stream of additional revenues that could be injected back into the healthcare system.

As the law stands, it cannot own an equity stake in a private company, but it can claim a proportion of the income generated by viable projects.

There is no doubt that the NHS harbours a wealth of talent. The question is how those ideas can be transferred into the private sector, and whether the Government will help.