

August 12, 2005

**GIVING BACK**
***Gift of the Week***  
**Doctor Writes Rx**  
**For \$105 Million**

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 Staff Reporter of THE WALL STREET JOURNAL  
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A doctor who helped invent a successful anti-inflammatory drug has donated an estimated \$105 million to the New York University School of Medicine -- one of the largest gifts ever made to a U.S. university.

Dr. Jan T. Vilcek, an NYU professor of microbiology, has given the school a percentage of future royalties he receives from sales of Remicade. The drug treats symptoms of rheumatoid arthritis and Crohn's disease, an inflammation of the digestive tract.

The gift will support both research and education programs. Some of it is designated for the microbiology department, which will establish two additional endowed professorships and several graduate and post-doctoral fellowships. The department will also get an 8,000-square-foot laboratory for the study of infectious diseases, located in the school's new research building, which is due to open in February. The otolaryngology department will get money to hire new faculty and to pay for research. (Several years ago, doctors in the department successfully treated Dr. Vilcek's wife, Marica, for hearing and balance problems.) The gift also will support other areas of scientific research, including cell biology, genetics and genomics.



Ray Jackson/Bernstein Assoc.

NYU School of Medicine  
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 million.

Under Dr. Vilcek's arrangement with NYU, the gift has been divided into three portions. The first part consists of ongoing quarterly payments to the school from the drug's maker, Centocor, a division of Johnson & Johnson. To date, NYU has received approximately \$5 million under this component of the gift. The other two portions involve the sales of rights to future royalties. Dr. Vilcek assigned these rights to two trusts, which in turn sold them to a company that buys these rights. The proceeds of the sales -- one of which netted about \$20 million and the other about \$46 million -- will eventually benefit NYU.

The \$105 million valuation of the gift is based on expected revenue from the drug, whose patent is set to expire in 2018. If future sales are stronger than expected, the gift could wind up exceeding that amount. More than 600,000 people world-wide have taken Remicade since its approval by the Food and Drug Administration in 1998, according to Centocor. Last year, sales of the drug reached \$2.1 billion. Centocor says sales are up 22% compared to the same period a year ago. (Because the drug was developed at NYU, the school already gets its own royalties on Remicade sales; it took in \$63 million last year.) Recently, questions have been raised about Remicade's marketing

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and side effects. In February, the FDA warned Centocor that promotional materials contained unsubstantiated effectiveness claims and failed to include information about potential risks. In 2004, the company sent a letter to health professionals warning that the drug, like others in its class, could have serious and sometimes fatal side effects, including an increased risk of lymphoma.



**Jan Vilcek**

Dr. Vilcek, 72 years old, was born and educated in Czechoslovakia but defected in the mid-'60s, arriving in the U.S. in 1965. He has spent 40 years on the NYU medical-school faculty studying proteins that regulate the immune system. In 1989, he and a colleague created an antibody that successfully blocks some types of inflammation. The pair then worked with Centocor to develop Remicade.

Dr. Vilcek says he made the gift to NYU because the university has long supported his work and he wants to help the school attract future scientists. "I feel that NYU gave me the opportunity to prove myself," he says. The university says it will name several programs and laboratories after Dr. Vilcek and his wife. They include the Jan T. Vilcek Professorship in the Department of Microbiology, the Jan T. and Marica F. Vilcek Laboratory Floor for Research in Microbial Pathogenesis and the Marica F. Vilcek Research Laboratories in the otolaryngology department.

### Write-Offs

Visionaries, a Stoughton, Mass., organization that produces short documentaries about nonprofit groups, is raising funds for its new season. The films air on about 100 public-TV stations across the country.

Since 1995, the show has created more than 120 films profiling nonprofits that specialize in everything from medical research to coral-reef conservation. Visionaries, which gets no funding from the Public Broadcasting Service, is trying to raise \$69,000 for each of the 13 half-hour episodes it hopes to produce this year. One new project: a film on Pro Mujer, which provides micro-loans to women in Latin America. For information, go to [www.visionaries.org](http://www.visionaries.org)<sup>1</sup>.

• **Have any thoughts** on this Giving Back column? Write to Elizabeth Bernstein at [givingback@wsj.com](mailto:givingback@wsj.com)<sup>2</sup>

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<http://online.wsj.com/article/0,,SB112380935845311581,00.html>

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(1) <http://www.visionaries.org/>

(2) [mailto: givingback@wsj.com](mailto:givingback@wsj.com)

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