

Mayor says San Jose's BioCenter is full, needs to grow

Plus: SRI's robot goes airborne; Calpine clarifies creditor claims; Dell partners with Gome in China

By Steve Johnson, Mercury News

Article Launched: 09/24/2007 02:09:14 PM PDT

A boost for the BioCenter? San Jose's 3-year-old BioCenter, designed to help biotechnology entrepreneurs get started, is crammed with companies and needs a \$2.5 million expansion, according to city officials.

The BioCenter, which took in its first tenants on the second floor of a building in South San Jose's Edenvale Technology Park in September 2004, already is full, said Ru Weerakoon, Mayor Chuck Reed's economic development and land use aide.

"We have 25 companies in the BioCenter now," Weerakoon said. "I don't think we believed we'd be occupied this quickly."

As a result, Reed has proposed spending \$2.5 million to prepare the building's unfinished first floor to accommodate more firms. The city council is scheduled to consider the request Tuesday.

Reed and the council also are mulling a related proposal to build a pilot manufacturing operation to help BioCenter's tenants make drug compounds that can be studied as potential commercial products. So, in addition to the \$2.5 million, Reed has proposed spending \$200,000 to hire a consultant to help study the manufacturing concept.

Studying zero-gravity surgery: SRI International's remotely operated surgical robot, which passed an underwater test in May, will be given a chance to prove its stuff in a weightless airborne environment this week.

The National Aeronautics and Space Administration is scheduled to take the robot aboard one of its planes from Tuesday through Friday and see how it performs when the aircraft undergoes maneuvers to simulate short periods of zero gravity.

As part of the weightless experiments, which will be done at up to 34,000 feet, the robot and a human surgeon will compete to see how quickly and precisely each performs incisions and wound suturing on a model designed to replicate human tissue.

On May 4, NASA demonstrated that a doctor sitting at a computer console in Nashville, Tenn., was able to direct the robot's movements to operate on a dummy in the agency's underwater laboratory near Key Largo, Fla.

Calpine clarifies debts: San Jose power producer Calpine gave creditors a clearer picture of the claims it is facing in its bankruptcy and reduced the projected recovery for its existing shareholders.

Shareholders are expected to recover as much as \$3.01 a share under a revised disclosure statement filed today in U.S. Bankruptcy Court in New York. That is down from an earlier estimate of as much as \$3.28 a share.

"The company is presenting a more concrete explanation of the massive amount of claims it is facing and how it is progressing," said Daniele Seitz, an analyst at Dahlman Rose & Co. LLC who rates Calpine shares a high-risk buy and doesn't own any. "The company is going to be presenting its own estimate of its enterprise value."

Calpine will be in court Tuesday seeking approval of the disclosure statement, which outlines its turnaround plan for creditors. Judge Burton Lifland will decide whether the statement will enable creditors to cast well-informed votes on the plan.

Dell reveals China deal: Dell, the world's second biggest personal computer maker, will begin **selling desktop computers and laptops through China's largest electronics retailer** to win back shoppers from Hewlett-Packard.

The Round Rock, Texas-based company will sell computers in 50 stores operated by Gome Electrical Appliances Holdings Ltd. in major Chinese cities starting next month and expand to other cities in the first half of next year, Dell said in a statement in Beijing today.

The move follows similar agreements in the United States, Japan and Europe this year as market share losses forced Chairman Michael Dell to end a 2-decade-old practice of shunning retailers. Gome's stores may help Dell boost sales in the world's second-largest PC market, where the U.S. company trails Lenovo Group, Hewlett-Packard and Founder Technology Group.

"Our market share in China is obviously well below our global average and we hope to be successful here and get a rightful share of the business," said Michael Tatelman, vice president of marketing and sales for Dell global consumer business.