

Genomic Organization of *gypsy* Chromatin Insulators in *Drosophila melanogaster*

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ABSTRACT

Chromatin insulators have been implicated in the regulation of higher-order chromatin structure and may function to compartmentalize the eukaryotic genome into independent domains of gene expression. To test this possibility, we used biochemical and computational approaches to identify *gypsy*-like genomic-binding sites for the Suppressor of Hairy-wing [Su(Hw)] protein, a component of the *gypsy* insulator. EMSA and FISH analyses suggest that these are genuine Su(Hw)-binding sites. In addition, functional tests indicate that genomic Su(Hw)-binding sites can inhibit enhancer–promoter interactions and thus function as *bona fide* insulators. The insulator strength is dependent on the genomic location of the transgene and the number of Su(Hw)-binding sites, with clusters of two to three sites showing a stronger effect than individual sites. These clusters of Su(Hw)-binding sites are located mostly in intergenic regions or in introns of large genes, an arrangement that fits well with their proposed role in the formation of chromatin domains. Taken together, these data suggest that genomic *gypsy*-like insulators may provide a means for the compartmentalization of the genome within the nucleus.

THE eukaryotic genome is organized into clusters of coexpressed genes that tend to be transcribed coordinately at specific times throughout development and/or the cell cycle, even though they may or may not be functionally related (COHEN *et al.* 2000; CARON *et al.* 2001; SPELLMAN and RUBIN 2002; LERCHER *et al.* 2003; LI *et al.* 2005). The mechanisms responsible for partitioning the genome into domains containing groups of coexpressed genes are currently not well understood. Chromatin insulators may provide a strategy by which cells control the establishment and maintenance of independent transcriptional domains. Insulators are defined experimentally by two properties suggestive of their involvement in higher-order chromatin organization. First, insulators can block activation of transcription by an enhancer when located between the enhancer and the promoter, but they do not inactivate either element. Second, insulators can shield transgenes from position effects caused by surrounding chromatin. These two properties suggest that insulators may normally function to compartmentalize the genome into independent domains of gene expression (CAPELSON and CORCES 2004; FELSENFELD *et al.* 2004).

Evidence suggesting that insulators play a role in the regulation of higher-order chromatin structure has been provided, in part, by the analysis of the *gypsy* insulator present in the *Drosophila gypsy* retrotransposon. This insulator is composed of a 340-bp sequence and several proteins, Suppressor of Hairy-wing [Su(Hw)], Modifier of (mgd4)2.2 [Mod(mdg4)2.2], and centrosomal protein 190 (CP190) (PARKHURST *et al.* 1988; GEORGIEV and GERASIMOVA 1989; PAI *et al.* 2004). A fourth protein component of the *gypsy* insulator dTopors may play a role in regulating its activity (CAPELSON and CORCES 2005). The Su(Hw) protein binds to insulator DNA through a domain containing 12 zinc fingers (DORSETT 1990; SPANA and CORCES 1990). Results from biochemical experiments suggest that the binding site for the Su(Hw) protein consists of the sequence YRTTGCA TACCY with a 6-bp invariant core motif TGCATA (Y = C or T, R = A or G) (SPANNA and CORCES 1990). In total, there are 12 Su(Hw)-binding sites in the 340-bp *gypsy* insulator element, which are sufficient for the full insulator activity attributed to the *gypsy* retrotransposon (GEYER and CORCES 1992; SCOTT *et al.* 1999). The Su(Hw) binding sites in *gypsy* are flanked by A/T tracts, and these sequences are also required for proper insulator function (SPANNA and CORCES 1990). These A/T-rich sequences function as matrix attachment regions (MARs) (NABIROCHKIN *et al.* 1998) and may represent binding sites for DNA topoisomerase II or some other MARs-binding protein. Mod(mdg4) and CP190 have also been shown to be essential for *gypsy* insulator function, but they do not bind *gypsy* DNA directly and

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instead interact with the Su(Hw) protein and each other (GERASIMOVA *et al.* 1995; PAI *et al.* 2004).

Su(Hw) and its immediate interacting protein partner, Mod(mdg4)2.2, colocalize at >300 sites on polytene chromosomes of *Drosophila* (GERASIMOVA and CORCES 1998; GERASIMOVA *et al.* 2000). These sites do not correspond to sites of insertion of the *gypsy* retrotransposon. Rather, they may represent genomic insulators, similar in sequence and function to the insulator present in *gypsy*, and may play a role in the organization and compartmentalization of the *Drosophila* genome. CP190, a third component of the insulator complex, associates with Su(Hw) and Mod(mdg4)2.2 at these sites, but it is also present at additional genomic locations perhaps through direct interaction with the DNA via its three zinc fingers (PAI *et al.* 2004). In diploid cells Su(Hw), Mod(mdg4)2.2, and CP190 insulator proteins colocalize at 20–25 large foci rather than in a diffuse pattern as would be expected from their widespread distribution in polytene chromosomes (GERASIMOVA and CORCES 1998; GERASIMOVA *et al.* 2000; PAI *et al.* 2004). These foci, termed insulator bodies, are created by *gypsy* insulator proteins present at multiple insulator sites via association with each other and with the nuclear matrix (GERASIMOVA and CORCES 1998; GERASIMOVA *et al.* 2000; CAPELSON and CORCES 2004; PAI *et al.* 2004; K. BYRD and V. G. CORCES, unpublished results). The aggregation of multiple insulator sites into large insulator bodies results in the formation of chromatin loops (K. BYRD and V. G. CORCES, unpublished results). Endogenous *gypsy*-like insulators may thus play a key role in the formation of domains of higher-order chromatin structure and, as a consequence, they may be involved in the establishment of independent domains of gene expression.

To gain insight into the role of insulators in genome nuclear organization, we set out to identify and characterize *gypsy*-like Su(Hw)-binding sites present in the *Drosophila* genome. Characterization of these sequences allowed us to identify a *gypsy*-like consensus-binding site for Su(Hw). These sequences are mostly found as single copies but can also be found in clusters of two to six binding sites. Clusters of these binding sites are distributed throughout the genome almost exclusively in noncoding genomic regions or in large genes with very long introns. These genomic Su(Hw)-binding sites show insulator activity that is dependent on the number of binding sites present in each cluster, their genomic location, and possibly their proximity to other insulator sites. The results are consistent with a role for insulators in the organization of the genome within the eukaryotic nucleus.

MATERIALS AND METHODS

Drosophila stocks: All stocks were maintained on standard yeast–agar medium at 18° or 25°. The following fly stocks were used for the experiments described in the RESULTS: Canton-S,

w;Dr¹/TM6 Δ2-3, y w; Sb¹/TM6B, y w; Adv/CyO, Su(Hw)^v/TM6B, Su(Hw)^v/TM3, Sb¹, Su(Hw)²/TM6B, and mod(mdg4)^{ul}.

In vitro translation and immunoprecipitation of genomic Su(Hw)-binding sites: The full-length *Su(Hw)* cDNA was cloned into the pCS2+MT vector. Protein was translated using a coupled rabbit reticulocyte transcription/translation system from Promega (Madison, WI) following instructions provided by the manufacturer.

Genomic DNA was isolated from the *y² w c^l* strain and sonicated to an average length of 500 bp. Double-stranded blunt-ended linkers were annealed using the oligonucleotides 5'-AGAGGACCTGCAGGTTCTTCC-3' and 5'-GAAGAACCTG CAGGTCCTCT-3'. The linker-ligated DNA (1 pmol) was then used in the binding reaction containing the following components: 15 mM HEPES, pH 7.6, 100 mM KCl, 5 mM MgCl₂, 25 μM ZnCl₂, 100 μg/ml BSA, 1 mM DTT, 100 ng poly(dI-dC), 5 μl *in vitro*-translated *c-myc* epitope-tagged Su(Hw), and 5 μl of 9E10 *α-myc* antibody with 1 μl rabbit anti-mouse immunoglobulin G. Reactions were incubated on ice for 30 min. Previously swollen 50% vol/vol stock of protein A-sepharose (Pharmacia) was added to the binding mixture for immunoprecipitation. The solution was incubated at 4° for 1.5 hr with constant mixing. The beads were spun down and the pellet was washed with ice-cold washing buffer (15 mM HEPES, pH 7.6, 100 mM KCl, 5 mM MgCl₂, 25 μM ZnCl₂, 0.2% NP-40). Bound DNA was eluted from the beads by incubation at 45° with 200 μl of 0.5 M ammonium acetate, 5 mM EDTA, and 0.5% SDS. Eluted DNA was extracted once with phenol–chloroform and precipitated. DNA was then resuspended in 10 μl of TE. A 5-μl aliquot of recovered DNA was then amplified via PCR for 20 cycles using primer 5'-GAAGAACCTGCAGGTCCTCT-3' and radiolabeled with [α -³²P]dCTP. Part of the PCR amplification (5 μl) was used for the next round of binding. After the third and fifth cycles of enrichment, DNA was cloned into the pCR2.1 vector (Invitrogen, San Diego) and sequenced.

Electrophoretic mobility shift assays: DNA was PCR amplified from vectors using appropriate primers. PCR products were end labeled using [γ -³²P]dATP and T4 polynucleotide kinase. Purified probes were then used for electrophoretic mobility shift assays (EMSA). *In vitro*-translated *c-myc*-tagged Su(Hw) protein (5 μl) was added to 50,000 cpm of purified probe in a 20-μl final volume of binding reaction containing 15 mM HEPES, pH 7.6, 100 mM KCl, 5 mM MgCl₂, 25 μM ZnCl₂, 100 μg/ml BSA, 100 ng poly(dI-dC), and 1 mM DTT. As controls, 5 μl of rabbit reticulocyte lysate or luciferase protein was added to the probe instead of Su(Hw). To test the specificity of the interaction, 9E10 serum (5 μl) was added to visualize a supershift in the Su(Hw)–DNA complex. Binding reactions were incubated on ice for 20–30 min and then resolved on a 5% nondenaturing polyacrylamide gel. Gels were dried and subjected to autoradiography. For DNA competition analysis, a 113-bp DNA fragment of the *gypsy* retrotransposon insulator spanning nucleotides 671–775 and representing the first three Su(Hw)-binding sites was amplified using appropriate primers. The amplified product was labeled as described above. This probe was incubated with *in vitro*-translated Su(Hw) and binding was competed using 25-fold excess unlabeled *gypsy* DNA or DNA fragments containing genomic Su(Hw)-binding sites. The reaction products were resolved on a 5% polyacrylamide gel, which was then dried and subjected to autoradiography.

In situ hybridization and immunolocalization: Probes for DNA *in situ* hybridization were labeled by a random priming reaction using dig-11-dUTP. Probes were purified by ethanol precipitation and resuspended in 4.0× SSC, 50% formamide, 1.0× Denhardt's, and 0.4 mg/ml of salmon sperm DNA. Third instar larvae were dissected in 1× PBS and 0.1% Triton-X. Salivary glands were isolated and transferred to 45% acetic

acid for 1 min. The glands were then fixed for 4 min in a 1:2:3 mixture of lactic acid, water, and glacial acetic acid. The fixed glands were squashed, quickly frozen in liquid nitrogen, and the coverslip was removed. The slides were then placed immediately in chilled ethanol and gradually warmed to room temperature. To prepare the chromosomes for DNA fluorescence *in situ* hybridization (FISH), the slides were heat stabilized at 70° for 1 hr and subjected to an increasing concentration of ethanol series for dehydration. The chromosomes were then denatured in 0.07 M NaOH for exactly 3 min. Following denaturation, the chromosomes were subjected to another ethanol series and air dried. The DNA probe was denatured by boiling and rapidly chilling on ice. The probe was then applied to the slides and covered with a coverslip, and the edges were sealed with rubber cement. The slides were incubated for 12–15 hr at 37°. The rubber cement was then gently peeled off and slides were washed for 10 min each in 2×, 1×, and 0.5× SSC and rinsed three times in 1× PBS. Slides were blocked in 1× PBS containing 0.1% Tween-20 (PBST) and 3% BSA for 30 min at room temperature. Incubation with primary antibody was carried out overnight at 4°. Slides were washed in 1× PBST and incubated for 30 min at 37° with rhodamine-conjugated antidigoxygenin antibody (Boehringer Mannheim, Indianapolis) to detect FISH signals and goat anti-rat Alexa 477 (Molecular Probes, Eugene, OR). Slides were then washed with 1× PBST, rinsed in 1× PBS, incubated in DAPI, and rinsed with PBS. Slides were visualized under UV light with a Zeiss microscope using the Metamorph software package.

P-element-mediated germline transformation of *Drosophila* embryos: DNA fragments containing genomic Su(Hw)-binding sites were subcloned from pCR2.1 clones containing the specific inserts. The y-454, X103, and 2L203 fragments were amplified from genomic DNA using PCR and primers previously described in GOLOVNIK *et al.* (2003) or primers X103A-5'-GCGGCCGCCCTGATATTGGCC-3', X103B-5'-GCGGCCGCGGGCTTAAGGTGCACCGAC-3', 2L203A-5'-GGCCGCGTCGCCGCTCCCAGACG-3', and 2L203B-5'-GGCCGCATTGCGATTGAGTGGGGC-3'. Constructs were cloned into the *NotI* site of a modified *yellow* gene and introduced into the *P*-element transformation vector pCaSpeR-2 (pCaSpeR-2-*yellow*). To accomplish this, the *SalI* genomic fragment of the *yellow* gene was subcloned into the pCaSpeR-2 vector where the *XbaI* site was changed to an *XhoI* site to accommodate the insertion. The *yellow* gene was then modified so that the *Eco47III* site located 893 bp upstream of the *yellow* gene transcription start site was changed into a *NotI* site. All transgenes were introduced into *w*; *Dr¹/TM3*, *Sb* Δ2–3 embryos as described in RUBIN and SPRADLING (1983) and mapped to chromosomes following standard protocols. Transgenic animals were identified by the *w⁺* phenotype due to the presence of the *white* gene in the transformation vector. Multiple independent insertions were obtained for each transgene construct.

RESULTS

Isolation of genomic Su(Hw)-binding sites: A prominent feature of the *gypsy* retrotransposon is the presence of the repetitive sequence 5'-YRTTGACATACCY-3' (Y = C or T; R = A or G), which is the binding site for the Su(Hw) protein; this sequence is repeated directly 12 times within the 350-bp *gypsy* insulator. The distance between two neighboring Su(Hw)-binding sites in *gypsy* varies from 14 to 23 bp and each element contains a 6-bp

TGCATA invariant core. The spacer sequences are AT rich and have been shown to be important for Su(Hw) binding and full insulator activity (SPANNA *et al.* 1988; SPANNA and CORCES 1990). With the sequencing of the *Drosophila melanogaster* genome (ADAMS *et al.* 2000), it is possible to predict putative Su(Hw)-binding sites and examine their genomic organization. Using an enhancer finding program, FlyEnhancer (<http://flyenhancer.org>) (MARKSTEIN and LEVINE 2002), we found a total of 131 sites in the genome that match the 12-bp consensus for Su(Hw) binding. A total of 129 of these sites are separated by sequences >10 kb long, and in only one case are two sites closely located, 1.3 kb apart (data not shown). Thus, most of these putative Su(Hw)-binding sites do not exist in clusters like those found in the *gypsy* insulator and may therefore fail to function as insulators, since at least 4 Su(Hw)-binding sites may be required for full insulator activity (SCOTT *et al.* 1999). It is possible that genomic Su(Hw)-binding sites are sufficiently different from those present in *gypsy* that they cannot be identified by sequence homology searches using the current Su(Hw)-binding consensus sequence.

To investigate the possible role of Su(Hw) in chromatin organization, genomic Su(Hw)-binding sites were isolated following a modification of the procedure of CUVIER *et al.* (1998). A *c-myc*-tagged Su(Hw) protein was translated *in vitro* using a rabbit reticulocyte lysate. The *c-myc*-tagged protein appears to interact with *gypsy* insulator DNA with strength and specificity similar to that of native Su(Hw) protein purified from *Drosophila* S2 cells (Figure 1, A and B). The rabbit reticulocyte lysate alone or an *in vitro*-translated luciferase protein do not interact with *gypsy* DNA (Figure 1A). The *c-myc*-Su(Hw) complex can be supershifted with antibodies to the *c-myc* epitope, and a 100-fold excess of unlabeled *gypsy* DNA can completely compete off the binding of the radiolabeled probe (Figure 1, B and C). These results suggest that the *myc*-tagged Su(Hw) protein produced *in vitro* interacts specifically with *gypsy* DNA.

To identify Su(Hw)-binding sites, genomic DNA was isolated from the fly strain *y² w ct⁶* carrying two *gypsy*-induced mutations in the *yellow* (*y*) and *cut* (*ct*) genes, respectively. The *gypsy* elements in this strain serve as internal positive controls for binding and immunoprecipitation experiments. The genomic DNA was sheared to ~500-bp fragments and then ligated with linker DNA for linker-mediated PCR amplification. *In vitro*-translated *c-myc*-tagged Su(Hw) protein was bound to the sheared genomic DNA and then immunoprecipitated with monoclonal antibodies generated against the *c-myc* epitope. After several washes, immunoprecipitated DNA was recovered and amplified using primers designed in the linker region. Repeated cycles of protein binding, immunoprecipitation, and amplification allowed selection of specific Su(Hw) DNA-binding sequences from the pool of genomic DNA. The sheared DNA was radiolabeled during PCR amplification and quantified at

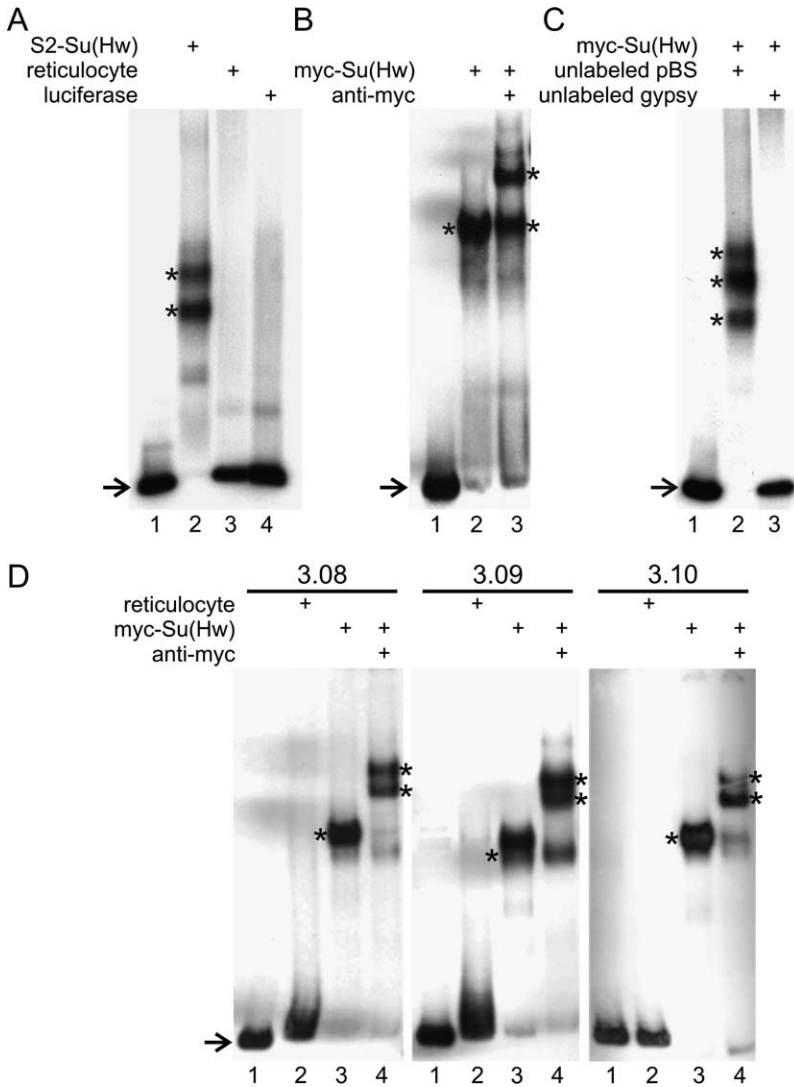


FIGURE 1.—Interaction of Su(Hw) with *gypsy*-like sequences. All lanes contain ^{32}P -labeled *gypsy* DNA plus the proteins or extracts indicated in A–C. The location of the unbound *gypsy* DNA is indicated by an arrow and the location of the protein–DNA complexes is indicated by an asterisk. (A) Su(Hw) purified from *Drosophila* S2 cells binds specifically to the 351-bp *gypsy* insulator in EMSAs. The different lanes contain *gypsy* probe alone (lane 1), *gypsy* probe with the addition of S2-Su(Hw) (lane 2), *gypsy* probe with rabbit reticulocyte extract (lane 3), and *gypsy* probe with luciferase protein (lane 4). (B) Specificity of the *myc*-Su(Hw)–*gypsy* interaction. *Gypsy* probe (lane 1); *gypsy* DNA with *in vitro*-translated *myc*-tagged Su(Hw) (lane 2); and *gypsy* DNA with *myc*-tagged Su(Hw) and *myc* antibody, which causes a supershift in the mobility of the *gypsy*/*myc*-Su(Hw) complex (lane 3). (C) *myc*-Su(Hw) binds specifically to *gypsy* insulator DNA. Free *gypsy* probe (lane 1), *gypsy* probe plus a 100-fold excess unlabeled Bluescript (pBS) DNA (lane 2), and *gypsy* probe plus a 100-fold excess unlabeled *gypsy* DNA (lane 3). (D) *myc*-Su(Hw) can bind genomic DNA containing putative Su(Hw)-binding sites. DNA sequences 3.08, 3.09, and 3.10 were radiolabeled (lane 1 in each gel) and incubated with rabbit reticulocyte (lane 2), *myc*-Su(Hw) extract (lane 3), and *myc*-Su(Hw) with anti-*myc* antibody (lane 4).

each step to follow the enrichment of Su(Hw)-binding sites with each cycle.

Genomic DNA was cloned after the third and the fifth cycles of enrichment. Sixty-four independent clones (named 3.01–3.64) were isolated and sequenced from material obtained after the third cycle; 13 of these corresponded to *gypsy* retrotransposon insulator sequences, suggesting that this approach resulted in the isolation of true Su(Hw)-binding sites. Thirty independent clones (named 5.01–5.30) were sequenced from material isolated after five cycles of protein binding and immunoprecipitation, 19 of which corresponded to the *gypsy* retrotransposon. Among the non-*gypsy* clones, only 1 was identified twice and all the non-*gypsy* sequences from cycle 5 were different from those sequenced in cycle 3. The lack of overlap between the genomic DNA sequences in the clones isolated after three or five cycles is expected, since only a very small percentage of the total number of isolated clones was actually sequenced.

The Su(Hw) protein interacts specifically with genomic DNA fragments: To test the specificity of the

interaction between Su(Hw) and the DNA fragments isolated in the experiments just described, individual clones were tested for their ability to bind Su(Hw) protein. Probes made from DNA of individual clones were radiolabeled and subjected to EMSA with *in vitro*-translated *c-myc* Su(Hw) protein. Figure 1D shows a representative example with three different DNA fragments (3.08, 3.09, and 3.10). All three fragments can produce a gel shift when incubated with *myc*-Su(Hw) protein but not with the rabbit reticulocyte extract used to synthesize the protein. In addition, incubation of the DNA fragments with both *c-myc*-tagged Su(Hw) protein and a monoclonal *c-myc* antibody resulted in a supershift of the complex, suggesting that the observed shift is specifically caused by the interaction of *myc*-Su(Hw) with the labeled DNA. A similar EMSA analysis was carried out with 24 different clones isolated after the third cycle of enrichment. Twenty-three of these clones show a slower migrating band upon incubation with *c-myc*-tagged Su(Hw) and a supershift upon incubation with anti-*myc* antibody (data not shown), suggesting

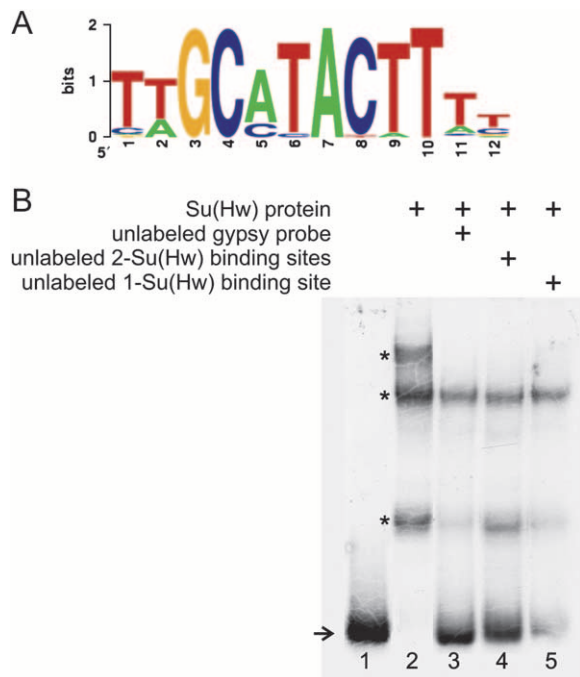


FIGURE 2.—Sequence and binding strength of genomic Su(Hw)-binding sites. (A) The weighted consensus recognition sequence for *gypsy*-like genomic Su(Hw)-binding sites. (B) EMSA competition analysis. All lanes contain a truncated radiolabeled *gypsy* probe containing the first three Su(Hw)-binding sites found in *gypsy*. (Lane 1) Truncated-*gypsy* probe alone. (Lane 2) Truncated-*gypsy* probe with Su(Hw) protein. (Lane 3) Unlabeled truncated-*gypsy* DNA containing Su(Hw)-binding sites. (Lanes 4 and 5) Unlabeled DNA containing either one or two genomic binding sites for Su(Hw).

that the majority of the isolated fragments contain *bona fide* Su(Hw)-binding sites.

Identification of a new Su(Hw) consensus-binding site from genomic DNA: Using all of the isolated DNA fragments that interacted with Su(Hw), we carried out an *in silico* analysis of these sequences using the multiple motif discovery programs MEME (Multiple Em for Motif Elicitation) (BAILEY and ELKAN 1994) and BioProspector (LIU *et al.* 2001) to search for a consensus motif among all the fragments. The results of these two analyses are comparable but only those obtained with BioProspector are detailed. The BioProspector results were then used to generate a weighted consensus binding site with WebLogo, a sequence logo generator (CROOKS *et al.* 2004) (Figure 2A). This consensus site was present in 41 of 55 non-*gypsy* isolated DNA sequences. This consensus motif is similar but not identical to the one present in the *gypsy* retrotransposon, which is itself variable. In the new consensus sequence derived from genomic Su(Hw)-binding sites, the central core contains two nucleotides different from those present in *gypsy*. In addition, the new consensus sequence contains heavily weighted thymine nucleotides in the 3'-end of this motif while the *gypsy* motif contains mostly cytosine nucleotides. Interestingly, and contrary to the large

number of Su(Hw)-binding sites present in *gypsy*, isolated genomic DNA fragments contain only one or two consensus-binding sites for Su(Hw) and most are separated by greater distances than in *gypsy*.

Using the new consensus sequence for genomic Su(Hw)-binding sites, YWGCMTACTT_Y (Y = T or C, W = T or A, M = A or C, H = T, A or C), and the Fly-Enhancer program, we carried out a search for similar sequences present in the *D. melanogaster* genome. We were able to identify >2500 Su(Hw)-binding sites conforming to the consensus sequence shown in Figure 2A. Many of these are present in the genome as individual sites whereas others are arranged in clusters that contain two to six binding sites. For example, there are 164 clusters with at least two motifs within a 2-kb span, with 18 of these clusters containing sites that are immediately adjacent or partially overlapping. When the permissible range is increased to 5 kb, the number of clusters containing two or more sites increases to 351. Of the 351 clusters, 48 contain three or more sites, with 9 clusters containing four sites, 4 clusters containing five sites, and 1 cluster containing six consensus-binding sites. All of these clusters are in closer proximity than all but one site found using the previously derived *gypsy* Su(Hw)-binding consensus.

Strength of the Su(Hw)-DNA interaction correlates with the number of binding sites: The *gypsy* insulator found in the *gypsy* retrotransposon contains 12 binding sites for Su(Hw) interspersed with A/T-rich sequences. These A/T-rich sequences are important for high-affinity binding by Su(Hw) (SPANAN and CORCES 1990) and have been shown to function as MARs (NABIROCHKIN *et al.* 1998). It has been shown previously that the strength of insulation by *gypsy* depends on the strengths of the enhancers and promoters tested as well as the number of binding sites for Su(Hw) (SCOTT *et al.* 1999). At least four binding sites were found to be necessary for an effect, but the binding sites used in this analysis did not include the adjacent MARs sequences. Since these sequences are essential for high-affinity binding of Su(Hw), it is possible that fewer than four binding sites are required when MARs are present in the DNA fragment. It is then possible that the genomic Su(Hw)-binding sites identified in the experiments described above can act as insulators in spite of containing only 2–3 or 1 binding site if MARs sequences are also present in the same DNA fragments. Alternatively, the genomic-binding sites may have a higher affinity for Su(Hw) than those present in *gypsy*, requiring fewer of these binding sites for full insulator activity.

To address this issue, we first tested whether the strength of the interaction between genomic DNA fragments and Su(Hw) is similar to that between Su(Hw) and *gypsy* DNA, and whether there is a correlation between the number of binding sites present in the genomic DNA fragment and the strength of their interaction with Su(Hw). To this end, we conducted competitive

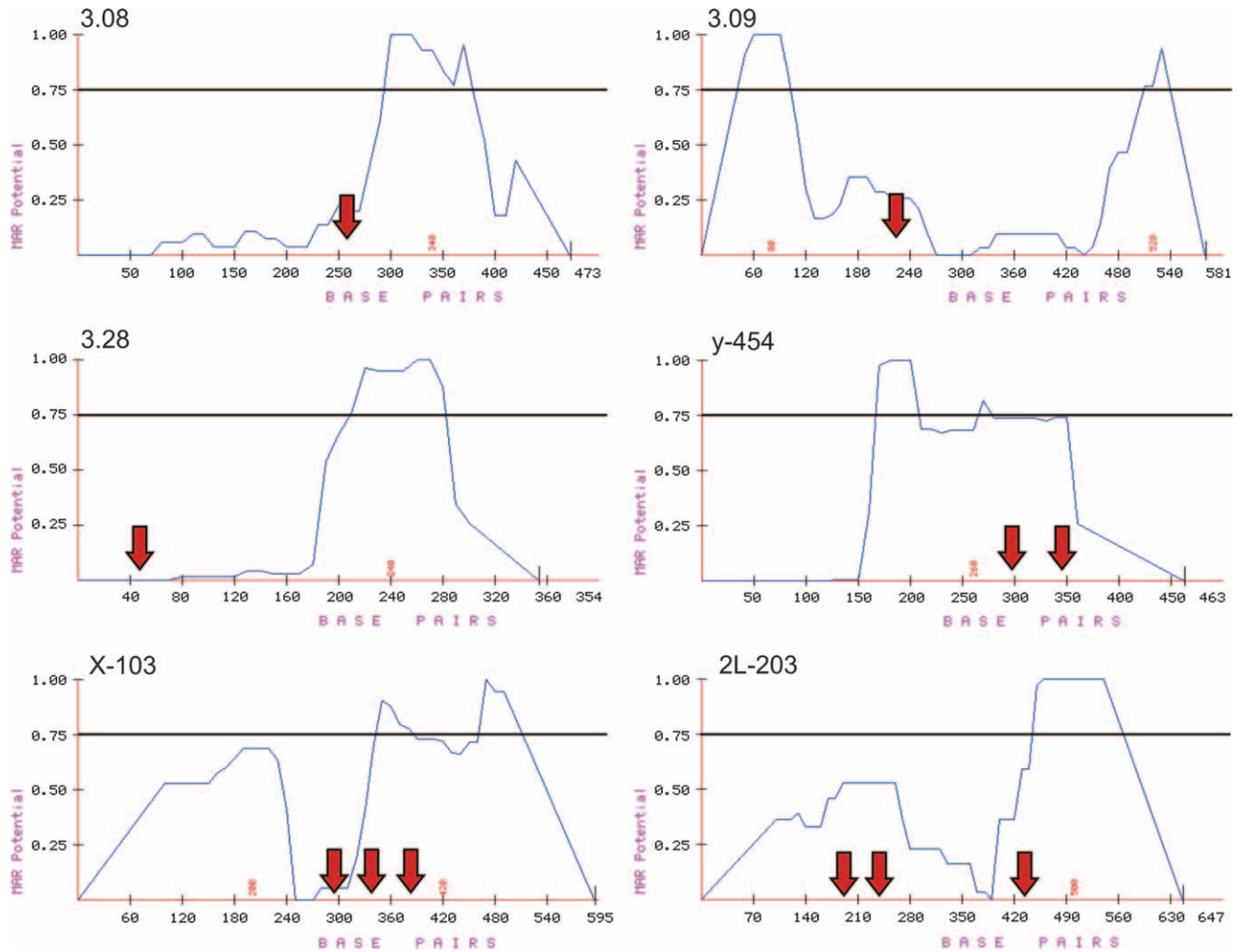


FIGURE 3.—MARs plots for DNA fragments containing genomic Su(Hw)-binding sites. The *x*-axis denotes position within the DNA sequences and the *y*-axis indicates the probability of MARs activity. Peaks >0.75 show areas of high MARs potential. Red arrows indicate the location of Su(Hw)-binding sites in DNA fragments containing one (3.08, 3.09, 3.28), two (y-454), or three (X-103, 2L-203) Su(Hw)-binding sites.

EMSA using the newly isolated fragments and *gypsy* DNA. A radiolabeled truncated *gypsy* fragment carrying only the first three binding sites for Su(Hw) was incubated with *c-myc*-tagged Su(Hw) and the shifted band was competed with unlabeled genomic DNA. When radiolabeled *gypsy* DNA is competed with 25-fold excess of unlabeled cloned DNA containing either one or two genomic Su(Hw)-binding sites, these fragments are able to compete for binding of Su(Hw). One site is not as efficient as two sites, but two seem to work as efficiently as the *gypsy* DNA (Figure 2B). These results suggest that the affinity for Su(Hw) genomic-binding sites is comparable to that for the *gypsy* sequence.

Since most DNA fragments capable of interacting with Su(Hw) have one to three binding sites for this protein and MAR sequences appear to be important for full activity of the insulator present in the *gypsy* retrotransposon, we tested the possibility that genomic DNA fragments containing binding sites for Su(Hw) also con-

tain MARs. All the immunoprecipitated genomic fragments containing Su(Hw)-binding sites were analyzed for the presence of MARs using the MAR-Wiz program (SINGH *et al.* 1997). These DNA fragments were found to contain sequences predicted to be MARs immediately adjacent to or encompassing the Su(Hw)-binding sites. Figure 3 shows examples for fragments 3.08, 3.09, 3.28, X-103, and 2L-203 (described in detail below and in supplemental data S1 at <http://www.genetics.org/supplemental/>), as well as a previously identified genomic *gypsy*-like insulator, y-454 (GOLOVNIIN *et al.* 2003; PARNELL *et al.* 2003). The red arrow indicates the location of Su(Hw)-binding sites within the DNA sequence. Although the function of these predicted MARs sequences has not been tested, their consistent presence immediately adjacent to predicted Su(Hw)-binding sites suggests that they may play a role in the insulator function of these sites. The presence of MARs sequences may increase the activity of these predicted genomic insulators

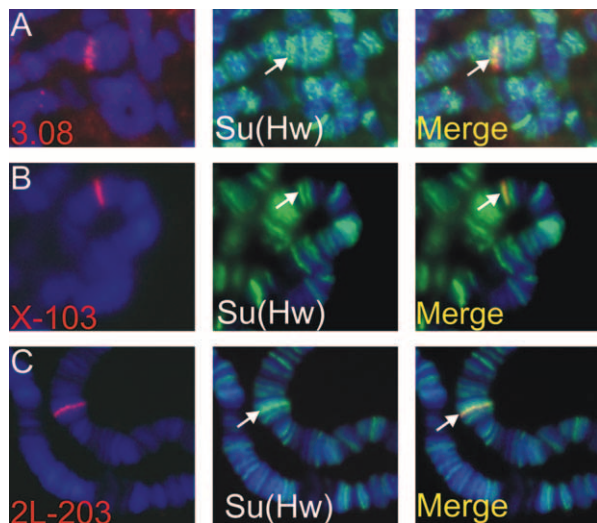


FIGURE 4.—Predicted Su(Hw)-binding sites colocalize with Su(Hw) protein on polytene chromosomes. Fluorescently labeled genomic DNA fragments containing Su(Hw)-binding sites were used for DNA *in situ* hybridization on polytene chromosomes. Chromosomes were simultaneously labeled with antibodies against Su(Hw). The DNA is visualized with DAPI and shown in blue. The DNA FISH signals corresponding to probes 3.08 (A), X-103 (B), and 2L-203 (C) are shown in red. The location of Su(Hw) protein is shown in green. The overlapping signals for FISH and Su(Hw) protein appear yellow.

and may explain the relatively low frequency of clusters with more than three Su(Hw)-binding sites in the *Drosophila* genome.

Putative Su(Hw)-binding sites colocalize with Su(Hw) protein on polytene chromosomes: To determine if the immunoprecipitated and *in silico*-derived Su(Hw)-binding sites correspond to sites in the genome where the Su(Hw) protein is present, we performed FISH on polytene chromosomes. Genomic DNA fragments obtained by immunoprecipitation after incubation with Su(Hw) protein or derived from the *in silico* analysis were used for hybridization to polytene chromosomes followed by immunostaining with Su(Hw) antibody. A DNA fragment obtained from immunoprecipitation experiments (fragment 3.08) and two *in silico*-derived sequences (X-103 and 2L-203) were used in these experiments and the results are shown in Figure 4. In each case, there is complete overlap between the FISH and immunofluorescence signals, suggesting that, within the limits of resolution afforded by this technique, the DNA fragments tested belong to regions of the genome that interact with the Su(Hw) protein *in vivo*. There appears to be a correlation between the number of Su(Hw)-binding sites present in the DNA fragment and the intensity of the immunofluorescence signal associated with Su(Hw), with fragments containing only one predicted site localizing to regions of the genome with a weak Su(Hw) signal (Figure 4A). Fragments with three predicted binding sites appear to localize to regions containing some of the most intense immunofluorescence

signals observed in the polytene chromosomes (Figure 4, B and C), suggesting that relatively few sites in the genome may contain clusters of more than three Su(Hw)-binding sites. These results support the conclusion that the binding sites for Su(Hw) identified experimentally or *in silico* are indeed occupied by Su(Hw) *in vivo*, giving credence to the computational approach for identifying insulator-binding sites.

Genomic DNA fragments have insulator activity that is dependent on the presence of Su(Hw) and on the number of binding sites for this protein: To test whether genomic DNA fragments containing Su(Hw)-binding sites are able to act as insulators *in vivo*, we employed an enhancer-blocking assay used extensively to study the *gypsy* insulator (GEYER *et al.* 1986). In this assay, DNA fragments to be tested for insulator activity are inserted into a plasmid carrying the *yellow* gene at a position between the wing and body enhancers and the *yellow* gene promoter. This system allows for quantitation of insulator strength by observing the coloration of the wings and body cuticle, while at the same time controlling for position effects by measuring the expression of the *yellow* gene in the bristles and other tissues not affected by the insulator. Using this assay, we tested newly identified DNA fragments 3.08 and 3.28, which contain single Su(Hw)-binding sites, and the *in silico*-derived sequences X-103 and 2L-203, which contain three binding sites. As a reference, we also tested a previously characterized genomic fragment, named y-454, which contains two Su(Hw)-binding sites and has been shown to display insulator activity (GOLOVNIN *et al.* 2003; PARNELL *et al.* 2003).

Plasmids containing each of the fragments described previously were inserted into the *Drosophila* genome using *P*-element-mediated transformation, and multiple independent transgenic lines were obtained for each construct. The phenotypes of transgenic lines are shown in Figure 5 and Table 1. The insertion of a full *gypsy* element, containing 12 binding sites for Su(Hw), in the *yellow* gene of the y^2 allele results in a dramatic decrease in the pigmentation of the abdomen and wings (GEYER and CORCES 1992). Flies carrying the *yellow* transgene with fragment 3.08, which contains a single Su(Hw)-binding site, show a phenotype similar to that of the *gypsy*-induced y^2 allele in 1 of 7 (14%) transgenic lines (Figure 5A). Transgenic flies carrying the 3.28 fragment, which also contains a single Su(Hw)-binding site, show a y^2 -like phenotype in 1 of 6 (17%) of the lines examined (Figure 5B). These results suggest that DNA fragments containing 1 Su(Hw)-binding site display insulator function. Insulator activity depends on the genomic location of the transgene insertion but this dependence decreases as the number of Su(Hw)-binding sites present in the DNA fragment increases. When we tested fragments with additional Su(Hw)-binding sites in transgenic animals, the number of transgenic lines showing a strong insulator effect increased. For

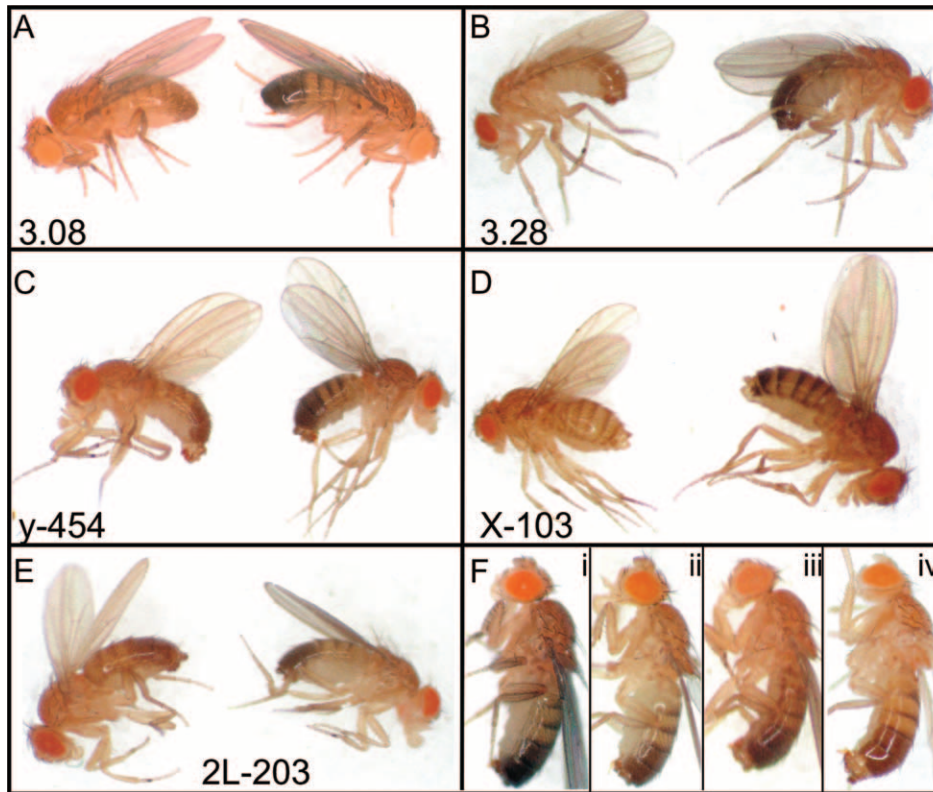


FIGURE 5.—Genomic Su(Hw)-binding sites have insulator activity that is dependent on Su(Hw) protein. DNA fragments containing one (3.08 and 3.28), two (y-454), or three (X-103 and 2L-203) binding sites for Su(Hw) were tested for their ability to inhibit promoter–enhancer interactions in the *yellow* gene. A representative example is given for each series of the transgenic insulating lines. Male flies are shown except in D where female flies are displayed. In all cases, the insulating activity is visible in both sexes. In each panel, the fly on the left contains the transgene in the background of a wild-type *su(Hw)* gene, whereas the fly on the right is mutant for *su(Hw)*; only the phenotypes for *su(Hw)²/su(Hw)^v* mutants are shown but other allele combinations, *su(Hw)²/su(Hw)^v* and *su(Hw)/su(Hw)^v*, gave similar results. (A) Effect of a single Su(Hw)-binding site present in fragment 3.08 on the *yellow* enhancer-blocking assay (left). The wings and body cuticle appear yellow. When placed in a *su(Hw)* mutant background, the coloration

of the wing and body reverts back to a wild-type phenotype (right). (B) A similar analysis carried out with fragment 3.28 (one binding site) also shows insulating activity (left) that is dependent on Su(Hw) (right). (C–E) Transgenic animals carrying DNA fragments y-454 (two binding sites), X-103 (three binding sites), and 2L-203 (three binding sites) in the absence (leftmost in each panel) or presence of mutations in *su(Hw)* (rightmost in each panel). (F) Adult flies from different transgenic lines carrying DNA fragment 2L-203 showing a series of insulator-induced phenotypes ranging from weak (i) to strong (iv).

transgenic lines carrying the y-454 fragment, which contains 2 Su(Hw)-binding sites, 5 of 20 (25%) of the lines give a y^2 -like phenotype (Figure 5C). An additional 5 of 20 lines (25%) show a phenotype intermediate between that of y^2 and wild type, ranging from weak to strong insulation (data not shown but similar to those displayed in Figure 5F and Table 1). A similar result for this y-454 fragment was described by GOLOVNIK *et al.* (2003) and PARNELL *et al.* (2003). Transgenic lines carrying the X-103 and 2L-203 fragments, both of which contain 3 binding sites for Su(Hw), display a y^2 pheno-

type in 3 of 10 (30%) and 5 of 15 (33%) lines, respectively (Figure 5, D and E), and an additional 5 of 10 (50%) and 8 of 15 (53%) show a range of intermediate phenotypes (Figure 5F shows a range for construct 2L-203). In total, DNA fragment y-454, containing two binding sites for Su(Hw) and a putative MARs site, gives 50% transgenic fly lines with a y^2 or compromised *yellow* phenotype. Fragment X-103, containing 3 Su(Hw)-binding sites, gives 80% transgenic lines with a y^2 or compromised *yellow* phenotypes whereas fragment 2L-203 gives an 87% frequency of y^2 or compromised *yellow* phenotypes.

TABLE 1
Phenotypes of transgenic lines

| DNA construct | No. of Su(Hw)-binding sites | No. of transgenic lines demonstrating: | | | | Total no. of transgenic lines | Total no. showing insulation (%) |
|---------------|-----------------------------|--|-------------------------|----------------------|-----------------------|-------------------------------|----------------------------------|
| | | i. Weak insulation | ii. Moderate insulation | iii. Good insulation | iv. Strong insulation | | |
| 3.08 | 1 | 6 (86) | | | 1 (14) | 7 | 14 |
| 3.28 | 1 | 5 (83) | | | 1 (17) | 6 | 17 |
| y-454 | 2 | 10 (50) | 2 (10) | 3 (15) | 5 (25) | 20 | 50 |
| X-103 | 3 | 2 (20) | 2 (20) | 3 (30) | 3 (30) | 10 | 80 |
| 2L-203 | 3 | 2 (13) | 4 (27) | 4 (27) | 5 (33) | 15 | 87 |

i, ii, iii, and iv correspond to flies in Figure 5F. Numbers in parentheses are percentages.

To confirm that the *yellow* phenotypes detected in the transgenic lines are caused by the presence of Su(Hw)-binding sites, we tested whether the insulator effect is dependent on the Su(Hw) protein by crossing all the fly lines that give a y^2 phenotype with strains carrying mutations in the *su(Hw)* gene. The *yellow* phenotypes for all transgenic lines were tested in the mutant background of three different allelic combinations of *su(Hw)* mutations: *su(Hw)^f/su(Hw)²*, *su(Hw)^f/su(Hw)^v*, and *su(Hw)^v/su(Hw)²*. In all cases, the y^2 phenotype of transgenic lines reverted back to wild type in all three *trans*-heterozygous combinations of *su(Hw)* mutations (Figure 5, A–E). In addition, these same transgenic lines show a reversion of the mutant *yellow* phenotype in the background of the *mod(modg4)^{ul}* mutation (data not shown). These data strongly suggest that the genomic Su(Hw)-binding sites do function as an insulator and that this function is dependent on Su(Hw) protein.

Genomic distribution of Su(Hw)-binding sites: DNA fragments containing genomic Su(Hw)-binding sites can act as insulators, suggesting that they may play a role in the establishment of independent domains of gene expression and higher-order chromatin organization. A prediction from this conclusion is that the DNA fragments containing Su(Hw)-binding sites identified either experimentally or *in silico* would be located preferentially in genomic regions devoid of genes and that they would separate areas of gene-rich sequences. To test this hypothesis, we mapped the Su(Hw)-binding sites identified above to the *Drosophila* genome using FlyEnhancer and FLYBLAST. Since clusters of two or more Su(Hw)-binding sites are likely to have stronger insulator activity and therefore to play a more important role in genome organization, we concentrated our analysis on clusters rather than on single sites.

A typical example of the results of this analysis is shown in Figure 6, and a complete description of the genomic location of each of these sites is presented in the supplemental data in supplemental Figures S1 and S2 at <http://www.genetics.org/supplemental/>. Approximately 55% of the clusters of Su(Hw)-binding sites identified are located in intergenic regions. In some cases, the intergenic region is short (Figure 6A), but more often the clusters of Su(Hw)-binding sites are located in regions 10–20 kb long that are completely devoid of genes (Figure 6B). In each of these examples, the location of Su(Hw)-binding sites is indicated by a red arrow. In this type of arrangement, the insulator may separate two domains of gene-rich sequences, each containing several closely arranged genes, possibly preventing interactions between regulatory elements (*e.g.*, enhancers, repressors, silencers) located on either side of the insulator. An additional 41% of clusters of Su(Hw)-binding sites are found separating gene-rich regions, but located within long genes with at least one very large intron (Figure 6C). For example, the Su(Hw)-binding site cluster shown in Figure 6C is located in a

70-kb intron of the *rdgA* gene, which itself is >90 kb in length. This is also the case for other genes containing Su(Hw)-binding sites in intron regions (see supplemental data in Figure S2 at <http://www.genetics.org/supplemental/>). The average length of X-linked genes containing intronic Su(Hw)-binding sites is 62 kb *vs.* the average *Drosophila* gene, which ranges in size from 3 to 5 kb. Although these clusters of Su(Hw)-binding sites are found within transcribed regions of genes, they may not affect expression of the gene itself, since the presence of the *gypsy* insulator in an intron of the *yellow* gene does not interfere with its transcription (GEYER and CORCES 1992). Therefore it is likely that these intronic clusters of Su(Hw)-binding sites play a role similar to those found in regions devoid of genes, blocking enhancer–promoter communications between genes on either side of the insulator without interfering with the transcription of the gene that they occupy. The remaining 4% of the clusters of Su(Hw)-binding sites identified are found very close to or within exon-coding regions of genes (Figure 6D). Overall, the preferential localization of clusters of Su(Hw)-binding sites in regions largely devoid of protein-coding sequences or between gene-rich regions is consistent with a role for these insulators in organizing the genome into independent domains of gene expression.

DISCUSSION

To gain insights into the possible role of chromatin insulators in genome compartmentalization, we carried out a search for insulator sites associated with the Su(Hw) protein, which is the DNA-binding component of the insulator present in the *gypsy* retrotransposon. This protein is widely present in *Drosophila* polytene chromosomes at sites predicted to be functional *gypsy*-like insulators, endogenous to the fly genome and distinct from that present in the *gypsy* retrotransposon. Using several cycles of immunoprecipitation and PCR, we were able to isolate a collection of DNA fragments containing genomic, *gypsy*-like Su(Hw)-binding sites. *In silico* analyses were then used to identify a consensus Su(Hw)-binding sequence that was used to search the entire *Drosophila* genome for similar sites. Three sites thus identified were shown to interact *in vitro* with Su(Hw) and to localize to regions of polytene chromosomes where this protein is present. In addition, these sites have insulator activity dependent on the number of predicted Su(Hw)-binding sites and the genomic location of transgene insertion. Finally, mapping the genomic Su(Hw)-binding sites demonstrate that they are found in intergenic and nonprotein coding sequences separating gene-rich domains. These results suggest that *gypsy*-like sequences with insulator activity are widely distributed throughout the *Drosophila* genome, raising the question of whether the *gypsy* retrovirus acquired insulator sequences from the host genome or

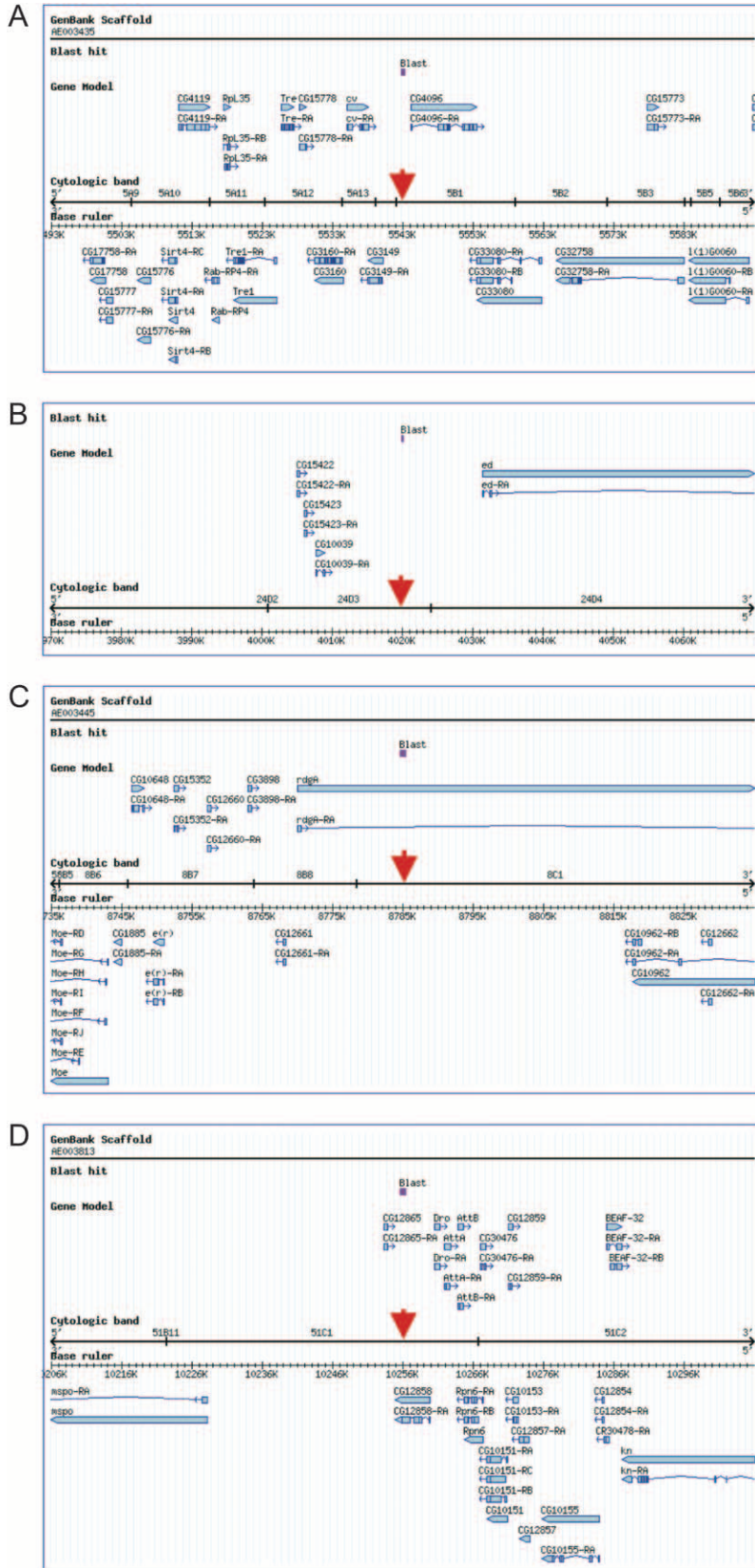


FIGURE 6.—Organization of Su(Hw)-binding sites in the *Drosophila* genome. Representative examples of the location of Su(Hw)-binding sites with respect to the location of neighboring genes. The red arrow indicates the location of the Su(Hw)-binding sequences. (A) An example of an intergenic Su(Hw)-binding site cluster separating gene-rich regions. (B) An example of an intergenic Su(Hw)-binding site cluster separating genes >20 kb apart. (C) An example of an intragenic insulator sequence located within the intron of the large *rdgA* gene. (D) An example of a genomic insulator located, at least partially, within the coding region of an annotated gene. A, B, C, and D each display a 100-kb genomic region.

vice versa. Although the results presented here do not distinguish between these two alternatives, it is possible that, as is the case in vertebrate retroviruses, *gypsy* obtained these sequences from the *Drosophila* genome.

This may have offered *gypsy* an evolutionary advantage, as the genome of the virus then may have been protected from the repressive effect of adjacent sequences when inserted into the *Drosophila* genome.

Studies in a variety of organisms have established that, throughout development or during the cell cycle, coexpressed genes tend to be localized in physically adjacent positions along the chromosome, although a mechanism for establishing these domains remains elusive (COHEN *et al.* 2000; CARON *et al.* 2001; LERCHER *et al.* 2002; SPELLMAN and RUBIN 2002; LI *et al.* 2005). Information suggesting that insulator elements may be involved in the establishment of independent chromatin domains has been obtained in several different systems. For example, FISH analysis using nuclear halo preparations resulted in the visualization of DNA located between two genomic *gypsy* insulator sites as a loop, with the insulator sites at the ends of the two stems attached to the nuclear matrix (K. BYRD and V. G. CORCES, unpublished results). Placement of a new insulator in the middle of the loop resulted in the formation of two smaller loops, supporting the involvement of *gypsy* insulator components in the formation of chromatin loops that may correspond to gene expression domains. Similarly, the specialized chromatin structure (scs) and scs's insulators of *Drosophila* have been visualized forming loops using the chromatin conformation capture (3C) technique (BLANTON *et al.* 2003). In a third example involving the vertebrate CTCF insulator, this protein was shown to copurify with the nuclear matrix and to associate with the nucleolus via interactions with nucleophosmin, suggesting a potential for the formation of chromatin loops similar to those seen with *gypsy* (YUSUFZAI and FELSENFELD 2004; YUSUFZAI *et al.* 2004). Therefore, chromatin loop formation may be a common mechanism used by different insulators to regulate enhancer–promoter interactions and functionally compartmentalize the genome. However, a correlation between the distribution of genes in the genome and the arrangement of chromatin insulators at the genome level has not been previously established. Data presented here on the genomic organization of *gypsy*-like insulators may support a role for these sequences in the establishment of chromatin domains that could explain the existence of clusters of coexpressed genes.

The total number of predicted Su(Hw)-binding sites in the *D. melanogaster* genome is >2500. Most of these are present in single copy. However, 351 clusters with 2 or more sites are found throughout the fly genome. This number roughly corresponds to the number of bands of the Su(Hw) protein observed by immunofluorescence analysis of polytene chromosomes (GERASIMOVA *et al.* 1995). The number of Su(Hw) sites per cluster is lower than the 12 sites present in *gypsy* and lower than the 4 sites shown to be required for insulator function in an enhancer-blocking assay (SCOTT *et al.* 1999), raising the question of whether the clusters of Su(Hw)-binding sites found in the *Drosophila* genome are functional insulators. Interestingly, genomic Su(Hw)-binding sites are closely associated with MARs, as is also the case for the sites present in the *gypsy* retrotransposon insulator. The

presence of MARs may strengthen the insulator activity of genomic Su(Hw)-binding sites and lower the requirement for the number of sites needed for insulator function. In support of this conclusion, single insulator sites as well as clusters of 2 or 3 sites show insulator activity in an enhancer-blocking assay. The strength of the enhancer-blocking effect of these genomic insulators is similar to that observed with the *gypsy* insulator containing 12 binding sites for Su(Hw), but the insulator activity is dependent of the genomic context of the transgene insertion site. For example, DNA fragments containing single Su(Hw) sites show full insulator activity in 14–17% of transgenic lines whereas fragments with two Su(Hw)-binding sites show full or partial insulator activity in 50% and fragments with three sites show partial-to-full insulator activity in 80% of the lines. These data indicate that insulator activity is dependent on the number of Su(Hw)-binding sites present as well as the genomic location of the transgene. The fact that, for a given number of Su(Hw)-binding sites, some transgenic lines display insulator activity whereas other do not suggests that the genomic location of the insertion site is important. This effect is unlikely to be caused by specific sequences or chromatin structure at the insertion site affecting the expression of the *yellow* gene, since we did not observe a correlation between genomic location and the expression of the adjacent *white* gene present in the transformation vector (data not shown). Instead, the dependence of insulator function on the genomic location may correlate with the distance between the insertion site and other *gypsy*-like genomic insulators. This conclusion is supported by the finding that the variability in insulator activity as a function of the location of the insertion site declines as the number of Su(Hw)-binding sites present in the test fragment increases.

The observed correlation among insulator activity, genomic location, and number of Su(Hw)-binding sites agrees well with proposed mechanisms to explain insulator function and further supports the role of insulators in establishing chromatin domains. It has been proposed that insulators function by creating chromatin loops via interactions between individual insulator sites that coalesce at specific nuclear locations, forming large aggregates of insulator sites named insulator bodies (GERASIMOVA and CORCES 1998). In the case of *gypsy*, the interaction between individual insulators may take place through the BTB-containing proteins Mod(mdg4)2.2 and CP190, which in turn attach to the insulator via interactions with Su(Hw) (PAI *et al.* 2004). If this is the case, one would predict that the ability of a particular insulator to interact with neighboring ones would depend on its relative distance to its neighbors and on the number of Su(Hw) molecules present. As the number of insulator-binding sites increases, so does the potential to find and interact with another insulator via the bridges created by Mod(mdg4)2.2 and CP190.

The frequency and strength of these interactions are also a function of the distance between individual insulator sites in the genome, explaining why some transgenic lines display insulator effects while others fail to do so. The proportion of transgenic lines showing full insulator activity is only 14–17% in cases in which only one Su(Hw)-binding site is present in the DNA fragment tested. This observation does not imply that single Su(Hw)-binding sites in the genome do not function as insulators. It is possible that these sites are sufficiently close to other Su(Hw)-binding sites that a single one is sufficient for insulator function. Alternatively, these sites may be located in the genome between genes regulated by weak enhancers, such that a single site may not be enough to disrupt enhancer–promoter interactions in the *yellow* gene used in our analysis but may suffice in the context of the regulatory sequences present in its normal genomic environment.

Insulators have been shown to form chromatin loops in the nucleus and, as a consequence, it has been hypothesized that their role is to partition the genome into functional units or domains such that the expression of genes located in one domain is independent of regulatory sequences present in a different domain (K. BYRD and V. G. CORCES, unpublished results). Insulators could then play a role in controlling transcription at a global level, establishing certain organization of the chromatin fiber that would be required for subsequent regulation by standard transcription-factor-mediated mechanisms. The outcome of such an organization is that genes within one domain would be coexpressed, a prediction that has been confirmed by genomewide transcription profiling studies (COHEN *et al.* 2000; CARON *et al.* 2001; LERCHER *et al.* 2002; SPELLMAN and RUBIN 2002; LI *et al.* 2005). Such a role for insulators would require a very specific arrangement of these sequences within the eukaryotic genome. Data presented here show that this is indeed the case. The precise cytological location of Su(Hw) sites using FISH analysis has been studied in three cases and found to overlap with the location of Su(Hw) bands detected by immunofluorescence. Assuming a similar overlap for other *gypsy*-like insulators, the cytological distribution of these sequences in polytene chromosomes should be similar to that of Su(Hw), with an exclusive euchromatic arrangement at the boundaries between bands and interbands. At the DNA sequence level, clusters of Su(Hw)-binding sites with insulator activity are located preferentially in intergenic and nonprotein-coding regions. Of these clusters, 55% are solely intergenic whereas 41% are located in introns of very large genes. The intragenic location of these intronic insulators does not preclude their ability to exert their function without inappropriately affecting expression of the gene in which they reside, as insulators have been shown to be permissive for transcription when inserted into an intron as long as their presence does not preclude enhancer–promoter

interactions. This arrangement of Su(Hw)-binding sites within the *Drosophila* genome and their ability to operate as insulators in an enhancer-blocking assay suggest that these sequences are *bona fide* endogenous *gypsy*-like insulators and may have a role in organizing the genome into functional transcription domains.

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