

Chapter 1

Overview of Hedgehog Signaling Pathway

Chi-chung Hui and Jin Jiang

Introduction

Initially discovered in *Drosophila* and later found in all vertebrate model organisms, the Hedgehog (Hh) family of secreted proteins plays critical roles in both embryonic development and adult tissue homeostasis [41, 84]. Numerous human genetic disorders and cancer have been associated with aberrant Hh signaling activity [41, 63, 84].

Hh acts through a conserved pathway to influence the balance between activator and repressor forms of the Gli family of zinc finger transcription factors (Gli^A and Gli^R; Fig. 1.1). While *Drosophila* has only one Hh and one Gli protein, *Cubitus interruptus* (Ci), mammals have three Hh family members (Sonic hedgehog (Shh), Indian hedgehog and Desert hedgehog) and three Gli proteins (Gli1, Gli2 and Gli3). In mice, Gli^R function is mainly derived from Gli3, whereas Gli^A function is primarily contributed by Gli2. Gli1 is a transcriptional target of Hh signaling and acts in a positive feedback to reinforce Gli^A activity. The reception of Hh signals is mediated by a 12-span transmembrane protein Patched (Ptc) that binds directly to Hh, and a 7-span transmembrane protein Smoothed (Smo) that transduces the signal into the cytoplasm. Ptc blocks Smo activity in the absence of Hh, allowing the production of Gli^R/Ci^R that represses a subset of Hh target genes. Binding of Hh to Ptc activates Smo, which blocks Gli^R/Ci^R production and promotes Gli^A/Ci^A activation. The fundamentals of *Drosophila* and mammalian Hh

C.-c. Hui (✉)

Program in Developmental and Stem Cell Biology,
The Hospital for Sick Children,
Toronto, ON M5G 1X8, Canada
and

Department of Molecular Genetics, University of Toronto,
Toronto, ON M5G 1X8, Canada
e-mail: cchui@sickkids.ca

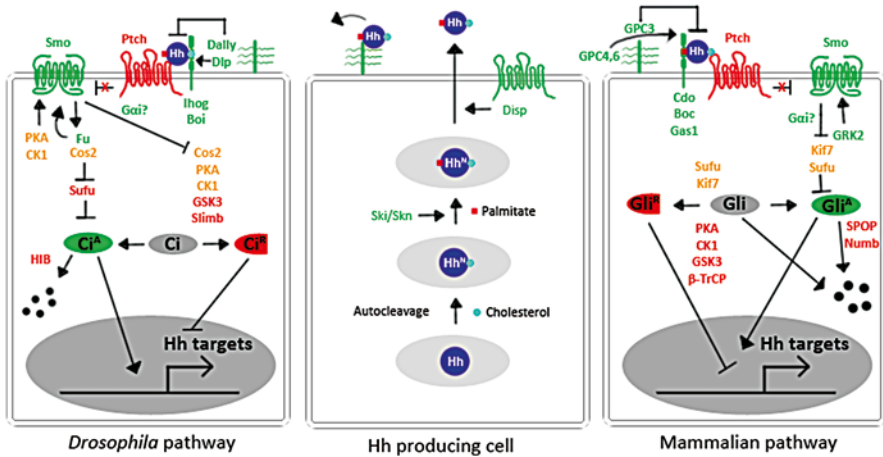


Fig. 1.1 Sending and transducing the Hh signal. In Hh-producing cells, full-length Hh is autocatalytically cleaved to generate an N-terminal fragment (HhN) modified by cholesterol. HhN is palmitoylated by Ski/Skn. Secretion of dual lipid-modified Hh is mediated by Disp. HSPGs facilitate Hh movement. Hh signal reception is facilitated by Ihog/Boi in *Drosophila* and Cdo/Boc/Gas1 in mammals, functioning as essential coreceptors. Dally and its mammalian HSPG counterpart GPC3 inhibit Hh pathway activity, whereas Dlp and related molecules GPC4 and GPC6 promote Hh signaling. In the absence of Hh, Ptc blocks Smo and full-length Ci/Gli2/Gli3 is phosphorylated by multiple kinases and subsequently targeted to ubiquitin/proteasome-mediated proteolysis through Slimb/βTRCP to generate a truncated repressor form (Ci^R/Gli^R). In *Drosophila*, efficient phosphorylation of Ci requires the kinesin-like protein Cos2, which acts as a molecular scaffold to bridge Ci and its kinases. Hh-binding to Ptc blocks its inhibition on Smo. In *Drosophila*, Ptc inhibition triggers Smo phosphorylation by PKA and CKI, leading to the cell surface accumulation and activation of Smo. Smo then recruits Cos2-Fu to activate Fu and dissociates Cos2-Ci-kinase complexes to inhibit Ci phosphorylation and processing. Furthermore, high levels of Hh stimulate Ci^A via Fu-mediated antagonism of Sufu. Hh signaling induces the expression of nuclear HIB that targets Ci^A for degradation. Fu-Cos2 is also involved in a feedback regulation of Smo phosphorylation. In mammalian systems, Kif7 is the mammalian Cos2 homolog but it does not interact directly with mSmo. mSmo phosphorylation requires GRK2. In mammals, Fu homolog is not required for Hh signaling and Sufu is a key negative regulator of Hh signaling. Kif7 and Sufu seem to play dual roles in positive and negative regulation of the Hh pathway. In addition to SPOD, which targets full length Gli2 and Gli3 for degradation, Numb is involved in Gli1 degradation. This figure is adapted from [41]

signal transduction pathways are similar, though major difference can be found in several regulatory steps. There is accumulating evidence suggesting that Hh signaling can also exert Gli-independent non-transcriptional effects [94]. In this chapter, we review the basics of the Hh signaling pathway and highlight some of the recent findings in the field.

Hh Signal Transduction

Lipid Modification and Multimerization of Hh

In Hh-producing cells, full-length Hh precursor undergoes autocleavage to release an N-terminal fragment (HhN) with a cholesterol moiety covalently linked to its C-terminus (Fig. 1.1) [70]. HhN is then palmitoylated near its N-terminus by the acyltransferase Skinny Hedgehog (Ski/Skn) [9]. While cholesterol modification increases the affinity of Hh for cell membranes and restricts its free dispersal [7, 49], dual lipid modifications facilitate the formation of large multimeric Hh complexes, allowing Hh to move over a long distance ([98] and references therein). HhN forms nanoscale oligomers with heparan sulfate proteoglycans (HSPGs), and disruption of HhN oligomerization and HSPGs interaction compromises specifically long-range signaling [86]. Dispatched (Disp), a transmembrane protein structurally related to Ptc, is required for the secretion of lipidated Hh to the extracellular space [2, 7, 55]. A recent study suggested that Disp might also act with Ptc1 to mediate the transport of Shh through tissues [29].

Heparan Sulfate Proteoglycans Regulate Hh Signaling

Genetic studies in *Drosophila* have shown that members of the glypican subfamily of HSPGs, Dally and Dally-like (Dlp), modulate the transport and reception of Hh signals [95]. Mutations in these genes as well as those affecting the biosynthesis of HSPGs impede the spread of Hh signals and reduce Hh pathway activity [50]. HSPGs seem to affect Hh signaling in many different ways (Fig. 1.1). In the absence of HSPGs, cell surface Hh diminishes, suggesting that HSPGs contribute to the stability of Hh. HSPGs appear to be required for Hh movement as a narrow strip of HSPG-deficient cells is sufficient to completely block Hh signaling in wild-type cells behind the mutant clone. In addition, Dlp is critical for Hh signaling activity and may act as an essential coreceptor [96]. A recent study suggested that there are two functional families of glypicans in *Drosophila* and mammals [92]: Dlp and its mammalian counterparts, including GPC4 and GPC6, constitute a group that acts positively and cell-autonomously for Hh signaling, whereas Dally and other glypicans, such as GPC3, form another group that inhibits Hh response. Consistent with this, GPC3 competes with Ptc for Hh binding in vitro and inhibits Hh signaling during mouse development [8]. It is important to note that HSPGs also regulate other signaling molecules, including Wg/Wnt and Dpp/TGF- β [95], and thus these extracellular matrix proteins likely exert differential effects on multiple signaling pathways during development and tumorigenesis.

Modulation of Pathway Activity by Multiple Hh-Binding Proteins

In addition to Ptc, there are multiple Hh-binding proteins identified in *Drosophila* and mammals. Some of them might act as coreceptors of Hh (Fig. 1.1). Genetic analysis in *Drosophila* revealed that the Ihog family of immunoglobulin/fibronectin repeat-containing proteins, Ihog (Interference hedgehog) and Boi (Brother of Ihog), are essential for Hh pathway activity [96, 105]. Mammalian homologs of Ihog/Boi, Cdo and Boc, are also positively involved in Shh signaling [81, 97, 102]. The Ihog/Cdo family proteins bind Hh through fibronectin domains [81, 97], and Ihog can enhance Hh binding to Ptc [97], suggesting that they act as Hh coreceptors. Indeed, Ihog promotes surface presentation of Ptc, and both Ihog and Ptc are required for high-affinity Hh binding, supporting the notion that Ihog and Ptc constitute the Hh receptor in *Drosophila* [105].

Hip1 and Gas1 are two vertebrate-specific Hh-interacting proteins. *Hip1* encodes a membrane-bound glycoprotein that acts as a negative regulator of Hh signaling by competing with Ptc for Hh binding [18]. *Hip1* expression is induced by Hh signaling and restricts Hh signaling through a negative feedback mechanism [17, 36]. On the contrary, *Gas1* encodes a GPI-anchored membrane protein that promotes Shh signaling [1, 58]. Since Gas1 acts cooperatively with Cdo in the positive regulation of Hh response [1], it might function as a coreceptor of Hh.

Ptc Inhibits Smo Catalytically

Being the core Hh-binding receptor, Ptc paradoxically functions as an inhibitor of Hh signaling and blocks pathway activation in the absence of Hh. The precise mechanism by which Ptc regulates Smo remains a mystery. Recent studies suggest that Ptc and Hh reciprocally regulate Smo subcellular localization and conformation. Ptc and Smo are largely segregated in *Drosophila* imaginal discs [22] and they do not form stable protein complexes [43, 79]. Cultured cell experiments suggested that Ptc inhibits Smo at a substoichiometrical concentration [79]. Ptc is homologous to the resistance-nodulation-division (RND) family of prokaryotic proton-driven transporter, and might function by transporting an endogenous small molecule Smo agonist or antagonist across membranes, as conserved residues in RND-like transporters are essential for Ptc function [79]. Indeed, Ptc regulates trafficking of lipoproteins through endosomes [44]. Several natural and synthetic small molecules can inhibit or activate Hh pathway at the level of Smo [10, 11]. In cultured cells, Ptc induces the secretion of pro-vitamin D3, and both pro-vitamin D3 and vitamin D3 inhibit Hh signaling at high concentrations [6]. Oxysterols, which lie downstream of vitamin D3 in the cholesterol biosynthetic pathway, act as positive regulators of Hh signaling at a level upstream of Smo [21, 25]. Whether oxysterols or related molecules function as physiological Smo regulators remains to be determined. A recent genetic study in *Drosophila* suggested that the phospholipid, phosphatidylinositol-4 phosphate (PI4P), is a target of Ptc action. In *Drosophila* cells, PI4P promotes Smo accumulation and Hh pathway activation, and Ptc restricts the production of PI4P by

regulating its kinase/phosphatase directly or indirectly [98]. Exactly how Ptc regulates PI4P levels and whether oxysterols or lipoprotein-derived lipids are linked to the effects of PI4P on Smo await further investigation.

Regulation of Smo Trafficking and Conformation

In *Drosophila*, Ptc restricts Smo cell surface expression by promoting endocytosis and degradation of Smo. Hh induces opposite changes in the subcellular distribution of Ptc and Smo, with Smo accumulating on the cell surface and Ptc entering the cytoplasm [22, 39, 106]. How Hh and Ptc reciprocally regulate Smo trafficking is not clear, but it is mediated at least in part by Smo phosphorylation. Phosphorylation-deficient Smo variants fail to accumulate on the cell surface in response to Hh, whereas phospho-mimicking Smo variants constitutively accumulate on the cell surface [39, 104].

A similar reciprocal trafficking relationship is observed for mammalian Ptc1 and Smo but this occurs in the primary cilium, a microtubule-based cell surface protrusion present in most mammalian cells (Fig. 1.2). Genetic studies in mice have implicated primary cilia as essential cellular organelles for mammalian Hh signaling.

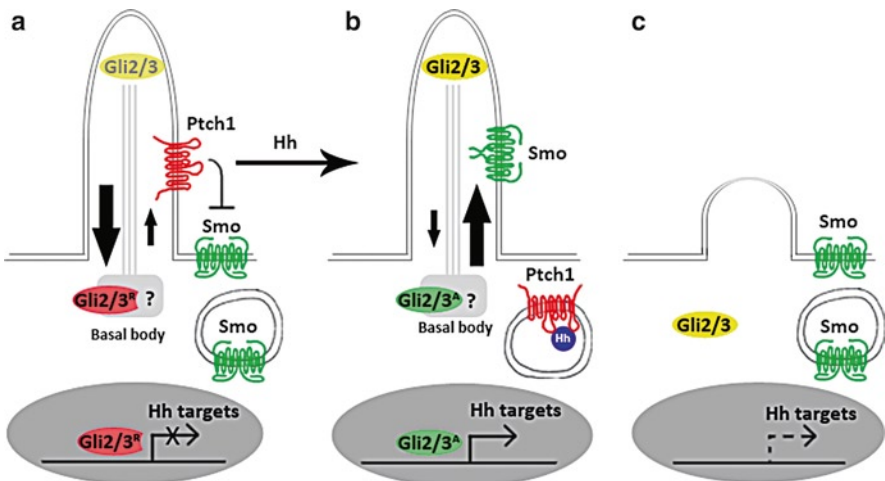


Fig. 1.2 Hh signaling and primary cilia. (a) In the absence of Hh, Ptch1 localizes to the primary cilia and inhibits Smo from entering primary cilia. Due to high retrograde transport activities, little or low levels of full length Gli2 and Gli3 are detected at the ciliary tip. Gli3 and Gli2 (to a lesser extent) are processed to form truncated repressors, which enter the nucleus to inhibit a subset of Hh target genes. (b) Hh binding of Ptch1 leads to the elimination of Ptch1 from the primary cilia and, subsequently, the entry of Smo into primary cilia. Full length Gli2 and Gli3 are found at the ciliary tip probably due to high anterograde transport activities. By ill-defined processes, Gli2 and Gli3 are converted into active forms, which promote the transcription of Hh target genes. (c) Deletion of primary cilia abolishes the processing as well as activation processes of Gli2 and Gli3. In addition to regulating Smo ciliary localization, Hh also induces a conformational change of Smo essential for its activation. See text for details

Mutations affecting the intraflagellar transport (IFT) machinery or other components that are involved in the assembly and function of cilia affect Hh signaling in several developmental contexts [30]. In the absence of Hh, Ptc localizes to cilia and prevents Smo from accumulating in the cilia; binding of Hh to Ptc triggers reciprocal trafficking of Ptc and Smo, with Ptc moving out of and Smo accumulating in the cilia [20, 72]. Ciliary localization of Smo correlates with Hh pathway activation: both an oncogenic Smo mutation and Smo agonists, such as SAG and oxysterols, promoted accumulation of Smo in the cilia [20, 72], and mutation of a conserved ciliary localization motif in Smo prevented its ciliary accumulation and abolished its signaling activity [20]. How Ptc restricts Smo ciliary accumulation is not clear. Smo may constantly move in and out of the cilia in equilibrium by binding to anterograde and retrograde IFT motors and Ptc may tilt this balance. In support of this model, β -arrestins promote Smo ciliary localization by mediating its association with the anterograde IFT motor kinesin-II in response to Hh [48], and Smo is enriched in the cilia of cells defective in retrograde transport [46, 64]. However, recent studies indicated that ciliary entry of Smo does not require microtubule-dependent cytoplasmic motors [46], and that Smo moves through a lateral transport pathway from the plasma membrane to the ciliary membrane [62].

Ciliary localization of Smo is not sufficient for its activation [3, 46, 73, 89], and Smo activation at the cilia likely may involve additional steps including conformational change [104]. FRET analysis demonstrated that both *Drosophila* and mammalian Smo proteins undergo a conformational change in response to Hh [104]. In response to Hh stimulation or Ptc inhibition, *Drosophila* Smo is phosphorylated by protein kinase A (PKA) and casein kinase I (CK1) at its C-terminal tail (C-tail) [4, 22, 39, 99], which triggers a conformational switch and increased proximity of two Smo C-tails within a Smo dimer [104]. Mechanistically, these phosphorylation events activate Smo by counteracting multiple Arg clusters that maintain Smo in a closed inactive conformation [104]. Mammalian Smo (mSmo) C-tail does not harbor PKA/CK1 sites, but does contain a long stretch of basic residues that inhibits its activity; and mSmo undergoes a similar conformational change upon Shh stimulation [104]. mSmo is phosphorylated either directly or indirectly by the G protein-coupled receptor kinase GRK2, which positively regulates Hh signaling [14, 59, 69], raising the possibility that GRK2 and related kinases may substitute for PKA and CK1 to regulate Smo conformation and trafficking in vertebrates.

Downstream of Smo: G Protein and Cos2/Kif7-Ci/Gli Signaling Complex

G protein $G\alpha_i$ is activated by Smo in both *Drosophila* and mammalian cultured cells [66, 71], and $G\alpha_i$ is required for the expression of Hh target gene *decapentaplegic* (*dpp*) in *Drosophila* wing imaginal discs [66]. However, whether $G\alpha_i$ plays a physiological role in Shh signaling is not clear, as inhibition of $G\alpha_i$ activity had minimal effects on Hh-dependent ventral neural tube patterning in chick embryos [53].

Smo likely signals through both $G\alpha_i$ -dependent and -independent mechanisms. In *Drosophila*, Smo directly interacts with a multi-protein signaling complex containing Ci, the kinesin-like protein Costal 2 (Cos2), and the Ser/Thr protein kinase Fused (Fu) [38, 54, 65, 75]. Cos2 serves as a molecular scaffold to bring Ci and Fu together with PKA, GSK3, and CK1, leading to efficient phosphorylation and proteolytic processing of Ci [103]. Activated Smo attenuates Cos2-Ci-kinase complex formation, thus inhibiting Ci phosphorylation and processing [74, 103].

mSmo does not interact directly with the vertebrate Cos2 homologs Kif7 and Kif27 [83]. However, recent studies demonstrated that Kif7 is a functional homolog of Cos2. Kif7 forms complexes with Gli proteins and its deletion or mutation leads to aberrant regulation of Hh signaling [16, 26, 51]. Cos2 can move along the microtubules and its motor activity appears to be required for Ci processing [28]. Similarly, Kif7 function is dependent on intact IFT machinery and Hh signaling promotes ciliary localization of Kif7 [26]. Furthermore, Gli3 processing is compromised in *Kif7* null embryos [16, 26, 51]. In *Drosophila*, $G\alpha_i$ is associated with Cos2 upon Hh stimulation [66]. It remains to be determined whether $G\alpha_i$ or related proteins serve as a link between Smo and Kif7.

Control of Gli Protein Degradation and Processing

Ci/Gli activity is regulated by multiple mechanisms, including phosphorylation, proteolysis, and cytoplasmic/nuclear shuttling. In the absence of Hh, full-length Ci/Gli protein can be proteolytically processed into a truncated repressor (Ci, Gli3 and, to a lesser extent, Gli2) or degraded (Gli1 and Gli2). Hh signaling blocks the production of the truncated repressor, and stimulates nuclear translocation and activation of accumulated full-length Ci/Gli. Ci/Gli processing requires the activities of PKA, GSK3, and CK1 as well as the F-box protein Slimb/ β -TRCP of the SCF ubiquitin ligase complex [42]. PKA, GSK3, and CK1 sequentially phosphorylate multiple sites in the C-terminal region of Ci/Gli, resulting in the recruitment of Slimb/ β -TRCP [40, 76, 80, 87]. A processing determinant domain (PDD) located between the Zn-finger DNA-binding and Slimb/ β -TRCP-binding domains of Ci/Gli appears to be critical for proteasome-mediated degradation that selectively removes its C-terminal half. Deletion of this domain from Ci blocks the production of Ci^R [61] and renders complete degradation of Ci [77]. Gli3 is processed more efficiently than Gli2 into a truncated repressor form probably due to a more potent PDD, and Gli1 lacks a PDD and does not exhibit repressor activity [68].

In mammalian cells, Gli2 and Gli3 are localized to the tip of primary cilia in an Hh-dependent manner (Fig. 1.2; [13, 33, 46, 90]). Upon Hh stimulation, Gli2 shifts from a predominantly cytoplasmic localization to the distal tip of the cilium and within the nucleus [51]. While Gli3^R is predominantly nuclear and not found at the ciliary tip [33, 90], Hh stimulation leads to its disappearance and accumulation of full-length Gli3 (Gli3^{FL}) at the tip of the cilium as well as in the nucleus [103]. Importantly, Hh signaling also promotes degradation of full-length Ci/Gli2/Gli3 through an ubiquitin ligase containing HIB/SPOP [13, 45, 88, 90, 100, 101], and this mechanism serves as a negative feedback loop to tune down Hh signaling

activity in *Drosophila* [45, 100]. Gli1 is not a strong substrate for SPOP [13, 101] and its degradation involves Numb, which acts in conjunction with the E3 ubiquitin ligase Itch [23]. Gli3^R is also degraded by the proteasome but this likely utilizes a different ubiquitin ligase system [90]. Control of Gli protein degradation might play a central role in preventing tumorigenesis [23, 35].

The exact locations for phosphorylation and proteasomal degradation/processing of Ci/Gli proteins are not known. As the proteasome is enriched at centrosomes that give rise to the basal body underneath the primary cilia [91], Gli proteins might be phosphorylated at primary cilia and then targeted to the centrosome-associated proteasomes for proteolysis. A recent study showed that, in the presence of Shh, the inactive catalytic subunit of PKA is enriched in the cilium base of proliferative cerebellar granular neuronal precursors and that this localization of PKA is essential for Shh-induced proliferation [5]. These observations raise an intriguing possibility that the cilium base might serve as the prime site for phosphorylation and degradation/processing of Gli proteins. In the absence of Hh, the primary cilium may act as a “cAMP gun” to locally activate PKA. Smo might activate G α_i in the ciliary membrane, which in turn represses the adenylyl cyclase in the cilium, leading to a local drop of cAMP level and PKA activity. This model is consistent with the genetic data that Gli^A and Gli^R levels are affected in various mutant backgrounds with defective IFT and/or ciliogenesis. How Gli proteins in the cilium are linked to the transcriptional activation of Hh target genes in the nucleus remains unknown. A recent study has highlighted the involvement of cytoplasmic microtubules in ciliary entry of Gli2, but not of Smo [46]. Full-length Gli proteins may need to be “activated” at the cilia before they translocate to the nucleus to activate Hh target genes.

Sufu: A Key Regulator of Mammalian Hh Signaling

A striking difference between *Drosophila* and mammalian Hh signal transduction is the divergent roles of Fu and Sufu [41]. In *Drosophila*, *fu* is a positive regulator essential for Hh signaling, whereas *Sufu* is a genetic suppressor of the *fu* mutation, but its loss does not elicit ectopic Hh signaling and has minimal effects on development. However, in mice, Fu is not involved in Hh signaling [12, 60] and loss of Sufu has profound effects on Hh signaling with ectopic pathway activation [19, 78, 83]. Sufu may have assumed a major inhibitory function in the mammalian Hh pathway due to the existence of multiple Gli proteins. To inhibit Gli^A function, Sufu could impede Gli nuclear localization [24] or suppress Gli activity by recruiting a corepressor complex [15]. Recent studies indicate that Sufu plays a major role in Gli3 processing [13, 34, 37, 47]. Furthermore, Sufu also plays a positive role in mammalian Hh signaling through stabilization of Gli2, in part through counteracting the activity of SPOP [13, 101]. Why Fu kinase is not involved in mammalian Hh signaling? One possibility is that the role of Fu kinase in *Drosophila* Hh signaling is replaced by other protein kinases in mammals. Indeed, multiple protein kinases, including DYRK1a, DYRK2, MAP3K10, ULK3 and Cdc211, have been identified to influence Gli activity in mammalian cultured cells [27, 56, 57, 82].

Unresolved Questions in Mammalian Hh Signaling

Numerous studies have revealed the differential utilization of Gli^A and Gli^R in various developmental systems during mammalian embryogenesis [41]. While Gli^A levels are central to cancer formation [35], the involvement of Gli^R has been implicated by several recent reports linking primary cilia to Hh pathway-dependent tumorigenesis [32, 93]. Though deletion of primary cilia blocks the ability of an oncogenic form of Smo (SmoM2) to induce tumorigenesis, it promotes tumorigenesis induced by activated Gli2, Gli2ΔN. Since primary cilia are essential for Gli3 processing, these results suggest that reduction of Gli^R levels may accelerate Gli2ΔN-induced tumorigenesis. Sufu and Kif7 have different functional requirements for IFT or primary cilia [13, 26, 37]. It is possible that they function in separate processes downstream of Smo and deletion of primary cilia may disrupt Kif7 function, leading to increased tumor incidence in the above studies. Further studies will be needed to decipher the distinct as well as potentially overlapping functions of Sufu and Kif7 in Hh signaling during development and tumorigenesis.

Several genomic scale studies on Gli target genes revealed that though many target promoters contain a consensus related to the sequence TGGGTGGTC, other target genes may not require this consensus sequence for Gli-dependent transcriptional regulation [31, 85]. Whether Gli^A or Gli^R regulates these genes through interactions with other transcription factors or cofactors remains to be determined. Furthermore, there is increasing evidence that Hh exerts its effects through Gli-independent non-transcriptional mechanisms [52, 67, 94]. However, the involvement of this Gli-independent Hh signaling in development and tumorigenesis has not been studied. As detailed in the rest of this book, Hh signaling plays major roles in a wide variety of tumors and it can act via both autocrine and paracrine mechanisms. Importantly, the requirement of Hh pathway activity in tumor formation and growth seems to differ largely in a context-dependent manner. Further understanding of Hh signal transduction mechanisms at different levels along the pathway will certainly be rewarding to current efforts in targeting the pathway for cancer therapy.

Acknowledgments C. C. H. is supported by the Canadian Cancer Society Research Institute, and J. J. is supported by grants from NIH, CPRIT, and Welch Foundation (I-1603). We thank Julie Yu for help in illustrations.

References

1. Allen BL, Tenzen T, McMahon AP (2007) The Hedgehog-binding proteins Gas1 and Cdo cooperate to positively regulate Shh signaling during mouse development. *Genes Dev* 21:1244–1257
2. Amanai K, Jiang J (2001) Distinct roles of Central missing and Dispatched in sending the Hedgehog signal. *Development* 128:5119–5127

3. Aanstad P, Santos N, Corbit KC, Scherz PJ, le Trinh A, Salvenmoser W, Huisken J, Reiter JF, Stainier DY (2009) The extracellular domain of Smoothened regulates ciliary localization and is required for high-level Hh signaling. *Curr Biol* 19:1034–1039
4. Apionishev S, Katanayeva NM, Marks SA, Kalderon D, Tomlinson A (2005) Drosophila Smoothened phosphorylation sites essential for Hedgehog signal transduction. *Nat Cell Biol* 7:86–92
5. Barzi M, Berenguer J, Menendez A, Alvarez-Rodriguez R, Pons S (2010) Sonic hedgehog mediated proliferation requires the localization of PKA to the cilium base. *J Cell Sci* 123:62–69
6. Bijlsma MF, Spek CA, Zivkovic D, van de Water S, Rezaee F, Peppelenbosch MP (2006) Repression of smoothened by patched-dependent (pro)-vitamin D3 secretion. *PLoS Biol* 4:e232
7. Burke R, Nellen D, Bellotto M, Hafen E, Senti KA, Dickson BJ, Basler K (1999) Dispatched, a novel sterol-sensing domain protein dedicated to the release of cholesterol-modified hedgehog from signaling cells. *Cell* 99:803–815
8. Capurro MI, Xu P, Shi W, Li F, Jia A, Filmus J (2008) Glypican-3 inhibits Hedgehog signaling during development by competing with patched for Hedgehog binding. *Dev Cell* 14:700–711
9. Chamoun Z, Mann RK, Nellen D, von Kessler DP, Bellotto M, Beachy PA, Basler K (2001) Skinny hedgehog, an acyltransferase required for palmitoylation and activity of the hedgehog signal. *Science* 293:2080–2084
10. Chen JK, Taipale J, Cooper MK, Beachy PA (2002) Inhibition of Hedgehog signaling by direct binding of cyclopamine to Smoothened. *Genes Dev* 16:2743–2748
11. Chen JK, Taipale J, Young KE, Maiti T, Beachy PA (2002) Small molecule modulation of Smoothened activity. *Proc Natl Acad Sci USA* 99:14071–14076
12. Chen MH, Gao N, Kawakami T, Chuang PT (2005) Mice deficient in the fused homolog do not exhibit phenotypes indicative of perturbed hedgehog signaling during embryonic development. *Mol Cell Biol* 25:7042–7053
13. Chen MH, Wilson CW, Li JY, Law KK, Lu CS, Gacayan R, Zhang X, Hui C-c, Chuang PT (2009) Cilium-independent regulation of Gli proteins by Sufu in Hedgehog signaling is evolutionarily conserved. *Genes Dev* 23:1910–1928
14. Chen W, Ren XR, Nelson CD, Barak LS, Chen JK, Beachy PA, de Sauvage F, Lefkowitz RJ (2004) Activity-dependent internalization of smoothened mediated by beta-arrestin 2 and GRK2. *Science* 306:2257–2260
15. Cheng SY, Bishop JM (2002) Suppressor of Fused represses Gli-mediated transcription by recruiting the SAP18-mSin3 corepressor complex. *Proc Natl Acad Sci USA* 99:5442–5447
16. Cheung HO-L, Zhang X, Ribeiro A, Mo R, Makino S, Puvindran V, Law KKL, Briscoe J, Hui C-C (2009) The kinesin protein Kif7 is a critical regulator of Gli transcription factors in mammalian hedgehog signaling. *Sci Signal* 2:1–7
17. Chuang PT, Kawcak T, McMahon AP (2003) Feedback control of mammalian Hedgehog signaling by the Hedgehog-binding protein, Hip1, modulates Fgf signaling during branching morphogenesis of the lung. *Genes Dev* 17:342–347
18. Chuang PT, McMahon AP (1999) Vertebrate Hedgehog signalling modulated by induction of a Hedgehog-binding protein. *Nature* 397:617–621
19. Cooper AF, Yu KP, Brueckner M, Brailey LL, Johnson L, McGrath JM, Bale AE (2005) Cardiac and CNS defects in a mouse with targeted disruption of suppressor of fused. *Development* 132:4407–4417
20. Corbit KC, Aanstad P, Singla V, Norman AR, Stainier DY, Reiter JF (2005) Vertebrate Smoothened functions at the primary cilium. *Nature* 437:1018–1021
21. Corcoran RB, Scott MP (2006) Oxysterols stimulate Sonic hedgehog signal transduction and proliferation of medulloblastoma cells. *Proc Natl Acad Sci USA* 103:8408–8413
22. Deneff N, Neubuser D, Perez L, Cohen SM (2000) Hedgehog induces opposite changes in turnover and subcellular localization of patched and smoothened. *Cell* 102:521–531

23. Di Marcotullio L, Ferretti E, Greco A, De Smaele E, Po A, Sico MA, Alimandi M, Giannini G, Maroder M, Screpanti I et al (2006) Numb is a suppressor of Hedgehog signalling and targets Gli1 for Itch-dependent ubiquitination. *Nat Cell Biol* 8:1415–1423
24. Ding Q, Fukami S, Meng X, Nishizaki Y, Zhang X, Sasaki H, Dlugosz A, Nakafuku M, Hui C-C (1999) Mouse suppressor of fused is a negative regulator of sonic hedgehog signaling and alters the subcellular distribution of Gli1. *Curr Biol* 9:1119–1122
25. Dwyer JR, Sever N, Carlson M, Nelson SF, Beachy PA, Parhami F (2007) Oxysterols are novel activators of the hedgehog signaling pathway in pluripotent mesenchymal cells. *J Biol Chem* 282:8959–8968
26. Endoh-Yamagami S, Evangelista M, Wilson D, Wen X, Theunissen J-W, Phamluong K, Davis M, Scales SJ, Solloway MJ, de Sauvage FJ, Peterson AS (2009) The mammalian Cos2 homolog Kif7 plays an essential role in modulating Hh signal transduction during development. *Curr Biol* 19:1320–1326
27. Evangelista M, Lim TY, Lee J, Parker L, Ashique A, Peterson AS, Ye W, Davis DP, de Sauvage FJ (2008) Kinome siRNA screen identifies regulators of ciliogenesis and Hedgehog signal transduction. *Sci Signal* 1:ra7
28. Farzan SF, Ascano M Jr, Ogden SK, Sanial M, Brigui A, Plessis A, Robbins DJ (2008) Costal2 functions as a kinesin-like protein in the hedgehog signal transduction pathway. *Curr Biol* 18:1215–1220
29. Etheridge LA, Crawford TQ, Zhang S, Roelink H (2010) Evidence for a role of vertebrate Displ1 in long-range signaling. *Development* 137:133–140
30. Goetz SC, Anderson KV (2010) The primary cilium: a signaling centre during vertebrate development. *Nat Rev Genet* 11:331–344
31. Hallikas O, Palin K, Sinjushina N, Rautiainen R, Partanen J, Ukkonen E, Taipale J (2006) Genome-wide prediction of mammalian enhancers based on analysis of transcription-factor binding affinity. *Cell* 124:47–59
32. Han Y-G, Kim HJ, Dlugosz AA, Ellison DW, Gilbertson RJ, Alvarez-Buylla A (2009) Dual and opposing roles of primary cilia in medulloblastoma development. *Nat Med* 15:1062–1065
33. Haycraft CJ, Banizs B, Aydin-Son Y, Zhang Q, Michaud EJ, Yoder BK (2005) Gli2 and Gli3 localize to cilia and require the intraflagellar transport protein polaris for processing and function. *PLoS Genet* 1:e53
34. Humke EW, Dorn KV, Milenkovic L, Scott MP, Rohatgi R (2010) The output of Hedgehog signaling is controlled by the dynamic association between Suppressor of Fused and the Gli proteins. *Genes Dev* 24:670–682
35. Huntzicker EG, Estay IS, Zhen H, Lokteva LA, Jackson PK, Oro AE (2006) Dual degradation signals control Gli protein stability and tumor formation. *Genes Dev* 20:276–281
36. Jeong J, McMahon AP (2005) Growth and pattern of the mammalian neural tube are governed by partially overlapping feedback activities of the hedgehog antagonists patched 1 and Hhip1. *Development* 132:143–154
37. Jia J, Kolterud A, Zeng H, Hoover A, Teglund S, Toftgård R, Liu A (2009) Suppressor of fused inhibits mammalian Hedgehog signaling in the absence of cilia. *Dev Biol* 330:452–460
38. Jia J, Tong C, Jiang J (2003) Smoothed transduces Hedgehog signal by physically interacting with Costal2/Fused complex through its C-terminal tail. *Genes Dev* 17:2709–2720
39. Jia J, Tong C, Wang B, Luo L, Jiang J (2004) Hedgehog signalling activity of Smoothed requires phosphorylation by protein kinase A and casein kinase I. *Nature* 432:1045–1050
40. Jia J, Zhang L, Zhang Q, Tong C, Wang B, Hou F, Amanai K, Jiang J (2005) Phosphorylation by double-time/CKIepsilon and CKIalpha targets cubitus interruptus for Slimb/beta-TRCP-mediated proteolytic processing. *Dev Cell* 9:819–830
41. Jiang J, Hui C-C (2008) Hedgehog signaling in development and cancer. *Dev Cell* 15:801–812
42. Jiang J, Struhl G (1998) Regulation of the Hedgehog and Wingless signalling pathways by the F-box/WD40-repeat protein Slimb. *Nature* 391:493–496

43. Johnson RL, Milenkovic L, Scott MP (2000) In vivo functions of the patched protein: requirement of the C terminus for target gene inactivation but not Hedgehog sequestration. *Mol Cell* 6:467–478
44. Khaliullina H, Panakova D, Eugster C, Riedel F, Carvalho M, Eaton S (2009) Patched regulates Smoothed trafficking using lipoprotein-derived lipids. *Development* 136:4111–4121
45. Kent D, Bush EW, Hooper JE (2006) Roadkill attenuates Hedgehog responses through degradation of Cubitus interruptus. *Development* 133:2001–2010
46. Kim J, Kato M, Beachy PA (2009) Gli2 trafficking links Hedgehog-dependent activation of Smoothed in the primary cilium to transcriptional activation in the nucleus. *Proc Natl Acad Sci USA* 106:21666–21671
47. Kise Y, Morinaka A, Teglund S, Miki H (2009) Sufu recruits GSK3 β for efficient processing of Gli3. *Biochem Biophys Res Commun* 387:569–574
48. Kovacs JJ, Whalen EJ, Liu R, Xiao K, Kim J, Chen M, Wang J, Chen W, Lefkowitz RJ (2008) Beta-arrestin-mediated localization of smoothed to the primary cilium. *Science* 320:1777–1781
49. Li Y, Zhang H, Litingtung Y, Chiang C (2006) Cholesterol modification restricts the spread of Shh gradient in the limb bud. *Proc Natl Acad Sci USA* 103:6548–6553
50. Lin X (2004) Functions of heparan sulfate proteoglycans in cell signaling during development. *Development* 131:6009–6021
51. Liem KF Jr, He M, Ocbina PJR, Anderson KV (2009) Mouse Kif7/Costal2 is a cilia-associated protein that regulates Sonic hedgehog signaling. *Proc Natl Acad Sci USA* 106:13377–13382
52. Lipinski RJ, Bijlsma MF, Gipp JJ, Podhaizer DJ, Bushman W (2008) Establishment and characterization of immortalized Gli-null mouse embryonic fibroblast cell lines. *BMC Cell Biol* 9:49.
53. Low W-C, Wang C, Pan Y, Huang X-Y, Chen JK, Wang B (2008) The decoupling of Smoothed from G α_i has little effect on Gli3 protein processing and Hedgehog-regulated chick neural tube patterning. *Dev Biol* 321:188–196
54. Lum L, Zhang C, Oh S, Mann RK, von Kessler DP, Taipale J, Weis-Garcia F, Gong R, Wang B, Beachy PA (2003) Hedgehog signal transduction via Smoothed association with a cytoplasmic complex scaffolded by the atypical kinesin, Costal-2. *Mol Cell* 12:1261–1274
55. Ma Y, Erkner A, Gong R, Yao S, Taipale J, Basler K, Beachy PA (2002) Hedgehog-mediated patterning of the mammalian embryo requires transporter-like function of dispatched. *Cell* 111:63–75
56. Maloverjan A, Piirsoo M, Michelson P, Kogerman P, Osterlund T (2010) Identification of a novel serine/threonine kinase ULK3 as a positive regulator of Hedgehog pathway. *Exp Cell Res* 316:627–637.
57. Mao J, Maye P, Kogerman P, Tejedor FJ, Toftgard R, Xie W, Wu G, Wu D (2002) Regulation of Gli1 transcriptional activity in the nucleus by Dyrk1. *J Biol Chem* 277:35156–35161.
58. Martinelli DC, Fan C-M (2007) Gas1 extends the range of Hedgehog action by facilitating its signaling. *Genes Dev* 21:1231–1243
59. Meloni AR, Fralish GB, Kelly P, Salahpour A, Chen JK, Wechsler-Reya RJ, Lefkowitz RJ, Caron MG (2006) Smoothed signal transduction is promoted by G protein-coupled receptor kinase 2. *Mol Cell Biol* 26:7550–7560
60. Merchant M, Evangelista M, Luoh SM, Frantz GD, Chalasani S, Carano RA, van Hoy M, Ramirez J, Ogasawara AK, McFarland LM et al (2005) Loss of the serine/threonine kinase fused results in postnatal growth defects and lethality due to progressive hydrocephalus. *Mol Cell Biol* 25:7054–7068
61. Methot N, Basler K (1999) Hedgehog controls limb development by regulating the activities of distinct transcriptional activator and repressor forms of Cubitus interruptus. *Cell* 96:819–831
62. Milenkovic L, Scott MP, Rohatgi R (2009) Lateral transport of smoothed from the plasma membrane to the membrane of the cilium. *J Cell Biol* 187:365–374
63. Nieuwenhuis E, Hui C-C (2005) Hedgehog signaling and congenital malformations. *Clin Genet* 67:193–208

64. Ocbina PJ, Anderson KV (2008) Intraflagellar transport, cilia, and mammalian Hedgehog signaling: analysis in mouse embryonic fibroblasts. *Dev Dyn* 237:2030–2038
65. Ogden SK, Ascano M Jr, Stegman MA, Suber LM, Hooper JE, Robbins DJ (2003) Identification of a functional interaction between the transmembrane protein Smoothened and the kinesin-related protein Costal2. *Curr Biol* 13:1998–2003
66. Ogden SK, Fei DL, Schilling NS, Ahmed YF, Hwa J, Robbins DJ (2008) G protein $G\alpha_1$ functions immediately downstream of Smoothened in Hedgehog signaling. *Nature* 456:967–970
67. Okada A, Charron F, Morin S, Shin DS, Wong K, Fabre PJ, Tessier-Lavigne M, McConnell SK (2006) Boc is a receptor for sonic hedgehog in the guidance of commissural axons. *Nature* 444:369–373
68. Pan Y, Wang B (2007) A novel protein-processing domain in Gli2 and Gli3 differentially blocks complete protein degradation by the proteasome. *J Biol Chem* 282:10846–10852
69. Philipp M, Fralish GB, Meloni AR, Chen W, MacInnes AW, Barak LS, Caron MG (2008) Smoothened signaling in vertebrates is facilitated by a G protein-coupled receptor kinase. *Mol Biol Cell* 19:5478–5489
70. Porter JA, Young KE, Beachy PA (1996) Cholesterol modification of Hedgehog signaling proteins in animal development. *Science* 274:255–258
71. Riobo NA, Saucy B, DiLizio C, Manning DR (2006) Activation of heterotrimeric G proteins by Smoothened. *Proc Natl Acad Sci USA* 103:12607–12612
72. Rohatgi R, Milenkovic L, Scott MP (2007) Patched1 regulates hedgehog signaling at the primary cilium. *Science* 317:372–376
73. Rohatgi R, Milenkovic L, Corcoran RB, Scott MP (2009) Hedgehog signal transduction by Smoothened: pharmacologic evidence of a 2-step activation process. *Proc Natl Acad Sci USA* 106:3196–3201
74. Ruel L, Gallet A, Raisin S, Truchi A, Staccini-Lavenant L, Cervantes A, Therond PP (2007) Phosphorylation of the atypical kinesin Costal2 by the kinase Fused induces the partial disassembly of the Smoothened-Fused-Costal2-Cubitus interruptus complex in Hedgehog signaling. *Development* 134:3677–3689
75. Ruel L, Rodriguez R, Gallet A, Lavenant-Staccini L, Therond PP (2003) Stability and association of Smoothened, Costal2 and Fused with Cubitus interruptus are regulated by Hedgehog. *Nat Cell Biol* 5:907–913
76. Smelkinson MG, Kalderon D (2006) Processing of the Drosophila hedgehog signaling effector Ci-155 to the repressor Ci-75 is mediated by direct binding to the SCF component slimb. *Curr Biol* 16:110–116
77. Smelkinson MG, Zhou Q, Kalderon D (2007) Regulation of Ci-SCFslimb binding, Ci proteolysis, and hedgehog pathway activity by Ci phosphorylation. *Dev Cell* 13:481–495
78. Svard J, Heby-Henricson K, Persson-Lek M, Rozell B, Lauth M, Bergstrom A, Ericson J, Toftgard R, Teglund S (2006) Genetic elimination of Suppressor of fused reveals an essential repressor function in the mammalian Hedgehog signaling pathway. *Dev Cell* 10:187–197
79. Taipale J, Cooper MK, Maiti T, Beachy PA (2002) Patched acts catalytically to suppress the activity of Smoothened. *Nature* 418:892–897
80. Tempe D, Casas M, Karaz S, Blanchet-Tournier MF, Concordet JP (2006) Multisite protein kinase A and glycogen synthase kinase 3 β phosphorylation leads to Gli3 ubiquitination by SCF β TrCP. *Mol Cell Biol* 26:4316–4326
81. Tenzen T, Allen BL, Cole F, Kang JS, Krauss RS, McMahon AP (2006) The cell surface membrane proteins Cdo and Boc are components and targets of the Hedgehog signaling pathway and feedback network in mice. *Dev Cell* 10:647–656
82. Varjosalo M, Bjorklund M, Cheng F, Syvanen H, Kivioja T, Kilpinen S, Sun Z, Kallioniemi O, Stunnenberg HG, He WW et al (2008) Application of active and kinase-deficient kinome collection for identification of kinases regulating hedgehog signaling. *Cell* 133:537–548
83. Varjosalo M, Li SP, Taipale J (2006) Divergence of hedgehog signal transduction mechanism between Drosophila and mammals. *Dev Cell* 10:177–186

84. Varjosalo M, Taipale J (2008) Hedgehog: functions and mechanisms. *Genes Dev* 22:2454–2472
85. Vokes SA, Ji H, McCuine S, Tenzen T, Giles S, Zhong S, Longabaugh WJ, Davidson EH, Wong WH, McMahon AP (2007) Genomic characterization of Gli-activator targets in sonic hedgehog-mediated neural patterning. *Development* 134:1977–1989
86. Vyas N, Goswami D, Manonmani A, Sharma P, Ranganath HA, VijayRaghavan K, Shashidhara LS, Sowdhamini R, Mayor S (2008) Nanoscale organization of hedgehog is essential for long-range signaling. *Cell* 133:1214–1227
87. Wang B, Li Y (2006) Evidence for the direct involvement of {beta}TrCP in Gli3 protein processing. *Proc Natl Acad Sci USA* 103:33–38
88. Wang C, Pan Y, Wang B (2010) Suppressor of fused and Spop regulate the stability, processing and function of Gli2 and Gli3 full-length activators but not their repressors. *Development* 137:2001–2009
89. Wang Y, Zhou Z, Walsh CT, McMahon AP (2009) Selective translocation of intracellular Smoothed to the primary cilium in response to Hedgehog pathway modulation. *Proc Natl Acad Sci USA* 106:2623–2628
90. Wen X, Lai CK, Evangelista M, Hongo J-A, de Sauvage FJ, Scales SJ (2010) Kinetics of Hedgehog-induced full-length Gli3 accumulation in primary cilia and subsequent degradation. *Mol Cell Biol* 30:1910–1922
91. Wigley WC, Fabunmi RP, Lee MG, Marino CR, Muallem S, DeMartino GN, Thomas PJ (1999) Dynamic association of proteasomal machinery with the centrosome. *J Cell Biol* 145:481–490
92. Williams EH, Pappano WN, Saunders AM, Kim M-S, Leahy DJ, Beachy PA (2010) Dally-like core protein and its mammalian homologues mediate stimulatory and inhibitory effects on Hedgehog signal response. *Proc Natl Acad Sci USA* 107:5869–5874
93. Wong SY, Seol AD, So P-L, Ermilov AN, Bichakjian CK, Epstein EH, Dlugosz AA, Reiter JF (2009) Primary cilia can both mediate and suppress Hedgehog pathway-dependent tumorigenesis. *Nat Med* 15:1055–1061
94. Yam PT, Langlois SD, Morin S, Charron F (2009) Sonic hedgehog guides axons through a noncanonical, Src-family-kinase-dependent signaling pathway. *Neuron* 62:349–362
95. Yan D, Lin X (2009) Shaping morphogen gradients by proteoglycans. *Cold Spring Harb Perspect Biol* 1:a002493
96. Yan D, Wu Y, Yang Y, Belenkaya TY, Tang X, Lin X (2010) The cell-surface proteins Dally-like and Ihog differentially regulate Hedgehog signaling strength and range during development. *Development* 137:2033–2044
97. Yao S, Lum L, Beachy P (2006) The ihog cell-surface proteins bind Hedgehog and mediate pathway activation. *Cell* 125:343–357
98. Yavari A, Nagaraj R, Owusu-Ansah E, Folick A, Ngo K, Hillman T, Call G, Rohatgi R, Scott MP, Banerjee U (2010) Role of lipid metabolism in Smoothed derepression in Hedgehog signaling. *Dev Cell* 19:54–65
99. Zhang C, Williams EH, Guo Y, Lum L, Beachy PA (2004) Extensive phosphorylation of Smoothed in Hedgehog pathway activation. *Proc Natl Acad Sci USA* 101:17900–17907
100. Zhang Q, Zhang L, Wang B, Ou CY, Chien CT, Jiang J (2006) A hedgehog-induced BTB protein modulates hedgehog signaling by degrading Ci/Gli transcription factor. *Dev Cell* 10:719–729
101. Zhang Q, Shi S, Chen Y, Yue T, Li S, Wang B, Jiang J (2009) Multiple Ser/Thr-rich degrons mediate the degradation of Ci/Gli by the Cul3-HIB/SPOP E3 ubiquitin ligase. *Proc Natl Acad Sci USA* 106:21191–21196
102. Zhang W, Kang JS, Cole F, Yi MJ, Krauss RS (2006) Cdo functions at multiple points in the Sonic Hedgehog pathway, and Cdo-deficient mice accurately model human holoprosencephaly. *Dev Cell* 10:657–665

103. Zhang W, Zhao Y, Tong C, Wang G, Wang B, Jia J, Jiang J (2005) Hedgehog-regulated costal2-kinase complexes control phosphorylation and proteolytic processing of Cubitus interruptus. *Dev Cell* 8:267–278
104. Zhao Y, Tong C, Jiang J (2007) Hedgehog regulates smoothed activity by inducing a conformational switch. *Nature* 450:252–258
105. Zheng X, Mann RK, Sever N, Beachy PA (2010) Genetic and biochemical definition of the Hedgehog receptor. *Genes Dev* 24:57–71
106. Zhu AJ, Zheng L, Suyama K, Scott MP (2003) Altered localization of Drosophila Smoothed protein activates Hedgehog signal transduction. *Genes Dev* 17:1240–1252