What is claimed is:

1. A mixed cell composition to generate hyaline cartilage at a target site, comprising

a) a first population of mammalian cells transfected or transduced with a gene that encodes TGF-β or BMP, wherein the first population of cells is human embryonic kidney cells or epithelial cells;

b) a second population of mammalian cells that have not been transfected or transduced with the gene that encodes TGF-β or BMP, wherein the second population of mammalian cells is fibroblast or chondrocyte cells, wherein endogenously existing forms of the second population of mammalian cells are decreased at the target site, and wherein generation of the therapeutic protein by the first population of mammalian cells at the target site stimulates the second population cells to induce a therapeutic effect; and

c) a pharmaceutically acceptable carrier thereof, wherein ratio of second population of mammalian cells that have not been transfected or transduced with a gene encoding TGF-β or BMP to the first population of mammalian cells that have been transfected or transduced with a gene encoding TGF-β or BMP is from 1-20 to 1.

2. The mixed cell composition according to claim 1, wherein said composition is an injectable composition.

3. The mixed cell composition of claim 1 or 2, wherein the second population of mammalian cells is chondrocyte.

4. The mixed cell composition of any one of claims 1 to 3, wherein the first population of cells is human embryonic kidney cell.

5. The mixed cell composition according to claim 1, wherein said gene is TGF-β1 or BMP-2.

6. The mixed cell composition according to claim 1, wherein said ratio is from about 1-10 to 1, optionally wherein said ratio is from 1-3 to 1.

7. The mixed cell composition according to claim 1, wherein the first population of cells transfected or transduced with a gene encoding TGF-β1 or BMP-2 is irradiated.

8. The mixed cell composition according to claim 1, wherein the first population of cells and the second population of cells are derived from the same or different source organism.

9. Use of a mixed cell composition comprising protein generating effective amount of (i) a first population of mammalian cells transfected or transduced with a gene encoding TGF-β1 or BMP-2, wherein the first population of cells is human embryonic kidney cells or epithelial cells; (ii) a second population of mammalian cells that have not been transfected or transduced with the gene, wherein the second population of mammalian cells is fibroblast or chondrocyte cells,; and (iii) a pharmaceutically acceptable carrier thereof, in the manufacture of a medicament for generating hyaline cartilage at a target site in a mammal,

wherein the medicament is to be injected into the target site,

wherein the manufacture of the medicament comprises generating a recombinant vector comprising a DNA sequence encoding TGF-β1 or BMP2 operatively linked to a promoter and transfecting or transducing a population of mammalian cells in vitro with said recombinant vector; and

wherein endogenously existing forms of the second population of mammalian cells are decreased at the target site, and wherein generation of the therapeutic protein by the first population of mammalian cells at the target site stimulates the second population cells to induce a therapeutic effect, wherein ratio of second population of mammalian cells that have not been transfected or transduced with a gene encoding TGF-β or BMP to the first population of mammalian cells that have been transfected or transduced with a gene encoding TGF-β or BMP is from 1-20 to 1.

10. The use according to claim 9, wherein the first population of mammalian cells is human embryonic kidney cells.

11. The use according to claim 9, wherein the second population of mammalian cells is chondrocyte cells.

12. The use according to claim 9, wherein said ratio of the second population of fibroblast or chondrocyte cells that have not been transfected or transduced with a gene encoding TGF-β or BMP to the first population of mammalian cells that have been transfected or transduced with a gene encoding TGF-β or BMP is from 3-20 to 1, optionally wherein said ratio is from 3-10 to 1.

13. The use according to claim 12, wherein said ratio is from 10 to 1.

14. The use according to claim 13, wherein the first population of fibroblast or chondrocyte cells transfected or transduced with a gene encoding TGF-β or BMP is irradiated.

15. The use according to claim 9, wherein the first population of mammalian cells transfected or transduced with the gene encoding TGF-β or BMP and the second population of fibroblast or chondrocyte cells not transfected or transduced with a gene encoding TGF-β or BMP are syngeneic or xenogeneic with respect to the host recipient.

16. The use of claim 9, wherein said recombinant vector is a viral vector, or a plasmid vector.

17. The use of claim 9, wherein said cells are stored prior to transplantation, optionally wherein said cells are stored in a cryopreservative prior to transplantation.

18. The use of claim 9, wherein said transfection or transduction is accomplished by liposome encapsulation, calcium phosphate coprecipitation, electroporation, DEAE-dextran mediation or virus mediation.

19. Use of an injectable mixed cell composition comprising hyaline cartilage-generating and osteoarthritis treating effective amount of,

(i) a first population of human embryonic kidney cells or epithelial cells transfected or transduced with a gene encoding TGF-β or BMP;

(ii) a second population of chondrocyte cells that have not been transfected or transduced with a gene encoding TGF-β or BMP, wherein the second population of mammalian cells is fibroblast or chondrocyte cells; and

(iii) a pharmaceutically acceptable carrier thereof that is not a non-living three dimensional structure

in the manufacture of a medicament for treating osteoarthritis, wherein said medicament is to be injected into a joint space of a mammal such that expression of the DNA sequence encoding TGF-β or BMP within the joint space occurs resulting in the generation of bone and cartilage tissue in the joint space,

wherein the manufacture of the medicament comprises

a) generating a recombinant vector comprising a DNA sequence encoding transforming growth factor β (TGF-β) or bone morphogenic protein (BMP) operatively linked to a promoter;

b) transfecting or transducing a population of mammalian cells in vitro with said recombinant vector;

wherein ratio of second population of mammalian cells that have not been transfected or transduced with a gene encoding TGF-β or BMP to the first population of mammalian cells that have been transfected or transduced with a gene encoding TGF-β or BMP is from 1-20 to 1.

20. The use of claim 19, wherein the first population of cells is human embryonic kidney cells.

21. An injectable mixed cell composition comprising hyaline cartilage-generating effective and osteoarthritis treating amount of,

a) a first population of human embryonic kidney cells or epithelial cells transfected or transduced with a gene encoding transforming growth factor β (TGF-β) or bone morphogenic protein (BMP);

b) a second population of chondrocyte cells that have not been transfected or transduced with a gene encoding TGF-β or BMP, wherein the second population of mammalian cells is fibroblast or chondrocyte cells; and

c) a pharmaceutically acceptable carrier thereof.

22. The mixed cell composition according to claim 21, wherein the first population of cells is human embryonic kidney cells.

23. A storage container for storing cells at a temperature of -70˚C to -196˚C, comprising an injectable mixed cell composition of claim 1.

24. A storage container for storing cells at a temperature of -70˚C to -196˚C, comprising the injectable mixed cell composition of claim 21.