

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: CLAREMONT HOTEL
41 TUNNEL ROAD
BERKELEY, CALIFORNIA

DATE: JANUARY 23, 2013
10:30 A.M.

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

BRS FILE NO.: 92749

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM DESCRIPTION	PAGE NO.
REPORTS & DISCUSSION ITEMS	
1. CALL TO ORDER.	3
2. PLEDGE OF ALLEGIANCE.	4
3. ROLL CALL.	4
4. PRESENTATION REGARDING CIRM'S SCIENTIFIC PROGRESS.	6
5. CONSIDERATION OF IOM COMMITTEE REPORT ON CIRM AND PROPOSED RECOMMENDATIONS FROM CHAIR OF CIRM'S GOVERNING BOARD.	68
6. PUBLIC COMMENT	NONE

BARRISTERS' REPORTING SERVICE

1 BERKELEY, CALIFORNIA; WEDNESDAY, JANUARY 23, 2013

2 10:30 A.M.

3
4 CHAIRMAN THOMAS: IT'S AFTER 10:30. WE'D
5 LIKE TO CALL THIS MEETING TO ORDER AT EVERYBODY'S
6 EARLIEST CONVENIENCE. SO THOSE MEMBERS OF THE BOARD
7 WHO HAVE NOT YET TAKEN THEIR SEATS, IF YOU WOULD,
8 PLEASE DO SO AND WE WILL START.

9 I'D LIKE TO WELCOME EVERYBODY TO TODAY'S
10 BOARD WORKSHOP. WE APPRECIATE BOTH EVERYBODY'S
11 ATTENDANCE HERE TODAY AS WELL AS THE ATTENDANCE OF
12 THOSE LISTENING IN ON OUR WEB SITE FEED.

13 THE WORKSHOP TODAY, AS YOU'VE SEEN FROM
14 OUR POSTED AGENDA, IS GOING TO BE COMPRISED OF TWO
15 SEPARATE SEGMENTS. THE FIRST, WHICH WE WILL PROCEED
16 TO IMMEDIATELY, IS A REPORT BY DRS. FEIGAL AND OLSON
17 ON THE STATUS OF CIRM'S PORTFOLIO. THAT WILL BE
18 FOLLOWED BY A LUNCH FROM TWELVE TO ONE, AT WHICH
19 POINT WE WILL SWEAR IN NEW OR REAPPOINTED MEMBERS,
20 RECENTLY REAPPOINTED MEMBERS, AND PROCEED
21 IMMEDIATELY TO THE DISCUSSION OF THE IOM REPORT.

22 THAT SEGMENT IS SLATED TO BE FROM ROUGHLY
23 1:15 THROUGH FIVE OR SIX OR WHATEVER WE NEED TO WORK
24 OUR WAY THROUGH IT. AT THE CONCLUSION OF THE DAY,
25 WE WILL FINISH THE WORKSHOP. WE THEN WILL GO

BARRISTERS' REPORTING SERVICE

1 FORTHWITH TOMORROW INTO OUR REGULARLY SCHEDULED
2 BOARD MEETING, WHICH STARTS AT 9 O'CLOCK.

3 SO THAT IS THE AGENDA. WITHOUT FURTHER
4 ADO, LET ME NOW TURN IT OVER TO DRS. FEIGAL AND
5 OLSON TO GIVE A REPORT.

6 I ALWAYS GET THE SIGNALS. CAN WE PLEASE,
7 BEFORE WE DO ANYTHING, VERY IMPORTANT, PARTICULARLY
8 IN LIGHT OF THE RECENT SWEARING IN OF OUR PRESIDENT,
9 PLEASE STAND, IF YOU ARE ABLE, TO GIVE THE PLEDGE OF
10 ALLEGIANCE.

11 (THE PLEDGE OF ALLEGIANCE.)

12 CHAIRMAN THOMAS: THANK YOU, MARIA. LET'S
13 TRY THIS AGAIN. DRS. FEIGAL AND OLSON.

14 MS. BONNEVILLE: ROLL CALL.

15 CHAIRMAN THOMAS: WE NEED A ROLL CALL FOR
16 A WORKSHOP TOO. VERY IMPORTANT. MARIA, PLEASE.

17 MS. BONNEVILLE: DAVID BRENNER.

18 DR. BRENNER: HERE.

19 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

20 DR. DULIEGE: HERE.

21 MS. BONNEVILLE: MARCY FEIT. MICHAEL
22 FRIEDMAN.

23 DR. FRIEDMAN: HERE.

24 MS. BONNEVILLE: LEEZA GIBBONS. MICHAEL
25 GOLDBERG. SAM HAWGOOD. STEPHEN JUELSGAARD.

BARRISTERS' REPORTING SERVICE

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DR. JUELSGAARD: HERE.
MS. BONNEVILLE: SHERRY LANSING. JACOB
LEVIN.
DR. LEVIN: HERE.
MS. BONNEVILLE: BERT LUBIN. MICHAEL
MARLETTA.
DR. MARLETTA: HERE.
MS. BONNEVILLE: SHLOMO MELMED. CLAIRE
POMEROY.
DR. POMEROY: HERE.
MS. BONNEVILLE: ROBERT PRICE. FRANCISCO
PRIETO.
DR. PRIETO: HERE.
MS. BONNEVILLE: CARMEN PULIAFITO. ROBERT
QUINT. DUANE ROTH. JOAN SAMUELSON. JEFF SHEEHY.
JONATHAN SHESTACK.
MR. SHESTACK: HERE.
MS. BONNEVILLE: OSWALD STEWARD.
DR. STEWARD: HERE.
MS. BONNEVILLE: JONATHAN THOMAS.
CHAIRMAN THOMAS: HERE.
MS. BONNEVILLE: ART TORRES.
MR. TORRES: HERE.
MS. BONNEVILLE: KRISTINA VUORI.
DR. VUORI: HERE.

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1 MS. BONNEVILLE: EUGENE WASHINGTON. DIANE
2 WINOKUR.

3 MS. WINOKUR: HERE.

4 CHAIRMAN THOMAS: THANK YOU, MARIA. AND A
5 SPECIAL WELCOME TO DIANE AT YOUR FIRST
6 WORKSHOP/MEETING. WELCOME. WE'RE DELIGHTED TO HAVE
7 YOU AS A MEMBER OF THE BOARD.

8 (APPLAUSE.)

9 CHAIRMAN THOMAS: MR. PRICE IS HERE, LET
10 THE RECORD SHOW. DR. FEIGAL.

11 DR. FEIGAL: OKAY. THANK YOU, VERY MUCH.
12 DR. OLSON AND I ARE VERY PLEASED TO PRESENT UPDATES
13 TO YOU ON THE SCIENTIFIC PROGRAMS FROM THE STATE
14 STEM CELL AGENCY. I FIRST ALSO WANT TO THANK THE
15 BOARD AS WELL AS THE STAFF BECAUSE THIS HAS REALLY
16 BEEN A JOINT EFFORT IN TERMS OF MOVING THESE
17 PROGRAMS FORWARD SO THAT THEY CAN ADVANCE TOWARDS
18 OUR MISSION. AND SO WE'RE REALLY DELIGHTED TODAY TO
19 BE ABLE TO TELL YOU ABOUT THE FORWARD PROGRESS FROM
20 EVERYTHING FROM TRAINING TO BASIC BIOLOGY TO TOOLS
21 AND TECHNOLOGY, EARLY TRANSLATION, AND THROUGH TO
22 OUR DISEASE TEAMS.

23 I CAN SAY THIS IS OBVIOUSLY A WORK IN
24 PROGRESS, BUT I DO WANT TO ACKNOWLEDGE THE
25 TREMENDOUS AMOUNT OF COMMITMENT, DEDICATION, AND

BARRISTERS' REPORTING SERVICE

1 WORK THAT THIS BOARD HAS PUT FORWARD, THAT OUR STAFF
2 HAS PUT FORWARD, AND PARTICULARLY TO PATIENT
3 ADVOCATES, DISEASE FOUNDATIONS, AND OUR RESEARCHERS
4 BOTH WITHIN ACADEMICS AND WITHIN THE COMMERCIAL
5 COMMUNITIES. IT'S REALLY BEEN A VILLAGE TO TRY AND
6 MOVE THIS FORWARD.

7 SO TODAY THIS IS REALLY A HIGH LEVEL
8 OVERVIEW OF THE STATUS UPDATE, SOME KEY PIECES OF
9 PROGRESS THAT WE WILL SHARE WITH YOU. YOU WERE
10 PROVIDED A PREREAD ABOUT TEN DAYS AGO THAT YOU
11 RECEIVED, I BELIEVE, BY E-MAIL THAT IS ALSO IN YOUR
12 BINDER. AND WE ARE GOING TO BE COMING BACK TO YOU
13 IN MARCH WITH A MORE FOCUSED, IN-DEPTH UPDATE OF THE
14 EARLY TRANSLATION PROGRAMS AND THE DISEASE TEAM
15 PROGRAMS. SO THERE'LL BE A CONTINUED OPPORTUNITY TO
16 HEAR ABOUT PROGRESS.

17 CIRM'S VISION AND STRATEGY ARE REALLY
18 BASED ON OUR MISSION. AND THE MISSION HASN'T
19 CHANGED SINCE CIRM WAS CREATED BACK IN 2004. AND
20 THAT REALLY IS TO ADVANCE THE SCIENCE, THAT WE HAVE
21 A BETTER UNDERSTANDING OF STEM CELL BIOLOGY SO THAT
22 WE HAVE A BETTER UNDERSTANDING OF THE DISEASE, BUT
23 MOST IMPORTANTLY TO ACCELERATE THAT UNDERSTANDING IN
24 THAT SCIENCE TOWARDS THERAPIES AND POTENTIAL CURES
25 FOR PATIENTS WHO HAVE CHRONIC DISEASES, CHRONIC

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1 INJURIES. THAT'S WHAT WE'RE REALLY ALL HERE FOR.
2 IN THE FIRST FIVE YEARS OF CIRM'S
3 EXISTENCE, WE REALLY WERE CULTIVATING THE FIELD. WE
4 WERE PLANTING THE SEEDS WITH PHYSICAL INFRASTRUCTURE
5 TO CONDUCT THE SCIENCE. AT THE TIME WE ALL REMEMBER
6 THERE REALLY NEEDED TO BE A SAFE HAVEN TO CONDUCT
7 THIS TYPE OF RESEARCH, AND WE WERE BRINGING IN THE
8 INTELLECTUAL CAPITAL TO PERFORM THAT RESEARCH. SO
9 THERE WAS A TREMENDOUS AMOUNT OF EXPLORATION AND
10 CULTIVATION OF THE FIELD.

11 THESE NEXT FIVE YEARS, WHICH IS WHAT WE'RE
12 IN RIGHT NOW, IS A TIME OF A DESIRE TO REALLY TRY
13 AND PRIORITIZE ON OUR INVESTMENTS AND MAKE SURE THAT
14 WE CAN BRING THE MOST PROMISING OF OUR PROGRAMS
15 FORWARD TO FRUITION SO THAT WE CAN REALLY ACCELERATE
16 WHERE WE NEED TO GO WITH DEVELOPING THERAPIES.

17 IN ADDITION, DURING THIS PERIOD, WE'RE
18 ADVANCING THE SCIENCE TOWARDS CLINICAL TRIALS FOR
19 PATIENTS SO THAT WE CAN SEE THAT PRELIMINARY
20 EVIDENCE OF SAFETY AND THERAPEUTIC BENEFIT. AND IN
21 ADDITION, THIS IS A TIME WHERE WE REALLY WANT TO
22 STRENGTHEN AND ENHANCE OUR PARTNERSHIPS WITH DISEASE
23 FOUNDATIONS, WITH PATIENT ADVOCATES, WITH INDUSTRY,
24 WITH OTHER ACADEMIC RESEARCHERS, WITH COLLABORATORS
25 BOTH WITHIN CALIFORNIA AND OUTSIDE OF CALIFORNIA AND

BARRISTERS' REPORTING SERVICE

1 ACROSS THE WORLD. WE'RE REALLY WORKING ON THIS SO
2 THAT BY 2016, AS PART OF OUR STRATEGY, WE CAN
3 FACILITATE THE COMMERCIALIZATION OF THESE THERAPIES,
4 WE CAN ADVANCE THESE THERAPIES TO PATIENTS, AND THAT
5 WE REALLY WILL HAVE ENABLED A BUSINESS MODEL FOR
6 THESE STEM CELL-BASED THERAPIES TO GO FORWARD, NOT
7 JUST IN CLINICAL TRIALS, BUT INTO ACTUAL PRODUCTS
8 THAT CAN BE APPRECIATED MORE BROADLY BY PATIENTS WHO
9 NEED THEM.

10 SO WHERE HAVE THE DOLLARS BEEN INVESTED?
11 THIS IS A CHEVRON THAT YOU'VE SEEN MANY TIMES OVER
12 THE PAST YEARS SHOWING THAT WE'VE REALLY INVESTED
13 ANYWHERE FROM BASIC RESEARCH, WHICH IS THE DRIVING
14 ENGINE FOR DISCOVERY AND HELP UNDERPIN THE RATIONALE
15 FOR THE TYPES OF PROJECTS WE'RE GOING FORWARD WITH
16 THROUGH TO DISCOVERY, RESEARCH, PRECLINICAL
17 RESEARCH, AND THEN ALL ALONG THE IND-ENABLING PATH
18 SO THAT THESE THERAPIES CAN GET INTO PATIENTS WHO
19 NEED THEM.

20 AND WITHIN THE LAST FEW YEARS, OUR FIRST
21 1.7 BILLION HAS BEEN REALLY INVESTED IN THE
22 CATEGORIES THAT YOU SEE DEMARCATED BY THE BARS.
23 WE'VE INVESTED ABOUT 20 PERCENT OF THE 1.7 BILLION,
24 343 MILLION, INTO INFRASTRUCTURE, INTO PHYSICAL
25 INFRASTRUCTURE FACILITIES AND CORES. WE'VE INVESTED

BARRISTERS' REPORTING SERVICE

1 ANOTHER 22 PERCENT INTO INTELLECTUAL INFRASTRUCTURE,
2 THE ACTUAL PEOPLE THAT ARE GOING TO BE THINKING OF
3 THE GREAT IDEAS MOVING THIS RESEARCH FORWARD. IT
4 TAKES RESEARCH LEADERS, IT TAKES LABORATORY PEOPLE
5 TO MOVE THIS THROUGH. IT TAKES A VARIETY OF
6 DIFFERENT TYPES OF EXPERTISE TO HAVE THE
7 INTELLECTUAL CAPITAL TO MOVE THIS FORWARD.

8 IN ADDITION, WE'VE INVESTED 20 PERCENT OF
9 OUR FUNDS INTO THE ACTUAL RESEARCH. THIS IS THE
10 PIPELINE OF FOUNDATIONAL RESEARCH FROM EVERYWHERE
11 FROM BASIC TO DISCOVERY TO PRECLINICAL RESEARCH.

12 AND THEN THE LAST CATEGORY YOU SEE IS THE
13 PIPELINE OF TRANSLATIONAL RESEARCH. THIS IS THE
14 PROPORTIONATELY LARGEST AMOUNT OF INVESTMENT OF OUR
15 FUNDS THAT WE'VE MADE. IT REPRESENTS 38 PERCENT.
16 SO ALTHOUGH THE NUMBERS OF AWARDS THAT WE MAKE FOR
17 TRANSLATIONAL RESEARCH ARE RELATIVELY SMALL, OF THE
18 OVER 560 AWARDS, ABOUT 77 OF THEM ARE WHAT WE WOULD
19 TERM TRANSLATIONAL. THEY MAKE UP THE LARGEST
20 FUNDING AMOUNT BECAUSE PROPORTIONATELY THEY'RE MORE
21 COMPLEX, THEY'RE MORE EXPENSIVE, AND THERE ARE MORE
22 STUDIES AND ACTIVITIES WE NEED TO DO IN ORDER FOR
23 THESE PROGRAMS TO REACH PEOPLE. AND THIS
24 REPRESENTS, AS I SAID, ABOUT 38 PERCENT OF OUR
25 BUDGET.

BARRISTERS' REPORTING SERVICE

1 OUR CORE PROGRAMS WERE DESIGNED SO THAT
2 THERE WOULD BE A SEAMLESS PATHWAY FROM BASIC
3 DISCOVERY THROUGH TO CLINICAL TRIALS. WHAT YOU CAN
4 SEE HERE ACROSS THE CHEVRON IS YOU CAN SEE SOME OF
5 THE KEY MILESTONES. FOR EXAMPLE, AT THE END OF SOME
6 OF THE PRECLINICAL RESEARCH ACTIVITY, THE MAJOR GOAL
7 IS TO SELECT A DEVELOPMENT CANDIDATE THAT COULD
8 POTENTIALLY BE THE TARGET FOR FURTHER IND-ENABLING
9 WORK. AND THEN AT THE END OF PRECLINICAL
10 DEVELOPMENT, IT'S FILING THAT IND WITH THE FOOD AND
11 DRUG ADMINISTRATION WHO REVIEWS ALL THE DOCUMENTS OF
12 EVIDENCE TO ASSURE THEM THAT IT'S SAFE TO GO INTO
13 PEOPLE, AND THEN THE CONDUCT OF THE CLINICAL TRIALS.

14 SO WE'VE INVESTED IN TRAINING, IN BASIC
15 RESEARCH, IN TOOLS AND TECHNOLOGIES TO REALLY TRY
16 AND LOOK AT SOME OF THE OBSTACLES, BOTH FOR
17 TRANSLATIONAL RESEARCH, BUT ALSO FOR DISCOVERY
18 RESEARCH. IT COULD BE NONINVASIVE IMAGING, IT COULD
19 BE CULTURE MEDIA, IT COULD BE REAGENTS. IT COULD BE
20 A VARIETY OF THINGS THAT HELP MOVE THE FIELD FORWARD
21 IN A FASTER WAY.

22 THE EARLY TRANSLATIONAL RESEARCH, AS I
23 SAID, IS REALLY FOCUSED ON IDENTIFYING THE
24 PRECLINICAL PROOF OF CONCEPT AND THE EARLY
25 DEVELOPMENT CANDIDATES. AND THEN THE DISEASE TEAMS,

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1 OUR FIRST COHORT ACTUALLY STARTED WAY BACK IN SOME
2 OF THE PRECLINICAL RESEARCH WHERE THEIR GOAL WAS
3 ACTUALLY FILE AN IND TO ENTER CLINICAL TRIALS. AND
4 NOW OUR SUBSEQUENT COHORTS OF DISEASE TEAMS ARE
5 ACTUALLY WORKING WITH THE GOAL OF NOT JUST FILING
6 THAT IND, BUT OF COMPLETING A CLINICAL TRIAL. AND
7 THEN MOST RECENTLY IN A MORE CONCERTED EFFORT TO
8 REACH OUT TO INDUSTRY, WE PUT TOGETHER THE STRATEGIC
9 PARTNERSHIP PROGRAMS, WHICH REALLY IS TO ENABLE
10 EARLIER ENGAGEMENT WITH INDUSTRY TO HELP SHAPE THE
11 PROGRAMS THAT ARE GOING FORWARD SO THAT IF
12 MILESTONES ARE MET, THERE'S AN OPPORTUNITY FOR
13 FOLLOW-ON COMMITMENT TO MOVE THAT PROGRAM FORWARD.

14 \$3 BILLION SOUNDS LIKE A TREMENDOUS AMOUNT
15 OF MONEY AND IT IS, BUT WE KNOW IT'S NOT ENOUGH TO
16 BRING IT ALL THE WAY TO COMMERCIALIZATION. AND
17 WE'RE CRITICALLY IN NEED OF OUR PARTNERS WHO CAN
18 ACTUALLY TAKE THINGS FORWARD TO COMMERCIALIZATION.

19 SO JUST A SNAPSHOT OF SOME OF THE KEY
20 FACTS AND FIGURES IS THAT WE HAVE OVER 560 RESEARCH
21 AND FACILITIES AWARDS TO OVER 60 INSTITUTES AND
22 COMPANIES. WE'VE BUILT 12 NEW INSTITUTES AND
23 CENTERS OF REGENERATIVE MEDICINE ACROSS THE STATE OF
24 CALIFORNIA. WE HAVE OVER 1200 MAJOR SCIENTIFIC
25 PAPERS PUBLISHED. MANY OF THESE OF MAJOR SCIENTIFIC

BARRISTERS' REPORTING SERVICE

1 IMPACT. WE'VE BROUGHT OVER 130 NEW MAJOR STEM CELL
2 RESEARCHERS TO CALIFORNIA. AND OF THOSE 560 AWARDS,
3 WE HAVE 77 THAT ARE CHARACTERIZED AS TRANSLATIONAL,
4 REALLY MOVING TOWARDS AND INTO THE CLINIC, 51 THAT
5 ARE EARLY TRANSLATIONAL, 24 DISEASE TEAMS, AND TWO
6 STRATEGIC PROGRAMS OF THE 1.7 BILLION THAT'S ALREADY
7 BEEN AWARDED.

8 THIS IS AN OUTLINE OF WHERE THE MONEY HAS
9 GONE AND IN WHAT TIME FRAME. SO YOU CAN SEE IN LATE
10 2005-2006 AND THEN YOU CAN SEE IT AS THE PURPLE BAR
11 AT THE BOTTOM THE AMOUNT OF DOLLARS THAT CIRM HAS
12 INVESTED IN TRAINING. SO THIS GOES WITH OUR
13 INTELLECTUAL CAPITAL, CAREER DEVELOPMENT, HELPING
14 PEOPLE NOT JUST ADVANCE THE SCIENCE, BUT ALSO JOBS.
15 THE GREEN IS THE AMOUNT OF MONEY THAT STARTED IN
16 2007 FOR BASIC RESEARCH. YOU CAN SEE THAT THE BASIC
17 RESEARCH IS CONTINUING THROUGHOUT THE LIFE SPAN OF
18 CIRM BECAUSE WE SEE THIS AS THE ENGINE OF DISCOVERY
19 THAT NEEDS TO CONTINUE.

20 AS I SAID BEFORE, THAT CHEVRON THAT YOU
21 SEE, IT'S PLACED AS UNIDIRECTIONAL, BUT IT'S REALLY
22 NOT. THERE'S ALL KINDS OF ITERATIVE DISCOVERIES
23 THAT TAKE PLACE BACK AND FORTH ALONG THAT SPECTRUM,
24 AND WE NEED TO CONTINUE TO HAVE THAT BASIC SCIENCE
25 ENGINE CONTINUE.

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1 THE RED IS OUR TOOLS AND TECHNOLOGIES, AND
2 THAT STARTED IN 2008. AND THAT WAS REALLY AN
3 ATTEMPT TO IDENTIFY WHAT SOME OF THE OBSTACLES ARE
4 IN MOVING THE STEM CELL FIELD FORWARD AND TRYING TO
5 DEVOTE A SUBSTANTIVE PART OF OUR FUNDING TOWARDS
6 TACKLING SOME OF THOSE OBSTACLES ON THE PATHWAY TO
7 TRANSLATION. AND THEN THAT OTHER COLOR, I'M NOT
8 SURE IF IT'S MAUVE OF WHAT COLOR YOU WANT TO CALL
9 IT, BUT BACK IN 2009, AS THE SCIENCE IS EVOLVING,
10 IT'S MATURING. WE WERE THEN AT A STAGE THAT WE
11 ACTUALLY COULD START INVESTING IN EARLY TRANSLATION
12 AND THE DEVELOPMENT OF CANDIDATES THAT COULD GO INTO
13 CLINICAL TRIALS. AND THEN IN 2010, WE COULD GO
14 BEYOND THAT TO ACTUALLY INVEST IN THESE
15 MULTIDISCIPLINARY DISEASE TEAMS THAT COULD ACTUALLY
16 TAKE THIS RESEARCH AND BRING IT INTO PATIENTS. AND
17 THAT'S THE ORANGE BAR THAT YOU SEE AT THE TOP.

18 SO THAT REPRESENTS THE MAJORITY OF WHERE
19 THE MONEY HAS GONE OF THE 1.7. THE CATEGORIES THAT
20 I HAVEN'T REPRESENTED THUS FAR, BUT THAT ARE IN YOUR
21 BROCHURE, YOUR PREREAD, IS THE PHYSICAL FACILITIES,
22 THE FACULTY AWARDS, THE OTHER TYPES OF FUNDING
23 INVESTMENTS THAT WERE TO HELP MOVE THE FIELD
24 FORWARD.

25 I'D ALSO LIKE TO ADD, IN ADDITION TO THE

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1 ADVANCES THAT YOU'RE GOING TO HEAR FROM DR. OLSON,
2 ON THE BASIC BIOLOGY, THE TOOLS AND TECHNOLOGIES,
3 THE EARLY TRANSLATION, THE TRAINING PROGRAMS, I CAN
4 SAY, AND YOU WILL HEAR THIS LATER, THIS YEAR WE ARE
5 ADVANCING CLINICAL TRIALS TO PATIENTS IN 2013. SO
6 OVERALL, I JUST WANT TO PUT THAT AS THE CONTEXT IS
7 THAT WE HAVE A LOT THAT WE'VE DONE IN THESE PAST
8 SEVERAL YEARS DUE TO THE TREMENDOUS AMOUNT OF
9 COMMITMENT, DEDICATION, AND HARD WORK OF A LARGE
10 VARIETY OF PEOPLE BOTH WITHIN THIS ROOM AND MANY
11 MORE OUTSIDE THIS ROOM.

12 AND SO WHAT I'M GOING TO DO NOW IS TURN IT
13 OVER TO DR. OLSON, WHO'S GOING TO TAKE YOU MAYBE
14 OVER THE NEXT 30 MINUTES THROUGH SOME OF THOSE
15 ADVANCES. THANK YOU.

16 DR. OLSON: GOOD MORNING AND THANK YOU.
17 FIRST, I'D LIKE TO START OFF WITH THE TRAINING
18 PROGRAM. CIRM AND THE BOARD RECOGNIZED VERY EARLY
19 THAT IN ORDER TO HAVE A LEADERSHIP POSITION IN STEM
20 CELL RESEARCH, IN ORDER TO GROW THE FIELD, THAT IT
21 REQUIRED A CRITICAL MASS OF STEM CELL SCIENTISTS AND
22 TECHNICAL STAFF THAT ARE CRUCIAL TO PROVIDING THE
23 INTELLECTUAL INFRASTRUCTURE AND FUTURE LEADERSHIP
24 AND WORKFORCE FOR A VIBRANT AND GROWING STEM CELL
25 RESEARCH ENTERPRISE. YOU CAN'T DO THE RESEARCH

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1 WITHOUT THE PEOPLE.

2 AND SO ACTUALLY OUR VERY FIRST AWARD WAS
3 THE TRAINING AWARD IN 2005. AND YOU CAN SEE IN THIS
4 SLIDE THE FUNDING THAT WE'VE DONE SINCE. WE'VE
5 ESSENTIALLY FUNDED 18 INSTITUTIONS TO A TOTAL OF
6 \$181 MILLION OR \$182 MILLION FOR BOTH A TRAINING
7 PROGRAM AND A BRIDGES PROGRAM.

8 AND LET ME JUST MAKE THE POINTS THAT CIRM
9 IS ARGUABLY THE LEADER AT THIS POINT IN POPULATING
10 THE FIELD WITH YOUNG SCIENTISTS WITH STEM CELL
11 KNOW-HOW. IF YOU THINK ABOUT IT, WE HAVE
12 ACTUALLY -- THE TRAINING PROGRAM WHICH TRAINS
13 PREDOCTORAL, POSTDOCTORAL, AND CLINICAL FELLOWS HAS
14 TRAINED 635 SO-CALLED CIRM SCHOLARS, THAT'S WHAT WE
15 CALL THOSE TRAINEES, AT 18 DIFFERENT INSTITUTIONS
16 AND IN 300 DIFFERENT LABS. NOT ONLY DO THEY CONDUCT
17 MENTORED LABORATORY RESEARCH IN STEM CELL RESEARCH,
18 BUT THEY ALSO TAKE COURSEWORK, WHICH IS AN IMPORTANT
19 PART OF THEIR TRAINING PROGRAM.

20 IN STEM CELL BIOLOGY, IT'S APPLICATION TO
21 HEALTH AND DISEASE. SO IT'S NOT JUST -- MANY OF OUR
22 TRAINEES CONDUCT PRETTY BASIC RESEARCH. THIS IS THE
23 ONE PLACE WHERE MODEL SYSTEM RESEARCH IS EASILY
24 CONDUCTED. AND JUST LEARNING HOW THE RESEARCH CAN
25 BE IMPORTANT FOR HOW HEALTH AND DISEASE. ALSO,

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1 ANOTHER COURSE THAT WAS REQUIRED AS PART OF THE
2 PROGRAM WAS A COURSE IN THE ETHICAL, LEGAL, AND
3 SOCIAL ASPECTS OF STEM CELL RESEARCH. THIS REMINDS
4 US ALL THAT SCIENCE IS NOT CONDUCTED IN A VACUUM AND
5 THAT IT'S CONDUCTED WITH PEOPLE AND FOR PEOPLE. SO
6 THAT'S BEEN AN IMPORTANT PART OF IT.

7 THE BRIDGES PROGRAM TO DATE IS A NEWER
8 PROGRAM. IT'S TRAINED 482 CIRM INTERNS. AND THE
9 FOCUS OF THIS PROGRAM IS STUDENTS WHO ARE CANDIDATES
10 FOR UNDERGRADUATE AND FOR MASTER'S DEGREES,
11 ESPECIALLY THOSE AT THE CALIFORNIA STATE
12 UNIVERSITIES AND THE COMMUNITY COLLEGES. A PART OF
13 THIS PROGRAM INCLUDES TAKING A SHARED TECHNIQUES LAB
14 COURSE TO INTRODUCE STUDENTS TO THOSE TECHNIQUES
15 THAT MAY BE PARTICULARLY APPLICABLE TO STEM CELL
16 RESEARCH. AND, AGAIN, THEY HAVE MENTORED
17 INTERNSHIPS IN STEM CELL RESEARCH AND LABORATORIES
18 IN RESEARCH INTENSIVE UNIVERSITIES AND IN BIOTECH
19 COMPANIES.

20 IF YOU LOOK AT THE NEXT SLIDE, MANY OF OUR
21 CIRM SCHOLARS HAVE MOVED ON TO ADDITIONAL
22 POSTDOCTORAL TRAINING AND TO FACULTY AND INDUSTRY
23 POSITIONS. WHO ARE THESE PEOPLE? ONE OF THEM IS
24 LOUISE LAURENT. SHE WAS A CLINICAL FELLOW, A CIRM
25 SCHOLAR, A CLINICAL FELLOW IN THE UCSD TRAINING

BARRISTERS' REPORTING SERVICE

1 PROGRAM. SHE TRAINED AS A CLINICAL FELLOW WITH JEAN
2 LORING AT THE SCRIPPS INSTITUTE FOR A YEAR IN
3 2006-7. HER CURRENT POSITION IS ACTUALLY AS AN
4 ASSISTANT PROFESSOR IN THE DEPARTMENT OF
5 REPRODUCTIVE MEDICINE AT UCSD.

6 AND ONE OF THE THINGS SHE HAS DONE IS
7 PUBLISHED A KEY PAPER ON DETERMINING THE ETHNIC
8 ORIGIN OF STEM CELL LINES AND THE PROFILE OF
9 COMMONLY USED LINES.

10 I WOULD POINT OUT THIS IS ONE OF THE
11 PHYSICIAN SCIENTISTS, ONE OF THE PEOPLE THAT WE KEEP
12 HOPING WE CAN TRAIN AND GET INVOLVED IN STEM CELL
13 RESEARCH BECAUSE IT'S THESE PEOPLE WHO BRING A
14 PERSPECTIVE, A CLINICAL PERSPECTIVE, TO THEIR
15 SCIENTIFIC RESEARCH. SO SHE'S ONE OF THOSE.

16 ANOTHER TRAINEE HAS BEEN MATHEW
17 BLURTON-JONES. HE'S FROM THE UCI TRAINING PROGRAM.
18 HE TRAINED UNDER DR. FRANK LAFERLA AT UCI. HE
19 CURRENTLY HAS A POSITION AS AN ASSISTANT PROFESSOR
20 AT THAT INSTITUTION. AND HE PUBLISHED AS A TRAINEE,
21 HE WAS A CONTRIBUTING AUTHOR ON A KEY PAPER SHOWING
22 THAT NEURAL STEM CELLS CAN IMPROVE COGNITION IN A
23 TRANSGENIC MOUSE MODEL OF ALZHEIMER'S DISEASE. THIS
24 IS ACTUALLY A FREQUENTLY CITED PAPER.

25 FINALLY, ANN ZOVEIN, SHE ACTUALLY IS A

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1 MEMBER OF THE UCLA TRAINING PROGRAM. SHE'S AN M.D.,
2 AGAIN, TRAINED AS A CLINICAL FELLOW WITH DR. LUISA
3 IRUELA-ARISPE. I APOLOGIZE FOR WHAT I'M SURE IS A
4 MISPRONUNCIATION OF THAT NAME. SHE HAS ACTUALLY
5 MOVED TO UCSF AND IS AN ASSISTANT PROFESSOR OF
6 PEDIATRICS AND IN THE CARDIOVASCULAR RESEARCH
7 INSTITUTE THERE. HER FOCUS ACTUALLY IS ON STEM
8 CELLS IN DEVELOPMENT IN THE CARDIOVASCULAR SYSTEM IN
9 PARTICULAR. SHE HAS BEEN AWARDED THE BURROUGHS
10 WELLCOME CAREER AWARD.

11 SO THESE ARE JUST THREE SNAPSHOTS. WHAT
12 ABOUT THE BRIDGES PROGRAM? IN A SURVEY THAT WE
13 CONDUCTED IN 2011, TO WHICH THERE WERE RESPONSES
14 REGARDING 163 BRIDGES INTERNS, AT THAT TIME 52
15 PERCENT OF THEM ALREADY HAD JOBS AND 26 PERCENT WERE
16 EITHER ENROLLED OR ACCEPTED INTO GRADUATE OR
17 POSTDOCTORAL OR GRADUATE OR PROFESSIONAL DEGREE
18 PROGRAMS.

19 WE RECENTLY, ACTUALLY AT THE END OF 2012,
20 HAVE CONDUCTED A SIMILAR SURVEY. THE RESULTS ARE
21 NOT IN YET, BUT AT LEAST THEY'RE LOOKING VERY
22 COMPARABLE. AND ACTUALLY THESE RESULTS BEAR OUT
23 SOME OF THE THINGS WE HEAR AT BRIDGES MEETINGS FROM
24 PEOPLE SAYING THAT THESE ARE GREAT STUDENTS AND THEY
25 HIRE THEM.

BARRISTERS' REPORTING SERVICE

1 SO ONE EXAMPLE IS MS. LAUGHING BEAR TORREZ
2 WHO WAS AT THE CALIFORNIA STATE UNIVERSITY IN SAN
3 BERNARDINO, PART OF THAT BRIDGES PROGRAM. SHE DID
4 AN INTERNSHIP AT UC RIVERSIDE. SHE GOT A MASTER'S
5 DEGREE AND A BUNCH OF HONORS TO GO WITH IT AND IS
6 CURRENTLY AN EXAMPLE OF A PERSON WHO HAS MOVED ON TO
7 GRADUATE WORK. SHE'S AT STANFORD UNIVERSITY.

8 ANOTHER EXAMPLE IS MR. ANDREW SINGH. HE
9 WAS WITH THE SAN JOSE STATE BRIDGES PROGRAM, DID AN
10 INTERNSHIP AT STANFORD WITH JULIAN SAGE, WHO'S
11 ACTUALLY ONE OF OUR GRANTEES. HE COMPLETED A
12 MASTER'S OF BIOTECHNOLOGY. HE'S MOVED TO INDUSTRY.
13 HE'S ACTUALLY A RESEARCH ASSOCIATE AT IPERIAN WHERE
14 HE WORKS WITH IPSC'S IN MODELING ALZHEIMER'S AND
15 OTHER DISEASES. SO AN EXAMPLE OF SOMEONE WHO GOT A
16 JOB IN INDUSTRY.

17 AND THEN FINALLY, MRS. KANOMI
18 SASAKI-CAPELA WHO WAS A POMONA BRIDGES PROGRAM
19 STUDENT, SCU POMONA. SHE WORKED WITH DR. VICTORIA
20 FOX ON RESEARCH ON THE STANDARDIZATION OF HUMAN
21 PLURIPOTENT STEM CELL CULTURES. SHE'S COMPLETED HER
22 BACHELOR'S DEGREE AND ACTUALLY HAS BEEN HIRED BY
23 THAT SAME INSTITUTION TO WORK IN THE CORE LABORATORY
24 AT USC.

25 SO JUST A COUPLE OF EXAMPLES OF PEOPLE WHO

BARRISTERS' REPORTING SERVICE

1 HAVE GONE ON TO JOBS, WHO HAVE GONE ON TO GRADUATE
2 PROGRAMS, WHO HAVE GONE ON TO JOBS IN INDUSTRY, OR
3 HAVE GONE ON TO JOBS IN ACADEMIA.

4 I'D LIKE TO MOVE ON NOW TO THE BASIC
5 RESEARCH PROGRAM. THE OVERALL OBJECTIVE OF OUR
6 BASIC RESEARCH PROGRAM IS TO PROVIDE THE ESSENTIAL
7 SCIENTIFIC FOUNDATION FOR TRANSLATION AND FOR
8 CLINICAL ADVANCES. AND WE DO THIS BY SUPPORTING
9 RESEARCH THAT PROVIDES AN UNDERSTANDING OF
10 FUNDAMENTAL CELLULAR AND MOLECULAR PROCESSES
11 UNDERLYING STEM CELL BEHAVIOR AND BY FUNDING
12 RESEARCH THAT CAN OFFER US NEW INSIGHTS INTO DISEASE
13 MECHANISMS AND THEREBY PERHAPS INSPIRE NEW
14 THERAPEUTIC STRATEGIES.

15 I SUMMARIZE HERE THE PROGRAMS THAT I'M
16 GOING TO TALK ABOUT. THE SEED AND COMPREHENSIVE
17 PROGRAMS WERE ACTUALLY TWO OF OUR EARLIEST RESEARCH
18 PROGRAMS. AND I THINK YOU'RE WELL AWARE. I THINK
19 THE OUTGROWTH OF THEM HAS BEEN THE BASIC BIOLOGY
20 RESEARCH PROGRAMS, FOUR OF WHICH HAVE BEEN ACTUALLY
21 FUNDED BY THIS BOARD TO DATE, CONCEPT APPROVAL FOR A
22 FIFTH ONE. THIS IS SOMETHING THAT WE TRY AND OFFER
23 ROUTINELY BECAUSE WE BELIEVE THAT BUILDING -- THAT
24 CONTINUING RESEARCH INTO THESE KEY ASPECTS,
25 UNDERLYING MECHANISMS, HOW THINGS WORK, IS CRITICAL

BARRISTERS' REPORTING SERVICE

1 FOR ALL SUBSEQUENT RESEARCH, INCLUDING TRANSLATIONAL
2 RESEARCH.

3 THIS IS JUST TO GIVE YOU A SENSE OF HOW --
4 I GUESS IT SHOWS UP THERE -- WHERE IN THE SPECTRUM
5 THESE PROGRAMS FALL. BOTH THE SEED AWARDS AND THE
6 COMPREHENSIVE AWARDS WERE PREDOMINANTLY FOCUSED ON
7 WHAT I'LL CALL BASIC RESEARCH, AND THE BASIC BIOLOGY
8 IS DEFINITELY FOCUSED ON THAT.

9 I WANT TO TALK A LITTLE BIT ABOUT A KEY
10 ASPECT OF OUR BASIC RESEARCH PROGRAMS, PARTICULARLY
11 THE PROGRAMS THAT COMPRISE THIS BASIC RESEARCH
12 PROGRAM. WE SUPPORT BASIC RESEARCH ON HUMAN STEM
13 AND PROGENITOR CELLS. WHY IS THAT IMPORTANT TO US?
14 FIRST, A LOT OF PEOPLE -- THE NIH SPENDS MILLIONS OF
15 DOLLARS EVERY YEAR ON THE SUPPORT OF STEM CELL
16 RESEARCH AND MODEL SYSTEMS. CIRM, BECAUSE OF ITS
17 MISSION, HAS CHOSEN TO MORE NARROWLY FOCUS ITS BASIC
18 RESEARCH PROGRAMS. AND THE REASON FOR THIS IS WE
19 BELIEVE THAT STUDIES ON HUMAN SYSTEMS ARE MORE
20 DIRECTLY RELEVANT TO OUR MISSION OF STEM
21 CELL-DERIVED THERAPY DEVELOPMENT. WE KNOW THAT
22 HUMAN CELLS ARE MORE DIFFICULT TO WORK WITH, THEY
23 GROW SLOWER, THEY'RE MORE TECHNICALLY CHALLENGING,
24 AND SO THEY'RE LESS LIKELY TO BE PURSUED, AND IN
25 SOME SENSES MORE LESS LIKELY TO BE FUNDED.

BARRISTERS' REPORTING SERVICE

1 ONE OF OUR INITIAL GOALS OR ONE OF THE
2 BOARD'S INITIAL GOALS, ONE OF THE INITIAL THINGS WE
3 WANTED TO DO WHEN THE INSTITUTE WAS FOUNDED, WAS TO
4 ATTRACT RESEARCH NEW TO HUMAN STEM CELL RESEARCH
5 INTO THE FIELD. WE DID THIS THROUGH THE SEED
6 PROGRAM AND THROUGH THE COMPREHENSIVE PROGRAM. THE
7 SEED PROGRAM IS ACTUALLY CLOSED. ACTUALLY THAT'S A
8 POINT I HAVE TO KEEP MAKING IS THAT A LOT OF THE
9 RESEARCH I'M GOING TO TELL YOU ABOUT, THE RFA'S
10 ACTUALLY ARE NOT CLOSED. RESEARCH IS STILL ONGOING.
11 THE SEED IS ACTUALLY A CLOSED PROGRAM.

12 AND AS I SAY, THE GOAL OF THIS WAS TO
13 ATTRACT INVESTIGATORS NEW TO EMBRYONIC STEM CELL
14 RESEARCH INTO THE FIELD TO CONDUCT RESEARCH ON THE
15 BIOLOGY, DERIVATION, AND APPLICATION OF HUMAN
16 EMBRYONIC STEM CELLS AND THEIR DERIVATIVES.

17 WERE WE SUCCESSFUL IN DOING THAT? WELL,
18 AT LEAST BY LOOKING AT THE CIRM PORTFOLIO, WE CAN
19 SAY 42 PERCENT OF THESE PEOPLE WHO MAYBE HAD NEVER
20 WORKED ON A STEM CELL IN THEIR LIFE, 42 PERCENT OF
21 THOSE INVESTIGATORS ACTUALLY HAVE GONE ON AND
22 SUCCESSFULLY COMPETED FOR 38 OTHER CIRM RESEARCH
23 GRANTS. THESE INCLUDE GRANTS NOT JUST IN BASIC
24 BIOLOGY, BUT NEW FACULTY AWARDS AND IN TRANSLATION.
25 I THINK GIVEN THAT, THAT PROBABLY ARGUES THAT WE DID

BARRISTERS' REPORTING SERVICE

1 A PRETTY GOOD JOB OF ATTRACTING SOME OF THOSE PEOPLE
2 INTO THE FIELD.

3 IN TOTAL, THE CIRM RESEARCH PROGRAM, THE
4 CIRM BASIC PROGRAM OUTLINED HERE SUPPORTS 164
5 PRINCIPAL INVESTIGATORS WHO ARE CONDUCTING RESEARCH
6 ON HUMAN STEM CELL BIOLOGY. SO WE THINK THAT'S A
7 GOOD THING.

8 WHO ARE THESE PEOPLE? WELL, ONE OF THEM
9 IS ROBERT BLELLOCH. AGAIN, HE IS A PHYSICIAN
10 SCIENTIST, AN M.D. PH.D. HE RECEIVED A SEED GRANT.
11 HE DISCOVERED THAT MICRO-RNA'S, TWO DISTINCT
12 MICRO-RNA'S, PLAY KEY REGULATORY ROLES IN CERTAIN
13 SELF-RENEWAL GENES. NOW WHY IS THIS IMPORTANT?
14 THIS IS IMPORTANT BECAUSE ONE OF THE THINGS YOU HAVE
15 TO BE CONCERNED ABOUT IF YOU ARE GOING TO DO
16 CLINICAL DEVELOPMENT OF A PLURIPOTENT DERIVED
17 THERAPY IS EXPANDING THOSE CELLS, STABLY EXPANDING
18 THOSE CELLS SUFFICIENTLY SO THAT THEY CAN GO INTO A
19 DIFFERENTIATION PATHWAY OR THEY CAN BE AVAILABLE TO
20 DO WHAT YOU WANT. AND SO THIS IS JUST A MECHANISM
21 THAT MAY PROVIDE SOME INSIGHT INTO HOW BETTER TO DO
22 THAT.

23 DR. BLELLOCH, IN ADDITION TO RECEIVING A
24 SEED AWARD, IS THE RECIPIENT OF A NEW FACULTY
25 PHYSICIAN SCIENTIST RESEARCH AWARD AND ALSO WAS

BARRISTERS' REPORTING SERVICE

1 ACTUALLY NAMED BY THE ISSCR, I BELIEVE THREE YEARS
2 AGO, AS THE ISSCR YOUNG INVESTIGATOR OF THE YEAR.
3 SO HE'S DONE SOME REALLY IMPORTANT WORK IN THE
4 FIELD. HE CONTINUES TO WORK IN THE FIELD.

5 I'M GOING TO TALK NOW ABOUT THE OTHER
6 PROGRAM THAT'S NEAR TO CLOSING OUT IS OUR
7 COMPREHENSIVE RESEARCH PROGRAM. AND THE GOAL OF
8 THIS PROGRAM WAS TO SUPPORT STUDIES IN PLURIPOTENT
9 STEM CELL RESEARCH BY SCIENTISTS WHO HAD A RECORD OF
10 ACCOMPLISHMENT IN THE FIELD, IN THE STEM CELL
11 RESEARCH. SO THESE WERE NOT SCIENTISTS NEW TO THE
12 FIELD, BUT THESE WERE SCIENTISTS WHO PERHAPS WERE
13 NEW TO PLURIPOTENT STEM CELL RESEARCH, PARTICULARLY
14 ESC RESEARCH. AND THE IDEA WAS TO EXPAND THEIR
15 PROGRAMS OR TO TAKE THEM INTO PROMISING NEW
16 DIRECTIONS.

17 AND I THINK LARRY GOLDSTEIN PROBABLY NEEDS
18 NO INTRODUCTION TO THIS AUDIENCE, BUT DR. GOLDSTEIN
19 REALLY HAS MADE SOME SIGNIFICANT ADVANCES. HE
20 GENERATED IPSC FROM ALZHEIMER'S DISEASE PATIENTS.
21 HE DIFFERENTIATED THEM INTO NEURONS, AND HE WAS
22 ABLE, HE WAS THE FIRST TO IDENTIFY THAT NEURONS FROM
23 AD PATIENTS ACTUALLY DISPLAYED AN ABERRANT PHENOTYPE
24 OR ABERRANT PROPERTIES THAT ONE COULD CONSIDER
25 CONSISTENT WITH WHAT WE KNOW ABOUT THE BIOLOGY OF

BARRISTERS' REPORTING SERVICE

1 ALZHEIMER'S DISEASE.

2 OBVIOUSLY THE POTENTIAL IMPACT OF THIS IS
3 THAT THIS PROVIDES A WAY -- PROVIDES ASSAY SYSTEMS
4 ESSENTIALLY FOR DISCOVERING DISEASE MECHANISM AND
5 ALSO ACTUALLY FOR ASKING THE QUESTION ARE THERE
6 MOLECULES, ARE THERE COMPOUNDS THAT REVERSE THESE
7 PROPERTIES, COULD NORMALIZE THESE PROPERTIES, WHICH
8 MAY PROVIDE AT LEAST COMPOUNDS TO BE FURTHER TESTED
9 FOR A POTENTIAL TREATMENT OR CURE FOR ALZHEIMER'S
10 DISEASE.

11 ANOTHER COMPREHENSIVE RESEARCHER IS DR.
12 DEEPAK SRIVASTAVA. IF YOU WANT TO TALK ABOUT A
13 PROMISING NEW DIRECTION, HE WAS ONE OF THE FIRST TO
14 REPORT THAT COMMITTED FIBROBLASTS, SO WE'RE TALKING
15 ABOUT FIBROBLASTS IN THE HEART, WHICH ARE SORT OF
16 THE CONNECTOR CELLS, THESE ARE NOT THE CELLS THAT
17 BEAT, THESE ARE THE CELLS THAT ARE, IF YOU WANT TO
18 CALL THEM, THE CONNECTIVE TISSUE, CAN BE DIRECTLY
19 REPROGRAMMED. THEY CAN BE TURNED INTO FUNCTIONAL
20 CARDIOMYOCYTES WITHOUT GOING THROUGH A PLURIPOTENT
21 OR PROGENITOR STATE. AGAIN, THIS MAY PROVIDE A
22 NOVEL STRATEGY FOR GENERATING NEW HEART CELLS FOR
23 THERAPEUTIC USE.

24 SO THESE ARE JUST A COUPLE OF EXAMPLES OF
25 PEOPLE WHO THE BOARD HAS FUNDED WHO ARE DOING SOME

BARRISTERS' REPORTING SERVICE

1 OF THE LEADING WORK IN THE FIELD.

2 WHAT I'D LIKE TO DO NOW IS TALK A LITTLE
3 BIT ABOUT THE TOOLS AND TECHNOLOGIES PROGRAM. IN
4 ORDER TO HAVE RAPID PROGRESS IN A FIELD, YOU REALLY
5 DO NEED IN MANY CASES CERTAIN TOOLS AND TECHNOLOGIES
6 TO MAKE THAT HAPPEN. I CAN REMEMBER ONE OF THE
7 FIRST THINGS, I THINK IT WAS SHORTLY AFTER CIRM WAS,
8 MAYBE IT WAS BEFORE CIRM WAS FORMED, NO, IT WAS
9 SHORTLY AFTER CIRM WAS FORMED, DR. ZACH HALL HELD A
10 SYMPOSIUM. AND HE BROUGHT TOGETHER A LOT OF THE
11 PROMINENT STEM CELL RESEARCHERS, AND THERE WERE
12 TALKS, BUT THERE WAS BREAKOUT SESSIONS. AND EACH OF
13 THE BREAKOUT SESSIONS WAS ASKED TO DELIVER ON WHAT
14 ARE SOME OF THE KEY QUESTIONS THAT NEED ANSWERED.
15 AND A LOT OF IT WAS THE MOLECULAR TOOLS TO DO THE
16 JOB, THE BIOMARKERS THAT DEFINE SPECIFIC CELL TYPES.

17 SO IN RESPONSE TO THAT AND TO COMMENTS
18 THAT WE'VE HEARD ALL ALONG, I THINK, WE IMPLEMENTED
19 THE TOOLS AND TECHNOLOGIES PROGRAM. THE OBJECTIVE
20 OF THAT PROGRAM IS TO SUPPORT THE EARLY STAGE
21 DEVELOPMENT AND EVALUATION OF INNOVATIVE TOOLS AND
22 TECHNOLOGIES TO OVERCOME EXISTING ROADBLOCKS IN
23 BASIC AND IN TRANSLATIONAL RESEARCH. SO THE FIRST
24 TOOLS AND TECHNOLOGIES AWARD LOOKED AT TOOLS FOR
25 BOTH BASIC AND TRANSLATIONAL RESEARCH. THE SECOND

BARRISTERS' REPORTING SERVICE

1 WAS FOCUSED ON TRANSLATIONAL TOOLS AND TECHNOLOGIES.
2 THE FIRST AWARD HAS CLOSED. THE SECOND IS STILL
3 ACTIVE.

4 I WOULD SAY THAT -- I JUST -- THERE
5 ARE -- THIS PARTICULAR INITIATIVE HAS BEEN
6 PARTICULARLY POPULAR WITH COMPANIES, AND THEY HAVE
7 BEEN PARTICULARLY SUCCESSFUL IN THIS. SO SEVEN
8 COMPANIES HAVE RECEIVED A TOTAL OF NINE OF THE TOOLS
9 AND TECHNOLOGIES AWARDS.

10 WE WERE INTERESTED IN -- WHEN WE PUT OUT
11 THE RFA'S, WE'VE BEEN INTERESTED IN SPECIFIC TOOLS
12 AND TECHNOLOGIES IN THESE AREAS. AND THIS JUST
13 GIVES YOU A BREAKDOWN OF THE TWO PROGRAMS. WHEN WE
14 TALK ABOUT MARKERS AND ASSAYS, WE'RE TALKING ABOUT
15 BIOMARKERS AND ASSAYS THAT UTILIZE THEM. CELL LINE
16 DEVELOPMENT INCLUDES THE DEVELOPMENT OF REPORTER
17 LINES, INCLUDES THE DIFFERENTIATION PROTOCOLS. WE
18 TALK ABOUT BIOPROCESS. WE'RE TALKING ABOUT METHODS
19 FOR SCALE-UP, CRYO PRESERVATION, SCREENING,
20 TECHNOLOGIES THAT OFFER HIGH THROUGHPUT WAYS OF
21 DOING THINGS. TISSUE ENGINEERING. ARE THERE
22 SCAFFOLD TECHNOLOGIES THAT COULD IMPROVE
23 DIFFERENTIATION OR IMPROVE THE DELIVERY? SPECIFIC
24 CELL DELIVERY DEVICES, DISEASE MODELING SYSTEMS, AND
25 FINALLY IMAGING. IMAGING IS SO CRITICAL BOTH IN THE

BARRISTERS' REPORTING SERVICE

1 CLINIC AND PRECLINICALLY. SO THESE ARE THE AREAS IN
2 WHICH WE'VE ASKED APPLICANTS TO FOCUS THEIR WORK.

3 I WANT TO TALK ABOUT A COUPLE OF EXAMPLES
4 AGAIN FROM THIS PROGRAM. THIS ONE IS FROM TOOLS AND
5 TECHNOLOGIES I. IT WAS TO VALA SCIENCES. THE PI
6 WAS DR. MCDONOUGH. WHAT CIRM DID WAS CONTRIBUTE TO
7 THE DEVELOPMENT OF TECHNOLOGY AND AN ASSOCIATED
8 INSTRUMENT CALLED A KINETIC IMAGING CYTOMETER THAT
9 ENABLES HIGH THROUGHPUT MEASUREMENTS OF THE
10 ELECTRICAL BEHAVIOR OF HEART CELLS AND SPECIFIC
11 SUBTYPES OF HEART CELLS IN A HETEROGENEOUS
12 POPULATION OF CELLS. SO IT ACTUALLY CAN LOOK AT
13 SINGLE CELL MEASUREMENTS WITHIN A POPULATION.

14 AND AS A RESULT OF ACTUALLY THIS
15 TECHNOLOGY, VALA SCIENCES HAS GOTTEN A CONTRACT FROM
16 THE EPA AS ONE OF THE CONTRACT PROVIDERS TO THEIR
17 TOXCAST PROGRAM. AND WHAT TOXCAST IS, IT USES
18 ADVANCED SCIENCE TOOLS TO HELP UNDERSTAND HOW THE
19 HUMAN BODY PROCESSES ARE IMPACTED BY EXPOSURE TO
20 CHEMICALS. AND IT HELPS TO DETERMINE WHICH
21 EXPOSURES ARE LIKELY TO LEAD TO ADVERSE HEALTH
22 EFFECTS. IN THE CONTEXT OF VALA'S TECHNOLOGY, WHAT
23 THEY'RE LOOKING FOR ARE ARRHYTHMIAS. THEY'RE
24 LOOKING FOR ABNORMAL CALCIUM SPIKES, ELECTRICAL
25 MEASUREMENTS.

BARRISTERS' REPORTING SERVICE

1 AND VALA IS ACTUALLY ONE OF FOUR
2 CONTRACTORS WHO WAS CHOSEN BY THE EPA FOR THIS
3 PROGRAM. AND SO THAT'S ACTUALLY PRETTY EXCITING.
4 THEY'VE ALSO FORMED A COLLABORATION WITH
5 VISTAGEN. VALA IS PROVIDING ESSENTIALLY THE
6 TECHNOLOGY PLATFORM OF THE SCREENING PLATFORM.
7 VISTAGEN IS PROVIDING THEIR HUMAN PLURIPOTENT STEM
8 CELL-DERIVED CARDIOMYOCYTES, AND THEY'RE OFFERING
9 THAT AS A SCREENING SERVICE FOR NEW DRUG CANDIDATES.
10 FIRST THEY'RE VALIDATING THE TECHNOLOGY, THAT IT
11 DOES A BETTER JOB THAN, SAY, ANIMAL MODELS OR OTHER
12 CELL LINES. THESE ARE SOME OF THE TOOLS AND
13 TECHNOLOGIES THAT IN SOME INSTANCES CAN BE USED TO
14 REPLACE ASSAYS, CELL LINE ASSAYS, THAT ARE NOT AS
15 PREDICTIVE OR ANIMAL MODELS OR DECIDE WHAT GOES INTO
16 ANIMAL MODELS SO THAT YOU DON'T NEED TO USE AS MANY
17 ANIMALS.

18 ANOTHER EXAMPLE THAT I WANT TO HIGHLIGHT
19 IS A TOOLS AND TECHNOLOGIES AWARD TO JEAN LORING AT
20 THE SCRIPPS RESEARCH INSTITUTE. AND THE GOAL HERE
21 WAS TO DEVELOP THE STEM CELL MATRIX DATABASE AND
22 ASSOCIATED BIOINFORMATICS TOOLS TO DEFINE COMMON
23 FEATURES OF ACTUALLY PLURIPOTENT AND DIFFERENTIATED
24 CELLS. AND THE IDEA HERE IS IF YOU CAN DEFINE A
25 GENE EXPRESSION OR AN EPIGENETIC SIGNATURE THAT IS

BARRISTERS' REPORTING SERVICE

1 COMMON TO ALL PLURIPOTENT CELLS, THIS IS A RAPID WAY
2 OF SCREENING WITH YOUR COMPUTER WITHOUT DOING A WET
3 LAB EXPERIMENT WHETHER OR NOT YOU ACTUALLY HAVE --
4 WELL, ACTUALLY YOU DO HAVE TO GO THE WET LAB
5 EXPERIMENT BECAUSE YOU HAVE TO HAVE THE GENE
6 EXPRESSION DATA, BUT IT ALLOWS YOU TO DETERMINE DO
7 YOU HAVE A PLURIPOTENT LINE. SO IT COULD
8 POTENTIALLY REPLACE A VERY CUMBERSOME IN VIVO
9 TERATOMA ASSAY OR AT LEAST COULD TELL YOU WHEN YOU
10 DRIVE IPS LINES, DO I HAVE A LINE THAT IS
11 PLURIPOTENT BECAUSE IT HAS A SIGNATURE THAT LOOKS
12 LIKE THAT OF MULTIPLE OTHER PLURIPOTENT LINES?

13 AT THIS POINT DR. LORING HAS UP TO 5,000
14 SAMPLES IN HER DATABASE. HER SIGNATURE HAS BEEN --
15 THE SIGNATURES ARE BEING REFINED. SO IT WAS
16 INITIALLY ROUGHLY, I THINK, A FEW HUNDRED LINES AND
17 IT'S FAR LARGER NOW. IT IS PUBLICLY AVAILABLE OVER
18 THE WEB. THERE ARE OVER 1500 DATA UPLOADS. YOU
19 HAVE TO UPLOAD YOUR GENE EXPRESSION DATA IN ORDER TO
20 DO THE COMPARATIVE ANALYSIS TO SAY, YES, I HAVE A
21 CELL THAT LOOKS LIKE A PLURIPOTENT CELL OR NOT.

22 SO WHY IS THIS IMPORTANT? AS I SAY, IT
23 COULD PROVIDE A RESEARCH TOOL FOR ASCERTAINING
24 PLURIPOTENCY, FOR DO I HAVE A DIFFERENTIATED CELL
25 TYPE. SO SHE'S EXPANDING THIS TO DIFFERENTIATE.

BARRISTERS' REPORTING SERVICE

1 JUST TO GIVE YOU AN EXAMPLE THAT MAY BE DIRECTLY
2 RELEVANT TO US, OUR IPSC PROGRAM, WE'RE ASKING
3 PEOPLE TO DERIVE -- TAKE 3,000 PATIENTS AND DERIVE
4 9,000 LINES FROM THOSE. AND HOW ARE YOU GOING TO
5 CHARACTERIZE THOSE LINES TO KNOW THAT THEY'RE
6 PLURIPOTENT? YOU'RE NOT GOING TO BE ABLE TO DO
7 TERATOMA IN VIVO ASSAYS ON ALL OF THEM. SO TOOLS
8 LIKE THIS, TOOLS THAT RELY ON SORT OF SURROGATES FOR
9 PLURIPOTENCY, ARE GOING TO BECOME INCREASINGLY
10 IMPORTANT.

11 THERE ARE TWO OTHERS I WANT TO MENTION.
12 DR. LARRY COUTOURE AT THE BECKMAN RESEARCH INSTITUTE
13 OF THE CITY OF HOPE HAS DONE WORK IN THE BIOPROCESS
14 PRIORITY AREA. HE HAS DEVELOPED AN EFFICIENT AND
15 CGMP COMPLIANT SUSPENSION-BASED CULTURE SYSTEM FOR
16 HUMAN EMBRYONIC STEM CELLS, BASICALLY FOR
17 PLURIPOTENT STEM CELLS. HE'S ALSO GENERATED SOME
18 BANKS WHICH COULD BE MADE BROADLY AVAILABLE TO THE
19 RESEARCH COMMUNITY.

20 WHY IS THIS IMPORTANT? PLURIPOTENT STEM
21 CELLS ARE TYPICALLY GROWN AS ADHERENT CULTURES.
22 THAT MEANS THEY SIT ON A PLASTIC DISH. NOW, START
23 THINKING ABOUT HOW MANY PLASTIC BOTTLES YOU NEED TO
24 TREAT CERTAIN KINDS OF DISEASES. REALLY IT BECOMES
25 MIND-BOGGLING VERY, VERY QUICKLY. SUSPENSION

BARRISTERS' REPORTING SERVICE

1 CULTURE IS BASICALLY A PATH TO COMMERCIALIZATION.
2 CELLS DON'T JUST GO FROM GROWING ON PLASTIC. AS
3 MANY OF YOU PROBABLY KNOW, PLURIPOTENT CELLS ARE
4 TYPICALLY GROWN ON SO-CALLED FEEDER CELLS. NOT ONLY
5 DO THEY GROW ON PLASTIC, THEY HAVE TO GROW ON FEEDER
6 CELLS. SO IT'S ACTUALLY A VERY BIG DEAL TO DEVELOP
7 A TECHNOLOGY THAT ALLOWS YOU TO ADAPT A PLURIPOTENT
8 STEM CELL LINE TO NOT REQUIRING FEEDER CELLS TO
9 GROWING ON DEFINED MEDIA, YOU KNOW WHAT'S IN IT, AND
10 IT'S NOT NECESSARILY ANIMAL DERIVED, AND TO GROW IN
11 SUSPENSION CULTURE. SO WE'RE EXCITED ABOUT THAT.

12 AND FINALLY, FOR THE TOOLS AND
13 TECHNOLOGIES, I'D LIKE TO HIGHLIGHT DR. UNGER AT
14 FLUIDIGM WHO HAS DEVELOPED ONE OF THESE HIGH
15 THROUGHPUT SCREENING TOOLS. DR. UNGER HAS ACTUALLY
16 SUCCESSFULLY COMPETED FOR A SECOND TOOLS AND
17 TECHNOLOGIES AWARD TO CONTINUE TO DEVELOP THIS
18 TECHNOLOGY.

19 THEY HAVE OPTIMIZED AND SCALED UP A HIGHLY
20 ADVANCED MICROFLUIDIC CELL CULTURE SYSTEM WHICH IS
21 COMPATIBLE WITH MANUFACTURE. SO YOU CAN ACTUALLY --
22 IT'S NOT A CUSTOM-BASED THING. THEY PRODUCE THE
23 PROTOTYPE INSTRUMENTS TO DRIVE THESE CHIPS. CIRM
24 FUNDING ACTUALLY HAS BEEN A CATALYST THAT ENABLED
25 THIS TO BE A FOCUS WITHIN THE COMPANY. SO THE

BARRISTERS' REPORTING SERVICE

1 TECHNOLOGY IS BEING FURTHER DEVELOPED WITH A TOOLS
2 AND TECHNOLOGIES II AWARD. THE COMPANY IS ALSO
3 CO-FUNDING THAT. AND THE IDEA IS AT THE END OF THE
4 AWARD TO HAVE THREE COMPLEMENTARY INSTRUMENTS: A
5 CONTROLLER INSTRUMENT WHICH IS CAPABLE OF FULL
6 FLUIDIC AND ENVIRONMENTAL CONTROL ON ONE CHIP. SO
7 YOU CAN TEST A LOT OF DIFFERENT VARIABLES IN CULTURE
8 CONDITIONS. SO THAT'S WHAT FULL FLUIDIC AND
9 ENVIRONMENTAL CONTROL MEANS.

10 IT INCLUDES A HOTEL INSTRUMENT WHICH IS
11 CAPABLE OF LIMITED FLUIDIC AND ENVIRONMENTAL CONTROL
12 ON MULTIPLE TRIPS. THIS IS WHERE YOU PARK THEM TO
13 SEE IF THE CELLS GROW OR DIE AFTER YOU'VE TREATED
14 THEM WITH ALL THESE DIFFERENT CONDITIONS.

15 AND FINALLY, A READER WHICH IS CAPABLE OF
16 IMAGING THE CELLS IN THE CHIP IN PHASED CONTRAST AND
17 FLUORESCENT MODES. THIS IS READOUTS. WHAT CELLS
18 DIED UNDER WHAT CONDITIONS? SO THIS ALLOWS YOU TO
19 OPTIMIZE SURVIVAL CONDITIONS, PROLIFERATION
20 CONDITIONS, DIFFERENTIATION CONDITIONS. IT ALLOWS
21 YOU TO DO A LOT OF DIFFERENT THINGS.

22 OKAY. I'M NOW GOING TO MOVE TO THE EARLY
23 TRANSLATION PROGRAM AND REMIND YOU STEM CELL
24 RESEARCH IS MOVING PRETTY FAST. WE ARE ALREADY
25 SEEING THINGS. PEOPLE BELIEVE THAT THE FIELD HAS

BARRISTERS' REPORTING SERVICE

1 PROGRESSED SO THAT WE CAN START THINKING ABOUT HOW
2 MIGHT WE TREAT DISEASE. WE ALSO KNOW THAT MANY OF
3 ADULT STEM CELL TYPES ARE IN THE CLINIC. BUT AN
4 IMPORTANT -- WHAT THE EARLY TRANSLATION PROGRAM DOES
5 IS IT ADDRESSES THE RESEARCH NECESSARY TO EXPLORE
6 THE APPLICATION OF THE BASIC STEM CELL SCIENCE
7 TOWARDS POSSIBLE TREATMENT OF HUMAN DISEASE AND
8 INJURY. IT'S REALLY THE VEHICLE WE HAVE FOR TESTING
9 NEW HYPOTHESES AND APPROACHES FOR THE TREATMENT OF
10 DISEASE AND INJURY.

11 SO THE PURPOSE OF THE PROGRAM IS TO
12 ACTUALLY FUND THOSE ACTIVITIES THAT COULD FACILITATE
13 OR MOVE PROMISING STEM CELL RESEARCH TOWARDS
14 CLINICAL TESTING.

15 NONE OF THE ET PROGRAMS ARE CLOSED YET.
16 THE ET I PROGRAM IS EXPECTED TO CLOSE THIS YEAR,
17 HOPEFULLY PROBABLY MORE LIKE TOWARDS THE END OF THIS
18 YEAR. THE OTHERS YOU CAN SEE THE PROJECTED DATES.

19 AND THE ET PROGRAM HAS EVOLVED A LITTLE
20 BIT. THE FIRST PROGRAM LOOKED AT BOTTLENECKS. THE
21 SUBSEQUENT PROGRAMS HAVE DONE WHAT WE CALL
22 DEVELOPMENT CANDIDATE FEASIBILITY AWARDS AND
23 DEVELOPMENT CANDIDATE AWARDS. SO THE BREAKDOWN IS
24 THERE.

25 LET ME TELL YOU A LITTLE BIT ABOUT WHAT WE

BARRISTERS' REPORTING SERVICE

1 MEAN BY THOSE BOTTLENECKS AWARDS, TO RESOLVE A
2 SIGNIFICANT BOTTLENECK IN THE TRANSLATION OF STEM
3 CELL BIOLOGY. THERE WERE SEVEN OF THOSE AWARDS.
4 DEVELOPMENT CANDIDATE FEASIBILITY AWARDS ACTUALLY
5 ARE THIS HYPOTHESIS TESTING, AND REALLY THE END
6 POINT THERE IS A PROOF OF PRINCIPLE. DOES MY
7 HYPOTHESIS HOLD WATER? DOES IT MAKE SENSE? DOESN'T
8 NECESSARILY NEED TO BE AN IN VIVO MODEL. IT COULD
9 BE CELL TESTING. IF I BELIEVE THAT REMYELINATION BY
10 OLIGODENDROCYTES IS AN IMPORTANT HYPOTHESIS HERE, DO
11 MY CELLS DO THAT? DO I HAVE A COMPOUND THAT
12 SIMULATES THAT? THAT'S WHAT WE ASK OF THOSE AWARDS.
13 AND WE HAVE, I BELIEVE, 20 OF THOSE HAVE BEEN
14 AWARDED.

15 IN CONTRAST, THE DEVELOPMENT CANDIDATE
16 AWARDS ARE REALLY WE'RE ASKING YOU TO COMPLETE ALL
17 THE KEY ACTIVITIES. SO YOU HAVE PRESUMABLY, WHICH
18 IS WHY IT'S LIGHTER ON THE END FOR THE DC AWARDS,
19 YOU HAVE SOME AT LEAST IDEALLY PROOF OF CONCEPT THAT
20 YOUR HYPOTHESIS HAS SOME VALIDITY, BUT THEN IT'S
21 DOING ALL THE NECESSARY ACTIVITIES TO GET TO A POINT
22 WHERE YOU CAN -- TO ENABLE A ROBUST DECISION ON THE
23 POTENTIAL FOR THIS BENEFITING PEOPLE. MOVING INTO
24 DEVELOPMENT IS ACTUALLY A BIG DEAL. AS ELLEN
25 INDICATED IN HER INTRODUCTION, IND-ENABLING

BARRISTERS' REPORTING SERVICE

1 ACTIVITIES TO MOVE THINGS INTO PEOPLE ARE COMPLEX
2 AND VERY EXPENSIVE. AND SO ONE DOESN'T TAKE LIGHTLY
3 THE KINDS OF DECISIONS, THE COMPOUNDS THAT ACTUALLY
4 ONE CHOOSES TO MOVE INTO IND-ENABLING RESEARCH.
5 THIS IS ALWAYS A BIG DECISION IN ANY COMPANY. AND
6 SO WHAT WE ASK FOR OUT OF OUR DEVELOPMENT CANDIDATE
7 IS THEY COMPLETE THOSE ACTIVITIES THAT ENABLE MAKING
8 THAT DECISION.

9 THIS IS JUST TO SHOW YOU THAT AMONG THE
10 DCF'S, THE DEVELOPMENT CANDIDATE FEASIBILITY AWARDS,
11 AND THE DC AWARDS, THE SPECTRUM OF THE THERAPEUTIC
12 AREA SPECTRUM. AND ACTUALLY IT'S QUITE BROAD. AND
13 WHEN I SAY THERAPEUTIC AREA, YOU CAN PROBABLY -- I
14 CAN SEE IT HERE. NEURODEGENERATIVE DISORDERS, SO
15 THAT ENCOMPASSES ALZHEIMER'S DISEASE, PARKINSON'S.
16 SO WITHIN EVEN A GIVEN AREA, NEURODEGENERATIVE
17 DISEASE WHERE WE BELIEVE SOME OF THE LEARNINGS IN
18 ONE DISEASE COULD IMPACT THE OTHER. NONETHELESS YOU
19 HAVE SEVERAL DISEASES.

20 SO WE HAVE NINE THERAPEUTIC AREAS
21 REPRESENTED IN OUR DCF AWARDS, AND WE HAVE 15 IN OUR
22 DC AWARDS.

23 THIS IS SOMETHING THAT IS PROBABLY WORTH
24 THINKING ABOUT BECAUSE AT SOME POINT WHERE CAN WE
25 GET -- WE CANNOT MOVE ALL OF THE THINGS FORWARD TO

BARRISTERS' REPORTING SERVICE

1 THE CLINIC. ACTUALLY ALL OF THEM MAY NOT PAN OUT
2 EITHER SCIENTIFICALLY OR ACTIVITYWISE. THE OTHER
3 THING THAT WE ASK WHEN WE CHOOSE A DEVELOPMENT
4 CANDIDATE IS IS THERE AN OPPORTUNITY THERE? WHAT IS
5 THE NEED?

6 SO WE'LL SEE HOW THAT DEVELOPS, BUT THIS
7 IS THE DISTRIBUTION OF BOTH THE NUMBERS OF PROGRAMS
8 AND THE DOLLARS.

9 AS FAR AS OUTCOMES GO TO DATE, ACTUALLY OF
10 THOSE THAT HAVE ACTUALLY MOVED INTO DISEASE TEAMS,
11 TO DATE TWO ET DEVELOPMENT CANDIDATE AWARDS HAVE
12 ACTUALLY CONTRIBUTED TO DISEASE TEAM AWARDS THAT
13 HAVE BEEN FUNDED BY THIS BOARD. ONE OF THEM WAS AN
14 AWARD TO FRANK LAFERLA AND UCI WHO WAS LOOKING AT A
15 NEURAL STEM CELL BASED-THERAPY FOR ALZHEIMER'S
16 DISEASE. AND AS YOU KNOW, THE STEM CELL
17 INC. PROGRAM, HE CONTRIBUTED A LOT OF WORK TO THAT
18 PROGRAM THROUGH THAT AWARD. SO IT'S AN ALLOGENEIC
19 NSC-BASED PROGRAM.

20 AND THEN SECOND WAS THE KLASSEN AWARD, AN
21 EARLY TRANSLATIONAL II AWARD ACTUALLY, THAT MOVED AT
22 THE SPEED OF LIGHT AND WAS TO TREAT RETINITIS
23 PIGMENTOSA. AND, AGAIN, THIS IS ALLOGENEIC RETINAL
24 PROGENITOR CELLS.

25 I WOULD ALSO POINT OUT THAT IN THE -- YOU

BARRISTERS' REPORTING SERVICE

1 ARE GOING TO HEAR TOMORROW AS MOST OF THE ET I
2 AWARDS ARE JUST ENDING, IT IS POSSIBLE THAT THROUGH
3 THE ET I, ET ALLOWANCE PATHWAY THAT YOU'RE GOING TO
4 HEAR ABOUT TOMORROW AS AN OPTION FOR DISEASE TEAM
5 III PROGRAM, THAT MORE OF THE ET AWARDS WILL AT
6 LEAST APPLY TO MOVE INTO DISEASE TEAMS. SO THE
7 TIMING IS VERY GOOD IN THAT SENSE. AND JUST FROM
8 OUR KNOWLEDGE OF THE PROGRAMS, WE COULD EXPECT THAT
9 THERE WILL BE A FEW THAT WILL PURSUE THAT PATH.

10 MEANWHILE I WOULD LIKE TO GIVE YOU SOME
11 EXAMPLES FROM THIS PROGRAM. THESE ARE EXAMPLES FROM
12 THE BOTTLENECK PORTION OF THE PROGRAM. THIS IS DR.
13 LANGSTON WITH THE PARKINSON'S RESEARCH INSTITUTE.
14 AND THE GOAL OF HIS PROGRAM WAS TO DEVELOP A MODEL
15 FOR PARKINSON'S IN A DISH USING PATIENT-DERIVED
16 LINES TO STUDY DISEASE MECHANISMS. AND WHAT HE DID
17 WAS THEY HAVE ACTUALLY COLLECTED SAMPLES FROM A
18 NUMBER OF PARKINSON'S DISEASE PATIENTS AND FROM
19 CONTROLS WHO HAVE KNOWN CAUSATIVE MUTATIONS.

20 SO THIS IS THE LRRK2 MUTATION OR THE
21 SYNUCLEIN GENE MUTATION WHO ARE KNOWN TO SHOW
22 GREATER SUSCEPTIBILITY TO PARKINSON'S DISEASE. AND
23 WHAT HE HAS SHOWN IS IN COMPARISON TO CONTROL LINES,
24 THEY ARE GETTING READOUTS. ONE OF THE ONES THAT
25 THEY'VE PUBLISHED IS THAT THESE CELL LINES, LINES

BARRISTERS' REPORTING SERVICE

1 DERIVED FROM THESE PATIENTS ACTUALLY SHOW GREATER
2 SUSCEPTIBILITY TO CELLULAR TOXINS. THEY'RE LOOKING
3 AT A VARIETY OF OTHER READOUTS INCLUDING NEURITE
4 OUTGROWTHS. THEY, IN ESSENCE, HAVE CREATED A
5 PARKINSON IPS RESOURCE. AND THIS HAS ACTUALLY
6 RESULTED IN THEM ACHIEVING -- THEY HAVE A LOT OF
7 COLLABORATIONS NOW. THEY GOT SUPPLEMENTAL FUNDING
8 FROM ONE OF OUR COLLABORATIVE FUNDING PARTNERS,
9 BMBF, TO LOOK AT -- TO BETTER UNDERSTAND THE ALPHA
10 SYNUCLEIN ACCUMULATION IN THESE CELLS USING LIVE
11 CELL IMAGING. THEY ACTUALLY HAVE COLLABORATIONS
12 WITH SOME PHARMA COMPANIES, WITH A PHARMA COMPANY
13 NOW, TO SHOW PROOF OF PRINCIPLE THAT THESE CELL
14 LINES CAN BE SCREENED FOR REVERSAL OF PHENOTYPE WITH
15 SOME COMPOUNDS.

16 SO THEY ARE ACTUALLY -- THIS RESOURCE,
17 FUNDING OF CREATION OF THESE LINES,
18 CHARACTERIZATION, DEMONSTRATING OF DISEASE-SPECIFIC
19 PROPERTIES COMPARED TO NORMAL HAS BEEN VERY HELPFUL
20 IN ESSENTIALLY EXPANDING KNOWLEDGE ABOUT THIS AREA,
21 THE POTENTIAL FOR SCREENING FOR COMPOUNDS. AND
22 THEY'RE EXCITED.

23 FINALLY, I WOULD LIKE TO TALK ABOUT ONE
24 OTHER BIO BOTTLENECK PROGRAM THAT WAS FUNDED THROUGH
25 THE EARLY TRANSLATIONAL PROGRAM, AND THIS WAS A

BARRISTERS' REPORTING SERVICE

1 BOTTLENECK, AGAIN, MORE RELEVANT DISEASE MODELS. I
2 THINK YOU'VE ALL HEARD OF THE JACKSON LABORATORIES.
3 IT'S ONE OF THE MOST RESPECTED LABORATORIES IN THE
4 WORLD FOR BIOMEDICAL -- USING GENETICALLY DERIVED
5 MICE, MICE WITH ALL SORTS OF DIFFERENT GENE
6 MUTATIONS, AS A BIOMEDICAL RESEARCH TOOL. THEY DO
7 RESEARCH ON THIS. THEY ALSO MAKE SERVICES
8 AVAILABLE.

9 AND ONE OF THE THINGS THAT WE FUNDED WAS
10 WE ELIMINATED BOTTLENECKS TO TRANSLATION OF STEM
11 CELL RESEARCH BY DEVELOPING STANDARDIZED MOUSE
12 MODELS IN APPROPRIATE BACKGROUND. APPROPRIATE
13 GENETIC BACKGROUND OR APPROPRIATE BACKGROUND IS
14 REALLY IMPORTANT WHEN YOU'RE TALKING ABOUT CELL
15 THERAPIES. YOU CANNOT JUST PUT HUMAN CELLS INTO A
16 NORMAL MOUSE AND EXPECT TO SEE ANYTHING.

17 JACKSON IS ONE OF THE LEADERS IN
18 DEVELOPING IMMUNODEFICIENT MICE. AND THEN ANOTHER
19 THING ABOUT MODELS IS STANDARDIZED. WE'VE ALL HAD
20 EXPERIENCE WITH PRECLINICAL MODELS IN A LABORATORY
21 THAT, UNLESS YOU VERY CAREFULLY CONTROL FOR
22 CONDITIONS, YOU HAVE ONE EXPERIMENT THAT GIVES YOU X
23 RESULTS AND ANOTHER THAT GIVES YOU Y. SO WHAT THEY
24 HAVE DONE IS THEY HAVE REALLY DEVELOPED STANDARDIZED
25 MODELS, AND THEY HAVE RELEASED MOUSE MODELS NOW THAT

BARRISTERS' REPORTING SERVICE

1 ARE AVAILABLE TO RESEARCHERS EITHER FOR USE IN THEIR
2 OWN LAB OR FOR CONTRACT SERVICES THROUGH THE JACKSON
3 LABORATORY FOR PARKINSON'S DISEASE, TYPE 1 DIABETES,
4 AND TWO MODELS OF MULTIPLE SCLEROSIS.

5 THESE ARE ACTUALLY CRITICAL TO
6 FACILITATING THE TRANSLATION OF HUMAN CELL-BASED
7 THERAPIES BECAUSE THEY ENABLE YOU TO LOOK AT DISEASE
8 MODIFYING ACTIVITY, THEY ENABLE YOU TO LOOK AT CELL
9 FATE AND MIGRATION, THEY HELP YOU DETERMINE DOSE AND
10 SAFETY IN A DISEASE SETTING. AND SO THIS IS ONE OF
11 THE OTHER EXAMPLES OF THE OUTCOMES OF RESEARCH THAT
12 CIRM HAS FUNDED.

13 SO AT THIS POINT, I'D LIKE TO TURN IT BACK
14 OVER TO ELLEN TO TALK ABOUT THE DISEASE TEAM
15 RESEARCH AWARDS.

16 DR. FEIGAL: THANK YOU. AND SO THAT WAS
17 REALLY TO GIVE YOU A TASTE OF SOME OF THE KEY
18 HIGHLIGHTS FROM OUR MANY CORE PROGRAMS GIVEN WE ONLY
19 HAVE A FINITE PERIOD OF TIME. WE'RE OBVIOUSLY NOT
20 GOING TO GO THROUGH 560 AWARDS ONE BY ONE, BUT WE
21 WERE TRYING TO DO BOTH IN THE PREREAD AND FROM THIS
22 PRESENTATION GIVE YOU A TASTE OF THE TYPE OF
23 ADVANCES THAT ARE MOVING FORWARD.

24 AND I ALSO JUST WANT TO LET YOU KNOW IN
25 MARCH AT THE MARCH ICOC BOTH PAT AND I WILL BE

BARRISTERS' REPORTING SERVICE

1 COMING BACK TO YOU WITH MORE IN-DEPTH DETAILS ABOUT
2 BOTH THE DISEASE TEAM RESEARCH AWARDS AS WELL AS
3 ABOUT THE EARLY TRANSLATION AWARDS.

4 SO MOVING RIGHT ALONG WITH THE DISEASE
5 TEAM RESEARCH AWARDS, THIS IS REALLY FOCUSED ON
6 MOVING INTO THE CLINIC. SO WE'VE DONE THE BASIC
7 RESEARCH, WE'VE GOT THAT PRECLINICAL PROOF OF
8 CONCEPT, WE'RE READY TO GO. AND SO THIS IS REALLY
9 FOCUSED ON WHAT ARE THE ACTIVITIES WE NEED TO DO TO
10 ACTUALLY ENSURE WHAT WE'RE WORKING WITH. WE'VE GOT
11 AN IDEA OF WHAT THE DOSE MIGHT BE IN THE HUMAN, WHAT
12 THERAPEUTIC INDICATIONS MIGHT BE THE APPROPRIATE ONE
13 TO TEST THIS THERAPEUTIC APPROACH IN, AND THEN MAKE
14 SURE THAT THE ACTIVITIES THAT WE'RE DOING IN THIS
15 AWARD WILL MEET THE STANDARDS OF THE FOOD AND DRUG
16 ADMINISTRATION. SO THIS IS NOT JUST RESEARCH. THIS
17 IS ACTUALLY GOING DOWN A DEVELOPMENT PATHWAY.

18 THERE ARE SPECIFIC STANDARDS, THERE ARE
19 SPECIFIC TYPES OF THINGS THAT HAVE TO BE
20 ACCOMPLISHED BEFORE THESE TYPES OF THERAPIES CAN GO
21 INTO HUMAN BEINGS. EVEN THOUGH THESE ARE DISEASES
22 WITH HIGH UNMET CLINICAL NEED, THEY ARE VERY
23 DEBILITATING DISEASES. THERE'S STILL STANDARDS THAT
24 THE UNITED STATES HAS BEFORE THESE TYPES OF
25 THERAPIES CAN GET INTO HUMANS.

BARRISTERS' REPORTING SERVICE

1 SO THIS IS EXACTLY THE TYPE OF RESEARCH
2 THAT IS NOT FUNDED BY TRADITIONAL FUNDING AGENCIES
3 OR IS HIGH RISK SO THAT INVESTORS OR OTHER COMPANIES
4 DON'T WANT TO FUND THIS. SO WE'RE IN THE SPACE OF
5 WHAT WE CALL THE VALLEY OF DEATH WHERE WE ARE TRYING
6 TO PROVIDE THE FUNDING TO GET INVESTIGATORS THROUGH
7 THIS AREA OF RESEARCH AND DEVELOPMENT SO THAT WE CAN
8 GO INTO THESE EARLY PHASE CLINICAL TRIALS.

9 SO AT THIS STAGE WHAT WE'VE DONE SO FAR IS
10 WE'VE AWARDED ONE COHORT OF DISEASE TEAMS WHERE THEY
11 WERE STARTING WITH THEIR GOAL OF FILING THAT IND TO
12 GET APPROVAL BY THE FOOD AND DRUG ADMINISTRATION,
13 AND THAT'S REQUIRED BEFORE IT CAN GO INTO HUMANS.
14 AND THEN THE SECOND COHORT OF DISEASE TEAMS, WE DID
15 THAT A COUPLE YEARS LATER. THE FIELD WAS MOVING;
16 THINGS WERE MATURING. WE TOOK MORE MATURE PROJECTS
17 AND NOW ASKED THEM TO HAVE A HIGHER GOAL. YOU HAVE
18 TO COMPLETE A CLINICAL TRIAL. SO THOSE DISEASE
19 TEAMS HAVE THE OPTION OF EITHER FILING THE IND OR
20 COMPLETING A CLINICAL TRIAL.

21 AND THEN WITH OUR RECENT STRATEGIC
22 PARTNERSHIP AWARDS, WHICH WILL NOT BE THE TOPIC OF
23 TODAY, ONCE AGAIN, WE'RE WORKING AT A MORE MATURE
24 TYPE OF PRODUCT WHERE THE GOAL THERE IS ACTUALLY TO
25 COMPLETE A CLINICAL TRIAL.

BARRISTERS' REPORTING SERVICE

1 THIS IS WHAT WE'VE INVESTED SO FAR IN THE
2 TWO COHORTS OF DISEASE TEAM. I CAN TELL YOU NEXT
3 WEEK WE'RE GOING TO BE POSTING OR SOMETIME THIS
4 MONTH WE'RE GOING TO BE POSTING THE NEXT ITERATION
5 OF DISEASE TEAMS. SO THERE'S GOING TO BE CONTINUED
6 INVESTMENT IN THIS AREA.

7 BUT WITH THE FIRST COHORT OF DISEASE
8 TEAMS, IT WAS ACTUALLY -- THE TEAMS ACTUALLY DIDN'T
9 GET THE MONEY UNTIL 2010, AND THERE WERE 14
10 DIFFERENT TEAMS THAT WERE AWARDED WITH THAT FIRST
11 COHORT. ALL OF THOSE TEAMS HAD AS THEIR AIM FILING
12 AN IND SO THAT THEY HAD THE ABILITY TO ENTER A
13 CLINICAL TRIAL. IT WASN'T PAYING FOR THE CLINICAL
14 TRIAL, BUT IT WAS PAYING FOR ALL THE WORK THAT'S
15 NEEDED TO GET TO THE FILING. AND SO FAR THIS 228
16 MILLION HAS BEEN INVESTED IN THOSE 14 TEAMS.

17 THE SECOND COHORT OF DISEASE TEAMS, WHICH
18 WAS ACTUALLY JUST AWARDED LATE LAST YEAR, THERE ARE
19 11 TEAMS THAT WERE AWARDED. BETWEEN THE TWO, WE
20 HAVE 25 DIFFERENT PROGRAMS THAT HAVE BEEN AWARDED,
21 ONE IN 2010, ONE AT THE END OF 2012 TO A TOTAL OF
22 436 MILLION. SEVENTEEN OF THEM HAS AS THEIR MAIN
23 AIM FILING THAT IND. EIGHT OF THEM HAVE AS THEIR
24 MAIN AIM COMPLETING AN EARLY PHASE CLINICAL TRIAL.

25 DR. OLSON SHOWED YOU THE DIFFERENT

BARRISTERS' REPORTING SERVICE

1 THERAPEUTIC AREAS THAT THE DEVELOPMENT CANDIDATES
2 AND THE DEVELOPMENT CANDIDATE FEASIBILITY PROGRAMS
3 WERE FOCUSED ON. THESE ARE THE THERAPEUTIC AREAS
4 THAT OUR DISEASE TEAMS ARE FOCUSED ON. AS YOU CAN
5 TELL, WE'RE STILL QUITE AGNOSTIC IN TERMS OF THE
6 THERAPEUTIC AREA. IT'S PRETTY BROAD. AS I
7 MENTIONED, IN THE EARLY STAGES OF CIRM, WE'VE BEEN
8 EXPLORATORY. WE DON'T HAVE A CRYSTAL BALL. WE
9 DON'T KNOW WHERE THINGS ARE GOING TO WORK YET, BUT
10 WE'RE GETTING SOME CUES. AS WE GO FORWARD AND, AS
11 DR. OLSON MENTIONED, WE NEED TO PERHAPS BE MORE
12 STRATEGIC ABOUT WHAT PARTICULAR AREAS WE'RE
13 INVESTING IN SO THAT WE HAVE THE ABILITY TO MAKE OUR
14 DOLLARS GO TO THOSE MOST PROMISING AREAS. BUT AT
15 THIS POINT IN TIME, WE'RE FAIRLY BROAD IN TERMS OF
16 THE EXPLORATION OF ALL THESE DIFFERENT AREAS.

17 AND YOU CAN SEE THEY'RE COLOR CODED BOTH
18 BY THE AMOUNT OF MONEY THAT'S BEEN FUNDED, AND ALSO
19 INCLUDED IN THAT SLICE IS THE NUMBER OF AWARDS TO
20 THAT PARTICULAR AREA.

21 THE THERAPEUTIC MODALITY HAS ALSO BEEN
22 QUITE BROAD. THIS AGENCY WAS STARTED THINKING OF
23 HUMAN EMBRYONIC STEM CELLS, PLURIPOTENTIAL STEM
24 CELLS AS A MAJOR FOCUS. BUT AS THE SCIENCE HAS
25 EVOLVED AND THINGS HAVE PROGRESSED, WE'VE BEEN MORE

BARRISTERS' REPORTING SERVICE

1 BROAD IN TERMS OF THE STEM CELL-BASED MODALITIES
2 THAT WE'RE WORKING WITH. SO THE PALE BLUE ARE THE
3 26 -- THESE PROGRAMS ARE INCLUDING ALL 51 EARLY
4 TRANSLATION AND DISEASE TEAM WORK. BUT TO DATE WE
5 HAVE A GOOD SUBSTANTIVE AMOUNT WORKING IN CELL
6 THERAPY. THE DARKER PURPLE ARE THE 23 IN GENE
7 MODIFIED CELL THERAPY. WHAT YOU ALSO SEE IN YELLOW
8 ARE THE SMALL MOLECULES, THE MONOCLONAL ANTIBODIES
9 IN THE PROTEINS THAT ARE ACTUALLY DIRECTED TO EITHER
10 ENDOGENOUS STEM CELLS OR DIRECTED TO THE CANCER STEM
11 CELL. ACTUALLY ATTACKING THE CANCER STEM CELL IS
12 THE TARGET. AND THEN IN THE RED WE HAVE THE CELL
13 THERAPY COMBINATION PRODUCTS. AND THEN IN THE SMALL
14 SLICE OF GREEN IS THE GENE MODIFIED, THESE ARE THE
15 GENETICALLY ENGINEERED CELL THERAPY PRODUCTS THAT
16 ARE ALSO A COMBINATION PRODUCT.

17 AND THEN LOOKING AT THE BOTTOM OF THE
18 SLIDE, YOU WILL SEE, BECAUSE WE'VE TERMINATED ONE
19 DISEASE TEAM TO DATE, YOU WILL SEE THE 24 REMAINING
20 DISEASE TEAMS, AND YOU ALSO SEE THE DIFFERENT
21 APPROACHES. WE HAVE ALLOGENEIC WHERE THEY'RE
22 GETTING CELLS FROM SOMEBODY ELSE, NOT FROM
23 THEMSELVES. AND SO THERE ARE ISSUES ABOUT THE HOST
24 IMMUNE RESPONSE AND IMMUNE REJECTION, AND HOW DO WE
25 ENSURE THAT THERE'S IMMUNE TOLERANCE OF THOSE CELLS

BARRISTERS' REPORTING SERVICE

1 SO THAT THE CELLS CAN DO WHAT THEY NEED TO DO.

2 WE ALSO HAVE AUTOLOGOUS APPROACHES. WE'RE
3 ACTUALLY TAKING CELLS FROM THE PATIENT AND USING
4 THEM AND GENETICALLY ENGINEERING THEM OR
5 REPROGRAMMING THEM TO INDUCED PLURIPOTENT STEM CELLS
6 AND THEN MAKING CHANGES SO THAT THEY'RE EITHER
7 CORRECTING OR REPAIRING THE DEFECT AND THEN GIVING
8 IT BACK TO THAT PATIENT.

9 AND THEN WITH THE STRATEGIC PARTNERSHIP
10 AWARDS THAT HAVE BEEN AWARDED TO DATE, ONE IS AN
11 ALLOGENEIC APPROACH, ONE IS AN AUTOLOGOUS APPROACH.

12 BECAUSE THESE ARE COMPLEX
13 MULTIDISCIPLINARY AWARDS, THEY'RE ALSO EXTREMELY
14 EXPENSIVE. WE'VE PUT INTO PLACE MILESTONES. AND WE
15 WORK, THE CIRM OFFICER WORKS WITH THE DISEASE TEAM
16 PRIOR TO MONEY GOING OUT THE DOOR AFTER THE AWARDS
17 ARE MADE AT THE BOARD MEETING, BUT PRIOR TO MONEY
18 GOING OUT, WE WORK WITH THE TEAMS TO COME UP WITH
19 MUTUALLY AGREED UPON MILESTONES. THESE ARE GO/NO-GO
20 MILESTONES. THESE ARE REAL SHOW STOPPERS. WHAT
21 WOULD MAKE YOU WANT TO STOP THE AWARD? IT'S NOT
22 THAT ANYBODY IS BAD OR HAS DONE SOMETHING WRONG.
23 IT'S JUST THE DATA DOESN'T SUPPORT MOVING FORWARD.

24 WE ALSO HAVE PROGRESS MILESTONES SO THAT
25 WE CAN GAUGE THAT THEY'RE MOVING ALONG ON TRACK.

BARRISTERS' REPORTING SERVICE

1 AND THEN WE HAVE SUCCESS CRITERIA. THESE ARE NOT IN
2 CONCRETE. THESE CAN BE REFINED AS THE DATA
3 SUGGESTS. SO WE HAVE THE FLEXIBILITY TO DO THAT.
4 BUT AS WE START THESE PROGRAMS, WE HAVE AN END GOAL
5 IN MIND AND WHAT WE NEED TO DO TO GET THERE. AND
6 THEN DURING THE CONDUCT OF THE RESEARCH, THESE ARE
7 AWARDS WHERE THERE'S VERY INTERACTIVE, ONGOING
8 DISCUSSIONS BETWEEN THE CIRM SCIENTISTS AND FUNDED
9 RESEARCH TEAMS.

10 WE GET UPDATED INTERVAL PROGRESS REPORTS.
11 AND IN ADDITION, WE'VE INSTITUTED LAST YEAR AN
12 IN-PERSON, IN-YOUR-FACE MEETING WITH EXTERNAL
13 CLINICAL DEVELOPMENT ADVISORS WITH THE DISEASE TEAM,
14 WITH THE CIRM SENIOR SCIENCE STAFF TO TRY AND LOOK
15 AT HOW THESE PROGRAMS ARE DOING. ARE THEY REACHING
16 THEIR MILESTONES? AND ALSO IT'S AN OPPORTUNITY FOR
17 THE TEAM, AND WE STRONGLY ENCOURAGE IT, TO LAY OUT
18 WHERE THEY'RE HAVING CHALLENGES, WHERE THEY'RE
19 HAVING PROBLEMS. AND THIS IS REALLY AN INTERACTIVE
20 DIALOGUE WHERE PEOPLE CAN TALK ABOUT WHAT SOME
21 SUGGESTED APPROACHES ARE.

22 OUR WHOLE AIM WITH PUTTING THIS IN PLACE
23 WAS TO BETTER POSITION THESE INVESTIGATORS TO BE
24 SUCCESSFUL. IF THEY'RE SUCCESSFUL, WE'RE
25 SUCCESSFUL. AND THEN WE HAVE MONEY TO CONTINUE TO

BARRISTERS' REPORTING SERVICE

1 FUND THEM. SO SO FAR WE'VE DONE AN ASSESSMENT.
2 LAST YEAR AT THEIR 12- TO 18-MONTH MILESTONE -- I
3 SHOULD SAY 2011 AND THEN LAST YEAR BETWEEN JULY AND
4 THE END OF THE YEAR, WE HAD A SECOND EVALUATION WITH
5 THEM. AND WE DO MAKE REFINEMENTS BASED UPON THESE
6 ASSESSMENTS.

7 IN ADDITION TO THESE ONE-ON-ONE
8 INTERACTIONS WITH OUR DIFFERENT PROJECT TEAMS, WE
9 WORK EXTENSIVELY WITH THE FOOD AND DRUG
10 ADMINISTRATION. AND WE HAVE CONVERSATIONS WITH THEM
11 ABOUT OBSTACLES IN THE FIELD, WHERE CAN WE GO TO
12 MAKE THE REGULATORY PATHWAY MORE PREDICTABLE AND
13 CLEARER. AND THE FDA ACTUALLY APPRECIATES WORKING
14 WITH CIRM BECAUSE WE DON'T HAVE A PARTICULAR HORSE
15 IN THE RACE. WE JUST WANT THE BEST HORSE TO WIN AND
16 MAYBE MULTIPLE. AND SO THEY LOOK TO US AS A NEUTRAL
17 SOURCE THAT CAN HELP ALSO EDUCATE THEM IN TERMS OF
18 WHAT'S GOING ON WITH THE SCIENCE, WHAT'S GOING ON
19 WITH THE FIELD, AND WHAT SOME OF THE OBSTACLES ARE
20 THAT MIGHT BE HELPED BY TRYING TO PUT TOGETHER A
21 CLEARER PATHWAY ALONG THE REGULATORY PATH.

22 THIS IS GOING TO DECREASE THE RISK FOR THE
23 INVESTIGATORS MOVING THEIR PROJECTS FORWARD, AND
24 HOPEFULLY THE DECREASED REGULATORY RISK WILL ALSO
25 ATTRACT INVESTORS OR COMPANIES TO WANT TO GET INTO

BARRISTERS' REPORTING SERVICE

1 THE FIELD AS WELL. AND THE WAY THAT WE PUT THIS
2 EDUCATIONAL WORK TOGETHER IS THROUGH CONFERENCES,
3 WEBINARS, ROUNDTABLES, AND SEMINARS. SO THESE ARE
4 AVAILABLE TO THE PEOPLE INVITED, BUT WE ALSO MAKE
5 THEM PUBLICLY AVAILABLE AT THE TIME, AND WE ALSO
6 ARCHIVE THEM ON OUR WEB SITE SO THAT PEOPLE WHO
7 WEREN'T ABLE TO PARTICIPATE IN PERSON CAN
8 PARTICIPATE LATER.

9 THIS IS WHERE OUR FIRST COHORT OF DISEASE
10 TEAMS ARE RIGHT NOW. SO THEY'RE NECK AND NECK GOING
11 DOWN THAT RACE. BASICALLY SEVEN OF THE TEAMS HAVE
12 ACTUALLY HAD SUCCESSFUL PRE-IND MEETINGS WITH THE
13 FDA AND DO HAVE A PATHWAY FORWARD TO GO FORWARD.
14 ONE OF THEM I CAN PUBLICLY STATE HAS HAD A FILED,
15 APPROVED IND, DID HAVE THEIR FIRST-IN-HUMAN CLINICAL
16 TRIAL FUNDED BY THE NATIONAL INSTITUTES OF HEALTH.
17 AND THEN SHOULD THE PHASE I RESULTS PROVE FAVORABLE
18 IN TERMS OF SAFETY INFORMATION, CIRM HAS ALREADY
19 COMMITTED TO FUND THE PHASE II CLINICAL TRIAL. SO
20 THIS IS IN THE CLINIC NOW IN 2013.

21 WE HAVE A VARIETY OF OTHER PROGRAMS THAT
22 ARE ALSO WORKING THEIR WAY TOWARDS THE CLINIC.
23 THIS IS AN EXAMPLE OF ONE MOVING TO THE CLINIC IN
24 HIV/AIDS. HERE WHAT THE INVESTIGATORS ARE DOING IS
25 REALLY TARGETING THE CORECEPTOR IN HIV, THE CCR5

BARRISTERS' REPORTING SERVICE

1 CORECEPTOR. AND THIS PARTICULAR TEAM IS USING A
2 TECHNOLOGY OF ZINC FINGER NUCLEASE TO KNOCK OUT THAT
3 RECEPTOR SO THAT THE PATIENTS -- THEY'RE THEN
4 TRANSDUCING THIS INTO HEMATOPOIETIC STEM CELLS OF
5 THE PATIENT. SO THIS IS AN AUTOLOGOUS APPROACH. SO
6 THEY'RE USING GENETIC ENGINEERING.

7 AND THE GOAL HERE IS INITIALLY THEY'RE
8 GOING TO USE MODERATE MYELOABLATIVE THERAPY IN A
9 POPULATION OF PATIENTS THAT NORMALLY WOULD RECEIVE
10 MYELOABLATIVE THERAPY FOR THEIR DISEASE STATE AND
11 KNOCK OUT THE CELLS SO THAT THERE'LL BE A SELECTIVE
12 PRESSURE FOR THESE NEW ENGINEERED CELLS TO GROW AND
13 THAT THESE CELLS WILL BE RESISTANT TO FURTHER HIV
14 INFECTION. SO THAT'S GOING DOWN THE PATHWAY TOWARDS
15 THE CLINIC.

16 ANOTHER EXAMPLE IS A TEAM THAT'S MOVING TO
17 THE CLINIC IN A VERY RARE GENETIC DISORDER CALLED
18 DYSTROPHIC EPIDERMOLYSIS BULLOSA. THIS IS BASICALLY
19 A BLISTERING SKIN DISEASE. ALTHOUGH IT CAN AFFECT
20 OTHER EPITHELIAL TRACTS, LIKE IN THE GI TRACT OR THE
21 EYE, BUT BASICALLY THIS IS WORKING ON A PROOF OF
22 CONCEPT, A CLINICAL TRIAL, WHERE THEY'RE TAKING
23 PATIENTS WHO HAVE THIS TERRIBLE DISEASE, AND IT'S A
24 DEFECT IN COLLAGEN VII. THEY'RE TAKING THE
25 PATIENT'S OWN CELLS, THEY'RE REPROGRAMMING THEM TO

BARRISTERS' REPORTING SERVICE

1 AN INDUCED PLURIPOTENT STATE, THEN CORRECTING THOSE
2 CELLS WITH THE CORRECT COLLAGEN VII GENE AND THEN
3 PUTTING THAT BACK INTO THE SAME PATIENT.

4 AND SO THEY'VE HAD SOME VERY GOOD
5 CONVERSATIONS WITH US, WITH THE AGENCY, WITH THE
6 FOOD AND DRUG AGENCY, AND ARE ACTUALLY TRYING TO
7 CHART A VERY INNOVATIVE PATHWAY FORWARD WITH A VERY
8 NOVEL STEM CELL-BASED TECHNOLOGY.

9 ANOTHER EXAMPLE OF MOVING TO THE CLINIC IS
10 IN CANCER. THIS IS A GROUP THAT ACTUALLY IS USING
11 STEM CELLS AS A DELIVERY PAYLOAD. HERE THEY'RE
12 WORKING ON A PARTICULAR TYPE OF BRAIN CANCER,
13 GLIOBLASTOMA, THAT HAS REALLY VERY MODEST
14 THERAPEUTIC OPTIONS. IT HAS A VERY HIGH MORTALITY
15 RATE. PEOPLE DIE FROM THIS DISEASE. AND BASICALLY
16 WHAT THEY'RE DOING IS TAKING STEM CELLS AND THEY'RE
17 TRANSDUCING THEM WITH A CONVERTING ENZYME AND THEN
18 INJECTING THESE PATIENTS WITH A CHEMOTHERAPY AGENT
19 THAT NORMALLY NEEDS TO BE METABOLIZED BY A
20 CONVERTING ENZYME TO GO INTO ITS VERY TOXIC
21 METABOLITE. AND YOU NEED THAT TOXIC METABOLITE TO
22 KILL THE TUMOR.

23 SO WHAT THIS TEAM IS DOING IS TAKING THESE
24 CELLS, LETTING A CONVERTING ENZYME RIDE IN WITH STEM
25 CELLS SO THAT THEY'LL HOME IN TO THE TUMOR TARGET.

BARRISTERS' REPORTING SERVICE

1 AND THEN WHEN THAT CHEMOTHERAPY GETS INJECTED,
2 NORMALLY THE CELLS IN THE BRAIN DON'T HAVE THAT
3 CONVERTING ENZYME. AND SO WHAT THIS IS IS TRYING TO
4 PROVIDE VERY LOCALIZED SPECIFIC TREATMENT TO THE
5 BRAIN TUMOR. SO THAT'S A LONG ABOUT WAY OF TRYING
6 TO EXPLAIN WHAT THEY'RE DOING.

7 SO HERE IT'S NOT REPAIR AND REGENERATION.
8 HERE IT'S USING THAT AS A DELIVERY VEHICLE TO
9 DELIVER A PAYLOAD.

10 THIS IS NOT YET PUBLISHED, SO YOU WON'T
11 SEE IT IN YOUR HANDOUT, BUT I WAS TOLD I COULD USE
12 IT JUST IN A PRESENTATION. WHAT THIS TEAM HAS DONE
13 IS THEY DEVELOPED AN IMAGING AGENT THAT'S ABLE TO
14 IMAGE THE NEURAL STEM CELLS. SO THEY'RE TAKING A
15 NANOPARTICLE, A REALLY SMALL ION PARTICLE, AND IT
16 HAS A CONTRAST WHERE IT'S ACTUALLY BLACKNESS. IT'S
17 HYPOATTENUATED. IN THE VERY FAR LEFT-HAND CORNER IS
18 THE TUMOR PREOP, AND THEN THEY RESECT THE TUMOR.
19 AND THEN THEY INJECT IN TEN PLACES AROUND THE
20 RESECTION CAVITY THESE NEURAL STEM CELLS THAT ARE
21 LOADED WITH THE CONVERTING ENZYME. AND YOU SEE THAT
22 BY THE RED ARROWS, THE SLIDE NO. 2 ON THE TOP. AND
23 THEN THEY TOOK IMAGES. THESE ARE NONINVASIVE IMAGES
24 WITH MRI SCANS. SO THEY SHOW AT ONE DAY, AT TEN
25 DAYS, AND THEN OUT TO 31 DAYS THAT THEY CAN SEE

BARRISTERS' REPORTING SERVICE

1 THESE NEURAL STEM CELLS.

2 AND SO THIS IS, AS OPPOSED TO HAVING TO GO
3 IN AND CHOP OUT A PIECE OF THE BRAIN AND SEE WHETHER
4 THE STEM CELLS ARE THERE, WHICH IS CERTAINLY THINGS
5 THEY HAVE DONE IN THE ANIMALS, BUT AS YOU CAN
6 IMAGINE, NOT SOMETHING YOU WANT TO DO IN THE HUMAN.
7 THEY'RE TRYING TO FIND A NONINVASIVE WAY TO IMAGE
8 WHAT'S HAPPENING TO THE STEM CELLS. SO THIS IS VERY
9 EXCITING. THIS IS THE FIRST-IN-HUMAN USE OF THIS
10 NOVEL AGENT. AND IT'S BEEN ALREADY IN AT LEAST ONE
11 PATIENT, AND THESE ARE THEIR PRELIMINARY RESULTS SO
12 FAR.

13 IN ADDITION, THIS TEAM HAS ALSO SPUN OUT A
14 COMPANY. WE'RE TRYING TO WORK WITH THE TEAM NOT
15 JUST ON THE RESEARCH, BUT ON WAYS THEY CAN GET
16 FOLLOW-ON FINANCING. SO THIS IS A COMPANY THAT'S
17 BEEN SPUN OUT. THE PI IS NOW FOUNDER AND CHIEF
18 SCIENTIFIC OFFICER OF THIS COMPANY AND IS WORKING ON
19 WAYS TO TRY AND LEVERAGE CIRM FUNDING WITH FUNDING
20 THAT'S EXTERNAL TO CIRM SO THAT THEY HAVE THE
21 ABILITY TO MOVE FORWARD.

22 SO IN A SUMMARY OF AT LEAST THE FIRST
23 COHORT OF DISEASE TEAMS, OVER HALF OF THE DISEASE
24 TEAM I'S HAVE SUCCESSFULLY ADVANCED THROUGH THEIR
25 PRE-IND MEETING WITH THE FDA TOWARDS AN APPROVABLE

BARRISTERS' REPORTING SERVICE

1 IND. THIS IS A VERY SOUND ACCOMPLISHMENT TO HAVE
2 THAT KIND OF REGULATORY MILESTONE MET. AND THEY
3 HAVE A CLEARER PATHWAY TOWARDS WHAT THEY NEED TO
4 FILE THAT IND TO GET INTO CLINICAL TRIAL.

5 WE HAVE ONE CLINICAL TRIAL THAT'S ALREADY
6 STARTING IN 2013, AND WE EXPECT ONE TO TWO MORE THIS
7 YEAR. WE ANTICIPATE FIVE CLINICAL TRIALS BY THE END
8 OF 2014.

9 ANOTHER AIM THAT WE HAVE AT CIRM IS THAT
10 WE'RE TRYING GET THESE TEAMS TO LEVERAGE CIRM
11 FUNDING. FIVE OF THESE DISEASE TEAMS DO HAVE
12 COLLABORATIVE FUNDING PARTNERS. ONE HAS A
13 COLLABORATION WITH A DISEASE FOUNDATION, TWO OF
14 THESE TEAMS HAVE COMPANIES AS EITHER THE PI OR THE
15 CO-PI, AND TWO HAVE FOUNDED COMPANIES. WE HAVE
16 PRELIMINARY INFORMATION ON INVENTION DISCLOSURES,
17 IMPENDING PATENT APPLICATIONS WHICH WE'LL BE ABLE TO
18 COME BACK TO YOU IN MARCH WITH FURTHER DETAILS. AND
19 TO DATE WE HAVE 18 SCIENTIFIC PUBLICATIONS FROM THIS
20 FIRST COHORT OF TEAMS.

21 I SHOULD MENTION THEY'RE ONLY ABOUT 30
22 MONTHS INTO THEIR FOUR-YEAR TRACK TOWARDS DELIVERING
23 ON FILING AN IND.

24 I THOUGHT THE NEXT TWO SLIDES JUST MIGHT
25 BE OF INTEREST TO YOU. THESE ARE ACTUALLY PROVIDED

BARRISTERS' REPORTING SERVICE

1 BY THE FDA. AND THESE ARE THE APPLICATIONS THAT ARE
2 COMING INTO THE FDA BETWEEN 2004 AND 2012. I THINK
3 WHAT'S INTERESTING IS THE SOLID BLUE, THE ROYAL
4 BLUE, ARE APPLICATIONS COMING IN FROM COMMERCIAL
5 INDUSTRY ENTITIES. AND THE OTHER SHADE OF BLUE IS
6 COMING IN FROM ACADEMICS, FROM RESEARCHERS. I THINK
7 WHAT YOU SEE FOR FILES THAT HAVE BEEN SUBMITTED TO
8 THE OFFICE OF CELL, TISSUE, AND GENE THERAPY, WHICH
9 IS THE OFFICE AT THE FDA WHERE STEM CELL-BASED
10 THERAPIES COME IN, ABOUT ANYWHERE FROM TWO TO
11 FOURFOLD MORE ARE COMING IN FROM ACADEMIC
12 INVESTIGATORS. SO WE FEEL THAT ACTUALLY WORKING
13 HEAVILY WITH OUR ACADEMIC INVESTIGATORS IS SOMETHING
14 WE SHOULD CONTINUE TO BE DOING TO TRY AND BETTER
15 POSITION THESE INVESTIGATORS TO BE SUCCESSFUL, NOT
16 JUST FOR THE FIRST IN HUMAN, BUT SO THAT THEY CAN
17 ACTUALLY MOVE ON TO DEVELOP A PRODUCT. AND SO IT'S
18 ALSO CRITICALLY IMPORTANT THAT WE LEVERAGE WITH
19 COMPANIES.

20 THIS OTHER SLIDE THAT WAS PROVIDED BY THE
21 FDA AND IS ALSO PUBLISHED AT THIS POINT IS SHOWING
22 YOU THE EXPERIENCE THE FDA HAS WITH STEM CELLS. SO
23 YOU CAN SEE IT BASED ON THE STEM CELL TYPE AND ALSO
24 THE TISSUE THAT IT'S COMING FROM. AND I THINK THEIR
25 BIGGEST EXPERIENCE TO DATE HAS BEEN WITH MESENCHYMAL

BARRISTERS' REPORTING SERVICE

1 AND WITH BONE MARROW, WHICH IS WHAT WE'D ALL EXPECT.
2 THEY HAVE MUCH LESS EXPERIENCE WITH PLURIPOTENTIAL
3 STEM CELLS. AND THAT'S WHY, AS I SAID BEFORE, THIS
4 IS NEW THE FOR THE FDA, IT'S NEW FOR THE
5 INVESTIGATORS, IT'S NEW FOR CIRM, AND WE'RE REALLY
6 CHARTING A PATHWAY HERE TO MOVE THIS INTO THE
7 CLINIC.

8 SO AT THE END, I ALSO WANT TO ACKNOWLEDGE,
9 AS I DID AT THE BEGINNING, THE BOARD, OUR STAFF, OUR
10 INVESTIGATORS, OUR DISEASE GROUPS, BUT IN PARTICULAR
11 WE WANT TO THANK MEMBERS OF THE SCIENCE AND THE
12 INFORMATICS TEAMS, ESPECIALLY DRS. STEFFEN, YAFFE
13 SAMBRANO, LEWIS, THOMPSON, THAKAR, KADYK, COLLINS,
14 SHEPARD, MARTIN, AND TORRENCE FOR THEIR HELP WITH
15 THIS PROJECT. THANK YOU VERY MUCH, AND WE HOPE THIS
16 HAS BEEN INFORMATIVE FOR YOU. AND I THINK WE MIGHT
17 HAVE TIME FOR QUESTIONS. THANKS VERY MUCH.

18 (APPLAUSE.)

19 CHAIRMAN THOMAS: THANK YOU VERY MUCH,
20 ELLEN AND PAT, FOR A MOST COMPREHENSIVE AND
21 FASCINATING RUN THROUGH THE STATE OF THE UNION HERE
22 AS WE STAND TODAY AT CIRM WITH THE MANY PROJECTS WE
23 FUNDED AND THIS GREAT PROGRESS AND PROMISE THAT THEY
24 REPRESENT. WE HAVE A FEW MINUTES LEFT IF THERE ARE
25 COMMENTS OR QUESTIONS FOR EITHER ELLEN OR PAT FROM

BARRISTERS' REPORTING SERVICE

1 MEMBERS OF THE BOARD.

2 MR. SHEEHY: THIS IS JUST A COMMENT. AND
3 THANK YOU. I THINK STAFF, TREMENDOUS PRESENTATION,
4 TREMENDOUS WORK BY STAFF OVER THE YEARS. AND I
5 THINK WE'VE REALLY DONE A LOT OF GREAT SCIENCE HERE
6 AT THIS INSTITUTE.

7 BUT I DID WANT TO JUST NOTE FOR THE RECORD
8 THAT TWO OF THESE GRANTS WERE MOVED UP IN
9 PROGRAMMATIC REVIEW AT THE WORKING GROUP. JUST SO
10 WE HAVE THAT IN THE RECORD, THE LORING TOOLS AND
11 TRANSLATION GRANT AND THE EPIDERMOLYSIS BULLOSA.
12 BOTH OF THOSE GRANTS WERE MOVED UP AT THE WORKING
13 GROUP DURING PROGRAMMATIC REVIEW.

14 I ALSO WOULD LIKE TO NOTE THAT A COUPLE OF
15 THE GRANTS THAT WERE HIGHLIGHTED WERE MOVED THROUGH
16 AN EXTRAORDINARY PETITION AT THE BOARD. SO THE
17 JACKSON LABS GRANT AND THE ABOODY GRANT WERE BOTH
18 MOVED THROUGH EXTRAORDINARY PETITION. I JUST WANT
19 TO GET THOSE ON THE RECORD. IF WE'RE HIGHLIGHTING
20 THESE GRANTS POINTING TO OUR SUCCESS, I THINK IT'S
21 VERY IMPORTANT THAT WE NOTE THAT SOME OF THE
22 THOUGHTFUL WORK THAT'S BEEN DONE BY PATIENT
23 ADVOCATES, BOTH IN THE WORKING GROUP AND BY
24 SCIENTISTS AND PATIENT ADVOCATES HERE AT THE BOARD
25 IN LISTENING AND BEING RECEPTIVE, HAS ACTUALLY MOVED

BARRISTERS' REPORTING SERVICE

1 SOME FAIRLY INCREDIBLE SCIENCE FORWARD. AND WE'VE
2 GOT SOME REAL MEASURABLE OUTCOMES FROM HAVING DONE
3 SO. THANK YOU.

4 CHAIRMAN THOMAS: THANK YOU, MR. SHEEHY.
5 ADDITIONAL COMMENTS?

6 MS. SAMUELSON: COULD WE HAVE THOSE
7 SCIENTISTS STAND SO WE CAN SEE THEM AND GIVE THEM AN
8 OVATION?

9 CHAIRMAN THOMAS: ELLEN, JOAN ASKED THAT
10 THE SCIENTISTS ON THE STAFF THAT YOU REFERENCED
11 PLEASE STAND SO WE CAN GIVE THEM PROPER
12 ACKNOWLEDGMENT.

13 DR. FEIGAL: WE WILL DO THAT ALTHOUGH SOME
14 OF THEM WILL BE STANDING IN THEIR OFFICES BACK AT
15 CIRM, SO YOU MAY NOT BE ABLE TO SEE THEM. BUT I CAN
16 RENAME EVERYBODY. DR. SAMBRANO IS HERE.

17 (APPLAUSE.)

18 DR. FEIGAL: I'M NOT SURE. EVERYBODY ELSE
19 IS BUSY WORKING BACK AT THE OFFICE. SO THEY'RE
20 PROBABLY INTENTLY LISTENING, AND I HOPE THEY RECEIVE
21 YOUR ACKNOWLEDGEMENT.

22 MS. SAMUELSON: THANKS VERY MUCH.

23 (APPLAUSE.)

24 DR. DULIEGE: TO BOTH OF YOU AND TO
25 EVERYBODY, CONGRATULATIONS. MOST IMPRESSIVE

BARRISTERS' REPORTING SERVICE

1 PRESENTATION.

2 ELLEN, I WAS PARTICULARLY IMPRESSED BY
3 YOUR CONFIDENCE ABOUT THE NUMBER OF PRODUCTS THAT
4 SEEMS TO BE MAKING IT TO THE PRE-IND PROCESS, WHICH
5 WE KNOW IS EXTREMELY DIFFICULT. YOU THINK ABOUT
6 HALF OF THEM ARE QUITE LIKELY TO MAKE IT THROUGH AN
7 IND. INDEED AT THE BEGINNING YOU ALSO SAID THAT THE
8 GOAL WAS TO HAVE POTENTIALLY, POTENTIALLY, A
9 COMMERCIALIZED PRODUCT OR AT LEAST WAY TO
10 COMMERCIALIZATION BY 2016, WHICH IS ACTUALLY A VERY
11 SHORT AMOUNT OF TIME FOR DEVELOPMENT.

12 SO IF YOU WANTED TO EXPAND A BIT ABOUT
13 YOUR HOPE OF THIS MOVING THROUGH THE NEXT STAGE AND
14 TO WHICH EXTENT THE FDA HAS BEEN HELPFUL IN
15 FACILITATING THIS PROCESS OF MOVING THROUGH IND.

16 DR. FEIGAL: I THINK WHAT WE'RE TRYING TO
17 DO, CIRM'S FOCUS IS ON THE EARLY STAGE. AND WE NEED
18 PARTNERS EITHER WITH INVESTORS, COMPANIES TO TAKE IT
19 THROUGH REGISTRATION AND COMMERCIALIZATION.

20 WHAT I INTENDED TO COMMUNICATE IS THAT
21 WE'RE DOING THE GROUNDWORK TO TRY AND MAKE SURE THAT
22 THERE'S THE POTENTIAL, SHOULD MILESTONES BE MADE,
23 THAT THERE ARE PARTNERS OR COLLABORATORS WHO CAN
24 TAKE IT ALL THE WAY TO FINISH LINE. WE KNOW WE
25 WON'T BE ABLE TO DO THAT UNLESS WE DECIDE WE'RE

BARRISTERS' REPORTING SERVICE

1 SOMEHOW CHANGING OUR MISSION AND ADDING LOTS MORE
2 MONEY INTO THE PURSE.

3 IN TERMS OF HOW THE FDA IS HELPFUL,
4 THEY'VE BEEN VERY ACCESSIBLE. THEY HAVE BEEN VERY
5 OPEN TO HAVING COMMUNICATION WITH US, WITH OUR
6 INVESTIGATORS, WITH PEOPLE WE BRING TO THE TABLE.
7 AND WE FIND THAT VERY POSITIVE, VERY CONSTRUCTIVE.

8 I THINK OUR GOAL THAT WE ALL WANT IS THAT
9 WE WANT THEM TO SEE HIGH QUALITY GOOD APPLICATIONS
10 COME INTO THEM BECAUSE I THINK THAT MAKES THEIR
11 WORKLOAD EASIER. AND ALSO I THINK THEY TOO IN THE
12 END WOULD LIKE TO SEE PRODUCTS GET APPROVED AS WELL
13 BECAUSE I THINK, AT THE END OF THE DAY, THEY DO WANT
14 PRODUCTS TO GET OUT THERE TO PATIENTS.

15 SO I WOULD SAY THE COMMUNICATION HAS BEEN
16 HELPFUL. THEY HAVE BEEN AVAILABLE FOR PROVIDING
17 INPUT ON PAPERS THAT WE'RE WORKING ON, ON WORKSHOPS
18 THAT WE PUT TOGETHER. THEY'VE ACTUALLY TROOPED OUT
19 TO COME TO MEETINGS THAT WE PUT ON. THEY'VE SHOWN
20 UP. IF THEY CAN'T COME OUT, THEY PARTICIPATE
21 REMOTELY BY TELECON. WE HAVE ROUNDTABLES IN
22 WASHINGTON, D.C. SO I'D SAY THE COMMUNICATION, AND
23 THEY BRING NOT JUST ONE PERSON, PROBABLY 15 TO 20
24 PEOPLE TO THE TABLE. AND SO IT'S, I THINK, A REAL
25 COMMITMENT ON THEIR PART GIVEN THE OTHER TYPES OF

BARRISTERS' REPORTING SERVICE

1 ACTIVITIES THEY HAVE TO BE INVOLVED WITH.

2 SO I WOULD SAY THEY'VE BEEN RECEPTIVE TO
3 OUR SUGGESTIONS ON WAYS TO WORK TOGETHER.

4 CHAIRMAN THOMAS: OTHER COMMENTS OR
5 QUESTIONS? WOULD ANYBODY FROM THE PUBLIC LIKE TO
6 COMMENT? MR. REED.

7 MR. REED: I HAD TWO QUESTIONS. ONE, IS
8 THIS PRESENTATION AVAILABLE ON THE WEB? THANK YOU
9 VERY MUCH. WHAT'S IT CALLED? POSTED UNDER THE
10 AGENDA.

11 SECONDLY, THERE WAS A SLIDE WHICH I
12 THOUGHT WAS FASCINATING WHICH SHOWED THE COMPARISON
13 OF THE ACADEMIC INSTITUTIONS AND THE PRIVATE
14 INSTITUTIONS, AND I WONDER IF I COULD HAVE THAT
15 SLIDE EXPLAINED A LITTLE BIT MORE.

16 DR. FEIGAL: ARE YOU TALKING ABOUT FDA
17 SLIDE ON COMMERCIAL SPONSORS VERSUS ACADEMIC
18 SPONSORS? SO I CAN PUT THE SLIDE UP. AND THAT'S
19 BASICALLY JUST APPLICATIONS COMING IN TO THE FDA TO
20 THE OFFICE OF CELL, TISSUE, AND GENE THERAPY AND
21 JUST SHOWING WHERE THEY'RE COMING FROM. AND THEN
22 THERE'S ACTUALLY A PAPER THAT'S BEEN PUBLISHED THAT
23 I HAVE AS A REFERENCE HERE. I DON'T SEE THAT. I
24 DON'T. MAYBE IT'S JUST A SLIDE THEN. BUT THE NEXT
25 SLIDE ACTUALLY HAS A REFERENCE TO THE PAPER. IT'S

BARRISTERS' REPORTING SERVICE

1 IN THE AUGUST 2012. LET ME READ IF OFF THE SLIDE.
2 IN *SCIENCE TRANSLATIONAL MEDICINE*, VOLUME IV, ISSUE
3 147. IT'S ON THE SLIDE SO YOU CAN SEE THE
4 REFERENCE. I CAN TALK TO YOU OFFLINE ABOUT THE
5 REFERENCE. DID THAT ANSWER YOUR QUESTION THOUGH?

6 MR. REED: IT WAS -- I WANT TO KNOW A LOT
7 MORE BECAUSE PEOPLE SAY THAT THE ACADEMICS ARE NOT
8 AS VALUABLE AS THE PRIVATE ENTERPRISE, AND IT SEEMS
9 LIKE THAT'S JUST THE OPPOSITE. SO I'D LIKE TO KNOW
10 A LOT MORE ABOUT THAT.

11 DR. FEIGAL: THAT WHAT? I'M NOT SURE WHAT
12 YOUR INTERPRETATION WAS OF THAT.

13 MR. REED: I HEAR A LOT, NOT A LOT, BUT I
14 HEAR COMMENTS THAT THE ACADEMICS ARE NOT AS
15 PRODUCTIVE AS PRIVATE ENTERPRISE. IT SEEMED LIKE
16 JUST THE OPPOSITE. SO I WOULD LIKE TO HEAR A LOT
17 MORE ABOUT THAT.

18 DR. FEIGAL: CERTAINLY I DIDN'T SAY THAT.
19 WHAT I WAS TRYING TO COMMUNICATE IS THAT A LARGE
20 NUMBER OF APPLICATIONS ARE COMING FROM ACADEMICS.
21 ACADEMICS, IN GENERAL, DEVELOPING A PRODUCT IS NOT
22 USUALLY THE GOAL AT AN ACADEMIC INSTITUTION. IT'S
23 ABOUT ENHANCING KNOWLEDGE, WRITING SCIENTIFIC
24 PAPERS, GETTING YOUR GRANTS AWARDED, BUT DEVELOPING
25 A PRODUCT IS NORMALLY SOMETHING THAT'S IN THE

BARRISTERS' REPORTING SERVICE

1 COMMERCIAL DOMAIN. AND SO WHAT WE'RE THINKING,
2 WITHOUT OVERINTERPRETING A SLIDE, IS THAT THERE'S A
3 LOT OF ACTIVITY COMING FROM ACADEMIC CENTERS.

4 WHAT WE'RE TRYING TO DO HERE AT CIRM, AT
5 LEAST WITH THE ACADEMIC INVESTORS WE'RE LOOKING AT,
6 IS MAKING SURE THAT IT'S NOT JUST ANOTHER RESEARCH
7 EXPERIMENT THAT'S DONE IN HUMANS, BUT THAT IT HAS
8 THE POTENTIAL TO ACTUALLY BE A PRODUCT.

9 SO ANYWAY, WHAT I CAN DO, THOUGH, IS
10 PERHAPS FIND THE MORE FULL SLIDE DECK FOR YOU, AND
11 THEN THAT REFERENCE MIGHT GO INTO MORE DETAILS. BUT
12 I CERTAINLY WASN'T OR NEVER INTENDED THAT WE WERE
13 STATING THAT ACADEMICS AREN'T PRODUCTIVE.

14 DR. MARLETTA: I DON'T WANT TO WADE INTO
15 THE ARGUMENT OF WHETHER ACADEMICS ARE PRODUCTIVE OR
16 NOT, BUT I THINK I EQUATE THIS MORE WITH IN SOME
17 WAYS BIOENGINEERING. THERE'S FUNDAMENTAL DISCOVERY
18 THAT'S DONE IN ACADEMIC SETTINGS BY ENGINEERS,
19 BIOENGINEERS IN PARTICULAR BECAUSE IT'S MOST
20 RELEVANT PERHAPS HERE. BUT THEY CAN EASILY ADAPT
21 THOSE FUNDAMENTAL DISCOVERIES TO A PRODUCT, TO SOME
22 GOAL LINE THAT THEY WANT TO CROSS. AND I SEE IN
23 MANY WAYS THE KINDS OF RESEARCH GOING ON IN THE
24 ACADEMIC CENTERS IN STEM CELLS WITH THAT SAME
25 OPPORTUNITY, THAT THERE'S A REAL END POINT IN MIND.

BARRISTERS' REPORTING SERVICE

1 AND I GUESS THE POINT I'D LIKE TO
2 EMPHASIZE IS THAT WE ACADEMICS DON'T JUST SIT AROUND
3 WATCHING THE IVY GROW; BUT THAT, IN FACT, WE DO
4 THINK VERY DEEPLY ABOUT THE APPLICATION OF THE WORK.
5 I JUST THINK IT'S CLOSER HERE, AND THAT'S WHAT I
6 THINK THAT GRAPH REALLY REPRESENTS.

7 DR. FEIGAL: I THINK THE OTHER THING, WHAT
8 WE WERE TRYING TO GET ACROSS IS STATE FUNDING OR
9 GOVERNMENT FUNDING WILL ONLY TAKE YOU SO FAR. A LOT
10 OF THE DEEP POCKETS ARE IN INDUSTRY. AND SO TO
11 ACTUALLY PROVIDE THE MONEY TO GET YOU ALL THE WAY
12 THROUGH IS PROBABLY MORE MONEY THAN WE HAVE IN OUR
13 ENTIRE FUNDING R & D. AND SO IT WAS JUST THE
14 REALITY OF HOW MUCH MONEY. UNLESS WE DID MUCH FEWER
15 PROJECTS, THERE'S PROBABLY ONLY A HANDFUL THAT WE
16 COULD TAKE ALL THE WAY THROUGH JUST BECAUSE IT'S
17 EXTREMELY EXPENSIVE.

18 CHAIRMAN THOMAS: OTHER COMMENTS OR
19 QUESTIONS? OKAY. WELL, THIS CONCLUDES THE MORNING
20 SESSION. THANK YOU VERY MUCH, ELLEN AND PAT, AGAIN
21 FOR A MOST FASCINATING DESCRIPTION OF WHERE THINGS
22 STAND AS OF TODAY. MARIA, DID YOU WANT TO SAY
23 SOMETHING ABOUT LUNCH?

24 MS. BONNEVILLE: LUNCH IS DOWNSTAIRS IN
25 THE MERITAGE RESTAURANT. YOU'RE GOING TO GO PAST

BARRISTERS' REPORTING SERVICE

1 REGISTRATION ON THE RIGHT. AND WE SHOULD COME BACK
2 UP AROUND 1:15 TO RESTART.

3 CHAIRMAN THOMAS: RECONVENE AT 1:15.
4 THANK YOU, EVERYBODY.

5 (A RECESS WAS TAKEN.)

6 CHAIRMAN THOMAS: IF WE COULD HAVE
7 EVERYBODY, ALL BOARD MEMBERS, PLEASE TAKE YOUR SEATS
8 AGAIN. I'D LIKE TO WELCOME EVERYBODY BACK TO PART 2
9 OF TODAY'S BOARD WORKSHOP. WE'RE GOING TO BEGIN.
10 WE HAVE A NUMBER OF MEMBERS OF THE BOARD WHO WERE
11 REAPPOINTED AS MEMBERS OF THE BOARD WHO NEED TO BE
12 SWORN IN. SO WE'RE GOING TO HAVE A BIT OF AN
13 UNORTHODOX MOMENT WHERE WE'D LIKE THE FOLLOWING
14 PEOPLE TO PLEASE STAND AND, AS I RECITE THE OATH OF
15 OFFICE, IF YOU COULD ALL DO THIS TOGETHER RATHER
16 THAN SERIALLY, WE WILL GET EVERYBODY SWORN IN AND
17 PROCEED WITH THE REST OF THE MEETING.

18 SO WOULD THE FOLLOWING MEMBERS OF THE
19 BOARD PLEASE STAND: MARCY FEIT, SHERRY LANSING,
20 FRANCISCO PRIETO, ROBERT QUINT, JOAN SAMUELSON,
21 CLAIRE POMEROY, AND DAVID BRENNER, AND SAM AS WELL.
22 I JUST ASSUMED YOU'RE ALWAYS AROUND, SAM, SO IT'S
23 OKAY. SO EVERYBODY PLEASE RAISE YOUR RIGHT HAND.

24 (BOARD MEMBERS WERE THEN SWORN IN.)

25 CHAIRMAN THOMAS: CONGRATULATIONS.

BARRISTERS' REPORTING SERVICE

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(APPLAUSE.)

CHAIRMAN THOMAS: I AM NOW GOING TO MOVE TO THE OTHER END OF THE ROOM AND WE'LL BEGIN THE NEXT SEGMENT.

LADIES AND GENTLEMEN OF THE BOARD, DISTINGUISHED GUESTS, BOTH IN PERSON AND ON THE AIR, WE NOW COME TO A SEGMENT OF THE WORKSHOP THAT I THINK I CAN SAY HAS BEEN QUITE ANTICIPATED WITH INTEREST WHICH IS THE RESPONSE OF THE CIRM BOARD TO THE IOM REPORT ISSUED LAST DECEMBER.

I HAVE A NUMBER OF OPENING REMARKS I WOULD LIKE TO MAKE BEFORE WE GET TO THE SLIDE PRESENTATION, WHICH IS THE MEAT OF WHAT I WANT TO DISCUSS, BUT THERE ARE A FEW THINGS I BELIEVE NEED TO BE ON THE TABLE IN ADVANCE.

FIRST OF ALL, I WANT TO REITERATE THE EXTRAORDINARY QUALITY OF BOTH THE PRESENTATION THIS MORNING AND THE WORK DESCRIBED IN THAT PRESENTATION. I THINK ANYBODY WHO WAS HERE SITTING THROUGH THAT REALLY SHOULD FEEL ENORMOUSLY PROUD THAT THE STATE OF CALIFORNIA THROUGH THE VEHICLE OF PROP 71 HAS BEEN ABLE TO FUND EXTRAORDINARY RESEARCH BOTH ACROSS THE RESEARCH SPECTRUM AND ACROSS A WIDE VARIETY OF CURRENTLY INCURABLE DISEASES OR CONDITIONS.

AND I WOULD ASK AS WE PROCEED THROUGH THIS

BARRISTERS' REPORTING SERVICE

1 DISCUSSION THAT EVERYBODY KEEP THAT PRESENTATION
2 FIRST AND FOREMOST IN MIND AS THE REAL STORY OF WHAT
3 WE'RE TYING TO ACCOMPLISH HERE THROUGH CIRM AND ITS
4 ONGOING EFFORTS.

5 THIS IS ALL GOING TO BE ABOUT WE HAVE A
6 GREAT THING. HOW CAN WE MAKE OURSELVES EVEN BETTER?
7 ON THE ISSUE OF MAKING OURSELVES BETTER, WE'VE HAD
8 THREE EXTERNAL REVIEWS TO DATE PLUS VARIOUS
9 FINANCIAL AND OPERATIONAL AUDITS. THE EXTERNAL
10 REVIEWS FROM THE LITTLE HOOVER COMMISSION, THE
11 EXTERNAL ADVISORY PANEL, AND MOST RECENTLY THE IOM
12 HAVE HAD A NUMBER OF CONSISTENT THEMES THAT FLOWED
13 THROUGHOUT.

14 THE LATEST REPORT BY THE IOM HAD A
15 PARTICULARLY LENGTHY SET OF RECOMMENDATIONS. I,
16 LIKE YOU, READ THAT REPORT AND WAS SOMEWHAT
17 OVERWHELMED BY THE BREADTH AND EXTENT OF THE
18 RECOMMENDATIONS. THEN I TOOK A STEP BACK TO
19 CONSIDER IT IN MORE DETAIL.

20 WINSTON CHURCHILL ONCE SAID, "TO IMPROVE
21 IS TO CHANGE. TO BE PERFECT IS TO CHANGE OFTEN."
22 CIRM AT THIS POINT IS MIDLIFE IN ITS CYCLE. AS THE
23 IOM REPORT MADE ABUNDANTLY CLEAR, BOB KLEIN AND THE
24 AGENCY DID AN AMAZING JOB IN CREATING ITSELF FROM
25 SCRATCH AND PUTTING IN PLACE A SERIES OF FACILITIES

BARRISTERS' REPORTING SERVICE

1 AND PROGRAMS THAT HAVE ENABLED WORLD-CLASS RESEARCH
2 AND DOING SO IN A CONTEXT OF UTMOST SCIENTIFIC AND
3 ETHICAL INTEGRITY.

4 WHAT THEY ARE SAYING IS THAT ALL THE
5 INTERNAL STRUCTURES AND PROTOCOLS PUT IN PLACE WERE
6 GREAT TO GET US TO WHERE WE ARE, BUT AT MIDLIFE
7 THOSE STRUCTURES AND PROTOCOLS CAN BE FURTHER
8 REFINED TO MAKE CIRM EVEN BETTER.

9 WITH THAT IN MIND, I TOOK A FRESH LOOK AT
10 THE IOM RECOMMENDATIONS AND BEGAN TO DEVELOP A PLAN
11 TO COMPREHENSIVELY AND SUBSTANTIVELY ADDRESS THE
12 FULL SLATE OF RECOMMENDATIONS. IT IS THAT PLAN THAT
13 I WISH TO SHARE WITH YOU TODAY.

14 IN THE PROCESS OF DEVELOPING THIS PLAN, I
15 SPOKE TO A NUMBER OF STAKEHOLDERS BOTH WITHIN AND
16 OUTSIDE CIRM. THESE INCLUDED ALL THE CONSTITUTIONAL
17 OFFICERS AND/OR THEIR STAFF, A NUMBER OF MEMBERS OF
18 THE BOARD, AND I WANT TO POINT OUT, BEING VERY AWARE
19 OF THE PUBLIC MEETING RULES, IT WAS A DISTINCT
20 MINORITY, CIRM STAFF, PATIENT ADVOCATES, BOB, AS
21 HE'S KNOWN ON A FIRST-NAME BASIS, AND LAST, BUT NOT
22 LEAST, AS I SUGGESTED I WOULD AT THE END OF THE IOM
23 PRESENTATION IN DECEMBER, I HAVE SPOKEN EXTENSIVELY
24 SINCE THEN WITH DR. HAROLD SHAPIRO, THE CHAIR OF THE
25 IOM COMMITTEE THAT ISSUED THE REPORT.

BARRISTERS' REPORTING SERVICE

1 AS ONE WOULD EXPECT, DIFFERENT PEOPLE LIKE
2 DIFFERENT ASPECTS OF THE PLAN. MOST LIKED THE
3 MAJORITY OF THE SUGGESTIONS. FEW, IF ANY, LIKED
4 THEM ALL. WHAT TO DO WITH THAT? AS CONTEMPORARY
5 AUTHOR LARRY WALL RECENTLY NOTED, WE ALL AGREE ON
6 THE NECESSITY OF COMPROMISE. WE JUST CAN'T AGREE ON
7 WHEN IT'S NECESSARY TO COMPROMISE.

8 LADIES AND GENTLEMEN, I WOULD SUBMIT THAT
9 THIS IS ONE OF THOSE TIMES THAT WE MUST MOVE FORWARD
10 DECISIVELY AND COMPROMISE FOR THE GREATER GOOD. WE
11 MUST GET PAST LONG-STANDING CRITICISM ON STRUCTURE
12 AND PROTOCOL THAT HAS FOR TOO LONG STOLEN FOCUS IN
13 THE PRESS AND WITH OUTSIDE OTHER OBSERVERS FROM THE
14 INCREDIBLE SCIENTIFIC WORK THAT WE'VE ENABLED AND
15 THAT YOU HEARD SO ELOQUENTLY ABOUT FROM DRS. FEIGAL
16 AND OLSON IN THIS MORNING'S SESSION.

17 TO PARAPHRASE THE IOM, CIRM IS AT THE
18 CENTER OF THE STEM CELL UNIVERSE, IS GALVANIZING
19 STEM CELL RESEARCH, NOT JUST IN CALIFORNIA, BUT
20 NATIONALLY AND WORLDWIDE, AND IS GREATLY
21 ACCELERATING THE PACE OF RESEARCH EVERYWHERE IN THE
22 INCREASINGLY IMPORTANT FIELD OF REGENERATIVE
23 MEDICINE.

24 TO MEMBERS OF THE PRESS, BOTH ATTENDING
25 AND LISTENING TO THIS MEETING, I, WE, AT CIRM WANT

BARRISTERS' REPORTING SERVICE

1 THESE TO BE THE CENTRAL FOCUS OF YOUR STORIES GOING
2 FORWARD.

3 BECAUSE OF PUBLIC MEETING RESTRICTIONS,
4 MOST OF YOU WILL BE HEARING THIS PLAN FOR THE FIRST
5 TIME. I WANT TO WALK YOU THROUGH A PRESENTATION ON
6 THE PLAN AND REQUEST THAT YOU LET ME GET THROUGH IT
7 IN ITS ENTIRETY BEFORE COMMENTING. WE WILL THEN
8 PROCEED TO A ROBUST BOARD DISCUSSION FOLLOWED BY
9 PUBLIC COMMENT.

10 I BELIEVE YOU WILL FIND THE PLAN TO BE A
11 DRAMATIC AND SUBSTANTIVE RESPONSE TO THE IOM REPORT,
12 ONE THAT HAS INTERWOVEN PARTS THAT TOGETHER FORM A
13 COMPREHENSIVE ROAD MAP FOR MOVING FORWARD. WITH THE
14 UNDERSTANDING YOU WILL ALL HAVE ELEMENTS YOU DON'T
15 LIKE, I ASK THAT YOU CAREFULLY CONSIDER THE PLAN AS
16 ONE REPORTER'S BEST ATTEMPT TO MOVE US FORWARD FROM
17 THIS POINT ON.

18 SO WITH THOSE OPENING COMMENTS, I WOULD
19 NOW LIKE TO PROCEED TO THE SLIDE SHOW ITSELF. AS I
20 SAID, THERE WERE A NUMBER OF RECOMMENDATIONS IN THE
21 IOM REPORT. AND YOU NOW, I BELIEVE, HAVE THE SLIDES
22 IN FRONT OF YOU, SO YOU SCAN TRACK IT THERE OR ON
23 THE SCREEN AS YOU WISH.

24 THE RECOMMENDATIONS ADDRESSED INCLUDE
25 CONFLICTS, INCREASED INDUSTRY INVOLVEMENT, APPEALS

BARRISTERS' REPORTING SERVICE

1 AND GRANT REVIEW PROCESS, PROGRAMMATIC REVIEW AND
2 THE ROLE OF PATIENT ADVOCATES, CHAIR AND PRESIDENT
3 DIVISION OF RESPONSIBILITIES, INTELLECTUAL PROPERTY
4 ISSUES, FINANCIAL SUSTAINABILITY, OTHER ISSUES THAT
5 I WOULD CALL SQUARELY WITHIN THE WHEELHOUSE OF THE
6 SCIENCE STAFF, INCLUDING WORKING GROUP MAKEUP AND
7 REPORTING, THE SCIENTIFIC ADVISORY BOARD, RFA
8 DEVELOPMENT, REGULATORY INVOLVEMENT, ETC. AND
9 LASTLY, ONCE WE HEAR THE PLAN IN ITS ENTIRETY, WHAT
10 WOULD BE REQUIRED TO EFFECT CHANGE.

11 BEFORE WE GET TO CONFLICTS, I JUST HAVE A
12 COUPLE OF OPENING THOUGHTS BEFORE WE HIT THAT SLIDE.
13 NO. 1, THE APPEARANCE OF ECONOMIC CONFLICT HAS BEEN
14 THE SINGLE BIGGEST ISSUE THAT HAS FOLLOWED CIRM FROM
15 INCEPTION. SUCH WAS THE IOM'S CONCERN, THAT IT
16 RECOMMENDED THAT THE BOARD COULD ONLY VOTE ON THE
17 SLATE RECOMMENDED BY THE GRANTS WORKING GROUP AND
18 NOT BE ABLE TO ADDRESS ANY INDIVIDUAL GRANTS.

19 HAVING SAID THAT, DR. SHAPIRO MADE IT VERY
20 CLEAR AT HIS PRESENTATION TO THE BOARD IN DECEMBER
21 THAT IF WE ADDRESSED THE ECONOMIC CONFLICT ISSUE,
22 THAT WOULD ALLEVIATE THE NEED TO VOTE ON THE SLATE
23 ONLY. IT IS WITH THAT THOUGHT IN MIND THAT I NOW
24 ADDRESS THE CONFLICTS ISSUE IN THE PRESENTATION.

25 CONFLICTS: THE IOM REPORT RECOMMENDS

BARRISTERS' REPORTING SERVICE

1 MAXIMIZING THE NUMBER OF INDEPENDENT BOARD VOTES ON
2 GRANTS. WHEN THEY SAY ECONOMIC -- WHEN THEY SAY
3 INDEPENDENT, WHAT THEY'RE REFERENCING IS IS
4 ECONOMICALLY INDEPENDENT. CURRENTLY THERE ARE 13
5 PERMANENT BOARD SLOTS WITH MEMBERS APPOINTED FROM
6 INSTITUTIONS ELIGIBLE FOR FUNDING. THAT IS THE
7 CENTRAL FOCUS OF ALL THE REPORTS WE'VE HAD ON US AND
8 ALL OF THE PRESS THAT'S FOCUSING ON THE CONFLICT
9 ISSUE.

10 I PROPOSE, AND THIS IS, I UNDERSTAND, VERY
11 DRAMATIC, THAT THESE 13 INSTITUTIONAL MEMBERS, WE
12 WOULD DEVELOP A POLICY BY THE BOARD THAT WOULD ASK
13 THAT THEY VOLUNTARILY ABSTAIN FROM VOTING ON ALL
14 GRANTS BROUGHT BEFORE THE BOARD FOR APPROVAL. THIS
15 REDUCES THE BOARD TO 16 ELIGIBLE MEMBERS TO VOTE ON
16 GRANTS, ALL ECONOMICALLY INDEPENDENT UNLESS THEY ARE
17 OTHERWISE CONFLICTED.

18 ELIMINATING ECONOMIC CONFLICTS FREES THE
19 BOARD TO DISCUSS INDIVIDUAL GRANTS THOUGH IN A
20 PROGRAMMATIC REVIEW FORMAT WHICH I'LL DESCRIBE
21 LATER. VERY IMPORTANTLY, INSTITUTIONAL MEMBERS CAN
22 STILL PARTICIPATE IN THE DISCUSSIONS AND GIVE THE
23 BOARD THE FULL ADVANTAGE OF ITS CONSIDERABLE
24 EXPERTISE, BUT AT THE END CANNOT VOTE ON THE
25 APPROVAL OF GRANTS. THAT WILL DEAL DEFINITELY

BARRISTERS' REPORTING SERVICE

1 WITH THE ECONOMIC CONFLICT ISSUE.

2 THIS PROPOSED SOLUTION IS SOMETHING THAT
3 I'VE DEVELOPED IN CONSULTATION WITH MANY PEOPLE AND
4 IS ONE THAT WE'RE NOT SURE IF IT'S GOING TO BE
5 ULTIMATELY THE BEST WAY TO ADDRESS THIS ISSUE OR
6 NOT, BUT I BELIEVE IT'S THE BEST THING TO PUT IN
7 PLACE RIGHT NOW, BUT WE WANT TO SEE IF IT WORKS. SO
8 WHAT I'M PROPOSING IS IT BE PUT IN PLACE FOR A
9 ONE-YEAR TRIAL PERIOD TO SEE IF IT'S EFFECTIVE. I
10 BELIEVE IT WILL BE. IF IT'S NOT EFFECTIVE, WE'LL
11 REVISIT AND PUT IN PLACE A PREFERABLE ALTERNATIVE AT
12 THAT TIME.

13 ON THE ISSUE OF INCREASING INDUSTRY
14 INVOLVEMENT, THE IOM REPORT RECOMMENDED SUCH
15 INCREASED INVOLVEMENT. TO GET THE GREATEST IMPACT
16 IN THIS REGARD, I BELIEVE THE PRESIDENT AND STAFF
17 COULD INCREASE INDUSTRY PARTICIPATION ON THE GRANTS
18 WORKING GROUP AND THE CLINICAL DEVELOPMENT ADVISORY
19 PANELS AS WELL AS A MATERIAL NUMBER OF INDUSTRY
20 REPRESENTATIVES ON THE RECOMMENDED SCIENTIFIC
21 ADVISORY BOARD REPORTING TO THE PRESIDENT.

22 WE'VE HAD A LOT OF DISCUSSIONS ABOUT THIS,
23 DR. TROUNSON, DR. FEIGAL, ETC., AND I BELIEVE THEY
24 ARE IN FIRM AGREEMENT ON THIS SUGGESTION.

25 WE ALSO WOULD WANT, FURTHER TO WHAT THE

BARRISTERS' REPORTING SERVICE

1 IOM WAS HEARING FROM INDUSTRY ITSELF, TO ENCOURAGE
2 ADDITIONAL INDUSTRY INPUT INTO THE ACTUAL DRAFTING
3 OF RFA'S.

4 ON THE ISSUE OF APPEALS AND THE GRANTS
5 REVIEW PROCESS, I THINK IT'S IMPORTANT TO NOTE THAT
6 THROUGH THE ANNALS OF CIRM, THE BOARD HAS ACTUALLY
7 APPROVED RECOMMENDATIONS FROM THE GRANTS WORKING
8 GROUP MORE THAN 90 PERCENT OF THE TIME. SO THERE'S
9 GREAT CONFORMITY IN OPINION, BUT NOT UNANIMITY, BUT
10 GREAT CONFORMITY IN WHAT THE BOARD DOES IN RESPONSE
11 TO THE SCIENTISTS AT THE PEER REVIEW GROUP.

12 THE IOM REPORTS RECOMMENDS THAT WE
13 ELIMINATE OUR EXTRAORDINARY APPEALS PROCESS. WE'VE
14 HAD THIS IN PLACE FOR A WHILE. AS WE ALL KNOW,
15 THERE HAVE BEEN ISSUES WITH THIS. WE'VE BEEN
16 EXAMINING THE PROPER PROTOCOL TO PUT IN PLACE TO
17 ALLOW FOR THE BEST APPELLATE PROCESS POSSIBLE. AND
18 SO RATHER THAN ELIMINATING EXTRAORDINARY APPEALS,
19 I'M PROPOSING THAT WE REDIRECT ALL SUCH -- THESE
20 ARE, GENERALLY SPEAKING, SCIENTIFIC APPEALS ON A
21 VARIETY OF FRONTS -- THAT WE REDIRECT ALL SCIENTIFIC
22 APPEALS TO STAFF WHO WILL EVALUATE THEM TO SEE IF
23 THE GRANTS WORKING GROUP OR SUBSET THEREOF SHOULD
24 CONSIDER THEM FOR FURTHER REVIEW.

25 THIS IS A REVISED VERSION OF THE

BARRISTERS' REPORTING SERVICE

1 ADDITIONAL ANALYSIS PROCEDURE THAT I INSTITUTED LAST
2 SUMMER. THERE WILL BE CRITERIA SET FORTH FOR THE
3 APPELLATE PROCESS, WHETHER IT'S NEW INFORMATION OR A
4 MATERIAL DISPUTE OF FACT THAT THOSE PROPOSERS FELT
5 EXISTED BETWEEN THEIR PROPOSAL AND WHAT THE GRANTS
6 WORKING GROUP DECIDED, ETC. ONCE THE APPEALS ARE
7 FINISHED, THE RECOMMENDATIONS, WHICH TAKE INTO
8 ACCOUNT THE ORIGINAL SCORING OF THE GRANTS WORKING
9 GROUP AS AMENDED BY ANY ADDED IN THE APPELLATE
10 PROCESS, WOULD THEN GO TO THE BOARD.

11 PROGRAMMATIC REVIEW AND THE ROLE OF
12 PATIENT ADVOCATES: THE IOM REPORT RECOMMENDS
13 AGAINST HAVING VOTING PATIENT ADVOCATE BOARD MEMBERS
14 ON THE GRANTS WORKING GROUP. CURRENTLY PATIENT
15 ADVOCATES RUN PROGRAMMATIC REVIEW, WHICH IS, AS YOU
16 KNOW, THE SECOND PART OF THE GRANTS WORKING GROUP
17 MEETINGS. THERE ARE A NUMBER OF THOSE OF YOU WHO
18 ATTEND THESE MEETINGS AND I THINK DERIVE GREAT
19 BENEFIT FROM THAT AND, AS A RESULT, ARE IN A
20 POSITION TO DRIVE THE PROGRAMMATIC REVIEW
21 DISCUSSION. THE CHAIR, ME, CURRENTLY ATTENDS EX
22 OFFICIO. I HAVE NO VOTING RIGHTS, JUST OBSERVING
23 RIGHTS.

24 NOW, ONE THING THAT WASN'T ADDRESSED IN
25 THE IOM REPORT, WHICH I THINK IS VERY IMPORTANT, IS,

BARRISTERS' REPORTING SERVICE

1 AND I'VE HEARD THIS SINCE I STARTED NOW 19 MONTHS
2 AGO, PER THE STAFF HERE AT CIRM AND THE SCIENTISTS
3 ON THE GRANTS WORKING GROUP, THERE'S BEEN A QUESTION
4 AS TO WHY WE HAVE PROGRAMMATIC REVIEW AT THE GRANTS
5 WORKING GROUP. WHY ISN'T THAT SOMETHING MORE
6 PROPERLY DONE IN FRONT OF THE ICOC ITSELF GIVEN THE
7 TYPES OF ISSUES THAT ARE DISCUSSED, WHICH ARE
8 LARGELY NONSCIENTIFIC.

9 AND SO HAVING HEARD THAT QUESTION OVER AND
10 OVER AND OVER, TOOK TO HEART THAT SUGGESTION, AND MY
11 PROPOSAL WOULD BE THAT WE NOW MOVE PROGRAMMATIC
12 REVIEW TO THE BOARD. WE HAVE THE GRANTS WORKING
13 GROUP ITSELF DOING SOLELY SCIENTIFIC DISCUSSION.
14 THE PATIENT ADVOCATES WHO ARE HERETOFORE VOTING
15 MEMBERS OF THE GRANTS WORKING GROUP WOULD NO LONGER
16 HAVE A VOTE. THEY WOULD BE ABLE TO ATTEND AND
17 PARTICIPATE IN THAT SO AS TO INFORM THE RUNNING OF
18 THE PROGRAMMATIC REVIEW, WHICH WOULD NOW, UNDER MY
19 PROPOSAL, BE MOVED TO THE BOARD AFTER THE GRANTS
20 WORKING GROUP HAD FINISHED.

21 VERY IMPORTANTLY, WE ARE NOW, AS I SAID
22 EARLIER, OKAY TO HAVE PROGRAMMATIC REVIEW AT THE
23 BOARD LEVEL BECAUSE WE'VE NOW DEALT WITH THE
24 ECONOMIC CONFLICTS ISSUE. A CENTRAL PART OF THE
25 PROGRAMMATIC REVIEW CHAIN WILL BE THAT ONCE THE

BARRISTERS' REPORTING SERVICE

1 GRANTS WORKING GROUP HAS FINISHED ITS WORK, STAFF
2 WILL THEN TAKE A FRESH LOOK AT THE GRANTS WORKING
3 GROUP PROPOSALS AND WILL RECOMMEND ANY PROJECTS THEY
4 FEEL WARRANT FURTHER DISCUSSION AT THE BOARD LEVEL
5 IN PROGRAMMATIC REVIEW.

6 PROGRAMMATIC REVIEW ITSELF MAY LEAD TO
7 ADDITIONAL FUNDED PROJECTS, AS IT HAS ON OCCASION IN
8 THE GRANTS WORKING GROUP. AND JUST TO BE TOTALLY
9 FAIR, IT MAY BE POSSIBLE THAT SOME COULD BE, AND
10 THIS HAS ONLY HAPPENED IN A VERY LIMITED NUMBER OF
11 TIMES, REMOVED FROM THE LIST. AS I UNDERSTAND IT,
12 THAT'S ONLY HAPPENED IN INSTANCES WHERE WE'VE
13 ALREADY FUNDED SOMETHING THAT IS ESSENTIALLY A
14 DUPLICATE STUDY, AS AN EXAMPLE, THAT WE FEEL WE
15 DON'T NEED TO HAVE TWO IDENTICAL PROJECTS GOING ON
16 AT THE SAME TIME.

17 ONCE YOU'VE HAD PROGRAMMATIC REVIEW AT THE
18 BOARD LEVEL, YOU WOULD THEN HAVE A FULL SLATE OF
19 PROJECTS TO VOTE ON. AND THE NONECONOMICALLY
20 CONFLICTED BOARD MEMBERS WILL VOTE ON THAT ENTIRE
21 SLATE AT THE CONCLUSION OF THAT PROGRAMMATIC REVIEW
22 PROCESS.

23 ON THE ISSUE OF THE CHAIR AND PRESIDENT
24 DIVISION OF RESPONSIBILITIES, THE IOM AND OTHERS,
25 RUTH, HAVE EXPRESSED CONCERNS IN THE PAST CONCERNING

BARRISTERS' REPORTING SERVICE

1 OVERLAPPING RESPONSIBILITIES BETWEEN THE CHAIR AND
2 THE PRESIDENT. THE REPORT RECOMMENDS DELEGATION OF
3 OPERATIONAL ROLES OF THE CHAIR AND THE VICE CHAIRS
4 TO THE PRESIDENT. I SEE IT A LITTLE DIFFERENTLY,
5 PERHAPS NOT SURPRISINGLY.

6 MY VIEW IS THE PRESIDENT, WHO IS ALWAYS AN
7 EMINENT SCIENTIST, IS VERY WELL EQUIPPED TO RUN THE
8 FULL SCIENTIFIC OPERATION AND ALL THE ASPECTS THAT
9 IT ENTAILS. AND I WOULD SORT OF DUB THIS THE INSIDE
10 TASKS OF THE AGENCY. THAT WOULD INCLUDE, IF WE
11 INDEED HAVE ANOTHER CFO, THAT WOULD BE REPORTING TO
12 THE PRESIDENT UNDER THIS CONSTRUCT. THE CHAIR IS
13 NOT SCIENTIFICALLY VERSED IN A MANNER TYPICALLY TO
14 BE ABLE TO BE INVOLVED IN THE OPERATIONAL DAY-TO-DAY
15 ON THE SCIENCE SIDE AND SHOULD LEAVE THAT TO THE
16 PRESIDENT AND STAFF TO HANDLE.

17 SIMILARLY, THE PRESIDENT AND THE STAFF ARE
18 NOT EQUIPPED FROM A SKILL SET POINT OF VIEW TO
19 HANDLE WHAT THE LITTLE HOOVER COMMISSION DUBBED
20 EXTERNAL AFFAIRS. AND IN THAT EXTERNAL AFFAIRS
21 GROUP I WOULD LUMP THINGS LIKE FINANCIAL
22 SUSTAINABILITY, TRYING TO FIGURE OUT HOW TO RAISE
23 ADDITIONAL FUNDS TO KEEP THE CIRM OPERATION GOING
24 LONG-TERM. GOVERNMENT RELATIONS, EXTENSIVE WORK ON
25 THAT FRONT. BOND FINANCING WHICH IS, FOR THOSE WHO

BARRISTERS' REPORTING SERVICE

1 AREN'T INVOLVED IN IT, A RATHER ESOTERIC WORLD OF
2 FINANCE WHICH IS PART FINANCE AND ACTUALLY LARGER
3 PART POLITICAL. AND COMMUNICATIONS WITH WHAT I CALL
4 THE OUTSIDE WORLD OR BEYOND THE SCIENTIFIC MEDIA FOR
5 THE BOARD SPEAKING TO THAT OUTSIDE WORLD. I DUB
6 THESE THE OUTSIDE TASKS.

7 I WOULD SUBMIT TO YOU, MEMBERS OF THE
8 BOARD, THAT THIS INSIDE/OUTSIDE COMBINATION GIVES
9 CIRM THE FULL COVERAGE OF ALL AREAS NEEDED TO MAKE
10 THE AGENCY FUNCTION ON ALL CYLINDERS. AND, IN FACT,
11 FAR FROM IT BEING OVERLAPPING RESPONSIBILITIES AND
12 STEPPING ON TOES, THE CHAIR AND THE PRESIDENT
13 ACTUALLY HAVE UNDER THIS CONSTRUCT A VERY GOOD
14 SYMBIOTIC RELATIONSHIP THAT ALLOWS THE AGENCY TO GET
15 THE BIGGEST BANG FOR THE CALIFORNIA TAXPAYER BUCK.

16 UNDER THIS CONSTRUCT AS WELL, ALL THOSE
17 WHO, OF COURSE, ARE WORKING ON THE INSIDE TASKS,
18 WHICH IS THE OPERATIONS OF THE AGENCY, WOULD REPORT
19 TO THE PRESIDENT. THOSE WORKING ON ALL THE THINGS
20 WITH THE CHAIR ON THE OUTSIDE WOULD REPORT TO THE
21 CHAIR.

22 ON THE ISSUE OF INTELLECTUAL PROPERTY, THE
23 IOM SUGGESTS THAT THE IP REGS OF THE AGENCY HAVE
24 GREATER CONFORMITY WITH THE BAYH-DOLE ACT. THESE
25 RECOMMENDATIONS WE'RE NOT GOING TO DISCUSS TODAY.

BARRISTERS' REPORTING SERVICE

1 INSTEAD, WE'RE GOING TO REFER THEM TO THE CIRM
2 INDUSTRY AND IP SUBCOMMITTEE FOR A FULL AIRING. I
3 WOULD ASK THAT THAT SUBCOMMITTEE, IN THE CONTEXT OF
4 THESE DISCUSSIONS, DO A THOROUGH RECITATION AND
5 REVIEW OF ALL THE EFFORTS THAT HAVE BEEN PUT IN TO
6 DATE IN DEVELOPING THE IP REGS WITH PARTICULAR
7 EMPHASIS ON THE THREE GOALS THAT WE'VE ALWAYS HAD IN
8 FRONT OF US IN PROMULGATING THOSE REGS, WHICH ARE
9 AFFORDABLE COST TO CALIFORNIA CITIZENS OF THERAPIES
10 OR CURES DEVELOPED BY THE SCIENTISTS FUNDED BY THE
11 AGENCY, ACCESSIBILITY TO THOSE THERAPIES AND CURES
12 FOR THE CITIZENS OF CALIFORNIA, AND, IMPORTANTLY,
13 RETURN ON INVESTMENT TO THE STATE FOR THE
14 CONSIDERABLE AMOUNT OF FUNDING THAT IT IS PUTTING
15 INTO THIS VIA PROP 71.

16 I WANT TO SAY THAT IN THE COURSE OF THE
17 DEVELOPMENT OF THESE REGS, WE'VE ADJUSTED TO MAKE
18 THEM MORE ATTRACTIVE TO INDUSTRY TO THIS POINT WHILE
19 ENSURING THAT RETURN TO THE STATE.

20 THE IOM REPORT ON ANOTHER RELATED MATTER
21 IN IP RECOMMENDS THAT WE DEVELOP A METHOD OF HOW TO
22 ENFORCE THE IP REGS IF AND WHEN CIRM HANDS OVER THE
23 KEYS TO ANOTHER GOVERNMENTAL AGENCY WHO WILL BE IN
24 CHARGE OF ALL OF THE PROJECTS AND THE CIRM
25 PORTFOLIO. AND, OF COURSE, WE FULLY PLAN TO DO JUST

BARRISTERS' REPORTING SERVICE

1 THAT.

2 ON THE ISSUE OF SUSTAINABILITY, I WILL SAY
3 THE BOARD AND STAFF WERE VERY PLEASED WITH THE
4 SIGNIFICANT NUMBER OF VALIDATING COMMENTS THAT WERE
5 IN THE REPORT AND THAT THEY THOUGHT SO HIGHLY OF
6 WHAT CIRM HAS DONE TO DATE AND THE PORTFOLIO THAT'S
7 IN PLACE AND WHERE WE CONTINUE TO HEAD, THAT THEY
8 LISTED SUSTAINABILITY AS ONE OF THE VERY TOP
9 PRIORITIES. THIS IS A TOPIC, AGAIN, FOR A LATER
10 DAY.

11 I'M CURRENTLY CONSIDERING A VARIETY OF
12 OPTIONS. I ASSURE YOU THIS ISSUE IS VERY MUCH ON
13 THE FRONT BURNER, LOOKING AT A VARIETY OF THINGS
14 INCLUDING SOME IDEAS ON A VENTURE PHILANTHROPY FUND
15 AND OTHER IDEAS. BUT AS THOSE ARE A LITTLE MORE
16 FULLY BAKED, I WILL BE BACK TO THE BOARD IN DUE
17 COURSE TO DISCUSS THOSE AT THAT TIME.

18 I HAVE A SLIDE HERE ENTITLED "OTHER."
19 THESE REFLECT ADDITIONAL SUGGESTIONS IN THE IOM
20 REPORT. ONE DEALS WITH THE WORKING GROUPS. IT
21 SUGGESTED THEY REPORT TO THE PRESIDENT. AS YOU
22 KNOW, WE HAVE THE GRANTS WORKING GROUP, THE
23 STANDARDS WORKING GROUP, AND THE FACILITIES WORKING
24 GROUP. THE REPORT SUGGESTS THEY ALL REPORT TO THE
25 PRESIDENT. I FULLY ADVOCATE THAT WE SHOULD BE DOING

BARRISTERS' REPORTING SERVICE

1 JUST THAT.

2 I WOULD SAY THAT WITH REGARDS TO THE
3 MEMBERSHIP OF THESE WORKING GROUPS, I WOULD ADD A
4 BIT OF A WRINKLE. WE'VE NOW UNDER MY PLAN DISCUSSED
5 HOW THERE WILL BE NO BOARD MEMBERS WHO ARE VOTING
6 MEMBERS OF THE GRANTS WORKING GROUP HENCEFORTH.
7 HOWEVER, WITH RESPECT TO THE STANDARDS WORKING
8 GROUP, BECAUSE FREQUENTLY THAT GROUP DEALS WITH
9 NONFINANCIAL ISSUES IN THE ETHICAL OR POLICY SPHERE,
10 I BELIEVE THAT THE GROUP COULD BENEFIT FROM THOSE
11 WITH SKILL SETS IN THAT REGARD FROM THE BOARD.
12 LIKewise, THE FACILITIES WORKING GROUP, WHICH
13 PROBABLY ISN'T GOING TO HAVE A WHOLE LOT OF
14 ADDITIONAL ACTION, BUT IF IT DOES, THERE ARE THOSE
15 WITH FINANCE AND REAL ESTATE EXPERTISE ON THE BOARD
16 THAT I BELIEVE SHOULD CONTINUE TO SERVE ON THAT
17 WORKING GROUP TO FURTHER INFORM THOSE DISCUSSIONS.

18 THEN, AS I SAID, THERE ARE A NUMBER OF
19 MATTERS IN THE IOM REPORT THAT ARE PROPERLY
20 ADDRESSED AND HANDLED BY STAFF AND WILL BE SO
21 HANDLED. THESE INCLUDE THE ESTABLISHMENT OF A
22 SCIENTIFIC ADVISORY BOARD REPORTING TO THE
23 PRESIDENT, HELPING TO ADVANCE REGENERATIVE MEDICINE
24 IN THE DEVELOPMENT OF THE REGULATORY PATHWAY,
25 DEVELOPMENT OF RFA'S, ETC., ALL THESE THINGS

BARRISTERS' REPORTING SERVICE

1 PROPERLY WITHIN THE JURISDICTION OF THE PRESIDENT.
2 AND WE'VE HAD DISCUSSIONS ABOUT THIS, AND THOSE WILL
3 PROCEED ACCORDINGLY.

4 OKAY. THAT'S THE PLAN. WHAT'S REQUIRED
5 TO MAKE CHANGES? THERE ARE A LOT OF CHANGES HERE.
6 WELL, WE'VE CONSTRUCTED THIS IN SUCH A WAY THAT WE
7 BELIEVE THAT WE CAN ACCOMPLISH EVERYTHING I'VE JUST
8 LAID OUT THROUGH BOARD ACTION AND WILL NOT REQUIRE
9 EITHER LEGISLATION OR AN ADDITIONAL BALLOT MEASURE.
10 NOW, TO THE EXTENT THAT THAT PROVES NOT TO BE THE
11 CASE AND CERTAIN THINGS ARE DEEMED TO BE REQUIRING
12 OF LEGISLATION, WE'LL DEAL WITH IT AT THAT TIME.
13 BUT WE BELIEVE, AS WE STAND HERE TODAY, WITH THIS
14 PLAN THAT THAT WILL NOT BE NECESSARY.

15 WHAT WILL BE NECESSARY IS THE AMENDMENT OF
16 A NUMBER OF EXISTING CIRM LANGUAGE THAT YOU FIND IN
17 BYLAWS AND EXISTING REGS AND POLICIES, ETC. MR.
18 HARRISON, BASED ON WHAT WE COME OUT FROM THIS
19 DISCUSSION, WILL MAKE THE APPROPRIATE CHANGES TO
20 THOSE VARIOUS THINGS AND WILL PRESENT THAT TO THE
21 BOARD AT THE MARCH MEETING.

22 THE INTERESTING THING HERE IS CHANGES, IF
23 WE ARE CORRECT, THAT WE CAN DO THIS WITHOUT
24 LEGISLATION OR BALLOT MEASURE, CAN BE IMPLEMENTED
25 IMMEDIATELY. SO WHAT WE HAVE HERE IN SHORT IS A, I

BARRISTERS' REPORTING SERVICE

1 BELIEVE, DRAMATIC, SUBSTANTIVE RESPONSE TO EVERY IOM
2 RECOMMENDATION. WE ARE ABLE TO PUT ALL OF THESE
3 DIFFERENT COMPONENTS INTO OPERATION WITHOUT NEED FOR
4 EXTERNAL VALIDATION, AND IN DOING SO, WILL BE ABLE
5 TO IMPLEMENT THE VARIOUS STEPS RIGHT AWAY, AND I
6 BELIEVE WILL IMMEDIATELY GET US TO A POINT WHERE WE
7 HAVE BEEN DEEMED TO REALLY HAVE DONE WHAT WE WERE
8 SUPPOSED TO IN RESPONSE TO THIS IOM REPORT AND WILL
9 HAVE BEEN VIEWED AS HAVING DONE SO FROM A GOVERNMENT
10 STANDPOINT IN WARP SPEED.

11 SO WITH THAT, I WOULD LIKE TO CONCLUDE MY
12 PRESENTATION AND THROW THE PLAN TO YOU ALL FOR YOUR
13 COMMENTS. SENATOR TORRES.

14 MR. TORRES: YES, MR. CHAIRMAN. I WANT TO
15 THANK YOU FOR ALL THE THOUGHTFUL WORK THAT YOU,
16 STAFF, AND MANY OF US HAVE DONE IN RESPECT TO THESE
17 ISSUES. I WOULD ALSO REFERENCE A LETTER BY DR. TED
18 LOVE, WHO SERVED AS SCIENTIFIC OFFICER HERE AS WELL
19 AS A MEMBER OF OUR BOARD, A VERY THOUGHTFUL LETTER
20 THAT OUGHT TO BE LOOKED AT BY THE BOARD MEMBERS.

21 THE ISSUE BEFORE US IS TIMING. THE ISSUE
22 BEFORE US IS SHOWING RESPONSIBILITY SO THAT WE CAN
23 MOVE ON. WE HAVE THOUGHT THAT THIS MIGHT BE A
24 BETTER WAY TO GO BECAUSE IT ACCELERATES THE PROCESS
25 SO THAT THE GENERAL PUBLIC UNDERSTANDS THAT WE TAKE

BARRISTERS' REPORTING SERVICE

1 THESE RECOMMENDATIONS SERIOUSLY, SO SERIOUSLY THAT
2 WE'RE MOVING AS QUICKLY AS WE CAN WITHOUT SUBJECTING
3 OURSELVES TO A LEGISLATIVE TIMETABLE, WHICH WOULD
4 LAST UNTIL SEPTEMBER OF THIS YEAR, AND ANY SIGNATURE
5 BY THE GOVERNOR WOULDN'T AFFECT IT UNTIL JANUARY 1
6 OF 2014. IN MY OPINION, THAT WOULD BE TOO LATE.

7 I ALSO WANT TO THANK SENATOR JERRY HILL, I
8 BELIEVE HIS STAFF IS HERE AS WELL, FOR GRACIOUSLY
9 PUTTING IN A WHAT WE CALL SPOT BILL JUST IN CASE WE
10 MIGHT NEED SOMETHING IF, IN FACT, THE BOARD ACTIONS
11 THAT WE TAKE AND THE REGULATORY NATURE AND CLEARLY
12 THE TIMING IS NOT SUFFICIENT AND REQUIRES US TO GO
13 SOMEWHERE WITH SOME OF THESE RECOMMENDATIONS THROUGH
14 THE LEGISLATIVE PROCESS, BUT CERTAINLY NOT ALL.

15 THE IOM REPORT PRESENTED TO THIS BOARD AND
16 THE STAKEHOLDERS A CHALLENGE. AND THAT IS TO COME
17 UP WITH RECOMMENDATIONS THAT WE COULD IMPLEMENT
18 QUICKLY, EFFECTIVELY, AND SUBSTANTIVELY. I BELIEVE
19 THAT THIS DOCUMENT HELPS US DO THAT. AND I WOULD
20 JUST URGE YOU TO CONSIDER IT SERIOUSLY AS WE MOVE
21 FORWARD, KNOWING ALL ALONG THAT WE HAVE OTHER
22 ALTERNATIVES AVAILABLE IF, IN FACT, THE BOARD ACTION
23 ISN'T SUFFICIENT, WHICH I THINK IT WILL BE, IN
24 RESPECT TO THESE ISSUES AND HOW WE MOVE FORWARD.

25 CHAIRMAN THOMAS: DUANE.

BARRISTERS' REPORTING SERVICE

1 MR. ROTH: SO THANK YOU ALSO FOR THAT
2 PRESENTATION. I'VE HEARD PIECES OF THIS, BUT NOT
3 ALL OF IT. AND I HAVE TO COMMEND YOU FOR A VERY
4 THOUGHTFUL APPROACH TO THIS.

5 I GUESS MY COMMENTS WOULD BE THAT MANY OF
6 THESE ISSUES ARE NOT NEW, AND WE'VE BEEN STRUGGLING
7 WITH THEM FOR A WHILE. AND I THINK IT'S TIME NOW
8 THAT WE DO EVERYTHING WE CAN TO TRY TO ADDRESS THEM.
9 THIS IS THE THIRD, AS YOU MENTIONED, THE THIRD
10 REVIEW WE'VE HAD, AND REALLY THE SAME ISSUES COME
11 UP.

12 MY VIEW ON THE ECONOMIC CONFLICT, I THINK
13 YOU'VE COME UP WITH A REALLY INTERESTING WAY TO
14 SOLVE THAT CONFLICT AND I SUPPORT THAT.

15 THE APPEALS HAS BEEN SOMETHING THAT WE
16 WERE WORKING ON FAR SOONER THAN THE IOM REPORT.
17 THAT'S NOT WHAT PROMPTED IT. BERT, YOU'VE BEEN
18 HEADING THAT TASK FORCE BECAUSE WE KNEW THAT WE HAD
19 TO FIGURE THAT OUT. IT WASN'T WITHOUT NOTICE THAT
20 IT HAD EVOLVED OVER TIME, AND IT WAS STARTING TO GET
21 REALLY OUT OF CONTROL. AND WE TOOK ACTION AND
22 FORMED A COMMITTEE AND SAID LET'S TRY TO DEAL WITH
23 THIS. SO IT'S NOT LIKE IOM IS THE REASON WE SHOULD
24 DO THAT. IT WAS ONGOING AND NEEDS TO CONTINUE AND
25 ACCELERATE.

BARRISTERS' REPORTING SERVICE

1 THE PROGRAMMATIC REVIEW, I LIKE YOUR
2 SOLUTION. I WOULD MAKE AN ALTERNATIVE PROPOSAL,
3 THAT REALLY WHAT WE'RE DISCUSSING HERE IS PORTFOLIO
4 AND WEAKNESS IN THE PORTFOLIO. AND IF THE BOARD IS
5 GOING TO DEAL WITH THIS, WE SHOULD DEAL WITH IT
6 PROSPECTIVELY BASED ON A REPORT FROM STAFF THAT SAYS
7 IN THIS DISEASE AREA, WE REALLY DON'T HAVE MUCH, OR
8 IN THIS TECHNOLOGY, WE DON'T HAVE SOME OF THE THINGS
9 WE NEED. AND WE COULD PROSPECTIVELY CALL THOSE
10 MATERIAL WEAKNESSES IN OUR PORTFOLIO AND MAKE SURE
11 THAT THE GRANTS WORKING GROUP AND OTHERS ARE AWARE
12 OF THOSE KINDS OF NEEDS THAT WE HAVE SO THEY CAN
13 POTENTIALLY DEAL WITH THEM. BUT I LIKE PORTFOLIO
14 MUCH BETTER THAN PROGRAMMATIC.

15 I THINK WE REALLY NEED TO LOOK AT OUR
16 PORTFOLIO CONTINUOUSLY, BUT DO IT PROSPECTIVELY, NOT
17 WHEN THERE'S A GRANT OVER HERE THAT SOMEBODY SAYS WE
18 HAVE A WEAKNESS THERE. MAYBE WE DO, BUT MAYBE AFTER
19 FURTHER THOUGHT OR INPUT FROM SCIENTIFIC ADVISORS,
20 WE'D FIND THAT IT'S LESS. SO WE CAN, I THINK, WORK
21 ON THAT.

22 THE LAST ONE I'M GOING TO COMMENT ON IS
23 GOVERNANCE. ALL OF YOU KNOW I WAS PROBABLY THE MOST
24 OUTSPOKEN ON THE GOVERNANCE MODEL OF ANY OF THE
25 BOARD MEMBERS, AND WE DEALT WITH THIS DURING THE

BARRISTERS' REPORTING SERVICE

1 CHANGE IN CHAIRS. AND I, FOR ONE, AM NOT WILLING TO
2 GO DOWN THAT PATH AGAIN. WE DISCUSSED IT, WE
3 REVIEWED IT, AND WE HAVE A WORKING GROUP NOW OR
4 WORKING RELATIONSHIP BETWEEN THE CHAIR AND THE
5 PRESIDENT THAT IS VERY, VERY GOOD. IT'S NOT PERFECT
6 AND THERE'S SOME THINGS THAT NEED TO BE DONE, BUT
7 THEY AREN'T THINGS IN TERMS OF STRUCTURAL CHANGE
8 THAT I THINK WE NEED TO MAKE.

9 SO AS LONG AS THIS CONTINUES AND THERE'S
10 RESPECT AND WE CAN FIX SOME OF THESE WHAT I'LL CALL
11 AGGRAVATIONS BETWEEN THE GROUPS, I THINK WE HAVE A
12 CHANCE TO MOVE THAT FORWARD. SO THAT HAS TO BE ONE
13 THAT I THINK WE AGREE TO DISAGREE AND SAY THAT WE'VE
14 CROSSED OVER THAT, AND THERE'S NOT GOING TO BE
15 ANYTHING GAINED FROM TRYING TO RESTRUCTURE IT AT
16 THIS POINT OF THE AGENCY'S HISTORY. THOSE ARE MY
17 COMMENTS.

18 CHAIRMAN THOMAS: THANK YOU. MICHAEL.

19 DR. FRIEDMAN: THANK YOU. I'VE GIVEN A
20 LOT OF THOUGHT TO THE IOM CRITIQUE AND REFLECTED ON
21 THE PRIVILEGE THAT IT IS TO SERVE ON THIS GROUP AND
22 UNDERSTAND THE RESPONSIBILITY THAT WE HAVE IN DOING
23 SO. I, TOO, AS PREVIOUS SPEAKERS, TAKE THE COMMENTS
24 OF THE IOM REPORT VERY SERIOUSLY. I WOULDN'T SPEND
25 TIME ASKING THE QUESTION IS THE CRITICISM FAIR

BARRISTERS' REPORTING SERVICE

1 BECAUSE I DON'T THINK THAT'S THE RIGHT QUESTION. I
2 THINK THE RIGHT QUESTION IS IS THE CRITICISM
3 NOTEWORTHY AND IMPORTANT, AND CAN IT BE DEALT WITH.
4 AND THE ANSWER TO THAT QUESTION IN MY MIND IS YES.

5 DO I THINK THAT ALL THE PROPOSALS THAT
6 YOU'RE MAKING ARE THE IDEAL OR BEST WAY TO SOLVE
7 THINGS? I DON'T NECESSARILY. BUT WHAT I DO BELIEVE
8 IS, AND HERE I'M ECHOING ART AND DUANE, THAT IT IS
9 IMPORTANT TO TAKE ACTION AND TO BE RESPONSIVE AND TO
10 SHOW THAT WE ARE SENSITIVE TO THE ISSUE.

11 WE RECOGNIZE THAT THERE'S AN APPEARANCE OF
12 CONFLICT OF INTEREST FOR A VERY LONG TIME. I WANT
13 TO BE VERY CLEAR ABOUT THE FACT THAT IN EVERY
14 INTERACTION I'VE EVER HAD PUBLICLY OR IN EXECUTIVE
15 SESSION, PRIVATELY DEALING WITH ANY INDIVIDUAL OR
16 DEALING WITH GROUPS, I HAVE NEVER SEEN ANYTHING IN
17 THIS BOARD OR ANY OF ITS MEMBERS THAT REPRESENTED IN
18 MY MIND ANYTHING CLOSE TO A CONFLICT OF INTEREST. I
19 HAVE NEVER SEEN THAT. I BELIEVE PEOPLE ARE OF THE
20 HIGHEST INTEGRITY. I THINK YOU'RE ALL TERRIBLY
21 SERIOUS. WE DON'T AGREE ON THINGS SOMETIMES, BUT
22 THAT'S THE NATURE OF THIS WORK.

23 ON THE OTHER HAND, IS THERE AN APPEARANCE
24 OF CONFLICT OF INTEREST, AND THE ANSWER HAS TO BE
25 YES. AND WHAT WE DO UNDERSTAND IN THESE

BARRISTERS' REPORTING SERVICE

1 CIRCUMSTANCES IS NOT JUST MANAGE THE REALITY OF
2 CONFLICT OF INTEREST, BUT MANAGE THE APPEARANCE OF
3 CONFLICT OF INTEREST. AND I UNDERSTAND THAT PEOPLE
4 WHO FEEL THAT WAY AND WHO CRITICIZE US ARE CONFUSING
5 CAUSE AND EFFECT WITH MERE ASSOCIATION. THEY SEE
6 PEOPLE SITTING AROUND A TABLE WHO REPRESENT
7 INTERESTS THAT COULD ULTIMATELY BE POINTED BACK TO
8 AN INSTITUTION, ALTHOUGH I DON'T BELIEVE THAT'S THE
9 CASE, BUT SOME PEOPLE SEE THAT, AND THEY BELIEVE
10 BECAUSE THAT EXISTS, THERE MUST BE SOME CONFLICT OF
11 INTEREST.

12 THERE'S NO WAY TO DEAL WITH THAT EXCEPT TO
13 REMOVE THE APPEARANCE. AND I REALLY ENDORSE AND
14 SUPPORT THE RECOMMENDATION THAT YOU'VE MADE.

15 AS I SAID, IT'S A PRIVILEGE FOR ME TO
16 SERVE ON THIS GROUP. I ENJOY VOTING. I ENJOY
17 DISCUSSING. I ENJOY UNDERSTANDING AND OFFERING
18 ADVICE WHERE THAT'S EVER POSSIBLE, BUT I AM
19 ABSOLUTELY PREPARED TO ABSTAIN AND NOT VOTE ON A
20 SINGLE OTHER GRANT IN ORDER TO ADDRESS THIS PROBLEM.
21 AND DO I CONFUSE THE FACT THAT THE ARGUMENT THAT ONE
22 MAKES IS THE SAME AS THE VOTE? I DON'T. I THINK
23 THE DISCUSSION AND THE ARGUMENT IS ACTUALLY MORE
24 VALUABLE, MORE IMPORTANT. DO I ALWAYS AGREE WITH
25 THOSE PEOPLE WHO DO NOT REPRESENT INSTITUTIONS? NO.

BARRISTERS' REPORTING SERVICE

1 BUT I THINK IT'S A WONDERFUL GROUP OF WELL-MEANING
2 AND INTELLIGENT PEOPLE WHO ARE TRYING TO DO THE
3 RIGHT THING. AND I CAN CERTAINLY SUPPORT THAT PART
4 OF THE RECOMMENDATION THAT YOU'VE COME UP WITH.

5 I WON'T REALLY DEAL WITH THE OTHER ASPECTS
6 OF WHAT YOU'RE RECOMMENDING. I THINK THEY'RE
7 WORKABLE. I THINK THEY'RE REASONABLE. I THINK
8 THEY'RE APPROPRIATE. AND AS A PACKAGE, I'M
9 CERTAINLY PREPARED TO SUPPORT THIS. THANK YOU.

10 CHAIRMAN THOMAS: THANK YOU. SHERRY.

11 MS. LANSING: I JUST WANT TO, FIRST OF
12 ALL, THANK YOU BECAUSE THE IOM REPORT WAS AN
13 ENORMOUS THING FOR ALL OF US TO LOOK AT, AND THE
14 SOLUTIONS DO NOT COME EASY. I TOO WANT TO STATE
15 THAT I DON'T AGREE WITH A LOT OF THE IOM REPORT.
16 I'M SAYING THIS PERSONALLY. I TOO HAVE NEVER EVER
17 SEEN ANYTHING THAT REPRESENTED ANY ARM TWISTING OR
18 ANY CONFLICT OF INTEREST. AND EVERY TIME THAT I'VE
19 ENGAGED WITH ANY BOARD MEMBER, THE INTEGRITY OF THAT
20 BOARD MEMBER HAS BEEN IMPECCABLE. AND SO I DON'T
21 AGREE WITH THE FACT THAT WE HAVE A CONFLICT OF
22 INTEREST.

23 BUT I DO KNOW THAT THAT IS MY PERSONAL
24 OPINION, HAVING WORKED WITH THIS GROUP, AND I DO
25 KNOW THAT THE PERCEPTION IS THAT WE HAVE A HUGE

BARRISTERS' REPORTING SERVICE

1 CONFLICT OF INTEREST. AND IT HAS BEEN THERE FROM
2 THE BEGINNING, AND IT ALMOST SEEMED LIKE A SNOWBALL,
3 JUST GATHERING SPEED AS IT WENT ALONG. AND
4 UNFORTUNATELY PERCEPTION BECOMES REALITY. THAT'S AN
5 OLD MOVIE EXPRESSION. PERCEPTION DOES BECOME
6 REALITY. AND THAT HAS BECOME THE REALITY.

7 AND SO I FEEL VERY, VERY STRONGLY THAT WE
8 HAVE TO ADDRESS THESE ISSUES, OR IT WILL HARM OUR
9 ABILITY TO DO THE WORK THAT THIS GREAT BOARD AND ALL
10 THE SCIENTISTS AROUND THE STATE ARE DOING. AND IT
11 WILL BECOME THE ISSUE RATHER THAN, AS YOU SAID IN
12 THE BEGINNING OF YOUR REMARKS, WE WANT THE ARTICLES
13 AND EVERYBODY TO PAY ATTENTION TO THE SCIENTIFIC
14 WORK THAT'S BEING DONE. WE WANT THE STAKEHOLDERS,
15 THE VOTERS, TO TALK ABOUT THAT, NOT ABOUT ANY OTHER
16 ISSUE.

17 I THINK THAT WITH CONSULTATION, HOWEVER
18 YOU'VE DONE IT, J.T., YOU'VE JUST DEMONSTRATED
19 EXTRAORDINARY LEADERSHIP IN ATTACKING EACH OF THE
20 ISSUES THAT THE IOM HAS RAISED. AND SO AS I GO DOWN
21 THEM, I FULLY AGREE UNDER THESE CIRCUMSTANCES THAT
22 THE INSTITUTIONS SHOULD ABSTAIN FROM VOTING, BUT ARE
23 ALLOWED TO TALK, AND SO WE GET THE BENEFIT OF THEIR
24 GREAT SCIENTIFIC KNOWLEDGE. I THINK THAT HAVING
25 INDUSTRY TO THE GRANTS WORKING COMMITTEE IS A GOOD

BARRISTERS' REPORTING SERVICE

1 IDEA. I THINK WE ACTUALLY HAD TALKED ABOUT THAT
2 ONCE BEFORE. AND I THINK THE APPEALS PROCESS IS
3 ANOTHER THING WHERE PERCEPTION HAS BECOME REALITY.
4 AND EVERY ARTICLE THAT I READ BRINGS THAT UP.
5 EVERYBODY I TALK TO IN THE LEGISLATURE SEEMS TO BE
6 VERY, VERY DISTURBED BY THAT. AGAIN, I DON'T FEEL
7 THAT ANYONE ON THIS BOARD HAS BEEN COMPROMISED OR
8 ACTED IN AN UNETHICAL WAY DURING THAT PROCESS, BUT
9 AGAIN, I COME BACK TO PERCEPTION IS REALITY. SO I
10 ENDORSE THAT AND OBVIOUSLY THE PROGRAMMATIC REVIEW
11 AS WELL.

12 AND I THINK THAT THE PRESIDENT AND THE
13 CHAIR IS AN ISSUE THAT WE DEALT WITH QUITE A LONG
14 TIME AGO AND PERHAPS SOME OF THAT IS A HANGOVER FROM
15 BEFORE.

16 SO I REALLY WANT TO THANK YOU, J.T. AND
17 ANYONE WHO CONTRIBUTED TO ALL OF THIS, ADDRESSING
18 ALL OF THESE ISSUES, AND SAY THAT I FULLY ENDORSE
19 THEM. I THINK THEY WILL ALLOW US TO CONTINUE
20 FUNCTIONING AND DO THE BEST SCIENCE AND TAKE THE
21 ARTICLES OFF OF THINGS THAT ARE PERCEIVED TO BE TRUE
22 AND REALLY LET US GO ABOUT OUR WORK. BUT I CAN'T
23 THANK YOU ENOUGH FOR, FIRST OF ALL, THIS INCREDIBLE
24 PRESENTATION, WHICH MADE IT VERY, VERY CLEAR, AND
25 THE THOUGHTFUL WAY THAT YOU'VE DEALT WITH IT. AND I

BARRISTERS' REPORTING SERVICE

1 SAY TO US I ENDORSE THIS. I WOULD CALL FOR A VOTE
2 IF WE'RE SUPPOSED TO OR WHATEVER.

3 CHAIRMAN THOMAS: THANK YOU. MR.
4 JUELSGAARD.

5 DR. JUELSGAARD: I JUST -- I'M IN
6 AGREEMENT WITH THE OTHER SPEAKERS AND WHAT'S BEEN
7 SAID SO FAR. AND I WANT TO MAKE TWO POINTS OUT OF
8 ALL OF THE THINGS YOU'VE PRESENTED VERY CLEAR FROM
9 MY POINT OF VIEW. THE FIRST HAS TO DO WITH THIS
10 ISSUE OF CONFLICT OF INTEREST, IN PARTICULAR, OF 13
11 MEMBERS OF THIS BOARD.

12 SO I'VE BEEN ON THE BOARD FOR A LITTLE
13 OVER A YEAR AND A HALF NOW. AND I WILL JUST ECHO
14 WHAT OTHERS HAVE SAID. AND THAT IS I HAVE NEVER
15 SEEN AN ISSUE WITH CONFLICT OF INTEREST IN ALL OF
16 THE DELIBERATIONS THAT HAVE GONE ON. I PERSONALLY
17 HAVE NEVER WITNESSED ONE. AND SO I UNDERSTAND THAT
18 THERE'S A PERCEPTION AMONGST SOME QUARTERS THAT
19 THERE IS A CONFLICT OF INTEREST, AND I CAN ACCEPT
20 THAT PEOPLE HAVE THAT PERCEPTION.

21 BUT TO THE EXTENT THAT I VOTE, AND IF I
22 DO, I VOTE IN SUPPORT OF, IN ESSENCE, ASKING 13
23 MEMBERS TO ABSTAIN FROM VOTING. I DO IT NOT BECAUSE
24 I BELIEVE THAT THEY HAVE A CONFLICT OF INTEREST OR
25 I'VE WITNESSED SUCH A THING, BUT I DO IT ESSENTIALLY

BARRISTERS' REPORTING SERVICE

1 BECAUSE OTHERS PERCEIVE THAT THERE IS SUCH A THING.
2 AND IT IS ON THAT POINT THAT I'M AGREEING. I JUST
3 WANT TO BE VERY CLEAR ABOUT THAT FROM MY PERSONAL
4 POINT OF VIEW, NOT SUGGESTING AT ALL THAT WE HAVE A
5 PROBLEM THAT WE NEED TO FIX, BUT WE HAVE A
6 PERCEPTION ISSUE THAT WE NEED TO FIX.

7 AND THEN THE SECOND IS THE GOVERNANCE
8 STRUCTURE AND IN PARTICULAR THE ROLE OF THE CHAIR
9 AND THE ROLE OF THE PRESIDENT. SO THERE ARE A LOT
10 OF WAYS THAT YOU CAN ASSEMBLE A GOVERNANCE
11 STRUCTURE. AND THERE ARE SOME OF THEM THAT ARE
12 COMMON AND ARE USED IN MANY DIFFERENT PUBLIC OR
13 PRIVATE ENTERPRISES. WE HAVE ONE HERE THAT'S A
14 LITTLE MORE UNIQUE PERHAPS THAN MOST. BUT AGAIN, IN
15 THE LITTLE MORE THAN A YEAR AND A HALF THAT I'VE
16 BEEN A MEMBER OF THIS GROUP, I THOUGHT THAT THE
17 ORGANIZATIONAL STRUCTURE WORKS EXTREMELY WELL IN
18 THIS ORGANIZATION.

19 IT REMINDS ME A LITTLE BIT OF WHAT
20 HAPPENED WITH REGARD TO THE COMPANY THAT I USED TO
21 WORK FOR, GENENTECH, ONCE IT WAS ACQUIRED BY ROCHE.
22 SO ROCHE BROKE GENENTECH INTO TWO PARTS, BUT THEY
23 WORKED TOGETHER. ONE IS CALLED GENENTECH RESEARCH
24 AND EARLY DEVELOPMENT OR GRED, AND IT'S ESSENTIALLY
25 RESPONSIBLE FOR ALL OF THOSE EARLY SCIENTIFIC

BARRISTERS' REPORTING SERVICE

1 ENTERPRISES, AND IT HAS A CEO WHO OVERSEES ALL THAT.
2 AND THEN THE SECOND GENENTECH IS THE ONE THAT'S
3 RESPONSIBLE FOR THE COMMERCIAL ACTIVITIES, FOR THE
4 HUMAN RESOURCE ACTIVITIES, FOR THE CORPORATE
5 COMMUNICATIONS, PUBLIC RELATIONS ACTIVITIES, THE
6 LEGAL ACTIVITIES, ETC.

7 AND THOSE TWO ORGANIZATIONS WORK
8 HARMONIOUSLY TOGETHER, LOCATED ON THE SAME CAMPUS IN
9 SOUTH SAN FRANCISCO AND WORK EXTREMELY WELL
10 TOGETHER. SO THERE FOR ME IS A SIMILARITY AS TO THE
11 STRUCTURE THAT GOES ON HERE. THE DIVISION OF
12 RESPONSIBILITIES IS PERHAPS A LITTLE DIFFERENT AT
13 ARE THE MARGIN, BUT ONLY AT THE MARGIN. OTHERWISE I
14 THINK THEY'RE, FOR ME, QUITE SIMILAR AND I THINK
15 THEY WORK VERY, VERY WELL. SO I DON'T PERCEIVE ANY
16 NEED TO CHANGE THE ORGANIZATIONAL STRUCTURE AT LEAST
17 VIS-A-VIS THE CHAIRMAN OF THE BOARD AND THE
18 PRESIDENT OF THE ORGANIZATION.

19 AS TO THE REST OF PROPOSALS, I THINK THEY
20 MAKE EMINENT SENSE AND I'M SUPPORTIVE OF THEM.

21 CHAIRMAN THOMAS: DEAN POMEROY.

22 DR. DULIEGE: JON, YOU MENTIONED IN YOUR
23 INTRODUCTORY COMMENTS THAT YOU HAD ADDITIONAL
24 DISCUSSION WITH THE IOM. I ASSUME WITH THE
25 CHAIRPERSON OF THE COMMISSION. WOULD YOU CARE TO

BARRISTERS' REPORTING SERVICE

1 COMMENT ABOUT WHAT YOU LEARNED THROUGH THESE
2 ADDITIONAL DISCUSSIONS?

3 CHAIRMAN THOMAS: SURE. WELL, AGAIN, IT
4 WAS VERY CLEAR AT THE END OF THE MEETING IN
5 DECEMBER, FOLLOWING DR. SHAPIRO'S PRESENTATION, THAT
6 I WANTED TO KEEP IN TOUCH BECAUSE THIS IS THEIR
7 REPORT. WE ASKED FOR THIS REPORT. WE HIGHLY VALUE
8 THEIR INPUT. AND I WANTED TO DEVELOP A PLAN THAT IS
9 SOMETHING THAT WOULD FULLY EMBRACE THE SPIRIT OF THE
10 REPORT.

11 SO TOWARDS THAT END, IN THE COURSE OF
12 TALKING TO MANY PEOPLE ABOUT WHAT TO DO IN
13 DEVELOPING THIS PLAN, I HAD A NUMBER OF
14 CONVERSATIONS WITH DR. SHAPIRO. AND I IN THOSE
15 CONVERSATIONS LAID OUT EXACTLY THE PLAN THAT YOU'VE
16 SEEN BEFORE YOU TODAY TO GET HIS INPUT. AND WE
17 TALKED ABOUT IT, AND HE HAD A COUPLE OF TWEAKS HERE
18 AND THERE THAT HE SUGGESTED, WHICH I INCORPORATED.
19 BUT BY AND LARGE THESE WERE VERY PRODUCTIVE
20 DISCUSSIONS.

21 AND I THINK IT MIGHT BE USEFUL FOR THE
22 BOARD TO KNOW THAT LAST EVENING I GOT AN E-MAIL FROM
23 DR. SHAPIRO, WHICH I WILL READ. I GUESS WE'RE GOING
24 TO DISTRIBUTE, BUT THOSE WHO ARE ON THE PHONE, I'D
25 LIKE TO READ THIS, WHICH DR. SHAPIRO GAVE ME FULL

BARRISTERS' REPORTING SERVICE

1 PERMISSION TO DO, SO YOU ALL HEAR WHAT HE HAD TO
2 SAY, WHICH IS: "J.T., THANK YOU VERY MUCH FOR
3 SHARING WITH ME A SERIES OF PROPOSALS THAT YOU
4 INTEND TO DISCUSS WITH THE ICOC AT ITS UPCOMING
5 MEETING. WHILE I CONTINUE TO STRONGLY SUPPORT ALL
6 THE RECOMMENDATIONS OF THE IOM REPORT, I ALSO
7 UNDERSTAND THAT MANY OF OUR RECOMMENDATIONS EITHER
8 NEED THE APPROVAL OF OTHERS AND/OR CAN BE ONLY
9 IMPLEMENTED OVER TIME.

10 "OF COURSE, THE FIRST STEP IS THAT THE
11 ICOC MUST DECIDE WHAT CHANGES IT WISHES TO PURSUE.
12 IN ANY CASE, THE PROPOSALS YOU SHARED WITH ME
13 REPRESENT A VERY THOUGHTFUL AND SIGNIFICANT RESPONSE
14 TO OUR RECOMMENDATIONS AND WILL, I BELIEVE, SERVE
15 THE LONG-TERM INTERESTS OF THE CITIZENS OF
16 CALIFORNIA AND THE FIELD OF REGENERATIVE MEDICINE.

17 "IN PARTICULAR, THESE PROPOSALS TAKE A
18 SIGNIFICANT STEP TOWARDS DEALING WITH THE FINANCIAL
19 CONFLICTS OF INTEREST, ENHANCING THE CREDIBILITY AND
20 INTEGRITY OF THE SCIENTIFIC REVIEW PROCESS,
21 INCREASING THE ROLE OF INDUSTRY REPRESENTATIVES,
22 FURTHER CLARIFYING THE ROLES OF THE PRESIDENT AND
23 THE BOARD CHAIR, AND ESTABLISHING THE SCIENTIFIC
24 ADVISORY BOARD AS THE IOM COMMITTEE RECOMMENDED.

25 "WHILE I CANNOT SPEAK FOR THE IOM OR THE

BARRISTERS' REPORTING SERVICE

1 COMMITTEE THAT PRODUCED THE REPORT, I WANT TO
2 REITERATE THAT I THINK THESE PROPOSALS REPRESENT A
3 THOUGHTFUL AND VERY SIGNIFICANT STEP FORWARD.
4 HAROLD T. SHAPIRO."

5 SO I THINK THAT I WAS VERY PLEASED TO GET
6 DR. SHAPIRO'S COMMENTS. I THINK THEY REFLECT THAT
7 WE ARE WELL ON THE RIGHT TRACK AND HAVE DEVELOPED
8 SOMETHING THAT HE VIEWS AS VERY RESPONSIVE AND IN
9 KEEPING WITH THE SPIRIT OF THE IOM REPORT.

10 ADDITIONAL COMMENTS? DEAN POMEROY.

11 DR. POMEROY: SO I TOO WOULD LIKE TO THANK
12 YOU, J.T., FOR I KNOW THE MANY, MANY HOURS THAT YOU
13 PUT INTO GETTING INPUT, LISTENING TO PEOPLE,
14 THINKING THROUGH ALL OF THE OPTIONS HERE. AND I
15 THINK THE REASON YOU DID THAT, THE REASON THAT WE
16 HAD THE IOM REPORT IN THE FIRST PLACE, AND THE
17 REASON THAT EVERYBODY COMES AND SPENDS SO MUCH TIME
18 HERE IS BECAUSE WE ALL BELIEVE SO PASSIONATELY IN
19 THIS CAUSE. AND WHEN YOU BELIEVE PASSIONATELY IN A
20 CAUSE, SOMETIMES YOU NEED TO PUT ASIDE YOUR OWN
21 FEELINGS AND THINK ABOUT WHAT'S BEST TO ACHIEVE THE
22 MISSION OF THE ORGANIZATION.

23 AND SO IN THAT SPIRIT, I DEFINITELY
24 SUPPORT AND ENDORSE THE PROPOSALS THAT YOU'VE
25 OUTLINED FOR US. I WANTED TO SPECIFICALLY ADDRESS

BARRISTERS' REPORTING SERVICE

1 THE CONFLICT OF INTEREST SITUATION AND THE PROPOSAL
2 THAT THE INSTITUTIONAL REPRESENTATIVES NOT VOTE.

3 THIS IS NECESSARY FOR ENSURING THE PUBLIC
4 TRUST. AND WE ARE A PUBLIC ORGANIZATION, AND I
5 THINK THAT CALLS UPON ALL OF US TO MAKE THIS SMALL
6 COMPROMISE IN ORDER TO GET TO THAT LARGER GOAL OF
7 ENSURING THE PUBLIC TRUST AND ACCOMPLISHING OUR
8 MISSION.

9 AND ALONG THOSE LINES, I WOULD ALSO SAY
10 THAT THE OTHER PROPOSALS, I THINK, DO THE SAME
11 THING, MORE INDUSTRY INVOLVEMENT, MOVING
12 PROGRAMMATIC REVIEW OR PORTFOLIO MANAGEMENT OR
13 HOWEVER YOU VIEW IT TO THE LARGER BOARD LEVEL.

14 AND I WANTED TO SPECIFICALLY END BY
15 COMMENTING ON THE ALLOCATION OF RESPONSIBILITIES
16 BECAUSE, YES, WE HAD THIS DISCUSSION WITH LOTS OF
17 THOUGHT AWHILE BACK. AND I THINK MY VIEWS WERE
18 CLEAR TO EVERYBODY ON THIS BOARD, BUT I LISTENED TO
19 MY COLLEAGUES. I RESPECT THE DECISION THAT WAS
20 MADE. I THINK IT WAS A THOUGHTFUL DECISION, AND WE
21 MADE IT, AND IT'S WORKING. AND IT'S TIME TO MOVE
22 FORWARD FOR THE LARGER GOOD.

23 SO IN THAT SPIRIT, I WOULD ENDORSE THE
24 PROPOSALS AS WRITTEN.

25 CHAIRMAN THOMAS: THANK YOU. MR.

BARRISTERS' REPORTING SERVICE

1 SHESTACK.

2 MR. SHESTACK: THANKS. FIRST, EVERYBODY
3 IS IN A -- YES, THANK YOU FOR THAT. THIS WAS A
4 TREMENDOUS AMOUNT OF WORK. AND I WANT TO SAY
5 EVERYONE IS IN A RUSH TO APPLAUD IT, AND I AGREE
6 WITH THAT, BUT I HOPE THAT WE WILL NOT VOTE ON IT AS
7 A WHOLE, BUT WILL DISCUSS IT PIECE BY PIECE. THERE
8 ARE TOO MANY -- THERE ARE JUST TOO MANY IMPORTANT
9 PARTS TO IT. AND I THINK IT WAS A PRETTY THOUGHTFUL
10 RESPONSE.

11 I WANT TO JUST SPEAK PURELY FROM A
12 PERSONAL POINT OF VIEW AND SAY THAT I THINK THE IOM
13 REPORT SHOWS A FUNDAMENTAL LACK OF UNDERSTANDING OF
14 THE MISSION AND THE HISTORY OF THIS ORGANIZATION.
15 IT SHOWS A FUNDAMENTAL MISUNDERSTANDING IN ITS
16 UNDERSTANDING OF ACCOUNTABILITY AND OVERSIGHT, THAT
17 THIS IS NOT THE NIH. THIS WAS CREATED BY THE VOTERS
18 OF CALIFORNIA. THE MEMBERS OF THE BOARD BY AND
19 LARGE ARE PICKED BY ELECTED OFFICIALS IN CALIFORNIA.
20 THEY ARE VERY CLOSE TO THE VOTERS OF CALIFORNIA, AND
21 THEY ARE THERE TO ADVOCATE. THEY ARE THERE TO HAVE
22 A POINT OF VIEW AND CONSTANTLY KEEP IN MIND WHAT
23 WILL HELP THE CITIZENS OF CALIFORNIA.

24 THE IOM REPORT REALLY IN MANY WAYS ROLLS
25 BACK THE CLOCK IN MANY STANDARDS. OUR GROUP IS

BARRISTERS' REPORTING SERVICE

1 SLOPPY, BUT IT IS FORWARD THINKING, AND IT IS
2 INTERESTING, AND SOMETIMES THERE ARE DIFFERENCES OF
3 OPINIONS AS WE ARE FINDING OUR WAY.

4 BUT THE IOM REPORT TAKES AS ITS STARTING
5 POINT NIH AS A STANDARD OF PERFECTION. WELL,
6 OVERSIGHT IN NIH HAPPENS ON A HUNDRED-YEAR TIMELINE.
7 WE WORK ON A TEN-YEAR TIMELINE. SO THAT MEANS YOU
8 HAVE TO HAVE MUCH MORE OVERSIGHT AND CONTACT BETWEEN
9 STAFF AND BOARD IF YOU WANT ACTUAL CHANGES TO
10 HAPPEN. IT'S WHY, BY THE WAY, THE IDEA OF WHATEVER
11 CHANGES WE PUT IN NOW BEING SUNSETTED AND LOOKING AT
12 THEM AFTER A YEAR AND SAYING ARE THEY GOOD IS A
13 GREAT IDEA BECAUSE WE NEED TO DO THAT. WE NEED TO
14 BE ABLE TO CONSTANTLY REVISE AND SHIFT.

15 THE OTHER THING THE IOM RECOMMENDATIONS
16 DO, WHETHER OR NOT WE TAKE THEM, IS IT SOLIDIFIES
17 POWER AND DISCRETION IN STAFF. IT BASICALLY MAKES
18 THE TIMELINE FOR OVERSIGHT FROM THE BOARD TO BE SORT
19 OF ALMOST IMPERTINENT AND NOT MATTER, AND IT TAKES
20 DECISION-MAKING AND PUTS IT ALL IN STAFF. AND I
21 JUST WANT TO REMIND PEOPLE OF A COUPLE BASIC THINGS.

22 ONE, IN TERMS OF CONFLICT, MAYBE THERE'S
23 THIS PERCEPTION, BUT IN TERMS OF THE ESSENCE OF
24 CONFLICT, 100 PERCENT OF ALL GRANT WORKING GROUP
25 MEMBERS ARE FROM OUT OF CALIFORNIA. THEY ARE PICKED

BARRISTERS' REPORTING SERVICE

1 BY STAFF FOR THEIR OBJECTIVITY. AND THE FEW MEMBERS
2 OF THE ICOC WHO COME TO THOSE MEETINGS, LIKE SOME OF
3 THE ADVOCATES, DO NOT SCORE. WE VOTE IN THE LAST
4 PART OF PROGRAMMATIC REVIEW, BUT IT'S ONE OR TWO
5 VOTES OUT OF A GROUP OF 30, AND WE DO NOT SCORE. WE
6 ARE NOT PART OF THAT PROCESS.

7 SO I JUST THINK THAT WE SORT OF -- THE IOM
8 PUT A LOT OF WORK INTO THIS, BUT I WANT TO SAY THAT
9 THEIR STANDARDS ARE OLD-FASHIONED STANDARDS. AND
10 THEIR STANDARDS ARE NOT THE STANDARDS THAT PROP 71
11 HAD, WHICH WAS A DIRECT TIE TO THE NEEDS OF THE
12 CITIZENS OF CALIFORNIA, SEEING THAT THERE WAS A VOID
13 IN STEM CELL SCIENCE, SEEING THAT THERE WAS
14 POTENTIAL TO HELP THE LIVES OF THEIR FAMILY MEMBERS,
15 THEMSELVES, THEIR CHILDREN, AND CREATED A STRUCTURE
16 WITH IMPERFECTIONS TO DO IT.

17 I'M NOT SAYING SOME OF THESE PROPOSALS
18 AREN'T GOOD, BUT I JUST WANT TO SAY THAT
19 ADVOCATES -- FOR INSTANCE, STAFF WAS OVERCONSULTED,
20 ADVOCATES WERE UNDERCONSULTED IN THE IOM REPORT, AND
21 WE SHOULDN'T. AND I PERSONALLY DON'T FORGET IT.

22 SO IN TERMS OF SPECIFIC THINGS, I THINK
23 THAT THE DEANS HAVE DONE A STELLAR JOB. AND AS LONG
24 AS THEY ARE STILL INFORMING OUR DISCUSSION,
25 WHATEVER, IF THEY CHOOSE TO BE GRACIOUS ABOUT THIS,

BARRISTERS' REPORTING SERVICE

1 IT'S PROBABLY A GOOD IDEA. I DON'T KNOW.

2 I THINK THE IDEA OF PROGRAMMATIC REVIEW,
3 PROGRAMMATIC REVIEW IS SO INCREDIBLY VALUABLE. IT'S
4 VALUABLE TO HAVE IT IN THE GRANTS REVIEW PROCESS
5 BECAUSE YOU HAVE THE FULL BENEFIT OF ALL OF THE
6 ASSEMBLED WISDOM OF THE GRANT REVIEW HEARING OTHER
7 PERSPECTIVES AND THEN POSSIBLY RETHINKING THEIR
8 RESPONSE.

9 IF WE DO IT ONLY IN ICOC SESSION, YOU
10 WON'T ACTUALLY HAVE THE FULL BENEFIT OF ALL OF THEIR
11 INTELLIGENCE AND INFORMATION AND PERSPECTIVE. AND I
12 THINK THAT, WHILE MAYBE SOLVING SOMETHING IN TERMS
13 OF THE LETTER OF THE RECOMMENDATION, IT ACTUALLY
14 GIVES US LESS INFORMATION, NOT MORE. AND SO I DON'T
15 THINK THAT I'M IN FAVOR OF THAT. AND AS FAR AS
16 THE -- I'D LIKE TO FIND A VARIATION ON IT.

17 AND AS FAR AS THE APPLICATION PROCESS FOR
18 THE SPECIAL PROPOSALS, THAT IS A MESSY PROCESS, BUT
19 IT IS ALSO A GLORIOUS PROCESS. THE PROCESS BY WHICH
20 THE ICOC, ONCE IN A BLUE MOON, SEES AND MEETS WITH
21 AND HEARS FROM THE ADVOCACY COMMUNITY, MAYBE IT'S
22 TEDIOUS WHEN SOMEONE IS DEFENDING LIKE A
23 PARTICULARLY LAME PROPOSAL, IT CERTAINLY IS, BUT
24 WHEN THEY HEAR THE FULL FORCE OF THE ADVOCACY
25 COMMUNITY TALKING ABOUT AN UNMET NEED OR PERCEIVED

BARRISTERS' REPORTING SERVICE

1 OPPORTUNITY, THAT IS WHAT WE ARE HERE TO DO.

2 IT'S NOT A SLIPPERY SLOPE. OUR JOB IS TO
3 PUT DOWN ROOTS IN THE SLIPPERY SLOPE AND SAY WE WILL
4 STOP SLIDING HERE AND WE WILL LISTEN TO THIS ALS
5 GROUP OR WE WILL LISTEN TO THIS DUCHENNES MUSCULAR
6 DYSTROPHY GROUP AND HEAR WHAT THEY REALLY HAVE TO
7 SAY AND NOT JUST LOOK AT OUR SCORECARDS.

8 WE HAVE A RESPONSIBILITY TO LOOK THOSE
9 PEOPLE IN THE FACE, AND THAT IS WHAT THOSE
10 EXTRAORDINARY PROPOSALS ARE OFTEN ABOUT. SO I WOULD
11 LIKE TO BE VERY CAREFUL AS WE RETOOL THAT PROCESS TO
12 MAKE IT NEATER AND LESS CHAOTIC AND NOT UPSETTING TO
13 THE PRESS OR TO PEOPLE IN SACRAMENTO, BUT TO
14 UNDERSTAND THAT IS PART OF OUR RESPONSIBILITY, TO
15 LOOK AT THOSE PEOPLE AND LISTEN TO THEM AND TAKE
16 SOME OF WHAT THEY HAVE TO SAY INTO CONSIDERATION.
17 SO THANK YOU VERY MUCH.

18 CHAIRMAN THOMAS: THANK YOU, MR. SHESTACK.

19 I WOULD NOTE ON A COUPLE OF YOUR POINTS,
20 NO. 1, ON THE ISSUE OF BEING ABLE TO HAVE AN
21 INFORMED DISCUSSION, PROGRAMMATIC REVIEW OF THE
22 BOARD, NOT ONLY WILL, OF COURSE, THE PATIENT
23 ADVOCATES WHO HAVE BEEN IN THE GRANTS WORKING GROUP
24 ROOM BE ABLE TO INFORM, BUT REMEMBER STAFF IS THERE
25 THROUGHOUT AND INTEGRAL TO THE WHOLE PROCESS, AND

BARRISTERS' REPORTING SERVICE

1 THEY'LL BE ABLE TO INFORM ON ISSUES OF SCIENTIFIC
2 NOTE.

3 MR. SHESTACK: I UNDERSTAND. ALTHOUGH IT
4 PUTS AN AWFUL LOT OF PRESSURE ON THE MEMORY OF THE
5 ADVOCATES WHO HAVE BEEN IN THAT. I JUST WANTED TO
6 SAY THAT THAT PROCESS, IT'S A SMALL PERCENTAGE OF
7 THE TIME, BUT THAT PROCESS, WHICH SORT OF LIKE
8 FORCES THE GROUP TO RETHINK A LITTLE BIT AT THE END
9 OF THE DAY THEIR CONCLUSIONS IN A GESTALT WAY AND A
10 HOLISTIC WAY RATHER THAN JUST READ DOWN A LIST OF
11 SCORES, IS A VALUABLE PROCESS EVEN IF SOME PEOPLE
12 FIND IT ANNOYING. IT IS ULTIMATELY ENRICHING TO OUR
13 DECISION PROCESS AND IS WHAT ENABLES --

14 YOU SAID SOMETHING VERY INTERESTING. YOU
15 SAID 90 PERCENT OF ALL THE DECISIONS ARE THE SAME IN
16 THE ICOC AS THE GRANT WORKING GROUP. I THINK YOU
17 MIGHT NOT HAVE THAT RIGHT. MY GUESS IS IT'S MORE
18 LIKE 95 OR 96.

19 CHAIRMAN THOMAS: I SAID OVER 90 PERCENT.

20 MR. SHESTACK: IT'S LIKE 95 OR 96 PERCENT.
21 PEOPLE SHOULD UNDERSTAND THAT ICOC ALMOST NEVER
22 CHANGES ANYTHING FROM GRANT RECOMMENDATION. WHEN IT
23 DOES, IT IS TO ADD SOMETHING, NOT TO TAKE OUT. SO I
24 WOULD SAY THAT IT'S NOT EVEN CHANGING SCIENTIFIC
25 RECOMMENDATIONS SO MUCH AS IT IS LOWERING THE

BARRISTERS' REPORTING SERVICE

1 PAYLINE, WHICH IS EXACTLY IN THE PURVIEW OF
2 OVERSIGHT OF THE ICOC.

3 CHAIRMAN THOMAS: RIGHT. WHICH, BY THE
4 WAY, IS WHAT PROGRAMMATIC REVIEW IS ALL ABOUT.

5 THE OTHER POINT I WANTED TO MAKE IS WE'RE
6 NOT AT ALL SAYING THAT PATIENT ADVOCATES WON'T HAVE
7 A VOICE. REMEMBER, IF WE HAVE PROGRAMMATIC REVIEW
8 IN THE BOARD, THERE'S ALWAYS FULL OPPORTUNITY FOR
9 COMMENT BY THE PATIENT ADVOCATES WITH RESPECT TO
10 PARTICULAR THINGS THAT ARE BEING DISCUSSED THROUGH
11 THE PUBLIC COMMENT VEHICLE.

12 YES, DR. MARLETTA.

13 DR. MARLETTA: J.T., YOU MUST HAVE
14 CONSIDERED, WHEN YOU ARRIVED AT THE CONCLUSION THAT
15 INSTITUTIONAL MEMBERS SHOULDN'T BE ALLOWED TO VOTE,
16 THE VARIOUS SORT OF FORMATS IN WHICH PEER REVIEW IS
17 DONE WHEN THERE'S POTENTIAL GRANTS THAT COULD COME
18 TO THAT INSTITUTION. IN PRIVATE FUNDING AGENCIES,
19 LIKE HOWARD HUGHES MEDICAL INSTITUTE THAT HAS TWO
20 LEVELS OF ADVISORY BOARDS ULTIMATELY PASSING
21 JUDGMENT, WHERE IT IS SIMPLY YOU RECUSE YOURSELF
22 FROM VOTING WHEN THE TIME COMES. YOU MUST HAVE
23 CONSIDERED THAT BEFORE YOU CAME TO ACTUALLY WHAT I
24 CONSIDER TO BE A RATHER DRACONIAN STEP, WHICH IS TO
25 CREATE A SECOND CLASS CITIZENRY WITHIN THIS

BARRISTERS' REPORTING SERVICE

1 COMMITTEE.

2 SO MICHAEL AND I -- THIS MICHAEL DOESN'T
3 AGREE WITH THAT MICHAEL. I ACTUALLY DON'T THINK
4 THAT THAT IS THE RIGHT STEP TO TAKE. MY OWN ROLE
5 THAT WOULD CHANGE, GRANTED I COULD BE HERE TO SPEAK
6 UP, MUCH LIKE I'M DOING NOW, BUT PREVENTED FROM
7 VOTING IS A STEP THAT I THINK WE SHOULD BE VERY
8 CAUTIOUS BEFORE WE AGREE. AND I GUESS I'M GOING TO
9 BE -- THIS TIDAL WAVE THAT'S SWEEPING ALONG THAT
10 SAYS THAT EVEN THAT IS SOMETHING THAT WE ALL AGREE
11 UPON, I DON'T.

12 I THINK THAT THE ESTABLISHMENT OF A
13 SCIENTIFIC ADVISORY BOARD MAKES A HUGE AMOUNT OF
14 SENSE. FRANKLY, FOR WHAT DRIVES ME AND MY INTEREST
15 IN MY INSTITUTION, WHICH IS THE SCIENCE OF STEM CELL
16 BIOLOGY, THAT MAY BE A BETTER PLACE FOR ME TO BE
17 THAN TO BE ON A COMMITTEE WHERE I CAN CERTAINLY
18 WEIGH IN ON WHAT I THINK SCIENTIFICALLY, BUT IN THE
19 END I DON'T VOTE.

20 CHAIRMAN THOMAS: THANK YOU, DR. MARLETTA
21 YES, IN ANSWER TO YOUR QUESTION, I WEIGHED THAT VERY
22 CAREFULLY. THAT'S BASICALLY WHAT WE DO NOW, WHICH,
23 AS A NUMBER OF MEMBERS HAVE COMMENTED, THEY VIEW AS
24 HAVING WORKED VERY WELL TO DATE WITH NO EVIDENCE OF
25 ACTUAL CONFLICT. AND THAT IS CERTAINLY A POINT OF

BARRISTERS' REPORTING SERVICE

1 VIEW THAT I THINK EMPIRICALLY IS BORNE OUT.

2 ON THE OTHER HAND, WHAT WE'RE DEALING WITH
3 HERE IS THIS WHOLE PERCEPTION ISSUE. AND THE
4 PERCEPTION ISSUE IS WHAT GETS US IN TROUBLE. AND
5 BECAUSE OF THAT, I WEIGHED A BUNCH OF ALTERNATIVES
6 BESIDES THE STATUS QUO, AND I WILL SAY NONE OF THEM
7 PARTICULARLY APPEALING AT ALL, BUT NECESSARY IN THE
8 FACE OF THIS SET OF RECOMMENDATIONS, AND AS A RESULT
9 LANDED ON THIS AS, YES, IT IS DRACONIAN, BUT I
10 BELIEVE THAT WE HAVE TO DO SOMETHING DRACONIAN OR
11 WE'RE NEVER GOING TO PUT THIS ISSUE TO BED, AND IT'S
12 GOING TO CAUSE US HEARTBURN GOING FORWARD
13 INDEFINITELY.

14 DR. MELMED: POINT OF INFORMATION. CAN
15 YOU CLARIFY FOR US WHO THOSE PEOPLE ARE WHO WOULDN'T
16 VOTE BECAUSE THERE ARE PEOPLE IN THE ROOM WHO ARE
17 INDEPENDENT APPOINTEES WHO ARE NOT MEDICAL SCHOOL
18 DEANS. KRISTINA AND MICHAEL AND MYSELF, FOR
19 EXAMPLE, ARE THEY INCLUDED IN YOUR LIST?

20 CHAIRMAN THOMAS: YES.

21 DR. MELMED: WHY?

22 DR. PRICE: BECAUSE THEY GET GRANTS.

23 CHAIRMAN THOMAS: THAT'S THE ISSUE. IT'S
24 VOTING MEMBERS FROM INSTITUTIONS THAT ARE ELIGIBLE
25 FOR GRANT FUNDING. AND THE STAT THAT IS OUT THERE,

BARRISTERS' REPORTING SERVICE

1 AND I WON'T VOUCH FOR ITS ACCURACY, BUT HAS BEEN
2 BANDIED ABOUT SOMETHING TO THE EFFECT IN THE REPORT,
3 BUT CERTAINLY PICKED UP BY PRESS, IS 90 PERCENT OF
4 THE FUNDING GOES TO INSTITUTIONS WITH VOTING MEMBERS
5 REPRESENTED ON THE BOARD IN THESE 13 SLOTS.

6 DR. MELMED: SO COULD YOU CLARIFY FOR US
7 WHO WOULD BE VOTING?

8 CHAIRMAN THOMAS: WOULD BE THE REMAINDER
9 OF THE 29 MEMBERS OF THE BOARD.

10 DR. MELMED: COULD YOU TELL US, NOT THE
11 PEOPLE, BUT WHO THEY REPRESENT?

12 MR. HARRISON: YES. SO THAT WOULD INCLUDE
13 THE REPRESENTATIVES FROM LIFE SCIENCE COMMERCIAL
14 ENTITIES, THE PATIENT ADVOCATES, AND THE CHAIR AND
15 THE VICE CHAIR.

16 DR. MELMED: LIFE SCIENCE ENTITIES CAN
17 VOTE, BUT NONPROFITS CANNOT?

18 MR. ROTH: JUST TO CLARIFY, JAMES, THE
19 CRITERIA TO SERVE AS A LIFE SCIENCE MEMBER IS YOU
20 CAN'T APPLY FOR GRANTS. YOU CAN'T BE IN A COMPANY
21 THAT APPLIES FOR GRANTS.

22 MR. HARRISON: CORRECT. JUST TO BE CLEAR,
23 THE PROPOSAL THE CHAIRMAN HAS MADE GOES TO THOSE
24 INDIVIDUALS WHO ARE APPOINTED FROM INSTITUTIONS THAT
25 ARE DESIGNATED IN THE LAW AND, AS A MATTER OF FACT,

BARRISTERS' REPORTING SERVICE

1 ARE ELIGIBLE FOR AND SOMETIMES RECEIVE. JUST TO BE
2 CLEAR, THERE ARE FIVE MEMBERS APPOINTED FROM THE
3 UNIVERSITY OF CALIFORNIA CAMPUSES WITH MEDICAL
4 SCHOOLS, THERE ARE FOUR INDIVIDUALS APPOINTED FROM
5 CALIFORNIA UNIVERSITIES OTHER THAN THOSE UC CAMPUSES
6 WITH MEDICAL SCHOOLS, AND THERE ARE FOUR INDIVIDUALS
7 APPOINTED FROM NONPROFIT RESEARCH INSTITUTIONS.

8 SO THAT'S THE SUBSET THAT THIS RULE WOULD
9 APPLY TO.

10 CHAIRMAN THOMAS: OS.

11 DR. STEWARD: SO WE'RE STARTING TO DRILL
12 DOWN A LITTLE BIT INTO THE DETAILS, BUT I ACTUALLY
13 WANTED TO JUST GO BACK UP AND TALK ABOUT THE GENERAL
14 CONCEPT. AND JUST LET ME SAY, J.T., AND ECHO THE
15 WORDS OF OTHERS, THAT I THINK THAT THIS IS A VERY
16 INTERESTING PROPOSAL, AND I REALLY APPLAUD YOU FOR
17 ALL THE HARD WORK INTO IT.

18 FROM MY OWN PERSPECTIVE, THE THING THAT
19 WAS PARTICULARLY DISTRESSING ABOUT THE IOM REPORT
20 WAS THE POSSIBILITY THAT SOME OF THE ACTIONS THAT
21 COULD HAVE BEEN TAKEN WOULD HAVE DISEMPOWERED THE
22 PATIENT ADVOCATES. AND I JUST WANT TO SAY THAT THE
23 THING ABOUT THIS ORGANIZATION THAT IS SO SPECIAL IS
24 EXACTLY THE ROLE THAT THE PATIENT ADVOCATES PLAY IN
25 THE DECISION-MAKING PROCESS.

BARRISTERS' REPORTING SERVICE

1 AND SO I THINK THE PLAN THAT YOU PUT
2 TOGETHER HERE PRESERVES THAT. AND I REALLY APPLAUD
3 YOU FOR HAVING THOUGHT THROUGH THAT VERY CAREFULLY.

4 I ALSO JUST WANT TO TOUCH ON A COUPLE OF
5 OTHER THINGS, AND THIS IS LARGELY FOR THE RECORD.
6 THIS ORGANIZATION HAS THE MOST EXTRAORDINARY PLANS
7 AND OPERATIONAL PROCEDURES TO MANAGE THE REALITY OF
8 CONFLICTS OF INTEREST. WE HAVE BEEN IN THIS
9 BUSINESS NOW FOR SEVEN YEARS, EIGHT YEARS, AND IT IS
10 TRULY EXTRAORDINARY. I PARTICIPATE IN A LOT OF
11 OTHER ACTIVITIES, AND THERE'S NOTHING LIKE WHAT GOES
12 ON HERE IN TERMS OF MANAGING ACTUAL CONFLICT OF
13 INTEREST.

14 IT STARTS AT THE LEVEL OF THE
15 CONSIDERATION OF GRANTS WHERE PEOPLE ARE IDENTIFIED
16 AS BEING IN CONFLICT AND THEY CANNOT CONTRIBUTE TO
17 THE DISCUSSION. PEOPLE CANNOT VOTE ON PROPOSALS
18 COMING TO THEIR OWN INSTITUTIONS. IN THE GRANTS
19 WORKING GROUP, PEOPLE WHO ARE IN CONFLICT FOR ANY
20 REASON, AND THAT CAN BE SCIENTIFIC OR ASSOCIATION
21 WITH AN INSTITUTION, ACTUALLY LEAVE THE ROOM DURING
22 THE DISCUSSIONS. THAT HAS BEEN CARRIED FORWARD
23 RECENTLY INTO OUR OPERATIONS WHERE ONCE A GRANT
24 BECOMES IDENTIFIED THROUGH THE SELF-IDENTIFICATION
25 PROCESS OF AN EXTRAORDINARY PETITION, THEN WE HAVE

BARRISTERS' REPORTING SERVICE

1 ALSO TAKEN TO LEAVING THE ROOM.

2 ALL OF THESE THINGS ARE EXTRAORDINARY. SO
3 I THINK THAT WE SHOULD JUST SAY FLAT OUT THAT THE
4 MANAGEMENT OF THE ACTUALITY IS SUPERB HERE. HAVING
5 SAID THAT, AND DESPITE ALL THAT, THERE IS AN
6 APPEARANCE OF CONFLICT OF INTEREST. AND I DO THINK
7 THAT WE HAVE TO DEAL WITH THAT.

8 SO THE OTHER THING THAT I'D LIKE TO JUST
9 SAY IS THAT THE SPECIAL THING ABOUT THIS
10 ORGANIZATION IS ITS TRANSPARENCY, ACCOUNTABILITY
11 OVERSIGHT, AND THE FACT THAT WE REMAIN HIGHLY
12 RESPECTFUL OF THE WILL OF THE CITIZENS OF CALIFORNIA
13 AS EXPRESSED IN PROP 71. AND I JUST WANT TO
14 COMPLIMENT YOU, J.T., FROM WHAT I CAN TELL, I'M
15 OBVIOUSLY NOT AN EXPERT IN THE LAW, BUT IT SEEMS
16 LIKE EVERYTHING THAT YOU'VE SUGGESTED IS AT LEAST
17 NOT COUNTER TO THE WILL THAT IS EXPRESSED IN PROP
18 71. SO CONGRATULATIONS ON THAT.

19 GOVERNANCE STRUCTURE, I ABSOLUTELY AGREE
20 THAT WE WORKED HARD IN THINKING THIS THROUGH. THERE
21 WAS A GREAT DEAL OF DISCUSSION. MOST IMPORTANTLY,
22 THE PEOPLE THAT WERE HIRED WERE HIRED ON THE BASIS
23 OF KNOWLEDGE, SKILLS, AND ABILITY AS DEFINED IN THAT
24 POSITION. AND THAT'S WHAT WE HAVE. SO THAT'S WHAT
25 I THINK IS VERY IMPORTANT TO GO FORWARD IN EXACTLY

BARRISTERS' REPORTING SERVICE

1 THE WAY THAT WE HAVE. WE CAN ALWAYS REVISIT IT AT
2 SOME POINT IN TIME, BUT RIGHT NOW IT'S REALLY PRETTY
3 GOOD.

4 THERE ARE A FEW DETAILS THAT, AS YOU SAID,
5 THERE'S GOING TO BE SOMETHING FOR EVERYBODY TO HATE
6 IN THIS. THERE ARE A FEW DETAILS THAT I'D LIKE TO
7 DISCUSS MORE. ONE OF THEM IS ACTUALLY THE -- I
8 DON'T EVEN WANT TO USE THE WORD BECAUSE WHEN WE TALK
9 ABOUT PROGRAMMATIC REVIEW, AND I THINK DUANE EVEN
10 SAID IT, PORTFOLIO REVIEW, ACTUALLY IT'S MUCH MORE
11 THAN THAT AT THE LEVEL OF THE BOARD.

12 THIS IS THE OPPORTUNITY FOR THE PATIENT
13 ADVOCATES TO STAND UP AND SAY THIS IS A GRANT THAT'S
14 WORTH TAKING A SWING AT THIS. EVEN IF THE SCIENCE
15 ISN'T QUITE ALL THERE, AND WE'VE HEARD JOAN DO THIS
16 SO MANY TIMES BEAUTIFULLY, YOU KNOW, LET'S TAKE A
17 CHANCE ON THIS. SO I WOULD RATHER COME UP WITH A
18 DIFFERENT NAME FOR IT. IT'S MORE THAN PROGRAMMATIC
19 OR PORTFOLIO REVIEW. THAT'S ONE OF THE AREAS I'D
20 LIKE TO SEE A LITTLE BIT MORE DISCUSSION AS FAR AS
21 REALLY COMING DOWN TO THE DETAILS OF THIS.

22 CHAIRMAN THOMAS: THANK YOU, OS. I WOULD
23 SAY THAT, REMEMBER, THIS IS SORT OF A FRAMEWORK
24 HERE, AND THERE ARE A LOT OF THINGS THAT HAVE
25 DETAILS THAT WOULD NEED TO BE WORKED OUT. I'M HAPPY

BARRISTERS' REPORTING SERVICE

1 TO DISCUSS HERE. I THINK IT CAN JUST AS
2 PRODUCTIVELY BE DONE IN SORT OF SUBGROUPS. VERY
3 IMPORTANT POINT.

4 DR. PRIETO HAS HAD HIS HAND UP FOR QUITE
5 SOME TIME.

6 DR. PRIETO: WITHOUT SAYING HOW I'LL VOTE
7 ON THIS, I DID WANT TO MAKE SOME COMMENTS. FIRST OF
8 ALL, WITH REGARD TO DR. MARLETTA'S COMMENTS AND THIS
9 NONVOTING ROLE, I WOULD SAY THIS IS SOMEWHAT
10 ANALOGOUS TO THE ROLE THAT THE PATIENT ADVOCATES
11 HAVE PLAYED DURING SCIENTIFIC REVIEW AT THE GRANTS
12 WORKING GROUP FOR SEVERAL YEARS NOW. AND IT DOES
13 NOT MEAN THAT WE DON'T GET INTO THE DISCUSSION. WE
14 HAVE THE RIGHT TO WEIGH IN. SOME OF US HAVE MORE
15 SCIENTIFIC BACKGROUND THAN OTHERS, BUT WE ALL CAN
16 STUDY AND PLAY AN ACTIVE ROLE AND WE HAVE, BUT WE
17 DON'T GET TO PUT IN A NUMERICAL SCORE DURING THAT
18 PART OF THE EVALUATION. THAT'S JUST OUR ROLE.

19 I WAS SKEPTICAL ABOUT THE IOM REPORT AND
20 THEIR PROPOSALS PARTICULARLY BECAUSE I THINK THAT
21 CIRM HAS REALLY BLAZED A TRAIL IN TERMS OF THE ROLE
22 OF PATIENT ADVOCATES. AND I THOUGHT THAT THEIR
23 PROPOSAL WOULD INCREASE THE NUMBER OF ADVOCATES, AS
24 THEY SAID, BUT MARGINALIZE THE ROLE. AND I THINK
25 IT'S IMPORTANT THAT ADVOCATES AND THE PUBLIC

BARRISTERS' REPORTING SERVICE

1 CONTINUE TO BE ABLE TO WEIGH IN IN A MEANINGFUL WAY
2 WHEN WE DISCUSS WHAT YOU'RE CALLING PROGRAMMATIC
3 REVIEW, WHAT HAS COME UP AS APPEALS, BUT THAT WE GET
4 TO DISCUSS THINGS LIKE OS JUST MENTIONED. WHAT IS
5 OUR RISK TOLERANCE? WILL WE TAKE A SWING AT
6 SOMETHING THAT OTHER FUNDERS MIGHT NOT? THAT WAS
7 SOMETHING THAT I THINK PROP 71 WAS EXPLICITLY SET UP
8 TO DO, TO FUND AN AREA OF SCIENCE THAT OTHERWISE
9 MIGHT NOT BE FUNDED. SO I THINK THE SHAPE AND THE
10 AMOUNT OF PUBLIC INPUT THAT'S ALLOWED IS CRITICAL.

11 AND I'LL JUST SAY ONE OTHER THING ABOUT
12 THE INTELLECTUAL PROPERTY PART OF IT. I KNOW YOU
13 HAVEN'T ADDRESSED THAT IN ANY DETAIL. BUT I DO TAKE
14 ISSUE WITH THEIR SUGGESTION THAT WE CONFORM WITH
15 BAYH-DOLE BECAUSE I SERVED ON THE INITIAL TASK FORCE
16 ON INTELLECTUAL PROPERTY. I DECIDED NOT TO TAKE
17 THAT ON DURING OUR CURRENT SECOND ROUND BECAUSE YOU
18 GIVE ME ENOUGH WORK TO DO HERE.

19 WE SPECIFICALLY MADE A DECISION TO ADOPT A
20 NEW MODEL, AND PART OF THAT WAS TO KEEP FAITH WITH
21 THE COMMITMENTS THAT WERE MADE TO THE PEOPLE OF
22 CALIFORNIA IN THE CAMPAIGN FOR PROP 71. AND I THINK
23 WE'VE DONE A PRETTY GOOD JOB OF THAT.

24 MS. WINOKUR: I WONDER IF YOU WOULD REPEAT
25 THE NUMBER OF VOTING MEMBERS WHEN A PROPOSAL IS FROM

BARRISTERS' REPORTING SERVICE

1 ONE OF THE UC CAMPUSES. HOW MANY OF US ARE LEFT WHO
2 CAN VOTE ON IT?

3 MR. HARRISON: SO LET ME FIRST MAKE CLEAR
4 THAT WE WILL CONTINUE TO DO OUR CONFLICT REVIEW AS
5 ALWAYS. SO EACH OF YOU WILL CONTINUE TO FILL OUT
6 THE FORM IDENTIFYING THOSE INSTITUTIONS WITH WHICH
7 YOU HAVE SOME ECONOMIC INTEREST, AND YOU WILL BE
8 DISQUALIFIED FROM PARTICIPATING IN AND VOTING ON
9 THOSE APPLICATIONS.

10 WHAT WE'RE TALKING ABOUT IS A SEPARATE
11 SUBSET OF THE BOARD WHICH IS COMPOSED OF THOSE
12 MEMBERS APPOINTED FROM THE FIVE UNIVERSITY CAMPUSES
13 WITH MEDICAL SCHOOLS, THE FOUR CALIFORNIA
14 UNIVERSITIES OTHER THAN THOSE FIVE, AND FOUR
15 NONPROFIT RESEARCH INSTITUTIONS. SO THERE ARE A
16 TOTAL OF 13 MEMBERS WHO WE WOULD ASK TO ABSTAIN FROM
17 PARTICIPATING IN A VOTE TO APPROVE APPLICATIONS.
18 THAT WOULD LEAVE, UNLESS THEY ARE OTHERWISE
19 CONFLICTED, 16 MEMBERS. THOSE 16 INCLUDE TEN
20 PATIENT ADVOCATES, FOUR MEMBERS APPOINTED FROM LIFE
21 SCIENCE COMMERCIAL ENTITIES, AS DUANE ROTH OBSERVED
22 ARE NOT APPLICANTS FOR CIRM FUNDING, AND THE CHAIR
23 AND THE STATUTORY VICE CHAIR.

24 MS. WINOKUR: IT SEEMS TO ME THAT WE'RE
25 LOSING A LOT OF THIS BOARD WHICH IS APPOINTED TO

BARRISTERS' REPORTING SERVICE

1 SERVE A PURPOSE OF PARTICIPATING WITH THAT PROPOSAL,
2 AND I'M JUST CONCERNED ABOUT IT. BECAUSE THERE ARE
3 13 LEFT, BUT THERE COULD BE OTHER CONFLICTS WITH
4 THOSE 13, AND WE WOULD BE LEFT WITH EVEN LESS.

5 CHAIRMAN THOMAS: YES, THAT IS CORRECT,
6 ALTHOUGH GENERALLY THE OTHERS AREN'T -- YOU DON'T
7 HAVE THAT MANY THAT WOULD BE OTHERWISE CONFLICTED.

8 MS. WINOKUR: YOU HAVE 13 TO START WITH.

9 CHAIRMAN THOMAS: I UNDERSTAND.

10 MR. SHESTACK: DIANE MAKES AN IMPORTANT
11 POINT BECAUSE, FOR INSTANCE, IT DOES PUT A
12 TREMENDOUS AMOUNT OF PRESSURE ACTUALLY. I DON'T
13 KNOW IF THE LIFE SCIENCE MEMBERS ARE ALLOWED TO
14 HAVE -- JAMES, YOU CAN TELL ME. ARE THEY ALLOWED TO
15 HAVE PROXIES, SURROGATES? BUT, FOR INSTANCE, THE
16 ADVOCATES, BY A QUIRK OF THE LAW, ARE NOT ALLOWED TO
17 HAVE SURROGATES VOTE FOR THEM, WHICH THEN PUTS A
18 TREMENDOUS PRESSURE ON THEM TO ATTEND AND TO HAVE
19 ATTENDED ALL THE PREVIOUS GRANT REVIEW MEETINGS AND
20 BE FULLY INFORMED.

21 AND THE OTHER THING I WANT TO SAY IS THAT
22 THE UNINTENDED CONSEQUENCES OF THIS RECOMMENDATION,
23 ALTHOUGH I THINK IT'S PRETTY SOLOMONICALLY
24 BRILLIANT, IS THAT I THINK SO MANY OF OUR DEANS WHO
25 HAVE THE OPPORTUNITY TO HAVE PROXIES WILL TAKE THAT

BARRISTERS' REPORTING SERVICE

1 OPPORTUNITY IF THEIR VOTE IS NOT -- EVEN IF IT'S A
2 CEREMONIAL VOTE, EVEN IF 98 PERCENT OF THE TIME THEY
3 JUST ARE RUBBER STAMPING THE GRANT WORKING GROUP
4 RECOMMENDATIONS, I FEAR THAT IF THEY HAVE NO VOTE,
5 THEY WILL NOT WANT TO ATTEND. IF THEY DON'T WANT TO
6 ATTEND, THEN WE HAVE LOST A TREMENDOUS AMOUNT OF
7 WISDOM AND DISCERNMENT THAT THEY ADD TO THE ROOM ALL
8 THE TIME.

9 ONE OTHER THING ABOUT THE PROGRAMMATIC
10 REVIEW IS ONE OF THE GREAT THINGS ABOUT HAVING
11 PORTFOLIO OR PROGRAMMATIC REVIEW IN THE GRANTS
12 WORKING GROUP IS THAT ADVOCATE COMMUNITIES GET TO
13 TALK TO STAFF AND ASK THEM QUESTIONS IN A WAY THAT
14 THEY DON'T WANT TO DO IN A WHOLE ICOC MEETING, WHICH
15 IS A PUBLIC MEETING WHERE THERE'S PRESSURE TO KEEP
16 IT WITHIN A CERTAIN PERIOD OF TIME. AND IT ALLOWS
17 FOR A FREE KIND OF INFORMED DISCUSSION AND POINTS OF
18 INFORMATION THAT, AGAIN, IS VALUABLE AND DEEPENS THE
19 PROCESS.

20 I JUST WANT TO ITERATE WHAT SO MANY OTHER
21 PEOPLE HAVE SAID. HAVING SERVED ON SO MANY BOARDS
22 THAT WERE NOT UP TO THE PAR, THE EXCELLENCE OF THIS,
23 EVEN IF THERE ARE CONFLICTS, STAFF AND BOARD, PEOPLE
24 ARE SO AWARE OF THEIR CHARGE FROM THE CITIZENS OF
25 CALIFORNIA AND FEEL THIS URGE TO BE TRANSPARENT.

BARRISTERS' REPORTING SERVICE

1 IT'S AMAZING. AND THAT WE ARE DEFENDING OURSELVES
2 BECAUSE WE ARE SOMEHOW NOT TRANSPARENT ENOUGH IS
3 DEPRESSING TO ME BECAUSE I'VE BEEN IN BOARDS THAT
4 ARE NOT TRANSPARENT.

5 CHAIRMAN THOMAS: THANK YOU. VERY GOOD
6 OBSERVATIONS ALSO. COUPLE OF COMMENTS ON THAT. ONE
7 IS I WANT TO REMIND THE BOARD THAT CLEARLY VOTING ON
8 GRANTS IS SORT OF THE BIG TICKET, GLAMOROUS THING
9 THAT THE BOARD DOES. THERE'S A LOT OF OTHER STUFF
10 THE BOARD DOES TOO, STRATEGIC PLANNING, A BUNCH OF
11 DIFFERENT THINGS, THAT THIS WOULDN'T HAVE ANY IMPACT
12 AT ALL ON. SO I WOULD LIKE TO THINK THAT THERE
13 WOULD BE MORE THAN ENOUGH TO DISCUSS AMONGST MEMBERS
14 OF THE BOARD AT A REGULAR MEETING TO ENCOURAGE THE
15 MEMBERS OF THE 13 TO ATTEND.

16 ALSO NOTE THAT YOU MENTIONED THE WORD
17 "TRANSPARENT," MR. SHESTACK. I WOULD SUBMIT THAT IN
18 THE INTEREST OF TRANSPARENCY TO THE CALIFORNIA
19 PEOPLE, YOU'RE ACTUALLY BETTER SERVED BY HAVING
20 PROGRAMMATIC DISCUSSION DONE AT THE BOARD LEVEL
21 WHERE THE PUBLIC CAN HEAR AND NOT IN THE CONFINES OF
22 THE GRANTS WORKING GROUP.

23 MS. LANSING: I JUST HAVE TO RESPOND TO
24 WHAT JON SAID. YOU KNOW HOW MUCH I RESPECT YOU. I
25 HAVE NOT BEEN ABLE TO VOTE ON A GRANT, I THINK,

BARRISTERS' REPORTING SERVICE

1 PRETTY MUCH SINCE I GOT HERE BECAUSE OF UC. I HAVE
2 A REALLY GOOD ATTENDANCE RECORD. I JUST WANT TO SAY
3 THAT MY PASSION AND MY INTEGRITY HAS NEVER BEEN
4 QUESTIONED BECAUSE I HAVEN'T BEEN ABLE TO VOTE ON A
5 GRANT. AND I ACTUALLY WAS VERY COMFORTABLE WITH
6 THAT, BUT IT HAS NEVER DISSUADED ME FROM ATTENDING A
7 MEETING.

8 I KNOW PERSONALLY ALL THE PEOPLE, AS YOU
9 DO, WHO ARE REPRESENTING THESE INSTITUTIONS THAT
10 WOULD NOT BE ABLE TO VOTE, AND THEY WILL BE HERE
11 WITH THE SAME PASSION AND THE SAME INTENSITY, AND
12 THEY WILL SPEAK UP ABOUT WHAT THEY ADVOCATE AND CARE
13 FOR. SO I JUST WANT TO SAY THAT. I THINK IT IS
14 SUCH A GREAT BOARD, AND WE'RE ALL HERE BECAUSE WE'RE
15 PASSIONATE ABOUT THIS MISSION, AND WE'RE NOT HERE
16 BECAUSE WE CAN VOTE. WE'RE HERE BECAUSE WE CAN
17 ADVOCATE, AND THAT'S REALLY WHAT WE'RE TRYING TO DO.

18 MR. SHESTACK: YOU MAY BE RIGHT.

19 MS. LANSING: BUT I HAVE TO JUST GO BACK.
20 AGAIN, I JUST RESPECTFULLY DISAGREE WITH THAT,
21 PASSIONATELY, I GUESS, DISAGREE. I WANT TO JUST SAY
22 I COME BACK TO SOME FACTS. I DEFEND AND I STARTED
23 FROM THE BEGINNING IN SAYING I DON'T AGREE WITH WHAT
24 THE IOM SAID. I DON'T AGREE WITH WHAT THE HOOVER
25 COMMISSION SAID. I COULD GO DOWN THROUGH THE

BARRISTERS' REPORTING SERVICE

1 AUDITS, WHATEVER. BUT THAT'S BECAUSE I'M INTENSELY
2 INVOLVED IN THIS BOARD. AT SOME POINT YOU HAVE TO
3 SAY THERE IS A PERCEPTION THAT THERE IS A CONFLICT
4 OF INTEREST. THERE IS A PERCEPTION THAT THE APPEALS
5 PROCESS DOESN'T WORK. THERE IS A PERCEPTION ON ALL
6 OF THESE ISSUES. AND WE HAVE LOST, NOT BECAUSE
7 WE'VE DONE ANYTHING WRONG, BUT, AS CLAIRE SAID, IT'S
8 A MATTER OF TRUST.

9 AND I USE THAT EXPRESSION BECOMES REALITY,
10 AND WE CAN'T FIGHT THAT ANYMORE. WE HAVE TWO
11 CHOICES REALLY. MAYBE WE HAVE MORE, BUT TWO BROAD
12 CHOICES. WE CAN SAY, OKAY. WE'RE RIGHT AND WE'RE
13 IGNORING ALL OF THIS, AND WE'RE JUST MOVING ON. AND
14 WE CAN DO THAT. AND THEN IF I WAS THE LEGISLATURE,
15 QUITE HONESTLY, ART, YOU KNOW BETTER THAN DO I, THEY
16 HAVE THE RIGHT TO TRY AND GET THE VOTES. I'M NOT SO
17 SURE IT WOULD BE SO DIFFICULT SINCE THAT SEEMS TO BE
18 THE PERCEPTION OF EVERY REPORT THAT WE'VE GOTTEN,
19 NOT JUST THIS BEING THE LAST ONE, BUT FOR YEARS.
20 AND THEY COULD PROBABLY, ART, CORRECT ME, I DON'T
21 KNOW IF THIS IS TRUE, BUT I GUESS IF THEY GET
22 TWO-THIRDS VOTE, THEY CAN ACTUALLY ENFORCE THIS; IS
23 THAT CORRECT?

24 MR. TORRES: MORE THAN TWO-THIRDS, 70
25 PERCENT.

BARRISTERS' REPORTING SERVICE

1 MS. LANSING: OKAY. I'M NOT SO SURE IT
2 WOULD BE SO HARD TO GET SINCE THAT'S THE PERCEPTION.
3 AND SINCE THEY REPRESENT THE PEOPLE AND THERE'S BEEN
4 THESE REPORTS, SO THAT CAN HAPPEN TO US. I WOULD
5 LIKE US TO CONTROL OUR DESTINY. I WOULD LIKE US TO
6 PUT INTO PROCESS SOMETHING THAT WE CAN SEE IF IT
7 WORKS AND NOT HAVE SOMETHING DICTATED TO US.

8 WHEN I READ THE IOM REPORT, YEAH, MY FIRST
9 REACTION WAS THEY'RE WRONG. I'M RIGHT. I'M DONE.
10 THAT'S NOT HELPFUL. DO YOU KNOW? NOW, I THINK WHAT
11 J.T. HAS DONE, HONESTLY IN ALL OF THEM, IS A REALLY,
12 REALLY BRILLIANT SOLUTION. AND I ACTUALLY AGREE
13 WITH ALL OF THE SUGGESTIONS. AND I URGE US TO MOVE
14 FORWARD FOR A YEAR AND OBVIOUSLY SEE IF IT WORKS.
15 IF YOU'RE RIGHT, JON, AND PEOPLE DON'T SHOW UP AND
16 IF YOU'RE RIGHT AND THE WHOLE THING FALLS PART,
17 WELL, THEN WE HAVE TO CHANGE IT. AND WE COULD
18 CHANGE IT SOONER.

19 CHAIRMAN THOMAS: DR. LEVIN AND THEN DR.
20 VUORI.

21 DR. LEVIN: THANKS, J.T. THESE ARE SOME
22 BROAD AND SWEEPING CHANGES, AND MAYBE WE HAVE TO
23 DISCUSS EACH ONE OF THEM INDIVIDUALLY TO COME TO
24 CONSENSUS, BUT I AGREE WITH SHERRY, ALWAYS PRETTY
25 MUCH, AND EVERYONE ELSE, THAT THIS IS AN ISSUE

BARRISTERS' REPORTING SERVICE

1 THAT'S PLAGUED US FOR MANY YEARS AND THAT WE'RE A
2 PUBLIC INSTITUTION, AND THAT IF WE'RE GOING TO
3 RETAIN PUBLIC TRUST, WE HAVE TO MAKE SOME BROAD AND
4 SWEEPING CHANGES.

5 SO I APPLAUD ALL THIS WORK AND THE RISK
6 THAT'S TAKEN AND HOW THOUGHTFUL IT'S BEEN PUT
7 TOGETHER.

8 I DO HAVE JUST A FEW QUICK COMMENTS THAT I
9 DON'T THINK HAVE BEEN ADDRESSED ON A FEW OF THESE.
10 MAYBE THE FIRST IS A POINT OF INFORMATION FOR JAMES
11 BECAUSE HE MENTIONED IT. FOR THE CONFLICTS, AT THE
12 MOMENT PEOPLE WHO ARE INDIVIDUALLY CONFLICTED
13 ECONOMICALLY ON ANY GRANT DON'T SPEAK AT ALL, MUCH
14 LESS VOTE. IS THAT GOING TO BE RETAINED BECAUSE
15 THAT WASN'T MENTIONED IN THE DESCRIPTION?

16 MR. HARRISON: YES. MEMBERS WOULD
17 CONTINUE TO BE PROHIBITED BOTH FROM PARTICIPATING
18 AND VOTING ON APPLICATIONS IN WHICH THEY HAVE A
19 DIRECT FINANCIAL CONFLICT.

20 DR. LEVIN: INDIVIDUAL. I THINK THAT'S
21 VERY IMPORTANT TO KEEP.

22 MR. SHESTACK: BUT WE VOTE EN BLOC. SO
23 THAT MEANS THEY'RE PROHIBITED FROM DISCUSSING THE
24 WHOLE BLOC.

25 DR. LEVIN: THEY CAN'T DISCUSS THE

BARRISTERS' REPORTING SERVICE

1 INDIVIDUAL APPLICATIONS.

2 MR. HARRISON: AS A REMINDER, TYPICALLY
3 THE WAY WE DEAL WITH REVIEW OF APPLICATIONS IS TO
4 DISCUSS INDIVIDUAL APPLICATIONS FIRST SO THAT
5 MEMBERS WHO MAY BE CONFLICTED FROM ONE APPLICATION
6 BUT NOT ANOTHER CAN PARTICIPATE IN ONE DISCUSSION
7 BUT NOT THE OTHER. ONCE WE'VE EXHAUSTED THE
8 DISCUSSION OF INDIVIDUAL APPLICATIONS AND HAVE A
9 FINAL SLATE OF AWARDS, A MOTION IS MADE TO APPROVE
10 THE SLATE, AND MEMBERS VOTE YES OR NO WITH THE
11 EXCEPTION OF THOSE APPLICATIONS FOR WHICH THEY HAVE
12 A CONFLICT.

13 DR. LEVIN: SO ESSENTIALLY THE PROCESS IS
14 IDENTICAL TO WHAT IT IS NOW EXCEPT FOR DURING THE
15 VOTING PROCESS, THE 13 INSTITUTIONAL REPRESENTATIVES
16 DON'T CAST A VOTE, BUT OTHERWISE NOTHING IS
17 CHANGING?

18 MR. HARRISON: TO BE TECHNICALLY PRECISE,
19 THEY WOULD ABSTAIN.

20 MR. SHESTACK: FROM THE TIER VOTES.

21 MR. HARRISON: FROM EITHER AN INDIVIDUAL
22 VOTE OR AN EN BLOC VOTE.

23 DR. LEVIN: MY SECOND POINT, WITH
24 INCREASED INDUSTRY INVOLVEMENT, OBVIOUSLY THIS IS A
25 PLACE THAT THE INSTITUTION HAS BEEN MOVING AND THAT

BARRISTERS' REPORTING SERVICE

1 EVERYBODY TELLS US THAT IT'S IMPORTANT, BUT I THINK
2 WE NEED TO BE CAREFUL WHEN BRINGING MORE AND MORE
3 INDUSTRY MEMBERS INTO THE GRANTS WORKING GROUP THAT
4 THEY'RE FULLY INFORMED AND ON BOARD WITH OUR MISSION
5 AND WHAT THE INSTITUTE IS TRYING TO DO. AND I HAD
6 SOME CONCERNS ABOUT THAT EVEN IN THE LAST ROUND OF
7 DISEASE TEAMS THAT WAS DISPROPORTIONATELY INDUSTRY
8 MEMBERS AND VOTED EXTREMELY CONSERVATIVELY.

9 IF YOU RECALL, I THINK \$113 MILLION WORTH
10 OF GRANTS WERE RECOMMENDED FOR FUNDING IN A ROUND
11 THAT HAD BEEN ALLOCATED \$240 MILLION. AND PERHAPS
12 THAT'S BECAUSE, WHILE CIRM HAS A MISSION OF BOLD AND
13 VISIONARY ACTION AND INVESTING IN HIGH RISK, HIGH
14 PAYOFF RESEARCH AND TAKING A CHANCE TO MAKE A BIG
15 DIFFERENCE, INDUSTRY IS USED TO SPENDING ITS OWN
16 MONEY AND BEING CONSERVATIVE AND NOT TAKING RISK AND
17 SO MAY HAVE BEEN MORE CONSERVATIVE THAN ANY PREVIOUS
18 ROUND.

19 I THINK WE'VE SEEN THIS PROGRESSION THAT A
20 LOWER AND LOWER PERCENTAGE OF WHAT HAS BEEN
21 ALLOCATED FOR ANY ROUND IS BEING RECOMMENDED FOR
22 FUNDING EACH TIME. SO JUST URGE US TO MAKE CLEAR
23 WHAT THE CRITERION ARE AND WHAT OUR GOALS ARE AS AN
24 ORGANIZATION WITH THE GRANTS WORKING GROUP REVIEW IF
25 WE'RE GOING TO BE INCLUDING MORE AND MORE PEOPLE

BARRISTERS' REPORTING SERVICE

1 OUTSIDE OF THE FIELD AND OUTSIDE OF BASIC RESEARCH
2 AND SCIENCE.

3 CHAIRMAN THOMAS: THANK YOU, DR. LEVIN.
4 THAT'S VERY PERCEPTIVE.

5 MR. ROTH: I JUST WANT TO CORRECT ONE
6 THING ABOUT RISK AND INDUSTRY. WHEN I STARTED OUT,
7 I HAD HAIR LIKE YOURS. TO SAY THAT INDUSTRY DOESN'T
8 TAKE RISKS WOULD NOT BE APPROPRIATE. I THINK
9 INDUSTRY TAKES EXTRAORDINARY RISK.

10 DR. FRIEDMAN: WHEN I STARTED OUT, I HAD
11 HAIR LIKE YOURS.

12 CHAIRMAN THOMAS: OKAY.

13 DR. LEVIN: ONE FINAL SMALL POINT. IF THE
14 APPEALS PROCESS, AS SOMEONE MENTIONED A FEW MEETINGS
15 AGO, AS PART OF OUR APPEALS PROCESS AND AS CRITERION
16 THAT STILL MADE IT INTO THIS RECOMMENDATION WAS THE
17 AVAILABILITY OF NEW INFORMATION, AND AS FAR AS I
18 KNOW, THERE'S NO MAJOR GRANTING AGENCY THAT ALLOWS
19 NEW INFORMATION THAT WAS PRODUCED OR DISCOVERED OR
20 REPORTED AFTER THE GRANT WAS SUBMITTED TO BE
21 INCLUDED IN REVIEW. AND I UNDERSTAND THAT WE HAVE A
22 SHORTER TIMELINE AND WANT TO GET THINGS OUT, BUT I
23 THINK THAT ALLOWING THAT AS A REASON FOR
24 RECONSIDERATION OF A GRANT OPENS UP A HUGE CAN OF
25 WORMS THAT WE'VE DISCUSSED ON THIS BOARD BEFORE.

BARRISTERS' REPORTING SERVICE

1 IT'S REALLY HARD TO DECIDE WHAT QUALIFIES. DOES IT
2 NEED TO BE PUBLISHED? DOES IT NEED TO BE PATENTED.

3 AND SO IT'S GOING TO ALLOW FOR JUST AS
4 MANY EXTRAORDINARY PETITIONS OR RE-REVIEW REQUESTS
5 AS WE HAD BEFORE, AND WE MAY WANT TO CONSIDER
6 WHETHER THAT'S, EVEN THOUGH IT'S NICE TO BE ABLE
7 FOLD EVERYTHING IN AND BE THE MOST TIMELY AS
8 POSSIBLE, WHETHER THAT'S REALLY THE MOST PRUDENT WAY
9 TO GO FORWARD.

10 CHAIRMAN THOMAS: THANK YOU, DR. LEVIN.
11 THOSE ARE ALL POINTS THAT STAFF HEARS, AND THEY'RE
12 ALL VERY PERCEPTIVE POINTS. I WOULD NOTE THAT YOU
13 COULD HAVE A DEVELOPED SET OF CRITERIA, WHICH WE
14 REALLY HAVEN'T DONE, ON NEW INFORMATION OR ANYTHING
15 ELSE THAT FORMS THE BASIS OF APPEAL THAT CAN INFORM
16 THAT PROCESS.

17 OKAY. I'M BEING TOLD THAT WE NEED TO TAKE
18 A BREAK. DR. VUORI WILL START WHEN WE RESUME. FIVE
19 MINUTES. FIVE-MINUTE BREAK. WE'RE ON A ROLL,
20 FOLKS. LET'S KEEP GOING. THANK YOU.

21 (A RECESS WAS TAKEN.)

22 CHAIRMAN THOMAS: IF EVERYBODY COULD
23 RESUME YOUR SEAT, PLEASE. EVERYBODY, AGAIN, PLEASE
24 TAKE YOUR SEATS. WELCOME BACK, EVERYBODY. WE'RE
25 GOING TO RESUME.

BARRISTERS' REPORTING SERVICE

1 ACTUALLY MARCY HAS TO LEAVE, SO I WANTED
2 TO CALL ON HER FIRST AND THEN BACK TO DR. VUORI.

3 MS. FEIT: SORRY. I APOLOGIZE. I HAVE A
4 BOARD MEETING. I HAVE A CHAIRMAN WAITING FOR ME.

5 I WANTED TO THANK J.T. FOR A REAL FOCUSED
6 RESPONSE BECAUSE I THINK THAT'S WHAT IT IS. AND I
7 HOPE THAT WE WILL TAKE THE TIME AS A BOARD TO VET IT
8 OUT CAREFULLY, AND PARTICULARLY IN LIGHT AND
9 COMPARISON WITH PROP 71 BECAUSE I THINK THAT IS A
10 MISSION FOR US AND THAT IS A COMMITMENT WE'VE MADE
11 UNLESS IT'S CHANGED.

12 BUT I WANT TO SAY THAT NONE OF US AGREE
13 WITH EVERYTHING THERE. WE'RE JUST NOT GOING TO.
14 BUT WE HAVE MOMENTUM, AND THE REPORT THIS MORNING
15 JUST REALLY LAYS OUT THE WORK THAT EVERYONE HAS DONE
16 AND CONTRIBUTED TO THIS MOVEMENT IN CALIFORNIA. AND
17 I REFLECT BACK ON ALL THE WORK THAT'S BEEN DONE IN
18 ALL OF THE DIFFERENT COMMITTEES IN CIRM, AND WE'VE
19 ESTABLISHED STANDARDS FOR STEM CELL RESEARCH THAT
20 EVERYONE ALL OVER THE WORLD IS SAYING CAN WE COPY
21 THAT, WILL YOU LEND US HOW YOU'RE DOING THIS.

22 SO WHILE THAT REPORT MAY HAVE BEEN
23 CRITICAL WITH THINGS WE DON'T LIKE TO HEAR AND WANT
24 TO ACCEPT IN SOME WAYS, WE KNOW WE'VE DONE A
25 FANTASTIC JOB. WE KNOW WHERE WE'RE AT. AND I JUST

BARRISTERS' REPORTING SERVICE

1 HOPE THAT WE DON'T ALLOW SOMETHING LIKE THIS TO
2 HINDER OUR MOMENTUM GOING FORWARD, THAT WE KEEP
3 MOVING FORWARD IN A VERY POSITIVE WAY LIKE WE HAVE.
4 AND IT WAS A WONDERFUL REPORT THIS MORNING TO BE
5 ABLE TO GO THROUGH AND SEE JUST WHERE WE ARE.

6 J.T., THANK YOU FOR GETTING US FOCUSED.
7 AND I LOOK FORWARD TO HAVING THE DISCUSSIONS TO VET
8 OUT EACH ISSUE BECAUSE I THINK WE NEED TO TAKE MORE
9 TIME DOING THAT. THANK YOU.

10 CHAIRMAN THOMAS: THANK YOU, MARCY. DR.
11 VUORI.

12 DR. VUORI: THANK YOU, J.T. SO LIKE ALL
13 OF US, WHEN I READ THE IOM REVIEW, I CERTAINLY HAD
14 VERY MIXED FEELINGS ABOUT THE MESSAGE AND THE
15 FAIRNESS EVEN OF THE REPORT. BUT AT THE END OF THE
16 DAY, I THINK CIRM'S MISSION IS LARGER THAN THAT
17 REPORT. IT'S LARGER THAN THIS BOARD. WE AS A BOARD
18 ARE REALLY RESPONSIBLE AS GUARDIANS OF CIRM'S
19 MISSION, AND WE NEED TO ENSURE THE SUCCESS OF CIRM
20 IN A MANNER THAT REALLY MEETS THE APPROVAL AND THE
21 RESPECT AND THE TRUST OF THE CITIZENS OF CALIFORNIA.
22 THAT'S REALLY OUR SOLE PRIORITY.

23 I MAY THINK THAT THE AND HAVE COMPLETE
24 FAITH IN THE INTEGRITY OF THE PROCESSES THAT THIS
25 BOARD UNDERTAKES. AT THE END OF THE DAY, IT'S THE

BARRISTERS' REPORTING SERVICE

1 PUBLIC TRUST THAT MATTERS TO US AS A STATE-FUNDED
2 AGENCY. AND IT IS OUR REAL RESPONSIBILITY TO
3 ADDRESS THE PERCEIVED CONFLICT OF INTEREST THAT HAS
4 BEEN PRESENTED TO US NOW I THINK AT LEAST THREE
5 TIMES. AND I THINK WE NEED TO ADDRESS IT IN A
6 MANNER THAT FURTHER INSTILLS PUBLIC TRUST IN OUR
7 CAPABILITY TO TAKE THAT RESPONSIBILITY THAT THIS
8 BOARD HAS VERY SERIOUSLY.

9 SO I THANK J.T. FOR ALL HIS WORK, HOW HE
10 HAS LAID OUT THE RESPONSE TO THE IOM REPORT. I'M IN
11 FULL SUPPORT OF THE ENTIRETY OF THAT PROPOSAL.

12 I WOULD MAKE A COMMENT, FROM A SOMEWHAT
13 PERSONAL PERSPECTIVE, THAT I UNDERSTAND THAT I WOULD
14 BE ONE OF THOSE REPRESENTATIVES WHO NO LONGER WOULD
15 VOTE ON THIS BOARD. DO I VIEW THAT AS AN IMPORTANT
16 ACTIVITY? OF COURSE. AND I THINK IT'S CERTAINLY
17 ONE MECHANISM HOW I FEEL THAT MANY OF US CAN ADD
18 VALUE TO THE BOARD FUNCTIONS. AT THE SAME TIME I
19 THINK THIS IS AN OPPORTUNITY TO THINK ABOUT THE
20 BOARD'S ROLE IN ADDITION TO ELIMINATING THIS
21 CONFLICT OF INTEREST OR PERCEIVED CONFLICT OF
22 INTEREST IN A WAY THAT WE CAN ELEVATE THE BOARD TO A
23 MORE STRATEGIC LEVEL WHERE WE SHOULD HAVE FULL
24 CONFIDENCE IN THE WORKING GROUP, GRANTS WORKING
25 GROUP, IN EVALUATING AND RANKING THE GRANT

BARRISTERS' REPORTING SERVICE

1 APPLICATIONS. AND THE BOARD'S ROLE REALLY WOULD BE
2 THE PROGRAMMATIC REVIEW OR PORTFOLIO ANALYSIS
3 IDEALLY PROSPECTIVELY, UNDERSTANDING THAT THAT MAY
4 NOT ALWAYS HAPPEN.

5 AND I THINK WITH THAT SAID, AGAIN, I HAVE
6 FULL SUPPORT FOR J.T.'S PROPOSAL.

7 CHAIRMAN THOMAS: THANK YOU. DR. LUBIN.

8 DR. LUBIN: SO I HAVE THREE QUESTIONS.
9 ONE, J.T., WAS IT YOUR GOAL AND PLAN THAT WE MAKE A
10 VOTE ON THIS DOCUMENT TODAY?

11 CHAIRMAN THOMAS: IDEALLY I WOULD LIKE TO
12 DO THAT, YES.

13 DR. LUBIN: WE DON'T HAVE TO DISCUSS THAT
14 FURTHER. I JUST WANTED TO UNDERSTAND THAT.

15 SECONDLY, AS WAS INDICATED, I WAS ASKED TO
16 HEAD A TASK FORCE ON THE APPEAL GRANT REVIEW
17 PROCESS. WE HAD TWO MEETINGS AND MADE NO PROGRESS
18 WHATSOEVER. THERE'S SOME STATEMENTS IN HERE THAT
19 ARE THINGS THAT WE BROUGHT UP IN THOSE DISCUSSIONS,
20 AND I'D LIKE TO HEAR MORE DISCUSSION AROUND THE
21 TABLE ABOUT THAT ONE SECTION, IF ANYONE WANTS TO
22 DISCUSS IT, BECAUSE WHEN WE BROUGHT THIS UP AT THE
23 SMALLER MEETINGS AT CHILDREN'S IN OAKLAND, WE MADE
24 NO PROGRESS WHATSOEVER.

25 AND THEN I THINK THE THIRD THING THAT'S

BARRISTERS' REPORTING SERVICE

1 REALLY IMPORTANT FOR US ALL TO THINK ABOUT IS THE
2 FUTURE OF CIRM AFTER THE FUNDING CYCLE THAT WE HAVE
3 NOW IS OVER. AND PART OF, I THINK, WHEN BOB PUT
4 THIS TOGETHER WITH THE IOM, IT WAS TO GET A BLESSING
5 SO THAT WE COULD GO BACK, RAISE MORE MONEY, CONTINUE
6 THIS WORK. AND I HAVEN'T HEARD ANYONE, ALTHOUGH
7 IT'S STATED IN HERE, ONE WORD "SUSTAINABILITY,"
8 ANYONE REALLY TALK ABOUT WHAT WE WOULD DO. AND I
9 FEAR IF WE DON'T MAKE SOME OF THESE CHANGES, WE'RE
10 NOT GOING TO BE IN A POSITION TO BE ABLE TO GO BACK
11 TO THE VOTERS WITH THEIR BLESSING FOR THE FUTURE.

12 SO I'D LIKE TO HEAR SOME DISCUSSION ABOUT
13 THAT, BUT I WOULD REALLY LIKE TO HEAR ON PAGE 4
14 COMMENTS FROM PEOPLE ON THE BOARD ABOUT THE APPEALS
15 GRANT REVIEW PROCESS IN PARTICULAR, WHICH THE IOM
16 REPORT RECOMMENDS ELIMINATING EXTRAORDINARY APPEALS.

17 CHAIRMAN THOMAS: CAN I, BEFORE THERE'S
18 COMMENT ON THAT, JUST RESPOND? ON THE
19 SUSTAINABILITY ISSUE, I THINK IT'S A VERY IMPORTANT
20 POINT THAT YOU RAISE, DR. LUBIN, WHICH IS IF WE
21 DON'T ACT, WE WILL HAVE GREAT DIFFICULTY IN
22 SUSTAINING THE EFFORT. AND THE LAST THING WE WANT
23 TO DO IS BE IN A POSITION WHERE WE HAVE ALL THIS
24 WONDERFUL RESEARCH THAT WE HEARD ABOUT THIS MORNING
25 BE IN MIDSTREAM AND HAVE FUNDING END AND NOT BE ABLE

BARRISTERS' REPORTING SERVICE

1 TO CONTINUE THE WORK TO FRUITION. SO SUSTAINABILITY
2 IS A HUGE ISSUE, AND PUBLIC CREDIBILITY IS CENTRAL
3 TO THAT.

4 WITH RESPECT TO WHAT WE'RE GOING TO DO
5 ABOUT SUSTAINABILITY, I WANT TO BE ON THE RECORD
6 AGAIN AS SAYING WE'RE EVALUATING A BUNCH OF
7 DIFFERENT THINGS. IT MIGHT BE GO BACK TO THE
8 VOTERS. IT MIGHT BE A NUMBER OF OTHER THINGS. WE
9 HAVE MADE NO DECISIONS ON THAT FRONT, BUT I WILL SAY
10 REGARDLESS OF WHAT THE DECISION IS, IF WE DON'T HAVE
11 CREDIBILITY, WE WILL NOT HAVE A CHANCE TO ACHIEVE
12 THE GOAL OF SUSTAINING THE AGENCY.

13 ANYBODY WANT TO COMMENT?

14 DR. STEWARD: ACTUALLY I WAS GOING TO
15 COMMENT ON THAT, BUT ONE OTHER THING. JUST LET ME
16 SAY I'M TOTALLY IN FAVOR OF ELIMINATING THE
17 EXTRAORDINARY APPEALS PROCESS.

18 AND THE POINT THAT I WANT TO MAKE IS THAT
19 DOESN'T MEAN THAT IT CHANGES IN ANY WAY THE
20 OPPORTUNITY FOR PUBLIC COMMENT AND ESPECIALLY
21 COMMENT BY PEOPLE WHO REPRESENT DISEASES AND
22 DISORDERS THAT WE ALL CARE ABOUT. THAT, AS I
23 UNDERSTAND IT, WILL REMAIN IN PLACE AND REMAIN A
24 VERY IMPORTANT PART OF OUR MEETING STRUCTURE.

25 IN FACT, I HAVE TO SAY I DON'T THINK THAT

BARRISTERS' REPORTING SERVICE

1 THE EXTRAORDINARY APPEALS PROCESS ACTUALLY DID THAT.
2 MORE OFTEN THAN NOT, IT WENT TO THE HEART OF THE
3 REVIEW AND A DISPUTE ABOUT PARTICULAR OPINIONS. AND
4 IT WAS ONLY LATER, WHEN THE PATIENTS WEIGHED IN,
5 THAT IT WAS REALLY IN THE AREA THAT WAS IMPORTANT
6 FOR US TO CONSIDER AT THAT POINT. JUST TO SAY, THAT
7 DOESN'T CHANGE WHAT CAN HAPPEN.

8 AND ALSO TO POINT OUT, BY THE WAY, THAT
9 GIVEN THAT WE ARE A STATE AGENCY AND OFFER THE
10 OPPORTUNITY FOR PUBLIC COMMENT, AMONGST THE PUBLIC
11 COULD BE THE APPLICANT LIMITED TO HIS THREE-MINUTE
12 PRESENTATION.

13 CHAIRMAN THOMAS: CORRECT. ANY MEMBER OF
14 THE PUBLIC CAN TESTIFY.

15 DR. STEWARD: THE SECOND THING, COULD I
16 JUST GO ON TO ONE OTHER THING, AND I KNOW THERE ARE
17 GOING TO BE COMMENTS ON THIS, BUT I ACTUALLY WANTED
18 TO GO BACK TO A POINT THAT JON SHESTACK RAISED
19 BECAUSE IT'S REALLY IMPORTANT. AND IT HAS TO DO
20 WITH WHAT HAPPENS AT THE GRANTS WORKING GROUP DURING
21 THE FINAL STAGE THAT WE CALL PROGRAMMATIC REVIEW.
22 BUT, AGAIN, I DON'T THINK THAT THAT'S THE RIGHT WORD
23 FOR IT.

24 WHAT REALLY HAPPENS THERE, AND IT'S
25 SOMETHING THAT'S DONE IN OTHER GRANT REVIEW GROUPS

BARRISTERS' REPORTING SERVICE

1 AS WELL, BUT NOT, BY THE WAY, AT NIH, AND THAT IS TO
2 THROW UP ON THE BOARD THE SCORES OF ALL THE GRANTS
3 AND SEE IF IT MAKES SENSE. IT GIVES THE REVIEWERS,
4 THE SCIENTIFIC REVIEWERS, A CHANCE TO LOOK AT THEM
5 AND SAY, WHOA, THAT DOESN'T MAKE ANY SENSE THAT IT
6 ENDED UP DOWN THERE. SOMETIMES THINGS HAPPEN IN THE
7 COURSE OF A REVIEW SESSION THAT YOU KIND OF LOSE
8 TRACK OF, AND IT'S A VERY IMPORTANT OPPORTUNITY FOR
9 EVERYBODY TO GO BACK AND LOOK AND TO CONSIDER THE
10 ORDER AND TO CONSIDER WHERE THE LINE OUGHT TO BE
11 DRAWN, LISTENING TO BOTH THE SCIENCE AND PATIENT
12 ADVOCATES AT THAT TIME.

13 AGAIN, I DON'T THINK THERE'S ANY PROBLEM
14 WITH THE PATIENT ADVOCATES NOT VOTING, BUT HAVING
15 THAT OPPORTUNITY, WHATEVER YOU WANT TO CALL IT, I
16 WOULD REALLY STRONGLY ENCOURAGE THAT WE LEAVE IN
17 PLACE.

18 MR. SHESTACK: I WOULD JUST SAY AS A
19 PATIENT ADVOCATE, I DON'T CARE PARTICULARLY ABOUT MY
20 VOTE IN THAT PROCESS BECAUSE I'M LIKE ONE OF 30 AND
21 I'M RARELY THE DECIDING VOTE AND I HAVEN'T BEEN PART
22 OF THE SCORING, BUT I CARE VERY MUCH ABOUT HAVING
23 THAT PROCESS. IT'S ALMOST LIKE A MINI COUNCIL AT
24 THE END OF A GRANT REVIEW SECTION. AND ONCE IN A
25 WHILE SOME REAL INSIGHT COMES OUT OF IT, AND PEOPLE

BARRISTERS' REPORTING SERVICE

1 JUST GET A CHANCE TO LOOK AT THE GESTALT AND GO,
2 WHOA, THIS MIGHT HAVE BEEN A MISTAKE OR WE COULD DO
3 BETTER. IT'S NOT MY VOTE. IT IS THE OPPORTUNITY TO
4 MAKE SURE THAT THAT DISCUSSION HAPPENS, I THINK, IS
5 EXTRAORDINARILY VALUABLE.

6 BUT IF THIS IS THE TIME TO DISCUSS THE
7 SPECIAL PETITIONS PROCESS.

8 DR. LUBIN: I JUST WONDERED IF PEOPLE WANT
9 TO WEIGH IN ON THAT.

10 MR. SHESTACK: I FEEL IT'S A CORE PART OF
11 WHO WE ARE THAT THERE IS THAT ABILITY. IT CAN BE
12 LIMITED AND NEATENED AND BE EXCLUDED TO NEW
13 INFORMATION, BUT IT'S PART OF WHAT KEEPS US SPECIAL
14 AND RESPONSIVE AS THINGS CHANGE. USUALLY IT'S A
15 WASTE OF TIME. OCCASIONALLY THERE'S BEEN TRULY NEW
16 INFORMATION THAT HAS MADE A DIFFERENCE IN THE
17 SUBSTANCE OF HOW THE GROUP HAS DECIDED, I BELIEVE.

18 CHAIRMAN THOMAS: KEEP IN MIND WE'RE NOT
19 AT ALL RECOMMENDING TO DO AWAY WITH THE APPELLATE
20 PROCESS. WE'RE JUST REDIRECTING IT SO IT GETS INTO
21 STAFF AND THE GRANTS WORKING GROUP AND HAS AN
22 OPPORTUNITY TO BE EVALUATED ON A SCIENTIFIC BASIS,
23 WHICH, IN MY OPINION, YOU MAY DISAGREE, MAKES A LOT
24 OF SENSE.

25 DR. STEWARD: COULD YOU JUST ROLL THAT OUT

BARRISTERS' REPORTING SERVICE

1 A LITTLE BIT BECAUSE I THINK IT'S REALLY IMPORTANT
2 TO ADDRESS JON'S POINT. AS I UNDERSTAND IT, THAT
3 REALLY WOULD BE THE POINT AT WHICH THERE COULD BE
4 CONSIDERATION OF IMPORTANT NEW DATA.

5 CHAIRMAN THOMAS: YES. IT WOULD WORK THAT
6 IF THERE IS AN APPEAL, IF SOMEBODY WAS NOT APPROVED
7 FOR FUNDING, THEY WOULD BE ABLE TO APPEAL. AND
8 THOSE APPEALS BY AND LARGE ARE ON A VARIETY OF
9 SCIENTIFIC BASES, DISPUTES OF FACT, NEW INFORMATION,
10 WHATEVER. THAT WOULD GO TO STAFF AND THEY WOULD
11 EVALUATE AND THEN WOULD MAKE RECOMMENDATIONS TO THE
12 GRANTS WORKING GROUP, AS I PROPOSE IT TO BE
13 CONSTRUCTED, FOR RE-REVIEW. AND THEN WHEN ALL THAT
14 IS SAID AND DONE, ANYTHING THAT'S ADDED TO THE SLATE
15 THAT THE GRANTS WORKING GROUP HAS WOULD THEN GO TO
16 THE BOARD. THE BOARD HAS PROGRAMMATIC REVIEW UNDER
17 MY CONSTRUCT AND DISCUSSES THINGS.

18 AND BY THE WAY, IT'S POSSIBLE THAT THE
19 BOARD MIGHT SAY THERE'S A SCIENCE QUESTION. WE
20 SHOULD HAVE THE GRANTS WORKING GROUP LOOK AT IT
21 AGAIN. SO THEY CAN, IN THEORY, WHO KNOWS IF THAT
22 WOULD HAPPEN, IN THEORY SEND SOMETHING BACK FOR
23 ADDITIONAL SCIENTIFIC REVIEW.

24 ANYWAY, THE POINT OF ALL THIS IS TO HAVE
25 THE SCIENTIFIC APPEALS VETTED BY THE PEOPLE WHO ARE

BARRISTERS' REPORTING SERVICE

1 BEST SUITED TO UNDERTAKE THEM, WHICH IS THE GRANTS
2 WORKING GROUP AND STAFF.

3 DR. PRICE: THAT MAY ALL BE TRUE, BUT IN
4 THE LAST ANALYSIS, THE STAFF IS GOING TO RECOMMEND
5 TO THE BOARD FOR A VOTE. AND AS WE KNOW, ANY TIME
6 WE HAVE A VOTE, THERE ARE PUBLIC COMMENTS. AND SO
7 WE'RE BACK EXACTLY INTO THE SAME SITUATION WE WERE
8 BEFORE IS THAT THOSE PEOPLE WHO MADE APPEALS CAN
9 MAKE THEIR PRESENTATION TO THE BOARD FOR BETTER OR
10 WORSE, BUT I DON'T REALLY SEE THAT THIS IS GOING TO
11 CHANGE A HUGE AMOUNT WITH RESPECT TO WHAT WE'VE BEEN
12 DOING FOR THE LAST EIGHT MONTHS.

13 MR. SHESTACK: PEOPLE WON'T RELITIGATE THE
14 FINE POINTS OF THEIR GRANT.

15 CHAIRMAN THOMAS: YES. IT'S MEANT TO
16 AVOID HAVING SCIENTIFIC APPEALS GO TO THE BOARD,
17 WHICH IN MY OPINION IS NOT THE PROPER BODY TO BE
18 EVALUATING.

19 DR. PRICE: YOU CAN NEVER GET TOO MANY
20 BITES AT THE APPLE.

21 CHAIRMAN THOMAS: THAT'S TRUE, BUT IT'S UP
22 TO BOARD DISCIPLINE TO UNDERSTAND THAT IT'S BEEN
23 RE-REVIEWED BY THE PEOPLE WHO SHOULD BE REVIEWING IT
24 AND FOR THE BOARD TO ACT ACCORDINGLY.

25 MR. SHEEHY: AND MAYBE, NOT TO TAKE ISSUE

BARRISTERS' REPORTING SERVICE

1 WITH DR. LUBIN, BUT MAYBE IT WOULD BE HELPFUL,
2 INSTEAD OF TRYING TO WORK THROUGH ALL THE DETAILS OF
3 THESE TODAY, I DON'T THINK THAT'S REALLY OUR GOAL.
4 MY HOPE IS AND MY ASSUMPTION IS THAT WE'RE LOOKING
5 AT A BROAD PACKAGE OF IDEAS THAT WE'RE GOING TO MAKE
6 A DECISION TOMORROW WHETHER OR NOT TO MOVE FORWARD
7 WITH, AND THEN WE'RE GOING TO TAKE THEM INDIVIDUALLY
8 AND ACTUALLY CRAFT POLICY AND NEW REGS IN A VERY
9 DELIBERATE MANNER. AM I CORRECT IN THINKING THAT
10 THAT'S GOING TO BE THE PROCESS?

11 CHAIRMAN THOMAS: YES, THAT'S CORRECT,
12 OTHER THAN TO SAY THAT I'M LOOKING, SINCE WE HAVE
13 SOME MEMBERS WHO ARE HERE TODAY IN THE DISCUSSION
14 AND WON'T BE HERE TOMORROW, I WOULD LIKE TO HAVE A
15 VOTE AT THE END OF THIS DISCUSSION AS OPPOSED TO
16 TOMORROW.

17 MR. SHEEHY: CAN I KEEP -- I HAVEN'T
18 SPOKEN, SO I KNOW A LOT OF PEOPLE HAVE HAD AN
19 OPPORTUNITY. I JUST WANT TO GET SOME CLARITY ON A
20 COUPLE OF POINTS. AND THESE PROPOSALS, THESE ARE
21 ALL SUNSETTED, RIGHT? SO I WANT TO BE CLEAR THAT
22 WE'RE TALKING ABOUT PROPOSALS THAT WILL HAVE A
23 SUNSET IN A YEAR, AND THEN WE WILL LOOK AT THEM AND
24 THEN MAKE A DECISION WHETHER WE WANT TO RENEW THEM.

25 CHAIRMAN THOMAS: THE INTENT, WHEN I

BARRISTERS' REPORTING SERVICE

1 INTRODUCED THE ONE-YEAR IDEA, WAS APPLICABLE
2 SPECIFICALLY TO THE CONFLICT OF INTEREST SITUATION.
3 IT WASN'T MEANT TO APPLY TO EVERYTHING; BUT IF
4 THAT'S THE BOARD'S CHOOSING, WE COULD DO THAT AS
5 WELL. BUT I SPECIFICALLY RAISED IT IN CONNECTION
6 WITH THE CONFLICTS ISSUE.

7 MR. SHEEHY: SO I COULD TENTATIVELY
8 SUPPORT THIS, AGAIN, WITH THE NOTION THAT WE HAVE A
9 SUNSET ON EVERYTHING. I AM CONCERNED ABOUT THE
10 PROGRAMMATIC REVIEW PART. I REMEMBER SITTING DOWN
11 WITH ZACH HALL AND ARLENE CHIU WHEN THAT PROCESS WAS
12 DEVELOPED. THAT PROCESS WAS DEVELOPED IN A WAY TO
13 GIVE A ROLE TO PATIENT ADVOCATES. I CERTAINLY CAN'T
14 IMAGINE THAT I'M NOT GOING TO VOTE AT THE WORKING
15 GROUP BECAUSE I WILL SUE. I HAVE THAT RIGHT PER
16 PROP 71 TO VOTE ALONG WITH THE OTHER MEMBERS.

17 I THINK THAT OUR ROLE IN THE WORKING
18 GROUP, AND I THINK THE IOM SLANDER OF OUR ROLE IN
19 THE WORKING GROUP, IS REALLY OFFENSIVE. I'M LOOKING
20 HERE AT SOMETHING CALLED THE CONGRESS --
21 CONGRESSIONALLY DIRECTED MEDICAL RESEARCH PROGRAM,
22 WHICH IS AT THE DEPARTMENT OF DEFENSE WEB SITE,
23 CDMP.ARMY.MIL. AND IT TALKS ABOUT THE ROLE OF
24 CONSUMER REVIEWERS, WHICH ARE PART OF THEIR PEER
25 REVIEW PROCESS. CONSUMERS REPRESENT THE COLLECTIVE

BARRISTERS' REPORTING SERVICE

1 VIEWS OF SURVIVORS, PATIENTS, FAMILY MEMBERS, AND
2 PERSONS AFFECTED BY AND AT RISK FOR CERTAIN
3 CONDITIONS, DISEASES, AND INJURIES. THEY EVALUATE
4 RESEARCH STUDY APPLICATIONS FOR RELEVANCE TO THE
5 CONSUMER COMMUNITY'S NEEDS AND CONCERNS AND ACTIVELY
6 PARTICIPATE IN PEER REVIEW PANEL DISCUSSIONS. THEY
7 PARTICIPATE AS A FULL MEMBER OF THE REVIEW PANEL
8 WITH FULL VOTING MEMBER STATUS.

9 I THINK PROP 71 SEEKS TO REPLICATE THAT.
10 THE SAME THING HAPPENS AT THE FDA FOR APPROVAL OF
11 NEW THERAPIES AND DEVICES. THEY ACTIVELY HAVE
12 MEMBERS OF THE PATIENT COMMUNITY WHO ACTUALLY
13 UNDERSTAND THE DISEASES THAT YOU'RE TRYING TO MAKE A
14 DIFFERENCE IN PARTICIPATE. SO I DON'T REALLY GET
15 THE EVIDENCE BASIS BY WHICH THE IOM THOUGHT THAT
16 WHAT WAS GOOD ENOUGH FOR THE DEPARTMENT OF DEFENSE,
17 WHAT IS GOOD ENOUGH FOR THE FOOD AND DRUG
18 ADMINISTRATION SOMEHOW IS INSUFFICIENT FOR THE
19 PEOPLE OF CALIFORNIA.

20 I WANT TO MAKE SURE THAT OUR ROLES ARE
21 STILL ROBUST. PROP 71 EXISTS BECAUSE OF THE
22 PATIENTS. AND I'M AWARE OF THE PROBLEMS IN
23 SACRAMENTO, BUT I'M HAPPY TO GO TO SACRAMENTO WITH
24 EVERYBODY I KNOW WITH HIV AND TALK TO THEM ABOUT THE
25 IMPORTANCE OF THIS EFFORT. AND I THINK I'M LOOKING

BARRISTERS' REPORTING SERVICE

1 AT JOAN NODDING, AND I THINK PARKINSON'S FOLKS, I
2 SEE JUDY NODDING, PEOPLE FROM THE HUNTINGTON'S
3 COMMUNITY. I SEE BILL REMAK FROM THE HEP C AND
4 LIVER DISEASE COMMUNITY. I'M SURE JON WILL BE THERE
5 WITH FOLKS FROM THE AUTISM COMMUNITY. I SEE DON
6 REED, ROMAN REED.

7 MR. TORRES: TO WHAT END?

8 MR. SHESTACK: TO THE END TO PRESERVE THE
9 ROLE OF PATIENT ADVOCATES IN THIS UNIQUE EXPERIMENT.

10 MR. TORRES: IN THE GRANTS REVIEW PROCESS.

11 MR. SHEEHY: AGAIN, THE DEVIL IS IN THE
12 DETAILS. AND ALSO I THINK WE HAVE TO REMEMBER WHY
13 WE'RE HERE. AND IT'S NOT FOR ANY OTHER REASON THAN
14 TO MAKE DIFFERENCES IN THE LIVES OF PEOPLE WHO ARE
15 LIVING WITH THESE TERRIBLE DISEASES AND CONDITIONS.
16 THAT'S WHY WE EXIST. AND I KNOW A LOT OF WHAT WE'RE
17 DOING IS DEFENSIVE, BUT THERE IS A ROLE FOR THOSE OF
18 US WHO HAVE BEEN FIGHTING FOR THIS. WE FOUGHT ALL
19 ALONG. WE PARTICIPATED. IT'S BEEN HARD FOR A LOT
20 OF US TO PARTICIPATE IN THIS. I'VE SEEN JOAN LOCKED
21 FROZEN IN SO MANY MEETINGS, YOU KNOW. IT'S NEVER
22 BEEN EASY FOR ANY OF US TO PARTICIPATE IN THIS. AND
23 I DON'T THINK THAT THIS IS -- I CANNOT PERSONALLY
24 GIVE UP SOMETHING THAT THE VOTERS GAVE THE PATIENTS
25 OF CALIFORNIA JUST BECAUSE IT'S POLITICALLY

BARRISTERS' REPORTING SERVICE

1 EXPEDIENT.

2 SO I HOPE AS WE MOVE FORWARD WITH THESE
3 PROPOSALS THAT WE RECOGNIZE BOTH THE IMPORTANCE OF
4 THE ROLE OF THE PATIENT ADVOCATES WHO HAVE BEEN
5 UNJUSTLY SLANDERED BY THE INSTITUTE OF MEDICINE ON
6 THE BASIS OF ZERO EVIDENCE, CONTRARY TO WHAT HAPPENS
7 AT THE DEPARTMENT OF DEFENSE, CONTRARY TO WHAT
8 HAPPENS AT THE FOOD AND DRUG ADMINISTRATION. WE'VE
9 PARTICIPATED, WE FOUGHT. WE MOVED GOOD SCIENCE. WE
10 JUST TALKED ABOUT THIS MORNING TWO APPLICATIONS THAT
11 WERE MOVED UP IN EXTRAORDINARY -- STAFF PICKED THESE
12 OUT. I DIDN'T PICK THEM OUT -- THROUGH AN
13 EXTRAORDINARY PETITION, TWO THAT WERE MOVED UP THAT
14 ARE HIGH LIT THAT WERE MOVED UP DURING PROGRAMMATIC
15 REVIEW AT THE GRANTS WORKING GROUP.

16 WE HAVE TO KEEP FAITH WITH THE PATIENTS OF
17 CALIFORNIA AND THE COMMUNITIES THAT SUPPORT THEM.
18 AND AS WE MOVE FORWARD WITH THESE CHANGES, WE CANNOT
19 ACCEPT ANY DIMINUTION OF WHAT WE GAINED WITH THAT
20 VOTE EIGHT YEARS AGO. SO IN GENERAL I AM
21 SUPPORTIVE, BUT, AGAIN, THE DEVIL IS IN THE DETAILS.
22 AND I HOPE THAT AS WE MOVE FORWARD, WE WILL BE VERY
23 CAREFUL TO DO THIS IN A DELIBERATE, CAUTIOUS MANNER
24 THAT DOES NOT SACRIFICE WHAT WE WON AT THE BALLOT.

25 CHAIRMAN THOMAS: THANK YOU, MR. SHEEHY.

BARRISTERS' REPORTING SERVICE

1 MR. TORRES: AS A COLON CANCER SURVIVOR, I
2 DON'T THINK I'VE BEEN IN ANY WAY DIMINISHING MY
3 ROLE. IN FACT, I THINK THAT THE WHOLE ISSUE HAS
4 ALWAYS BEEN A DEBATE ON WHETHER PROGRAMMATIC REVIEW
5 OUGHT TO BE AND END AT THE BOARD, NOT IN A PEER
6 REVIEW PROCESS. THAT'S BEEN THE NOTION I'VE
7 RECEIVED OVER THE LAST FEW YEARS.

8 AND TO SUGGEST THAT WE ARE OPERATING IN A
9 POLITICALLY EXPEDIENT MANNER I THINK REALLY PUTS US
10 BENEATH, AND I REJECT THAT. I DON'T THINK WE'RE
11 OPERATING HERE IN A POLITICALLY EXPEDIENT MANNER.
12 WE'RE OPERATING AS RESPONSIBLE CITIZENS TO MAINTAIN
13 THE MISSION OF THIS AGENCY, WHICH YOU SUPPORTED AND
14 WHEN I WAS CHAIRMAN OF THE DEMOCRATIC PARTY
15 SUPPORTED IN 2004. I CERTAINLY DON'T WANT TO
16 DIMINISH THE ROLE OF PATIENT ADVOCATES; BUT AT THE
17 SAME TIME, I DON'T THINK WE'RE DOING THAT. IF
18 YOU'RE SUGGESTING THAT THE ROLE OF PATIENT ADVOCATES
19 IS DIMINISHED BY NOT HAVING THEM VOTE AT THE END OF
20 THE DAY IN THE PEER REVIEW PROCESS AND SHIFTING THAT
21 RESPONSIBILITY TO THE BOARD PROCESS WHERE WE WOULD
22 SIT AND BRING UP THOSE ISSUES THAT WE FOUND IN THE
23 REVIEW PROCESS, WE DO THAT ANYWAY UNDER THE CURRENT
24 SYSTEM.

25 SO I THINK THAT IN TERMS OF PUTTING A

BARRISTERS' REPORTING SERVICE

1 SUNSET CLAUSE ON EVERY PROVISION IN THIS BROAD
2 CONCEPT, I DON'T THINK IT'S THE RIGHT WAY TO GO. I
3 THINK THE RIGHT WAY TO GO IS AS THE CHAIRMAN HAS
4 OUTLINED, AND THAT IS TO MOVE FORWARD WITH A
5 CONCEPTUAL BIG PICTURE, LET OUR LEGAL PUT TOGETHER
6 THE REGULATIONS AND THE LANGUAGE BECAUSE THIS IS NOT
7 GOING TO BE DONE TODAY. ALL WE'RE VOTING ON TODAY
8 IS THE CONCEPTUAL NOTION OF WHERE WE WANT TO GO SO
9 THAT WE LET PEOPLE KNOW, NOT IN AN OFFENSIVE MANNER,
10 BUT AS AN OFFENSE TO SAY THIS IS WHAT WE HAVE TAKEN
11 SERIOUSLY. THIS IS WHERE WE INTEND TO MOVE.

12 THE DOOR IS NOT CLOSED YET BECAUSE IN
13 MARCH WE'RE GOING TO TAKE UP, AS YOU SAY, THE DEVIL
14 IN THE DETAILS. AND THEN AT THAT TIME YOU CAN
15 EXERCISE YOUR RIGHT TO SUE IF THAT'S YOUR
16 PREROGATIVE; BUT AT THE END OF THE DAY, I THINK WE
17 NEED TO MAKE SURE THAT WE HAVE AN AGREEMENT, A
18 CONSENSUS ON THE CONCEPTS, AND THEN LET TIME ELAPSE
19 A LITTLE BIT, NOT THAT LONG, TILL MARCH, AND FIGURE
20 OUT HOW TO BEST IMPLEMENT THOSE CONCEPTS THROUGH
21 REGULATIONS. I'M SURE YOUR INPUT WILL BE THERE AS
22 IT ALWAYS IS AND IS WELCOMED IN TERMS OF MAKING SURE
23 THAT THE DETAILS ARE REFLECTIVE OF WHAT YOUR
24 PRIORITIES ARE, NOT YOU ALONE, IN TERMS OF ALL OF
25 OUR PRIORITIES AS PATIENT ADVOCATES.

BARRISTERS' REPORTING SERVICE

1 MR. SHESTACK: FIRST OF ALL, I DON'T HAVE
2 PRIORITIES SEPARATE FROM WHAT I PERCEIVE TO BE THE
3 PRIORITIES OF PEOPLE, THE PATIENTS.

4 MR. TORRES: THAT'S WHAT I JUST SAID.

5 MR. SHEEHY: AND, YOU KNOW, I WAS NOT
6 SAYING I WOULD NOT SUPPORT. BASED ON WHAT YOU'VE
7 SAID, I DON'T BELIEVE THAT I CAN SUPPORT IT, SO THIS
8 WON'T BE A CONSENSUS AGREEMENT. I THINK IT SHOULD
9 BE SUNSETTED. ANY GOOD EXPERIMENT REQUIRES
10 EVALUATION. AND THE PART THAT INVOLVES PATIENT
11 ADVOCATES IS GOING TO BE THE PART THAT ISN'T
12 SUNSETTED IS KIND OF MYSTERIOUS TO ME. I DON'T SEE
13 WHAT THE PROBLEM WITH THE PATIENT ADVOCATES AT THE
14 WORKING GROUP THAT'S DRIVING THIS. I WISH SOMEBODY
15 COULD SHOW ME THE PART OF THE IOM REPORT THAT REALLY
16 TALKS ABOUT THE ROLE OF THE PATIENT ADVOCATES IN THE
17 WORKING GROUP THAT IT'S SUCH A GREAT PROBLEM. AND
18 I'D LIKE TO BE ABLE TO GET SOME EVIDENCE BASIS FOR
19 MAKING THAT A PROBLEM.

20 THEY GENERICALLY SAID THAT PATIENT
21 ADVOCATES HAVE A CONFLICT OF INTEREST WITH THE
22 DISEASE THEY REPRESENT, BUT THE DEPARTMENT OF
23 DEFENSE DOESN'T FEEL THAT. THE FDA DOESN'T FEEL
24 THAT. SO I JUST DON'T GET THE BASIS FOR THEM MAKING
25 THAT ASSUMPTION. AND I DON'T THINK IT'S SO

BARRISTERS' REPORTING SERVICE

1 UNREASONABLE TO SAY THAT IF WE'RE GOING TO
2 CHANGE -- I JUST DON'T KNOW WHY PROP 71 WHERE IT
3 APPLIES TO PATIENT ADVOCATES PARTICIPATION IN THE
4 WORKING GROUP SUDDENLY IS NO LONGER VALID. I'M JUST
5 DISTURBED THAT WE'RE GOING TO THROW THAT OUT THE
6 WINDOW.

7 WHAT WE'RE TALKING ABOUT IN TERMS OF
8 CONFLICT OF INTEREST IS VOLUNTARY. WHAT YOU'RE
9 TALKING ABOUT WITH PATIENT ADVOCATES IS ACTUALLY
10 REMOVING CERTAIN PARTICIPATION BY REGULATION AT THE
11 BOARD AND DOING IT ONCE AND MAKING IT LAST FOREVER.
12 AND SO YOU'RE TALKING ABOUT A ONE-YEAR VOLUNTARY
13 ABSTENTION BY CERTAIN MEMBERS OF THE BOARD THAT
14 WOULD BE REVISITED IN A YEAR. BUT WHERE THE PATIENT
15 ADVOCATES ARE CONCERNED, YOU'RE FUNDAMENTALLY
16 CHANGING THEIR ROLES ON THE WORKING GROUP AND YOU'RE
17 SAYING WE'RE GOING TO DO THIS FOREVER AND WE'RE
18 GOING TO PUT IT INTO REGULATION.

19 MR. TORRES: IT HASN'T HAPPENED YET
20 THOUGH.

21 MR. SHEEHY: I DON'T SEE -- THAT'S WHAT
22 YOU JUST SAID.

23 MR. TORRES: NO. I SAID THAT'S OBVIOUSLY
24 AN OPTION THAT'S ON THE TABLE, BUT IT HASN'T
25 HAPPENED BECAUSE, AS I SAID BEFORE, WE HAVEN'T SEEN

BARRISTERS' REPORTING SERVICE

1 THE DETAILS, AND THE DETAILS MAY VERY WELL INCLUDE A
2 SUNSET ON THAT PROVISION.

3 MR. SHEEHY: YOU JUST SAID YOU DIDN'T
4 SUPPORT A SUNSET FOR THAT PROVISION.

5 MR. TORRES: I SAID WHAT I SAID.

6 CHAIRMAN THOMAS: HE IS WHO YOU THINK HE
7 IS, THE FAMOUS DENNIS GREEN QUOTE.

8 MR. ROTH: YOU STARTED THIS OUT BY SAYING
9 THERE'S SOMETHING TO DISLIKE FOR EVERYONE, AND I
10 THINK WE'RE GETTING PRETTY MUCH TO EVERYONE.

11 THE SECOND POINT THAT'S BEEN MADE
12 REPEATEDLY IS THIS IS THREE FOR THREE, GUYS. AND
13 IT'S IMPORTANT THAT WE DON'T JUST KEEP SAYING THEY
14 DON'T GET IT. WE KEPT ELEVATING AND I, FOR ONE,
15 DIDN'T THINK WE NEEDED THE IOM TO DO ANOTHER STUDY
16 BECAUSE WE HAD ALREADY HAD CRITIQUE THAT WE COULD
17 HAVE ACTED ON, BUT WE'VE GOT IT. IT IS A GOLD
18 STANDARD. AND, THEREFORE, WE HAVE TO TRY TO DO
19 SOMETHING HERE, OR WE'RE GOING TO LOSE MUCH MORE
20 THAN SOME OF THE THINGS WE'RE TALKING ABOUT. WE
21 LOSE OUR CREDIBILITY WITH THE TAXPAYERS AND THE
22 VOTERS. THERE WILL NOT BE MORE MONEY COMING TO THIS
23 INSTITUTE IF WE DON'T DO THAT.

24 THE BIG TRAGEDY WOULD BE WE REALLY
25 ELIMINATE OUR ABILITY FOR THIS TO GO FORWARD IF WE

BARRISTERS' REPORTING SERVICE

1 FIND A WAY TO DO THAT.

2 AND THE OTHER THING YOU SAID, J.T., IS
3 ABOUT COMPROMISE. YOU KNOW, ALL OF YOU, THAT I'M
4 ONE OF THE FEW REPUBLICANS ON THIS BOARD, AND I'M
5 LEARNING A LOT ABOUT COMPROMISE. I AM LEARNING AN
6 AWFUL LOT ABOUT COMPROMISE. IT'S NOT EASY. AND
7 IT'S SOMETHING --

8 DR. PRICE: YOU'RE THE ONLY REPUBLICAN
9 LEFT IN THE COUNTRY.

10 MR. ROTH: I COULD BE. I'M TRYING, GUYS.
11 BUT HAVING SAID THAT, I WOULD REALLY LIKE US TO TAKE
12 A VOTE ON THIS WITH THE CAVEAT THAT THERE HAS TO BE
13 RULEMAKING, THERE HAS TO BE MORE DISCUSSION AROUND
14 EACH OF THESE ISSUES. BUT IN CONCEPT I THINK WHAT
15 J.T. AND ALL THE WORK THAT HAS BEEN PUT IN THIS WITH
16 STAFF INPUT AND OTHERS HAS BEEN QUITE COMPELLING,
17 AND I THINK WE CAN FIGURE OUT THE NUANCES AS WE GO
18 FORWARD.

19 BUT I WOULD MOVE THAT WE ACCEPT THIS IN
20 CONCEPT WITH THE DETAILS TO COME BACK AND BE
21 DISCUSSED AT THE FINAL DECISION-MAKING IN MARCH.

22 CHAIRMAN THOMAS: YES.

23 MS. SAMUELSON: I HAVEN'T HAD AN
24 OPPORTUNITY TO SPEAK.

25 CHAIRMAN THOMAS: THAT WAS SORT OF A

BARRISTERS' REPORTING SERVICE

1 GENERIC MOVE. WE'LL HOLD THAT IN ABEYANCE SO
2 EVERYBODY CAN SPEAK.

3 DR. PRIETO: I'M NOT SURE YOU'RE HEARING
4 THAT MUCH DIFFERENCE OF OPINION HERE AMONG AT LEAST
5 THOSE OF US IN THE ADVOCATE COMMUNITY, BUT WHAT
6 YOU'RE HEARING IS THAT THERE IS A LOT OF PASSION
7 ABOUT THIS CAUSE. AND WE ARE HERE, AS JON SHESTACK
8 SAID, BECAUSE WE WANT OUR VOICE TO BE HEARD. AND
9 THAT'S MORE IMPORTANT THAN A SPECIFIC VOTE OR VOTING
10 IN ONE PLACE VERSUS ANOTHER.

11 I'LL ADDRESS SOMETHING HE MENTIONED TO ME
12 THIS MORNING. I DON'T KNOW, JON, IF YOU WANTED TO
13 SAY THIS. BUT I WANTED TO CORRECT A PARTICULAR
14 ERROR MADE BY THE IOM IN THEIR REPORT, WHICH WAS THE
15 STATEMENT THAT THE ADVOCATES ARE PAID BY THE
16 ORGANIZATIONS THEY REPRESENT TO BE HERE.

17 MR. SHESTACK: WE DON'T REPRESENT THEM
18 ACTUALLY. THERE IS A FORMAL TIE BETWEEN US AND
19 ADVOCACY.

20 DR. PRIETO: THAT IS NOT ONLY NOT THE
21 CASE. MOST OF US, IN FACT, PERHAPS UNIQUELY, HAVE
22 TO GIVE UP SOMETHING, TAKE UNPAID DAYS, TAKE LEAVE,
23 SACRIFICE SOMETHING FROM OUR REGULAR JOBS, WHICH ALL
24 OF US HOLD, IN ORDER TO BE HERE. AND THE REASON
25 WE'RE HERE IS BECAUSE WE BELIEVE IN THE CAUSE.

BARRISTERS' REPORTING SERVICE

1 I HAVE NO PROBLEM WITH THE IDEA OF, AS
2 J.T. PROPOSED, THAT THIS WOULD, WHETHER YOU CALL IT
3 SUNSET OR REEVALUATION, THAT WE WOULD LOOK AT THIS
4 AGAIN AFTER A YEAR AND SEE IF IT WORKS. I THINK
5 THAT'S JUST A REASONABLE THING WITH ANY CHANGE IN
6 POLICY.

7 AND I HAD A COUPLE OF SPECIFIC REALLY KIND
8 OF NUTS-AND-BOLTS QUESTIONS. ONE WAS AS WE MOVE
9 INTO THE CLINIC, THIS IS COMPLETELY CHANGING THE
10 SUBJECT, BUT AS WE MOVE INTO THE CLINIC AND WE
11 FORESEE THAT WE MAY HAVE MORE APPLICATIONS FROM
12 PURELY INDUSTRY, OUTSIDE NONREPRESENTED
13 ORGANIZATIONS, WOULD THE SAME VOTING RULES APPLY?

14 AND THE OTHER, I GUESS I WOULD LIKE TO
15 HEAR A LITTLE BIT MORE ABOUT THE ROLES OF THE CDAP
16 AND THE SCIENTIFIC ADVISORY COMMITTEE, WHETHER THOSE
17 WOULD OVERLAP OR MERGE OR HOW THAT WOULD BE
18 EXPANDED.

19 CHAIRMAN THOMAS: FIRST QUESTION, THE
20 ANSWER WOULD BE YES. SECOND QUESTION, DR. FEIGAL,
21 WOULD YOU LIKE TO TAKE THAT ONE?

22 DR. FEIGAL: YEAH. I MEAN WE STILL NEED
23 TO THINK THROUGH WHAT WE WANT WITH THE SCIENTIFIC
24 ADVISORY BOARD. AS YOU KNOW, THAT'S ALREADY WITHIN
25 THE AUTHORITY OF THE OFFICE OF THE PRESIDENT TO PUT

BARRISTERS' REPORTING SERVICE

1 TOGETHER, SO IT DOESN'T REALLY REQUIRE ANY KIND OF
2 LEGISLATIVE ACTION OR ANY BOARD ACTION. BUT WHAT IT
3 WOULD BE, WHAT WE'RE THINKING OF IT IS MORE BIG
4 PICTURE ISSUES ABOUT INPUTS INTO DIRECTIONS THAT WE
5 TAKE SCIENTIFICALLY. AND WE'RE THINKING IT COULD BE
6 POPULATED BY SCIENTISTS REPRESENTING A SPECTRUM OF
7 DIFFERENT AREAS WITH INDUSTRY REPRESENTATION. WE
8 COULD HAVE A VARIETY OF STAKEHOLDERS AS PART OF
9 THAT.

10 BUT I SEE THE CDAP AS SOMETHING VERY
11 DIFFERENT. THOSE ARE ALREADY FUNDED PROJECTS, AND
12 THOSE ARE ACTUALLY -- THOSE EXTERNAL EXPERTS, MANY
13 OF WHOM DO HAVE A LOT OF EXPERIENCE DEVELOPING
14 PRODUCTS, ARE REALLY TO HELP THAT TEAM. SO I WOULD
15 SAY IT'S MORE IN THE WEEDS WITH THAT PARTICULAR
16 GROUP.

17 SO I SEE THEM AS COMPLEMENTARY USE OF
18 EXTERNAL ADVISORS. IT'S POSSIBLE SOME OF THEM MIGHT
19 BE APPROPRIATE FOR THE LARGER PICTURE, BUT I SEE
20 THEM AS SEPARATE ENTITIES. DID THAT ANSWER YOUR
21 QUESTION?

22 DR. PRIETO: YES.

23 MS. SAMUELSON: I REALLY THINK THAT WE
24 DESERVE A DAY TO THINK ABOUT THIS. THERE'S SOME
25 ISSUES RAISED BY ELLEN THAT I HAD FORGOTTEN WERE IN

BARRISTERS' REPORTING SERVICE

1 THE GROUP. AND THE SCIENTIFIC ADVISORY BOARD IS A
2 VERY IMPORTANT ISSUE. WE HAD A GRANTS WORKING GROUP
3 THAT WAS A LIMITED NUMBER, THAT WAS PREMIERE
4 SCIENTISTS, AND THEY CONTINUED TOGETHER ADVISING US,
5 AND WE BECAME A WORKING UNIT. AND THAT BENEFITED
6 ALL THE WAY TO THE ICOC DELIBERATIONS AS WELL. THAT
7 DISAPPEARED INTO THIS MUCH LARGER GROUP OF ADVISORS,
8 AND I DON'T THINK IT'S AS EFFECTIVE. AND I THINK IT
9 IS EFFECTIVELY THE SCIENTIFIC ADVISORY BOARD THAT
10 THE IOM IS TALKING ABOUT.

11 WE HAVEN'T EVEN TALKED ABOUT THAT. IT'S
12 OBVIOUSLY VERY IMPORTANT. SO I AGREE THAT WE SHOULD
13 BE GETTING BACK TO THE IOM QUICKLY, BUT I THINK WE
14 NEED TO BE SURE THAT WE'RE RESPONDING ON EVERYTHING
15 AND THAT WE DON'T WANT TO BE SAYING THAT JUST A
16 SKELETAL ASSESSMENT OF OUR VIEWS PREDETERMINE HOW WE
17 FEEL ABOUT HOW WE'RE VOTING.

18 THEN I HAVE A FEW POINTS. ALL OF THIS HAS
19 BEEN TOUCHED ON BY SOMEBODY, BUT THESE ARE THINGS I
20 THINK ARE IMPORTANT, SO I'LL TRY TO BE QUICK.

21 FIRST OF ALL, JEFF TELLS THE TRUTH AS HE
22 ALWAYS DOES. IN THAT DEFENSE FUNDING, THEY HAVE
23 FUNDED PARKINSON'S RESEARCH, AND IT HAS BEEN SOME OF
24 THE BEST SPENT MONEY WITHOUT QUESTION IN THE
25 PARKINSON'S PORTFOLIO OVER THE LAST COUPLE DECADES

BARRISTERS' REPORTING SERVICE

1 THAT I'VE BEEN LOOKING. AND THERE'S A LOT ABOUT THE
2 EXISTING PROP 71 LAW ABOUT THE GRANTS PROCESS THAT
3 IS GREAT. AND I JUST SWORE TO UPHOLD AND DEFEND THE
4 CONSTITUTION OF THE STATE OF CALIFORNIA AGAINST ALL
5 ENEMIES DOMESTIC AND FOREIGN. SO I'M FEELING A
6 SPECIAL OBLIGATION THERE.

7 HAVING SAID THAT, I AM INTRIGUED WITH
8 J.T.'S PROPOSAL BECAUSE WE DON'T HAVE -- WE HAVE A
9 TWO-TIERED SYSTEM, RIGHT. I HATE IT WHEN THE
10 INSTITUTIONAL MEMBERS LEAVE THE ROOM JUST WHEN WE'RE
11 GETTING INTO SOMETHING REALLY GNARLY THAT CONCERNS
12 THE PORTFOLIO THAT THEY'RE EXPERT IN. AND ACTUALLY
13 REVIEWING THE IOM REPORT REMINDED ME OF SOMETHING
14 THAT I DON'T THINK WE EVER REALLY TALKED ABOUT,
15 WHICH IS NOT ONLY IS THERE THAT EXPERTISE AMONG THIS
16 GROUP OF SCIENTISTS, BUT THE ONES WHO ARE HEADING
17 UNIVERSITY PROGRAMS, AND SOME ARE SOMETIMES THE
18 CHANCELLOR, HAVE UNIQUE POWER TO HELP US ACCELERATE
19 DELIVERY OF CURES.

20 THAT'S WHAT WE'RE SUPPOSED TO BE DOING. I
21 BELIEVE WE'RE NOT DOING IT ENOUGH. I'M VERY PROUD
22 OF EVERYTHING WE'VE DONE. THE PRESENTATION BY ELLEN
23 AND DR. OLSON WERE SPLENDID IN THAT REGARD, BUT WE
24 COULD BE DOING MORE, I'M CERTAIN OF IT. AND AT A
25 RECENT MEETING WE WERE TOLD THAT WE HAD, I THINK,

BARRISTERS' REPORTING SERVICE

1 700 MILLION NET LEFT TO SPEND. THERE'S OTHER
2 NUMBERS THAT ARE A LITTLE HIGHER, BUT I THINK WE
3 HAVE TO SPEND EVERY NICKEL OF THAT MORE CAREFULLY
4 THAN WE HAVE THE PREVIOUS. IT DOESN'T MEAN THAT IT
5 WAS CARELESS. IT WAS BY NO MEANS. BUT I THINK WE
6 HAVE TO GET REAL STINTING ABOUT HOW THAT MONEY IS
7 SPENT AND HAVE A TRANSLATIONAL PORTFOLIO THAT IS
8 UNIQUELY, ENTIRELY TRANSLATIONAL, SPLENDIDLY
9 TRANSLATIONAL WITH WHATEVER BASIC RESEARCH NEEDS TO
10 SUPPORT IT.

11 HOW DO WE DO THAT? THE PHRASE I LIKE THE
12 MOST, J.T., WAS TRIAL PERIOD. I THINK THERE ARE A
13 FEW THINGS THAT WE NEED TO DO, AND MAYBE IT'S IN THE
14 SAME TRIAL PERIOD WE WOULD BE CONSIDERING HOW WELL
15 OUR REFORMS OR CHANGES IN OUR STRUCTURE, HOW WELL
16 THEY'RE GOING.

17 THE FIRST IS TO CONSIDER TRANSLATION. AND
18 TO DO THAT EFFECTIVELY, I THINK WE HAVE TO STOP
19 ISSUING GRANTS AND MAKING FUNDING DECISIONS AND DO
20 AN ASSESSMENT. WE HAVE NEVER DONE THAT. I KNOW
21 I'VE ASKED A FEW TIMES AND OTHER PEOPLE HAVE ASKED
22 STAFF WHAT THE RESULTS OF OUR SPENDING THUS FAR HAVE
23 BEEN. AND WE DON'T REALLY GET ENOUGH INFORMATION
24 FOR US AS A FIDUCIARY BOARD THAT IS SWORN TO UPHOLD
25 AND DEFEND BLAH, BLAH, BLAH. THAT'S A WEIGHTY

BARRISTERS' REPORTING SERVICE

1 RESPONSIBILITY, AND WE REALLY MUST UNDERSTAND OUR
2 PORTFOLIO. AND I KNOW I DON'T.

3 I KNOW WE HAVEN'T FUNDED ANY AUTISM. WHEN
4 JON SHESTACK, THE FATHER OF A 20-YEAR-OLD MAN WITH
5 AUTISM, TOLD US AT A RECENT MEETING THAT NOT ONE
6 NICKEL HAD BEEN SPENT ON AUTISM, IT JUST SHOCKED ME.
7 AND THERE ARE PROBABLY OTHER SITUATIONS LIKE THAT,
8 AND WE HAVE TO AT LEAST ANSWER THE QUESTION WHY. IT
9 DOESN'T MEAN NECESSARILY THAT WE WOULD CHANGE OUR
10 DECISIONS, BUT WE HAVE TO HAVE AN ANSWER.

11 AND YOU TAKE THAT ALL THE WAY THROUGH
12 OTHER FUNDED PROGRAMS, AND WE HAVE TO KNOW WHAT
13 WE'RE DOING SO THAT WE WILL KNOW HOW TO SPEND THE
14 NEXT NICKEL. I THINK WE HAVE TO DO THAT, AND THAT
15 WOULD BE A DIFFICULT TASK, AND I THINK WE HAVE TO
16 SUSPEND SOME OTHER THINGS.

17 AND CERTAINLY AT THE RATE -- IF WE'RE
18 SPENDING AT A RATE WHERE WE NOW HAVE ONLY \$700
19 MILLION LEFT, WE'RE GOING TO BE DONE WITH BUSINESS
20 SOONER THAN EIGHT YEARS FROM NOW. SO THAT WOULDN'T
21 BE BY ANY MEANS SLOWING US DOWN. I THINK MARCY WAS
22 THE ONE WHO SAID WE CAN'T HINDER OUR MOMENTUM. I
23 AGREE COMPLETELY, BUT THAT DOESN'T MEAN NECESSARILY
24 THAT WE KEEP SPENDING THE WAY WE HAVE.

25 I THINK WE NEED TO INCREASE TRANSPARENCY.

BARRISTERS' REPORTING SERVICE

1 I THINK ONE OF THE PREMIERE REASONS THAT WE ARE
2 CONSTANTLY ACCUSED OF CONFLICT OF INTEREST, AND I
3 TOO DO NOT SEE IT, IS THAT OUR PROCESS IS VERY
4 SECRET. AND I WON'T TAKE THE TIME NOW TO TALK ABOUT
5 WHY, BUT ISSUES OF CONFLICT OF INTEREST KIND OF GET
6 INTERTWINED WITH WHO'S ON WHAT SIDE OF THAT AND
7 WHO'S LEFT IN THE ROOM AT WHAT TIME, AND IT BECOMES
8 VERY ARCANE. AND IT IS JUST BEWILDERING. I KNOW
9 THAT THERE WERE A LOT OF PEOPLE WHO USED TO COME UP
10 TO ME AT THE TIME OF THE CAMPAIGN FOR PASSAGE OF
11 PROP 71 AND IN THE FIRST YEAR OR TWO AFTER, AND YOU
12 COULD TELL THEY FELT THEY OWNED THIS LAW. NOW THEY
13 SAY, OH, YEAH. NOW, I VOTED FOR THAT. HOW IS IT?
14 THEY HAVE NOT A CLUE.

15 I THINK THAT LACK OF UNDERSTANDING OF WHAT
16 WE'RE DOING, WHICH GOES ALL THE WAY TO US BECAUSE OF
17 THE LEAVING OF THE ROOM BUSINESS, INFECTS WHAT WE'RE
18 DOING. I THINK WE HAVE TO LOOK AT THAT.

19 I THOUGHT THERE WAS ONE MORE. I THINK I
20 AM CURRENTLY ENTRANCED WITH A CONCEPT WHICH COMES
21 FROM THE IOM REPORT. THEY DIDN'T MENTION IT. BUT
22 THE THOUGHT OF LOSING THE INSTITUTIONAL MEMBERS
23 REALLY MADE ME START THINKING ABOUT THE ROLES THAT
24 THEY PLAY. AND I STARTED IMAGINING A REAL
25 COLLABORATION BETWEEN THOSE OF YOU IN THOSE ROLES

BARRISTERS' REPORTING SERVICE

1 AND THE CIRM AND WITH OUR COLLABORATORS AROUND THE
2 COUNTRY AND THEN OUR COLLABORATORS INTERNATIONALLY
3 AND YOURS.

4 TO ELIMINATE REDUNDANCY, THERE HAS TO BE
5 SOME, THERE MIGHT BE A LOT -- I TAKE IT WE DON'T
6 KNOW -- AND TO INCREASE COLLABORATIONS WHERE THEY
7 COULD BE AND TO MAKE IT TRULY A GLOBAL EFFORT. THE
8 IOM HASN'T ASKED US TO BE THE GLOBAL LEADER. THEY
9 CRITICIZED US PRIMARILY, IT SEEMS, AND I CAN
10 UNDERSTAND AND APPRECIATE IT, BUT THE EAP, THE
11 EXTERNAL ADVISORY PANEL, BEGGED US TO BE THE GLOBAL
12 LEADER. I THINK WE'RE INCHING CLOSER TO IT, BUT WE
13 REALLY SHOULD TAKE THAT ON. AND IMAGINE DOING THAT
14 WITH THE APPROVAL AND SOPHISTICATION OF THE
15 CHANCELLORS OF FIVE UC UNIVERSITIES AND STANFORD AND
16 THE SALK AND ETC. THAT TRULY COULD BE A HISTORIC
17 ENTERPRISE. AND I THINK THAT'S WHAT WE SHOULD BE
18 REACHING FOR. THANK YOU.

19 CHAIRMAN THOMAS: THANK YOU, JOAN. BEFORE
20 I CALL ON PEOPLE, I HAVE A COUPLE RESPONSES TO A
21 NUMBER OF YOUR POINTS I JUST WANT TO PUT OUT THERE.

22 NO. 1, I DON'T THINK THIS IS THE
23 APPROPRIATE FORUM TO BE DISCUSSING THE MAKEUP OF THE
24 SCIENTISTS IN THE GRANTS WORKING GROUP. THAT COULD
25 BE THE GRIST FOR ANOTHER MILL, BUT I DON'T THINK

BARRISTERS' REPORTING SERVICE

1 THIS IS THE TIME WE REALLY WANT TO GET INTO THAT,
2 THOUGH THEY'RE CERTAINLY VERY INTERESTING POINTS.

3 THE SCIENTIFIC ADVISORY BOARD YOU'RE
4 SAYING IS SOMETHING WE NEED TO THINK THROUGH MORE
5 CAREFULLY. STAFF IS, I ASSURE YOU, THINKING ABOUT
6 THAT VERY CAREFULLY. AND THE ONLY THING THAT I
7 THINK WE SHOULD BE -- IN FACT, THEY ALREADY HAVE THE
8 ABILITY FULLY WITHIN THEIR PROVINCE TO FORM A
9 SCIENTIFIC ADVISORY BOARD. THE ONLY THING I WANT TO
10 DO WITH RESPECT TO THAT ELEMENT IN TODAY'S
11 DISCUSSION IS JUST TO ACKNOWLEDGE THAT THEY'RE DOING
12 THAT. I DON'T THINK WE NEED TO GET INTO THE
13 DETAILS.

14 ON THE NOTION OF SPREADING DOLLARS AROUND
15 MORE CAREFULLY AND STOPPING GRANTS AND EVALUATING
16 WHERE WE ARE AND ALL THAT STUFF, THAT'S REALLY ALL
17 STRATEGIC PLANNING TYPE OF STUFF, WHICH IS CERTAINLY
18 SOMETHING BEST TAKEN UP BY THE BOARD. AGAIN, THAT'S
19 NOT REALLY -- I THINK TODAY'S DISCUSSION IS NOT THE
20 BEST SPOT FOR THAT, THOUGH THOSE ARE VERY IMPORTANT
21 ISSUES, NO QUESTION.

22 I'LL JUST CORRECT FOR THE RECORD THAT YOU
23 MENTIONED FUNDING WON'T LAST EIGHT YEARS. I THINK
24 WE ANTICIPATE AT THE PACE WE'RE GOING, ELLEN, 2017,
25 CORRECT, TO MAKE THE LAST NEW AWARDS, WHICH WILL BE

BARRISTERS' REPORTING SERVICE

1 SPREAD OUT OVER A PERIOD OF YEARS.

2 MS. SAMUELSON: BUT WE'RE SPENDING MORE
3 MONEY THAN JUST THE NEW AWARDS.

4 CHAIRMAN THOMAS: NO. NO. I'M JUST
5 SAYING THAT ON OUR CURRENT PACE, MAKING OUR LAST NEW
6 AWARDS WOULD BE IN 2017 IF WE DON'T FIGURE OUT A WAY
7 TO GET SOME MORE FUNDING, WHICH IS THE WHOLE
8 SUSTAINABILITY ISSUE.

9 LASTLY, WHEN YOU SAY YOU'RE CONCERNED THE
10 IOM DOESN'T RECOGNIZE US AS A GLOBAL LEADER, I THINK
11 IF YOU READ THROUGH THERE AND PARSE OUT ALL OF THE
12 POSITIVE STATEMENTS, WHICH ARE A GREAT MANY, YOU
13 WILL ACTUALLY SEE THAT THEY DO BELIEVE WE ARE A
14 WORLD LEADER AND ARE DOING A GREAT JOB FOR THE
15 REASONS I ARTICULATED EARLY ON. AND WE, OF COURSE,
16 ASPIRE TO BE THAT AND PLAN TO CONTINUE BEING THAT.

17 DR. STEWARD: I KNOW THERE'S GOING TO BE A
18 LOT OF OTHER DISCUSSION, BUT I WONDER IF WE COULD
19 TAKE THIS OPPORTUNITY TO HEAR FROM THE MEMBERS OF
20 THE PUBLIC AND THEN COME BACK TO THE BOARD. WE'VE
21 GOT A LOT OF PEOPLE SITTING OUT THERE WHO'VE COME A
22 LONG WAY, AND I JUST THOUGHT IT MIGHT BE NICE TO DO
23 THAT NOW BEFORE WE'RE DEAD TIRED AT THE END OF THE
24 DAY.

25 CHAIRMAN THOMAS: SURE. WE HAVE RUTH

BARRISTERS' REPORTING SERVICE

1 HOLTON-HODSON FROM THE STATE CONTROLLER'S OFFICE I
2 KNOW HAS SOME PREPARED REMARKS. SO WHY DON'T WE
3 START WITH RUTH, THEN WE'LL GO TO BOB, AND THEN
4 WE'LL GO TO DON AND OTHER MEMBERS OF THE PATIENT
5 ADVOCATE PUBLIC. THANK YOU.

6 MS. HOLTON-HODSON: THANK YOU, J.T. GOOD
7 AFTERNOON. I'M RUTH HOLTON-HODSON, THE DEPUTY
8 CONTROLLER FOR HEALTH AND CONSUMER POLICY. ON
9 BEHALF OF JOHN CHIANG, WHO CHAIRS THE CITIZENS
10 FINANCIAL OVERSIGHT AND ACCOUNTABILITY COMMISSION, I
11 WANTED TO STATE HIS SUPPORT FOR SEVERAL OF THE IOM'S
12 GOVERNANCE REFORMS. BUT, FIRST, I WANTED TO EXTEND
13 THE CONTROLLER'S SUPPORT FOR THE PROPOSAL THAT THE
14 CHAIR HAS LAID OUT. HE HAS BEEN, I THINK, VERY
15 THOUGHTFUL, AND WE THINK IT'S A VERY POSITIVE
16 APPROACH THAT ADDRESSES KEY ISSUES RAISED BY THE IOM
17 AND WOULD SEND AN IMPORTANT MESSAGE, AS MANY OF YOU
18 HAVE ALREADY STATED, TO THE PUBLIC THAT THE ICOC HAS
19 HEARD THE CONCERNS AND, MOST IMPORTANTLY, TAKEN THEM
20 SERIOUSLY.

21 HOWEVER, THERE IS ONE ISSUE THAT THE
22 CONTROLLER WANTED ME TO RAISE, AND YOU WILL NOT BE
23 SURPRISED BY IT. THAT IS THE ONE WHICH YOU HAVE
24 HEARD US RAISE BEFORE. AND THAT IS THE SEPARATION
25 OF OPERATIONS FROM OVERSIGHT.

BARRISTERS' REPORTING SERVICE

1 WHILE THE CHAIR'S PROPOSAL CLARIFIES THE
2 DUTIES OF THE PRESIDENT AND CHAIR SO THEY DO NOT
3 OVERLAP, WHICH OBVIOUSLY WE THINK IS A GOOD THING
4 AND WE CERTAINLY UNDERSTAND THAT AND APPRECIATE THAT
5 CIRM HAS BEEN OPERATING MUCH BETTER WITH THOSE
6 DUTIES MORE CLEARLY SPELLED OUT, THERE IS STILL THE
7 CENTRAL PROBLEM OF THE CHAIR BEING ENGAGED IN THE
8 DAY-TO-DAY OPERATIONS. AND THIS IS COMPLETELY
9 CONTRARY TO GOOD GOVERNANCE BEST PRACTICES.

10 THE CONTROLLER RECOGNIZES THAT UNDER PROP
11 71 THAT THE CHAIR AND THE VICE CHAIR HAVE SPECIFIED
12 STATUTORY DUTIES; HOWEVER, AS THE ICOC COUNSEL HAS
13 OPINED IN THE PAST, THE BOARD HAS SOME DISCRETION AS
14 TO HOW THOSE DUTIES ARE CARRIED OUT AND COULD
15 REQUEST THE CHAIR AND VICE CHAIR DELEGATE THESE
16 DUTIES TO STAFF TO THE EXTENT PERMITTED BY LAW.

17 THE IOM REPORT IS, AS MANY OF YOU POINTED
18 OUT, THE THIRD REVIEW OF THE AGENCY THAT HAS RAISED
19 THIS ISSUE OF PROBLEMATIC GOVERNANCE STRUCTURE. IT
20 IS THE CONTROLLER'S HOPE THAT THIS TIME THE ICOC
21 WILL ACT UPON THOSE RECOMMENDATIONS AND SEPARATE
22 OPERATIONS FROM OVERSIGHT.

23 SPECIFICALLY AS TO THE CONFLICT OF
24 INTEREST ISSUES, THE CONTROLLER RECOGNIZES THAT THE
25 BOARD HAS STRICT CONFLICT OF INTEREST AND RECUSAL

BARRISTERS' REPORTING SERVICE

1 POLICIES AND THAT WE HAVEN'T ACTUALLY SEEN ANY REAL
2 CONFLICT OF INTEREST. BUT, AGAIN, ECHOING MANY OF
3 YOUR COMMENTS ABOUT THE IMPORTANCE OF THE PERCEPTION
4 AND DEALING WITH THAT ISSUE, AS THE IOM REPORT
5 EMPHASIZES, THE CURRENT STRUCTURE CREATES A STRONG
6 PERCEPTION OF A CONFLICT OF INTEREST WHICH IS
7 DAMAGING AND, I WOULD SAY, VERY DAMAGING TO THE
8 PUBLIC'S TRUST IN THE ICOC GRANT DECISIONS.

9 REQUIRING THE INSTITUTIONS TO ABSTAIN FROM
10 VOTING ON GRANTS, AS THE CHAIR PROPOSES, WILL GO A
11 LONG WAY IN ADDRESSING THESE PERCEIVED CONFLICTS OF
12 INTEREST.

13 ON SOME OF THE OTHER IOM RECOMMENDATIONS,
14 THE CONTROLLER DOES NOT AGREE WITH THE IOM'S
15 RECOMMENDATIONS TO REVISE ITS CONFLICT OF INTEREST
16 POLICIES TO CONSIDER AN INDIVIDUAL'S INTEREST IN A
17 PARTICULAR DISEASE AS A CONFLICT. HE BELIEVES THAT
18 THE PATIENT ADVOCATES PLAY A CRITICAL ROLE IN
19 ENSURING THAT THE VOICES OF THOSE MOST AFFECTED BY
20 THE DISEASES FOR WHICH STEM CELLS ARE SO PROMISING
21 ARE HEARD.

22 FINALLY, A WORD ON THE IP REGULATIONS.
23 YOU WILL NOT BE SURPRISED THAT WE WOULD STRONGLY
24 CONCUR WITH THE CHAIR THAT PROP 71'S PROMISE TO THE
25 TAXPAYERS REGARDING ACCESS PRICING AND REVENUE

BARRISTERS' REPORTING SERVICE

1 SHARING SHOULD BE MAINTAINED. THANK YOU.

2 MR. KLEIN: FOR THOSE THAT ARE NOT
3 PRESENT, MY NAME IS BOB KLEIN, CHAIR EMERITUS OF
4 THIS DISTINGUISHED ORGANIZATION. AND I CERTAINLY
5 WOULD LIKE TO ADD MY LOUD APPLAUSE TO THE SCIENTIFIC
6 PRESENTATION MADE TODAY, EXTRAORDINARY EFFORTS BY
7 THE SCIENTIFIC STAFF AND BY THIS BOARD, AND THE
8 THOUSANDS OF HOURS OF DEDICATION THAT HAVE MADE SUCH
9 INCREDIBLE PROGRESS IN MAKING THIS ORGANIZATION THE
10 CENTER HUB OF A GLOBAL COLLABORATION OF MORE THAN 16
11 COUNTRIES, SEVERAL STATES, AND ALL OF THE LEADING
12 INSTITUTIONS PUBLIC AND PRIVATE IN THE STATE OF
13 CALIFORNIA.

14 IT IS IMPORTANT TO STATE THAT I BELIEVE
15 THIS IS A CONSTRUCTIVE PROPOSAL THAT I AM SUPPORTIVE
16 OF. I DO THINK THAT A ONE-YEAR SUNSET WOULD BE
17 ADVISABLE. THIS IS A SCIENTIFIC ORGANIZATION. WE
18 CAN THINK OF THIS AS A CLINICAL TRIAL. WE CAN SEE
19 HOW THE PATIENT DOES AND ANALYZE IT AT THE END OF
20 THAT YEAR, LEARNING HOW TO REFINE IT.

21 WE SHOULD, THOUGH, LOOK AT THE HISTORY AS
22 WELL AND UNDERSTAND THAT THIS WHOLE CONFLICTS
23 STRUCTURE HAS BEEN BUILT ON THE NATIONAL ACADEMY OF
24 SCIENCES' WORKSHOP THAT THEY HELD IN NOVEMBER OF
25 2004. IMMEDIATELY AFTER THE ELECTION, I ASKED THE

BARRISTERS' REPORTING SERVICE

1 PRESIDENT, BRUCE ALBERTS, IF HE WOULD CALL A SPECIAL
2 CONFERENCE OF THE LEADING PEOPLE IN THE COUNTRY ON
3 STEM CELL RESEARCH, ON ETHICS, ON CONFLICTS, WHICH
4 THEY DID.

5 THE GENERAL COUNSEL FOR THE NATIONAL
6 ACADEMY PRESENTED A SPECIAL PAPER TO THE GENERAL
7 ASSEMBLY AT THAT, SOME 200 PEOPLE REPRESENTING THE
8 BEST AND BRIGHTEST IN THE COUNTRY, AND THE AGENCY
9 TOOK GUIDANCE FOR WHAT WAS CONSIDERED ACTUALLY
10 UNACHIEVABLE, WHICH WAS TO HAVE ALL OF OUR PEER
11 REVIEWERS COME FROM OUT OF THE STATE OF CALIFORNIA,
12 WHICH HAD NEVER BEEN DONE BEFORE. IT WAS A HALLMARK
13 OF A NEW STANDARD IN AVOIDING CONFLICTS.

14 SO IT IS PARTICULARLY IMPORTANT TO
15 RECOGNIZE THAT SUBSTANTIALLY OVER 90 PERCENT OF ALL
16 THE BOARD'S DECISIONS HAVE, IN FACT, FOLLOWED THOSE
17 OUT-OF-STATE SCIENTISTS, WHICH THE BOARD MEMBERS
18 HAVE COMMENTED ON TODAY ARE THE ONLY ONES WHO CAN
19 SCORE IN THE SCIENTIFIC PEER REVIEW SESSION.

20 IT IS SPECIFICALLY ALSO IMPORTANT THAT
21 THOSE 95 OR SO PERCENT DECISIONS THAT ARE IN
22 CONFORMANCE WITH PEER REVIEW REPRESENT OVER 92
23 PERCENT OF ALL THE FUNDS OF THIS AGENCY.

24 IT IS IMPORTANT TO RECOGNIZE THAT WHEN
25 CRITICS ASKED THE STATE LEGISLATURE TO AUDIT THIS

BARRISTERS' REPORTING SERVICE

1 AGENCY, AN INDEPENDENT AUDIT OF THE STATE OFFICE OF
2 AUDITORS, THAT THAT AUDIT SHOWED THAT NOT ONLY WERE
3 THERE NO CONFLICTS THAT THEY COULD IDENTIFY, BUT OUR
4 CONFLICTS STANDARDS WERE BETTER DEVELOPED AND, IN
5 FACT, WENT FURTHER THAN THE NATIONAL INSTITUTE OF
6 HEALTH IN MANY AREAS.

7 IT IS IMPORTANT TO NOTE THAT WHEN THE
8 CRITICS THEN AGAIN CAME BACK TWO YEARS LATER AND
9 ASKED THE CONTROLLER'S OFFICE TO CONDUCT AN AUDIT,
10 THEIR INDEPENDENT AUDIT CONCURRED WITH THE
11 LEGISLATURE'S AUDIT, FOUND NO CONFLICTS AND FOUND
12 OUR STANDARDS TO BE IN EXCESS OF THOSE THAT MANY OF
13 THE PANELS OF THE NIH USE. IN FACT, NONE OF THE
14 STATES OR ANY OTHER GOVERNMENTAL BODY USES A GROUP
15 OF PEER REVIEWERS WHO CANNOT, ANY ONE OF THEM,
16 QUALIFY FOR A GRANT OR A LOAN.

17 SO IN THAT CONTEXT, IT IS IMPORTANT THAT
18 HOWEVER WE EVOLVE, THERE IS AN APPEARANCE ISSUE
19 THAT'S IMPORTANT TO PUBLIC TRUST. AND I THINK THIS
20 IS A VERY CONSTRUCTIVE PROPOSAL TO ADDRESS THOSE
21 ISSUES. LIKE THE BIOLOGY WE LOOK AT, WE NEED TO BE
22 ORGANIC AND RESPONSIVE, ENTREPRENEURIAL, AND, AS
23 YOUR CHAIRMAN SAID IN QUOTING WINSTON CHURCHILL,
24 CHANGE IS REALLY ESSENTIALLY A PART OF OUR LIFE IF
25 WE ARE GOING TO LIVE IN RESPONSE TO THE CHANGING

BARRISTERS' REPORTING SERVICE

1 CHALLENGES WE FACE, PARTICULARLY IN A SOCIETY LIKE
2 THE ONE WE HAVE IN THIS COUNTRY.

3 I WOULD LIKE TO COMMENT THAT I THINK IT IS
4 VERY IMPORTANT TO MAINTAIN, WHEN YOU SET THE
5 CRITERIA, A SUFFICIENTLY BROAD ROOM FOR THE BOARD IN
6 PROGRAMMATIC REVIEW TO RESPOND TO ISSUES LIKE
7 SCIENCE POLICY ISSUES BECAUSE YOU WILL REMEMBER
8 THERE WAS A CANCER STEM CELL DISEASE TEAM WHERE THE
9 PRESIDENT, ALAN TROUNSON, CAME TO THE BOARD AND SAID
10 IN PEER REVIEW WE HAD THE PROBLEM THAT WE ONLY HAD A
11 DISTRIBUTION OF REVIEWERS WHO ESSENTIALLY DIDN'T
12 BELIEVE CANCER STEM CELLS EXISTED. AND IT WAS
13 EXPLAINED TO THEM IN PEER REVIEW THAT THE BOARD HAD
14 MADE A SCIENTIFIC JUDGMENT AS A MATTER OF POLICY
15 THAT THE BOARD WOULD LOOK FOR EMPIRICAL EVIDENCE ON
16 CANCER STEM CELL, FUND THIS RESEARCH, SEE IF IT
17 BENEFITED THE PATIENT, AND REACH AN EMPIRICAL AND
18 SCIENTIFIC CONCLUSION RATHER THAN A SCIENTIFIC
19 IDEOLOGY A PRIORI.

20 IT'S IMPORTANT, AS DR. KEITH YAMAMOTO SAID
21 IN HIS 2007 REVIEW OF THE NIH PEER REVIEW PROCESS,
22 THAT PARTICULAR ATTENTION BE PAID TO THE
23 RISK-BENEFIT RATIO. HE SAID THAT IN PEER REVIEW THE
24 HISTORY OF SCIENCE IS IT IS TOO RESTRICTIVE OR
25 CONSERVATIVE IN LOOKING AT THE RISK-BENEFIT RATIO

BARRISTERS' REPORTING SERVICE

1 AND THERE NEEDS TO BE MORE BETS PLACED ON GOAL THAT
2 AMOUNT TO REACHING INTO NEW AREAS. IT IS A VERY
3 IMPORTANT AREA THAT NEEDS TO BE RETAINED IN THE
4 DEFINITION OF CRITERIA.

5 AND CERTAINLY WITHIN THE APPEALS CONTEXT,
6 THE SCIENTIFIC STAFF BRINGS AT TIMES TO THE BOARD
7 INDICATIONS OF TECHNICAL MISTAKES, THAT PEER REVIEW
8 IS GIVEN INFORMATION THAT HAS MISLED THEM IN THEIR
9 SCORING AS OCCURRED IN DISEASE TEAM I AS WAS
10 REFERENCED BY JEFF SHEEHY. KAREN ABOODY'S GRANT IN
11 DISEASE TEAM I, THE SCORING WAS BELOW THE FUNDING
12 LINE. DR. TROUNSON AND THE SCIENTIFIC STAFF
13 PRESENTED TO THE BOARD THAT A SPECIALIST HAD
14 INDICATED TO THE PEER REVIEW THAT THE CHEMO AGENT
15 WAS NOT EFFECTIVE, WHICH RESULTED IN A DOWNGRADING.
16 THAT WAS FOUND TO BE INCORRECT, AND THE STAFF
17 RECOMMENDED APPROVING THAT GRANT, WHICH DID OCCUR.

18 SO THE ABILITY IN THE CRITERIA TO DEAL
19 WITH SCIENTIFIC MISTAKES AS WELL AS NEW INFORMATION,
20 I THINK, WILL BE VERY IMPORTANT.

21 I WOULD INDICATE THAT IN GRANTS WORKING
22 GROUP, ADDRESSING, JEFF, THE POINT THAT YOU RAISED,
23 UNDER THE INITIATIVE IT WILL BE IMPORTANT THAT THE
24 PATIENT ADVOCATES DO, WHILE NOT UNDER THIS PROPOSAL,
25 ADDRESS INDIVIDUAL GRANTS BECAUSE IT WILL BE DOING

BARRISTERS' REPORTING SERVICE

1 FULL PROGRAMMATIC REVIEW IN FRONT OF THE BOARD, THEY
2 WILL NEED TO VOTE CONCURRENCE WITH THE PORTFOLIO OF
3 RECOMMENDATIONS FROM THE SCIENTISTS. AND THEY WILL
4 NEED TO VOTE CONCURRENCE WITH THE MINORITY REPORTS
5 IN ORDER FOR SCIENTIST MINORITY REPORTS, TO THE
6 EXTENT THERE ARE ANY, TO GET TO THE BOARD JUST AS A
7 MATTER OF TECHNICAL PROCESS.

8 SO THEY WILL HAVE A VOTING ROLE, BUT IT IS
9 A SUBSTANTIAL BENEFIT, I THINK, TO HAVE PROGRAMMATIC
10 REVIEW IN FRONT OF THE FULL BOARD WITH FULL
11 TRANSPARENCY.

12 I WOULD JUST LIKE TO SAY, IN ENDING, THAT
13 IT'S ALWAYS A PRIVILEGE TO ADDRESS THIS GROUP AS IT
14 WAS A PRIVILEGE TO SERVE WITH THIS GROUP. THE
15 EXTRAORDINARY EXPERIENCE AND DEDICATION OF LIVES
16 REPRESENTED ON THIS BOARD BOTH THROUGH PATIENT
17 ADVOCATES, THROUGH MEMBERS OF THE BIOTECH COMMUNITY
18 WHO HAVE DEDICATED THEIR LIVES TO TRYING TO MOVE
19 SCIENCE TO THE CLINIC, TO THE DEANS OF THE MEDICAL
20 SCHOOLS, ALL THE WAY TO THE PRESIDENTS OF THE
21 INDIVIDUAL INSTITUTES, THE SCOPE OF DEDICATION IN
22 THE RESEARCH HOSPITALS, AND THE DEDICATION TO MOVING
23 ALL OF THIS RESEARCH THROUGH CLINICAL TRIALS TO
24 PATIENTS, I KNOW OF NO BOARD IN THE COUNTRY, I KNOW
25 OF NO BOARD IN THE WORLD WITH THE SCOPE OF

BARRISTERS' REPORTING SERVICE

1 EXPERIENCE, DEDICATION, AND PASSION OF THIS BOARD.
2 SO IT IS ALWAYS A GREAT PRIVILEGE TO ADDRESS YOU.
3 THANK YOU.

4 (APPLAUSE.)

5 MR. DON REED: I ASKED FOR AND RECEIVED
6 PERMISSION TO READ DR. JEAN LORING'S LETTER TO YOU.

7 "I'M THE DIRECTOR OF ONE OF CIRM'S SHARED
8 LABORATORIES WHICH HAS PROVIDED FORMAL TRAINING IN
9 RESEARCH AND ETHICS TO HUNDREDS OF YOUNG STEM CELL
10 SCIENTISTS. MY CIRM FUNDING SUPPORTS THE STEM CELL
11 GENOMICS RESEARCH THAT IS THE MAIN FOCUS OF THE LAB.

12 "THE IOM REPORT RECOMMENDS A NUMBER OF
13 CHANGES IN CIRM'S POLICIES. ONE OF THESE
14 RECOMMENDATIONS IS OF ESPECIALLY GREAT CONCERN TO
15 ME, THE SUGGESTION THAT PATIENT ADVOCATES SHOULD
16 HAVE MUCH LESS INFLUENCE IN CIRM'S DECISIONS ABOUT
17 WHAT RESEARCH SHOULD BE FUNDED. PATIENT ADVOCATES
18 ARE EXTREMELY VALUABLE TO US RESEARCHERS. MOST OF
19 US STEM CELL RESEARCHERS HAD NEVER MET A PATIENT
20 ADVOCATE AND PERHAPS EVEN A PATIENT BEFORE CIRM WAS
21 FOUNDED. IN MY 20 YEARS OF BEING FUNDED BY THE NIH,
22 THE FUNDING AGENCY NEVER ONCE SUGGESTED THAT I
23 SHOULD TALK TO PEOPLE WHO HAVE THE DISEASE OR HAVE
24 RELATIVES WITH THE DISEASE THAT I WAS RECEIVING
25 FUNDING TO STUDY.

BARRISTERS' REPORTING SERVICE

1 "WITH MY FIRST CIRM GRANT, I STARTED
2 MEETING PATIENT ADVOCATES, AND I CAN'T IMAGINE
3 PURSUING A DISEASE-RELATED RESEARCH PROJECT WITHOUT
4 THEM. I LEARNED A GREAT DEAL FROM THE ADVOCATES ON
5 THE ICOC, AND I GREATLY ENJOY TALKING WITH THEM.
6 THEY'RE A WONDERFUL SOURCE OF KNOWLEDGE. JEFF
7 SHEEHY TAUGHT ME ABOUT HIV/AIDS AND PATIENT
8 ACTIVISM. I LEARNED ABOUT PARKINSON'S DISEASE FROM
9 JOAN SAMUELSON, AUTISM FROM JON SHESTACK AND DAVID
10 SERRANO-SEWELL. DIANE WINOKUR EDUCATED ME ABOUT MS
11 AND ALS.

12 "PROFESSIONAL RESEARCH SCIENTISTS ARE
13 COMPETITIVE BY NATURE. A CONVERSATION BETWEEN
14 SCIENTISTS IS OFTEN CONSTRAINED BY OUR SECRECY. WE
15 NEED TO PUBLISH OR PERISH, BUT ADVOCATES HAVE NO
16 SUCH CONSTRAINTS, WHICH MAKES ICOC MEETINGS MORE
17 ENJOYABLE AND INFORMATIVE THAN MANY SCIENTIFIC
18 MEETINGS. PATIENT ADVOCACY HAS MADE ME A BETTER
19 SCIENTIST. ADVOCACY MAKES CIRM-FUNDED RESEARCH
20 BREATHTAKINGLY RELEVANT, UNIQUELY POWERFUL TO CHANGE
21 THE COURSE OF MEDICINE."

22 THIS IS THE BOOK OF THE IOM PROPOSAL, 167
23 PAGES. I STUDIED IT, READ NOTES. THIS IS 30
24 MAGAZINE ARTICLES ABOUT THE IOM REPORT. NONE OF
25 THEM TOOK OUR SIDE. THAT'S THE REASON BY TAKING THE

BARRISTERS' REPORTING SERVICE

1 PATH OF CAESAR'S WIFE TO BE ABOVE EVEN THE
2 POSSIBILITY APPROACH, YOU HAVE DONE THE RIGHT THING.

3 BUT I WANT TO TELL YOU WHAT I FEEL ABOUT
4 THE IOM. THE IOM REPORT IS A ONE-SIDED DOCUMENT.
5 APART FROM THE COMMENTS OF BOARD MEMBERS, PATIENT
6 ADVOCATE INPUT IS EXCLUDED FROM THE STUDY. WHERE
7 ARE THE VOICES OF THE DOZENS OF PATIENT ADVOCATE
8 GROUPS WHICH SUPPORTED CIRM? WHERE ARE THE COMMENTS
9 OF THE INTERNATIONAL SOCIETY OF STEM CELL
10 RESEARCHERS, THE COALITION FOR THE ADVANCEMENT OF
11 MEDICAL RESEARCH, THE CALIFORNIA MEDICAL
12 ASSOCIATION, THE STUDENT SOCIETY FOR STEM CELL
13 RESEARCH, THE CHRISTOPHER REEVE PARALYSIS
14 FOUNDATION, JUST TO NAME A FEW?

15 THE STUDY USES WHAT I CONSIDER DECEPTIVE
16 LANGUAGE. FOR EXAMPLE, CRITICS OF THE PROGRAM, SOME
17 WHO OPPOSE EVERY STEP OF THE WAY, THESE ARE CALLED
18 STAKEHOLDERS AND ARE FEATURED PROMINENTLY IN THE
19 REPORT. SUPPORTERS OF THE PROGRAM, LIKE PATIENTS
20 AND THEIR FAMILIES, ARE APPARENTLY NOT CONSIDERED
21 STAKEHOLDERS, AND THEY ARE LEFT OUT.

22 WHEN THE REPORT SUGGESTS REMOVING THE
23 ICOC'S AUTHORITY IN DECIDING WHO GETS GRANT MONEY,
24 THAT IS TRIVIALIZED BY BEING CALLED DAY-TO-DAY
25 ACTIVITIES. FUNDING DECISIONS ARE NOT MINOR CHORES.

BARRISTERS' REPORTING SERVICE

1 THEY ARE THE CENTRAL REASON FOR THIS PROGRAM'S
2 EXISTENCE.

3 UNDER THE NEW PROPOSALS, THE BOARD WOULD
4 ONLY BE ALLOWED TO VOTE ON THE RESEARCH PROPOSALS AS
5 A BLOCK OF GRANTS, PERHAPS DOZENS AT A TIME. THIS
6 WOULD NOT ONLY VIOLATE PROP 71 GUIDELINES, WHICH
7 CALL FOR PUBLIC DISCUSSION OF GRANT PROPOSALS, BUT
8 ALSO DENY THE PUBLIC ITSELF ANY MEANINGFUL ROLE IN
9 THE DECISION-MAKING PROCESS. IF THE BOARD ONLY
10 VOTES ON GROUPS OF PROJECTS AS A BLOCK, THERE IS NO
11 OPPORTUNITY FOR INDIVIDUAL DISCUSSION.

12 AS FOR THE ICOC BOARD, AFTER ITS AUTHORITY
13 HAD BEEN STRIPPED AWAY, IT WOULD BE OFFERED BUSY
14 WORK TO OCCUPY ITS TIME. THE BOARD MIGHT BEGIN
15 REINVESTIGATING ETHICAL STANDARDS, WHICH HAS ALREADY
16 BEEN EXTENSIVELY DONE IMMEDIATELY AFTER THE ELECTION
17 WHEN A MAJOR CONFERENCE WAS DONE UNDER THE AUSPICES
18 OF THE NATIONAL ACADEMY OF SCIENCES.

19 THE STUDY RECOMMENDS THE BOARD DO
20 STRATEGIC PLANNING, WHICH WOULD BE USEFUL. HAD NOT
21 BOTH FIVE- AND TEN-YEAR STRATEGIC PLANS ALREADY BEEN
22 COMPLETED?

23 THE BOARD WOULD, OF COURSE, WORK ON
24 SUSTAINABILITY. SHOULD WE ASK FOR VOLUNTARY
25 CONTRIBUTIONS OR ANOTHER ROUND OF FUNDING? BUT

BARRISTERS' REPORTING SERVICE

1 THESE ARE HARDLY SUBSTITUTES FOR THE ICOC'S CRUCIAL
2 WORK ON GRANT APPROVAL.

3 ANOTHER BLOW OF OPEN GOVERNMENT, THE
4 PUBLIC APPEALS PROCESS WOULD BECOME SECRET.
5 PRESENTLY IF A SCIENTIST FEELS HIS OR HER PROJECT
6 WAS REJECTED UNFAIRLY, AN APPEAL CAN BE MADE BEFORE
7 THE ICOC PUBLICLY, EVERYTHING TRANSPARENT. THAT
8 WOULD BE TAKEN AWAY.

9 THE MOST IMPORTANT PURPOSE OF THE ICOC WAS
10 MANDATED BY PROPOSITION 71. THE INITIATIVE SOUGHT
11 TO FUND THE BEST SCIENCE POSSIBLE BY BRINGING
12 TOGETHER THE MULTIPLE VIEWPOINTS OF A GROUP OF
13 DISTINGUISHED EXPERTS. THAT IS WHAT CALIFORNIA
14 VOTED FOR AND THAT IS WHAT WE GOT.

15 IT IS MY HOPE AND BELIEF THAT THE BOARD
16 WILL DO AS IT HAS ALWAYS DONE, STUDYING THE
17 CRITICISM CAREFULLY, SEEKING GENUINE IMPROVEMENTS,
18 POSITIVE CHANGES THAT CAN BE MADE WITHOUT
19 COMPROMISING THE INTENT OF PROP 71. BUT THE REPORT
20 AS IT READS NOW, THE IOM REPORT, WOULD DENY PUBLIC
21 INPUT IN THE GRANT-MAKING PROCESS, GUT THE
22 LEADERSHIP OF AN EXPERT BOARD, IGNORE PATIENT
23 ADVOCATES AS SIGNIFICANT PARTNERS, AND REPLACE OPEN
24 GOVERNMENT WITH DECISIONS MADE IN SECRET. THIS MUST
25 AND WILL BE REJECTED. THANK YOU.

BARRISTERS' REPORTING SERVICE

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(APPLAUSE.)

MR. SHESTACK: COULD YOU MAKE YOUR
COMMENTS AVAILABLE TO US SOMEHOW? THANK YOU VERY
MUCH.

MR. ROMAN REED: THANK YOU, HONORABLE
MEMBERS OF THE ICOC. I AM ROMAN REED. AS A PATIENT
ADVOCATE, IT WAS AN HONOR TO HAVE CALIFORNIA
LEGISLATION NAMED AFTER ME, THE ROMAN REED SPINAL
CORD INJURY RESEARCH ACT, WHICH PROVIDED \$15 MILLION
TO CALIFORNIA RESEARCHERS AS WELL AS HELPING THEM
ATTRACT AN ADDITIONAL \$85 MILLION IN ADDITIONAL
ADD-ONS FROM NIH AND OTHER SOURCES. I WAS ALSO ONE
OF THE HUNDREDS OF PATIENT ADVOCATES WHO CAME
TOGETHER AND HELPED PASS PROPOSITION 71 IN 2003.

THE PATIENT ADVOCATES HAVE ALWAYS BEEN
PROUD TO DO FOR THE SCIENTISTS WHAT SOMETIMES THEY
CANNOT EVEN DO FOR THEMSELVES, PROVIDE MONEY FOR
RESEARCH. BUT WE IN THE PATIENT ADVOCATE COMMUNITY
ALSO HAVE A MOTTO: NOTHING ABOUT US WITHOUT US.
THESE ARE OUR BODIES, AND OUR VOICES MUST BE HEARD.
AND THE IOM COMPLETELY MISSES THE BOAT WITH THEIR
REPORT, AND THEIR RECOMMENDATIONS WOULD
SYSTEMATICALLY EXCLUDE PATIENT ADVOCATES, DENYING US
REAL PARTICIPATION.

UNTIL NOW THE CALIFORNIA STEM CELL PROGRAM

BARRISTERS' REPORTING SERVICE

1 HAS BEEN A SHINING STAR IN INCLUSION OF PATIENTS AND
2 PATIENT ADVOCATES IN DECISION-MAKING PROCESSES. YOU
3 HAVE LISTENED TO OUR VOICES. YOU TOOK A TIP FROM
4 THE U.S. FDA. "THE FDA INCLUDES PATIENT ADVOCATE
5 REPRESENTATIVES ON ADVISORY COMMITTEE PANELS THAT
6 REVIEW PRODUCTS AND THERAPIES RELATED TO SERIOUS AND
7 LIFE-THREATENING DISEASES." AND THAT'S WHAT YOU
8 HAVE DONE.

9 OUR 29 MEMBERS OF THE ICOC, THE PROGRAM'S
10 PUBLICLY APPOINTED BOARD OF DIRECTORS, TEN ARE
11 PATIENT ADVOCATES. WE DO KNOW THAT'S ROUGHLY
12 EQUIVALENT TO THE NUMBER OF AMERICANS, ONE IN THREE,
13 WHO HAVE A CHRONIC DISEASE OR DISABILITY LIKE
14 MYSELF. NOT ONLY DO PATIENT ADVOCATES ON THE BOARD
15 HAVE VOTING RIGHTS ON INDIVIDUAL RESEARCH PROJECTS,
16 BUT WE ADVOCATES IN THE PUBLIC OFFER INPUT BEFORE
17 IMPORTANT DECISIONS ARE MADE. THAT IS CRUCIAL.
18 THIS TREATS PATIENTS LIKE PARTNERS, LIKE OUR VOICES
19 MATTER. IT IS WHAT CALIFORNIA VOTERS SAID YES TO.
20 IT IS IN OUR STATE CONSTITUTION NOW, BUT THE IOM
21 RECOMMENDATIONS WOULD PUT THIS UNIQUE AND PRODUCTIVE
22 PARTNERSHIP AT RISK.

23 SPECIFICALLY ON PAGE 14, SECTION 3 OF THE
24 SHAPIRO REPORT, WE FIND THESE WORDS. "THE COMMITTEE
25 BELIEVES THAT PERSONAL CONFLICTS OF INTEREST ARISING

BARRISTERS' REPORTING SERVICE

1 FROM ONE'S OWN OR A FAMILY MEMBER'S AFFILIATION WITH
2 A PARTICULAR DISEASE CAN CREATE BIAS." IF THIS NEW
3 DEFINITION OF CONFLICT OF INTEREST CALLED THE,
4 QUOTE, UNQUOTE, PERSONAL CONFLICT OF INTEREST WAS
5 APPLIED, ANYONE WITH A CHRONIC ILLNESS OR WHOSE
6 FAMILY HAD ONE MIGHT NOT BE ELIGIBLE TO VOTE ON THE
7 BOARD. WITH A HUNDRED MILLION AMERICANS SUFFERING
8 FROM CHRONIC DISEASE, AND THOSE FOLKS HAVE FOLKS
9 RELATED TO EVERYONE ELSE, IT'S GOING TO BE HARD TO
10 EVEN FIND A QUORUM, FOR CRYING OUT LOUD.

11 IT MUST ALSO BE UNDERSTOOD THAT IF THE
12 BOARD, THE ICOC, GIVES UP ITS RESPONSIBILITY, ITS
13 RESPONSIBILITY, FOR DECIDING INDIVIDUAL RESEARCH
14 GRANTS, THAT CUTS PATIENT ADVOCATES OUT OF THE LOOP.
15 IF YOUR RIGHT TO SPEAK IS GONE, SO IS OURS. AND
16 THESE ARE OUR BODIES, AND OUR VOICES MUST BE HEARD.

17 IT IS SAID THAT ALLOWING THE ICOC TO VOTE
18 ON INDIVIDUAL RESEARCH GRANTS MAY HAVE DELETERIOUS
19 EFFECTS. THEY MIGHT ACTUALLY DISAGREE WITH THE
20 OUT-OF-STATE DOMINATED GRANTS WORKING GROUP, WHICH
21 HAS FIRST REVIEW OF PROJECTS. THAT GETS THE
22 SITUATION EXACTLY BACKWARDS. THE GRANTS WORKING
23 GROUP IS THERE TO ASSIST THE ICOC, NOT VICE VERSA.

24 PATIENT ADVOCATES RESPECT SCIENTISTS
25 WHOLEHEARTEDLY. YOU'RE DOING THE WORK OF OUR LIVES

BARRISTERS' REPORTING SERVICE

1 TO SAVE OUR LIVES, MUCH AS WE RESPECT DOCTORS, BUT
2 WE ARE NOT PASSIVE. TO PARAPHRASE THE POET WILLIAM
3 PETER HENRY, WE ARE THE MASTERS OF OUR OWN FATE. WE
4 ARE THE CAPTAINS OF OUR SOULS. THE CIRM EXISTS
5 TODAY BECAUSE WE PATIENTS ARE ACTIVE PARTICIPANTS IN
6 THE GREAT AFFAIRS OF OUR LIVES. JUST AS SCIENTISTS
7 OFTEN DISAGREE WITH EACH OTHER, SO WE IN THE PATIENT
8 COMMUNITY SOMETIMES DISAGREE WITH OUR OWN SELVES.
9 WE TAKE OPPOSING POSITIONS. WE ARE EXPERTS
10 OURSELVES WITH AN AWARENESS OF CHRONIC DISEASE. WE
11 LIVE CHRONIC DISEASE NO OTHER OUTSIDER COULD EVER
12 MATCH.

13 IT IS IMPLIED THAT WE ARE BIASED IN FAVOR
14 OF OUR OWN CHRONIC CONDITION. THIS IS
15 MISAPPREHENSION. THIS IS FALSE. I WOULD GIVE ONE
16 OF MY LEGS ANY DAY OF THE WEEK AND TWICE ON SUNDAY.
17 THE FIRST LESSON AN ADVOCATE LEARNS IS THAT WE ARE
18 FEW IF WE ARE ISOLATED, BUT WE ARE STRONG WHEN WE
19 ARE TOGETHER.

20 AS JOHN F. KENNEDY SAID, A RISING TIDE
21 LIFTS ALL BOATS. WE WILL SUCCEED ONLY IN
22 PARTNERSHIP. THERE IS A LINE IN THE SAND THAT WE
23 MUST NOT CROSS. THE ICOC MUST RETAIN THE RIGHT TO
24 REVIEW, REJECT, OR SUPPORT INDIVIDUAL RESEARCH
25 GRANTS. THIS BUSINESS ABOUT UP OR DOWN VOTE ON A

BARRISTERS' REPORTING SERVICE

1 WHOLE BUNCH OF GRANTS AT ONCE IS A DEAL BREAKER, AND
2 IT WILL NOT STAND. IF WE HOPE TO CONTINUE AND HAVE
3 PATIENT ADVOCATE ENTHUSIASM, OUR VOICES MUST BE
4 HEARD AT THE TABLE.

5 YOU CAME HERE TO BRING YOUR EXPERTISE AND
6 BE A PART OF THOSE DECISIONS, NOT EVER GIVE UP THAT
7 RESPONSIBILITY. TAKE YOUR STAND AT THE TABLE THE
8 PATIENT ADVOCATES HELPED CREATE. THANK YOU SO MUCH.

9 (APPLAUSE.)

10 MS. MINER: HI. MY NAME IS KAREN MINER.
11 I AM COFOUNDER OF CALIFORNIANS FOR CURES. I'VE BEEN
12 WORKING FOR MEDICAL RESEARCH SINCE 1998. IT WAS
13 VERY EXCITING TO HEAR ALL THAT HAS BEEN ACCOMPLISHED
14 THIS MORNING IN THAT REPORT WITH HUMANS. WE'VE BEEN
15 HEARING A LONG TIME ABOUT ALL THE GREAT NEWS WITH
16 RATS. SO THAT WAS VERY EXCITING.

17 WHAT I'D LIKE TO SAY IS THAT PROP 71 LED
18 TO THE WORLD'S GREATEST STEM CELL PROGRAM. IT'S
19 BEEN AN UNQUALIFIED SUCCESS. I DON'T WANT TO SEE IT
20 UNDERMINED. SOME OF THE THINGS THE REPORT SAYS, I
21 WONDER IF THEY'RE TALKING ABOUT THE SAME PROGRAM
22 THAT I'M TALKING ABOUT. CALIFORNIA INSTITUTE OF
23 REGENERATIVE MEDICINE DOES EXACTLY WHAT IT WAS SET
24 OUT TO DO, AND THAT'S TO FUND SCIENTIFIC RESEARCH.
25 IT DOES IT BETTER THAN ANYBODY ELSE IN THE WORLD,

BARRISTERS' REPORTING SERVICE

1 AND THAT'S SOMETHING THAT EVERYBODY KNOWS.

2 THE ICOC IS THE GOVERNING BOARD. THAT'S
3 YOUR JOB. YOU DO IT WELL. YOU DO IT WITH HONOR.
4 AND I HAVE TO TELL YOU, LISTENING TO EVERYONE TODAY,
5 I AM SO IMPRESSED, NOT AMAZED BECAUSE I KNOW, BUT
6 I'M SO IMPRESSED WITH THE PASSION. IT IS WONDERFUL
7 AND I THANK YOU VERY MUCH, BUT PLEASE DON'T GIVE UP
8 YOUR AUTHORITY. DISCUSS THE RECOMMENDATIONS OF THE
9 IOM REPORT, OF COURSE, BUT DON'T GIVE UP YOUR
10 RESPONSIBILITY TO SPEAK AND VOTE AND DECIDE ON
11 INDIVIDUAL STEM CELL PROJECTS.

12 PROP 71 WAS CREATED BY PATIENT ADVOCATES.
13 IT WAS PUSHED INTO LAW BY PATIENT ADVOCATES FOR THE
14 BENEFIT OF PATIENTS CURRENT AND FUTURE. IT WORKS
15 BEST WHEN WE ALL WORK TOGETHER, PATIENT ADVOCATES,
16 SCIENTISTS, PHYSICIANS, BUSINESS PEOPLE, AND OTHERS.
17 THE ICOC UNITES ALL OF US. THANK YOU.

18 (APPLAUSE.)

19 MR. KNOEPFLER: HI. MY NAME IS PAUL
20 KNOEPFLER. I'M ACTUALLY A STEM CELL SCIENTIST WHO
21 HAS RECEIVED CIRM FUNDING. SO FIRST OF ALL, I WANT
22 TO THANK YOU GUYS FOR ENTRUSTING ME WITH THE SUPPORT
23 FOR MY LAB FOR THE WORK THAT WE'RE DOING.

24 I MAY BE THE ONLY CIRM-FUNDED SCIENTIST
25 HERE, AND I DON'T CLAIM TO SPEAK FOR THE OTHERS, BUT

BARRISTERS' REPORTING SERVICE

1 I HOPE I CAN KIND OF BRING A UNIQUE PERSPECTIVE.
2 WHEN I FIRST READ THE IOM REPORT, I WAS KIND OF
3 TAKEN ABACK, AND IT REMINDED ME OF SOME OF MY
4 REACTIONS TO SOME OF MY GRANTS CRITIQUES THAT I
5 SOMETIMES GET FROM CIRM AND NIH. YOU'RE KIND OF IN
6 SHOCK. HOW COULD THEY SAY THAT? AND SO I KIND OF
7 REACTED ANGRILY IN MY OWN WAY TO THE IOM REPORT.

8 I THINK WE ALSO NEED TO MAYBE THINK ABOUT
9 OUR RESPONSE TO THE REPORT IN A VERY CAREFUL WAY.
10 AND I THINK THAT'S OBVIOUSLY SOMETHING THAT'S BEING
11 DISCUSSED HERE. BUT ONE OF MY SAGE MENTORS TOLD ME,
12 WHEN YOU GET ONE OF THESE GRANT CRITIQUES, YOU CAN
13 READ IT, YOU CAN GET UPSET, BUT TAKE YOUR TIME TO
14 FIGURE OUT THE BEST RESPONSE. YOU DO NEED TO
15 RESPOND. YOU CAN'T JUST TELL THEM THEY'RE AN IDIOT
16 OR SOMETHING LIKE THAT.

17 SO SOME OF THE THINGS IN THE PROPOSED CIRM
18 RESPONSE TO ME SEEMED VERY THOUGHTFUL AND LOGICAL.
19 OTHER ONES TO ME RAISED CONCERNS ABOUT MINIMIZING
20 THE ROLE OF PATIENT ADVOCATES. ESPECIALLY I MYSELF
21 AM A CANCER SURVIVOR, AND I CONSIDER MYSELF BOTH A
22 STEM CELL SCIENTIST AND PATIENT ADVOCATE. AND SO I
23 WOULD JUST URGE TO TAKE A VERY DELIBERATIVE
24 RESPONSE. AND I PERSONALLY AS A STEM CELL SCIENTIST
25 MEMBER OF THE PUBLIC PATIENT ADVOCATE, TO ME IT

BARRISTERS' REPORTING SERVICE

1 SEEMS LIKE VOTING TODAY WOULD BE TOO SOON. AND
2 MAYBE SOME PEOPLE WON'T BE HAPPY WITH ME SAYING
3 THAT. AND I KNOW WE LIVE IN A REALLY RAPID PACED
4 WORLD, AND I'M ACTUALLY ALSO A STEM CELL BLOGGER.
5 AND I'VE ALREADY BLOGGED FROM THIS MEETING, AND SOME
6 OF THE READERS HAVE SAID TO ME, WELL, PAUL, WHAT DO
7 YOU THINK OF CIRM'S PROPOSED CHANGES? AND THE TRUTH
8 IS I'M NOT SURE. I HAVEN'T HAD ENOUGH TIME TO
9 REALLY THINK ABOUT THEM CAREFULLY.

10 AND I THINK THERE'S SOME BRILLIANT ASPECTS
11 TO THE RESPONSE, BUT I WOULD BE A LITTLE
12 UNCOMFORTABLE TAKING ONE SIDE OR THE OTHER OR VOTING
13 ON ALL OF THESE RECOMMENDATIONS AS ONE GROUP. SO I
14 JUST URGE YOU GUYS TO NOT FEEL LIKE THERE'S SOME
15 SORT OF RUSH. AND TO MY KNOWLEDGE, I DON'T THINK
16 YOU HAVE ANY SPECIFIC DEADLINE TO RESPOND TO THIS
17 REPORT. AND SO IT MIGHT ALSO BE PRUDENT TO GIVE
18 MORE TIME FOR PUBLIC RESPONSE GIVEN THAT MANY OF US
19 IN THE PUBLIC HAVE ONLY LITERALLY HAD A FEW HOURS TO
20 READ AND TRY TO DIGEST THE PROPOSED CHANGES. WE
21 REALLY -- MAYBE WE DON'T REALLY FULLY UNDERSTAND
22 THEM WITHIN THE CALIFORNIA PUBLIC YET AS WELL.

23 SO I THINK THAT'S THE MAIN THINGS I WANTED
24 TO SAY. AND THANK YOU AGAIN.

25 (APPLAUSE.)

BARRISTERS' REPORTING SERVICE

1 MR. REMAK: HELLO. MY NAME IS BILL REMAK.
2 AND EIGHT YEARS AGO, WHEN THE DREAMERS OF
3 PROPOSITION 71 WERE LOOKING AT HOW WE COULD FIND
4 CURES, WE AS A PATIENT ADVOCATE LOOKED AT DEVELOPING
5 SOME COMMON GROUND FOR ALL THE CHRONIC DISEASE
6 GROUPS, NATIONAL DISEASE ORGANIZATIONS THAT HAD
7 AFFILIATES IN CALIFORNIA, AND WE CREATED THE
8 CALIFORNIA CHRONIC CARE COALITION.

9 AND ON THAT BASIS, WHERE WE FOUND COMMON
10 GROUND AND COMMON THREAD OF ALL OF US BEING IN THE
11 SAME BOAT TO RESOLVE THE BARRIERS AND THE STRUGGLES
12 THAT PEOPLE WITH CHRONIC DISEASE HAVE, WE ALSO
13 LOOKED AT CIRM AS A VEHICLE TO IMPROVE TECHNOLOGY
14 AND FIND CURES AND END SUFFERING. AND THE COMMON
15 THREAD YOU ALL HAVE, BEING A VERY DIVERSE GROUP, BUT
16 ALSO SHARING ALL THE WISDOM AS A CROWD OR A GROUP
17 THAT YOU BRING TO THIS ISSUE, AND HAVING THE BEAUTY
18 OF THE GOVERNANCE TO RESOLVE ON YOUR OWN WITHOUT
19 INTERFERENCE THIS WONDERFUL COLLABORATION BETWEEN
20 YOUR GROUP AND THE GOVERNING BOARD, WE THINK THAT
21 THAT SHOULD GO UNIMPEDED. AND I SPEAK AS AN
22 ADVOCATE WHO'S HELPED CREATE THE CALIFORNIA CHRONIC
23 CARE COALITION, WHICH INCLUDES AARP, ADA, CANCER
24 SOCIETY, HEART ASSOCIATION, AND SO ON.

25 WE THINK THAT YOU HAVE AN INCREDIBLE

BARRISTERS' REPORTING SERVICE

1 OPPORTUNITY AND YOU HAVE THE ABILITY TO SUSTAIN
2 THIS. WITH THE KNOWLEDGE YOU HAVE, WORK OUT
3 WHATEVER DIFFICULTIES THERE ARE, WITH YOUR COMBINED
4 KNOWLEDGE COME TO A RESOLUTION, AND MOVE IT FORWARD
5 BECAUSE ESSENTIALLY WE'RE ALL IN THE SAME BOAT.
6 YOU'RE ALL PATIENTS. OKAY. THANK YOU.

7 (APPLAUSE.)

8 MR. MARINO: HI. MY NAME IS TONY MARINO
9 FROM SENATOR JERRY HILL'S OFFICE. I JUST WANTED TO
10 REITERATE A PREVIOUS COMMENT, THAT MAYBE THE BOARD
11 RECONSIDER THE VALUE OF VOTING TODAY ON THIS
12 PROPOSAL. I THINK EVERYONE IS PRETTY COMFORTABLE
13 THAT THE WORK THE BOARD HAS DONE HAS BEEN OF VALUE.
14 AND WITHOUT -- I THINK EVERYONE HERE FEELS THAT
15 THEY'VE DONE THE BEST JOB THEY CAN DO AND AN HONEST
16 JOB, AND THAT THE PROBLEM IS A LOT OF PERCEPTION.
17 AND I'M AFRAID THAT IF YOU VOTE TODAY, THAT MIGHT
18 ONLY ENHANCE THE PERCEPTION OF SOMEHOW SHOVING
19 SOMETHING THROUGH.

20 AND THE BIGGEST PART OF THIS, THE BIGGEST
21 PART THAT YOU NEED TO ADDRESS IS THE PUBLIC TRUST.
22 AND I THINK THAT GIVING A LITTLE MORE TIME FOR THE
23 PUBLIC TO DIGEST THIS WILL DEFINITELY FURTHER THAT.

24 CERTAINLY HAVE NO COMMENTS ON THE PROPOSAL
25 ITSELF OR THE ACADEMY'S REPORT. THAT'S JUST MY

BARRISTERS' REPORTING SERVICE

1 THOUGHT. THANK YOU.

2 MR. TORRES: MR. CHAIRMAN, I THINK IT'S
3 IMPORTANT BECAUSE EVEN A LEGISLATIVE STAFF PERSON
4 MISUNDERSTOOD WHAT THE PROCESS IS THAT WE'RE GOING
5 TO FOLLOW. AND THAT IS WE'RE NOT RUSHING TO
6 JUDGMENT. WE'RE TAKING STEPS AD SERIATIM.

7 AND THE FIRST STEP IS TO PUT CONCEPTS OUT
8 THERE THAT WE CAN REVIEW SO THAT EVERYBODY HAS AN
9 INPUT INTO THOSE CONCEPTS, NOT RUSHING THROUGH IT,
10 BUT PUTTING IT OUT THERE SO THAT WE GIVE DIRECTION
11 TO OUR LEGAL COUNSEL TO COME UP WITH THE WAYS BY
12 WHICH THESE CONCEPTS COULD BE IMPLEMENTED. BUT THE
13 ULTIMATE DECISION ON HOW THEY'RE GOING TO BE
14 IMPLEMENTED OR IF THEY'RE GOING TO BE IMPLEMENTED
15 HAS TO BE LEFT TO THE BOARD ULTIMATELY. AND THAT
16 WON'T TAKE PLACE UNTIL MARCH.

17 WE'RE NOT -- I HOPE YOU TAKE THE MESSAGE
18 BACK TO JERRY, SENATOR HILL, THAT WE'RE NOT RUSHING
19 THROUGH THIS. WE'RE TAKING STEPS ONE STEP AT A TIME
20 TO MAKE SURE THAT PUBLIC INPUT BECAUSE I'M VERY
21 SENSITIVE TO THE PATIENT ADVOCATES CONCERNS FOR
22 PUBLIC INPUT, ALL OF US ARE, AND TO MAKE SURE THAT
23 WE TAKE THOSE STEPS DILIGENTLY AND PATIENTLY AND
24 WITH ALL DUE RESPECT TO ALL OF THE STAKEHOLDERS IN
25 THE PROCESS.

BARRISTERS' REPORTING SERVICE

1 I JUST WANT TO MAKE SURE THAT WE
2 UNDERSTAND, AT LEAST FROM WHAT I UNDERSTAND, THE
3 PROCESS BY WHICH WE'RE MOVING IT, AND THAT IS ONE
4 STEP AT A TIME. THE FIRST IS TO DEAL WITH THE
5 CONCEPTS AS A WHOLE, A MACRO VIEW, AND THEN TO SEE
6 WHAT COUNSEL COMES UP WITH. AS JEFF SAID, THE DEVIL
7 IS THE DETAILS, AND HE'S RIGHT. AT THAT POINT WE
8 JUST NEED TO SEE WHAT ARE THE ISSUES THAT WILL OCCUR
9 ONCE WE DECIDE TO LOOK AT THIS IN A MUCH MORE
10 DEFINITIVE WAY.

11 CHAIRMAN THOMAS: THANK YOU, SENATOR
12 TORRES. I'D LIKE TO ECHO THAT COMMENT. WHAT WE'RE
13 TRYING TO DO HERE IS TO PUT OUT A FRAMEWORK THAT
14 WILL INFORM DISCUSSION GOING FORWARD. AND THERE
15 WILL BE PLENTY OF OPPORTUNITY FOR SUGGESTIONS ON HOW
16 TO ARRIVE AT THE DETAILS FOR IMPLEMENTING THE STEPS.
17 BUT IT'S MY VIEW, WITH THIS REPORT OUT THERE, THAT
18 IT'S VERY IMPORTANT TO TAKE THE INITIAL STEPS OF
19 PUTTING TOGETHER A FRAMEWORK THAT WE CAN VOTE ON,
20 AND THEN COME BACK WITH THE BENEFIT OF PATIENT
21 ADVOCATE INPUT, OTHER BOARD INPUT, STAFF INPUT,
22 EVERYBODY'S INPUT AND HAVE SORT OF THE FINAL FORM
23 THAT FILLS THE MEAT ON THE BONES AT OUR MARCH
24 MEETING.

25 I WOULD LIKE TO THINK THIS IS NOT RUSHING

BARRISTERS' REPORTING SERVICE

1 TO ANYTHING. THIS IS JUST TRYING TO GET A FRAMEWORK
2 OUT THERE.

3 I WANTED TO MAKE A COUPLE OF OTHER POINTS.
4 ONE IS WITH RESPECT TO INDIVIDUAL ASPECTS. THE WAY
5 I PUT THIS THING TOGETHER IS IT'S A VERY SORT OF
6 COHERENT WHOLE. AND MY PERSONAL OPINION IS, NOT
7 THAT ANYBODY'S SUGGESTING WE DO SO, BUT IF WE START
8 PULLING THINGS OUT OF IT, IT CAN UNRAVEL AND CAUSE A
9 LOT OF CONCERN. SO I CONTINUE TO ADVOCATE FOR
10 PASSAGE OF THIS FRAMEWORK AS A COHERENT WHOLE.

11 I DO WANT TO TAKE WHAT ROMAN SAID. AS I
12 TOLD YOUR DAD AND I TOLD YOU, THAT IT IS ABSOLUTELY
13 MY INTENTION TO KEEP THE PATIENT ADVOCATES FULLY
14 EMPOWERED. AND I BELIEVE THAT I'VE IN PUTTING THIS
15 PLAN TOGETHER, WHICH IS NOT EASY, IN CASE ANYBODY
16 THOUGHT IT WAS, THAT THAT GOAL, I THINK, HAS BEEN
17 ACHIEVED. SO I FULLY HEAR YOU. THE NOTION THAT WE
18 ARE PARTNERS OF THE PATIENT ADVOCATES IS IN ALL BOLD
19 AND CAPITAL LETTERS. WE'RE COMPLETELY WITH YOU ON
20 THAT.

21 MR. TORRES: HERE. HERE.

22 DR. PRICE: CAN I ASK A POINT OF
23 INFORMATION? I'D LIKE TO KNOW WHAT IT MEANS IN
24 TERMS OF WHAT WE'RE COMMITTING TO, WHAT AM I
25 COMMITTING TO WHEN I VOTE FOR THIS OUTLINE TODAY?

BARRISTERS' REPORTING SERVICE

1 SO TO BE SPECIFIC, I VOTE FOR THIS TODAY. DOES THAT
2 MEAN IN MARCH I CAN VOTE TO REJECT THE IDEA THAT THE
3 PATIENT ADVOCATES IN THE GRANTS WORKING GROUP WILL
4 LOSE THEIR VOTE? IS THAT PARTICULAR ELEMENT IN THIS
5 OUTLINE NOW FIXED?

6 CHAIRMAN THOMAS: THAT IS AN ELEMENT IN
7 THE OUTLINE.

8 DR. PRICE: IS IT FIXED? THAT'S THE
9 QUESTION.

10 CHAIRMAN THOMAS: I DO WANT TO TAKE MR.
11 SHEEHY'S COMMENTS TO HEART. THE REASON THAT THAT'S
12 THERE IS THAT IS A FUNDAMENTAL ELEMENT OF THE
13 CONFLICT OF INTEREST THAT'S BEEN IDENTIFIED. AND
14 MOVING THE PROGRAMMATIC REVIEW TO THE BOARD, WHICH
15 AMONG OTHER THINGS WILL GIVE MUCH MORE GREATER
16 TRANSPARENCY, I'VE SHIFTED THE FOCUS OF THE PATIENT
17 ADVOCATE ROLE AND PARTICIPATION IN PROGRAMMATIC TO
18 THE BOARD. BUT, YES, IT IS IN HERE BECAUSE THAT IS
19 DIRECTLY -- AS I WAS SAYING, IT'S ONE OF THE
20 INTERWOVEN PIECES OF THIS THING.

21 WITH RESPECT TO MR. SHEEHY'S COMMENTS THAT
22 THE PROGRAMMATIC REVIEW PROCESS AS I PROPOSED AND
23 THE ROLE OF THE PATIENT ADVOCATES SHOULD LIKEWISE
24 HAVE A ONE-YEAR TRIAL PERIOD, I HEAR WHAT YOU ARE
25 SAYING, AND I'M FULLY AMENABLE TO THAT AS A FRIENDLY

BARRISTERS' REPORTING SERVICE

1 AMENDMENT TO THE APPROACH.

2 MR. SHESTACK: SO THERE'S AN AMENDMENT
3 PROCESS OR THERE ISN'T?

4 CHAIRMAN THOMAS: I'M SORRY. I THOUGHT WE
5 WERE FINISHED. EXCUSE ME. MORE PUBLIC COMMENT.
6 THANK YOU.

7 MS. ROBERSON: THANK YOU. MAYBE THIS IS A
8 MOOT POINT AFTER WHAT J.T. JUST SAID. BUT I'M JUDY
9 ROBERSON. I'M FROM SACRAMENTO. I'M A VOLUNTEER
10 PATIENT ADVOCATE FOR HUNTINGTON'S AND HAVE BEEN FOR
11 21 YEARS SINCE MY HUSBAND WAS DIAGNOSED IN THIS 30S
12 WITH HUNTINGTON'S DISEASE, AND FOUR OF OUR LOVED
13 ONES, INCLUDING MY HUSBAND TIM, HAS DIED FROM HD AND
14 17 OTHERS IN MY FAMILY, INCLUDING MY CHILDREN AND
15 GRANDCHILDREN, ARE LIVING AT RISK FOR DEVELOPING
16 THIS FATAL BRAIN DISEASE CAUSED BY JUST ONE FAULTY
17 GENE.

18 HD HAS NO TREATMENT, NONE, NOT ONE. IT'S
19 JUST AS COMMON AS ALS AND CYSTIC FIBROSIS, BUT
20 NOBODY REALLY KNOWS MUCH ABOUT IT. IN JUNE OF 2008,
21 I WAS ASKED TO ATTEND AN ICOC MEETING FOR CIRM AND
22 ADVOCATE DR. LESLIE THOMPSON FROM UCI A GRANT FOR
23 HUNTINGTON'S DISEASE THAT SCORED TWO POINTS BELOW
24 THE RECOMMENDED LEVEL FOR FUNDING. IT WAS CALLED
25 THE GRAY ONE. I'M NOT SURE IF IT STILL IS.

BARRISTERS' REPORTING SERVICE

1 BUT AT THE TIME, IF THERE WAS A QUESTION
2 ABOUT THE REVIEWER'S COMMENTS, THE RESEARCHER DIDN'T
3 HAVE A ROUTE TO GIVE REBUTTALS. I THINK THAT'S BEEN
4 RECTIFIED. BUT AT THE TIME THE ONLY PERSON WHO
5 COULD HAVE TIME AT AN ICOC MEETING WAS PATIENT
6 ADVOCATES. SO I DROVE TO BURLINGAME AND GAVE A
7 THREE-MINUTE TALK TO WHY HER GRANT SHOULD BE FUNDED.

8 AND TO CLARIFY SOME OF THE POINTS OF
9 CONFUSION, DR. JEAN LORING AND OTHERS IN THE
10 AUDIENCE CAME TO THE MICROPHONE TO ADVOCATE FOR
11 DR. THOMPSON'S GRANT. THE ICOC DISCUSSED IT AND
12 UNANIMOUSLY VOTED FOR IT. SO THAT WAS \$1.4 MILLION
13 BACK IN JUNE 2008. AND I'M SO HAPPY TO REPORT I GOT
14 AN E-MAIL YESTERDAY FROM LESLIE THOMPSON THAT THERE
15 HAVE BEEN FOUR OTHER GRANTS, MULTIPLE MILLION DOLLAR
16 GRANTS, THAT HAVE ADDED ON TO THAT GRANT. SO YOUR
17 MONEY, SEED MONEY, THEY STARTED AN INTERNATIONAL
18 CONSORTIUM WITH TEN DIFFERENT RESEARCHERS:
19 DR. STEVE FINKBEINER AT GLADSTONE, DR. CLIVE SVENSEN
20 AT CEDARS-SINAI, JUST TO NAME A FEW.

21 SO YOUR \$1.4 MILLION GRANT WAS APPROVED
22 BECAUSE A PATIENT ADVOCATE SPOKE UP. THANK YOU.

23 I WANTED TO SAY THAT BECAUSE OF THEM, THEY
24 HAVE STARTED WHAT'S CALLED DISEASE IN A DISH WHERE
25 THEY TAKE A LITTLE BIT OF SKIN SAMPLE FROM A

BARRISTERS' REPORTING SERVICE

1 PATIENT, SOMEBODY YOUNG, LIKE PATIENT EMILY KROLL
2 WHO HAD JUVENILE HD, DIED AT AGE 21. HER CELLS
3 CONTINUE TO LIVE ON AS IPS CELLS. SO RESEARCH IS
4 BEING DONE ON HUNTINGTON'S BECAUSE OF THIS DISEASE
5 IN A DISH BECAUSE OF YOU.

6 ALSO PATIENT ADVOCATES LIKE MYSELF AND
7 OTHERS RAISE MONEY TO HELP TO PAY FOR THE INITIAL
8 RESEARCH FOR DR. JAN NOLTA'S RESEARCH FOR
9 HUNTINGTON'S AT UC DAVIS, AND SHE ALONG WITH DR.
10 VICKI WHEELLOCK HAVE RECEIVED NUMEROUS GRANTS FROM
11 CIRM.

12 IN JULY OF 2012, THEY RECEIVED A \$19
13 MILLION GRANT FOR TRANSLATIONAL MEDICINE FOR THE
14 FIRST HUNTINGTON'S DISEASE CLINICAL TRIAL USING
15 ADULT STEM CELLS. WE'RE SO PROUD OF THEM FOR
16 SCORING IN FIRST PLACE, AND THE WHOLE WORLD FOR
17 HUNTINGTON'S, ALL THE PATIENTS ARE WAITING AND
18 WATCHING TO SEE THIS CLINICAL TRIAL GET GOING.

19 ABOUT THE FDA, AT A TIME LIKE THIS, WHEN
20 THE FDA IS FOCUSED ON APPOINTING FAMILY DISEASE
21 ADVOCATES TO SIT ON EVERY FDA ADVISORY COMMITTEE,
22 I'M CONCERNED THAT THE IOM RECOMMENDS AT THE SAME
23 TIME REDUCING OR ELIMINATING THE PATIENT ADVOCATES,
24 THEIR VOICE AND THEIR EXPERTISE.

25 SADLY I'M AN EXPERT IN HUNTINGTON'S. IN

BARRISTERS' REPORTING SERVICE

1 LATE 2009 I WAS NOMINATED TO JOIN THE FDA AS THE
2 FIRST VOTING PATIENT ADVOCATE FOR HUNTINGTON'S
3 DISEASE. AND I WAS OFFICIALLY NOMINATED 18 MONTHS
4 AGO. I MEAN APPOINTED.

5 SO ALL THESE STORIES ARE TO GIVE YOU AN
6 IDEA OF HOW IMPORTANT PATIENT ADVOCATES ARE IN THE
7 ROLE OF DISEASE AND IN INFORMATION. AND I ALSO
8 THINK CIRM NEEDS PATIENT ADVOCATES BECAUSE WE TEACH
9 OTHER PEOPLE IN THE COMMUNITY WHO CIRM IS, WHAT'S
10 THE FUNCTION OF NOW WE CALL IT THE STATE STEM CELL
11 AGENCY, BUT ALMOST NOBODY KNOWS ABOUT IT. SO THAT'S
12 OUR ROLE. AND I WANT TO THANK EVERYBODY FOR YOUR
13 DEDICATION AND DEVOTION TO STEM CELL RESEARCH.
14 YOU'RE OUR BIG HOPE.

15 (APPLAUSE.)

16 MS. ROTCHY: HELLO. I'M SUSAN ROTCHY.
17 I'M A PATIENT ADVOCATE. I'VE BEEN HELPING FUND
18 RESEARCH NOW FOR ALMOST 15 YEARS. I'VE BEEN INJURED
19 17 YEARS. I ASSISTED WITH PROP 71. IT WAS PATIENT
20 ADVOCATES THAT REALLY PUSHED THIS BILL THROUGH.

21 IT'S REALLY IMPORTANT TO HEAR OUR VOICES,
22 AND I'M GLAD TODAY THAT I SAW PASSION WITH ALL THE
23 SCIENTISTS AND ADVOCATES HERE AT THE TABLE. YES,
24 THERE IS CONFLICT OF INTEREST IN THE MEDIA, THE
25 PRESS. OUTSIDERS DO SEE THAT CONFLICT OF INTEREST,

BARRISTERS' REPORTING SERVICE

1 BUT WHAT I SAW TODAY IS NOT A CONFLICT OF INTEREST.
2 BUT YOU HAVE TO REMEMBER EVERYBODY HAS A CONFLICT OF
3 INTEREST. YOU HAVE A LOVED ONE THAT YOU'RE LOOKING
4 AT THAT GRANT. YOU'RE JUST TEMPORARILY NOT DISABLED
5 RIGHT NOW. THAT'S ALL. BUT YOUR TIME WILL COME.
6 YOU'LL BE TAKING CARE OF THAT LOVED ONE, THAT
7 MOTHER-IN-LAW THAT YOU HAVE TO GIVE UP YOUR JOB TO
8 TAKE CARE OF THEM, OR GIVE UP HALF YOUR SALARY JUST
9 SO THEY QUALIFY FOR MEDICARE AND MEDI-CAL. JUST
10 REMEMBER THAT.

11 BUT IT'S PATIENT ADVOCATES WHEN YOU HEAR
12 THE STORIES BECAUSE RIGHT NOW YOU'RE JUST
13 TEMPORARILY NOT DISABLED. SO IT IS REALLY IMPORTANT
14 THAT WE ARE HERE AT THE TABLE. AND I'M REALLY HAPPY
15 THAT WE'RE GOING TO BE HERE AT THE TABLE. THANK
16 YOU.

17 (APPLAUSE.)

18 CHAIRMAN THOMAS: OKAY. I'D LIKE TO THANK
19 EVERYBODY WHO CAME TO SPEAK TODAY. YOUR VOICE IS
20 SINGULARLY IMPORTANT. AND AS I SAID, WE REMAIN
21 FULLY COMMITTED TO WORKING WITH YOU TO CONTINUE THE
22 MISSION. SO THANK YOU VERY MUCH, ALL OF YOU, FOR
23 COMING.

24 DR. MELMED.

25 DR. MELMED: THANK YOU, J.T. AND ECHO MY

BARRISTERS' REPORTING SERVICE

1 COLLEAGUES EARLIER CONGRATULATING YOU FOR A VERY
2 REASONED AND DIPLOMATIC DOCUMENT THAT YOU PRESENTED
3 US. I'M NOT GOING TO REPEAT WHAT MANY PEOPLE
4 SMARTER THAN MYSELF HAVE SAID IN THE ROOM THIS
5 AFTERNOON, BUT JUST TO MAKE ONE COMMENT ABOUT THE
6 CONFLICT OF INTEREST, WHAT I PREFER TO CALL DUALITY
7 OF INTEREST. AND THE OPERATIVE DESCRIPTOR, I THINK,
8 FOR CONFLICT OF INTEREST OR DUALITY OF INTEREST
9 REALLY IS THE PERCEPTION.

10 AND BECAUSE OF THE PUBLIC PERCEPTION THAT
11 WE'RE FACING, I THINK THAT ALL OF US, OR AT LEAST
12 SPEAKING FOR MYSELF, WOULD FEEL THAT TRANSCENDING
13 THIS NEGATIVE PUBLIC PERCEPTION IS WORTH WHAT YOU
14 ARE PROPOSING. AND BECAUSE OF THE MISSION AND THE
15 ULTIMATE IMPORTANCE OF OUR VALUE-DRIVEN MISSION HERE
16 IN THIS COMMITTEE, I WOULD CERTAINLY SUPPORT THE
17 PROPOSAL FOR RECUSAL THAT YOU PUT FORWARD.

18 CHAIRMAN THOMAS: THANK YOU. ANNE-MARIE.

19 DR. DULIEGE: LIKEWISE, I'M NOT GOING TO
20 REPEAT WHAT HAS BEEN SAID SO OFTEN. AND ALSO I WILL
21 BE ONE OF THE PEOPLE THAT WILL NOT BE HERE TOMORROW,
22 SO THERE'S A FEW POINTS I WANTED TO MAKE.

23 I THINK -- AND BY THE WAY, MANAGING
24 PERCEPTIONS IS WHAT WE SPEND OUR LIVES DOING IN
25 GENERAL RATHER THAN MANAGING REALITY. SO I THINK IT

BARRISTERS' REPORTING SERVICE

1 IS INDEED A GOOD POLICY TO REASSESS WHAT WE'RE GOING
2 TO DO OR THE DECISIONS MADE IN THE NEXT COMING MONTH
3 AND TO REASSESS THEM IN A GIVEN PERIOD OF TIME. BUT
4 I WOULD ARGUE NOT TO WAIT FOR A FULL YEAR FOR
5 REASSESSMENT. VERY MUCH LIKE WHEN YOU MANAGE A
6 PATIENT AND INDUCE A LOT OF CHANGES FOR THESE
7 PATIENTS, YOU'RE GOING TO LET TREATMENT DO ITS
8 EFFECT, BUT YOU'RE NOT GOING TO WAIT A YEAR TO
9 REASSESS IT. AND I WOULD THINK THAT IF WE MAKE
10 SUBSTANTIAL CHANGES, WE SHOULD REASSESS IN A
11 SIX-MONTH PERIOD OF TIME.

12 I REALLY APPLAUD BRINGING THE PROGRAMMATIC
13 REVIEW AT THE LEVEL OF THE BOARD BECAUSE IT WILL
14 REALLY GIVE THE BOARD THE OPPORTUNITY TO BETTER
15 UNDERSTAND AND BETTER INFLUENCE THE PORTFOLIO. AND
16 GIVEN THAT TIME FLIES QUICKLY, THAT WE HAVE LESS
17 TIME NOW FOR THE FUTURE AND ARGUABLY LESS MONEY,
18 GIVING MORE ONTO THE BOARD THE RESPONSIBILITY OF
19 INFLUENCING PORTFOLIO OVERALL IS A GOOD THING.

20 AND JUST TO CORRECT WHAT HAD BEEN SAID, I
21 DID NOT READ THAT THE SCIENTIFIC APPEAL WOULD BE
22 REMOVED FROM THE ICOC RESPONSIBILITY. WHAT I HEARD
23 IS, RATHER, IN THE PROPOSAL THAT YOU MADE, JON, A
24 GOOD THING, WHICH IS, FIRST, IT WOULD GO BACK TO THE
25 WORKING GROUP, TO GIVE BACK TO THE WORKING GROUP,

BARRISTERS' REPORTING SERVICE

1 WHICH HAS SPENT SOME TIME READING THESE GRANTS, THE
2 TIME TO REASSESS THE VALUE OF THE SCIENTIFIC APPEAL
3 AND THEN BRING THE RECOMMENDATIONS BACK TO THE ICOC.
4 SO LESS TIME ON INDIVIDUAL GRANTS, NOT THAT IT'S NOT
5 IMPORTANT, BUT AT LEAST IT WILL HAVE BEEN FIRST
6 REASSESSED BY THE WORKING GROUP AND BROUGHT BACK TO
7 THAT. MORE TIME OF THE ICOC ON THE PORTFOLIO AND A
8 SECOND LEVEL OF REVIEW ON INDIVIDUAL APPEALS, AND I
9 THINK THAT'S ACTUALLY VERY GOOD.

10 FINALLY, PERCEPTION OF CONFLICT OF
11 INTEREST, MANY PEOPLE FROM INSTITUTIONS HAVE
12 ADMITTED THAT THEY WOULD ACCEPT TO MANAGE THIS TO
13 NOT VOTE, BUT I HEAR A VERY EXTRAORDINARILY
14 DIFFERENT STAND ON THE PART OF PATIENT ADVOCATES
15 REGARDING THEIR FRANK LACK OF DESIRE REALLY, LACK OF
16 ACCEPTANCE TO GIVE UP ON THEIR VOTE. AND INDEED
17 THERE MAY BE A DIFFERENCE HERE THAT WE WOULD HAVE TO
18 CONSIDER IN THE DIALOGUE THAT WE'LL HAVE OVER THE
19 NEXT COMING MONTH.

20 DEANS, HEADS OF INSTITUTIONS HAVE BEEN
21 HEARD CONSTANTLY WITH OR WITHOUT VOTES.
22 HISTORICALLY PATIENTS HAVE NOT ALWAYS BEEN HEARD
23 WITHOUT A VOTE, AND I THINK THAT'S A FUNDAMENTAL
24 DIFFERENCE. THINGS CHANGE OVER TIME, FOR SURE,
25 AND WE NEED TO BE SENSITIVE TO THIS. AND I THINK

BARRISTERS' REPORTING SERVICE

1 I'LL FINISH HERE.

2 CHAIRMAN THOMAS: THANK YOU. ARE THERE
3 FURTHER COMMENTS BY MEMBERS OF THE BOARD?

4 DR. BRENNER: FIRST OF ALL, I WANT TO
5 CONGRATULATE YOU BECAUSE I THINK YOU GUYS DID AN
6 ENORMOUSLY GOOD JOB. I ALSO LIKE -- IF I UNDERSTAND
7 CORRECTLY, I LIKE THE WAY YOU PHRASE THE APPEALS. I
8 LIKE THE IDEA THAT THE GRANTS WORKING GROUP WOULD
9 LOOK AT IT. AND THEN REALLY IF THERE'S SOMETHING
10 THEY MISSED OR A MISTAKE OR SOMETHING, CORRECT IT.
11 I DIDN'T LIKE THE IDEA THAT THEY'D ALL COME BACK
12 ANYWAY, THAT THEY WOULD COME BACK WITH STRONG
13 RECOMMENDATIONS. OTHERWISE I THINK YOU CAN GET
14 STUCK IN THE SAME CYCLE WE'RE IN NOW WHERE
15 EVERYTHING COMES BACK AND WE GET THIS BIASED VIEW.

16 I GUESS THE DEVIL IS IN THE DETAILS, BUT
17 THE WAY IT WAS WRITTEN I THINK WAS CLEARER THAN
18 THAT.

19 THE OTHER THING I WANT TO EMPHASIZE IS
20 WHAT JOAN RAISED, WHICH IS THAT PROGRAMMATIC REVIEW,
21 I THINK, SHOULD BE PROACTIVE. I THINK IT'S VERY
22 DIFFICULT WHEN YOU BRING UP A GRANT OUT OF ORDER AND
23 SAY IT'S REALLY A SHAME WE DON'T HAVE THIS DISEASE
24 REPRESENTED IN OUR PORTFOLIO. I THINK IT'S MUCH
25 BETTER TO DO IT PROACTIVELY AND SAY WE DON'T HAVE

BARRISTERS' REPORTING SERVICE

1 THIS REPRESENTED IN OUR PORTFOLIO. LET'S SOLICIT
2 GRANTS IN THIS DISEASE AND THEN EVALUATE THEM
3 THROUGH THE REGULAR CHANNELS AS PART OF OUR RFA
4 BECAUSE THEN YOU CAN REALLY CAST A MUCH WIDER NET
5 AND DEVELOP REALLY MUCH BETTER GRANTS IN A DISEASE
6 AREA.

7 AND SO I THINK THAT WE SHOULD -- I DON'T
8 THINK WE SHOULD STOP DOING GRANTS, BUT I THINK WE
9 SHOULD LOOK AT OUR PORTFOLIO REALLY SERIOUSLY AND
10 HAVE STAFF BRING FORWARD AREAS THAT THEY THINK WE
11 SHOULD ADDRESS AS A BOARD THAT ARE INTERESTING TO
12 US.

13 CHAIRMAN THOMAS: I THINK THAT WAS
14 CONTEMPLATED IN THE PROGRAMMATIC REVIEW PROCESS.
15 AND THAT, I THINK, IS A VERY GOOD IDEA. IT'S ALWAYS
16 GOOD TO KNOW WHAT WE HAVE, WHAT WE'RE WEAK ON, ALL
17 THAT SORT OF THING, ABSOLUTELY.

18 MR. SHESTACK: YOU SAY THAT, BUT WE DON'T
19 DO THAT. WE SPECIFICALLY FOR YEARS HAVE NEVER DONE
20 IT. WHEN WE ASK STAFF TO BE DISEASE SPECIFIC, THEY
21 GET A LITTLE BIT CLOSER AND A LITTLE BIT CLOSER, BUT
22 IT HAS ACTUALLY SORT OF BEEN POLICY TO NOT BE
23 VERY -- DISEASE TEAMS, YES, ARE SPECIFIC, BUT TO PUT
24 OUT AN RFA THAT DISEASE SPECIFIC IS SOMETHING THAT
25 WE'VE NEVER DONE.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: I'M NOT SURE THAT'S WHAT
2 DEAN BRENNER WAS SUGGESTING.

3 DR. BRENNER: EMPHASIZE THAT WE'RE
4 PARTICULARLY INTERESTED IN DISEASES WHEN WE PUT OUT
5 AN RFA. SAY WE RECOGNIZE THIS AS AN UNFULFILLED
6 AREA FOR US.

7 CHAIRMAN THOMAS: THANK YOU. DEAN
8 HAWGOOD.

9 DR. HAWGOOD: I ALSO WOULD LIKE TO SUPPORT
10 THE CONCEPT PAPER, THE SLATE OF MATERIALS, AND JUST
11 PUT FORWARD AS A POSSIBLE SOLUTION TO WHAT I SEE
12 TRYING TO DISENTANGLE THE CRITICALLY IMPORTANT ROLE
13 OF PATIENT ADVOCATES FROM THIS CONFLICT OF INTEREST
14 ISSUE AND PUT FORWARD AS A THOUGHT EXERCISE WHETHER
15 IT WOULD POSSIBLE, JUST AS WE APPOINT SCIENTISTS TO
16 THE SCIENTIFIC REVIEW WHO ARE NOT ATTACHED TO THE
17 BOARD IN ANY WAY, THAT WE APPOINT PATIENT ADVOCATES
18 TO THE SCIENTIFIC REVIEW WORK GROUPS WHO ARE NOT
19 ATTACHED TO THE BOARD IN ANY WAY AND, THEREFORE,
20 DISENTANGLE THE ROLE OF THE PATIENT ADVOCATES ON THE
21 BOARD FROM A DIRECT VOTING ROLE IN THE SCIENTIFIC
22 REVIEW COMMITTEE, BUT PRESERVING A VOTING ROLE FOR
23 PATIENT ADVOCATES ON THE SCIENTIFIC REVIEW
24 COMMITTEE. I JUST PUT IT FORWARD FOR CONSIDERATION.

25 CHAIRMAN THOMAS: I'VE GIVEN THAT ONE A

BARRISTERS' REPORTING SERVICE

1 LOT OF THOUGHT. IT'S MY OPINION THAT HAVING A
2 SECOND SLATE OF PATIENT ADVOCATES IS NOT THE BEST
3 WAY TO GO FOR THE FOLLOWING REASONS. I BELIEVE THAT
4 THERE'S GREAT VALUE IN HAVING THE BOARD PATIENT
5 ADVOCATES BEING THERE WHO HAVE CONTINUITY, WHO HAVE
6 INSTITUTIONAL MEMORY, WHO ARE ABLE TO INFORM THEIR
7 LEADING OF THE PROGRAMMATIC REVIEW AT THE BOARD
8 LEVEL BY HAVING BEEN INVOLVED IN THAT.

9 SECONDLY, IF YOU DID HAVE A SECOND SET OF
10 PATIENT ADVOCATES, AND BELIEVE ME IT'S ALWAYS
11 PREFERABLE TO HAVE MORE INPUT THAN NOT, BUT IF YOU
12 HAD THAT, THEIR ROLES, I UNDERSTAND FROM TALKING
13 WITH OS WITH RESPECT TO HOW OTHER AGENCIES AND
14 EVERYTHING ELSE, WOULD ESSENTIALLY BE A PROGRAMMATIC
15 ROLE. THEY WOULDN'T BE INVOLVED IN THE SCIENTIFIC
16 SCORING, SO YOU'D END UP HAVING TWO PROGRAMMATIC
17 REVIEWS, WHICH I'M NOT SURE IS WHAT WE WANT TO DO.

18 BUT I JUST THINK THAT THE OVERRIDING
19 CONTINUITY AND INSTITUTIONAL MEMORY ASPECT OF IT TO
20 ME ARGUES HAVING IT DONE THE WAY I SET FORTH, FOR
21 WHAT THAT'S WORTH.

22 MR. ROTH: SO I WOULD LIKE, ONCE AGAIN, TO
23 GET MY MOTION BACK ON THE FLOOR. AND I BELIEVE WE
24 ARE READY TO VOTE ON THIS CONCEPT PLAN AND THEN
25 BRING IT BACK IN MARCH, AND WE'LL GO THROUGH THE

BARRISTERS' REPORTING SERVICE

1 DETAILS AT THAT TIME. THERE'S BEEN SOME WONDERFUL
2 INPUT TODAY. YOU SHOULD TAKE THAT INTO
3 CONSIDERATION WHEN YOU DO THE RULEMAKING. BRING IT
4 BACK TO US, AND WE'LL VOTE INDIVIDUALLY, IF PEOPLE
5 WANT TO DO THAT, ON EACH OF THE ITEMS IN MARCH, BUT
6 I THINK WE'RE READY TO MOVE FORWARD. EVERYBODY HAS
7 HAD THEIR SAY TONIGHT. SOME OF THE PEOPLE WON'T BE
8 HERE TOMORROW. I DON'T WANT TO POSTPONE THIS ANY
9 LONGER. I THINK WE NEED TO TAKE ACTION TODAY.

10 MS. LANSING: I'D LIKE TO SECOND IT.

11 CHAIRMAN THOMAS: IT'S BEEN MOVED AND
12 SECONDED. MR. HARRISON, HOW WOULD WE PHRASE EXACTLY
13 WHAT WE'RE VOTING ON?

14 MR. ROTH: I THINK IT'S THE CONCEPT THAT'S
15 EMBODIED IN --

16 CHAIRMAN THOMAS: IN THE OUTLINE.

17 MR. ROTH: -- IN THE OUTLINE. AND THEN
18 ASK FOR STAFF AND COUNSEL AND OTHERS THAT WANT TO
19 GET INVOLVED IN DRAFTING --

20 CHAIRMAN THOMAS: BOARD MEMBERS, PATIENT
21 ADVOCATES, ETC.

22 MR. ROTH: YES.

23 MR. SHESTACK: WHAT IS THE AMENDMENT
24 PROCESS? ZERO?

25 CHAIRMAN THOMAS: WHAT'S THE AMENDMENT

BARRISTERS' REPORTING SERVICE

1 PROCESS?

2 MR. ROTH: AT THIS POINT I WOULD NOT THINK
3 WE'D AMEND THIS DOCUMENT. WE'LL DO THAT WHEN WE
4 VOTE INDIVIDUALLY IN MARCH.

5 DR. LUBIN: THIS IS TO KEEP IT ON THE
6 BOARD UNTIL MARCH?

7 CHAIRMAN THOMAS: THIS IS TO PUT THE
8 FRAMEWORK IN PLACE THAT WE'RE GOING TO FOLLOW WITH
9 THE DETAILS TO BE WORKED OUT AT THE MARCH BOARD
10 MEETING.

11 DR. FRIEDMAN: MR. CHAIRMAN, I THINK THE
12 OTHER THING, I THINK, THAT YOU WANT TO MAKE SURE WE
13 GET IS ROBUST INPUT FROM THE PUBLIC AS WELL DURING
14 THAT TWO-MONTH PERIOD, JUST TO NOTE THAT IN THE -- I
15 KNOW IT WAS IMPLIED IN WHAT YOU WERE SAYING.

16 CHAIRMAN THOMAS: ABSOLUTELY. VERY
17 CRITICAL POINT. THANK YOU, DR. FRIEDMAN.

18 MR. SHESTACK: I DON'T MIND DOING THIS,
19 BUT WE'VE GOTTEN IT TODAY. OTHER PEOPLE SAW IT
20 EARLIER. AND I'M JUST TRYING TO REALLY UNDERSTAND
21 EXACTLY WHAT THE RECOMMENDATIONS ARE. I UNDERSTAND
22 THE RECOMMENDATION ABOUT THE RECUSAL FOR VOTING BY
23 THE DEANS, BY THE 13 OR 14 MEMBERS, IN ICOC
24 MEETINGS, BUT IT DOES NOT MEAN THEY RECUSE
25 THEMSELVES FROM DISCUSSION.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: CORRECT.

2 MR. SHESTACK: BUT THEY'RE RECUSED FROM A
3 VOTE.

4 CHAIRMAN THOMAS: JON, UNLESS THEY HAVE AN
5 INSTITUTIONAL CONFLICT WITH A PARTICULAR GRANT BEING
6 DISCUSSED AS THEY CURRENTLY -- THAT'S CURRENTLY THE
7 WAY IT IS.

8 MR. SHESTACK: OKAY. AND THEN FOR THE
9 APPEALS, I'M TRYING TO UNDERSTAND HOW THIS IS
10 ACTUALLY DIFFERENT FROM THE PROCESS WE HAVE TODAY
11 OTHER THAN AT ONE POINT THE PROCESS GOT VERY
12 RAUCOUS, BUT WHAT IS THE ACTUAL --

13 CHAIRMAN THOMAS: THE DIFFERENCE IS IS
14 THAT THE SCIENTIFIC APPEALS WOULD NOT COME TO THE
15 BOARD. IT WOULD GO STRAIGHT TO STAFF. THEY WOULD
16 EVALUATE AND DECIDE WHAT SHOULD GO FOR FURTHER
17 REVIEW TO THE GRANTS WORKING GROUP, AND THE GRANTS
18 WORKING GROUP WILL MAKE THEIR ANALYSIS AND EITHER
19 AMEND WHAT THEY WERE GOING TO SEND TO THE BOARD FOR
20 PROGRAMMATIC REVIEW OR NOT.

21 MR. SHESTACK: AS OPPOSED TO TODAY WHERE
22 OCCASIONALLY OR AT ONE MEETING I ATTENDED THE BOARD
23 SENT SOMETHING BACK FOR RE-REVIEW. DIDN'T MOVE IT,
24 BUT SENT SOMETHING BACK FOR RE-REVIEW. THAT WOULD
25 NOT BE A BOARD FUNCTION.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: THAT'S NOT GOING TO
2 HAPPEN AT THE BOARD, CORRECT. THIS FULLY EMBODIES
3 THAT THEORY. THE REASON I PUT THAT IN PLACE WAS
4 PRECISELY BECAUSE IT WAS MY VIEW THAT THE ANALYSIS
5 WAS PROPERLY DONE BY THE PEER REVIEW GROUP BECAUSE
6 THE BOARD ISN'T EQUIPPED AS IT'S HEARING SOMETHING
7 ON THE SPOT TO MAKE A DETERMINATION WHETHER A
8 SCIENTIFIC APPEAL HAD MERIT.

9 MR. SHESTACK: RIGHT. BUT THE
10 RECOMMENDATION THE BOARD MADE ONLY WAS TO EXAMINE
11 IT. IT WASN'T AN ACTUAL RE-REVIEW.

12 CHAIRMAN THOMAS: NO. NO. NO. IT WAS
13 CALLED ADDITIONAL ANALYSIS, AND IT WAS FOR A SUBSET
14 OF THE GRANTS WORKING GROUP TO RE-REVIEW.

15 MR. SHESTACK: RIGHT. SO THE BOARD WOULD
16 NO LONGER BE ABLE TO RECOMMEND SOMETHING FOR
17 ADDITIONAL ANALYSIS? THAT WOULD BE EXCLUSIVELY A
18 STAFF --

19 CHAIRMAN THOMAS: IT WOULD BE A STAFF
20 THING. IT WOULD COME BACK. NOW, IF IN PROGRAMMATIC
21 REVIEW THE BOARD HAD A SCIENTIFIC QUESTION, IT WOULD
22 HAVE THE ABILITY, IF IT WANTED FURTHER INPUT FROM
23 THE PEER REVIEW GROUP, TO ASK FOR REVIEW AT THAT
24 POINT. YOU CAN NEVER HAVE TOO MUCH GOOD SCIENTIFIC
25 REVIEW.

BARRISTERS' REPORTING SERVICE

1 MR. SHESTACK: AND THEN PROGRAMMATIC
2 REVIEW RIGHT NOW OCCURS ACTUALLY SORT OF DE FACTO AT
3 ICOC LEVEL AND AT GRANT WORKING GROUP LEVEL WITH
4 VOTING -- WITH THE ADVOCATES VOTING, BUT NOT
5 SCORING. AND THIS PROPOSITION, TO CLARIFY, SAYS
6 THERE WOULD BE NO PROGRAMMATIC DISCUSSION AT GRANT
7 WORKING GROUP?

8 CHAIRMAN THOMAS: THERE WOULD BE -- THE
9 GRANTS WORKING GROUP WOULD BE SCIENTIFIC REVIEW.
10 THE PATIENT ADVOCATES THERE ARE FULLY FREE TO
11 PARTICIPATE, BUT THERE'S NOT GOING TO BE A
12 PROGRAMMATIC REVIEW.

13 MR. SHESTACK: BUT THEY DON'T ACTUALLY
14 PARTICIPATE UNTIL THE PROGRAMMATIC REVIEW PART OF
15 THE SESSION.

16 CHAIRMAN THOMAS: THAT'S TYPICALLY THE
17 CASE, YES, BUT THEY CAN IF THEY HAPPEN TO HAVE, AS
18 FRANCISCO SAID, SCIENTIFIC EXPERTISE THAT IS HELPFUL
19 IN THE DISCUSSION OR QUESTIONS.

20 MR. SHESTACK: MY RECOLLECTION WAS THAT OS
21 HAD SAID THAT HE THOUGHT THAT THAT PROCESS WAS,
22 PARTICULARLY AS A SCIENTIST AND AN ADVOCATE, A
23 VALUABLE PROCESS. THE VOTING PART WAS NOT
24 IMPORTANT, BUT THE PROCESS OF EXAMINATION OF THE
25 GESTALT OF GRANTS WAS IMPORTANT. I WOULD HATE TO

BARRISTERS' REPORTING SERVICE

1 SEE IT GONE.

2 AND THEN FOR THE FURTHER CLARIFICATION --

3 CHAIRMAN THOMAS: CAN I JUST STOP ON THAT
4 POINT? I THINK THAT'S ONE OF THE DETAILS THAT WILL
5 BE WORKED OUT.

6 MR. SHESTACK: DOES THAT GO TO EACH LEVEL?

7 CHAIRMAN THOMAS: THE DETAILS THAT'S NOT
8 GOING TO BE WORKED OUT ARE NOT GOING TO CHANGE UNTIL
9 WE HAVE OUR TRIAL PERIOD. UNDER MY PLAN THE PATIENT
10 ADVOCATES WOULD NOT HAVE THEIR PROGRAMMATIC VOTE AT
11 THE GRANTS WORKING GROUP. THEY WOULD HAVE IT AT THE
12 BOARD. BUT THE DISCUSSION AND WHAT THE SCIENTISTS
13 WANT TO DO ABOUT EVALUATING, ETC. AND PATIENT
14 ADVOCATE INPUT, THEY'RE FREE TO SPEAK FOR SURE.

15 MR. SHESTACK: AND THE OTHER THING ON THE
16 SEPARATION, SO I UNDERSTAND, THIS WOULD BASICALLY
17 KEEP THE CURRENT RESPONSIBILITIES BETWEEN THE CHAIR
18 AND THE PRESIDENT AS THEY ARE WITH EXPERTISE LIKE IN
19 FINANCIAL ISSUES AND EXTERNAL THINGS BEING KEPT
20 WHERE IT IS. SO NOT EXACTLY THE CONTROLLER'S
21 RECOMMENDATION, BUT THE GROUP HAS DECIDED IN THE
22 PAST.

23 CHAIRMAN THOMAS: IT'S NOT REALLY THE
24 CONTROLLER'S RECOMMENDATION WITH ALL DUE RESPECT TO
25 MY FRIEND RUTH.

BARRISTERS' REPORTING SERVICE

1 MR. SHESTACK: BUT IT DOES MAKE SENSE IN
2 TERMS OF THE FINANCIAL EXPERTISE IS OUTSIDE OF THE
3 PRESIDENT'S OFFICE. IT HAPPENS TO BE IN THE CHAIR'S
4 OFFICE.

5 CHAIRMAN THOMAS: I THINK SO.

6 MR. SHESTACK: SO IT WOULD BE THE SAME.
7 THANK YOU FOR THE CLARIFICATION.

8 DR. FEIGAL: AT SOME POINT I'D LIKE TO
9 MAKE SOME COMMENTS.

10 CHAIRMAN THOMAS: DR. FEIGAL, PLEASE.
11 THIS IS A GOOD TIME.

12 DR. FEIGAL: I THINK THE ONLY THING I
13 WOULD JUST WANT TO RAISE FOR THE RECORD IS THAT I
14 THINK THERE ARE SOME CONTINUING ISSUES THAT WILL
15 REQUIRE ADDITIONAL DISCUSSION BETWEEN THE
16 PRESIDENT'S OFFICE AND THE CHAIR. I THINK WHAT J.T.
17 HAS DONE WITH HIS PROPOSAL, CHAIRMAN THOMAS, HAS
18 MADE THE CHANGE THAT IF WE SEE THE NEED FOR A CFO,
19 THAT THAT WOULD BE REPORTING TO THE PRESIDENT.
20 RIGHT NOW I BELIEVE IT WAS A DUAL ROLE, AND THAT WAS
21 CHANGED.

22 CHAIRMAN THOMAS: CORRECT. I WILL SAY,
23 HOWEVER, THAT I WOULD KEEP THE BOND FINANCING IN THE
24 OFFICE OF THE CHAIR.

25 DR. FEIGAL: SO THE ONLY THING I DO JUST

BARRISTERS' REPORTING SERVICE

1 WANT TO SAY FOR THE RECORD IS I THINK THERE STILL
2 ARE SOME DISCUSSION ITEMS THAT WILL CONTINUE BETWEEN
3 THE CHAIR AND THE OFFICE OF THE PRESIDENT BECAUSE I
4 THINK THEY'RE NOT EXACTLY ALIGNED.

5 MR. ROTH: I THINK WE HAVE AN AGREEMENT ON
6 THAT WE WILL SIT DOWN AND DISCUSS THIS.

7 CHAIRMAN THOMAS: CORRECT.

8 MR. TORRES: BUT WE'VE VISITED THIS
9 BEFORE, AND IT TOOK TWO YEARS OF OUR ENERGY AND
10 SWEAT TO COME TO A CONCLUSION, WHICH THEN THE BOARD
11 VOTED UNANIMOUSLY TO ADOPT THE INTERNAL GOVERNANCE
12 PROCEDURES WHICH WE NOW HAVE IN PLACE. I THINK
13 THAT'S WHAT MY OTHER VICE CHAIR WAS TALKING ABOUT AS
14 WELL EARLIER.

15 DR. FEIGAL: ALL I'M DOING WITH THIS IS
16 FOR THE RECORD JUST LETTING IT BE CLEAR --

17 MR. TORRES: THAT'S ALL I'M DOING AS WELL
18 FOR THE RECORD.

19 DR. FEIGAL: -- FOR OUR ISSUES. THAT'S
20 ALL I'M DOING. CLEAR.

21 MR. TORRES: THAT'S ALL I'M DOING TOO FOR
22 THE RECORD. IT WAS PASSED UNANIMOUSLY BY THE BOARD.

23 CHAIRMAN THOMAS: WHAT WE'RE GOING TO VOTE
24 ON TODAY IS THE FRAMEWORK WITH RESPECT TO THE CHAIR
25 AND THE PRESIDENT THAT I SET FORTH IN THE PLAN.

BARRISTERS' REPORTING SERVICE

1 MS. SAMUELSON: ANOTHER QUESTION ABOUT THE
2 PLAN. DOES IT INCLUDE EQUAL PARTICIPATION IN
3 DISCUSSIONS BY ALL THE SCIENTIFIC MEMBERS, THE
4 INSTITUTIONAL MEMBERS, AS WELL AS THE PATIENT
5 ADVOCATES? AND THEN I HAVE THE SAME QUESTION FOR
6 ACCESS TO DOCUMENTS, THE APPLICATIONS AND CRITIQUES
7 AND SO ON.

8 CHAIRMAN THOMAS: YOUR FIRST QUESTION IS
9 IN WHICH CONTEXT, IN THE BOARD?

10 MS. SAMUELSON: IN THE CONTEXT OF ANY
11 CONTEXT IN WHICH THERE'S A PROPOSAL TO CHANGE THE
12 STATUS, EITHER GRANTS WORKING GROUP OR THE BOARD.

13 CHAIRMAN THOMAS: I THINK IF THE QUESTION
14 IS --

15 MS. SAMUELSON: MAYBE WE SHOULD SEPARATE
16 IT OUT.

17 CHAIRMAN THOMAS: IF THE QUESTION IS WILL
18 PATIENT ADVOCATES BE ABLE TO PARTICIPATE IN THE
19 GRANTS WORKING GROUP DISCUSSION, YES. WILL THE
20 INSTITUTIONAL MEMBERS BE ABLE TO PARTICIPATE IN THE
21 BOARD DISCUSSIONS? YES. JUST NO VOTES IN EITHER
22 CONTEXT.

23 MS. SAMUELSON: SO ONE OF THE AWKWARD AND
24 UNPRODUCTIVE THINGS THAT NOW HAPPENS, WHICH IS THAT
25 THERE CAN'T BE A DISCUSSION LATER, WHENEVER LATER,

BARRISTERS' REPORTING SERVICE

1 ABOUT ANY SORT OF CONTENT OF A GRANT THAT WAS
2 PROPOSED THAT ONE OF THE REVIEWERS WAS RECUSED FROM.
3 SO THAT WOULD NO LONGER BE AN OBSTACLE TO A
4 PRODUCTIVE DISCUSSION?

5 CHAIRMAN THOMAS: WELL, YOU MEAN RECUSED
6 BECAUSE IT'S THEIR INSTITUTION?

7 MS. SAMUELSON: WELL, WHATEVER REASON THAT
8 THEY WERE BEFORE. I'M TRYING TO SEE THE COMPARABLE
9 SITUATION THAT WILL ARISE BECAUSE THAT WOULD BE A
10 VERY ATTRACTIVE COMPONENT TO ME, TO HAVE THE FREE
11 DISCUSSION AMONG ALL OF THE MEMBERS OF THE WORKING
12 GROUP OR THE ICOC.

13 CHAIRMAN THOMAS: IT'S IMPORTANT TO NOTE
14 THAT IF YOU ARE, FOR EXAMPLE, AN INSTITUTIONAL
15 MEMBER AND A GRANT COMES UP IN PROGRAMMATIC REVIEW
16 DISCUSSION THAT PERTAINS TO YOUR INSTITUTION, YOU
17 ARE STILL CONFLICTED OUT OF THAT DISCUSSION JUST AS
18 IT IS TODAY.

19 MS. SAMUELSON: BUT NOT AS BROADLY --

20 CHAIRMAN THOMAS: JAMES, WOULD YOU LIKE TO
21 COMMENT ON THIS?

22 MR. HARRISON: THOSE RULES WOULD BE
23 EXACTLY THE SAME. TO THE EXTENT THAT A MEMBER HAS
24 AN ACTUAL CONFLICT AS OPPOSED TO WHAT WE'RE
25 ADDRESSING AS A DUALITY OF INTEREST OR A PERCEPTION

BARRISTERS' REPORTING SERVICE

1 OF CONFLICT, THE RULES WOULD BE EXACTLY THE SAME.
2 THAT INDIVIDUAL WOULD BE PRECLUDED FROM
3 PARTICIPATING IN ANY DISCUSSION OR EVEN ATTEMPTING
4 TO INFLUENCE THE OUTCOME OF A DECISION BY DISCUSSING
5 IT WITH OTHER MEMBERS.

6 MS. SAMUELSON: THAT IS RESTRICTED TO
7 LET'S SAY IT'S A MEMBER WHO IS A BOARD MEMBER AT --
8 BECAUSE OF THEIR INSTITUTION AND THEIR INSTITUTION
9 IS THE APPLICANT.

10 CHAIRMAN THOMAS: CORRECT.

11 MS. SAMUELSON: THAT'S THE SOLE INSTANCE
12 IN WHICH THAT'S APPLIED, RIGHT?

13 CHAIRMAN THOMAS: REMEMBER, THAT WOULD
14 APPLY WHETHER IT'S A MEMBER OF AN INSTITUTION OR
15 IT'S A PATIENT ADVOCATE WHO HAS AFFILIATION WITH THE
16 SAME INSTITUTION GIVING RISE TO A POTENTIAL CONFLICT
17 JUST AS IT IS NOW.

18 MS. SAMUELSON: AFFILIATION BEING AS AN
19 EMPLOYEE.

20 CHAIRMAN THOMAS: FOR EXAMPLE, UCSF, MR.
21 SHEEHY, FOR EXAMPLE, NOT TO SINGLE YOU OUT, MR.
22 SHEEHY, BUT IT'S AN INSTRUCTIVE EXAMPLE. AND ON
23 THAT NOTE, WE'LL SEGUE OVER TO COMMENT BY MR.
24 SHEEHY.

25 MR. SHEEHY: I JUST WANTED TO CLARIFY

BARRISTERS' REPORTING SERVICE

1 ABOUT MY DIGGING IN ON A VOTE AT THE WORKING GROUP.
2 IN MY VISION OF HOW THIS WOULD WORK, I ACTUALLY AM
3 SUPPORTIVE OF HAVING PROGRAMMATIC REVIEW AT THE
4 BOARD. BUT IN MY VISION FOR THIS, AND WHAT I'VE
5 HEARD FROM SCIENTISTS BECAUSE A LOT OF THE
6 SCIENTISTS HAVE NEVER ENJOYED PROGRAMMATIC REVIEW,
7 SOME DO, BUT MANY DON'T, IS THAT THERE WOULD BE MORE
8 OR LESS A FAIRLY PURE REPORTING OF THE SCIENTIFIC
9 SCORES, WHICH IS WHAT THEY'D LIKE TO DO. WHAT I'M
10 WORRIED ABOUT THE VOTE IS ON THE POLICY ISSUES. I'M
11 WORRIED ABOUT THE VOTE AT THE STANDARDS WORKING
12 GROUP. I'M WORRIED ABOUT LOSING THE RIGHT TO
13 PARTICIPATE AS A FULL MEMBER.

14 BUT I DON'T THINK INDIVIDUAL GRANTS SHOULD
15 ACTUALLY BE LOOKED AT AT THE WORKING GROUP UNDER
16 THIS SCHEME. WHAT YOU MIGHT USE THEM TO DO IS TO
17 SET A LINE, BUT THAT'S ALL THEY WANT TO DO ANYWAY.
18 THEN THEY WANT TO GET ON THEIR PLANE. ABOUT HALF TO
19 TWO-THIRDS WANT TO GET ON THEIR PLANE AND GO HOME,
20 WHICH IS FINE. THAT'S FAIR. AND I THINK THAT'S
21 WHAT YOU'RE TRYING TO ADDRESS, AND THAT KIND OF
22 ADDRESSES THAT DUAL VOTE BECAUSE IT'S REALLY NOT A
23 VOTE. THEY'RE GOING TO PICK A NUMBER, 70, 65.

24 SO I'M VERY COMFORTABLE WITH THE WORKING
25 GROUP NOT DOING PROGRAMMATIC REVIEW. WHAT I GET

BARRISTERS' REPORTING SERVICE

1 WORRIED ABOUT IS THAT IT BECOMES A DE FACTO
2 PROGRAMMATIC REVIEW BECAUSE THERE'S A DISCUSSION OF
3 INDIVIDUAL GRANTS AFTER THERE'S BEEN THE SCIENTIFIC
4 SCORING. TO BE A TRUE PROGRAMMATIC REVIEW, THE
5 SCIENTIFIC SCORES SHOULD BE SENT UP WITH SOME
6 RECOMMENDED FUNDING LINE. AND THEN UP HERE AT THE
7 BOARD, WE'LL DO WHAT WE'VE BEEN DOING AT THE WORKING
8 GROUP.

9 NOW, I'M VERY SUPPORTIVE OF THAT. I THINK
10 THAT IT PROVES TRANSPARENCY, LET'S MORE PEOPLE BE
11 INVOLVED. BUT MY CONCERN AND WHAT I'M TRYING TO GET
12 AT IS I DON'T WANT TO LOSE A FORMAL VOTING RIGHT AT
13 THAT PLACE, AND I DON'T WANT TO SEE THAT DEVOLVE
14 INTO SORT OF A DE FACTO PROGRAMMATIC REVIEW WHERE
15 YOU HAVE THE SCIENTISTS KIND OF PLAYING AROUND WITH
16 THEIR GRANTS, WHICH THEY DON'T WANT TO DO. IN
17 CONTRADICTION TO OS, I REALLY DON'T THINK THEY OUGHT
18 TO REALLY LOOK AT THEM, THEY DON'T WANT TO, AFTER
19 THEY'VE SCORED THEM, AND WE CAN KIND OF HAVE THAT UP
20 HERE. THAT'S WHAT I'M TALKING ABOUT.

21 SO WHEN YOU START TALKING ABOUT TAKING
22 AWAY OUR VOTE, THAT'S WHERE I GET KIND OF CONFUSED
23 ON THAT. AND THE WAY I KIND OF UNDERSTOOD THAT WE
24 WERE PROCEEDING WAS ALONG THE LINES OF PURELY
25 SENDING THE SCORES UP WITH SOME SORT OF FUNDING

BARRISTERS' REPORTING SERVICE

1 LEVEL INDICATED AND LETTING THE BOARD DO THAT WORK
2 THAT'S BEEN DONE AT THE WORKING GROUP. SO THAT'S
3 WHERE I'M CONFUSED. THAT'S WHERE MY UNDERSTANDING
4 HAS BEEN OFF BASE.

5 IN GENERAL, I SUPPORT WHAT I JUST
6 DESCRIBED AND WOULD THINK IT WOULD BE A GREAT
7 EXPERIMENT. I THINK THAT ADDRESSES WHAT THE IOM WAS
8 WORRIED ABOUT, THAT WE GOT TWO BITES AT THE APPLE.

9 CHAIRMAN THOMAS: YES. AND BOARD
10 VOTING -- YES, THAT'S RIGHT. SHERRY, I THINK WE'RE
11 GETTING CLOSE TO A VOTE HERE.

12 JEFF, I THINK THE POINT, ALL OF THE POINTS
13 YOU RAISE ARE THE DETAILS WE'LL WORK OUT BETWEEN NOW
14 AND MARCH. POINT TAKEN. AND SO THANK YOU.

15 ANY OTHER COMMENTS? HEARING NONE, MR.
16 HARRISON, COULD YOU JUST REPEAT THE MOTION AND WE
17 WILL TAKE A ROLL CALL VOTE.

18 MR. HARRISON: THE MOTION IS TO APPROVE
19 THE CONCEPT PLAN AS OUTLINED IN THE POWERPOINT
20 PRESENTED BY THE CHAIRMAN WITH DIRECTION TO STAFF TO
21 DRAFT PROPOSALS TO IMPLEMENT THE CONCEPTS WITH INPUT
22 FROM BOARD MEMBERS CONSISTENT WITH BAGLEY-KEENE,
23 PATIENT ADVOCATES, AND MEMBERS OF THE PUBLIC, AND
24 PRESENT THE PROPOSALS TO THE BOARD FOR ITS
25 CONSIDERATION IN MARCH.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: I WOULD LIKE TO ADD TO
2 THAT, MR. HARRISON, AS I DID, A FRIENDLY AMENDMENT,
3 WHICH WOULD INCLUDE A ONE-YEAR TRIAL PERIOD, AND
4 I'LL TAKE ANNE-MARIE'S ADVICE, UP TO ONE YEAR. IF
5 WE SEE THINGS AREN'T WORKING, OBVIOUSLY WE DON'T
6 WANT TO GO A YEAR INTO IT MAKES PERFECT SENSE. WITH
7 RESPECT TO THE PROGRAMMATIC REVIEW ELEMENT AND THE
8 PATIENT ADVOCATE ROLE, AS WELL AS THE CONFLICTS
9 RESOLUTION THAT I PUT FORTH, TO HAVE THAT ON AN UP
10 TO ONE-YEAR TRIAL PERIOD.

11 MR. ROTH: AMENDMENT IS ACCEPTED.

12 MS. LANSING: YES.

13 MS. WINOKUR: IN ONE SENTENCE YOU SAID BY
14 THE MEMBERS AND THE ADVOCATES.

15 CHAIRMAN THOMAS: WHICH SENTENCE WAS THAT?

16 MS. WINOKUR: WELL --

17 CHAIRMAN THOMAS: BEEN A LOT OF SENTENCES
18 TODAY.

19 MS. WINOKUR: MY POINT IS THAT THE
20 ADVOCATES ARE MEMBERS.

21 CHAIRMAN THOMAS: MEMBERS, I MEAN THE
22 GROUP OF 13 INSTITUTIONAL MEMBERS.

23 MS. WINOKUR: CALL THEM INSTITUTIONAL
24 MEMBERS.

25 CHAIRMAN THOMAS: I'M TRYING, BUT

BARRISTERS' REPORTING SERVICE

1 OCCASIONALLY I LAPSE INTO SHORTHAND. OKAY. WITH
2 THAT, I THINK WE ARE PREPARED FOR A VOTE, MR.
3 HARRISON.

4 MR. HARRISON: YES.

5 MS. BONNEVILLE: DAVID BRENNER.

6 DR. BRENNER: APPROVE.

7 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

8 DR. DULIEGE: APPROVE.

9 MS. BONNEVILLE: MARCY FEIT. MICHAEL
10 FRIEDMAN.

11 DR. FRIEDMAN: YES.

12 MS. BONNEVILLE: LEEZA GIBBONS. MICHAEL
13 GOLDBERG.

14 MR. GOLDBERG: YES.

15 MS. BONNEVILLE: SAM HAWGOOD.

16 DR. HAWGOOD: YES.

17 MS. BONNEVILLE: STEPHEN JUELSGAARD.

18 DR. JUELSGAARD: AYE.

19 MS. BONNEVILLE: SHERRY LANSING.

20 MS. LANSING: YES.

21 MS. BONNEVILLE: JACOB LEVIN.

22 DR. LEVIN: YES.

23 MS. BONNEVILLE: BERT LUBIN.

24 DR. LUBIN: YES.

25 MS. BONNEVILLE: MICHAEL MARLETTA.

BARRISTERS' REPORTING SERVICE

1 DR. MARLETTA: ABSTAIN.
2 MS. BONNEVILLE: SHLOMO MELMED.
3 DR. MELMED: YES.
4 MS. BONNEVILLE: CLAIRE POMEROY.
5 DR. POMEROY: YES.
6 MS. BONNEVILLE: ROBERT PRICE.
7 DR. PRICE: YES.
8 MS. BONNEVILLE: FRANCISCO PRIETO.
9 DR. PRIETO: AYE.
10 MS. BONNEVILLE: CARMEN PULIAFITO. ROBERT
11 QUINT.
12 DR. QUINT: YES.
13 MS. BONNEVILLE: DUANE ROTH.
14 MR. ROTH: YES.
15 MS. BONNEVILLE: JOAN SAMUELSON.
16 MS. SAMUELSON: NO. STRICTLY ON TIMING
17 CONCERN WITH THE COMMENTS THAT THE PUBLIC HAS NOT
18 HAD TIME TO RESPOND.
19 MS. BONNEVILLE: JEFF SHEEHY.
20 MR. SHEEHY: YES.
21 MS. BONNEVILLE: JONATHAN SHESTACK.
22 MR. SHESTACK: YES.
23 MS. BONNEVILLE: OSWALD STEWARD.
24 DR. STEWARD: YES.
25 MS. BONNEVILLE: JONATHAN THOMAS.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: YES.

2 MS. BONNEVILLE: ART TORRES.

3 MR. TORRES: AYE, EXCEPT FOR THOSE WITH
4 WHICH I HAVE A CONFLICT. I ALWAYS WANTED TO SAY
5 THAT.

6 MS. BONNEVILLE: KRISTINA VUORI.

7 DR. VUORI: YES.

8 MS. BONNEVILLE: EUGENE WASHINGTON. DIANE
9 WINOKUR.

10 MS. WINOKUR: YES.

11 CHAIRMAN THOMAS: MR. HARRISON.

12 MS. SAMUELSON: I WOULD LIKE TO CHANGE MY
13 VOTE TO YES.

14 CHAIRMAN THOMAS: LET THE RECORD SO
15 INDICATE.

16 MR. HARRISON: THE MOTION CARRIES.

17 MS. LANSING: CAN I SAY SOMETHING FOR ONE
18 SECOND? I JUST WANT TO SAY SOMETHING. I KNOW THIS
19 HAS BEEN A VERY, VERY DIFFICULT PROCESS FOR ALL OF
20 US. AND I JUST WANT TO COMMEND OUR LEADER J.T.
21 BECAUSE THE AMOUNT OF WORK --

22 (APPLAUSE.)

23 CHAIRMAN THOMAS: THANK YOU.

24 MS. LANSING: I'M GOING TO FINISH MY
25 SENTENCE DESPITE THE APPLAUSE. THE AMOUNT OF WORK

BARRISTERS' REPORTING SERVICE

1 THAT WENT INTO THIS IS EXTRAORDINARY. AND TO GET
2 THIS KIND OF A VOTE FROM THIS BOARD THAT IS SO
3 PASSIONATE AND CARES SO MUCH IS REALLY THE EXAMPLE
4 OF TRUE LEADERSHIP. AND SO I WANT TO SAY AGAIN ON
5 BEHALF OF ALL OF US HOW GRATEFUL WE ARE TO HAVE YOU.

6 CHAIRMAN THOMAS: THANK YOU. YOU'RE ALL
7 OVERLY KIND, AND I JUST WANT TO THANK EVERYBODY FOR
8 THEIR PARTICIPATION TODAY. I THINK THIS WAS AN
9 EXTREMELY IMPORTANT STEP. WE'LL BE VIEWED AS VERY
10 RESPONSIVE, AS WE'VE SAID, AND WE CAN NOW PROCEED TO
11 HAVE ALL STAKEHOLDERS GIVE INPUT TO FILL IN THE
12 DETAILS AS WE PROCEED TO MARCH.

13 SO I WILL TURN SHERRY'S THANK YOU AROUND
14 TO ALL OF YOU AND ALL OF YOU IN THE AUDIENCE AS WE
15 MOVE ON HERE. AND I THINK WE'VE DONE THE RIGHT
16 THING, AND IT WILL BE VIEWED AS SUCH.

17 I'D LIKE TO END ON ONE LAST NOTE, WHICH IS
18 I DON'T KNOW IF EVERYBODY KNOWS, CLAIRE, WOULD YOU
19 LIKE TO MAKE AN ANNOUNCEMENT TO EVERYBODY?

20 DR. POMEROY: THANK YOU, J.T. I WANT TO
21 LET EVERYBODY KNOW HOW MUCH I ENJOYED BEING ON THIS
22 COMMITTEE, AND I WILL CONTINUE TO DO SO RIGHT UP
23 UNTIL THE TIME THAT I TAKE MY NEW ROLE AS PRESIDENT
24 OF THE LASKER FOUNDATION THIS SPRING. THANK YOU
25 VERY MUCH.

BARRISTERS' REPORTING SERVICE

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(APPLAUSE.)

CHAIRMAN THOMAS: IT'S COLD RIGHT NOW BACK
IN NEW YORK, CLAIRE.

DR. POMEROY: WITH LOTS OF INTELLECTUAL
EXCITEMENT AS THERE IS HERE TODAY.

CHAIRMAN THOMAS: THANK YOU. THANK YOU.
AND, LADIES AND GENTLEMEN, MARIA WOULD LIKE TO
COMMENT ON DINNER, VERY IMPORTANT.

MS. BONNEVILLE: IT IS IMPORTANT. WE'RE
GOING TO HAVE APPETIZERS AT 6:00 AND THEN DINNER IS
AT 6:30. YOU HAVE AN HOUR TO YOURSELVES. I'M SURE
YOU'LL LIKE THAT, THE PEACE AND QUIET. AND IT'S
DOWNSTAIRS IN THE ROOM NEXT TO THE PARAGON
RESTAURANT. I THINK IT'S CALLED THE PANORAMA ROOM.
SO THERE YOU GO.

CHAIRMAN THOMAS: THANK YOU. WE STAND
ADJOURNED UNTIL 9 A.M. TOMORROW MORNING FOR THE
REGULARLY SCHEDULED MEETING OF THE BOARD. THANK YOU
AGAIN.

(THE WORKSHOP WAS THEN CONCLUDED AT
04:59 P.M.)

BARRISTERS' REPORTING SERVICE

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATION INDICATED BELOW

CLAREMONT HOTEL
41 TUNNEL ROAD
BERKELEY, CALIFORNIA
ON
JANUARY 23, 2013

WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152
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