

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: HILTON LA JOLLA TORREY PINES  
SCRIPPS BALLROOM  
10950 N. TORREY PINES ROAD  
LA JOLLA, CALIFORNIA

DATE: THURSDAY, JUNE 1, 2006  
7 P.M.

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

BRS FILE NO.: 75514

I N D E X

ITEM	DESCRIPTION	PAGE NO.
CALL TO ORDER		3
CONSIDERATION OF CIRM STRATEGIC PLAN:		
	MISSION STATEMENT	12
	OBJECTIVES	44
ADJOURNMENT		86

1 LA JOLLA, CALIFORNIA; THURSDAY, JUNE 1, 2006

2 07:30 P.M.

3

4 CHAIRMAN KLEIN: ALL RIGHT. IF THE MEETING  
5 WILL PLEASE COME TO ORDER. WE APPRECIATE THE  
6 EXTRAORDINARY EFFORT BY BOARD MEMBERS TO MAKE THIS  
7 WORKING SESSION RELATED TO THE STRATEGIC PLAN. AND I'D  
8 LIKE TO RECOGNIZE THAT IMMEDIATELY TO MY RIGHT  
9 MR. DUANE ROTH IS ATTENDING HIS FIRST MEETING AS A  
10 BOARD MEMBER. I THINK WE SHOULD GIVE HIM ALL A GREAT  
11 ROUND OF APPLAUSE.

12 (APPLAUSE.)

13 CHAIRMAN KLEIN: WE'RE GOING TO IMMEDIATELY  
14 LAUNCH INTO THE SUBSTANTIVE MATERIAL OF THIS MEETING.  
15 AND, DR. ZACH HALL, IF YOU WILL PLEASE OPEN THIS  
16 DISCUSSION ON CONSIDERATION OF THE STRATEGIC PLAN  
17 MISSION AND OBJECTIVES.

18 DR. HALL: THANK YOU, MR. CHAIR, BOB. AND  
19 WELCOME TO ALL OF THOSE WHO HAVE COME TONIGHT, BOTH THE  
20 ICOC BOARD MEMBERS AND ALSO WE HAVE A NUMBER OF MEMBERS  
21 OF THE PUBLIC, SOME WHO ARE LOCAL WE'RE VERY PLEASED TO  
22 SEE, AND ALSO WE HAVE SOME FAMILIAR FRIENDS IN THE  
23 AUDIENCE AS WELL.

24 I WANT TO BEGIN JUST BY SAYING A LITTLE BIT  
25 ABOUT THE STRATEGIC PLAN, AND THEN PLACING THE TOPIC

1 FOR TONIGHT'S DISCUSSION WITHIN THE OVERALL FRAMEWORK  
2 OF WHAT WE'RE DOING. WHAT I'D LIKE TO DO IS TO START  
3 BY INTRODUCING OUR TEAM, AND THEN IN PARTICULAR  
4 DR. PATRICIA OLSON, WHOM YOU'VE NOT MET, WHO'S, I  
5 DESCRIBED TO YOU BEFORE, SHE'S A SCIENTIFIC OFFICER WHO  
6 HAS JOINED US. SHE WAS PREVIOUSLY WITH CHIRON WHERE  
7 SHE LED A STRATEGIC PLANNING EFFORT THERE AMONG A  
8 NUMBER OF OTHER RESPONSIBILITIES. SO WE'VE BEEN VERY  
9 FORTUNATE TO HAVE HER AS THE CIRM LEADER OF THE TEAM.

10 I ALSO WOULD LIKE TO INTRODUCE TO YOU SEVERAL  
11 MEMBERS OF THE PRICEWATERHOUSECOOPERS TEAM WHO HAVE  
12 BEEN WORKING WITH US OVER THE LAST MONTH VERY  
13 DILIGENTLY. THE LEADER IS DR. JERRY MCDUGAL, WHO IS  
14 RIGHT HERE AT THE TABLE. I'M SORRY. WE'LL AWARD HIM  
15 AN HONORARY DOCTORATE FOR THE NIGHT. BARBARA WALSH  
16 HERE, TONY POLARI, AND SOMEWHERE WE HAVE RAY ANDERSON  
17 RIGHT IN THE BACK. THANK YOU. OKAY.

18 SO WHAT I'D LIKE TO DO IS TO DESCRIBE TO YOU  
19 WHAT WE'RE DOING HERE TONIGHT AND HOW IT FITS INTO THE  
20 OVERALL SIX-MONTH PROJECT THAT WE HAVE OF TRYING TO PUT  
21 TOGETHER A STRATEGIC PLAN FOR THIS HUGE AND WONDERFUL  
22 PROJECT. AND IF MELISSA WILL SHOW THE FIRST SLIDE,  
23 WHICH I THINK YOU ALL HAVE IN FRONT OF YOU. AND SO  
24 THIS IS JUST TO ORIENT YOU THAT WE HAVE ONE, TWO,  
25 THREE, FOUR MEETINGS INVOLVING EXPLICITLY ICOC MEMBERS

1 TO TALK ABOUT THE STRATEGIC PLAN. AND THE TWO OF THEM  
2 ARE REGULAR ICOC MEETINGS. THE FIRST IS JUNE 1ST,  
3 WHICH IS TONIGHT, TO DEAL WITH MISSION STATEMENT AND  
4 LONG-TERM OBJECTIVES. THE SECOND ALSO SHOULD BE AUGUST  
5 1ST, THE EVENING BEFORE THE AUGUST 2D MEETING, AND  
6 WE'RE GOING TO TALK ABOUT OUR VALUES THERE. AND I'LL  
7 SAY MORE ABOUT EACH OF THOSE IN JUST A MOMENT. AND  
8 THEN WE HAVE TWO CIRM SCIENTIFIC MEETINGS FOR ICOC  
9 MEMBERS AND THE PUBLIC.

10 WE HAD THE FIRST ONE LAST WEEK IN LOS ANGELES  
11 AT CALTECH ON MAY 25TH. WE DEALT WITH FUNDING  
12 STRUCTURES TO ADVANCE STEM CELL SCIENCE AND THERAPIES,  
13 AND WE HAD A SERIES OF TALKS. AND FOR THOSE OF YOU WHO  
14 WERE THERE, I THINK MOST PEOPLE FOUND IT A TERRIFICALLY  
15 INTERESTING DAY. WE HAD TALKS FROM MIKE RUDNICKI,  
16 WHO'S THE CHAIR OF THE CANADIAN STEM CELL PROJECT. WE  
17 HAD A TALK FROM DR. RICHARD INSEL, WHO IS THE  
18 SCIENTIFIC VICE PRESIDENT FOR JDRC. I THINK THAT'S HIS  
19 TITLE. AT ANY RATE, HE REALLY DIRECTS ALL THEIR  
20 SCIENTIFIC OPERATIONS. HE GAVE A TERRIFIC TALK. WE  
21 HEARD FROM DR. ETHAN SIGNER, WHO'S WITH THE HIGH Q  
22 FOUNDATION INTERESTED IN HUNTINGTON'S RESEARCH. WE  
23 HEARD FROM DR. MICHAEL AMOS FROM THE NATIONAL INSTITUTE  
24 OF STANDARDS AND TECHNOLOGY WHERE THEY HAVE AN ADVANCED  
25 TECHNOLOGY PROGRAM THAT HAS BEEN VERY, VERY SUCCESSFUL

1 AND VERY INTERESTING. AND FINALLY, WE HEARD FROM OUR  
2 OWN JON SHESTACK, WHO TALKED TO US ABOUT WHAT HE HAD  
3 DONE WITH CURE AUTISM NOW. AND THEN WE HAD A  
4 DISCUSSION AT THAT MEETING.

5 AND THEN WE WILL HAVE ANOTHER ONE ON JULY 13,  
6 2006, AND WE'RE JUST LINING UP SPEAKERS FOR THAT  
7 MEETING. THAT WILL BE IN SAN FRANCISCO, AND IT WILL BE  
8 ON SCIENTIFIC STRATEGIES AND CHALLENGES TO ADVANCE STEM  
9 CELL THERAPIES AND RESEARCH.

10 SO HOW DO ALL THESE PIECES FIT TOGETHER? AND  
11 I WANT TAKE JUST A FEW MINUTES AND GIVE YOU A  
12 CONCEPTUAL SCHEME THAT WE HAVE BEEN USING JUST TO HELP  
13 US THINK ABOUT THIS. AND THERE'S NOTHING DEFINITIVE OR  
14 MAGICAL ABOUT THIS, BUT IT'S JUST MEANT TO HELP US PUT  
15 ALL THESE PIECES TOGETHER, AND I HOPE IT WILL BE USEFUL  
16 FOR YOU AS WELL. AND WE BEGIN BY THINKING ABOUT STEM  
17 CELL RESEARCH AS PROCEEDING ALONG A VERTICAL TIMELINE  
18 STARTING FROM SOMETIME IN THE PRESENT, 2006, AND WE  
19 IMAGINE THAT THIS WILL GO ON FOR DECADES. STEM CELL  
20 RESEARCH WILL CONTINUE FOR SOME LONG PERIOD OF TIME.

21 AND I JUST REMIND YOU THAT THE FIRST  
22 EXPERIMENTS ON TRANSPLANTING ADULT HEMATOPOIETIC CELLS  
23 WERE DONE IN THE '60S, AND NOW 40 YEARS LATER, AS WE  
24 HEARD IN OUR SCIENTIFIC MEETING LAST OCTOBER, THERE'S  
25 STILL A GREAT DEAL OF WORK TO BE DONE, AND THOSE

1 EXPERIMENTS ARE STILL ONGOING AND IMPROVEMENTS ARE  
2 BEING MADE, SOME OF THEM DIRECTLY RELATED TO THE WORK  
3 THAT WE'RE DOING. SO WE CAN IMAGINE THAT STEM CELL  
4 RESEARCH IS GOING TO CONTINUE FOR SOME PERIOD OF TIME.

5 WHAT WE'RE GOING TO DO TONIGHT IS TALK ABOUT  
6 THE MISSION STATEMENT AND THE OBJECTIVES, THE LONG-TERM  
7 OBJECTIVES OF OUR PLAN. SO IN THIS DECADES LONG  
8 PROGRESS OF RESEARCH, WE ARE GOING MAKE A TEN-YEAR  
9 PLAN, STARTING IN 2006 OR 2007, HOWEVER ONE WANTS TO  
10 DEAL WITH IT. AND I THINK WE ALL NEED TO REALIZE THAT  
11 IN THE LONG CONTINUUM OF RESEARCH, THAT IS AN EARLY AND  
12 SOMEWHAT ARBITRARY POINT, BUT IT IS THE POINT OVER  
13 WHICH WE ARE PLANNING.

14 AT THE END OF THAT TIME, WE WANT TO HAVE MADE  
15 SOME ACCOMPLISHMENTS IN THE CLINICAL ARENA, WE WANT  
16 SOME ACCOMPLISHMENTS IN THE TRANSLATIONAL ARENA AND THE  
17 BASIC SCIENCE AND THE INFRASTRUCTURE ARENA. AND YOU  
18 MIGHT SAY, WELL, LOOK. SINCE OUR AIM IS CLINICAL AND  
19 WE KNOW THAT THESE OTHER TWO, BASIC SCIENCE AND  
20 TRANSLATIONAL, FIT INTO THE CLINICAL ARENA, WHY DON'T  
21 WE JUST HAVE THE CLINICAL? AND THE ANSWER IS THAT  
22 BECAUSE THIS IS ONGOING, THE CLINICAL WORK WILL  
23 CONTINUE ON. AND THE CLINICAL ADVANCES THAT WILL BE  
24 MADE AFTER 2016 OR WHENEVER OUR TEN-YEAR LINE IS WILL  
25 DEPEND VERY MUCH ON THE TRANSLATIONAL AND BASIC SCIENCE

1       PROGRESS THAT WE MAKE AT THE END OF THAT TIME. THAT  
2       IS, OUR ACCOMPLISHMENTS AT THE END OF TEN YEARS IN  
3       BASIC SCIENCE AND TRANSLATIONAL SCIENCE WILL BE THE  
4       FOUNDATION FOR FUTURE CLINICAL ADVANCES. SO WE NEED TO  
5       HAVE OBJECTIVES IN ALL THREE AREAS AND KEEP ALL OF  
6       THESE GOING INTO THE LONG-TERM COURSE THAT WE IMAGINE  
7       THIS RESEARCH WILL TAKE.

8                 WE ALSO WILL WANT TO BUILD INFRASTRUCTURE,  
9       AND WE WANT INFRASTRUCTURE THAT WILL GO, OF COURSE,  
10      BEYOND THE TEN-YEAR PLAN. AND BY INFRASTRUCTURE WE  
11      MEAN FACILITIES, BRICKS AND MORTAR AND SPACE. WE MEAN  
12      CORE FACILITIES, MAJOR EQUIPMENT. WE ALSO MEAN THINGS  
13      LIKE NETWORKS OF SCIENTISTS THAT MAY ADVANCE EITHER  
14      BASIC OR CLINICAL RESEARCH.

15                SO OUR JOB HERE TONIGHT, THEN, WILL BE TO  
16      COME UP WITH A MISSION STATEMENT AND THEN TO POPULATE  
17      THE OBJECTIVES IN EACH OF THESE FOUR AREAS. AND  
18      THERE'S NOTHING, I SHOULD SAY, SACRED OR SACROSANCT  
19      ABOUT THESE PARTICULAR CATEGORIES. THEY'RE CONVENIENT  
20      ONES FOR US TO USE. WE MIGHT FIND AS WE GO ALONG THAT  
21      WE WANT TO CHANGE THOSE IF THOSE AREN'T THE MOST  
22      USEFUL, BUT IT SEEMED TO US THAT THESE WOULD BE A  
23      USEFUL TOOL FOR ORGANIZING THE DISCUSSION TONIGHT.

24                NOW, WHAT ABOUT THE PLAN ITSELF? HOW WILL WE  
25      GET TO THE OBJECTIVES THAT WE TALK ABOUT TONIGHT? AND



1 WE WILL DO THAT THROUGH A SERIES OF INITIATIVES THAT WE  
2 CAN THINK ABOUT IN EACH OF THESE AREAS THAT WILL GO ON  
3 DURING THE YEARS, AND ALSO WE DON'T MEAN TO PUT THESE  
4 IN SILOS. WE HOPE THERE WILL BE INITIATIVES ACROSS  
5 AREAS, AND INITIATIVES IN BASIC SCIENCE WILL THEN LEAD  
6 TO PROGRESS IN TRANSLATIONAL AND CLINICAL SCIENCE. AND  
7 IT IS THESE INITIATIVES THAT REALLY IS AT THE CORE OF  
8 THE PLAN. THESE ARE WHAT WILL GIVE IT BODY, WHAT WILL  
9 MAKE IT GO FORWARD, AND OUR SUCCESS IN OBTAINING THE  
10 LONG-TERM OBJECTIVES THAT WE'RE GOING TO BE TALKING  
11 ABOUT TONIGHT WILL DEPEND ON HOW WELL AND HOW SOLIDLY  
12 WE PLAN OUR STRATEGIC PLAN IN ORDER TO GET TO THOSE  
13 OBJECTIVES.

14 SO HOW DO WE THEN PUT TOGETHER THESE VARIOUS  
15 INITIATIVES? AND OUR OTHER MEETINGS REALLY HAVE BEEN  
16 CONCERNED ABOUT THAT. THAT IS, WE WILL TALK ON AUGUST  
17 1ST ABOUT THE VALUES. WHAT VALUES SHOULD OUR  
18 INITIATIVES EMBODY THAT WILL MAKE SURE WE REACH OUR  
19 OBJECTIVES? AND BY THAT WE MEAN THINGS LIKE  
20 COLLABORATION, THINGS LIKE INNOVATION VERSUS  
21 FEASIBILITY, THINGS LIKE RELATIONSHIP WITH THE PRIVATE  
22 SECTOR, PERHAPS PARTNERSHIPS WITH THOSE OUTSIDE THE  
23 STATE. ALL OF THESE KINDS OF THINGS WE CAN IMAGINE AS  
24 VALUES THAT WE NEED TO BUILD IN, AND THERE MAY BE  
25 OTHERS.

1                    THEN WE WILL BE TALKING ABOUT OUR SCIENTIFIC  
2                    AND CLINICAL CHALLENGES IN JULY. THAT IS, WHAT ARE THE  
3                    SCIENTIFIC PROBLEMS WE HAVE TO FACE? HOW WILL WE GET  
4                    AROUND THOSE? WHAT CAN WE DO TO MAKE THE SCIENCE MOVE  
5                    FORWARD? AND THEN THE DISCUSSION THAT WE HAD THE OTHER  
6                    DAY REALLY FOCUSED ON THE FUNDING STRUCTURES. THAT IS,  
7                    HOW DO WE SET UP STRUCTURES TO MAKE SURE WE HAVE THE  
8                    PEOPLE, HIGHLY TRAINED PEOPLE, THAT WE NEED? HOW DO WE  
9                    SET UP THOSE TO MAKE SURE WE HAVE DISCOVERY THAT WE'RE  
10                    ABLE TO ACCOMMODATE DIRECTED RESEARCH, THAT WE BRING IN  
11                    THE RIGHT TECHNOLOGY, THAT WE HAVE CORE SERVICES AND  
12                    FACILITIES. AND WE TALKED A GOOD DEAL ABOUT  
13                    PARTICULARLY NONPROFIT COMMERCIAL INTERACTIONS, BUT  
14                    ALSO ABOUT BASIC AND CLINICAL.

15                    SO WITH THAT SORT OF OVERVIEW THEN, TO PUT IN  
16                    PLACE WHAT THE PURPOSE OF EACH OF OUR FOUR MEETINGS IS,  
17                    WE SHOULD GO AHEAD AND MOVE ON, THEN, TO THE TOPIC OF  
18                    TONIGHT'S MEETING. AND WE ARE GOING TO TALK ABOUT A  
19                    MISSION STATEMENT. AND YOU HAVE A HANDOUT WITH A  
20                    NUMBER OF MISSION STATEMENTS THERE, SOME FROM  
21                    PROPOSITION 71, SOME ELSEWHERE. AND WE'RE GOING TO  
22                    TALK ABOUT LONG-TERM OBJECTIVES.

23                    AND I WANT TO SAY A COUPLE OF WORDS ABOUT THE  
24                    LONG-TERM OBJECTIVES. THESE ARE, IN FACT, THE THINGS  
25                    THAT WE WILL BUILD OUR PROGRAM ON, AND THEY ARE MEANT

1 TO DEFINE THE SPECIFIC GOALS THAT WE WILL WANT TO  
2 ACHIEVE AT THE END OF TEN YEARS. HOW WILL WE BE JUDGED  
3 IN TEN YEARS? HOW WILL WE DEFINE SUCCESS? I SHOULD  
4 SAY THIS IS ONE OF THE QUESTIONS THAT WE ASKED IN OUR  
5 INTERVIEWS FOR A NUMBER OF THE PEOPLE WE INTERVIEW.  
6 HOW SHOULD WE DEFINE SUCCESS IN TEN YEARS? WHERE  
7 SHOULD WE BE? BY WHAT YARDSTICK SHOULD WE BE JUDGED?

8 AND THEN, SECONDLY, WE NEED TO KNOW OUR  
9 LONG-TERM OBJECTIVES IF WE ARE TO PLAN OUR PROGRAM.  
10 SOMEBODY POINTED OUT TO ME TONIGHT THAT IN THE SEVEN  
11 HABITS OF HIGHLY EFFECTIVE PEOPLE, ONE OF THEM IS TO  
12 BEGIN PROJECTS WITH THE END IN MIND. AND SO WE ARE  
13 STARTING BY LOOKING AT THAT END THAT WE ARE SHOOTING  
14 FOR.

15 NOW, WE HAVE ALREADY BEGUN TO COLLECT  
16 INFORMATION, SOME AT THE CONFERENCE, SOME THROUGH  
17 INTERVIEWS, AND WE HAVE HAD SOME DISCUSSIONS WITH  
18 VARIOUS PEOPLE. WE WILL CONTINUE TO DO THAT. BUT WE  
19 WANT, MOST OF ALL, TO HEAR FROM YOU TONIGHT ABOUT YOUR  
20 VIEWS ON THESE IMPORTANT TOPICS AND TO DISCUSS. AND  
21 OUR SENSE IS, AND, BOB, PLEASE ADD TO THIS OR AMEND IT  
22 AS YOU WISH, BUT OUR SENSE IS THAT IT MIGHT BE WORTH  
23 TRYING TO DEFINE A MISSION STATEMENT TONIGHT AND SEE IF  
24 WE CAN DO THAT, RECOMMEND IT TOMORROW. THE LONG-TERM  
25 OBJECTIVES WE SEE AS MORE PROVISIONAL. AS WE CONTINUE

1 TO GATHER INFORMATION, THESE WILL HELP GUIDE US. WE  
2 MAY WISH TO CHANGE THEM FURTHER DOWN. AND OUR PRIMARY  
3 PURPOSE THERE IS TO HEAR FROM YOU, TO GET YOUR THOUGHTS  
4 ABOUT THESE, AND TO TELL US WHAT YOU THINK.

5 MY PURPOSE HERE TONIGHT IS NOT TO DIRECT THE  
6 DISCUSSION OR TO LEAD TO ANY CONCLUSION AS FAR AS WHAT  
7 THE LONG-TERM OBJECTIVES ARE. IT REALLY IS TO BE A  
8 FACILITATOR FOR THE DISCUSSIONS THAT YOU AND MEMBERS OF  
9 THE PUBLIC MAY HAVE ABOUT WHAT THOSE APPROPRIATE  
10 OBJECTIVES MIGHT BE.

11 SO WITH THAT PREAMBLE, WHAT WE MIGHT DO, BOB,  
12 IS TO GO AHEAD AND CONSIDER THE MISSION STATEMENT  
13 UNLESS YOU WANT TO ADD SOME WORDS.

14 CHAIRMAN KLEIN: I THINK IT'S IMPORTANT AS WE  
15 GO INTO THE DISCUSSION OF THIS MISSION STATEMENT TO  
16 TREAT IT AS A PRELIMINARY MISSION STATEMENT BECAUSE IN  
17 THE PROCESS OF DEVELOPING THE STRATEGIC PLAN IN THE  
18 SCIENTIFIC MEETINGS, IN THE PRESENTATIONS OF STAFF AND  
19 CONSULTANTS, WE WILL GAIN INFORMATION ALONG THE WAY.  
20 SO WE'RE TRYING TO CREATE A PRELIMINARY FOUNDATION  
21 KNOWING THAT IN THIS PROCESS, WHEN WE GET TO THE END,  
22 WE'LL PROBABLY TURN BACK, LOOK AT IT AGAIN, AND SAY,  
23 NOW, WITH THE KNOWLEDGE WE HAVE AT THE END OF THE  
24 PROCESS, CAN WE REFINE THIS, CAN WE BUILD IT OUT, PUT  
25 MORE FLESH ON THIS STRUCTURE.

1                   SECONDLY, AS WE GO FROM TRYING TO CONSTRUCT A  
2                   PRELIMINARY MISSION STATEMENT FORWARD, I THINK IT WOULD  
3                   BE APPROPRIATE TO REALIZE THAT THE CONSTITUENCIES THAT  
4                   ARE OUT THERE THAT WILL READ THIS MISSION STATEMENT ARE  
5                   CONCERNED ABOUT UNDERSTANDING THAT THIS IS CONSISTENT  
6                   WITH THE INITIATIVE THAT THE PUBLIC APPROVED. AND  
7                   THERE ARE A NUMBER OF ISSUES THAT THE PUBLIC IS  
8                   CONCERNED ABOUT THAT POTENTIALLY WE COULD ADOPT PART OF  
9                   THE TEXT OF PROPOSITION 71 UNDER PURPOSE AND INTENT AS  
10                  A PREAMBLE TO REMIND THE PUBLIC WE REMAIN DEDICATED TO  
11                  THESE CONCEPTS UNDER THE PURPOSES AND INTENT AND,  
12                  HAVING ADDRESSED THEM IN THAT MANNER, CAN KEEP OUR  
13                  MISSION STATEMENT RELATIVELY SHORT.

14                  FOR EXAMPLE, UNDER PURPOSES AND INTENT, IT  
15                  TALKS ABOUT THE FACT THAT THE STANDARDS WILL BE BASED  
16                  ON NATIONAL MODELS THAT PROTECT PATIENT SAFETY, PATIENT  
17                  RIGHTS, AND PATIENT PRIVACY. THOSE ARE VERY KEY  
18                  CONCEPTS FOR US. THE PUBLIC WANTS TO MAKE SURE WE'RE  
19                  STILL DEDICATED TO THOSE CONCEPTS. AND, IN FACT, OUR  
20                  MEDICAL AND ETHICAL STANDARDS CLEARLY ADDRESS THOSE  
21                  CONCEPTS, BUT WE CAN'T REPEAT EVERYTHING IN THE MISSION  
22                  STATEMENT. SO BY PICKING UP POTENTIALLY, AND WE'LL  
23                  LATER PUT IT ON THE SCREEN HOPEFULLY, THE PURPOSE AND  
24                  INTENT FROM THE INITIATIVE ITSELF, IF WE COULD ADOPT  
25                  THAT AS A PREAMBLE, IT MAY SIMPLIFY OUR JOB AND ALLOW

1 US TO CONCENTRATE ON A CORE MESSAGE IN A TERSE MISSION  
2 STATEMENT.

3 DR. HALL: LET ME JUST SAY I STRONGLY  
4 SUPPORT. I THINK IF WE HAVE A FAIRLY CONCISE, CLEAR,  
5 STRONG MISSION STATEMENT, I THINK THAT WILL BE VERY,  
6 VERY IMPORTANT. AND THEN OTHER MATERIAL CAN BE ADDED  
7 IN A PREAMBLE, BUT I THINK THAT IS A VERY GOOD  
8 OBJECTIVE.

9 WE SIMPLY PUT TOGETHER SOME THINGS FROM  
10 VARIOUS GROUPS, AND I THINK IN SOME WAYS THE MOST  
11 IMPORTANT ONES, FROM WHAT BOB SAID, THE ONES ON PAGE 1  
12 ARE SORT OF AN EXAMPLE FOR YOU TO SEE. BUT I THINK THE  
13 STATEMENTS FROM PROPOSITION 71 ARE VERY MUCH TO THE  
14 POINT. AND I THINK THEY MIGHT PROVIDE A SORT OF  
15 STARTING POINT FOR WHAT WE WANT TO CONSIDER.

16 DR. BRYANT: I WOULD JUST LIKE TO OFFER A  
17 DIFFERENT VIEW. THAT IS, THAT THESE STATEMENTS AT THE  
18 END HERE ARE BOILED DOWN FROM SOME LONGER MESSAGE. AND  
19 I THINK THAT WE SHOULD START WITH A PARAGRAPH THAT  
20 ENCAPSULATES WHAT WE'RE TRYING TO DO AND HOW WE ARE  
21 GOING TO GET THERE AND, YOU KNOW, WHY WE'RE DOING IT  
22 AND ALL OF THAT, AND AT THE END COME UP WITH -- SO THAT  
23 THE MISSION STATEMENT WOULD BE A SHORT PARAGRAPH, BUT  
24 THEN YOU COULD HAVE A, YOU KNOW, SENTENCE THAT  
25 ENCAPSULATED THE MOST IMPORTANT PART OF IT. I THINK TO

1 GO STRAIGHT TO THIS WOULD BE DIFFICULT AND WE WOULD  
2 MISS A LOT OF WHAT WE'RE ABOUT, WHAT OUR PHILOSOPHIES  
3 ARE, FOR INSTANCE.

4 DR. HALL: WELL, FOR VARIOUS USES, WE NEED  
5 STATEMENTS OF VARYING DENSITIES. AND MAYBE WE SHOULD  
6 HAVE IT SO THAT WE HAVE EACH OF THOSE AVAILABLE FOR  
7 WHATEVER THE PARTICULAR PURPOSES. WE HAVE A SLOGAN  
8 SORT OF AROUND CIRM THAT WHAT WE'RE ABOUT IS SCIENCE IN  
9 THE SERVICE OF THERAPIES.

10 DR. BRYANT: THAT'S PRETTY GOOD.

11 DR. HALL: SO THAT'S ALMOST LIKE A SLOGAN.

12 DR. BRYANT: THAT'S WHAT THESE ARE.

13 DR. HALL: THEY'RE, I WOULD SAY, A LITTLE  
14 MORE ELABORATED, AND THEN WHAT YOU'RE TALKING ABOUT IS  
15 YET ANOTHER STAGE AS WELL. MAYBE WHAT WE CAN DO IS  
16 COME OUT WITH, AS I SAY, WE DON'T HAVE TO CALL THEM ALL  
17 MISSION STATEMENTS, BUT STATEMENTS, YES, OF VARYING  
18 SORT OF LENGTHS AND LEVELS OF DENSITY THAT CAN BE USED  
19 FOR PARTICULAR PURPOSES. AND THERE'S SOME CASES WHEN  
20 YOU WANT A LINE, AND THERE ARE OTHER CASES WHEN YOU  
21 WANT A THOUGHTFUL STATEMENT. I THINK THAT WOULD BE  
22 PART OF THE IDEA.

23 SO DO YOU HAVE IDEAS ABOUT THE BEST WAY TO  
24 CONSTRUCT SOMETHING LIKE THAT? ACTUALLY OUR THOUGHT  
25 HERE WAS TO LET YOU START WITH PROPOSITION 71

1 STATEMENTS AND DO AS YOU WISH, BUT YOU MAY WANT TO TAKE  
2 ANOTHER TACK. SO WE HAVE PROVIDED -- OTHER THAN WHAT  
3 YOU SEE HERE, WE HAVE NOT PROVIDED ANY OTHER MATERIAL.

4 BOB, YOU INDICATED YOU HAD SOME THINGS THAT  
5 YOU WANTED TO PUT UP?

6 CHAIRMAN KLEIN: IF WE CAN JUST TAKE A COUPLE  
7 OF MINUTES, SHE CAN PUT UP THE PURPOSE AND INTENT  
8 SECTION FROM PROPOSITION 71. WE CAN SCROLL THROUGH  
9 THAT, AND IT WILL REFOCUS US ON THE STARTING POINT WITH  
10 THE PUBLIC MANDATE.

11 MELISSA IS TELLING US THAT WE HAVE A SHORT  
12 LICENSE HERE TO TALK ABOUT WHATEVER WE LIKE AS SHE  
13 BRINGS UP THIS SLIDE.

14 DR. LOVE: CAN I PUT A QUESTION OUT THEN?

15 CHAIRMAN KLEIN: GO AHEAD.

16 DR. LOVE: I THINK ONE OF THE THINGS I ALWAYS  
17 TRY TO PERSONALLY STEP BACK AND ASK MYSELF IS WHAT AM I  
18 TRYING TO ACHIEVE. AND MAYBE ONE QUESTION I'D LIKE TO  
19 PUT ON THE TABLE IS WHO IS THE MISSION STATEMENT FOR?  
20 WHO IS THE CUSTOMER HERE? IS IT US, TRYING TO INFORM  
21 US ABOUT WHAT WE'RE TRYING TO DO, OR IS IT US TRYING TO  
22 GIVE SOME REASSURANCE TO PEOPLE WHO MIGHT COME AND LOOK  
23 AT OUR MISSION STATEMENT, THAT WE ARE, IN FACT,  
24 EXECUTING WHAT THE CITIZENS RATIFIED IN THE FORM OF  
25 THEIR TAX DOLLARS? WHO IS THE CUSTOMER THAT WE EXPECT



1 TO SATISFY IN THE MISSION STATEMENT?

2 CHAIRMAN KLEIN: I THINK THERE'S SEVERAL  
3 CUSTOMERS THAT WE NEED TO BE PARTICULARLY FOCUSED ON.  
4 THE FIRST IS THAT WITH THE MISSION STATEMENT AND THE  
5 OBJECTIVES, WE NEED TO REALIZE THAT WHEN THE JOINT  
6 LEGISLATIVE AUDIT COMMITTEE CONVENES TO REVIEW EACH  
7 YEAR, AS WE CAN EXPECT THEY WILL, WHAT WE ARE DOING,  
8 THEY WILL TRY AND TEST US ON THE GROUNDS THAT WE'VE  
9 DEFINED OUR OWN MISSION AND OBJECTIVES.

10 SECONDLY, THE FINANCIAL OVERSIGHT COMMITTEE  
11 WILL LOOK TO DEFINE OUR ACCOUNTABILITY BASED UPON THEIR  
12 READING OF PROPOSITION 71, BUT THEY WILL TEST US  
13 CERTAINLY IN TERMS OF OUR DECLARED MISSION AND  
14 OBJECTIVES.

15 AND FINALLY, THE LEGISLATURE WILL LOOK AT OUR  
16 DEFINED MISSION AND OBJECTIVES AND TEST US ON THAT  
17 GROUND AS WILL THE CONSTITUENT GROUPS, THE PATIENT  
18 ADVOCACY ORGANIZATIONS, THE CHAMBERS OF COMMERCE, AND  
19 THE OTHER HIGHLY INFORMED AND FOCUSED GROUPS LOOKING AT  
20 OUR PERFORMANCE AND TESTING IT AGAINST THE INTENT OF  
21 PROPOSITION 71. BUT IT IS LESS AN ISSUE OF OUR OWN  
22 GUIDANCE THAN IT IS AN ISSUE OF CONSENSUS ON WHAT WE  
23 BELIEVE WE'RE DEDICATING OURSELVES TO AND HOW WE'RE  
24 GOING TO BE TESTED IN THESE PUBLIC ARENAS AGAINST WHAT  
25 WE'VE HELD OURSELVES ACCOUNTABLE FOR AS A MISSION AND

1 OBJECTIVES.

2 DR. HALL: I WOULD OFFER A SLIGHTLY DIFFERENT  
3 PERSPECTIVE. I THINK WHAT BOB SAYS IS IMPORTANT.  
4 HOWEVER, I THINK IT'S ALSO IMPORTANT FOR US. AND I  
5 THINK AND MY SENSE IS IT NEEDS -- IT'S SOMETHING THAT  
6 SHOULD EXPRESS THE CORE OF OUR MISSION, AND IT'S  
7 SOMETHING THAT SHOULD BE A TOUCHSTONE FOR US AS WE HAVE  
8 DISCUSSIONS ABOUT VARIOUS THINGS. WE SHOULD BE ABLE TO  
9 SAY, NOW, WAIT A MINUTE. WHAT ARE WE ALL ABOUT? LET'S  
10 GO BACK AND REMEMBER EVERYTHING SHOULD BE GUIDED BY  
11 THIS. THIS IS THE FINAL VALUE.

12 AND I KNOW IN SOME OF OUR DISCUSSIONS, WE'VE  
13 SPENT A LOT OF TIME THIS LAST YEAR ON ADMINISTRATIVE  
14 AND PROCEDURAL MATTERS. WHY? TOWARDS AN END, AND THIS  
15 MISSION STATEMENT SHOULD BE THE FINAL END. IT'S  
16 IMPORTANT THAT WE HAVE HIGH MEDICAL AND ETHICAL  
17 STANDARDS. WHY? IN ORDER TO GET CURES AND THERAPIES  
18 AND DIAGNOSTICS, HOWEVER WE WANT PUT IT, IN ORDER TO  
19 AMELIORATE DISEASE. THERE SHOULD BE -- IT IS -- IF YOU  
20 WANT TO THINK IN A HIERARCHICAL SENSE, IT IS THE VALUE  
21 THAT SUPERSEDES ALL VALUES, AND IN THE END, IT'S THE  
22 ONE WE HAVE TO SATISFY. I THINK, YES, WE DO NEED IT  
23 FOR THE OUTSIDE WORLD, AND WE NEED FOR PEOPLE TO SEE  
24 THAT. WE ALSO NEED IT. IT'S OUR OWN INTERNAL COMPASS,  
25 I WOULD SAY, THAT WE ALWAYS SET OUR NEEDLE STRAIGHT BY

1 THAT AND SAY, OKAY, IS THAT WHERE WE'RE HEADED? IS  
2 THAT WHAT WE'RE DOING? AND EVERYTHING SHOULD BE  
3 JUSTIFIED UNDER THAT IN SOME WAY OR ANOTHER. ANY OF  
4 OUR ACTIVITIES THAT WE'RE DOING SHOULD FALL UNDER THAT.  
5 YES, IN THE END WE'RE DOING THIS IN ORDER TO GET THERE,  
6 IN ORDER TO GET THERE, IN ORDER TO DO THAT.

7 SO I JUST SEE THAT AS OUR -- THAT FOR ME IS  
8 WHAT IT IS. MAYBE OTHERS HAVE DIFFERENT OPINIONS, AND  
9 I WOULD ENCOURAGE PEOPLE TO SAY.

10 DR. BRYANT: I WAS GOING TO MAKE A SUGGESTION  
11 THAT WOULD WORK FOR ME. THAT IS, IF I WERE SITTING BY  
12 MYSELF DOING THIS, WHICH I DIDN'T DO BEFOREHAND, BUT I  
13 DID START TO DO NOW, IS I WOULD THINK OF WORDS,  
14 INDIVIDUAL WORDS, THAT ARE ESSENTIAL TO OUR MISSION.  
15 AND THEN AFTERWARDS WORRY ABOUT HOW THEY GO TOGETHER.  
16 SO SOME OF THE THINGS THAT ARE IMPORTANT OBVIOUSLY ARE  
17 CURES, IT'S EXCELLENT BASIC SCIENCE, IT'S  
18 COLLABORATION, IT'S OPEN PUBLICATION, IT'S EFFICIENT  
19 TECH TRANSFER. I MEAN THERE ARE A LOT OF THINGS THAT  
20 WE WANT TO HAVE HAPPEN HERE.

21 DR. HALL: LET ME JUST PUSH A LITTLE BIT ON  
22 THAT. I WOULD SAY THERE'S A HIERARCHY OF THINGS IN  
23 WHAT YOU SAY.

24 DR. BRYANT: BUT THERE'S THE FUNDAMENTALS.

25 DR. HALL: YES. LET ME MAKE A PERSONAL ASIDE

1       HERE.  YEARS AND YEARS AGO I TOOK A COURSE IN  
2       PATHOLOGY.  I ACTUALLY SPENT A COUPLE YEARS IN MEDICAL  
3       SCHOOL BEFORE I DROPPED OUT.  THEN, AS I SUPPOSE  
4       ALWAYS, A MEDICAL STUDENT'S MAJOR DEVICE FOR LEARNING  
5       WAS ACRONYMS.  AND SO, YOU KNOW, THE CRANIAL NERVES ON  
6       OLD OLYMPUS TOWERING TOP AND SO FORTH AND SO FORTH.  
7       ANYHOW, WE HAD ALL THESE ACRONYMS FOR DIFFERENT THINGS  
8       WE HAD TO REMEMBER.  WE HAD ONE PERSON IN OUR CLASS WHO  
9       SAID BEFORE THE FINAL EXAM THAT HE HAD FINALLY  
10      SUCCEEDED IN HAVING A HIERARCHY.  HE HAD AN ACRONYM FOR  
11      ACRONYMS, AND HE HAD THE WHOLE PATHOLOGY COURSE IN ONE  
12      ACRONYM WHICH HE COULD DECODE AND SPREAD OUT THROUGH  
13      THE WHOLE THING.  THAT'S A SORT OF SILLY EXAMPLE.

14                 BUT FOR ME IT SHOULD BE SOMETHING THAT IS THE  
15      DISTILLED FINAL FROM THAT.  SO I WOULD SAY OF THE WORDS  
16      YOU MENTIONED, THAT THEY'RE NOT ALL EQUALLY IMPORTANT,  
17      AND THE MISSION STATEMENT SHOULD SOMEHOW REFLECT THAT  
18      HIERARCHY, AND THAT WHAT WE REALLY WANT IS THE FINAL  
19      ONE.  OKAY.

20                 DR. BRYANT:  THAT'S JUST A SUGGESTION OF HOW  
21      TO GET THERE.

22                 MR. ROTH:  I'M GLAD, ZACH, YOU INCLUDED THESE  
23      TWO MISSION STATEMENTS FROM THE PRESENTERS LAST WEEK.  
24      I THOUGHT THEY WERE PARTICULARLY GOOD.  AFTER LOOKING  
25      AT MANY, MANY MISSION STATEMENTS, THEY CLEARLY STATE

1 THE PURPOSE OF WHY THOSE ORGANIZATIONS EXIST. THE  
2 JDRF, TO FIND A CURE FOR DIABETES. VERY SIMPLE. IT'S  
3 HARD TO ESCAPE WHAT THEY'RE ABOUT. AND THE SECOND,  
4 HIGH Q, WHICH IS A BIT DIFFERENT, BUT TO BRING TOGETHER  
5 ACADEMIC INDUSTRY, GOVERNMENT AGENCIES, AND OTHER  
6 FUNDING ORGANIZATIONS IN SEARCH FOR HUNTINGTON'S  
7 DISEASE TREATMENTS. AGAIN, VERY SPECIFIC ABOUT WHAT  
8 THEIR PURPOSE IS AND WHAT THEY'RE TRYING TO DO.

9 I THINK ANYTHING WE CAN DO THAT'S REALLY  
10 SHORT AND TO THE POINT AND REALLY ENCOMPASSES AN AWFUL  
11 LOT IS IMPORTANT. AND I AGREE WITH WHAT SUSAN JUST  
12 SAID. WORDS COME OUT; FOR EXAMPLE, CATALYST, ADVANCING  
13 TECHNOLOGY. THERE ARE MANY THINGS YOU CAN THINK ABOUT  
14 AS THE REASON THIS ORGANIZATION OR THIS BODY EXISTS,  
15 AND THAT'S REALLY TO ADVANCE THIS TECHNOLOGY AND MAKE  
16 IT AS BROAD AS POSSIBLE, NOT WELL BEYOND TREATMENTS  
17 ONLY. I THINK IT'S TO ADVANCE THE WHOLE FIELD AND TO  
18 BE A CATALYST FOR THAT OVER THE NEXT TEN YEARS.

19 DR. HALL: MAYBE YOU SHOULD HAVE A TRY AT  
20 PUTTING DOWN WHAT YOU JUST SAID, DUANE, AS A STARTING  
21 POINT.

22 MR. ROTH: I THINK IF WE CAN SAY SOMETHING  
23 THAT IS REALLY VERY BROADBASED ABOUT OUR PURPOSE IS  
24 REALLY TO SEED THIS TECHNOLOGY. WE'RE HERE TO SEED IT,  
25 TO ADVOCATE FOR IT, TO CATALYZE IT. ALL OF THOSE

1 THINGS IS WHAT WE HOPE TO DO IN TEN YEARS.

2 DR. HALL: WELL, IT IS INTERESTING BECAUSE,  
3 I'M GLAD YOU CALLED ATTENTION TO THESE, BECAUSE YOU  
4 COULD HARDLY FIND SOMETHING PUNCHIER THAN THE JDRF ONE.  
5 AND THE OTHER ALTERNATIVE IS TO BRING IN SOME OF THESE  
6 OTHER THINGS. THAT'S GOOD. ANY OTHER COMMENTS?

7 MS. FEIT: I THINK THE MISSION STATEMENT  
8 NEEDS TO BE VERY CONCISE AND SHORT. IT NEEDS TO STAND  
9 THE TEST OF TIME. IF YOU GO IN AFTER THREE YEARS OR  
10 FOUR YEARS AND TRY TO START ALTERING IT AGAIN, YOU'RE  
11 CHANGING YOUR ORGANIZATION. SO WHATEVER THE MISSION  
12 STATEMENT IS, IT NEEDS TO BE VERY SIMPLISTIC, AND IT  
13 NEEDS TO STAND THE TEST OF TIME. AND EVERYTHING THE  
14 ORGANIZATION DOES NEEDS TO BE BENCHED AGAINST THAT  
15 MISSION STATEMENT.

16 AND AN EXAMPLE WOULD BE, SAY, SIX YEARS FROM  
17 NOW, WE GET ALL CAUGHT UP IN FACILITIES, AND THE  
18 MISSION STATEMENT SHOULD HELP GET US BACK ON TRACK. IT  
19 SHOULD SAY, "WAIT A MINUTE. WHAT IS THE FOCUS OF THIS  
20 ORGANIZATION? ARE WE SPENDING TOO MUCH OF THE  
21 RESOURCES AND TIME ON ONE PURPOSE OF THE ORGANIZATION  
22 AND NOT FOCUSING ON THE TRUE MISSION OF THE  
23 ORGANIZATION?" SO IT SHOULD STAND THE TEST OF TIME WAY  
24 BEYOND ANY PROBABLY OF OUR PARTICIPATION. AND YOU  
25 DON'T WANT TO MESS WITH IT. ONCE YOU HAVE COMMITTED TO

1 THE MISSION OF THE ORGANIZATION, IT IS THE TRUE PURPOSE  
2 OF THE ORGANIZATION. SO THAT WOULD BE MY ONLY COMMENT.

3 I THINK ON THE SECOND PAGE, FOR ME A STARTING  
4 POINT IS THE SENTENCE IN THE MIDDLE OF THE PAGE THAT  
5 SAYS TO SUPPORT STEM CELL RESEARCH AND RELATED  
6 TECHNOLOGIES UNDER THE HIGHEST STANDARDS WITH AIMING OF  
7 DEVELOPING TREATMENTS AND THERAPIES FOR CHRONIC DISEASE  
8 AND INJURIES. IT REALLY KIND OF SUMMARIZES WHAT THE  
9 ORGANIZATION'S CORE PURPOSE IS. IT'S A LITTLE LENGTHY,  
10 BUT FOR ME IT'S THE BEGINNING STATEMENT OF A LOT OF  
11 WHAT WAS SAID HERE. THERE'S SOME GREAT SINGLE  
12 STATEMENTS IN ONE WORDS THAT SUSAN BROUGHT UP, AND I  
13 THINK THOSE COULD BE USED. AGAIN, I WOULD ADVOCATE FOR  
14 SOMETHING VERY SIMPLE THAT WILL STAND THE TEST OF TIME.

15 DR. HALL: THAT'S AN INTERESTING AND  
16 IMPORTANT POINT, THAT IT NEEDS TO BE SOMETHING THAT  
17 WILL BE ENDURING AND NOT REFLECT PARTICULAR CONCERNS OF  
18 THE MOMENT, BUT THAT WILL LAST US A GOOD LONG TIME.  
19 VERY IMPORTANT POINT.

20 DR. REED: I THINK ONE THING THAT I WOULD  
21 LIKE TO SEE INCORPORATED INTO THE MISSION STATEMENT  
22 WOULD BE NOT ONLY THE TERM TO SUPPORT BECAUSE OF THE  
23 GRANT FUNDING MISSION OF THIS, BUT ALSO TO PROMOTE IN  
24 THE SENSE THAT THIS IS -- I THINK THIS ORGANIZATION HAS  
25 A LARGER OBJECTIVE THAT IS REQUIRED IN THE CURRENT

1 SOCIETY THAT WE DEAL WITH, WHICH REQUIRES THAT WE NOT  
2 ONLY SUPPORT FINANCIALLY, BUT WE ALSO PROMOTE IN  
3 VARIOUS WAYS STEM CELL RESEARCH AND RELATED  
4 TECHNOLOGIES SO THAT WE CAN ACHIEVE THESE THERAPIES FOR  
5 CHRONIC DISEASE AND INJURY.

6 DR. HALL: I THINK THAT'S EXCELLENT.

7 DR. LOVE: I THOUGHT SUSAN'S POINT WAS  
8 ACTUALLY A VERY GOOD ONE. WHAT MIGHT BE A USEFUL  
9 EXERCISE FOR US IS FOR US TO AT LEAST LAY OUT ELEMENTS  
10 OF THINGS THAT WE THINK NEED TO BE INCORPORATED INTO  
11 THE MISSION STATEMENT. AND AS YOU SAID, ZACH, MANY OF  
12 THOSE THINGS WILL HAVE A HIERARCHY AND WILL FALL INTO  
13 ONE THEME.

14 THE REASON I ASKED THE POINT ABOUT WHO THE  
15 AUDIENCE IS, AND I THINK I ACTUALLY HEARD, BASICALLY  
16 IT'S A VERY BROAD AUDIENCE, IS THAT I THINK WE SHOULD,  
17 ALL THE POINTS THAT HAVE ALREADY MADE ABOUT BEING CRISP  
18 AND ABOUT BEING SUCCINCT, WE DO NEED TO RECOGNIZE THERE  
19 PROBABLY ARE MANY CONSUMERS FOR THIS MISSION STATEMENT.  
20 AS WE SIT HERE AND THINK ABOUT WHAT THE MISSION  
21 STATEMENT OUGHT TO SAY, WE PROBABLY OUGHT TO REFLECT  
22 THE FACT THAT WE WANT OTHER AUDIENCES WHO LOOK AT THIS  
23 TO FEEL LIKE IT'S APPROPRIATE.

24 AND I THINK ALSO, TO SUSAN'S POINT, IT MIGHT  
25 BE REASONABLE FOR US TO THINK ABOUT AT LEAST STARTING



1 OUR MISSION STATEMENT WITH A SIMPLE STATEMENT ABOUT WHY  
2 WE EXIST, WHY THE CITIZENS OF CALIFORNIA EVEN CREATED  
3 THIS, AND JUST TO SAY THIS IS WHERE WE ARE AND THEN TO  
4 SAY OUR MISSION. IT MIGHT ADD A LITTLE BIT OF LENGTH  
5 TO IT, BUT I THINK IT MIGHT BE APPROPRIATE AT LEAST,  
6 PARTICULARLY FOR US GIVEN OUR ORIGINS, TO START OUT  
7 WITH A STATEMENT ABOUT WHY WE EXIST BEFORE WE STATE  
8 WHAT WE'RE TRYING TO ACHIEVE.

9 DR. HALL: TED, IF WE WERE TO TAKE MARCY'S  
10 POINT, THEN WHAT YOU'VE SAID, WHICH I THINK IS  
11 IMPORTANT AND VALUABLE, MIGHT BE PART OF A PREAMBLE.  
12 AND THEN UNDERNEATH IT ONE WOULD HAVE, THEN, SOMETHING  
13 THAT IS MORE -- YOU CAN IMAGINE IN FIVE, SIX, SEVEN  
14 YEARS THE REASON IT GOT STARTED MIGHT BE OF EVEN  
15 HISTORICAL VALUE, NOT VALUELESS, STILL VERY IMPORTANT,  
16 BUT JUST THAT I ACTUALLY WAS TAKEN BY MARCY'S POINT  
17 ABOUT DOING SOMETHING THAT WAS TIMELESS.

18 CHAIRMAN KLEIN: IN TERMS OF WHAT -- ZACH, IN  
19 TERMS OF WHAT TED JUST MENTIONED, DO YOU HAVE THE  
20 ABILITY TO GO TO THE FINDINGS AND DECLARATIONS SECTION  
21 ABOVE THAT? FINDINGS AND DECLARATION. YOU SCROLLED A  
22 LITTLE TOO FAR. THE INITIATIVE STARTS OFF WITH THESE  
23 FINDINGS AND DECLARATIONS, TALKING ABOUT WHO WE'RE  
24 COMMITTED TO. AND THEN STEPS DOWN TO THE PURPOSE AND  
25 INTENT. BUT WHY DON'T WE JUST TAKE A SECTION A SECOND

1 SO WE REMEMBER THE MANDATE THAT THE PUBLIC STARTED WITH  
2 AND READ THIS FINDINGS AND DECLARATION AND THEN PURPOSE  
3 AND INTENT, AND I THINK THAT'S WHAT I WAS REFERRING TO  
4 EARLIER, THAT BY RESTATING THOSE, IT SHOWS THAT WE'RE  
5 INTENDING TO BE TRUE TO THE MANDATE. AND FOR THESE  
6 REASONS, AS STATED IN FINDINGS AND DECLARATION, PURPOSE  
7 AND INTENT, WE, THEREFORE, DECLARE OUR MISSION TO BE.

8 DR. HALL: UH-HUH. UH-HUH. BOB, I THINK IT  
9 WOULD BE VERY APPROPRIATE IF YOU WERE TO READ THIS.

10 CHAIRMAN KLEIN: THE PEOPLE OF CALIFORNIA  
11 FIND AND DECLARE THE FOLLOWING: MILLIONS OF CHILDREN  
12 AND ADULTS SUFFER FROM DEVASTATING DISEASES OR INJURIES  
13 THAT ARE CURRENTLY INCURABLE, INCLUDING CANCER,  
14 DIABETES, HEART DISEASE, ALZHEIMER'S, PARKINSON'S,  
15 SPINAL CORD INJURIES, BLINDNESS, LOU GEHRIG'S DISEASE,  
16 HIV/AIDS, MENTAL HEALTH DISORDERS, MULTIPLE SCLEROSIS,  
17 HUNTINGTON'S DISEASE, AND MORE THAN 70 OTHER DISEASES  
18 AND INJURIES.

19 RECENTLY MEDICAL SCIENCE HAS DISCOVERED A NEW  
20 WAY TO ATTACK CHRONIC DISEASES AND INJURIES. THE CURE  
21 AND TREATMENT OF THESE DISEASES CAN POTENTIALLY BE  
22 ACCOMPLISHED WITH THE USE OF NEW REGENERATIVE MEDICAL  
23 THERAPIES, INCLUDING A SPECIAL TYPE OF HUMAN CELLS  
24 CALLED STEM CELLS. THESE LIFESAVING MEDICAL  
25 BREAKTHROUGHS CAN ONLY HAPPEN IF ADEQUATE FUNDING IS

1 MADE AVAILABLE TO ADVANCE STEM CELL RESEARCH, DEVELOP  
2 THERAPIES, AND CONDUCT CLINICAL TRIALS.

3 ABOUT HALF OF CALIFORNIA'S FAMILIES HAVE A  
4 CHILD OR ADULT WHO HAVE SUFFERED OR WILL SUFFER FROM A  
5 SERIOUS, OFTEN CRITICAL OR TERMINAL MEDICAL CONDITION  
6 THAT COULD POTENTIALLY BE TREATED OR CURED WITH STEM  
7 CELL THERAPIES. IN THESE CASES OF CHRONIC ILLNESS OR  
8 WHEN PATIENTS FACE A MEDICAL CRISIS, THE HEALTHCARE  
9 SYSTEM MAY SIMPLY NOT BE ABLE TO MEET THE NEEDS OF  
10 PATIENTS OR CONTROL SPIRALING COSTS UNLESS THERAPY  
11 FOCUS SWITCHES AWAY FROM MAINTENANCE AND TOWARD  
12 PREVENTION AND CURES.

13 UNFORTUNATELY, FEDERAL GOVERNMENT IS NOT  
14 PROVIDING ADEQUATE FUNDING NECESSARY FOR THE URGENT  
15 RESEARCH AND FACILITIES NEEDED TO DEVELOP STEM CELL  
16 THERAPIES TO TREAT AND CURE DISEASES AND SERIOUS  
17 INJURIES. THIS CRITICAL FUNDING GAP CURRENTLY PREVENTS  
18 THE RAPID ADVANCEMENT OF RESEARCH THAT COULD BENEFIT  
19 MILLIONS OF CALIFORNIANS. THE CALIFORNIA STEM CELL  
20 RESEARCH AND CURES ACT WILL CLOSE THIS FUNDING GAP BY  
21 ESTABLISHING AN INSTITUTE WHICH WILL ISSUE BONDS TO  
22 SUPPORT STEM CELL RESEARCH, EMPHASIZING PLURIPOTENT  
23 STEM CELL AND PROGENITOR CELL RESEARCH AND OTHER VITAL  
24 MEDICAL TECHNOLOGIES FOR THE DEVELOPMENT OF LIFESAVING  
25 REGENERATIVE MEDICAL TREATMENTS AND CURES.

1                   NOW, IN THE FOLLOWING SECTION, PURPOSE AND  
2                   INTENT, IN TERMS OF THE SCIENTIFIC PLAN, I WOULD SAY  
3                   THAT IT'S THE FIRST THREE OR FOUR PARAGRAPHS THAT  
4                   REALLY ADDRESS THE SCIENTIFIC GOALS. FOLLOWING THOSE  
5                   GOALS, YOU GO INTO ISSUES OF ACCOUNTABILITY AND  
6                   FINANCIAL PLANNING AND FINANCIAL OBJECTIVES FOR THE  
7                   STATE; TO CONTRIBUTE TO THE STATE'S ECONOMY, FOR  
8                   EXAMPLE.

9                   THERE IS SEPARATELY CALLED FOR IN THE  
10                  INITIATIVE A FINANCIAL STRATEGIC PLAN WHICH WE'RE NOT  
11                  ADDRESSING HERE. BUT IN TERMS OF THE FIRST SECTIONS  
12                  HERE, PURPOSE AND INTENT, I THINK WE CAN SKIP THE  
13                  PARAGRAPH ABOUT THE AVERAGE OF 295 MILLION. WE KNOW  
14                  THAT. BUT SUBSTANTIVELY, AS ONE OF THE QUOTES THAT'S  
15                  IN THIS TEXT BEFORE YOU SAYS, MAXIMIZE THE USE OF  
16                  RESEARCH FUNDS BY GIVING PRIORITY TO STEM CELL RESEARCH  
17                  THAT HAS THE GREATEST POTENTIAL FOR THERAPIES AND CURES  
18                  SPECIFICALLY FOCUSED ON PLURIPOTENT STEM CELL AND  
19                  PROGENITOR CELL RESEARCH AMONG OTHER VITAL RESEARCH  
20                  OPPORTUNITIES THAT CANNOT OR ARE UNLIKELY TO RECEIVE  
21                  TIMELY OR SUFFICIENT FEDERAL FUNDING UNENCUMBERED BY  
22                  LIMITATIONS THAT WOULD IMPEDE THE RESEARCH.

23                  RESEARCH SHALL BE SUBJECT TO ACCEPTED PATIENT  
24                  DISCLOSURE AND PATIENT CONSENT STANDARDS. ASSURE THAT  
25                  THE RESEARCH IS CONDUCTED SAFELY AND ETHICALLY BY

1 INCLUDING PROVISIONS TO REQUIRE COMPLIANCE WITH  
2 STANDARDS BASED ON NATIONAL MODELS THAT PROTECT PATIENT  
3 SAFETY, PATIENT RIGHTS, AND PATIENT PRIVACY, AND  
4 PROHIBIT THE USE OF BOND PROCEEDS OF THE INITIATIVE FOR  
5 FUNDING FOR HUMAN REPRODUCTIVE CLONING. IMPROVE THE  
6 CALIFORNIA HEALTHCARE SYSTEM AND REDUCE THE LONG-TERM  
7 HEALTHCARE COST BURDEN ON CALIFORNIA THROUGH THE  
8 DEVELOPMENT OF THERAPIES THAT TREAT DISEASES AND  
9 INJURIES WITH THE ULTIMATE GOAL TO CURE THEM.

10 THROUGH THAT POINT, IT ADDRESSES THE  
11 SCIENTIFIC GOALS WITH THE PREFATORY DECLARATION AND  
12 FINDINGS.

13 DR. HALL: THANK YOU VERY MUCH. GOOD.

14 CHAIRMAN KLEIN: TED, HOW DO YOU FEEL ABOUT  
15 USING THOSE SECTIONS AS A PREAMBLE?

16 DR. LOVE: WELL, I THINK IT WAS TOO LONG, BUT  
17 I THINK THERE'S SOME THINGS THERE THAT DO GET AT THE  
18 CORE OF WHY WE'RE ALL HERE AND THE CORE OF WHY  
19 CALIFORNIA PASSED THIS INITIATIVE. AND I THINK IF WE  
20 COULD, TO MARCY'S POINT, MAKE THAT A VERY SUCCINCT AND  
21 BRIEF STATEMENT, I THINK THAT WILL BE TIMELESS ALSO.  
22 IT MAY BE HISTORICAL, BUT I THINK IT WILL CONTINUE TO  
23 BE TIMELESS JUST AS THE CREATION OF THE NIH WAS  
24 TIMELESS IN ITS MISSION.

25 DR. PRICE: IN THE SPIRIT THAT MISSION

1 STATEMENTS SHOULD BE SUCCINCT AND SOMETHING THAT  
2 SOMEBODY CAN READ IN A PARAGRAPH AND GRASP, LET ME  
3 OFFER THE FOLLOWING SORT OF SUGGESTION ON THE TABLE.  
4 AND THAT IS WE BEGIN WITH SOME VERSION OF THE FIRST  
5 PARAGRAPH OF THE PROP 71 STATEMENT THAT YOU READ, WHICH  
6 LAYS OUT THE SERIOUS DISEASES AND SO ON. AND THEN LET  
7 ME JUST SUGGEST THE FOLLOWING SENTENCE WHICH SHOULD  
8 FOLLOW FROM THAT.

9 THE MISSION OF THE CIRM IS TO MOBILIZE AND  
10 COORDINATE THE VERY BEST SCIENTIFIC EXPERTISE SO AS TO  
11 DEVELOP STEM CELL BASED DIAGNOSTICS, THERAPIES, AND  
12 CURES FOR THESE DISEASES AND INJURIES, REFERRING TO THE  
13 ONES THAT WE JUST MENTIONED.

14 DR. HALL: FOR THE RECORD, DID WE GET THAT  
15 DOWN, OR DO YOU NEED TO REPEAT IT?

16 CHAIRMAN KLEIN: IS THERE A WAY, MELISSA,  
17 THAT AS HE READS THE STATEMENT, YOU CAN PUT IT ON THE  
18 SCREEN?

19 DR. HALL: WE HAD AN EARLIER ONE. AS I  
20 UNDERSTOOD, THE AMENDED VERSION WAS TO PROMOTE STEM  
21 CELL RESEARCH AND RELATED TECHNOLOGIES UNDER THE  
22 HIGHEST STANDARDS WITH THE AIM OF -- THAT STATEMENT  
23 RIGHT AT THE BOTTOM HERE WAS JUST PROMOTE. THOSE ARE  
24 THE TWO SUCCINCT STATEMENTS WE'VE HAD AT THIS POINT.

25 DR. LOVE: WHILE SHE'S TYPING THAT, LET ME

1 ASK ONE QUESTION. SOMETHING THAT HASN'T BEEN  
2 MENTIONED, WE MAY NOT WANT TO MENTION, BUT THERE'S BEEN  
3 TALK ABOUT RETURNING SOME FINANCIAL BENEFIT TO THE  
4 CITIZENS OF CALIFORNIA. NOW, MAY NOT WANT TO MENTION  
5 THAT, BUT THAT COMES UP A LOT. I'M JUST WONDERING DO  
6 WE WANT THAT ANYWHERE IN OUR MISSION STATEMENT?

7 CHAIRMAN KLEIN: THAT IS IN THE PURPOSE AND  
8 INTENT SECTION. SO TAKING YOUR ADVICE, IF WE WERE TO  
9 TAKE AND PARE DOWN PURPOSES AND INTENT, DR. PRICE, THE  
10 INTENT WAS HERE THE MISSION STATEMENT ITSELF WOULD BE  
11 VERY SHORT, BUT BY UTILIZING SECTIONS OF THE PURPOSE  
12 AND INTENT OR FINDINGS AND DECLARATION OR BOTH AND  
13 RESTATING THOSE, IT WOULD BE A DECLARATION WE WERE  
14 STILL COMMITTED TO THOSE ISSUES AND THOSE GOALS, BUT  
15 TRYING TO REALLY REFINE OUR MISSION THAT WE HAVE TO  
16 IMPLEMENT VERY TERSELY.

17 DR. STEWARD: I GUESS I'M GOING TO ALSO MOVE  
18 IN THE DIRECTION OF BREVITY. AND, YOU KNOW, I GUESS  
19 WHAT I WOULD REALLY LIKE AT SOME POINT IS TO SEE THE  
20 VERY FIRST SENTENCE OF THIS BE SOMETHING THAT YOU COULD  
21 ALMOST INCORPORATE INTO THE LETTERHEAD OF THE  
22 INSTITUTE. VERY SUCCINCT, VERY FOCUSED ON THE PURPOSE,  
23 AND PERHAPS ENDING BY THE WORD "BY," WHICH WOULD THEN  
24 LEAD TO A SERIES OF BULLETS THAT WOULD, IN FACT, DEAL  
25 WITH SOME OF THE SPECIFICS THAT WE'VE ALL MENTIONED.

1 SO I'LL THROW ONE OUT HERE, AND IT IS TO DEVELOP  
2 MEDICAL THERAPIES AND CURES USING EMBRYONIC STEM CELL  
3 TECHNOLOGY, PERIOD. THE BILL, AFTER ALL, IS THE  
4 CALIFORNIA STEM CELL RESEARCH AND CURES ACT.

5 CHAIRMAN KLEIN: HOW DO YOU FEEL ABOUT THE  
6 OTHER VITAL RESEARCH OPPORTUNITIES?

7 DR. STEWARD: I THINK THAT DEVELOP IS, IN  
8 FACT, PART OF THAT, IN GENERAL. IF YOU END THAT  
9 SENTENCE WITH A BY, THEN YOU ACTUALLY SAY -- YOU CAN  
10 HAVE THAT AS A BULLET. YOU CAN HAVE A WHOLE TON OF  
11 THINGS AS BULLETS, BUT REALLY I THINK ZACH'S POINT WAS  
12 RIGHT ON THE MARK. THAT SORT OF FINAL VALUE, WHERE IS  
13 ALL THIS LEADING. AND I WOULD SAY IT'S TO DEVELOP  
14 TREATMENTS AND CURES, PERIOD.

15 DR. WRIGHT: I AGREE OS. AND THE ONLY THING  
16 I WOULD ADD EITHER TO BOB'S SUGGESTION OR TO OS' IS  
17 THAT WE END IT WITH TO REDUCE HUMAN SUFFERING OR  
18 SOMETHING TO THAT EFFECT BECAUSE IT'S NOT JUST THE  
19 PRODUCTION OF THE CURES AND TREATMENTS. THE GOAL IS TO  
20 REDUCE THE SUFFERING. AND TO ME IT DOESN'T MATTER IF  
21 IT'S CHRONIC, ACUTE, TRAUMATIC, WHAT THE ETIOLOGY IS,  
22 BUT GETTING BACK TO THE TERSE POINT, WE'RE AT IT TO  
23 REDUCE SUFFERING.

24 DR. HALL: ALL RIGHT. WE'RE WORKING TO  
25 INCORPORATE THESE CHANGES HERE, PRODUCING THEM FASTER



1 THAN WE CAN KEEP UP WITH THEM PRACTICALLY, BUT I THINK  
2 OUR TEAM HAS GOT IT HERE.

3 MS. FEIT: I THINK IN TERMS OF A STRUCTURE OF  
4 HOW, BECAUSE THERE'S A LOT OF GOOD THINGS THAT NEED TO  
5 BE SAID, IS TO HAVE A PARAGRAPH THAT OPENS UP THAT  
6 GIVES AN EXPLANATION OF THE ORGANIZATION, TO HAVE A  
7 SIMPLE MISSION STATEMENT THEN THAT REALLY DRIVES THE  
8 CORE VALUE AND PURPOSE OF THE ORGANIZATION THAT'S  
9 TIMELESS. AND THEN FROM TIME TO TIME PURPOSES AND  
10 OBJECTIVES WILL BE LISTED, AND THEY WILL CHANGE, BUT  
11 THE MISSION STATEMENT, THEY NEED TO BE ABLE TO REFLECT  
12 IT BACK TO THAT. AND ANY TIME THE ORGANIZATION CANNOT  
13 WRITE A PURPOSE OR AN OBJECTIVE STATEMENT TO PUT ON A  
14 PIECE OF PAPER WITH THE MISSION STATEMENT, THEN YOU  
15 HAVE TO ASK YOURSELF ARE WE OFF TRACK HERE, AND ARE WE  
16 NOT CONTINUING ON THE MISSION THAT WE ORIGINALLY SAID  
17 WE WERE? SO IT BECOMES A REALLY GOOD COMPASS.

18 SO I WOULD ADVOCATE TO SAY THAT EVERYTHING  
19 THAT'S BEEN STATED SO FAR IS ABSOLUTELY ON TRACK. IT'S  
20 JUST THAT YOU CAN'T PUT IT IN ONE SIMPLE, SUCCINCT  
21 QUESTION. SO I WOULD ADVOCATE FOR A STRUCTURE THAT  
22 WOULD ALLOW US TO HAVE AN OPENING STATEMENT ABOUT THE  
23 ORGANIZATION AND THEN THE SIMPLE MISSION STATEMENT AND  
24 THEN A LIST OF IMMEDIATE PURPOSES AND OBJECTIVES THAT  
25 WE ALREADY KNOW WHAT WE WANT TO ACCOMPLISH. AND THEY

1 WILL CHANGE. THEY WILL CERTAINLY BE DIFFERENT SEVEN  
2 YEARS FROM NOW.

3 DR. HALL: CAN WE JUST ASK, OSSIE, DOES THAT  
4 CATCH WHAT YOU SAID?

5 DR. STEWARD: THE ONLY THING I WOULD ADD IS  
6 USING STEM CELL TECHNOLOGIES.

7 DR. HALL: DEVELOP CURES AND THERAPIES USING  
8 STEM CELL TECHNOLOGIES. WE CAN WORDSMITH IT LATER. BY  
9 SUSAN'S DICTUM, WE'VE GOT THE KEY WORDS IN THERE.  
10 WE'LL JUST KEEP REARRANGING THEM TILL WE GET IT RIGHT.  
11 AT ANY RATE, THERE WAS ANOTHER COMMENT.

12 MR. ROTH: JOHN, DID YOU MEAN TO DROP THE  
13 WORD "SUPPORT" IN YOUR VERSION OR JUST ADD PROMOTE?

14 DR. REED: I WANTED TO HAVE "PROMOTE" ADDED  
15 TO "SUPPORT."

16 MR. ROTH: ALSO, I WOULD AMEND THIS SLIGHTLY  
17 TO TAKE OUT THE WORD "UNDER THE HIGHEST STANDARDS." I  
18 THINK THAT'S UNNECESSARY. IT WOULD READ WITH THE AIM.  
19 IT'S OBVIOUS WE WOULD THINK IT'S UNDER THE HIGHEST  
20 STANDARDS, BUT I DON'T THINK YOU NEED THAT IN THE  
21 MISSION STATEMENT. IT'S KIND OF MOTHERHOOD AS OPPOSED  
22 TO ANYTHING TANGIBLE. IT WILL MAKE IT SHORTER.

23 DR. HALL: JUST A LITTLE BIT MORE HERE AND  
24 WE'RE GOING TO CONVERGE. THEY'RE COMING CLOSER.

25 DR. REED: WITH RESPECT TO THIS CONCEPT OF A

1 PREAMBLE THAT WOULD PRECEDE IT, I MIGHT SUGGEST  
2 SOMETHING VERY SUCCINCT. SEE HOW THIS GRABS PEOPLE,  
3 BUT SOMETHING ALONG THE LINES OF "IN ACCORDANCE WITH  
4 THE MANDATE OF THE CITIZENS OF CALIFORNIA, AS SPECIFIED  
5 IN CALIFORNIA," -- WHATEVER ACT, I DON'T KNOW THAT THE  
6 BILL NUMBER IS -- "THE MISSION OF THE CALIFORNIA  
7 INSTITUTE OF REGENERATIVE MEDICINE IS TO," AND THEN  
8 PROCEED WITH WHICHEVER MISSION STATEMENT.

9 DR. HALL: WOULD YOU MIND WRITING THAT DOWN  
10 AND WE CAN JUST PICK IT UP? THAT WOULD BE THE EASIEST.  
11 FROM US TRYING TO -- SEVERAL PEOPLE TRYING TO HEAR IT  
12 AND PUT IT TOGETHER, IF YOU COULD JUST WRITE THAT DOWN  
13 AND GIVE IT TO MELISSA, AND WE'LL PUT IT UP THERE.

14 CHAIRMAN KLEIN: SPECIFICALLY THE FORMAL NAME  
15 IS THE CALIFORNIA STEM CELL RESEARCH AND CURES ACT.

16 DR. PRIETO: WELL, A COUPLE OF THINGS. I  
17 WOULD AGREE WITH DROPPING THE MENTION OF HIGHEST  
18 STANDARDS IN THE INITIAL STATEMENT, BUT I THINK THE  
19 INITIAL SENTENCE NEEDS TO BE THE CORE, THE THING THAT  
20 GRABS PEOPLE'S ATTENTION. I DON'T KNOW THAT WE  
21 NECESSARILY NEED TO REFER IN ACCORD WITH THE MANDATE OF  
22 THE PEOPLE OF CALIFORNIA. I THINK THAT'S PERHAPS  
23 SELF-EVIDENT. I THINK WE JUST WANT TO SAY THIS IS WHAT  
24 WE'RE ABOUT, THIS IS WHAT WE'RE DOING.

25 AND I LIKE THE SENTENCES THAT ARE UP THERE,

1 TO SUPPORT AND PROMOTE STEM CELL RESEARCH. WELL, IN  
2 ONE PART OF THE PROPOSITION, IT SAYS OTHER VITAL  
3 MEDICAL TECHNOLOGIES FOR THE DEVELOPMENT OF LIFESAVING  
4 REGENERATIVE MEDICAL TREATMENTS AND CURES TO REDUCE  
5 HUMAN SUFFERING. AND I THOUGHT THAT WAS A VERY  
6 IMPORTANT POINT, THAT THAT IS REALLY WHAT WE'RE ALL  
7 ABOUT. I'M NOT SUGGESTING MORE LANGUAGE EXCEPT PERHAPS  
8 TO ADD JANET'S SENTENCE OR JANET'S PHRASE TO OUR FIRST  
9 SENTENCE.

10 DR. HALL: FIRST SENTENCE OF WHICH ONE HERE?

11 DR. LOVE: DO WE WANT TO IMPROVE HUMAN  
12 HEALTH? I KNOW THE MERCK MISSION STATEMENT, THAT'S  
13 THERE, AND IT KIND OF TIES INTO WHAT JANET SAID. I  
14 THINK THE MERCK MISSION STATEMENT SAYS SOMETHING ABOUT  
15 ERADICATING HUMAN SUFFERING AND IMPROVING HUMAN HEALTH,  
16 WHICH ARE ACTUALLY DIFFERENT THINGS.

17 DR. BRYANT: HOW ABOUT REGENERATIVE MEDICINE?

18 DR. LOVE: IS THAT ADDING TOO MUCH?

19 DR. HALL: THAT'S FINE. LET'S KEEP THAT ON.  
20 WE MAY HAVE TO START WITH A SECOND PAGE HERE. WE HAVE  
21 AN INTERESTING POINT. I JUST WANT TO PICK UP SUSAN'S  
22 POINT. HOW DO WE WANT TO USE THE TWO TERMS, STEM CELL  
23 THERAPIES OR STEM CELL RESEARCH, STEM CELL  
24 TECHNOLOGIES, VERSUS REGENERATIVE MEDICINE? DO WE WANT  
25 TO USE ONE OR BOTH OR HOW? HOW DOES THAT FIT IN?

1 REGENERATIVE MEDICINE CAN BE TAKEN AS BEING BROADER  
2 THAN STEM CELL TECHNOLOGIES.

3 DR. BRYANT: MAYBE USING STEM CELL THERAPIES  
4 TO PROMOTE OR TO ENHANCE REGENERATIVE MEDICINE OR  
5 SOMETHING OF THAT KIND. THE LOWER FOR THE HIGHER.  
6 STEM CELLS IS A WAY TOWARDS REGENERATIVE MEDICINE.

7 DR. HALL: STEM CELL TECHNOLOGIES AND OTHER  
8 REGENERATIVE MEDICINE.

9 DR. WRIGHT: STEM CELLS THERAPIES TO ADVANCE  
10 REGENERATIVE MEDICINE.

11 CHAIRMAN KLEIN: THE ADVANTAGE HERE, LET'S  
12 REMIND EVERYONE, THERE WAS EXTRAORDINARY DEBATE UP AND  
13 DOWN THE STATE, WHICH CONTINUES, ABOUT THIS PHRASE  
14 "OTHER VITAL RESEARCH OPPORTUNITIES" AND THE DYNAMIC  
15 CAPACITY TO FOLLOW RESEARCH WHERE IT MAY LEAD AND  
16 REDIRECT OUR RESOURCES AND REMAIN TRUE TO OUR MISSION.  
17 SO THE OTHER VITAL RESEARCH OPPORTUNITIES IS AND HAS  
18 BEEN PERCEIVED AS A CORE PART OF OUR MISSION WHILE  
19 RECOGNIZING THE NEED TO FOCUS RESOURCES ON THIS  
20 UNDERSERVED AREA OF PLURIPOTENT AND PROGENITOR STEM  
21 CELL RESEARCH, WHICH IS THE LEAD PORTION OF THE  
22 MISSION.

23 DR. HALL: BOB, WOULD YOU WANT TO SAY THAT  
24 STEM CELL AND OTHER VITAL TECHNOLOGIES OF REGENERATIVE  
25 MEDICINE? BRING THEM IN UNDER THE RUBRIC REGENERATIVE

1 MEDICINE? IN YOUR VIEW DOES THE OTHER VITAL  
2 TECHNOLOGIES BASICALLY GIVE US A LICENSE TO GO WHERE WE  
3 WISH?

4 CHAIRMAN KLEIN: WELL, AS YOU KNOW, THIS IS A  
5 VERY SENSITIVE QUESTION. THE OTHER VITAL RESEARCH  
6 OPPORTUNITIES, CELL SIGNALING, CELL GROWTH FACTORS, ARE  
7 SUPPORTIVE OF THIS FIELD OF STEM CELL RESEARCH.  
8 THEY'RE ALL A PART OF REGENERATIVE MEDICINE.

9 DR. HALL: ONE COULD INCLUDE IT IN A PHRASE  
10 THAT SAID STEM CELL TECHNOLOGIES AND OTHER VITAL  
11 RESEARCH OPPORTUNITIES TO ADVANCE REGENERATIVE  
12 MEDICINE. IN THE END WE ARE THE INSTITUTE OF  
13 REGENERATIVE MEDICINE. WE HAVE TO HAVE SOME ALLEGIANCE  
14 TO THAT TERM HERE, AND I THINK THAT'S A GOOD IDEA.  
15 THAT'S A GOOD POINT.

16 MR. ROTH: I THINK, TO ANSWER BOB'S QUESTION,  
17 THE RELATED TECHNOLOGIES IS BROAD. AND YOU WON'T HAVE  
18 TO CHANGE THAT OVER MANY YEARS BECAUSE THAT CAN TAKE  
19 YOU WHERE THE RESEARCH GOES, AND IT WILL BE RELATED.  
20 THERE WILL BE SOME RELATIONSHIP TO THE PRIMARY PURPOSE,  
21 WHICH IS IN THE FIRST MISSION STATEMENT, STEM CELLS AND  
22 RELATED TECHNOLOGIES.

23 DR. HALL: BOB, IT MIGHT BE AN APPROPRIATE  
24 TIME TO ASK FOR MEMBERS OF THE PUBLIC WHO WISH TO  
25 COMMENT, OR DO YOU WANT TO HOLD THAT FOR THE MOMENT?

1           CHAIRMAN KLEIN: WE CAN DO THAT. IN TERMS OF  
2 OUR RESOURCES OF TIME TONIGHT, IT'S ABOUT FIVE AFTER  
3 EIGHT. AND I THOUGHT A COUPLE THINGS. ONE IS WE COULD  
4 TAKE A FIVE-MINUTE BREAK RIGHT NOW, COME BACK AND GET  
5 SOME PUBLIC COMMENT. BUT IN TERMS OF OUR TASK, THE  
6 OTHER PART OF OUR TASK TONIGHT, BESIDES TRYING TO LAY  
7 OUT THESE PRELIMINARY CONCEPTS THAT HOPEFULLY MAYBE WE  
8 CAN TAKE BACK AND TRY AND CRAFT INTO THIS MISSION  
9 STATEMENT, HAVING CAPTURED THESE IDEAS, THE OTHER PART  
10 OF OUR TASK IS TO GET ON THE TABLE THE AGENDAS OF THE  
11 OBJECTIVES OF THIS RESEARCH BECAUSE WE HAVE A RICH  
12 BOARD CONSTITUENCY HERE REPRESENTING MANY DIFFERENT  
13 ELEMENTS, AND WE NEED TO PUT THESE OBJECTIVES ON THE  
14 TABLE SO THAT WE CAN GET A HEALTHY DISCUSSION WITH  
15 STAFF. AND THE STAFF CAN GO INTO THIS BOARD MEETING,  
16 WHICH WILL FURTHER THIS DISCUSSION, AND THEN ADVANCE  
17 THE STRATEGIC PLAN, UNDERSTANDING THE PERSPECTIVES THAT  
18 THE BOARD MEMBERS ARE COMING FROM.

19           IT IS NOT TO SAY -- WE'RE NOT GOING TO VOTE  
20 ON OBJECTIVES TONIGHT, BUT WE'RE GOING TO INFORM  
21 OURSELVES AND THE PUBLIC AND GET THE BENEFIT OF THE  
22 PUBLIC'S INPUT ON THE RANGE OF OBJECTIVES WE'RE ALL  
23 TRYING TO CAPTURE. SO IF WE COULD TAKE JUST A  
24 FIVE-MINUTE BREAK, THEN WE'LL COME BACK AND HAVE PUBLIC  
25 COMMENT AND TRY AND PROCEED AS LONG AS THE BOARD

1 ACCEPTS THIS ALLOCATION OF RESOURCES.

2 (A RECESS WAS TAKEN.)

3 CHAIRMAN KLEIN: IF WE CAN GET THE BOARD  
4 MEMBERS TO ALL COME TO THE DAIS. DR. PRICE, IF YOU  
5 COULD LOOK OUTSIDE AND SEE IF THERE'S ANY RESCUABLE  
6 BOARD MEMBERS. OKAY. I THINK A COUPLE HAVE STEPPED  
7 OUT TO THE PATIO THERE FOR PHONE RECEPTION.

8 IF WE CAN OPEN THIS FOR A FEW MINUTES TO  
9 PUBLIC COMMENT FOR THE PUBLIC, PLEASE TRY AND KEEP YOUR  
10 COMMENTS TO THREE MINUTES. AS WE ARE PROCEEDING HERE,  
11 AS STATED EARLIER, WE ARE BRINGING TOGETHER IDEAS.  
12 THIS IS GOING TO BE BROUGHT UP AGAIN TOMORROW.  
13 COMMENTS FROM THE PUBLIC ARE WELCOME. YOU'RE NOT  
14 REQUIRED TO STATE YOUR NAME, BUT IF YOU COULD, AND  
15 AFFILIATION, THAT WOULD BE HELPFUL.

16 DR. RAO: NAME IS MAHENDRA RAO, AND I'M THE  
17 VICE PRESIDENT FOR STEM CELL REGENERATIVE MEDICINE AT  
18 INVITROGEN CORPORATION. I JUST WANTED TO SAY THAT I  
19 THOUGHT THE MISSION STATEMENT WAS VERY SUCCINCT, BUT I  
20 FELT THAT ONE SHOULD ADD ONE MORE WORD, AND THAT WAS  
21 DISCOVERIES. IF YOU GO BACK TO YOUR SENTENCE UP THERE,  
22 YOU SAY TO MOBILIZE AND COORDINATE THE VERY BEST  
23 SCIENTISTS TO DEVELOP. I THINK IT SHOULD BE TO  
24 DISCOVER AND DEVELOP BECAUSE THE DISCOVERY PROCESS IS  
25 GOING TO BE A CRITICAL PIECE OF WHAT NEEDS TO BE DONE.



1 AND THAT WILL BE THE INITIAL START OF WHAT YOU WILL  
2 PROBABLY BE DOING IN THE FIRST YEAR. THAT SEEMED TO ME  
3 IMPORTANT.

4 DR. PRICE: WHILE YOU'RE ON THIS SLIDE, COULD  
5 YOU PUT VERY BEST SCIENTIFIC EXPERTISE? PURPOSE IS NOT  
6 TO MOBILIZE SCIENTISTS. YOU MOBILIZE THEIR EXPERTISE.

7 DR. HALL: I MIGHT JUST GIVE A WORD OF  
8 DESCRIPTION. DR. RAO IS A VERY DISTINGUISHED STEM CELL  
9 SCIENTIST WHO WAS AT THE NATIONAL INSTITUTE OF AGING.  
10 AND HE IS ONE OF CALIFORNIA'S -- IT'S TO OUR BENEFIT  
11 THAT HE IS HERE IN CALIFORNIA, AND WE'RE DELIGHTED TO  
12 HAVE HIM IN THE STATE. JUST WANTED TO SAY THAT HE'S  
13 VERY WELL-KNOWN IN THE STEM CELL RESEARCH COMMUNITY.

14 CHAIRMAN KLEIN: ZACH, CAN WE SEE IF THERE'S  
15 ANY OTHER PUBLIC COMMENT?

16 MR. BAETGE: MY NAME IS ED BAETGE. I'M THE  
17 CSO OF CYTHERA HERE IN SAN DIEGO. WE'RE A STEM  
18 CELL-BASED COMPANY FOCUSED ON EMBRYONIC STEM CELLS, AND  
19 OUR FOCUS IS PRIMARILY IN THE DIABETES AREA. BUT WE  
20 WENT THROUGH A PROCESS VERY SIMILAR TO WHAT YOU'RE  
21 DOING TODAY TO DEVELOP A MISSION STATEMENT FOR OUR  
22 COMPANY. AND IT'S SIMILAR. I WROTE SOMETHING DOWN  
23 VERY EARLY IN THIS DISCUSSION WHEN YOU STARTED TO HAVE  
24 THE DISCUSSION AND MENTIONED ALL THE DIFFERENT  
25 STATEMENTS AND WORDS THAT YOU THOUGHT MIGHT BE

1 APPROPRIATE. AND MANY OF THEM I THINK I INCORPORATED,  
2 AND IT'S VERY SIMPLE, AND I THINK IT COVERS EVERYTHING  
3 THAT YOU MIGHT POSSIBLY WANT TO HAVE IN A MISSION  
4 STATEMENT.

5 BUT I WOULD JUST SAY DEVELOPMENT OF STEM CELL  
6 AND RELATED TECHNOLOGIES FOR THE TREATMENT OF SERIOUS  
7 HUMAN DISORDERS OR DISEASES.

8 AND I THINK THAT IF YOU CAN THINK ABOUT THAT  
9 OVER THE LIFETIME, IT COVERS THE RELATED TECHNOLOGIES  
10 AS WELL AS IT COVERS THE USE OF STEM CELLS, NOT ONLY  
11 FOR CELL THERAPIES, BUT FOR DRUG DISCOVERY THAT CAN  
12 EVENTUALLY MOVE INTO THE TREATMENT OF THESE DISEASES.

13 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

14 MR. SIMPSON: JOHN SIMPSON FROM THE  
15 FOUNDATION FOR TAXPAYER AND CONSUMER RIGHTS. I HAVEN'T  
16 CRAFTED THIS. I JUST WANTED TO STRESS TO MY MIND THAT  
17 THIS RIGHT NOW IS THE BEGINNING OF FORMING A STATEMENT  
18 THAT PROBABLY WILL BE THE MOST IMPORTANT STATEMENT THAT  
19 YOU END UP WITH, WHICH IS THE THING THAT YOU WILL USE  
20 TO JUDGE EVERYTHING ELSE THAT YOU DO AGAINST. IT WILL  
21 DECIDE, OKAY, THIS PARTICULAR THING FITS IN OR IT  
22 DOESN'T FIT IN.

23 SO THIS IS A VERY GOOD, I THINK, BEGINNING,  
24 BUT I DON'T THINK YOU SHOULD WALK OUT OF THE ROOM  
25 TONIGHT NECESSARILY FEELING THAT YOU'VE GOT IT YET. I

1 MEAN WAYS TO GET THIS OUT AND COMMENTED ON AND MARKED  
2 UP AND WORKED OVER, I THINK, ARE GOING TO BE REALLY  
3 ESSENTIAL, BUT THIS IS A REALLY IMPORTANT AND GOOD  
4 BEGINNING TO A PROCESS THAT I THINK IS ABSOLUTELY  
5 ESSENTIAL.

6 AND I'M STILL MULLING THE WORDS. AND THE  
7 THING THAT I THINK YOU NEED TO MAKE SURE YOU DO IS NOT  
8 FOCUS TOO MUCH ON STEM CELLS WITHOUT HAVING SOME WAY OF  
9 DRAWING IN THE RELATED TECHNOLOGIES AND REGENERATIVE  
10 MEDICINE BECAUSE IT COULD WELL BE THAT, WHILE MANY  
11 PEOPLE SORT OF THINK THAT CELLULAR THERAPY IS WHAT'S  
12 GOING TO PAY OFF, THAT MAY NOT BE THE CASE AT ALL. AND  
13 I THINK YOU'VE GOT TO LEAVE THINGS OPEN AS YOU GO DOWN  
14 THE ROAD. THANK YOU.

15 CHAIRMAN KLEIN: THANK YOU VERY MUCH. ANY  
16 ADDITIONAL PUBLIC COMMENT?

17 DR. HALL, I THINK IT WOULD BE APPROPRIATE AT  
18 THIS POINT, UNLESS THE BOARD WANTS TO MAKE ADDITIONAL  
19 COMMENTS HERE, IF WE WERE TO TAKE WHAT IS A VERY GOOD  
20 START ON SOME PRELIMINARY CONCEPTS HERE FOR THE  
21 MISSION, WE'RE GOING TO DISCUSS THIS AGAIN TOMORROW,  
22 AND THE STAFF CAN WORK ON IT, GIVEN THE HOURS OF TIME  
23 IN THE INTERIM, AND WE COULD IN THE REMAINING TIME GO  
24 INTO OBJECTIVES AND TRY AND GET A BROAD SPECTRUM  
25 INVENTORY OF THE OBJECTIVES THAT WE SEE FROM EACH OF

1 OUR DIFFERENT AREAS OF TRAINING AND BACKGROUND.

2 DR. HALL: I THINK THAT'S TERRIFIC. LET'S GO  
3 AHEAD AND DO THAT. I'D LIKE TO SUGGEST A SLIGHTLY  
4 DIFFERENT WAY OF PROCEEDING IF IT'S ALL RIGHT WITH YOU.  
5 AND THAT IS, A MISSION STATEMENT IS A SHORT, CONCISE,  
6 AND WE'VE TALKED ABOUT AS SORT OF A CONDENSATION OR  
7 DISTILLING, DEPENDING UPON YOUR POINT OF VIEW, OF OUR  
8 THOUGHTS. AND SO THERE IS KIND OF WORDSMITHING OR  
9 BEING CAREFUL ABOUT WORDS. WITH THE LONG-TERM  
10 OBJECTIVES, THE INTENT IS NOT TO CAST A WIDER NET.  
11 THAT IS, WE DON'T WORDSMITH ANYTHING TONIGHT. WE DON'T  
12 NEED TO GET ANYTHING JUST RIGHT.

13 AND SO WHAT WE THOUGHT WE WOULD DO, IF THIS  
14 MEETS WITH YOUR APPROVAL, IS TO TALK ABOUT THE SORT OF  
15 EXAMPLES THAT WE HAVE, GET FURTHER SUGGESTIONS FROM  
16 YOU, AND THEN TO ASK YOU TO WRITE DOWN YOUR IDEAS. WE  
17 CAN COLLECT THOSE, AND OUR STAFF CAN HAVE THOSE READY  
18 FOR THE ICOC MEETING TOMORROW.

19 SO WE HAVE THE CHOICE. I SUGGEST RATHER THAN  
20 PUTTING EVERYTHING UP ON THE SCREEN WHERE THERE IS THIS  
21 TEMPTATION TO SAY I'D LIKE TO CHANGE THIS WORD AND  
22 CHANGE THAT WORD, PEOPLE TALK ABOUT IT, WRITE IT DOWN,  
23 TURN IT IN, AND THEN THE IDEA IS TO HAVE, THEN, A SORT  
24 OF COLLECTION OF THESE. AND THEN TO LOOK THEM OVER, TO  
25 ADD TO THEM AS WE GO ON, AND SOMETIME WE'LL PROBABLY

1 WINNOW THEM DOWN, AND THEY WILL BE, IN SOME SENSE,  
2 WELL, I WAS GOING TO SAY, THEY WILL BE RELATED TO THE  
3 MISSION STATEMENT, BUT THIS, REMEMBER, IS TAKEN AT A  
4 POINT IN TIME; WHEREAS, THE MISSION STATEMENT, AS MARCY  
5 SAID, IS GOING TO BE SORT OF TIMELESS IN A CERTAIN  
6 SENSE. THIS IS A WAY OF SAYING WHAT DO WE WANT TO BE?  
7 WHAT KINDS OF THINGS DO WE WANT TO THINK ABOUT AS  
8 REASONABLE GOALS FOR TEN YEARS DOWN THE LINE?

9 SO THE FIRST ONE, IF WE COULD JUST LOOK AT,  
10 IS IN CLINICAL THE ARENA. I WILL JUST QUICKLY READ THE  
11 ONES THAT WE HAVE, AS I SAY, SORT OF CULLED FROM  
12 VARIOUS COMMENTS, FROM THE READING, FROM OUR  
13 INTERVIEWEES, THE ONES THAT WE'VE DONE SO FAR. AND AS  
14 YOU WILL HEAR TOMORROW, WE'RE ONLY STILL IN THE EARLY  
15 MIDSTAGES OF THAT.

16 SO THE FIRST ONE AND, I THINK, REALLY MOST  
17 IMPORTANT IN SOME WAYS IS TO HAVE EARLY STAGE CLINICAL  
18 TRIALS, NEW THERAPIES BASED ON STEM CELL RESEARCH FOR  
19 SEVERAL DISEASES TEN YEARS DOWN THE LINE. SO THAT IS  
20 AN ISSUE, AND I THINK ONE OF THESE THAT WE WILL MAYBE  
21 EVEN WANT TO TALK ABOUT AT SOME POINT IS HOW FAR IS IT  
22 REALISTIC TO EXPECT WE CAN BE IN TEN YEARS, BUT THAT  
23 WAS SORT OF A GO AT THAT ONE.

24 THE OTHER IS TO ESTABLISH PROOF OF PRINCIPLE  
25 FOR STEM CELL THERAPY IN HUMANS FOR SEVERAL DISEASES.

1 AND THAT IS PERHAPS REPETITIVE.

2 TO DEMONSTRATE A LEVEL OF SUCCESSFUL STEM  
3 CELL THERAPY THAT WILL ATTRACT THE LARGE INVESTMENT  
4 FROM OTHERS THAT WILL BE NECESSARY TO BRING STEM CELL  
5 THERAPIES TO PATIENTS. THIS ACTUALLY CAME FROM ONE OF  
6 OUR INTERVIEWEES WHO SAID THAT, IN THIS CASE A HE, THAT  
7 IF WE AT THE END OF TEN YEARS WERE SUCCESSFUL ENOUGH TO  
8 INTEREST THE INVESTMENT AND PHARMACEUTICAL INDUSTRY TO  
9 ACTUALLY PUT THE MONEY IN TO MAKE THESE INTO AVAILABLE  
10 THERAPIES, THAT THIS WOULD BE, IN THIS PERSON'S  
11 OPINION, A SUBSTANTIAL ACHIEVEMENT.

12 AND THEN A THIRD OR FOURTH, RATHER, WHICH IS  
13 TO DEVELOP APPROACHES THAT WILL ADDRESS IMMUNE  
14 REJECTION OF TRANSPLANTED TISSUE. THERE WAS A LOT OF  
15 DISCUSSION AT OUR MEETING LAST FALL. THERE ARE LOTS OF  
16 POSSIBILITIES FOR THIS. THIS INDEED CUTS ACROSS MANY  
17 DIFFERENT DISEASES, OF COURSE, USING CELL  
18 TRANSPLANTATION. AND I THINK THERE ARE AVENUES FOR  
19 EXPLORING THIS, BUT NO MATTER WHAT WE DO WITH CELL  
20 TRANSPLANTATION, IT'S A PROBLEM WE'RE GOING TO HAVE TO  
21 ADDRESS.

22 THESE WERE JUST FOUR THAT WE CHOSE. AND IF  
23 YOU HAVE OTHER SUGGESTIONS OR IF YOU HAVE COMMENTS ON  
24 ANY OF THESE, WE'D BE PLEASED TO HEAR THEM. MY INTENT  
25 IS NOT TO DIRECT THE DISCUSSION HERE OR ARRIVE AT ANY

1 CONCLUSIONS. WE ARE GATHERING INFORMATION VERY MUCH.

2 CHAIRMAN KLEIN: FROM MEMBERS OF THE BOARD.

3 DR. PRIETO: I THINK THE SECOND REALLY LEADS  
4 INTO THE THIRD, AND THE TWO TOGETHER ARE A VERY  
5 IMPORTANT GOAL. IF WE ESTABLISH THAT PROOF OF  
6 PRINCIPLE, THEN WE WILL CERTAINLY DRAW IN MORE INTEREST  
7 AND MORE INVESTMENT.

8 DR. HALL: IT'S A DIFFERENT WAY OF SAYING THE  
9 SAME THING. IT MAKES A SLIGHTLY DIFFERENT POINT, WHICH  
10 I THINK DOES EMPHASIZE THAT THIS WILL NEED TO BE -- THE  
11 THING WE'VE HEARD AGAIN AND AGAIN AND AGAIN IN THE IP  
12 DISCUSSIONS IS THAT \$3 BILLION SOUNDS LIKE A LOT OF  
13 MONEY IN TERMS OF DEVELOPMENT OF THERAPIES FOR  
14 PATIENTS. IT WILL NEED MASSIVE INVESTMENT BY OTHERS.  
15 AND SO IF WE COULD BE SUCCESSFUL ENOUGH TO ATTRACT  
16 THAT, I THINK THAT WILL SET THE COURSE. THAT'S A GOOD  
17 POINT.

18 OTHER COMMENTS OR ANY OTHER LONG-TERM  
19 OBJECTIVES IN THE CLINICAL ARENA? BY THE WAY, SOME OF  
20 THESE YOU SAY, WELL, WHY IS THIS A TRANSLATION OF  
21 CLINICAL? THAT DOESN'T MATTER. WE CAN SORT THAT OUT  
22 LATER. IT'S JUST A WAY OF DOING IT. BUT THERE ARE  
23 OTHER IDEAS.

24 DR. STEWARD: JUST ONE QUESTION, WHETHER WE  
25 WANT TO INCLUDE A MANPOWER BULLET THERE. THAT IS, TO

1 DEVELOP A NEW GENERATION OF CLINICIANS WHO ARE SKILLED  
2 IN REGENERATIVE MEDICINE.

3 DR. HALL: WE HAVE IT UNDER A DIFFERENT ONE.  
4 IF YOU WANT TO WRITE SOMETHING, THAT WOULD BE GREAT.

5 DR. BRYANT: WOULD THAT BE PART OF THE  
6 SECTION THAT WOULD BE OUR CORE VALUES?

7 DR. HALL: THE MANPOWER, ACTUALLY WE VIEW  
8 THAT AS INFRASTRUCTURE, AND WE'LL LIST UNDER  
9 SPECIFICALLY. MAYBE WHAT WE SHOULD DO IS RUN THROUGH  
10 THESE QUICKLY, ALL FOUR, AND THEN FILL IT ALL OUT AND  
11 THEN WE CAN COME BACK, RATHER THAN DO IT LIKE THIS. SO  
12 THAT'S A SUGGESTION.

13 CHAIRMAN KLEIN: UNDER CLINICAL, I'D LIKE TO  
14 GET BOARD COMMENT ON THE BASIC CONCEPT OF A GOAL OF  
15 EXPANDING THE APPLICATION OF EXISTING ADULT THERAPIES  
16 WHERE CURRENTLY, WHETHER IT'S LEUKEMIA, MULTIPLE  
17 MYELOMA, WE CAN ONLY REACH 50 PERCENT OF THE POTENTIAL  
18 BENEFIT. WE'RE DEALING WITH 50 PERCENT MATCHES BECAUSE  
19 WE LACK THE ABILITY TO CREATE ENOUGH IMMUNE TOLERANCE  
20 FOR THOSE THERAPIES TO BE SUCCESSFUL FOR MORE THAN 50  
21 PERCENT OF THE BENEFIT GROUP. ONE OF OUR BASIC GOALS  
22 COULD BE TO EXPAND THE APPLICATION OF ADULT THERAPIES.  
23 RATHER THAN JUST FOCUSING ON NEW THERAPY DEVELOPMENT,  
24 WE COULD HAVE TREMENDOUS BENEFIT IN EXPANDING LEUKEMIA  
25 AND MULTIPLE MYELOMA, ADULT THERAPIES, FOR THE OTHER 50



1 PERCENT OF THE BENEFIT GROUP WHO, FOR LACK OF INTEREST  
2 AND COMPATIBILITY MATCHES, WE CANNOT ADDRESS NOW. OR  
3 IN THE CASE OF THE LUPUS RESULTS THAT DR. RICHARD BURKE  
4 RECENTLY PUBLISHED, HE CAN ONLY REACH 10 PERCENT OF HIS  
5 POTENTIAL BENEFIT GROUP WITH ADULT THERAPY BECAUSE HE  
6 NEEDS ALMOST AN EXACT COMPATIBILITY MATCH. SO HERE'S  
7 IDENTIFIED THERAPIES WITH ADULT STEM CELLS WHERE WE  
8 COULD PROVIDE A TREMENDOUS SERVICE BY EXPANDING THE  
9 APPLICATION OF THOSE THERAPIES.

10 HOW DO WE WEIGH THAT? IS THAT AN IMPORTANT  
11 PRINCIPLE?

12 DR. HALL: MY SUGGESTION IS LET'S ADD IT TO  
13 THE LIST. WRITE IT DOWN, ADD IT TO THE LIST. AS I  
14 SAY, I THINK OUR INTENT IS NOT TO EXCLUDE AT THIS  
15 POINT, BUT TO BRING IN AS MANY DIFFERENT POINTS OF VIEW  
16 AS WE CAN. WE'LL GET AS MUCH AS INFORMATION AS WE CAN.  
17 OTHER SUGGESTIONS?

18 MR. ROTH: ZACH, I'M GOING TO GIVE YOU MY  
19 DIRECT COMMENT FROM LOOKING AT THESE. I THINK THESE  
20 AREN'T NEARLY AMBITIOUS ENOUGH. I CAN MAKE THE CASE  
21 THAT SOME OF THESE THINGS ARE ALREADY DONE, IF YOU HAD  
22 TO CHECK THEM OFF. I THINK HERE'S A PLACE WHERE YOU  
23 SHOULD HAVE A VISION FOR TEN YEARS DOWN THE ROAD. TO  
24 HAVE SEVERAL THERAPIES AND CLINICAL TRIALS, I THINK, IS  
25 FAR TOO WEAK. I WOULD HOPE THERE ARE A DOZEN CLINICAL

1 TRIALS IN THAT TIME FRAME OR MORE.

2 PROOF OF CONCEPT IS ALREADY DONE. I MET WITH  
3 A MAJOR PHARMACEUTICAL COMPANY TODAY, AND THEIR COMMENT  
4 WAS WE DON'T THINK THAT YOU UNDERSTAND HOW QUICKLY THIS  
5 FIELD IS MOVING AND THAT THINGS ARE REALLY PROGRESSING.  
6 FOR US TO BE TIMID HERE WHEN WE WANT TO THROW OUT A BIG  
7 GOAL, I THINK, FOR THIS MONEY WOULD BE IMPORTANT.

8 CHAIRMAN KLEIN: I THINK THAT IF YOU ARE  
9 GOING TO THE TRANSLATIONAL CATEGORY, SOME OF DUANE'S  
10 COMMENTS SPECIFICALLY IN THIS TRANSLATIONAL CATEGORY,  
11 WE CAN SAY THESE ARE WELL UNDERWAY IN TERMS OF  
12 ACCOMPLISHING THESE GOALS. LET'S LOOK AT THAT  
13 SPECIFICALLY TO DEVELOP THE USE OF STEM CELLS FOR  
14 TOXICITY TESTING AND DRUG DISCOVERY. THIS IS SOMETHING  
15 THAT WE CAN ACCELERATE POTENTIALLY OR EXPAND OR  
16 ENHANCE, BUT IT CERTAINLY IS A GOAL THAT IS A  
17 DOWNSTREAM ONE, THIS WHAT WE'RE TALKING ABOUT.

18 DR. HALL: SO THE OTHER, TO ESTABLISH PROOF  
19 OF PRINCIPLE FOR STEM CELL THERAPY AND TREATMENT ON A  
20 VARIETY OF DISEASES AND TO DEVELOP USE OF STEM CELLS  
21 FOR TOXICITY TESTING AND DRUG DISCOVERY. THIS HAS COME  
22 UP IN DIFFERENT CONTEXT. TO DEMONSTRATE THE USEFULNESS  
23 OF DISEASE-SPECIFIC STEM CELLS AND TARGET  
24 IDENTIFICATION AND DISCOVERY OF THERAPEUTICS, TO  
25 DEVELOP PROCEDURES FOR LARGE-SCALE PRODUCTION OF STEM

1 CELLS AND THEIR DERIVATIVES THAT WILL ENSURE THEIR  
2 SAFETY AND EFFICACY. THERE MAY BE MANY OTHER  
3 TRANSLATIONAL ONES, SO WE WOULD ENCOURAGE.

4 CHAIRMAN KLEIN: ZACH, IN TERMS OF DUANE'S  
5 COMMENT, YOU MIGHT, FOR EXAMPLE, ON THE SECOND ONE,  
6 TALK ABOUT ACCELERATING DEVELOPMENT FOR USE OF STEM  
7 CELLS FOR TOXICITY, RECOGNIZING THAT MANY OF THE BASIC  
8 CONCEPTS ARE THERE AND IN PROCESS.

9 DR. HALL: I GUESS YOU MAY BE RIGHT, BUT I  
10 WOULD -- I THINK SPEAKING PERSONALLY NOW, I DON'T THINK  
11 I KNOW ENOUGH TO SAY WHAT THE CURRENT STATUS OF THAT  
12 IS. IT MAY BE WELL DEVELOPED AND BE ALREADY IN ROUTINE  
13 USE BY COMPANIES. I KNOW CERTAINLY PEOPLE ARE  
14 INTERESTED IN IT. I THINK WE JUST NEED TO FIND OUT  
15 WHAT THE STORY IS.

16 I THINK THE POINT IS THAT IT IS A POTENTIAL  
17 USE, IT IS AN IMPORTANT ONE, AND THAT CAN HAVE GREAT  
18 BENEFIT. SO IT WOULD SEEM TO US IT'S NOT A FAIT  
19 ACCOMPLI. AND IF THAT'S TRUE AT THE END OF TEN YEARS,  
20 THAT IT'S AN ESTABLISHED PROCEDURE, THEN I THINK THAT'S  
21 SOMETHING WE CAN POINT TO WITH PRIDE.

22 MR. ROTH: THAT'S THE KEY WORD, ESTABLISH A  
23 STANDARD OR SOMETHING THAT YOU CAN REALLY SAY.

24 DR. HALL: I GUESS WE'RE LOOKING FOR  
25 SOMETHING THAT WOULD SAY -- I GUESS WE DON'T REALLY

1 KNOW IT'S GOING TO WORK YET. IF IT DOESN'T FOR SOME  
2 REASON -- ACTUALLY I WOULD SAY THERE IS A DIFFERENCE OF  
3 OPINION ON THIS. I MENTIONED TO BOB EARLIER WE, IN ONE  
4 OF OUR INTERVIEWS WITH SOMEBODY FROM A MAJOR DRUG  
5 COMPANY, SO THERE WAS NO QUESTION ABOUT THEIR  
6 PHARMACEUTICAL EMPHASIS, THEY POO-POOED THIS. SO IT'S  
7 SOMETHING I THINK WE WANT TO FIND OUT MORE ABOUT. I  
8 DON'T KNOW ENOUGH ABOUT IT MYSELF, BUT I THINK THAT'S  
9 SOMETHING WE DO WANT TO INVESTIGATE BOTH THE PROS AND  
10 CONS.

11 DR. REED: I THOUGHT, SORT OF TANGENTIALLY  
12 RELATED TO THIS PARTICULAR TOPIC, THAT THERE IS WORK  
13 GOING ON ATTEMPTING TO USE STEM CELLS IN THIS WAY. BUT  
14 IT STRUCK ME THAT SOME OF THESE GOALS MAY PROVIDE  
15 OPPORTUNITIES FOR US TO FIND ALLIES IN UNEXPECTED  
16 PLACES. AND WHEN YOU LOOK AT THAT GOAL AND YOU THINK  
17 ABOUT THE RAMIFICATIONS FOR REDUCING THE COST OF DRUG  
18 DEVELOPMENT POTENTIALLY BY ALLOWING MORE TO BE DONE  
19 WITH CULTURED CELLS AS OPPOSED TO WITH LIVING ANIMALS,  
20 IT ACTUALLY BECOMES A GOAL THAT ONE MIGHT BE ABLE TO  
21 ACTUALLY FIND COMMON GROUND WITH THE ANIMAL ACTIVISTS  
22 AND ASK ISN'T THIS LAUDABLE? ISN'T THIS THE DIRECTION  
23 YOU WANT TO SEE US GO? BECAUSE IF WE CAN HAVE BETTER  
24 SURROGATE MARKERS FOR TOXICITY BASED ON CULTURED CELLS  
25 DERIVED FROM HUMAN EMBRYONIC STEM CELLS THAT ARE BETTER

1 INDICATORS OF TOXICITY THAN USING MICE OR DOGS OR  
2 MONKEYS, THEN WE HAVE MADE BOTH SIDES HAPPY.

3 DR. HALL: FROM A VARIETY OF POINTS OF VIEW,  
4 I THINK WE'D ALL AGREE THAT IF STEM CELLS TURN OUT TO  
5 BE USEFUL FOR THAT, IT WOULD BE A TREMENDOUS ADVANCE,  
6 AND IT WOULD BE VERY IMPORTANT. IF YOU COULD -- WELL,  
7 WE'VE ALL HEARD THIS, MAYBE MARY OR OTHERS WANT TO TALK  
8 ABOUT THIS IN TERMS OF THE IP DISCUSSIONS AND SOME OF  
9 YOUR OWN KNOWLEDGE AND EXPERIENCE. ONE OF THE BIG  
10 STUMBLING BLOCKS CERTAINLY IN GETTING FDA APPROVAL FOR  
11 DRUGS IS TO WEED OUT ALL THE ONES THAT HAVE UNFORTUNATE  
12 SIDE EFFECTS. AND WHETHER THAT'S TOXICITY OR SOMETHING  
13 MORE SUBTLE, ANYTHING THAT CAN HELP THAT, DERISK, AS  
14 THE PHRASE GOES, THE PROCESS IS, I THINK, TREMENDOUS.

15 AND THEN, AS FRANCISCO SAID, IF YOU DO THAT,  
16 THEN THAT HELPS ATTRACT CAPITAL AS WELL. ALL THESE ARE  
17 INTERRELATED IN A WAY.

18 ANY OTHER COMMENTS ON THE TRANSLATIONAL? LET  
19 ME GO THROUGH THE OTHERS, AND WE'LL COME BACK AND  
20 REVISIT ANY OF THESE.

21 DR. REED: ONE MORE THAT I REALLY THINK  
22 SHOULD BE ON THERE IS TO DEVELOP TECHNIQUES FOR  
23 DIFFERENTIATING STEM CELLS INTO CLINICALLY USEFUL TYPES  
24 OF CELLS. I THINK THAT THE BASIC RESEARCH, THERE'S A  
25 GOAL SIMILAR TO THAT, BUT THERE IT'S SPECIFICALLY

1       DEFINED AS TO UNDERSTAND HOW TO DIFFERENTIATE.    BUT  
2       FROM A MORE EMPIRICAL STANDPOINT, ONE COULD SIMPLY, FOR  
3       EXAMPLE, AS WE DO NOW, SCREEN LARGE COLLECTIONS OF  
4       CHEMICALS IN SEARCH OF MOLECULES THAT HAVE DESIRED  
5       EFFECT AND HAVE NO UNDERSTANDING OF ACTUALLY HOW THEY  
6       WORK.

7                   DR. HALL:   GOOD POINT.   DEVELOP PROCEDURES  
8       EVEN FOR LARGE-SCALE ONE COULD SAY.

9                   DR. BRYANT:   I WOULD JUST LIKE TO SEE  
10       REGENERATIVE MEDICINE IN THAT FIRST ONE ALSO.   STEM  
11       CELL THERAPY AND REGENERATIVE MEDICINE IN PRECLINICAL.

12                   DR. HALL:   EXCELLENT.

13                   CHAIRMAN KLEIN:   THE OTHER THING WE NEED TO  
14       THINK ABOUT AS WE'RE GOING FORWARD HERE IS ZACH HAS  
15       TALKED TO US ABOUT THE TEN-YEAR GOALS.   AN ISSUE FOR  
16       THE BOARD IS THAT THE EXTERNAL CONSTITUENTS, WHETHER  
17       THEY BE THE LEGISLATURE OR PATIENT GROUPS OR OTHER  
18       ORGANIZATIONS, ARE GOING TO WANT TO SEE SOME MILESTONE  
19       MARKERS OF WHAT WE'RE ACHIEVING.   AND IF, FOR EXAMPLE,  
20       UNDER TRANSLATIONAL, YOU SAID TO ACCELERATE THE  
21       DEVELOPMENT OF STEM CELLS FOR TOXICITY TESTING,  
22       POTENTIALLY WE COULD HAVE A MILESTONE MARKER THERE  
23       WHERE WE COULD SHOW IN A SHORT-TERM BASIS, TWO TO FOUR  
24       YEARS, OR AN INTERMEDIATE TERM, THREE TO SEVEN, THAT WE  
25       WERE MAKING CONSTANT INCREMENTAL PROGRESS.   FOR THIS

1 INSTITUTION TO HAVE THE STABILITY IT NEEDS IN THE  
2 LARGER PUBLIC COMMUNITY IT LIVES IN, WE'RE GOING TO  
3 NEED TO PROVIDE COMMUNICATION INFORMATION ABOUT  
4 INCREMENTAL ADVANCES, INCREMENTAL ADVANCES OF  
5 KNOWLEDGE, THAT HELP IMPROVE EXISTING THERAPIES,  
6 EXISTING TREATMENT PROTOCOLS FOR PATIENTS WITH CERTAIN  
7 DISEASES THAT MIGHT LEAD TO THE DEVELOPMENT OF CERTAIN  
8 DRUGS, SLOW MOLECULE THERAPIES THAT SLOW DOWN  
9 DEVELOPMENT OF A DISEASE OR PROGRESSION OF A DISEASE.

10 BUT IT SEEMS THAT WE DON'T WANT, I WOULD  
11 POSTULATE, THE OUTSIDE WORLD TO SUGGEST WHAT OUR  
12 SHORT-TERM GOALS ARE, TWO TO FOUR YEARS, OR OUR  
13 INTERMEDIATE TERM GOALS ARE IN THREE TO SEVEN YEARS.  
14 BUT IF WE LEAVE A VACUUM, THEY'RE GOING TO BE  
15 (INAUDIBLE) FOR US IN TERMS OF EXPECTATIONS. IF WE TRY  
16 AND CREATE SOME RESPONSIBLE MILESTONES THAT WE ARE  
17 PREPARED TO TRY AND REACH FOR, IT HELPS DEFINE OUR  
18 PATH, AND IT HELPS IN TERMS OF REPORTING.

19 NOW, AS HAS BEEN STATED BY MARCY FEIT, THOSE  
20 OBJECTIVES ARE GOING TO BE DYNAMIC AND CHANGE OVER  
21 TIME; BUT IF WE DON'T HAVE SOME SHORT-TERM RANGE OF  
22 GOALS AND INTERMEDIATE RANGE OF GOALS, HOW ARE WE GOING  
23 TO LOOK AT OUR PATH IN THAT TIME FRAME?

24 DR. STEWARD: I'M GOING TO TAKE A LITTLE BIT  
25 OF A CONTRARY VIEW HERE. WE WILL HAVE SUCCESSES THAT

1 WE CAN'T ANTICIPATE NOW, AND WE'LL ALSO FAIL IN THINGS  
2 THAT SEEM ALMOST CERTAIN. AND THERE'S A REAL DANGER IN  
3 MAKING PREDICTIONS ABOUT WHAT WE CAN AND CAN'T  
4 ACCOMPLISH. I THINK IF WE SET THOSE KINDS OF  
5 INTERMEDIATE GOALS AS MILESTONE GOALS, THEY SHOULD BE  
6 EXCEEDINGLY GENERAL AND IN A SENSE NONSPECIFIC SO THAT  
7 WE CAN TAKE ADVANTAGE AND TAKE FULL CREDIT FOR THE  
8 COMPLETELY UNEXPECTED ACCOMPLISHMENTS, AND AT THE SAME  
9 TIME NOT BE DINGED FOR THINGS THAT JUST DIDN'T TO  
10 HAPPEN TO WORK IN THE TIME FRAME WE HOPED THAT THEY  
11 MIGHT.

12 CHAIRMAN KLEIN: FROM A PATIENT PERSPECTIVE,  
13 THERE'S A DESIRE TO GET DEFINITION AND TO SEE THE  
14 ORGANIZATION REACH, NOT FROM THEIR EARLY DEFINED GOALS  
15 OR OBJECTIVES, BUT FOR OBJECTIVES WITH SOME DEFINITION  
16 TO THEM. FROM AN INSTITUTIONAL PERSPECTIVE, THE SAFEST  
17 THING IS NOT TO PUT OUT ANY SHORT-TERM OR INTERMEDIATE  
18 OBJECTIVES, BUT THAT'S A BALANCING ACT.

19 DR. HALL: LET ME JUST SAY A WORD ABOUT THAT.  
20 I THINK PART OF THE ART OF PUTTING TOGETHER THE  
21 STRATEGIC PLAN IS DOING THAT. WE NEED TO BE ABLE TO  
22 SAY IN THREE YEARS HOW WE'RE DOING. ARE THE BETS THAT  
23 WE PLACED GOOD ONES? WE COUNTED ON SCNT WORKING IN  
24 HUMANS, FOR EXAMPLE; AND HERE IT IS THREE YEARS LATER  
25 AND NOTHING HAS HAPPENED. IS THERE SOMETHING WRONG?



1 MAYBE THERE'S A BIOLOGICAL BARRIER WE DON'T KNOW ABOUT.  
2 THERE MAY BE SCIENTIFIC REASONS, BUT I THINK WE WILL  
3 NEED TO PUT OUT THINGS THAT LET US EVALUATE OUR  
4 PROGRESS WITHOUT OFFERING OURSELVES AS A TARGET IN  
5 MAKING PROMISES. AND ALSO WE'LL HAVE TO BE NOT AFRAID  
6 IF WE TAKE CHANCES, WHICH WE WILL TALK ABOUT LATER IN  
7 OTHER WAYS. PART OF THAT IS FAKING IT, AND WE NEED TO  
8 NOT BE -- WE NEED TO SEEK UNDERSTANDING ON THAT ISSUE.  
9 AND I THINK WE WILL NEED TO BUILD IN SOME THINGS THAT  
10 WE OBVIOUSLY CAN ACHIEVE AND THEN SOME THINGS THAT ARE  
11 LONG SHOTS AND WE MAY OR MAY NOT ACHIEVE AND WE SAY AT  
12 THE BEGINNING THIS MAY NOT WORK. WE DON'T KNOW, BUT WE  
13 THINK THIS IS WORTH TRYING.

14 I THINK THE DANGER IS IN SAYING WE KNOW THIS  
15 IS GOING TO WORK OR THIS IS ALREADY WHATEVER, WHATEVER,  
16 WHATEVER, AND ALWAYS MAINTAIN OUR FLEXIBILITY. THAT'S  
17 GOING TO BE ONE OF THE CHALLENGES OF PUTTING THIS  
18 TOGETHER AS A WHOLE THING IS WORKING OUT THAT. AND  
19 WE'VE ALWAYS SAID THAT IT SHOULD BE, SHERRY LANSING'S  
20 WORDS HAVE BECOME A MANTRA AT THE CIRM NOW, AND THIS IS  
21 A WORK IN PROGRESS AND A LIVING DOCUMENT. AND  
22 CERTAINLY THE STRATEGIC PLAN WILL NEED TO BE A LIVING  
23 PLAN IN THAT WAY. THAT IS, THERE IS NO WAY WE CAN PUT  
24 A PLAN TOGETHER FOR TEN YEARS AND GO AWAY. WE WILL  
25 ALWAYS NEED TO BE REVISITING AND ADJUSTING.

1 DR. WRIGHT: AS I THINK ABOUT IT, I THINK IT  
2 PROBABLY FITS UNDER INFRASTRUCTURE, BUT I'LL MAKE THE  
3 COMMENT NOW. I THINK ONE OF OUR OBJECTIVES IS TO  
4 CONTRIBUTE TO THE KNOWLEDGE ABOUT STEM CELL RESEARCH  
5 EVEN AT A LAYPERSON LEVEL, THAT WE WANT TO CONTRIBUTE  
6 TO MEDICAL AND ETHICAL STANDARDS SETTING, TO THE  
7 INTERNATIONAL CONVERSATION ABOUT STEM CELL RESEARCH.  
8 AND WOULD THAT FIT UNDER INFRASTRUCTURE?

9 DR. HALL: SURE. WHAT WE'VE DONE IS JUST TO  
10 LIST SEVERAL THINGS, BUT I THINK THERE'S BEEN MORE AND  
11 MORE TALK ABOUT THAT AT VARIOUS LEVELS. AGAIN, AN  
12 INTERVIEWEE WAS TELLING US ABOUT A VERY NICE PROGRAM  
13 TODAY IN BOSTON OF EDUCATION. I THINK EDUCATION AT ALL  
14 LEVELS, NOT ONLY TO GENERATE A SKILLED WORKFORCE, BUT I  
15 THINK ALSO TO SERVE THE PUBLIC IN TERMS OF, I THINK,  
16 NOT ONLY EDUCATION, BUT BEING A RESOURCE AND A TRUSTED  
17 RESOURCE. THAT TO ME IS THE KEYWORD, A TRUSTED  
18 RESOURCE FOR INFORMATION ABOUT STEM CELLS.

19 I THINK WE'VE ALL RECOGNIZED FROM WHAT WE  
20 KNOW THAT THERE WILL BE THINGS THAT LOOK SPECTACULAR  
21 AND THEN TURN OUT NOT TO BE, OR THERE WILL BE RESULTS,  
22 THAT, BASED ON A FEW PATIENTS OR WHATEVER, THAT WILL  
23 RAISE PEOPLE'S HOPES. I THINK IT'S GOING TO BE VERY  
24 IMPORTANT FOR US TO CREATE, TO ESTABLISH THE TRUST OF  
25 THE PUBLIC, THAT THEY COME TO US FOR THE VERY BEST

1 INFORMATION. THEY CAN TRUST WHAT WE SAY, THAT WE'RE  
2 REALLY INTERESTED IN PROVIDING CAUTIOUS, SOLID  
3 INFORMATION AND NOT IN PROMOTING STEM CELL RESEARCH IN  
4 THAT POPULAR SENSE. SO I THINK THAT'S GOING TO BE A  
5 VERY IMPORTANT MISSION FOR US, AND WE WILL NEED TO WORK  
6 IT IN. AND I CERTAINLY AM MORE AND MORE AWARE OF THAT.

7 DR. WRIGHT: IT'S AN OPPORTUNITY TO EDUCATE  
8 ABOUT WHAT SCIENCE IS AND WHAT SCIENCE DOES, HOW  
9 SCIENCE PROCEEDS. IT'S FITS AND STARTS.

10 DR. KESSLER: SO I UNDERSTAND THESE ARE  
11 OBJECTIVES, AND I UNDERSTAND THE POINT OF TENSION  
12 BETWEEN WHAT ARE THE MILESTONES, BUT WHAT ARE THE  
13 OUTCOMES? THERE ARE OUTCOMES EVEN IF THEY'RE PROCESS  
14 OUTCOMES THAT WE CAN ASSURE. AND THESE ARE --

15 DR. HALL: ISN'T IT AN OUTCOME -- ISN'T IT AN  
16 OUTCOME TO HAVE, IF WE'VE TRAINED A LARGE NUMBER OF --

17 DR. KESSLER: THAT'S FINE. THAT'S A GENERAL  
18 STATEMENT. SO WHAT DO YOU WANT? WHAT'S THE OUTCOME  
19 IN THE FIRST THREE YEARS THAT YOU WANT TO ACHIEVE IN  
20 TRAINING A SKILLED WORKFORCE? WHAT'S THE OBJECTIVE  
21 HERE AND WHAT'S THE MILESTONE? AND WE CAN'T SAY WE'RE  
22 GOING TO TRAIN SIX PEOPLE WHO WILL GO ON TO WIN A NOBEL  
23 PRIZE, BUT WE CAN SAY WE'RE GOING TO SET UP X NUMBER OF  
24 TRAINING GRANTS A YEAR AND THERE WILL BE X PEOPLE  
25 TRAINED AND THEY'RE GOING TO BE FOCUSED ON -- WE ARE

1 GOING TO FUND --

2 DR. HALL: I THINK AT THE END OF TEN YEARS,  
3 WE CAN PROVIDE THOSE FIGURES.

4 DR. KESSLER: NO, YOU CAN'T. YOU CAN'T WAIT  
5 TEN YEARS TO PROVIDE --

6 DR. HALL: NO. NO. NO. CERTAINLY  
7 CUMULATIVELY WE CAN APPLY IT. AT THE END OF THIS YEAR,  
8 WE WILL HAVE 170 PEOPLE IN A TRAINING PROGRAM PAID BY  
9 IT.

10 DR. KESSLER: THIS IS A STRATEGIC PLANNING  
11 DOCUMENT. A STRATEGIC PLANNING DOCUMENT HAS TO HAVE  
12 CERTAIN OUTCOMES AND THINGS WE CAN MEASURE AND ACHIEVE.

13 DR. HALL: SUCH AS? I'M STILL STRUGGLING. I  
14 DON'T UNDERSTAND WHY THE FELLOWSHIPS DON'T COUNT.

15 DR. KESSLER: THEY CERTAINLY COUNT, BUT I  
16 DON'T SEE WHAT THE OUTCOME IS THAT WE'RE AIMING FOR  
17 HERE.

18 DR. HALL: THIS IS A TEN-YEAR OUTCOME.

19 DR. KESSLER: IT'S NOT A TEN-YEAR. I'M NOT  
20 ARTICULATING.

21 DR. BRYANT: I'M THINKING THAT -- THIS IS  
22 JUST TO BE A DEVIL'S ADVOCATE, THAT MAYBE HAVING  
23 MILESTONES IS NOT THE RIGHT WAY TO THINK ABOUT IT, BUT  
24 MAYBE WHAT THE INSTITUTE SHOULD DO IS PUT OUT A  
25 PROGRESS REPORT IN THESE AREAS EVERY YEAR SO THAT YOU

1 CAN HAVE THESE OBJECTIVES IN THERE, BUT NOT BOUND BY  
2 THEM IF YOU MAKE IT A PROGRESS REPORT, AND YOU CAN  
3 REPORT ON THE BROAD AREAS BECAUSE SOMETHING NEW MIGHT  
4 COME UP. SAYING AHEAD OF TIME WHAT IT IS YOU'RE GOING  
5 TO DO IN THE NEXT FIVE YEARS, YOU KNOW, EVEN WHEN  
6 YOU'VE GOT A GRANT, YOU KNOW WHAT THE OUTCOME IS. YOU  
7 WORK ON WHAT WORKS. YOU MAY HAVE GOT THE GRANT TO DO  
8 ONE THING, BUT YOU FIND THIS IS WORKING SO MUCH BETTER,  
9 SO PINNING IT DOWN AT THIS POINT MIGHT BE A MISTAKE.

10 MS. FEIT: STARTING FROM WHERE BOB MADE HIS  
11 COMMENT, THE GENERAL PUBLIC, I THINK, IS EXPECTING  
12 OUTCOMES. THEY'RE EXPECTING A REPORT, THEY'RE  
13 EXPECTING SOMETHING. IT'S A LOT OF MONEY.

14 AND TO TAKE OFF WHERE DR. KESSLER WAS MAKING  
15 HIS POINT, WE CAN SET SOME VERY DEFINITIVE OUTCOMES BY  
16 SAYING IN THREE YEARS WE WILL HAVE TRAINED 160 NEW  
17 RESEARCHERS, PERIOD. THAT'S AN OUTCOME IF THAT'S WHAT  
18 WE PLAN TO DO. BUT THAT BELONGS MORE IN PART OF THE  
19 STRUCTURE OF THE STRATEGIC PLAN. THERE'S A GOAL THAT  
20 SAYS HOW ARE WE GOING TO PROMOTE RESEARCH? WE'RE GOING  
21 TO DO IT BY TRAINING RESEARCHERS, FIRST OF ALL.

22 I THINK CIRM'S RESPONSIBILITY IS TO REPORT ON  
23 THE PROGRESS OF THE RESEARCH OF THE INVESTMENTS THAT  
24 WE'RE MAKING, WHETHER IT'S IN TRAINING OR IN TECHNOLOGY  
25 OR IN FACILITIES OR IN CURRENT ADULT STEM CELL

1 THERAPIES, BUT WE HAVEN'T REALLY TALKED ABOUT HOW ARE  
2 WE ARE GOING TO ONGOINGLY COMMUNICATE WITH THE GENERAL  
3 PUBLIC WHAT IS THE PROGRESS. BECAUSE YOU'RE RIGHT. WE  
4 CAN'T JUST PROMISE ANYTHING, BUT WE HAVE A  
5 RESPONSIBILITY TO REPORT ON THE PROGRESS AND WHAT WE'VE  
6 DONE WITH THOSE FUNDS. AND THERE WILL BE PROGRESS.  
7 SOME OF IT MAY BE DISAPPOINTING. MAYBE WE EXPECTED  
8 SPINAL CORD INJURY PATIENTS TO BE WALKING IN FIVE YEARS  
9 AND WE WERE DISAPPOINTED BECAUSE THEY ARE NOT ABLE TO  
10 DO THAT, BUT THEY CAN MOVE ONE LEG. I'M JUST MAKING AN  
11 EXAMPLE. BUT THAT IS THE KIND OF THING THAT WE SHOULD  
12 REPORT ON THE PROGRESS OF THE RESEARCH. AND THERE ARE  
13 STEPS HAVING TO BE TAKEN BACKWARD IN THE RESEARCH, AN  
14 EXPLANATION WHY, WHAT HAS HAPPENED, BUT THAT IS THE  
15 RESPONSIBILITY I THINK CIRM HAS.

16 DR. KESSLER: AGAIN, I UNDERSTAND THIS  
17 PROGRESS REPORT. OF COURSE, THERE'S PROGRESS REPORTS,  
18 BUT WE'RE DOING A STRATEGIC PLAN. AND I DON'T SEE  
19 ANY -- I SEE SOME GENERAL STATEMENTS. I DON'T SEE ANY  
20 SPECIFICITY OR ANY REAL STRATEGY.

21 DR. HALL: DAVID, YOU CAME IN LATE ACTUALLY.  
22 THE POINT HERE IS TO LAY OUT THE OBJECTIVES. AND WHAT  
23 I HAD SAID AT THE BEGINNING IS ALL THE STUFF IN  
24 BETWEEN, THAT'S THE JOB THAT WE WILL DO. AND I  
25 CERTAINLY -- THE FACT THAT WE'RE NOT TALKING ABOUT THAT

1 DOESN'T MEAN THAT WE'RE NOT GOING TO DO IT. WE  
2 ABSOLUTELY WILL.

3 DR. KESSLER: AS LONG AS THERE'S SPECIFICITY  
4 TO THIS PLAN WITH DEFINABLE OUTCOMES AND OVER THE  
5 YEARS, THEN THAT'S FINE.

6 DR. HALL: OKAY. GOOD.

7 DR. PRIETO: I JUST WOULD LIKE TO ECHO WHAT  
8 MARCY SAID, AND I THOUGHT WHAT WE WERE WORKING ON HERE  
9 IS THE MISSION STATEMENT, WHICH WILL INFORM THE  
10 STRATEGIC PLAN. AND I THINK THE PLACE FOR THOSE  
11 SPECIFICS IS IN THE STRATEGIC PLAN ITSELF. AND WILL  
12 THIS --

13 CHAIRMAN KLEIN: THIS PORTION OF THE  
14 DISCUSSION, THOUGH, ON THE OBJECTIVES IS TO INFORM THE  
15 STAFF AND THE CONSULTANTS IN THE STRATEGIC PLANNING  
16 PROCESS OF WHAT TYPE OF OUTCOMES AND OBJECTIVES WE'RE  
17 TRYING TO REACH FOR HERE. NOW, THEY'RE GOING TO HAVE  
18 TO BUILD AN ENTIRE STRUCTURE SKELETON OF WHICH THEY  
19 COME BACK TO US WITH RECOMMENDATIONS ON THE STRATEGY TO  
20 ACHIEVE OUTCOMES. BUT AT THIS POINT WE'RE TRYING TO AT  
21 LEAST INVENTORY THE RANGE OF OUTCOMES AND EXPECTATIONS  
22 OF THIS BOARD.

23 SO, DR. KESSLER, ANY SUGGESTIONS ON OUTCOMES  
24 THAT YOU'D LIKE TO USE AS MODELS FOR WHAT WE SHOULD BE  
25 REACHING FOR ARE VERY HELPFUL IN THIS PROCESS. WHETHER

1 YOU PRESENT THEM TODAY OR THINK ABOUT THEM AND WRITE  
2 THEM DOWN, THAT'S THE KIND OF INPUT THAT HOPEFULLY WE  
3 WILL CREATE FROM THIS SESSION.

4 DR. STEWARD: JUST TO BUILD ON ONE COMMENT.  
5 I THINK THAT YOUR WORD "PROCESS OUTCOMES" IS A REALLY  
6 GOOD ONE. THESE ARE ONES THAT YOU COULD FEEL VERY  
7 COMFORTABLE SETTING AS MILESTONES. BY THAT I MEAN WE  
8 WILL ESTABLISH A GRANT STRUCTURE THAT HAS THE FOLLOWING  
9 CHARACTERISTICS BY SUCH-AND-SUCH A DATE. THOSE ARE  
10 THINGS THAT CIRM HAS WITHIN ITS POWER TO DO AND ARE  
11 PERFECTLY REASONABLE GOALS, AT LEAST OVER THE FIRST  
12 COUPLE OF YEARS, THAT COULD BE IDENTIFIABLE. SO  
13 PROCESS OR WHATEVER. I LIKE THE WORD OR THE IDEA  
14 BEHIND IT.

15 MS. FEIT: ONE MORE COMMENT. YOU KNOW, I'M A  
16 LITTLE CONFUSED BECAUSE TO ME THESE ARE GOALS. THESE  
17 ARE STRATEGIC GOALS THAT WE'RE SETTING OUT. THEY'RE  
18 NOT REALLY OBJECTIVES AND INITIATIVES. I THINK UNDER  
19 EACH OF THESE GOALS WILL BE ITEMS LIKE TRAINING  
20 RESEARCHERS. IN ORDER TO ACHIEVE THIS GOAL, WHAT ARE  
21 WE GOING TO HAVE TO DO? THAT'S A LOT OF THE DIALOGUE  
22 WE'RE HAVING RIGHT NOW, AND I THINK THAT WOULD ADDRESS  
23 DR. KESSLER'S. WHERE ARE THE SPECIFICS? AND THE  
24 SPECIFICS WILL COME. HOW ARE WE GOING TO ACHIEVE THESE  
25 GOALS? AND THAT WILL BE BY DOING A NUMBER OF



1       ACTIVITIES AND INITIATIVES TO GET IT DONE.

2                   DR. HALL:   WOULD IT BE APPROPRIATE TO ASK FOR  
3       PUBLIC COMMENT, BOB?

4                   CHAIRMAN KLEIN:  WE'VE GONE THROUGH SEVERAL  
5       SECTIONS.  IF WE CAN MAYBE COVER INFRASTRUCTURE, AND  
6       THEN WE'LL ASK FOR PUBLIC COMMENT ON ALL THE SECTIONS.

7                   ON INFRASTRUCTURE I'D LIKE TO COMMENT THAT  
8       THE INITIATIVE IN THIS AREA VERY SPECIFICALLY STATES AN  
9       OBJECTIVE OF PROVIDING THE POLITICAL STABILITY FOR THE  
10      INSTITUTIONS OF HAVING FUNDED FACILITIES THAT THEY CAN  
11      USE AS A CORE FACILITY TO ORGANIZE THEIR RESEARCH  
12      EFFORTS IN.  IT SUGGESTS THAT WE TRY AND PUT OUT \$300  
13      MILLION IN THE FIRST FIVE YEARS AND, IN FACT, CREATES A  
14      PRIORITY FOR THOSE THAT CAN BE BUILT WITHIN TWO YEARS  
15      OF AN AWARD.

16                   THE GOAL HERE WAS TO TAKE THE UNCERTAINTY OUT  
17      OF THE NATIONAL POLITICAL ARENA.  WE HAVE A HISTORY  
18      THAT EVEN WHEN THE PRESIDENCY WAS DIFFERENT IN 1996,  
19      SEVERAL OF YOU HAVE HEARD MY EXAMPLE, THAT THE  
20      APPROPRIATED MONEY FOR THE NIH FOR EMBRYONIC STEM CELL  
21      RESEARCH, BUT IN THE FALL OF 1996, EVEN THOUGH  
22      PRESIDENT CLINTON HAD A COMMISSION GOING FOR THE ENTIRE  
23      YEAR TO SET UP MODEL MEDICAL AND ETHICAL STANDARDS  
24      WHICH WERE TO TRIGGER THE RELEASE OF THE NIH FUNDING,  
25      BECAUSE IN THE FALL OF THAT YEAR THE CONGRESSIONAL

1 ELECTIONS WENT AGAINST THE PRESIDENT, THE HISTORICAL  
2 RECORD SHOWS A LETTER FROM THE PRESIDENT WITHDRAWING  
3 THE STANDARDS ON THE DAY THEY WERE SUBMITTED TO THE  
4 PUBLIC SO THAT MONEY COULD NOT FLOW BECAUSE THAT'S THE  
5 ONLY WAY HE COULD GET HIS NIH FUNDING THROUGH.

6 SO THE HISTORICAL RECORD SUGGESTS LOTS OF  
7 VOLATILITY EVEN IF THE PRESIDENCY CHANGES BECAUSE YOU  
8 CAN GET HELD UP AND HELD HOSTAGE IN THE HOUSE OR THE  
9 SENATE. AND WE PROVIDE THE LONG-TERM FUNDING  
10 STABILITY, WHICH IS ONE COMPONENT, BUT LONG-TERM  
11 STABILITY OF FACILITIES IS CRITICAL BECAUSE THE OMB  
12 CIRCULAR THAT WE CAN BE RELIED ON TODAY CAN BE CHANGED  
13 BY EXECUTIVE ORDER TOMORROW. SO THAT IN THIS AREA OF  
14 FACILITIES, WE CAN BE VERY SPECIFIC ABOUT OUR STRATEGIC  
15 GOAL AND THE PURPOSES OF THAT STRATEGIC GOAL.

16 AND I WOULD REMIND THE BOARD THAT IF YOU LOOK  
17 AT OUR ORIGINAL BUSINESS PLAN SUBMITTED TO THE  
18 LEGISLATIVE ANALYST'S OFFICE, YOU SEE THAT IN THE  
19 RAMP-UP OF FUNDING THAT PART OF THE STRATEGIC FINANCE  
20 PLAN WAS THAT IN FUNDING SIGNIFICANT INCREMENTS FOR  
21 FACILITIES EARLY, SINCE WE ARE LIMITED TO A 3-PERCENT  
22 GENERAL OVERHEAD AND 3-PERCENT RESEARCH OVERSIGHT  
23 OVERHEAD, THAT 5.9 PERCENT, ONE IS FIGURED ON 97  
24 PERCENT, A 100, 5.9 PERCENT, IT IS CRITICAL TO HAVE  
25 SOME FACILITIES FUNDED WITH THESE LARGE BLOCKS OF FUNDS

1 IN THE EARLY YEARS BECAUSE THAT ALLOWS YOU TO PULL DOWN  
2 ENOUGH OVERHEAD TO THEN BUILD YOUR SCIENTIFIC STRUCTURE  
3 FOR LARGER VOLUMES OF GRANTS TO BE PROCESSED.

4 YOU LOOK AT THE STRATEGIC CASH FLOWS WITH  
5 SMALL AMOUNTS OF STAFF, RELATIVELY SMALL AMOUNT, YOU  
6 CAN PUT OUT RELATIVELY LARGE AMOUNTS OF MONEY FOR  
7 FACILITIES, WHICH GIVES YOU THE ECONOMIC ENGINE TO  
8 BUILD AN AGENCY STAFF TO HANDLE JUMPS AND INCREASE IN  
9 GRANT PROCESSING CAPACITY. SO THERE'S A STRATEGIC  
10 INTERFACE BETWEEN THE SEPARATE OBJECTIVE OF PROVIDING  
11 FACILITIES AND THE ABILITY TO GET THE OVERHEAD FOR  
12 STAFFING TO PROCESS SCIENTIFIC GRANTS.

13 DR. HALL: I THINK ACTUALLY WE CAN MAKE A  
14 VERY STRONG SCIENTIFIC CASE. WE NEED TO GET THOSE  
15 FACILITIES READY AS SOON AS POSSIBLE. WE'VE GOT THE  
16 CRYING NEED THAT I THINK ALMOST EVERY PLACE WE TALK TO  
17 AND HEAR, AND IT'S NOT JUST A MATTER OF SPACE, ALTHOUGH  
18 THAT'S A VERY, VERY IMPORTANT PART OF IT. PART OF IT  
19 IS JUST GETTING SOME CORE FACILITIES. I THINK THERE'S  
20 A PRACTICAL RATIONALE, AS BOB SAYS, BUT I THINK THERE'S  
21 ALSO A VERY STRONG SCIENTIFIC ONE. AND I THINK THAT'S  
22 THE ONE, AT LEAST FOR THE SCIENTIFIC STRATEGIC PLAN, WE  
23 WILL DEAL WITH THAT.

24 CHAIRMAN KLEIN: I WAS NOT MEANING TO  
25 DEEMPHASIZE THE CRITICAL NATURE OF FACILITIES TO

1 CONDUCT THE SCIENCE, BUT INDICATE THAT IT HAS STRATEGIC  
2 PURPOSES THAT GO FURTHER THAN THIS INTO THE FINANCIAL  
3 STRATEGIC PLAN, AND THE PURPOSES OF THE INITIATIVE  
4 PROVIDE STRATEGIC STABILITY FOR THE SCIENTIFIC  
5 RESEARCH.

6 DR. KESSLER: ZACH, YOU USED THE WORD HERE ON  
7 INFRASTRUCTURE FACILITIES, CORES, NETWORKS, AND  
8 INFRASTRUCTURE. I DON'T SEE THE WORD "TEAMS" ANYWHERE.  
9 IS THAT WHAT NETWORKS MEAN?

10 DR. HALL: WELL, AS I SAID, THE POINT WAS NOT  
11 TO SORT OF WORK ON THE WORDING, BUT THE INTENT WAS TO  
12 IMPLY THAT THERE MAY BE CLINICAL NETWORKS THAT WE SET  
13 UP THAT WE WOULD WANT TO HAVE ESTABLISHED AND ON POINT.  
14 THERE MAY BE OTHER TEAMS OF SCIENTISTS ORGANIZED IN  
15 VARIOUS WAYS. IT WAS MEANT TO INCLUDE BOTH BASIC,  
16 MEDICAL, AND THE TWO TOGETHER. IT WOULD ALSO INCLUDE  
17 THINGS LIKE STEM CELL BANKS. IF WE ARE TO DO SOMETHING  
18 WITH GNP FACILITIES, IT WOULD INCLUDE THAT. SO WE CAN  
19 CERTAINLY IMPROVE THE WORDING, BUT IT WAS REALLY MEANT  
20 TO BE ALL THOSE MATERIAL AND ORGANIZATIONAL AND  
21 ADMINISTRATIVE THINGS, MAYBE EVEN WAS SUGGESTED AT OUR  
22 MEETINGS, CLINICAL TRIAL INFRASTRUCTURE, ALL THOSE  
23 THINGS THAT SUPPORT THE ENTERPRISE.

24 DR. KESSLER: AGAIN, IT MAY BE TOO EARLY AND  
25 WE'RE NOT CAPABLE, AND YOU DON'T WANT IT -- IT WILL

1 COME. I'M NOT SURE WHAT EACH IS HERE. I'M NOT SURE --  
2 I DO THINK, AS YOUR POINT, WE DO NEED HOW MANY, BUT  
3 WHAT'S THE END HERE? WHAT ARE WE BUILDING HERE? DO WE  
4 KNOW WHAT WE'RE BUILDING HERE WHEN WE USE THE WORD --  
5 IF THESE ARE GOALS, ARE WE BUILDING?

6 DR. HALL: MAY I SUGGEST YOU MAKE A  
7 SUGGESTION, DAVID? WE'RE HAPPY TO ADD TO IT.

8 DR. KESSLER: ARE WE BUILDING A CLINICAL  
9 NETWORK?

10 DR. HALL: WE HAVE NOT DECIDED THAT SPECIFIC  
11 THING, BUT WHATEVER THE PLAN -- WHATEVER WE DECIDE TO  
12 DO. IT'S NOT SOMETHING WE'RE READY TO PROPOSE. WE'RE  
13 NOT READY TO SAY LET'S DO STEM CELL BANKS OR LET'S DO X  
14 NUMBER OF THESE. THOSE WILL EMERGE AS WE GO THROUGH  
15 THE PLAN. THAT'S WHAT WE'RE GOING TO BE WORKING ON,  
16 ALL OF THESE DIFFERENT THINGS. I THINK THIS IS SIMPLY  
17 MEANT TO SAY IN TERMS OF PERSONNEL, IN TERMS OF  
18 MATERIAL, IN TERMS OF FACILITIES, IN TERMS OF  
19 ORGANIZATIONAL STRUCTURE, WHATEVER IS NEEDED TO SUPPORT  
20 THE RESEARCH IN AN ONGOING WAY.

21 THE POINT THAT BOB JUST MADE, THE IMPORTANCE  
22 OF PROVIDING STABILITY OF INFRASTRUCTURE THAT WILL SEE  
23 THIS RESEARCH NOT ONLY THROUGH THE TEN YEARS, BUT  
24 BEYOND, I THINK SHOULD BE ONE OF OUR LONG-TERM  
25 OBJECTIVES. IT IS AN IMPORTANT THING THAT WE BUILD

1 BASICALLY AN ENTERPRISE IN THE STATE. AND WE CAN SORT  
2 OF CERTAINLY PUT FLESH AND BONES ON THOSE WORDS. WE'RE  
3 HAPPY -- MAKE SOME SUGGESTIONS. WE'RE HAPPY TO TAKE  
4 INFORMATION TOGETHER. WE'RE GATHERING SUGGESTIONS  
5 HERE. SO WHATEVER YOU THINK SHOULD BE IN THERE, PLEASE  
6 SUGGEST. WE WOULD BE HAPPY TO HEAR.

7 DR. KESSLER: I THINK ONE OF THE QUESTIONS,  
8 HOW WE'RE GOING TO CONDUCT CLINICAL RESEARCH? WHAT'S  
9 THE VISION FOR HOW WE'RE GOING TO CONDUCT CLINICAL  
10 RESEARCH?

11 DR. HALL: WE'RE ASKING YOU, THE ICOC, TO  
12 PROVIDE US WITH IDEAS AND SUGGESTIONS.

13 CHAIRMAN KLEIN: I THINK DR. KESSLER WAS  
14 SUGGESTING THAT TEAMS, FOR EXAMPLE, MIGHT BE A  
15 CORNERSTONE OBJECTIVE TO BE CONSIDERED.

16 DR. PRIETO: I JUST THINK COLLABORATIVE  
17 NETWORKS MIGHT CAPTURE A LOT OF WHAT WE'RE THINKING OF  
18 HERE BECAUSE AS IMPORTANT AS I THINK THE CLINICAL WORK  
19 IS AND CLINICAL TEAMS, THE KIND OF NETWORK THAT'S BEING  
20 ESTABLISHED FOR RESEARCH HERE IN SAN DIEGO, I THINK, IS  
21 ONE EXAMPLE. TO TAKE ADVANTAGE OF THE FUNDING THAT WE  
22 HOPE TO PROVIDE IS ONE EXAMPLE OF WHAT WE HOPE TO  
23 CREATE.

24 DR. KESSLER: ARE THOSE DISEASE-ORIENTED  
25 TEAMS?

1 DR. PRIETO: CERTAINLY --

2 DR. KESSLER: THESE ARE COLLABORATIVE  
3 NETWORKS?

4 DR. PRIETO: WELL, HERE, THE EXAMPLE IN SAN  
5 DIEGO IS A RESEARCH-ORIENTED ONE, BUT I THINK THAT WE  
6 WANT TO BUILD SEVERAL TYPES, THAT WE DON'T WANT TO  
7 BUILD PURELY RESEARCH OR PURELY CLINICAL, BUT ALL OF  
8 THESE.

9 DR. KESSLER: ZACH, AS YOU'VE TALKED TO  
10 PEOPLE --

11 DR. HALL: WE'RE AT THE EARLY STAGES. WE'RE  
12 NOT TRYING TO BRING ANY SORT OF FINAL DOCUMENT OR ANY  
13 SORT OF COMPREHENSIVE DOCUMENT. THE PURPOSE OF TONIGHT  
14 IS TO GENERATE IDEAS, AND SO WE WANT THAT. I'M NOT  
15 PREPARED TO DEFEND EACH ONE OF THESE BECAUSE IT'S AT AN  
16 EARLY STAGE. SO PLEASE HELP US OUT. DRESS IT UP.

17 DR. KESSLER: IN ORDER TO GET TO THE FIRST  
18 OBJECTIVE WHERE YOU TALK ABOUT BEING ABLE TO HAVE  
19 CERTAIN THINGS IN EARLY CLINICAL STAGE TRIALS, IF THAT  
20 EVER IS TO BE, AND WE ACTUALLY CAN GET THERE, I GUESS  
21 THE QUESTION IS WHAT ARE OUR OPTIONS? WHAT ARE THE  
22 DIFFERENT MECHANISMS THAT WE CAN USE IN ORDER TO BE  
23 ABLE TO GET THERE? AND WHICH ARE ONES ARE WE AS A  
24 BOARD GOING TO, AS PART OF A STRATEGY DOCUMENT  
25 BASICALLY --

1 DR. HALL: THAT'S OUR JOB TO TRY TO COME UP  
2 WITH THE THINGS THAT WILL GET US TO THE PLACE. THEN  
3 WE'RE GOING TO SAY WHERE WE'RE TRYING TO GET TO. WHAT  
4 WE'LL TRY TO DO IS TO FILL IN ALL THOSE THINGS OF HOW  
5 WE ARE GOING TO GET THERE, AND THAT'S WHAT WE'RE  
6 WORKING ON. ACTUALLY OUR MEETING LAST WEEK WAS DEVOTED  
7 IN PART TO THAT AND ONE ASPECT OF THAT. THAT IS, HOW  
8 DO WE STRUCTURE OUR FUNDING? WE TALKED ABOUT WHETHER  
9 WE HAVE DISEASE-ORIENTED ORGANIZATIONS OR DO WE TRY TO  
10 DO THINGS THAT CUT ACROSS DISEASES? WE BEGAN THAT  
11 CONVERSATION. THIS IS A VERY IMPORTANT PART.

12 SO WE ARE -- WE'RE A MONTH INTO WHAT WILL BE  
13 PROBABLY A SIX-MONTH PROCESS, AND SO WE VERY MUCH WANT  
14 TO ADDRESS THE KINDS OF ISSUES THAT YOU ARE DISCUSSING.  
15 I DON'T THINK WE HAVE ANY ANSWERS AT THIS POINT.

16 DR. REED: I HAD ANOTHER THOUGHT ABOUT  
17 SOMETHING THAT MIGHT CLASSIFY AS INFRASTRUCTURE, AND  
18 THAT HAS TO DO WITH OUR GOAL TO SET GUIDELINES FOR  
19 PROPER ETHICAL CONDUCT OF STEM CELL RESEARCH. I'M  
20 WONDERING IF IN A WAY THAT ALSO CONSTITUTES  
21 INFRASTRUCTURE BECAUSE THAT SORT OF PROVIDES THE  
22 ETHICAL AND LEGAL FRAMEWORK IN WHICH THIS WORK CAN TAKE  
23 PLACE. THERE'S A VERITABLE VACUUM THERE IN MANY WAYS,  
24 AND SOMEONE HAS TO FILL THAT IN ORDER FOR THIS TO MOVE  
25 FORWARD. I'D LIKE TO SEE SOMETHING TO THAT EFFECT ON



1     THERE THAT WILL BE GUIDELINES FOR IRB APPROVAL OF BASIC  
2     AND CLINICAL STEM CELL RESEARCH AS ONE OF THE ELEMENTS  
3     OF AN INFRASTRUCTURE THAT HAS TO BE THERE.

4             CHAIRMAN KLEIN: I THINK AT ONE POINT THE  
5     BOARD LOOKED AT AND DISCUSSED FOLLOWING THE HUMAN  
6     GENOME PROJECT AND COMMITTING SOME PERCENTAGE TO  
7     ETHICAL AND ENVIRONMENTAL-TYPE ISSUES RELATED TO THE  
8     RESEARCH AS PART OF THE INFRASTRUCTURE.

9             AS A SEPARATE INFRASTRUCTURE ITEM OF MORE  
10    PARTICULARITY, I WOULD HOPE AS WELL WE'LL EXAMINE AND  
11    VET AND TEST THE CONCEPT THAT POTENTIALLY TO ADVANCE  
12    THE TRANSLATIONAL MEDICINE, THAT WE'LL LOOK AT THE  
13    FRONT-END ISSUE OF WHETHER WE NEED GNP FACILITIES TO  
14    CREATE GNP BIOLOGICALS SO THAT IF HAVE A MAJOR  
15    DISCOVERY DOWNSTREAM, WE DON'T HAVE TO BACKTRACK WITH  
16    FDA AND LOSE YEARS REPEATING PART OF THAT DISCOVERY  
17    PROCESS WITH GNP WITH BIOLOGICALS.

18            NOW, IT WOULD BE A SHOCK TO ALL OF YOU THAT I  
19    WOULD COME UP WITH THIS IDEA, BUT IT IS ONE OF THOSE  
20    ISSUES IN THE INFRASTRUCTURE AREA I HOPE WE CAN ADDRESS  
21    AS PART OF THE STRATEGIC PLAN ANALYSIS OF  
22    INFRASTRUCTURE THAT CONTRIBUTES TO REDUCING THE DRUG  
23    DEVELOPMENT OR THERAPEUTIC DEVELOPMENT TIMETABLE.

24            DR. HALL: WE CERTAINLY ARE INTERESTED IN  
25    THAT. YOU WILL BE PLEASED TO KNOW THAT WE TALKED TO A

1 NUMBER OF INTERVIEWEES, INCLUDING ONE TODAY, ON JUST  
2 THAT ISSUE. AND, AGAIN, WE HAVE DIFFERENT OPINIONS,  
3 AND WE'RE STILL SORT OF DATA COLLECTING. ONE OF THE  
4 THINGS WE'RE FINDING OUT IS GOOD EXAMPLES OF PLACES  
5 THAT HAVE THEM AND HOW THEY'RE USING THEM. AND WE'RE  
6 TRYING TO GET BETTER INFORMED ABOUT HOW OTHER PEOPLE  
7 ARE GOING ABOUT IT, AND WE WILL CERTAINLY COME BACK  
8 WITH A RECOMMENDATION ON THAT.

9 AND, AGAIN, THAT'S GOING TO BE ONE OF THE  
10 REAL ISSUES THAT WE FACE. STEM CELL BANK IS GOING TO  
11 BE ANOTHER ONE. WE'VE ALREADY ALSO BEEN DISCUSSING THE  
12 POSSIBILITY OF REPOSITORIES OF INFORMATION. TURNS OUT  
13 THAT WE WANT TO SAY WHAT'S KNOWN ABOUT THE STEM CELL  
14 LINES THAT ARE AVAILABLE NOW. FIRST OF ALL, IT'S  
15 HARD -- IN FACT, FOR THOSE WHO ARE INTERESTED, IF YOU  
16 LOOK AT OUR STRATEGIC PLAN ADVISORY COMMITTEE MEETING  
17 ON THE WEBSITE, THERE'S A DOCUMENT ASSOCIATED WITH THAT  
18 THAT HAS INFORMATION ABOUT EXISTING STEM CELL LINES IN  
19 THE WORLD. TURNS OUT IT'S NOT SO EASY TO GET THAT  
20 INFORMATION. SO ONE THING THAT WE'VE BEEN TALKING  
21 ABOUT IS HAVING A REPOSITORY TO PULL IT ALTOGETHER. IF  
22 ANYBODY WANTS TO FIND OUT WHAT THE AVAILABLE LINES ARE,  
23 WHAT THEIR CHARACTERISTICS ARE, AND ALL THE REST,  
24 THAT'S ANOTHER ITEM.

25 SO WE HAVE ANY NUMBER OF THINGS TO PROCESS

1 THAT ARE SORT OF IN THE MIDDLE PART OF THE PLAN. HOW  
2 DO WE GET FROM HERE TO HERE? I THINK WHAT'S BEEN  
3 USEFUL ABOUT THE DISCUSSION TONIGHT IS TO THINK ABOUT  
4 WHERE WE'RE GOING AS WE TRY TO PUT THESE THINGS  
5 TOGETHER AND FIT IT ALL INTO AN INTERLOCKING STRUCTURE  
6 THAT WILL LEAD US TO WHERE WE WANT TO GO.

7 DR. STEWARD: JUST ONE COMMENT. IT'S  
8 SOMETHING YOU ARE DOING ANYWAY, WHICH IS TO CREATE AN  
9 INFRASTRUCTURE FOR A STATE AGENCY TO FUND BIOMEDICAL  
10 RESEARCH. WOULDN'T HURT JUST TO SAY THAT.

11 DR. HALL: WELL, YOU KNOW, IT'S A SCIENTIFIC  
12 STRATEGIC PLAN. AND MY THOUGHT ABOUT IT IS THAT IT'S  
13 NOT A PLAN FOR THE AGENCY SO MUCH. IT'S A PLAN FOR  
14 RESEARCH IN THE STATE OF CALIFORNIA. MAYBE AT THE END  
15 OF TEN YEARS, THE AGENCY WILL GO ON. THERE WILL BE  
16 ANOTHER TEN YEARS OR ANOTHER TWENTY YEARS. WHO KNOWS?  
17 MAYBE THE SITUATION WILL BE DIFFERENT AT THAT POINT.

18 I DON'T WANT TO SEE US MAKING -- HOW TO PUT  
19 IT -- THE POINT OF THIS PLAN SHOULD NOT BE SELF-SERVING  
20 FOR THE INSTITUTE. THIS PLAN SHOULD BE DIRECTED TO  
21 ADVANCING RESEARCH IN THE STATE OF CALIFORNIA. AND  
22 IT'S THE PRODUCTS OF THE INSTITUTE, I THINK, THAT WE  
23 WANT TO FOCUS ON. BUT THAT'S SOMETHING TO DISCUSS  
24 LATER.

25 WE CERTAINLY PUT A LOT OF WORK IN. THERE'S

1 NO QUESTION ABOUT THAT. WE'VE MADE A LOT OF PROGRESS  
2 IN SETTING UP A FRAMEWORK OR THE INFRASTRUCTURE FOR  
3 STEM CELL RESEARCH IN CALIFORNIA IN THAT WAY. MAYBE  
4 THAT WOULD BE A WAY TO FRAME IT, NOT SO MUCH IN TERMS  
5 OF THE INSTITUTE, BUT IN TERMS OF THE STANDARDS, THE IP  
6 POLICIES, AND PARTICULARLY THE WAYS IN WHICH THEY GO  
7 BEYOND ACCEPTED STANDARDS, TRYING TO OPEN THINGS UP A  
8 LITTLE BIT. I THINK ANYPLACE THAT WE BREAK NEW GROUND  
9 IS IMPORTANT.

10 DR. KESSLER: ZACH, HOW HAVE YOU THOUGHT  
11 ABOUT HOW YOU ARE GOING TO DEAL WITH ALL THE  
12 DISEASE-SPECIFIC CONSTITUENCIES AND THE PUSH?

13 CHAIRMAN KLEIN: I DON'T THINK ZACH COULD  
14 HEAR YOU.

15 DR. KESSLER: THE QUESTION WAS WHAT'S THE  
16 STRATEGIC PLAN FOR DEALING WITH ALL THE SPECIFIC  
17 DISEASE CONSTITUENCIES?

18 DR. HALL: WELL, WE DISCUSSED THAT A LITTLE  
19 BIT AT OUR MEETING LAST THURSDAY, AND IT WAS VERY  
20 INTERESTING. WE HEARD FROM THE CANADIAN STEM CELL  
21 NETWORK THAT THEY STARTED OUT BY CHOOSING SIX DISEASE  
22 AREAS THAT THEY WERE GOING TO FOCUS ON. AFTER SEVERAL  
23 YEARS, THEY ABANDONED THAT. AND THEY THEN FUNDED WHAT  
24 THEY CALL ENABLING TECHNOLOGIES THAT WOULD CUT ACROSS  
25 DISEASE AREAS.

1           NOW, IT DIDN'T MEAN THEY DIDN'T FUND DISEASE  
2 PROJECTS. AND MIKE RUDNICKI, WHO IS THE PRESIDENT OF  
3 THAT, WAS VERY CLEAR ABOUT THAT. MANY OF THESE  
4 PROJECTS ARE ASSOCIATED WITH DISEASES, BUT THE POINT  
5 WAS THE TECHNOLOGY THAT WAS BEING DEVELOPED WITH  
6 RESPECT TO THAT DISEASE THAT WOULD BE APPLICABLE TO  
7 OTHERS. AND SO THE QUESTION IS WHETHER YOU SAY WE'RE  
8 GOING TO PICK SEVERAL DISEASES, WE'RE GOING TO DEDICATE  
9 SO MANY DOLLARS TO THEM, AND WE'RE GOING TO ASK FOR  
10 GRANTS IN THIS DISEASE AREA, OR WHETHER YOU SET UP  
11 BROADER OBJECTIVES. YOU MIGHT SAY WE WOULD LIKE TO  
12 FUND CLINICAL TRIALS USING STEM CELL THERAPY AT SOME  
13 POINT. AND IF YOU HAVE A CLINICAL TRIAL YOU WANT TO  
14 PERFORM ON WHATEVER DISEASE YOU LIKE, YOU MAKE  
15 APPLICATION TO US. IF WE THINK IT'S GOOD, WE'RE GONG  
16 TO FUND IT. AND IT'S A WAY OF THEN SAYING WHEREVER --  
17 THE TECHNOLOGY IS SO NEW, ONE ARGUMENT IS THAT WHAT YOU  
18 NEED TO DO IS PUSH IT FORWARD WHEREVER IT CAN BE PUSHED  
19 FORWARD, AND THEN THAT SERVES AS AN EXAMPLE FOR OTHERS.

20           AND SO WE'RE STILL VERY MUCH IN DISCUSSION.  
21 THAT'S ONE OF THE INTERVIEW QUESTIONS: HOW SHOULD WE  
22 GO ABOUT THIS? WHAT DO YOU THINK? AND WE WILL BRING  
23 TO YOU A FULLER DISCUSSION OF THAT ONE LATER ON. WE  
24 MIGHT WANT TO EVEN DISCUSS IT IN JULY. WE HAVEN'T PUT  
25 TOGETHER THE EXACT AGENDA FOR THAT MEETING YET,

1       ALTHOUGH WE HAVE SEVERAL OUTSTANDING SPEAKERS.

2                   MR. SERRANO-SEWELL:  THE TOPIC THAT DAVID  
3       RAISES IS AN IMPORTANT ONE.  I KNOW THAT THE LAST FOCUS  
4       GROUP, AS YOU SAY, TOUCHED ON THAT TOPIC AS WELL.  AND  
5       WHETHER WE DECIDE DISEASE-SPECIFIC OR ENABLING  
6       TECHNOLOGIES, THAT'S A DECISION WE'LL ALL COLLECTIVELY  
7       HAVE TO MAKE.  IT'S GOING TO HAVE TO BE DONE RIGHT,  
8       WHATEVER THAT DECISION IS, BECAUSE I KNOW THAT'S AN  
9       AREA IN WHICH THE PUBLIC IS CERTAINLY, ANY  
10      DISEASE-SPECIFIC ORGANIZATION IS GOING TO LOOK AT.  IS  
11      MY DISEASE ON THE LIST OR NOT OR SOMETHING LIKE THAT.

12                   THAT'S TO BE EXPECTED FROM THOSE  
13      ORGANIZATIONS.  THAT'S SORT OF WHAT THEY'RE -- PART OF  
14      WHAT THEY DO.  I THINK IT'S PART OF WHAT WE DO IN  
15      ENDORING WHATEVER APPROACH WILL BE IMPORTANT.  AND  
16      WHEN WE HAVE OUR FOCUS GROUP, ZACH, THAT'S A TOPIC I  
17      HOPE WE CAN DISCUSS AS WELL BECAUSE I THINK IT'S  
18      IMPORTANT.  AND WE SHOULD BE UP FRONT WITH PEOPLE AT  
19      THE VERY BEGINNING, THAT HERE ARE SOME OF THE ISSUES  
20      THAT WE'RE CONSIDERING.

21                   DR. HALL:  HERE ARE THE THINGS, THE PROBLEMS  
22      WE'RE WORKING OUR WAY THROUGH.

23                   DR. BRYANT:  I WAS JUST WONDERING WHETHER WE  
24      WANT TO MAKE A DECISION BETWEEN THOSE TWO, OR WHETHER  
25      WE WANT TO HAVE A FUNDING OPPORTUNITY FOR

1 DISEASE-SPECIFIC PROPOSALS AND A FUNDING OPPORTUNITY  
2 FOR CROSSCUTTING TECHNOLOGIES? WHY WOULD WE CHOOSE  
3 BETWEEN THEM?

4 DR. HALL: I AGREE WITH YOU. I DIDN'T MEAN  
5 TO IMPLY WE WOULD DO ONE OR THE OTHER. THE APPOSITION  
6 I WAS TRYING TO SET UP, NOT VERY SUCCESSFULLY, I DIDN'T  
7 MAKE MYSELF CLEAR, IS ONE WAY TO GO ABOUT IT IS TO SAY  
8 WE'RE GOING TO -- WE'VE DECIDED THAT HEART DISEASE IS  
9 IMPORTANT, SO WE'RE GOING TO ALLOCATE \$55 MILLION TO  
10 HEART DISEASE OVER THIS PERIOD OF TIME. AND SO IN THAT  
11 SENSE THEY BECOME PART OF OUR PRIORITIES IN TERMS OF  
12 PICKING PARTICULAR STRATEGIC AREAS.

13 ANOTHER WAY WOULD BE TO SAY JUST WHAT YOU  
14 SAID. YOU'RE INTERESTED IN HAVING GOOD GROUPS THAT  
15 WOULD WORK OVER A PERIOD OF TIME ON A PARTICULAR  
16 DISEASE. IF YOU CAN PUT TOGETHER A REALLY GOOD GROUP  
17 THAT WOULD INCLUDE BASIC, PRECLINICAL, AND CLINICAL AND  
18 HAVE TOPNOTCH PEOPLE, BEST IN THE STATE OR  
19 OUT-OF-THE-STATE, IF YOU CAN GET SOMEBODY ELSE TO PAY  
20 FOR IT, THEN WE WOULD LOOK AT IT AND TAKE THE ONES THAT  
21 SEEM TO US THE MOST PROMISING AND THE ONES THAT ARE  
22 MOST LIKELY TO SUCCEED. SO THAT WOULD BE A DIFFERENT  
23 WAY, OR TO SAY WE LOOK FOR CROSSCUTTING ENABLING  
24 TECHNOLOGY.

25 BUT I SEE THE VERTICAL AND HORIZONTAL, IF YOU

1 WILL. MY GUESS IS WE'LL END UP DOING BOTH. I DIDN'T  
2 MEAN TO IMPLY WE'D DO ONE OR THE OTHER.

3 CHAIRMAN KLEIN: DR. HALL HAS PUT A VERY  
4 BASIC CONCEPT HERE ON THE TABLE, WHICH IS, AS I  
5 UNDERSTAND, ZACH, WHAT YOU'VE SAID IS YOU'RE CREATING A  
6 STRATEGIC PLAN FOR CALIFORNIA AS VERSUS FOR THE AGENCY.  
7 AND THE QUESTION IS IS THAT WHAT YOU SAID?

8 DR. HALL: I SAID THAT IN RESPONSE TO  
9 SOMETHING OSSIE SAID.

10 CHAIRMAN KLEIN: THE QUESTION IS IS IT YOUR  
11 GOAL TO CREATE A RESEARCH STRATEGIC PLAN FOR CALIFORNIA  
12 OR FOR THE AGENCY?

13 DR. HALL: NO. NO. FOR THE WORK THE AGENCY  
14 FUNDS, BUT I DIDN'T -- IT SEEMED TO ME, AT LEAST IN MY  
15 THINKING ABOUT IT, THE POINT OF WHAT WE DO IS THE  
16 SCIENCE WE FUND. SO WE WANT TO SAY WHAT DO WE WANT TO  
17 GET OUT OF THAT SCIENTIFIC PROGRAM? I THINK IF WE SAY  
18 AS PART OF THE STRATEGIC PLAN, WE WANT TO MAKE SURE  
19 THAT WE SURVIVE, MAYBE THAT'S NOT WHAT YOU WERE SAYING,  
20 BUT I JUST WANT TO MAKE CLEAR I DON'T THINK THAT'S WHAT  
21 WE CARE ABOUT HERE. WE WANT TO GET THIS ENTERPRISE  
22 GOING, AND WE WANT TO BUILD STRUCTURES THAT LAST BEYOND  
23 THE TEN-YEAR PERIOD OF OUR STRATEGIC PLAN.

24 WE HOPE THAT STEM CELL RESEARCH WILL CONTINUE  
25 IN CALIFORNIA FOR DECADES. THAT'S WHAT, I THINK, WE



1 SHOULD WANT TO SUPPORT.

2 CHAIRMAN KLEIN: THANK YOU VERY MUCH FOR THAT  
3 CLARIFICATION. I THINK IF WE CAN GET THE PUBLIC  
4 COMMENT AT THIS POINT. AND ANYONE CAN START.

5 MR. SIMPSON: JOHN SIMPSON FROM THE  
6 FOUNDATION FOR TAXPAYER AND CONSUMERS RIGHTS. I'D JUST  
7 LIKE TO GO BACK TO THE POINT THAT DUANE ROTH MADE. I'M  
8 VERY MINDFUL OF THE DANGER OF OVERHYPING THE POTENTIAL  
9 RESULTS OF STEM CELL RESEARCH, BUT IT DOES SEEM TO ME  
10 THAT YOU NEED TO INCORPORATE AT LEAST A FEW SORT OF  
11 STRETCH GOALS THAT YOU'D LIKE TO ACHIEVE, YOU HOPE TO  
12 ACHIEVE, BUT MIGHT NOT ACHIEVE. FOR INSTANCE, I'M  
13 PUZZLED THAT IN THE CLINICAL AREA YOUR GOAL IS TO HAVE  
14 THERAPIES AND CLINICAL TRIALS. I WOULD THINK THAT AT  
15 THIS STAGE OF THE GAME, A GOAL, MAYBE NOT A REALISTIC  
16 GOAL, BUT AN ASPIRATIONAL GOAL, WOULD BE TO HAVE  
17 SEVERAL AFFORDABLE CURES AND NEW THERAPIES BASED ON  
18 STEM CELL RESEARCH FOR SEVERAL DISEASES. THAT SEEMS TO  
19 ME TO BE AN ASPIRATIONAL GOAL THAT YOU'RE REACHING FOR.

20 AND WHILE YOU NEED TO HAVE -- IN A SPECIFIC  
21 STRATEGIC PLAN, YOU HAVE TO HAVE BENCHMARKS AND  
22 SPECIFICS THAT YOU CAN MEASURE YOUR PROGRESS AGAINST,  
23 YOU STILL WANT TO HAVE SOMETHING OUT THERE THAT YOU'RE  
24 REACHING FOR AND WHAT'S THE -- YOUR REACH SHOULD EXCEED  
25 YOUR GRASP OR WHAT ELSE IS HEAVEN FOR, OR SOMETHING

1       LIKE THAT. I THINK THAT'S MILTON, I DON'T KNOW, BUT  
2       YOU NEED SOME OF THOSE KIND OF GOALS IN THERE.

3               DR. HALL: BROWNING.

4               MR. SIMPSON: BROWNING. THANK YOU.

5               CHAIRMAN KLEIN: THANK YOU VERY MUCH.

6               MS. DELAURENTIS: HI. I JUST WANT TO SAY TWO  
7       QUICK THINGS. SUSAN DELAURENTIS FROM THE ALLIANCE FOR  
8       STEM CELL RESEARCH. FIRST, I WANTED TO COMMEND YOU AND  
9       THANK YOU FOR GETTING THE MATERIALS POSTED ON THE WEB  
10      SO QUICKLY. IT'S BEEN SO HELPFUL TO THOSE OF US THAT  
11      HAVE NOT BEEN ABLE TO ATTEND ALL THE MEETINGS. AND  
12      IT'S REALLY WONDERFUL. SO THANK YOU TO ALL OF YOU WHO  
13      HAVE HAD A PART OF THAT.

14              I JUST WANTED -- REALLY, MY FAVORITE COMMENT  
15      OF THE NIGHT WAS MR. ROTH SAYING WE NEED TO BE MORE  
16      AMBITIOUS AND MORE AGGRESSIVE. SO I JUST WANTED TO  
17      SORT OF SECOND WHAT JOHN SIMPSON WAS SAYING, AND I HOPE  
18      THAT YOU KEEP THAT IN MIND AS YOU DO YOUR GOAL SETTING  
19      AND YOUR OBJECTIVES, THAT YOU ARE AS AMBITIOUS AS  
20      POSSIBLE. THANKS.

21              CHAIRMAN KLEIN: ANY ADDITIONAL COMMENTS?

22              MR. BAETGE: ED BAETGE. ONE GOAL THAT I  
23      DIDN'T SEE MAYBE IN THE CLINICAL SIDE NOR THE  
24      TRANSLATIONAL SIDE, AND IT WAS MENTIONED, I THINK, BY  
25      ZACH, WHICH IS THIS BIG FAILURE OF SOMATIC CELL NUCLEAR

1 TRANSFER. AND I DIDN'T SEE A SPECIFIC GOAL TOWARDS  
2 THAT. AND MY THOUGHT ABOUT SOMATIC CELL NUCLEAR  
3 TRANSFER IS THAT OR SOME RELATED TECHNOLOGY TO THAT  
4 BECAUSE EVENTUALLY THAT'S GOING TO LEAD TO PERSONALIZED  
5 MEDICINE, AND PERSONALIZED MEDICINE IS WHERE THINGS ARE  
6 GOING FOR THE FUTURE. I THINK FOR STEM CELLS, YOU WANT  
7 TO HAVE, JUST AS THEY TAKE CORD BLOOD CELLS NOW, YOU'D  
8 LIKE TO HAVE YOUR OWN PERSONAL STEM CELL, CREATE YOUR  
9 OWN PERSONAL TISSUES AND REPAIRS FOR YOUR BODY. AT THE  
10 SAME TIME YOU CAN USE THOSE STEM CELLS FOR DRUG  
11 SCREENING THAT WOULD BE SPECIFIC FOR YOU.

12 SO IN THE END, I THINK IN THE FUTURE, YOU  
13 WANT TO HAVE PERSONALIZED STEM CELL MEDICINE.

14 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

15 MS. CARPENTER: MELISSA CARPENTER FROM  
16 CYTHERA. GOING BACK TO SOME OF THE COMMENTS THAT WERE  
17 MADE PREVIOUSLY ABOUT THE LONG-TERM OBJECTIVES, THE  
18 THINGS THAT COME TO MIND FOR ME ARE THAT, YES, PROOF OF  
19 CONCEPT WOULD BE TERRIFIC IN MULTIPLE DISEASE STATES.  
20 WHEN YOU ARE TALKING ABOUT DELIVERING A THERAPY TO MANY  
21 PEOPLE, THOUSANDS OF PEOPLE, WHICH I THINK IS REALLY  
22 ONE OF THE OBJECTIVES, ONE OF THE THINGS THAT YOU NEED  
23 TO DO IS PROOF OF CONCEPT IS REALLY THE TIP OF THE  
24 ICEBERG IN TERMS OF DELIVERING OF THERAPIES. SO I  
25 THINK TO HAVE A FOCUS ON DEVELOPING MANUFACTURING

1 PROCESSES THAT WILL DELIVER THE CELLS WILL BE REALLY  
2 CRITICAL GOING FORWARD.

3 CHAIRMAN KLEIN: ANY ADDITIONAL COMMENTS?

4 ONE OF THE POINTS THAT WAS RAISED EARLIER BY  
5 DR. WRIGHT WAS THIS WHOLE ISSUE OF THE INTERNATIONAL  
6 ASSETS, RESEARCH ASSETS, AND COLLABORATION STRUCTURES  
7 TO BRING IN THOSE INTERNATIONAL ASSETS INTO OUR  
8 RESEARCH PROCESS. AND MAYBE THERE'S A WHOLE  
9 DIFFERENT -- THERE'S A WHOLE FOCUSED TOPIC AREA THAT  
10 DR. KESSLER'S COMMENTS OR SOME OF THEM FIT UNDER AS  
11 WELL IS THE RESEARCH PROCESS, WHETHER IT'S THE  
12 INTERNATIONAL SIDE OF THE RESEARCH PROCESS OR BUILDING  
13 INTERDISCIPLINARY TEAMS. I THINK WE'VE HEARD COMMENTS  
14 FROM A NUMBER OF SOURCES ABOUT ADDRESSING THE RESEARCH  
15 PROCESS WHERE WE'RE GOING TO OPTIMIZE OUR ABILITY AND  
16 OUR ALTERNATIVE METHODOLOGIES TO GET THE BEST RESULTS,  
17 BUT CERTAINLY A LOT OF THOUGHTFUL CONSIDERATION OF HOW  
18 TO INTEGRATE, WITHOUT DUPLICATING AND MAKING REDUNDANT  
19 DECISIONS WITH THE INTERNATIONAL SOURCES OF  
20 COLLABORATIONS AND POTENTIALLY HAVING AN INFORMATIONAL  
21 SYSTEM TO TRY AND KEEP US ON THE CUTTING EDGE OF THAT  
22 INTERNATIONAL STATUS OF DISEASE RESEARCH SO THAT, IN  
23 FACT, IF WE KNOW WHERE OTHER PEOPLE ARE HEADING WITH  
24 THEIR RESOURCE ALLOCATIONS, WE CAN MAKE MORE ACUTE  
25 DECISIONS TO ALLOCATE TO FILL GAPS OR TO DEAL WITH

1 LEAD-TIME ISSUES IF OTHER PEOPLE HAVE COMPETITIVE  
2 ADVANTAGE IN SOME PORTIONS OF THE PROCESS. THAT WHOLE  
3 TOPIC SOMEHOW NEEDS TO BE ADDRESSED.

4 MR. ROTH: AND I THINK THE RIGHT TERMS HAVE  
5 BEEN DISCUSSED HERE TONIGHT: SYSTEMS, NETWORKS,  
6 COLLABORATIONS IS THE THIRD BULLET. YOU'VE GOT PEOPLE  
7 AND PLACE, AND THEN YOU NEED SYSTEMS, NETWORKS,  
8 COLLABORATIONS AS A PART OF INFRASTRUCTURE. AND  
9 THEY'RE GOALS THAT MANY GOOD SUGGESTIONS MADE AROUND  
10 THE TABLE WOULD FIT UNDER THAT.

11 DR. HALL: YES. I THINK ONE OF THE MESSAGES  
12 THAT CAME OUT OF THE MEETING LAST THURSDAY WAS THAT WE  
13 HAVE MANY POTENTIAL PARTNERS ACTUALLY, NOT ONLY  
14 INTERNATIONALLY, BUT WE HAVE DISEASE ORGANIZATIONS THAT  
15 I THINK WOULD BE DELIGHTED TO PARTNER WITH US ON  
16 PARTICULAR PROJECTS. WE NEED TO THINK ABOUT HOW WE  
17 WANT TO STRUCTURE THOSE. THERE ARE, I'M SURE, OTHER  
18 STATES, OTHER COUNTRIES, MAYBE EVEN OUR OWN COUNTRY  
19 SOMEDAY, JUST TO HAVE A LITTLE DREAM THERE. AND SO I  
20 THINK WE WILL DEFINITELY WANT TO BUILD IN WAYS IN WHICH  
21 WE CAN FACILITATE AND WELCOME THOSE COLLABORATIONS AND  
22 HELP LEVERAGE, IF YOU WANT TO, OUR OWN RESOURCES AND  
23 OUR OWN WORK, BUT I THINK MOST OF ALL THE WORK IN  
24 PARTNERSHIP IN NONCOMPETITION WITH ALL THESE OTHER  
25 EFFORTS GOING ON WORLDWIDE.

1                   CHAIRMAN KLEIN: ANY ADDITIONAL COMMENT FROM  
2 EVERYONE, REALIZING THIS AN ATTEMPT TO INVENTORY IDEAS,  
3 PUT THEM ON THE TABLE AT THE FRONT END OF THIS PROCESS,  
4 ANY ADDITIONAL BOARD COMMENTS? ANY ADDITIONAL STAFF  
5 COMMENTS? DR. CHIU, WOULD YOU LIKE TO MAKE ANY  
6 COMMENTS? DR. HALL, WOULD YOU LIKE TO HAVE ANY OF THE  
7 CONSULTANTS MAKE ANY COMMENTS OR IDEAS?

8                   DR. HALL: NO. MEMBERS OF THE PUBLIC, ANY  
9 FINAL COMMENTS? IF NOT, I'D JUST LIKE TO SAY THANKS TO  
10 EVERYBODY. THIS HAS BEEN, AS FAR AS I'M CONCERNED, A  
11 TERRIFIC SESSION. WE APPRECIATE ATTENDANCE OF THE  
12 BOARD MEMBERS, AND WE APPRECIATE THE MEMBERS OF THE  
13 PUBLIC WHO CAME TONIGHT TO SIT WITH US, THINK WITH US,  
14 AND SIT WITH US, TALK WITH US, AND MAKE SOME COMMENTS  
15 FOR US. THANKS, EVERYBODY. WE LOOK FORWARD TO  
16 CONTINUING TO WORK WITH YOU ON THIS AMBITIOUS PLAN.

17                   CHAIRMAN KLEIN: WE WILL SEE EVERYONE BRIGHT  
18 AND EARLY AT BREAKFAST.

19                                   ( THE MEETING WAS THEN ADJOURNED. )

20  
21  
22  
23  
24  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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

HILTON LA JOLLA TORREY PINES  
10950 N. TORREY PINES ROAD  
LA JOLLA, CALIFORNIA  
ON  
THURSDAY, JUNE 1, 2006

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  
BARRISTER'S REPORTING SERVICE  
1072 S.E. BRISTOL STREET  
SUITE 100  
SANTA ANA HEIGHTS, CALIFORNIA  
(714) 444-4100