

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: HARVEY MORSE AUDITORIUM
CEDARS-SINAI MEDICAL CENTER
8700 BEVERLY BOULEVARD
LOS ANGELES, CALIFORNIA

DATE: DECEMBER 8, 2011
9 A.M.

REPORTER: BETH C. DRAIN, CSR
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BARRISTERS' REPORTING SERVICE

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BARRISTERS' REPORTING SERVICE

1 LOS ANGELES, CALIFORNIA; THURSDAY, DECEMBER 8, 2011

2 9 A.M

3
4 CHAIRMAN THOMAS: I'D LIKE TO WELCOME
5 EVERYBODY TO THE DECEMBER MEETING OF THE INDEPENDENT
6 CITIZENS' OVERSIGHT COMMITTEE FOR THE CALIFORNIA
7 INSTITUTE OF REGENERATIVE MEDICINE. IT'S A VERY
8 BEAUTIFUL DAY HERE IN LOS ANGELES, AND WE'RE VERY
9 PLEASED TO BE HERE, SHLOMO, AT CEDARS-SINAI. AND
10 THANK YOU VERY MUCH FOR HOSTING THIS MEETING.

11 LET'S PROCEED NOW, MARIA, WITH THE PLEDGE
12 OF ALLEGIANCE.

13 (THE PLEDGE OF ALLEGIANCE.)

14 CHAIRMAN THOMAS: MARIA, WILL YOU PLEASE
15 CALL THE ROLL.

16 MS. BONNEVILLE: ROBERT PRICE.

17 DR. PRICE: HERE.

18 MS. BONNEVILLE: FLOYD BLOOM. DAVID
19 BRENNER. JACOB LEVIN FOR SUSAN BRYANT.

20 DR. LEVIN: HERE.

21 MS. BONNEVILLE: MARCY FEIT.

22 MS. FEIT: HERE.

23 MS. BONNEVILLE: TED Krontiris.

24 DR. Krontiris: HERE.

25 MS. BONNEVILLE: LEEZA GIBBONS.

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1 MS. GIBBONS: HERE.
2 MS. BONNEVILLE: MICHAEL GOLDBERG. SAM
3 HAWGOOD. STEPHEN JUELSGAARD.
4 DR. JUELSGAARD: HERE.
5 MS. BONNEVILLE: SHERRY LANSING.
6 MS. LANSING: HERE.
7 MS. BONNEVILLE: TED LOVE. BERT LUBIN.
8 MS. BONNEVILLE: SHLOMO MELMED.
9 DR. MELMED: HERE.
10 MS. BONNEVILLE: PHIL PIZZO. CLAIRE
11 POMEROY. FRANCISCO PRIETO.
12 DR. PRIETO: HERE.
13 MS. BONNEVILLE: ELIZABETH FINI. ROBERT
14 QUINT. DUANE ROTH. JOAN SAMUELSON. DAVID
15 SERRANO-SEWELL.
16 MR. SERRANO-SEWELL: PRESENT.
17 MS. BONNEVILLE: JEFF SHEEHY. JONATHAN
18 SHESTACK. OSWALD STEWARD.
19 DR. STEWARD: HERE.
20 MS. BONNEVILLE: JONATHAN THOMAS.
21 CHAIRMAN THOMAS: HERE.
22 MS. BONNEVILLE: ART TORRES.
23 MR. TORRES: HERE.
24 MS. BONNEVILLE: KRISTINA VUORI.
25 DR. VUORI: HERE.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: JAMES ECONOMOU.

2 DR. ECONOMOU: HERE.

3 MS. BONNEVILLE: DR. BURTIS. SORRY.

4 DR. BURTIS: HERE.

5 CHAIRMAN THOMAS: MARIA, DO WE HAVE A
6 QUORUM?

7 MS. BONNEVILLE: NOT YET. NOT CURRENTLY.
8 WE'RE WAITING FOR A FEW MEMBERS.

9 CHAIRMAN THOMAS: OKAY. I KNOW THERE ARE
10 SOME OTHERS WHO ARE HERE WHO HAVEN'T COME YET, BUT
11 SHALL WE PROCEED NONETHELESS?

12 MS. BONNEVILLE: YES.

13 CHAIRMAN THOMAS: I'D LIKE TO START WITH
14 THE CHAIRMAN'S REPORT. FIRST AND FOREMOST, I WANTED
15 TO TALK TO THE BOARD ABOUT THE GERON SITUATION. AS
16 WE ALL KNOW, A NUMBER OF DAYS AGO GERON DECIDED TO
17 SUSPEND ITS TRIAL ON THE POTENTIAL THERAPY FOR
18 SPINAL CORD INJURY USING CELLS DERIVED FROM HUMAN
19 EMBRYONIC STEM CELLS. THIS WAS A BIG SURPRISE
20 OBVIOUSLY TO US ALONG WITH THE REST OF THE WORLD.
21 AND OUR IMMEDIATE CONCERN GOES OUT TO THE PATIENTS
22 AND THEIR FAMILIES WHO WERE JUSTIFIABLY EXTREMELY
23 DISAPPOINTED WITH THIS TURN OF EVENTS.

24 HOWEVER, AS WE KNOW, BUSINESS BEING WHAT
25 IT IS, THE COMPANY WHICH HAD REALLY BEEN FOCUSING

BARRISTERS' REPORTING SERVICE

1 SORT OF JOINTLY ON CANCER PRODUCTS AND THE STEM CELL
2 THERAPY RECENTLY HAD A CHANGE IN LEADERSHIP AND NOW
3 HAS A CEO WHO PREFERS AND IS MOST INTERESTED IN
4 ONCOLOGICAL PRODUCTS. AND THAT PARTICULAR
5 ORIENTATION PLUS THE FACT THAT THEY FELT THAT THE
6 CANCER PRODUCTS WERE POTENTIALLY FURTHER ALONG IN
7 THE PROCESS AND THAT THE STEM CELL TRIAL WOULD TAKE
8 LONGER, WHEN HELD UP AGAINST THE PRISM OF ECONOMIC
9 REALITY FOR THE COMPANY, DECIDED TO MAKE A BUSINESS
10 DECISION AND TO SUSPEND THAT TRIAL.

11 THEY WENT TO GREAT LENGTHS TO SAY THAT THE
12 PHASE I TRIALS TO DATE HAD SHOWN NO PROBLEMS WITH
13 SAFETY OR TOXICITY; THAT IS TO SAY, THINGS HAD GONE
14 AS HOPED TO THIS POINT, THAT THERE WAS NO ISSUE
15 WHATSOEVER WITH THE VIABILITY OF THE UNDERLYING
16 SCIENCE, THAT THIS WAS PURELY A BUSINESS DECISION.

17 I BELIEVE THAT THOSE COVERING THE GERON
18 DECISION FOR THE MOST PART UNDERSTOOD THAT. THERE
19 ARE THOSE OUT THERE THAT HAVE CHOSEN TO EXTRAPOLATE
20 TO QUESTION STEM CELL SCIENCE IN GENERAL. AND I SAY
21 TO THOSE THAT IF YOU WERE TO QUERY THE MANY, MANY
22 RESEARCHERS WORLDWIDE IN STEM CELL RESEARCH AS WELL
23 AS THE COMPANIES WHO ARE INVOLVED DEVELOPING STEM
24 CELL-RELATED PRODUCTS, YOU WOULD HEAR THAT UNIFORMLY
25 THERE IS UNWAVERING, UNDIMINISHED ENTHUSIASM FOR

BARRISTERS' REPORTING SERVICE

1 PROCEEDING WITH STEM CELL TECHNOLOGY.

2 HERE AT CIRM WE ECHO THAT OBVIOUSLY. WE
3 ARE FULLY COMMITTED TO ADVANCING THE CAUSE OF STEM
4 CELL RESEARCH AND WE UNDERSTAND THAT THIS IS A NEW
5 FIELD. IT'S A CUTTING-EDGE FIELD. WE'RE GOING TO
6 HAVE ADVANCES AND ISSUES THAT COME UP ALONG THE WAY.
7 IT'S NOT A LINEAR PROCESS. THERE WILL BE FITS AND
8 STARTS. THIS WAS A VERY HIGHLY PUBLICIZED
9 INVESTMENT AND, THEREFORE, IT'S GOTTEN A LOT OF
10 PRESS. BUT WHEN YOU SORT OF TAKE A LOOK AND YOU DO
11 A REALITY CHECK, THIS IS ONE OF 44 PROJECTS, MAJOR
12 PROJECTS, THAT WE'VE FUNDED DEMONSTRATING THAT IT IS
13 BUT ONE IN MANY AVENUES THAT ARE BEING PURSUED TO
14 DATE. AND THAT'S JUST WITH CIRM. THERE ARE
15 OBVIOUSLY MANY, MANY OTHERS WORLDWIDE THAT ARE BEING
16 PURSUED AS WELL.

17 THIS TECHNOLOGY IS CONTINUING TO ADVANCE.
18 IT IS SCIENCE, AFTER ALL, SO ADVANCEMENT IS
19 INCREMENTAL, BUT IT IS INEXORABLY MARCHING FORWARD,
20 AND WE ARE 150 PERCENT BEHIND THE FIELD AND WILL
21 CONTINUE TO FUND THE BEST AND THE BRIGHTEST PROJECTS
22 THAT COME TO US HERE IN THE STEM CELL STATE OF
23 CALIFORNIA.

24 WOULD JUST LIKE TO ADD AS AN ASIDE THAT,
25 TWO ASIDES ACTUALLY, WE HAD, AS YOU KNOW, THE

BARRISTERS' REPORTING SERVICE

1 MEETING ON THE MESA LAST WEEK IN LA JOLLA, WHICH,
2 ALAN OR ELLEN, I DON'T KNOW IF YOU ARE GOING TO
3 COMMENT ON, SOMEBODY MIGHT. OKAY. FANTASTIC EVENT.
4 AND WHAT I WANTED TO REPORT TO YOU WAS IT BEING LAST
5 WEEK WAS IN THE WAKE OF THE GERON DECISION. THERE
6 WAS OBVIOUSLY LOTS OF DISCUSSION ON THIS, AND THE
7 SENTIMENT THERE WAS THIS IS CLEARLY UNFORTUNATE,
8 LAMENTABLE, BUT THINGS ARE PROCEEDING APACE. YOU
9 SAW THAT IN THE SCIENCE PANELS ALL DAY WEDNESDAY,
10 AND YOU HEARD IT ECHOED JUST AS STRONGLY IN THE
11 COMPANY PANELS THAT WERE HELD ON THURSDAY. SO
12 NOBODY VIEWS THIS AS A MAJOR SETBACK. IT'S A
13 BUSINESS DECISION. AND THAT'S WHERE IT ENDS.

14 I WILL LASTLY POINT OUT, AND I THINK THE
15 BOARD WOULD BE VERY INTERESTED TO HEAR THIS, THAT
16 THE GERON, AS YOU KNOW, HAD HAD FOUR PATIENTS
17 ENROLLED PRIOR TO THEIR DECISION. THEY HAD HAD A
18 FIFTH PATIENT WHO HAD BEEN APPROVED, AND THEN THE
19 DECISION CAME ALONG TO DISCONTINUE, BUT THERE WAS A
20 JOINT DECISION BETWEEN THE PATIENT AND THE COMPANY
21 TO GO AHEAD AND HAVE THE PROCEDURE WITH THAT FIFTH
22 PATIENT.

23 AS IT HAPPENS, I AND MR. HARRISON WENT AND
24 MET WITH, WE WERE INVITED TO, MET WITH THIS FIFTH
25 PATIENT. AND THAT WAS A VERY ILLUMINATING MEETING,

BARRISTERS' REPORTING SERVICE

1 WHICH GETS TO THE VERY CORE OF WHY WHAT WE'RE DOING
2 HERE IS SO IMPORTANT. YOU WOULD HAVE EXPECTED THIS
3 PERSON TO BE HORRIBLY DOWN BASED ON THE TRAGIC
4 SEQUENCE OF EVENTS THAT HAD TAKEN PLACE IN HER LIFE.
5 WE WENT IN LOOKING TO CHEER HER UP, AND WE GOT IN
6 THERE ONLY TO FIND THAT SHE WAS EXTREMELY HAPPY TO
7 SEE US, VERY UPBEAT, VERY GRATEFUL THAT SHE HAD BEEN
8 ABLE TO PARTICIPATE IN THIS TRIAL. I THINK SHE HAD
9 A GOOD, REALISTIC SENSE THAT THE PATH WAS LONG AND
10 THE ODDS WERE LONG TO RECOVERY, BUT SHE WAS SO
11 GRATEFUL TO BE A PART OF THIS AND ALSO VERY
12 INTERESTED IN BEING SOMEBODY WHO HELPS PAVE THE WAY
13 THROUGH THE EVALUATION OF HER AND HER TEST FOR THOSE
14 THAT FOLLOW THAT HAVE SPINAL CORD INJURIES THAT ARE
15 BEING TREATED BY STEM CELL THERAPIES.

16 SO FAR FROM US HAVING TO CHEER HER UP,
17 JAMES, I THINK YOU'D AGREE, SHE CHEERED US UP. IT
18 WAS A REMARKABLE MEETING. BUT I WANTED TO REPORT
19 THAT TO YOU JUST TO GIVE YOU THE PATIENT VIEW OF THE
20 VIABILITY AND THE PROMISE OF STEM CELL RESEARCH. SO
21 THE TAKEAWAY HERE IS WE'RE VERY SORRY, VERY
22 DISAPPOINTED WITH THE DEVELOPMENTS AT GERON. WE
23 REMAIN TOTALLY COMMITTED TO THE CAUSE, AND WE WILL
24 CONTINUE ALONG WITH THE MANY, MANY OUTSTANDING
25 PROJECTS THAT WE HAVE BOTH FUNDED TO DATE AND THAT

BARRISTERS' REPORTING SERVICE

1 WE WILL FUND IN THE FUTURE AS WE CONTINUE TO
2 EVALUATE THOSE PROPOSALS THAT COME TO US.

3 ON OTHER MATTERS, AS I SAY, WE HAD THE
4 MEETING ON THE MESA. I WANTED TO CONGRATULATE
5 EVERYBODY. STAFF WORKED INCREDIBLY HARD ON THIS.
6 DUANE, WHO ISN'T HERE UNFORTUNATELY, OBVIOUSLY
7 WORKED INCREDIBLY HARD AS HE DOES EVERY YEAR. THIS
8 WAS, IN MY OPINION, AN A-PLUS EVENT. THE
9 COMBINATION OF THE SCIENCE DAY AND THE COMPANY DAY,
10 I THOUGHT, WERE TERRIFIC. THEY BOTH SUCCEEDED THE
11 OPENING DAY CEREMONIES FOR THE NEW CONSORTIUM
12 BUILDING DOWN IN LA JOLLA. THE BUILDING IS
13 SPECTACULAR. IT WAS A VERY WELL-ATTENDED OPENING
14 DAY WITH COMMENTS FROM VARIOUS IMPORTANT DIGNITARIES
15 WHO HAD PLAYED KEY ROLES STARTING WITH DENNY SANFORD
16 OBVIOUSLY AND MANY OTHERS.

17 SO THE THREE DAYS JUST HAD A GREAT FEEL,
18 AND EVERYBODY IS SO ENTHUSIASTIC ABOUT THE CHANCE TO
19 DO COLLABORATIVE RESEARCH THERE TO HELP ADVANCE THE
20 FIELD. I WAS VERY IMPRESSED AND MANY KUDOS TO
21 ELONA, ELLEN, DON, ALAN IN ABSENTIA, AND ALL,
22 PATENT, EVERYBODY WHO HAD A ROLE IN THAT, VERY WELL
23 DONE.

24 WE ALSO HAD THE, AND I WILL JUST MENTION
25 THIS ONLY IN PASSING, THE LAST OF THE CLINICAL

BARRISTERS' REPORTING SERVICE

1 DEVELOPMENT ADVISORY PANEL REVIEWS OF OUR DISEASE
2 TEAM I PROJECTS THAT WERE RECOMMENDED BY THE
3 EXTERNAL ADVISORY PANEL, THAT ELLEN, I'M SURE, WILL
4 TALK ABOUT PERHAPS A BIT TODAY, BUT IT TAKES A LOT
5 OF POSTGAME EVALUATION AND GIVE-AND-TAKE WITH ALL OF
6 THE TEAMS. AND WE WILL BE RECEIVING A REPORT BY
7 ELLEN AT A FUTURE SESSION ON WHAT THOSE PROGRESS
8 REPORTS YIELDED AND WHERE THINGS ARE GOING FROM
9 HERE.

10 I THINK THAT THE -- LET'S SEE HERE. I
11 THINK THAT ACTUALLY ABOUT COVERS MY PART HERE. OH,
12 ONE OTHER THING I'D LIKE TO MENTION. ANOTHER
13 FANTASTIC EVENT WAS THE CITY OF HOPE TWO-DAY
14 CONFERENCE WHERE, AS YOU KNOW, THE CITY OF HOPE
15 ANNUALLY FOR THE LAST FEW YEARS NOW HAS HOSTED A
16 STEM CELL CONFERENCE AND CO-SPONSORED IT WITH
17 SCIENTISTS FROM A PARTICULAR COUNTRY. THIS YEAR WE
18 HAD A HOST OF ISRAELI SCIENTISTS, AND THE
19 PRESENTATIONS THAT THEY GAVE WERE FIRST-RATE, WHICH
20 AMPLY DEMONSTRATED WHAT, OF COURSE, IS WELL-KNOWN,
21 WHICH IS THEY'VE GOT SOME GREAT SCIENCE GOING ON
22 OVER THERE AND ARE MAKING MAJOR CONTRIBUTIONS TO THE
23 FIELD.

24 WE ARE BUSILY AT WORK TRYING TO REFINE THE
25 TERMS OF A COLLABORATIVE FUNDING PARTNERSHIP WITH

BARRISTERS' REPORTING SERVICE

1 ISRAEL, MUCH AS WE HAVE WITH MANY OTHER COUNTRIES,
2 AND THAT IS A WORK IN PROGRESS WITH A FEW NUANCES
3 AND WRINKLES TO BE IRONED OUT, BUT WE HOPE TO REPORT
4 BACK TO YOU AT A FUTURE SESSION THAT THAT IS, IN
5 FACT, IN PLACE AS WELL.

6 SO WITH THAT, THAT CONCLUDES MY CHAIRMAN'S
7 REPORT. I WOULD LIKE TO NOW TURN IT OVER TO DR.
8 TROUNSON TO GIVE HIS PRESIDENT'S REPORT. DR.
9 TROUNSON.

10 DR. TROUNSON: THANK YOU VERY MUCH.

11 CHAIRMAN THOMAS: DR. TROUNSON, I FORGOT
12 ONE THING, WHICH I'M REMISS IN NOT DOING.

13 (P.A. SYSTEM INTERFERENCE.)

14 DR. MELMED SAYS TO IGNORE THIS AND CARRY
15 ON.

16 THE ONE THING I DID VERY IMPORTANTLY OMIT,
17 I WANTED TO MAKE SURE EVERYBODY MET DR. MATT
18 PLUNKETT, WHO HAS JOINED US AS OUR CFO OVER HERE
19 STANDING UP. COMES TO US WITH IMPECCABLE
20 CREDENTIALS, PH.D. IN CHEMISTRY, LIFE SCIENCES
21 INVESTMENT BANKER, FORMER CFO AT IPERIAN, HIGHLY
22 VERSED IN ALL OF THE ISSUES THAT CONFRONT AN
23 ORGANIZATION LIKE CIRM, A VERY PROACTIVE PLAYER IN
24 THE DEVELOPMENT OF THE LOAN PROGRAM THAT WE HAVE
25 HERE AT CIRM FOR COMPANIES. MATT JOINED US A COUPLE

BARRISTERS' REPORTING SERVICE

1 WEEKS AGO, AND WE HAVE THE GREAT LUXURY OF HAVING
2 SOMEBODY COME WITH US WHO REQUIRES NO GETTING UP TO
3 SPEED WHATSOEVER AND HAS IMMEDIATELY SEIZED THE
4 REINS AND TAKEN MANY PROACTIVE STEPS. AND WE'RE
5 JUST DELIGHTED TO HAVE YOU HERE. SO I WANTED
6 EVERYBODY TO SAY HELLO TO MATT.

7 SORRY. THANKS, ALAN.

8 DR. TROUNSON: OKAY. THANK YOU, CHAIR.
9 ONE OF THE REASONS WHY I WAS NOT AT THE MEETING ON
10 THE MESA WAS I WAS GETTING A DOCTOR OF LAWS, AND I
11 UNDERSTAND IT DOES TRUMP JAMES HARRISON NOW. SO,
12 CHAIR, YOU MIGHT NEED TO TAKE MY ADVICE ON SOME
13 MATTERS OF LAW, PERHAPS ONLY AUSTRALIAN LAW, BUT
14 NEVER MIND.

15 THERE IS SOME REALLY INTERESTING WORK, AS
16 USUAL, BEING PUBLISHED EACH MONTH. SO I WANTED TO
17 GIVE YOU SOME LOOK INTO SOME OF THESE. ONE OF THESE
18 I THOUGHT WAS PRETTY INTERESTING, THE FACT THAT
19 FETAL CELLS TRAFFIC TO INJURED MATERNAL MYOCARDIUM.
20 SO IN THE EVENT IN PREGNANCY THAT THERE'S AN INJURY
21 TO THE HEART, THE FETUS ACTUALLY DOES A JOB IN
22 ACTUALLY RETURNING CELLS TO THE FEMALE HEART, FETAL
23 CELLS, TO REPAIR THE PART. AND I THINK THIS IS A
24 REALLY INTERESTING PIECE OF NEWS. I'VE KNOWN FOR A
25 LONG TIME THAT YOU CAN DETECT, AND YOU PROBABLY DO,

BARRISTERS' REPORTING SERVICE

1 FETAL CELLS IN THE CIRCULATION, MATERNAL
2 CIRCULATION. SOMETIMES FOR DECADES YOU CAN DETECT
3 THEM.

4 AND SO IN THE MATERNAL SYSTEM THERE IS AN
5 EXCHANGE OF CELLS AND THEY DO LIVE FOR A VERY LONG
6 TIME, POSSIBLY FOR THE LIFETIME OF THE WOMAN.

7 WELL, IN THE MICE THEY GFP LABELED THE
8 FETAL CELLS IN THE FETUSES, AND THEY SHOWED THAT
9 THEY HOME TO MATERNAL HEART IF YOU INDUCE A
10 MYOCARDIAL INFARCTION. SO IF THERE'S AN INFARCT,
11 DAMAGED HEART OCCUR, THESE FETAL CELLS CAN BE FOUND
12 IN THE HEART. AND THEY DID THIS AT -- THEY INDUCED
13 THE MYOCARDIAL INFARCTION AT DAY 12, SO THAT'S ABOUT
14 TWO-THIRDS OF THE WAY THROUGH GESTATION. AND THEN
15 THEY LOOKED A WEEK OR TWO WEEKS LATER WHERE THEY
16 FOUND REALLY 20 TIMES THE NUMBER OF CELLS IN THE
17 INJURED HEART THAN YOU WOULD FIND IN A SHAM-OPERATED
18 HEART WHERE THERE'S NO INJURY. SO IF THERE'S AN
19 INJURY, THESE CELLS, THESE FETAL CELLS, TRAFFIC TO
20 THE INJURED HEART.

21 AND WHAT'S MORE, THESE GFP CARDIOMYOCYTES
22 IN THE MICE WERE BEATING IN SYNCHRONY WITH THE
23 NEIGHBORING MATERNAL CARDIOMYOCYTES. SO THEY LOOKED
24 LIKE THEY'D TAKEN ON FULL FUNCTIONAL BEHAVIOR OF THE
25 MATERNAL CELLS. SO THERE'S A ROLE HERE FOR THE

BARRISTERS' REPORTING SERVICE

1 FETUS IN PROTECTING MOTHERS. AND YOU CAN IMAGINE
2 THIS COULD WELL BE A STRONG EVOLUTIONARY DRAW.

3 AND I WOULD NOTE ACTUALLY, AND IT WAS
4 NOTED IN THE PAPER, THAT 50 PERCENT OF WOMEN RECOVER
5 FROM HEART FAILURE SPONTANEOUSLY PERIPARTUM, WHICH
6 IS THE HIGHEST OF ANY KNOWN GROUP WITH
7 CARDIOMYOPATHY. SO IT DOES FIT WITH THE HUMAN
8 SITUATION, AND I THINK THIS IS EXTREMELY
9 INTERESTING.

10 THE OTHER BIT OF INTEREST IN THAT PAPER
11 WAS THAT 40 PERCENT OF THOSE CELLS EXPRESS CDX2,
12 WHICH IS A PLACENTAL-TYPE MARKER. SO IT LOOKS LIKE
13 THESE CELLS MIGHT HAVE COME FROM THE PLACENTA, NOT
14 SPECIFICALLY FROM THE FETUS. SO IF THAT'S THE CASE,
15 SOME PLACENTAL STEM CELLS MIGHT BE VERY IMPORTANT
16 FOR US TO LOOK AT IN TERMS OF MYOCARDIAL
17 REGENERATION. I THOUGHT YOU'D BE INTERESTED IN THAT
18 BECAUSE I THINK IT'S A PRETTY NEAT PAPER PUBLISHED
19 IN *CIRCULATION RESEARCH* FROM THE MT. SINAI SCHOOL OF
20 MEDICINE, YOUR COUSINS, I GUESS, OVER IN NEW YORK.

21 SO THIS PICTURE, WHICH YOU WILL SEE IN
22 YOUR HANDOUT, JUST GIVES YOU THE WHOLE IDEA THAT THE
23 GREEN EMBRYO WAS ACTUALLY DONATING CELLS THAT ENDED
24 UP IN THE HEART. AND SHOWN ON THE RIGHT-HAND SIDE,
25 HOWEVER YOU'RE LOOKING AT THAT, GIVES YOU THE IDEA

BARRISTERS' REPORTING SERVICE

1 THAT YOU CAN SEE THEM AS CARDIOMYOCYTES AND
2 ENDOTHELIAL CELLS. SO THAT WAS REALLY INTERESTING.

3 THERE WAS ALSO, I THINK, ANOTHER IMPORTANT
4 PAPER PUBLISHED IN *NATURE MEDICINE* USING IPS-DERIVED
5 NEURONS TO UNCOVER A PHENOTYPE WITH TIMOTHY
6 SYNDROME. NOW, THERE'S A COUPLE OF IMPORTANT
7 ELEMENTS IN THIS. THE DEFECTS IN VOLTAGE-GATED
8 CALCIUM CHANNELS ARE RELATED TO AUTISM, BIPOLAR
9 DISORDER, AND SCHIZOPHRENIA. SO TIMOTHY SYNDROME IS
10 CAUSED BY A POINT MUTATION IN AN ALTERNATIVELY
11 SPLICED EXON OF THE L-TYPE CHANNEL, AND IT
12 INACTIVATES THAT CHANNEL. SO 60 PERCENT OF THESE
13 KIDS HAVE AUTISM. SO IT'S A VERY DEEP PENETRANT FOR
14 THAT GENETIC DISORDER. SO IT'S VERY COMMON, VERY,
15 VERY COMMON, THAT THESE KIDS WILL HAVE AUTISM.

16 SO THESE IPS CELLS, WHILE THEY HAVE THE
17 CHANNEL DEFECT, THEY SHOWED DIFFERENTIATION DEFECTS
18 IN CALCIUM SIGNALING, DECREASED GENE EXPRESSION IN
19 LOWER CORTICAL LAYERS, AND CALLOSAL PROJECTION
20 NEURONS, AND ABNORMAL EXPRESSION OF TYROSINE
21 HYDROXYLASE, AND INCREASED PRODUCTION OF
22 NOREPINEPHRINE AND DOPAMINE. SO THEY CONTINUE THEIR
23 PHENOTYPIC ABNORMALITY IN THE CULTURE DISH. SO THIS
24 IS A GOOD DISEASE-IN-A-DISH MODEL.

25 THE PHENOTYPE, INTERESTINGLY, CAN BE

BARRISTERS' REPORTING SERVICE

1 REVERSED BY TREATMENT WITH ROSCOIVITINE
2 CYCLIN-DEPENDENT KINASE INHIBITOR AND ATYPICAL
3 L-TYPE CHANNEL BLOCKER. SO IT SHOWS THAT THIS PAPER
4 SHOWS VERY NEATLY, I THINK, THAT THESE CALCIUM
5 CHANNELS ARE REGULATING DIFFERENTIATION OF THOSE
6 CRITICAL CORTICAL NEURONS WHICH ARE PROBABLY THE
7 PRIMARY CAUSE OF AUTISM IN TIMOTHY SYNDROME. SO
8 AGAIN, THIS UNDERLINES THE REALLY NEAT MODELING THAT
9 YOU CAN GET FROM MAKING IPS CELLS AND THEN DISEASE
10 IN A DISH. AND THIS HOPEFULLY WILL BRING US THROUGH
11 TO DRUGS WHICH MAY WELL HAVE A VERY POSITIVE EFFECT
12 ON THESE KIND OF DISORDERS.

13 THE THIRD PAPER WAS ONE PUBLISHED OUT OF
14 THE KAROLINSKA INSTITUTE IN SWEDEN AND, AGAIN, WAS,
15 I THINK, AN INTERESTING STUDY. THIS WAS WITH A
16 PATIENT WHO HAS A TRACHEAL TUMOR SHOWN HERE IN
17 GREEN. SO THIS IS A TUMOR WHICH INVOLVES THE
18 TRACHEA AND UPPER BRONCHI THERE. AND SO IN ORDER TO
19 ACTUALLY REMOVE THIS TUMOR, YOU ALSO HAD TO REMOVE
20 PART OF THE TRACHEA, MAIN PART OF THE TRACHEA, AND
21 ALSO THE INITIAL BRONCHIAL TREE.

22 AND SO WHAT THEY DID WAS MANUFACTURE,
23 TOTALLY MANUFACTURE, AN ORGAN SHOWN ON THE
24 RIGHT-HAND SIDE. SO THEY DID ALL THESE DRAWINGS TO
25 MAKE SURE IT ALL FITTED WITH THE ANATOMY OF THE

BARRISTERS' REPORTING SERVICE

1 PATIENT. AND THEN SHOWN BELOW ARE A BIOREACTOR
2 WHICH WHEN THEY MADE THIS ARTIFICIAL TRACHEA AND
3 BRONCHUS, THEN THEY PUT THE CELLS INTO THE
4 BIOREACTOR. SO GOING BACK, THEY DEVELOPED WHAT IS
5 CALLED A POSS-PCU. IT'S A NANOCOMPOSITE POLYMER OF
6 A NAME WHICH IS ALMOST IMPOSSIBLE TO PRONOUNCE
7 COVALENTLY BONDED TO POLYCARBONATE UREA. SO THIS IS
8 AN ARTIFICIAL MATRIX, AND IT'S ONE WHICH IS MEANT TO
9 REMAIN IN THE BODY. DOESN'T DISSOLVE AWAY.

10 AND THEY MADE THAT, WHEN THEY FIGURED OUT
11 ALL THE DIMENSIONS, PROCESSED BY AN EXTRUSION-PHASE
12 INVERSION METHOD. SO THIS IS TOP QUALITY
13 ENGINEERING WITH THESE POLYMERS TO EXACTLY FIT THE
14 ANATOMICAL SPACE THAT IT HAD TO REPLACE.

15 THEY SEEDED THE BIOREACTOR WITH THE
16 PATIENT'S BONE MARROW CELLS, AND SPECIFICALLY
17 MONONUCLEOCYTES, AND SO THEY SEEDED THAT FOR 36
18 HOURS IN THAT BIOREACTOR THAT I SHOWED YOU. AND
19 THEN POSTOPERATIVELY THEY GAVE THE PATIENTS GCSF AND
20 EPOETIN BETA. GCSF WILL MOBILIZE STEM CELLS, BLOOD
21 STEM CELLS, THE BONE MARROW STEM CELLS, SO IT WILL
22 HELP IN GETTING MORE OF THE STEM CELLS INTO THE
23 CIRCULATION.

24 NOW, THIS GRAFT IS FUNCTIONING NORMALLY,
25 VERY NORMALLY FIVE MONTHS AFTER THE GRAFT WAS

BARRISTERS' REPORTING SERVICE

1 ESTABLISHED. THERE'S EXTRACELLULAR MATRIX COATING
2 OF THE POLYMER. CD105, WHICH IS STROMAL MESENCHYMAL
3 STEM CELLS, THEY HAVE PATENT ANASTOMOSES, SO THE
4 BLOOD SYSTEM IS ATTACHED TO IT. IT'S LINED WITH
5 VASCULARIZED NEOMUCOSA AND PARTLY COVERED WITH
6 HEALTHY EPITHELIUM WITH THE APPROPRIATELY
7 UPREGULATED RECEPTORS AND BIOMARKERS. SO IT LOOKS
8 LIKE THIS IS NOW A FUNCTIONAL TRACHEA AND BRONCHUS,
9 AND IT IS A RATHER NICE PIECE OF TISSUE ENGINEERING.
10 AND I THOUGHT THIS IS THE KIND OF WORK WHICH IS NOW
11 ATTRACTING A LOT OF ATTENTION FOR SURGEONS IN THOSE
12 KIND OF SITUATIONS.

13 SO I THINK THE LAST ONE I WANTED TO BRING
14 TO YOUR ATTENTION WAS, I THINK, SOME REALLY MAJOR
15 ADVANCES IN LORENZ STUDER'S LAB AT SLOAN KETTERING
16 WHICH WAS PUBLISHED IN *NATURE*. AND DOPAMINE
17 PRODUCING NEURONS CAN BE DERIVED FROM PLURIPOTENTIAL
18 STEM CELLS, EMBRYONIC STEM CELLS, AND IPS CELLS.
19 AND THEY LOOK VERY PROMISING IN VITRO, BUT THEY
20 PERFORM RATHER POORLY WHEN THEY HAVE BEEN PUT INTO
21 ANIMAL MODELS.

22 SO THIS HAS BEEN A BIT OF A HANDICAP IN
23 THE FIELD. BUT THE TEAM HERE AT THE SLOAN KETTERING
24 HAS PRODUCED DA NEURONS USING A DIFFERENT METHOD.
25 IT'S A FLOOR-PLATE STRATEGY, AND I'VE BEEN IMPRESSED

BARRISTERS' REPORTING SERVICE

1 WITH THAT PARTICULAR STRATEGY THIS TEAM HAS HAD FOR
2 A WHILE. AND IT INVOLVES 11 DAYS OF EXPOSURE TO
3 SONIC HEDGEHOG AND WNT SIGNALING GIVING AN
4 ENGRAFTABLE NEURON AFTER 25 DAYS. SO THESE CELLS IN
5 VITRO LOOK DIFFERENT TO THE ONES THAT WERE BEING
6 PRODUCED BY OTHERS.

7 AND THEY SHOWED THAT YOU COULD GET VERY
8 EFFICIENT INTEGRATION OF ENGRAFTMENT OF THESE CELLS
9 IN TWO RODENT MODELS, THE MOUSE AND THE RAT, AND
10 ALSO IN THE MONKEY MODEL OF PARKINSON'S DISEASE,
11 WHICH IS VERY NEW, WHICH SHOWS THAT THESE CELLS ARE
12 THERE AND THEY APPEAR TO BE FUNCTIONAL. THEY'VE
13 RETURNED THOSE ANIMALS TO THE PRE-PARKINSON'S STATE.
14 THEY SURVIVED WITH FULL FUNCTIONAL COMPETENCE AS DA
15 MIDBRAIN NEURONS IMPORTANTLY WITHOUT ANY OVERGROWTH
16 BECAUSE THE FETAL CELL PROBLEM WITH TRANSPLANTATION
17 IN PARKINSON'S IS FREQUENTLY THE OVERGROWTH OF THOSE
18 CELLS GIVING AN EXAGGERATED PHENOTYPE TO THOSE
19 PATIENTS WHEN IT HAPPENS.

20 SO THESE DATA, I THINK, ARE VERY
21 ENCOURAGING FOR THE USE OF PLURIPOTENTIAL STEM CELLS
22 AND THE COMPLETE SPECIFICATION OF DA NEURONS AS
23 DISTINCT FROM WHAT WE WERE HAVING BEFORE THAT ARE
24 NEEDED IN THE RESTORATION OF PARKINSON'S DISEASE.
25 SO I'M VERY ENCOURAGED BY THAT WORK.

BARRISTERS' REPORTING SERVICE

1 WELL, THE CHAIR HAS REPORTED TO YOU ON THE
2 GERON TRIAL, AND THE NOTES HERE REALLY JUST UNDERPIN
3 SOME OF THE THINGS THAT THE CHAIR WAS TALKING ABOUT,
4 THAT THE REASON FOR THEIR DECISION WAS STRICTLY
5 FINANCIAL WITH THE LIMITED FUNDING THAT THEY HAD
6 AVAILABLE. AND THE CURRENT SITUATION IN THE VENTURE
7 CAPITAL MARKET IS PRETTY TOUGH TO GET FUNDING AT
8 THESE SO-CALLED EARLY STAGES.

9 SO WHAT I'M INTERESTED IN IS THAT THERE'S
10 AT LEAST NOW FOUR TEAMS THAT ARE WORKING TO TRY AND
11 TAKE OVER THIS PROJECT. THERE ARE FOUR OF THEM. I
12 AM NOT AWARE IF ANY OF THOSE FOUR HAVE DROPPED ANY
13 OF THEIR INTEREST IN TAKING OVER THIS PROJECT. SO
14 AT THIS STAGE, WHILE THEY KEEP ME INFORMED, I DON'T
15 HAVE ANY INFORMATION TO INDICATE THAT THEY WILL TAKE
16 OVER, BUT I'M EXTREMELY OPTIMISTIC. AND I JUST
17 WANTED TO INFORM YOU OF THAT, THAT WE ARE WORKING
18 BEHIND THE SCENES TO REALLY HELP THESE PROSPECTIVE
19 NEW ENTITIES TAKE OVER THAT PROJECT. AND I REASSURE
20 YOU THAT THE GERON COMPANY ITSELF IS VERY POSITIVE
21 ABOUT WANTING TO MOVE THAT PROJECT INTO A NEW
22 ENTITY. SO EVERYTHING THAT I SEE AT THIS SPACE
23 TELLS ME THAT IT WILL TRANSMIT ONWARDS.

24 I THINK WE WANTED TO BRING TO YOUR
25 ATTENTION A PAPER WE'VE JUST PUBLISHED, NANCY KOCH,

BARRISTERS' REPORTING SERVICE

1 ELONA BAUM, AND MYSELF, IN THE JOURNAL *CELL STEM*
2 *CELL* ON THE ISSUE OF NONPATENTABILITY OF HUMAN
3 EMBRYONIC STEM CELLS IN EUROPE. I'M HAPPY TO SEND
4 YOU THE PAPER BECAUSE IT'S JUST -- IT WAS JUST
5 PUBLISHED THIS WEEK. AND IF YOU'D LIKE TO READ IT,
6 IT'S A VERY SHORT PAPER BY US ON WHAT WE THINK THE
7 ISSUES ARE HERE.

8 BUT SUMMARIZED VERY QUICKLY, WE EXPECT
9 SIGNIFICANT, BUT VARIED IMPACT IN THE EU, AND THIS
10 WILL NOT MARK AN END TO HUMAN EMBRYONIC STEM CELL
11 WORK IN EUROPE.

12 THE BASIC SCIENCE, THERE WILL BE MINIMAL
13 IMPACT. IN THE TRANSLATIONAL SCIENCE, THE IMPACT
14 EXPECTED, BUT PARTICIPANTS WILL RESPOND IN ACCORD
15 WITH THEIR INDIVIDUAL INTERESTS. AND CLINICAL
16 TRIALS, WE EXPECT CLINICAL TRIALS WILL STILL OCCUR
17 IN THE EU. SO THEY WERE OUR MAJOR POINTS IN RESPECT
18 TO THIS. AND AS I SAID, I CAN GET CANDACE TO SEND
19 ANY OF YOU OR ALL OF YOU A COPY OF THAT PAPER WHICH
20 HAS JUST COME OUT IN *CELL STEM CELL*.

21 UPCOMING RFA'S, JUST TO ALERT YOU WITH
22 WHAT'S HAPPENING, THE CREATIVITY AWARDS, THE GRANTS
23 WORKING GROUP REVIEW OF APPLICATIONS WILL BE IN
24 FEBRUARY, SO IT'S EARLY NEXT YEAR.

25 EARLY TRANSLATIONAL III, GRANTS WORKING

BARRISTERS' REPORTING SERVICE

1 GROUP WILL BE REVIEWING THAT IN MARCH NEXT YEAR. SO
2 FEBRUARY, MARCH EACH MONTH.

3 DISEASE TEAM THERAPY DEVELOPMENT, PART 2,
4 THE RESEARCH AWARD, THE GRANTS REVIEW OF
5 APPLICATIONS WILL BE IN APRIL, AGAIN, THE NEXT
6 MONTH. SO JEFF AND COLLEAGUES ARE GOING TO HAVE A
7 BUSY TIME MOVING FORWARD. SORRY, BUT SOME PEOPLE
8 ENJOY IT AND OTHERS FIND IT REALLY QUITE A TASK TO
9 GET TO THEM ALL. BUT ANYWAY, IT'S GOING TO BE A
10 BUSY TIME.

11 BASIC BIOLOGY IV, GRANTS WORKING GROUP
12 REVIEW WILL BE IN JUNE.

13 AND WE ARE PUTTING TO YOU AN IPS CELL
14 INITIATIVE AND CONCEPT AT THIS MEETING AND HOPEFULLY
15 A GENOMICS INITIATIVE IN JANUARY. SO WE HAVE A BUSY
16 TIME, A REAL BUSY TIME COMING UP.

17 JUST TO INFORM YOU QUICKLY, WE'RE ENGAGED
18 IN A PUBLIC/PRIVATE PARTNERSHIP WITH NINDS ON
19 NEURODEGENERATIVE DISEASES. IN 2011 NINDS PROPOSED
20 A PUBLIC/PRIVATE PARTNERSHIP, GOVERNMENT AGENCY,
21 PATIENT ADVOCATE FOUNDATIONS, AND BIOPHARMACEUTICAL
22 INDUSTRY IN IPS RESEARCH. AND SO THIS HAS BEEN
23 HAPPENING. IPS CELL RESEARCH RESOURCE IN
24 NEURODEGENERATIVE DISEASES TARGETS SPECIFICALLY
25 HUNTINGTON'S DISEASE, PARKINSON'S DISEASE, AND ALS.

BARRISTERS' REPORTING SERVICE

1 AND THE REVIEW CRITERIA ARE AS DESCRIBED, WHICH IS
2 MUCH THE SAME AS OURS.

3 WE ARE GOING TO BE PROVIDING FUNDING TO
4 MERITORIOUSLY REVIEWED CALIFORNIA APPLICANTS AND
5 THEN ONE APPLICANT, I THINK, IS A PI FROM UC IRVINE
6 WITH A FOCUS ON HUNTINGTON'S DISEASE THAT HAS
7 EVOLVED OUT OF THAT PARTICULAR PROCESS.

8 A COLLABORATIVE FUNDING PARTNERSHIP
9 UPDATE, WE'RE NOW ACTUALLY WORKING VERY CLOSELY WITH
10 NIH. A POTENTIAL DISEASE TEAM RESEARCH AWARD
11 COLLABORATIONS ARE BEING CONSIDERED BY THE NIH AND
12 THEIR INTRAMURAL AND EXTRAMURAL MEMBERS. WE'RE
13 HAVING A PARKINSON'S DISEASE ROUNDTABLE DISCUSSION
14 IN DECEMBER AND WE'LL HAVE ANOTHER ONE IN MARCH, AND
15 WE'RE LOOKING AT STANDARDIZATION, THAT'S FOR STUDY
16 SUBJECTS' CONSENTS AND MTA'S, MATERIAL TRANSFER
17 AGREEMENTS, SO THAT WE CAN GET THAT HARMONIZED
18 ACROSS THAT SPACE.

19 WE HAVE AN ET III, THE EARLY TRANSLATION
20 RFA, NOW HAS CHINA, GERMANY, AND JAPAN INVOLVED.
21 AND THE BASIC BIOLOGY RFA HAS CHINA, GERMANY,
22 FRANCE, AND INDIA INVOLVED. SO NEW PARTNERS NOW
23 COMING INTO THOSE RFA'S.

24 THE PARKINSON'S DISEASE ROUNDTABLE
25 DISCUSSION IS HAPPENING ON DECEMBER THE 16TH, AND WE

BARRISTERS' REPORTING SERVICE

1 WOULD WELCOME ANY OF THE BOARD MEMBERS WHO ARE
2 INTERESTED IN THAT. IT'S A WAY OF TRYING TO BRING
3 NIH INTEREST TOGETHER WITH OUR INTEREST AND SEE IF
4 WE CAN ACTUALLY ACCELERATE AND IMPROVE OUR CAPACITY
5 BY CREATING SOME LINKAGES TO THE FAST-MOVING
6 PARKINSON'S PROJECTS THAT ARE SUPPORTED BY THE
7 NATIONAL INSTITUTES OF HEALTH. SO IT BUILDS ON OUR
8 COLLABORATIVE AGREEMENT, AND IT'S ENABLING US TO
9 MAKE CONNECTIONS IN THIS FIRST AREA OF PRIORITY THAT
10 WE'VE IDENTIFIED AS OUR FIRST AREA OF PRIORITY.

11 BRIEFLY, AND THERE ARE SOME ADDITIONAL
12 NOTES IN YOUR DOCUMENT THAT I'M NOT GOING TO TALK ON
13 BECAUSE THEY'RE THERE FOR YOU TO READ, BUT THERE WAS
14 A VERY GOOD MEETING ON THE MESA, THE STEM CELL
15 MEETING ON THE MESA, WHICH INCLUDED THE INVESTOR AND
16 PARTNERING FORUM. THIS MAY WELL BECOME AN ANNUAL
17 EVENT, I THINK. THE ARM GROUP, THE ALLIANCE FOR
18 REGENERATIVE MEDICINE, IS INVOLVED. THEY SEE THIS
19 AS A VERY USEFUL PARTNERING EVENT. IT'S CONNECTED
20 TO SOME STRONG SCIENCE.

21 THE OPENING OF THE SANFORD CENTER THERE IS
22 ALSO A STRONG REASON FOR THEM TO BE ASSOCIATED. AND
23 ALL THE STEM CELL COMPANIES FROM AROUND THE U.S.
24 HAVE SHOWN STRONG INTEREST IN GOING THERE. AND IF
25 IT IS ON THE CALENDAR FOR THE PHARMACEUTICAL AND

BARRISTERS' REPORTING SERVICE

1 BIOTECH COMPANIES, THEN THEY WILL REGISTER THAT EACH
2 YEAR AND END UP COMING. SO I THINK IT'S LIKELY THAT
3 THAT'S GOING TO CONTINUE. AND SO I THINK THAT'S A
4 REALLY GOOD DEVELOPMENT IN THIS SPACE. IT'S
5 ENABLING PARTNERSHIPS TO BE DEVELOPED RIGHT ACROSS
6 THE SPACE AND, OF COURSE, WILL INCLUDE SOME OF OUR
7 TEAMS THAT ARE EVOLVING THROUGH THE DISEASE TEAMS OR
8 EVEN IN EARLY TRANSLATION.

9 SO WE THINK THAT THIS IS A REALLY
10 IMPORTANT NEW DEVELOPMENT MEETING BECAUSE IT HAS
11 THAT COMPONENT. IT'S GOT A STRONG SCIENCE COMPONENT
12 AND ALSO GOT A STRONG BIOTECH COMPONENT, AND WITH
13 BOTH OF THEM I THINK THAT ENABLES PARTNERSHIPPING TO
14 REALLY EVOLVE STRONGLY. AND IN ADDITION TO THAT, WE
15 HAVE THE MEETINGS IN SAN FRANCISCO THAT HAPPEN EVERY
16 JANUARY, THE J. P. MORGAN MEETINGS, WHICH WILL TEND
17 TO BACK THAT MEETING UP BECAUSE IT'S NOT LONG AFTER.
18 IT'S AT THE END OF NOVEMBER IN LA JOLLA AND THEN IN
19 JANUARY IN SAN FRANCISCO.

20 YOU UPCOMING WORKSHOP MEETINGS, THERE'S A
21 TISSUE ENGINEERING WORKSHOP, TO REMIND YOU, WE'RE
22 HOSTING JANUARY 12TH TO THE 13TH IN SAN FRANCISCO.
23 OUR GOAL IS TO ADDRESS OPPORTUNITIES FOR STEM CELLS
24 AND TISSUE ENGINEERING, AND WE'RE USING A CLOSED
25 MEETING WITH COLD SPRING HARBOR RULES TO ENABLE A

BARRISTERS' REPORTING SERVICE

1 LOT OF DISCUSSION OF CURRENT RESEARCH AND
2 UNPUBLISHED DATA.

3 THERE'S ALSO THE ROUNDTABLE ON PARKINSON'S
4 DISEASE ON DECEMBER THE 16TH AS I'VE ALREADY SAID.

5 YOU'VE BEEN INTRODUCED TO MATTHEW
6 PLUNKETT, IN CASE YOU DIDN'T RECOGNIZE HIM IN A TIE.
7 NO, HE'S NOT IN A TIE AT ALL. HE'S IN A NICE SUIT
8 AND SHIRT. HE'S A VERY WELCOME ADDITION TO THE TEAM
9 AND IS ALREADY MAKING SOME VERY INTERESTING
10 CONNECTIONS BETWEEN INDUSTRY, FINANCE, AND US
11 ALREADY. SO WE WELCOME YOU, MATT. AND WE'RE
12 ALREADY ENJOYING THE INTELLECT THAT YOU'VE BROUGHT
13 AND THE EXPERIENCE THAT YOU BRING FROM A DIFFERENT
14 SECTOR. AND PARTICULARLY I THINK ELONA AND MATT
15 WILL WORK REALLY HAND IN HAND TO HELP US DELIVER
16 SOME OF OUR BUSINESS INTERESTS AND ACTUALLY
17 RECONFIGURE SOME OF OUR FINANCING TO BE EVEN MORE
18 EFFECTIVE AND HOPEFULLY TO DRAW IN SOME MORE FUNDING
19 FROM THE OUTSIDE.

20 FISCALLY I'M REPORTING TO YOU ON THE
21 EXPENDITURES OF THE THREE MONTHS. THIS IS A PRETTY
22 USUAL PRESENTATION. I THINK MATT WILL HAVE A MUCH
23 MORE DETAILED PRESENTATION IN THE FUTURE WHEN HE'S
24 LOGGED ON AND BECOMES THE FINANCIAL GURU OF ALL
25 EXPENDITURES. SO IT'S SHOWN HERE. THE BLUE IS THE

BARRISTERS' REPORTING SERVICE

1 BUDGET ALLOCATION FOR SALARIES AND BENEFITS AND
2 OE&E. SO THAT'S THE MATERIALS EXPENDITURE AND SO ON
3 IN THE OTHER SPACE THERE, THE MIDDLE SPACE, AND THE
4 END IS THE TOTAL OVERALL. SO YOU'VE GOT BUDGET IN
5 ORANGE AS EXPENDITURE RECORDED JULY TILL OCTOBER,
6 AND THE ENDING BALANCE IS IN GREEN.

7 AND YOU SHOULD NOTE THAT THERE'S A BIT OF
8 A DELAY IN THIS THREE MONTHS. SO WE'LL BE A LITTLE
9 BIT BEHIND IN TERMS OF PAYING THE EXPENSES, BUT
10 WE'RE PRETTY MUCH, I JUDGE, TO BE VERY CLOSE TO
11 BEING ON BUDGET AT THIS POINT IN TIME FROM ALL OUR
12 EXPERIENCES. SO WE'RE ON BUDGET. WE'RE NOT
13 EXPERIENCING ANY EXCESSES OF EXPENDITURE AT THIS
14 STAGE. AND SO I CAN REPORT TO YOU FINANCIAL WATER
15 IS CALM. WE'RE HAPPY TO ANSWER ANY QUESTIONS YOU
16 HAVE ON THAT.

17 SO FROM US, FROM ALL OF US, AND YOU WILL
18 SEE THERE SEEMS LIKE A LOT OF US, BUT THEY'RE A
19 FANTASTIC GROUP OF PEOPLE, I HAVE TO SAY, CHAIR.
20 AND I WANT TO THANK EACH AND EVERY ONE OF THEM.
21 THEY DON'T ALWAYS COME HERE, BUT THIS IS THE GROUP
22 THAT UNDERPINS ALL THE CAPACITY. THIS IS WHAT WE
23 REPORT TO YOU ON. THEY'RE BUILDING ALL OF THIS
24 CAPACITY BEHIND US. AND I TELL YOU THEY WORK,
25 THEY'RE THE HARDEST WORKING GROUP OF PEOPLE THAT

BARRISTERS' REPORTING SERVICE

1 I'VE REALLY EVER COME ACROSS. AND WHENEVER I NEED
2 OR WE NEED THEM TO PITCH IN BECAUSE THERE'S
3 SOMETHING THAT NEEDS TO BE DONE, THEY DO IT NO
4 MATTER WHAT TIME OF THE DAY OR EVENING OR WEEKEND.
5 SO HATS OFF TO THAT WONDERFUL GROUP OF PEOPLE. AND
6 THANK YOU VERY MUCH.

7 (APPLAUSE.)

8 CHAIRMAN THOMAS: THANK YOU VERY MUCH, DR.
9 TROUNSON. I'D LIKE TO TAKE ONE THING SLIGHTLY OUT
10 OF ORDER, WHICH IS PUBLIC COMMENT WHICH IS LISTED
11 TOWARDS THE END HERE. I THINK WE HAVE SOME PEOPLE
12 HERE WHO WOULD LIKE TO SAY A FEW WORDS. AND RATHER
13 THAN HAVE TO SIT THROUGH HOURS WORTH OF AGENDA
14 ITEMS, IF THERE ARE MEMBERS OF THE PUBLIC WHO WOULD
15 LIKE TO MAKE PUBLIC COMMENT, LET'S -- DO WE HAVE ANY
16 MEMBERS OF THE PUBLIC WHO WOULD LIKE TO MAKE PUBLIC
17 COMMENT? WE DON'T. OKAY. WELL, VERY GOOD. THANK
18 YOU.

19 OKAY.

20 MS. BONNEVILLE: CHAIRMAN, I JUST WANTED
21 TO -- THE RECORD SHOULD REFLECT THAT MEMBERS QUINT,
22 SHEEHY, PIZZO, AND SHESTACK HAVE ARRIVED AND WE NOW
23 HAVE A QUORUM.

24 CHAIRMAN THOMAS: THANK YOU VERY MUCH,
25 MARIA. ON TO ITEM NO. 6, CONSIDERATION OF THE

BARRISTERS' REPORTING SERVICE

1 FINANCIAL AUDIT FOR THE PAST FISCAL YEAR. WE HAVE,
2 I BELIEVE, RUSS ROBERTSON FROM MGO TO MAKE A
3 PRESENTATION. MR. ROBERTSON.

4 MR. ROBERTSON: THANK YOU. MY NAME IS
5 RUSS ROBERTSON. I'M WITH MACIAS, GINI, & O'CONNELL.
6 WE'VE BEEN THE INDEPENDENT AUDITOR FOR CIRM FOR THE
7 PAST FIVE YEARS NOW. I HAVE BEEN THE MANAGER ON THE
8 ENGAGEMENT FOR THE PREVIOUS LAST YEAR AND THIS YEAR.
9 AND I WANTED TO THANK THE COMMITTEE FOR ALLOWING US
10 TO REPORT ON THE FINANCIAL STATEMENTS FOR THIS YEAR.

11 FOR THIS YEAR WE LOOKED AT THE YEAR-END
12 JUNE 30TH, 2011. THAT WAS OUR SCOPE OF WORK. AND
13 WE LOOKED AT -- IT WAS A FINANCIAL STATEMENT AUDIT.
14 AND AS A BY-PRODUCT, WE ALSO ISSUED WHAT WE CALL THE
15 SAS 114 REQUIRED COMMUNICATION LETTER. AND I
16 BELIEVE IN YOUR PACKET TODAY YOU HAVE BOTH OF THOSE
17 REPORTS, AND I'LL BE REFERRING TO THOSE AS I GO OVER
18 THE KIND OF RESULTS LATER ON IN THIS TALK HERE.

19 INITIALLY I'D LIKE TO JUST KIND OF QUICKLY
20 OUTLINE THE RESPONSIBILITIES OF THE INDEPENDENT
21 AUDITOR AS COMPARED TO THE MANAGEMENT OF CIRM. OUR
22 RESPONSIBILITY IS TO PLAN AND PERFORM THE AUDIT TO
23 OBTAIN A REASONABLE ASSURANCE THAT THE FINANCIAL
24 STATEMENTS ARE FAIRLY STATED IN ALL MATERIAL RESPECT
25 AND IS PRESENTED IN ACCORDANCE WITH GENERALLY

BARRISTERS' REPORTING SERVICE

1 ACCEPTED ACCOUNTING PRINCIPLES.

2 WE ALSO OBTAIN AN UNDERSTANDING, AN
3 OVERALL UNDERSTANDING, OF THE INTERNAL CONTROL OVER
4 BOTH THE FINANCIAL REPORTING AND THE COMPLIANCE, ANY
5 COMPLIANCE THAT ARE SIGNIFICANT LAWS THAT CIRM HAS
6 TO FOLLOW AND ANY REGULATIONS OR ANY OTHER
7 AGREEMENTS THAT YOU MAY HAVE IN PLACE. WE ALSO
8 THROUGH THE COURSE OF OUR AUDIT IDENTIFY ANY
9 SIGNIFICANT DEFICIENCIES OR MATERIAL WEAKNESSES IN
10 THOSE CONTROLS. WE WOULD ALSO REPORT THOSE TO YOU
11 AS WELL.

12 MANAGEMENT'S RESPONSIBILITIES, IT'S
13 MANAGEMENT WHO PRODUCES THE FINANCIAL STATEMENTS.
14 THEY ARE REQUIRED OR RESPONSIBLE FOR PREPARING THOSE
15 FINANCIAL STATEMENTS IN ACCORDANCE WITH THE
16 GENERALLY ACCEPTABLE PRINCIPLES, AND THEY ALSO ARE
17 RESPONSIBLE FOR DESIGNING AND MAINTAINING A SYSTEM
18 OF INTERNAL CONTROLS WHICH WILL ALLOW THEM TO
19 PRESENT THE FINANCIAL STATEMENTS ACCORDING TO GAP.

20 SO I'LL GO INTO THE TWO REPORTS YOU HAVE
21 HERE. THE FIRST ONE I'LL GO THROUGH IS THE
22 FINANCIAL STATEMENT AUDIT ITSELF. AND THROUGH THE
23 COURSE OF OUR WORK, WE WERE ABLE TO DO OUR
24 PROCEDURES AND GAIN SUFFICIENT EVIDENCE TO ALLOW US
25 THAT I'M PLEASED TO ANNOUNCE THAT WE HAVE ISSUED AN

BARRISTERS' REPORTING SERVICE

1 UNQUALIFIED OPINION, WHICH IS THE HIGHEST LEVEL OF
2 ASSURANCE THAT COULD BE GIVEN DURING A FINANCIAL
3 STATEMENT AUDIT. WE DIDN'T FIND ANY MATERIAL
4 WEAKNESSES OR SIGNIFICANT DEFICIENCIES THROUGH OUR
5 WORK IN INTERNAL CONTROLS AND THE PRESENTATION OF
6 THE FINANCIAL STATEMENTS. SO THAT JUST SHOWS THE
7 DILIGENCE THAT MANAGEMENT HAS OF EMPLOYING THE
8 GENERAL -- THE GUIDANCE THE GAP HAS SET FORTH TO
9 PREPARE THESE FINANCIAL STATEMENTS. THERE WAS NO
10 SIGNIFICANT DEFICIENCIES TO REPORT.

11 AND ALSO IN THAT REPORT, HAD THERE BEEN
12 SOME MANAGEMENT COMMENTS THAT WE WANTED TO
13 COMMUNICATE WITH YOU, THEY'D HAVE BEEN THERE. AND
14 AGAIN, THERE WERE NONE THAT WERE SIGNIFICANT TO
15 REPORT. SO THAT'S ALSO ANOTHER SOURCE OF EVIDENCE
16 TO SHOW THAT MANAGEMENT IS DILIGENT IN PREPARING
17 THESE FINANCIAL STATEMENTS AN ADHERING TO THE GAP
18 GUIDANCE.

19 THE SECOND OF THE REPORTS, THIS IS A
20 BY-PRODUCT OF OUR -- BEFORE I GO INTO THAT, ACTUALLY
21 IF YOU DO TAKE THE TIME TO GO THROUGH THE FINANCIAL
22 STATEMENT AUDIT, I JUST WANTED TO POINT OUT A COUPLE
23 SECTIONS IN THERE THAT I BELIEVE ARE THE MOST
24 CRITICAL. THE FIRST IN THE FRONT OF IT IS CALLED
25 THE "MANAGEMENT DISCUSSION ANALYSIS." AND YOU KNOW,

BARRISTERS' REPORTING SERVICE

1 WITHOUT THESE DOCUMENTS OR THIS SECTION, IT HELPS
2 GIVE CONTEXT TO THE FINANCIAL STATEMENTS, THE
3 ECONOMIC CONTEXT, THE HISTORICAL CONTEXT. SO BEFORE
4 YOU READ THE FINANCIAL STATEMENTS, I SUGGEST LOOKING
5 AT THAT SECTION FIRST BECAUSE IT GIVES YOU KIND OF
6 AN OVERALL SUMMARY OF THE YEAR'S ACTIVITY, SOME
7 CHANGES, CHANGES IN REVENUE THAT WERE SIGNIFICANT,
8 AND IT'S KIND OF OUTLINED IN THERE TO SHOW EXACTLY
9 DURING THE YEAR WHAT EXACTLY OCCURRED IN OPERATIONS.

10 THE SECOND REPORT IS WHAT WE CALL THE
11 REQUIRED COMMUNICATION LETTER, AND THAT IS REQUIRED
12 BY OUR STANDARDS TO ISSUE WITH THIS REPORT. AND IT
13 COMMUNICATES A FEW THINGS, FOR EXAMPLE, THE
14 ACCOUNTING PRINCIPLES USED BY THE MANAGEMENT. IN
15 THAT SECTION YOU WILL ACTUALLY SEE THAT MANAGEMENT
16 HAS APPLIED A NEW GOVERNMENTAL ACCOUNTING STANDARD
17 THIS YEAR. IT'S GASB 54. SO IF YOU COMPARE THE TWO
18 YEARS, THE PRESENTATIONS OF FUND BALANCE IS GOING TO
19 LOOK SLIGHTLY DIFFERENT BECAUSE OF THE
20 CLASSIFICATIONS AND THE DESIGNATIONS THAT GASB HAS
21 REQUIRED ENTITIES, GOVERNMENTAL ENTITIES, TO SHOW
22 FUND BALANCE NOW. SO THEY'RE GOING TO BE SLIGHTLY
23 DIFFERENT IF YOU COMPARE THE TWO YEARS. AND IN THAT
24 SECOND REPORT IT KIND OF OUTLINES EXACTLY WHAT THAT
25 IS AND JUST IDENTIFIES THAT MANAGEMENT HAS APPLIED

BARRISTERS' REPORTING SERVICE

1 THAT NEW ACCOUNTING PRINCIPLE.

2 HAD THERE BEEN ANY, LIKE I SUGGEST, ANY
3 SIGNIFICANT DEFICIENCIES, THOSE ALSO WOULD HAVE BEEN
4 REPORTED, ANY SUBSTANTIAL ESTIMATES THAT ARE USED BY
5 CIRM. FOR CIRM THERE ISN'T ANY SUBSTANTIAL
6 ESTIMATES USED IN THE FINANCIAL STATEMENTS.
7 COMPENSATED ABSENCES IS NOT SIGNIFICANT. THAT WOULD
8 HAVE BEEN -- WE WOULD HAVE DISCLOSED THAT IF IT HAD
9 BEEN SIGNIFICANT TO THE FINANCIAL STATEMENTS, BUT
10 FOR CIRM IT'S NOT SIGNIFICANT, AND THEY DON'T USE
11 ANY SIGNIFICANT ESTIMATES.

12 SO WITH THAT, I JUST WANTED TO THANK
13 CIRM'S MANAGEMENT FOR THE ASSISTANCE IN PREPARING
14 THESE FINANCIAL STATEMENTS AND GOING THROUGH THE
15 AUDIT FOR THIS YEAR. NO ISSUES WERE BROUGHT TO
16 LIGHT OR OUR ATTENTION. SO, AGAIN, IT JUST SHOWS
17 THE HARD WORK AND THE MANNER THAT THEY PUT THESE
18 FINANCIAL STATEMENTS ARE ACCURATE AND THEY DO A
19 LOT -- THEIR DILIGENCE IN PUTTING THESE TOGETHER IS
20 SUBSTANTIAL. SO WITH THAT, I CAN TAKE ANY QUESTIONS
21 OR IF YOU HAVE ANY COMMENTS FOR THIS YEAR.

22 CHAIRMAN THOMAS: COMMENTS BY MEMBERS OF
23 THE BOARD? MARCY, ON BEHALF OF THE FINANCE
24 SUBCOMMITTEE, WOULD YOU LIKE TO MAKE A COMMENT HERE?

25 MS. FEIT: JUST WANT TO AGAIN ECHO THANK

BARRISTERS' REPORTING SERVICE

1 YOU TO THE STAFF FOR THEIR WORK IN MAKING SURE THAT
2 WE PRODUCE THE RIGHT FINANCIAL STATEMENTS AND
3 ENTRIES. AND I HAVE NO OTHER COMMENTS. THANK YOU.

4 CHAIRMAN THOMAS: THANK YOU. AND GIVEN
5 THAT WE'VE GOTTEN THE MOST GLOWING AUDIT WE CAN GET,
6 WE'RE VERY GRATEFUL FOR THAT, AS ALWAYS, CONSISTENT
7 WITH WHAT WE'VE HAD IN THE PAST. SO THANK YOU VERY
8 MUCH FOR YOUR REPORT.

9 MR. ROBERTSON: THANK YOU.

10 CHAIRMAN THOMAS: NEXT UP ON THE AGENDA IS
11 A DISCUSSION AND PRESENTATION OF THE ONGOING
12 DISCUSSION ABOUT THE STRATEGIC PLAN. DR. FEIGAL,
13 WOULD YOU PLEASE PRESENT.

14 DR. FEIGAL: HI. I'M PLEASSED TO BRING YOU
15 AN UPDATE ON OUR ONGOING DISCUSSIONS ABOUT THE
16 STRATEGIC PLAN. WHAT WE'D LIKE TO DO TODAY IS GIVE
17 YOU AN UPDATE ON THE DISCUSSIONS. YOU WERE PROVIDED
18 A PREREAD TEN DAYS AGO. I HOPE YOU'VE TAKEN A
19 CHANCE TO REVIEW IT AND GO THROUGH IT QUICKLY
20 BECAUSE I'M NOT GOING TO GO THROUGH IT STEP BY STEP,
21 BUT JUST ASSUME ALL OF YOU HAVE READ AND COME
22 PREPARED IF YOU HAVE ANY QUESTIONS REGARDING THAT.

23 IN ADDITION, WHAT I'D LIKE TO DO IS
24 PROVIDE YOU SOME ADDITIONAL UPDATES ON CONTINUED
25 STAKEHOLDERS DISCUSSIONS THAT WE'VE HAD SINCE THE

BARRISTERS' REPORTING SERVICE

1 PREREAD THAT YOU RECEIVED. AND THIRDLY, WE'D LIKE
2 TO GET YOUR INPUT ON THE TYPE OF INFORMATION THAT
3 YOU WOULD FIND USEFUL TO INFORM A MORE DETAILED
4 DISCUSSION OF THE STRATEGIC PLAN WHICH WE'RE
5 PLANNING TO BRING TO YOU IN JANUARY. SO THOSE ARE
6 THE THREE OBJECTIVES OF THE PRESENTATION TODAY.

7 SO BRIEFLY, THESE ARE THE ELEMENTS. I'M
8 GOING TO CONCISELY GO OVER THE DRAFT OF THE 2012
9 STRATEGIC PLAN ELEMENTS, AN UPDATE ON STAKEHOLDERS'
10 INPUT, AND THEN WE'LL GO THROUGH NEXT STEPS.

11 SO THE CURRENT SITUATION, AS YOU KNOW, IS
12 WE HAVE THE STRATEGIC PLAN INITIALLY IN '06, UPDATED
13 '09-'10, EXTERNAL REVIEW OCTOBER 2010, AND NOW WE'RE
14 REVISING IT FOR 2012. THIS IS JUST A LISTING OF THE
15 DISCUSSIONS TO DATE. THEY HAVE BEEN RATHER
16 EXTENSIVE. WE'VE HAD A LOT OF INTERNAL DISCUSSIONS,
17 A LOT OF EXTERNAL DISCUSSIONS. WE'VE ALREADY HAD
18 TWO DISCUSSIONS WITH YOU IN OUR PROCESS UPDATES. WE
19 WILL ALSO BE SHARING OUR DRAFT OF THESE PLANS, THE
20 SAME PREREADS THAT YOU'VE SEEN AT THE PREVIOUS BOARD
21 AND NOW THIS ONE, WITH OUR INSTITUTE OF MEDICINE
22 REVIEW COMMITTEE.

23 SO AS IN PRIOR YEARS, WE'RE SEEKING YOUR
24 PERSPECTIVES AND YOUR INPUT AS WE SHAPE THIS PLAN.

25 WE ARE ACTUALLY AT STEP 2 AT THIS POINT.

BARRISTERS' REPORTING SERVICE

1 WE'RE SEEKING INPUTS AND WE'RE TRYING TO
2 CONSOLIDATE, PUT THEM TOGETHER, SO THAT WE CAN EMBED
3 THAT INPUT IN THE FINAL STRATEGIC PLAN.

4 THE PROCESS THAT WE USED FOR GETTING
5 STRATEGIC INPUT WAS REALLY GOING THROUGH THREE MAJOR
6 ISSUES THAT WE WANTED INPUT ON. WE WANTED TO OBTAIN
7 PERSPECTIVES ON HOW WELL CIRM IS DOING IN ACHIEVING
8 ITS GOALS. SECONDLY, WE WANT TO DETERMINE WHETHER
9 PROPOSED REVISIONS TO OUR STRATEGIC OBJECTIVES AND
10 STRATEGIES WERE APPROPRIATE; AND, THIRDLY, WE WANTED
11 TO IDENTIFY ADDITIONAL AREAS OR ACTIVITIES FOR CIRM
12 TO CONSIDER TO FOCUS ON FOR MOVING FORWARD.

13 WHAT I'M NOW GOING TO DO IS GO THROUGH
14 WHAT THE ELEMENTS OF THE STRATEGIC PLAN ARE. WE
15 HAVEN'T CHANGED OUR MISSION AND VISION. THE MISSION
16 IS AS YOU SEE. BRIEFLY, IT'S TO ADVANCE THE SCIENCE
17 INTO POTENTIAL THERAPIES OR CURE FOR PATIENTS.
18 THAT'S OUR GOAL.

19 I'VE DIVIDED WHERE WE ARE IN TERMS OF THE
20 SPECTRUM OF CIRM'S LIFE SPAN INTO THE THREE
21 FOLLOWING BINS. THE FIRST PHASE HAS BEEN
22 EXPLORATION. WE DON'T KNOW WHERE THE DISCOVERIES
23 ARE GOING TO LEAD US. AND FOR THAT REASON, WE'VE
24 ACTUALLY EXPLORED A BROAD NUMBER OF DISEASES, A
25 BROAD NUMBER OF PLATFORMS, AND WE'VE ESTABLISHED THE

BARRISTERS' REPORTING SERVICE

1 FOUNDATION FOR LEADERSHIP IN STEM CELL RESEARCH.
2 NOW WE'RE IN WHAT WE'RE CALLING THE FOCUS STAGE.
3 PERHAPS WE CAN THINK OF A BETTER TERM, BUT FOR LACK
4 OF A BETTER TERM, THAT'S WHAT WE'RE CALLING IT NOW.
5 SO THAT'S WHERE WE ARE NOW IN THINKING FORWARD FOR
6 THE NEXT FIVE YEARS.

7 THIS IS WHERE WE'RE THINKING. DO WE NEED
8 TO PRIORITIZE OUR PROJECTS AND INVESTMENTS, DRIVING
9 CLINICAL TRIALS FOR PATIENTS TO GENERATE THAT
10 PRELIMINARY EVIDENCE OF THERAPEUTIC BENEFIT, AND
11 DEVELOPING PARTNERSHIPS WITH PATIENTS, PARTNERSHIPS
12 WITH INDUSTRIES, PARTNERSHIPS WITH A VARIETY OF
13 OTHER FUNDERS THAT WE MAY WANT TO WORK WITH. SO
14 THAT IN 2016 AND BEYOND WE CAN BE IN THE DELIVERY
15 PHASE WHERE WE'RE FACILITATING THE COMMERCIALIZATION
16 OF THERAPIES, WE'RE ADVANCING THE THERAPIES TO
17 PATIENTS, AND WE'RE ENABLING A BUSINESS MODEL SO
18 THAT STEM CELL-BASED THERAPIES CAN MOVE FORWARD.

19 THESE ARE OUR PROPOSED CHANGES TO THE
20 '09-'10 STRATEGIC OBJECTIVES. ON THE TOP YOU SEE
21 THE ONES FROM '09-'10, AND ON THE BOTTOM YOU SEE THE
22 PROPOSED 2012 STRATEGIC OBJECTIVES. YOU CAN SEE
23 THAT WE'VE MORPHED THE FIVE CATEGORIES INTO FOUR
24 WITH SCIENTIFIC, MEDICAL, ECONOMIC, AND SOCIAL
25 OBJECTIVES. THE DESCRIPTORS ARE UNDERNEATH. WE

BARRISTERS' REPORTING SERVICE

1 WANT TO ACCELERATE THE UNDERSTANDING OF STEM CELL
2 SCIENCE AND APPLICATIONS TOWARDS HUMAN DISEASES AND
3 INJURY, ADVANCE UNDER THE MEDICAL OBJECTIVE THE
4 SCIENCE INTO THE CLINICAL TRIALS TO ACHIEVE
5 PRELIMINARY EVIDENCE OF THERAPEUTIC BENEFIT TO
6 PATIENTS. THIRD IS THE ECONOMIC OBJECTIVE TO DRIVE
7 DEVELOPMENT FOR CALIFORNIA FROM STEM CELL SCIENCE.
8 AND SOCIAL, THIS IS WHERE WE WANT TO INCREASE THE
9 AWARENESS OF CALIFORNIA AS THE LEADER IN STEM CELL
10 RESEARCH AND ITS THERAPIES.

11 UNDERNEATH THE DESCRIPTORS ON THIS SLIDE
12 ARE THE STRATEGIES. AND UNDER SCIENTIFIC, MEDICAL,
13 ECONOMIC, AND SOCIAL, YOU'VE HAD THE OPPORTUNITIES
14 ALREADY TO REVIEW THIS IN YOUR PREREAD DOCKET, BUT
15 YOU WILL SEE SOME OF THE STRATEGIES THAT WE'RE USING
16 TO HOPEFULLY GET TO THESE OBJECTIVES.

17 I'D NOW LIKE TO GIVE YOU A SUMMARY OF THE
18 INPUT THAT WE'VE RECEIVED TO DATE. AND WE WENT TO
19 FIVE DIFFERENT CITIES TO GET INPUT FOR THESE PUBLIC
20 AND INDUSTRY AND BOARD MEETINGS. OCTOBER 21ST AND
21 31ST WERE PUBLIC MEETINGS, ONE IN SOUTHERN
22 CALIFORNIA AT USC, ONE IN NORTHERN CALIFORNIA AT UC
23 SAN FRANCISCO. WE HAD TWO INDUSTRY MEETINGS, ONE IN
24 SAN DIEGO AT SANFORD-BURNHAM ON OCTOBER 27TH, ONE AT
25 ELAN IN SOUTH SAN FRANCISCO ON OCTOBER 28. AND

BARRISTERS' REPORTING SERVICE

1 THEN, OF COURSE, WE HAD THE BOARD MEETING BACK IN
2 OCTOBER AT UC IRVINE.

3 THERE WERE FIVE KEY THEMES THAT CAME
4 ACROSS FROM LOOKING AT A SYNTHESIS OF THE INPUT
5 RECEIVED TO DATE, AND THOSE FIVE THEMES ARE AS
6 FOLLOWS. THE FIRST WAS THAT CIRM HAS ESTABLISHED
7 MOMENTUM, THAT CIRM HAS MADE GREAT INITIAL PROGRESS
8 IN ESTABLISHING AN EXTENSIVE PROGRAM IN SUPPORT OF
9 STEM CELL RESEARCH AND THE ADVANCEMENT OF SCIENCE.
10 THAT THEME CAME ACROSS FROM ALL OF THESE DIFFERENT
11 MEETINGS.

12 THE SECOND THEME THAT CAME ACROSS WAS THAT
13 YOU HAVE SUSTAINABILITY. I THINK THAT WAS REALLY OF
14 PARTICULAR INTEREST AT OUR BOARD MEETING FROM
15 OCTOBER, BUT ALSO CAME ACROSS IN OTHER SESSIONS THAT
16 WE HAD BOTH IN PUBLIC WITH THE INDUSTRY, THAT CIRM
17 NEEDS TO BE MORE AGGRESSIVE IN FINDING ALTERNATIVE
18 FUNDING RESOURCES AND TO IMPLEMENT GREATER
19 CREATIVITY IN IDENTIFYING THE TYPES OF ORGANIZATIONS
20 THAT MAY BE ABLE TO CONTRIBUTE TO THE SUSTAINABILITY
21 OF CIRM'S WORK.

22 THE THIRD WAS IN COMMUNICATION AND PUBLIC
23 AWARENESS, THAT ROBUST PUBLIC AFFAIR TACTICS ARE
24 NECESSARY AND THAT CIRM NEEDS TO BETTER COMMUNICATE
25 THE ORGANIZATIONAL INITIATIVES AS WELL AS EDUCATE

BARRISTERS' REPORTING SERVICE

1 THE PUBLIC MORE BROADLY. THAT'S NOT TO SAY WE'RE
2 STARTING AT GROUND ZERO. WE'RE STARTING WITH A VERY
3 STRONG FOUNDATION, BUT WHAT WE HEARD WAS THAT WE
4 NEED TO EXPAND AND STRENGTHEN THAT.

5 FOURTH IS GLOBAL NETWORKING, THAT CIRM
6 NEEDS TO PROVIDE GREATER OPPORTUNITIES FOR
7 NETWORKING AND BREED COLLABORATIVE PROJECTS THAT
8 UNITE ACADEMIA AND INDUSTRY AS WELL AS RESEARCHERS
9 ACROSS GEOGRAPHIC REGIONS. THE POINT THAT'S COMING
10 ACROSS IS WE NEED TO UTILIZE OPPORTUNITIES WHEREVER
11 IT'S COMING FROM AND TRY TO BRING IT INTO
12 CALIFORNIA.

13 AND THE FIFTH WAS PROCESS OPTIMIZATION,
14 THAT GREATER TRANSPARENCY IN THE FUNDING PROCESS IS
15 NEEDED, AND THERE IS A GREAT NEED FOR THE PROCESS TO
16 BE LESS BUREAUCRATIC AND EASIER TO NAVIGATE. WE
17 HEARD THIS VERY STRONGLY FROM THE INDUSTRY MEETINGS.
18 AND IT WAS REALLY HELPING THEM NOT JUST WITH
19 REEXPLAINING THE PROCESS, BUT REALLY TRYING TO GIVE
20 THEM CUES ON LESSONS LEARNED AND WHAT WOULD HELP
21 THEM BE MORE LIKELY TO BE SUCCESSFUL IN OUR FUNDING
22 INITIATIVES.

23 I'M NOT -- I DON'T HAVE TIME TO GO THROUGH
24 ALL OF THESE, BUT THIS IS THE BACKGROUND DOCUMENTS
25 THAT SUPPORT THE KEY THEMES THAT I TALKED ABOUT

BARRISTERS' REPORTING SERVICE

1 EARLIER. MAYBE I'LL BRIEFLY GO OVER IT. FOR THE
2 PUBLIC, THE ICOC INPUT, AND THE INDUSTRY INPUT, I
3 THINK WHAT WE HEARD FROM MANY GROUPS IS TO SHARE
4 LESSONS LEARNED, THAT CIRM HAS OVER 450 AWARDS, WE
5 HAVE HUNDREDS AND HUNDREDS OF INVESTIGATORS, AND
6 DOZENS OF DIFFERENT COMPANIES THAT WE WORK WITH.
7 WE'RE LEARNING A LOT. CAN WE FIND WAYS TO SHARE
8 THOSE LESSONS LEARNED ACROSS OUR VARIOUS
9 CONSTITUENTS.

10 UNDER MEDICAL WHAT WE HEARD IS REALLY VERY
11 CLEARLY PEOPLE WANT TO SEE A THERAPEUTIC MILESTONE
12 REACHED, THAT IT'S GOOD THAT WE HAVE A LOT OF
13 ACTIVITY, THAT WE'RE MOVING TOWARDS THE CLINIC, BUT
14 IN THE NEXT FIVE YEARS, PEOPLE WANT TO SEE THE
15 REACHING OF A THERAPEUTIC MILESTONE. IT DOESN'T
16 DEFINE WHAT THAT MILESTONE HAS TO LOOK LIKE OR IN
17 WHAT DISEASE OR WITH WHAT PLATFORM, BUT BASICALLY
18 THEY WANT TO SEE A THERAPEUTIC MILESTONE REACHED.

19 IN ADDITION, THERE NEEDS TO BE A GREATER
20 OUTREACH TO CREATE COMMUNICATION BRIDGES WITH
21 ACADEMIC AND INDUSTRY. AND PARTICULARLY WHAT WE
22 HEARD FROM INDUSTRY, I THINK, IS ACCESS TO
23 EXPERTISE, ALSO FROM ACADEMIA, AN ACCESS TO CORE
24 SKILL SETS THAT WOULD BE NEEDED TO HELP THEM BE
25 SUCCESSFUL IN MOVING THEIR PROJECTS TOWARDS AND INTO

BARRISTERS' REPORTING SERVICE

1 CLINICAL TRIALS.

2 FOR ECONOMIC, WHAT WE HEARD WAS REALLY
3 ABOUT CREATING FUNDING OPPORTUNITIES, FINDING
4 FUNDING PARTNERS, PERHAPS DEVELOPING SOME CREATIVE
5 THREE-WAY AGREEMENTS BETWEEN CIRM, BETWEEN A FUNDING
6 PARTNER, BETWEEN AN INVESTIGATOR. ALSO WHAT WE
7 HEARD FROM THE ICOC WAS DEVELOP SOME SORT OF A
8 MATRIX FOR THE FUNDING PLATFORMS SO THAT IT WAS
9 CLEAR WHERE WE WERE PUTTING OUR INVESTMENTS, THAT
10 THAT WOULD HELP US REALLY MAKE BETTER INFORMED
11 DECISIONS ABOUT WHERE TO INVEST IN THE FUTURE.

12 AND ONCE AGAIN, COMMUNICATE, COMMUNICATE
13 THE DETAILS OF THE FUNDING PROCESS, CREATE A SHORTER
14 APPROVAL PROCESS BETWEEN APPLICATION AND ACTUALLY
15 GETTING MONEY BACK TO THE APPLICANT. AND THE
16 SUGGESTION WAS ALSO MADE TO CREATE SOME SORT OF A
17 CIRM CHAMPION OR AN ADVOCATE WITHIN THE AGENCY THAT
18 COULD HELP INDUSTRY WHO'S NOT USED TO WRITING
19 ACADEMIC-TYPE GRANTS FIGURE OUT HOW TO NAVIGATE THE
20 SYSTEM. THE OTHER OPTION, OF COURSE, IS TO FIGURE
21 OUT A MORE USER FRIENDLY INTERFACE SO THAT THEY
22 WOULD BE ABLE TO INTERACT WITHOUT THE NEED FOR THAT
23 CHAMPION.

24 IN TERMS OF SOCIAL, I THINK WHAT WE HEARD
25 THROUGHOUT IS TO ENSURE PUBLIC AWARENESS, TO PROMOTE

BARRISTERS' REPORTING SERVICE

1 CIRM'S WORK, AND TO REALLY IDENTIFY AND PROMOTE
2 CIRM'S EXPERTISE AND HELP EDUCATE PATIENTS ON WHAT
3 WE'RE DOING IN OUR DIFFERENT RESEARCH. ALSO I THINK
4 WHAT CAME OUT, A SUGGESTION WAS MADE THAT PERHAPS
5 CIRM COULD TAKE A STAND TO EDUCATE PATIENTS ON THE
6 TYPE OF STEM CELL RESEARCH THAT'S DONE BY VERY
7 CONSCIENTIOUS INSTITUTIONS AND ORGANIZATIONS PERHAPS
8 THROUGH THE CONDUCT OF CLINICAL TRIALS VERSUS A
9 VARIETY OF THINGS THAT THEY MAY SEE OUT THERE
10 REGARDING ACCESS TO STEM CELL THERAPIES SO THAT THEY
11 CAN DISTINGUISH THE DIFFERENCE BETWEEN A VERY
12 RIGOROUSLY DEFINED AND WELL PUT TOGETHER CLINICAL
13 TRIAL VERSUS READY ACCESS TO PERHAPS SOME CELLS THAT
14 PEOPLE MIGHT BE PROMOTING THAT THEY TAKE.

15 THIS IS JUST THE MORE DETAILED INFORMATION
16 BEHIND THAT SUMMARY SLIDE THAT I JUST SHOWED YOU,
17 AND YOU ALSO HAVE THAT IN YOUR PREREAD DOCKET. IT'S
18 THE PUBLIC, IT'S THE ICOC, AND IT'S THE INDUSTRY
19 MEETINGS.

20 LET ME NOW GIVE YOU AN UPDATE ON SOME OF
21 THE THINGS WHICH MAY BE IN YOUR PREREAD, BUT
22 ADDITIONAL THINGS THAT ARE NOT. AND THIS IS
23 ADDITIONAL STAKEHOLDERS' INPUT. ON NOVEMBER 10TH
24 CIRM HAD A MEETING THAT WAS FOCUSED -- MEETING WITH
25 INDUSTRY ADVISORS THAT WAS FOCUSED ON THE DEFINITION

BARRISTERS' REPORTING SERVICE

1 OF SUCCESS AND PORTFOLIO MANAGEMENT, ON OUR LOAN
2 PROGRAM, ON OUR CO-FUNDING REQUIREMENTS, ON OUR
3 TRANSLATIONAL SUPPORT PROGRAMS, AND ON THE
4 POSSIBILITY OF PUTTING TOGETHER A PHARMA SUMMIT.

5 RECOMMENDATIONS TO CIRM FROM THAT ADVISOR
6 MEETING INCLUDED CONCENTRATE ON GETTING THE BEST
7 PROJECTS THROUGH EARLY CLINICAL TRIALS, FOCUS ON
8 PORTFOLIO MANAGEMENT TO ENSURE CIRM'S BEST PROGRAMS
9 OBTAIN THE ESSENTIAL CONTINUED FINANCIAL SUPPORT
10 THROUGH EARLY CLINICAL PROOF OF CONCEPT, AND CUT
11 PROGRAMS THAT ARE NOT PERFORMING. USE FORECASTING
12 AND DECISION ANALYSIS TO SHAPE FUTURE FUNDING
13 PROGRAMS AND DETERMINE HOW MANY PROGRAMS CIRM CAN
14 SUPPORT THROUGH THE CLINIC, BUT DO THAT NOW. DO THE
15 FORECASTING NOW. SIMPLIFY THE LOAN PROGRAM, PERHAPS
16 A LOAN PLUS ROYALTY, AND MAKE IT FLEXIBLE SO THAT
17 COMPANIES MAY HAVE SOME OPTIONS IN TAKING A LOAN
18 WHEN THEY WORK WITH US.

19 THEY ALSO COMMUNICATED VERY STRONGLY THAT
20 CIRM IS HERE TO DERISK PROJECTS, AND WE SHOULD
21 REMAIN COMMITTED TO CO-FUNDING AT THE EARLIER STAGES
22 OF THE DEVELOPMENT. AND IN ADDITION, THEY THOUGHT
23 IT WOULD BE WISE, IT WOULD BE VERY HELPFUL IF THERE
24 WAS A PHARMA SUMMIT THAT WAS PUT TOGETHER THAT
25 ACTUALLY ENABLED CIRM TO BRING FORWARD WHAT TYPES OF

BARRISTERS' REPORTING SERVICE

1 THINGS WERE MOVING FORWARD INTO THE CLINIC AND HELP
2 INFORM THE WHOLE PHARMA AND BIOTECH COMMUNITY AND
3 GET THEIR INPUT ON WAYS THAT WE MAY BE ABLE TO BRING
4 THOSE FORWARD.

5 WE RECEIVED STAKEHOLDERS' INPUT FROM OUR
6 COLLABORATIVE FUNDING PARTNERS. AS YOU KNOW, WE
7 WORK WITH 12 DIFFERENT COUNTRIES, TWO INTERNATIONAL
8 STATES, TWO DIFFERENT FOUNDATIONS, A DOMESTIC STATE,
9 AND ALSO MOST RECENTLY THE NATIONAL INSTITUTES OF
10 HEALTH. AND WE HELD TWO TELECONS WITH THEM IN
11 NOVEMBER, AND THEY PROVIDED FEEDBACK AND SUGGESTIONS
12 ON WAYS THAT CIRM COULD STRENGTHEN AND ENHANCE OUR
13 COLLABORATIONS. AND THE SUGGESTIONS INCLUDED
14 DEVELOPMENT OF A CAPABILITY MAP TO SHOW STRENGTHS
15 AND EXPERTISE ACROSS THE DIFFERENT COLLABORATIVE
16 FUNDING PARTNERS, TO ALLOW MULTIPLE CFP CLASSES WITH
17 CIRM. RIGHT NOW WE DO IT ONE ON ONE.

18 THAT THE COLLABORATIVE FUNDERS WOULD LIKE
19 MORE INPUT INTO THE DEVELOPMENT OF CONCEPTS FOR
20 RFA'S, THAT THEY WOULD BENEFIT IF WE WOULD HELP
21 FOSTER, FACILITATE THE HARMONIZING OF MATERIAL
22 TRANSFER AGREEMENTS AND INFORMED CONSENTS WHERE
23 POSSIBLE. AND THEY WERE VERY INTERESTED IN FORGING
24 PARTNERSHIPS FOR CLINICAL TRIALS, PARTICULARLY AS WE
25 GO BEYOND PERHAPS THE EARLY, SMALL, VERY FIRST IN

BARRISTERS' REPORTING SERVICE

1 HUMAN TO THE MULTICENTER LARGER PHASE I OR PHASE II,
2 THE POSSIBILITY OF DOING INTERNATIONAL CLINICAL
3 TRIALS.

4 WE RECEIVED STAKEHOLDER INPUT FROM OUR
5 PATIENT ADVOCATE ORGANIZATIONS AND HELD TWO TELECONS
6 ON DECEMBER 2D AND 5TH WITH LEADERS OF PATIENT
7 ADVOCATE ORGANIZATIONS. AND HERE THE FOCUS WAS ON
8 SOCIAL AND MEDICAL OBJECTIVES. AND HERE ARE SOME OF
9 THE KEY POINTS THAT WERE INCLUDED. I THINK FIRST
10 AND FOREMOST WAS REALLY DEVELOP COMMUNICATION FOR
11 THE LAY PUBLIC THAT'S PROVIDED IN AN UNDERSTANDABLE
12 FORMAT AND IN A VENUE WHERE QUESTIONS COULD BE
13 ASKED. THEY PARTICULARLY APPRECIATED, AT LEAST THE
14 PEOPLE ON THE PHONE, AND GRANTED THIS IS A SAMPLING,
15 THIS DOESN'T REPRESENT ALL THE DIFFERENT VIEWS, THIS
16 IS JUST A SAMPLING OF THE DIFFERENT VIEWS OUT THERE,
17 BUT THEY APPRECIATED THE PATIENT ADVOCACY EVENTS
18 WHERE THERE'S ACTUALLY PRESENTATIONS AND THERE'S A
19 POSSIBILITY OF HAVING Q AND A DURING THAT SAME TIME
20 POINT.

21 THEY ALSO WANTED MESSAGES THEY COULD USE
22 THAT WERE WRITTEN IN A CLEAR, CONCISE, EASY-TO-USE
23 WAY. AND THEY ALSO SUGGESTED THAT CIRM COULD HELP
24 BUILD A COALITION OR COMMUNITY OF PATIENT ADVOCATES.
25 AND THERE WAS ALSO A SUGGESTION THAT CIRM HELP SET

BARRISTERS' REPORTING SERVICE

1 UP A CORE GROUP OF ADVOCATES TO MEET REGULARLY WITH
2 CIRM. AND THIS GROUP ACTUALLY HAD A SET OF GOALS
3 AND OBJECTIVES FOR THEM TO PURSUE AS A GROUP.

4 THERE WAS ALSO GREAT INTEREST IN TRYING TO
5 HELP THE ORGANIZATIONS AND THE CONSTITUENTS THAT
6 LOOK TO THEM UNDERSTAND MORE ABOUT CLINICAL TRIALS
7 AND WHY THEY'RE SO IMPORTANT IN DEVELOPING
8 THERAPIES.

9 WE ALSO RECEIVED STAKEHOLDER INPUT FROM
10 OUR CLINICAL DEVELOPMENT ADVISORS. AS JON THOMAS
11 NOTED EARLIER, I'LL COME BACK TO YOU IN EITHER ONE
12 OF THE EARLY QUARTER ONE ICOC BOARD MEETINGS TO TELL
13 YOU MORE DETAIL ABOUT WHAT WE ACHIEVED THROUGH OUR
14 SESSIONS WITH OUR CLINICAL DEVELOPMENT ADVISORS.
15 BUT SPECIFICALLY FOR THESE PARTICULAR TELECONS, WE
16 WERE ASKING THEM ABOUT OUR STRATEGIC PLAN. AND THIS
17 IS JUST SOME OF THE KEY PERSPECTIVES AND SUGGESTIONS
18 THAT THEY PROVIDED.

19 THEY AGREED, AS DID MANY OF OUR OTHER
20 STAKEHOLDERS, THAT SUCCESS FOR CIRM WOULD LIE IN
21 GENERATING PROGRAMS THAT WENT INTO CLINICAL
22 DEVELOPMENT, AND THAT SUCCESS WOULD -- IN ORDER TO
23 HAVE SUCCESS IN THE NEXT FIVE YEARS, WE REALLY NEED
24 TO WORK ON GENERATING CLINICAL PROOF OF CONCEPT.
25 THEY ALSO FELT VERY STRONGLY THAT STRIKING

BARRISTERS' REPORTING SERVICE

1 PARTNERSHIPS SO THAT THE TEAMS THAT DO HAVE SOME
2 PROMISING WORK FROM THEIR EARLY STUDIES HAVE THE
3 PATHWAY FORGED THAT THEY CAN MOVE TOWARDS
4 COMMERCIALIZATION.

5 THEY ALSO STRONGLY RECOMMENDED THAT THEY
6 FELT THAT CIRM WAS PROVIDING ACTIVE, BUT EVEN MORE
7 ACTIVE AND FREQUENT OVERSIGHT AND ACCESS TO
8 EXPERTISE, EXPERTISE IN REGULATORY, WITH
9 MANUFACTURING, PRECLINICAL, CLINICAL, PRODUCT
10 DEVELOPMENT, REALLY HELP THEM ACHIEVE WHAT THEY NEED
11 TO DO AND HELP THEM EXECUTE ON WHAT THEY WANT TO DO
12 AND HAVE SORT OF A LESSONS LEARNED BOOT CAMP FOR
13 INVESTIGATORS SO THAT WE'RE ACTUALLY SHARING LESSONS
14 LEARNED FROM ALL THESE DIFFERENT GROUPS THAT WE'RE
15 WORKING WITH.

16 WE ALSO TALKED WITH LEADERS FROM THE
17 INTERNATIONAL SOCIETY FOR CELLULAR THERAPY. WE HAD
18 A TELECON WITH THEM ON NOVEMBER 28TH, AND THEY MAY
19 GO BACK TO THEIR BROADER MEMBERSHIP TO GET
20 ADDITIONAL INPUT. BUT THESE ARE JUST SOME OF THEIR
21 INITIAL THOUGHTS. THEY REALLY STRONGLY THOUGHT THAT
22 THIS WAS A TIME WHERE WE NEED TO MANAGE EXPECTATIONS
23 FOR THE FIELD PARTICULARLY FOR THE LAY PUBLIC AND
24 FOR LEGISLATORS. THEY GAVE US SOME ADVICE IN TERMS
25 OF WHAT WILL CONSTITUTE SUCCESS.

BARRISTERS' REPORTING SERVICE

1 FOR SCIENCE, SUCCESS WOULD BE A MAJOR
2 BREAKTHROUGH IN OUR UNDERSTANDING OF THE SCIENCE.
3 PERHAPS WE HAVE A BETTER UNDERSTANDING OF IN VIVO
4 PRECLINICAL PROOF OF CONCEPT OR MECHANISM OF ACTIONS
5 OF OURSELVES. FOR MEDICAL, ONCE AGAIN, IT'S PUTTING
6 PRODUCTS INTO WELL-DESIGNED CLINICAL TRIALS THAT ARE
7 WELL EXECUTED. AND FOR THE STEM CELL HUB, SUCCESS
8 IS AN INFLUX OF TALENT AND OF JOBS INTO CALIFORNIA.

9 THEY RECOMMENDED THAT WE CONTINUE TO
10 SUPPORT THE BASIC RESEARCH, AND ON THE CLINICAL SIDE
11 TO BE VERY CRITICAL ABOUT WHAT IT TAKES TO GET INTO
12 PHASE I AND PROCEED TO PHASE II. DON'T BE AFRAID TO
13 KILL PROJECTS AND FOCUS ON THE HIGHEST PROBABILITY
14 FOR SUCCESS. SHARE LESSONS LEARNED FROM OUR DISEASE
15 TEAM I AND OUR 14 TEAMS THAT ARE CURRENTLY GOING
16 FORWARD FOR IND-ENABLING STUDIES AND GET INTO THESE
17 FIRST-IN-HUMAN TRIALS. AND FOR PRIVATE INDUSTRY,
18 TRY TO INCREASE CIRM'S ENGAGEMENT WITH INDUSTRY FOR
19 OUR GWG SELECT REVIEWERS. WHEN WE'RE LOOKING AT
20 CLINICAL APPLICATION PROJECTS THAT HAVE INDUSTRY
21 EXPERIENCE, HELP THE START-UPS, PARTICULARLY IN
22 TRYING TO CONNECT WITH VENTURE CAPITALISTS AND OTHER
23 SOURCES OF FUNDING.

24 WE ALSO RECEIVED STAKEHOLDER INPUT FROM
25 THE ALLIANCE FOR REGENERATIVE MEDICINE AND HELD A

BARRISTERS' REPORTING SERVICE

1 TELECON WITH THEM THE WEEK OF NOVEMBER 21ST. AND
2 SOME OF THEIR FEEDBACK INCLUDED THEIR COMMENT ON THE
3 SOCIAL STRATEGIC OBJECTIVE, THAT CIRM ACTUALLY FOCUS
4 ON A BROADER MESSAGE, SUCH AS THE VALUE OF CIRM, THE
5 VALUE OF REGENERATIVE MEDICINE, AND THE VALUE OF THE
6 REGENERATIVE MEDICINE THAT CIRM FUNDS, THAT WE
7 SHOULD EMPHASIZE THAT WE'RE WORKING TOWARDS A
8 NATIONAL STRATEGY FOR THIS TYPE OF SCIENCE, THAT WE
9 BE MORE EXPLICIT ABOUT OUR INTENT TO ENGAGE
10 REGULATORS, PAYERS, AND CONGRESS TO ADVANCE SCIENCE
11 INTO THE CLINIC. AND THEY SUGGESTED METRICS FOR
12 MEASURING THAT SOCIAL IMPACT.

13 FOR ECONOMIC, THEY SUGGESTED ADDING
14 FOLLOW-ON INVESTMENT AND FINANCIAL SUPPORT FOR THE
15 MOST PROMISING OF CIRM PROJECTS. AND THEY NOTED THE
16 LEGISLATOR AND PUBLIC WOULD SEE SUCCESS FOR US NOT
17 JUST IN OUR BUILDINGS OBVIOUSLY, BUT AS THE OTHER
18 STAKEHOLDERS ARE TELLING US, AS HAVING THERAPIES
19 INVESTMENT.

20 SO NOW WE'RE AT THE STEP, I THINK, WHERE
21 YOU'RE UP TO SPEED ON WHERE WE ARE WITH OUR PROCESS
22 AND WHERE WE ARE WITH THE STAKEHOLDERS' INPUT TO
23 DATE. WE'RE ON DECEMBER 8TH TODAY WITH THE UPDATE
24 TO THE BOARD. THE NEXT STEPS WILL BE ON DECEMBER
25 20TH, WE'RE GOING TO RECEIVE A FIRST VERSION TO

BARRISTERS' REPORTING SERVICE

1 SENIOR MANAGEMENT OF WHAT THAT STRATEGIC PLAN COULD
2 LOOK LIKE. ON JANUARY 3D, THERE WILL BE A SECONDARY
3 VERSION SEND TO THE BROADER STAFF. WE'RE GOING TO
4 BRING YOU AN UPDATE AT THE BOARD MEETING ON JANUARY
5 17TH AND RECEIVE ADDITIONAL INPUT AND COMMENTS FROM
6 YOU AND DO THIS AGAIN ON FEBRUARY 15TH SO THAT BY
7 MARCH 21ST BOARD, WE'LL BE BRINGING YOU A FINAL
8 VERSION OF THE STRATEGIC PLAN FOR YOUR
9 CONSIDERATION.

10 SO AT THIS POINT I'D BE HAPPY TO ANSWER
11 QUESTIONS.

12 CHAIRMAN THOMAS: THANK YOU, DR. FEIGAL.
13 VERY SUCCINCT AND COMPREHENSIVE SIMULTANEOUS
14 PRESENTATION. VERY ENLIGHTENING. THANK YOU.
15 COMMENTS FROM THE BOARD? SENATOR TORRES.

16 MR. TORRES: YES. I JUST WANT TO THANK
17 YOU AS WELL BECAUSE I THINK THAT YOU HAVE REALLY
18 CAST A WIDE NET IN TERMS OF REACHING OUT FOR ALL THE
19 STAKEHOLDERS. AND I THINK THAT'S GOING TO BE VERY
20 IMPORTANT TO ESTABLISH THE CREDIBILITY AND THE
21 SUBSTANCE OF THIS REPORT. AND I THINK IT'S GOING TO
22 BE VERY, VERY HELPFUL TO NOT ONLY POLICYMAKERS, BUT
23 CLEARLY TO THE LEGISLATURE AND TO THE CONSTITUTIONAL
24 OFFICERS. THANK YOU.

25 CHAIRMAN THOMAS: MR. SHEEHY.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: YOU MIGHT WANT TO GO BACK A
2 COUPLE OF SLIDES. AND THIS IS JUST FOR
3 CLARIFICATION. I JUST DIDN'T UNDERSTAND A COUPLE OF
4 CONCEPTS, AND THIS WAS ON THE BUSINESS.

5 DR. FEIGAL: TELL ME WHEN.

6 MR. SHEEHY: KEEP GOING, ONE MORE, ONE
7 MORE, ONE MORE, ONE MORE. OKAY. YEAH. IT'S JUST
8 TO UNDERSTAND SOME OF THESE TERMS. SO WHEN YOU SAY
9 FORECASTING AND DECISION ANALYSIS, WHAT DOES THAT
10 MEAN? I'M SURE FOR SOME OF THE INDUSTRY FOLKS HERE,
11 THAT'S REALLY CLEAR, BUT FOR ME I DON'T REALLY
12 UNDERSTAND WHAT THAT MEANS. I MEAN I KIND OF GET
13 FORECASTING, BUT WHAT ARE YOU TRYING TO FORECAST?
14 WHEN YOU SAY DECISION ANALYSIS, WHAT IS THAT?
15 BECAUSE THAT'S GOING TO SHAPE OUR FUTURE -- THEY
16 RECOMMEND THAT THAT SHAPES OUR FUTURE FUNDING
17 PROGRAM. SO IF I COULD UNDERSTAND WHAT THAT PROCESS
18 MIGHT LOOK LIKE AND WHAT THAT ACTUALLY...

19 DR. FEIGAL: WHAT I'LL DO IS I CAN MAKE
20 SOME COMMENTS. I DON'T KNOW IF MATT OR ELONA OR
21 ALAN WOULD LIKE TO MAKE ADDITIONAL, BUT PART OF THAT
22 WAS THE WAY WE LOOK AT IT IS WHERE DO WE WANT TO BE
23 AT X POINT OF TIME AND AN ORDER, IF WE WANT TO HAVE
24 ONE TRIAL, TWO TRIALS, THREE TRIALS. IT'S LOOKING
25 AT THE END GAME AND THEN WORKING BACKWARDS IN TERMS

BARRISTERS' REPORTING SERVICE

1 OF IF THIS IS WHERE WE WANT TO BE IN THE NEXT FIVE
2 YEARS, WHAT DO WE HAVE TO DO NOW IN TERMS OF MOVING
3 FORWARD, BUT IT'S ALSO LOOKING AT WHERE OUR
4 INVESTMENTS ARE.

5 BUT LET ME JUST SEE IF MATT OR ALAN, WHO
6 ACTUALLY WERE AT THE MEETING, HAVE ANY ADDITIONAL
7 COMMENTS.

8 DR. TROUNSON: SO THAT'S RIGHT. SO IT'S A
9 PROCESS OF LOOKING AT WHERE YOU WANT TO BE AT THE
10 END OF THE, SAY, FIVE YEARS OR TEN YEARS, AND THEN
11 HOW DO YOU GET TO THAT STAGE IF YOU WANT X NUMBER OF
12 PROJECTS IN THE CLINIC? WHAT HAVE YOU GOT TO DO TO
13 ENABLE THAT? WHAT HAVE YOU GOT TO DO TO ENSURE THAT
14 THE FALL-OFF IN STUDIES, WHICH YOU ARE GOING TO GET
15 IN THAT TIME, DO YOU HAVE SUFFICIENT NUMBERS? DO
16 YOU HAVE THE STRENGTH IN THE PORTFOLIO TO MAKE THE
17 DISTANCE? SO IT'S LOOKING AT THE END POINT AND
18 BUILDING IT BACKWARDS, JEFF.

19 SO THAT'S THE WAY THOSE SORT OF PEOPLE
20 FIGURE OUT WHETHER THIS IS WORTHWHILE INVESTING IN.
21 WHAT HAVE YOU GOT TO HAVE AT THAT END POINT, AND
22 WHAT DO YOU DO TO GET THERE ESSENTIALLY?

23 MR. SHEEHY: I THINK THAT SOUNDS LIKE THE
24 FORECASTING PIECE, BUT THIS DECISION ANALYSIS SOUNDS
25 LIKE SOME SORT OF METRIC THAT MIGHT BE APPLIED TO

BARRISTERS' REPORTING SERVICE

1 YOUR FORECASTING PROCESS, BUT I'M NOT SURE. IT'S A
2 TERM THAT DOESN'T...

3 MS. BAUM: I THINK WHAT THEY HAD MEANT AT
4 THE TIME IS THAT THERE'S A LOT OF DIFFERENT
5 OPPORTUNITY CALLS AND THERE'S A LOT OF DIFFERENT
6 ASSUMPTIONS. SO THEY ACTUALLY -- WE SAID THAT WE
7 WERE HAVING A NEW CFO COMING, AND THEY SAID THAT
8 WOULD BE WELL VERSED ON DOING THIS. BUT WE HAD
9 STATED THAT, ASSUMING THAT WE WANT TO GET X NUMBER
10 IN PHASE II, WHAT WOULD YOU SUGGEST THAT WE DO IN
11 TERMS OF LOOKING AT THE VARIOUS SCENARIOS ASSUMING
12 THAT WE ARE JUST HAVING OUR PORTFOLIO MOVING
13 FORWARD.

14 NOW, WE'RE GOING TO DO SOMETHING THAT'S A
15 LITTLE MORE POROUS TOO AND IMPORT READY-MADE
16 PROGRAMS POTENTIALLY. AND, THEREFORE, A LITTLE MORE
17 SOPHISTICATED ANALYSIS, WHICH THEY REFER TO AS A
18 DECISION ANALYSIS, WOULD COME INTO PLAY.

19 DR. FEIGAL: I THINK THE POINT, THE INTENT
20 IS THIS EXERCISE -- IT'S LIKELY TELL OUR
21 INVESTIGATORS KEEP THE END IN MIND AS YOU'RE
22 DESIGNING. AND THAT'S WHAT -- WE'RE NOW TRYING TO
23 DO THAT. WHERE DO WE WANT TO BE AND THEN TRY AND
24 WORK BACKWARD. DECISIONS TODAY ARE GOING TO IMPACT
25 WHETHER OR NOT WE GET THERE.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: THEN -- THANK YOU. THAT'S
2 HELPFUL. TRYING TO UNDERSTAND.

3 THE OTHER QUESTION I HAD WAS ABOUT
4 DERISKING PROJECTS. AND THIS SEEMS LIKE THAT THIS
5 IS DIRECTLY RELEVANT TO THE GERON EXPERIENCE. AND
6 I'M WONDERING WHAT THAT PROCESS LOOKS LIKE BECAUSE
7 CLEARLY THERE WAS FINANCIAL RISKS THAT WE WERE
8 UNABLE TO IMPACT AND THAT KIND OF FELL APART ON US.
9 I KIND OF GET A SENSE OF IT, BUT I REALLY DON'T
10 BECAUSE IT SEEMS LIKE, ESPECIALLY GIVEN WHAT WE'VE
11 JUST EXPERIENCED, THAT THERE IS SIGNIFICANT RISK
12 THAT THEY WOULD LIKE FOR US TO PERHAPS TACKLE,
13 GETTING TACKLED EARLIER. SO IF I CAN GET SOME
14 GRANULARITY, I GUESS, ON THAT CONCEPT.

15 DR. FEIGAL: I THINK WHAT IT IS, THEY
16 WEREN'T -- WE CAN LOOK AT ILLUSTRATIVE EXAMPLES. IN
17 GENERAL, THEY'RE TALKING ABOUT WHAT WE TERM THE
18 VALLEY OF DEATH OR BRIDGE TO CURE, THE STEPS IN
19 PRODUCT DEVELOPMENT THAT ARE RISKY. AND I DON'T
20 MEAN BECAUSE THEY'RE UNSAFE. THEY'RE RISKY BECAUSE
21 THE SCIENCE IS INNOVATIVE, BECAUSE THE REGULATORY
22 PATHWAY IS UNCLEAR, AND BECAUSE THERE MIGHT BE
23 TECHNOLOGICAL ISSUES THAT COULD COME INTO PLAY. SO
24 THERE'S A LOT OF UNKNOWNNS AND UNCERTAINTY THAT MAKE
25 INVESTING IN THAT RISKY.

BARRISTERS' REPORTING SERVICE

1 SO WHAT THEY'RE SAYING IS THAT PART OF THE
2 ROLE OF CIRM, AND IT IS WHAT WE'VE TAKEN ON AS A
3 STATE AGENCY, IS TO TAKE ON SOME OF THOSE INNOVATIVE
4 PROJECTS WHERE THE SCIENCE IS GOOD, BUT WHERE THE
5 REGULATORY PATHWAY IS RISKY OR WHERE THERE MAY BE
6 CONTINUED TECHNOLOGICAL ISSUES THAT NEED TO BE
7 ADDRESSED, THAT WE IN A QUALITY WAY TAKE ON SOME OF
8 THOSE RISKS OURSELVES AS WE TRY AND DERISK THE
9 PROJECT TO MAKE IT MORE ATTRACTIVE FOR VENTURE
10 CAPITAL OR FOR INDUSTRY TO INVEST. AND I THINK
11 THAT'S REALLY WHAT THEY WERE SAYING.

12 IT DOESN'T MEAN THAT WE'RE BETTER
13 PREDICTORS, BUT THEY'RE JUST SAYING WE AS A STATE
14 AGENCY ARE IN A BETTER POSITION TO DO THAT.

15 DR. TROUNSON: SO IN ADDITION TO THAT,
16 THEY FELT THAT TO DERISK FOR US, THERE'S A DERISKING
17 FOR THEM BECAUSE THERE'S FINANCE THERE, BUT
18 DERISKING FOR US IS TO GET ALL OF THE SO-CALLED
19 DUCKS IN ORDER. THERE IS A POSSIBILITY OF GETTING
20 AN END PLAYER EARLY ON EVEN IF THEY'RE NOT -- IF
21 THEY'RE ONLY COMMITTED TO, SAY, 10 OR 15 OR 20
22 PERCENT OF THE PROJECT, YOU START TO GET THEM
23 COMMITTED IN THE PROCESS. YOU TEND TO DERISK FOR US
24 THAT IT GOES ON AROUND LIKE THE GERON ONE BECAUSE
25 IF THERE IS A BIGGER PARTNER IN THERE WHO'S

BARRISTERS' REPORTING SERVICE

1 COMMITTED TO THAT AND WANTS TO SEE IT EVOLVE ON,
2 THERE'S LESS CHANCE THAT A DECISION LIKE THE GERON
3 ONE WOULD OCCUR, JEFF.

4 SO I THINK IT'S BEING SORT OF A BIT MORE
5 CLEVER OR A BIT MORE PROACTIVE IN TERMS OF GETTING
6 PARTNERSHIPS THAT WILL SEE THE DISTANCE AND GET THE
7 ENTITY COMMITTED FOR THE WHOLE TRACK AND MORE
8 COMMITTED THAN SIMPLY JUST ONE OF SEVERAL PROJECTS
9 FOR A COMPANY OR A SINGLE PROJECT FOR A COMPANY.

10 DR. FEIGAL: AND I THINK THAT WAS THE
11 INTENT BEHIND THE STRATEGIC FUND PARTNERSHIP IS TO
12 GET MORE OF A COMMITMENT. AT THE LAST BOARD MEETING
13 YOU HAD THE OPPORTUNITY TO HEAR ABOUT THE INTENT OF
14 THAT PROGRAM AND ITS GOALS. SO ALAN IS ABSOLUTELY
15 RIGHT. I WAS GIVING YOU THE DERISKING FROM THE
16 COMPANY END; BUT HE, OF COURSE, WAS GIVING THE
17 DERISKING FROM OUR END OF MAKING SURE THAT THERE IS
18 SOME KIND OF CONTINUATION FUNDING FOR THESE TYPE OF
19 PROJECTS.

20 MR. SHEEHY: AND SO LOOKING AT BOTH ENDS
21 THAT YOU DESCRIBE, WE DID -- YOU KIND OF ANTICIPATED
22 MY NEXT QUESTION. IN TERMS OF WHAT DR. TROUNSON IS
23 TALKING ABOUT, HAVE WE SUFFICIENTLY ADDRESSED THAT
24 ISSUE WITH THE STRATEGIC PARTNERSHIP? AND THEN ON
25 THE OTHER HAND, WE DO EARLY TRANSLATIONAL, WE DO

BARRISTERS' REPORTING SERVICE

1 DISEASE TEAMS, WHICH ARE SPECIFICALLY DESIGNED TO
2 CROSS THE VALLEY OF DEATH. ARE THEY SUGGESTING --
3 IS THERE A SUGGESTION HERE THAT, FOR INSTANCE, FROM
4 A COMPANY POINT OF VIEW, IT MIGHT BE DERISKED IF
5 THEY COULD GET GRANTS INSTEAD OF LOANS? I'M JUST
6 USING THAT AS AN EXAMPLE. BUT DO WE NEED ANOTHER
7 PROGRAM IN THAT DEVELOPMENT PIPELINE SPACE? IN
8 OTHER WORDS, WHAT GAPS HAVE WE IDENTIFIED WITH THIS
9 DERISK IDEA THAT WE HAVEN'T ALREADY ADDRESSED
10 ESSENTIALLY?

11 DR. TROUNSON: WELL, I THINK WITH RESPECT
12 TO WHAT YOU JUST SAID, IT DID COME UP THAT THEY FELT
13 THAT MAYBE THEY SHOULD BE OFFERED THE OPPORTUNITY OF
14 GRANTS OR LOANS. AND PARTICULARLY THEY DIDN'T
15 REALLY SEE WHAT THE MERIT OF THE LOANS WERE IN THE
16 EARLY STAGES. THEY SAW IT'S MUCH MORE PREFERABLE TO
17 THOSE ORGANIZATIONS TO TAKE A GRANT. I DID SAY,
18 WELL, THERE'S OTHER ISSUES ASSOCIATED WITH THE IP
19 WHICH THE LOANS MIGHT NOT HAVE.

20 SO IT'S A LITTLE MORE COMPLEX THAN SIMPLY
21 GRANT OR LOAN. BUT THEY FELT STRONGLY THAT WE OUGHT
22 TO FILL IN THAT SPACE; BUT IF WE COULD ALSO GET THE
23 LARGER INDUSTRY INVOLVED EARLIER, WE'RE MORE LIKELY
24 TO HAVE MULTIPLE PATHS TAKING THOSE THROUGH, LESS
25 LIKELY TO COME AGROUND ON SOME ISSUE, FOR EXAMPLE,

BARRISTERS' REPORTING SERVICE

1 MANUFACTURING, BECAUSE THAT LARGER ENTITY WILL
2 PROBABLY HAVE EXPERIENCE OR CONNECTIONS NETWORKED TO
3 CAPACITY.

4 SO CAPACITY BEYOND THEIR OWN CAPACITY, BUT
5 ALSO REASON TO CONTINUE STRONGLY TO PURSUE IN A
6 PIPELINE FROM EXPERIENCED OPERATORS THAT WILL MAKE
7 THE DISTANCE AND BE ALSO THOUGHTFUL ABOUT WHAT'S IN
8 THE COMPETITION SPACE BECAUSE WHAT'S THE USE OF
9 DEVELOPING SOMETHING UP TO PHASE I OR II IF A DRUG
10 TRUMPS YOU AND YOU KNOW THAT'S IN FRONT OF YOU OR
11 YOU HAVEN'T TAKEN THE TIME TO FIGURE OUT THERE'S A
12 BIG TRUMP IN FRONT OF YOU? UNLESS YOU'VE GOT
13 SOMETHING DIFFERENT TO THAT TRUMP, YOU'RE GOING TO
14 BE NOT VERY COMPETITIVE. SO, YOU KNOW, A MORE
15 DETAILED AND INFORMED LOOK AT HOW WE DO THAT WOULD
16 DERISK FOR US, BUT ALSO DERISK FOR THE PROJECT.

17 MS. BAUM: SO I HAVE JUST ONE LITTLE POINT
18 THAT I JUST WANT TO MAKE ON DERISKING. AND THIS IS
19 SOMETHING I FELT VERY STRONGLY ABOUT FROM THE
20 BEGINNING. I THINK THAT THE STRATEGIC PARTNERSHIP
21 FUNDING PROGRAM IS TERRIFIC. I'VE ALWAYS FELT THAT
22 THE AMOUNT, THE 10 MILLION, WHICH CAN BE INCREASED,
23 AND THE 30 MILLION FOR THE FULL PROGRAM IS NOT
24 ENOUGH. SO IF I WAS GOING TO IDENTIFY A GAP, I
25 WOULD SUGGEST THAT CERTAINLY THE 10 MILLION WOULD BE

BARRISTERS' REPORTING SERVICE

1 INCREASED, IF NEEDED, SO THAT WHEN WE ARE ABLE TO
2 ENGAGE A PHARMA WITH ONE OF OUR PROJECTS, THAT WE
3 CAN ENGAGE THEM THROUGH PHASE I ALL THE WAY THROUGH
4 PHASE II, IF NECESSARY, WITH THE CO-FUNDING ELEMENT,
5 BUT I THINK IT MIGHT NEED MORE THAN 10 MILLION.

6 BUT THIS WAY IT WOULD ACCELERATE IT. WE
7 WON'T HAVE TO COME BACK AND REEXAMINE IT. IF THE
8 PROJECT MEETS ITS MILESTONES, THEN IT SHOULD BE GOOD
9 TO GO UNLESS WE DECIDE THAT FOR COMPETITIVE REASONS
10 PERHAPS WE DON'T WANT TO CONTINUE WITH THIS PROJECT,
11 AND I'M SURE MOST LIKELY IF THERE'S COMPETITIVE
12 REASONS, THE PHARMA WOULDN'T WANT TO CONTINUE AS
13 WELL.

14 MR. SHEEHY: IF I REMEMBER THE DISCUSSION,
15 I THINK I WAS SUPPORTIVE CONCEPTUALLY. I THINK THAT
16 THE CHAIRS OF THE INDUSTRY COMMITTEE WERE BEING A
17 LITTLE MORE STEP BY STEP CONSCIOUS TO REALLY GET THE
18 PROGRAM UP. I THINK THERE IS SUPPORT FOR MAKING
19 THAT A BIGGER POT OF MONEY. SO THANK YOU. THAT'S
20 VERY HELPFUL.

21 AND THEN COULD I JUST GO BACK TO THE
22 CLINICAL ADVISORY DEVELOPMENT GROUP SLIDE. SORRY.
23 OKAY. AND I'M CHEATING A LITTLE BIT BECAUSE -- AND
24 I JUST WANT TO SAY, AND IT'S GOING TO COME UP AGAIN,
25 BUT THIS IS ONE OF THE MOST PHENOMENAL PROCESSES

BARRISTERS' REPORTING SERVICE

1 I'VE SEEN SINCE I'VE BEEN ON THIS BOARD. I MEAN THE
2 RIGOR, THE QUALITY OF THE INDIVIDUALS INVOLVED, THE
3 WORK IS GRUELING. AND THE BENEFIT THAT IT PROVIDES
4 TO OUR PROGRAM IS SOMETHING THAT, IN TERMS OF THE
5 ANALYSIS, THE FEEDBACK, THE DIALOGUE, I JUST THOUGHT
6 IT WAS EXCEPTIONAL.

7 BUT ONE OF THE THINGS I THOUGHT IS IS IT
8 AN IDEA HERE THAT WE MIGHT START THINKING ABOUT
9 DEVELOPING CORES? I MEAN JUST BECAUSE THAT WORD --
10 IT'S KIND OF IMPLIED IN HERE. IT'S KIND OF IMPLIED,
11 BUT JUST TO GET TO A LITTLE MORE, AGAIN, GRANULARITY
12 BECAUSE I DO THINK SOME OF THESE THINGS, SOME CORE
13 FACILITIES, BUT CORE THINGS WHERE PEOPLE CAN JUST
14 KIND OF -- AND IT ALMOST SEEMS LIKE DE FACTO AT
15 LEAST ON SOME OF THE CELL MANUFACTURING PROCESSES,
16 WE ARE GETTING SOME CORES THAT ARE KIND OF EMERGING.

17 DR. FEIGAL: THIS CAME OUT. THIS ONE
18 SLIDE DOESN'T DO JUSTICE TO ACTUALLY A VERY
19 EXTENSIVE AND RICH WEALTH OF INFORMATION AND
20 COMMENTS THAT WE'VE GOTTEN FROM THIS GROUP. BUT
21 THEY DID -- THERE SEEMED TO BE SOME KEY ISSUES THAT
22 ARISE AMONG ALL THESE DIFFERENT TEAMS. IT COULD BE
23 IN MANUFACTURING. IT COULD BE IN SOME OF THE
24 PRECLINICAL ANIMAL MODELS. THERE WERE SOME VERY KEY
25 ISSUES THAT WERE PROMINENT IN VARIOUS SCENARIOS, AND

BARRISTERS' REPORTING SERVICE

1 ONE COULD BE A CORE WHERE PEOPLE COULD GO TO.
2 FRANKLY, THAT MAY BE VERY COST EFFICIENT ALSO FOR
3 CIRM IN THAT WE DON'T START THESE AD HOC THINGS ALL
4 OVER THE PLACE. WE ACTUALLY HAVE CORES OF
5 EXCELLENCE THAT PEOPLE COULD UTILIZE.

6 BUT THE OTHER THING WAS ALSO THE KNOWLEDGE
7 BASE, THAT THERE'S ACCESS TO EXPERTISE AS WELL. SO
8 I THINK BOTH THOSE THINGS CAME ACROSS IN THEIR
9 COMMENTS.

10 MR. SHEEHY: I THINK THAT'S OUTSTANDING.
11 THANK YOU. AND THANK YOU FOR YOUR PRESENTATION.

12 DR. JUELSGAARD: ELLEN, IF I COULD JUST
13 CHIME IN ON DECISION ANALYSIS JUST FOR A MOMENT
14 BECAUSE IT'S SORT OF A BUZZ WORD. BUT I EFFECTIVELY
15 THINK WHAT IT MEANS, IT REALLY APPLIES TO BOTH
16 PORTFOLIO MANAGEMENT AND PRIORITIZATION, WHICH IS
17 SOMETHING THAT'S COME UP SEVERAL TIMES DURING THE
18 COURSE OF YOUR CONVERSATION. WHAT WE'RE GOING TO
19 NEED TO DO IS TO DEVELOP A FRAMEWORK THAT ALLOWS FOR
20 PRIORITIZATION WITHIN A PORTFOLIO AND MANAGING A
21 MANUFACTURER. AND THAT'S WHAT CREATING A FRAMEWORK
22 FOR MAKING THOSE DECISIONS.

23 SO EVERY COMPANY THAT IS INVOLVED WITH A
24 RANGE OF PRODUCTS INVESTMENT AND MANAGES THOSE BOTH
25 ACROSS THAT PORTFOLIO AND ON A CASE-BY-CASE BASIS

BARRISTERS' REPORTING SERVICE

1 USES A SYSTEM FOR DOING THAT. SO THE COMPANY THAT I
2 WAS AT WE USED WHAT WE CALLED A PTS SYSTEM OR
3 PROBABILITY OF TECHNICAL SUCCESS. AND THERE WERE
4 INPUTS FROM ALL OF THE AREAS THAT YOU NEEDED TO DEAL
5 WITH. SO NOT JUST THE DEVELOPMENT AREA, BUT ALSO
6 THE REGULATORY AREA, THE MANUFACTURING AREA, ETC.,
7 AND YOU ASCRIBE PROBABILITIES OF SUCCESS IN EACH OF
8 THOSE AREAS WHICH ABROGATED INTO AN OVERALL
9 PROBABILITY OF TECHNICAL SUCCESS ON A
10 PRODUCT-BY-PRODUCT BASIS WHICH ALLOWED YOU TO
11 COMPARE PRODUCTS ACROSS THE PORTFOLIO.

12 AND IF WE'RE GOING TO GET INTO PORTFOLIO
13 MANAGEMENT AND PRIORITIZATION, WHICH I BELIEVE WE
14 SHOULD, WE NEED AS AN ORGANIZATION TO DEVELOP THAT
15 IN TERMS OF THE FUNDING THAT WE PROVIDE AND THEN
16 PROVIDE THAT FRAMEWORK TO PEOPLE WHO ARE MAKING
17 RECOMMENDATIONS TO THE ICOC ON WHAT PROJECTS TO
18 SUPPORT AND WHAT PROJECTS NOT TO SUPPORT IN THE
19 FUTURE.

20 DR. FEIGAL: I SHOULD SAY THE CLINICAL
21 DEVELOPMENT ADVISORS ALSO SUGGESTED THAT KIND OF
22 APPROACH WHERE WE'RE LOOKING AT IT IN A VERY
23 SYSTEMATIC WAY.

24 CHAIRMAN THOMAS: OTHER COMMENTS FROM
25 MEMBERS OF THE BOARD? WOULD NOTE, ELLEN, THAT A LOT

BARRISTERS' REPORTING SERVICE

1 OF THESE AS YOU GO ALONG, AND RECEIVING
2 RECOMMENDATIONS AND FEEDBACK, THAT THERE ARE MANY OF
3 THE THINGS RECOMMENDED THAT WE'RE ALREADY LOOKING TO
4 IMPLEMENT EVEN TODAY, AND THAT THIS PROCESS OF
5 DEVELOPING THE STRATEGIC PLAN IS A VERY VALUABLE
6 UNDERTAKING THAT INFORMS THINGS AS WE GO ALONG, NOT
7 JUST WHAT WE WILL DO AFTER THE STRATEGIC PLAN IS
8 FINALLY ADOPTED.

9 OTHER COMMENTS? THANK YOU VERY MUCH. WE
10 HAVE COMMENTS FROM MEMBERS OF THE PUBLIC ON THE
11 STRATEGIC PLAN PRESENTATION? I THINK WE'VE HAD LOTS
12 OF COMMENTS FROM THE PUBLIC TO THIS POINT WHICH HAVE
13 BEEN FULLY INCORPORATED. THANK YOU VERY MUCH. THAT
14 WAS AN EXCELLENT PRESENTATION.

15 NOW PROCEED TO AGENDA ITEM NO. 8,
16 CONSIDERATION OF THE INTELLECTUAL PROPERTY
17 SUBCOMMITTEE MISSION STATEMENT. IS THAT GOING TO BE
18 DONE, MR. JUELSGAARD, BY YOU OR BY ELONA ON BEHALF
19 OF THE STAFF?

20 DR. JUELSGAARD: I'M HAPPY TO DO IT.

21 CHAIRMAN THOMAS: WHY DON'T WE GO STRAIGHT
22 TO THE SOURCE HERE. MR. JUELSGAARD.

23 DR. JUELSGAARD: SO AT A -- SEVERAL MONTHS
24 AGO AT A MEETING OF THE INTELLECTUAL PROPERTY
25 COMMITTEE, ONE OF THE ISSUES THAT CAME UP, BECAUSE,

BARRISTERS' REPORTING SERVICE

1 IF YOU RECALL, THE MISSION STATEMENT FOR THE
2 INTELLECTUAL PROPERTY SUBCOMMITTEE GOT CREATED, IN
3 ESSENCE, ON THE RUN AT THE FIRST MEETING OF THE
4 ORGANIZATION THAT I WAS AT LAST SUMMER. AND
5 SUBSEQUENT TO THAT, THE SUBCOMMITTEE SAT DOWN AND
6 REALLY LOOKED AT THAT MISSION STATEMENT AND FELT IT
7 COULD USE SOME REDESIGN. SO, IN ESSENCE, WHAT WE
8 DID WAS WE COLLAPSED -- THERE WERE FIVE PARTS TO THE
9 MISSION STATEMENT AT THAT POINT. WE COLLAPSED THOSE
10 FIVE PARTS INTO THREE PARTS, WHICH ARE IN THE
11 READING MATERIALS. I DON'T HAVE THESE MATERIALS IN
12 FRONT OF ME.

13 BUT ANYWAY, IN YOUR BINDERS ON THE BACK
14 PAGE UNDER TAB 8 OR THE BACK OF THAT SINGLE PAGE
15 UNDER TAB 8, YOU WILL SEE THE PROPOSED MISSION
16 STATEMENT. AND WHAT WE DID WAS COLLAPSE THE FIVE
17 POINTS OF THE MISSION STATEMENT THAT EXISTED LAST
18 SUMMER INTO THE FIRST THREE AND THEN ADDED TWO
19 ADDITIONAL POINTS WHICH REALLY RELATED TO ENGAGEMENT
20 WITH INDUSTRY. AND AS YOU WILL RECALL, AT THE LAST
21 MEETING WE EXPANDED THE SCOPE OF THE MISSION OF THIS
22 SUBCOMMITTEE TO BE BOTH INTELLECTUAL PROPERTY AND
23 INDUSTRY ENGAGEMENT SUBCOMMITTEE. SO IT HAS TWO
24 DIFFERENT ASPECTS TO IT. AND THE LAST TWO PARTS OF
25 THE MISSION STATEMENT REALLY GO TO OUR GOALS IN

BARRISTERS' REPORTING SERVICE

1 TERMS OF ENGAGING WITH INDUSTRY.

2 SO THIS MISSION STATEMENT IS REALLY
3 DESIGNED TO UNDERPIN THE WORK OF THE IP AND INDUSTRY
4 ENGAGEMENT SUBCOMMITTEE. AND WE HAD INTENDED TO
5 HAVE THAT APPROVED AT THE LAST MEETING, BUT TIME GOT
6 SHORT AS MANY OF YOU WILL RECALL. SO ARE THERE ANY
7 QUESTIONS?

8 CHAIRMAN THOMAS: THANK YOU, MR.
9 JUELSGAARD. ARE THERE ANY COMMENTS BY MEMBERS OF
10 THE BOARD? ANY COMMENTS BY MEMBERS OF THE PUBLIC?
11 HEARING NONE, DO I HEAR A MOTION TO APPROVE?

12 DR. JUELSGAARD: SO MOVED.

13 CHAIRMAN TORRES: SECOND.

14 CHAIRMAN THOMAS: MOVED BY MR. JUELSGAARD,
15 SECONDED BY SENATOR TORRES. ALL THOSE IN FAVOR
16 PLEASE SAY AYE. OPPOSED? ABSTENTIONS? MOTION
17 PASSED. THANK YOU.

18 MR. HARRISON: WE NEED TO POLL THOSE
19 MEMBERS WHO ARE PARTICIPATING BY PHONE INDIVIDUALLY.

20 CHAIRMAN THOMAS: MARIA IS ABOUT TO DO
21 THAT. STAY TUNED, THOSE MEMBERS ON THE PHONE.

22 MS. BONNEVILLE: SAM HAWGOOD. PHIL PIZZO.

23 DR. PIZZO: HERE, BUT I DON'T THINK YOU
24 CAN HEAR ME.

25 MS. BONNEVILLE: WE CAN HEAR YOU.

BARRISTERS' REPORTING SERVICE

1 DR. PIZZO: OKAY. WELL, THEN, I SHOULD
2 SAY A LITTLE WHILE AGO DON REED WANTED TO MAKE A
3 COMMENT AND HE COULDN'T GET THROUGH. SO WHEN YOU
4 COME -- WHEN YOU HAVE A MOMENT AFTER THIS, HE HAD A
5 COMMENT TO MAKE ABOUT A PRIOR DISCUSSION.

6 CHAIRMAN THOMAS: THANK YOU VERY MUCH.
7 DON, CAN YOU HEAR US?

8 MR. REED: YES, I CAN HEAR YOU.

9 DR. PIZZO: NOW HE'S SITTING RIGHT NEXT TO
10 ME. HE JUST COULDN'T BE HEARD EARLIER.

11 CHAIRMAN THOMAS: PLEASE PROCEED.

12 MR. REED: THANK YOU. MARK TWAIN INVESTED
13 HEAVILY IN THE TYPEWRITER, BUT LOST ALL HIS MONEY
14 BECAUSE THERE WAS A SMALL TECHNICAL GLITCH WHICH WAS
15 NOT DISCOVERED TILL YEARS AFTER HIS DEATH. I WONDER
16 IF IT'S POSSIBLE -- I'VE BEEN FOLLOWING THE ATTEMPT
17 TO REEVALUATE THE GOALS. IT'S WONDERFUL. IT'S VERY
18 EXHAUSTIVE. BUT I WONDER IF THERE'S A WAY TO REACH
19 OUT TO HOSPITALS AND TO BIOMEDICAL AND MEDICAL
20 EQUIPMENT COMPANIES IN CALIFORNIA. FOR INSTANCE, I
21 FOUND A BEAUTIFUL BOOK WHICH HAS ALL OF THE BIOMED
22 COMPANIES IN CALIFORNIA AND WASHINGTON. NEXT TIME
23 I'M IN SAN FRANCISCO I'LL DROP IT OFF BECAUSE IT
24 WOULD BE GREAT, IT SEEMS TO ME, IF THEY COULD AT
25 LEAST HAVE AN E-MAIL SURVEY THAT THEY COULD FILL OUT

BARRISTERS' REPORTING SERVICE

1 SO THEY CAN GIVE THEIR THOUGHTS BECAUSE THERE MIGHT
2 BE SOME VALUE THERE. THANK YOU.

3 CHAIRMAN THOMAS: THANK YOU. DR. FEIGAL,
4 COULD YOU PERHAPS RESPOND TO THAT ON BEHALF OF
5 STAFF?

6 DR. FEIGAL: IT SOUNDS LIKE YOU'RE ASKING
7 US TO ALSO GET INPUT FROM ADDITIONAL STAKEHOLDERS
8 LIKE HOSPITALS OR THIRD-PARTY PAYERS. IS THAT PART
9 OF WHAT YOU'RE ASKING?

10 MR. REED: YES. BIOMEDICAL COMPANIES.
11 THERE'S A LOT OF LARGE AND SMALL. THERE'S -- THE
12 HOSPITALS, BOARD OF DIRECTORS PERHAPS, BUT I JUST
13 THINK THE MORE -- IT WOULD ALSO BE PART OF THE
14 OUTREACH IN GENERAL TO LET ALL OF CALIFORNIA KNOW
15 THE MAGNIFICENT WORK THAT'S GOING ON. THAT WOULD BE
16 MY THOUGHT.

17 DR. FEIGAL: DON, NEXT TIME YOU DROP IT
18 OFF, COME IN AND TALK TO ME, AND I CAN GO OVER IT
19 WITH YOU IN MORE DETAIL.

20 MR. REED: THANK YOU.

21 CHAIRMAN THOMAS: THANK YOU, DR. FEIGAL.
22 THANK YOU, DON. YES, MR. HARRISON.

23 MR. HARRISON: COULD WE GET DR. PIZZO'S
24 VOTE ON THAT MOTION, SO WE CAN --

25 DR. PIZZO: YES.

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: THANK YOU. FOR THE RECORD
2 THE MOTION CARRIES.

3 CHAIRMAN THOMAS: THANK YOU. ALWAYS GOOD
4 TO HAVE JAMES RIDING HERD ON THESE THINGS.

5 GOING ON TO ITEM NO. 9, WHICH IS
6 CONSIDERATION OF RESEARCH LEADERSHIP AWARD
7 APPLICATION.

8 DR. TROUNSON: DR. YAFFE.

9 CHAIRMAN THOMAS: DR. YAFFE WILL PRESENT
10 ON THIS MATTER. YES, DR. STEWARD.

11 DR. STEWARD: I JUST WANT TO ANNOUNCE THAT
12 I'M IN CONFLICT ON THIS, SO I'M ACTUALLY GOING TO
13 LEAVE THE ROOM.

14 CHAIRMAN THOMAS: THANK YOU. ANY OTHER
15 CONFLICTS ON THE BOARD?

16 MR. HARRISON: JUST FOR THE RECORD, DR.
17 STEWARD, YOU'RE FREE TO STAY. YOU'RE NOT REQUIRED
18 TO LEAVE THE ROOM, BUT IT'S YOUR DECISION.

19 DR. STEWARD: YEAH. THIS IS ACTUALLY A
20 SITUATION WHERE I'M DIRECTLY COLLABORATING WITH THIS
21 PERSON, SO I FELT IT WOULD BE MORE APPROPRIATE TO
22 USE SORT OF NIH PROTOCOL AND LEAVE THE ROOM.

23 MR. HARRISON: THAT'S FINE. THANK YOU.

24 DR. YAFFE: MR. CHAIRMAN, MEMBERS OF THE
25 BOARD, MEMBERS OF THE PUBLIC, I BRING FOR YOUR

BARRISTERS' REPORTING SERVICE

1 CONSIDERATION RECOMMENDATIONS FROM THE GRANTS
2 WORKING GROUP ON ITS MOST RECENT ROUND OF RESEARCH
3 LEADERSHIP AWARDS. THIS IS AGENDA ITEM NO. 9.

4 JUST AS A REMINDER, THE RESEARCH
5 LEADERSHIP AWARDS HAVE AS THEIR GOAL TO FACILITATE
6 RECRUITMENT TO CALIFORNIA OF THE MOST PRODUCTIVE AND
7 PROMISING EARLY TO MIDCAREER SCIENTISTS IN STEM CELL
8 BIOLOGY AND REGENERATIVE MEDICINE, AND, ONCE WE
9 RECRUIT THESE INDIVIDUALS, TO SUPPORT THEIR ROBUST
10 AND INNOVATIVE RESEARCH PROGRAMS FOCUSED ON
11 FUNDAMENTAL STUDIES OF THE PLURIPOTENT AND
12 PROGENITOR STEM CELL BIOLOGY AND/OR TRANSLATIONAL
13 STUDIES LEADING TO INNOVATIVE STEM CELL-BASED
14 THERAPIES FOR DISEASE AND INJURY.

15 THE RESEARCH LEADERSHIP AWARDS PROGRAM IS
16 OPEN TO NONPROFIT CALIFORNIA INSTITUTIONS. THE
17 CANDIDATE OR PI, PRINCIPAL INVESTIGATOR, MUST HOLD A
18 POSITION OUTSIDE CALIFORNIA WHEN THE APPLICATION IS
19 MADE AND PRIOR TO APPROVAL AND HAVE BEEN INDEPENDENT
20 FOR AT LEAST THREE YEARS. CANDIDATES MUST BE UNDER
21 CONSIDERATION FOR RECRUITMENT TO A FULL-TIME
22 POSITION. THE APPLICATION ACTUALLY COMES FROM THE
23 INSTITUTION, AND INDIVIDUAL INSTITUTIONS MAY RECEIVE
24 ONLY ONE AWARD.

25 YOU ORIGINALLY AUTHORIZED UP TO EIGHT

BARRISTERS' REPORTING SERVICE

1 AWARDS TO BE MADE. TO DATE TWO AWARDS HAVE BEEN
2 MADE, ONE TO DR. ROBERT WECHSLER-REYA AT
3 SANFORD-BURNHAM INSTITUTE, THE SECOND TO DR. PETER
4 COFFEY AT UNIVERSITY OF THE CALIFORNIA SANTA
5 BARBARA.

6 THESE AWARDS FEATURE RESEARCH SUPPORT FOR
7 UP TO SIX YEARS AND THE STIPULATION THAT THE AWARDEE
8 MUST COMMIT AT LEAST 75 PERCENT OF THEIR TIME TO
9 STEM CELL AND REGENERATIVE MEDICINE RESEARCH.
10 ADDITIONALLY, ELIGIBLE COSTS INCLUDE THE PI'S
11 SALARY, LAB OPERATIONS, LAB RELOCATION, EQUIPMENT
12 WHICH MUST BE MATCHED BY THE INSTITUTION, AND
13 APPROPRIATE FACILITIES AND INDIRECT COSTS.

14 THE RESEARCH LEADERSHIP AWARDS ARE
15 REVIEWED BY THE GRANTS WORKING GROUP. THE CRITERIA
16 FOR REVIEW INCLUDES THREE KEY AREAS. FIRST,
17 RESEARCH VISION AND PLANS. THE REVIEWERS CONSIDER
18 THE SIGNIFICANCE OF THE PROPOSED RESEARCH AND ITS
19 INNOVATION BOTH IN TERMS OF THE FOCUS AND THE
20 APPROACH. THEY ALSO CONSIDER THE PI'S PAST
21 ACCOMPLISHMENTS AND POTENTIAL FOR FUTURE
22 CONTRIBUTIONS. HERE THERE'S PARTICULAR
23 CONSIDERATION FOR RESEARCH ACHIEVEMENTS, THE IMPACT
24 OF DISCOVERIES, AND WORK THAT'S ALREADY OCCURRED.
25 THE LEADERSHIP, BOTH PREVIOUS ROLES AND ACTIVITY IN

BARRISTERS' REPORTING SERVICE

1 LEADERSHIP AND THE POTENTIAL FOR FUTURE LEADERSHIP,
2 AND AN ASSESSMENT OF ACCOMPLISHMENTS AND POTENTIAL
3 BY LEADERS IN THE FIELD, AND THIS IS THE
4 CONSIDERATION OF LETTERS OF RECOMMENDATION.

5 AND THE THIRD AREA FOR CONSIDERATION IS
6 THE INSTITUTIONAL COMMITMENT AND ENVIRONMENT. HERE,
7 WHAT IS THE INSTITUTION GOING TO PROVIDE? WHAT KIND
8 OF IMPACT WILL THE CANDIDATE HAVE ON THE INSTITUTION
9 AND THE LOCAL ENVIRONMENT? AND HOW WILL THAT LOCAL
10 ENVIRONMENT SUPPORT AND SYNERGIZE WITH THE
11 ACTIVITIES OF THE CANDIDATE?

12 HERE OUR MOST RECENT ROUND OF RESEARCH
13 LEADERSHIP AWARDS, AS MOST OF YOU KNOW, WE HAVE
14 DEADLINES APPROXIMATELY EVERY THREE MONTHS FOR THIS
15 AWARD. IT'S A ROTATING DEADLINE. IN THE LATEST
16 REVIEW CYCLE, APPLICATION DEADLINE WAS SEPTEMBER
17 28TH. WE HELD A GRANTS WORKING GROUP REVIEW MEETING
18 TELEPHONICALLY ON NOVEMBER 2D. AND HERE IS THE
19 RECOMMENDATION FOR THIS APPLICATION. THE TITLE OF
20 THE PROPOSAL IS "DEVELOPING A REGENERATION-BASED
21 FUNCTIONAL RESTORATION TREATMENT FOR SPINAL CORD
22 INJURY."

23 REQUESTED FUNDS ARE APPROXIMATELY 5.6
24 MILLION. THE GRANTS WORKING GROUP SCIENTIFIC
25 REVIEWERS VOTED A SCORE OF 86 FOR THIS PROPOSAL, 86

BARRISTERS' REPORTING SERVICE

1 OUT OF 100. THE ENTIRE GRANTS WORKING GROUP,
2 INCLUDING THE PATIENT ADVOCATE MEMBERS, VOTED TO
3 RECOMMEND THIS FOR FUNDING.

4 AT THIS POINT, I DON'T KNOW IF MR. SHEEHY
5 HAS ANY COMMENTS OR YOU HAVE ANY QUESTIONS FOR ME.

6 MR. SHESTACK: I JUST HAVE A QUESTION
7 ABOUT THE MECHANISM. YOU ACCEPT APPLICATIONS FOR
8 THIS AWARD EVERY THREE MONTHS?

9 DR. YAFFE: THAT'S CORRECT.

10 MR. SHESTACK: WHAT'S THE PHILOSOPHY --
11 AND YET WE'RE GOING TO DO EIGHT OVER THE ENTIRE
12 TERM?

13 DR. YAFFE: THE BOARD HAS AUTHORIZED
14 EIGHT.

15 MR. SHESTACK: AND WHAT IS THE PHILOSOPHY
16 OF EVERY THREE MONTHS? HAVE THEY ALWAYS BEEN -- MY
17 RECOLLECTION, THEY'VE ALWAYS BEEN CONSIDERED
18 INDIVIDUALLY, NEVER SORT OF AS IF THEY WERE IN
19 COMPETITION WITH EACH OTHER.

20 DR. YAFFE: WELL, WE HAVEN'T RECEIVED MORE
21 THAN ONE APPLICATION IN ANY DEADLINE. SOME
22 DEADLINES WE HAVEN'T RECEIVED ANY. THE PHILOSOPHY
23 OF EVERY THREE MONTHS IS -- A KEY FEATURE OF THIS
24 AWARD IS THE RECRUITMENT PROCESS. ACADEMIC
25 RECRUITMENT, AS MANY OF YOU KNOW, IS A VERY

BARRISTERS' REPORTING SERVICE

1 DIFFICULT ENDEAVOR, INVOLVES A LOT OF BACK AND
2 FORTH, IT INVOLVES COMPETING OFFERS, NEGOTIATION.
3 WE JUST WANT TO TRY AND BE NIMBLE AND BE ABLE TO
4 PROVIDE THIS AS A TOOL TO RECRUIT SOME OF THESE
5 EMERGING STARS TO CALIFORNIA. AND THAT'S THE REASON
6 WE HAVE EVERY THREE MONTHS.

7 IN THEORY, WE COULD HAVE A COMPETITION
8 WHERE WE RECEIVE SEVERAL APPLICATIONS AT ONE
9 DEADLINE. THAT HASN'T HAPPENED YET.

10 MR. SHESTACK: SO IT'S NOT REALLY A
11 COMPETITION. IT IS A RECRUITMENT TOOL.

12 DR. YAFFE: IT'S A RECRUITMENT TOOL. IT'S
13 A COMPETITION IN THE SENSE THAT THE GRANTS WORKING
14 GROUP REVIEWS AND CONSIDERS IT, BUT THEY DON'T HAVE
15 ANYTHING DIRECT TO COMPARE IT TO. THEY HAVE THEIR
16 EXPERIENCE WITH RECRUITMENT.

17 MR. SHESTACK: I THINK IT'S AN EXCELLENT
18 AWARD. I BRING IT UP BECAUSE THERE WILL BE ISSUES
19 LATER IN THE DAY HAVING TO DO WITH OUR POLICY ABOUT
20 BEING COMPETITIVE ON CERTAIN GRANTS AND PUTTING
21 EVERYTHING UP TO COMPETITION RATHER THAN CONTRACTS,
22 FOR INSTANCE. AND I JUST WANTED TO POINT OUT THAT
23 THIS IS AN INSTANCE WHERE THIS IS NOT A COMPETITIVE
24 GRANT. THIS IS SOMETHING WE'RE DOING TO CREATE
25 RESOURCES FOR STEM CELL SCIENCE IN CALIFORNIA AND WE

BARRISTERS' REPORTING SERVICE

1 FOUND A MECHANISM TO DO IT, WHICH IS THE GOAL. SO I
2 JUST WANTED TO UNDERSTAND.

3 DR. YAFFE: ABSOLUTELY. WE MIGHT CONSIDER
4 THIS COMPETITIVE AGAINST CRITERIA.

5 MR. SHESTACK: RIGHT. COMPETITIVE TOWARDS
6 EXCELLENCE.

7 DR. YAFFE: YES.

8 MR. SHESTACK: OF COURSE. OKAY. THANK
9 YOU.

10 DR. JUELSGAARD: I APOLOGIZE FOR MY LACK
11 OF FAMILIARITY WITH THIS PROGRAM, BUT I JUST HAVE A
12 COUPLE OF FINANCIALLY RELATED QUESTIONS. SO AS I
13 UNDERSTAND IT, IN THIS PARTICULAR CASE WE'RE TALKING
14 ABOUT \$5.6 MILLION OVER FIVE YEARS. SO IS THAT PAID
15 OUT ON AN ANNUAL BASIS?

16 DR. YAFFE: WE MAKE PAYMENTS QUARTERLY.

17 DR. JUELSGAARD: QUARTERLY. OKAY.

18 DR. YAFFE: ALTHOUGH THERE MAY BE SOME
19 UP-FRONT COSTS; FOR EXAMPLE, WE WILL SUPPLY UP TO \$1
20 MILLION FOR EQUIPMENT WHICH HAS TO BE MATCHED BY THE
21 INSTITUTION. IN THEORY THAT COULD COME ON DAY ONE
22 OR IT COULD COME ON THE -- IT COULD COME TOWARDS THE
23 END.

24 DR. JUELSGAARD: AND THE OTHER QUESTION IS
25 IS WHAT HAPPENS IN THE EVENT OF SOME UNTOWARD -- IF

BARRISTERS' REPORTING SERVICE

1 THERE IS AN UNTOWARD EVENT, AN UNFORTUNATE DEATH OR
2 THE INVESTIGATOR SUDDENLY DECIDES THAT THEY WANT TO
3 GO BACK TO WHERE THEY CAME FROM BECAUSE THIS ISN'T
4 REALLY TURNING OUT TO BE THE PLACE FOR THEM OR THEIR
5 FAMILY TO BE, DO WE STOP THE FUNDING AT THAT POINT?

6 DR. YAFFE: ABSOLUTELY. SO, FIRST OF ALL,
7 THESE AWARDS CANNOT MOVED EVEN WITHIN CALIFORNIA,
8 CANNOT BE MOVED TO ANOTHER INSTITUTION BECAUSE WE
9 DIDN'T WANT INSTITUTIONS COMPETING WITH EACH OTHER
10 TO TRY AND STEAL SOMEONE. BUT SECOND, AS WITH ALL
11 OUR AWARDS, THESE AWARDS ARE MONITORED ANNUALLY WITH
12 PROGRESS REPORT. WE WILL CUT THE AWARD OFF OR --
13 WELL, FIRST, WE'LL HAVE A DISCUSSION AND POTENTIALLY
14 COULD CUT THE AWARD OFF IF PROGRESS ISN'T
15 SUFFICIENT, IF THE SCOPE CHANGED, IF THE DIRECTION
16 CHANGED; AND CERTAINLY IF THE PERSON LEFT
17 CALIFORNIA, THAT WOULD BE THE END OF THE AWARD.

18 MR. JUELSGAARD: THANK YOU.

19 CHAIRMAN THOMAS: ANY OTHER COMMENTS BY
20 MEMBERS OF THE BOARD? ANY COMMENTS BY MEMBERS OF
21 THE PUBLIC?

22 MR. REED: YES. THIS IS DON REED.

23 CHAIRMAN THOMAS: YES, DON.

24 MR. REED: YES. I'VE KNOWN THE INDIVIDUAL
25 INVOLVED FOR A NUMBER OF YEARS. HE ALWAYS PROMISES

BARRISTERS' REPORTING SERVICE

1 LESS THAN HE CAN DELIVER. THIS IS A SUPERLATIVE
2 HARDWORKING PERSON. THIS IS A CHAMPION OF THE
3 FIELD. I URGE AN AYE VOTE. THANK YOU.

4 CHAIRMAN THOMAS: THANK YOU, DON. ANY
5 OTHER COMMENTS BY MEMBERS OF THE PUBLIC? HEARING
6 NONE, DO I HEAR A MOTION TO APPROVE?

7 DR. PRIETO: SO MOVED.

8 CHAIRMAN THOMAS: SO MOVED BY DR. PRIETO.
9 DO I HEAR A SECOND?

10 MS. GIBBONS: SECOND.

11 CHAIRMAN THOMAS: SECOND BY LEEZA GIBBONS.
12 ALL THOSE IN FAVOR PLEASE SAY AYE. YES, JAMES.

13 MR. HARRISON: WE NEED TO DO A ROLL CALL
14 VOTE ON THIS MOTION.

15 CHAIRMAN THOMAS: ROLL CALL VOTE. OKAY.
16 SORRY.

17 MS. BONNEVILLE: ROBERT PRICE.

18 DR. PRICE: YES.

19 MS. BONNEVILLE: FLOYD BLOOM. DAVID
20 BRENNER. JACOB LEVIN FOR SUSAN BRYANT.

21 DR. LEVIN: YES.

22 MS. BONNEVILLE: MARCY FEIT.

23 MS. FEIT: YES.

24 MS. BONNEVILLE: TED KRONIRIS.

25 DR. KRONIRIS: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: LEEZA GIBBONS.
2 MS. GIBBONS: YES.
3 MS. BONNEVILLE: MICHAEL GOLDBERG. SAM
4 HAWGOOD.
5 DR. HAWGOOD: YES.
6 MS. BONNEVILLE: STEPHEN JUELSGAARD.
7 DR. JUELSGAARD: YES.
8 MS. BONNEVILLE: TED LOVE. BERT LUBIN.
9 SHLOMO MELMED.
10 DR. MELMED: YES.
11 MS. BONNEVILLE: PHIL PIZZO.
12 DR. PIZZO: YES.
13 MS. BONNEVILLE: KEN BURTIS.
14 DR. BURTIS: YES.
15 MS. BONNEVILLE: FRANCISCO PRIETO.
16 DR. PRIETO: AYE.
17 MS. BONNEVILLE: ELIZABETH FINI.
18 DR. FINI: YES.
19 MS. BONNEVILLE: ROBERT QUINT.
20 DR. QUINT: YES.
21 MS. BONNEVILLE: DUANE ROTH. JOAN
22 SAMUELSON. DAVID SERRANO-SEWELL.
23 MR. SERRANO-SEWELL: YES.
24 MS. BONNEVILLE: JEFF SHEEHY.
25 MR. SHEEHY: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: JONATHAN SHESTACK.

2 MR. SHESTACK: YES.

3 MS. BONNEVILLE: JONATHAN THOMAS.

4 CHAIRMAN THOMAS: YES.

5 MS. BONNEVILLE: ART TORRES.

6 MR. TORRES: AYE.

7 MS. BONNEVILLE: KRISTINA VUORI.

8 DR. VUORI: YES.

9 MS. BONNEVILLE: JAMES ECONOMOU.

10 DR. ECONOMOU: YES.

11 DR. YAFFE: WOULD YOU LIKE ME TO ANNOUNCE

12 THE NAME OF THE INDIVIDUAL BECAUSE WE HAVEN'T

13 REVEALED THAT IN PUBLIC YET; BUT NOW THAT THE

14 AWARD'S BEEN MADE, THIS IS DR. ZHIGANG HE CURRENTLY

15 FROM CHILDREN'S HOSPITAL IN BOSTON, HARVARD MEDICAL

16 SCHOOL. HE'S BEING RECRUITED TO UNIVERSITY OF

17 CALIFORNIA BERKELEY. AND WE HAVE EVERY INDICATION

18 THAT THIS IS GOING TO BE A SUCCESSFUL RECRUITMENT.

19 CHAIRMAN THOMAS: THANK YOU VERY MUCH.

20 DR. TROUNSON: SO, CHAIR, JUST IN TERMS OF

21 ENDORSEMENT FOR THE BOARD, I THINK HE'S AN

22 EXCEPTIONAL PERSON. AND REALLY THERE ARE THREE

23 EXCEPTIONAL PEOPLE NOW THAT WE'VE GOT UNDER THAT

24 LEADERSHIP PROGRAM. THEY'RE ASTONISHINGLY GOOD.

25 THEY REALLY ARE TOP PEOPLE IN THE FIELD, AND THEY'RE

BARRISTERS' REPORTING SERVICE

1 ACTUALLY GOING TO DO SOMETHING VERY SPECIAL, ALL
2 THREE OF THEM. IN PARTICULAR THIS LAST CANDIDATE IS
3 JUST A SUPERB RESEARCHER. SO FROM ALL THE PEOPLE
4 THAT I KNOW, HE'S REALLY ONE OF THOSE PEOPLE OF
5 SUPERB EXCELLENCE, AND I THINK WE'VE DONE WELL TO BE
6 ABLE TO A ATTRACT HIM.

7 CHAIRMAN THOMAS: THANK YOU, DR. TROUNSON.
8 I HAVE A QUESTION, MARIA. WE ARE, I AM HAPPY TO
9 REPORT, AHEAD OF SCHEDULE.

10 MR. TORRES: HERE. HERE.

11 CHAIRMAN THOMAS: AND SO WE WERE AT A
12 POINT WHERE WE WERE GOING TO PROCEED TO THE --

13 MS. BONNEVILLE: LET'S TAKE A BRIEF BREAK
14 AND THEN WE'LL COME BACK AND THEN CONTINUE TILL THE
15 SPOTLIGHT.

16 CHAIRMAN THOMAS: SO WE'RE GOING TO
17 PROCEED TO THE SPOTLIGHT PRESENTATION; BUT I THINK
18 SINCE WE ARE AHEAD OF SCHEDULE, PERHAPS WE'LL DO A
19 QUICK BREAK AND WE'LL RESUME. AND IF WE'RE READY TO
20 GO WITH THAT, WE WILL. IF NOT, WE'LL PROCEED TO THE
21 ACTION ITEMS ON THE AGENDA. FIVE-MINUTE BREAK
22 PLEASE. EVERYBODY PLEASE COME BACK SHORTLY. THANK
23 YOU.

24 (A RECESS WAS TAKEN.)

25 CHAIRMAN THOMAS: WE'RE NOW GOING TO

BARRISTERS' REPORTING SERVICE

1 PROCEED -- WE'RE GOING TO SKIP OVER THE SPOTLIGHT,
2 WHICH WE'LL HAVE A LITTLE BIT LATER, AND PROCEED TO
3 ITEM NO. 12, CONSIDERATION OF THE APPOINTMENT OF
4 PATIENT ADVOCATE AND SCIENTIFIC MEMBERS OF THE
5 GRANTS WORKING GROUP. DR. SAMBRANO.

6 DR. SAMBRANO: OKAY. THANK YOU VERY MUCH,
7 MR. CHAIRMAN, MEMBERS OF THE BOARD, MEMBERS OF THE
8 PUBLIC. SO TODAY WE'RE BRINGING FOR YOUR
9 CONSIDERATION FIVE NOMINEES FOR GRANTS WORKING GROUP
10 MEMBERS, SCIENTIFIC MEMBERS, THAT ARE BRINGING KEY
11 SCIENTIFIC, TRANSLATIONAL, AND PRODUCT DEVELOPMENT
12 EXPERTISE IN AREAS SUCH AS SCNT, CANCER, SPINAL CORD
13 INJURY, AND NEUROLOGICAL DISEASE. THEIR BIOGRAPHIES
14 ARE IN SECTION 12 OF YOUR NOTEBOOKS, AND I WILL JUST
15 STATE THE NAME OF THE SCIENTIFIC MEMBERS THAT WE ARE
16 NOMINATING.

17 THEY INCLUDE DR. MICKIE BHATIA FROM
18 MCMASTER UNIVERSITY; DR. JOHN HAMBOR FROM THE CELL
19 THERAPY GROUP; DR. SHOUKHRAT MITALIPOV FROM THE
20 OREGON HEALTH AND SCIENCE UNIVERSITY; DR. MARK NOBLE
21 FROM THE UNIVERSITY OF ROCHESTER; AND DR. JACQUELINE
22 SAGEN FROM THE UNIVERSITY MIAMI. AND SO FOR THESE
23 SCIENTIFIC MEMBERS WE'RE REQUESTING YOUR APPROVAL
24 AND APPOINTMENT AS MEMBERS OF THE GRANTS WORKING
25 GROUP.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: ARE THERE COMMENTS BY
2 THE BOARD? COMMENTS BY MEMBERS OF THE PUBLIC?

3 DR. STEWARD: SO MOVED.

4 CHAIRMAN THOMAS: SORRY, DR. STEWARD.
5 HE'S MOVING APPROVAL.

6 DR. KRONIRIS: SECOND.

7 CHAIRMAN THOMAS: SECOND BY DR. KRONIRIS.
8 DO WE HAVE ANY OTHER DISCUSSION? ALL THOSE IN FAVOR
9 PLEASE SAY AYE. OPPOSED? ABSTENTIONS? THANK YOU.

10 DR. SAMBRANO: SO I THINK WE'RE ALSO GOING
11 TO MOVE TO THE PATIENT ADVOCATE.

12 CHAIRMAN THOMAS: DR. PIZZO, WE NEED TO
13 HAVE YOUR VOTE. I'M SORRY.

14 MS. BONNEVILLE: PHIL PIZZO. SAM HAWGOOD.

15 DR. HAWGOOD: AYE.

16 CHAIRMAN THOMAS: MORNING, SAM.

17 DR. HAWGOOD: MORNING.

18 CHAIRMAN THOMAS: OKAY. I WILL SAY, AS
19 ALWAYS, WE'RE VERY, VERY FORTUNATE TO HAVE SUCH
20 AUGUST MEMBERS ON THIS COMMITTEE. AND THANK YOU FOR
21 YOUR WORK, DR. SAMBRANO, IN MAKING THAT HAPPEN.

22 PART 2 OF ITEM 12 WITH RESPECT TO THE
23 PATIENT ADVOCATES OF THE GRANTS WORKING GROUP. CAN
24 I HAVE A MOTION TO REAPPOINT THE FOLLOWING PATIENT
25 ADVOCATES TO THE GRANTS WORKING GROUP: MARCY FEIT,

BARRISTERS' REPORTING SERVICE

1 FRANCISCO PRIETO, JOAN SAMUELSON, DAVID
2 SERRANO-SEWELL, JEFF SHEEHY, JONATHAN SHESTACK, AND
3 TO A APPOINT OS STEWARD AS A NEW PATIENT ADVOCATE
4 MEMBER TO THE GRANTS WORKING GROUP, REPLACING SHERRY
5 LANSING, WHO I WILL COMMENT ON HER TERRIFIC
6 CONTRIBUTION WHEN SHE COMES BACK IN THE ROOM.

7 YES, JAMES.

8 MR. HARRISON: CHAIR, MEMBERS WHO ARE
9 POTENTIAL APPOINTEES OR REAPPOINTEES SHOULD ABSTAIN
10 FROM THIS DISCUSSION AND VOTE.

11 CHAIRMAN THOMAS: THANK YOU.

12 DR. PIZZO: HAPPY TO MOVE THIS.

13 CHAIRMAN THOMAS: THANK YOU. MOVED BY
14 DEAN PIZZO.

15 DR. PIZZO: PART OF THE NEW STANFORD AND
16 UCSF MERGER.

17 CHAIRMAN THOMAS: WE'LL SAY SECONDED BY
18 DEAN HAWGOOD AND SIMULTANEOUSLY BY SENATOR TORRES.

19 CAN WE HAVE THOSE MEMBERS WHO ARE NOT THE SUBJECT
20 MATTER OF THIS VOTE PLEASE, THOSE THAT APPROVE
21 PLEASE SAY AYE. OPPOSED? ABSTENTIONS? UNANIMOUS.

22 MR. HARRISON, YOU LOOK LIKE YOU'RE ABOUT TO SAY
23 SOMETHING. NO. THANK YOU VERY MUCH FOR YOUR
24 TREMENDOUS SERVICE, ONE AND ALL. THIS IS A MAJOR
25 RESPONSIBILITY AND OBVIOUSLY AT THE ABSOLUTE CORE OF

BARRISTERS' REPORTING SERVICE

1 THE GREAT WORK THAT WE DO HERE AT CIRM. SO THANK
2 YOU TO EVERYBODY.

3 MR. HARRISON: CHAIR, JUST TO BE CLEAR,
4 THE RECORD SHOULD REFLECT THAT THE MEMBERS WHO ARE
5 APPOINTEES DID NOT PARTICIPATE IN THAT VOICE VOTE.

6 DR. PIZZO: JAMES, THIS IS PHIL. CAN YOU
7 RESPOND TO THIS IF IT'S APPROPRIATE? DOES THIS MEAN
8 THAT SHERRY LANSING IS GOING OFF THE BOARD?

9 CHAIRMAN THOMAS: NO. OFF THE GRANTS
10 WORKING GROUP.

11 DR. PIZZO: OKAY. GREAT. I WAS HAVING A
12 CHEST PAIN JUST THINKING ABOUT IT.

13 CHAIRMAN THOMAS: NO. NO. NO. LET'S BE
14 VERY CLEAR ABOUT THAT.

15 DR. PIZZO: OKAY. GOOD. THANK YOU.

16 CHAIRMAN THOMAS: OKAY. NEXT WE'RE GOING
17 TO ITEM NO. 13, WHICH IS CONSIDERATION OF
18 APPOINTMENT AND/OR REAPPOINTMENT OF MEMBERS TO THE
19 STANDARDS WORKING GROUP.

20 MS. BONNEVILLE: ACTUALLY WE NEED TO ASK
21 SAM AND PHIL IF THEY COULD -- FOR THEIR VOTE FOR THE
22 PREVIOUS.

23 DR. PIZZO: YES.

24 DR. HAWGOOD: YES.

25 MS. BONNEVILLE: THANK YOU.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: GEOFF LOMAX IS GOING TO
2 PRESENT THIS ITEM NO. 13.

3 DR. LOMAX: MR. CHAIRMAN, MEMBERS OF THE
4 BOARD, AND THE PUBLIC, THANK YOU. THIS ITEM
5 ACTUALLY INVOLVES REAPPOINTMENT OF EXISTING MEMBERS
6 TO THE STANDARDS WORKING GROUP. AND TO REMIND
7 EVERYONE, THE STANDARDS WORKING GROUP IS COMPRISED
8 OF SCIENTISTS, MEDICAL ETHICISTS, AND PATIENT
9 ADVOCATE MEMBERS OF THE BOARD. AND WHAT I WILL
10 PRESENT IS A PROPOSAL FOR REAPPOINTMENT OF MEMBERS
11 TO THE SCIENTIFIC AND MEDICAL ETHICS PART OF THE
12 BOARD.

13 IF YOU'RE NOT AWARE, SEVEN OF OUR MEMBERS
14 HAVE SERVED SIX-YEAR TERMS, AND THAT'S REMARKABLE TO
15 THINK WE'VE HAD 19 MEETINGS OVER THOSE SIX YEARS.
16 AND I THINK WE'VE DONE A LOT OF GREAT WORK IN THE
17 WORKING GROUP. TIME FLIES.

18 OF THOSE SEVEN MEMBERS, TWO HAVE INDICATED
19 THE DESIRE NOT TO BE REAPPOINTED. ONE IS DR. KEVIN
20 EGGAN. HE FELT HIS LABORATORY RESPONSIBILITIES WERE
21 TOO MUCH AND THE TRAVEL WAS CHALLENGING. AND DR.
22 JANET ROWLEY, WHO I MUST SAY IT'S BEEN A HIGHLIGHT
23 OF MY CAREER TO BE ABLE TO WORK WITH DR. ROWLEY.
24 OUTSTANDING SCIENTIST. AND AT THIS POINT IN HER
25 CAREER SHE FEELS IT'S TIME TO WIND DOWN SOME

BARRISTERS' REPORTING SERVICE

1 RESPONSIBILITIES, AND SHE WAS VERY GRATEFUL FOR THE
2 OPPORTUNITY TO WORK WITH CIRM, BUT WOULD AT THIS
3 TIME LIKE TO DISCONTINUE PARTICIPATION IN THE
4 WORKING GROUP.

5 THAT LEAVES FIVE MEMBERS ELIGIBLE FOR
6 REAPPOINTMENT, AND EACH OF THOSE FIVE MEMBERS HAS
7 INDICATED A DESIRE TO CONTINUE SERVICE WITH THE
8 WORKING GROUP. AND WE'RE PLEASED ABOUT THAT.

9 JUST TO BE AWARE, THE REAPPOINTMENTS MUST
10 BE STAGGERED BECAUSE THEY'RE NOW IN THEIR SECOND
11 TERM. SO WHAT WE'LL BE PROPOSING IS REAPPOINTMENTS
12 TO THESE FIVE MEMBERS FOR EITHER A TERM OF TWO,
13 FOUR, OR SIX YEARS.

14 WHAT I'VE DONE, I DON'T KNOW IF YOU CAN
15 SEE, THERE'S SORT OF BLUE AND BLACK. THE LITTLE
16 BLUE DOTS ARE REFERENCE TO MEMBERS WHO WOULD BE ON
17 THE MEDICAL ETHICS SIDE AND THE BLACK DOTS ARE
18 SCIENTIFIC MEMBERS. WHAT WE WOULD PROPOSE IS
19 TWO-YEAR TERMS TO DR. ROBERT TAYLOR AND DR. ANN
20 KIESSLING, FOUR-YEAR TERMS TO DR. KENNETH OLDEN AND
21 TED PETERS, AND SIX-YEAR TERM TO DR. BERNARD LO,
22 WHO'S CURRENTLY THE CO-CHAIR OF THE STANDARDS
23 WORKING GROUP.

24 AND SO AT THIS TIME I WOULD REQUEST A
25 MOTION FOR THIS CONSIDERATION.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: SO MOVED.

2 CHAIRMAN THOMAS: MOVED BY MR. SHEEHY.

3 MR. TORRES: SECOND.

4 CHAIRMAN THOMAS: SECONDED BY SENATOR
5 TORRES. ANY DISCUSSION BY THE BOARD?

6 MR. SHEEHY: I JUST WANT TO SAY -- I WISH
7 SHERRY WAS HERE BECAUSE SHE'S DONE SUCH A GREAT JOB
8 CO-CHAIRING THIS COMMITTEE. THIS HAS BEEN AN
9 EXTRAORDINARY EXPERIENCE AS WE'VE GONE THROUGH THIS.
10 AND ALL OF THESE INDIVIDUALS WHO HAVE BEEN
11 REAPPOINTED, THEIR CONTRIBUTIONS HAVE BEEN ENORMOUS.
12 SO I'M DELIGHTED THAT THEY'RE WILLING TO CONTINUE TO
13 HELP US WITH OUR WORK.

14 CHAIRMAN THOMAS: OTHER COMMENTS BY
15 MEMBERS OF THE BOARD? COMMENTS BY MEMBERS OF THE
16 PUBLIC? HEARING NONE, IT'S BEEN MOVED AND SECONDED.
17 ALL THOSE IN FAVOR PLEASE SAY AYE. OPPOSED?
18 ABSTENTIONS?

19 DEAN PIZZO.

20 MS. BONNEVILLE: SAM HAWGOOD.

21 CHAIRMAN THOMAS: MAY HAVE LOST THEM.
22 THAT MOTION IS APPROVED.

23 GETTING TO THE PATIENT ADVOCATE MEMBERS OF
24 THE STANDARDS WORKING GROUP, CAN I HAVE A MOTION TO
25 REAPPOINT THE FOLLOWING PATIENT ADVOCATES TO THAT

BARRISTERS' REPORTING SERVICE

1 GROUP: MARCY FEIT, SHERRY LANSING, FRANCISCO
2 PRIETO, JEFF SHEEHY, AND JONATHAN SHESTACK.

3 MR. TORRES: SO MOVED.

4 CHAIRMAN THOMAS: MOVED BY SENATOR TORRES.

5 MS. GIBBONS: SECOND.

6 CHAIRMAN THOMAS: SECONDED BY LEEZA
7 GIBBONS. AGAIN, THOSE AFFECTED NEED TO ABSTAIN FROM
8 VOTING.

9 BEFORE WE VOTE, THE COMMENTS MADE BY MR.
10 SHEEHY WITH RESPECT TO THE PREVIOUS CANDIDATES APPLY
11 EQUALLY TO ALL OF THE PATIENT ADVOCATES. VERY, VERY
12 IMPORTANT UNDERTAKING THAT ALL OF YOU MAKE. SO
13 THANK YOU VERY MUCH.

14 ALL THOSE IN FAVOR PLEASE SAY AYE.
15 OPPOSED? ABSTENTIONS? DEAN PIZZO.

16 DR. PIZZO: AYE.

17 CHAIRMAN THOMAS: DEAN HAWGOOD.

18 DR. HAWGOOD: AYE.

19 CHAIRMAN THOMAS: THANK YOU VERY MUCH.
20 MOTION PASSES. THANK YOU AGAIN, ONE AND ALL, FOR
21 YOUR DEDICATED AND CRITICAL WORK.

22 NOW GOING ON TO ITEM 14, CONSIDERATION OF
23 AMENDMENTS TO THE GRANTS ADMINISTRATION POLICY.
24 BEFORE WE GET TO THAT, THE LAST, BUT NOT LEAST,
25 COMMENT ON THE STANDARDS WORKING GROUP IS A VERY

BARRISTERS' REPORTING SERVICE

1 LARGE THANK YOU TO GEOFF LOMAX FOR ALL THAT YOU DO
2 AND HAVE DONE AND WILL DO IN CONNECTION WITH THAT
3 EFFORT. THANK YOU VERY MUCH.

4 MR. SWEEDLER.

5 MR. SWEEDLER: GOOD MORNING. THIS IS ITEM
6 14 IN YOUR BINDERS. YOU HAVE A BRIEF INTRODUCTORY
7 MEMO FROM OUR VERY CAPABLE GRANTS MANAGEMENT
8 OFFICER, AMY LEWIS. AND ATTACHED TO THAT IS THE
9 CURRENT VERSION OF THE PROPOSED AMENDMENTS. THIS IS
10 AN INFORMATIONAL ITEM TO LET YOU KNOW THAT WE ARE
11 PREPARING TO COMMENCE THE FORMAL ADMINISTRATIVE
12 PROCESS FOR AMENDING REGULATIONS, IN THIS CASE THE
13 GRANTS ADMINISTRATION POLICY, WHICH PROVIDES ALL OF
14 THE DETAILED RULES THAT SAY WHAT CAN AND CANNOT BE
15 DONE WITH CIRM GRANT FUNDS. EVERY GRANTS AGENCY HAS
16 SOMETHING LIKE THIS.

17 OUR GRANTEES ARE VERY DILIGENT ABOUT
18 TRYING TO COMPLY WITH OUR POLICIES, AND THAT DOES
19 TEND TO LEAD TO QUESTIONS ABOUT WHAT IS AND IS NOT
20 ALLOWED. AND SO OUR GRANTS MANAGEMENT OFFICE HAS
21 IDENTIFIED SITUATIONS WHERE THERE'S SOME CONFUSION
22 IN THE FIELD OR WE COULD CLEAR THINGS UP AND MAKE
23 THINGS EASIER BY STREAMLINING OR CLARIFYING
24 REGULATIONS. THEY'VE ALSO IDENTIFIED A NUMBER OF
25 SITUATIONS IN WHICH A RULE THAT MAY HAVE BEEN WELL

BARRISTERS' REPORTING SERVICE

1 INTENTIONED HAS TURNED OUT TO CREATE ADMINISTRATIVE
2 HASSLES WITH NO CORRESPONDING BENEFIT TO OUR
3 MISSION. AND SO THEY'VE PROPOSED STREAMLINING SOME
4 OF THOSE AS WELL.

5 AND THEN THERE'S JUST A MATTER OF DEFINING
6 SOME TERMS AND THINGS LIKE THAT. UNDER THE
7 RULEMAKING PROCESS, WHAT WILL HAPPEN IS WE WILL
8 PUBLISH THESE PROPOSALS. WE'LL PUBLISH THEM IN A
9 FORMAL STATE REGISTER. WE'LL SEND THEM TO OUR
10 GRANTEES AND INTERESTED STAKEHOLDERS AND GIVE PEOPLE
11 45 DAYS TO SUBMIT ANY WRITTEN COMMENTS THAT THEY
12 HAVE. WE WILL RESPOND TO THOSE, GIVE PUBLIC NOTICE
13 OF ANY OTHER SIGNIFICANT CHANGES THAT ARE BEING
14 CONSIDERED, AND THEN ALL OF THAT, INCLUDING AN
15 INDICATION OF WHAT KIND OF FEEDBACK WE'VE GOTTEN,
16 WILL COME BACK TO THE BOARD WHO HAVE THE FINAL SAY
17 OVER WHETHER OR NOT TO PROCEED WITH THE AMENDMENTS.

18 WE'VE HAD THE GRANTS ADMINISTRATION POLICY
19 IN PLACE REALLY SINCE THE BEGINNING. WE'VE HAD ONE
20 MAJOR ROUND OF REVISIONS. THESE ARE FAIRLY MINOR,
21 JUST REALLY HOUSEKEEPING TO KEEP EVERYTHING MOVING
22 ALONG. I THINK THE ONE AREA WHERE WE REALLY DELVE
23 INTO IN THIS THAT'S SOMEWHAT NEW FOR US IS THAT WHEN
24 THESE REGULATIONS WERE PREPARED, OUR AWARD SIZES --
25 THE AWARDS WERE GENERALLY UNDER A MILLION DOLLARS.

BARRISTERS' REPORTING SERVICE

1 AND WE'RE NOW ADMINISTERING MUCH LARGER RESEARCH
2 PROGRAMS, AND SO SOME OF THOSE RULES AND PERCENTAGES
3 JUST DIDN'T SCALE UP PROPERLY. SO WE'VE CALIBRATED
4 SOME OF THAT A BIT.

5 I'M HAPPY TO RESPOND TO ANY QUESTIONS YOU
6 HAVE. AND IF YOU HAVE QUESTIONS ABOUT THE SPECIFICS
7 OF THE REGULATIONS, I'M HAPPY TO RESPOND TO THOSE
8 NOW OR AT ANY TIME IN THE FUTURE AS WE'RE HEADING
9 TOWARDS THIS SPRING, WHICH IS WHEN WE WOULD COME
10 BACK TO YOU FOR FINAL APPROVAL. OUR GOAL IS TO HAVE
11 THIS ROUND OF AMENDMENTS FULLY IN PLACE BY THE TIME
12 OUR NEXT SETS OF LARGE AWARDS ARE GOING OUT, WHICH,
13 AS YOU'VE HEARD, WILL BE EARLY TRANSLATIONAL AND
14 DISEASE TEAM THERAPY DEVELOPMENT. ARE THERE ANY
15 QUESTIONS?

16 DR. VUORI: I HAVE A VERY BIG AND VERY
17 PRACTICAL QUESTION ON PAGE 34 REGARDING THE AWARD
18 TRANSFERS. THE AWARD IS BEING TRANSFERRED TO
19 ANOTHER INSTITUTION WHEN THE GRANTEE LEAVES, THAT
20 CIRM DOES NOT HAVE AUTHORITY TO INCREASE THE AWARD
21 AMOUNT WITHOUT THE BOARD APPROVAL.

22 MR. SWEEDLER: YES.

23 DR. VUORI: I WAS CURIOUS HOW YOU HANDLE
24 GRANT TRANSFERS WHERE THE INDIRECT RATE IS DIFFERENT
25 BETWEEN THE TWO ORGANIZATIONS.

BARRISTERS' REPORTING SERVICE

1 MR. SWEEDLER: SO WE'VE ALWAYS TREATED THE
2 BOARD APPROVED AMOUNT ON AN AWARD AS THE CEILING FOR
3 THE AMOUNT OF FUNDS THAT WE'RE AUTHORIZED TO
4 DISBURSE UNDER AN AWARD. SO WHERE THERE IS A
5 TRANSFER TO ANOTHER INSTITUTION WITH HIGHER FACILITY
6 RATES, THE DIRECT RESEARCH COSTS WOULD NEED TO BE
7 ADJUSTED DOWNWARD SO THAT THE FINAL TOTAL DOES NOT
8 EXCEED THE BOARD AUTHORIZED AMOUNT.

9 CHAIRMAN THOMAS: DR. LEVIN.

10 DR. LEVIN: SO I APPLAUD THESE EFFORTS. I
11 THINK WHERE WE'VE BEEN A GROWING AGENCY FROM THE
12 BEGINNING AND A LOT OF SHIFTING REGULATIONS, I'M NOT
13 SURE IF THE CHANGES LISTED IN HERE ARE THE SUM TOTAL
14 OF ALL THE CHANGES. BUT IF SO, I WOULD ASK THAT YOU
15 IN PARTICULAR LOOK AT WAYS TO CLARIFY THE COST
16 STRUCTURE OF AN ALLOWABLE COST IN INDIRECT COST
17 BECAUSE THIS IS STILL AN ISSUE, I KNOW, ON MY
18 CAMPUS, AT LEAST OF ENORMOUS CONFUSION, BECAUSE
19 THERE'S DIFFERENCES IN TERMINOLOGY BETWEEN THE WAY
20 THE NIH, FOR EXAMPLE, CLASSIFIES FACILITIES AND
21 ADMINISTRATIVE COSTS VERSUS INDIRECT COSTS.

22 THE NONPROFIT GAP I SEE STILL LISTS THE
23 INDIRECT RATE AS 25 PERCENT, BUT ALL THE RFA'S LIST
24 IT AS 20 PERCENT. I THINK THAT IT'S NOT QUITE CLEAR
25 HOW PASS-THROUGHS TO SUBCONTRACTORS, WHAT INDIRECT

BARRISTERS' REPORTING SERVICE

1 COSTS. SO JUST TO GET EVERYTHING IN LINE WITH THE
2 WAY TERMINOLOGY IS USED ON CAMPUSES AND IN DIFFERENT
3 INSTITUTIONS COULD BE REALLY BENEFICIAL TO PEOPLE.

4 MR. SWEEDLER: WE'VE TRIED TO DO THAT AS
5 MUCH AS POSSIBLE. PROP 71 HAS ITS OWN TERMINOLOGY,
6 AND SO WE HAVE TO USE DIFFERENT NAMES FOR SOME
7 THINGS. BUT THIS HAS BEEN BASED ON A LOT OF
8 INTERACTIVE DISCUSSION BETWEEN OUR GRANTS MANAGEMENT
9 OFFICE AND THE SPONSORED RESEARCH OFFICES AT GRANTEE
10 INSTITUTIONS. AND EITHER AT IRVINE OR ANY OTHERS, I
11 STRONGLY ENCOURAGE -- WE'LL BE MAKING SURE THEY KNOW
12 ABOUT THESE PROPOSED CHANGES, BUT I'D REALLY
13 ENCOURAGE THEM TO COME FORWARD WITH ANY OTHER THINGS
14 THAT THEY THINK THAT WE'RE MISSING THAT COULD HELP
15 CLARIFY THIS.

16 DR. LEVIN: IS THERE A CENTRAL POINT OF
17 CONTACT THAT'S BEST TO GO WITH?

18 MR. SWEEDLER: ACTUALLY THEY ALL HAVE
19 THEIR ASSIGNED GRANTS MANAGEMENT OFFICER, AND THAT'S
20 PROBABLY -- THAT'S SOMEONE WHO KNOWS THEIR GRANTS
21 AND WILL KNOW EXACTLY WHAT THEY'RE TALKING ABOUT.
22 BUT MY CONTACT INFORMATION IS ALSO AT THE END OF THE
23 MEMO, AND I'D BE HAPPY TO HEAR FROM PEOPLE AS WELL.

24 DR. LEVIN: OKAY. THANK YOU.

25 CHAIRMAN THOMAS: OTHER COMMENT BY MEMBERS

BARRISTERS' REPORTING SERVICE

1 OF THE BOARD? I WOULD NOTE, MR. SWEEDLER, THAT THIS
2 IS A REFLECTION OF A LOT OF WORK BY A NUMBER OF
3 PEOPLE. THIS IS A GOOD EXAMPLE OF HOW CIRM
4 CONTINUES TO ADAPT AND EVOLVE AS TIME GOES BY TO
5 INCORPORATE THE BEST PRACTICES WITH RESPECT TO OUR
6 GRANT PROGRAM. AND I'D LIKE TO THANK YOU ON BEHALF
7 OF EVERYBODY ELSE WHO WORKED ON THIS.

8 MR. SWEEDLER: WE HAVE A SMALL AND VERY
9 HARDWORKING GRANTS MANAGEMENT OFFICE THAT DOES
10 INCREDIBLE WORK, AND I'M ALWAYS IMPRESSED THAT
11 BEYOND THEIR DAILY WORKLOAD, THEY'RE ABLE TO TAKE ON
12 PROJECTS LIKE THIS TO MAKE THINGS BETTER. SO THAT'S
13 WHERE THE CREDIT GOES.

14 CHAIRMAN THOMAS: THANKS FOR MAKING THAT
15 POINT. APPRECIATE THAT.

16 DO I HEAR A MOTION TO -- WAIT. PUBLIC
17 COMMENT? NO MOTION.

18 MR. SWEEDLER: IT'S AN INFORMATIONAL ITEM.

19 CHAIRMAN THOMAS: IT'S STRICTLY
20 INFORMATIONAL. OKAY. THANK YOU.

21 OKAY. LET'S SEE. ONLY GOT ABOUT 12
22 MINUTES UNTIL, DOWN TO THE MINUTE ON THIS, 12
23 MINUTES UNTIL WE'RE GOING TO BREAK TO GRAB SOME
24 LUNCH WHILE THE SPOTLIGHT -- WE'RE GOING TO SKIP TO
25 ITEM 19, WHICH SHOULD BE VERY QUICK, CONSIDERATION

BARRISTERS' REPORTING SERVICE

1 OF MINUTES FROM THE OCTOBER 2011 BOARD MEETING. DO
2 I HEAR A MOTION TO APPROVE?

3 MR. TORRES: SO MOVED.

4 CHAIRMAN THOMAS: MOVED BY SENATOR TORRES.

5 DR. PRIETO: SECOND.

6 CHAIRMAN THOMAS: SECONDED BY DR. PRIETO.

7 YES. THANK YOU. ANY DISCUSSION, MEMBERS OF THE
8 BOARD? I DON'T KNOW THAT THIS IS SOMETHING YOU
9 WOULD LOOK TO PUBLIC COMMENT ON. LITTLE TOUGH FOR
10 THEM TO COMMENT ON THAT. LET'S PROCEED DIRECTLY TO
11 THE VOTE. ALL THOSE IN FAVOR PLEASE SAY AYE.
12 OPPOSED? ABSTENTIONS? THAT MOTION PASSES.

13 OKAY. SO. YES, MARIA.

14 MS. BONNEVILLE: I'M JUST GOING TO TAKE
15 THE VOTE. SAM HAWGOOD.

16 DR. HAWGOOD: AYE.

17 MS. BONNEVILLE: PHIL PIZZO.

18 DR. PIZZO: YES.

19 CHAIRMAN THOMAS: I COULD HEAR THEM IN THE
20 BACKGROUND. I WAS INCORPORATING. OKAY. SO WE HAVE
21 A FEW ITEMS LEFT. I THINK THERE ISN'T REALLY ONE
22 THAT PROMISES TO BE SUPER SHORT IN PRESENTATION AND
23 DISCUSSION. SO ON ADVICE OF MARIA, I THINK WE
24 SHOULD PROCEED TO GO GRAB OUR LUNCHES. AND
25 DR. MARBAN AND HIS GROUP WILL BE SETTING UP SHORTLY.

BARRISTERS' REPORTING SERVICE

1 SHOULD WE COME BACK IN HERE IMMEDIATELY, OR WHAT
2 WOULD YOU RECOMMEND?

3 MS. BONNEVILLE: IT'S GOING TO START AT
4 NOON EXACTLY. THEY NEED TO SET UP AT 11:45.

5 CHAIRMAN THOMAS: OKAY. MARIA --

6 MS. BONNEVILLE: YOU HAVE ABOUT 15
7 MINUTES, TEN MINUTES.

8 CHAIRMAN THOMAS: WELL, THERE'S A
9 CLAMORING TO TAKE UP SOMETHING SINCE WE'RE ON SUCH A
10 ROLL.

11 MS. BONNEVILLE: OKAY. GREAT.

12 CHAIRMAN THOMAS: SO WE CAN CERTAINLY DO
13 ITEM 18 FOR SURE. NO. CAN'T DO ITEM 18.

14 MS. BONNEVILLE: ONLY IF OS IS READY TO DO
15 IT. IT'S THE JOHN SLADEK.

16 MR. TORRES: OH, YEAH, SURE. GREAT.

17 MS. BONNEVILLE: IT'S NOT IN THE BINDER.
18 THAT'S THE ONE WE HAVE OS FOR AFTER LUNCH. THAT'S
19 WHY I RECOMMENDED DOING IT AFTER.

20 CHAIRMAN THOMAS: SO YOU WANT TO PUT THAT
21 AFTER LUNCH?

22 MS. BONNEVILLE: YES, PLEASE.

23 MR. TORRES: HE NEEDS NO PREPPING.

24 DR. STEWARD: I NEED NO PREPPING.

25 MS. BONNEVILLE: OKAY. GREAT. THEN WE'RE

BARRISTERS' REPORTING SERVICE

1 GOOD.

2 DR. STEWARD: THE WONDERFUL DOCUMENT THAT
3 JAMES PUT TOGETHER -- I WON'T BE ABLE TO READ THE
4 WONDERFUL DOCUMENT THAT JAMES PUT TOGETHER THAT
5 REALLY DESCRIBES ALL OF JOHN'S CONTRIBUTIONS. SO
6 THIS IS A MOTION TO -- WHAT'S THE RIGHT WORD,
7 JAMES? -- TO COMMEND DR. JOHN SLADEK FOR HIS YEARS
8 OF SERVICE ON THE GRANTS WORKING GROUP. I THINK
9 PROBABLY ALMOST ALL OF US KNOW JOHN. HE HAS BEEN AN
10 IMPORTANT MEMBER OF THE REVIEW TEAM FOR CIRM REALLY
11 SINCE THE VERY BEGINNING. HE SERVED AS THE FIRST
12 ADMINISTRATIVE CHAIR OF THE GRANTS WORKING GROUP.
13 AND I, FOR ONE, AND I THINK JEFF MAY WANT TO WEIGH
14 IN ON THIS AS WELL, FEEL THAT HE WAS REALLY UNIQUE
15 AND REMARKABLE IN THE WAY THAT HE LOOKED TO THE
16 PATIENT ADVOCATES ON THE GROUP TO REALLY HELP GUIDE
17 THE CONSIDERATION OF THESE GRANTS.

18 HE REALLY MOVED THE CAUSE OF TRANSLATION
19 IN A WAY THAT I THINK IS ENTIRELY UNIQUE FOR SOMEONE
20 WHO SPENT HIS LIFE IN BASIC SCIENCE, BUT SOMEONE WHO
21 HAS ALSO BEEN DOING RESEARCH THAT'S DIRECTLY RELATED
22 TO TRANSLATIONAL MEDICINE. SO, AGAIN, JAMES HAD A
23 LOT OF WHEREASES IN A BEAUTIFUL DOCUMENT, AND IT WAS
24 GREAT, BUT THE GIST OF IT IS THAT WE, THE BOARD,
25 WANTED TO THANK AND COMMEND JOHN SLADEK FOR HIS

BARRISTERS' REPORTING SERVICE

1 YEARS OF SERVICE ON THE GRANTS WORKING GROUP AND
2 ESPECIALLY HIS YEARS OF SERVICE AS THE FIRST
3 ADMINISTRATIVE CHAIR.

4 CHAIRMAN THOMAS: MR. HARRISON.

5 MR. HARRISON: CHAIR, I WOULD JUST ADD
6 THAT THE RESOLUTION WAS POSTED ON THE WEBSITE ALONG
7 WITH THE AGENDA MATERIALS, AND IT WAS E-MAILED TO
8 ALL OF YOU. JUST DIDN'T MAKE ITS WAY INTO THE
9 BINDER.

10 CHAIRMAN THOMAS: THANK YOU VERY MUCH.
11 NOW, IS THIS SOMETHING THAT REQUIRES -- IT DOES.
12 OKAY. SO ANY DISCUSSION BY MEMBERS OF THE BOARD?
13 MR. SHEEHY.

14 MR. SHEEHY: WELL, DO WE HAVE A MOTION ON
15 THE FLOOR?

16 DR. STEWARD: I WOULD LIKE TO MAKE THE
17 MOTION TO APPROVE.

18 MR. SHEEHY: I'D LIKE TO SECOND IT. AND
19 I'D JUST LIKE TO SAY FOR DR. SLADEK, WHAT HE REALLY
20 UNDERSTOOD AND REALLY EXEMPLIFIED IS THE VALUE OF
21 PARTNERSHIPS BETWEEN PATIENT ADVOCATES AND
22 SCIENTISTS IN MOVING SCIENTIFIC RESEARCH FORWARD.
23 IN MY YEARS AS AN HIV ACTIVIST AND ALSO ON THIS
24 BOARD, I THINK A LOT OF TIMES THAT'S LOST TO SOME OF
25 THE SCIENTIFIC COMMUNITY, AND THEY JUST BELIEVE THE

BARRISTERS' REPORTING SERVICE

1 MONEY MAGICALLY APPEARS. THEY SEND IN GRANT
2 APPLICATIONS AND THE NIH HAS MONEY, CIRM HAS MONEY
3 WITHOUT RECOGNIZING THAT IT'S THE PASSION AND THE
4 COMMITMENT OF THE PATIENT ADVOCATES.

5 I DON'T KNOW ANYONE -- I KNOW -- I DON'T
6 THINK I KNOW A SINGLE PATIENT ADVOCATE THAT'S MADE A
7 WORTHWHILE CAREER OUT OF PATIENT ADVOCACY. MOST
8 PATIENT ADVOCATES ARE STRUGGLING TO DEAL WITH THEIR
9 DISEASES OR DEAL WITH THEIR FAMILIES, AND IT'S
10 REALLY A GREAT PERSONAL SACRIFICE AND PERSONAL COST
11 THAT PATIENT ADVOCATES MAKE THEIR CONTRIBUTIONS.
12 AND WHEN THEY HAVE TO FIGHT THE SCIENTIFIC COMMUNITY
13 TO HAVE THEIR VOICES HEARD, WHEN THEY'RE NOT TREATED
14 AS EQUALS IN THE PROCESS, WHEN THEY'RE DIMINISHED AS
15 INDIVIDUALS AND AS HUMAN BEINGS, IT JUST MAKES THE
16 WHOLE PROCESS SO MUCH MORE DIFFICULT.

17 AND DR. SLADEK WAS TRULY EXEMPLARY IN
18 UNDERSTANDING THAT THIS PARTNERSHIP BENEFITS
19 EVERYBODY AND MAKES SURE THAT THE RESOURCES ARE
20 THERE TO DO THE RESEARCH AND MAKE SURE THAT THERE
21 ARE PATIENTS THAT ARE THERE WHEN YOU GO INTO YOUR
22 CLINICAL TRIALS SO THAT THE SCIENCE MOVES FASTER.
23 AND I THINK WE WILL SORELY MISS HIM.

24 CHAIRMAN THOMAS: THANK YOU, MR. SHEEHY.
25 ANY OTHER COMMENT BY MEMBERS OF THE BOARD? COMMENT

BARRISTERS' REPORTING SERVICE

1 BY MEMBERS OF THE PUBLIC? YES, DR. TROUNSON.

2 DR. TROUNSON: ON BEHALF OF ALL THE STAFF,
3 I WANT TO THANK JOHN FOR HIS FRIENDSHIP AND HIS
4 SUPPORT OVER THE YEARS. AND IT'S BEEN HAPPENING
5 LONG BEFORE I CAME TO THE INSTITUTE. HE WAS
6 INVOLVED, I THINK, FROM THE VERY BEGINNING, AND SO A
7 LOT OF US HAVE KNOWN HIM FOR A VERY LONG TIME. AND
8 WE WISH HIM WELL AND THANK HIM FOR EVERYTHING HE DID
9 FOR US. FOR THE GRANTS WORKING GROUP, FOR THE TEAM
10 HERE, AND THE TEAM PAST, BECAUSE HIS ADVICE WAS VERY
11 HELPFUL AND HE'S A VERY SOUND AND LIKABLE
12 INDIVIDUAL, AND WE REALLY DO WISH HIM THE BEST AND
13 HOPE TO SEE HIM ON OCCASIONS IN THE FUTURE.

14 CHAIRMAN THOMAS: THANK YOU, DR. TROUNSON.
15 ANY OTHER COMMENTS? MOVE THEN TO THE VOTE. ALL
16 THOSE IN FAVOR PLEASE SAY AYE. OPPOSED?
17 ABSTENTIONS?

18 MARIA.

19 MS. BONNEVILLE: SAM HAWGOOD.

20 DR. HAWGOOD: AYE.

21 MS. BONNEVILLE: PHIL PIZZO.

22 DR. PIZZO: AYE.

23 CHAIRMAN THOMAS: THANK YOU, GENTLEMEN.

24 THE MOTION IS APPROVED.

25 BEFORE WE BREAK FOR LUNCH, I WANT TO GO

BARRISTERS' REPORTING SERVICE

1 BACK TO ONE ITEM, WHICH WAS THE REAPPOINTMENT OF THE
2 PATIENT ADVOCATES TO THE GRANTS WORKING GROUP. WE
3 NOTED THAT DR. STEWARD IS GOING TO TAKE SHERRY'S
4 PLACE IN THAT GROUP, AND I DID NOT WANT THE
5 OPPORTUNITY TO PASS WITHOUT THANKING SHERRY FOR HER
6 EXTRAORDINARY EFFORTS WITH RESPECT TO THAT GROUP AS
7 WELL AS, OF COURSE, EVERYTHING ELSE THAT SHE DOES
8 FOR US.

9 YOU SHOULD KNOW, SHERRY, THAT DEAN PIZZO
10 ON HEARING THAT YOU WERE BEING REPLACED ALMOST
11 PASSED OUT BECAUSE HE THOUGHT THAT MEANT YOU WERE
12 LEAVING THE BOARD. AND WE IMMEDIATELY AND
13 ENTHUSIASTICALLY INFORMED HIM THAT WAS NOT THE CASE.

14 MS. LANSING: I'M SORRY. I WAS ACTUALLY
15 OUTSIDE DOING CIRM BUSINESS. SO I WASN'T -- THERE
16 WAS ANOTHER MEETING THAT YOU WANTED ME TO HAVE
17 SIMULTANEOUS WITH THIS BECAUSE I WAS RECUSED. I
18 JUST WANT TO SAY HOW VERY, VERY MUCH I DID ENJOY
19 SERVING ON THE GRANTS COMMITTEE, BUT OS HAS WANTED
20 TO DO IT FOR QUITE A WHILE AND I KNOW WILL BE
21 EXTRAORDINARY AT DOING IT. AND I REALLY BELIEVE
22 THAT WE SHOULD ROTATE AND THAT I WAS TAKING A
23 POSITION THAT WILL BE EXTRAORDINARILY WELL SERVED BY
24 OS. AND ALSO HE WILL NOT HAVE TO RECUSE HIMSELF AS
25 MANY TIMES AS I DID.

BARRISTERS' REPORTING SERVICE

1 SO I THINK IT'S A WONDERFUL, WONDERFUL
2 SOLUTION. AND I JUST WANT TO SAY IT WAS AN HONOR TO
3 SERVE ON THAT COMMITTEE. AND PHIL, I LOVE WORKING
4 WITH YOU AND THERE'S GOING TO BE MANY, MANY
5 OPPORTUNITIES FOR US TO BE ON COMMITTEES AGAIN
6 TOGETHER. BUT AGAIN, IN THE SPIRIT OF EVERYBODY
7 HAVING THE OPPORTUNITY TO SERVE ON VARIOUS
8 COMMITTEES, I CAN THINK OF NOBODY BETTER THAN OS.
9 AND SO I'M HONORED TO HAVE SERVED AND I'M HONORED
10 THAT YOU'RE REPLACING ME. SO THANK YOU.

11 CHAIRMAN THOMAS: THANK YOU. LET'S HAVE A
12 ROUND OF APPLAUSE FOR SHERRY.

13 (APPLAUSE.)

14 CHAIRMAN THOMAS: MR. SHEEHY.

15 MR. SHEEHY: WHILE WE'RE APPLAUDING HER
16 FOR THE SERVICE THAT SHE'S MAKING, WE DID AND WE
17 WEREN'T -- SINCE I'M ON THE STANDARDS WORKING GROUP,
18 SINCE WE'VE ALREADY APPROVED THAT, I REALLY THINK
19 WE'VE GOT TO NOTE HER LEADERSHIP AS THE CO-CHAIR OF
20 THAT COMMITTEE. WHEN WE FIRST STARTED THIS
21 ENTERPRISE, THE ETHICAL ISSUES WERE ENORMOUS AND THE
22 ETHICAL CHALLENGES. AND I REALLY THOUGHT IF THERE
23 WAS ANYWHERE THEY'RE GOING -- THIS THING MIGHT BLOW
24 UP, IT WAS THERE. AND HER LEADERSHIP, ALONG WITH
25 BERNIE LO, BECAUSE BERNIE HAS DONE A GREAT JOB TOO,

BARRISTERS' REPORTING SERVICE

1 HAS JUST BEEN PHENOMENAL. I MEAN WE HAVE HAD NO
2 NOISE AT ALL. IT'S JUST BEEN -- I THINK EVERYBODY,
3 EVEN PEOPLE WHO WERE NOT SUPPORTING OUR MISSION AND
4 NOT SUPPORTING SOME OF THE THINGS WE WERE DOING, ALL
5 FELT THAT THEIR VOICES WERE HEARD. THEY WERE ABLE
6 TO OFFER INPUT.

7 AND THE MANAGEMENT OF THAT PROCESS HAS
8 BEEN ONE OF THE MOST SPECTACULAR THINGS THAT I'VE
9 SEEN ON THIS BOARD. SO THANK YOU, SHERRY.

10 MS. LANSING: WELL, THANK YOU, JEFF,
11 BECAUSE YOU'VE BEEN SUCH AN INCREDIBLE, INCREDIBLE
12 PIECE OF THIS. AND IT'S ALWAYS SUCH A PLEASURE.
13 OUR COMMITTEE, THE STANDARDS WORKING COMMITTEE, AND
14 I GIVE ALL THE CREDIT TO BERNIE BECAUSE HE'S JUST A
15 GENIUS AND THE CALMING PRESENCE, BUT OUR COMMITTEE
16 IS ACTUALLY A COMMITTEE THAT HAS DINNER TOGETHER,
17 THAT HAS LUNCH TOGETHER. WE HAVE A LOT OF PLEASURE
18 AND FUN WHEN WE DO IT.

19 AND SO, JEFF, THANK YOU FOR THOSE
20 INCREDIBLY KIND WORDS. I LOVE SERVING ON THAT
21 COMMITTEE AND I LOVE WORKING WITH EVERY SINGLE
22 PERSON WHOSE NAME YOU SEE LISTED. AND I'M GOING TO
23 MISS THE TWO THAT ARE LEAVING, BUT THEY'RE ONLY
24 LEAVING BECAUSE OF OTHER COMMITMENTS THAT THEY HAVE
25 IN THEIR LIVES. AND THANK YOU FOR EVERYTHING YOU DO

BARRISTERS' REPORTING SERVICE

1 AND THE OTHER MEMBERS OF THE COMMITTEE, ALL OF WHOM
2 ARE LISTED, AND IT'S JUST AN HONOR. SO THANK YOU.

3 MS. FEIT: DURING THOSE ROUGH TIMES,
4 THOUGH, SHERRY'S WORDS ALWAYS STAYED WITH ME. AND
5 SHE WOULD REMIND US, REMEMBER, THIS IS A WORK IN
6 PROGRESS. WE'RE NEVER GOING TO BE DONE. IT'S A
7 WORK IN PROGRESS. SO THANK YOU FOR THOSE WORDS,
8 SHERRY, BECAUSE I THINK THE WHOLE WORK OF THE
9 INSTITUTE HAS BEEN A WORK IN PROGRESS. AND IT KEEPS
10 COMING UP IN MY MIND. SO THANK YOU FOR THAT
11 INSPIRATION.

12 MS. LANSING: YOU'RE TOO KIND. THANK YOU
13 FOR EVERYTHING YOU DO, AND REALLY IT'S JUST AN
14 HONOR. AND YOU SEE ALL THE COMMITTEE MEMBERS. AND,
15 MARCY, THANK YOU FOR EVERYTHING AND ALL OF YOU. AND
16 NOW IT'S ALMOST TIME FOR LUNCH. ALL THESE NICE
17 WORDS ARE KEEPING YOU FROM YOUR LUNCH.

18 CHAIRMAN THOMAS: THANK YOU. AND THAT'S
19 AN EXCELLENT WAY TO PROCEED TO GO GET OUR LUNCHES.
20 WE WERE GOING TO GO TO 11:45 AND WE ENDED THIS LAST
21 AGENDA ITEM, AS YOU CAN SEE, RIGHT AT 11:45. SO
22 EVERYBODY WOULD PLEASE -- MARIA, WHERE ARE THEY
23 GOING TO GET THEIR LUNCH?

24 MS. BONNEVILLE: WHERE BREAKFAST WAS THIS
25 MORNING, SO RIGHT ACROSS THE WAY.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: AND WE'LL RECONVENE.
2 YOU CAN BRING YOUR LUNCHES BACK. WE'LL RECONVENE AT
3 NOON. SO PLEASE EVERYBODY KEEP TRACK OF TIME AND
4 WE'LL SEE YOU IN A FEW MINUTES. THANK YOU.

5 (A RECESS WAS TAKEN.)

6 CHAIRMAN THOMAS: OKAY. AFTER THAT MOST
7 INTERESTING PRESENTATION AND THE JAZZ INTERLUDE. BY
8 THE WAY, CD'S ARE OFFERED OUTSIDE THE DOOR WHEN YOU
9 CONCLUDE THE MEETING. WE NOW RESUME OUR AGENDA --

10 MS. LANSING: CAN I JUST SAY ONE THING?
11 SO I JUST WANT TO SAY, AND I'VE HAD THIS OFF-LINE
12 CONVERSATION WITH J.T. ABOUT THIS, AND I JUST WANT
13 TO SAY THAT WHEN WE HEAR SOMETHING LIKE THIS, IT WAS
14 SO INSPIRATIONAL AND SO POSITIVE ABOUT THE USE OF
15 STEM CELL, AND JUST THANK YOU FOR BRINGING IT TO US.
16 BUT EVERY DAY YOU READ CRITICISMS ABOUT THE, QUOTE,
17 LACK OF PROMISE OF STEM CELL. AND I JUST THINK THAT
18 I DON'T CARE WHETHER WE FUNDED SOMETHING OR WHETHER
19 WE DIDN'T FUND SOMETHING. THAT'S REALLY NOT
20 IMPORTANT BECAUSE WE'RE TAKING THE NEXT STEP BECAUSE
21 WE ARE FUNDING DIFFERENT THINGS.

22 I JUST THINK ALL OF THIS SHOULD BE ON OUR
23 WEBSITE. I THINK WE SHOULD PARTICIPATE IN
24 CO-COMMUNICATIONS WITH THE HOSPITAL THAT DID IT.
25 AND I DON'T CARE IF THEY'RE IN STATE OR OUT OF THE

BARRISTERS' REPORTING SERVICE

1 STATE. I REALLY DON'T THINK IT MAKES ANY
2 DIFFERENCE. WE'RE TRYING TO GET OUR MESSAGE ACROSS
3 TO THE VOTERS AND TO THE PATIENT ADVOCATES AND TO
4 THE PEOPLE WHO WRITE EDITORIALS. SO I JUST URGE US
5 IN OUR COMMUNICATION STRATEGY TO EVERY MONTH HAVE AN
6 UPDATE ON WHAT'S GOING ON. J.T., YOU CAN LEAD IT.
7 ALAN, YOU CAN LEAD IT, WHATEVER IT IS, OR A PATIENT
8 OR DOCTOR, I CAN'T CARE, BUT I DIDN'T KNOW ABOUT
9 THIS. AND I'M ON THE BOARD. AND I CONSIDER MYSELF
10 AS A PATIENT ADVOCATE A WELL-INFORMED PERSON.

11 SO WHEN I THINK ABOUT THE MILLIONS OF
12 PEOPLE THAT DON'T KNOW ABOUT THIS AND I THINK ABOUT
13 THE ARTICLES THAT I READ MOST RECENTLY, ONE IN THE
14 *L.A. TIMES*, I THINK YOU COULDN'T WRITE THAT ARTICLE
15 IF YOU KNEW THIS WAS GOING ON.

16 SO I JUST URGE US TO DEVELOP A
17 COMMUNICATION STRATEGY. I KNOW THIS IS GOING TO BE
18 ON OUR WEBSITE, BUT TO REALLY BE AGGRESSIVE IN
19 PURSUING WHAT'S GOING ON IN EARLY STAGES. AND WE'RE
20 NOT HYPING. WE'RE STATING THE FACTS.

21 CHAIRMAN THOMAS: THANK YOU, SHERRY. VERY
22 WELL SAID. AND THANK YOU, SHLOMO, AGAIN FOR
23 PROVIDING FOR THAT MOST INTERESTING LUNCH
24 PRESENTATION.

25 OKAY. WE ARE NOW ON TO ITEM NO. 15,

BARRISTERS' REPORTING SERVICE

1 CONSIDERATION OF BRIDGE FUNDING COMPONENT FOR THE
2 OPPORTUNITY FUND. DR. OLSON.

3 DR. OLSON: MR. CHAIRMAN, MEMBERS OF THE
4 BOARD, MEMBERS OF THE PUBLIC, I'D LIKE TO SPEAK TO
5 YOU TODAY ABOUT THE CONSIDERATION OF A BRIDGING
6 FUNDING PROGRAM. FIRST, I DO WANT TO THANK -- WE
7 HAD A DISCUSSION LAST NIGHT AT THE SCIENCE
8 SUBCOMMITTEE MEETING, AND I WANT TO THANK THE
9 SUBCOMMITTEE FOR THEIR CONSIDERED COMMENTS. IT WAS
10 HELPFUL.

11 SO WHAT I'D LIKE TO REMIND YOU OF, THAT
12 THE BRIDGING FUND IS A COMPONENT OF THE OPPORTUNITY
13 FUNDING STRATEGY. THE OBJECTIVES OF THE OPPORTUNITY
14 FUNDING STRATEGY ARE TO ACCELERATE THE DEVELOPMENT
15 OF STEM CELL THERAPIES AND AS PART OF THE
16 ACCELERATION OF THE STEM CELL THERAPIES. THE
17 EXTERNAL REVIEW PANEL, IN FACT, ENCOURAGED US TO
18 PAVE A PATH FROM FUNDAMENTAL TO TRANSLATIONAL
19 RESEARCH, TRANSLATIONAL MEDICINE, PRODUCT
20 DEVELOPMENT, AND HEALTHCARE DELIVERY, AND TO
21 TRANSITION TO A MORE PROACTIVE STRATEGY FOR FUNDING.
22 THESE ARE ALL OBJECTIVES THAT WE THINK ARE MANIFEST
23 IN THIS BRIDGING FUND.

24 SO THE GOAL OF THE BRINGING FUND IS TO
25 PROVIDE SUPPLEMENTAL FUNDING FOR THE MOST PROMISING

BARRISTERS' REPORTING SERVICE

1 EXISTING CIRM-FUNDED PROJECTS THAT ARE IN
2 TRANSLATION OR DEVELOPMENT. IT IS TO ENABLE
3 CONTINUATION OF APPROVED ACTIVITIES WITHOUT
4 INTERRUPTION UNTIL THE NEXT APPLICABLE GRANTS
5 WORKING GROUP REVIEW AND ICOC DECISION OR RECEIPT OF
6 OTHER FUNDING.

7 LET ME GIVE YOU AN EXAMPLE OF ONE TYPE OF
8 SITUATION THAT MIGHT ARISE THAT COULD QUALIFY FOR
9 OPPORTUNITY FUNDING. IF A TEAM WERE, SAY, WHO HAD
10 AS AN OBJECTIVE AN APPROVABLE IND FILING, TO FILE
11 THAT IND, BUT IF THE FDA DECIDED THERE WAS ONE MORE
12 STUDY THEY NEEDED TO DO, BUT THEY HAD EXHAUSTED ALL
13 THEIR FUNDING, THAT WOULD BE AN OBVIOUS CANDIDATE
14 FOR APPLYING FOR AN OPPORTUNITY FUND.

15 IF A PROJECT HAD IDENTIFIED A DEVELOPMENT
16 CANDIDATE AND WAS READY AND HAD HOPED TO APPLY FOR A
17 DISEASE TEAM AWARD, BUT WAS READY TO START SOME
18 ACTIVITIES ON MAKING A MASTER CELL BANK IN ORDER TO
19 BE READY TO GO WITHOUT LOSS OF TIME INTO THE
20 IND-ENABLING, START CONSIDERING PRODUCTION, THAT
21 MIGHT BE ANOTHER ACTIVITY THAT WOULD QUALIFY.

22 SO THE OUTCOME OF THESE KINDS OF AN
23 OPPORTUNITY FUNDING STRATEGY OF THIS TO EXISTING
24 AWARDS WOULD BE TO MOVE KEY PROJECTS FASTER INTO
25 AND/OR THROUGH DEVELOPMENT.

BARRISTERS' REPORTING SERVICE

1 WE'RE PROPOSING A BRIDGING FUND OF \$12
2 MILLION. THE MAXIMUM BRIDGING FUNDING WOULD BE UP
3 TO THREE MILLION PER AWARD FOR UP TO 12 MONTHS WITH
4 THE POSSIBILITY OF A SIX-MONTH EXTENSION. THERE
5 WOULD BE A MAXIMUM OF ONE BRIDGING FUNDING PER
6 AWARD. THE SUPPLEMENTAL FUNDING, WHETHER IT BE THE
7 TYPE OF FUNDING A GRANT OR A LOAN, WOULD BE THE SAME
8 AS THAT OF THE AWARD TO BE SUPPLEMENTED. AND IT
9 COULD BE CONSIDERED AS AN ADVANCE IF FURTHER CIRM
10 FUNDING.

11 SO, AGAIN, FOR AN EXAMPLE, IF YOU HAD A
12 PROJECT THAT WAS APPLYING TO DISEASE TEAM FUNDING
13 AND THEY'D ALREADY RECEIVED A BRIDGING FUNDING AWARD
14 OF \$3 MILLION AND THEY WERE APPLYING FOR -- THE
15 MAXIMUM WAS, SAY, 20 MILLION, ONE COULD CONSIDER
16 GIVING THEM A \$17 MILLION AWARD AND LOOKING AT THAT
17 AS AN ADVANCE ON THE FUNDING.

18 WE WOULD ALSO TIMELY NOTIFY THE ICOC UPON
19 SUPPLEMENTAL FUNDING ALLOCATION. UPON DISBURSEMENT
20 OF THE ENTIRE FUND, THE \$12 MILLION, WE WOULD REPORT
21 TO THE ICOC ON THE EFFECTIVENESS OF THE PROGRAM.
22 DID IT ACTUALLY SAVE PEOPLE TIME? DID IT ACCELERATE
23 PROGRAMS?

24 AND FINALLY, WE WOULD ASK THAT THE FUND BE
25 SUBJECT TO REPLENISHMENT BY THE ICOC.

BARRISTERS' REPORTING SERVICE

1 ELIGIBILITY FOR THE FUND WOULD BE ACTIVE
2 CIRM TRANSLATIONAL AND DEVELOPMENT PROJECTS THAT HAD
3 BEEN PREVIOUSLY REVIEWED BY THE GRANTS WORKING GROUP
4 AND FUNDED BY THIS BOARD. IT WOULD INCLUDE EARLY
5 TRANSLATIONAL PROJECTS TARGETING A DEVELOPMENT
6 CANDIDATE. IT WOULD INCLUDE DISEASE TEAM PROJECTS,
7 AND IT WOULD INCLUDE CLINICAL DEVELOPMENT PROJECTS.

8 FUNDING CANNOT, HOWEVER, BE USED FOR
9 PATIENT ENROLLMENT AND TREATMENT IN A CLINICAL TRIAL
10 THAT WAS NOT WITHIN THE SCOPE OF THE PRIOR GRANT
11 AWARD. SO NO NEW CLINICAL TRIALS.

12 IMPLEMENTATION, I WOULD JUST LIKE TO
13 OUTLINE TO YOU HOW WE WOULD LOOK AT THIS. THERE
14 WOULD BE A GRANTEE REQUEST AND A SCIENCE OFFICE
15 RECOMMENDATION REQUIRED TO INITIATE THE PROCESS FOR
16 SUPPLEMENTAL BRIDGING FUNDING. THAT RECOMMENDATION
17 FROM THE SCIENCE OFFICE WOULD BE BASED ON
18 SIGNIFICANCE -- ON WHAT WE KNEW ABOUT THE CURRENT
19 PERFORMANCE OF THE PROJECT. SO SIGNIFICANCE TO THE
20 MISSION OF CIRM, COMPETITIVENESS, PROJECT
21 PERFORMANCE, AND TIMING TO THE NEXT RFA OR RECEIPT
22 OF OTHER FUNDING. SO IF THERE'S -- IF SOMEONE'S
23 ALREADY APPLIED AND THERE'S A DECISION EXPECTED
24 WITHIN FOUR TO FIVE MONTHS, MAYBE IT WOULD BE A
25 SMALLER AWARD, BUT THAT MIGHT GIVE US PAUSE.

BARRISTERS' REPORTING SERVICE

1 THE GRANTEE WOULD SUBMIT A PROJECT PLAN
2 INCLUDING MILESTONES AND TIMELINE AND A DETAILED
3 SUPPLEMENTAL BUDGET AND JUSTIFICATION AS WELL AS
4 THEIR FORWARD FUNDING STRATEGY. IF THE FORWARD
5 FUNDING STRATEGY WERE TO INCLUDE CIRM FUNDING AS AN
6 OPTION, THE APPLICANT WOULD BE REQUIRED TO SUBMIT TO
7 THE NEXT APPLICABLE RFA COMPETITION. THERE WOULD BE
8 INTERNAL STAFF REVIEW WITH EXTERNAL EXPERT
9 CONSULTANTS, AND THE PRESIDENT WOULD MAKE THE
10 DECISION ON SUPPLEMENTAL BRINGING FUNDING BASED ON
11 ADVICE FROM STAFF AND FROM EXTERNAL EXPERT
12 CONSULTANTS.

13 SO I WOULD LIKE TO REQUEST ICOC APPROVAL
14 FOR A BRIDGING FUND OF \$12 MILLION UNDER THE
15 CONDITIONS OR UNDER THE TERMS BROADLY OUTLINED IN
16 THIS DISCUSSION. AND I'M HAPPY TO ENTERTAIN
17 QUESTIONS. THANK YOU.

18 CHAIRMAN THOMAS: ARE THERE -- FIRST OF
19 ALL, DO WE A MOTION TO APPROVE?

20 MR. TORRES: SO MOVED.

21 MS. GIBBONS: SECOND.

22 CHAIRMAN THOMAS: MOVED AND SECONDED BY
23 SENATOR TORRES AND LEEZA GIBBONS. DO WE HAVE
24 DISCUSSION BY THE BOARD?

25 DR. PIZZO: CAN YOU GIVE A LITTLE BIT MORE

BARRISTERS' REPORTING SERVICE

1 CONTEXT OR BACKGROUND ON WHAT CAME UP LAST NIGHT AT
2 THE DISCUSSION?

3 DR. OLSON: WHAT I CAN DO IS CITE THE
4 SPECIFIC POINTS THAT WERE ADDED THAT REFLECT THE
5 DISCUSSION LAST NIGHT. ONE OF THEM WAS ONLY ONE
6 BRIDGING FUNDING PER AWARD. ONE OF THEM IS THAT
7 WHEN YOU TALK ABOUT THE SUPPLEMENTAL FUNDING, COULD
8 IT BE CONSIDERED AS AN ADVANCE ON FURTHER CIRM
9 FUNDING? ONE OF THEM WAS RATHER THAN WAIT TO NOTIFY
10 THE ICOC ON AT LEAST AN ANNUAL BASIS OR UPON USE OF
11 ALL THE FUNDS, THAT WE DO TIMELY NOTIFICATION WHEN
12 AN ACTUAL DISBURSEMENT IS MADE. ANOTHER ONE OF
13 THEM, WHEN THE \$12 MILLION WAS UP, WAS REPORT TO THE
14 BOARD ON THE PROGRAM EFFECTIVENESS. WE HAD THAT
15 METRIC, BUT IT WAS VERY CLEAR THAT DO IT WHEN THE
16 PROGRAM WAS OVER OR BEFORE REPLENISHMENT, THAT THERE
17 WOULD BE A REPORT ON THE METRICS OF WHAT IT
18 ACHIEVED.

19 ANOTHER COMMENT NOT CAPTURED HERE, MADE BY
20 MR. SHEEHY, WAS THE FACT THAT IF A TEAM REQUESTED
21 BRIDGING FUNDING, BUT IT WAS NOT THE RECOMMENDATION
22 OF THE SCIENCE OFFICE TO PROCEED WITH IT, THEN THAT
23 THAT TEAM WOULD NOT BE PREJUDICED IN ANY WAY IN THE
24 GRANTS WORKING GROUP COMPETITION IN A FUTURE
25 COMPETITION. AND I THINK THAT'S VERY EASILY DONE

BARRISTERS' REPORTING SERVICE

1 BECAUSE THIS WOULD BE WITHIN AN INTERNAL MATTER AND
2 WOULD NOT BE COMMUNICATED TO THE GRANTS WORKING
3 GROUP THAT WE DIDN'T DO THAT.

4 ANOTHER ONE WAS -- I BELIEVE THAT ACTUALLY
5 HIGHLIGHTS -- I BELIEVE THAT HIGHLIGHTS THE POINTS
6 THAT WERE RAISED BY THE SCIENTIFIC SUBCOMMITTEE.

7 DR. PIZZO: THANK YOU.

8 CHAIRMAN THOMAS: DR. ECONOMOU.

9 DR. ECONOMOU: WOULD YOU GO BACK TO THAT
10 PREVIOUS SLIDE, NEXT ONE BEFORE THAT, BEFORE THAT
11 THEN. THE ONE THAT TALKS ABOUT THE SCIENTIFIC PEER
12 REVIEW PROCESS TO DECIDE IF THESE ADDITIONAL
13 DISBURSEMENTS ARE GOING TO BE MADE. THERE WAS A
14 CONDITIONAL LANGUAGE THERE AS APPROPRIATE AND WHO
15 MAKES THE DECISION. IS THAT -- I OBVIOUSLY WASN'T
16 AT THE MEETING LAST NIGHT, BUT THIS IS A RECURRING
17 THEME OF SCIENTIFIC PEER REVIEW AT EACH STAGE WHERE
18 SUBSTANTIAL DISBURSEMENT OF CIRM FUNDS ARE BEING
19 MADE. SO IS THIS -- WILL THIS BE SENT BACK TO THE
20 SCIENTIFIC PEER REVIEW COMMITTEE?

21 DR. OLSON: THIS WOULD BE A DECISION BY
22 THE PRESIDENT. BUT THEN AS TO THE -- THAT'S WHY
23 IT'S CALLED SUPPLEMENTAL FUNDING TO AN EXISTING
24 AWARD THAT HAS ALREADY BEEN PEER REVIEWED AND
25 APPROVED BY THE BOARD. SO THE DECISION ON

BARRISTERS' REPORTING SERVICE

1 SUPPLEMENTAL FUNDING WOULD BE AN INTERNAL DECISION
2 WITH EXTERNAL CONSULTANTS WITHIN THE REQUIREMENT
3 THAT IF THEY'VE APPLIED FOR SUPPLEMENTAL -- IF
4 THEY'RE GOING FOR CIRM FUNDING, THAT THEY HAVE TO GO
5 TO THE NEXT APPLICABLE GRANTS WORKING GROUP REVIEW.

6 DR. MELMED: I THINK THIS IS A GREAT
7 PROGRAM. I JUST HAVE ONE CONCERN ABOUT THE
8 IMPLEMENTATION. AND ACCORDINGLY, I WANT TO PROPOSE
9 A FRIENDLY AMENDMENT. I MENTIONED PART OF THIS LAST
10 NIGHT AT THE DISCUSSION. LIKE JIM, I'M A LITTLE BIT
11 CONCERNED ABOUT THE PATIENT ADVOCATES OF THE PEER
12 REVIEW PROCESS. AND I'M ALSO CONCERNED ABOUT THE
13 FACT THAT WE MAY BE PUTTING THE PRESIDENT IN THE
14 UNTENABLE POSITION, BECAUSE HE'S GOING TO BE OPEN TO
15 ALL SORTS OF CRITICISMS BOTH POSITIVE AND NEGATIVE,
16 BY MAKING A DECISION ON SUPPLEMENTAL FUNDING WITHOUT
17 COMING TO THE BOARD.

18 SO MY FRIENDLY AMENDMENT, MR. CHAIRMAN,
19 WOULD BE THAT WE ACCEPT THIS -- THE LANGUAGE AS
20 PROPOSED EXCEPT FOR THE IMPLEMENTATION. FOR THE
21 IMPLEMENTATION I WOULD RECOMMEND THAT THIS BOARD,
22 BASED ON PEER REVIEW INPUT, ACTUALLY MAKES THE
23 DECISION ON FUNDING.

24 DR. OLSON: I WOULD POINT OUT THAT IN MANY
25 INSTANCES WHAT WE'RE TALKING ABOUT IS SOMETHING THAT

BARRISTERS' REPORTING SERVICE

1 THE SCIENCE OFFICE DEALS WITH ROUTINELY, WHICH IS
2 CHANGE OF SCOPE ACTIVITIES. WITHIN THE OBJECTIVES
3 OF THE PROGRAM, THAT WE MAKE ROUTINELY DECISIONS ON
4 CHANGE OF SCOPE ACTIVITIES. AND SO THE ONLY
5 DIFFERENCE HERE WOULD BE VIEWED AS THAT IT HAS
6 ASSOCIATED WITH IT FUNDING. AND I THINK THAT'S PART
7 OF THE POINT OF THIS IS SORT OF A TIMELINESS. IT'S
8 A QUESTION OF HOW OFTEN WE CAN DO AN APPROPRIATE
9 PEER REVIEW IS WHAT IT REALLY COMES DOWN TO.

10 DR. MELMED: I THINK WE'RE GIVING THE
11 OFFICE THE OPPORTUNITY TO MAKE AN ARBITRARY DECISION
12 IN THEIR BEST JUDGMENT ON UP TO \$3 MILLION FOR AN
13 INVESTIGATOR. THERE MAY HAVE BEEN A YEAR OR TWO
14 YEARS GAP SINCE THAT WAS PEER REVIEWED. AND I WOULD
15 FEEL UNCOMFORTABLE IF THIS BOARD DOESN'T MAKE THAT
16 DECISION. THAT'S A LOT OF MONEY TO GIVE TO AN
17 INVESTIGATOR. AND I WOULD, AGAIN, SUGGEST THAT THE
18 PRESIDENT WOULDN'T WANT TO BE IN THAT POSITION TO
19 MAKE HIS OR HER OWN DECISION ON THAT. THIS HAS TO
20 BE A BOARD DECISION BASED UPON WHAT WE ARE -- BASED
21 UPON PEER REVIEW EVIDENCE THAT WE'RE GIVEN EITHER TO
22 SUPPORT OR NOT TO SUPPORT THE APPLICATION. I THINK
23 GIVEN THE SIZE OF THE FUND, NOT HAVING THIS GO
24 THROUGH A PEER REVIEW PROCESS, EVEN IF IT'S RAPID,
25 WOULD NOT BE WISE FOR US.

BARRISTERS' REPORTING SERVICE

1 DR. PIZZO: I AGREE WITH THAT STATEMENT
2 WHOLEHEARTEDLY, AND I WAS GOING TO MAKE A VERY
3 SIMILAR ONE. SO I SUPPORT THAT.

4 CHAIRMAN THOMAS: OKAY. THERE'S AN
5 AMENDMENT TO THE MOTION. DEAN PIZZO, DO I TAKE THAT
6 AS A SECOND?

7 DR. PIZZO: ABSOLUTELY.

8 CHAIRMAN THOMAS: OKAY. MARCY.

9 MS. FEIT: I WAS IN THE MEETING LAST
10 NIGHT, AND THIS DISCUSSION DID COME UP. BOARD
11 MEMBER SAMUELSON BROUGHT THIS VERY DISCUSSION UP
12 ABOUT HOW WOULD WE KNOW IF THERE'S BEEN A CHANGE OR
13 IF THIS IS NEW WORK. AND WITHOUT THE PEER REVIEW,
14 WE WOULD NOT BE ABLE TO JUDGE THAT. SO WE DID
15 DISCUSS THAT LAST NIGHT, BUT I WOULD AGREE WITH THE
16 CURRENT AMENDMENT GOING FORWARD.

17 CHAIRMAN THOMAS: IF I HEAR THIS
18 CORRECTLY, I THINK THE IDEA, DR. MELMED, IS TO HAVE
19 IN PLACE A PROCEDURE FOR RAPID PEER REVIEW SO WE
20 MEET THE GOAL OF MAKING A TIMELY DECISION HERE THAT
21 GETS THIS FUNDING OUT.

22 DR. MELMED: YES. BUT THIS BOARD ACTUALLY
23 MAKES THAT DECISION.

24 CHAIRMAN THOMAS: YES.

25 DR. OLSON: THE GRANTS WORKING GROUP

BARRISTERS' REPORTING SERVICE

1 CANNOT MAKE A FUNDING DECISION.

2 CHAIRMAN THOMAS: THANK YOU.

3 DR. KRONIRIS: WE'RE TALKING ABOUT BOARD
4 APPROVAL OF THE FUNDING, NOT PEER REVIEW OF THE
5 REQUEST, EXTERNAL PEER REVIEW OF THE REQUEST.

6 CHAIRMAN THOMAS: WE'RE TALKING ABOUT
7 BOTH. LET ME TURN IT, DR. MELMED.

8 DR. KRONIRIS: THAT DOESN'T SEEM TO BE
9 THE AMENDMENT.

10 DR. MELMED: WHAT I RECOMMENDED WAS THAT
11 THIS BOARD MAKE THE DECISION BASED UPON PEER REVIEW
12 RESULTS WHICH THE PRESIDENT WOULD BRING TO US.

13 DR. KRONIRIS: SO YOU'RE ADDING BOTH
14 CONDITIONS.

15 MR. SHEEHY: IT SOUNDS LIKE THAT WHAT
16 HE'S -- YOU'RE TALKING ABOUT KIND OF A ROLLING PEER
17 REVIEW LIKE WE DO FOR THE LEADERSHIP AWARDS THAT WE
18 APPROVED TODAY. THOSE ARE REVIEWED AS OFTEN AS
19 QUARTERLY. OR WHAT WE WERE TALKING ABOUT, THE
20 SECOND ITEM THAT WE'RE GOING TO GET, THAT ALSO HAS A
21 ROLLING PEER REVIEW PROCESS. AND I BELIEVE THE
22 STRATEGIC OPPORTUNITIES, THE OTHER ELEMENT OF THE
23 OPPORTUNITY FUND THAT WE APPROVED ALSO HAD A ROLLING
24 PEER REVIEW WHERE GRANTS WORKING GROUP COULD BE
25 CALLED IN A FAIRLY SHORT FASHION, AND THEN THOSE

BARRISTERS' REPORTING SERVICE

1 RECOMMENDATIONS WOULD COME TO THE BOARD AT THE NEXT
2 IMMEDIATE BOARD MEETING. IS THAT KIND OF --

3 DR. MELMED: YES. AND ALSO, JUST LOOKING
4 AT THE LAST BULLET THERE, I THINK THAT WE'RE OPENING
5 OURSELVES UP TO A LOT OF VULNERABILITY TO THE PUBLIC
6 IF WE ACCEPT THAT LAST BULLET BECAUSE THIS BOARD IS
7 CHARGED WITH FIDUCIARY RESPONSIBILITY. AND TO HAND
8 OUT A \$3 MILLION BRIDGE FUND WITHOUT GOING THROUGH
9 THIS BOARD I THINK WOULD NOT BE WISE.

10 CHAIRMAN THOMAS: DR. VUORI.

11 DR. VUORI: SO TO FOLLOW UP THIS SAME
12 QUESTION, NIH ROUTINELY AWARDS SUPPLEMENTAL FUNDS TO
13 EXISTING GRANTS WITHOUT PEER REVIEW. THE AMOUNTS
14 TYPICALLY PROBABLY DON'T AMOUNT TO QUITE THIS
15 NUMBER. SO IS THE CONCERN STILL BOTH? IN OTHER
16 WORDS, CIRM SHOULD NOT HAVE A MECHANISM OF ANY SORT
17 OF DISBURSING FUNDS WITHOUT PEER REVIEW, OR IS THE
18 CONCERN HERE THE AMOUNT OF MONEY OR IS IT BOTH?

19 DR. PIZZO: IT'S BOTH. IF I CAN SPEAK
20 WHENEVER I GET A CHANCE.

21 CHAIRMAN THOMAS: YES, PLEASE PROCEED,
22 DEAN PIZZO.

23 DR. PIZZO: THANKS. I THINK EVEN IN OUR
24 OWN INSTITUTIONS WHERE WE AWARD BRIDGE FUNDING FOR
25 FACULTY AT MUCH SMALLER AMOUNTS OF MONEY, MOST OF

BARRISTERS' REPORTING SERVICE

1 US, I'M SURE, HAVE SOME KIND OF PEER REVIEW PROCESS
2 OR REVIEW PROCESS. I THINK WE ALL BENEFIT FROM THAT
3 KIND OF BROAD INPUT ABOUT WHERE WE SHOULD PUT OUR
4 INVESTMENTS. BUT WHEN YOU'RE TALKING ABOUT
5 MULTIPLES OF THAT TO THE TUNE OF \$3 MILLION, THAT'S
6 AN INCREDIBLE AMOUNT OF MONEY. AND I THINK IT'S
7 REALLY INCUMBENT ON US TO BE SURE THAT WE'RE USING
8 WHAT I THINK IS A VERY GOOD IDEA FOR
9 WELL-ARTICULATED REASONS IN THE MOST RESPONSIBLE WAY
10 TO PROTECT THE INSTITUTION AND THE STAFF OF IT.

11 SO FOR THAT REASON, REGARDLESS OF WHAT THE
12 NIH DOES, I THINK THIS IS SOMETHING THAT WE SHOULD
13 DO. SO I VERY MUCH SUPPORT THIS PROPOSAL, THE
14 AMENDMENT TO THE PROPOSAL.

15 DR. JUELSGAARD: LET ME DRAW A DIFFERENT
16 DISTINCTION JUST TO GET A SENSE OF THIS. SO I WAS
17 TALKING TO JAMES HARRISON ABOUT THIS LAST NIGHT
18 BECAUSE PROP 71 LAYS OUT A FRAMEWORK FOR SPENDING
19 MONEY AND WHO HAS THAT RESPONSIBILITY. SO IN MY
20 SIMPLISTIC VIEW OF THE WORLD, THERE ARE TWO KINDS OF
21 PROPOSALS THAT MIGHT COME FOR THIS BRIDGE FUNDING.

22 ONE IS SIMPLY TO FINISH THE WORK THAT THE
23 ORIGINAL PROJECT CALLED FOR, BUT THERE WAS AN
24 UNDERESTIMATE OF THE AMOUNT OF MONEY THAT IT WAS
25 GOING TO TAKE OR SOMETHING HAPPENED ALONG THE WAY.

BARRISTERS' REPORTING SERVICE

1 YOUR EXAMPLE OF COMPLETING, LET'S SAY, AN IND
2 PROJECT BECAUSE THE FDA WANTED ADDITIONAL WORK TO BE
3 DONE, AND REALLY THE GOAL OF THE PROGRAM WAS TO COME
4 TO AN IND. SO FROM MY POINT OF VIEW, THAT'S KIND OF
5 WITHIN THE FRAMEWORK OF WHAT WAS ALREADY APPROVED.
6 IT'S JUST THAT WHAT'S GOING TO BE REQUIRED IS A
7 LITTLE DIFFERENT THAN WHAT PEOPLE EXPECTED. SO
8 THERE'S NOT REALLY PROJECT CREEP. IT'S JUST GETTING
9 THE PROJECT DONE.

10 THE OTHER IS WHAT I CALL PROJECT CREEP
11 WHERE YOU'VE ESSENTIALLY FINISHED THE PROJECT, AND
12 NOW BEFORE YOU APPLY FOR MORE FUNDING, YOU KIND OF
13 WANT TO MOVE ALONG AND DO MORE WORK WHICH REALLY
14 WASN'T PART OF WHAT WAS APPROVED TO BEGIN WITH. AND
15 THERE I THINK THERE ARE SOME POTENTIAL ISSUES UNDER
16 PROP 71 ABOUT THE ABILITY TO DO THAT WITHOUT HAVING
17 THIS COMMITTEE AGREE WITH SPENDING THE ADDITIONAL
18 FUNDS.

19 BUT AS TO THAT FIRST ISSUE, THE ONE OF
20 JUST GETTING THE PROJECT DONE BECAUSE IT'S GOING TO
21 TAKE A LITTLE MORE MONEY, IS THERE A SENSE THAT WE
22 NEED PEER REVIEW AND BOARD APPROVAL FOR THAT?

23 DR. ECONOMOU: SO, STEVE, I THINK THAT WE
24 DO. SO AS SOMEONE WHO CONDUCTED THE FIRST GENE
25 THERAPY TRIAL ON THE WEST COAST AND RAN OUT OF MONEY

BARRISTERS' REPORTING SERVICE

1 IN THE MIDDLE OF THE TRIAL AND HAD TO FIND MORE
2 MONEY, AND AS SOMEONE WHO CONTINUES TO CONDUCT
3 COMPLEX CELL- AND GENE-BASED THERAPIES, IT'S EASY TO
4 RUN OUT OF MONEY. AND THE NIH DOESN'T PROVIDE A
5 CONVENIENT MECHANISM OTHER THAN RECOMPETING FOR A
6 GRANT IN ORDER TO GET ADDITIONAL FUNDS. THIS IS A
7 TERRIFIC IDEA. BUT YOU MIGHT RUN OUT OF MONEY AND
8 IT MIGHT GO TO PEER REVIEW AND THEY'D SAY, YOU KNOW,
9 SOMETHING THEY'RE NOT REALLY MAKING THE KIND OF
10 PROGRESS THAT THEY SHOULD BE MAKING, OR THEY SHOULD
11 HAVE A COURSE CORRECTION OR THEY SHOULD COME BACK
12 WITH A NEW APPLICATION. SO THAT A STREAMLINED PEER
13 REVIEWED MECHANISM BY SCIENTIFIC EXPERTS GETS AROUND
14 THIS RECURRING CONTROVERSY WE HAVE ABOUT
15 DISBURSEMENT OF STATE TAXPAYERS' MONEY TO CONDUCT
16 SCIENCE WITHOUT THAT KIND OF PEER REVIEW.

17 DR. OLSON: MAY I JUST MAKE A COMMENT
18 HERE? I MEAN SO THE EXAMPLE THAT YOU CITED, I
19 REMIND YOU AGAIN YOU HAVE A HIGHLY QUALIFIED STAFF
20 WHO HAS ACTUALLY CONSIDERABLE EXPERIENCE IN DRUG
21 DEVELOPMENT OR IN BASIC SCIENCE WHO DOES MAKE -- WHO
22 MONITORS THESE PROJECTS, MAKES DECISIONS ABOUT IN
23 SCOPE, CHANGES OF SCOPE ACTIVITIES, AND SUCH.

24 SO I APPRECIATE THE COMMENT MADE BY MR.
25 JUELSGAARD. I UNDERSTAND THE DISTINCTION WHICH IS

BARRISTERS' REPORTING SERVICE

1 WHY I HAD SUGGESTED THE NOTION OF CONTINUATION OF
2 APPROVED ACTIVITIES. BUT I DOUBT VERY MUCH THAT THE
3 GRANTS WORKING GROUP AND THIS BOARD WANTS TO BE
4 INVOLVED IN CHANGE OF SCOPE ACTIVITIES.

5 MS. GIBBONS: AS A MATTER OF JUST
6 PRAGMATICS, HOW DOES THIS ENCUMBER, OR DOES IT, THE
7 SWIFTNESS AND THE DESIGN THAT'S BEHIND THIS KIND OF
8 BRIDGE THING? IS IT ANTITHETICAL TO THE WHOLE
9 CONCEPT?

10 DR. OLSON: THIS IS DESIGNED TO
11 INCREASE -- OR TO DECREASE THE TIME REQUIRED.

12 MS. GIBBONS: I MEAN THE AMENDMENT. I
13 MEAN HAVE IT GOING BACK TO PEER REVIEW.

14 DR. OLSON: THE AMENDMENT BASICALLY, AS I
15 UNDERSTAND THE AMENDMENT, THE AMENDMENT ASSUMES A
16 GRANTS WORKING GROUP REVIEW AND A BOARD MEETING. SO
17 MINIMALLY FROM THE TIME OF ANY GRANTS WORKING GROUP
18 REVIEW TO A BOARD MEETING, IT'S TYPICALLY A MONTH OR
19 TWO. AND THEN ASSEMBLING A GRANTS WORKING GROUP
20 REVIEW DEPENDING ON -- AT THE MOMENT WE HAVE AD HOC,
21 MAYBE NOT AD HOC, BUT, YES, IN SOME SENSES AD HOC
22 GRANTS WORKING GROUP -- ROLLING REVIEWS ONLY IN THE
23 CASE OF THE LEADERSHIP AWARDS. THIS BOARD THROUGH
24 MEANS OF THE STRATEGIC PARTNERSHIP PROGRAM AS WELL
25 AS THE PROGRAM THAT ELLEN IS GOING TO PRESENT TO YOU

BARRISTERS' REPORTING SERVICE

1 SUBSEQUENT TO THIS ON THE EXTERNAL INNOVATION
2 PROGRAM IS CALLING FOR POTENTIALLY TWO ADDITIONAL
3 SORT OF -- WELL, TWO OR FOUR, DEPENDING ON HOW YOU
4 LOOK AT THEM, DEPENDING ON WHETHER WE CAN HAVE
5 ENOUGH OVERLAP IN THE TYPES OF AWARDS WE RECEIVE
6 THAT WE COULD DO AD HOC GRANT REVIEWS. THESE WORK
7 USUALLY ONLY WHEN YOU HAVE SMALL NUMBERS OF PROJECTS
8 OF COMPARABLE SCOPE.

9 SO UNDER THE STRATEGIC PARTNERSHIP, I
10 RECALL THAT IT WAS BROADENED TO INCLUDE IF WE HAD A
11 PARTNERSHIP AT A VERY EARLY STAGE. IT WOULD BE VERY
12 DIFFICULT TO GET A PANEL TO REVIEW AN EARLY STAGE
13 PARTNERSHIP PROGRAM AT THE SAME TIME AS THEY
14 REVIEWED A CLINICAL PARTNERSHIP PROGRAM. IT'S A
15 DIFFERENT EXPERTISE. IT'S A DIFFERENT SET OF
16 REQUIREMENTS. SO THESE ARE THINGS WE'RE WORKING
17 OUT, AND I WOULD PROBABLY, IN THINKING ABOUT THIS,
18 IF WE HAD AN AD HOC REVIEW, I WOULD TRY AND THINK OF
19 A WAY THAT WE COULD COMPRESS SOME OF THESE MULTIPLE
20 AD HOC REVIEWS DOWN INTO FEWER THAN FOUR TO SIX.
21 AND THAT WOULD BE HOW WE WOULD HAVE TO DO IT.

22 WE WOULD HOPE THAT WE WOULD HAVE
23 COMPARABLE PROJECTS FROM THESE DIFFERENT TYPE OF
24 INITIATIVES THAT PERHAPS COULD ALLOW THEM TO BE
25 REVIEWED TOGETHER, BUT I THINK IT WOULD DEFINITELY

BARRISTERS' REPORTING SERVICE

1 BE SOMEWHAT SLOWER. HOW MUCH SLOWER I CAN'T --

2 CHAIRMAN THOMAS: DR. STEWARD.

3 DR. STEWARD: THANK YOU. I'M SORRY I WAS
4 NOT ABLE TO ATTEND THE SCIENCE SUBCOMMITTEE LAST
5 NIGHT. I WAS TRAVELING, AND SO I DID MISS OUT ON
6 SOME OF THE DISCUSSION. I DO WANT TO SPEAK IN
7 SUPPORT OF THE AMENDMENT. AND THE REASON IS THAT
8 THE ONLY, I THINK, RATIONALE FOR TRYING TO DO IT IN
9 THE WAY THAT IT'S OUTLINED IN THE PROPOSAL IS IF
10 THERE WAS SOME NEED FOR SPEED. AND I WOULD SAY IT
11 IS REALLY VERY RARELY THE CASE. DR. ECONOMOU
12 POINTED OUT THAT PROJECTS LIKE THIS DO SOMETIMES RUN
13 OUT OF MONEY. BUT IF YOU'RE A RESPONSIBLE MANAGER
14 OF A PROJECT, YOU KNOW WHEN YOU'RE GOING TO RUN OUT
15 OF MONEY A LONG TIME BEFORE YOU DO. AND IF YOU
16 DON'T KNOW THAT, YOU'RE IRRESPONSIBLE.

17 SO I THINK THERE'S GOING TO BE PLENTY OF
18 TIME FOR PEOPLE TO COME IN, PLENTY OF TIME FOR THE
19 PROPOSALS TO BE MADE, PLENTY OF TIME FOR THEM TO BE
20 REVIEWED BY THE SCIENTIFIC PEERS, AND TO BE REVIEWED
21 BY THIS BOARD. AND I DO THINK IT'S OUR
22 RESPONSIBILITY TO REVIEW THIS MAGNITUDE.

23 DR. OLSON: MAY I JUST MAKE ONE COMMENT TO
24 THAT? I JUST -- YOU KNOW, WE TALK ABOUT SUPPORTING
25 INDUSTRY. AND I WOULD SAY A LOT OF TIMES THESE ARE

BARRISTERS' REPORTING SERVICE

1 THE KINDS OF PROJECTS THAT -- YOU KNOW, INDUSTRY
2 SOMETIMES CAN'T AFFORD TO WAIT THE MONTHS. I MEAN
3 ACADEMIA, PERHAPS THEY DON'T -- I'M SURE THEY FEEL
4 URGENCY, BUT A COMPANY'S LIFE CAN DEPEND ON THESE
5 THINGS. THEY CAN -- SO I DO THINK THAT THERE IS
6 A -- IT'S IMPORTANT WHEN PEOPLE ARE INVESTING MONEY
7 IN THEIR THERAPIES TO BE ABLE TO MOVE FORWARD IN A
8 TIMELY FASHION.

9 DR. STEWARD: AGAIN, IF I COULD JUST ADD.
10 IF IT WAS A COMPANY THAT DIDN'T KNOW THEY WERE
11 RUNNING OUT OF MONEY, I WOULD FIND THAT EVEN
12 MORE --

13 DR. OLSON: WE'VE TALKED ABOUT THE VALLEY
14 OF DEATH. WE'VE -- THAT'S A VERY, VERY REAL VALLEY.
15 I MEAN THAT IS REALLY -- PARTICULARLY FOR THESE VERY
16 TECHNOLOGICALLY INNOVATIVE THERAPIES, THIS IS A VERY
17 REAL ISSUE ON GETTING FUNDING. IT IS NOT SO -- THE
18 VALLEY IS LARGER FOR TECHNOLOGICALLY INNOVATIVE
19 THINGS. WE TALKED ABOUT DISRISKING THIS MORNING.
20 DERISKING IS LIKELY TO BE -- TO HAVE TO GO FURTHER.
21 THEY WILL WANT TO SEE MORE. AND THIS IS A CHALLENGE
22 FOR, I THINK, MANY PEOPLE UNDER THESE -- MANY
23 ORGANIZATIONS UNDER THESE CIRCUMSTANCES.

24 CHAIRMAN THOMAS: GO TO SHERRY THEN DR.
25 FEIGAL THEN MR. SHEEHY.

BARRISTERS' REPORTING SERVICE

1 MS. LANSING: WELL, I THINK WHAT I'M
2 HEARING FROM THE BOARD IS A DESIRE FOR THE
3 AMENDMENT. SO WHAT I'M REALLY TRYING TO DO IS
4 FIGURE OUT A WAY THAT WE CAN SATISFY BOTH. SO IF
5 THE AMENDMENT ITSELF WOULD ONLY -- THE ONLY PROBLEM
6 WOULD BE IN THE TIME SENSITIVE SITUATION, AND THAT
7 WOULD BE NOT THAT OFTEN.

8 DR. OLSON: IT'S A ROLLING RFA AND
9 FIGURING OUT HOW TO CONSOLIDATE THE ROLLING RFA.
10 SORRY. A ROLLING GRANTS WORKING GROUP REVIEW.

11 MS. LANSING: SO I CAN IMAGINE THAT THERE
12 IS A WAY TO CALL -- I ASK YOU THIS, JAMES -- A WAY
13 TO CALL AN EMERGENCY TELECONFERENCE TO DEAL WITH A
14 SPECIFIC ISSUE LIKE THAT, IS THERE NOT? I WOULD
15 LIKE TO ASK YOU THAT.

16 MR. HARRISON: YES. FIRST OF ALL,
17 BAGLEY-KEENE DOESN'T APPLY TO THE GRANTS WORKING
18 GROUP. SO OBVIOUSLY IT'S DIFFICULT TO FIND TIME FOR
19 ALL THE SCIENTISTS TO PARTICIPATE, BUT THAT COULD BE
20 DONE WITHOUT REGARD TO THE TIME LIMIT. AND THE
21 BOARD COULD MEET TELEPHONICALLY, IF NECESSARY, WITH
22 TEN DAYS NOTICE.

23 MS. LANSING: SO I WOULD THEN LIKE TO
24 PROPOSE AN AMENDMENT TO THE FRIENDLY AMENDMENT,
25 WHICH GIVES US IN THE INSTANCE WHERE WE HAVE A VERY

BARRISTERS' REPORTING SERVICE

1 TIME SENSITIVE THING, I WOULD LIKE TO ASK JAMES TO
2 COME UP WITH THE PROPER WORDING THAT IS MINDFUL OF
3 BAGLEY-KEENE WHERE WE CAN HAVE A TELEPHONIC MEETING
4 TO ADDRESS THE ISSUE IN ENOUGH TIME TO --

5 DR. OLSON: TIMELY DECISION. IS THAT WHAT
6 YOU'RE PROPOSING?

7 MS. LANSING: YES.

8 DR. OLSON: THANK YOU.

9 CHAIRMAN THOMAS: LET'S SEE. WE HAVE A
10 FRIENDLY AMENDMENT TO THE FRIENDLY AMENDMENT. FIRST
11 OF ALL, DO WE HAVE A SECOND FOR THE FRIENDLY
12 AMENDMENT?

13 MR. TORRES: SECOND.

14 CHAIRMAN THOMAS: YES. SENATOR TORRES.
15 DR. FEIGAL HAS HAD HER HAND UP DUTIFULLY FOR ABOUT
16 FIVE MINUTES HERE.

17 DR. FEIGAL: I JUST WANT TO BRING UP AN
18 ISSUE, AND IT'S A BIGGER ISSUE, AND THAT'S ACTUALLY
19 IS THE BOARD POTENTIALLY RECEPTIVE TO HAVE RIGOROUS
20 PEER REVIEW, BUT TO HAVE SOME FLEXIBILITY BEYOND THE
21 GRANTS WORKING GROUP? THAT'S A BIG QUESTION, BUT I
22 THINK BECAUSE -- WE'RE BEING ASKED TO BE LESS
23 BUREAUCRATIC, LESS -- MORE FLEXIBLE, MORE
24 TRANSPARENT TO PEOPLE WHO ARE TRYING TO FIGURE OUT
25 HOW TO NAVIGATE OUR SYSTEM.

BARRISTERS' REPORTING SERVICE

1 AND ONE OF THE THINGS WE'RE SUGGESTING IS
2 COULD WE HAVE, STILL BE QUALITY, HAVE EXCELLENT
3 OUTSIDE EXPERTS COME IN TO REVIEW THIS, BUT NOT
4 HAVING TO CONSTITUTE -- THERE'S A VERY, VERY
5 SPECIFIC TYPE OF PEOPLE WHO HAVE TO BE ON A GRANTS
6 REVIEW GROUP, AND IT'S VERY A CERTAIN NUMBER, A
7 CERTAIN X OF THIS, Y OF THAT, AND IT WORKS VERY
8 WELL, BUT IT'S NOT VERY TIMELY. AND ALL I'M
9 SUGGESTING IS WOULD THE BOARD ENTERTAIN IF WE HAVE
10 AN EXPERT PANEL COME IN THAT IS COMING IN ONLY FOR
11 THINGS LIKE THIS TYPE OF PROCESS OR SOMETHING THAT
12 REQUIRES TIMELINESS. IT'S JUST A QUESTION.

13 CHAIRMAN THOMAS: LET'S ASK MR. HARRISON.
14 UNDER PROP 71 IS THAT ALLOWABLE?

15 MR. SHEEHY: COULD I RESPOND TO THAT?

16 CHAIRMAN THOMAS: MR. SHEEHY.

17 MR. SHEEHY: ALL YOU'RE REALLY DOING IS
18 TALKING ABOUT NOT INCLUDING THE PATIENT ADVOCATES.
19 SO I GUESS I'M TROUBLED BY THAT BECAUSE -- THE ONLY
20 REQUIREMENT IN PROP 71 IS THAT YOU HAVE 15
21 SCIENTISTS. SO ASSEMBLING A GROUP OF -- SO THE ONLY
22 CRITERIA THAT'S APPLIED TO THE SCIENTISTS IS THAT
23 THEY BE SCIENTISTS. THE ONLY PEOPLE -- THE ONLY
24 OTHER CRITERIA FOR MEMBERSHIP ON THE GRANTS WORKING
25 GROUP IS THAT YOU'RE A PATIENT ADVOCATE.

BARRISTERS' REPORTING SERVICE

1 AND THEN I DID WANT TO MAKE ANOTHER
2 COMMENT. I ORIGINALLY SUPPORTED THIS CONCEPT, BUT I
3 DO SUPPORT BOTH THE AMENDMENT AND THE FRIENDLY --
4 THE FRIENDLY AMENDMENT AND THEN THE ADDITION TO THE
5 FRIENDLY, FRIENDLY AMENDMENT.

6 CHAIRMAN THOMAS: EXTRA FRIENDLY.

7 MR. SHEEHY: EXTRA FRIENDLY. AND THE
8 POINT I THINK WE'RE REALLY GOING TO IS THE
9 CONSTRUCTION OF A NIMBLE, COMMITTED GROUP OF
10 INDIVIDUALS FOR THE GRANTS WORKING GROUP, THIS IS
11 SCIENTISTS, WHO WILL BE ABLE TO CONVENE ON A FAIRLY
12 QUICK BASIS THAT SEEM TO BE CONCENTRATED MORE
13 TOWARDS THE TRANSLATIONAL, CLINICAL PART OF THE
14 SPECTRUM BECAUSE IT SOUNDS LIKE FOR WHAT WE'RE GOING
15 TO APPROVE NEXT, WHAT WE'VE ALREADY APPROVED FOR THE
16 STRATEGIC OPPORTUNITY FUND, TO A LARGE DEGREE WHAT
17 WE SEE WITH THE RESEARCH LEADERSHIP AWARD, WHICH ARE
18 VERY SENIOR PEOPLE, WE COULD GET A GROUP OF PEOPLE
19 THAT WOULD BE WILLING TO CONVENE FOR A ONE- OR
20 TWO-HOUR MEETING FAIRLY QUICKLY THAT WOULD BE
21 TELEPHONIC, BUT IT SEEMS LIKE WE'RE HAVING THIS
22 NEED, AS WE'RE TALKING ABOUT THESE ROLLING RFA'S, TO
23 HAVE A FAIRLY CORE SET OF PEOPLE.

24 AND I DO NOTICE THAT SOME OF THE KEY
25 ANALYSES THAT WE'RE ASKING FOR, ESPECIALLY THE

BARRISTERS' REPORTING SERVICE

1 REGULATORY ISSUES, WE'RE SEEING, AT LEAST FROM WHAT
2 I'VE SEEN THROUGH THE CLINICAL DEVELOPMENT GROUP,
3 THROUGH THE LATEST REVIEWS, WE DO HAVE KIND OF A
4 CORE OF REGULATORY SPECIALISTS WHO HAVE BEEN WILLING
5 TO PARTICIPATE FAIRLY OFTEN ON A FAIRLY REGULAR
6 BASIS. SO IT SEEMS TO ME WE OUGHT -- MAYBE THE WAY
7 TO GO IS TO ACTUALLY CONSTRUCT THIS GROUP AND HAVE
8 ENOUGH PEOPLE THAT WE CAN KIND OF PULL IT TOGETHER
9 FAIRLY QUICKLY.

10 CHAIRMAN THOMAS: IS THAT SORT OF A HYBRID
11 SUGGESTION TO WHAT DR. FEIGAL WAS JUST SAYING?
12 YOU'D HAVE SOME MEMBERS WHO CURRENTLY AREN'T MEMBERS
13 OF THE GRANTS WORKING GROUP THAT YOU COULD ADD TO
14 THE POOL.

15 MR. SHEEHY: WE COULD ADD THEM ANY TIME.

16 DR. OLSON: WE ALWAYS CAN.

17 MR. SHEEHY: WE'VE BEEN ADDING PEOPLE,
18 ALTERNATES, THE NAMES ARE SUBMITTED. I DON'T
19 BELIEVE WE'VE EVER REJECTED A SUGGESTION FOR
20 MEMBERSHIP ON THE GRANTS WORKING GROUP.

21 CHAIRMAN THOMAS: DR. TROUNSON.

22 DR. TROUNSON: I'M TRYING TO ASSIMILATE
23 ALL OF THESE. SO WE HAVE PROPOSALS FOR RECURRING
24 NEED FOR THE PROGRAM OF PARTNERSHIPS, AND WE WILL
25 HAVE A NEED IN THE NEXT ONE FOR SEVERAL -- LET ME

BARRISTERS' REPORTING SERVICE

1 SAY I THINK IT'S KIND OF EITHER TWO TO FOUR TIMES,
2 PROBABLY FOUR TIMES A YEAR BY THE SOUND OF IT. AND
3 WE'RE TRYING TO ADDRESS THE STRONG CRITIQUE OF THE
4 EXTERNAL PANEL THAT THEY'RE NOT RESPONSIVE ENOUGH TO
5 INDUSTRY TO BE SEEN AS HELPFUL.

6 SO THE QUESTION, I THINK, IS, AND ONE OF
7 THE HUGE DEMANDS, OF COURSE, IS GOING TO BE ON THE
8 PATIENT ADVOCATES BECAUSE WE ADD THAT UP, YOU'RE
9 GOING TO START TO HAVE EVEN A LOT MORE TIME. BUT
10 GIVEN THAT, AND WE HAVEN'T TRIED TO FIND OUT WHERE
11 THAT BREAKS, BUT CAN WE COPE WITH THIS REVOLVING
12 REVIEW WITH SPECIALISTS, WE HAVE TO HAVE SPECIALISTS
13 BECAUSE THEY'LL BE VARIABLE IN THEIR NATURE, SO
14 WE'LL HAVE TO HAVE SPECIALISTS TO HELP, SO CAN WE
15 KEEP WITH THIS BRIDGES PROGRAM WITHIN THAT? THAT'S
16 THE QUESTION. THAT'S THE REAL QUESTION TO US, IF
17 YOU CAN INCLUDE IN THESE ROLLING REVIEWS THESE
18 BRIDGES REQUESTS.

19 AND I THINK THEY WOULD HAVE TO BE FOUR
20 TIMES A YEAR, AND I THINK THERE ARE COMPANIES THAT
21 REALLY HAVE -- YOU HAVE TO BE RESPONSIVE TO
22 COMPANIES AND TO ACADEMIA. ACADEMIA IS NOT TOTALLY
23 FLUSH WITH FUNDS EITHER. SO WHAT YOU DON'T WANT IS
24 A GAP WHERE YOU LOSE CRITICAL PEOPLE OUT OF ANY
25 PROJECT IF YOU'RE CARRYING IT FORWARD. SO WE'RE

BARRISTERS' REPORTING SERVICE

1 TRYING TO ADDRESS THAT.

2 SO THE QUESTION, I THINK, IS CAN WE
3 ACCOMMODATE THIS BRIDGING PROGRAM IN THESE
4 ADDITIONAL FOUR, LET'S SAY FOUR, REVIEWS IN A YEAR?
5 I THINK THAT'S WHAT I'M HEARING.

6 CHAIRMAN THOMAS: YES. DR. STEWARD.

7 DR. STEWARD: SO I THINK THIS IS AN
8 INTERESTING QUESTION. AND I GUESS MY RECOMMENDATION
9 WOULD BE LET'S TRY IT. AND IF IT DOESN'T WORK, WE
10 CAN ALWAYS RETHINK THIS. AS SHERRY SAYS, IT'S A
11 WORK IN PROGRESS. SO IF WE FIND THAT WE ARE NOT
12 ABLE TO BE RESPONSIVE IN THE WAY THAT IS BEING
13 PROPOSED HERE WITH SCIENTIFIC REVIEW AND WITH REVIEW
14 BY THE BOARD, FINE. THEN WE CAN GO BACK AND RECAST
15 IT AGAIN.

16 DR. TROUNSON: SO THERE WILL BE A COUPLE
17 OF QUESTIONS WE SHOULD AT LEAST ASK ON THAT, AND
18 IT'S REALLY -- THESE ARE GOOD QUESTIONS TO ASK YOU,
19 OS, AND YOU, JEFF. DO YOU THINK IT WOULD BE
20 SATISFACTORY IF WE CAN SOLVE THE ISSUES ON THE
21 TELEPHONIC REVIEW? SOMETIMES THAT DOESN'T WORK VERY
22 WELL. SOMETIMES IT WORKS OKAY. BUT, YOU KNOW, IF
23 WE COULD SOLVE IT, COULD IT BE DONE IN THAT SCHEME?
24 IT SOUNDS LIKE -- IT SOUNDS TO ME IF YOU'RE GOING TO
25 HAVE THREE OF THEM, THE THREE, YOU MIGHT HAVE TO

BARRISTERS' REPORTING SERVICE

1 HAVE A DAY OR MIGHT HAVE IT THE BEST PART OF FOUR
2 HOURS, I'M THINKING. I'M TRYING TO GUESS -- AT
3 LEAST FOUR TIMES A YEAR. BUT COULD YOU HAVE AT
4 LEAST SOME OF THE REVIEW PANEL ON TELEPHONIC BECAUSE
5 WE HAVEN'T NORMALLY HAD THAT? WE'VE HAD
6 SPECIALISTS; BUT WHEN IT COMES TO MARKS AND
7 ALLOCATING MARKS, WE ONLY HAD THE PEOPLE IN THE ROOM
8 DO IT.

9 SO I THINK THERE ARE A FEW QUESTIONS
10 THERE. IF WE'RE GOING TO INCORPORATE THIS EFFICIENT
11 AND EFFECTIVELY, AS LEEZA ASKED, AND I THINK THAT'S
12 REALLY THE CORE TO THIS QUESTION. BE RESPONSIVE, BE
13 ABLE TO DO IT, AND THEN STILL RETAIN ALL THE
14 ELEMENTS OF GRANTS REVIEW. I THINK IF WE CAN DO
15 THAT AND WE CAN HAVE AT LEAST SOME OF THE PEOPLE
16 TELEPHONICALLY, AND THAT MIGHT EVEN INCLUDE THE
17 PATIENT ADVOCATES PERHAPS BECAUSE IT'S GOING TO BE
18 PRETTY DEMANDING IF YOU LOOK AT THE CURRENT PROGRAM.
19 IT'S A HECK OF A LOT OF TIME WE'RE GOING TO DRAG OUT
20 OF YOU IN THE NEXT SIX TO EIGHT MONTHS, ENORMOUS
21 AMOUNTS OF TIME. SO I'M SENSITIVE TO THAT BECAUSE
22 YOU'VE GOT JOBS. SO IF WE COULD DO THAT, I THINK WE
23 COULD SOLVE THIS ISSUE OR AT LEAST TRY IT, AS YOU
24 SAY. GIVE IT A SHOT AND SEE IF IT WOULD WORK.

25 MR. SHEEHY: JUST ON THE PATIENT ADVOCATE

BARRISTERS' REPORTING SERVICE

1 WORKLOAD, I'M SORRY, NOT TO JUMP IN FRONT OF YOU,
2 DR. PRICE, BUT COMPARED TO WHEN WE WERE IN START-UP
3 PHASE, WE HAVE REALLY KIND OF DOWN MODULATED A LOT.
4 SO THE BURDEN HASN'T REACHED EVEN PERHAPS TWO-THIRDS
5 OF WHAT IT WAS WHEN WE WERE STARTING.

6 CHAIRMAN THOMAS: I WOULD WANT TO MAKE A
7 POINT OF INCLUDING THE PATIENT ADVOCATES IN THIS FOR
8 ALL THE REASONS MR. SHEEHY SUGGESTED.

9 DR. PRICE: IS THERE ANYTHING THAT
10 PREVENTS THE APPOINTMENT OF A SUBCOMMITTEE OF THE
11 WORKING GROUP, LET'S SAY FOUR PEOPLE, AND WE CAN
12 STIPULATE SOME NUMBER THAT WILL HAVE TO BE PATIENT
13 ADVOCATES, TO DO IT ON A REAL-TIME BASIS? A
14 QUESTION COMES IN, YOU IMMEDIATELY CONVENE THAT
15 COMMITTEE, YOU SOLVE THE PROBLEM OF THE TIME DELAY,
16 YOU DON'T HAVE TO WAIT AROUND FOR QUARTERLY
17 MEETINGS, YOU DON'T HAVE TO CONVENE 20 PEOPLE? PEER
18 REVIEW DOESN'T NEED 20 PEOPLE.

19 CHAIRMAN THOMAS: THAT SOUNDS LIKE AN
20 EXCELLENT --

21 DR. OLSON: IT DOES WHEN IT'S BROAD.

22 CHAIRMAN THOMAS: -- SUGGESTION, WHICH
23 WOULD BE THE EXTRA FRIENDLY AMENDMENT TO THE
24 FRIENDLY AMENDMENT.

25 DR. TROUNSON: CHAIR, I DON'T THINK THIS

BARRISTERS' REPORTING SERVICE

1 IS POSSIBLE. I DEFER TO --

2 CHAIRMAN THOMAS: MR. HARRISON, WHAT ARE
3 YOUR THOUGHTS ON THAT?

4 MR. HARRISON: THE CHALLENGE IS THAT PROP
5 71 REQUIRES 15 MEMBERS PRESENT DURING PEER REVIEW.
6 AS STEVE JUELSGAARD LAID OUT, THERE ARE DIFFERENCES
7 IN THE TYPES OF PROGRAMS THAT ARE POTENTIALLY WITHIN
8 THE SCOPE OF THIS BRIDGING FUNDING PROGRAM. WITH
9 RESPECT TO THOSE REQUESTS FOR ADDITIONAL FUNDS FOR
10 ACTIVITIES THAT ARE CONSISTENT WITH THE SCOPE OF THE
11 ORIGINAL AWARD, THE TRUNCATED PEER REVIEW SYSTEM IS
12 PLAUSIBLE BECAUSE, IN MY VIEW, PEER REVIEW WOULDN'T
13 NECESSARILY BE REQUIRED FOR THAT IN THE FIRST PLACE.

14 WITH RESPECT TO ACTIVITIES THAT ARE BEYOND
15 THE SCOPE, A NEW PHASE OF THE RESEARCH, THAT WOULD
16 REQUIRE A GRANTS WORKING GROUP REVIEW, AND THAT BY
17 STATUTE REQUIRES 15 SCIENTIFIC MEMBERS.

18 DR. PRICE: SO OUR LAWYER CAN MAKE THAT
19 JUDGMENT.

20 CHAIRMAN THOMAS: OKAY. MR. SHESTACK, THE
21 OBJECT OF THIS REALLY THOUGH IS BRIDGE FUNDING OR
22 SORT OF EMERGENCY FUNDING IF SOMETHING HAS BEEN PEER
23 REVIEWED, IS AN EXPENSIVE STUDY THAT'S GOING WELL,
24 AND NOW TIMING HAS NOT WORKED OUT. AND IT'S \$12
25 MILLION, NOT PER YEAR, \$12 MILLION TO BE REPLENISHED

BARRISTERS' REPORTING SERVICE

1 AS SOON AS YOU GO THROUGH IT. BUT YOU'RE NOT
2 TELLING US HOW OFTEN YOU WOULD IMAGINE YOU WOULD GO
3 THROUGH IT. IT'S IMPORTANT. EVERYBODY HAS
4 DIFFERENT BEEFS WITH THIS WHOLE THING. I ACTUALLY
5 FEEL LIKE I WOULDN'T CARE PERSONALLY IF STAFF WAS
6 GIVEN THE COMPLETE PREROGATIVE ON IT; BUT IF THE
7 AMOUNT OF MONEY WAS SIGNIFICANTLY LESS THAN \$3
8 MILLION, THAT IS A LOT OF MONEY FOR A DECISION TO BE
9 MADE WHERE THE PUBLIC IS GOING TO HANG US OUT TO DRY
10 FOR IT.

11 BUT I'M JUST SAYING -- SHE'S RIGHT. AT
12 NIH PEOPLE GET BRIDGE GRANTS WHEN THEY NEED BRIDGE
13 GRANTS ONCE IN A WHILE AND SUPPLEMENTAL FUNDING.
14 AND IT HAPPENS. I'M NOT -- I'M JUST WONDERING IF
15 ONE WANTS TO RECONSIDER THE WHOLE THING IF IT'S JUST
16 A LITTLE -- ISN'T AS AGGRESSIVE AT EACH BITE SO THAT
17 WE DON'T HAVE TO SET UP SO MUCH INFRASTRUCTURE. IF
18 YOU'RE ACTUALLY LOOKING AT WHETHER YOU'RE BETRAYING
19 PATIENT ADVOCACY, I DON'T WANT TO. I'D LIKE PATIENT
20 ADVOCATES TO BE INVOLVED IN IT. I JUST WOULD
21 LIKE -- I THINK THAT THE PEOPLE WHO ACTUALLY HAVE AN
22 IDEA HOPEFULLY OVER WHETHER A TEAM IS DOING THEIR
23 JOB AND GETTING RESULTS IS ACTUALLY GOING TO BE OUR
24 PROGRAM STAFF AND NOT OUR OUTSIDE REVIEWERS. THEY
25 ARE GOING TO BE BEST ABLE TO JUDGE THE PROJECT

BARRISTERS' REPORTING SERVICE

1 BEFOREHAND, IS IT A BETTER IDEA THAN ANY OTHER
2 PROJECT. BUT IF IT'S ACTUALLY BEING PRODUCTIVE,
3 WHO'S GOING TO KNOW IT BETTER THAN OUR STAFF? SO I
4 JUST WANTED AN AMENDMENT TO AN AMENDMENT TO AN
5 AMENDMENT, JUST ANOTHER POINT OF VIEW.

6 CHAIRMAN THOMAS: DR. MELMED.

7 DR. MELMED: ACTUALLY WHEN I INITIALLY
8 MADE THE AMENDMENT, I DIDN'T SPECIFY WHAT KIND OF
9 PEER REVIEW. WHAT I SAID WAS THAT THIS AMENDMENT
10 ORIGINALLY WAS THAT THIS BOARD SHOULD MAKE THE
11 DECISION BASED ON STAFF BRINGING US PEER REVIEW.
12 HOW THEY DO THE PEER REVIEW, AS LONG AS IT'S
13 ACCORDING TO THE LAW, THAT'S UP TO THEM. THAT'S WHY
14 WE HAVE A GOOD STAFF. LET THEM DECIDE ON THE PEER
15 REVIEW PROCESS, BUT IT HAS TO BE PEER REVIEWED AND
16 BROUGHT TO US FOR OUR DECISION. THOSE ARE THE TWO
17 POINTS IN THE AMENDMENT.

18 AND JUST A COMMENT OR A QUESTION MAYBE TO
19 ALAN. I DON'T UNDERSTAND WHAT'S SO URGENT ABOUT
20 BRIDGE FUNDING. WHO NEEDS AN ANSWER WITHIN 12
21 WEEKS? AND WE'RE NOT GOING TO GET A \$3 MILLION
22 BRIDGE FUND THAT I DIDN'T THINK OF SIX MONTHS AGO.
23 TO ME IT SOUNDS INCONCEIVABLE THAT SOMEBODY WHO'S
24 ACTIVELY INVOLVED IN RUNNING A LAB, I DON'T KNOW WHY
25 WE NEED THIS BURNING PLATFORM. AND IF IT TAKES SIX

BARRISTERS' REPORTING SERVICE

1 MONTHS TO MAKE A DECISION ON BRIDGE FUNDING, IF IT'S
2 DONE PROPERLY WITH GOOD PEER REVIEW AND THIS BOARD'S
3 DELIBERATION, I DON'T SEE THE PROBLEM. THIS IS A
4 GREAT PROGRAM. IT'S JUST THE IMPLEMENTATION.
5 THERE'S NOT THAT BURNING PLATFORM.

6 MR. TORRES: CALL FOR THE QUESTION.

7 DR. TROUNSON: JUST MAYBE IN ANSWER TO
8 THAT, WE'VE ACTUALLY SEEN SOME OF THESE PROJECTS,
9 FOR EXAMPLE, MOVE QUICKLY AND WANT TO GO TO THE NEXT
10 STAGE. SO THAT'S --

11 DR. MELMED: THEN APPLY.

12 DR. TROUNSON: YEAH, BUT SOMETIMES THEY
13 HAVE TO WAIT -- SOMETIMES THEY HAVE TO WAIT SIX, 12,
14 18 MONTHS BEFORE THE NEXT FUNDING COMES IN. AND
15 MAYBE AT SOME INSTITUTIONS THEY CAN HANDLE THAT, BUT
16 COMPANIES CAN'T. AND SO WHAT HAPPENS IS THE COMPANY
17 BASICALLY GOES OUT OR THE KEY STAFF OF THE COMPANY
18 GOES OUT OR WHATEVER. AND SO IF WE HAD A PROGRAM
19 AND IT WAS UP TO PACE, IS DOING GREAT, AND IN SCOPE,
20 WHY NOT MAKE SURE THAT THEY GET TO THE NEXT
21 OPPORTUNITY BECAUSE OTHERWISE WE'VE JUST WASTED THE
22 MONEY? I DON'T FEEL GOOD ABOUT THAT MYSELF. THESE
23 ARE GOOD OUTCOMES. AND THERE ARE UNFORTUNATELY SOME
24 UNIVERSITIES AND SOME INSTITUTIONS THAT DON'T REALLY
25 HAVE THE POCKETS TO ENABLE TEAMS TO GO THAT

BARRISTERS' REPORTING SERVICE

1 ADDITIONAL DISTANCE AND THEN BE PAID BACK IN SOME
2 OTHER WAY.

3 SO THERE ARE CIRCUMSTANCES THAT WE'VE SEEN
4 WHERE THIS IS A HORROR STRETCH FOR SOME PLACES. WE
5 DON'T WANT TO CREATE MORE EXAMPLES OF WHAT HAPPENED
6 WITH GERON ESSENTIALLY.

7 CHAIRMAN THOMAS: THE QUESTION HAS BEEN
8 CALLED HERE. APPLYING ALL OF HIS LEGAL ACUMEN AND
9 LINGUISTIC TALENTS TO TRY TO UNTWIST WHAT THE
10 CURRENT STATUS OF ALL MOTIONS IS, MR. HARRISON.

11 MR. HARRISON: SO THERE ARE CURRENTLY
12 THREE MOTIONS ON THE TABLE. TWO WERE FRAMED AS
13 FRIENDLY AMENDMENTS. THE BOARD IS GOVERNED BY
14 ROBERT'S RULES OF ORDER. IT'S ADOPTED ONE
15 EXCEPTION, WHICH IS TO FOREGO A VOTE ON FRIENDLY
16 AMENDMENTS IF THE MAKERS OF THE MOTION AGREE WITH
17 THE AMENDMENT.

18 SO THE FIRST QUESTION IS TO DR. MELMED AND
19 DR. PIZZO. MEMBERS LANSING AND TORRES OFFERED AN
20 AMENDMENT TO YOUR AMENDMENT. SO LET ME FIRST REPEAT
21 WHAT I BELIEVE YOUR MOTION IS, WHICH IS TO APPROVE
22 THE BRIDGING FUNDING PROGRAM AS PROPOSED EXCEPT THAT
23 WITH RESPECT TO IMPLEMENTATION, THE BOARD WOULD MAKE
24 THE FUNDING DECISION WITH PEER REVIEW INPUT.

25 THE AMENDMENT OFFERED BY MEMBERS LANSING

BARRISTERS' REPORTING SERVICE

1 AND TORRES WOULD BE TO APPROVE THE BRIDGING FUNDING
2 PROGRAM AS PROPOSED EXCEPT THAT WITH RESPECT TO
3 IMPLEMENTATION, THE BOARD WOULD MAKE THE FUNDING
4 DECISION THROUGH A TELEPHONIC MEETING, IF NECESSARY,
5 TO ADDRESS ANY TIME CONCERNS WITH PEER REVIEW INPUT.

6 SO DR. MELMED AND DR. PIZZO, DO YOU ACCEPT
7 THE FRIENDLY AMENDMENT FROM MEMBERS TORRES AND
8 LANSING?

9 DR. MELMED: IS THAT A TELEPHONE MEETING
10 OF THIS BOARD?

11 MR. HARRISON: IT WOULD BE A TELEPHONIC
12 MEETING OF THIS BOARD, IF NECESSARY, TO ADDRESS THE
13 TIME CONCERNS.

14 DR. MELMED: I ABSTAIN. I JUST CAN'T SEE
15 THAT HAPPENING.

16 DR. PIZZO: YEAH.

17 DR. MELMED: I JUST CAN'T SEE IT HAPPENING
18 PRACTICALLY, THAT 19 PEOPLE ARE ON THE TELEPHONE AND
19 READ A DOCUMENT AND ARGUE.

20 DR. PIZZO: I AGREE. I'M SENSITIVE TO
21 THIS ISSUE OF TIME AS WE'RE HEARING. BUT I JUST
22 FOR -- I JUST HAVE A HARD TIME IMAGINING, IN
23 FAIRNESS, THAT THERE IS THAT LEVEL OF URGENCY THAT
24 CAN'T WAIT A DEFINED LIMITED AMOUNT OF TIME FOR A
25 THOUGHTFUL REVIEW. IT JUST SEEMS REALISTIC TO ME,

BARRISTERS' REPORTING SERVICE

1 AND I'VE BEEN INVOLVED IN BOTH WORKING WITH INDUSTRY
2 AS WELL AS WITH ACADEMIA. I JUST DON'T SEE THAT
3 PEOPLE ARE GOING UNDER. NONE OF US HAVE ENDLESS
4 MONEY, BUT THE REALITY IS WE'RE TALKING ABOUT
5 MONTHS, NOT YEARS.

6 MR. HARRISON: CAN I MAKE ONE SUGGESTION,
7 THAT THE CHAIR CURRENTLY HAS THE POWER UNDER THE
8 BOARD'S BYLAWS TO CALL A TELEPHONIC MEETING IF HE
9 DEEMS IT TO BE IN THE BEST INTEREST OF THE
10 INSTITUTE. IF THAT ADDRESSES MEMBER LANSING AND
11 MEMBER TORRES' CONCERN, THEN PERHAPS WE COULD MOVE
12 TO THE MAIN AMENDMENT.

13 MS. LANSING: I JUST WANT TO CLARIFY THIS.
14 I THINK THAT WE'RE ALL SAYING THE SAME THING. AND I
15 GUESS YOU CAN EITHER MAKE IT A FRIENDLY AMENDMENT OR
16 NOT MAKE IT A FRIENDLY AMENDMENT, BUT I WOULD JUST
17 SAY AT THE DISCRETION OF THE CHAIR, THE CHAIR CAN
18 CALL FOR AN EMERGENCY TELEPHONIC MEETING IF AND ONLY
19 IF IT IS DEEMED THAT THERE IS A TIME SENSITIVE
20 ISSUE. IT MAY NEVER HAPPEN. I AGREE WITH YOU. BUT
21 I THINK IF WE -- I'M JUST TRYING TO BE THE PERSON
22 THAT GETS EVERYBODY'S NEEDS SETTLED. AND SINCE
23 YOU'VE BOTH BEEN SAYING THAT, PERHAPS SOME PEOPLE
24 DON'T UNDERSTAND THAT, BUT IF THERE IS SUCH A
25 SITUATION, WE HAVE A MECHANISM TO DEAL WITH IT SO WE

BARRISTERS' REPORTING SERVICE

1 WOULD NEVER LOSE THE ABILITY TO DO THAT.

2 DR. PIZZO: SO YOU'RE MAKING THAT KIND OF
3 A DEFAULT. I THINK SHERRY'S COMMENT IS HELPFUL.
4 YOU'RE MAKING THAT NOT THE DEFAULT OPTION, BUT AN
5 EXCEPTION.

6 MS. LANSING: YES.

7 DR. PIZZO: THE DEFAULT OUGHT TO BE THAT
8 WE HAVE A REGULAR REVIEW, BUT IF THERE'S URGENCY
9 DEEMED, THEN THIS WOULD BE THE WAY TO APPROACH THAT.

10 CHAIRMAN THOMAS: WE'RE GETTING A NOD OF
11 APPROVAL FROM DR. MELMED AND AN OVERT EXPRESSION OF
12 APPROVAL FROM DR. PIZZO. THEREFORE, IT SOUNDS --

13 DR. PIZZO: I WAS NODDING AS WELL.

14 CHAIRMAN THOMAS: HE'S NODDING AS WELL.
15 VERY GOOD. OKAY.

16 MS. LANSING: SO RESTATE IT BECAUSE WE'RE
17 NOT ACCEPTING IT AS IS. WE'RE MAKING SURE THAT
18 WE'VE GOT IT.

19 MR. HARRISON: RIGHT. SO AS RESTATED, THE
20 AMENDMENT TO THE AMENDMENT WOULD READ APPROVE
21 BRINGING FUNDING PROGRAM AS PROPOSED EXCEPT THAT
22 WITH RESPECT TO IMPLEMENTATION, THE BOARD WOULD MAKE
23 THE FUNDING DECISION THROUGH A TELEPHONIC MEETING IF
24 THE CHAIR DETERMINES THAT IT'S NECESSARY TO DO SO TO
25 ADDRESS ANY TIMING CONCERNS WITH PEER REVIEW INPUT.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: THANK YOU, MR. HARRISON.
2 YOUR ABILITY TO RESTATE THESE THINGS IS A MARVEL TO
3 US ALL.

4 MR. HARRISON: SO THE NEXT STAGE IS THAT
5 NOW THAT THE MAKERS OF THE FIRST AMENDMENT HAVE
6 ACCEPTED THE FRIENDLY AMENDMENT TO THEIR AMENDMENT,
7 THE QUESTION GOES TO THE MAKERS OF THE ORIGINAL
8 MOTION, MEMBERS TORRES AND GIBBONS, WHETHER THEY ARE
9 WILLING TO ACCEPT THE MELMED-PIZZO AMENDMENT AS
10 MODIFIED BY THE LANSING-TORRES AMENDMENT.

11 MR. TORRES: LET ME THINK ABOUT IT. OF
12 COURSE.

13 MS. GIBBONS: I NEED TO SEE A FLOWCHART.
14 THAT'S GREAT. GREAT.

15 DR. STEWARD: I'M SORRY, JAMES. CAN I
16 JUST CLARIFY. THE WAY YOU SAID IT WAS THAT THE ICOC
17 WOULD ONLY HAVE A TELEPHONIC MEETING, WHICH WOULD
18 IMPLY THAT WE'RE NOT GOING TO HAVE A MEETING AT ALL
19 TO DISCUSS. WHAT YOU REALLY MEAN IS THAT AT THE END
20 OF THE DAY, THERE'S GOING TO BE ICOC CONSIDERATION,
21 AND IT WOULD BE TELEPHONIC IF IT WAS DEEMED TO BE AN
22 EMERGENCY.

23 MR. HARRISON: CORRECT. THE BOARD MAKES
24 THE FUNDING DECISION THROUGH A TELEPHONIC MEETING IF
25 THE CHAIR DETERMINES THAT A TELEPHONIC MEETING IS

BARRISTERS' REPORTING SERVICE

1 NECESSARY.

2 DR. MELMED: OTHERWISE AT A REGULAR
3 MEETING.

4 MS. LANSING: THAT'S CORRECT. MOTION? DO
5 WE HAVE A SECOND?

6 CHAIRMAN THOMAS: WE'RE GOOD. WE'RE GOOD.
7 ALL RIGHT. ALL THOSE IN FAVOR OF THE ENTIRE PACKAGE
8 PLEASE SAY AYE.

9 DR. MELMED: AS AMENDED.

10 MR. SHESTACK: I'M AGAINST. I THINK IT'S,
11 LIKE, BADLY CRAFTED AND SHOULD BE REDONE. IT'S
12 REALLY LIKE -- YOU'RE JUST GOING TO ASK -- SO LET ME
13 BE ON THE RECORD AS BEING AGAINST.

14 CHAIRMAN THOMAS: THAT'S TOTALLY FAIR,
15 MR. SHESTACK. ARE THERE OTHERS THAT ARE OPPOSED?

16 DR. PRICE: DOES THIS MOTION ON THE FLOOR
17 REQUIRE A MEETING OF THE FULL GRANTS WORKING GROUP
18 AS IT'S WRITTEN?

19 MR. HARRISON: IT DOES NOT.

20 CHAIRMAN THOMAS: OKAY. ARE THERE ANY
21 ABSTENTIONS TO THE MOTION? YES, MR. HARRISON.

22 MR. HARRISON: DR. PIZZO AND DR. HAWGOOD
23 SHOULD BE POLLED.

24 MS. BONNEVILLE: DR. PIZZO.

25 DR. PIZZO: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: DR. HAWGOOD.

2 DR. HAWGOOD: YES.

3 CHAIRMAN THOMAS: OKAY. THANK YOU. THE
4 OMNIBUS PACKAGE IS APPROVED AS AMENDED.

5 NOW, GOING ON TO WHAT I BELIEVE WILL BE A
6 MUCH SHORTER DISCUSSION, CONSIDERATION OF EXTERNAL
7 INNOVATION COMPONENT OF THE OPPORTUNITY FUND. DR.
8 FEIGAL.

9 DR. FEIGAL: THAT'S A REALLY HARD ACT TO
10 FOLLOW. SO THIS IS ONE OF THE THREE COMPONENTS OF
11 THE OPPORTUNITY FUND THAT YOU FIRST HEARD ABOUT IN
12 JUNE. AND THE OBJECTIVES, ONCE AGAIN, FOR THE WHOLE
13 OPPORTUNITY FUND PACKAGE IS TO ACCELERATE
14 DEVELOPMENT OF STEM CELL THERAPY AND TO IMPLEMENT
15 RECOMMENDATIONS OF THE EXTERNAL REVIEW PANEL TO PAVE
16 A PATH FROM FUNDAMENTAL TO TRANSLATIONAL RESEARCH TO
17 TRANSLATIONAL MEDICINE, PRODUCT DEVELOPMENT, AND
18 HEALTHCARE DELIVERY, AND TO ADOPT A MORE POROUS
19 OPPORTUNITY MODEL RATHER THAN AN INTERNAL PIPELINE
20 MODEL TO KEEP CALIFORNIA AS THE HUB OF CLINICAL
21 PROOF OF CONCEPT IN REGENERATIVE MEDICINE.

22 THE OBJECTIVES OF THIS SPECIFIC INITIATIVE
23 ARE TO SUPPLEMENT CIRM'S EXISTING RFA'S WITH A
24 FUNDING MECHANISM THAT I SHOULD ADD UTILIZES THE
25 FULL GRANTS WORKING GROUP MECHANISM AND PROCESS THAT

BARRISTERS' REPORTING SERVICE

1 WOULD ALLOW CIRM TO MORE PROACTIVELY AND QUICKLY
2 SUPPORT COLLABORATIONS OF CALIFORNIA SCIENTISTS IN
3 CUTTING-EDGE, HIGH IMPACT RESEARCH PROJECTS WITH
4 THEIR MOST ADVANCED COLLEAGUES WHEREVER THEY EXIST
5 AROUND THE GLOBE.

6 THIS WOULD ENABLE TIMELY FUNDING OF EITHER
7 NEW OR WHAT WE CALL BOLT-ON, THAT IS TO SAY, THEY
8 COULD ATTACH A NEW COLLABORATION TO AN EXISTING,
9 ONGOING PROJECT AS A COLLABORATION. THESE PROJECTS
10 COULD SUBSTANTIALLY ENHANCE INNOVATIVE AND CRITICAL
11 ASPECTS OF TECHNOLOGY -- AND CRITICAL ASPECTS OF
12 TECHNOLOGY AND EXPERTISE INTO THE CALIFORNIA-BASED
13 CIRM PROGRAMS, WITH THE OUTCOME BEING TO ACCELERATE
14 THE MOVEMENT OF HIGH QUALITY, HIGH IMPACT STUDIES
15 TOWARDS CLINICAL APPLICATION.

16 THE FUNDING PROPOSED IS A TOTAL OF 15
17 MILLION. WE'RE PROPOSING THE MAXIMUM AWARD AMOUNT
18 PER 12 MONTHS OF APPROXIMATELY 500,000, AND THAT
19 DURATION BEYOND THAT 12-MONTH PERIOD WITH A MAXIMUM
20 OF 24 MONTHS WITH THE FUNDING CAN BE CONSIDERED AT
21 THE TIME OF APPLICATION AND REVIEW.

22 DID YOU HAVE A QUESTION? OKAY. FUNDING
23 WOULD BE MADE IN FULL COMPLIANCE WITH PROP 71 AND
24 OUR REGULATIONS. THE FUNDING -- AND LET ME ADD AS A
25 PREAMBLE, WE DISCUSSED THIS AT THE SCIENCE

BARRISTERS' REPORTING SERVICE

1 SUBCOMMITTEE LAST NIGHT. AND REALLY I THINK THE
2 RECOMMENDATION WAS TO BE EXPLICIT ABOUT WHO WOULD
3 PAY FOR WHAT. SO I MODIFIED THE SLIDES TO MAKE
4 THAT, I HOPE, MORE EXPLICITLY CLEAR. SO THE FUNDING
5 WOULD BE MADE IN FULL COMPLIANCE WITH PROP 71 AND
6 OUR REGULATIONS. SO THE FUNDING COULD PROVIDE A
7 STIPEND FOR TRAVEL, PARTIAL SALARY SUPPORT,
8 ACCOMMODATIONS, AND RESEARCH EXPENSES OF THE
9 EXTERNAL RESEARCHER WHO'S WORKING IN CALIFORNIA WITH
10 THAT CALIFORNIA COMPONENT OF THE RESEARCH. FUNDING
11 FOR THE CALIFORNIA RESEARCHERS THAT HAVE TO ACTUALLY
12 ACCESS THAT UNIQUE EXPERTISE OR RESOURCE DIRECTLY AT
13 THAT EXTERNAL SITE WOULD BE DONE IN FULL COMPLIANCE
14 WITH PROP 71 AND OUR REGULATIONS, AND ANY COMPONENT
15 OF THE COLLABORATIVE RESEARCH THAT WAS PERFORMED
16 OUTSIDE OF CALIFORNIA WOULD BE PAID BY SOME OTHER
17 FUNDER. IT WOULDN'T BE PAID BY CIRM.

18 SO I HOPE THAT MADE IT EXPLICIT IN TERMS
19 OF WHO'S FUNDING WHAT.

20 THE ELIGIBILITY WOULD BE THAT THE
21 PROPOSALS MUST INCLUDE COLLABORATION BETWEEN THE
22 CIRM INVESTIGATOR AND A COLLABORATOR THAT IS
23 EXTERNAL TO CALIFORNIA. THE PROPOSALS WOULD HAVE TO
24 MEET ALL THREE CRITERIA. IT WOULD HAVE TO WARRANT
25 PARTICULARLY SPEEDY FUNDING THAT COULDN'T BE

BARRISTERS' REPORTING SERVICE

1 ADDRESSED QUICKLY ENOUGH THROUGH OUR STANDARD
2 REGULAR RFA'S. IT WOULD HAVE TO BE A PROPOSAL THAT
3 WOULD HAVE SIGNIFICANT IMPACT OR SIGNIFICANT
4 POTENTIAL FOR HIGH IMPACT ON THE FIELD, AND THE
5 EXTERNAL COMPONENT WOULD HAVE TO EITHER BE ACTIVELY
6 FUNDED OR THERE'S A COMMITMENT TO FUND BY SOME OTHER
7 FUNDER OUTSIDE OF CALIFORNIA, BUT THAT THAT
8 COLLABORATION WOULD BENEFIT FROM THE PARTICULAR
9 EXPERTISE THAT WAS RESIDENT IN CALIFORNIA.

10 THE AREA OF THE EMPHASIS THAT WE'RE
11 PROPOSING FOR THIS PROGRAM WOULD BE ON TRANSLATIONAL
12 PROGRAMS, TO ACCELERATE PROGRESS TOWARDS CLINICAL
13 APPLICATION. AND THIS COULD INCLUDE EARLY AND
14 APPLIED RESEARCH ON CUTTING-EDGE TECHNOLOGIES THAT
15 ARE UNIQUELY AVAILABLE OUTSIDE OF CALIFORNIA, BUT
16 THAT WOULD BE ESSENTIAL FOR ACCELERATING PROGRESS ON
17 THE CALIFORNIA COMPONENT OF THE RESEARCH, THE
18 TRANSFER OF UNIQUE METHODS OR TECHNIQUES THAT A CIRM
19 GRANTEE NEEDS TO COMPLETE THEIR RESEARCH, OR IT
20 COULD BE A PRECLINICAL/CLINICAL DEVELOPMENT STAGE
21 PROGRAM THAT NEEDS THAT PRELIMINARY DATA TO SUPPORT
22 SUBMISSION OF A MORE COMPREHENSIVE PROGRAM IN AN
23 EMERGING FIELD THAT IS CRITICAL TO ADVANCING STEM
24 CELL SCIENCE INTO THERAPIES.

25 THE APPLICATION WOULD ALSO NEED TO

BARRISTERS' REPORTING SERVICE

1 PROACTIVELY INCLUDE A PLAN FOR ADDRESSING IP AND
2 THAT OUR CIRM IP REGULATIONS WOULD APPLY. AND THIS
3 WOULD BE AN INITIATIVE THAT WOULD BE APPLICABLE TO
4 BOTH FOR-PROFIT AND NONPROFIT ENTITIES. THEY WOULD
5 BOTH BE ELIGIBLE TO APPLY.

6 HOW WOULD THIS EXTERNAL INNOVATION
7 OPPORTUNITY BE IDENTIFIED? WELL, PRESUMABLY THROUGH
8 AN INVENTORY OF THE RESEARCH LANDSCAPE. ONE OF THE
9 THINGS WE TALKED ABOUT EARLIER DURING THE STRATEGIC
10 PLAN DISCUSSION IS HAVE SOME SORT OF A CAPACITY
11 CAPABILITY MAP OF OUR COLLABORATING FUNDING PARTNERS
12 TO FIGURE OUT WHERE THE PARTICULAR EXPERTISE IN
13 PROGRAMS WERE. THE OTHER IS THROUGH THE TRADITIONAL
14 WAY WITH CONFERENCES, PUBLICATIONS, NETWORKING AT
15 THE GROUND LEVEL WITH THE INVESTIGATORS.

16 AN EXAMPLE OF A POTENTIAL PROJECT COULD BE
17 THE RECENT COLLABORATION THAT WE HAVE WITH THE
18 NATIONAL INSTITUTES OF HEALTH WHERE THERE COULD BE
19 ACCESS TO VERY UNIQUE ENVIRONMENTAL SOURCES OR
20 EXPERTISE AT THE CLINICAL CENTER. FOR EXAMPLE, A
21 CALIFORNIA RESEARCHER COULD HAVE THE OPPORTUNITY TO
22 CONDUCT STUDIES WITH A CLINICAL CENTER INVESTIGATOR
23 AT THE NIH IN COHORTS OF PATIENTS WITH RARE AND
24 NEGLECTED DISEASES, TO OBTAIN TISSUE SAMPLES THAT
25 MAY BE USED TO GENERATE IPS LINES, TO WORK ON

BARRISTERS' REPORTING SERVICE

1 TRANSLATIONAL PROJECTS LEADING TO THE CLINIC IN
2 PARKINSON'S DISEASE WITH DERIVATION OF CELL LINES,
3 TO WORK ON POTENTIAL STUDIES IN HIV/AIDS WITH
4 LINKING OF NIH'S INTRAMURAL RESEARCH SCIENTISTS
5 WORKING ON THEIR CXCR 4 PROGRAMS WITH CALIFORNIA'S
6 CCR5 WORLD-LEADING TRANSLATIONAL PROGRAMS.

7 IT COULD ALSO PROVIDE CALIFORNIA
8 INVESTIGATORS WITH ACCESS TO CLINICAL INVESTIGATOR
9 TRAINING, TO VISITING FELLOWSHIP PROGRAMS, TO
10 SPECIAL EQUIPMENT OR FACILITIES SUCH AS NONINVASIVE
11 IMAGING TECHNOLOGIES FOR TRACKING CELL FATE, WHICH
12 IS A VERY PROBLEMATIC AREA OF CELL THERAPY RIGHT
13 NOW. IT COULD ALSO ALLOW THEM ACCESS TO THE
14 NATIONAL GENOMICS CENTER SO THAT THEY COULD UTILIZE
15 THEIR SAMPLES AND ASSAYS IN HIGH THROUGHPUT
16 SCREENINGS.

17 THE STRUCTURE THAT'S BEING PROPOSED IS
18 THAT THE EXTERNAL INNOVATION INITIATIVE IS A PROGRAM
19 ANNOUNCEMENT WITH A ROLLING SUBMISSION, AND WITH
20 REVIEW BY THE GRANTS WORKING GROUP UP TO TWO TIMES
21 PER YEAR IF AN APPLICABLE GRANT WORKING GROUP REVIEW
22 IS NOT OTHERWISE TIMELY SCHEDULED WITH
23 RECOMMENDATIONS TO THE ICOC FOR FINAL DECISIONS.

24 I'M HAPPY TO ENTERTAIN ANY QUESTIONS AT
25 THIS POINT.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: FIRST OF ALL, DO WE HAVE
2 A MOTION TO APPROVE THIS EXTERNAL INNOVATION
3 INITIATIVE?

4 MR. TORRES: SO MOVED.

5 MS. SAMUELSON: AND I'LL SECOND IT.

6 CHAIRMAN THOMAS: I THINK WE HAD ACTUALLY
7 SENATOR TORRES AND MS. SAMUELSON, BUT THANK YOU. DO
8 YOU WANT TO HAVE A COMMENT?

9 MR. SHEEHY: WE HAD A VERY ROBUST
10 DISCUSSION LAST NIGHT AT THE SCIENCE SUBCOMMITTEE,
11 AND THE COMMITTEE WAS VERY FAVORABLE TOWARDS THIS
12 PROPOSAL.

13 MR. TORRES: CALL FOR THE VOTE.

14 CHAIRMAN THOMAS: WE HAVE HAD A CALL FOR
15 THE VOTE. SO DO WE HAVE ANY PUBLIC COMMENT, BY THE
16 WAY, BEFORE WE VOTE? MR. HARRISON.

17 MS. SAMUELSON: I'D LIKE TO SAY ONE THING
18 ABOUT WHY I LOVE THIS. I LOVE THIS PROPOSAL BECAUSE
19 I THINK IT'S EXACTLY THE THING WE SHOULD BE DOING
20 NOW. I THINK THERE HAVE BEEN TIMES OVER THE LIFE OF
21 THE ICOC AND ITS GRANTS WORKING GROUP ASSISTANCE
22 THAT OUR RIGOR HAS BEEN SO EXTREME, THAT WE MIGHT
23 HAVE BEEN A BIT CONSERVATIVE IN LETTING SOME IDEAS
24 GO THAT WERE GREAT ONES, BUT THAT WERE SO NEW THAT
25 THERE WASN'T DATA OUT THERE TO GIVE US THE

BARRISTERS' REPORTING SERVICE

1 CONFIDENCE THAT THINGS WOULD SUCCEED. AND I THINK
2 IT'S TIME TO CHANGE THAT, AND I THINK WE'RE ABLE TO
3 DO IT ON THE PLATFORM OF OUR CLEAR RIGOROUS PEER
4 REVIEW PROCESS, WHICH I THINK THE GRANTS WORKING
5 GROUP AND THE ICOC ARE DULY PROUD OF AND SHOULD BE.
6 BUT THIS GIVES US A WAY TO BEGIN TO MOVE AS
7 AGGRESSIVELY AS WE POSSIBLY CAN, NOT THAT WE HAVEN'T
8 IN THE PAST, BUT I THINK TAKING THIS EXTRA APPROACH.

9 CHAIRMAN THOMAS: THANK YOU, JOAN. I
10 BELIEVE WE NOW HAVE THE MOTION UP FOR APPROVAL. ALL
11 THOSE IN FAVOR PLEASE SAY AYE. OPPOSED? DR.
12 ECONOMOU, IS THAT AN OPPOSED OR IS THAT A VALIDATION
13 SIGNAL? YES. VERY IMPORTANT. DEAN PIZZO.

14 DR. PIZZO: YES.

15 CHAIRMAN THOMAS: DEAN HAWGOOD.

16 DR. HAWGOOD: YES.

17 CHAIRMAN THOMAS: DO WE HAVE -- WE HAD NO
18 OBJECTIONS. JUST ONE PARKING VALIDATION. ANY
19 ABSTENTIONS? MOTION CARRIES. THANK YOU.

20 DR. TROUNSON: SO JUST AS A FINAL
21 ALTERNATIVE, THERE'S THE THREE COMPONENT PARTS OF
22 THE OPPORTUNITY FUND, AND THAT REALLY IS OUR PRIMARY
23 RESPONSE TO THE EXTERNAL PANEL. THERE ARE A FEW
24 OTHER ISSUES, MINOR ONES REALLY, ADDRESSING THEIR
25 RECOMMENDATIONS THAT WE WILL STILL ENACT, BUT

BARRISTERS' REPORTING SERVICE

1 THEY'RE REALLY IN-HOUSE, MOSTLY IN-HOUSE ACTIVITIES.
2 SO I WANT TO THANK THE BOARD FOR HELPING US GET
3 THROUGH THIS PROCESS BECAUSE I NOW THINK WE'RE
4 ADDRESSING THE PRIMARY RECOMMENDATIONS OUT OF THE
5 2010 EXTERNAL PANEL. AND IT'S BEEN AN IMPORTANT
6 PROCESS TO GET RIGHT, AND I WANT TO THANK THE
7 SUBCOMMITTEES AND ALL THE INDIVIDUALS THAT HELPED IN
8 THIS PROCESS BECAUSE IT SEEMS TO HAVE BEEN A
9 LONG-WINDED PROCESS, BUT I THINK IT'S BEEN A VERY
10 VALUABLE AND CONSTRUCTIVE PROCESS. AND I WANT TO
11 THANK EACH AND EVERYBODY THAT PUT A LOT OF EFFORT,
12 THE STAFF, EXTERNAL SCIENTISTS HAVE HELPED, BOARD
13 MEMBERS WHO HAVE COME AND GIVEN US REALLY GOOD
14 SENSIBLE CRITIQUE, AND I THINK WE'VE GOT POWERFUL
15 OUTCOMES.

16 AND AS JOAN SAMUELSON SAID, I THINK NOW
17 WE'RE IN A POSITION TO DELIVER ON SOME REALLY KEY
18 OPPORTUNITIES. AND I HOPE IT'S IN A WAY WHICH WILL
19 MAKE US EVEN STRONGER THAN WE CURRENTLY ARE. SO I
20 WANT TO THANK YOU AND THE BOARD FOR HELPING US
21 COMPLETE THAT PROCESS.

22 CHAIRMAN THOMAS: WELL SAID AND VERY GOOD
23 WORK BY ALL. THANK YOU.

24 OUR LAST ITEM IS CONSIDERATION OF THE HPSC
25 CONCEPT PROPOSAL. UTA.

BARRISTERS' REPORTING SERVICE

1 DR. GRIESHAMMER: MR. CHAIRMAN, MEMBERS OF
2 THE BOARD, AND PUBLIC, SO I'M HERE TO BRING TO YOU
3 FOR YOUR CONSIDERATION THE CONCEPT PROPOSAL FOR
4 HUMAN INDUCED PLURIPOTENT STEM CELL INITIATIVE,
5 AGENDA ITEM NO. 17.

6 AS DR. FEIGAL ACTUALLY PRESENTED TO YOU
7 EARLIER THIS YEAR, CIRM IS PROPOSING A COMPREHENSIVE
8 IPS CELL INITIATIVE. SO THE GOAL OF THIS INITIATIVE
9 IS TO FUND GENERATION OF A COMPREHENSIVE RESOURCE OF
10 DISEASE-SPECIFIC INDUCED PLURIPOTENT STEM CELL
11 LINES. THE CREATION OF THIS RESOURCE, AS INDICATED
12 HERE, INVOLVES THREE MAIN ACTIVITIES. IT STARTS
13 WITH THE COLLECTION OF TISSUE SAMPLES FROM PATIENTS
14 AND MOVES ON TO THE DERIVATION OF THE IPS CELL LINES
15 FROM THE COLLECTED SAMPLES AND ENDS WITH THE BANKING
16 AND DISTRIBUTION OF ALL OF THESE IPS CELL LINES TO
17 THE RESEARCH COMMUNITY.

18 ONCE THIS RESOURCE IS CREATED, IT CAN THEN
19 BE USED BY RESEARCHERS WORLDWIDE BOTH FOR DISEASE
20 MODELING AND TARGET DISCOVERY IN THE DISEASES THAT
21 WERE TARGETED AND BANKED IN THIS BANK AS WELL AS BY
22 DRUG DEVELOPERS TO DISCOVER NEW DRUGS AND DEVELOP
23 THEM.

24 SO DR. FEIGAL PRESENTED THIS INITIATIVE A
25 FEW MONTHS AGO TO YOU, AND STEP ONE ACTUALLY OF THIS

BARRISTERS' REPORTING SERVICE

1 INITIATIVE HAS ALREADY BEEN APPROVED AND IS ONGOING.
2 AND THE PRESIDENT REFERRED TO IT EARLIER IN HIS
3 REPORT. AND THAT IS THAT CIRM HAS ESTABLISHED A
4 COLLABORATION WITH THE NATIONAL INSTITUTE OF
5 NEUROLOGICAL DISORDERS AND STROKE AT THE NIH
6 CREATING AN IPS CELL RESOURCE FOR NEURODEGENERATIVE
7 DISEASES. CIRM BECAME A MEMBER OF THIS
8 PUBLIC/PRIVATE PARTNERSHIP AND IS CURRENTLY
9 CO-FUNDING IPS CELL LINE DERIVATION AND BANKING OF A
10 CONSORTIUM THAT INCLUDES THE DISEASES HUNTINGTON'S
11 DISEASE, PARKINSON'S DISEASE, AND ALS.

12 SO WHAT I WILL DO NOW IS BRING TO YOU STEP
13 TWO OF THIS INITIATIVE, WHICH IS THE CONCEPT FOR AN
14 IPS CELL -- FOR THE SECOND STEP OF THE IPS CELL
15 INITIATIVE, WHICH IS TO COVER ADDITIONAL DISEASES.

16 SO AS I MENTIONED JUST A MOMENT AGO, THE
17 CREATION OF THIS COMPREHENSIVE RESOURCE REQUIRES
18 THREE STEPS, WHICH I HAVE ILLUSTRATED HERE FOR YOU
19 AGAIN. AND SINCE THESE THREE ACTIVITIES REALLY
20 REQUIRE VERY SPECIFIC EXPERTISE AND SKILLS, THESE
21 THREE ACTIVITIES WILL BE FUNDED UNDER THREE
22 INDEPENDENT RFA'S TO BE EACH EXECUTED MOST
23 EFFECTIVELY.

24 SO RFA 1202 WILL BE FUNDING THE COLLECTION
25 OF TISSUE SAMPLES FROM PATIENTS, AND THIS INITIATIVE

BARRISTERS' REPORTING SERVICE

1 WILL COST UP TO \$4 MILLION. RFA 1203 WILL BE
2 DEDICATED TO FUNDING A CORE IPS CELL DERIVATION
3 AWARD WHICH WILL COST UP TO \$16 MILLION. AND THEN
4 FINALLY, THE RFA 1204 WILL FUND THE HUMAN
5 PLURIPOTENT STEM CELL BANK FOR COST OF UP TO \$10
6 MILLION.

7 SO IN THE NEXT THREE SLIDES, I'M JUST
8 GOING TO COVER A FEW MORE DETAILS FOR EACH OF THESE
9 THREE RFA'S THAT I JUST TOLD YOU ABOUT. SO RFA
10 1202, WHICH IS THE TISSUE -- WHICH WILL FUND TISSUE
11 COLLECTION AWARDS, IS REALLY -- THE GOAL OF THE
12 INDIVIDUAL AWARDS THAT WILL BE FUNDED HERE IS TO
13 IDENTIFY PATIENT COHORTS FOR THE DISEASES BROUGHT
14 FORWARD AND TO COLLECT INDEED THE TISSUE SAMPLES
15 THAT THEN WILL BE MOVED ON TO THE NEXT STEP.

16 AND THE FOCUS OF THIS RFA WILL BE TO GO
17 AFTER DISEASES THAT ARE PREVALENT AND GENETICALLY
18 COMPLEX. AND TO JUST GIVE YOU A VERY BRIEF CONTEXT
19 FOR THIS DECISION I'M COVERING, THESE DISEASES, I
20 SHOULD SAY, ARE VERY PREVALENT, GENETICALLY COMPLEX
21 DISEASES AND INCLUDE DISEASES SUCH AS ALZHEIMER'S
22 DISEASE, AUTISM SPECTRUM DISORDERS, AND TYPE II
23 DIABETES. AND THE LIST OF PRIORITIES THAT WE
24 ENVISION FOR THIS RFA IS LISTED IN THE CONCEPT
25 PROPOSAL IN YOUR BINDERS.

BARRISTERS' REPORTING SERVICE

1 BUT LIKE I SAID, FOR THE CONTEXT HERE, I
2 WANT TO POINT OUT THAT THE FIELD HAS REALLY MOVED
3 FORWARD AND GIVEN US PROOF OF CONCEPT THAT
4 DISEASE-IN-A-DISH MODELING CAN ACTUALLY LEAD TO A
5 VALID RECAPITULATION OF PHENOTYPES IN A DISH USING
6 THE DERIVATION FROM PATIENTS THAT SUFFER FROM
7 DISEASES THAT ARE CAUSED BY A SINGLE GENE MUTATION.
8 AND THERE'S LOTS OF ACTIVITY THROUGHOUT THE WORLD
9 REALLY IN CREATING SUCH DISEASE MODELS, INCLUDING
10 CURRENTLY CIRM FUNDING.

11 HAVING REACHED THE PROOF OF CONCEPT FOR
12 THE IDEA OF DISEASE-IN-A-DISH MODELING BASED ON IPS
13 CELL LINES, WE NOW WOULD LIKE TO MOVE THE FIELD
14 FURTHER AND FUND IN A COMPREHENSIVE WAY THE
15 COLLECTION OF TISSUE SAMPLES AND IPS CELL LINE
16 DERIVATION FOR VERY PREVALENT AND GENETICALLY
17 COMPLEX DISEASES. AND TO ACHIEVE THIS GOAL, WE
18 ENVISION TO FUND THREE TO TEN TWO-YEAR AWARDS, AND
19 THE AWARD SIZE ACTUALLY THAT WILL BE ULTIMATELY
20 GIVEN TO A PRINCIPAL INVESTIGATOR WHO'S SUCCESSFUL
21 IN THIS COMPETITION WILL DEPEND ON THE NUMBER OF
22 SAMPLES OR NUMBER OF INDIVIDUALS THAT ARE INCLUDED
23 IN COLLECTING FROM PATIENTS IN THEIR PROPOSAL.

24 THIS RFA WILL BE OPEN TO PRINCIPAL
25 INVESTIGATORS AT BOTH NONPROFIT AND FOR-PROFIT

BARRISTERS' REPORTING SERVICE

1 INSTITUTIONS, AND THE TOTAL COST OF THIS RFA WILL BE
2 UP TO \$4 MILLION AND SHOULD FUND APPROXIMATELY THE
3 SAMPLE COLLECTION FROM APPROXIMATELY 1200
4 INDIVIDUALS.

5 NOW, RFA 1203 WILL FUND THE EXECUTION OF
6 THE SECOND STEP IN THIS PROCESS, THE IPS CELL LINE
7 DERIVATIONS. WHAT IS NOW VERY IMPORTANT ABOUT THIS
8 PROPOSAL FOR THIS RFA IS THAT WE ENVISION THAT THE
9 CELL LINE DERIVATIONS WILL BE PERFORMED BY A SINGLE
10 ENTITY THAT WILL BE USING A SINGLE METHOD TO DERIVE
11 ALL THE PROPOSED IPS CELL LINES USING THE TISSUES
12 COLLECTED UNDER RFA 1202. THE IMPORTANCE HERE IS
13 THAT USING A SINGLE METHOD UNDER STANDARD OPERATING
14 PROCEDURES SHOULD REDUCE THE AMOUNT OF EXPERIMENTAL
15 VARIABILITY THAT WOULD BE INTRODUCED IF VARIOUS
16 METHODS WERE USED AND THEREBY ENABLE OR MAKE IT MORE
17 LIKELY THAT DISEASE PHENOTYPES IN A DISH WILL
18 ACTUALLY BE DISCOVERABLE.

19 SO WE ENVISION FOR THIS RFA A SINGLE
20 THREE-YEAR AWARD GIVEN TO A SINGLE ENTITY. THE
21 COMPETITION WILL BE OPEN TO NONPROFIT AND FOR-PROFIT
22 ORGANIZATIONS AND WILL COST A TOTAL OF UP TO \$16
23 MILLION FOR THE DERIVATION OF IPS CELL LINES FROM
24 THE APPROXIMATELY 1200 INDIVIDUALS FUNDED UNDER RFA
25 1202.

BARRISTERS' REPORTING SERVICE

1 AND FINALLY, THE THIRD RFA IS RFA 1204 TO
2 FUND THE CIRM HUMAN PLURIPOTENT STEM CELL BANK. THE
3 RESOURCE THAT I'M DESCRIBING IS ONLY GOING TO BE
4 EFFECTIVE IN DELIVERING HOPEFULLY ULTIMATELY
5 ANALYSIS OF NEW DISEASE MECHANISMS OR DRUG DISCOVERY
6 IF THESE CELL LINES ARE READILY AVAILABLE TO
7 RESEARCHERS WORLDWIDE. AND THIS KIND OF
8 DISTRIBUTION IS BEST EXECUTED BY DEDICATED AND
9 PROFESSIONAL CELL BANKS.

10 SO WE PROPOSE TO INDEED FUND A SINGLE BANK
11 TO BANK AND DISTRIBUTE THESE IPS CELL LINES THAT
12 WERE GENERATED UNDER RFA'S 1202 AND 1203. WE ALSO
13 PROPOSE THAT ADDITIONAL HUMAN PLURIPOTENT STEM CELL
14 LINES WILL BE BANKED IN THIS RFA, AND THESE WOULD BE
15 CELL LINES THAT ARE ALREADY BEING DERIVED IN
16 CALIFORNIA TO A LARGE EXTENT ALREADY WITH CIRM
17 FUNDING. THEY WOULD INCLUDE DISEASE-SPECIFIC HUMAN
18 INDUCED PLURIPOTENT STEM CELL LINES AS WELL AS HUMAN
19 EMBRYONIC STEM CELL LINES.

20 HERE AGAIN, WE ENVISION A SINGLE
21 THREE-YEAR AWARD; THAT IS, THE COMPETITION WOULD BE
22 OPEN TO NONPROFIT AND FOR-PROFIT ORGANIZATIONS. THE
23 TOTAL COST FOR THIS RFA WOULD BE \$10 MILLION AND
24 SHOULD ALLOW THE BANKING OF IPS CELL LINES DERIVED
25 FROM UP TO 1500 INDIVIDUALS PLUS THE HUMAN EMBRYONIC

BARRISTERS' REPORTING SERVICE

1 STEM CELL LINES.

2 THE PROVISIONAL TIMETABLE FOR THIS RFA IS
3 SHOWN HERE. WE ARE PLANNING TO RELEASE THESE THREE
4 RFA'S IN MAY NEXT YEAR WITH GRANTS WORKING GROUP
5 REVIEW OF THE APPLICATIONS IN NOVEMBER AND THEN
6 BRING THE RESULTS OF THAT REVIEW FOR YOUR
7 CONSIDERATION EARLY 2013.

8 AND SO MY FINAL SLIDE IS INDEED TO REQUEST
9 THE APPROVAL FOR A TOTAL OF \$30 MILLION FOR THE
10 THREE RFA'S I'VE DESCRIBED, AND THE COST BREAKDOWN
11 FOR EACH OF THEM IS SHOWN HERE AGAIN. I'LL BE HAPPY
12 TO ANSWER ANY QUESTIONS.

13 CHAIRMAN THOMAS: DR. MELMED.

14 DR. MELMED: THESE ARE GREAT PROPOSALS AND
15 I CONGRATULATE YOU FOR CONSTRUCTING THEM AS YOU DID.
16 I JUST HAVE A FACTUAL QUESTION, ALTHOUGH AWARD ONE
17 PERHAPS IS MOOT FOR THE SECOND TWO. WHEN YOU TALK
18 ABOUT THE NUMBERS OF PATIENTS, WHICH ARE
19 CONSIDERABLE, 1500, THESE ARE BIG, BIG NUMBERS, ARE
20 WE ASKING FOR THOSE TOTAL NUMBERS TO BE ASSUMED BY
21 THE ENTIRE RFA OR BY THE PROPOSAL? SO WE'RE ASKING
22 FOR EACH PROPOSAL TO HAVE THAT 14 OR 1500, OR IS THE
23 ENTIRE RFA GOING TO DELIVER TO CIRM 1400?

24 DR. GRIESHAMMER: SO RFA 1202 -- ACTUALLY
25 LET ME GO BACK TO THE OVERVIEW SLIDE HERE. SO RFA

BARRISTERS' REPORTING SERVICE

1 1202 IS WHERE COMPETITION WILL OCCUR AMONGST
2 PROPOSALS COMING FORWARD, AND EACH PROPOSAL WILL BE
3 TARGETING A SPECIFIC DISEASE. AND ACTUALLY THE
4 CRUX -- AND SO EACH OF THESE PROPOSALS WILL ACTUALLY
5 BE ASKED TO JUSTIFY THE NUMBER OF PATIENTS THEY
6 THINK IS NECESSARY TO ADEQUATELY REPRESENT THE
7 DISEASE. AND SO THIS COULD VARY DEPENDING ON THE
8 DISEASE.

9 DR. MELMED: RIGHT. YOU'RE SPECIFYING THE
10 NUMBER WHICH IS A BIG NUMBER. SO WE'RE GOING TO
11 EXCLUDE 99 PERCENT OF APPLICANTS THAT WAY, OR ARE WE
12 ASKING FOR THE WHOLE RFA TO HAVE --

13 DR. GRIESHAMMER: SO THE WHOLE RFA 1202,
14 WE ANTICIPATE TO GET TO ABOUT 1200 PATIENTS DIVIDED
15 AMONGST THREE TO TEN DISEASES. NOW, RFA 1203 AND
16 1204 ARE INDEED EXPECTED BY A SINGLE ENTITY TO DO
17 THE DERIVING OF ALL 1200.

18 DR. MELMED: AND HAS STAFF DONE THEIR
19 RESEARCH? ARE THERE SUCH LABS THAT CAN DELIVER 1500
20 SUCH NUMBERS?

21 DR. TROUNSON: A QUICK OUTCOME. THERE ARE
22 AT LEAST FOUR COMMERCIAL ENTITIES WHO COULD DO THAT.
23 I DON'T KNOW ABOUT THE NONPROFIT OR WHETHER YOU
24 COULD DO IT HERE. I KNOW THERE ARE FOUR.

25 DR. MELMED: I DOUBT THERE ARE NONPROFITS

BARRISTERS' REPORTING SERVICE

1 WHO COULD TO THAT. SO IT'S EXCLUDING THE
2 NONPROFITS.

3 DR. TROUNSON: YEAH. AND I THINK FIRMLY,
4 SHLOMO, THAT THAT WOULD BE MOST COST-EFFECTIVE ALSO
5 IF WE CAN GET IT INTO ONE UNIT THAT'S VERY
6 EFFECTIVE, VERY EFFICIENT.

7 DR. MELMED: I'M NOT ARGUING WITH THE
8 MERITS. I'M JUST SAYING AS LONG AS THIS BOARD
9 UNDERSTANDS WE'RE BASICALLY --

10 DR. TROUNSON: FOUR. AT LEAST FOUR.

11 DR. MELMED: THE TWO RFA'S, THE TWO LAST
12 ONES, WE'RE EXCLUDING NONPROFITS BECAUSE THE REALITY
13 IS THAT THOSE NUMBERS WILL NOT BE DELIVERED UNLESS
14 BURNHAM HAS THAT CAPACITY.

15 DR. VUORI: TOTALLY DIFFERENT QUESTION.

16 DR. GRIESHAMMER: ACTUALLY IF I CAN
17 RESPOND TO ONE MORE THING THAT'S RELATED TO THIS,
18 WHICH IS ACTUALLY SOME OF THE MAJOR CELL BANKING
19 FACILITIES ARE ACTUALLY NONPROFIT. THEY'RE
20 COMMERCIAL, BUT NONPROFIT JUST FOR YOUR INFORMATION.

21 DR. MELMED: -- TO LIVE WITH THESE
22 NUMBERS.

23 DR. GRIESHAMMER: BUT THEY WOULD HAVE TO
24 MOVE TO CALIFORNIA.

25 CHAIRMAN THOMAS: MR. SHEEHY HAD HIS HAND

BARRISTERS' REPORTING SERVICE

1 UP FIRST AND THEN DR. VUORI AND THEN MR. SHESTACK,
2 YES.

3 MR. SHEEHY: YOU DIDN'T HAVE IT ON YOUR
4 SLIDE, BUT I LOOKED AT THE DISEASE TARGETS. AND WE
5 HAVE ALZHEIMER'S AND AUTISM ON THERE, WHICH ARE
6 MAJOR PUBLIC HEALTH CRISES FOR THE STATE OF
7 CALIFORNIA LOOMING, AND THE PATHOGENESIS OF BOTH OF
8 THOSE DISEASES ARE NOT WELL UNDERSTOOD. AND THAT
9 HAS BEEN THE BIGGEST BARRIER TOWARDS DEVELOPING ANY
10 EFFECTIVE THERAPIES FOR THOSE DISEASES. AND AT
11 FIRST I THOUGHT PERHAPS WE SHOULD GIVE THEM A
12 PRIORITY, BUT ACTUALLY I WANT US TO HAVE A FAIR
13 SCIENTIFIC COMPETITION AND PROPOSALS BE JUDGED ON
14 THEIR MERITS.

15 BUT I THINK THAT I WOULD LIKE -- IN
16 APPROVING THIS, I'D LIKE TO HAVE AN AMENDMENT WHERE
17 WE WON'T STOP UNTIL WE GET A PROPOSAL THAT'S
18 SCIENTIFICALLY MERITORIOUS FOR THE DERIVATION OF AN
19 IPS MODEL SUFFICIENTLY ROBUST IN ALZHEIMER'S AND
20 AUTISM EVEN IF WE HAVE TO REPEAT PARTS OF THIS RFA
21 UNTIL WE GET IT.

22 I THINK WE OWE THAT TO THE PEOPLE OF
23 CALIFORNIA FOR FAMILIES WHO ARE SUFFERING WITH
24 ALZHEIMER'S, FOR FAMILIES THAT ARE SUFFERING WITH
25 AUTISM. WE'RE IN A UNIQUE POSITION TO PUT OUR

BARRISTERS' REPORTING SERVICE

1 RESOURCES AND OUR EXPERTISE IN STEM CELL SCIENCE TO
2 TRY TO GET A LEG UP ON THESE DISEASES. AND IF
3 THERE'S ONE PLACE WHERE I THINK WE OWE THE VOTERS, I
4 THINK IT'S AT LEAST WITH THESE TWO CONDITIONS WHICH
5 ARE AFFECTING SO MANY FAMILIES.

6 AGAIN, I'M NOT SUGGESTING WE DON'T FUND
7 SCIENTIFICALLY MERITORIOUS PROPOSALS. BUT IF WE
8 DON'T GET GOOD PROPOSALS IN THIS ROUND THAT GET
9 FUNDED, THEN WE REPEAT UNTIL AT LEAST FOR THOSE TWO
10 CONDITIONS WHICH AFFECT SO MANY PEOPLE IN THIS STATE
11 AND FOR WHICH THERE IS NO GOOD IDEA OF WHAT'S
12 CAUSING THOSE DISEASES WHICH DOESN'T GIVE ANY SORT
13 OF PATHWAY FOR THERAPY, I THINK WE HAVE TO MAKE THAT
14 COMMITMENT.

15 CHAIRMAN THOMAS: LET'S SEE. DR. VUORI
16 LOOKS LIKE SHE'S YIELDING THE FLOOR TO SHERRY FOR A
17 RESPONSE TO THAT COMMENT.

18 MS. LANSING: JEFF, I SO RARELY DISAGREE
19 WITH YOU, BUT I JUST WANT TO EXPLAIN JUST A
20 DIFFERENT THING. I THINK IT'S VERY DANGEROUS FOR
21 ANY OF US ON THIS BOARD TO SINGLE OUT ONE DISEASE.
22 I MEAN CANCER STRIKES ONE OUT OF TWO PEOPLE, ONE OUT
23 OF THREE. YOU CAN GO ON WITH THE STATISTICS AND IT
24 AFFECTS SO MANY MILLIONS OF PEOPLE, AND I WOULD NOT
25 SAY YOU HAVE TO KEEP GOING TILL YOU GET A CANCER

BARRISTERS' REPORTING SERVICE

1 THING. I THINK WHAT YOU WOULD AGREE WITH IS A
2 DISCOVERY IN ONE AREA OF SCIENCE WE OFTEN KNOW LEADS
3 TO A DISCOVERY. YOU'RE WORKING ON SOMETHING FOR
4 ALZHEIMER'S AND SUDDENLY IT LEADS TO SOMETHING THAT
5 HELPS CANCER PATIENTS.

6 I THINK WE OWE IT TO THE CITIZENS OF
7 CALIFORNIA TO REPRESENT ALL DISEASES AND TO DO THE
8 BEST SCIENCE. I'VE SEEN THIS TIME AND TIME AGAIN.
9 YOU KNOW, YOU'RE WORKING ON SOMETHING AND IT LEADS
10 TO A BREAKTHROUGH. CONSTANTLY I'M READING THEY
11 THOUGHT THIS DRUG WAS FOR CANCER, BUT IT TURNS OUT
12 TO BE FOR AUTISM OR WHATEVER IT IS. THEY'RE
13 HORRIBLE DISEASES, AND I THINK EVERY DISEASE AROUND
14 THIS TABLE AND EVERYTHING THAT WE REPRESENT IS
15 HORRIBLE. AND I JUST THINK IT'S A SLIPPERY AND
16 SLIDING SLOPE TO JUST SINGLE OUT ONE DISEASE OR TWO
17 DISEASES. I THINK WE SHOULD TAKE THE BEST SCIENCE.
18 AS HORRIBLE AS I THINK THOSE DISEASES ARE, I WANT TO
19 BE CLEAR ABOUT THAT.

20 CHAIRMAN THOMAS: I THINK DR. VUORI.

21 DR. VUORI: UNFORTUNATELY I HAVE THREE
22 SEPARATE QUESTIONS. SO MAYBE I'LL JUST LAY THEM OUT
23 AND HOPEFULLY SOMEBODY CAN PROVIDE SOME ANSWERS.

24 SO FIRST QUESTION RELATES TO THE TISSUE
25 ACQUISITION. IS CIRM PLANNING TO PROVIDE A UNIFORM

BARRISTERS' REPORTING SERVICE

1 CONSENT FORM THAT SHOULD BE UTILIZED IN THIS
2 PROCESS?

3 DR. TROUNSON: YES.

4 DR. VUORI: SECOND QUESTION RELATES TO THE
5 CORE IPSC DERIVATION. YOU MENTIONED THAT YOU'RE
6 LIKELY TO GIVE ONLY ONE AWARD. THE TECHNOLOGY, HOW
7 WE GENERATE THOSE INDUCE PLURIPOTENT STEMS IS VERY
8 RAPIDLY EVOLVING. IT'S VERY UNCLEAR PROBABLY TO
9 MANY OF THE SCIENTISTS WHAT MIGHT BE THE BEST WAYS
10 OF GOING ABOUT DOING THAT. I'M JUST WONDERING IF
11 THERE SHOULD BE MAYBE A LITTLE BIT MORE FLEXIBILITY
12 IN THE WAY THAT THIS MIGHT BE VERY ADVANTAGEOUS FOR
13 THE FUTURE TO HAVE CELLS DERIVED BY --

14 DR. KRONIRIS: AND 30 MILLION RIDES ON
15 IT.

16 DR. VUORI: -- FEW DIFFERENT WAYS. FOR
17 EXAMPLE, JUST THE MERE USE OF MIC AND MAYBE
18 REALIZING AFTERWARDS THAT THAT WAS NOT A GREAT IDEA
19 FOR IN VIVO STUDIES MIGHT BE AN ISSUE.

20 AND MY THIRD QUESTION IS THAT SHOULD IT
21 HAPPEN, UNFORTUNATELY, THAT THIS BANK IN THE END OF
22 THIS PRODUCTION LINE, LET'S SAY, WOULD BE NONPROFIT,
23 FOR-PROFIT, BUT SOMEHOW GOES OUT OF BUSINESS, IS
24 THERE A FALLBACK MECHANISM WHERE THIS BANK, WHICH IS
25 OBVIOUSLY ENORMOUSLY VALUABLE, IS A PROPERTY OF CIRM

BARRISTERS' REPORTING SERVICE

1 OR STATE OF CALIFORNIA OR HOW IS THIS CONSIDERED?

2 DR. TROUNSON: SO JUST IN ANSWER TO YOUR
3 FIRST QUESTION, I THINK WE'RE GOING TO KEEP TISSUE,
4 THE ORIGINAL TISSUE SO THAT -- AND IN THE EVALUATION
5 OF THE AWARDS, WE WILL GO WITH WHAT THE REVIEWERS
6 THINK IS REALLY THE BEST METHOD, BUT WE KEEP TISSUE
7 IN CASE THERE IS ANOTHER METHOD OR IF YOU WANT TO
8 USE THOSE TISSUES FOR CONTROL. SO THAT WOULD BE
9 BUILT IN. AND SO I THINK WE STILL RETAIN THE OPTION
10 FOR THAT TO REDERIVE THOSE SAMPLES RATHER THAN
11 NECESSARILY GO BACK TO THE PATIENT.

12 AND I THINK WE WILL BE ASKING FOR A
13 SUSTAINABILITY MEASURE FROM OUR APPLICANTS. WE
14 CAN'T GO LONGER THAN A CERTAIN AMOUNT OF TIME, OF
15 COURSE, BUT WE THOUGHT WE'D PUT IT IN FOR THREE
16 YEARS. WE'LL ASK WHAT THEIR BUSINESS PLAN IS.
17 WE'LL SEEK FOR A SUSTAINABILITY PROPOSAL FROM THEM.
18 AND IF WE NEED TO KEEP FUNDING PARTICULARLY FOR
19 ACCESS FOR OUR CALIFORNIAN SCIENTISTS AND BIOTECH
20 COMPANIES, THEN WE SHOULD PROBABLY DO THAT AS WELL
21 LATER ON. BUT WE THOUGHT THAT WE'D TRY AND SEE IF
22 WE COULD GET A SUSTAINABILITY MEASURE FROM WHOMEVER
23 WAS GOING TO DO THE BANKING.

24 CHAIRMAN THOMAS: YES, MR. SHESTACK.

25 MR. SHESTACK: THANKS. I HAVE SOME -- A

BARRISTERS' REPORTING SERVICE

1 LOT OF COMMENTS AND QUESTIONS ON THIS. AND
2 UNFORTUNATELY I DIDN'T ACTUALLY SEE IT UNTIL
3 YESTERDAY. AND I WOULD HAVE TO SAY THAT SINCE PART
4 OF THIS PROPOSAL HAS TO DO WITH FUNDING A BANK THAT
5 HAS TO DO WITH AUTISM PATIENTS, FOR INSTANCE, AND
6 THE ONLY PERSON IN THE STATE WHO ACTUALLY DID AN
7 AUTISM GENE BANK WAS ME, SOMEONE MIGHT HAVE
8 CONSULTED WITH A BOARD MEMBER WHO'S A PATIENT
9 ADVOCATE AND SAY WHAT IS THE FEASIBILITY, WHAT IS
10 NOT. FOR INSTANCE, RECRUITING IS A BIG PROBLEM, BUT
11 IN ALZHEIMER'S, AUTISM, AND DIABETES, THERE ARE HUGE
12 POPULATIONS THAT HAVE BEEN RECRUITED, CONSENTED.
13 THERE ARE MORE LIVE CELL LINES. YOU WILL HAVE TO
14 RECONTACT THEM AND RECONSENT BECAUSE YOU WILL BE
15 TAKING A FIBROBLAST, YOU'LL BE TAKING A BUCCAL SMEAR
16 AND NASAL. I DON'T KNOW WHAT YOUR CELL IS. BUT
17 THEY EXIST.

18 AND THEY HAVE BEEN -- IN AUTISM WE SPEND
19 \$6,000 PER FAMILY PHENOTYPING THEM WITH ADOS AND ADI
20 AND NEUROLOGICAL VISITS FOR THE ENTIRE FAMILY. AND
21 THIS EXISTS AND MAKES A GIANT DIFFERENCE IN HOW MUCH
22 RECRUITMENT WOULD COST. AND I THINK THE EQUIVALENT
23 EXISTS IN ALZHEIMER'S AND DIABETES. I JUST HAPPEN
24 TO KNOW THAT OF A THOUSAND FAMILIES IN THE AUTISM
25 BANK, 250 OF THEM ARE IN SOUTHERN CALIFORNIA.

BARRISTERS' REPORTING SERVICE

1 SO IT'S SIGNIFICANT BECAUSE THAT'S WHERE
2 IT STARTED. SO I JUST WISH THAT THINGS LIKE THAT
3 HAD BEEN -- I WOULD VIEW THIS AS WORK IN PROGRESS,
4 BUT I WISH THAT SOME OF THESE THINGS HAD BEEN
5 THOUGHT ABOUT AS THIS WAS BEING DISCUSSED.

6 ALSO, LIKE, WHAT IS THE MECHANISM OF
7 COMPETITION BETWEEN THE DISEASES? I APPRECIATE BOTH
8 WHAT JEFF AND SHERRY SAID. THE OBJECT OF THIS IS TO
9 PICK SOME DISEASES BEYOND THAT THAT WE HOPE WILL BE
10 SUCCESSFUL. WE CAN'T FORCE IT. BUT THE OBJECT IS
11 PICK SOME TARGETS. HAVE SOME FOCUS. I UNDERSTAND.
12 BUT DOES THAT MEAN THAT THERE'S TEN AWARDS, BUT
13 THERE'S SEVEN DISEASES?

14 WHAT ARE THE ACTUAL -- AND THE TEAMS, WHAT
15 ARE THEY COMPETING ON? SEEMS LIKE WHAT THEY'RE
16 COMPETING ON TO ME IS WHO IS BEST DEFINING THE
17 PHENOTYPE THAT THEY WANT TO MAKE CELL LINES OF.
18 THAT'S WHAT YOU'RE ASKING THEM. SO IF THAT'S WHAT
19 YOU'RE ASKING, YOU COULD ASK THEM TODAY AND THEY
20 COULD TELL YOU BY TUESDAY. THEY KNOW. THERE ARE
21 TEAMS WHO KNOW WHAT -- JUST WAITING FOR EIGHT YEARS
22 FOR A PROPOSAL LIKE THIS. THEY HAVE -- IT'S A
23 FISHING EXPEDITION. THEY KNOW WHERE -- THEY REALLY
24 BELIEVE WHERE THE BEST FISHING HOLE IS, AND YET YOU
25 HAVE DESIGNED -- WE'VE DESIGNED SOMETHING HERE

BARRISTERS' REPORTING SERVICE

1 THAT'S LIKE A YEAR UNTIL THIS GETS OUT, THEN TWO
2 YEARS TO RECRUIT, AND THEN THREE YEARS FOR
3 DERIVATION.

4 SO IN THE WORST-CASE SCENARIO, THE FIRST
5 HPSC CELL LINES MIGHT NOT BE AVAILABLE TO THE PUBLIC
6 FOR SIX YEARS. I KNOW THAT'S NOT THE INTENTION, BUT
7 THAT IS A WORST-CASE SCENARIO IN HOW THIS IS
8 DEvised. THERE'S THINGS THAT ARE BUILT IN THAT MAKE
9 IT GO SLOWLY. WHY DO YOU WANT TO HAVE A COMPETITION
10 FOR WHO DOES DERIVATION WHEN THE TECHNOLOGY IS
11 CHANGING ALL THE TIME? AND AT THE MOMENT YOU'RE
12 READY TO STRIKE, YOU SHOULD DO THAT AS A CONTRACT.
13 SAME WITH A BANK. IT SHOULD BE A CONTRACT. SO CIRM
14 OWNS IT. YOU SHOULD NEVER BE, LIKE, AT THE WHIM OF
15 SOMEBODY WHO YOU'VE GIVEN A GRANT TO, WHICH IS A
16 COMPANY. IT SHOULD BE A CONTRACT SO IT'S YOURS.

17 I JUST THINK THERE'S LOTS OF THINGS THAT
18 NEED TO BE THOUGHT THROUGH A LITTLE BIT MORE. AND
19 EVEN THE TARGETS. I THINK LIKE CEREBRAL PALSY, WE
20 HAD A BIG THING ON IT. PEOPLE HAVE A GOOD IDEA WHAT
21 THE LESION IS. IT'S PROBABLY NOT THE BEST DISEASE
22 TO BE IN THIS ONE. IT SHOULD BE IN A DIFFERENT KIND
23 OF RFA. MAYBE SOMETHING ELSE IS A MORE
24 HETEROGENEOUS GENETIC DISEASE THAT SHOULD BE IN
25 HERE. THERE'S A LOT OF -- THIS IS A GREAT IDEA.

BARRISTERS' REPORTING SERVICE

1 I'VE BEEN ON THIS BOARD FOR EIGHT YEARS WAITING FOR
2 A PROPOSAL LIKE THIS. SO IT IS SORT OF UPSETTING TO
3 ME THAT IT WASN'T SORT OF MORE THOUGHT OUT AND ALSO
4 THAT IT DOESN'T HAVE MORE URGENCY, LIKE THIS IS A
5 BAD TIMELINE REALLY. THERE'S BUILT IN A LOT OF
6 PLACES FOR IT TO SLIP, AND THERE ARE PEOPLE WHO HAVE
7 BEEN WAITING A LONG TIME.

8 I'M ON THIS BOARD BECAUSE I FELT FOR EIGHT
9 YEARS I COULD SAY I DON'T HAVE A DOG IN THIS FIGHT.
10 I TRY AND REPRESENT A MENTAL HEALTH COMMUNITY. I'M
11 NOT GOING TO PUSH FOR AN AUTISM THING UNTIL THERE'S
12 SOMETHING WORTH PUSHING FOR, AND THIS ISN'T EVEN IT
13 YET. THIS IS, LIKE, THE THING THAT IS JUST
14 DISCOVERY SCIENCE. IT IS A PUBLIC HEALTH CRISIS.
15 IT IS EIGHT YEARS. IF YOU ARE GOING TO DO THIS
16 PROPOSAL, MAKE IT GO FASTER AND MAKE IT SMARTER SO
17 IT JUST TAKES ADVANTAGE OF WHAT THE COMMUNITY HAS
18 FOR US. THAT'S ALL.

19 SO AS YOU GO FORWARD PLANNING IT, PLEASE
20 GO TO THE COMMUNITY MORE ACTIVELY AND GET THEIR
21 INPUT AND THINK ABOUT ALSO HOW TO MAKE IT GO FASTER.

22 DR. TROUNSON: SO, JON, JUST IN SLIGHT
23 DEFENSE, WE DID HAVE A WORKSHOP.

24 MR. SHESTACK: I'M SORRY.

25 DR. TROUNSON: WE DID HAVE A WORKSHOP ON

BARRISTERS' REPORTING SERVICE

1 THIS, ON IPS CELL DERIVATION. SO WE'VE BEEN
2 ACTUALLY ACTIVELY TRYING TO GET THIS MOVING. AND I
3 AGREE. WHAT ARE THE TIMELINES? THEY'RE NOT GOOD
4 ENOUGH. YOU'RE RIGHT. BUT WE HAVE TO GO THROUGH
5 THE PROCESS THAT'S REQUIRED OF US. WE CAN'T JUST
6 GIVE OUT A CONTRACT. WE HAVE TO ALLOW PEOPLE TO BID
7 FOR THE OPPORTUNITY. THAT'S REQUIRED UNDER --

8 MR. SHESTACK: BUT IS ACTUALLY -- IS EVERY
9 SINGLE THING THAT CIRM DOES HAVE TO BE COMPETITIVE?
10 CAN'T YOU DO -- I MEAN THE NIH HAS CONTRACTS ALL THE
11 TIME, PARTICULARLY ON THINGS LIKE BANKING. THEY PUT
12 THE COMPETITIVE BIDDING. COMPETITIVE BIDDING IS
13 DIFFERENT THAN A GRANTING PROCESS.

14 DR. OLSON: IF I CAN ANSWER THAT. I JUST
15 WANTED TO COMMENT THAT IN ORDER TO USE RESEARCH
16 FUNDING, WE HAVE TO GO THROUGH A COMPETITIVE GRANTS
17 WORKING GROUP REVIEW. EVEN IF WE WERE USING
18 ADMINISTRATIVE FUNDS UNDER A CONTRACT, IT WOULD
19 STILL BE A COMPETITIVE PROCESS. BUT A CONTRACT
20 WOULD BE ADMINISTRATIVE FUNDS. SO THE 6 PERCENT OR
21 THE 3 PERCENT.

22 MR. SHESTACK: IT SEEMS LIKE IT WOULD BE A
23 FASTER PROCESS.

24 DR. TROUNSON: I TOTALLY UNDERSTAND, JON.
25 BUT WE'VE GOT IT ON AS FAST A TRACK AS WE CAN UNDER

BARRISTERS' REPORTING SERVICE

1 WHAT WE'RE ALLOWED TO DO. WE WILL TRY TO KEEP IT
2 MOVING FAST. I PROMISE YOU THAT. WE WILL DO OUR
3 BEST TO QUICKEN IT UP. I DON'T WANT TO SEE SIX
4 YEARS FOR THIS, THAT'S FOR SURE. SO THAT'S WHY I'M
5 HOPING THAT WE CAN GET SOME VERY EFFICIENT
6 DERIVATION CAPACITY THERE AND GET IT DONE QUICKLY.
7 THERE ARE SOME ENTITIES THAT ARE DOING THIS IN A
8 VERY EFFICIENT WAY ALREADY NOW.

9 MR. SHESTACK: OKAY. THAT'S THE
10 DERIVATION.

11 DR. TROUNSON: THAT'S ONE ASPECT. THAT'S
12 ONE OF THE BIGGER COMPONENTS. I THINK YOU'RE RIGHT.
13 WE NEED TO TALK TO YOU ABOUT AUTISM, AND WE NEED TO
14 GET THOSE CLINICAL SPECIALISTS I THINK WHO KNOW THE
15 POPULATIONS.

16 MR. SHESTACK: ALZHEIMER'S AND DIABETES
17 TOO ARE LIKE REALLY MATURE, BANKED, PHENOTYPED,
18 CONSENTED POPULATIONS. IF YOU WANTED TO BE UP AND
19 RUNNING IN TERMS OF ANY GROUP IN CALIFORNIA, YOU
20 WOULD SAY THIS IS THE LANDSCAPE. WE KNOW WHERE THE
21 PATIENTS ARE. WE CAN GET THEM. THAT WILL JUST TELL
22 YOU WHAT OUR BEST IDEA IS. IT JUST HAPPENS TO BE A
23 DIFFERENT KIND OF PROPOSAL THAN I WOULD PROPOSE THAT
24 CAN MOVE MUCH FASTER.

25 DR. GRIESHAMMER: IF I CAN MAKE A COMMENT

BARRISTERS' REPORTING SERVICE

1 JUST ON THIS DISCUSSION. SO I VERY MUCH APPRECIATE
2 YOUR INPUT ON THE EXISTENCE OF THESE RESOURCES. AND
3 I TALKED EARLIER TO JEFF SHEEHY WHO ALSO SUGGESTED
4 THAT PATIENT ADVOCATES COULD BE REALLY INSTRUMENTAL
5 IN PATIENT RECRUITMENT IN SOME CASES. BUT WHAT
6 YOU'RE SAYING IS RESOURCES ALREADY EXIST THAT COULD
7 BE REALLY HELPFUL, AND SO THERE WOULD BE NOTHING
8 WRONG, AND AS A MATTER OF FACT WE SHOULD PROBABLY
9 CALL THIS OUT IN THE SPECIFIC RFA, FOR THE
10 APPLICANTS TO COME IN AND SAY I AM WORKING WITH THE
11 RESOURCE THAT ALREADY EXISTS WHERE 300 OR 500
12 PATIENTS HAVE BEEN ALREADY FULLY PHENOTYPED.

13 MR. SHESTACK: AND THAT RESOURCE WILL WORK
14 WITH EVERY APPLICANT. IT'S NOT GOING TO BE --

15 DR. GRIESHAMMER: EXACTLY. SO I THINK
16 THAT WOULD BE --

17 MR. SHESTACK: THEY WILL SUPPORT ANY
18 APPLICANT, AND THEY'RE NOT NECESSARILY
19 CALIFORNIA-BASED RESOURCES ANYMORE EITHER, BUT THEY
20 ARE RESOURCES.

21 DR. GRIESHAMMER: SO I THINK WE CAN
22 DEFINITELY ENCOURAGE THAT, AND IT WOULD BE SPEAKING
23 TOWARDS SPEED OF GETTING ALL THE INFORMATION THAT WE
24 NEED QUICKLY AND NOT REPEATING EFFORTS.

25 MR. SHESTACK: AM I NOT UNDERSTANDING?

BARRISTERS' REPORTING SERVICE

1 WHAT IS THE MECHANISM OF TWO 1202 -- RFA 1202?
2 PEOPLE ARE -- WHAT IS IT THAT THEY ARE -- THEY'RE
3 SUBMITTING A PHENOTYPE; IS THAT RIGHT?

4 DR. GRIESHAMMER: WELL, THE WAY WE
5 ENVISION THIS IS THAT THE COMPETITION WOULD BE, AS
6 USUAL, BASED, OF COURSE, ON ADDRESSING THE REVIEW
7 CRITERIA WHICH WE WILL STIPULATE, AND WHAT REALLY
8 WILL BE IMPORTANT IN APPLICANTS MAKING OR CONVINCING
9 REVIEWERS IS THAT THE PATIENT POPULATION AND THE
10 PHENOTYPES THEY'VE CHOSEN TO PURSUE HAVE A CERTAIN
11 LIKELIHOOD OR GREAT LIKELIHOOD OF INDEED LEADING
12 ULTIMATELY, ONCE THE RESOURCE HAS BEEN MADE, LIKE
13 YOU SAY, THE MAKING OF THE RESOURCE IS RELATIVELY
14 STRAIGHTFORWARD, BUT ONCE IT HAS BEEN MADE, HAS A
15 REASONABLE CHANCE OF PROVIDING A TOOL REALLY EITHER
16 FOR MECHANISM DISCOVERY OR FOR DRUG SCREENING. AND
17 SO THAT WOULD BE VERY DIFFERENT FOR DIFFERENT
18 PHENOTYPES.

19 IT WOULD, FOR INSTANCE, DEPEND ON THE
20 VARIABILITY THAT IS SEEN AMONGST PATIENTS AND
21 WHETHER THAT VARIABILITY WOULD OCCLUDE DISCOVERING
22 CERTAIN DISEASE PHENOTYPES IN ADDITION, SO FORTH.
23 SO WE WILL HAVE TO ASK OUR REVIEWERS TO ASSESS
24 WHETHER THERE IS A LIKELIHOOD TO COME UP WITH A GOOD
25 TOOL IN THE END. SO IT WOULD BE PART OF THE

BARRISTERS' REPORTING SERVICE

1 COMPETITION.

2 MR. SHESTACK: BUT YOU MIGHT HAVE SEVERAL
3 ACADEMIC INSTITUTIONS MIGHT HAVE A DIFFERENT SET OF
4 CRITERIA THEY USE IN THEIR PHENOTYPE OF THEIR
5 PROPOSAL.

6 DR. GRIESHAMMER: ABSOLUTELY, YEAH.
7 UH-HUH.

8 MR. SHESTACK: AND THE BIGGEST TIME
9 QUESTION IS GOING TO BE EDUCATING YOUR REVIEWERS
10 NOT -- YOUR APPLICANTS KNOW WHAT THEY WOULD LIKE TO
11 EXPLORE ALREADY.

12 DR. GRIESHAMMER: IF I CAN ALSO MAKE A
13 QUICK COMMENT ACTUALLY ON THE TIMELINE, WHICH WE ALL
14 SEEM TO AGREE IS INDEED RATHER A LONG TIMELINE;
15 HOWEVER, ONE THING I DO WANT TO POINT OUT IS THAT
16 THE BANK -- THAT THE DERIVATION, FOR INSTANCE, WILL
17 NOT WAIT FOR TWO YEARS UNTIL THE TISSUE COLLECTION
18 IS DONE, BUT IT WILL ALL HAPPEN AT THE SAME TIME.
19 SO AS SOON AS TISSUE COLLECTION STARTS, HOPEFULLY
20 THE DERIVATION ENTITY IS READY TO GO, AND ALL OF
21 THIS MIGHT NOT BE COMPLETELY IN PARALLEL, CLEARLY
22 TISSUES WILL HAVE TO BE COLLECTED, BUT SOME MIGHT
23 ALREADY BE COLLECTED, AND SO THINGS CAN START IN
24 PARALLEL RIGHT AWAY.

25 CHAIRMAN THOMAS: JOAN.

BARRISTERS' REPORTING SERVICE

1 MS. SAMUELSON: I HAVE WHAT I THINK -- I'M
2 NOT SURE IF IT'S AN AMENDMENT IN SUPPORT OF JEFF'S
3 AMENDMENT OR AN AMENDMENT TO THAT OR JUST HELPFUL
4 COMMENTS, I HOPE. BUT IT'S PARTLY THE LAWYER IN ME
5 THINKS I HAVE A COUPLE OF GOOD DRAFTING SOLUTIONS.
6 AND THE PARKINSON'S PATIENT IN ME HAS GONE INTO
7 FULL-ON DYSKINESIA JUST TO SHOW HOW USEFUL FUNDING
8 IN THIS AREA CAN BE. I THINK THE FIRST THING IS
9 THAT WE SHOULD CONSULT WITH THE COMPANY CALLED
10 23ANDME, WHICH IS SET UP BY SERGEY BRIN AND HIS
11 WIFE, SERGEY BEING ONE OF THE FOUNDERS OF GOOGLE,
12 AND HE HOLDS ONE OF THE MOST RESEARCHED PARKINSON'S
13 GENES, AND HIS MOTHER HAS FULL-ON PARKINSON'S.

14 AND I THINK WE COULD COUNT ON GOOGLE TO DO
15 THINGS WELL, AND SO THEY COULD HELP US DECIDE WHAT
16 ELSE WE NEEDED, WHETHER THEY'RE DOING THIS IN A WAY
17 THAT SATISFIES OUR NEEDS OR SIMPLY DO A
18 COLLABORATION.

19 AND THEN IN TERMS OF SOLVING THE
20 COMPETITION BETWEEN THE DISORDERS, I WOULD THINK WE
21 COULD JUST USE LANGUAGE LIKE THAT IT SHOULD BE
22 URGENT AND -- SORRY. JUST A SECOND -- URGENT
23 AND -- WELL, LET ME GIVE YOU THE EXAMPLES. SORRY.
24 THAT IT WOULD SAY SUCH AS, FOR EXAMPLE, AUTISM AND
25 ALZHEIMER'S WHICH HAVE DEMONSTRATED THEIR URGENCY,

BARRISTERS' REPORTING SERVICE

1 AND AUTISM IS EPIDEMIC. SO I THINK THEY SATISFY IT.
2 AND MANY OTHER DISORDERS WILL. AND HAS DEMONSTRATED
3 INNOVATIVE IDEAS THAT COULD REACH BREAKTHROUGHS WITH
4 THE PROACTIVITY THAT THE EAP ASKS FOR.

5 AND ALZHEIMER'S, AS I UNDERSTAND IT, I
6 DON'T KNOW IF IT WAS THE ALZHEIMER'S ASSOCIATION
7 FUNDING OR SOME OTHER PROJECT, BUT I UNDERSTAND THEY
8 REQUIRED COLLABORATION OF ALL THE SCIENTISTS WHO
9 WERE GOING TO BE FUNDED ON A GLOBAL BASIS, I THINK,
10 AND THAT THEY REACHED SOME BREAKTHROUGHS WITH
11 REMARKABLE SPEED. I THINK WE SHOULD EXPLORE
12 SOMETHING LIKE THAT, AND THAT COULD BE JUST AN
13 EXAMPLE OF THE KINDS OF INNOVATION THAT THIS BANKING
14 SHOULD EMBRACE. AND THAT'S IT. THANK YOU.

15 DR. GRIESHAMMER: CAN I MAKE ONE COMMENT.
16 I WOULD LIKE TO MAKE COMMENT TO THE FIRST COMMENT
17 YOU MADE, WHICH IS INVOKING THE 23ANDME CORPORATION.
18 SO I DO WANT TO POINT OUT THAT CIRM ALSO HAS -- SOON
19 WILL COME TO YOU WITH A GENOMICS INITIATIVE. SO WE
20 DO REALIZE THAT WHEN YOU START TACKLING GENETICALLY
21 COMPLEX DISEASES, AS WE'RE PROPOSING TO DO HERE,
22 THAT MODERN AND FAST IMPROVING GENOMICS TECHNOLOGY
23 COULD HAVE A HUGE IMPACT ON HELPING THE GENETICS
24 SIDE, SO TO SPEAK, OF THE DISEASE DISCOVERY THAT CAN
25 HOPEFULLY OCCUR BY STUDYING THE ACTUAL

BARRISTERS' REPORTING SERVICE

1 MANIFESTATIONS OF THE DISEASE IN THE DISH AND
2 COUPLING IT WITH GENOMICS ANALYSES OF THE SAME
3 PATIENTS.

4 AND SO THERE IS A VISION, THEN, TO
5 ENCOURAGE COLLABORATION BETWEEN THE GENOMICS
6 INITIATIVE AND THIS IPS CELL BANKING INITIATIVE TO
7 REALLY VERY WELL SUPPORT THE RESOURCE ULTIMATELY.
8 SO I APPRECIATE THAT COMMENT.

9 CHAIRMAN THOMAS: SENATOR TORRES.

10 MR. TORRES: I WOULD LIKE TO MOVE THE
11 PROPOSAL.

12 CHAIRMAN THOMAS: IS THERE A SECOND?

13 MS. LANSING: I'LL SECOND IT.

14 CHAIRMAN THOMAS: I THINK WHAT HAS BEEN
15 MOVED IS THE ORIGINAL IDEA HERE. SO NO AMENDMENTS.

16 MR. SHEEHY: I'M JUST MAKING A COMMENT. I
17 THINK A LOT OF IT -- IF -- I DON'T KNOW. WHAT DO
18 YOU THINK --

19 MR. SHESTACK: I DON'T THINK THAT THAT
20 AMENDMENT IS ACTUALLY NECESSARY OR ADVISABLE. IT'S
21 JUST AS ONE IS -- I'M JUST SAYING IN FRONT OF THE
22 GROUP AND FOR THE RECORD THIS IS, I'M ASSUMING, A
23 WORK IN PROGRESS. AND AS YOU REFINE IT, IT WILL GET
24 A LITTLE BIT DIFFERENT AND BETTER. AND AS YOU PICK
25 YOUR -- AND AS YOU GIVE THE BRIEF TO YOUR REVIEWERS,

BARRISTERS' REPORTING SERVICE

1 THEY MUST UNDERSTAND THAT YOU UNDERSTAND THAT THE
2 LIKELIHOOD IS THAT MOST OF THE APPLICANTS WHO
3 SUCCESSFULLY APPLY WILL THEN NOT SUCCEED, THAT BY
4 NATURE YOU WERE TRYING TO DO DISEASE ON A DISH FOR
5 MULTIPLE GENETIC DISEASES, THAT THERE IS NOT GOING
6 TO BE AN APPARENT ANSWER, THAT IT IS DISCOVERY
7 SCIENCE.

8 BUT THE PROBLEM SOMETIMES IS WITH SOME OF
9 THESE DISORDERS IS YOU GET REVIEWERS WHO SAY, WELL,
10 YOU CAN'T REALLY -- WE CAN'T FIND THE ANSWER TO
11 THIS, SO FORGET IT. AND YOU CAN FIND PART OF THE
12 ANSWER. AND IT'S JUST BRIEFING PEOPLE TO UNDERSTAND
13 THAT THAT'S WHAT THE NATURE OF THIS \$30 MILLION OUT
14 OF \$3 BILLION ENTERPRISE IS.

15 DR. TROUNSON: YOU ARE ABSOLUTELY CORRECT,
16 JON. THIS AREA, YOU WOULDN'T HAVE PREDICTED SOME OF
17 THE OUTCOMES IF YOU HAD STARTED THIS THREE OR FOUR
18 YEARS AGO IN ANY OF THE MENTAL HEALTH SPECTRUM.
19 YOU'RE RIGHT. YOU'RE RIGHT.

20 MR. SHESTACK: I'M APPRECIATIVE. I DON'T
21 FEEL THE NEED OF THAT AMENDMENT. I JUST FEEL WE
22 SHOULD GET IT RIGHT. THAT'S ALL.

23 CHAIRMAN THOMAS: JOAN.

24 MS. SAMUELSON: I THINK TO SPEND THE
25 PEOPLE'S MONEY WELL, WE SHOULD TRY TO CURE THAT AS

BARRISTERS' REPORTING SERVICE

1 SOON AS POSSIBLE. WE'RE NOT FUNDING AN EXPERIMENT.
2 IT'S BEEN REPLICATED PRACTICALLY IDENTICALLY IN 16
3 OTHER COUNTRIES WITHOUT THEM HAVING ANY SHARED
4 AWARENESS AND SHARED USE OF DATA AND OF CONCEPTS. I
5 THINK IT'S TIME FOR THAT.

6 CHAIRMAN THOMAS: I WOULD COMPLETELY AGREE
7 WITH THAT. ARE THERE OTHER COMMENTS BY THE BOARD?

8 MS. GIBBONS: J.T., I JUST THINK THAT THIS
9 IS A GREAT DISCUSSION AND A VERY EXCITING
10 INITIATIVE, AND I'M REALLY COMFORTABLE THE WAY WE
11 DID CALL OUT THE PRIORITY LIST OF THESE COMPLEX AND
12 PREVALENT DISEASES THAT WILL BE GIVEN, I THINK,
13 JEFF, ENOUGH OF A PUSH THROUGH AND A REALLY GREAT
14 SHOT AND EXCLUDE THE ONES THAT WE'RE ALREADY
15 INVOLVED WITH IN DEVELOPING LINES WITH OUR EARLIER
16 COLLABORATION. SO I AGREE WITH ART. MAYBE IT'S
17 TIME TO VOTE.

18 CHAIRMAN THOMAS: ANY OTHER COMMENTS? ANY
19 PUBLIC COMMENT ON THE MOTION?

20 MS. LANSING: I GUESS I JUST WANT TO SAY
21 PUBLICLY, JUST SO THE RECORD SHOWS, AND THEN I CALL
22 THE VOTE AND I KNOW I'M TYING UP, ALL DISEASES ARE
23 URGENT. I THINK THAT WE MUST REALLY MAKE THAT
24 CLEAR. I WOULD NOT WANT THAT MAN WHO NEEDS A HEART
25 TRANSPLANT TO THINK THAT WE CARE LESS ABOUT HIM.

BARRISTERS' REPORTING SERVICE

1 EVERY DISEASE THAT WE ARE REPRESENTING IS URGENT,
2 AND I THINK WE ALL STAND HERE AND SAY THAT FOR THE
3 PUBLIC RECORD. AND WE WILL DO OUR BEST TO GIVE THE
4 PRIORITY TO THE GREATEST SCIENCE AND NOT TO REPEAT
5 SOMETHING, AS JOAN SAID, THAT'S BEEN DONE BEFORE,
6 BUT WE REPRESENT ALL THE CITIZENS, AND EVERY DISEASE
7 THAT WE REPRESENT IS HORRIBLE.

8 MR. SHEEHY: JUST TO RESPOND BECAUSE I
9 WASN'T SUGGESTING --

10 MS. LANSING: I DIDN'T THINK YOU WERE
11 SAYING THAT.

12 MR. SHEEHY: I'M NOT SINGLING OUT. BUT
13 THIS IS A PARTICULAR TOOL THAT SEEMED, AT LEAST FOR
14 THESE TWO DISEASES, COULD BE -- THAT WE SHOULD BE
15 MINDFUL THAT OTHER DISEASES, BUT FOR THESE TWO
16 DISEASES, THIS PARTICULAR TOOL COULD BE EXTREMELY
17 USEFUL.

18 MS. LANSING: I'M NOT EVEN QUESTIONING
19 THAT. I JUST WANT THE RECORD TO SHOW THAT WE CARE
20 ABOUT EVERYBODY. I KNOW THAT. I AGREE.

21 MR. SHESTACK: ONCE IN A WHILE WE HAVE A
22 CHANCE TO DISCUSS THIS. I WANT TO MAKE SURE YOU
23 UNDERSTAND. STRATEGICALLY I JUST ALWAYS FELT FOR A
24 LONG TIME THAT CIRM SHOULD PICK TARGETS. IT CAN BE
25 ONE TARGET AFTER ANOTHER, BUT I THINK ACTUALLY FOCUS

BARRISTERS' REPORTING SERVICE

1 SOMETIMES WHEN YOU'RE CALLING FOR PROPOSALS WILL GET
2 YOU BETTER PROPOSALS. AND IT'S NOT A QUESTION OF
3 ONE DISEASE OVER ANOTHER. IT'S JUST ACHIEVE ONE
4 THING, THEN THE NEXT ONE, THEN THE NEXT RATHER THAN
5 HAVE IT JUST BE ALL WHATEVER COMES OVER THE TRANSOM.

6 MS. LANSING: AND AGAIN, I'M NOT BEING
7 COMBATIVE AT ALL.

8 MR. SHESTACK: I UNDERSTAND.

9 MS. LANSING: I JUST WANT THE RECORD TO
10 SHOW THAT WE CARE ABOUT EVERYBODY.

11 MR. TORRES: CALL FOR THE QUESTION.

12 CHAIRMAN THOMAS: OKAY.

13 MS. SAMUELSON: AND IT'S IMPORTANT THAT IT
14 BE URGENT AND MAYBE SOMETHING LIKE MALE PATTERN
15 BALDING IS NOT. I DON'T KNOW. BUT MAYBE THERE'S
16 SOMETHING.

17 CHAIRMAN THOMAS: ALL THOSE IN FAVOR
18 PLEASE SAY AYE. OPPOSED? ABSTENTIONS? DEAN PIZZO.

19 DR. PIZZO: AYE.

20 CHAIRMAN THOMAS: DEAN HAWGOOD.

21 DR. HAWGOOD: AYE.

22 CHAIRMAN THOMAS: MOTION CARRIES.

23 SO THAT CONCLUDES OUR AGENDA. I WOULD
24 JUST -- THANK YOU, MR. SENATOR. I WOULD JUST LIKE
25 TO SAY, HAVING OBSERVED ALL OF THE WONDERFUL

BARRISTERS' REPORTING SERVICE

1 PROGRAMS THAT WE 'VE APPROVED TODAY, THE HIGHLY
2 PROFESSIONAL PRESENTATIONS ON ALL OF THOSE,
3 INCLUDING THE STRATEGIC PLAN PROGRESS REPORT, DR.
4 FEIGAL, HAVING SEEN THE PRESENTATION AT TODAY'S
5 SPOTLIGHT ON DISEASE, I THINK WE AT CIRM ARE WELL
6 POSITIONED GOING INTO THE NEW YEAR FOR BIGGER AND
7 BETTER THINGS AS IS THE FIELD OF STEM CELL RESEARCH.
8 AND I WOULD LIKE TO WISH EVERYBODY THE HAPPIEST OF
9 HOLIDAYS. AND WE WILL SEE EVERYBODY AT OUR BOARD
10 MEETING IN JANUARY. THANK YOU.

11 (APPLAUSE.)

12 (THE MEETING WAS THEN CONCLUDED AT 3
13 P.M.)

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BARRISTERS' REPORTING SERVICE

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATION INDICATED BELOW

HARVEY MORSE AUDITORIUM
CEDARS-SINAI MEDICAL CENTER
8700 BEVERLY BOULEVARD
LOS ANGELES, CALIFORNIA
ON
DECEMBER 8, 2011

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.

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