

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

LOCATION: AS INDICATED ON THE AGENDA

DATE: AUGUST 6, 2009
4 P.M.

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

BRS FILE NO.: 85204

BARRISTERS' REPORTING SERVICE

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BARRISTERS' REPORTING SERVICE

AUGUST 6, 2009

4:00 P.M.

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MS. KING: I'VE HEARD FROM A COUPLE OF PEOPLE THIS AFTERNOON THAT THEY WILL BE JOINING A LITTLE BIT LATER THAN PLANNED. SO I THINK WE MAY HAVE JUST ABOUT EVERYBODY WE'RE EXPECTING RIGHT NOW. WOULD YOU LIKE ME TO CALL THE ROLL?

CHAIRMAN KLEIN: PLEASE.

MS. KING: RICARDO AZZIZ. ROBERT PRICE FOR ROBERT BIRGENEAU. FLOYD BLOOM. DAVID BRENNER.

DR. BRENNER: HERE.

MS. KING: SUSAN BRYANT. KIM WITMER FOR MARSHA CHANDLER.

DR. WITMER: HERE.

MS. KING: MARCY FEIT.

MS. FEIT: HERE.

MS. KING: MICHAEL FRIEDMAN.

DR. FRIEDMAN: HERE.

MS. KING: LEEZA GIBBONS.

MS. GIBBONS: HERE.

MS. KING: MICHAEL GOLDBERG. SAM HAWGOOD. BOB KLEIN.

CHAIRMAN KLEIN: HERE.

MS. KING: SHERRY LANSING.

BARRISTERS' REPORTING SERVICE

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MS. LANSING: HERE.

MS. KING: GERALD LEVEY.

DR. LEVEY: HERE.

MS. KING: TED LOVE.

DR. LOVE: HERE.

MS. KING: ED PENHOET. PHIL PIZZO.
CLAIRE POMEROY.

DR. POMEROY: HERE.

MS. KING: FRANCISCO PRIETO.

DR. PRIETO: HERE.

MS. KING: ELIZABETH FINI FOR CARMEN
PULIAFITO. ROBERT QUINT. JEANNIE FONTANA FOR JOHN
REED. DUANE ROTH.

MR. ROTH: HERE.

MS. KING: JOAN SAMUELSON. DAVID
SERRANO-SEWELL. JEFF SHEEHY.

MR. SHEEHY: HERE.

MS. KING: JONATHAN SHESTACK. OSWALD
STEWARD, AND ART TORRES.

DR. STEWARD: YES, I'M HERE.

DR. LEVIN: MELISSA, THIS IS JACOB LEVIN.
I DIDN'T HEAR MY NAME.

MS. KING: THANKS, JACOB.

CHAIRMAN KLEIN: SO IT DOES NOT APPEAR
THAT WE CURRENTLY HAVE A QUORUM; IS THAT CORRECT?

BARRISTERS' REPORTING SERVICE

1 MS. KING: THAT IS CORRECT.

2 CHAIRMAN KLEIN: WHAT I WOULD SUGGEST --
3 WHO IS LEAVING EARLY?

4 MS. KING: LEEZA GIBBONS IS ON THE LINE
5 AND NEEDS TO LIVE ME 5:30 OUR TIME HOUR, SO THAT'S
6 IN AN HOUR AND A HALF. SHE'S CALLING IN FROM THE
7 EAST COAST, SO KUDOS TO HER FOR STAYING THAT LATE.

8 CHAIRMAN KLEIN: THANK YOU, LEEZA.

9 MS. GIBBONS: NO WORRIES.

10 CHAIRMAN KLEIN: SO MY SUGGESTION IS THAT
11 WE CHANGE THE ORDER OF THESE AND START WITH THE
12 INTERIM REPORT ON THE LEGISLATIVE SUBCOMMITTEE SO
13 THAT WE CAN GET THAT INFORMATION ON THE TABLE AND IN
14 THE PUBLIC RECORD. THIS IS NOT AN ACTION ITEM.
15 IT'S AN INTERIM REPORT. ACTUAL ACTION WILL BE
16 SCHEDULED FOR THE AUGUST 19TH AND 20TH BOARD
17 MEETING.

18 BUT, ART, ARE YOU READY AT THIS POINT TO
19 GIVE AN INTERIM REPORT?

20 MS. KING: HE IS JUST ABOUT READY. I'M
21 JUST GOING TO POINT OUT TO HIM THAT WE'RE GOING TO
22 START WITH ITEM NO. 5, WHICH IS AN INTERIM REPORT
23 FROM THE LEGISLATIVE SUBCOMMITTEE.

24 SO, BOB, MAYBE IF YOU WANT TO ARTICULATE
25 JUST BRIEFLY EXACTLY WHAT YOU'D LIKE A REPORT ON AT

BARRISTERS' REPORTING SERVICE

1 THIS TIME.

2 CHAIRMAN KLEIN: SO WE JUST HAD A MEETING
3 FOR AN HOUR AND A HALF STARTING AT 1 O'CLOCK THIS
4 AFTERNOON. AND, ART, IF YOU COULD HIT THE HIGH
5 POINTS OF THAT AND POTENTIALLY LET THE MEMBERS HERE
6 KNOW THAT YOU ARE GOING TO BE PREPARING A KIND OF A
7 WRITTEN PRESENTATION SUMMARY AND WHAT MATERIALS WILL
8 BE AVAILABLE FOR THEM IN THEIR CONSIDERATION OF
9 ITEMS FOR AUGUST 19TH AND 20TH.

10 MR. TORRES: OF COURSE. WE JUST HELD A
11 MEETING UNTIL ABOUT 2:45 P.M. THIS AFTERNOON
12 REGARDING OUR SECOND HEARING IN RESPONSE TO THE
13 LITTLE HOOVER COMMISSION REPORT. THOSE ISSUES ARE
14 WITH EACH OF THE BOARD MEMBERS AS TO OUR RESPONSE
15 FROM BOB KLEIN AND MYSELF AND THEN, OF COURSE,
16 MANAGEMENT'S RESPONSE FROM DR. TROUNSON IN RESPECT
17 TO THOSE RECOMMENDATIONS. AND THAT'S A REPORT I
18 WILL BE GIVING IN DETAIL AT OUR PROPOSED BOARD
19 MEETING AUGUST 20TH.

20 THERE WAS CONSENSUS ON ALL OF THE
21 RECOMMENDATIONS OF LANGUAGE BEING SUPPORTED BY CIRM
22 TO THE LEGISLATURE BECAUSE OUR RESPONSE IS TO THE
23 LEGISLATURE, NOT TO THE LITTLE HOOVER COMMISSION,
24 BECAUSE THEY ARE NOW IN POSSESSION OF THE REPORT
25 AND, THEREFORE, THE APPROPRIATE RESPONSE IS TO THE

BARRISTERS' REPORTING SERVICE

1 LEGISLATURE. AND WE WILL BE PREPARING THAT REPORT
2 FOR APPROVAL BY THE BOARD ON AUGUST 20TH.

3 SECONDLY, WE ALSO ADOPTED WITH TWO NO
4 VOTES OF THE LEGISLATIVE SUBCOMMITTEE TO SUPPORT THE
5 PUBLIC OPTION IN THE CURRENT HOUSE VERSION OF THE
6 HEALTHCARE REFORM BILL, WHICH THE PRESIDENT WANTS TO
7 GET THROUGH THE CONGRESS. AND, OF COURSE, THAT'S
8 ALSO INCLUDED IN YOUR BOARD PACKAGE, BUT WILL NOT BE
9 ACTED UPON TODAY.

10 I JUST WANTED TO GIVE YOU AN OVERVIEW OF
11 WHAT WE DID. NOW THAT I TOLD YOU WHAT WE DID, ON
12 AUGUST 20TH, I'LL TELL YOU WHAT WE WOULD LIKE TO
13 HAVE YOUR SUPPORT ON IN TERMS OF THESE
14 RECOMMENDATIONS.

15 MS. KING: CHAIRMAN KLEIN, I KNOW A LEAST
16 A COUPLE PEOPLE HAVE JOINED SINCE WE STARTED THAT
17 WERE NOT PART OF THE ROLL CALL. SO IF YOU HAVE
18 JOINED AND WERE NOT PART OF THE ROLL CALL, IF YOU
19 COULD STATE YOUR NAME PLEASE, THAT WOULD BE GREAT.

20 DR. BLOOM: IT'S FLOYD BLOOM.

21 MS. KING: GREAT. THANKS, DR. BLOOM.
22 ANYBODY ELSE?

23 DR. HAWGOOD: SAM HAWGOOD.

24 MS. KING: GREAT. THANKS, DR. HAWGOOD. I
25 THOUGHT THERE WAS ONE MORE PERSON.

BARRISTERS' REPORTING SERVICE

1 DR. PRICE: BOB PRICE.

2 MS. KING: EXCELLENT, DR. PRICE.

3 DR. FINI: AND ONE MORE. ELIZABETH FINI.

4 MS. KING: EXCELLENT. THANK YOU. WE HAVE
5 ART TORRES, AND WE'RE WELL ABOVE A QUORUM. THANK
6 YOU, EVERYBODY.

7 CHAIRMAN KLEIN: THANK YOU. SO WE'LL NOW
8 GO BACK TO ITEM 3. THIS IS A CONSIDERATION OF
9 APPOINTMENT OF AT-LARGE MEMBERS AND THE CHAIR AND
10 VICE CHAIR FOR THE EVALUATION SUBCOMMITTEE. THIS IS
11 AN ITEM THAT'S BEEN BEFORE US AND BEEN DEBATED ON
12 SEVERAL OCCASIONS. WE HAVE THE STRUCTURE THAT'S
13 BEEN APPROVED, THOSE MATERIALS DESCRIBING THE
14 STRUCTURE OF THE EVALUATION SUBCOMMITTEE. AND THE
15 MEMBERS OF THE EVALUATION SUBCOMMITTEE HAVE BEEN
16 SENT OUT AND ARE AVAILABLE TO THE PUBLIC.

17 THE ONLY ITEM LEFT HERE IS BESIDES THE
18 MEMBERSHIP OF THE EVALUATION SUBCOMMITTEE BEING MADE
19 UP OF THE CHAIRS AND VICE CHAIRS OF THE
20 SUBCOMMITTEES AND TASK FORCES OF THE BOARD, THERE IS
21 A PROVISION FOR TWO AT-LARGE MEMBERS TO THE
22 EVALUATION SUBCOMMITTEE. AND THERE IS THE MATTER OF
23 NOMINATION, ELECTION OF THE CHAIR AND VICE CHAIR OF
24 THE EVALUATION SUBCOMMITTEE.

25 I'VE HAD THE OPPORTUNITY TO TALK TO

BARRISTERS' REPORTING SERVICE

1 SEVERAL BOARD MEMBERS ABOUT THEIR IDEAS ON THIS, AND
2 I'VE HAD AN OPPORTUNITY TO SPEND SOME TIME WITH
3 SHERRY LANSING ON THIS AS CHAIR OF THE GOVERNANCE
4 COMMITTEE. IT WAS IMPORTANT, I THINK, TO COORDINATE
5 WITH HER ON THESE RECOMMENDATIONS.

6 SHERRY, IF YOU COULD PROVIDE FOR THE
7 MEMBERS KIND OF A SUMMARY OF WHAT THE
8 RECOMMENDATIONS ARE, AND THEN WE'LL BREAK IT DOWN.
9 MY UNDERSTANDING IS I JUST GOT A NOTE THAT WE NEED
10 TO BREAK IT DOWN INTO TWO MOTIONS. BUT IF YOU COULD
11 FIRST PROVIDE THE GENERAL RECOMMENDATIONS.

12 MS. LANSING: SURE. I'LL BE HAPPY TO,
13 BOB. I JUST WANT TO SAY THIS HAS BEEN A VERY
14 RIGOROUS PROCESS. WE'VE BEEN WORKING ON THIS FOR
15 SEVERAL, SEVERAL MONTHS. SO I WOULD LIKE TO MOVE
16 THAT WE APPOINT THE FOLLOWING TWO BOARD MEMBERS AS
17 THE AT-LARGE MEMBERS OF THE EVALUATION SUBCOMMITTEE.
18 AND THAT WOULD BE JERRY LEVEY AND TED LOVE. AND
19 THAT WOULD BE MY FIRST MOTION. BUT THEN I WOULD
20 ALSO LIKE TO MOVE AS MY SECOND MOTION, WHICH I'M
21 JUST TRYING TO GIVE A SUMMARY SO YOU CAN DO AS YOU
22 WOULD, THAT WE APPOINT THE FOLLOWING TWO MEMBERS OF
23 THE EVALUATION SUBCOMMITTEE AS THE CHAIR AND VICE
24 CHAIR OF THE SUBCOMMITTEE. AND FOR THAT I'D LIKE TO
25 RECOMMEND JERRY LEVEY AS THE CHAIR AND FRANCISCO

BARRISTERS' REPORTING SERVICE

1 PRIETO AS THE VICE CHAIR.

2 SO THAT IS KIND OF A SUMMARY OF WHERE WE
3 ARE. AND OUR FIRST MOTION WOULD HAVE TO BE TO
4 APPOINT THE AT-LARGE MEMBERS AND THEN THE CHAIR AND
5 THE VICE CHAIR.

6 MR. TORRES: SO MOVED.

7 CHAIRMAN KLEIN: ALL RIGHT. AND SO WHAT
8 I'D LIKE TO DO IS PICK UP THE FIRST MOTION FOR
9 DISCUSSION TO START WITH, AND THAT IS OF THE
10 AT-LARGE MEMBERS TO HAVE DR. LEVEY AND DR. LOVE. IS
11 THERE A SECOND TO THAT MOTION?

12 DR. BRENNER: SECOND.

13 CHAIRMAN KLEIN: THANK YOU, DR. BRENNER.
14 AND IS THERE -- I WOULD SAY THAT I'M HIGHLY
15 SUPPORTIVE OF THIS MOTION. AS I SAID, WITHIN THE
16 RULES WHERE WE'RE PERMITTED TO TALK TO SEVERAL
17 MEMBERS, BUT SIGNIFICANTLY LESS THAN A MAJORITY,
18 I'VE TALKED TO SEVERAL MEMBERS. AND DR. LOVE, AS WE
19 MAY RECALL, IS WORKING WITH DR. TROUNSON IN
20 COORDINATING THE POTENTIAL HIRING OF A VICE
21 PRESIDENT FOR RESEARCH AND DEVELOPMENT, PROVIDING
22 HIS ADDITIONAL INSIGHT AND EXPERIENCE AS A
23 COMPLEMENT TO DR. TROUNSON. DR. LOVE HAS AN
24 UNUSUALLY HIGH LEVEL OF INTERFACE WITH THE BOARD AT
25 THIS TIME.

BARRISTERS' REPORTING SERVICE

1 MS. LANSING: SO DO WE HAVE ANY PUBLIC
2 COMMENT?

3 CHAIRMAN KLEIN: SO STARTING WITH THE
4 SOUTHERNMOST MEMBERS OF THIS CALL AND MOVING NORTH,
5 MELISSA, COULD YOU CALL OFF THE VARIOUS COMMITTEE
6 MEMBERS IN THAT SEQUENCE?

7 MS. KING: YES. AND YOU SAID YOU WANTED
8 TO START FROM THE SOUTH; IS THAT RIGHT?

9 CHAIRMAN KLEIN: YES.

10 MS. KING: OKAY. FLOYD BLOOM.

11 DR. BLOOM: NO PUBLIC HERE.

12 MS. KING: DAVID BRENNER.

13 DR. BRENNER: HE IS ACTUALLY A LITTLE
14 FURTHER NORTH THAN ME. NO COMMENT HERE.

15 MS. KING: GEOGRAPHY QUIZ. OSWALD
16 STEWARD. SORRY. DUANE ROTH.

17 MR. ROTH: I'M THE FURTHEST SOUTH, AND
18 THERE'S NO COMMENT.

19 MS. KING: BETWEEN DR. STEWARD AND DR.
20 LEVIN, I'M JUST GOING TO HAVE TO ASK. IS ONE OF YOU
21 FURTHER SOUTH THAN THE OTHER?

22 DR. LEVIN: NO COMMENT HERE.

23 DR. STEWARD: NO COMMENT HERE EITHER.

24 MS. KING: NOW YOU WANT TO TEST MY L.A.
25 AREA GEOGRAPHY.

BARRISTERS' REPORTING SERVICE

1 DR. WITMER: WAIT. ONE MORE IN SAN DIEGO.
2 NO COMMENT HERE.

3 MS. KING: BOB, I ACTUALLY THINK IT MIGHT
4 BE EASIER THAN TRYING TO BREAK IT DOWN
5 GEOGRAPHICALLY.

6 CHAIRMAN KLEIN: THAT'S FINE. GO AHEAD,
7 MELISSA.

8 MS. KING: SOME PEOPLE ARE ALSO JOINING
9 FROM PLACES WHERE THEY'RE NOT WHERE THEY USUALLY
10 ARE.

11 CHAIRMAN KLEIN: OKAY. FINE.

12 MS. KING: ANY PUBLIC COMMENT AT DR.
13 PRICE'S OFFICE?

14 DR. PRICE: NO. BUT I HAVE A QUESTION
15 ABOUT THIS.

16 CHAIRMAN KLEIN: YES.

17 DR. PRICE: WHAT IS THE TOTAL SIZE OF THIS
18 EVALUATION COMMITTEE AFTER WE ADD TWO MORE PEOPLE TO
19 IT?

20 CHAIRMAN KLEIN: THE EVALUATION COMMITTEE
21 WOULD BE 13 WITH THESE TWO MEMBERS. OUR PRIOR VOTES
22 HAVE SPECIFIED WE'D HAVE TWO AT-LARGE MEMBERS. THE
23 WAY IT ACTUALLY WORKS OUT, BECAUSE THERE ARE SOME
24 PEOPLE THAT HOLD DUAL ROLES, IT'S 13 TOTAL.

25 DR. PRICE: OKAY.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN KLEIN: OKAY?

2 DR. PRICE: YEAH.

3 MS. KING: DR. BLOOM AND DR. BRENNER WE'VE
4 ALREADY SPOKEN TO AND DR. LEVIN. WE'VE SPOKEN TO
5 KIM WITMER. MARCY FEIT.

6 MS. FEIT: NO COMMENTS.

7 MS. KING: DR. FRIEDMAN.

8 DR. FRIEDMAN: NONE.

9 MS. KING: LEEZA, ANY WITH YOU IN NEW
10 YORK?

11 MS. GIBBONS: NO COMMENTS.

12 MS. KING: MICHAEL.

13 MR. GOLDBERG: NO COMMENT.

14 MS. KING: DR. HAWGOOD.

15 DR. HAWGOOD: NO COMMENT.

16 MS. KING: BOB?

17 CHAIRMAN KLEIN: NO. GO AHEAD.

18 MS. KING: SHERRY.

19 MS. LANSING: JOHN, DO WE HAVE COMMENT
20 HERE?

21 MR. SIMPSON: THIS IS JOHN SIMPSON IN
22 SHERRY'S OFFICE. THESE TWO GENTLEMEN ARE EXCELLENT
23 MEMBERS OF THE BOARD AND HAVE SERVED VERY HARD AND
24 WILL BE EXCELLENT MEMBERS OF A COMMITTEE THAT IS
25 PROBABLY TOO LARGE, BUT NONETHELESS YOU VOTED TO DO

BARRISTERS' REPORTING SERVICE

1 THAT ALREADY. SO I SUPPORT THE MOTION. THANK YOU.

2 MS. KING: DR. LEVEY.

3 DR. LEVEY: NO COMMENT.

4 MS. KING: TED LOVE.

5 DR. LOVE: NO COMMENT.

6 MS. KING: CLAIRE POMEROY.

7 DR. POMEROY: NO COMMENTS HERE.

8 MS. KING: AND SO THAT PROBABLY IS THE
9 SAME FOR DR. PRIETO.

10 DR. PRIETO: YES.

11 MS. KING: DR. FINI.

12 DR. FINI: NO COMMENT.

13 MS. KING: BY ANY CHANCE, JEANNIE FONTANA,
14 HAVE YOU JOINED THE CALL? DUANE ROTH.

15 MR. ROTH: NO COMMENTS.

16 MS. KING: JOAN SAMUELSON. JEFF SHEEHY IS
17 HERE. ANY COMMENTS HERE IN SAN FRANCISCO, PUBLIC
18 COMMENTS? AND, ART, WE HAVE NO PUBLIC COMMENTS.
19 THAT'S EVERYBODY, BOB.

20 CHAIRMAN KLEIN: THANK YOU. SO I'D LIKE
21 TO CALL THE QUESTION UNLESS THERE'S THE ADDITIONAL
22 MEMBERS THAT WOULD LIKE TO AT THIS MOMENT MAKE A
23 COMMENT. HEARING NONE, PLEASE CALL THE QUESTION.

24 MS. KING: ROBERT PRICE.

25 DR. PRICE: YES.

BARRISTERS' REPORTING SERVICE

1 MS. KING: FLOYD BLOOM.
2 DR. BLOOM: YES.
3 MS. KING: DAVID BRENNER.
4 DR. BRENNER: YES.
5 MS. KING: JACOB LEVIN.
6 DR. LEVIN: YES.
7 MS. KING: KIM WITMER.
8 DR. WITMER: YES.
9 MS. KING: MARCY FEIT.
10 MS. FEIT: YES.
11 MS. KING: MICHAEL FRIEDMAN.
12 DR. FRIEDMAN: YES.
13 MS. KING: LEEZA GIBBONS.
14 MS. GIBBONS: YES.
15 MS. KING: MICHAEL GOLDBERG.
16 MR. GOLDBERG: YES.
17 MS. KING: SAM HAWGOOD.
18 DR. HAWGOOD: YES.
19 MS. KING: BOB KLEIN.
20 CHAIRMAN KLEIN: YES.
21 MS. KING: SHERRY LANSING.
22 MS. LANSING: YES.
23 MS. KING: GERALD LEVEY.
24 DR. LEVEY: SHOULD I VOTE FOR MYSELF?
25 MR. HARRISON: YOU CAN ABSTAIN, DR. LEVEY.

BARRISTERS' REPORTING SERVICE

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DR. LEVEY: I'LL ABSTAIN.
MS. KING: TED LOVE.
DR. LOVE: ABSTAIN.
MS. KING: CLAIRE POMEROY.
DR. POMEROY: YES.
MS. KING: FRANCISCO PRIETO.
DR. PRIETO: I THINK I CAN VOTE ON THIS
PART OF IT. YES.
MS. KING: ELIZABETH FINI.
DR. FINI: YES.
MS. KING: DUANE ROTH.
MR. ROTH: YES.
MS. KING: JEFF SHEEHY.
MR. SHEEHY: YES.
MS. KING: AND OSWALD STEWARD.
DR. STEWARD: YES.
MS. KING: AND ART TORRES.
MR. TORRES: AYE.
CHAIRMAN KLEIN: AND, JAMES, DOES THE
ABSTENTIONS CREATE A QUORUM ISSUE?
MS. KING: NO.
CHAIRMAN KLEIN: FINE. THANK YOU. THE
MATTER PASSES. THE MOTION PASSES.
AND YOUR SECOND MOTION IS IN ORDER.
MS. LANSING: I WOULD LIKE TO MOVE THEN,

BARRISTERS' REPORTING SERVICE

1 BOB, THAT WE APPOINT THE FOLLOWING TWO MEMBERS OF
2 THE EVALUATION SUBCOMMITTEE AS THE CHAIR AND VICE
3 CHAIR OF THE SUBCOMMITTEE RESPECTIVELY, JERRY LEVEY
4 AS THE CHAIR AND FRANCISCO PRIETO AS THE VICE CHAIR.

5 MR. TORRES: SO MOVED. OR SECOND RATHER.

6 CHAIRMAN KLEIN: SO MOVED BY SHERRY
7 LANSING, SECOND BY ART TORRES. SO I'M GOING TO ASK
8 AS A GENERAL MATTER ARE THERE ANY COMMENTS FROM ANY
9 MEMBERS?

10 MS. KING: BEFORE WE GO THERE, CAN I ASK
11 WHO JUST JOINED?

12 MR. SERRANO-SEWELL: DAVID.

13 MS. KING: THANK YOU. DAVID, JUST FOR
14 YOUR REFERENCE, WE ARE ON AGENDA ITEM NO. 3.
15 THERE'S A MOTION ON THE TABLE RIGHT NOW TO APPOINT
16 THE CHAIR AND VICE CHAIR OF THE SUBCOMMITTEE. AND
17 I'LL ASK JAMES HARRISON TO REREAD THE MOTION FOR
18 YOUR BENEFIT.

19 MR. HARRISON: THE MOTION THAT'S CURRENTLY
20 ON THE TABLE IS TO APPOINT DR. LEVEY AND DR. PRIETO
21 AS CHAIR AND VICE CHAIR OF THE EVALUATION
22 SUBCOMMITTEE RESPECTIVELY.

23 CHAIRMAN KLEIN: THANK YOU. OKAY. ANY
24 BOARD MEMBER COMMENTS? ANY PUBLIC COMMENTS?

25 MR. TORRES: CALL FOR THE QUESTION.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN KLEIN: CALL FOR THE QUESTION.
2 MS. KING: ROBERT PRICE.
3 DR. PRICE: YES.
4 MS. KING: FLOYD BLOOM.
5 DR. BLOOM: YES.
6 MS. KING: DAVID BRENNER.
7 DR. BRENNER: YES.
8 MS. KING: JACOB LEVIN.
9 DR. LEVIN: YES.
10 MS. KING: KIM WITMER.
11 DR. WITMER: YES.
12 MS. KING: MARCY FEIT.
13 MS. FEIT: YES.
14 MS. KING: MICHAEL FRIEDMAN.
15 DR. FRIEDMAN: YES.
16 MS. KING: LEEZA GIBBONS.
17 MS. GIBBONS: YES.
18 MS. KING: MICHAEL GOLDBERG.
19 MR. GOLDBERG: YES.
20 MS. KING: SAM HAWGOOD.
21 DR. HAWGOOD: YES.
22 MS. KING: BOB KLEIN.
23 CHAIRMAN KLEIN: YES.
24 MS. KING: SHERRY LANSING.
25 MS. LANSING: YES.

BARRISTERS' REPORTING SERVICE

1 MS. KING: GERALD LEVEY.
2 DR. LEVEY: ABSTAIN.
3 MS. KING: TED LOVE.
4 DR. LOVE: YES.
5 MS. KING: CLAIRE POMEROY.
6 DR. POMEROY: YES.
7 MS. KING: FRANCISCO PRIETO.
8 DR. PRIETO: ABSTAIN.
9 MS. KING: ELIZABETH FINI.
10 DR. FINI: YES.
11 MS. KING: DUANE ROTH.
12 MR. ROTH: YES.
13 MS. KING: DAVID SERRANO-SEWELL.
14 MR. SERRANO-SEWELL: YES.
15 MS. KING: JEFF SHEEHY.
16 MR. SHEEHY: YES.
17 MS. KING: OSWALD STEWARD.
18 DR. STEWARD: YES.
19 MS. KING: AND ART TORRES.
20 MR. TORRES: AYE.
21 CHAIRMAN KLEIN: OKAY.
22 MS. LANSING: CAN I JUST ADD ONE THING,
23 CHAIRMAN KLEIN.
24 CHAIRMAN KLEIN: ABSOLUTELY.
25 MS. LANSING: I JUST WANT TO SAY ON BEHALF

BARRISTERS' REPORTING SERVICE

1 OF CLAIRE AND MYSELF AS CHAIR AND VICE CHAIR OF THE
2 GOVERNANCE COMMITTEE THAT WE WANT TO THANK JERRY AND
3 TED AND FRANCISCO FOR JOINING US ON THIS COMMITTEE.
4 AND IN PARTICULAR JERRY AND FRANCISCO FOR AGREEING
5 TO CHAIR AND VICE CHAIR IT AND TED AGREEING TO JOIN.

6 AND THEN ALSO WE WANT TO THANK ALL THE
7 MEMBERS OF THE EVALUATION COMMITTEE: MARCY,
8 MICHAEL, I'LL DO THIS FAST, ED, DUANE, DAVID, AND
9 JEFF, AND ART FOR AGREEING TO BE ON THIS COMMITTEE.
10 IT'S BEEN A THOROUGH PROCESS TO GET US HERE, AND WE
11 WANT TO THANK ALL OF YOU FOR YOUR PARTICIPATION.

12 CHAIRMAN KLEIN: AND SO I DON'T KNOW IF
13 YOU SAID JEFF SHEEHY.

14 MS. LANSING: I DID.

15 CHAIRMAN KLEIN: DAVID SERRANO-SEWELL AND
16 ED PENHOET.

17 MS. LANSING: I DID. I DID. I JUST USED
18 EVERYBODY'S FIRST NAMES TO BE QUICKER.

19 CHAIRMAN KLEIN: THANK YOU ALL FOR WHAT
20 HAS BECOME AN ODYSSEY OF GREAT DEDICATION FOR WHICH
21 WE'RE DEEPLY APPRECIATIVE. AND ANOTHER COMMITTEE
22 ASSIGNMENT BY EACH OF YOU IS TREMENDOUS.

23 I'D LIKE TO MOVE FORWARD AT THIS TIME TO
24 ITEM 4 AND GIVE THE MEETING OVER TO THE PRESIDENT TO
25 MAKE A PRESENTATION ON THE VICE PRESIDENT, RESEARCH

BARRISTERS' REPORTING SERVICE

1 AND DEVELOPMENT. I THINK A LOT OF GREAT THOUGHT HAS
2 GONE INTO THIS. I THANK YOU, DR. LOVE, FOR
3 CONTRIBUTING TO DR. TROUNSON'S EFFORTS IN DEFINING
4 THIS AND FOR THE OTHER BOARD MEMBERS THAT DR.
5 TROUNSON HAS REACHED OUT TO TO TRY AND DEVELOP THESE
6 IDEAS. DR. TROUNSON.

7 DR. TROUNSON: THANK YOU VERY MUCH, CHAIR.
8 YOU SHOULD HAVE THREE DOCUMENTS, AGENDA NO. 4
9 DOCUMENT, AGENDA ITEM 4 A DOCUMENT, WHICH APPENDS
10 THAT. AND THERE'S ALSO A CIRM OPERATIONAL REPORTING
11 STRUCTURE DOCUMENT. AND I HOPE EVERYBODY HAS GOT
12 THOSE THREE BESIDE THEM.

13 I'VE BEEN TAKING A LOT OF ADVICE ON THIS
14 MATTER, AND I BEGAN BY WORKING WITH PAT OLSON AND
15 ALL THE SCIENCE OFFICERS AND MEMBERS OF CIRM, BUT
16 PARTICULARLY DEEP IN SCIENCE OFFICE. AND I TALKED
17 TO ALL THE SCIENCE OFFICERS TOGETHER, AND I SPENT A
18 NUMBER OF SESSIONS TOGETHER WITH PAT OLSON LOOKING
19 AT WHAT WE THINK WAS THE REAL CRITICAL NEEDS IN
20 REFORMATTING ANOTHER EXECUTIVE APPOINTMENT WITHIN
21 THE AGENCY.

22 AND I THANK PARTICULARLY TED LOVE AND ED
23 PENHOET WHO WERE VERY HELPFUL, BUT ALSO A NUMBER OF
24 THE OTHER BOARD MEMBERS, LESS THAN A DIFFICULT
25 NUMBER FOR THE BAGLEY-KEENE, I ASSURE YOU. BUT I'VE

BARRISTERS' REPORTING SERVICE

1 HAD SOME VERY HELPFUL INPUT FROM A BROAD SPECTRUM OF
2 REPRESENTATIVES FROM THE BOARD.

3 I'VE ALSO TALKED ABOUT THIS TO THE
4 SCIENTIFIC COMMUNITY IN CALIFORNIA, AND I ALSO HAD
5 SOME OPPORTUNITY TO TALK MORE BROADLY ABOUT THE WAY
6 IN WHICH WE HAVE FOCUSED OUR CURRENT PROGRAMS AND
7 HOW WE MIGHT SEE THEM MOVING FORWARD AT THE
8 INTERNATIONAL SECTOR BECAUSE I WAS IN SPAIN WITH
9 INTERNATIONAL STEM CELL RESEARCH SOCIETY WHERE THERE
10 WERE A NUMBER OF, CLEARLY A NUMBER OF PEOPLE WHO
11 WERE INTERESTED IN WHAT WE WERE DOING, BUT ALSO
12 MEMBERS OF BOTH THE PHARMACEUTICAL INDUSTRY AND THE
13 BIOTECHNOLOGY INDUSTRY WHO CORRALLED ME AND OTHER
14 MEMBERS OF OUR STAFF FOR FURTHER DISCUSSION ABOUT
15 OUR PROGRAM.

16 NOW, THE AGENDA ITEM 4 A GIVES YOU SOME
17 SHORT INTRODUCTION AS TO WHY WE WOULD USE THE TITLE
18 VICE PRESIDENT, R & D ESSENTIALLY BECAUSE WE HAVE
19 JOHN ROBSON AS VICE PRESIDENT OF OPERATIONS, AND
20 THAT WOULD GIVE A BALANCE. AND IF YOU LOOK AT THE
21 CIRM OPERATIONAL REPORTING STRUCTURE, YOU CAN SEE
22 HOW THOSE TWO VP'S OPERATE WITH ME IN THE SENIOR
23 EXECUTIVE POSITIONS.

24 THE KEY PART OF THIS, I THINK, MEMBERS OF
25 THE BOARD, IS THAT WE ARE NOW MOVING VERY

BARRISTERS' REPORTING SERVICE

1 AGGRESSIVELY IN THE DIRECTION OF TAKING A PROGRAM
2 INTO TRANSLATION AND EARLY CLINICAL, PRECLINICAL, IF
3 YOU LIKE, GETTING TO THE CLINIC. AND WE WANT TO BE
4 IN THE CLINIC WITH SOME PROGRAMS AS SOON AS
5 POSSIBLE. I'VE BEEN WORKING WITH A NUMBER OF THE
6 ACADEMIC INSTITUTIONS AND ALSO BIOTECH COMPANIES
7 AROUND CALIFORNIA AND WITH INTERESTING INPUT FROM
8 THE PHARMACEUTICAL COMPANIES WHO ARE MULTINATIONAL.
9 AND THERE IS A VERY STRONG FEELING THAT WE'RE REALLY
10 ON THE SURGE WITH RESPECT TO SOME OPPORTUNITIES OF
11 DELIVERING OUR PROGRAM IN THIS REALLY CRITICAL PHASE
12 TO THE CLINIC.

13 IT HAS BEEN -- IT WAS SO INTERESTING TO
14 THE INTERNATIONAL STEM CELL RESEARCH SOCIETY, WHICH
15 IS A PRINCIPALLY ACADEMIC SOCIETY, THAT THEY
16 REQUESTED THAT WE WOULD CONSIDER HAVING A SECTION ON
17 THE NEXT MEETING IN SAN FRANCISCO, A WHOLE SECTION,
18 DEVOTED TO THE DISEASE TEAMS.

19 AS WE MOVE INTO THESE PROGRAMS, THESE
20 PROGRAMS THAT ARE GOING TO THE CLINIC FOR IND AND
21 BEYOND, WE'VE IDENTIFIED THAT WE REALLY DON'T HAVE
22 THE KIND OF DEPTH IN-HOUSE THAT WE WOULD LIKE TO
23 CHAPERONE THESE PROGRAMS THROUGH TO CLINIC. IF YOU
24 LOOK AT THE DISEASE TEAMS, FOR EXAMPLE, WE'VE GOT
25 MULTIPLE TEAMS COMPOSED OF ACADEMIC, BIOTECHNOLOGY,

BARRISTERS' REPORTING SERVICE

1 AND INTERESTINGLY, I THINK, FINGERS NOW IN FROM THE
2 PHARMACEUTICAL COMPANIES ALL UNDER THESE PROGRAMS.
3 AND WE'RE ABOUT TO EMBARK ON A GENUINE HARD RUN TO
4 AN IND IN THE FOUR YEARS AND, IN FACT, SOME OF
5 THOSE, I PREDICT, WILL GET THERE INSIDE THE FOUR
6 YEARS.

7 THERE'S NO DOUBT ABOUT IT THAT WE NEED
8 SOMEBODY WHO HAS BEEN IN THAT SPACE, WHO KNOWS THE
9 BIOTECHNOLOGY INDUSTRY, WHO KNOWS WHAT'S REQUIRED TO
10 TAKE CANDIDATE MOLECULES OR CELLS TO THE CLINIC,
11 SOMEBODY WHO'S BEEN EITHER IN THE PHARMACEUTICAL
12 SECTOR OR IN THE BIOTECHNOLOGY SECTOR WHO KNOWS
13 WHAT'S REQUIRED BY THE REGULATORY BODIES TO ACTUALLY
14 MEET THESE MOST DEMANDING HURDLES THAT EXIST. AND
15 WE WILL HAVE TO REFORMAT THE TEAMS AS WE GO FORWARD.
16 I DON'T THINK THERE'S ANY DOUBT THERE WILL BE THINGS
17 THAT COME IN AND NEED TO GO OUT, AND WE'LL NEED TO
18 BE REFORMATTING. WE'LL NEED TO MAKE ADJUSTMENTS AS
19 WE MOVE THROUGH THERE BECAUSE THAT'S THE VERY NATURE
20 OF THE SCIENCE. SOME THINGS WILL WORK, OTHERS WON'T
21 WORK, AND WE'LL HAVE TO GO BACK AND FIGURE SOME
22 THINGS OUT.

23 WE NEED SOMEBODY WHO'S WILLING TO WORK
24 WITH THOSE TEAMS, UNDERSTAND THE PROCESS, GET
25 CLOSELY CONNECTED TO FDA, AND REALLY KNOW THIS

BARRISTERS' REPORTING SERVICE

1 PARTICULAR SPACE. IT IS TRUE, I THINK, TO SAY THAT
2 THE BIOTECHNOLOGY COMPANIES THINK THAT WE'RE A BIT
3 TOO ACADEMIC AND THAT THERE IS A RESONANCE THERE
4 THAT THEY FEEL THAT PROBABLY THEY HAVEN'T HAD A
5 REALLY GOOD DEAL. NOW, WHETHER THEY HAVE OR THEY
6 HAVEN'T I'M NOT ABOUT TO DEBATE, BUT WHAT WE DON'T
7 HAVE IS SOMEBODY WHO IS WILLING AND UNDERSTANDS THAT
8 SECTOR OF THE INDUSTRY WHO CAN ACTUALLY TALK WITH
9 AND WORK WITH THEM, HELP THEM UNDERSTAND US AND US
10 UNDERSTAND THEM BE COLLABORATIVE IN THIS PROCESS.

11 SO I THINK WE NEED VERY MUCH SOMEBODY WHO
12 HAS THE GENUINE R & D EXPERIENCE. I WOULD HOPE --
13 WE WOULD EXPECT THEM TO HAVE A PH.D. OR AN M.D.,
14 HOPEFULLY THEY WOULD HAVE AN M.D., BUT I DON'T THINK
15 THAT'S ESSENTIAL. AND IT COULD BE THAT THERE WOULD
16 BE CANDIDATES OUT THERE WITH THAT SORT OF
17 BACKGROUND. INDEED, WE ALREADY KNOW, ALTHOUGH WE
18 HAVEN'T ADVERTISED ANYTHING, THAT THERE'S QUITE A
19 LARGE INTEREST IN THIS POSITION WHICH WOULD INCLUDE
20 PEOPLE WITH THOSE KIND OF QUALIFICATIONS.

21 SO WE'VE FORMATTED THE POSITION
22 DESCRIPTION TO REFLECT THAT. AND THANKS TO JEFF WHO
23 REMINDED ME YESTERDAY WE NEEDED THE REPORTING
24 STRUCTURE TO MAKE THIS COMPLETELY UNDERSTANDABLE.
25 WE HAVE A POSITION SUMMARY, WE HAVE THE DUTIES AND

BARRISTERS' REPORTING SERVICE

1 RESPONSIBILITIES AND REPORTING IN THE DOCUMENT
2 THAT'S IN FRONT OF US. I DON'T THINK I HAVE TO READ
3 THOSE OUT BECAUSE THEY'RE BASICALLY, AS I SAY,
4 FOCUSED IN THESE AREAS.

5 IF YOU LOOK AT THE OPERATIONAL REPORTING
6 STRUCTURE, YOU WILL SEE THE VP, R & D IS VERY MUCH
7 ON THE CLINICAL END OF THE PROGRAM ALTHOUGH
8 CONNECTED TO THE PRECLINICAL. CLEARLY THERE ARE
9 CONNECTIONS GOING ON HERE, BUT THE PRECLINICAL I SEE
10 AS THE CURRENT DISEASE TEAMS, AND THE CLINICAL IS AS
11 WE MOVE OFF INTO THE CLINIC. ETHICS AND COMPLIANCE
12 IS PART OF THE PROCESSES THAT WE NEED TO DELIVER ON.
13 WE NEED CONNECTIONS WITH NIH AND THE FDA. THEY'RE
14 CRITICAL, AND I'VE MADE BOXES TO INDICATE THAT'S A
15 SPECIFIC NEED. WE WANT AN INDUSTRY CORPORATE
16 AFFAIRS. THAT REALLY IS MEANING THAT I WANT THIS
17 PERSON TO BE TALKING TO INDUSTRY, TO HAVE A FEELING
18 FOR INDUSTRY, HAVE A CONNECTION WITH THE INDUSTRY,
19 AND BRING THEM ALONG AS A PARTNER IN OUR PROCESS
20 WHERE THAT IS APPROPRIATE.

21 AND I'VE ALSO HAD INPUT FROM A NUMBER OF
22 THE ACADEMIC MEMBERS OF THE BOARD WHO ALSO SUGGESTED
23 THAT IT WOULD BE A VERY GOOD THING TO MAKE A
24 CONNECTION WITH THE ACADEMIC BUSINESS OFFICERS IN
25 THE MAJOR UNIVERSITIES. THIS IS WHERE A LOT OF THE

BARRISTERS' REPORTING SERVICE

1 TECHNOLOGY TRANSFER OCCURS.

2 YOU WILL NOTICE THAT THE EXECUTIVE
3 DIRECTOR OF THE SCIENTIFIC ACTIVITIES, WHO'S PAT
4 OLSON, REPORTS DIRECTLY TO ME BECAUSE I THINK THAT
5 SHE IS REALLY CONTROLLING THE HUB, IF YOU LIKE, THE
6 ENGINE OF THE REVIEWS. AND THAT'S REALLY ALL ABOUT
7 THE GRANTS AND THE BASIC SCIENCE, EARLY
8 TRANSLATIONAL, THE PRECLINICAL, THAT WHOLE ENGINE OF
9 SCIENCE OFFICERS THAT ARE CURRENTLY INTERNAL WHO ARE
10 CONNECTED TO THE RESEARCHERS WHO ARE MOVING ONE ON
11 ONE WITH THE RESEARCHERS, WHO HAVE A RELATIONSHIP
12 WITH THE SCIENTISTS, WHO CAN ACTUALLY MAKE AN
13 ASSESSMENT, A CLEAR ASSESSMENT, OF THE PROGRESS OF
14 THE PROJECTS THAT ARE GOING ON, MAKE THE ADJUSTMENTS
15 BY DIALOGUE WITH THEM, OR IF THOSE GRANTS ARE NOT
16 WORKING PROPERLY, MAKE A RECOMMENDATION THAT SOME
17 OCCASIONALLY SHOULD BE TERMINATED BECAUSE OF LACK OF
18 PROGRESS OR CHANGES IN THE SPACE. THIS MIGHT BE A
19 SCIENCE CHANGE THAT MAKES THAT PARTICULAR AREA LESS
20 IMPORTANT OR EVEN REDUNDANT.

21 SO PAT HAS BEEN VERY RESPONSIVE TO THIS.
22 SHE WANTS TO TAKE THIS ADDITIONAL, IF YOU LIKE,
23 ROLE. SHE'S ALSO VERY KEEN TO PLAY A PARTNERSHIP
24 ROLE WITH THIS NEW APPOINTMENT. AND I THINK THAT
25 WOULD BE VERY IMPORTANT. AND, HENCE, WE HAVE THOSE

BARRISTERS' REPORTING SERVICE

1 DOTTED LINES OF STRONG CONNECTIONS THERE. PAT COMES
2 FROM A BACKGROUND WHICH DOES INCLUDE THAT. SO SHE
3 WILL CLEARLY UNDERSTAND WHERE THIS OTHER PERSON HAS
4 THEIR INTEREST, AND I THINK IT'S A UNIQUE
5 CONNECTION.

6 SO WHAT I'M ASKING, CHAIR, IS FOR THE
7 ENDORSEMENT OF THIS POSITION DESCRIPTION TO FIT IN
8 THIS AREA TO GIVE US THE DEPTH AND THE CAPACITY TO
9 DELIVER OUR MISSION BECAUSE I THINK THERE IS A
10 POSSIBILITY, IF WE DON'T DO THIS CAREFULLY AND
11 PROPERLY, THAT WE COULD DRIVE A LOT OF PROJECTS UP
12 THE HILL TOWARDS THE IND OR EVEN TO THE IND, BUT NOT
13 CONSUMMATE THE RELATIONSHIP OF TAKING THEM OVER INTO
14 THE CLINIC.

15 NOW, I'VE SEEN THIS HAPPEN UNFORTUNATELY
16 MANY TIMES WHERE THERE IS A CERTAIN AMOUNT OF MONEY
17 TO RUN A PROJECT TO A CERTAIN POINT. THERE IS NO
18 CONNECTION TO TAKE IT FURTHER ON. THAT PROJECT DIES
19 AND MAYBE IS PICKED UP LATER, BUT OFTEN JUST DIES.
20 I DON'T THINK WE WANT THAT TO BE HAPPENING. I THINK
21 WE WANT THAT CONNECTED TO THE WHOLE THROUGHPUT, GO
22 THE WHOLE DISTANCE, DEMONSTRATE TO US THAT YOU CAN
23 GO THE WHOLE DISTANCE FOR A PATIENT. GIVE THESE
24 TECHNOLOGIES A CHANCE TO RUN THEIR DISTANCE.

25 I THINK THERE'S A BIG CHANGE IN ATTITUDE

BARRISTERS' REPORTING SERVICE

1 FROM THE PHARMACEUTICAL COMPANIES. I'M ABSOLUTELY
2 ASTONISHED AT THEIR CHANGE OF MIND ABOUT WANTING TO
3 BE LINKED IN HERE, BUT I THINK WE NEED SOMEBODY WHO
4 IS ASTUTE, EXPERIENCED IN THAT SPACE TO MAKE THOSE
5 CONNECTIONS IN A WAY THAT WE DON'T MAKE SIMPLE
6 ERRORS IN CREATING THE CONNECTION.

7 SO, CHAIR, I'M HAPPY TO TAKE QUESTIONS ON
8 THIS OR WHATEVER COMMENTS AND ADVICE THE BOARD CARES
9 TO GIVE TO ME.

10 CHAIRMAN KLEIN: CERTAINLY, DR. TROUNSON.
11 REALLY APPRECIATE THE THOUGHT. AND I'D LIKE TO
12 COMMENT THAT I THINK TRYING TO FIGURE WHICH BOARD
13 MEMBERS TO REACH OUT TO, MY UNDERSTANDING IS DR.
14 TROUNSON SPECIFICALLY REACHED OUT TO THOSE WHO HAD
15 VOLUNTEERED TO PARTICIPATE WITH INPUT ON THE LAST
16 BOARD CALL WITH THE CONSTRAINT OF BEING WITHIN THE
17 LIMITS SET BY BAGLEY-KEENE.

18 DR. TROUNSON: RIGHT.

19 CHAIRMAN KLEIN: I'D LIKE, IF WE CAN, DR.
20 LOVE, YOU PARTICIPATED IN THIS PROCESS. WOULD YOU
21 LIKE TO MAKE SOME COMMENTS?

22 DR. LOVE: I'M HAPPY TO, BOB, BUT I'LL BE
23 VERY BRIEF BECAUSE I THINK ALAN DID A VERY NICE JOB
24 OF DESCRIBING THINGS. I THINK THE DOCUMENT
25 OBVIOUSLY IS VERY WELL WRITTEN. I'D MAYBE LIKE TO

BARRISTERS' REPORTING SERVICE

1 COMMENT, ALAN, ON WHAT I THINK HAS BEEN A VERY GOOD
2 PROCESS OF REACHING OUT TO BOARD MEMBERS, GETTING
3 OUR COMMENTS, SOMETIMES VERY DETAILED NIT-PICKY
4 COMMENTS, AND BEEN QUITE RESPONSIVE TO THEM.

5 THE ONLY THING I WOULD SAY TO THE BOARD
6 MEMBERS IN ADVANCE IS THAT I DID HAVE SOME CONCERN
7 ABOUT THE JOB TITLE CHANGE BEING DIFFERENT THAN
8 MARIE, BUT I'VE CERTAINLY GOTTEN VERY COMFORTABLE
9 WITH THAT. AND I THINK THE WAY THAT ALAN EXPLAINED
10 IT IN TERMS OF HAVING SYMMETRY IN THE ORGANIZATION
11 REALLY DOES WORK BEST OVERALL.

12 SO THAT WAS PROBABLY THE ONE BIGGEST
13 CONCERN THAT I HAD, BUT I CERTAINLY GOT VERY
14 COMFORTABLE WITH THAT AND AM VERY SUPPORTIVE OF IT.

15 CHAIRMAN KLEIN: AND CERTAINLY IT'S
16 IMPORTANT HERE TO EMPHASIZE THIS IS NOT AN ACTION
17 ITEM. IT'S A DISCUSSION ITEM FOR THOSE BOARD
18 MEMBERS THAT CAME ON LATE ON THIS CALL BECAUSE THIS
19 IS THE PRESIDENT'S HIRE, BUT THE PRESIDENT IS
20 REACHING OUT TO THE BOARD FOR INPUT.

21 SHERRY, WOULD YOU LIKE TO MAKE A COMMENT?
22 SHERRY MAY BE ON MUTE.

23 MR. TORRES: I'D LIKE TO MAKE A COMMENT,
24 BOB.

25 CHAIRMAN KLEIN: ART. AND THEN JEFF

BARRISTERS' REPORTING SERVICE

1 SHEEHY, YOU'RE IN A KEY POSITION AND MAYBE JOAN.

2 MR. TORRES: OTHER THAN YOURSELF, I GUESS
3 I'M THE OTHER BOARD MEMBER EXCEPT WHEN ED PENHOET
4 AND DUANE ROTH ARE HERE AS WELL IN PERSON TO SEE
5 THINGS OPERATE FROM A VERY CLOSE RANGE. AND I JUST
6 WANT TO COMPLIMENT OUR PRESIDENT BECAUSE AT THE VERY
7 OUTSET OF THIS VACANCY OCCURRING, HE REACHED OUT TO
8 MEMBERS OF THE BOARD AND TO OTHERS, THE SCIENCE
9 OFFICERS, TO PAT, FOR THEIR INPUT. IT WAS A VERY
10 TRANSPARENT CONSENSUS-BUILDING APPROACH THAT I
11 REALLY ADMIRE.

12 AND I JUST WANT TO SAY THAT I THINK THAT
13 WITH THE INPUT OF OBVIOUSLY TED IN TERMS OF HIS
14 PERSPECTIVE AND OTHER BOARD MEMBERS WHO SUPPLIED,
15 DAVID SERRANO-SEWELL, JEFF SHEEHY, OTHERS, SHERRY
16 LANSING OBVIOUSLY, AND MANY OTHERS WHO PROVIDED
17 INFORMATION TO BOTH OUR CHAIR AND TO OUR PRESIDENT,
18 I JUST WANT TO SAY I'M VERY COMFORTABLE WITH THIS
19 PROCESS. I'M VERY COMFORTABLE WITH THE WAY THAT OUR
20 PRESIDENT HAS HANDLED THIS ISSUE. AND I JUST WANT
21 TO SEE US GET TO THE POINT WHERE WE FIND JUST THE
22 RIGHT PERSON THAT WILL MAKE THE RIGHT MIX TO MOVE US
23 FORWARD. THANK YOU, MR. PRESIDENT.

24 CHAIRMAN KLEIN: THANK YOU VERY MUCH.
25 JEFF, WOULD YOU LIKE TO MAKE ANY COMMENTS?

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: JUST BRIEFLY. AND THIS IS
2 NOT REALLY MY AREA OF EXPERTISE, SO I'M
3 EXTRAORDINARILY GRATEFUL TO TED FOR COMING DOWN AND
4 HELPING US OUT BECAUSE HE KNOWS HOW TO SET THESE
5 THINGS UP. I'M NOT GENERALLY IN A ROLE WHERE I'M
6 THINKING ABOUT ADMINISTRATIVE STRUCTURES FOR AN
7 AGENCY.

8 SO FROM MY PERSPECTIVE, THIS LOOKS FINE.
9 I'M VERY SUPPORTIVE OF THE PRESIDENT ARRANGING THE
10 OPERATION IN A WAY THAT MAKES THE MOST SENSE TO HIM
11 AND TO OTHER LEADERSHIP. AND I DO THINK IT'S A
12 TRANSPARENT PROCESS. THE FACT THAT WE'RE BRINGING
13 ON A SEARCH TEAM IN ORDER TO ASSIST WITH THIS WILL
14 KEEP US ALL ON THE -- YOU KNOW, ASSURE WE GET THE
15 BEST CANDIDATE FOR THIS.

16 I DO THINK THAT IDENTIFYING -- I'VE SAID
17 THIS OFTEN. THIS IS NOT MEANT TO BE ANY CRITICISM.
18 I THINK STAFF DOES A TREMENDOUS JOB. I THINK WE'VE
19 ALL BEEN WORKING REALLY HARD. BUT IF YOU LISTEN TO
20 INDUSTRY, THERE IS A SENSE THAT WE HAVEN'T
21 NECESSARILY HAD THE RIGHT INTERFACE OR WE HAVEN'T
22 BEEN ABLE TO HIT THE RIGHT NOTES, AND SO THIS SEEMS
23 LIKE A VERY THOUGHTFUL WAY IN WHICH TO TRY TO
24 ADDRESS THAT. AS I HAVE SAID MANY TIMES, THE NAMES
25 ON MY BOTTLES ARE NOT UCSF OR STANFORD. IT'S

BARRISTERS' REPORTING SERVICE

1 PHARMACEUTICAL COMPANIES, AND THOSE ARE THE PEOPLE
2 WHO MAKE THE PRODUCTS, SO WE HAVE TO FIGURE THIS
3 OUT. AND I THINK IT WAS A VERY THOUGHTFUL WAY TO
4 START TO MOVE THAT DIRECTION.

5 CHAIRMAN KLEIN: THANK YOU, JEFF. JOAN,
6 WOULD YOU LIKE TO MAKE A COMMENT AS THE OTHER VICE
7 CHAIR OF THE GRANTS WORKING GROUP?

8 MS. KING: I DON'T THINK JOAN IS ON THE
9 CALL, BOB.

10 DR. TROUNSON: I'LL TELL YOU, BOB, THAT I
11 DID SPEND A COUPLE OF HOURS WITH JOAN AND GOT SOME
12 VERY USEFUL INPUT FROM HER ON THIS DURING THE
13 COMPOSING.

14 CHAIRMAN KLEIN: I KNEW THAT YOU HAD, AND
15 SO I JUST WANTED TO GIVE HER AN OPPORTUNITY. SO
16 ADDITIONAL BOARD MEMBERS WHO WOULD LIKE TO MAKE
17 COMMENTS? DUANE.

18 MR. ROTH: YES. I JUST WANT -- I THINK
19 EVERYTHING HAS BEEN SAID. I SUPPORT THIS VERY MUCH.
20 AND JUST TO ECHO WHAT TED SAID ABOUT THE TITLE, THAT
21 TITLE, WHEN I FIRST LOOKED AT IT, I THOUGHT, WELL,
22 THAT'S AN UNUSUAL TITLE. BUT I THINK IT REALLY FITS
23 WHAT WE'RE LOOKING FOR HERE, SOMEONE WHO HAS ONE
24 FOOT IN RESEARCH AND ANOTHER FOOT IN PRODUCT
25 DEVELOPMENT, WHICH IS WHAT JEFF JUST TALKED ABOUT.

BARRISTERS' REPORTING SERVICE

1 AND I THINK THAT'S WHY THAT TITLE PERHAPS IS EVEN
2 MORE APPROPRIATE HERE THAN IT IS IN INDUSTRY. SO
3 THAT'S MY THOUGHTS ON THE TITLE.

4 CHAIRMAN KLEIN: OKAY. ARE THERE OTHER
5 BOARD MEMBERS THAT WOULD LIKE TO MAKE COMMENT?

6 DR. POMEROY: SO I HAVE SOME CONFUSION
7 ABOUT WHAT I UNDERSTAND -- WHAT LOOKS TO ME LIKE A
8 DISCONNECT BETWEEN THE PICTURE AND THE JOB
9 DESCRIPTION. SO THE JOB DESCRIPTION SAYS THAT THIS
10 PERSON WILL OVERSEE THE BASIC SCIENCE AND
11 TRANSLATIONAL TO CLINICAL PROGRAM. AND SO I'M
12 SOMEWHAT CONFUSED WHEN I LOOK AT THIS DIAGRAM, WHICH
13 SHOWS THE VP FOR R & D NOT HAVING ANY AUTHORITY OVER
14 BASIC SCIENCE.

15 CHAIRMAN KLEIN: ALAN, COULD YOU ADDRESS
16 THAT?

17 DR. TROUNSON: AND UNDERSTAND THAT THE
18 ISSUE HERE IS THAT SOME OF THE WORK THAT IMPACTS
19 DOWNSTREAM WILL DEFINITELY COME OUT OF THE BASIC
20 AREA. AND A KATRINA JAMIESON-TYPE PROCESS DOES KEEP
21 HAPPENING, AND I THINK I'LL TALK TO THE BOARD ABOUT
22 ONE OF IRV WEISSMAN'S BASIC DISCOVERIES WHICH WILL
23 GO VERY QUICKLY TO THE CLINIC.

24 WHAT I THINK I'M TRYING TO DO THERE,
25 CLAIRE, IS TO MAKE SURE THAT THERE'S NO DISCONNECT

BARRISTERS' REPORTING SERVICE

1 BETWEEN ADVANCES IN THE BASIC SCIENCE THAT CAN
2 ACTUALLY GET TO THE CLINIC AND NO EXTENDED PROGRAM
3 IF THERE IS A GENUINE OPPORTUNITY TO TAKE THEM IN
4 THAT SPACE AS KATRINA JAMIESON DID. IT IS VERY
5 CLEAR IN THE DIAGRAM THE BASIC PROGRAM AS HAS BEEN
6 RESTRUCTURED BY PAT WILL HAVE ONE OF THE SCIENCE
7 OFFICERS LEADING THAT. SO THERE WILL BE A SPECIFIC
8 PERSON WHO LEADS A GROUP ON THE BASIC AND ON THE
9 EARLY TRANSLATIONAL AND ON THE PRECLINICAL AREA SO
10 THAT WE'VE RECOMPOSED IT A BIT.

11 BUT I WANT THIS PERSON IN R & D TO BE ABLE
12 TO SEE ACROSS THIS SPACE, BUT TO REALLY BE EFFECTIVE
13 IN DRIVING THOSE DEVELOPMENTS INTO THE CLINIC. I
14 MEAN THAT'S OUR MISSION, AND I DON'T WANT IT SORT OF
15 JUST BE APPENDED TO THE END SO THERE'S A DISCONNECT
16 ON SOME OF THE RAPID TRANSMISSION-TYPE
17 OPPORTUNITIES.

18 DR. POMEROY: JUST TO MAKE THIS VERY
19 CLEAR, WILL THIS PERSON OR WILL THIS PERSON NOT
20 OVERSEE THE BASIC SCIENCE PROGRAM?

21 DR. TROUNSON: THE OVERSIGHT OF THE BASIC
22 SCIENCE PROGRAM WILL BE THROUGH THE GRANTS WORKING
23 GROUP AND THROUGH THE APPLICATIONS THAT HAPPEN.

24 SO --

25 DR. POMEROY: LET ME REASK THE QUESTION.

BARRISTERS' REPORTING SERVICE

1 WILL THE VP FOR R & D OR WILL THE EXECUTIVE DIRECTOR
2 FOR SCIENTIFIC AFFAIRS BE THE CIRM PERSON WHO HAS
3 OVERSIGHT OVER THE BASIC SCIENCE PROGRAM?

4 DR. TROUNSON: THE EXECUTIVE DIRECTOR OF
5 SCIENCE AFFAIRS HAS THAT COMPONENT PART.

6 CHAIRMAN KLEIN: I THINK, CLAIRE, AS I
7 INTERPRET, HE REALLY MEANS BY THIS PHRASE BASIC
8 SCIENCE AND TRANSLATIONAL TO CLINICAL PROGRAM, HE'S
9 DESCRIBING THAT AS A CONTINUUM OF PIPELINE THAT
10 LEADS TO TRANSLATION PRODUCTS THAT WILL BE OVERSEEN,
11 BUT THE ACTUAL DIRECT OVERSIGHT OF BASIC SCIENCE IS
12 UNDER THE EXECUTIVE -- THE VP FOR -- EXECUTIVE
13 DIRECTOR FOR SCIENTIFIC ACTIVITIES, I THINK, LOOKING
14 AT THAT AS A PHRASE AS VERSUS BASIC SCIENCE BROKEN
15 OUT AS AN ISOLATED RESPONSIBILITY.

16 DR. POMEROY: I ACCEPT THAT THIS PERSON
17 ONLY HAS OVERSIGHT OVER THE CLINICAL AS SHOWN ON THE
18 DIAGRAM, BUT THEN I GUESS I'M STILL UNCLEAR WHY WE
19 HAVE ONE PERSON WITH A VICE PRESIDENT TITLE WHO HAS
20 OVERSIGHT OVER CLINICAL RESEARCH AND ANOTHER PERSON
21 WITH AN EXECUTIVE DIRECTOR TITLE WHO HAS OVERSIGHT
22 OVER TRANSLATIONAL AND BASIC RESEARCH AND
23 PRECLINICAL, IT APPEARS.

24 DR. TROUNSON: THEY'RE JOINTLY WORKING ON
25 THE PRECLINICAL. SO THE WORK THAT WILL BE DONE IN

BARRISTERS' REPORTING SERVICE

1 THE DISEASE TEAMS, FOR EXAMPLE, WILL HAVE A BIG
2 INPUT FROM THE VICE PRESIDENT OF R & D. SO I THINK
3 THE -- WE NEED -- WE FELT THAT WE NEEDED TO CREATE
4 SOME SEPARATION BECAUSE THERE WAS ALMOST A TOTAL
5 OVERLAP IN THE LAST APPOINTMENT. AND I THINK IT
6 BREAKS IT UP INTO A BETTER FORMAT. AND IF WE'RE
7 GOING TO GO TO THE CLINIC, AS I SAID, WE REALLY NEED
8 THIS PERSON TO BE INTERACTIVE WITH THAT SECTOR THAT
9 ACTUALLY DRIVES IT THROUGH THE PROCESS OF THE
10 TRANSLATION AND THE REGULATORY AFFAIRS THROUGH THE
11 CLINIC.

12 DR. POMEROY: I AGREE WITH THAT. I GUESS
13 WHAT I'M NOW TRYING TO UNDERSTAND IS WHY THE
14 EXECUTIVE DIRECTOR FOR SCIENTIFIC AFFAIRS IS AN
15 EXECUTIVE DIRECTOR RATHER THAN A VP.

16 MS. LANSING: I WAS GOING TO ACTUALLY SAY
17 THE SAME THING. CAN I JUST REITERATE THAT? WHY WE
18 HAVE A VICE PRESIDENT FOR R & D, THEN AN EXECUTIVE
19 DIRECTOR, AND THEN A VICE PRESIDENT OF OPERATIONS.
20 WOULDN'T IT BE EASIER IF THEY WERE ALL VICE
21 PRESIDENTS?

22 DR. TROUNSON: TITLES WE CAN TAKE ON BOARD
23 TO RESOLVE. BUT, YOU KNOW, IT WASN'T FORMATTED TO
24 HAVE THAT DISCUSSION HERE. I NEED TO PROBABLY TAKE
25 SOME FURTHER ADVICE ON THAT.

BARRISTERS' REPORTING SERVICE

1 MR. ROTH: I JUST POINT OUT, HOWEVER, THAT
2 ALAN'S EXPERTISE IS IN THE SCIENTIFIC AREA, AND THAT
3 SHOULD BE CONSIDERED AS WELL WHEN YOU DECIDE HOW YOU
4 ARRANGE THESE BLOCKS.

5 CHAIRMAN KLEIN: SO I THINK IT'S IMPORTANT
6 TO GIVE ALAN SOME TIME TO THINK ABOUT THAT. HE DOES
7 HAVE A STRUCTURE WHERE HE'S TALKED TO THE
8 INDIVIDUALS THAT ARE INVOLVED IN TERMS OF THE TITLES
9 AND THE POSITIONS AND THE LEVELS OF AUTHORITY. AND
10 WE'LL HAVE A CHANCE TO REVISIT HOW IN TERMS OF
11 INDIVIDUAL PERSONNEL MEMBERS, IN TERMS OF EXECUTIVE
12 SESSIONS, BUT HE'S ALSO TRYING TO WORK WITHIN HIS
13 BUDGETING PROGRAM.

14 MS. LANSING: I ACCEPT THAT.

15 DR. POMEROY: I'D JUST LIKE TO MAKE ONE
16 FINAL COMMENT THEN, WHICH IS A COMMENT OF
17 PRINCIPLES, WHICH IS THAT I THINK THAT
18 ORGANIZATIONAL STRUCTURE SHOULD BE DEFINED SO THAT
19 THEY OUTLAST ANY INDIVIDUAL. AND WHEN YOU START
20 MAKING ORGANIZATIONAL STRUCTURES ON THE BASIS OF
21 PERSONALITIES THAT ARE PRESENT, IT CAUSES PROBLEMS
22 DOWN THE LINE. SO HOPEFULLY THE ORGANIZATIONAL
23 STRUCTURE WILL BE ONE THAT OUTLIVES ANY PARTICULAR
24 INDIVIDUAL.

25 MR. SERRANO-SEWELL: I AGREE WITH CLAIRE'S

BARRISTERS' REPORTING SERVICE

1 COMMENTS. WHEN I LOOKED AT THE ORGANIZATIONAL
2 CHART, I IMMEDIATELY THOUGHT IS THE EXECUTIVE
3 DIRECTOR ON EQUAL FOOTING AS THE VICE PRESIDENT,
4 VICE VERSA? I STILL DON'T KNOW THE ANSWER TO THAT
5 QUESTION.

6 CHAIRMAN KLEIN: I THINK WE SHOULD GIVE
7 DR. TROUNSON THE CHANCE TO REFLECT ON THAT, BUT ALSO
8 WE'RE GOING TO HAVE AN EXECUTIVE SESSION THAT TALKS
9 ABOUT THESE ISSUES AND BALANCING THEM. DR.
10 TROUNSON'S STRENGTH IN SCIENCE AND HOW HE WORKS WITH
11 THESE INDIVIDUALS IN TERMS OF OVERSIGHT IS, I THINK,
12 WITH A SMALL ORGANIZATION MORE IMPORTANT THAT WE PAY
13 ATTENTION TO INDIVIDUALS AND HOW THEY FIT INTO
14 ROLES.

15 I HAVE A DIFFERENT PERSPECTIVE THAN
16 CLAIRE'S PERSPECTIVE. WHEN INDIVIDUALS IN SMALL
17 ORGANIZATIONS HAVE TO HOLD MULTIPLE TITLES AND
18 MULTIPLE ROLES TO GET EFFECTIVE PERFORMANCE, THERE'S
19 A TEAM RELATIONSHIP. I WOULD ALSO POINT OUT THAT
20 DR. TROUNSON HAS TALKED ABOUT THE EXECUTIVE DIRECTOR
21 FOR SCIENTIFIC ACTIVITIES PARTNERING WITH THIS VICE
22 PRESIDENT SO THAT WHEN BASIC SCIENCE NEEDS TO LOOK
23 DOWN A PATHWAY TO PRECLINICAL AND CLINICAL
24 DEVELOPMENT, THAT THERE CAN BE A PARTNERING IN THE
25 OVERSIGHT OF HOW BASIC SCIENCE MOVES ALONG THAT

BARRISTERS' REPORTING SERVICE

1 PIPELINE.

2 BUT I DO BELIEVE THAT WE SHOULD GIVE DR.
3 TROUNSON THE CHANCE TO THINK ABOUT THESE COMMENTS IN
4 HIS EVALUATION. THE PURPOSE OF THIS IS TO HAVE A
5 VIBRANT DISCUSSION. ARE THERE ADDITIONAL COMMENTS?
6 ARE THERE ANY PUBLIC COMMENTS?

7 MR. SIMPSON: THIS IS JOHN SIMPSON. JUST
8 A QUESTION. ARE YOU CONTEMPLATING ACTION ON THIS
9 ITEM, OR IS THIS ESSENTIALLY INFORMATIONAL? I'M
10 SORRY I'M A LITTLE CONFUSED ON THAT POINT.

11 CHAIRMAN KLEIN: THIS IS AN INFORMATIONAL.
12 IT'S NOT SCHEDULED FOR ACTION. THIS IS AN
13 APPOINTMENT OF THE PRESIDENT. IT IS AN IMPORTANT
14 STRATEGIC APPOINTMENT; AND, THEREFORE, THE PRESIDENT
15 HAS REACHED OUT TO THE BOARD TO GET INPUT AND BE
16 INFORMED, BASED UPON THE BOARD EXPERTISE AND THE
17 VARIOUS BASES OF EXPERIENCE OF INDIVIDUAL BOARD
18 MEMBERS, BUT IT IS THE PRESIDENT'S APPOINTMENT, AND
19 THIS IS A DISCUSSION TO ENRICH THAT PROCESS AND HAVE
20 A TRANSPARENT PROCESS THAT THE PRESIDENT IS
21 UNDERTAKING.

22 MR. SIMPSON: I APPRECIATE THAT
23 CLARIFICATION. I DO HAVE A PUBLIC COMMENT, AND THAT
24 IS SIMPLY THAT ANY TIME I'VE LOOKED AT ORGANIZATIONS
25 AND SEEN LOTS OF DOTTED LINES IN MY OLD DAYS OF

BARRISTERS' REPORTING SERVICE

1 NEWSPAPER ORGANIZATIONS AND SUCH THINGS, NEWSPAPERS
2 PARTICULARLY, BUT OTHER BIG ORGANIZATIONS AS WELL,
3 ANY TIME YOU HAVE DOTTED LINES, IT SEEMS TO ME YOU
4 HAVE POTENTIAL CONFUSION AND PROBLEMS. AND YOU DO
5 SEEM TO HAVE A NUMBER OF THEM IN THIS PARTICULAR
6 ORGANIZATIONAL CHART. SO I JUST OFFER THAT AS AN
7 INSIGHT. THANK YOU.

8 CHAIRMAN KLEIN: SO TEAM LEADERSHIP OFTEN
9 HAS DOTTED LINES AND IT FORGES CULTURE THAT WILL
10 SUSTAIN RELATIONSHIPS THAT ARE COLLABORATIVE RATHER
11 THAN BEING AUTHORITY DRIVEN. AND I THINK GIVEN THE
12 COMPLEXITIES OF WHAT DR. TROUNSON IS FACING AND
13 COORDINATING, REALLY LAYING OUT PARTNERSHIP
14 RELATIONSHIPS AS WELL AS -- PARTNERSHIP AND
15 COLLABORATIVE RELATIONSHIPS AS WELL AS DIRECT
16 AUTHORITY RELATIONSHIPS IS QUITE HELPFUL.

17 ADDITIONAL COMMENTS FROM THE PUBLIC?

18 DR. POMEROY: ONE HERE IN SACRAMENTO.

19 MR. JENSON: DAVE JENSON WITH THE
20 CALIFORNIA STEM CELL REPORT. MY QUESTION GOES TO
21 THE ISSUE OF SALARY. IT GOES TO THE ISSUE OF
22 SALARY. THE RFA ON THE SEARCH TEAM POSED THE
23 POSSIBILITY OR ASKED FOR ADVICE ON WHETHER SALARY
24 LEVELS WERE -- CURRENT SALARY LEVELS WOULD BE
25 APPROPRIATE TO ATTRACT THE TALENT. ARE YOU

BARRISTERS' REPORTING SERVICE

1 CONTEMPLATING AN INCREASE IN THE SALARY IN THAT
2 PARTICULAR RANGE OF VICE PRESIDENTS?

3 DR. TROUNSON: YOU KNOW, I'M HOPING WE'LL
4 ATTRACT THE KIND OF PERSON WE NEED THAT'S IN THAT
5 CURRENT RANGE FOR VICE PRESIDENT, THE CURRENT VICE
6 PRESIDENT. SO WE'LL NEED TO FIND OUT, DAVID, IF
7 THAT WORKS. THERE'S CERTAINLY PEOPLE FROM INDUSTRY
8 WHO HAVE JOINED US AND HAVE TAKEN SOME SUBSTANTIAL
9 REDUCTION IN THEIR SALARIES FROM THE COMMERCIAL
10 SECTOR. SO IT MIGHT VERY MUCH DEPEND ON WHAT'S
11 MOTIVATING THAT PERSON AND WHAT POINT THEY ARE WITH
12 THEIR OWN LIVES. SO WE HAVEN'T DECIDED THAT YET
13 BECAUSE WE THOUGHT THAT WE NEEDED THE POSITION
14 DESCRIPTION, WE NEEDED A BIT OF AN IDEA OF WHO'S
15 AVAILABLE.

16 WE KNOW THAT THERE'S A BROAD RANGE OF
17 TYPES OF INDIVIDUALS AVAILABLE. I THINK WE CAN FIT
18 IT IN; BUT IF THE SELECTION WAS FOR SOMEBODY WHO WE
19 WOULD NEED TO THINK HIGHER THAN THAT, THEN WE NEED
20 TO GO INTO CONSIDERATION OF THE MERIT OF THAT. AND
21 I'M NOT PRESUMING THAT WE WILL HAVE TO DO THAT.

22 MR. JENSON: THANK YOU.

23 CHAIRMAN KLEIN: OKAY. ANY ADDITIONAL
24 PUBLIC COMMENT?

25 MS. KING: WE DO HAVE SOME HERE IN SAN

BARRISTERS' REPORTING SERVICE

1 FRANCISCO. WE HAVE AT LEAST TWO THAT I KNOW OF.

2 MR. REED: DON REED. I WAS ASKED BY A
3 PARALYZED PERSON RECENTLY WHEN CIRM WAS GOING TO
4 COME UP WITH SOME CURES. AND I EXPLAINED THAT THE
5 PROCESS WAS FIRST BASIC SCIENCE AND THEN IT WOULD GO
6 THROUGH THE DIFFERENT STAGES TO TRANSLATIONAL TO
7 HOPEFULLY CURES FOR EVERYTHING. SHE SAID, "THAT'S
8 ALL WELL AND GOOD, BUT WE WANT THE CURES."

9 SO I THINK EVERYBODY KNOWS YOU HAVE TO
10 HAVE THE BASIC SCIENCE FIRST, BUT YOU WANT TO END UP
11 AT THE END OF THE DAY WITH SOMETHING YOU CAN FEEL
12 AND TOUCH AND HOLD IN YOUR HAND, SOMETHING YOU CAN
13 SAY THIS WE DID. I THINK THAT THE IDEA OF HAVING
14 ONE PERSON WHO FIGHTS FOR THAT END PRODUCT IS HIGHLY
15 RELEVANT AND APPROPRIATE.

16 MR. TORRES: MR. CHAIRMAN, THIS IS TORRES
17 AGAIN. I JUST WANT TO SAY TO DON REED THAT WE WILL
18 MISS YOU AT OUR BOARD MEETING, AND WE WANT TO
19 CONGRATULATE YOU ON 48 YEARS OF MARRIAGE. HAPPY
20 ANNIVERSARY.

21 (APPLAUSE.)

22 MR. REED: THANK YOU VERY MUCH.

23 MS. KING: WE HAVE ONE OTHER PUBLIC
24 COMMENT HERE IN SAN FRANCISCO. MONYA, IF YOU WANT
25 TO COME TO THE MICROPHONE.

BARRISTERS' REPORTING SERVICE

1 MS. BAKER: I JUST HAVE QUESTIONS. ONE IS
2 DO YOU HAVE AN ESTIMATE OF WHEN YOU CAN POST THE
3 POSITION, WHEN YOU CAN START INTERVIEWS, AND WHEN
4 YOU WILL HIRE?

5 AND THE OTHER QUESTION IS I'M HEARING A
6 LOT OF LIKE WE HAVE TO GET TO CLINIC, WE HAVE TO GET
7 TO THE CLINIC, BUT THERE'S ALSO CONCERN THAT GOING
8 TO THE CLINIC TOO EARLY AND ADVERSE EVENTS COULD SET
9 THINGS BACK. SO HOW HAVE YOU THOUGHT ABOUT THAT?

10 DR. TROUNSON: SO CAN I ASK ALEX TO
11 ADDRESS THE WHEN?

12 MS. CAMPE: IN REGARDS TO POSTING THE
13 POSITION, WE ALLOWED THIS OPPORTUNITY TO GET FURTHER
14 FEEDBACK FROM THE BOARD ON OUR JOB DESCRIPTION.
15 ONCE THAT'S FINALIZED, WE HAVE POSTED AN RFP FOR THE
16 SEARCH FIRMS. WE'VE GOTTEN A RESPONSE FROM THAT.
17 WE WILL BE WORKING WITH THEM TO START THAT PROCESS.
18 AND THEN SOON THEREAFTER, AND I WOULD THINK IN THE
19 NEXT FEW WEEKS, WE WILL BE ABLE TO POST THE
20 POSITION. AND THEN WE'LL POST IT FOR AT A LEAST A
21 FEW WEEKS AND HOWEVER MANY MONTHS IT TAKES US BEYOND
22 THAT TO FILL THE POSITION AND FIND THE RIGHT PERSON
23 FOR THE JOB.

24 DR. TROUNSON: WE WOULD HOPE THAT THIS
25 WOULD HAPPEN REASONABLY QUICKLY, AND THERE'S

BARRISTERS' REPORTING SERVICE

1 CERTAINLY A LOT OF INTEREST OUT THERE. SO BEYOND
2 THAT, WE HAVE HAVEN'T REALLY ENTERED THE PROCESS OF
3 SEEING WHO WOULD BE THE MOST APPROPRIATE PERSON.
4 AND THAT WILL, AS ALEX SAID, WILL TAKE A LITTLE
5 TIME.

6 THIS IS A COMMON QUESTION: ARE YOU GOING
7 TO THE CLINIC TOO FAST? I THINK IF YOU ASK PEOPLE
8 WHO ARE HANDICAPPED BY DISEASE, PARTICULARLY SOME OF
9 THESE DISEASES WHICH HAVE TAKEN A DREADFUL TOLL ON
10 PEOPLE, IT'S JUST NOT QUICK ENOUGH. MY EXPERIENCE
11 HERE IS TO BE INCREDIBLY OPTIMISTIC AND UNAPOLOGETIC
12 TO BE OPTIMISTIC.

13 BUT MY OPTIMISM IS BASED ON THE FACT THAT
14 WE GOT 73, I THOUGHT, VERY INTERESTING PROPOSALS TO
15 RUN TO THE CLINIC INSIDE FOUR YEARS. INSIDE FOUR
16 YEARS. THIRTY-ONE OF WHICH WE'RE GOING TO MAKE A
17 JUDGMENT ON IN SEPTEMBER. THERE ARE SOME PROJECTS
18 IN THERE THAT WHAT I KNOW ABOUT THEM, I JUST THINK
19 THEY'RE ABSOLUTELY OUTSTANDING. AND I THINK THERE
20 ARE MORE -- THERE ARE MORE IN RESIDENCE AROUND
21 CALIFORNIA AND AMONG THE GROUPS OF THE COUNTRIES AND
22 THE STATES THAT WE COLLABORATE WITH THAT WE HAVEN'T
23 ACTUALLY PICKED UP YET.

24 SO I'M ACTUALLY -- I THINK IT'S TIME. I
25 THINK IT'S TIME TO TAKE IT, AND THEY WON'T BE ALL

BARRISTERS' REPORTING SERVICE

1 EMBRYONIC STEM CELL AND THEY WON'T BE ALL IPF CELLS,
2 THAT'S FOR SURE. THERE ARE SMALL MOLECULE
3 OPPORTUNITIES. THERE ARE DIAGNOSTIC OPPORTUNITIES.
4 AND THERE ARE OPPORTUNITIES FOR PATIENTS WHO WITHOUT
5 THE KIND OF THERAPEUTICS THAT MIGHT BE ON OFFER WITH
6 INSIDE TWO TO THREE YEARS WHO WILL OTHERWISE BE
7 DEAD.

8 NOW, IT MAY BE THAT THESE TREATMENTS ARE
9 NOT SIGNIFICANT, AND WE CAN'T JUDGE THAT UNTIL WE
10 ENTER THOSE CLINICAL TRIALS. BUT ON THE BASIS OF
11 THE PRECLINICAL WORK IN ANIMALS, SOME OF THIS WORK
12 IS JUST SPECTACULAR, AND I THINK IT DESERVES TO BE
13 TRIED OUT. AND I THINK IF YOU APPLY THE QUESTION
14 FROM THE SIDE OF THE PATIENT WHO HAS BEEN CHALLENGED
15 DRAMATICALLY ON THIS AND SAY, WELL, ARE YOU GOING TO
16 SORT OF HANG AROUND AND WAIT FOR IT TO BE AN
17 APPROPRIATE TIME, THAT'S NOT A VERY GOOD RESPONSE.

18 SO WE NEED TO TAKE IT, BUT THE WHOLE OF
19 THE IDEA OF CIRM IS TO MAKE SURE IT GOES IN AN
20 EFFECTIVE AND SAFE WAY. WE'LL BE APPLYING ALL OF
21 THAT PRESSURE TO DO THAT, AND THAT'S ONE REASON WHY
22 WE WANT SOMEONE IN THAT SKILL SPACE BECAUSE THERE
23 ARE PEOPLE WHO TAKE THESE PRODUCTS THROUGH WHO HAVE
24 BEEN TAKING THEM THROUGH AND WHO KNOW WHAT'S
25 REQUIRED TO GET THE RISK EVALUATION DONE PROPERLY

BARRISTERS' REPORTING SERVICE

1 AND ALSO GOT SOUND BASIS FOR THE THERAPEUTIC
2 POTENTIAL.

3 SO A LONG ANSWER, I GUESS, TO YOUR
4 QUESTION, BUT I THINK IT'S TIME. AND I THINK WE'RE
5 IN A VERY UNIQUE TIMEFRAME BECAUSE THE
6 PHARMACEUTICAL INDUSTRY HAS GOT THE SAME KIND OF
7 VIEW. THE SCIENCE, THE WHOLE OF THE SCIENCE
8 ACADEMIC INDUSTRY IS INCREDIBLY INTERESTED TO SEE
9 WHAT'S GOING TO HAPPEN. AND I THINK MOSTLY THEY
10 WANT TO BE INVOLVED. SO I JUST THINK -- I JUST
11 THINK, BOARD, THAT, YOU KNOW, THEY GAVE US \$3
12 BILLION IN CALIFORNIA. AND IF IT'S TIME, LET'S TRY
13 IT OUT BECAUSE I THINK THERE'S SOME FANTASTIC
14 PROPOSALS AND I HOPE THAT WE FUND THOSE AND WE FUND
15 ENOUGH OF THEM TO HAVE AN IMPACT IN THE PATIENTS
16 WITHIN THE NEXT FOUR TO SIX YEARS.

17 CHAIRMAN KLEIN: SO, MONYA, UNDERSTANDING
18 THAT DR. TROUNSON, AS HE SAID, WILL OBVIOUSLY BE
19 VERY SENSITIVE TO MAKING SURE ALL THE SAFETY
20 PRECAUTIONS ARE TAKEN THROUGH THE FDA PROCESS, NOW
21 YOU KNOW WHY IT'S WORTHWHILE TO GO TO AUSTRALIA TO
22 RECRUIT SOMEONE WITH SUCH A PHENOMENAL LEADERSHIP
23 VISION IN THIS FIELD.

24 ARE THERE ADDITIONAL COMMENTS?

25 DR. OLSON: I JUST WANTED TO MAKE ONE

BARRISTERS' REPORTING SERVICE

1 COMMENT IN REFERENCE TO THAT AS WELL. I THINK DR.
2 TROUNSON HAS INDICATED THROUGH HIS COMMENTS WHY I
3 THINK THE DEVELOPMENT EXPERIENCE OF SOMEONE WHO
4 WOULD BE IN THIS POSITION WOULD BE USEFUL. COMING
5 FROM BIOTECH MYSELF, HAVING BEEN INVOLVED IN
6 DEVELOPMENT MYSELF, I CAN APPRECIATE WE DON'T WANT
7 ANOTHER SITUATION LIKE OCCURRED WITH GENE THERAPY.
8 CERTAINLY WE'RE WORKING VERY HARD TO BRING PEOPLE ON
9 BOARD WHO HAVE HAD SOME DRUG DEVELOPMENT EXPERIENCE,
10 PRECLINICAL DRUG DEVELOPMENT EXPERIENCE WHO ARE
11 SENSITIVE TO THIS.

12 I THINK WE'VE LAID OUT IN OUR DISEASE TEAM
13 RFA THAT WE'RE PLANNING ON HAVING EVALUATION
14 COMMITTEE MEETINGS, BRINGING IN EXPERTS TO ADVISE
15 THE PRESIDENT, TO WORK WITH THE VICE PRESIDENT OF
16 R & D AND THE STAFF TO BE SURE THAT THE PEOPLE WHO
17 PUT TOGETHER THESE PLANS ARE THINKING OF ALL THE
18 RELEVANT CONSIDERATIONS.

19 SO, YOU KNOW, WE BELIEVE THAT IT'S
20 IMPORTANT FOR THE FIELD TO MOVE FORWARD, BUT WE DO
21 APPRECIATE THE CONCERNS FOR SAFETY.

22 CHAIRMAN KLEIN: THANK YOU VERY MUCH, DR.
23 OLSON. AND THANK YOU FOR YOUR DEDICATED LEADERSHIP
24 AS WELL BECAUSE CLEARLY YOU'VE BEEN INSTRUMENTAL IN
25 OUR PROGRESS. ADDITIONAL BOARD COMMENTS?

BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: MR. CHAIRMAN, LISTENING TO
2 ALAN, I THINK I REALLY APPRECIATE THAT HE'S SOMEONE
3 WHO HAS TAKEN A NEW IDEA THAT CAME OUT OF BASIC
4 SCIENCE RESEARCH AND APPLIED THAT CLINICALLY AND
5 DROVE IT FORWARD. AND HAVING THAT EXPERIENCE, I
6 THINK, I SEE NOW IS A TREMENDOUS ASSET FOR US. I
7 REALLY APPRECIATE YOUR COMMENTS YOU JUST MADE.

8 CHAIRMAN KLEIN: THANK YOU. ADDITIONAL
9 BOARD COMMENTS? SO WE WILL THANK YOU, DR. TROUNSON,
10 FOR YOUR PRESENTATION.

11 AND WE WILL MOVE FORWARD TO ITEM NO. 5.
12 WE'VE COVERED ITEM 5 PREVIOUSLY. ART, FOR THOSE
13 MEMBERS THAT JOINED AFTER YOUR PRESENTATION, COULD
14 YOU JUST GIVE US A FEW SENTENCES TO SUMMARIZE, AND
15 THESE ARE THIS INTERIM REPORT, WHICH, AGAIN, WILL BE
16 CONSIDERED ON AUGUST 19TH AND 20TH, GIVING THE
17 MEMBERS OF THE AGENCY BOARD AND THE PUBLIC PLENTY OF
18 TIME TO CONSIDER OUR LEGISLATIVE SUBCOMMITTEE'S
19 ACTION BEFORE THAT BOARD MEETING.

20 MR. TORRES: OUR LEGISLATIVE SUBCOMMITTEE
21 ACTIONS WERE TWO, TO EMBRACE THE RECOMMENDATIONS
22 MADE BY MANAGEMENT, OUR PRESIDENT AND OUR LEGAL
23 STAFF, IN A REPORT TO THE FULL BOARD FOR THEIR
24 CONSIDERATION, AT WHICH TIME WE'LL CONSIDER OTHER
25 OPTIONS POTENTIALLY DEPENDING ON BOARD MEMBER'S

BARRISTERS' REPORTING SERVICE

1 PARTICIPATION.

2 SECONDLY, WE ADOPTED WITH ONLY TWO
3 NEGATIVE VOTES A PROPOSAL TO SUPPORT THE PUBLIC
4 OPTION WITHIN THE CURRENT U.S. HOUSE OF
5 REPRESENTATIVES HEALTHCARE REFORM BILL, WHICH THE
6 PRESIDENT IS SUPPORTIVE OF.

7 SO THOSE ARE TWO ACTIONS WE TOOK, AND THE
8 REPORT WILL BE PLACED BEFORE THE BOARD ON MY BEHALF
9 ON AUGUST 20TH.

10 CHAIRMAN KLEIN: THANK YOU VERY MUCH. IS
11 THERE ANY ADDITIONAL PUBLIC COMMENT AS GENERAL
12 PUBLIC COMMENT ON ANY ITEM? HEARING NONE, I'D LIKE
13 TO ADJOURN THIS MEETING AND THANK ALL THE MEMBERS
14 FOR THEIR ATTENDANCE. AND THANK YOU, DR. TROUNSON,
15 FOR YOUR OUTREACH TO THE BOARD AND YOUR PRESENTATION
16 ON THIS CRITICAL POSITION.

17 (THE BOARD MEETING WAS THEN ADJOURNED
18 AT 05:06 P.M.)

19
20
21
22
23
24
25

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 TELEPHONIC PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON AUGUST 6, 2009, 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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