

BEFORE THE  
SCIENCE SUBCOMMITTEE OF 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: AS INDICATED ON THE AGENDA

DATE: JULY 15, 2015  
2 P.M.

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

BRS FILE NO.: 97715`

BARRISTERS' REPORTING SERVICE

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BARRISTERS' REPORTING SERVICE

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JULY 15, 2015; 2 P.M.

CHAIRMAN SHEEHY: HELLO, EVERYBODY. THIS IS JEFF SHEEHY. I'M READY TO BRING, I THINK, THE MEETING TO ORDER. MAYBE THE FIRST STEP WOULD BE TO CALL THE ROLL. WE HAVE A QUORUM?

MS. BONNEVILLE: YES. JEFF SHEEHY.

CHAIRMAN SHEEHY: HERE.

MS. BONNEVILLE: OS STEWARD.

DR. STEWARD: HERE.

MS. BONNEVILLE: MICHAEL FRIEDMAN.

DR. FRIEDMAN: HERE.

MS. BONNEVILLE: BERT LUBIN. SHLOMO MELMED.

DR. MELMED: HERE.

MS. BONNEVILLE: ART TORRES.

DR. LUBIN: THIS IS BERT.

MS. BONNEVILLE: OH, BERT. HI. THANK YOU. DR. MELMED.

DR. MELMED: MELMED, YES.

MS. BONNEVILLE: ART TORRES. JON THOMAS.

CHAIRMAN THOMAS: HERE.

MS. BONNEVILLE: KRISTINA VUORI.

WE HAVE A QUORUM.

CHAIRMAN SHEEHY: SO WE HAVE A QUORUM. SO

BARRISTERS' REPORTING SERVICE

1 FIRST I WANTED TO LET EVERYBODY KNOW WE HAVE MEMBERS  
2 OF THE PUBLIC HERE IN SAN FRANCISCO. AT ANY OF THE  
3 OTHER SITES DO WE HAVE MEMBERS OF THE PUBLIC  
4 PRESENT?

5 DR. FRIEDMAN: YES. AT MY SITE I HAVE ONE  
6 MEMBER OF THE PUBLIC PRESENT.

7 CHAIRMAN SHEEHY: GREAT. OKAY. SO SHOULD  
8 WE JUST GO INTO A PRESENTATION? I THINK MAYBE THE  
9 BEST WAY IS TO TAKE THESE ONE BY ONE, IF PEOPLE ARE  
10 COMFORTABLE WITH THAT, AND WE'LL START WITH  
11 DISCOVERY STAGE PROGRAM ANNOUNCEMENTS.

12 DR. OLSON: DR. KELLY SHEPARD WILL PRESENT  
13 THE PROGRAM.

14 CHAIRMAN SHEEHY: GREAT. THANKS, DR.  
15 SHEPARD. I HOPE EVERYBODY HAS THE DOCUMENTS IN  
16 FRONT OF THEM. I HOPE YOU HAD AN OPPORTUNITY TO  
17 LOOK THROUGH THEM BECAUSE OBVIOUSLY THE CIRM TEAM  
18 HAS PUT AN ENORMOUS AMOUNT OF WORK INTO THIS. AND  
19 I, FOR ONE, AM JUST BLOWN AWAY BY THE AMOUNT OF  
20 EFFORT THAT'S GONE INTO THIS. IF YOU HAVE  
21 QUESTIONS, ETC., AND CHANGES, THAT'S WHAT THE  
22 COMMITTEE IS HERE TO DO TODAY. SO, AGAIN, THANK YOU  
23 TO THE CIRM TEAM FOR THEIR WORK. DR. SHEPARD, YOU  
24 READY TO TAKE US THROUGH?

25 DR. SHEPARD: THANK YOU, MR. SHEEHY. GOOD

BARRISTERS' REPORTING SERVICE

1 AFTERNOON, MEMBERS OF THE SUBCOMMITTEE, MEMBERS OF  
2 THE PUBLIC, AND THE CIRM TEAM. IT'S REALLY MY  
3 PLEASURE TO BE HERE TODAY TO PRESENT TO YOU THE  
4 CONCEPTS THAT WE'RE PROPOSING, THE NEW PHASE OF CIRM  
5 2.0, THE DISCOVERY AND TRANSLATION PROGRAM.

6 I'M GOING TO BE COVERING A LOT OF MATERIAL  
7 TODAY, SO I'M GOING TO BE GOING FAIRLY QUICKLY AND  
8 BECAUSE OF THE HIGH LEVEL OF DETAIL, BUT ALL OF THE  
9 DETAILS ASSOCIATED WITH THE THINGS I'M GOING TO BE  
10 TALKING ABOUT ARE IN THE DOCUMENTS THAT ARE ATTACHED  
11 TO THE AGENDA. I'LL BE HAPPY TO ANSWER ANY  
12 QUESTIONS FOR CLARIFICATION THAT MAY ARISE ALONG THE  
13 WAY OR AFTERWARDS.

14 SO I WANT TO BEGIN BY JUST GIVING YOU AN  
15 OVERVIEW OF THE TOPICS THAT I'M GOING TO BE  
16 COVERING, AND THEN WE'RE GOING TO MOVE STRAIGHT INTO  
17 IT. SO THE FIRST THING I'LL BE TALKING ABOUT AFTER  
18 DESCRIBING OUR MISSION IS I'M JUST GOING TO GIVE A  
19 VERY BRIEF INTRODUCTION TO OUR NEW CIRM 2.0  
20 DISCOVERY AND TRANSLATION CONCEPT. THEN I'M GOING  
21 TO GO INTO JUST A LITTLE BIT MORE DETAIL ABOUT THE  
22 DISCOVERY STAGE PROGRAMS IN PARTICULAR, INCLUDING A  
23 PROPOSED IMPROVEMENT IN OUR PROCESS THAT WE THINK  
24 WILL HELP US REVIEW THOSE MORE EFFECTIVELY. AND  
25 THEN AFTER THAT I WILL MOVE INTO THE TRANSLATION

BARRISTERS' REPORTING SERVICE

1 STAGE PROGRAMS, FIRST A GENERAL OVERVIEW AND THEN A  
2 LITTLE BIT MORE DETAIL ABOUT THOSE INDIVIDUAL  
3 PROGRAMS. AND I'LL CONCLUDE BY SUMMARIZING THE  
4 ENTIRE DISCOVERY AND TRANSLATION PHASE OF CIRM 2.0  
5 AND WHERE IT FITS INTO THE OVERALL MISSION.

6 SO I'D LIKE TO REMIND EVERYBODY, TAKING A  
7 CUE FROM CIRM, WHY WE'RE ALL HERE, AND THAT'S TO  
8 ACCELERATE STEM CELL TREATMENTS TO PATIENTS WITH  
9 UNMET NEEDS.

10 IN ORDER TO MOST EFFECTIVELY IMPLEMENT  
11 THIS MISSION, WE'VE BEEN BUSILY WORKING ON THE CIRM  
12 2.0 PROCESS, WHICH IS GOING TO INCLUDE THE SPECTRUM  
13 OF PROGRAMS THAT WE WILL HOPE TO BRIDGE THE GAP OF  
14 TURNING IDEAS INTO THERAPIES. WE ALREADY KNOW ABOUT  
15 THE CLINICAL STAGE PROGRAM WHICH BEGAN EARLIER THIS  
16 YEAR AND HAS ALREADY BEEN IMPLEMENTED SUCCESSFULLY.  
17 TODAY WE'RE GOING TO BE TALKING ABOUT THE DISCOVERY,  
18 THE TRANSLATIONAL COMPONENTS IN MY PRESENTATION.  
19 AND AFTERWARDS MY COLLEAGUES WILL BE PRESENTING YOU  
20 OUR NEW CONCEPT FOR THE EDUCATION COMPONENT.

21 SO QUITE SIMPLY, I'M GOING TO STATE THE  
22 OBJECTIVE OF OUR NEW DISCOVERY AND TRANSLATION  
23 PROGRAM, WHICH IS SIMPLY TO PROMOTE THE DISCOVERY OF  
24 PROMISING NEW STEM CELL TECHNOLOGIES AND DRIVE THEIR  
25 RAPID TRANSLATION TOWARDS IMPROVING PATIENT CARE,

BARRISTERS' REPORTING SERVICE

1 TAKING THINGS ALL THE WAY FROM THE IDEA IN THE LAB  
2 TO THE PATIENT.

3 IN DEVELOPING THIS PROGRAM, THERE WERE  
4 REALLY FOUR CRITICAL AREAS THAT WE THOUGHT IT WOULD  
5 BE IMPORTANT TO INCLUDE TO MAKE SURE THIS PROGRAM  
6 COULD WORK MOST EFFECTIVELY. AND THIS IS THE SLIDE  
7 WITH THE FOUR AREAS THAT WE'RE TRYING TO IMPROVE,  
8 AND I'M NOT GOING TO READ THE SMALL TEXT BECAUSE I'M  
9 GOING TO VERY BRIEFLY TOUCH ON EACH ONE OF THEM IN  
10 MY NEXT SLIDE.

11 FIRST, CONTINUOUS, PREDICTABLE PATHWAY.  
12 SO IN THIS PROGRAM WE PROPOSE IT IS VERY IMPORTANT  
13 TO LAY A CONTINUOUS TRACK OF FUNDING OPPORTUNITIES  
14 ALL THE WAY FROM THE EARLIEST STAGES OF RESEARCH;  
15 THAT IS, DISCOVERY TO THE PATIENT. SO DISCOVERIES  
16 MUST PROGRESS THROUGH TRANSLATION AND CLINICAL  
17 TESTING OR COMMERCIALIZATION. SO IN ORDER FOR A  
18 TRACK TO BE CONTINUOUS, FUNDING OPPORTUNITIES  
19 (INAUDIBLE). SO, FOR EXAMPLE, GRANT A, FROM THE  
20 DISCOVERY PHASE OF RESEARCH, IF IT SUCCESSFULLY  
21 MEETS ITS OUTCOMES, MAKES THE ENTRY POINT FOR THE  
22 NEXT PHASE OF FUNDING, WHICH WOULD BE THE  
23 TRANSLATIONAL PROGRAM. AND THE SAME THING IS TRUE  
24 FOR THOSE PROGRAMS THAT COME THROUGH TRANSLATION.  
25 THEY COULD BE READY TO BE FUNDED EITHER THROUGH CIRM

BARRISTERS' REPORTING SERVICE

1 OR ANOTHER PROGRAM FOR THE LATER STAGE OF  
2 DEVELOPMENT OR READY FOR COMMERCIALIZATION.

3 THIRD, WE WANT PRESCRIBED PROGRESS. THAT  
4 IS, WHEN INDIVIDUALS PROPOSE FOR A FUNDING  
5 OPPORTUNITY TO DEVELOP A PROJECT, WE WANT THEM TO BE  
6 THINKING AHEAD. WE WANT THEM TO EXPECT THE OUTCOME  
7 OF A SUCCESSFUL PROGRAM TO BE ABLE TO ADDRESS THAT  
8 NEXT STAGE. AS REFERRED TO IN PREVIOUS MEETINGS TO  
9 THE BOARD ABOUT ANALYSIS OF OUR PREVIOUS PROGRAMS  
10 WHERE WHEN WE FUNDED A GRANT (INAUDIBLE),  
11 SPONTANEOUSLY THOSE GRANTS ONLY PROGRESSED TO  
12 TRANSLATE AND DEVELOP (INAUDIBLE). HOWEVER, WHEN WE  
13 PUT OUT A SPECIFIC CALL WHERE THE INTENT WAS TO LEAD  
14 TO A PRODUCT THAT WOULD TRANSLATE, THOSE (INAUDIBLE)  
15 WHERE WE THINK WE CAN DO BETTER THAN THAT. SO IN  
16 ONE OF THE PROGRAMS I'M GOING TO TELL YOU ABOUT  
17 UNDER DISCOVERY, WE'RE ACTUALLY GOING TO PROVIDE AN  
18 INCENTIVE THAT REWARD TEAMS WHO ARE ABLE TO DO WHAT  
19 IT TAKES TO ENSURE THAT SUCCESSFUL OUTCOME OF THEIR  
20 DISCOVERY PROGRAM DOES PROGRESS INTO TRANSLATION.  
21 AGAIN, WE REFER TO IT AS A PROGRESSION EVENT. I  
22 WANT YOU TO REMEMBER THAT TERM BECAUSE I'M GOING TO  
23 COME BACK TO IT.

24 THIRD ELEMENT, WE WANT OUR PROGRAMS TO BE  
25 TIMELY AND RESPONSIVE. SO IF AN EXCITING NEW



BARRISTERS' REPORTING SERVICE

1 CONCEPT EMERGES IN THE FIELD, SOMETHING THAT HADN'T  
2 BEEN ANTICIPATED AT THE TIME WE PUT OUT THESE  
3 PROGRAM ANNOUNCEMENTS, BUT PERHAPS A PROBLEM WILL  
4 ARISE IN OUR CLINICAL PROGRAMS, SO (INAUDIBLE)  
5 ADDITIONAL RESOURCES BEING USED TO ADDRESS THAT  
6 PROBLEM. A REALLY GOOD DISCOVERY PROGRAM WOULD  
7 ALLOW OPPORTUNITIES TO RESPOND IN A TIMELY WAY  
8 (INAUDIBLE) THE RESOURCES OUTSIDE OF CALIFORNIA  
9 (INAUDIBLE).

10 AND THEN THE FOURTH IS MULTIPLE  
11 DEVELOPMENT PATHWAYS. WE OFTEN THINK OF A  
12 SUCCESSFUL STEM CELL TECHNOLOGY AS SOMETHING THAT  
13 LEADS TO A THERAPY. HOWEVER, STEM CELLS HAVE  
14 POTENTIAL TO LEAD TO OTHER TYPES OF PRODUCTS THAT  
15 HAVE THE POSSIBILITY OF HELPING PEOPLE AND  
16 ADDRESSING UNMET MEDICAL NEEDS SUCH AS DIAGNOSTICS,  
17 DEVICES, AND TOOLS. SO WE WANT TO MAKE SURE WE HAVE  
18 SET UP A PROGRAM THAT ENABLES SUPPORT FOR WHATEVER  
19 GAP FROM A DISCOVERY GRANT MAY BE, WHETHER IT LEADS  
20 TO A THERAPEUTIC OR OTHER TYPES OF TRANSLATABLE  
21 PRODUCTS.

22 SO NOW I'VE GIVEN YOU A BRIEF INTRODUCTION  
23 TO WHAT WE HOPE TO ACHIEVE WITH OUR NEW DISCOVERY  
24 AND TRANSLATION PROGRAM. NOW I'M GOING TO JUMP  
25 RIGHT INTO THE DISCOVERY STAGE PROGRAMS AND

BARRISTERS' REPORTING SERVICE

1 INTRODUCE THE THREE NEW CONCEPTS THAT WE'VE  
2 DEVELOPED.

3 DR. STEWARD: THIS IS OS. COULD I  
4 INTERRUPT YOU FOR JUST A SECOND?

5 DR. SHEPARD: UH-HUH.

6 DR. STEWARD: COULD YOU ANNOUNCE WHEN  
7 YOU'RE CHANGING SLIDES? I'M JUST HAVING A LITTLE  
8 TROUBLE FIGURING OUT WHERE YOU ARE IN THE  
9 PRESENTATION.

10 DR. SHEPARD: SORRY ABOUT THAT. SO RIGHT  
11 NOW I AM ON SLIDE NO. 12. IT'S GOT THREE GREEN  
12 BOXES WITH PA 15-07, 08, AND 09 ON IT.

13 DR. STEWARD: OKAY. THANK YOU.

14 CHAIRMAN SHEEHY: DOES ANYBODY HAVE ANY  
15 QUESTIONS? I THINK WE WANT TO MAYBE CHOP THIS UP A  
16 BIT TO GIVE PEOPLE CHANCES. DID ANYONE HAVE ANY  
17 QUESTIONS SO FAR?

18 MR. TORRES: WHOEVER IS MAKING ALL THE  
19 NOISE, PUT THEM ON MUTE.

20 CHAIRMAN SHEEHY: SOMEBODY IS OUTSIDE, I  
21 THINK, AND WE'RE GETTING WIND.

22 SO NO QUESTIONS SO FAR. THEN I DO HAVE A  
23 PROCEDURAL QUESTION THOUGH. DID YOU PUT THESE ON  
24 THE AGENDA AS SEPARATE ITEMS? DO WE APPROVE THESE  
25 COLLECTIVELY AND TAKE PUBLIC COMMENT THEN? SO MAYBE

BARRISTERS' REPORTING SERVICE

1 WE'LL TAKE THE DISCOVERY STAGE PROGRAM ANNOUNCEMENT  
2 FIRST AND STOP FOR QUESTIONS THERE.

3 DR. SHEPARD: OKAY.

4 THE REPORTER: THE BACKGROUND NOISE IS  
5 CAUSING EVERYBODY TO BREAK UP. SO IF WE COULD  
6 ACTUALLY ASK PEOPLE TO MUTE IF THEY'RE NOT SPEAKING,  
7 IT WOULD HELP THE RECORD IMMENSELY.

8 CHAIRMAN SHEEHY: THERE'S SOME BACKGROUND  
9 NOISE THAT'S PRETTY BAD.

10 MR. TORRES: THANK YOU.

11 DR. FRIEDMAN: JEFF, THIS IS MIKE  
12 FRIEDMAN. IF I CAN JUST ASK ANOTHER SLIGHT  
13 PROCEDURAL QUESTION, WHICH IS THERE ARE AT LEAST TWO  
14 COMPONENTS OF ALL THE THINGS WE'RE TALKING ABOUT  
15 TODAY. ONE IS THE CONCEPTUAL PLAN FOR HOW THINGS  
16 WILL BE DONE AND HOW APPLICATIONS WILL BE INVITED,  
17 REVIEWED, AND SO FORTH. AND THAT'S REALLY IMPORTANT  
18 TO DISCUSS.

19 THE SECOND IS THE AMOUNT OF MONEY THAT IS  
20 PROPOSED TO BE ALLOCATED FOR THOSE TWO THINGS. AND  
21 DEPENDING ON WHAT YOUR WISH IS, WE COULD DISCUSS  
22 THOSE ALL TOGETHER OR THEY COULD BE BROKEN UP  
23 BECAUSE WE MIGHT THINK THAT A PROPOSED PLAN IS  
24 EXTREMELY GOOD, BUT THERE MIGHT BE QUESTIONS ABOUT  
25 THE AMOUNT OF MONEY, IF YOU SEE MY POINT.

BARRISTERS' REPORTING SERVICE

1                   CHAIRMAN SHEEHY: I DO. THAT SEEMS  
2 REASONABLE TO BREAK THEM UP AND HAVE ONE DISCUSSION  
3 ON THE CONCEPT, AND THEN WE'LL ACTUALLY LOOK AT THE  
4 ALLOCATIONS AND SEE HOW PEOPLE FEEL ABOUT THAT  
5 AFTERWARDS IF THAT SOUNDS REASONABLE TO EVERYBODY.  
6 AND WE'LL DO THAT AT THE END OF THE PRESENTATION BY  
7 DR. SHEPARD FOR EACH COMPONENT.

8                   DR. SHEPARD: OKAY. SO NOW I'D LIKE TO GO  
9 INTO THE INDIVIDUAL PROGRAM ANNOUNCEMENTS THAT  
10 COMPRISE THE NEW DISCOVERY STAGE PROGRAM. THERE ARE  
11 ACTUALLY THREE: PA 15-07, 08, AND 09. AND THESE  
12 ARE THREE DIFFERENT TYPES OF AWARDS THAT WORK  
13 TOGETHER TO ADDRESS THE OBJECTIVES OF THE PROGRAM AS  
14 A WHOLE THAT I OUTLINED FOR YOU ON MY PREVIOUS  
15 SLIDES. SO I HAVE A SLIDE ON EACH OF THESE. I'M  
16 GOING TO GO INTO JUST A LITTLE BIT MORE DETAIL. BUT  
17 TO GIVE YOU A GENERAL OVERVIEW BEFORE I DO THAT, PA  
18 15-07, WHICH WE'VE NAMED THE INCEPTION AWARD, ARE  
19 REALLY AN AWARD PROGRAM TO SUPPORT THE EXPLORATION  
20 OF GREAT NEW IDEAS AND GENERATE RATIONALE FOR NEW  
21 DISCOVERY.

22                   THE QUEST AWARDS, WHICH ARE PA 15-08, ARE  
23 SORT OF THE WORKHORSE OF THE DISCOVERY PROGRAM.  
24 REMEMBER HOW I TALKED ABOUT GRANT A LEADING TO GRANT  
25 B, WHICH WOULD BE TRANSLATION? GRANT A IS THE QUEST

BARRISTERS' REPORTING SERVICE

1 AWARD. SO THIS IS A PROGRAM TO FUND RESEARCH ON NEW  
2 STEM CELL TECHNOLOGIES THAT WILL BE READY FOR  
3 TRANSLATION BY THE END OF THE AWARD IF SUCCESSFULLY  
4 ACHIEVED. THIS WILL INCLUDE AN INCENTIVE TO INSPIRE  
5 THE APPLICANTS TO PROGRESS THEIR SUCCESSFUL RESEARCH  
6 TO TRANSLATION, WHICH I'LL DESCRIBE FOR YOU IN A  
7 MINUTE. AND IT WILL ALSO INCLUDE A LINE ITEM IN THE  
8 BUDGET BY ENRICHMENT ACTIVITY FOR GRADUATE STUDENTS,  
9 POSTDOCTORAL FELLOWS, AND CLINICAL FELLOWS WHO ARE  
10 CONDUCTING THE WORK ON THESE AWARDS.

11 THE THIRD PROGRAM ARE THE CHALLENGE  
12 AWARDS. PA 15-09 IS A VERY TARGETED CALL THAT WILL  
13 BE ISSUED IN A TIMELY WAY TO ADDRESS HIGHLY SPECIFIC  
14 TOPICS, EITHER EMERGING NEW CONCEPTS IN THE FIELD OR  
15 CHALLENGES THAT ARISE UNEXPECTEDLY WITHIN OUR  
16 PROGRAM OR OUTSIDE OF OUR PROGRAM.

17 SO FIRST OF ALL, LET ME GO INTO PA 15-07,  
18 THE INCEPTION AWARDS. I'VE JUST CHANGED THE SLIDE.  
19 THE TOPIC OF THE SLIDE IS INCEPTION AWARDS IN GREEN.  
20 SO THE INCEPTION AWARDS, THE GOAL, AGAIN, IS TO TEST  
21 A NOVEL IDEA THAT COULD LEAD TO DISCOVERY OF A  
22 PROMISING NEW STEM CELL TECHNOLOGY. AS AN EXAMPLE,  
23 SAY A SCIENTIST HAS DISCOVERED A NEW TRANSCRIPTION  
24 FACTOR THAT THEY THINK IF THEY MANIPULATED THE  
25 EXPRESSION, PERHAPS IT WILL LEAD TO THE ABILITY TO

BARRISTERS' REPORTING SERVICE

1 PRODUCE A HEPATOCYTE WITH A PROFILE THAT HAS BEEN  
2 PREVIOUSLY ABLE TO BEING ACHIEVED AND THEY WANT TO  
3 TEST THIS IDEA. SO IT'S A SMALL WHAT SOME PEOPLE  
4 REFER TO AS A SEED-LIKE TYPE OF AWARD. WE'RE  
5 PROPOSING DIRECT PROJECT COSTS OF \$150,000. WE'RE  
6 NOT SPECIFYING THE TERM OR DURATION OF THE AWARD.  
7 RATHER, WE EXPECT THE APPLICANT, DEPENDING ON THE  
8 PROBLEM THAT THEY WOULD LIKE TO EXPLORE, TO PROPOSE  
9 THAT. AND IT SHOULD BE JUSTIFIED WITHIN THAT  
10 \$150,000 BUDGET A TIMELINE THAT MAKES SENSE.

11 NOW, ALTHOUGH THESE PROJECTS ARE EXPECTED  
12 TO BE RATHER EXPLORATORY AND POTENTIALLY HIGH RISK,  
13 HIGH REWARD, WE DO EXPECT THE APPLICANT TO DESCRIBE  
14 IN THEIR APPLICATION THEIR FORWARD VISION FOR A  
15 SUCCESSFUL OUTCOME. IT'S NOT ENOUGH TO JUST SAY I  
16 HAVE THIS REALLY COOL IDEA I WANT TO EXPLORE. WE  
17 WANT THEM TO BE THINKING AHEAD. I TEST MY IDEA, I  
18 GET AN ANSWER. WHAT ARE THE POTENTIAL STEPS I COULD  
19 TAKE NEXT IF I WERE TO SEE HOW THAT ANSWER COULD  
20 INFORM A PATHWAY THAT COULD EVENTUALLY HELP  
21 PATIENTS?

22 NOW, WE DO EXPECT A VERY HIGH APPLICATION  
23 VOLUME FOR THIS TYPE OF AWARD. AND I'M MENTIONING  
24 THAT NOW BECAUSE I'M GOING TO BE TALKING ABOUT A  
25 PROCESS IMPROVEMENT IN A FEW SLIDES TO ADDRESS THAT

BARRISTERS' REPORTING SERVICE

1 TO HELP US IMPLEMENT THIS PROGRAM MORE EFFECTIVELY.

2 MR. TORRES: MR. CHAIRMAN.

3 CHAIRMAN SHEEHY: YES.

4 MR. TORRES: HOW DID YOU COME UP WITH A  
5 HIGH APPLICATION VOLUME AS EXPECTED? DO YOU HAVE A  
6 NUMBER?

7 DR. SHEPARD: BASED ON OUR PRIOR  
8 EXPERIENCE WITH FUNDING RESEARCH IN THIS SPACE, WE  
9 EXPECT PROBABLY MORE THAN 300 IN A GIVEN ROUND.

10 MR. TORRES: BUT THIS IS THE FIRST TIME  
11 WE'RE DOING SEED PROJECTS OR PILOT PROJECTS, RIGHT?

12 DR. SHEPARD: IT'S THE FIRST TIME WE'RE  
13 DOING THIS EXACT TYPE OF AWARD, BUT WITH OUR BASIC  
14 BIOLOGY, WHICH WAS A LITTLE BIT MORE PRESCRIPTIVE,  
15 WE HAD OVER 300.

16 MR. TORRES: THANK YOU.

17 DR. SHEPARD: OKAY. SO I'VE MOVED ON TO  
18 THE NEXT SLIDE, WHICH IS THE THIRTEENTH SLIDE ON  
19 INCEPTION AWARDS. SO THIS IS WHAT I HAD DESCRIBED  
20 EARLIER AS THE WORKHORSE OF THE DISCOVERY STAGE  
21 PROGRAMS. I'M SORRY. I'M DESCRIBING THE QUEST  
22 AWARDS.

23 CHAIRMAN SHEEHY: WE'RE GOING ON TO A  
24 DIFFERENT STAGE. CAN WE KIND OF STOP AS WE GO  
25 THROUGH EACH ONE JUST TO TAKE AN OPPORTUNITY FOR

BARRISTERS' REPORTING SERVICE

1 QUESTIONS?

2 DR. SHEPARD: SURE. OKAY.

3 CHAIRMAN SHEEHY: SO DOES ANYONE HAVE ANY  
4 QUESTIONS ABOUT THE INCEPTION AWARDS AT ANY OF THE  
5 SITES?

6 CAN WE KIND OF REVIEW WHAT THE BUDGET OF  
7 THIS IS? FIVE MILLION FOR 20 AWARDS, RIGHT?

8 DR. SHEPARD: SO IN THE CONCEPT WE  
9 SUGGESTED THAT \$5 MILLION WOULD BE APPROPRIATE AND  
10 WOULD FUND \$20 MILLION -- I'M SORRY -- 20 AWARDS OF  
11 THIS NATURE. HOWEVER, BECAUSE WHEN WE GET TO THE  
12 FUNDING ALLOCATION WHERE WE'RE GOING TO REQUEST AN  
13 AMOUNT THAT WILL COVER ALL THREE OF THE DISCOVERY  
14 PROGRAMS, AND THE BOARD WILL HAVE THE FLEXIBILITY TO  
15 DETERMINE AND ADJUST THE NUMBERS OF HOW MANY OF EACH  
16 TYPE OF AWARD THEY WOULD LIKE TO GIVE BASED ON THE  
17 MERIT OF WHAT'S SUBMITTED, WHICH, SINCE THIS IS THE  
18 FIRST TIME WE'RE DOING THIS PROGRAM, WE CAN'T SAY  
19 FOR SURE WHAT THE DIFFERENT RATIO AND THE TYPES OF  
20 AWARDS WE'LL RECEIVE AND THE MERIT OF THEM. BUT  
21 WE'RE SUGGESTING THAT \$5 MILLION WOULD BE SUFFICIENT  
22 TO FUND AT LEAST 20 OF THE INCEPTION-TYPE AWARDS.

23 DR. FRIEDMAN: MAY I ASK A QUESTION?

24 CHAIRMAN SHEEHY: PLEASE.

25 DR. FRIEDMAN: YOU SAY STEM CELL



BARRISTERS' REPORTING SERVICE

1 TECHNOLOGIES, AND I THINK THAT'S REALLY VALID. I  
2 THINK THAT'S GOOD, BUT I'M NOT QUITE SURE WHAT'S  
3 INCLUDED IN THE TECHNOLOGY. IF IT WAS A NEW  
4 MECHANISTIC EXPLORATION, I'M NOT SURE I WOULD CALL  
5 THAT A TECHNOLOGY, BUT MAYBE YOU WANT TO EXCLUDE  
6 THAT. I'D JUST ASK FOR CLARIFICATION ON THAT ONE  
7 POINT PLEASE.

8 DR. OLSON: WE'RE USING TECHNOLOGY  
9 GENERICALLY TO REFER TO AN IDEA THAT COULD LEAD TO A  
10 THERAPEUTIC -- COULD RESULT IN A DIAGNOSTIC, A  
11 THERAPEUTIC, A DEVICE. SO IT'S A HYPOTHESIS  
12 TESTING. IT'S AN APPROACH. TECHNOLOGY IS AN  
13 APPROACH OR A HYPOTHESIS TESTING THAT COULD LEAD TO  
14 ANY OF THESE OUTPUTS.

15 DR. FRIEDMAN: THAT'S VERY HELPFUL. YOU  
16 MAY WANT TO MODIFY THAT WORD JUST BECAUSE I'M NOT  
17 SURE EVERYBODY WOULD SEE IT -- I'M FINE IF WE DEFINE  
18 IT THAT WAY, BUT I'M NOT SURE EVERYBODY WOULD DEFINE  
19 IT A PRIORI THAT WAY. SO THAT'S VERY HELPFUL.  
20 THANK YOU.

21 DR. SHEPARD: THANK YOU VERY MUCH. WE'LL  
22 TAKE A NOTE OF THAT AND THINK ABOUT PERHAPS A BETTER  
23 WAY TO EXPLAIN THAT.

24 CHAIRMAN SHEEHY: SO DO WE HAVE ANY  
25 ADDITIONAL QUESTIONS?

BARRISTERS' REPORTING SERVICE

1 DR. SHEPARD: THANK YOU. SO NOW I HAVE  
2 TWO SLIDES THAT I'M GOING TO USE TO EXPLAIN QUEST  
3 AWARDS, SO I WILL GO THROUGH THEM AND THEN I'LL  
4 PAUSE AGAIN TO GIVE A CHANCE FOR ANYBODY WHO HAS  
5 QUESTIONS OR CLARIFICATIONS.

6 OKAY. SO THE QUEST AWARDS OR PA 15-08 ARE  
7 WHAT I HAD DESCRIBED AS THE WORKHORSE OF THE AWARDS.  
8 SO THE GOAL OF ONE OF THESE AWARDS IS, SIMPLY PUT,  
9 TO DISCOVER A NOVEL CANDIDATE. THAT COULD BE A  
10 CANDIDATE THERAPEUTIC, CANDIDATE DEVICE, A CANDIDATE  
11 DIAGNOSTIC TEST, OR A CANDIDATE TOOL THAT CAN  
12 IMMEDIATELY PROGRESS TO TRANSLATION TO ENABLE BROAD  
13 USE.

14 SO THE DURATION OF THIS TYPE OF AWARD  
15 WOULD BE TWO YEARS OR UP TO TWO YEARS. AND WE'RE  
16 PROPOSING THE LEVEL OF SUPPORT FOR DIRECT PROJECT  
17 COSTS TO BE UP TO \$1.4 MILLION PER AWARD IF THE GOAL  
18 IS TO DISCOVER A THERAPEUTIC CANDIDATE OR UP TO  
19 \$700,000 PER AWARD IF THE GOAL IS TO DISCOVER A  
20 CANDIDATE TOOL, DEVICE, OR DIAGNOSTIC TEST.

21 I HAVE REFERRED TO A LINE ITEM IN THE  
22 BUDGET TO SUPPORT ENRICHMENT ACTIVITIES FOR GRADUATE  
23 STUDENTS, POSTDOCTORAL, AND CLINICAL FELLOWS ON THE  
24 PROJECT. DEPENDING ON THE NUMBER OF THOSE TRAINEES,  
25 WE WOULD OFFER UP TO \$20,000 PER AWARD TO PROVIDE

BARRISTERS' REPORTING SERVICE

1 ENRICHMENT ACTIVITIES FOR THEM. WHAT DO I MEAN BY  
2 ENRICHMENT ACTIVITIES? OPPORTUNITIES FOR  
3 PERSONALIZED TRAINING OR TO TAKE A COURSE IN DRUG  
4 DEVELOPMENT OR REGULATORY SCIENCE, SOMETHING TO  
5 ENHANCE THAT TRAINING EXPERIENCE THAT THEY'RE  
6 GAINING WHILE WORKING ON THOSE PROJECTS.

7 NOW, ON MY NEXT SLIDE I'M GOING TO DISCUSS  
8 THIS A LITTLE BIT MORE. WE ARE OFFERING A NEW  
9 INCENTIVE PROGRAM FOR QUEST AWARDEES WHO DO ACHIEVE  
10 PROGRESSION EVENTS; THAT IS, THEY ARE SUCCESSFUL IN  
11 DELIVERING THE PRODUCT OF THEIR DISCOVERY GRANT INTO  
12 THE NEXT PHASE OF DEVELOPMENT, WHICH WOULD BE  
13 TRANSLATION.

14 AND FOR THIS ROUND OF AWARDS, BASED ON OUR  
15 OWN PAST EXPERIENCE WITH SIMILAR STAGE RESEARCH, WE  
16 ALSO EXPECT A HIGH VOLUME OF APPLICATIONS.

17 CHAIRMAN SHEEHY: SO I ACTUALLY HAD A  
18 QUESTION.

19 DR. SHEPARD: OKAY.

20 CHAIRMAN SHEEHY: SO I GUESS I STILL DON'T  
21 UNDERSTAND THE ENRICHMENT ACTIVITIES PORTION OF THIS  
22 IN BOTH THIS, THAT, AND IN THE TRANSLATION. I JUST  
23 DON'T -- IT SEEMS ADDITIVE, AND I DON'T SEE WHAT IT  
24 REALLY CONTRIBUTES TOWARDS THE DEVELOPMENT OF  
25 THERAPIES. I MEAN IT'S NICE FOR THOSE STUDENTS, BUT

BARRISTERS' REPORTING SERVICE

1 IT SEEMS LIKE A DISTRACTION.

2 DR. SHEPARD: YOU'RE CORRECT IN THAT IT  
3 DOESN'T SPECIFICALLY ADD TO THE DEVELOPMENT OF THOSE  
4 GRANT OUTCOMES AND THERAPIES. IT'S TO ENRICH THE  
5 EXPERIENCE OF THE TRAINEE. SO THE PEOPLE WHO ARE  
6 CONDUCTING THE WORK ON THESE AWARDS ARE MOSTLY  
7 GRADUATE STUDENTS, POSTDOCTORAL FELLOWS. AND THEIR  
8 SALARIES AND TUITION, ETC., CAN BE SUPPORTED THROUGH  
9 THE GRANT. HOWEVER, THIS WOULD BE A LINE ITEM IN  
10 THE BUDGET THAT IS SPECIFICALLY DEDICATED TO HELP  
11 THOSE TRAINEES ATTEND A MEETING OR TAKE A  
12 SPECIALIZED COURSE TO HELP THEM DO BETTER, GAIN A  
13 LITTLE BIT MORE OUT OF THEIR RESEARCH TRAINING  
14 EXPERIENCE. BUT YOU'RE RIGHT. IT'S NOT SOMETHING  
15 THAT IS DIRECTLY ADVANCING THE THERAPEUTIC OR  
16 CANDIDATE GOAL OF THE PROGRAM.

17 CHAIRMAN SHEEHY: I MEAN TO ME THIS IS  
18 JUST A LITTLE TOO FUZZY OF A WAY TO GIVE OUT  
19 GOVERNMENT MONEY. I MEAN IT'S \$20,000, WHICH IS NOT  
20 A LOT, BUT IT ENDS UP BEING ABOUT 700,000 PER SITE,  
21 SO ABOUT ONE AND A HALF MILLION A YEAR. AND I JUST  
22 DON'T -- BEST WAY I CAN DESCRIBE IT IS KIND OF LIKE  
23 WHIPPED CREAM. IT'S FAIRLY -- IT SEEMS TO BE FAIRLY  
24 RIGOROUS. WHO GETS TO DO IT? WHAT DO THEY DO? WE  
25 DON'T REVIEW THAT PORTION.

BARRISTERS' REPORTING SERVICE

1 DR. OLSON: WE DO HAVE SOME REQUIREMENTS  
2 FOR WHO IS ELIGIBLE TO GET THIS MONEY. THEY HAVE TO  
3 HAVE AT LEAST 75 PERCENT EFFORT ON THE PROJECT PER  
4 SE. SO THEY ARE A KEY PERSONNEL. THEY ARE A PRIME  
5 CONTRIBUTOR TO THE WORK OF THE PROJECT. GIVEN THE  
6 NATURE OF THE PROJECT, THE THOUGHT IS THAT THEY  
7 MIGHT BE INTERESTED. IF THEY'RE WORKING ON A  
8 PROJECT THAT COULD LEAD TO A NEW EYE THERAPEUTIC,  
9 FOR EXAMPLE, THEY MIGHT BE INTERESTED IN  
10 UNDERSTANDING WHAT IS GOING ON IN THE RETINAL  
11 DISEASE SPACE. THEY MIGHT WANT TO UNDERSTAND WHAT  
12 IT TAKES TO MOVE SUCH A THERAPY FORWARD.

13 TRAVEL MONEY AND ABILITY TO ATTEND  
14 SPECIALIZED CONFERENCES IS USUALLY IN SHORT SUPPLY  
15 AND IS NEVER NECESSARILY EARMARKED ON ONE OF THESE  
16 AWARDS FOR A PERSONNEL, FOR A PERSON LIKE THAT. SO  
17 THE THOUGHT REALLY IS TO PROVIDE SOME MONEY TO THOSE  
18 PEOPLE WHO ARE KEY WORKERS ON THOSE PROJECTS WHO  
19 MIGHT BE ABLE TO UTILIZE IT. I MEAN WE'RE CALLING  
20 IT ENRICH THEIR TRAINING EXPERIENCE, AND THAT'S WHAT  
21 IT IS.

22 DR. SHEPARD: AND JUST ONE MORE POINT TO  
23 MAKE IS THAT THEY DON'T JUST -- THEY'RE NOT JUST  
24 ABLE TO ASK FOR \$20,000. THAT'S A MAXIMUM. IF  
25 THERE'S ONLY ONE TRAINEE ON THE PROJECT, IT WOULD BE

BARRISTERS' REPORTING SERVICE

1 \$5,000.

2 DR. FRIEDMAN: I THINK YOU MAKE VALID  
3 POINTS ABOUT THE UTILITY OF EDUCATIONAL  
4 OPPORTUNITIES FOR YOUNG TRAINEES, AND I THINK THAT'S  
5 REALLY VALUABLE. I'M STRUCK, THOUGH, BY THE FACT  
6 THAT BOTH WITH THE PREVIOUS PROPOSAL AND WITH THIS  
7 PROPOSAL YOU EXPECT A HIGH VOLUME OF APPLICATIONS  
8 AND WE'RE ONLY GOING TO BE FUNDING A VERY SMALL  
9 MINORITY OF THEM, SOMEWHERE BETWEEN, I DON'T KNOW,  
10 5, 10, 8 PERCENT OF ALL THE PROPOSALS THAT COME IN,  
11 FOR VERY MODEST AMOUNTS OF MONEY.

12 AND SO WHILE THIS IS AND OKAY THING TO DO,  
13 NO ONE WOULD OBJECT TO THIS KIND OF TRAINING, AND IN  
14 A CAREER WAY, IT'S REALLY NICE TO DO THAT, I'M  
15 LOOKING AT THE NUMBER OF APPLICATIONS THAT CAN BE  
16 FUNDED. AND I WONDER IF WE MIGHT GET GREATER VALUE  
17 OVERALL TO, INSTEAD OF PUTTING SOME MONEY INTO THIS  
18 PART OF THE TRAINING, THE MENTORSHIP OF THESE  
19 TRAINEES, TO SPEND MORE MONEY ON THE APPLICATIONS  
20 THEMSELVES. AND SO I WANT TO JUST ECHO JEFF'S  
21 QUESTION, IF I MAY. THANK YOU.

22 DR. HIGGINS: THIS IS A FOLLOW-UP FOR BOTH  
23 FROM THE PHONE COMMENTS AND PAT'S COMMENTS. IT  
24 SEEMS LIKE THIS IS SORT OF A THIRD LEG OF THE  
25 EDUCATION PORTION OF THE GRANT. THIS IS POST-DOC

BARRISTERS' REPORTING SERVICE

1 VERSUS UNDERGRADUATES VERSUS HIGH SCHOOL STUDENTS.  
2 SO WE BELIEVE IN THIS. WE BELIEVE AS AN INSTITUTION  
3 IN THE EDUCATION OF UP AND COMING SCIENTISTS. SO IT  
4 SEEMS TO ME LIKE IT'S APPROPRIATE FOR US TO BE  
5 FUNDING THIS. IT'S JUST A QUESTION OF WHERE THE  
6 FUNDING SHOULD GO. AND I WOULD PROPOSE, IF WE TAKE  
7 IT OUT OF HERE, DON'T DROP IT. PUT IT INTO  
8 SOMETHING LIKE THE BRIDGES PORTION OF THAT WHERE  
9 THERE'S A POSTDOCTORAL PROGRAM. SO I WOULD PROPOSE  
10 THAT IT'S IMPORTANT --

11 CHAIRMAN SHEEHY: WE HAD A TRAINING  
12 PROGRAM, I GUESS, AND THAT'S WHY -- I KIND OF  
13 THOUGHT THAT WE MADE THAT DECISION. I STILL -- I  
14 MEAN THIS IS JUST NOT RIGOROUS ENOUGH FOR ME TO FEEL  
15 SUPPORTIVE OF. I JUST -- WE'RE JUST PUTTING A BOLUS  
16 OF MONEY OUT THERE THAT PEOPLE CAN USE. THERE IS  
17 TRAVEL MONEY. THEY HAD THE ABILITY TO PUT TRAVEL  
18 MONEY INTO THEIR BUDGETS WHEN THEY SUBMIT THEM AND  
19 THEY FREQUENTLY DO. I JUST HAVE A HARD TIME SEEING  
20 HOW THIS IS -- I'M WITH DR. FRIEDMAN. I WOULD  
21 RATHER HAVE ONE OR TWO OR THREE MORE GRANTS PER  
22 CYCLE THAN HAVE THIS PARTICULAR ASPECT OF IT.

23 DR. STEWARD: IF I COULD JUST MAYBE  
24 AMPLIFY OR ADD TO OR SOMETHING. I DO THINK THAT  
25 THERE COULD BE VALUE TO THIS, AND THE VALUE WOULD

BARRISTERS' REPORTING SERVICE

1 COME FROM ATTENDING EDUCATIONAL KINDS OF THINGS,  
2 CONFERENCES, WHATEVER, THAT REALLY ADVANCED THE  
3 PROJECT. THAT WOULD BE AND EASY WAY TO ACCOMPLISH  
4 THE SAME GOAL, BUT STILL HAVE IT DIRECTED TOWARD THE  
5 END STAGE THAT WAS REALLY THE REASON THE GRANT WAS  
6 FUNDED IN THE FIRST PLACE.

7 CHAIRMAN SHEEHY: OS, I'M NOT SURE -- THE  
8 GOAL OF THIS IS REALLY CLEAR TO ME. IT IS A GOAL  
9 THAT'S INDEPENDENT OF WHAT WE'RE TRYING TO  
10 ACCOMPLISH WITH DISCOVERY STAGE AWARDS. AND IT  
11 JUST -- I MEAN IT SEEMS LIKE THAT WE NEED TO MORE  
12 DEVELOP THIS PROGRAM SO THAT WE CAN SPECIFY CERTAIN  
13 OUTCOMES THAT WE WANT TO GET, AND I JUST DON'T THINK  
14 PERSONALLY THAT THAT'S A GOOD USE OF EFFORT FOR WHAT  
15 WE'RE TRYING TO ACCOMPLISH.

16 DR. STEWARD: I DON'T DISAGREE, JEFF. I  
17 WAS TRYING TO FIND A MORE CLEARLY DEFINED PURPOSE.  
18 THAT'S ALL. I AGREE WITH YOU. THIS ISN'T CLEARLY  
19 RELATED TO THE OUTCOME THAT WE'RE SEEKING HERE. SO  
20 I'M NOT -- AS YOU SAY, WHIPPED CREAM IS A GOOD  
21 CHARACTERIZATION OF IT.

22 CHAIRMAN THOMAS: TO ME I'M GOING TO ECHO,  
23 I THINK, WHAT JEFF AND MICHAEL ARE SAYING. THIS IS  
24 NOT AS FAR AFIELD AS THE PREVIOUS ALLOCATIONS IN THE  
25 CREATIVITY AWARDS TO THE CREATIVITY COMPONENT OF



BARRISTERS' REPORTING SERVICE

1 THOSE AWARDS WHICH HAD NOTHING WHATSOEVER TO DO WITH  
2 THE RESEARCH, BUT THIS IS NOT DIRECTLY RELEVANT TO  
3 THE PROJECT AT HAND. SO I AGREE THAT I THINK THIS  
4 IS SOMETHING THAT'S BETTER SPENT ON MORE GRANTS.

5 CHAIRMAN SHEEHY: ARE THERE ANY OTHER  
6 COMMENTS OR DISCUSSION? I THINK WE CAN PROBABLY  
7 DEAL WITH THIS. THE FUNDING ASPECTS WHICH WE HAVE A  
8 SEPARATE -- THANK YOU TO DR. FRIEDMAN -- A SEPARATE  
9 DISCUSSION ON. ANY OTHER COMMENTS?

10 DR. STEWARD: YEAH. I DO WANT TO ALERT, I  
11 GUESS, EVERYONE TO -- I'M NOT YET CONVINCED ABOUT  
12 THE INCENTIVE AND THE DETAILS THEREOF. SO I'M JUST  
13 GOING TO PUT THAT OUT THERE, AND I'D LIKE VERY MUCH  
14 TO HEAR SOME FURTHER DISCUSSION ON THAT, ESPECIALLY  
15 FROM THE INSTITUTIONAL FOLKS.

16 DR. SHEPARD: OKAY. SO SPEAKING OF THE  
17 INCENTIVES, MY NEXT SLIDE IS TO DESCRIBE HOW THAT  
18 INCENTIVE PROGRAM WOULD WORK. SO BASICALLY, AS I  
19 MENTIONED, THE GOAL OF ONE OF OUR QUEST AWARDS IS TO  
20 ACHIEVE A CANDIDATE THAT CAN PROGRESS INTO  
21 TRANSLATION STAGE RESEARCH. IDEALLY OR AS ONE  
22 POSSIBLE WAY TO DO THAT, A QUEST AWARDEE COULD  
23 COMPETE AND SUCCESSFULLY ACHIEVE A CIRM  
24 TRANSLATIONAL PROGRAM AWARD TO CONTINUE THAT  
25 FUNDING. ANOTHER POSSIBILITY IS THEY COULD WORK

BARRISTERS' REPORTING SERVICE

1 WITH A COLLABORATOR AND OBTAIN FUNDING THROUGH  
2 ANOTHER AGENCY OR WORK WITH A COMPANY TO  
3 COLLABORATE. IT MAY EVEN BE POSSIBLE THAT THIS TEAM  
4 THAT PERFORMED THE DISCOVERY AWARD DOESN'T HAVE THE  
5 RIGHT EXPERTISE TO TAKE IT INTO TRANSLATION IN WHICH  
6 CASE THEY MAY WANT TO PASS THE BATON OR HAND THIS  
7 PROGRAM OFF TO A TEAM THAT HAS THOSE QUALIFICATIONS.

8 SO THIS IDEA OF A PROGRESSION EVENT,  
9 FINDING A WAY TO EITHER TAKE THE PROGRAM FURTHER OR  
10 HAND IT OFF TO SOMEBODY WHO CAN AND ACHIEVE THE  
11 FUNDING TO ENABLE THAT IS WHAT WE CALL PROGRESSION  
12 EVENT. AND WE WANT TO INCENTIVIZE PEOPLE TO USE IT.

13 SO WHAT WE ARE THINKING OF DOING IN THIS  
14 PROGRAM IS OFFERING A REWARD FOR ACHIEVING A  
15 PROGRESSION EVENT WITHIN ONE YEAR OF THE QUEST AWARD  
16 END DATE. AND THAT WOULD BE, QUITE SIMPLY, AN  
17 INCEPTION-LIKE GRANT OF A \$150,000 DIRECT PROJECT  
18 COSTS TO CONDUCT EXPLORATORY RESEARCH OF THEIR  
19 CHOOSING SO LONG AS IT'S ALIGNED WITH CIRM'S  
20 MISSION.

21 NOW, TO MAKE THIS WORK EFFECTIVELY, WHAT  
22 WE WOULD DO IS A GRANTEE WHO SUCCESSFULLY ACHIEVED A  
23 PROGRESSION EVENT, BELIEVED THEY HAD DONE SO, WOULD  
24 SUBMIT EVIDENCE THAT THEY HAVE ACHIEVED THIS  
25 PROGRESSION EVENT TO CIRM WHO WOULD LOOK AT THAT TO

BARRISTERS' REPORTING SERVICE

1 MAKE SURE THAT THE CRITERIA FOR THAT HAD ACTUALLY  
2 BEEN MET. WE'D LOOK AT THE PROPOSAL FOR WHAT THEY  
3 WANT TO DO WITH THEIR INCENTIVE GRANT, MAKE SURE  
4 IT'S ALIGNED WITH CIRM'S MISSION, AND THEN WE WOULD  
5 NEED DELEGATION OF THE BOARD'S AUTHORITY TO MAKE  
6 THAT AWARD AT THAT TIME.

7 SO THAT, SIMPLY STATED, IS HOW THE  
8 INCENTIVE GRANT PROGRAM WOULD WORK. AND I'D BE  
9 HAPPY TO TAKE SOME QUESTIONS OR CLARIFY THAT BECAUSE  
10 THIS IS A NEW CONCEPT FOR CIRM, AND I'M SURE THAT  
11 THERE ARE PROBABLY SOME QUESTIONS ABOUT HOW THIS  
12 WOULD WORK.

13 DR. OLSON: IF I COULD JUST MAKE ONE  
14 COMMENT. AN IMPORTANT THING TO US, AND I THINK WHAT  
15 MANY OF YOU HAVE HEARD RANDY SAY BEFORE, IS WE  
16 REALLY WANT TO ENCOURAGE PEOPLE WHO HAVE ACTUALLY  
17 BEEN SUCCESSFUL AT GETTING A CANDIDATE TO MOVE THAT  
18 FORWARD IRRESPECTIVE -- AND TO MOVE IT FORWARD  
19 TIMELY. SO THERE'S AN ELEMENT OF TIME HERE, WHICH  
20 IS WHY YOU NOTICE WE HAVE A YEAR LIMIT ON THIS. WE  
21 REALLY WANT PEOPLE TO MOVE THINGS FORWARD AS QUICKLY  
22 AS POSSIBLE TO THE NEXT STAGE OF RESEARCH. AND SO  
23 THIS IS REALLY TO INCENT PEOPLE TO DO THAT. AND WE  
24 HOPE, WE HOPE THAT WE CAN BETTER OUR 30-PERCENT RATE  
25 OR SO. I MEAN THAT WOULD BE REALLY GOOD IF WE

BARRISTERS' REPORTING SERVICE

1 COULD.

2 SO THAT'S THE GOAL IS THE TIMELINESS AND  
3 THE ACCELERATION CONCEPT. IT'S MOVE SUCCESSFUL  
4 RESEARCH FORWARD IRRESPECTIVE OF WHETHER YOU'RE  
5 MOVING FORWARD WITH IT OR NOT.

6 CHAIRMAN SHEEHY: SO, DR. STEWARD, I THINK  
7 YOU HAD SOME QUESTIONS ABOUT THIS AND FOR OTHER  
8 MEMBERS TOO.

9 DR. STEWARD: MY, I GUESS, POINT IS  
10 STILL SOME -- CONCERN ISN'T THE RIGHT WORD. I JUST  
11 HAVEN'T COME TO A CONCLUSION ON THIS MYSELF. THE  
12 ISSUE IS GIVING MONEY FOR SOMETHING THAT HASN'T  
13 UNDERGONE PEER REVIEW. AND THAT'S SORT OF WHAT THIS  
14 REWARD ACTUALLY ENDS UP BEING. SO YOU GET YOUR  
15 GRANT, YOU DO THE WORK THAT WAS PEER REVIEWED, YOU  
16 GET YOUR PROGRESSION EVENT, AND THEN YOU GET  
17 \$150,000 TO KIND OF DO WHATEVER. I'M JUST STILL NOT  
18 COMPLETELY COMFORTABLE WITH THAT BOTH FROM THE POINT  
19 OF VIEW OF SORT OF THE WAY WE OPERATE AND FROM THE  
20 POINT OF VIEW OF THE WAY THIS WOULD POTENTIALLY SET  
21 APART CIRM GRANTEES FROM OTHERS IN THE INSTITUTION.

22 SO THIS IS WHY I WANTED TO HEAR SOME  
23 COMMENTS FROM OTHERS, AND I JUST APPRECIATE HEARING  
24 OTHER THOUGHTS. THANK YOU.

25 DR. MILLS: OS, I JUST WANT TO TAKE

BARRISTERS' REPORTING SERVICE

1 EXCEPTION TO THE DO WHATEVER COMMENT. TO MAKE IT  
2 OPERATIONALLY EFFICIENT, WE WOULDN'T MAKE THEM GO  
3 BACK THROUGH THE EXTERNAL REVIEW PROCESS, BUT WE  
4 WOULD MAKE THEM GO THROUGH AN INTERNAL REVIEW  
5 PROCESS, WHICH WOULD INCLUDE, ONE, VALIDATING WHAT  
6 THEY'VE ACTUALLY DONE, THE PROGRESSION EVENT, BUT  
7 THE OTHER THING WOULD BE TO MAKE SURE THAT THEIR  
8 PROGRAM WAS SOMETHING MEANINGFUL TO CIRM. AND THEN  
9 WE WOULD DO THAT INTERNALLY. IT'S NOT -- AND I  
10 GUESS IT'S NOT THAT DIFFERENT AND ACTUALLY IT'S  
11 PROBABLY EVEN LESS MONEY THAT USED TO BE AVAILABLE  
12 UNDER DIFFERENT AUTHORITIES TO THE PRESIDENT THROUGH  
13 OTHER KINDS OF DISCRETION AWARDS THAT I THINK WE'VE  
14 GOTTEN AWAY WITH. SO IT'S A NEW CONCEPT BECAUSE  
15 WE'RE REQUIRING THAT THERE ACTUALLY BE OBJECTIVE  
16 PRODUCTIVITY IN ORDER FOR THERE TO BE THIS AWARD  
17 MADE. BUT THE OTHER THINGS I DON'T BELIEVE ARE NEW.

18 DR. STEWARD: RANDY, LET ME APOLOGIZE. I  
19 SAID THAT IN SORT OF A FLIPPANT WAY TO GET THROUGH  
20 THE COMMENT QUICKLY. AND I TOTALLY UNDERSTAND THAT  
21 THERE WOULD BE A LOOK AT THIS BY CIRM, A REVIEW OF  
22 THIS BY CIRM. WHAT I REALLY MEANT TO SAY THAT THIS  
23 WOULD BE WITHOUT SORT OF THE STANDARD OF PEER REVIEW  
24 THAT CONSTITUTES KIND OF THE BASIS OF EVERY OTHER  
25 AWARD THAT WE GIVE OUT.

BARRISTERS' REPORTING SERVICE

1 SO, AGAIN, I JUST -- I'M NOT COMFORTABLE  
2 WITH IT YET. I MAY BE BY THE END OF THIS  
3 CONVERSATION, SO I JUST WANTED TO HEAR OTHER  
4 COMMENTS ON IT. THANK YOU.

5 CHAIRMAN SHEEHY: SENATOR TORRES.

6 MR. TORRES: YES. I DO THINK THAT THE  
7 DEFINITION -- I MEAN THESE TERMS ALL SOUND SO  
8 MEDIEVAL, THE QUEST AWARD, THE INCENTIVE AWARD, BUT  
9 I DON'T SEE A DEFINITION OF THE CRITERIA OTHER THAN  
10 AWARDEE MUST SUBMIT EVIDENCE TO CIRM INDICATING  
11 ADDITIONAL MONEY HAS BEEN ACQUIRED. THE DEFINITION  
12 OF A PROGRESSION EVENT, I SEE IT IN THE TABLE, AND I  
13 MUST SAY YOU'VE DONE AN EXCELLENT, KELLY, BUT I SEE  
14 IT IN THE TABLE FROM DISCOVERY TO TRANSLATION, BUT  
15 WHAT IS THE CRITERIA TO DETERMINE WHETHER A  
16 PROGRESSION EVENT HAS OCCURRED?

17 DR. SHEPARD: SO THIS IS DESCRIBED IN A  
18 LITTLE BIT MORE DETAIL ON THAT CONCEPT, BUT THE IDEA  
19 IS SO WHEN SOMEBODY COMPLETES THEIR QUEST AWARD,  
20 WHICH IS A TWO-YEAR PERIOD OF TIME, THEY SHOULD  
21 HAVE, IF THEY WERE SUCCESSFUL AND THE SCIENCE WORKS  
22 OUT, THEY SHOULD HAVE A CANDIDATE THAT IS READY FOR  
23 TRANSLATION. THE GRANT ITSELF TO DEVELOP THE  
24 CANDIDATE IS TWO YEARS. IF THEY'RE COMPLETELY  
25 SUCCESSFUL, AT THAT POINT THEY WILL HAVE A CANDIDATE

BARRISTERS' REPORTING SERVICE

1 THAT'S READY FOR TRANSLATION. AT THAT POINT THE  
2 CLOCK STARTS, AND THEN THEY HAVE A YEAR TO FIND A  
3 WAY TO MOVE THAT ON EITHER BY GETTING A  
4 TRANSLATIONAL GRANT FROM CIRM TO CONTINUE THAT  
5 PROJECT OR BY FINDING A PARTNER TO TAKE THAT ON OR A  
6 COLLABORATOR OR GETTING AN NIH GRANT, SOME OTHER  
7 WAY. THEY JUST HAVE TO PROVIDE EVIDENCE TO CIRM  
8 THAT, LOOK, HERE'S A PLAN TO MOVE FORWARD, HERE'S  
9 THE FUNDING TO MOVE IT FORWARD, AND WE'RE EITHER  
10 GOING TO DO IT OURSELVES OR WE'VE IDENTIFIED THIS  
11 TEAM TO HELP US MOVE FORWARD.

12 AND WITH THAT EVIDENCE IN HAND, WE SAY,  
13 OKAY, YOU'VE MET THE CRITERIA FOR PROGRESSION EVENT,  
14 SO YOU ARE ELIGIBLE TO RECEIVE THE INCENTIVE GRANT.  
15 BUT FIRST YOU HAVE TO SHOW US WHAT YOU WANT TO USE  
16 THAT INCENTIVE GRANT TO DO AND THE BUDGET FOR IT,  
17 AND WE NEED TO MAKE SURE IT'S ALIGNED WITH CIRM'S  
18 MISSION.

19 MR. TORRES: SO WHERE DOES A GRANTEE GO TO  
20 DETERMINE THE CRITERIA FOR THE PROGRESSION EVENT?

21 DR. OLSON: IT REALLY IS DO YOU HAVE  
22 FUNDING TO TAKE THE CANDIDATE FORWARD.

23 MR. TORRES: AND THAT DEFINES PROGRESSION?

24 DR. OLSON: THAT DEFINES PROGRESSION.

25 MR. TORRES: PROGRESSION IS DO YOU HAVE

BARRISTERS' REPORTING SERVICE

1 THE MONEY TO MOVE FORWARD?

2 DR. OLSON: DO YOU HAVE THE MONEY AND DID  
3 YOU GET IT WITHIN ONE YEAR OF THE END OF YOUR QUEST  
4 AWARD?

5 MR. TORRES: PROGRESSION DOES NOT DEFINE  
6 THE SUCCESS OF A PARTICULAR TREATMENT OR TECHNOLOGY.  
7 IT DEFINES WHETHER YOU HAVE MORE MONEY?

8 DR. OLSON: NO. YOU HAVE TO HAVE HAD A  
9 CANDIDATE. AT THE END OF THE QUEST AWARD, YOU HAVE  
10 A CANDIDATE THAT'S READY TO MOVE FORWARD. THE  
11 PROGRESSION IS IS THIS CANDIDATE, DO YOU HAVE  
12 FUNDING TO TAKE THAT CANDIDATE, SAY, INTO  
13 PRECLINICAL DEVELOPMENT, OR DO YOU HAVE MONEY TO  
14 TAKE THAT DIAGNOSTIC TEST INTO THE NEXT STAGE OF  
15 DEVELOPMENT IF YOU'VE GOT A PARTNER? AND IT'S THE  
16 APPROPRIATE -- AND IT'S, YES, IT'S MONEY AND THE  
17 NEXT STAGE.

18 DR. SHEPARD: IT'S MOVEMENT TOWARDS. IT'S  
19 NOT SITTING IN LIMBO IN DISCOVERY ZONE. IT'S MOVING  
20 TOWARDS A PATIENT. THERE'S A CERTAIN SERIES OF  
21 EVENTS THAT HAVE TO HAPPEN IN ORDER FOR A DISCOVERY  
22 TO GET TO A PATIENT. AND IT CAN EITHER STAY THERE  
23 IN LIMBO OR IT CAN MOVE, BUT IT TAKES MONEY TO MOVE  
24 IT. IT NEEDS TO MOVE TO TREATMENT THOUGH.

25 DR. FRIEDMAN: BUT IF YOU ALREADY HAVE THE



BARRISTERS' REPORTING SERVICE

1 MONEY, I GUESS I DON'T UNDERSTAND THE ADDITIONAL  
2 VALUE. I SEE CONSIDERABLE VALUE FOR FINDING A  
3 PARTNER, AND THAT PART OF YOUR PROPOSAL APPEALS TO  
4 ME GREATLY, ESPECIALLY IF WE WERE TO WORK OUT SOME  
5 WAY IN WHICH OUR CIRM SCIENTIFIC STAFF IS BOTH  
6 KNOWLEDGEABLE AND HELPFUL AND COULD REALLY  
7 FACILITATE THE MATCHMAKING. THAT STRIKES ME AS A  
8 REALLY CLEVER IDEA, AND I'M SURE THAT'S WHAT YOU ALL  
9 WERE THINKING OF HOW TO MAKE THOSE CONNECTIONS.  
10 THAT DOES ADD VALUE. I JUST DON'T UNDERSTAND. IF  
11 YOU'VE ALREADY GOT AN NIH AWARD, WHY DO YOU NEED THE  
12 \$150,000? I MEAN EVERYBODY NEEDS MORE MONEY. I GET  
13 THAT. I REALLY DO. NONE OF THESE AWARDS ARE  
14 SUFFICIENT.

15 DR. MILLS: WHERE THIS COMES FROM REALLY  
16 IS -- AND I'LL TELL YOU GUYS, WE HAVE JUST BRUTALLY  
17 HONEST CONVERSATIONS WITH PEOPLE ABOUT IT WHERE THEY  
18 DON'T WANT THEIR PROGRAM TO MOVE DOWNSTREAM. AND  
19 THE REASON THEY DON'T WANT THEIR PROGRAM TO MOVE  
20 DOWNSTREAM IS THEY DON'T DO DOWNSTREAM WORK. THEY  
21 DO THE WORK IN THAT PARTICULAR, LET'S CALL IT, TRAIN  
22 STATION. THEY DON'T WANT TO GO TO THE NEXT TRAIN  
23 STATION WITH THIS. AND SO THE PROBLEM THAT IS  
24 THEY'RE INCENTIVIZED TO MAKE THEIR PROGRAM TAKE AS  
25 LONG AS IT POSSIBLY CAN AND THEN COME UP WITH NEW

BARRISTERS' REPORTING SERVICE

1 QUESTIONS AND IDEAS TO ASK ABOUT IT SO THEY CAN STAY  
2 IN EARLY STAGE RESEARCH. AND THEY'RE  
3 DISINCENTIVIZED RIGHT NOW TO HAVE THAT RESEARCH GO  
4 DOWNSTREAM. SO THAT'S --

5 DR. FRIEDMAN: RANDY, I GET THAT. WHY  
6 DON'T YOU THEN SAY THAT THEY NOT ONLY HAVE RESOURCES  
7 TO GO FORWARD, BUT THEY MUST HAVE A PARTNER TO GO  
8 FORWARD?

9 DR. MILLS: IT'S PART OF WHAT WILL BE IN  
10 THE APPLICATION PROCESS. SO WE'RE DOING TWO THINGS  
11 THERE. ONE IS THEY HAVE TO DESCRIBE IF THIS WORKS  
12 OUT, WHAT ARE THEY GOING TO DO WITH IT. IF IT'S  
13 SUCCESSFUL, HOW IS IT GOING TO GO TO THE NEXT TRAIN  
14 STATION? AND TWO, WE'RE INTRODUCING THIS CONCEPT --  
15 WE CALL IT THE EXCHANGE. IT'S KIND OF THE MATCH.COM  
16 OF THIS RESEARCH WHERE WE HELP THEM IDENTIFY  
17 DIFFERENT PARTNERS.

18 BUT I THINK RIGHT NOW WHAT WE'VE HEARD  
19 FAIRLY OVERWHELMINGLY FROM THESE GUYS IS THAT ABSENT  
20 US DOING SOMETHING HERE, THEY'RE ALMOST  
21 DISINCENTIVIZED FOR THEIR CARGO TO GO DOWNSTREAM  
22 WHERE WE WANT IT TO GO RIGHT NOW.

23 DR. OLSON: AND EVEN FOR THOSE, SAY,  
24 PHYSICIAN SCIENTISTS WHO ARE ACTUALLY DOING  
25 CANDIDATE DISCOVERY, THERE SEEMS TO BE A STRONG

BARRISTERS' REPORTING SERVICE

1 PENCHANT THAT YOU CAN ALWAYS MAKE SOMETHING BETTER.  
2 AND THAT DOESN'T MOVE THINGS FORWARD QUICKLY EITHER.  
3 SO EVEN THE PHYSICIAN SCIENTISTS WHO MIGHT WANT TO  
4 CARRY SOMETHING TO THE NEXT STAGE, SOMETIMES A  
5 LITTLE PUSH, IS IT GOOD ENOUGH IF YOU COULD REALLY  
6 BENEFIT PATIENTS BY MOVING THIS FORWARD? SO I THINK  
7 JUST IT'S THE PEOPLE WHO DON'T WANT TO MOVE, IT'S  
8 THE PEOPLE WHO HOW MUCH IS GOOD ENOUGH, AND IT'S  
9 ALSO THE EXTERNAL -- YOU KNOW, GETTING EXTERNAL  
10 FUNDING IS A VALIDATION IN MANY CASES THAT WHAT  
11 YOU'RE DOING IS NOT JUST IMPORTANT TO YOU. IT'S  
12 IMPORTANT TO THE FIELD, YOUR PEERS THINK IT'S  
13 IMPORTANT IF THE END GAME IS IS IT  
14 COMMERCIALLY -- IS THIS AN UNMET NEED? IT'S THAT  
15 TOO.

16 SO I THINK JUST SUCCESS IN ACHIEVING  
17 FUNDING ARGUES AS A VALIDATION, AND NOT EVERYTHING  
18 THAT IS SUCCESSFUL AT GETTING A CANDIDATE WILL  
19 NECESSARILY MOVE.

20 MR. TORRES: AH, THAT'S DISTURBING.

21 DR. OLSON: IT'S JUST TRUE.

22 MR. TORRES: I KNOW, BUT IT'S DISTURBING  
23 THAT A PATIENT HAS TO BE AT THE MERCY OF PEOPLE WHO  
24 DON'T WANT TO MOVE FORWARD. AND I THINK THIS IS A  
25 GREAT -- IF WE PROVIDE A MECHANISM BY HELPING THEM

BARRISTERS' REPORTING SERVICE

1 MOVE FORWARD, THAT'S ULTIMATELY IN THE FAVOR OF THE  
2 PATIENT.

3 DR. OLSON: IT IS.

4 CHAIRMAN SHEEHY: BECAUSE I WANT TO GIVE  
5 OTHER FOLKS AN OPPORTUNITY TO WEIGH IN ON THIS, DO  
6 WE HAVE -- BECAUSE I THINK OS HAD MADE A CALL TOO.  
7 I THINK DR. FRIEDMAN HAS WEIGHED IN, BUT WHAT DOES  
8 THIS MAKE SENSE BASED ON HOW YOUR INSTITUTIONS WORK  
9 AND YOUR EXPERIENCE THAT THIS WAS SOMETHING THAT  
10 WOULD BE SUCCESSFUL IN ACHIEVING THE AIMS THAT WE'RE  
11 TRYING TO ACHIEVE HERE? ANY THOUGHTS ON THAT?

12 DR. LUBIN: SO IT WOULD SEEM TO ME THAT  
13 WHEN YOU FIRST GAVE THE AWARD, THE PLAN WAS TO  
14 DEVELOP SOMETHING THAT WOULD TRANSLATE INTO SOME  
15 THERAPY. IS THAT NOT TRUE?

16 DR. SHEPARD: THAT'S TRUE, YES.

17 DR. MILLS: THAT WILL BE TRUE NOW.

18 DR. LUBIN: DURING THOSE TWO YEARS THAT  
19 YOU'RE SUPPORTING PEOPLE, ANYBODY THAT HAS SOMETHING  
20 THAT THEY THINK IS GOING TO GO INTO A CLINICAL THING  
21 WILL THINK ABOUT WRITING AN NIH GRANT OR THINK ABOUT  
22 A PARTNER TO SUSTAIN THEIR FUNDING AFTER THE END OF  
23 THE TWO YEARS. I MEAN THAT'S WHAT THIS LIFE IS LIKE  
24 RIGHT NOW. SO I'M A LITTLE UNCLEAR WHY MORE MONEY  
25 IS NEEDED TO DO THAT UNLESS THERE WAS A CONVINCING

BARRISTERS' REPORTING SERVICE

1 CASE THAT YOU'VE TRIED THOSE THINGS, BUT YOU NEED TO  
2 GENERATE SOME MORE DATA BEFORE YOU'RE GOING TO BE  
3 ACCEPTED FOR EITHER AN NIH GRANT OR AN INDUSTRY  
4 PARTNER.

5 DR. MILLS: IT'S MORE ALONG THE LINES OF  
6 FOR THE PEOPLE THAT, LET'S SAY, DO EARLY STAGE  
7 RESEARCH THAT UNDERSTAND MECHANISMS OR WHAT HAVE  
8 YOU, AND THAT'S WHAT THEY WANT TO DO. THEY DON'T  
9 KNOW HOW TO DO TRANSLATIONAL WORK. THEY DON'T WANT  
10 TO LEARN HOW TO DO TRANSLATIONAL WORK. THEY DO  
11 EARLY STAGE WORK. BUT THEY'RE VERY GOOD AT IT, AND  
12 IT'S A VERY NECESSARY THING. RIGHT NOW WE HAVE  
13 NO -- THEY HAVE NO INCENTIVE FOR THEM TO TRY TO FIND  
14 A HOME FOR THEIR PROGRAM ONCE IT EXCEEDS THEIR  
15 ABILITY AND INTEREST LEVEL TO CARRY IT FORWARD. AND  
16 THAT'S WHAT THIS IS DESIGNED.

17 I MEAN I HEAR QUESTIONS ABOUT PEOPLE ARE  
18 MAYBE NOT SURE IF IT WILL WORK. I WOULD TURN IT  
19 AROUND THE OTHER WAY. ARE YOU THAT SURE IT WON'T  
20 WORK? BECAUSE WHEN WE DON'T DO SOMETHING, WE HAVE A  
21 5-PERCENT SPONTANEOUS PROGRESSION RATE. AND I GET  
22 IT. IT'S NEW AND IT'S DIFFERENT, BUT I THINK NEW  
23 AND DIFFERENT WE MIGHT NEED TO CONSIDER BECAUSE OLD  
24 DIDN'T WORK.

25 DR. STEWARD: RANDY, THIS IS OS. AND I

BARRISTERS' REPORTING SERVICE

1 GUESS ONE OF THE THINGS THAT IS STILL JUST SORT OF  
2 THE NAGGING AT ME IS THE IDEA THAT THIS IS SOME KIND  
3 OF REWARD THAT IN A SENSE PUSHES OR ENABLES PEOPLE  
4 TO TURN AWAY FROM TRANSLATION. I'D BE A LOT MORE  
5 ENTHUSIASTIC AND COMFORTABLE WITH THIS IF IT WAS  
6 FRAMED IN A WAY THAT, YES, THERE'S AN INCENTIVE TO  
7 ACTUALLY DO ADDITIONAL STUDIES TO EXPAND THE REACH  
8 OF WHATEVER YOU HAVE TO ACTUALLY IMPROVE THE ABILITY  
9 OF THE TREATMENT OR THERAPY TO ACTUALLY TARGET A  
10 DIFFERENT POPULATION. SOMETHING ALONG THOSE LINES.  
11 I'M JUST STILL REALLY UNCOMFORTABLE WITH THE IDEA OF  
12 YOU DO THE WORK TO GET YOU TOWARD A GOAL AND THEN  
13 YOU GET A REWARD TO GO BACK AND KIND OF START ALL  
14 OVER AGAIN. ANYWAY, I'M NOT SAYING IT VERY WELL,  
15 BUT I'M JUST STILL NOT CONVINCED.

16 DR. MILLS: I'M A BIG OPPONENT OF PROGRAMS  
17 THAT ASK FISH TO LEARN HOW TO FLY. IF A FISH JUST  
18 WANTS TO SWIM AND THEY'RE VERY GOOD AT THAT, I THINK  
19 THE IDEA THAT WE'RE GOING TO TRY TO TURN THEM INTO  
20 BIRDS BECAUSE THE NEXT STAGE REQUIRES BEING A BIRD,  
21 IT DOESN'T MAKE SENSE. IT DOESN'T FLY.

22 CHAIRMAN SHEEHY: CAN I ASK A QUESTION  
23 JUST FOR CLARIFICATION? SO A PROGRESSION EVENT  
24 COULD BE SOMEBODY TAKES YOUR PROJECT ON WITH  
25 ADDITIONAL FUNDING, BUT IT COULD ALSO BE YOU

BARRISTERS' REPORTING SERVICE

1 YOURSELF, YOU'RE TAKING IT ON. THIS MAY BE YOUR  
2 FIRST TIME THAT YOU PUT YOUR BOAT INTO THE  
3 TRANSLATION RIVER, AND THEN MAYBE THIS MIGHT  
4 MOTIVATE SOME FOLKS TO TAKE THAT LEAP, RIGHT. SO IT  
5 COULD BE EITHER WAY.

6 DR. MILLS: ABSOLUTELY.

7 CHAIRMAN SHEEHY: SO WE'RE NOT RESTRICTING  
8 IT JUST TO FOLKS WHO ARE PASSING THE BATON.

9 DR. OLSON: RIGHT. SO IT WOULD BE UP TO  
10 THE GRANTS WORKING GROUP TO DETERMINE IF IT, IN  
11 FACT, WAS THE SAME PI WHO WAS MOVING IT FORWARD,  
12 HAVE THAT PI PUT TOGETHER A TEAM THAT WAS CAPABLE OF  
13 DOING THAT. AND THAT'S AN IMPORTANT CRITERIA, AS  
14 YOU ALL WELL KNOW WHO SIT ON THE GRANTS WORKING  
15 GROUP. CAN THEY DO IT? SO IN ORDER TO GET THE  
16 INCENTIVE AWARD, THEY STILL HAVE TO GET FUNDING.

17 CHAIRMAN SHEEHY: I WAS A LITTLE CONFUSED  
18 BY THAT, BUT I THINK IT'S PROBABLY HELPFUL IF WE CAN  
19 JUST -- ARE THERE ANY OTHER QUESTIONS ON THIS POINT  
20 AND MAYBE WE CAN MOVE FORWARD? OKAY. DR. SHEPARD.

21 DR. SHEPARD: OKAY. FINALLY, I'VE COME TO  
22 THE CHALLENGE AWARD SLIDE, PA 15-09. THIS IS THE  
23 THIRD OF THE THREE DIFFERENT TYPES OF DISCOVERY  
24 AWARD PROGRAMS.

25 THIS IS TO ADDRESS A VERY SPECIFIC PROBLEM

BARRISTERS' REPORTING SERVICE

1 THAT EITHER COMES UP OR IS A NEW DEVELOPMENT THAT  
2 HADN'T BEEN ANTICIPATED. SO THE GOAL IS TO ADDRESS  
3 WHAT WE CALL A HIGHLY SPECIFIC QUESTION THAT WOULD  
4 BE ISSUED THROUGH A PERIODIC CHALLENGE QUESTION  
5 ANNOUNCEMENT.

6 SO THE RESEARCH GOALS, LEVEL OF SUPPORT,  
7 THE AWARD DURATION, AND ELIGIBLE ACTIVITIES WOULD BE  
8 TAILORED TO WHATEVER THAT SPECIFIC QUESTION MIGHT  
9 BE. IT WOULD BE APPROVED BY THE PRESIDENT OF CIRM  
10 OR HIS DELEGATE.

11 NOW THE NEXT BULLET IS ABOUT THE  
12 ENRICHMENT FUNDS WHICH WERE A TOPIC OF DISCUSSION  
13 EARLIER AND WE'RE GOING TO COME BACK TO, SO WE WON'T  
14 GO OVER THAT.

15 NOW, UNLIKE THE OTHER TWO TYPES OF  
16 PROGRAMS I DESCRIBED, WE EXPECT THE APPLICATION  
17 VOLUME TO BE VERY LOW FOR THESE BECAUSE OF THE  
18 SPECIFICITY OF THE QUESTION TARGETED. MAYBE FIVE TO  
19 TEN.

20 NOW, THE NEXT SLIDE I'M GOING TO TALK  
21 ABOUT IS THE STREAMLINED REVIEW PROCESS THAT WE'RE  
22 PROPOSING FOR THE ROUNDS THAT HAVE HIGH VOLUME OF  
23 APPLICATIONS, PARTICULARLY QUEST AND INCEPTION.

24 SO WHAT WE'RE PROPOSING IS ACTUALLY --  
25 CHAIRMAN SHEEHY: I'M SORRY. COULD WE



BARRISTERS' REPORTING SERVICE

1 JUST SEE IF THERE'S ANY QUESTIONS ON QUEST?

2 DR. SHEPARD: OH, SORRY. I'M SORRY.

3 DR. HIGGINS: ARE THERE ANY EXAMPLES OF  
4 THE KIND OF CHALLENGE QUESTIONS?

5 DR. SHEPARD: WELL, EXAMPLE I'VE HEARD  
6 RANDY GIVE ON A COUPLE OF OCCASIONS IS ONE OF OUR  
7 PROGRAMS IN OUR DISEASE TEAM PORTFOLIO NEEDS A  
8 POTENCY ASSAY, BUT THERE'S NOT REALLY ANYBODY ON  
9 THAT PARTICULAR TEAM WITH THE BASIC RESEARCH SKILLS  
10 TO DEVELOP IT. SO WE COULD PUT OUT A CALL SAYING  
11 THAT WE NEED A POTENCY ASSAY FOR THIS SPECIFIC CELL  
12 TYPE, DEFINE THE CRITERIA OF WHAT WE NEED, AND  
13 SOLICIT SOME APPLICATIONS FROM SOME INVESTIGATORS  
14 WHO THINK THEY HAVE THE ABILITY IN THEIR LAB TO  
15 ADDRESS THAT QUESTION.

16 CHAIRMAN SHEEHY: DID THAT ANSWER YOUR  
17 QUESTION?

18 DR. SHEPARD: OKAY. SO THE NEXT THING I  
19 WANT TO GO OVER VERY BRIEFLY IS WHAT IS COVERED IN  
20 THE APPENDIX THAT WAS INCLUDED IN THE AGENDA. THIS  
21 IS OUR PROPOSAL FOR A STREAMLINED WAY TO HELP US GET  
22 THROUGH APPLICATION CYCLES WHERE THERE'S A VERY  
23 LARGE NUMBER OF APPLICATIONS EFFICIENTLY AND  
24 EFFECTIVELY. SO WHAT WE'RE PROPOSING IS A TWO-STAGE  
25 REVIEW PROCESS WHICH WILL BE CONDUCTED BY THE GRANTS

BARRISTERS' REPORTING SERVICE

1 WORKING GROUP; THAT IS, THE 15 SCIENTIFIC MEMBERS AS  
2 WELL AS THE 7 PATIENT ADVOCATE MEMBERS OF THE GRANTS  
3 WORKING GROUP.

4 IN THIS FIRST STAGE OF THE PROCESS, THEY  
5 WOULD SCREEN, CONDUCT A PREREVIEW OF ALL OF THE  
6 SUBMITTED APPLICATIONS AND SELECT A SUBSET OF THEM  
7 TO MOVE FORWARD TO THE SECOND STAGE OF REVIEW.

8 THE SECOND STAGE WOULD BE THE STANDARD  
9 IN-PERSON GRANTS WORKING GROUP REVIEW MEETING WHERE  
10 THE APPLICATIONS ARE ASSIGNED TO REVIEWERS, SCORED,  
11 AND FUNDING RECOMMENDATIONS ARE THEN BROUGHT TO THE  
12 BOARD.

13 WE BELIEVE THAT THIS APPLICATION OFFERS  
14 SEVERAL -- PROCESS OFFERS SEVERAL IMPROVEMENTS.  
15 IT'S A SINGLE-STEP APPLICATION PROCESS FOR THE  
16 APPLICANT, WHICH MEANS NO PRELIMINARY APPLICATIONS,  
17 WHICH IS HOW WE HANDLED HIGH VOLUMES IN THE PAST,  
18 WHICH CUTS SOME OF THE TIME OUT OF THE TIMELINE IN  
19 PROCESSING AND REVIEWING THE AWARD. WE THINK THIS  
20 PROCESS IS SCALABLE IN RESPONSE TO APPLICATION  
21 VOLUME; IN OTHER WORDS, WOULD WORK WELL FOR 500  
22 APPLICATIONS VERSUS 300 VERSUS 100. AND WE BELIEVE  
23 IT CAN FACILITATE SELECTION OF PROPOSALS WITH THE  
24 HIGHEST POTENTIAL FOR IMPACT FROM A BROAD APPLICANT  
25 POOL.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: WHAT CRITERIA DO YOU  
2 ASSIGN TO THE GWG IN THE PREREVIEW PROCESS?

3 DR. SHEPARD: WELL, THERE ARE REVIEW  
4 CRITERIA THAT ARE SPECIFIED IN THE PROGRAM  
5 ANNOUNCEMENT FOR THE OVERALL PROGRAM. SO WHAT THEY  
6 WILL BE LOOKING AT IS STATEMENT OF IMPACT AND HOW  
7 THIS CAN POTENTIALLY HELP PATIENTS AND DEFINE THE  
8 GOALS TO BE REALIZED AND A BRIEF SUMMARY OF WHAT THE  
9 SCIENTIFIC GOALS ARE AND THE RATIONALE. AND IT WILL  
10 BE UP TO THE REVIEWERS, GRANTS WORKING GROUP,  
11 (INAUDIBLE) TO USE THEIR JUDGMENT BASED ON THE  
12 (INAUDIBLE) WHICH WILL HAVE THE MOST POTENTIAL TO  
13 IMPACT PATIENTS (INAUDIBLE).

14 CHAIRMAN THOMAS: THANK YOU.

15 CHAIRMAN SHEEHY: SO IS THERE ANOTHER  
16 SLIDE FOR THIS?

17 DR. SHEPARD: NO. THE MAJOR DETAILS ARE  
18 IN THE APPENDIX; AND IF YOU HAVE ANY QUESTIONS, I'M  
19 HAPPY TO ANSWER THEM.

20 CHAIRMAN SHEEHY: SO I WAS GOING TO ASK IF  
21 ANYBODY HAD ANY QUESTIONS ON THIS PROCESS? THE  
22 APPENDIX REALLY LAYS IT OUT VERY NICELY.

23 AND THE ONLY POINT I WOULD LIKE TO MAKE,  
24 WHICH MAY NOT BE IN THE SLIDE, IS THAT THE SCORING  
25 SYSTEM WILL BE DIFFERENT. ARE WE GOING TO SEE A

BARRISTERS' REPORTING SERVICE

1 SLIDE ON THAT? WE'RE GOING BACK TO THE ONE TO A  
2 HUNDRED, AND THERE WON'T BE -- MAYBE SOMEBODY COULD  
3 JUST VERY BRIEFLY TALK ABOUT THE SCORING SYSTEM.

4 DR. MILLS: THE SCORING GOES BACK TO ONE  
5 TO A HUNDRED FOR THESE, AND THE REASON FOR THAT IS  
6 WE ANTICIPATE THERE BEING MORE SUPPLY OF THESE  
7 APPLICATIONS THAN WE WILL HAVE SLOTS. SO NOT ONLY  
8 WILL WE HAVE TO GET A FUNDABLE SCORE, WE WILL THEN  
9 NEED TO RANK ORDER THEM IN SOME WAY BECAUSE WE  
10 BELIEVE WE MIGHT HAVE 400 AND NEED TO FUND THE TOP  
11 20. SO WE'LL NEED SOME WAY OF RANKING THEM IS WHY  
12 WE CAN'T USE THE ONE, TWO, THREE.

13 CHAIRMAN SHEEHY: SO IT WILL BE -- I THINK  
14 BASICALLY WHAT WILL COME TO THE BOARD WILL RESEMBLE  
15 WHAT HAS COME TO THE BOARD IN THE PAST, THREE TIERS.

16 DR. MILLS: YEAH. WHAT WE'RE HOPING IS WE  
17 JUST GET EVERYTHING THAT'S EVEN PLAUSIBLY FUNDABLE  
18 WOULD BE WELL IN TIER I. AND THEN OUT OF THAT, HERE  
19 ARE THE TOP 20.

20 CHAIRMAN SHEEHY: OKAY.

21 DR. MILLS: SO WE WOULD END UP WITH A  
22 LOT -- EVERYTHING WOULD BE TIER I THAT WOULD GET  
23 FUNDED, AND ONLY A SUBSET OF THAT.

24 CHAIRMAN THOMAS: SO THERE WILL BE NO TIER  
25 II PROGRAMMATIC DISCUSSION CONTEMPLATED IN THIS?

BARRISTERS' REPORTING SERVICE

1 DR. MILLS: YOU GUYS HAVE THE ABILITY TO  
2 FUND WHATEVER YOU WANT, BUT OUR -- WE'LL HAVE TO SEE  
3 WHAT WE GET FROM AN APPLICATION STANDPOINT, BUT WE  
4 THINK THERE'S GOING TO BE MORE APPLICATIONS THAN  
5 THERE WILL BE MINIMALLY FUNDABLE PROGRAMS. I COULD  
6 BE WRONG. WE'LL HAVE TO SEE.

7 CHAIRMAN SHEEHY: JUST A PROCESS QUESTION.  
8 I'M FINE WITH WHATEVER, BUT DO WE WANT TO LOOK AT  
9 OUR TIERS AND MAYBE END UP WITH TWO TIERS AND MAYBE  
10 SET THE SCORES HIGHER IF THAT'S YOUR GOAL IS TO NOT  
11 TO FUND -- I JUST -- I'M JUST IMAGINING TRYING TO  
12 HAVE THAT CONVERSATION AT THE BOARD. BUT I DON'T  
13 KNOW. DO OTHER MEMBERS HAVE THOUGHTS ON THIS?  
14 WE'LL JUST SEE HOW IT GOES.

15 DR. MILLS: AND THE OTHER THING TOO ABOUT  
16 THIS, WHICH IS A LITTLE DIFFERENT THAN THE OLD ONE  
17 TO A HUNDRED SYSTEM, IS BECAUSE THIS ISN'T A  
18 ONE-TIME RFA, THIS ISN'T THE WHACK A MOLE THING  
19 WHERE IT GOES AWAY AND YOU DON'T KNOW WHEN IT'S  
20 COMING BACK, THESE ARE EVERY SIX MONTHS. SO THERE  
21 IS NO NEED TO APPEAL EVEN FOR THIS. YOU JUST APPLY.  
22 AND BY THE TIME YOU'RE DONE WITH THAT, YOU'RE UP FOR  
23 REVIEW AGAIN AND THERE YOU ARE.

24 CHAIRMAN SHEEHY: AND, OF COURSE, THE  
25 BOARD ALWAYS HAS THE ABILITY TO FUND --

BARRISTERS' REPORTING SERVICE

1 DR. MILLS: TO DO WHATEVER THEY WANT.

2 CHAIRMAN SHEEHY: THEY COULD FUND THE  
3 ENTIRETY OF TIER I, ETC. OKAY.

4 DR. SHEPARD: ANYTHING ELSE?

5 CHAIRMAN SHEEHY: I THINK SO FAR SO GOOD.  
6 WHAT'S THE NEXT.

7 DR. SHEPARD: LET ME WRAP UP BY  
8 SUMMARIZING WHAT THE REQUESTED BOARD DECISIONS ARE  
9 TO IMPLEMENT THE CONCEPT AS DESCRIBED. WE WOULD ASK  
10 FOR A FUNDING ALLOCATION OF \$52.5 MILLION FOR THE  
11 DISCOVERY STAGE PROGRAMS FOR THEIR FIRST YEAR. 44  
12 MILLION OF THIS IS FOR THE AWARDS BETWEEN THE THREE  
13 PROGRAMS, INCEPTION, QUEST, AND CHALLENGE. 7.5  
14 MILLION OF THAT WOULD BE RESERVE FUNDING FOR  
15 INCENTIVE GRANTS FOR QUEST AWARDEES WHO DO ACHIEVE  
16 PROGRESSION EVENTS. THIS IS ASSUMING A HUNDRED  
17 PERCENT SUCCESS, WHICH IS EXTREMELY UNLIKELY, BUT WE  
18 DO NEED TO HAVE SOME FUNDING SET ASIDE TO MAKE THAT  
19 POSSIBLE. .7 IS FOR THE ENRICHMENT SUPPLEMENTS  
20 WHICH WERE A TOPIC OF DEBATE, BUT THAT'S HOW THAT  
21 BREAKS DOWN.

22 FOR THE PROCESS CHANGES THAT I SUGGESTED,  
23 WE ALSO WOULD REQUEST DELEGATION OF BOARD AUTHORITY  
24 TO THE PRESIDENT OR HIS DESIGNEE. ONE FOR THE  
25 REVIEW PROCESS IN THAT FIRST STAGE WE DESCRIBED IN

BARRISTERS' REPORTING SERVICE

1 THE APPENDIX TO EXAMINE APPLICATIONS NOT SELECTED  
2 FOR THE SECOND STAGE OF GWG REVIEW, MAKE A FINAL  
3 DETERMINATION WHETHER TO SUBMIT THOSE TO THE SECOND  
4 STAGE, OR TO DENY FUNDING.

5 THE SECOND IS TO AWARD THE INCENTIVE  
6 GRANTS UPON DETERMINATION THAT A PROGRESSION EVENT  
7 HAS BEEN ACHIEVED AND THAT THE INCENTIVE GRANT  
8 PROPOSAL AND BUDGET IS ALIGNED WITH CIRM'S MISSION.

9 AND THE THIRD IS TO ISSUE THE PERIODIC  
10 CHALLENGE QUESTION ANNOUNCEMENTS THAT DEFINE THE  
11 SPECIFIC TOPIC AND THE CORRESPONDING AWARD TERMS  
12 UNDER THE CHALLENGE AWARDS PROGRAM ANNOUNCEMENT  
13 15-09.

14 CHAIRMAN SHEEHY: SO JUST A COUPLE OF  
15 POINTS OF CLARIFICATION. SO IN ASKING FOR BASICALLY  
16 THE TEAM TO BE ABLE TO ADD APPLICATIONS THAT WERE  
17 NOT SELECTED BY THE WORKING GROUP IN THE FIRST STAGE  
18 OF THE PROCESS, IN GENERAL PART OF THAT GOAL IS TO  
19 MAKE SURE THAT YOU REVIEW A REASONABLE NUMBER OF  
20 APPLICATIONS. LET'S SAY OUT OF THE 300, YOU ONLY  
21 GET 40 THAT HAVE BEEN SELECTED THROUGH THE FIRST  
22 STAGE OF THE PROCESS THAT ALLOWS US TO MAXIMIZE THE  
23 UTILITY OF CONVENING A WORKING GROUP AND REVIEWING.  
24 WHAT I BELIEVE -- WHAT'S THE ESTIMATE ON THE NUMBER  
25 OF APPLICATIONS? 65, DO YOU THINK, 66 THAT WOULD WE

BARRISTERS' REPORTING SERVICE

1 COULD REASONABLY COMFORTABLY DO, BUT WE'RE ALWAYS  
2 TAKING ADVANTAGE OF HAVING TO CONVENE THE REVIEW  
3 GROUP. THAT'S GENERALLY HOW YOU'RE VISUALIZING THE  
4 PURPOSE OF THAT DELEGATION OF AUTHORITY?

5 DR. MILLS: YEAH. AND TO MAKE SURE THAT  
6 IF THERE'S SOMETHING THAT WE THINK IS REALLY  
7 INTERESTING THAT NO ONE POSITIVELY SELECTED UP, WE  
8 CAN ALSO CALL THAT UP TO BE REVIEWED, NOT TO BE  
9 SELECTED, JUST TO BE REVIEWED.

10 CHAIRMAN SHEEHY: AND THEN FOR THE  
11 CHALLENGE GRANT, I THINK THAT MAKES SENSE, BUT  
12 THERE'S A DEFINED SET OF MONEY. YOU'LL COME BACK TO  
13 US FOR MORE MONEY ONCE WE HIT THAT THRESHOLD?

14 DR. MILLS: SO THE IDEA IS WE WILL COME  
15 BACK EVERY YEAR AND HAVE THE BOARD CHANGE AND ADJUST  
16 FUNDING RATIOS FOR ALL OF THE PROGRAMS: DISCOVERY,  
17 TRANSLATION, CLINICAL, EDUCATION, AND FACILITIES.

18 CHAIRMAN SHEEHY: BECAUSE THE 45 MILLION,  
19 AND I'M JUST TRYING TO LINE IT OUT -- I HAD THAT IN  
20 FRONT OF ME A MINUTE AGO. OF COURSE, I LOST IT.  
21 WHAT THE EXACT NUMBERS ARE. SO IT'S 5 MILLION FOR  
22 INCEPTION FOR ABOUT 20 AWARDS, ABOUT 150,000 APIECE,  
23 40 MILLION FOR -- 35 MILLION FOR 1. --

24 DR. OLSON: FOR QUEST.

25 CHAIRMAN SHEEHY: FOR QUEST WHICH IS ABOUT



BARRISTERS' REPORTING SERVICE

1 HOW MANY AWARDS?

2 DR. OLSON: DEPENDS ON WHAT KIND OF AWARDS  
3 WE GET. IT'S ANYWHERE FROM 15 TO 30.

4 CHAIRMAN SHEEHY: AND THEN YOU BASICALLY  
5 HAVE 4 MILLION SET ASIDE FOR CHALLENGE.

6 DR. MILLS: IF WE HAVE ANY WE WANT TO ASK.

7 CHAIRMAN SHEEHY: SO WHEN WE PRESENT THIS  
8 TO THE BOARD, COULD YOU ACTUALLY BREAK THAT OUT ON A  
9 SLIDE SO WE CAN BE VERY CLEAR?

10 DR. SHEPARD: SURE.

11 CHAIRMAN SHEEHY: AND THEN, AT LEAST FOR  
12 ME, I GUESS, FIRST, SHALL WE TAKE A MOTION ON THE  
13 CONCEPT, AND THEN COME BACK AND DO THE MOTION FOR  
14 THE FUNDING AS DR. FRIEDMAN HAS SUGGESTED? HOWEVER,  
15 I THINK IN BOTH MOTIONS, I THINK I WOULD LIKE TO  
16 HAVE -- FOR ME PERSONALLY IT WOULD BE IDEAL IF THE  
17 ENRICHMENT SUPPLEMENTS, THE FUNDING FOR THAT, WAS  
18 ACTUALLY MOVED INTO -- IT'S ELIMINATED FROM THE  
19 CONCEPT, AND THAT THE FUNDING FOR THAT GETS MOVED  
20 INTO THE OVERALL FUNDING FOR THE PROGRAM. IF PEOPLE  
21 HAVE A VIEW THAT THEY PREFER TO HAVE MORE INCEPTION  
22 BECAUSE THAT WOULD PROBABLY PAY FOR ABOUT THREE  
23 INCEPTION. ANYWAY --

24 MR. TORRES: IS THAT A MOTION?

25 CHAIRMAN SHEEHY: BEFORE THAT, I JUST WANT

BARRISTERS' REPORTING SERVICE

1 TO MAKE SURE OTHER FOLKS, IF THEY HAVE QUESTIONS  
2 BECAUSE WE'VE GONE THROUGH A LOT HERE, IF THERE'S  
3 ANY QUESTIONS OR COMMENTS PEOPLE WANT TO MAKE BEFORE  
4 WE START TAKING MOTIONS.

5 NOT HEARING ANY QUESTIONS, I THINK I'LL GO  
6 AHEAD AND MAKE THE MOTION ON THE CONCEPT TO ADOPT  
7 THE CONCEPT MINUS THE ENRICHMENT PROGRAM.

8 MR. TORRES: MINUS TO INCLUDE IT IN THE  
9 OVERALL PROGRAM IS WHAT YOU MEANT?

10 CHAIRMAN SHEEHY: NO. THE CONCEPT WITHOUT  
11 THE ENRICHMENT PROGRAM.

12 MR. TORRES: SO THE 700,000 STAYS WHERE?

13 CHAIRMAN SHEEHY: WELL, WE'LL TALK ABOUT  
14 MONEY NEXT. SO WE'RE DOING, PER DR. FRIEDMAN, THE  
15 FIRST DISCUSSION IS JUST ON THE CONCEPT THAT'S BEEN  
16 PRESENTED. AND SO THAT ELEMENT OF THE CONCEPT, AT  
17 LEAST FOR ME, UNLESS SOME PEOPLE HAVE OTHER  
18 OPINIONS, MY MOTION WOULD BE TO APPROVE THE CONCEPT.  
19 MAYBE WE SHOULD GO BACK TO THE OTHER SLIDE WHICH  
20 IS --

21 MR. TORRES: I'LL MAKE THE MOTION FOR YOU  
22 SINCE THE CHAIR CAN'T REALLY MAKE A MOTION. I WILL  
23 MOVE TO --

24 DR. FRIEDMAN: SECOND.

25 MR. TORRES: OKAY. GREAT. FASTER THAN

BARRISTERS' REPORTING SERVICE

1 ME. THAT REALLY WAS.

2 CHAIRMAN SHEEHY: SO DO WE HAVE PUBLIC  
3 COMMENT HERE IN SAN FRANCISCO? PUBLIC COMMENT IN  
4 DUARTE?

5 DR. CHIU: YES, PUBLIC COMMENT. THIS IS  
6 ARLENE CHIU. I HAVE A COUPLE OF THOUGHTS ABOUT THE  
7 MATERIAL PRESENTED THUS FAR.

8 NO. 1, IT JUST OCCURRED TO ME THAT IF  
9 YOU'RE EXPECTING 300 APPLICATIONS FOR INCEPTION PER  
10 YEAR, AND YOU HAVE ONE OFFERING PER YEAR, AS I  
11 UNDERSTOOD THE MATERIAL PRESENTED, AND YOU PLAN TO  
12 FUND 20, THAT WOULD BE AROUND A 6.6 PERCENT SUCCESS  
13 RATE FOR AN AWARD OF A HUNDRED FIFTY K. AND THAT  
14 SEEMS TO ME A LITTLE BIT MEAGER AND THAT THERE WON'T  
15 BE MANY ROUNDS PER YEAR. IS THAT CORRECT? ONE  
16 ROUND PER YEAR FOR ANY OF THESE NEW IDEAS COMING  
17 THROUGH WHICH EVENTUALLY WILL FEED THE PIPELINE.  
18 THAT'S MY FIRST THOUGHT.

19 THE SECOND THOUGHT IS THAT -- AND I AGREE  
20 THAT THE ENRICHMENT IDEA IS A LITTLE BIT CONFUSING  
21 BECAUSE WHILE \$5,000 IS GREAT FOR A GRADUATE  
22 STUDENT, A POST-DOC TO TRAVEL, IF THAT IS THE  
23 INTENT, PERHAPS IT COULD BE A SEPARATE PROGRAM THAT  
24 COULD HAVE A LOVELY NAME LIKE A CIRM SPECIAL AWARD  
25 THAT PEOPLE CAN PUT INTO THEIR CV'S IF THEY GET

BARRISTERS' REPORTING SERVICE

1 AWARDED SUCH A THING WITH THE SAME INTENT, BUT OPEN  
2 TO A LITTLE BIT MORE PEOPLE WORKING ON CIRM GRANTS  
3 PERHAPS.

4 MY THIRD THOUGHT IS ABOUT THE PROGRESSION  
5 EVENTS THAT SUPPORT ADDITIONAL FUNDING. THE  
6 REQUIREMENT THAT ADDITIONAL FUNDING HAS TO BE  
7 ACQUIRED FIRST TO SUPPORT FURTHER DEVELOPMENT SORT  
8 OF IS PUZZLING. I HEAR THAT THIS IS A REAL PROBLEM  
9 OF PEOPLE HANDING OFF TO THE NEXT STAGE, AND I  
10 REALLY AM GLAD THAT THERE WILL BE INCENTIVES FOR  
11 THAT. HOWEVER, I WONDER IF THIS IS THE APPROPRIATE  
12 SOLUTION TO THAT QUESTION. AND THAT IS THAT IF THEY  
13 HAVE ALREADY BEEN FORWARD THINKING AND OUTREACHING  
14 ENOUGH TO GET ADDITIONAL FUNDING FROM THE NIH, WHICH  
15 TAKES ABOUT A YEAR, THEN THEY ARE REALLY QUITE FAR  
16 ALONG. BUT IF YOU WANTED TO INCENTIVIZE THEM TO  
17 REACH OUT, PERHAPS SOMETHING BEFORE THIS EVENT HAS  
18 BEEN REACHED MIGHT DRAW -- MIGHT BE THE HONEY TO  
19 DRAW MORE FLIES IF THEY WANT TO DO THAT.

20 AND FOLLOWING UP ON THAT QUESTION, WHAT IF  
21 THE TEAM WANTS TO HAND OFF TO A COLLABORATING GROUP  
22 THAT IS NOT BASED IN CALIFORNIA? IS THAT AN  
23 ACCEPTABLE PARTNER TO GET AN INCENTIVE OR A  
24 PROGRESSION AWARD?

25 SO THOSE ARE MY QUESTIONS TO THE

BARRISTERS' REPORTING SERVICE

1 BOARD -- TO THE COMMITTEE. THANK YOU.

2 DR. OLSON: I'LL ANSWER THE LAST ONE  
3 FIRST. IF THEY HAND OFF TO SOMEONE WHO WILL DEVELOP  
4 IT, IRRESPECTIVE OF WHETHER THEY'RE IN CALIFORNIA OR  
5 NOT, GREAT. THERE'S NO LIMITATION ON THAT.

6 THE OTHER QUESTION THAT AT LEAST I WAS  
7 CLEAR ON WAS THE INCEPTION AWARD. INCEPTION AWARD  
8 IS SORT OF THE VERY NEW IDEA. IT IS OFFERED ONCE A  
9 YEAR. THAT IS CORRECT. THE WORKHORSE DISCOVERY  
10 AWARD, THE QUEST AWARDS, IS EVERY SIX MONTHS. SO  
11 THAT IS CORRECT THERE.

12 AND I AM NOT QUITE --

13 CHAIRMAN SHEEHY: OKAY. THE OTHER THING  
14 IS ON YOUR OTHER QUESTION ABOUT THE LOW SUCCESS RATE  
15 FOR INCEPTION. THERE'S ALWAYS A POSSIBILITY FOR A  
16 MEMBER OF THE COMMITTEE TO MOVE TO -- AS WE MOVE  
17 INTO THE FUNDING DISCUSSION, EITHER MOVE ALLOCATION  
18 AROUND OR ACTUALLY REQUEST HIGHER AMOUNT OF FUNDING.  
19 SO THAT IS OUT THERE IF SOMEONE WANTS TO DO THAT.

20 BUT I THINK WE HAVE THIS MOTION ON THE  
21 FLOOR, WHICH IS FOR THE CONCEPT. WE'VE TAKEN PUBLIC  
22 COMMENT, I THINK, AND WE'VE HAD A NICE DISCUSSION.  
23 MARIA, COULD YOU CALL THE ROLL PLEASE.

24 MS. BONNEVILLE: JEFF SHEEHY.

25 MR. SHEEHY: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: OS STEWARD.

2 DR. STEWARD: YEAH. I'M HERE. I'M GOING  
3 TO ABSTAIN. AND REALLY THAT'S JUST TO SIGNAL THAT I  
4 STILL HAVE SOME QUESTIONS ABOUT THE DETAILS, NOT  
5 THAT I DON'T APPROVE OF THE CONCEPT.

6 MS. BONNEVILLE: MICHAEL FRIEDMAN.

7 DR. FRIEDMAN: YES.

8 MS. BONNEVILLE: DAVID HIGGINS.

9 DR. HIGGINS: YES.

10 MS. BONNEVILLE: BERT LUBIN.

11 DR. LUBIN: YES.

12 MS. BONNEVILLE: SHLOMO MELMED. ART  
13 TORRES.

14 MR. TORRES: AYE.

15 MS. BONNEVILLE: JONATHAN THOMAS.

16 CHAIRMAN THOMAS: YES.

17 CHAIRMAN SHEEHY: THE MOTION PASSES.

18 NOW I THINK THE NEXT MOTION I WOULD  
19 TAKE -- SO DO PEOPLE WANT TO TALK ABOUT ADJUSTING  
20 ANY OF THE NUMBERS WITHIN THIS OR MAYBE ADDING TO  
21 THIS? I DO THINK -- I WOULD HOPE THAT WE'D HAVE A  
22 MOTION THAT WOULD REALIGN THE .7 --

23 DR. MELMED: SORRY. I WAS CUT OFF DURING  
24 THE VOTING. I VOTED YES.

25 MS. BONNEVILLE: THANK YOU.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN SHEEHY: I WOULD BE VERY  
2 COMFORTABLE IF THERE WAS A MOTION THAT MOVED THE .7  
3 MILLION FOR ENRICHMENT INTO, I THINK, FUNDING FOR  
4 INCEPTION BECAUSE THAT'S WHERE --

5 MR. TORRES: SO MOVED.

6 CHAIRMAN SHEEHY: WE HAVE A SECOND FOR  
7 THAT?

8 DR. FRIEDMAN: SECOND.

9 CHAIRMAN SHEEHY: OKAY. ARE PEOPLE  
10 COMFORTABLE WITH THE FUNDING AMOUNTS? IS THERE ANY  
11 NEED TO INSERT MORE OR REALIGN? IF THERE'S NOT,  
12 OKAY. SO DO WE HAVE, FIRST OF ALL, ANY PUBLIC  
13 COMMENT HERE IN SAN FRANCISCO? ANY PUBLIC COMMENT  
14 IN DUARTE? NO. THEN, MS. BONNEVILLE, CAN WE PLEASE  
15 CALL THE ROLL.

16 MS. BONNEVILLE: JEFF SHEEHY.

17 MR. SHEEHY: YES.

18 MS. BONNEVILLE: OS STEWARD.

19 DR. STEWARD: YES.

20 MS. BONNEVILLE: MICHAEL FRIEDMAN.

21 DR. FRIEDMAN: YES.

22 MS. BONNEVILLE: DAVID HIGGINS.

23 DR. HIGGINS: YES.

24 MS. BONNEVILLE: BERT LUBIN.

25 DR. LUBIN: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: SHLOMO MELMED.

2 DR. MELMED: YES.

3 MS. BONNEVILLE: ART TORRES.

4 MR. TORRES: AYE.

5 MS. BONNEVILLE: JONATHAN THOMAS.

6 CHAIRMAN THOMAS: YES.

7 CHAIRMAN SHEEHY: SO THE MOTION CARRIES.

8 NOW I THINK WE'RE READY TO LOOK AT THE  
9 TRANSLATION STAGE FUNDING OPPORTUNITY.

10 DR. SHEPARD: OKAY. SO THANK YOU,  
11 EVERYBODY.

12 SO FOR THE TRANSLATION STAGE PROGRAM, WHAT  
13 WE'RE PROPOSING IS FOUR PROGRAM ANNOUNCEMENTS.

14 RATHER THAN BEING DIFFERENT TYPES OF AWARDS AS I  
15 DESCRIBED FOR DISCOVERY, THESE ARE FOUR DIFFERENT  
16 PROGRAMS WHERE THE OUTCOME OF EACH IS A DIFFERENT  
17 TYPE OF PRODUCT. SO 15-10 IS FOR EARLY DEVELOPMENT  
18 OF A THERAPEUTIC. 15-11 IS FOR EARLY DEVELOPMENT OF  
19 A DIAGNOSTIC TEST, 15-12 OF A DEVICE, AND 15-13 FOR  
20 A TOOL.

21 SO A GENERAL OVERVIEW OF THESE PROGRAMS,  
22 AND I'LL GO WITH THE ONE SLIDE THAT COVERS ALL FOUR,  
23 IS THAT LIKE OUR DISCOVERY PROGRAM, THE OUTCOME OF  
24 THE TRANSLATIONAL STAGE PROGRAM WILL LEAD TO THE  
25 NEXT STAGE OF DEVELOPMENT. SO IN THE CASE OF THE



BARRISTERS' REPORTING SERVICE

1 THERAPEUTIC, 15-10, THE DEVICE, THE NEXT STAGE OF A  
2 SUCCESSFUL TRANSLATION GRANT WOULD BE THE ENTRY  
3 CRITERIA FOR OUR CLINICAL PHASE PROGRAM, PA 15-01.

4 FOR THE DIAGNOSTIC TEST, TOOLS, THE  
5 TRANSLATION PATHWAY IS A LITTLE BIT DIFFERENT. IN  
6 MANY CASES THOSE PARTICULAR PRODUCTS ARE READY FOR  
7 COMMERCIALIZATION OR BROAD USE IMMEDIATELY AFTER  
8 TRANSLATION AND DON'T HAVE TO GO THROUGH QUITE THE  
9 SAME TYPE OF DEVELOPMENT. SO THAT EXPLAINS WHY  
10 THOSE OUTCOMES ARE A LITTLE BIT DIFFERENT.

11 WE DID PROPOSE AN ENRICHMENT ACTIVITY FOR  
12 THOSE PROGRAMS AS WELL. I PRESUME THE DISCUSSION IS  
13 GOING TO GO SIMILARLY FOR THIS, SO I'M NOT GOING TO  
14 SPEND ANY TIME ON THAT.

15 JUST TO GIVE YOU A LITTLE BIT MORE DETAIL  
16 ABOUT THE FOUR PROGRAMS, WE'RE PROPOSING DIRECT  
17 PROJECT COSTS UP TO 5 MILLION FOR THERAPEUTICS THAT  
18 TRANSLATE INTO CELL THERAPY CANDIDATES AND 2.5  
19 MILLION FOR A SMALL MOLECULE CANDIDATE. SO THE  
20 PROJECT TERM IS UP TO 30 MONTHS WITH ADEQUATE  
21 JUSTIFICATION.

22 FOR ALL THREE OF THE OTHER TYPES OF  
23 PRODUCTS, THE PROJECT TERM IS UP TO 24 MONTHS WITH  
24 ADEQUATE JUSTIFICATION AND WITH DIRECT PROJECT COSTS  
25 OF 1.2 MILLION FOR TRANSLATING A DIAGNOSTIC TEST, 2

BARRISTERS' REPORTING SERVICE

1 MILLION FOR A DEVICE, AND 1 MILLION FOR A TOOL.

2 THESE DIFFERENCES JUST REFLECT THE  
3 DIFFERENT TYPES OF ACTIVITIES THAT ARE NECESSARY TO  
4 UNDERTAKE IN ORDER TO COMPLETE TRANSLATION OF THOSE  
5 DIFFERENT TYPES OF OUTCOMES.

6 SO OUR REQUESTED ALLOCATION -- I'M SORRY.  
7 ARE THERE ANY QUESTIONS ON THIS PROGRAM BEFORE I GO  
8 INTO THE FUNDING ALLOCATION REQUEST?

9 CHAIRMAN SHEEHY: SO I JUST HAVE ONE  
10 QUESTION. SO WHEN THESE APPLICATIONS COME IN, THEY  
11 CAN BE IN ANY NUMBER ACROSS THE ENTIRE RANGE. SO  
12 YOU'RE NOT -- THERE'S NO INTENT TO SPECIFY X NUMBER  
13 OF THERAPEUTICS OR X NUMBER? OKAY. GREAT.

14 AND THEN THE OTHER QUESTION. IT WILL BE  
15 WHATEVER COMES UP. AND IF WE EXCEED THE AMOUNT, THE  
16 PRIOR -- SO ALL THE SAME REVIEW PROCESS THAT WAS  
17 DESCRIBED IN THE APPENDIX THAT WE BASICALLY APPROVED  
18 WITH THE DISCOVERY PROJECT APPLIES HERE, RIGHT, ONE  
19 TO A HUNDRED. IF THERE'S AN EXCESS OF APPLICATIONS,  
20 THEN THERE WILL BE THE POSITIVE SELECTION PROCESS.

21 DR. SHEPARD: CORRECT. WE DON'T EXPECT  
22 THERE TO BE AN EXCESS, BUT IF THERE ARE, WE WOULD  
23 IMPLEMENT THAT PROCESS.

24 CHAIRMAN SHEEHY: AND THIS CALL WILL GO  
25 OUT HOW MANY TIMES A YEAR?

BARRISTERS' REPORTING SERVICE

1 DR. SHEPARD: TWICE A YEAR.

2 CHAIRMAN SHEEHY: TWICE A YEAR.

3 DR. SHEPARD: MY VERY LAST SLIDE IS GOING  
4 TO BE THE SCHEDULE.

5 CHAIRMAN SHEEHY: GREAT. OKAY. SO,  
6 AGAIN, ADHERING TO THE PROCESS WE DID BEFORE, I  
7 THINK FIRST I WOULD ASK FOR A MOTION ON THE PROCESS,  
8 AGAIN MINUS THE ENRICHMENT ACTIVITIES.

9 MR. TORRES: SO MOVED.

10 CHAIRMAN SHEEHY: MOVED BY SENATOR TORRES.  
11 DO I HAVE A SECOND?

12 DR. FRIEDMAN: SECOND.

13 CHAIRMAN SHEEHY: WE'VE GOT A SECOND FROM  
14 DR. FRIEDMAN. PUBLIC COMMENT IN SAN FRANCISCO?  
15 PUBLIC COMMENT IN DUARTE? CAN WE CALL THE ROLL  
16 PLEASE.

17 MS. BONNEVILLE: JEFF SHEEHY.

18 MR. SHEEHY: YES.

19 MS. BONNEVILLE: OS STEWARD. MICHAEL  
20 FRIEDMAN.

21 DR. FRIEDMAN: YES.

22 MS. BONNEVILLE: DAVID HIGGINS.

23 DR. HIGGINS: YES.

24 MS. BONNEVILLE: BERT LUBIN.

25 DR. LUBIN: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: SHLOMO MELMED.

2 DR. MELMED: YES.

3 MS. BONNEVILLE: ART TORRES.

4 MR. TORRES: AYE.

5 MS. BONNEVILLE: JONATHAN THOMAS.

6 CHAIRMAN THOMAS: YES.

7 MS. BONNEVILLE: AND, OS, ARE YOU ON MUTE?

8 IF WE ARE, WE CAN'T HEAR YOU.

9 CHAIRMAN SHEEHY: OKAY. THE MOTION  
10 PASSES.

11 NOW, FOR THE BUDGET WHICH IS UP TO 40  
12 MILLION, AND, AGAIN, I THINK I'D TAKE A MOTION  
13 MOVING THE .5 MILLION INTO -- YOU KNOW, THE .5  
14 DOESN'T PAY FOR AN AWARD. CAN I JUST MAKE A CRAZY  
15 SUGGESTION? COULD WE ALLOCATE THAT .5 MILLION FOR  
16 MORE INCEPTION AWARDS BECAUSE THAT WOULD GIVE US AT  
17 LEAST TWO, MAYBE THREE, THAT WOULD GIVE US THREE  
18 MORE INCEPTION AWARDS AS OPPOSED TO JUST --

19 DR. MILLS: REALLY LIKE TWO MORE BECAUSE  
20 FULLY BURDENED THEY'RE ABOUT TWO FIFTY EACH.

21 CHAIRMAN SHEEHY: WOULD YOU MAKE THAT  
22 MOTION THEN, DR. FRIEDMAN?

23 DR. FRIEDMAN: I'LL BE HAPPY TO.

24 MR. TORRES: SECOND.

25 CHAIRMAN SHEEHY: SECOND FROM SENATOR

BARRISTERS' REPORTING SERVICE

1 TORRES. DO WE HAVE PUBLIC COMMENT IN SAN FRANCISCO?  
2 PUBLIC COMMENT IN DUARTE? CAN WE CALL THE ROLL.

3 MS. BONNEVILLE: JEFF SHEEHY.

4 MR. SHEEHY: YES.

5 MS. BONNEVILLE: OS STEWARD. MICHAEL  
6 FRIEDMAN.

7 DR. FRIEDMAN: YES.

8 MS. BONNEVILLE: DAVID HIGGINS.

9 DR. HIGGINS: YES.

10 MS. BONNEVILLE: BERT LUBIN.

11 DR. LUBIN: YES.

12 MS. BONNEVILLE: SHLOMO MELMED. ART  
13 TORRES.

14 MR. TORRES: AYE.

15 MS. BONNEVILLE: JONATHAN THOMAS.

16 CHAIRMAN THOMAS: YES.

17 MS. BONNEVILLE: OS, ARE YOU ON THE LINE?

18 CHAIRMAN SHEEHY: DR. MELMED.

19 DR. STEWARD: YES. I'M HERE.

20 DR. MELMED: YES. YES.

21 MS. BONNEVILLE: OKAY. GREAT. THANK YOU.

22 CHAIRMAN SHEEHY: THAT MOTION PASSES.

23 SO NOW I THINK WE'RE TALKING ABOUT

24 BRIDGES.

25 DR. OLSON: YES.

BARRISTERS' REPORTING SERVICE

1 DR. SHEPARD: YES. THAT WAS JUST A  
2 SUMMARY OF THE CYCLES, BUT WE ALREADY EXPLAINED THAT  
3 THEY'RE GOING TO BE BIENNIAL. THANK YOU.

4 CHAIRMAN SHEEHY: THANK YOU, DR. SHEPARD.  
5 THAT WAS A GREAT PRESENTATION.

6 OS, CAN WE GET YOUR VOTE FOR THE FIRST  
7 FUNDING REQUEST, FOR TRANSLATION, FOR THE CONCEPT  
8 FOR TRANSLATION?

9 DR. STEWARD: YES. THAT'S A YES. SORRY.

10 DR. YAFFE: MEMBERS OF THE COMMITTEE,  
11 MEMBERS OF THE PUBLIC, AND TEAM CIRM, I WANT TO  
12 INTRODUCE THE PROPOSAL FOR THE CONCEPT FOR BRIDGES  
13 2.0, A REIMAGINED INITIATIVE THAT IS SERVING CIRM'S  
14 MISSION. AND I'M GOING TO TRY AND BE VERY BRIEF AND  
15 WILL BE HAPPY TO TAKE QUESTIONS ABOUT DETAILS.

16 THIS PROGRAM CONTINUES OUR BRIDGES PROGRAM  
17 TO FUND TRAINING FOR UNDERGRADUATE AND MASTER'S  
18 LEVEL STUDENTS AND TO PREPARE CALIFORNIA'S  
19 UNDERGRADUATE AND MASTER'S STUDENTS FOR HIGHLY  
20 PRODUCTIVE CAREERS IN STEM CELL RESEARCH AND THERAPY  
21 DEVELOPMENT.

22 IN ADDITION, WE'RE MORE CLOSELY ALIGNING  
23 THE GOALS OF THIS PROGRAM WITH CIRM'S MISSION TO TRY  
24 AND INSTILL PURPOSE TO THESE STUDENTS TO COMMIT MORE  
25 OF THEIR ENERGY AND FOCUS AND UNDERSTANDING FOR

BARRISTERS' REPORTING SERVICE

1 THERAPY DEVELOPMENT AND DELIVERY OF TREATMENTS TO  
2 PATIENTS WITH UNMET MEDICAL NEEDS.

3 WE ARE KEEPING SOME KEY ACTIVITIES THAT  
4 HAVE PROVEN VERY SUCCESSFUL IN BRIDGES 1.0. THESE  
5 INCLUDE HANDS-ON RESEARCH INTERNSHIPS, A STEM CELL  
6 TECHNIQUES TRAINING COURSE, EDUCATIONAL ENHANCEMENT  
7 ACTIVITIES SUCH AS SEMINARS AND SPECIALIZED COURSES,  
8 AND ALSO WE ARE RECOMMITTING TO A BROADENING OF  
9 PARTICIPATION OF UNDERREPRESENTED POPULATIONS,  
10 STUDENTS FROM UNDERREPRESENTED BACKGROUNDS  
11 PARTICIPATING IN THIS PROGRAM.

12 WE ARE ADDING A NUMBER OF NEW FEATURES,  
13 AGAIN, TO MORE CLOSELY ALIGN THIS PROGRAM WITH  
14 CIRM'S MISSION. THE FIRST IS WE ARE ADDING AND  
15 REQUIRING DIRECT PATIENT ENGAGEMENT ACTIVITIES.  
16 SECOND, FORMAL TRAINING ON THE REGULATORY PATHWAY  
17 AND DEVELOPMENTAL PROCESS. THIRD, COMMUNITY  
18 OUTREACH AND EDUCATION ACTIVITIES, ENGAGING DIVERSE  
19 CALIFORNIA COMMUNITIES, AND EDUCATING, IN FACT,  
20 ENABLING BRIDGES TRAINEES TO BE AMBASSADORS TO THOSE  
21 COMMUNITIES TO BRING INFORMATION ABOUT CUTTING-EDGE  
22 THERAPY DEVELOPMENT AND NEW BREAKTHROUGHS IN  
23 HEALTHCARE. AND FINALLY, A COMPREHENSIVE, DYNAMIC  
24 ACADEMIC AND CAREER COUNSELING TO ASSIST THESE  
25 TRAINEES IN FINDING POSITIONS IN JOBS IN INDUSTRY,

BARRISTERS' REPORTING SERVICE

1 AT RESEARCH INSTITUTES, OR IN ACADEMIC PLANNING TO  
2 PURSUE HIGHER ACADEMIC CAREERS.

3 WHO MAY APPLY? THIS PROGRAM, AS BEFORE,  
4 WILL BE OPEN TO CALIFORNIA UNIVERSITIES AND COLLEGES  
5 WHICH DO NOT HAVE A MAJOR STEM CELL RESEARCH  
6 PROGRAM. WE FEEL THAT STUDENTS AT THE RESEARCH  
7 UNIVERSITIES HAVE APPROPRIATE AND ADEQUATE ACCESS TO  
8 STEM CELL RESEARCH AND NUMEROUS OPPORTUNITIES TO  
9 PARTICIPATE IN THAT, BUT THIS PROGRAM, IN FACT, IS  
10 TARGETED PARTICULARLY TO STUDENTS AT THE STATE  
11 UNIVERSITIES, COMMUNITY COLLEGES, AND ALSO PRIVATE  
12 COLLEGES IN CALIFORNIA WHO MAY NOT HAVE ACCESS AND  
13 EXPOSURE TO STEM CELL RESEARCH AND CUTTING-EDGE  
14 BIOMEDICAL SCIENCES.

15 THE FUNDS WILL BE AWARDED IN A SINGLE  
16 REVIEW ROUND. THERE WILL BE A SINGLE APPLICATION, A  
17 SINGLE REVIEW CYCLE. AND WE ARE REQUESTING THAT  
18 CIRM COMMIT 45.7 MILLION TO SUPPORT UP TO 15 AWARDS.  
19 EACH AWARD WILL SUPPORT UP TO TEN TRAINEES PER YEAR,  
20 AND PROGRAMS WILL BE SUPPORTED UP TO FIVE YEARS WITH  
21 THE CAVEAT THAT AT THE END OF THREE YEARS, ALL  
22 PROGRAMS WILL BE REVIEWED, THEIR OUTCOMES ASSESSED,  
23 AND ONLY THOSE PROGRAMS IN GOOD STANDING MAKING  
24 PROGRESS AND DEMONSTRATING SUCCESS WILL BE FUNDED  
25 FOR YEARS FOUR AND FIVE.



BARRISTERS' REPORTING SERVICE

1 SO I'LL BE HAPPY TO --

2 CHAIRMAN SHEEHY: SO WHERE DOES THAT  
3 THREE-YEAR REVIEW TAKE PLACE?

4 DR. YAFFE: WE ANTICIPATED THAT TO BE AN  
5 INTERNAL REVIEW WITHIN CIRM. AND THOSE PROGRAMS  
6 WILL BE CERTIFIED BY THE PRESIDENT OR HIS DESIGNEE.

7 DR. FRIEDMAN: MAY I ASK A CLARIFYING  
8 QUESTION? THE \$45.7 MILLION, IS THAT THE ANNUAL  
9 COST? IS THAT THE TOTAL FOR THE FIVE YEARS FOR ALL  
10 THE PROGRAMS?

11 DR. YAFFE: THAT IS THE TOTAL FOR THE FIVE  
12 YEARS.

13 DR. FRIEDMAN: IT'S LIKE \$8 MILLION A  
14 YEAR, \$9 MILLION A YEAR. OKAY. THANK YOU.

15 DR. YAFFE: YES. THAT \$9 MILLION A YEAR,  
16 ASSUMING 15 PROGRAMS WITH TEN TRAINEES PER PROGRAM.

17 DR. FRIEDMAN: AND ASSUMING THEY ALL  
18 PERFORM WELL. I UNDERSTAND. THANK YOU FOR THAT  
19 CLARIFICATION.

20 CHAIRMAN THOMAS: MICHAEL, ASIDE FROM THE  
21 EXCELLENT NEW ADDITIONS TO THE PROGRAM, THE SCOPE  
22 AND THE BUDGET AND THE NUMBER OF AWARDS ARE ROUGHLY  
23 COMPARABLE TO WHAT WE HAD IN THE PAST ITERATION OF  
24 THE BRIDGES PROGRAM?

25 DR. YAFFE: ABSOLUTELY. ACTUALLY IN TERMS

BARRISTERS' REPORTING SERVICE

1 OF THE BUDGET, IT'S ALMOST IDENTICAL. WE RAISED THE  
2 TUITION TO TRY AND KEEP UP WITH THE INCREASE IN  
3 CALIFORNIA STATE UNIVERSITY SYSTEM TUITION. BUT  
4 BEYOND THAT, THE AMOUNTS ARE ALMOST THE SAME.

5 IN TERMS OF THE SCOPE, OTHER TYPES OF  
6 ACTIVITIES, THEY'RE THE SAME WITH THE EXCEPTION OF  
7 THE NEW ACTIVITIES WE PUT IN.

8 MR. TORRES: I'M AN ABSOLUTELY UNABASHED  
9 SUPPORTER OF THE BRIDGES PROGRAM. IN FACT, I'LL BE  
10 WELCOMING THE PARTICIPANTS OF THIS LATER THIS  
11 EVENING AT OUR CONFERENCE CENTER.

12 NO. 1, I WOULD LIKE TO HAVE A LITTLE MORE  
13 EXPLANATION OF WHAT YOU ENVISION DIRECT PATIENT  
14 ENGAGEMENT ACTIVITIES WOULD BE.

15 AND SECONDLY, I WOULD HOPE THAT YOU WOULD  
16 PROVIDE FOR THE BOARD THE SUCCESS RATIO BECAUSE IT'S  
17 VERY IMPRESSIVE OF WHERE THESE STUDENTS HAVE BEEN  
18 PLACED AFTER THESE PROGRAMS. A LOT OF PEOPLE DON'T  
19 REALIZE HOW SUCCESSFUL CIRM HAS BEEN IN PLACING  
20 BRIDGES STUDENTS IN VERY HIGH CALIBER POSITIONS, NOT  
21 ONLY IN CALIFORNIA, BUT ALL OVER THE COUNTRY.

22 DR. YAFFE: YES. THANK YOU, SENATOR  
23 TORRES, PARTICULARLY FOR THE CALL-OUT OF THE SUCCESS  
24 RATE. AND I CAN AND WILL PROVIDE THAT TO THE BOARD.  
25 ROUGHLY, THE KEY NUMBERS ARE THAT 50 PERCENT OF THE

BARRISTERS' REPORTING SERVICE

1 STUDENTS WHO COMPLETED THIS PROGRAM ARE WORKING IN  
2 LABORATORIES MOSTLY IN CALIFORNIA, IN OVER 26  
3 BIOTECH COMPANIES, AND IN ALL THE MAJOR RESEARCH  
4 INSTITUTES AND UNIVERSITIES, AND ANOTHER 30 PERCENT  
5 ARE IN GRADUATE SCHOOL OR IN M.D. PROGRAMS. BUT I  
6 CAN GIVE YOU MORE DETAILS AND MORE BREAKDOWN OF  
7 THAT.

8 WE ENVISION INTERACTION ACTIVITIES OR  
9 ENGAGEMENT ACTIVITIES, WE WANT THE PROGRAMS WHEN  
10 THEY APPLY TO PROPOSE THE ACTIVITIES. AMONG THE  
11 TYPES OF ACTIVITIES, THEY COULD BE VOLUNTEER  
12 SITUATIONS WHERE TRAINEES GO TO EMERGENCY ROOMS, TO  
13 HOSPITALS, TO MEDICAL SETTINGS. THEY COULD BE  
14 INTERACTION FORUMS WITH PATIENTS OR WITH PATIENT  
15 ADVOCATES OR BOTH TO EDUCATE TRAINEES ABOUT THE  
16 PATIENT'S PERSPECTIVE ON DISEASE. THEY COULD BE  
17 ALSO SOME LEARNING EXPERIENCES IN TERMS OF VISITING  
18 AND FINDING OUT ABOUT HEALTHCARE SETTINGS,  
19 CHALLENGES TO HEALTHCARE. WE REALLY WANT THE  
20 TRAINEES HERE TO APPRECIATE DISEASE FROM PATIENT'S  
21 PERSPECTIVE. AND FROM THAT WE HOPE TO SEE AN  
22 ENHANCED COMMITMENT TO THE GOAL OF DEVELOPING CURES  
23 AND TREATMENTS FOR UNMET MEDICAL NEEDS.

24 MR. TORRES: I ALSO SEE A TREMENDOUS  
25 OPPORTUNITY IN MY NEW ROLE AS A MEMBER OF THE BOARD

BARRISTERS' REPORTING SERVICE

1 OF COVER CALIFORNIA FOR THIS COMMUNITY OUTREACH  
2 PROVISION, PROVIDING GOOD JOINT PROGRAMS BETWEEN OUR  
3 TWO AGENCIES TO REACH OUT NOT ONLY IN TERMS OF THE  
4 UNDERSERVED COMMUNITY, BUT ALSO HAVING THESE YOUNG  
5 PEOPLE BE ROLE MODELS IN THOSE COMMUNITIES.

6 DR. YAFFE: YES.

7 CHAIRMAN SHEEHY: SO I HAVE A COUPLE OF  
8 QUESTIONS. NO. 1, I MEAN THAT 80-PERCENT SUCCESS  
9 RATE, MORE GRANULARITY BECAUSE HOW MANY OF THOSE  
10 JOBS THAT PEOPLE HAVE GOTTEN WERE GRANT-RELATED JOBS  
11 THAT THEY LOST ONCE THE GRANT ENDED? SO THE TWO  
12 EXAMPLES I HAVE OF PEOPLE I KNOW WHO WENT THROUGH  
13 BRIDGES DID INDEED GET JOBS BECAUSE THEY WERE GRANTS  
14 ON THE JOB. WHEN THE GRANT ENDED, THEY WERE  
15 UNEMPLOYED AND THEY CONTINUED -- FOR A SUBSTANTIAL  
16 TIME THEY CONTINUED TO BE UNEMPLOYED.

17 SO I NOTICE THAT YOU HAVE IN HERE, WHICH  
18 IS A GREAT ADDITION, PROFESSIONAL AND ACADEMIC  
19 COUNSELING. WILL THAT BE AVAILABLE TO PARTICIPANTS  
20 THROUGHOUT THE COURSE, BOTH PEOPLE WHO PARTICIPATED  
21 IN THE PAST AND FOR PEOPLE THROUGHOUT? IT'S NOT  
22 LIKE YOU GET YOUR NEXT STEP AND YOU'RE KIND OF LEFT  
23 ON AN ISLAND, RIGHT?

24 DR. YAFFE: WE CERTAINLY COULD ASK FOR  
25 THAT TO BE AVAILABLE TO ALUMNI OF THE PROGRAM. YES.

BARRISTERS' REPORTING SERVICE

1 AND I SAY, MR. SHEEHY, WE PUT THAT ACTIVITY IN  
2 PARTICULARLY BECAUSE YOU RAISED THE ISSUE PREVIOUSLY  
3 WHEN WE DISCUSSED THIS ABOUT THE NEED FOR ASSISTANCE  
4 FOR THESE PEOPLE.

5 IN TERMS OF HOW MANY ARE STILL EMPLOYED,  
6 IT'S A DIFFICULT THING TO KNOW. THE BIOTECH  
7 INDUSTRY AND THE BIOMEDICAL RESEARCH ENTERPRISE IS  
8 DEPENDENT ON MONEY THAT'S NOT PERMANENT. THE GRANTS  
9 COME AND GO. PROJECTS AT INDUSTRIES COME AND GO.  
10 THE FEEDBACK WE RECEIVED FROM ALL OF THE DIFFERENT  
11 PROGRAMS, THE 16 PROGRAMS WE'RE CURRENT SUPPORTING,  
12 HAVE INDICATED A LOT OF SUCCESS IN THEIR TRAINEES  
13 FINDING JOBS AND PRESUMABLY SUSTAINING JOBS. BUT I  
14 THINK THAT THAT'S A VALID CONCERN. IF WE CAN ASK  
15 PROGRAMS TO CONTINUE TO PROVIDE ADVISING FOR CAREERS  
16 AND JOB PLACEMENT TO ALUMNI OF THE PROGRAM, I THINK  
17 THAT WOULD BE AN ASSET.

18 CHAIRMAN SHEEHY: I THINK THAT MIGHT BE  
19 BETTER TO BE A REQUIREMENT. AND I THINK 80 PERCENT  
20 IS GOOD, BUT I'D LIKE TO SEE, AT THE AMOUNT WE'RE  
21 SPENDING PER STUDENT, I'D LIKE TO SEE THAT CLOSER TO  
22 A HUNDRED PERCENT.

23 DR. YAFFE: YEAH. ACTUALLY 80 PERCENT IS  
24 AN UNDERESTIMATE BECAUSE IF WE LOOK AT THE REMAINING  
25 20 PERCENT, HALF OF THOSE STUDENTS ARE ACTUALLY

BARRISTERS' REPORTING SERVICE

1 STILL IN THE PROGRAM BECAUSE THE PARENT PROGRAM  
2 THAT'S INVOLVED IS SOMETIMES A TWO- TO THREE-YEAR  
3 PROGRAM. WE ONLY FUND THEM FOR ONE YEAR OUT OF  
4 THAT.

5 AND THEN SOME REMAINDER OF THE OTHERS HAVE  
6 ACTUALLY GONE INTO OTHER KINDS OF PROFESSIONS, SUCH  
7 AS TEACHING, GOVERNMENT SERVICE, AND OTHER THINGS  
8 WHICH I THINK ARE VALID OUTCOMES. BUT I THINK YOUR  
9 POINT IS ABSOLUTELY CORRECT IN THAT WE WOULD LIKE TO  
10 SEE A HUNDRED PERCENT SUCCESS. WE WANT TO SEE THESE  
11 TRAINEES WHO HAVE GOTTEN RAISED FROM THE LABS WHERE  
12 THEY WORKED, FROM THE PI'S WHO HAVE SUPERVISED THEIR  
13 WORK, THAT THEY'RE REALLY EXCEPTIONAL INDIVIDUALS,  
14 BUT WE'D LIKE TO SEE THEM ALL MOVING FORWARD IN  
15 ACTIVE AND PRODUCTIVE ACTIVITY.

16 CHAIRMAN SHEEHY: AND THEN I HAVE AN  
17 IRRECONCILABLE DIFFERENCE WITH THE IDEA OF HAVING  
18 INTERNAL REVIEW AT THREE YEARS. SO EITHER WE  
19 RECOMPETE TOWARDS THE FIVE-YEAR GRANT. I JUST THINK  
20 THAT THE AMOUNT OF MONEY THAT'S INVOLVED, THAT  
21 THAT'S NEEDS TO GO THROUGH A COMPLETE PROCESS IF  
22 THERE IS GOING TO BE A REVIEW OF THE PROGRAM. BUT I  
23 DON'T -- I'M EXTREMELY UNCOMFORTABLE WITH AN  
24 INTERNAL REVIEW FOR THAT MUCH MONEY INVOLVING THIS  
25 MANY INSTITUTIONS.

BARRISTERS' REPORTING SERVICE

1 SO I DON'T KNOW WHAT THE ANSWER IS TO  
2 THAT, BUT I COULD NOT SUPPORT THIS PROGRAM AS IT'S  
3 CONSTRUCTED WITH THAT IN THERE. IF YOU WANTED TO DO  
4 IT FOR FIVE YEARS OR IF YOU WANT TO MAKE IT A  
5 THREE-YEAR PROGRAM AND THEN COME BACK, IT SHOULD BE  
6 THREE, FOUR YEARS. I THINK IF YOU ARE GOING REVIEW  
7 A PROGRAM, IT SHOULD GO BACK THROUGH -- IT SHOULD BE  
8 RECOMPETED. IT SHOULD GO BACK THROUGH PEER REVIEW.  
9 IF PEOPLE ARE NOT DOING WHAT THEY'RE SUPPOSED TO DO,  
10 I ASSUME THAT UNDER THIS LEADERSHIP THAT THOSE  
11 GRANTS WOULD BE TERMINATED ANYWAY. SO THE PURPOSE  
12 OF THE REVIEW TO ME IN THREE YEARS, I'M JUST NOT  
13 SUPPORTIVE OF THAT PROCESS. EITHER IT'S A FIVE-YEAR  
14 GRANT --

15 DR. MILLS: NO. YOUR POINT IS WELL TAKEN.  
16 EITHER THEY'RE PERFORMING OR THEY'RE NOT PERFORMING.  
17 IF THEY'RE NOT PERFORMING, THEY'RE GOING TO GET  
18 CANCELED. IT'S JUST PART OF OUR JOB.

19 CHAIRMAN SHEEHY: SO --

20 DR. MILLS: THAT'S THE FIVE-YEAR NUMBER.

21 MR. TORRES: MAKE IT FOR FIVE YEARS.

22 CHAIRMAN SHEEHY: IS THAT YOUR PREFERENCE?  
23 WHATEVER. BUT I DON'T WANT PEOPLE THINKING THEY'RE  
24 GOING TO BE UNDER THE GUN AT THREE YEARS. I WANT  
25 PEOPLE TO DO WHAT THEY'RE SUPPOSED TO DO, AND I

BARRISTERS' REPORTING SERVICE

1 ASSUME THEY WILL, AND WE'LL HAVE THE MANAGEMENT OF  
2 THIS GRANT. BUT I DO THINK WHEN IT ENDS, NO MORE  
3 ROLLOVERS. WE BRING IT BACK, WE RE-REVIEW.

4 MR. TORRES: SO MOVED.

5 CHAIRMAN THOMAS: MICHAEL, AM I INCORRECT  
6 OR HAVEN'T WE HAD SOME IN THE PAST INCONSISTENCY ON  
7 REPORTING AND MONITORING OF WHERE THE BRIDGES  
8 STUDENTS HAVE ENDED UP BY THE DIFFERENT AWARDEES?  
9 IS THAT CORRECT?

10 DR. YAFFE: WE'VE HAD A FEW PROGRAMS OUT  
11 OF THE 16 THAT HAVEN'T REPORTED AS REGULARLY, BUT WE  
12 WILL MAKE REPORTING REQUIREMENTS EVEN STRONGER IN  
13 THIS RFA.

14 CHAIRMAN THOMAS: I GUESS MY QUESTION IS  
15 IS GIVEN THERE HAVE BEEN SOME INCONSISTENCIES, HOW  
16 COMFORTABLE ARE YOU WITH THOSE PERCENTAGE NUMBERS OF  
17 SUCCESS THAT YOU WERE QUOTING?

18 DR. YAFFE: ACTUALLY I'M VERY COMFORTABLE  
19 BECAUSE WE HAVE HAD REPORTS OF OUTCOMES FROM ALL  
20 PROGRAM DIRECTORS. BUT IN ADDITION, IN PARALLEL,  
21 THE STATE UNIVERSITY SYSTEM, SUSAN BAXTER IN  
22 PARTICULAR WITH THE CAL STATE BIOTECH INITIATIVE, I  
23 GUESS IT'S CALLED, MONITORS THE TRAINEES FROM THIS  
24 PROGRAM, AT LEAST THOSE AT THE STATE UNIVERSITY,  
25 WHICH ARE MOST OF OUR PROGRAMS. AND HER NUMBER IS



BARRISTERS' REPORTING SERVICE

1 EVEN BETTER THAN THE NUMBERS THAT WE GOT FROM THE  
2 PROGRAM DIRECTORS. SO I'M QUITE CONFIDENT. WE KNOW  
3 WHERE -- OF THE ROUGHLY 700 STUDENTS WHO HAVE  
4 COMPLETED THE PROGRAM, WE KNOW WHERE 650 OF THEM  
5 ARE.

6 CHAIRMAN THOMAS: I WOULD JUST SUGGEST  
7 THAT WE HAVE A FAIRLY STRICT MONITORING REQUIREMENT  
8 FOR THOSE APPLICANTS SO WE KNOW AND KEEP TRACK OF  
9 EVERYBODY.

10 DR. YAFFE: ABSOLUTELY.

11 CHAIRMAN SHEEHY: SO WITH THOSE TWO  
12 FRIENDLY AMENDMENTS -- DID WE GET A SECOND FOR YOUR  
13 MOTION?

14 MR. TORRES: NO. I'M STILL LONELY.

15 UNIDENTIFIED SPEAKER: SECOND.

16 CHAIRMAN SHEEHY: MAYBE WE CAN ADD TWO  
17 FRIENDLY AMENDMENTS. ONE IS THE STRICT REQUIREMENT  
18 ON REPORTING AND THE SECOND IS A REQUIREMENT ON  
19 OPENING THE PROFESSIONAL DEVELOPMENT OFFICE TO  
20 MAKING SURE THAT'S AVAILABLE TO ALUMNI SO IT DOESN'T  
21 BECOME A ONE-OFF FOR THE PEOPLE WHO GO THROUGH OUR  
22 PROGRAM HAVE A PLACE TO GO, TO TAKE THE SKILLS THAT  
23 THEY'VE LEARNED THROUGH OUR PROGRAM.

24 MR. TORRES: LET ME THINK ABOUT THAT. SO  
25 HOW MANY -- WHAT'S THE AVERAGE COST PER STUDENT PER

BARRISTERS' REPORTING SERVICE

1 YEAR?

2 DR. YAFFE: I CAN TELL YOU THE MAXIMUM  
3 COST PER STUDENT PER YEAR. THAT IS, FUNDS ARE  
4 BROKEN DOWN INTO FUNDS FOR THE STUDENT AND FUNDS FOR  
5 THE PROGRAM OVERALL. SO ARE YOU ASKING --

6 MR. TORRES: I WANT TO BE ABLE TO SAY WHAT  
7 WE ARE GIVING TO A PARTICULAR STUDENT, NOT THE  
8 PROGRAM.

9 DR. YAFFE: THE MAXIMUM WE'RE GIVING TO A  
10 PARTICULAR STUDENT IS \$43,500.

11 MR. TORRES: PER YEAR.

12 DR. YAFFE: PER YEAR. THAT INCLUDES  
13 STIPENDS, TUITION AND FEES, RESEARCH SUPPORT, STEM  
14 CELL COURSE, AND TRAVEL MONEY.

15 MR. TORRES: THAT'S INCREDIBLE. I'LL GO  
16 ALONG WITH THE FRIENDLY AMENDMENTS.

17 CHAIRMAN SHEEHY: OKAY. DO WE HAVE ANY  
18 OTHER DISCUSSION FROM ANYBODY ON THE PHONE? DO WE  
19 HAVE PUBLIC COMMENT IN SAN FRANCISCO? PUBLIC  
20 COMMENT IN DUARTE?

21 DR. CHIU: YES. THIS IS ARLENE CHIU AT  
22 DUARTE. I APPLAUD THE PROGRAM IN GENERAL. I  
23 JUST -- IT JUST OCCURRED TO ME THAT ONE OF THE MOST  
24 IMPORTANT ROLES OF THE CAL STATE UNIVERSITIES IS TO  
25 TRAIN THE TEACHERS IN OUR PUBLIC SCHOOLS. AND I

BARRISTERS' REPORTING SERVICE

1 WONDERED IF THERE COULD BE SOMETHING ABOUT IF WE  
2 TRAINED TEACHERS WHO CAN THEN TALK ABOUT STEM CELL  
3 RESEARCH, ARE KNOWLEDGEABLE ABOUT STEM CELL  
4 RESEARCH, AND TEACH THE NEXT GENERATION OF THE  
5 PUBLIC ABOUT STEM CELL RESEARCH, THAT THAT WOULD BE  
6 SOMETHING DESIRABLE.

7 MR. TORRES: THAT WOULD REQUIRE  
8 LEGISLATION.

9 DR. CHIU: OH, WELL.

10 DR. YAFFE: ALTHOUGH, ARLENE, I CAN TELL  
11 YOU THAT ABOUT 3 PERCENT OF THE TRAINEES ARE NOW  
12 TEACHING. SO MADE PERSONAL CHOICES AFTER THEIR  
13 PROGRAM.

14 MR. TORRES: THOSE ARE CURRICULA ISSUES  
15 WHICH ARE UNIVERSALLY THE PURVIEW OF THE  
16 LEGISLATURE.

17 DR. CHIU: I SEE. THANK YOU.

18 MR. TORRES: GIVEN TO THE ONE THAT HELPED  
19 US, THE SENATOR WHO I PURPOSELY FORGET HER NAME.

20 CHAIRMAN SHEEHY: DO WE HAVE ANY MORE  
21 PUBLIC COMMENT? OKAY. CAN WE CALL THE ROLL PLEASE,  
22 MS. BONNEVILLE.

23 MS. BONNEVILLE: JEFF SHEEHY.

24 MR. SHEEHY: YES.

25 MS. BONNEVILLE: OS STEWARD.

BARRISTERS' REPORTING SERVICE

1 DR. STEWARD: YES.  
2 MS. BONNEVILLE: MICHAEL FRIEDMAN.  
3 DR. FRIEDMAN: YES.  
4 MS. BONNEVILLE: DAVID HIGGINS.  
5 DR. HIGGINS: YES.  
6 MS. BONNEVILLE: BERT LUBIN.  
7 DR. LUBIN: YES.  
8 MS. BONNEVILLE: SHLOMO MELMED.  
9 DR. MELMED: YES.  
10 MS. BONNEVILLE: ART TORRES.  
11 MR. TORRES: AYE.  
12 MS. BONNEVILLE: JONATHAN THOMAS.  
13 CHAIRMAN THOMAS: YES.  
14 CHAIRMAN SHEEHY: SO WE'RE AT THE LIMIT OF  
15 OUR TIME, BUT IF PEOPLE ARE COMFORTABLE, WE JUST  
16 HAVE TWO MORE ITEMS THAT I THINK SHOULD GO THROUGH  
17 AND BE FAIRLY STRAIGHTFORWARD. THE FIRST ONE IS THE  
18 SPARK PROGRAM, WHICH HAS BEEN THE SUMMER PROGRAM FOR  
19 KIDS IN HIGH SCHOOL. DR. VESSAL.  
20 DR. VESSAL: THANK YOU, MEMBERS OF THE  
21 BOARD, PUBLIC, LADIES AND GENTLEMEN. I'D LIKE TO  
22 INTRODUCE THE NEW UPDATED VERSION OF WHAT WE'VE  
23 KNOWN AS THE CREATIVITY AWARDS. NOW WE HAVE RENAMED  
24 IT THE SPARK, WHICH STANDS FOR SUMMER PROGRAM TO  
25 ACCELERATE REGENERATIVE MEDICINE KNOWLEDGE.

BARRISTERS' REPORTING SERVICE

1 SO BRIEFLY, THE OBJECTIVE OF THE PROGRAM  
2 IS TO REALLY START GENERATING THE NEXT GENERATION IN  
3 REGENERATIVE MEDICINE FOR HOPEFULLY THE NEXT  
4 GENERATION OF SCIENTISTS. AND IT'S REALLY TO  
5 INSPIRE AND TO PREPARE CALIFORNIA'S HIGH SCHOOL  
6 STUDENTS IN THE FIELD OF REGENERATIVE MEDICINE AS IT  
7 RELATES TO HUMAN DISEASES.

8 THE COMPONENTS THAT WE'RE KEEPING, AS WITH  
9 OUR PREVIOUS PROGRAM, CREATIVITY AWARDS, ARE, OF  
10 COURSE, THE FULL-TIME, HANDS-ON SUMMER INTERNSHIP AT  
11 A HOST LABORATORY, WHICH IS 40 HOURS A WEEK FULL  
12 TIME, AND BROADENING THEIR PARTICIPATION FROM THE  
13 UNDERREPRESENTED POPULATIONS. THIS WAS REALLY ONE  
14 OF THE KEY FACTORS IN OUR OLD AWARD, AND WE ARE  
15 KEEPING THAT BECAUSE THAT'S BEEN REALLY ONE OF THE  
16 PILLARS OF OUR MISSION HERE AS WELL. AND, OF  
17 COURSE, THE END OF THE SUMMER POSTER DAY WHICH WE  
18 HOST USUALLY HERE IN THE BAY AREA.

19 THE COMPONENTS THAT WE ARE ADDING TO THE  
20 PROGRAM ARE DIRECT PATIENT ENGAGEMENT ACTIVITIES,  
21 ONE WHICH MUST INCLUDE IN BONE MARROW BANK OR DRIVES  
22 OR DONATING BLOOD. I CAN ANSWER A QUESTION ON THIS.  
23 SO THE REASON FOR THIS IS THAT A LOT OF THE STUDENTS  
24 COME FROM A VERY DIVERSE BACKGROUND FOR THIS  
25 PROGRAM, AND WE THOUGHT THAT THIS WOULD GIVE ONE

BARRISTERS' REPORTING SERVICE

1 MORE ACTIVITY THAT WE CAN ACTUALLY SORT OF  
2 CONTRIBUTE TO IN THEIR ENROLLMENT IN OUR PROGRAM  
3 WITH OUR MISSION.

4 MR. TORRES: SO WHAT ARE THE LEGAL ISSUES  
5 INVOLVED WHEN YOU HAVE A HIGH SCHOOL STUDENT BEING  
6 AS A POTENTIAL DONOR?

7 DR. MILLS: SO ORGANIZING A DRIVE OR A  
8 REGISTRY.

9 DR. VESSAL: A REGISTRY REALLY. IT WOULD  
10 BE THAT KIND OF A THING.

11 MR. TORRES: SO THE SUMMER PROGRAM IS TO  
12 ACCELERATE REGENERATIVE MEDICINE KNOWLEDGE. CAN WE  
13 ADD YEARLY TO THAT NAME?

14 DR. VESSAL: SURE. SO THE SECOND  
15 COMPONENT WE'RE ADDING IS WE ARE REQUIRING THE  
16 PROGRAMS TO HAVE A PREP TRAINING COURSE PRIOR TO THE  
17 COMMENCEMENT OF THE RESEARCH ACTUALLY. NOW, MOST OF  
18 THE PROGRAMS ALREADY HAVE DONE THIS IN OUR OLD  
19 CREATIVITY PROGRAM, BUT WE WANT TO MAKE SURE THAT  
20 THEY ALL DO THIS SO THAT STUDENTS ARE PREPARED WHEN  
21 THEY ACTUALLY START THEIR RESEARCH AT A HOST LAB.

22 AND THE COMMUNITY OUTREACH ACTIVITIES ARE  
23 ENGAGING, AGAIN, DIVERSE CALIFORNIA COMMUNITIES VIA  
24 SOCIAL MEDIA. THIS IS, AGAIN, ANOTHER COMPONENT  
25 THAT WE'VE ADDED IN THE PAST TWO YEARS AS PART OF

BARRISTERS' REPORTING SERVICE

1 THE CREATIVITY AWARDS, AND WE HAVE SEEN QUITE A HIGH  
2 RATE OF SUCCESS IN BOTH THE ENGAGEMENT OF STUDENTS  
3 AND THEIR WILLINGNESS TO DO THIS VIA INSTAGRAM,  
4 FACEBOOK, AND WEEKLY BLOGS OF THEIR EXPERIENCES.  
5 AND IT'S ALSO YIELDED ACTUALLY QUITE A -- THE PR IN  
6 CALIFORNIA IN THEIR SMALL COMMUNITIES, IN THEIR  
7 COMMUNITIES ACTUALLY BY THEIR LOCAL NEWS AGENCIES.  
8 SO, AGAIN, WE ARE DEFINITELY GOING FORWARD WITH THAT  
9 WITH THAT COMPONENT.

10 THE INSTITUTIONS THAT CAN APPLY ARE THE  
11 CALIFORNIA UNIVERSITIES, COLLEGES, OR RESEARCH  
12 INSTITUTES THAT HAVE ALREADY AN ESTABLISHED TYPE OF  
13 PROGRAM, SUMMER RESEARCH PROGRAM IN PLACE. AND,  
14 AGAIN, THIS WOULD BE CONSIDERED AS A SINGLE REVIEW  
15 CYCLE FOR THE APPLICATION. AND WE ARE REQUESTING UP  
16 TO \$4 MILLION FOR SUPPORTING UP TO TEN PROGRAMS, AND  
17 EACH AWARD WILL SUPPORT A MINIMUM OF FIVE AND UP TO  
18 TEN TRAINEES PER YEAR. AND, AGAIN, THE PROGRAM WILL  
19 BE SUPPORTED FOR UP TO FIVE YEARS.

20 CHAIRMAN THOMAS: SO COUPLE QUESTIONS.  
21 ONE, WHY ARE WE NOT ALLOWING FOR A NEW APPLICANT IF  
22 THERE IS ONE THAT CAN PULL TOGETHER A PROGRAM?

23 DR. VESSAL: THAT IS ABSOLUTELY OKAY AS  
24 LONG AS THEY CAN PROVIDE EVIDENCE THAT THEY ACTUALLY  
25 HAVE THE SUPPORT NECESSARY FOR THIS PROGRAM.

BARRISTERS' REPORTING SERVICE

1 PREVIOUSLY WE HAD IT THAT THEY NEEDED TO HAVE AN  
2 ESTABLISHED PROGRAM ALREADY IN PLACE SO THAT WE  
3 WOULD NOT BE PAYING FOR A NEW PROGRAM THROUGH SPARK  
4 AND BASICALLY REINVENTING THE WHEEL.

5 CHAIRMAN THOMAS: IS THAT WHAT THAT FIRST  
6 THING SAYS?

7 DR. VESSAL: ESTABLISHED HIGH SCHOOL. IT  
8 DOESN'T HAVE TO BE CIRM-FUNDED THOUGH. SO WHAT  
9 WE'RE DOING ACTUALLY IS THAT THIS IS ACTUALLY  
10 PIGGYBACKING ON WHAT THEY ALREADY HAVE AT THE  
11 INSTITUTIONS, AND WE THOUGHT, AGAIN, THIS WOULD BE  
12 EASIER IN TERMS OF REALLY GETTING (INAUDIBLE).

13 CHAIRMAN THOMAS: THE SECOND QUESTION IS  
14 AM I INCORRECT IN SAYING THAT CERTAIN OF OUR  
15 PROGRAMS ALSO HAVE A TEN-DAY OPTION? FOR EXAMPLE,  
16 WE WERE AT USC YESTERDAY FOR A PATIENT ADVOCATE TOWN  
17 HALL, HAD A BUNCH OF THEIR KIDS THERE WHO WERE IN  
18 THE HIGH SCHOOL PROGRAM. AND THEY WERE TALKING  
19 ABOUT BOTH A SUMMER-LONG PROGRAM AND A TEN-DAY  
20 OPTION. ARE WE FUNDING THE TEN-DAY OPTION?

21 DR. VESSAL: NO, WE'RE NOT. THIS WOULD BE  
22 A FULL-TIME SUMMER -- AGAIN, EACH PROGRAM HAS A  
23 DIFFERENT DURATION IN TERMS OF THEIR PROGRAMS. SO,  
24 FOR INSTANCE, SANTA BARBARA HAS SIX WEEKS, AND  
25 THAT'S REALLY THE LOWEST NUMBER THAT I'VE SEEN, BUT



BARRISTERS' REPORTING SERVICE

1 THEY ARE VERY SUCCESSFUL AT WHAT THEY DO. GENERALLY  
2 SPEAKING, THEY AVERAGE 10 TO 12 WEEKS, BUT WE ARE  
3 NOT DOING THE TEN DAYS.

4 CHAIRMAN THOMAS: OKAY. ASK THEM HOW  
5 THEY'RE GETTING THAT FUNDED BECAUSE THAT WAS AN  
6 INTERESTING OPTION WHICH ACTUALLY IS SOMETHING THAT  
7 DOES MAKE SOME SENSE BECAUSE THERE ARE A NUMBER OF  
8 KIDS WHO MAY NOT HAVE THAT LONG A TIME AVAILABLE  
9 DURING THE SUMMER DUE TO OTHER COMMITMENTS.

10 DR. VESSAL: SURE. IT'S JUST THAT IT'S A  
11 CONCERN THERE WOULD BE, I WOULD THINK, IT WOULDN'T  
12 BE SUFFICIENT AMOUNT OF TIME. AS IT IS, THE TWO  
13 MONTHS, THE THREE MONTHS WOULD BE A REALLY CONDENSED  
14 TIME TO REALLY GET ANYTHING REALISTIC IN A REALISTIC  
15 WAY AND TO LEARN ANYTHING TO GET AN ACTUAL  
16 EXPERIENCE OUT OF IT. SO I FEEL IF THEY HAVE TEN  
17 DAYS --

18 CHAIRMAN THOMAS: I WOULD RECOMMEND TO YOU  
19 IT WOULD BE WORTH HEARING WHAT THEY DO.

20 DR. VESSAL: SURE.

21 CHAIRMAN THOMAS: VICKI FOX AT USC IS THE  
22 OPERATIVE PERSON. YOU MIGHT JUST GIVE --

23 DR. VESSAL: I'LL DEFINITELY CONTACT THEM.  
24 ABSOLUTELY. SURE.

25 CHAIRMAN SHEEHY: SO DO WE HAVE QUESTIONS

BARRISTERS' REPORTING SERVICE

1 FROM OTHER MEMBERS OF THE BOARD? WE HAVE PUBLIC  
2 COMMENT IN SAN FRANCISCO? PUBLIC COMMENT IN DUARTE?

3 DR. VESSAL: SO ONE MORE THING THAT I'D  
4 LIKE TO ADD HERE IS THAT, AGAIN, AS WITH THE BRIDGES  
5 PROGRAM, THIS WAS ALSO CONSTRUCTED IN A WAY THAT  
6 YEARS FOUR AND FIVE WERE BASED ON THE CONDUCT OF THE  
7 PROGRAM AND AS SUCH THEN INTERNALLY ON HOW THIS  
8 PROGRAM HAS RUN AND THEN BASED ON CONTINUING WITH  
9 YEARS FOUR AND FIVE. SO I JUST DON'T KNOW WHERE YOU  
10 STAND.

11 CHAIRMAN SHEEHY: I THINK I WOULD HAVE THE  
12 SAME CONCERN. SO CAN WE GET A MOTION WITH THAT  
13 AMENDMENT?

14 DR. HIGGINS: MOVE IT.

15 MR. TORRES: SECOND.

16 CHAIRMAN SHEEHY: SO MOVED BY SENATOR  
17 TORRES, SECONDED BY DAVID HIGGINS.

18 CHAIRMAN THOMAS: OTHER WAY AROUND.

19 CHAIRMAN SHEEHY: OTHER WAY AROUND. OKAY.  
20 SO CAN WE CALL THE ROLL.

21 MS. BONNEVILLE: JEFF SHEEHY.

22 MR. SHEEHY: YES.

23 MS. BONNEVILLE: OS STEWARD.

24 DR. STEWARD: YES.

25 MS. BONNEVILLE: MICHAEL FRIEDMAN.

BARRISTERS' REPORTING SERVICE

1 DR. FRIEDMAN: YES.  
2 MS. BONNEVILLE: DAVID HIGGINS.  
3 DR. HIGGINS: YES.  
4 MS. BONNEVILLE: BERT LUBIN.  
5 DR. LUBIN: YES.  
6 MS. BONNEVILLE: SHLOMO MELMED.  
7 DR. MELMED: YES.  
8 MS. BONNEVILLE: ART TORRES.  
9 MR. TORRES: AYE.  
10 MS. BONNEVILLE: JONATHAN THOMAS.  
11 CHAIRMAN THOMAS: YES.  
12 CHAIRMAN SHEEHY: THE MOTION PASSES. SO  
13 DO WE WANT TO DO THE LAST THING ON THE AGENDA, WHICH  
14 IS A MEMORANDUM FROM DR. SAMBRANO ON UPDATES TO  
15 CLINICAL PROGRAM ANNOUNCEMENTS.  
16 DR. SAMBRANO: OKAY. THANK YOU. THIS IS  
17 GIL. I WANT TO BRING FOR YOUR CONSIDERATION  
18 PROPOSED UPDATES TO THE CLINICAL PROGRAM  
19 ANNOUNCEMENTS. TO BE BRIEF, WE EXPECTED THAT AT  
20 SOME POINT AFTER WE LAUNCHED THE CIRM 2.0 CLINICAL  
21 PROGRAM, THROUGH ITS IMPLEMENTATION, WE LEARNED  
22 QUITE A BIT AND NEED TO COME BACK TO YOU WITH SOME  
23 TWEAKS FOR THE PROGRAM. SO THERE ARE FIVE PROPOSED  
24 CHANGES WHICH WE ARE BRINGING TO YOU WE'D LIKE TO  
25 INCORPORATE INTO THE PROGRAM ANNOUNCEMENTS OF 15-01

BARRISTERS' REPORTING SERVICE

1 THROUGH 15-03. AND, IN ADDITION, WE'D LIKE TO  
2 REQUEST AN ALLOCATION OF 100 MILLION TO ISSUE NEW  
3 AWARDS UNDER THAT CLINICAL PROGRAM DURING THE FISCAL  
4 YEAR 2015 TO 2016.

5 I HAD A COUPLE OF SLIDES, BUT I'M NOT  
6 GOING TO GO THROUGH THEM. THEY ARE BASICALLY  
7 SUMMARIZED IN THE MEMO. SO IF YOU HAVE ANY  
8 QUESTIONS, I'D BE HAPPY TO ADDRESS THEM.

9 CHAIRMAN SHEEHY: SO DOES ANYBODY HAVE ANY  
10 QUESTIONS ABOUT THIS PROPOSAL? DO WE HAVE A MOTION  
11 TO ADOPT?

12 MR. TORRES: YES. I MOVE TO ADOPT THE  
13 MOTION BECAUSE I NEVER HAD THIS OPPORTUNITY IN 20  
14 YEARS IN THE LEGISLATURE TO MAKE A MOTION FOR \$100  
15 MILLION. UNBELIEVABLE.

16 CHAIRMAN SHEEHY: DO I HAVE A SECOND?

17 DR. HIGGINS: SECOND.

18 CHAIRMAN SHEEHY: SECOND FROM DAVID  
19 HIGGINS. DO WE HAVE ANY COMMENTS HERE IN SAN  
20 FRANCISCO? ANY PUBLIC COMMENT IN DUARTE? THEN  
21 COULD WE CALL THE ROLL?

22 MS. BONNEVILLE: JEFF SHEEHY.

23 MR. SHEEHY: YES.

24 MS. BONNEVILLE: OS STEWARD.

25 DR. STEWARD: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: MICHAEL FRIEDMAN.  
2 DR. FRIEDMAN: YES.  
3 MS. BONNEVILLE: DAVID HIGGINS.  
4 DR. HIGGINS: YES.  
5 MS. BONNEVILLE: BERT LUBIN.  
6 DR. LUBIN: YES.  
7 MS. BONNEVILLE: SHLOMO MELMED. ART  
8 TORRES.  
9 MR. TORRES: AYE.  
10 MS. BONNEVILLE: JONATHAN THOMAS.  
11 CHAIRMAN THOMAS: YES.  
12 MS. BONNEVILLE: DR. MELMED, ARE YOU ON  
13 THE LINE?  
14 DR. MELMED: I SAID YES. YES.  
15 MS. BONNEVILLE: THANK YOU.  
16 CHAIRMAN SHEEHY: SO THE MOTION CARRIES.  
17 IF THERE'S NOTHING ELSE, THEN I THINK I'M READY TO  
18 ADJOURN THE MEETING. THANK YOU EVERYONE AND THANK  
19 YOU TO THE CIRM TEAM FOR THEIR HARD WORK.  
20 (APPLAUSE.)  
21 (THE MEETING WAS THEN CONCLUDED AT  
22 3:46 P  
23 .)  
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BARRISTERS' REPORTING SERVICE

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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 SCIENCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON JULY 15, 2015, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152  
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