

**BETH C. DRAIN, CA CSR NO. 7152**

BEFORE THE  
INTELLECTUAL PROPERTY AND INDUSTRY 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: VIA ZOOM

DATE: DECEMBER 1, 2021  
3 P.M.

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

FILE NO.: 2021-26

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WEDNESDAY, DECEMBER 1, 2021; 3 P.M.

CHAIRMAN JUELSGAARD: I'M GOING TO CALL TO  
ORDER THE MEETING OF THE INTELLECTUAL PROPERTY AND  
INDUSTRY SUBCOMMITTEE. MARIA, WILL YOU CALL THE  
ROLL.

MS. BONNEVILLE: ANNE-MARIE DULIEGE.

DR. DULIEGE: HERE.

MS. BONNEVILLE: LARRY GOLDSTEIN.

DR. GOLDSTEIN: HERE.

MS. BONNEVILLE: STEVE JUELSGAARD.

CHAIRMAN JUELSGAARD: HERE.

MS. BONNEVILLE: DAVID MARTIN.

DR. MARTIN: HERE.

MS. BONNEVILLE: SHLOMO MELMED.

DR. MELMED: HERE.

MS. BONNEVILLE: JOE PANETTA. BARRY  
SELICK.

DR. SELICK: HERE.

MS. BONNEVILLE: MICHAEL STAMOS. JONATHAN  
THOMAS.

CHAIRMAN THOMAS: HERE.

MS. BONNEVILLE: ART TORRES.

MR TORRES: HERE.

MS. BONNEVILLE: KAROL WATSON.

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1 WE HAVE A QUORUM.

2 CHAIRMAN JUELSGAARD: THANK YOU. SO WE  
3 HAVE SEVERAL THINGS TO ACCOMPLISH AT THIS  
4 SUBCOMMITTEE MEETING. SO IT'S BEEN QUITE SOME TIME  
5 SINCE THIS COMMITTEE MET. I THINK THE LAST TIME WAS  
6 WHEN WE, BEN, CORRECT ME IF I'M WRONG, BUT WE WERE  
7 ALTERING OUR INTELLECTUAL PROPERTY REGULATIONS  
8 REGARDING INCOME STREAM TO CIRM OR TO THE STATE  
9 BASED ON COMMERCIAL SUCCESS WITH REGARD TO PRODUCTS.  
10 WE BASICALLY UPDATED OUR IP REGULATIONS TO CHANGE  
11 THE WAY THAT WE WERE GOING TO DERIVE VALUE FOR THE  
12 STATE. I DON'T THINK WE'VE HAD A MEETING SINCE  
13 THEN.

14 MR. HUANG: THAT IS CORRECT. THE LAST  
15 MEETING WAS IN SEPTEMBER OF 2017 TO APPROVE THE  
16 FINAL DRAFT OF THE CIRM IP REGS.

17 CHAIRMAN JUELSGAARD: PERFECT. THANK YOU.  
18 SO I THINK THE PLACE TO START, BECAUSE THINGS HAVE  
19 PROGRESSED SINCE THIS COMMITTEE WAS FIRST  
20 ESTABLISHED, YO, SOME NUMBER OF YEARS AGO, AND IS TO  
21 TAKE A LOOK AT OUR MISSION STATEMENT AND ESSENTIALLY  
22 UPDATE THE MISSION STATEMENT. SO WHAT I'VE ASKED  
23 KEVIN TO DO IS TO START WITH THE CURRENT MISSION  
24 STATEMENT WHICH HAS BEEN IN PLACE NOW, FOR I DON'T  
25 KNOW, AT LEAST A DOZEN OR MORE YEARS. AND THEN

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1 WOULD LIKE TO PROPOSE SOME CHANGES TO THAT BASED  
2 UPON LIFE AS IT OCCURS TODAY.

3 SO, KEVIN, YOU WANT TO FIRST PUT UP THE  
4 OLD MISSION STATEMENT? DO YOU HAVE THAT AVAILABLE?

5 DR. MARKS: DOUG, CAN YOU SHARE THAT  
6 PLEASE. IT'S ALL GOING TO BE ON ONE DOCUMENT, SO  
7 WE'RE GOING TO SCROLL A LITTLE BIT THROUGH IT.  
8 FIRST, WE WANT TO TAKE A LOOK AT THE CURRENT MISSION  
9 STATEMENT IS AND MOVE ON TO TRACK CHANGES VERSION SO  
10 YOU CAN SEE SOME OF THE EDITS THAT WE'VE BEEN  
11 WORKING ON FOR THE LAST SEVERAL MONTHS. AND,  
12 FINALLY, A CLEAN DRAFT. PLEASE NOTE THIS IS OPEN  
13 FOR CONVERSATION. THIS IS BY NO MEANS FINAL UNLESS  
14 YOU'RE PREPARED TO VOTE ON IT FOR A FINAL COPY.

15 BUT IN CONVERSATIONS WITH BARRY AND STEVE,  
16 WHO ARE CO-CHAIRS OF THIS COMMITTEE, THE IDEA WAS TO  
17 HAVE A ROBUST DISCUSSION AROUND THIS, PARTICULARLY  
18 THE AREA MOVING TO A FOCUS ON THE INDUSTRY ASPECT OF  
19 THIS SUBCOMMITTEE AND WHAT THAT MEANS.

20 SO YOU CAN SEE THAT BEFORE -- WHAT'S  
21 BEFORE YOU ON THE TOP PART OF THE SCREEN IS THE  
22 CURRENT MISSION STATEMENT OF THE ORGANIZATION. AS  
23 STEVE MENTIONED, IT'S BEEN IN PLACE FOR QUITE SOME  
24 TIME, AND IT ACCURATELY REFLECTED AT THE TIME SORT  
25 OF THE DIRECTION THAT THE SUBCOMMITTEE WISHED TO

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1 MOVE INTO.

2 SINCE THAT TIME AND SINCE THE PASSAGE OF  
3 PROPOSITION 14, THERE HAVE BEEN SOME CHANGES WITH  
4 RESPECT TO THE FOCUS OF THE ORGANIZATION. AS THOSE  
5 MEMBERS WHO HAVE BEEN LISTENING TO THE STRATEGIC  
6 PLAN DISCUSSION, THERE'S BEEN SOME INCREASED  
7 EMPHASIS IN THE DEVELOPMENT OF THE NEW STRATEGIC  
8 PLAN ON HOW TO ENGAGE INDUSTRY MORE ACTIVELY, HOW TO  
9 WORK TOWARDS MORE COMMERCIALIZATION, AND ENSURING  
10 OUR GRANTEES HAVE COMMERCIALIZATION PARTNERS, AND  
11 HOW DO WE INCENTIVIZE THE INVOLVEMENT OF INDUSTRY  
12 ACTIVELY IN THE MISSION OF THE ORGANIZATION.

13 SO, STEVE, I CAN ASK YOU, SINCE YOU ARE A  
14 PRIMARY ARCHITECT OF SOME OF THE REVISIONS HERE, TO  
15 KIND OF WALK US THROUGH A LITTLE BIT OF YOUR  
16 THOUGHTS AS WE LOOK AT THE REVISIONS ON THE BOTTOM  
17 PART OF THIS PAGE.

18 CHAIRMAN THOMAS: CAN YOU INCREASE THE  
19 FONT SIZE ON THAT TALL?

20 MR. MARKS: DOUG, CAN YOU -- THERE WE GO.

21 CHAIRMAN THOMAS: THANKS, DOUG.

22 CHAIRMAN JUELSGAARD: SO I'M GOING TO DEAL  
23 WITH SORT OF SOME OF THE PROPOSED CHANGES THAT HAVE  
24 GONE ON HERE. THERE WERE THREE BASICALLY. WELL,  
25 THERE WERE MORE. THERE WERE FIVE ELEMENTS TO BEGIN

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1 WITH TO THE ORIGINAL STATEMENT OF THE COMMITTEE. WE  
2 ARE SUGGESTING LEAVING THE FIRST ONE, WHICH IS  
3 ESTABLISHING INTELLECTUAL PROPERTY STANDARDS. YOU  
4 CAN READ THAT ONE. WE BELIEVE THAT'S STILL A VIABLE  
5 MISSION OF THIS COMMITTEE.

6 AND FROM TIME TO TIME, WE SHOULD REVISIT  
7 OUR INTELLECTUAL PROPERTY REGULATIONS TO MAKE SURE  
8 THAT THEY'RE MESHING WITH WHAT WE SEE HAPPENING IN  
9 THE LANDSCAPE THAT WE'RE INVOLVED WITH TODAY.

10 THE SECOND ONE, I'M NOT EXACTLY SURE WHERE  
11 IT CAME FROM, CONSIDERING THE INTELLECTUAL PROPERTY  
12 IMPLICATIONS OF OUR COLLABORATIONS WITH OTHER  
13 COUNTRIES, NATIONS, AND OTHER STRATEGIC PARTNERS, ET  
14 CETERA. THAT'S SOMETHING THAT WE NEVER HAVE REALLY  
15 BEEN INVOLVED WITH. I DON'T EVEN KNOW THAT WE HAVE  
16 SO MUCH IN THE WAY OF COLLABORATIONS EXCEPT WE HAVE  
17 A SEMI-COLLABORATION WITH THE NIH REGARDING THE  
18 SICKLE CELL DISEASE, BUT OTHERWISE I DON'T KNOW WHAT  
19 WAS ENVISIONED WITH RESPECT TO THESE COLLABORATIONS;  
20 BUT TO THE BEST OF MY KNOWLEDGE, NOTHING THAT  
21 APPROACHES WHAT'S SUGGESTED HERE HAS COME TO EXIST.  
22 AND SO THE FIRST RECOMMENDATION IS TO DELETE THAT  
23 ONE SINCE IT DOESN'T SEEM TO BE APROPOS.

24 THE THIRD ONE IS, AGAIN, SOMETHING THAT WE  
25 JUST HAVEN'T REALLY EVER BEEN INVOLVED WITH. WE ARE

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1 TALKING ABOUT BEING INVOLVED WITH STATE AND FEDERAL  
2 LEGISLATION OR ADMINISTRATIVE OR JUDICIAL ACTIONS  
3 THAT REGARD INTELLECTUAL PROPERTY MATTERS. AND  
4 THAT'S NOT REALLY A ROLE THAT WE'VE PLAYED TO DATE,  
5 AND IT'S NOT EVEN CLEAR TO ME WHAT KIND OF A ROLE WE  
6 NECESSARILY COULD PLAY EXCEPT IN PARTICULAR CASES  
7 WHERE WE MIGHT SERVE ON AN AMICUS BRIEF THAT IS IN  
8 SUPPORT OF A PARTICULAR POSITION, WHETHER IT'S PRO  
9 PATENT, ANTI-PATENT, OR SOME OTHER INTELLECTUAL  
10 PROPERTY MATTER. BUT FOR THE MOST PART, WE HAVE NOT  
11 BEEN ENGAGED IN THIS NO. 3, AND I WOULDN'T MAKE IT A  
12 PART OF OUR MISSION STATEMENT.

13 THE FOURTH ONE, WHICH IS DEVELOPING AND  
14 REFINING POLICIES TO ENCOURAGE INDUSTRY INVOLVEMENT,  
15 IS SOMETHING THAT IS BEING KEPT IN THE PROPOSED NEW  
16 MISSION STATEMENT AND EXPANDED UPON.

17 AND THE LAST ONE, CONSIDERING AND REFINING  
18 OUR LOAN PROGRAM, REALLY TIES INTO OUR REGULATORY  
19 FRAMEWORK. SO WE HAVE BASICALLY, I THINK, REFINED  
20 OUR LOAN PROGRAM AND OUR OTHER FINANCING ISSUES  
21 PRETTY MUCH TO WHERE WE WANTED THEM TO GO. IT COULD  
22 BE THAT AS WE CONSIDER OUR INTELLECTUAL PROPERTY  
23 REGULATIONS DOWN THE ROAD, WE MAY WANT TO AMEND  
24 THOSE TO DO SOMETHING DIFFERENT THAN WHAT WE ARE  
25 DOING RIGHT NOW. BUT, IN ESSENCE, FIVE IS SUBSUMED,



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1 IF YOU WILL, IN NO. 1 BECAUSE THAT'S THE WAY THAT WE  
2 DEAL WITH LOANS AND FINANCING ISSUES IS THROUGH OUR  
3 REGULATORY FRAMEWORK.

4 SO NOW TO GO TO THE NEW MISSION STATEMENT.  
5 SO SKIP THIS REDLINE VERSION. IS THERE A NEW  
6 VERSION, DOUG?

7 CHAIRMAN THOMAS: STEVE, CAN I JUST  
8 COMMENT ON ONE OF THE ELEMENTS THERE?

9 CHAIRMAN JUELSGAARD: YES. SURE.

10 CHAIRMAN THOMAS: GO BACK, DOUG, PLEASE.  
11 SO NO. 2, THIS IS SORT OF A HOLDOVER FROM WHEN BOB  
12 WAS CHAIR. AND THE GENERAL IDEA ON THAT WAS TO  
13 FACILITATE THE COLLABORATION OF SCIENTISTS FROM  
14 OTHER COUNTRIES WITH CALIFORNIA PI'S IN CONNECTION  
15 WITH PROJECTS THAT CIRM WOULD FUND WHEREBY CIRM  
16 WOULD FUND THE CALIFORNIA PI AND WHATEVER GOVERNMENT  
17 IT IS THROUGH WHATEVER MEANS WOULD FUND THE  
18 COLLABORATING PARTNER.

19 AND THERE WERE -- IN THE EARLY DAYS THERE  
20 WERE MORE THAN ONE PROJECT THAT RESULTED NOT SO MUCH  
21 FROM THIS NECESSARILY, BUT ENDED UP WITH  
22 INTERNATIONAL COLLABORATORS. I THINK CATRIONA  
23 JAMIESON HAD ONE, AND THERE MAY HAVE BEEN SOME  
24 OTHERS, BUT WHERE THEY WERE IN THAT CASE CANADIAN  
25 PI'S WHO WERE CO-PI'S ON THE PROJECT AND CIRM

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1 FUNDING CATRIONA AND CANADA FUNDED WHATEVER. AND  
2 THAT WAS THE IDEA.

3 AND I KNOW WE HAD -- I BELIEVE WE HAD AN  
4 AGREEMENT. ONE OF THESE AGREEMENTS LATER ON WAS  
5 WITH ISRAEL. AND I THINK THE BRAINSTORM, I COULD BE  
6 WRONG IN THIS, BUT I THINK THE BRAINSTORM PROJECT IN  
7 ALS, WHICH IS AN ISRAELI-BASED COMPANY WHICH HAD A  
8 CALIFORNIA COLLABORATOR, WAS SOMEWHAT FURTHER TO  
9 THAT CONCEPT AS ARTICULATED IN THESE MOU'S. SO  
10 THAT'S WHERE THAT CAME FROM.

11 NOW, HAVING SAID ALL OF THAT, WE DON'T  
12 NEED AN MOU TO DO THAT. WE CAN JUST DO IT NORMALLY  
13 WITHOUT HAVING ANY MOU'S IN PLACE AND IT WORKS  
14 EXACTLY THE SAME WAY. BUT I JUST WANTED TO GIVE THE  
15 SUBCOMMITTEE A SENSE OF THE DERIVATION OF THAT. BOB  
16 WAS QUITE BIG ON THAT. HE AND ALAN ENTERED INTO  
17 QUITE A FEW OF THOSE. WE DID A COUPLE WHEN I  
18 STARTED, BUT THAT WAS IT. BUT AS I SAY, WE DON'T  
19 NEED IT. WE CAN DO THE SAME THING JUST GIVEN THE  
20 SYSTEM WE HAVE IN PLACE NOW. THANK YOU.

21 MR. TORRES: MR. CHAIRMAN, CAN YOU HEAR  
22 ME?

23 CHAIRMAN THOMAS: YES.

24 MR. TORRES: I JUST WANTED TO ADD SOME  
25 MORE COLOR TO THAT DESCRIPTION. WHEN I FIRST CAME

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1 ON BOARD IN '09, WE WANTED TO ESTABLISH A  
2 COLLABORATIVE EFFORT WITH GERMANY, THE MAX PLANCK  
3 CENTER, BUT WE COULD NOT BECAUSE THE GERMAN STATUTE  
4 STILL AT THAT TIME HAD THE ANTI-NAZI, IT WAS A CRIME  
5 TO DO ANY KIND OF STEM CELL RESEARCH IN GERMANY. SO  
6 I HAD MY FRIENDS WHO WERE MEMBERS OF THE GERMAN  
7 PARLIAMENT CHANGE THE LAW, AND THAT RESULTED IN A  
8 COLLABORATIVE EFFORT, WHICH WAS GOING ON BETWEEN  
9 PI'S IN GERMANY, ESPECIALLY LEIPZIG, AND PI'S IN  
10 CANADA. NOTHING REALLY EMERGED FROM THAT, BUT IT  
11 WAS A GOOD AGREEMENT, AND WE LAID THE FOUNDATION FOR  
12 CHANGING THE LAW IN GERMANY AS IT RELATED TO STEM  
13 CELL EMBRYONIC RESEARCH.

14 BUT I AGREE WITH STEVE AND THAT IS YOU  
15 REALLY DON'T NEED TO HAVE THAT ANYMORE. IT JUST  
16 OUGHT TO BE REPEALED IN THE NEXT MISSION STATEMENT.  
17 THANK YOU.

18 CHAIRMAN THOMAS: I AGREE WITH THAT, ART.

19 CHAIRMAN JUELGAARD: JUST TO MAKE  
20 ANOTHER -- PUT A FINE POINT ON IT, THE ACTUAL  
21 LANGUAGE STARTS WITH "CONSIDERING THE INTELLECTUAL  
22 PROPERTY IMPLICATIONS." SO WHETHER WE HAD THESE  
23 COLLABORATIONS OR NOT, I'M NOT SURE THAT ANYBODY  
24 REALLY LOOKED AT INTELLECTUAL PROPERTY IMPLICATIONS  
25 OF THOSE COLLABORATIONS, WHICH IS REALLY THE FOCUS

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1 OF THE LANGUAGE. BUT, ANYWAY, NEITHER HERE, NOR  
2 THERE, WE ARE RECOMMENDING JUST REMOVING THAT.

3 AND INSTEAD, DEALING WITH A NEW NO. 2,  
4 WHICH IS MORE REAL LIFE REPRESENTED BY A RECENT  
5 SERIES OF -- CHAIN OF EVENTS WITH ONE OF THE  
6 ACADEMIC INSTITUTIONS WITH WHICH WE HAD AN  
7 AGREEMENT. AND WHAT WE FOUND ESSENTIALLY IS THAT WE  
8 DON'T ALWAYS SEE EYE TO EYE WITH THE PEOPLE ON THE  
9 OTHER SIDE OF THE TABLE EITHER WITH RESPECT TO HOW  
10 OUR REGULATIONS READ OR HOW THEY'RE APPLIED. SO WE  
11 HAVE BOTH PROBLEMS, THE MEANING OF THE REGULATIONS  
12 AND THEN THE APPLICATION OF THE REGULATIONS IN THEIR  
13 PARTICULAR SETTING.

14 SO THIS WAS INFORMATIVE TO ME AND I THINK  
15 TO J.T. AND TO MARIA, BECAUSE WE WERE ALL VERY  
16 HEAVILY INVOLVED WITH THIS, THAT THIS IS PROBABLY  
17 NOT THE ONLY TIME THAT WE'RE GOING TO SEE  
18 DIFFERENCES OF OPINION ON THOSE TWO FRONTS, EITHER  
19 THE REGULATORY LANGUAGE AND ITS MEANING OR  
20 APPLICATION OF REGULATORY LANGUAGE TO A PARTICULAR  
21 SITUATION.

22 AND SO USUALLY WHEN THAT HAPPENS, AS IN  
23 THE CASE THAT HAS JUST HAPPENED AND BEEN RESOLVED,  
24 THERE IS A SIGNIFICANT AMOUNT OF MONEY THAT'S  
25 INVOLVED. SO IT'S NOT A MINOR DISPUTE, BUT A MORE

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1 MAJOR DISPUTE.

2 AND SO AT SOME LEVEL AT THE LEVEL OF THE  
3 BOARD OR THE ICOC, WE NEED SOMEBODY TO KIND OF  
4 OVERSEE THOSE DISPUTES AND THEIR HANDLING AND  
5 ULTIMATE RESOLUTION AS PART OF THE BOARD OVERSIGHT  
6 RESPONSIBILITY, BUT IN THIS CASE IT WOULD HAPPEN  
7 THROUGH THIS COMMITTEE. AND SO THE LANGUAGE IS  
8 REALLY DESIGNED TO CAPTURE THAT CIRCUMSTANCE.

9 SO LET ME JUST STOP THERE. MARIA -- I'LL  
10 START WITH YOU, KEVIN. I DON'T KNOW HOW ABLE WE ARE  
11 TO GET INTO THE SPECIFICS OF THIS WITH THE GROUP.  
12 THIS IS A PUBLIC MEETING.

13 DR. MARKS: AT THIS STAGE, STEVE, WE ARE  
14 STILL IN THE FINAL PROCESS OF FINALIZING THAT  
15 AGREEMENT. WE DO ANTICIPATE BEING ABLE TO REPORT  
16 OUT ON IT ON THE BOARD MEETING ON DECEMBER 14TH.  
17 BUT IN THE INTEREST OF NOT JINXING IT AND THE FACT  
18 THAT IT IS NOT FINALIZED, I'D SAY WE HOLD OFF UNTIL  
19 THEN.

20 CHAIRMAN JUELSGAARD: I COMPLETELY AGREE.  
21 YOU'LL HAVE TO SORT OF TRUST US ON THIS ONE, THAT  
22 THIS IS SOMETHING THAT WE BELIEVE OUGHT TO BE  
23 INSERTED INTO THE MISSION STATEMENT.

24 THIS MISSION STATEMENT, BY THE WAY, IS  
25 GOING TO BE PRESENTED TO THE ICOC AT THE DECEMBER

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1 BOARD MEETING FOR EITHER APPROVAL OR AMENDMENT. SO  
2 IN THE COURSE OF THAT, HOPEFULLY WE WILL BE IN A  
3 POSITION TO SPELL THINGS OUT A LITTLE BIT MORE  
4 CLEARLY AS TO WHAT LED TO THIS. AND AS I INDICATED,  
5 IT WAS A MATTER OF FAIR IMPORTANCE. AND THIS IS AN  
6 ISSUE THAT WE JUST NEEDED TO GET OUR HANDS AROUND,  
7 BOTH THIS CURRENT ISSUE, BUT WHAT MIGHT HAPPEN IN  
8 THE LONGER RUN.

9 SO LET ME LEAVE THAT UNLESS THERE ARE  
10 OTHER QUESTIONS ABOUT THAT.

11 MS. BONNEVILLE: STEVE, BARRY HAS HIS HAND  
12 RAISED.

13 DR. SELICK: SO LET ME ASK YOU. IN  
14 ADDITION TO ADVISING THE ICOC WITH RESPECT TO  
15 RESOLVING THESE TYPE OF DISPUTES, HAVE WE BEEN ABLE  
16 AS A CONSEQUENCE OF WHAT WE HAVE LEARNED FROM THE  
17 SITUATION TO GO BACK AND TIGHTEN UP THE LANGUAGE OR  
18 ADD ADDITIONAL LANGUAGE TO THE AGREEMENTS TO AVOID  
19 THESE, LET'S SAY, MISINTERPRETATIONS OR  
20 MISUNDERSTANDINGS IN THE FUTURE?

21 CHAIRMAN JUELSGAARD: SO I WOULD LET KEVIN  
22 ANSWER THAT.

23 DR. MARKS: SO, BARRY AND OTHER MEMBERS,  
24 BEN IS GOING TO TAKE US THROUGH A LITTLE BIT OF THE  
25 CURRENT IP REGULATIONS AS THEY STAND AT THIS POINT.

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1 THIS IS PERHAPS THE THIRD ITERATION OF THE IP  
2 REGULATIONS, AND I THINK THERE HAS BEEN A LEARNING  
3 PROCESS AT EVERY STEP OF THE WAY GOING FROM THE 2004  
4 AND WORKING OUR WAY FORWARD. SO WE STILL HAVE SOME  
5 UNCERTAINTY. WE STILL HAVE GRANTEES THAT ARE  
6 SUBJECT TO THESE PRIOR REGULATIONS, AND WE ARE  
7 DEVELOPING A PROCESS BY WHICH WE CAN SEEK SOME  
8 RESOLUTION. AND WHETHER THAT'S THROUGH CONTRACTUAL  
9 AMENDMENTS OF THEIR GRANT AWARDS OR THROUGH OTHER  
10 AGREEMENTS WITH THEM, SO WE'RE TRYING TO TAKE THOSE  
11 LEARNINGS, AND THOSE LEARNINGS ARE ACTUALLY PUT INTO  
12 THE REVISIONS OF THE REGULATIONS AS THEY WENT  
13 FORWARD. BUT WE STILL HAVE A TAIL ON SOME OF THESE  
14 GRANTS THAT IT'S STILL RELEVANT. SO WE ARE COMING  
15 UP WITH PROCESSES TO WORK OUR WAY THROUGH.

16 AND ONE OF THE AVENUES TO DO THAT IS, TO  
17 YOUR POINT, TO GO BACK AND AMEND THE GRANT AWARD AND  
18 CONTRACTS TO GET AGREEMENT ON HOW TO HANDLE THE  
19 INTELLECTUAL PROPERTY IMPLICATIONS.

20 DR. SELICK: OKAY. THANKS, KEVIN.

21 CHAIRMAN JUELSGAARD: SO, BARRY, JUST LET  
22 ME ADD TO THAT. SO THERE ARE SOME -- I THINK THE  
23 LANGUAGE COULD BE IMPROVED IN CERTAIN ASPECTS OF THE  
24 EXISTING REGULATIONS. AND I THINK WE WILL TAKE THAT  
25 OPPORTUNITY, ONCE WE GET THIS CURRENT SITUATION

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1 RESOLVED, TO IMPROVE THE LANGUAGE. AND I THINK THAT  
2 WILL SOLVE AT LEAST SOME OF THE ISSUES.

3 DR. SELICK: OKAY. GOOD. THANK YOU.

4 CHAIRMAN JUELGAARD: SO THE LAST OF THE  
5 THREE, THIS IS THE ONE THAT I SPENT A LITTLE MORE  
6 TIME FOCUSING ON PERSONALLY. AND CAN WE GET TO  
7 THE --

8 DR. MARKS: DOUG, CAN YOU JUST ADVANCE?  
9 THANK YOU. PERFECT.

10 CHAIRMAN JUELGAARD: SO, IN ESSENCE, WHEN  
11 I JOINED CIRM MANY, MANY YEARS AGO AND BECAME HEAD  
12 OF THIS COMMITTEE, THERE WAS VERY LITTLE INDUSTRY  
13 INVOLVEMENT WITH CIRM. THERE WAS THE -- I FORGET  
14 NOW THE NAME OF THE COMPANY THAT WAS DEALING WITH  
15 SPINAL CORD INJURIES AT THE TIME. SOMEBODY HELP ME.

16 CHAIRMAN THOMAS: GERON.

17 CHAIRMAN JUELGAARD: GERON, RIGHT.  
18 EXACTLY. THERE WAS SCANT LITTLE INDUSTRY INTEREST  
19 IN THE REGENERATIVE MEDICINE SPACE, PARTICULARLY IN  
20 THE STEM CELL AREA, ET CETERA. AND SO MOSTLY CIRM  
21 DEALT WITH THE ACADEMIC AND RESEARCH INSTITUTIONS  
22 ALONG THE WAY. AND OVER TIME MOMENTUM HAS BEEN  
23 BUILDING FOR INDUSTRY TO BECOME MORE AND MORE  
24 INVOLVED IN THIS AREA WITH THEIR OWN PROGRAMS. AND  
25 WE ARE BEGINNING TO SEE THAT IN THE APPLICATIONS



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1 THAT ARE COMING IN ALL THE WAY FROM TRANSLATIONAL  
2 APPLICATIONS THROUGH CLINICAL APPLICATIONS.

3 AND FROM MY POINT OF VIEW, THAT'S  
4 SOMETHING I THINK WE REALLY NEED TO EMBRACE. WE  
5 NEED TO HAVE INDUSTRY BECOME A STRONG PARTNER WITH  
6 CIRM AND BE MORE HEAVILY INVOLVED WITH CIRM BECAUSE  
7 ULTIMATELY FOR ALMOST ANY THERAPEUTIC THAT GETS  
8 DEVELOPED USING CIRM FUNDING, THERE'S GOING TO BE AN  
9 INDUSTRY PARTNER THERE AT THE END OF THE ROAD  
10 HELPING GET THAT THERAPEUTIC APPROVED AT THE LEVEL  
11 OF THE FDA AND COMMERCIALIZED BECAUSE THAT'S WHAT  
12 INDUSTRY IS -- THAT'S WHERE THEIR CAPABILITIES LIE  
13 ALONG WITH LATE STAGE DEVELOPMENT AS WELL.

14 SO I THINK THAT THERE IS GOING TO NEED TO  
15 BE A GOOD PARTNERSHIP BETWEEN CIRM AND INDUSTRY, AND  
16 I WOULD LIKE TO SEE THAT MORE FLESHED OUT AS TIME  
17 GOES ON WITH IDEAS THAT WE MIGHT HAVE THAT WILL  
18 BRING INDUSTRY MORE INTO THE CIRM FOLD AND BE A  
19 WILLING PARTNER FOR CIRM AND ALSO FOR ALL OF THE  
20 ACADEMIC AND RESEARCH INSTITUTIONS THAT WE FUND THAT  
21 NEED AN OUTLET FOR THEIR POTENTIAL THERAPEUTICS ONCE  
22 THEY'VE GOTTEN THEM TO THE POINT WHERE THEY ARE  
23 PREPARED TO HAND THEM OFF IF THAT POINT COMES.

24 SO THIS LANGUAGE WAS DESIGNED, IN ESSENCE,  
25 TO JUST BROADEN THE IDEA OF CIRM'S RELATIONSHIP WITH

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1 THE INDUSTRY IN A VARIETY OF MATTERS. WE'RE GOING  
2 TO HEAR A LITTLE LATER ON TOWARDS THE END OF THIS  
3 MEETING FROM SHYAM PATEL, WHO IS OUR BUSINESS  
4 LIAISON PERSON AT CIRM, SOME OF THE THINGS THAT HE'S  
5 BEEN PUTTING IN PLACE TO ALLY WITH INDUSTRY AND  
6 ENCOURAGE INDUSTRY TO BE MORE INVOLVED WITH CIRM.  
7 SO YOU WILL SEE AND HEAR ABOUT SOME OF THE THINGS  
8 THAT ARE ALREADY IN PLAY. BUT I PERSONALLY WOULD  
9 LIKE TO SEE, AS TIME GOES ON, WE FIND MORE AND OTHER  
10 INTERACTIONS WITH INDUSTRY.

11 SO LET ME JUST STOP THERE AND SEE IF  
12 ANYBODY HAS ANY OTHER REFLECTIONS ON THAT.

13 MR. PANETTA: STEVE, I JUST WANTED TO  
14 CHIME ON THAT BECAUSE SHYAM HAS ALREADY BEGUN TO  
15 WORK WITH OUR ORGANIZATION, BIOCOM CALIFORNIA, AND  
16 MAYBE YOU WILL HEAR A LITTLE BIT MORE ABOUT THAT.  
17 BUT OBVIOUSLY EVERYTHING YOU'VE SAID I'VE SEEN IN  
18 TERMS OF THE COMPANIES IN OUR MEMBERSHIP IN  
19 CALIFORNIA BECOMING MORE INVOLVED IN ACQUIRING AND  
20 DEVELOPING STEM CELL TECHNOLOGIES.

21 BUT WHAT I FELT A LITTLE BIT UNCOMFORTABLE  
22 ABOUT IS THE QUESTION IN MY MIND IS HOW MUCH AND  
23 WHAT SHOULD BE THAT RELATIONSHIP BETWEEN THE  
24 COMPANIES IN MY ORGANIZATION AND CIRM. SO TO SEE  
25 THIS ENDORSED BY THIS COMMITTEE AND THE WORK THAT

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1 SHYAM IS DOING, I THINK, IS A GREAT STEP FORWARD.

2 CHAIRMAN JUELSGAARD: THANKS, JOE. DAVE,  
3 YOU HAVE YOUR HAND RAISED.

4 DR. MARTIN: I WOULD JUST SAY I CERTAINLY  
5 AGREE WITH YOU, STEVE, AND ALSO WHAT JOE SAID. IT  
6 IS IMPORTANT TO FOSTER THIS ON BOTH SIDES, NOT ONLY  
7 INDUSTRY TO BE INVOLVED WITH CIRM, BUT  
8 INVESTIGATORS, GRANTEES BEING INVOLVED WITH INDUSTRY  
9 AND FACILITATE IT AND ENCOURAGE IT. AND I'VE GOT A  
10 COUPLE OF THOUGHTS ON THAT AS WE GO FORWARD.

11 ONE OTHER MINOR COMMENT JUST ON THIS  
12 DOCUMENT; THAT IS, IF YOU LOOK AT THE EIGHTH LINE  
13 DOWN, THE FIRST WORD, "ASSURE," THAT'S INCORRECT.  
14 IT SHOULD BE E-N-S-U-R-E THERE.

15 CHAIRMAN JUELSGAARD: WELL, DAVE, WE CAN  
16 HAVE ONE OF THOSE DEBATES ABOUT THE USE OF THE WORD  
17 "ASSURE" OR "INSURE." WE WON'T HAVE IT ON THIS  
18 MEETING. I'LL DEFER TO YOU AND CHANGE IT ALTHOUGH  
19 THEY ARE VERY CLOSE COUSINS. IN FACT, THEY MIGHT  
20 EVEN BE SIBLINGS.

21 DR. SELICK: SO, STEVE, SINCE WE'RE ON THE  
22 TOPIC OF CORRECTING GRAMMAR, IF YOU GO TWO  
23 ADDITIONAL SENTENCES DOWN, I THINK THERE SHOULD  
24 PROBABLY BE A "TO" A T-O, AFTER "WITH RESPECT TO ANY  
25 POTENTIAL DISPUTES."

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1                   CHAIRMAN JUELSGAARD:  YES.  THERE'S A WORD  
2  MISSING FOR SURE, BARRY.  GOOD.  SOME SUBSTANTIVE  
3  COMMENTS.

4                   SO LET ME JUST ASK.  I'M SORT OF HERE AND  
5  I APPRECIATE JOE AND DAVE'S SUPPORT.  BUT ARE  
6  THERE -- FROM THE ACADEMIC OR RESEARCH SIDE, ARE  
7  THERE ANY RESERVATIONS ABOUT WANTING TO BE MORE  
8  HEAVILY INVOLVED WITH INDUSTRY?  SORRY.  LARRY.

9                   DR. GOLDSTEIN:  IT'S NOT SO MUCH THAT I  
10  DON'T THINK A LOT OF INDUSTRY INVOLVEMENT IS GREAT.  
11  IN FACT, I ACTIVELY AGREE WITH JOE AND THE OTHERS  
12  SUCH AS YOURSELF WHO HAVE SAID HOW VALUABLE INDUSTRY  
13  INVOLVEMENT IS IN THERAPY DEVELOPMENT.

14                   I WOULD JUST LIKE US ALWAYS TO REMEMBER  
15  THAT NOT ALL MEDICAL THERAPIES ARE DEVELOPED VIA  
16  INDUSTRY.  IF YOU GO FOR A HEART TRANSPLANT OR A  
17  KIDNEY TRANSPLANT, YOU DON'T GO TO JOE'S KIDNEY SHOP  
18  OR JOE'S HEART SHOP.  THEY'RE DONE IN ACADEMIC  
19  HEALTH CENTERS.  AND THE PROPER ROLE OF INDUSTRY IN  
20  THOSE CASES IS THEY BUILD A LOT OF THE TOOLS THAT  
21  ARE USED IN THOSE PROCEDURES, BUT THEY WEREN'T  
22  NECESSARILY INVOLVED IN THE DEVELOPMENT OF THOSE  
23  PROCEDURES, NOR THEIR DELIVERY.

24                   CHAIRMAN JUELSGAARD:  THAT'S A FAIR POINT.  
25  MY FOCUS WAS MORE ON ACTUAL THERAPEUTICS ON THE

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1 DELIVERY OF DRUGS FOR THE MOST PART, WHETHER THEY BE  
2 BIOLOGICS OR SMALL MOLECULES OR WHATEVER. SO THAT'S  
3 WHERE -- THAT'S THE STRENGTH OF INDUSTRY IS IN THAT  
4 AREA.

5 DR. GOLDSTEIN: ABSOLUTELY. THINGS THAT  
6 ARE PERHAPS MASS PRODUCED. BUT AS WE SEE ORGANOIDS  
7 BEING DEVELOPED THAT MIGHT TAKE OVER PART OF A  
8 FUNCTION MISSING IN A KIDNEY OR -- I DON'T KNOW.  
9 I'M NOT IMAGINATIVE ENOUGH TO THINK OF EVERYTHING  
10 THAT'S GOING TO HAPPEN. BUT I CAN JUST SEE THAT  
11 THERE ARE DIFFERENT PATHS, AND WE DON'T WANT TO LOSE  
12 SIGHT OF THAT BECAUSE OUR IP REGULATIONS MAY WELL  
13 IMPACT HOW THOSE DEVELOPMENT PATHS GO FORWARD. SO I  
14 DON'T WANT TO LOSE SIGHT OF THAT AS WE MOVE FORWARD.

15 CHAIRMAN JUELSGAARD: SURE. THERE ARE A  
16 COUPLE OF RAISED HANDS. LET ME JUST INTERJECT. WE  
17 ACTUALLY HAVE A LIVE CASE GOING ON RIGHT NOW TO SEE  
18 HOW THIS ROLLS OUT WITH SEVERE COMBINED  
19 IMMUNODEFICIENCY AND THE TREATMENT THAT'S PIONEERED  
20 BY DON KOHN AT UCLA. ALL RIGHT. SO HOW IS THAT --  
21 THESE ARE AUTOLOGOUS TREATMENTS, RIGHT. THEY'RE NOT  
22 ALLOGENEIC. SO IT'S A ONE-BY-ONE KIND OF THING. SO  
23 WHAT'S THE BEST WAY OF ROLLING THAT OUT, THAT SYSTEM  
24 THAT HE HAS, IF YOU WILL, FOR TREATING TO MORE AND  
25 MORE MEDICAL CENTERS? I DON'T KNOW THAT THERE'S A

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1 GOOD ANSWER FOR THAT. WE HAD A COMPANY THAT WAS  
2 GOING TO BE INVOLVED WITH THAT AND THEY BACKED OUT.  
3 THEY WENT AWAY. AND I CAN UNDERSTAND THAT BECAUSE  
4 IT'S A BIT OF A COMPLICATED PICTURE.

5 SO, ANYWAY, THAT'S TO ME GOING TO BE AN  
6 INTERESTING ONE TO RESOLVE AS TIME GOES ON. RIGHT  
7 NOW CIRM DIDN'T USED TO FUND THIS KIND OF ON A  
8 TREATMENT BASIS.

9 SO, SHLOMO, YOU WERE THIRD HERE. SO LET  
10 ME START WITH J.T. AND THEN DAVE AND THEN YOU.

11 CHAIRMAN THOMAS: STEVE, I JUST WANTED TO  
12 ECHO THE VALUE OF POINT THREE. I THINK THIS IS  
13 CONSISTENT WITH THE SORT OF AD HOC SPORADIC WORK  
14 THAT'S BEEN DONE OVER THE YEARS LOOKING TO LINK  
15 INDUSTRY WITH ACADEMIA ON OUR FUNDED PROJECTS GOING  
16 BACK RIGHT WHEN I STARTED WHERE THERE WERE -- WE HAD  
17 LIKE A VC FAIR WHERE THEY WOULD COME IN AND HEAR  
18 ABOUT ALL THE PROJECTS GOING ON OR THE INDIVIDUAL  
19 MEETINGS WE HAVE HAD WITH C-SUITE MEMBERS OF BIG  
20 PHARMA IN CONNECTION WITH CERTAIN PROJECTS OR FIELDS  
21 OF PROJECTS.

22 AND SO THIS IS, I THINK, THE ADVANCING  
23 THERAPEUTICS LARGELY, BY DEFINITION, WHEN YOU GET TO  
24 THE END OF THE ROAD, IS SO PROHIBITIVELY EXPENSIVE  
25 THAT YOU WANT TO HAVE INDUSTRY PARTNERS. BUT MORE

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1 THAN THAT, CIRM WAS SET UP TO BE THE DERISKING  
2 VALLEY OF DEATH INTERMEDIARY THAT GETS YOU TO  
3 INDUSTRY AND MAKES IT SO THAT IT'S ATTRACTIVE FOR  
4 THEM TO COME IN AND COLLABORATE. AND I THINK THAT A  
5 CONTINUED EMPHASIS AS THE FIELD MARCHES INEXORABLY  
6 ALONG AND THINGS GET FURTHER AND FURTHER DEVELOPED  
7 MAKES A HUNDRED PERCENT SENSE. SO I TOTALLY ENDORSE  
8 THAT POINT.

9 CHAIRMAN JUELSGAARD: THANK YOU. DAVE.

10 DR. MARTIN: I JUST HAD A COMMENT. I  
11 AGREE WITH BARRY, THAT THERE ARE MANY OPPORTUNITIES  
12 THAT CIRM IS SUPPORTING AND FUNDING THAT DO NOT NEED  
13 TO GO THROUGH INDUSTRY. BUT INTELLECTUAL PROPERTY  
14 IS SOMETHING THAT CAN BE INDEPENDENT OF INDUSTRY.  
15 AND I THINK THAT THE STATE OF CALIFORNIA IS  
16 INTERESTED IN GENERATING REVENUES FROM THE  
17 INVESTMENTS THAT CIRM MAKES, WHETHER IT BE THROUGH  
18 INDUSTRY OR SIMPLY IP FOR A TOOL OR TECHNOLOGY.

19 AND SO I THINK THAT PART OF IT IS TO  
20 REALLY ENCOURAGE, AND I THINK IT TAKES EDUCATION OF  
21 OUR GRANTEES IN ACADEME. WHAT IS IP? WHEN DO YOU  
22 SECURE IT? AND HOW DO YOU SECURE IT? AND WHERE IS  
23 THE VALUE? SO IT DOESN'T HAVE TO BE RESTRICTED TO  
24 INDUSTRY BECAUSE I THINK WE NEED TO ADVISE ACADEMICS  
25 ABOUT INTELLECTUAL PROPERTY FOR WHAT THEY'RE DOING.

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1 AND NOT ALL ACADEMIC INSTITUTIONS ARE EQUAL WHEN IT  
2 COMES TO THEIR ABILITY TO GUIDE THAT OR TO EXECUTE  
3 THEM.

4 CHAIRMAN JUELSGAARD: WELL, SAID. SHLOMO.

5 DR. MELMED: I TOO APPLAUD THE PARTNERSHIP  
6 AND THE SYNERGY. I THINK IT'S VERY IMPORTANT FOR  
7 BOTH SIDES. BUT YOU ASKED THE QUESTION, HOW WOULD  
8 ACADEMIA FEEL ABOUT THE LANGUAGE. I WOULD ADD A  
9 PHRASE PERHAPS SOMEWHERE IN THE PARAGRAPH, MAYBE  
10 BEFORE NO. 3, THE RESPECT FOR ACADEMIC FREEDOM. AND  
11 WHILE RESPECTING ACADEMIC FREEDOM, CIRM WILL DEVELOP  
12 AND REFINE POLICIES TO ENCOURAGE INDUSTRY  
13 INVOLVEMENT, ET CETERA. I THINK THAT ACADEMIA WILL  
14 BE VERY SENSITIVE TO THE NOTION THAT CIRM DOES  
15 MAINTAIN ACADEMIC FREEDOM EVEN THOUGH WE DO  
16 ENCOURAGE THESE INDUSTRIAL PARTNERSHIPS.

17 CHAIRMAN JUELSGAARD: I THINK THAT'S A  
18 GOOD SUGGESTION. AND I WILL ASK KEVIN TO INCLUDE  
19 THAT PREDICATE LANGUAGE WHILE RESPECTING ACADEMIC  
20 FREEDOM.

21 J.T., FINAL HAND.

22 CHAIRMAN THOMAS: I JUST WANT TO ADD ONE  
23 OTHER THING. THE TEAM HAS, AS YOU KNOW FROM TALKING  
24 TO SHYAM AND MARIA MILLAN, HAS A NUMBER OF VENUES  
25 WHERE THE MELDING OF INDUSTRY AND PI'S IS SORT OF



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1 SET UP TO HAPPEN THAT WE CAN PERHAPS PIGGYBACK MORE  
2 ON THAN WE HAVE IN THE PAST, REFERRING, FOR EXAMPLE,  
3 TO THE J. P. MORGAN CONFERENCE, WHICH IS A GREAT ONE  
4 EVERY JANUARY, OR THE MEETINGS ON THE MESA OR  
5 WHATEVER IT'S NOW CALLED NOW THAT IT'S BEEN MOVED TO  
6 CARLSBAD, DOWN IN JOE'S NECK OF THE WOODS, OR THE  
7 ANNUAL BIO CONFERENCE, WHICH SORT OF MOVES AROUND  
8 THE COUNTRY. THESE ARE ALL VENUES WHERE INDUSTRY  
9 AND ACADEMICS CAN BE PUT TOGETHER. AND SO I WOULD  
10 SUGGEST SEEKING OUT THOSE SORTS OF THINGS PERHAPS  
11 EVEN MORE VIGOROUSLY.

12 I KNOW SHYAM AND MARIA AND MEMBERS OF THE  
13 TEAM GO TO THESE AND EVERY YEAR HAVE GREAT MEETINGS  
14 THAT FACILITATE EXACTLY THIS. SO WE ARE TEED UP. I  
15 THINK WE CAN JUST DO A BIT MORE OF IT AND THAT WOULD  
16 BE HELPFUL. THANK YOU.

17 CHAIRMAN JUELSGAARD: THANK YOU. ANY  
18 OTHER COMMENTS?

19 SO WHAT I WOULD LIKE TO DO IS HAVE THIS  
20 COMMITTEE RECOMMEND TO THE BOARD THE ADOPTION OF  
21 THIS MISSION STATEMENT WHEN IT COMES TO IT. SO I'M  
22 GOING TO ASK FOR A MOTION TO ADOPT THE -- TO  
23 RECOMMEND TO THE ICOC THE NEW PROPOSED IP/INDUSTRY  
24 SUBCOMMITTEE MISSION STATEMENT. IS THERE A MOTION  
25 TO RECOMMEND THIS NEW STATEMENT TO THE BOARD?

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1 DR. DULIEGE: I MOVE.

2 CHAIRMAN JUELSGAARD: ANNE-MARIE.

3 DR. STAMOS: SECOND.

4 DR. MARTIN: SECOND.

5 CHAIRMAN JUELSGAARD: THERE WAS A NUMBER  
6 OF SECONDS. I'M TOO SLOW. SO HOPEFULLY SOMEONE  
7 CAUGHT WHO THAT WAS.

8 MS. BONNEVILLE: I THINK IT WAS MICHAEL;  
9 IS THAT CORRECT? YES. THANK YOU.

10 CHAIRMAN JUELSGAARD: GREAT. SO, MARIA,  
11 DO WE REALLY NEED A ROLL CALL VOTE FOR THESE THINGS?

12 MS. BONNEVILLE: WE DO. SORRY.

13 CHAIRMAN JUELSGAARD: I THOUGHT IT WAS A  
14 SUBCOMMITTEE EXCEPTION.

15 MS. BONNEVILLE: NO, THERE ISN'T. I'D  
16 LOVE TO GIVE YOU ONE, TRUST ME, BUT I CAN'T.

17 CHAIRMAN JUELSGAARD: ALL RIGHT. THEN  
18 WE'LL DO IT THE HARD WAY.

19 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

20 DR. DULIEGE: YES.

21 MS. BONNEVILLE: LARRY GOLDSTEIN.

22 DR. GOLDSTEIN: YES.

23 MS. BONNEVILLE: STEVE JUELSGAARD.

24 CHAIRMAN JUELSGAARD: YES.

25 MS. BONNEVILLE: DAVID MARTIN.

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DR. MARTIN: YES.

MS. BONNEVILLE: SHLOMO MELMED.

DR. MELMED: YES.

MS. BONNEVILLE: JOE PANETTA.

MR. PANETTA: YES.

MS. BONNEVILLE: BARRY SELICK.

DR. SELICK: YES.

MS. BONNEVILLE: MICHAEL STAMOS.

DR. STAMOS: YES.

MS. BONNEVILLE: JONATHAN THOMAS.

CHAIRMAN THOMAS: YES.

MS. BONNEVILLE: ART TORRES.

MR. TORRES: AYE.

MS. BONNEVILLE: THANK YOU. THE MOTION  
CARRIES.

CHAIRMAN JUELSGAARD: THANK YOU VERY MUCH,  
EVERYBODY.

SO THE NEXT ITEM ON THE AGENDA IS  
DISCUSSION AND UPDATE OF IP REGULATIONS. AND, BEN,  
ARE YOU THE ONE THAT'S GOING TO SPEAK TO THIS?

MR. HUANG: YES. I WILL JUST GIVE A BRIEF  
OVERVIEW/UPDATE. SO CAN EVERYONE HEAR ME?

CHAIRMAN JUELSGAARD: YES.

MR. HUANG: SO I WOULD LIKE TO NOTE THAT  
THE CURRENT CIRM IP REGULATIONS BECAME OFFICIAL ON

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1 SEPTEMBER 4TH OF 2018 AND WITH CERTAIN CAVEATS  
2 APPLIED TO THOSE AWARDS WITH AN AWARD DATE ON THIS  
3 DATE OR AFTER. THIS IP SUBCOMMITTEE APPROVED A  
4 PROCESS TO REVISE THE REGULATIONS IN JANUARY OF 2017  
5 AND, AS NOTED EARLIER, APPROVED THE FINAL DRAFT IN  
6 SEPTEMBER OF 2017. IT WAS THEN SENT TO THE STATE'S  
7 OFFICE OF ADMINISTRATIVE LAW FOR APPROVAL, WHICH  
8 TOOK ALMOST A YEAR.

9 AT A VERY HIGH LEVEL THE REGULATIONS --  
10 I'M JUST GOING TO HIT KIND OF THE HIGH SPOTS OF WHAT  
11 THE REGULATIONS COVER. BASICALLY INVENTION AND  
12 LICENSING, REPORTING REQUIREMENTS BACK TO CIRM,  
13 PUBLICATION REQUIREMENTS, REPORTING PUBLICATIONS  
14 BACK TO CIRM, THEY ADDRESS PATENT OWNERSHIP. I  
15 WOULD NOTE THAT CIRM DOES NOT TAKE AN OWNERSHIP  
16 INTEREST IN ANY CIRM-FUNDED INVENTIONS. THEY RESIDE  
17 WITH THE AWARDEE. ALSO, LICENSING REQUIREMENTS FOR  
18 POTENTIAL LICENSES. THERE'S A SECTION ADDRESSING  
19 ACCESS. THERE'S ALSO A SECTION ON REVENUE SHARING  
20 AND ONE ON MARCH-IN RIGHTS.

21 AS STEVE NOTED, THE MOST SIGNIFICANT  
22 CHANGE IN THIS 2018 VERSION WAS CHANGING THE REVENUE  
23 SHARING TO INCORPORATE NONPROFIT AWARDEES INTO THE  
24 PREEXISTING REVENUE SHARING FORMULA USED FOR  
25 FOR-PROFIT AWARDEES. AND SO WHAT HAPPENED THERE WAS

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1 THE OVERALL GOAL FOR THE REVENUE SHARING, WHEN WE  
2 WERE PREPARING THESE REGULATIONS, WAS TO HAVE  
3 CONSISTENCY FOR ALL AWARDEES, NONPROFIT AND  
4 FOR-PROFITS, AND A CLEAR REVENUE SHARING FORMULA  
5 PREMISED UPON SUCCESS. IN PRIOR ITERATIONS CIRM  
6 WOULD TAKE A PERCENTAGE OF LICENSING REVENUE FROM  
7 NONPROFIT AWARDEES. THIS CURRENT VERSION IS ALL  
8 ROYALTY BASED AND OBTAINED FROM THE EVENTUAL  
9 COMMERCIALIZING ENTITY. SO IF IT'S  
10 SELF-COMMERCIALIZED FROM A FOR PROFIT OR A  
11 DOWNSTREAM LICENSEE.

12 THE CURRENT FORMULA FOR THE ROYALTY IS .1  
13 PERCENT PER MILLION DOLLARS OF THE CIRM AWARD FOR  
14 THE EARLIER OF TEN YEARS AFTER DATE OF FIRST  
15 COMMERCIAL SALE OR 9 X OF THE GRANT AMOUNT. FOR  
16 EXAMPLE, A \$10 MILLION AWARD WOULD HAVE A 1-PERCENT  
17 ROYALTY FOR TEN YEARS OR UNTIL \$90 MILLION IS  
18 OBTAINED BY THE STATE.

19 AS KEVIN NOTED, THERE IS A TAIL WHERE A  
20 NUMBER OF AWARDS PRIOR TO SEPTEMBER 4TH, 2018, HAVE  
21 EXISTING LICENSE OR EQUITY AGREEMENTS THAT WOULD  
22 FALL UNDER THE PRIOR TWO VERSIONS OF THE CIRM IP  
23 REGULATIONS, THOSE FROM 2009 AND FROM 2014. BUT  
24 THIS EXERCISE WAS UNDERTAKEN IN 2017 TO SIMPLIFY THE  
25 REVENUE SHARING ASPECTS AND ALSO TO ATTEMPT TO

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1 ADDRESS SOME OF THE LANGUAGE THAT COULD BE A MATTER  
2 OF DISPUTE BETWEEN CIRM AND AN AWARDEE.

3 SO WE HAVEN'T HAD ANY PAYMENTS MADE YET  
4 UNDER THIS REGULATION. SO NO DATA YET ON HOW  
5 EFFECTIVE IT IS. SO THAT'S KIND OF JUST A BRIEF  
6 OVERVIEW, AND I CAN TAKE ANY QUESTIONS.

7 CHAIRMAN JUELSGAARD: I DON'T SEE ANY  
8 QUESTIONS, BEN. AGAIN, I THINK IT JUST BEHOOVES US  
9 TO DO THIS PERIODICALLY IS TO REVIEW OUR  
10 REGULATIONS, PARTICULARLY THESE, IN LIGHT OF THE  
11 CURRENT STATE OF AFFAIRS AND SEE IF WE THINK THEY  
12 CONTINUE TO MAKE SENSE TO CIRM, CERTAINLY THE  
13 STATE'S NEEDS, CIRM'S NEED, BUT ALSO THE NEEDS OF  
14 THE PEOPLE THAT ARE THE LICENSEES OF THE  
15 INTELLECTUAL PROPERTY AND DOING WORK IN DEVELOPING  
16 PRODUCTS. THERE'S NOT A VALUE STATEMENT IN THAT,  
17 JUST AN OBSERVATION.

18 SORRY. YES.

19 DR. SELICK: CAN I ASK YOU A QUICK  
20 QUESTION?

21 MR. HUANG: SURE.

22 DR. SELICK: I'M JUST CURIOUS. ON THE ONE  
23 HAND I UNDERSTAND THE BEAUTY OF BASING ANY SORT OF  
24 PAYBACK TO THE STATE ON SUCCESS, ROYALTY COMING OUT  
25 OF AN EVENTUAL PRODUCT. HOW DO WE DEAL WITH A CASE

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1 IN WHICH A COMPANY ACQUIRES A PROGRAM, BUT INSTEAD  
2 OF DILIGENTLY PROSECUTING IT TO A PRODUCT IN  
3 COMMERCIALIZATION, THEIR GOAL TO SIMPLY PUT IT ON A  
4 SHELF FOR SO-CALLED STRATEGIC DECAY WHILE THE  
5 INSTITUTION THAT RECEIVED THE GRANT MAKE A LARGE  
6 UP-FRONT PAYMENT FOR THAT. IF THE PRODUCT IS NEVER  
7 ACTUALLY DEVELOPED, THEN CIRM AND THE STATE GETS  
8 NOTHING IN RETURN. DO WE HAVE ANY SORT OF DILIGENCE  
9 PROVISIONS THAT ARE SOMEHOW BAKED INTO THE TYPE OF  
10 SITUATION WHERE A COMPANY DOES ACQUIRE A PROJECT AND  
11 CHOOSES FOR STRATEGIC REASONS NOT TO PROSECUTE IT?

12 MR. HUANG: YES, WE DO HAVE DILIGENCE  
13 REQUIREMENTS. AND IT WOULD BE UNDER OUR  
14 REGULATIONS. IT'S KIND OF A TWO-PART STEP. THE  
15 FIRST IS UNDER OUR LICENSING REQUIREMENTS, THE  
16 AWARDEE HAS TO -- WELL, HAS A NUMBER OF OBLIGATIONS,  
17 BUT THE FIRST IS TO ENSURE THAT THERE'S A  
18 CONTRACTUAL OBLIGATION FOR THE LICENSING ENTITY TO  
19 TAKE ON TO ACCEPT THE CIRM REGULATIONS. SO THEY'RE  
20 ALSO BOUND BY THE REGULATIONS. AND THEN THE NEXT  
21 STEP AFTER THAT WOULD BE TO LOOK AT OUR MARCH-IN  
22 RIGHTS.

23 AND HISTORICALLY AT THE NIH LEVEL ATTEMPTS  
24 TO USE MARCH-IN RIGHTS HAVE NOT BEEN SUCCESSFUL. WE  
25 HAVEN'T ENCOUNTERED THAT SITUATION HERE; BUT I

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1 IMAGINE, IF THERE ARE PROJECTS WHERE WE HAVE PUT IN  
2 A BIT OF TIME AND MONEY AND IT IS BEING DESIGNATED  
3 TO BE SHELVED, WE WOULD HAVE AN INTEREST GETTING  
4 THAT OUT TO PATIENTS. SO IT WOULDN'T BE THE EASIEST  
5 PROCESS, BUT THERE IS LANGUAGE IN THE REGS FOR US TO  
6 FOLLOW IN AN ATTEMPT TO GET IT BACK.

7 DR. SELICK: OKAY. GOOD. THANK YOU.

8 CHAIRMAN JUELSGAARD: I THINK ONE OF THE  
9 ISSUES THAT CAME OUT OF THIS, AND IT'S IDENTIFIED ON  
10 PAGES 9 AND 10 UNDER ROMAN VI, LICENSING AND  
11 ASSIGNMENT OF CIRM-FUNDED INVENTIONS AND TECHNOLOGY.  
12 WE HAVE NEVER ASKED TO SEE A LICENSE AGREEMENT FROM  
13 ONE OF OUR GRANTEES LICENSING THEIR TECHNOLOGY OUT  
14 TO SOME OTHER PARTY TO MAKE SURE THAT THAT LICENSE  
15 AGREEMENT INCORPORATES SOME OF THE REQUIREMENTS THAT  
16 WE HAVE IN THIS PARTICULAR PROVISION THAT NEED TO BE  
17 IN THAT LICENSE AGREEMENT. AND THAT'S SOMETHING I  
18 THINK THAT WE SHOULD DISCUSS IS WHETHER OR NOT WE  
19 SHOULD DEMAND TO SEE A LICENSE AGREEMENT BEFORE IT  
20 GETS SIGNED UP TO ASSURE OURSELVES THAT WHAT WE WANT  
21 IS ACTUALLY COVERED OR NOT.

22 IT'S NOT WITHOUT DEBATE, AND IT'S NOT  
23 WITHOUT LIKELY SOME RESISTANCE, BUT IT'S SOMETHING  
24 CERTAINLY TO THINK ABOUT.

25 MR. HUANG: I WOULD CLARIFY THAT STATEMENT



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1 JUST A LITTLE BIT. WE DO GET THE LICENSE AGREEMENTS  
2 POST SIGNING. THERE IS AN ANNUAL UTILIZATION REPORT  
3 UPDATE WHERE THEY DO ACTUALLY DOWNLOAD THOSE LICENSE  
4 AGREEMENTS. BUT WE DON'T GET -- THEY DON'T REACH  
5 OUT TO US DURING THE PRESIGNING PHASE, NEGOTIATION  
6 PHASE. SO I JUST WOULD LIKE TO NOTE THAT.

7 CHAIRMAN JUELSGAARD: NO, I UNDERSTAND.  
8 SO WE KIND OF TAKE WHAT THEY LEAVE US AT THE END OF  
9 THE DAY. I'M NOT SURE WHAT WE WOULD DO IF THEY  
10 DIDN'T FOLLOW THROUGH ON THE COMMITMENTS THAT ARE  
11 REQUIRED IN THESE REGULATIONS. ASSUMING THEY DIDN'T  
12 DO SOMETHING THEY WERE SUPPOSED TO DO, WHAT DO WE DO  
13 ABOUT IT? IT'S A LITTLE LATE TO BE HAVING TO LOOK  
14 AT IT AFTER THE FACT. ANYWAY, WE CAN TAKE THIS UP  
15 LATER, BUT I JUST MAKE THAT POINT. AS WE MATURE  
16 HERE IN THE DEVELOPMENT OF OUR REGULATIONS AND THEIR  
17 APPLICATION AND AS WE GET CLOSER AND CLOSER TO REAL  
18 LIFE, ACTUAL PRODUCTS COMING OUT OF THIS THAT ARTE  
19 GOING TO BE MEANINGFUL, LET'S MAKE SURE WE HAVE THE  
20 TOOLS THAT WE NEED GET FOR THE STATE ITS DUE  
21 DESSERTS FOR HAVING FORWARDED OR FRONTED TAXPAYER  
22 MONEY FOR THIS WORK TO GO ON.

23 ANYTHING ELSE ABOUT THE IP REGULATIONS  
24 BEFORE WE MOVE TO SOME OF THE INDUSTRY PARTNERSHIPS  
25 AND ALLIANCES THAT WE HAVE? IF NONE, THEN, SHYAM,

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1 YOU'RE ON THE FLOOR.

2 DR. PATEL: THANKS, STEVE. I'M NOT GOING  
3 TO TAKE UP TOO TIME MUCH. I'M JUST GOING TO BRIEFLY  
4 WALK THROUGH WHAT WE'RE DOING WITH THE INDUSTRY  
5 ALLIANCE PROGRAM, AND I CAN TOUCH A LITTLE BIT ON  
6 SOME OF THE TOPICS YOU RAISED TODAY AS WELL AS SOME  
7 QUESTIONS.

8 FIRST OF ALL, ON THE IP SIDE, I JUST WANT  
9 TO NOTE THAT AS WE'RE BUILDING UP OUR RELATIONSHIPS  
10 WITH THE LICENSING OFFICES IN THE STATE, WE ARE  
11 ACTUALLY GETTING SOME INTERACTION, IT'S NOT ALWAYS  
12 CONSISTENT, WHERE THEY'RE REACHING OUT TO US PRIOR  
13 TO ESTABLISHING THOSE LICENSING AGREEMENTS ABOUT  
14 CIRM REQUIREMENTS. AND WE ARE ABLE TO ADVISE THEM  
15 ON HOW TO INCORPORATE THOSE, BUT NOT IT'S NOT  
16 CONSISTENT, AS YOU MENTIONED.

17 SO WITH RESPECT TO THE INDUSTRY ALLIANCE  
18 PROGRAM, JUST A QUICK SLIDE I'M GOING TO PUT UP, AND  
19 THEN I'LL WALK THROUGH SOME OF THE THINGS WE PLAN TO  
20 DO GOING FORWARD AS PART OF THE NEW STRATEGIC PLAN  
21 IF THE BOARD APPROVES IT IN DECEMBER. BUT I HAVE  
22 ONE SLIDE THAT KIND OF LAYS OUT WHO THE ACTUAL  
23 FUNDERS ARE TO DATE AND WHAT THE INDUSTRY ALLIANCE  
24 PROGRAM EVEN IS. SO THAT'S HELPFUL. HOPEFULLY YOU  
25 CAN SEE THE SLIDE THAT I HAVE UP RIGHT NOW. I'LL

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1 MOVE TO THE ONE SLIDE ON DISPLAY. IT'S THIS ONE.  
2 SO THE INDUSTRY ALLIANCE PROGRAM WAS  
3 LAUNCHED A FEW YEARS AGO AND INITIALLY WITH A FEW  
4 LARGE PARTNERS, THE ONES AT THE TOP THERE, VIVO  
5 CAPITAL, PANACEA, AND BLUE ROCK. AND THE INTENT WAS  
6 TO WORK COLLABORATIVELY WITH THESE INDUSTRY  
7 PARTNERS, WHETHER THEY BE VENTURE CAPITAL FIRMS, BIG  
8 PHARMA, OR SMALL BIOTECHS, WHO ARE WELL FUNDED AND  
9 LOOKING TO EXPAND THEIR PIPELINE. AND THE INTENT  
10 WAS TO HELP THEM GET A LOOK INTO CIRM'S PORTFOLIO OF  
11 FUNDED THERAPIES, A LOT OF THOSE ARE ACADEMIC  
12 PROJECTS AT THE EARLY STAGES, IDENTIFY ONES THEY MAY  
13 BE INTERESTED IN HAVING A DISCUSSION REGARDING  
14 PARTNERSHIP OPPORTUNITIES, AND THEN FACILITATE THE  
15 INTERACTION BETWEEN THE INDUSTRY PARTNER AND CIRM'S  
16 PORTFOLIO.

17 PART OF THAT IS US DOING A LOT OF OUTREACH  
18 TO THE INDUSTRY. WE ARE CONSTANTLY SPEAKING TO BIG  
19 PHARMA COMPANIES, VENTURE CAPITAL. AND AS STEVE  
20 ALREADY MENTIONED, WE GO TO A LOT OF THESE MEETINGS  
21 AND CONFERENCES WHERE WE ARE ALSO GIVING BROAD  
22 EXPOSURE TO WHAT CIRM IS DOING AND WHAT OUR  
23 PORTFOLIO IS SHAPING UP TO LOOK LIKE.

24 SO INITIALLY WITH THE ONE-ON-ONE  
25 INTERACTION, WE FACILITATED PLENTY OF ONE-ON-ONE

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1 MEETINGS BETWEEN OUR GRANTEES AND INDUSTRY PARTNERS.  
2 SOME OF THOSE HAVE GONE TO BE TERM SHEETS, AND I  
3 THINK SOME HAVE BEEN ESTABLISHED AS AGREEMENTS.

4 AND PART OF THE NEXT STEP IS GOING TO BE  
5 TO EXPAND ON THIS RELATIONSHIP AND NOT JUST BE  
6 ONE-ON-ONE INTERACTIONS FOR PARTNERING, BUT FIND  
7 WAYS FOR THE INDUSTRY PARTNERS TO PROVIDE THEIR  
8 RESOURCES TO OUR GRANTEES. THOSE CAN BE TECHNOLOGY,  
9 THEY COULD BE STUDY MATERIALS FOR THERAPEUTIC  
10 DEVELOPMENT, IT COULD BE EXPERTISE, MANUFACTURING  
11 SERVICES, AND SO ON. AND SO WITH THAT IN MIND, WE  
12 SPENT THE LAST COUPLE YEARS EXPANDING THE INDUSTRY  
13 ALLIANCE PROGRAM MEMBERSHIP, AND GOING FORWARD WE  
14 PLAN TO DO THAT CONSISTENTLY MORE OVER THE NEXT  
15 COUPLE YEARS.

16 AND SO WE LOOK AT IT AS A NUMBER OF  
17 DIFFERENT TYPES OF PARTNERS THAT WE BRING IN.  
18 THERE'S GOING TO BE THE ONES PARTNERING FOR  
19 LICENSING AND ACQUIRING TECHNOLOGIES THAT ARE CIRM  
20 FUNDED THAT ARE GOING TO BE ONES WHO ARE PROVIDING  
21 RESOURCES AND THEN THE ONES PROVIDING SERVICES. AND  
22 SO WITH THAT IN MIND, WE HAVE THESE ELEVEN PARTNERS  
23 CURRENTLY, AND WE'RE EXPANDING ON THAT GOING  
24 FORWARD. OF THESE ELEVEN PARTNERS, ONE DISCUSSION  
25 WITH ABOUT HALF OF THEM AT THE MOMENT ON PROVIDING

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1 SOME OF THEIR UNIQUE CAPABILITIES TO OUR GRANTEES.  
2 I'LL WALK THROUGH WHAT THAT LOOKS LIKE IN THE NEXT  
3 SLIDE.

4 SOME OF THE NEWER ONES, ALL THE ONES AT  
5 THE BOTTOM, THEY ALL HAVE BLACK AND WHITE LOGOS.  
6 I'M NOT SURE WHAT THAT IS SUPPOSED TO MEAN, BUT I  
7 GUESS WE COULD CHANGE OUR LOGO TO BE THE SAME. BUT  
8 AS YOU CAN SEE, THE NEWER ONES ARE VENTURE CAPITAL  
9 FIRMS THAT HAVE REALLY ESTABLISHED PRESENCE IN CELL  
10 AND GENE THERAPIES AS WELL AS MORE MANUFACTURING  
11 ORIENTED PARTNERS. AND THAT'S PART OF THE PUSH  
12 TOWARD WHAT'S IN OUR NEW STRAT PLAN WITH REGARD TO  
13 BUILDING OUR MANUFACTURING NETWORK.

14 WITH THAT IN MIND, GOING BEYOND THAT  
15 ONE-ON-ONE INTERACTION, WE BELIEVE THERE ARE A FEW  
16 WAYS THAT WE WANT TO INCORPORATE THESE PARTNERS INTO  
17 THE FOLD OF CIRM'S FUNDED PROGRAMS. FIRST AND  
18 FOREMOST, I'M BORROWING MARIA'S TERM HERE. WE WANT  
19 TO BUILD A KNOWLEDGE NETWORK BETWEEN THE IAP  
20 PARTNERS AND THE CIRM GRANTEES. THIS IS A LOT OF  
21 WHAT YOU GUYS WERE TALKING ABOUT BEFORE, WHICH IS  
22 BEING ABLE TO HAVE INTERACTIONS BETWEEN OUR ACADEMIC  
23 GRANTEES AND SMALL COMPANIES, AND THE INDUSTRY  
24 PARTNERS IS NOT JUST TRANSACTIONAL. IT'S MORE OF A  
25 FLOW OF INFORMATION SO THERE'S THE SCIENTIFIC

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1 INFORMATION FLOWING BACK AND FORTH. THERE'S  
2 EXPERTISE AROUND COMMERCIALIZATION, MARKET RESEARCH,  
3 IP PROVISIONS, AND SO ON THAT CAN BE EXCHANGED AND  
4 HAVING THAT INFORMATION FLOW HAPPENING WITHIN THE  
5 CONFINES OF CIRM TYPE OF EVENT.

6 SO WHAT WE PLAN TO DO WITH THAT IS HAVE  
7 QUARTERLY MEETINGS AMONG INDUSTRY PARTNERS. WE WILL  
8 HAVE BOTH OUR INDUSTRY ALLIANCE PROGRAM PARTNERS  
9 PLUS OUR OWN GRANTEEES AROUND CERTAIN THEMES TO  
10 PROMOTE AND FACILITATE THIS INFORMATION EXCHANGE.

11 AND TO J.T.'S POINT, STEVE'S POINT, AND  
12 JOE'S POINT, WE WANT TO ALSO CAPITALIZE ON EVENTS  
13 HAPPENING IN CALIFORNIA. SO THERE ARE, AS JOE WOULD  
14 LIKE TO NOTE, HE'S GOT A BIOCOM CONFERENCE HE HAS  
15 EVERY YEAR, A PARTNERING CONFERENCE, MEETING ON THE  
16 MESA, AND OTHER EVENTS. AND, IN FACT, A LOT OF THE  
17 UC'S ALSO HAVE THEIR OWN EVENTS AT UCLA IN  
18 PARTICULAR.

19 AND SO THOSE CAN ALL BE OPPORTUNITIES  
20 WHERE OUR GRANTEEES CAN GET INTERACTION WITH INDUSTRY  
21 PARTNERS, AND WE CAN FACILITATE THAT USING OUR OWN  
22 LEVERAGE THERE.

23 THE SECOND POINT IS THE ONE THAT WE'RE  
24 MOST FOCUSED ON RIGHT NOW, WHICH IS AROUND HAVING  
25 OUR INDUSTRY PARTNERS PROVIDE UNIQUE RESOURCES AND

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1 TECHNOLOGY AND MAKE THOSE AVAILABLE TO OUR GRANTEES  
2 AT AN EARLIER STAGE, THE DISCOVERY STAGE, THE  
3 TRANSLATIONAL STAGE, AND SO ON. AND SO THERE WHAT  
4 WE ARE DOING IS WE'RE WORKING WITH THEM TO CREATE  
5 MASTER AGREEMENTS OR UNIFIED AGREEMENTS THAT OUR  
6 GRANTEES CAN TAKE ADVANTAGE OF. WHEN WE DO THAT,  
7 OUR ROLE IN THIS IS TO MAKE SURE THAT THE INDUSTRY  
8 PARTNER KNOWS HOW OUR FUNDING MECHANISM WORKS, OUR  
9 REGULATIONS WORK, AND THEN MAKING SURE THAT WHATEVER  
10 AGREEMENT THEY'RE DRAFTING MEETS BOTH THE NEEDS OF  
11 OUR ACADEMIC GRANTEES AS WELL AS OUR FOR-PROFIT  
12 GRANTEES. AND THAT IS MAKING SURE THAT IT'S  
13 COST-EFFECTIVE AND IS NOT PUTTING AN UNDUE BURDEN ON  
14 EARLY STAGE RESEARCH. AND ALSO, IF THERE'S GOING TO  
15 BE A NEED FOR DOWNSTREAM LICENSES, PARTICULARLY ON  
16 COMMERCIAL LICENSING, THOSE ARE ALL TRANSPARENTLY  
17 LAID OUT AT THE EARLY STAGE. SO OUR GRANTEES KNOW  
18 WHAT THEY'RE GETTING INTO EVEN IF THEY USE THAT  
19 MATERIAL FOR THE RESEARCH STAGE.

20 SO THOSE ARE SOME OF THE THINGS WE'RE  
21 WORKING ON WITH OUR CURRENT PARTNERS AND MAKING  
22 THOSE RESOURCES AVAILABLE. WE ARE GETTING A LOT OF  
23 TRACTION FROM THE INDUSTRY SIDE WHO WANTED TO WORK  
24 WITH CIRM AND WANTING TO WORK WITH OUR GRANTEES ON  
25 THAT. THEY'RE WILLING TO PROVIDE REALLY HIGH

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1 QUALITY RESOURCES TO OUR GRANTEES IN THIS TYPE OF A  
2 FRAMEWORK.

3 AND THEN, LASTLY, IS THAT AS WE --  
4 ASSUMING THAT THE BOARD APPROVES THE STRATEGIC PLAN  
5 THAT'S GOING TO BE GOING FORWARD, I GUESS, IN A  
6 COUPLE WEEKS, IF THAT IS APPROVED, THEN PART OF THAT  
7 IS BUILDING OUT A CALIFORNIA MANUFACTURING NETWORK  
8 WHICH IS GOING TO BRING IN BOTH CIRM-FUNDED ACADEMIC  
9 FACILITIES AS WELL AS INDUSTRY PARTNERS. AND OUR  
10 INTENT WOULD BE TO USE THE IAP AS A MECHANISM TO  
11 BRING IN SOME MORE INDUSTRY PARTNERS TO PROVIDE  
12 MANUFACTURING RESOURCES, SERVICES, EXPERTISE, AND SO  
13 ON TO BOTH OUR GRANTEES AS WELL AS THE ACADEMIC  
14 MANUFACTURING FACILITY NETWORK.

15 SO THOSE ARE SOME OF WAYS THAT WE SEE THE  
16 FUTURE OF THIS PROGRAM BEING BUILT UP OVER THE NEXT  
17 FEW YEARS. AND WE ARE ALWAYS VERY MUCH EXCITED AND  
18 HAPPY TO GET ANY SORT OF FEEDBACK THAT YOU HAVE ON  
19 WAYS THAT WE CAN DO MORE OR MORE EFFECTIVELY. SO  
20 I'LL STOP THERE AND TAKE ANY QUESTIONS YOU MIGHT  
21 HAVE.

22 MR. TORRES: SHYAM, I WANT TO KNOW WHEN  
23 YOU GET TO THESE MEETINGS WITH THE INDUSTRY  
24 REPRESENTATIVES, WHAT'S THE PUSHBACK NOT MOVING TO  
25 THE NEXT LEVEL?



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1 DR. PATEL: I'M NOT SURE I FULLY THE  
2 UNDERSTAND THE QUESTION, ART.

3 MR. TORRES: I SAID SO YOU'RE IN THESE  
4 MEETINGS. AND WHAT ARE THE ISSUES THAT COME UP THAT  
5 THEY SAY, WELL, NO. I DON'T THINK WE ARE INTERESTED  
6 AFTER ALL?

7 DR. PATEL: RIGHT. YEAH. THE INTEREST  
8 LEVEL CAN BE UP FROM BOTH SIDES. FOR EXAMPLE, MANY  
9 ACADEMIC PI'S KNOW THEY CAN USE CIRM FUNDING TO TAKE  
10 THEIR PROJECTS MUCH DEEPER INTO CLINICAL  
11 DEVELOPMENT, AND THAT ACTUALLY INCREASES THE VALUE  
12 AND DERISKS IT FURTHER USING CIRM FUNDING. AND SO  
13 THEY MAY NOT BE INTERESTED AT THE EARLY STAGE, BUT  
14 THEY STILL WANT TO HAVE THAT CONVERSATION AND  
15 INTERACTION GOING SO THEY CAN HAVE FUNDING  
16 OPPORTUNITIES AT THE LATER STAGE.

17 FROM THE INDUSTRY SIDE, A LOT OF IT IS  
18 FOCUSED AROUND MARKET SIZE, IP POSITION, AND SO ON.  
19 STANDARD THINGS YOU WOULD EXPECT AS TO WHY SOMEBODY  
20 MIGHT NOT WANT TO MOVE FORWARD.

21 CHAIRMAN JUELSGAARD: WOULD YOU REPEAT  
22 THAT, ART? WE DIDN'T UNDERSTAND THAT.

23 MR. TORRES: I SAID SO IT VARIES FROM CASE  
24 TO CASE?

25 DR. PATEL: THAT IS CORRECT, YES.

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1                   CHAIRMAN THOMAS: I WOULD ALSO ADD TO THAT  
2                   THAT A NUMBER OF PHARMA, FOR EXAMPLE, HAVEN'T MADE  
3                   THE DECISION TO ACTUALLY GET INTO REGENERATIVE  
4                   MEDICINE. SO THERE ARE REALLY A SELECT FEW THAT  
5                   HAVE DECIDED THAT THE FIELD IS RIPE ENOUGH TO GET  
6                   INVOLVED, AND THOSE ARE THE ONES YOU WANT TO FOCUS  
7                   ON. A LOT OF THEM STILL HAVEN'T. THEY'RE WAITING  
8                   FOR FURTHER PROOF OF CONCEPT AS THE FIELD MATURES.

9                   CHAIRMAN JUELSGAARD: TWO JUST QUICK  
10                  COMMENTS. THE FIRST IS SHYAM ACTUALLY POINTED OUT,  
11                  I THINK, SOME OF THE MORE IMPORTANT ONES. SO WHILE  
12                  CIRM IN OUR FUNDING WE FOCUS ON SCIENTIFIC MERIT  
13                  LARGELY, THAT'S ONLY ONE OF THE VARIABLES THAT  
14                  INDUSTRY CONSIDERS. ALTHOUGH THEY DO CONSIDER  
15                  THINGS LIKE INTELLECTUAL PROPERTY POSITION, MARKET  
16                  SIZE, PATH TO COMMERCIALIZATION, A NUMBER OF THINGS  
17                  THAT COME INTO PLAY BEFORE THEY INVEST MONEY. SO  
18                  THEY HAVE A MUCH BROADER WAY OF LOOKING AT THINGS,  
19                  UNDERSTANDABLY SO.

20                  THE SECOND IS I JUST WANT TO COMMEND SHYAM  
21                  FOR ALL THE WORK THAT HE'S BEEN DOING. SO WE'VE HAD  
22                  SOMEBODY INVOLVED SORT IN THE BUSINESS AREA SINCE I  
23                  CAN REMEMBER, BUT NOBODY WHO'S BEEN AS ACTIVE AND  
24                  AS, I THINK, HARDWORKING AS SHYAM, WHO'S REALLY  
25                  BEGINNING TO DEVELOP THIS AREA. SO I JUST WANT TO

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1 NOTE MY APPRECIATION FOR ALL THE HARD WORK YOU DO,  
2 SHYAM. THANK YOU FOR THAT.

3 DR. PATEL: THANK YOU. VERY KIND WORDS.

4 MR. TORRES: I'D LIKE TO ADD TO THAT,  
5 STEVE, BECAUSE, AS YOU KNOW, WE'RE ONE OF THE FEW  
6 LONGEST STANDING MEMBERS, AND WE'VE NEVER HAD THIS  
7 KIND OF ACTION, WE'VE NEVER HAD THIS KIND OF INPUT.  
8 SHYAM, THANK YOU AGAIN BECAUSE I KNOW HOW HARD  
9 YOU'VE BEEN WORKING ON THIS.

10 CHAIRMAN JUELSGAARD: THANKS, ART. YES.  
11 SO ANY QUESTIONS FOR SHYAM BEFORE WE WRAP UP HERE.  
12 IT'S 4 O'CLOCK. J.T. AND THEN DAVE.

13 CHAIRMAN THOMAS: SHYAM, THIS IS A  
14 TANGENTIAL QUESTION FOR YOU AND MARIA BOTH. ON BLUE  
15 ROCK WHAT'S THE STATUS OF THEIR DEVELOPMENT ON THE  
16 PARKINSON'S SIDE? AND DO WE HAVE ANY PROGRESS ON  
17 TRYING TO LURE THEM INTO CALIFORNIA TO DO ANY OF  
18 THEIR CLINICAL TRIAL WORK HERE?

19 DR. PATEL: SO WE'VE BEEN ENGAGING WITH  
20 BLUE ROCK AND NOW THEIR PARENT COMPANY BAYER AS  
21 WELL. SO BLUE ROCK IS INTERESTED IN FINDING  
22 OPPORTUNITIES TO WORK WITH CIRM GRANTEES. WITH  
23 RESPECT TO THEIR TRIAL, I THINK, IS WHEN IT GOES  
24 TO -- THIS IS PURELY FROM MY PERSPECTIVE -- WHEN IT  
25 GOES TO THE NEXT STAGE, AND THEY'RE LOOKING TO DO

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1 MORE SITE TRIALS, CALIFORNIA IS OBVIOUSLY GOING TO  
2 BE A PLAYER THERE. AND KNOWING THAT BAYER HAS A  
3 FACILITY THAT IS EXPANDING, I THINK YOU CAN EXPECT  
4 THAT THERE'S GOING TO BE A BIGGER BLUE ROCK PRESENCE  
5 IN CALIFORNIA GOING FORWARD HOPEFULLY ALONG WITH  
6 HOPE.

7 DR. MILLAN: THEY DO HAVE INTENT TO HAVE A  
8 TRIAL SITE IN CALIFORNIA.

9 CHAIRMAN THOMAS: THANK YOU.

10 CHAIRMAN JUELSGAARD: DAVE.

11 DR. MARTIN: I MENTIONED BEFORE MY CONCERN  
12 THAT IN ACADEME, ACTUALLY I HAVE TO SAY IT'S BASED  
13 ON MY EXPERIENCE IN BIOTECH, SMALL BIOTECH  
14 COMPANIES, THAT THE UNDERSTANDING OF WHAT'S  
15 PATENTABLE AND HOW ONE GOES ABOUT IT IS REALLY  
16 LIMITED EVEN WITHIN A BIOTECH COMPANY. AND THAT HAS  
17 TO BE TRUE WITHIN ACADEME ALTHOUGH IT'S LESS OF A  
18 PROBLEM NOW THAN IT WAS 40 YEARS AGO WHEN I WAS  
19 IMMersed IN IT. AND SO I REALLY WONDER WHETHER WE  
20 NEED MAYBE A BOOT CAMP OR SOMETHING FOR OUR GRANTEES  
21 ABOUT WHAT IS THE VALUE OF IP? HOW DO YOU GO ABOUT  
22 IT? WHAT'S A PROVISIONAL? WHAT'S A FILING, ET  
23 CETERA? JUST TO EDUCATE THEM SO THAT WE'RE NOT  
24 MISSING OPPORTUNITIES, WHETHER THEY BE TECHNOLOGY  
25 THAT'S GOING TO TURN INTO A THERAPEUTIC AND REQUIRES

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1 INDUSTRY TO COMMERCIALIZE IT OR IT'S JUST GOING TO  
2 BE LICENSING A TOOL OR A TECHNOLOGY. I THINK IT'S A  
3 TWO WAY -- IT HAS GO BOTH WAYS. WE HAVE TO HAVE  
4 INDUSTRY WILLING AND ABLE AND PURSUING, BUT WE ALSO  
5 HAVE TO PROVIDE IP IN ORDER TO GET RETURNS.

6 CHAIRMAN JUELSGAARD: I AGREE WITH THAT.  
7 AND I THINK A THERE'S A LOT OF VARIABILITY AMONGST  
8 THE ACADEMIC INSTITUTIONS. SOME ARE VERY WELL  
9 ADVANCED ON THIS FRONT AND SOME AREN'T.

10 I'M ACTUALLY AN ADVISOR TO A RESEARCH  
11 INSTITUTION IN CALIFORNIA THAT HAS A PRODUCT THAT  
12 THEY'RE ASKING ABOUT WHETHER OR NOT IT'S WORTH  
13 DEVELOPING. THE PATENT WAS FILED ON THE COMPOUND  
14 INVOLVED IN 2013 AND NOTHING WAS DONE IN TERMS OF  
15 DEVELOPMENT UNTIL 2020. THAT DOESN'T HAPPEN IN  
16 INDUSTRY. YOU'VE GOT 20 YEARS FROM 2013 OF  
17 EXCLUSIVITY AND THEN IT'S ALL DONE. SO YOU KNOW  
18 VERY WELL AS I DO, IF YOU'VE GOT SOMETHING THAT YOU  
19 THINK HAS USE, JUMP ON IT AND FIGURE OUT WHETHER  
20 YOU'RE GOING TO FOLLOW IT OR NOT. THAT DIDN'T  
21 HAPPEN IN THIS CASE, AND NOW THEY'RE -- I THINK  
22 THEY'RE GOING TO HAVE A PROBLEM WITH TRYING TO  
23 DEVELOP A PRODUCT FURTHER BECAUSE THEY'RE GOING TO  
24 RUN INTO GENERIC COMPETITION IF THIS PRODUCT EVER  
25 GETS LAUNCHED WITHIN PROBABLY THREE YEARS AFTER IT

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1 IS LAUNCHED. BARRY AND THEN SHLOMO.

2 DR. SELICK: THANKS, STEVE. I WOULD ADD  
3 ON TO WHAT DAVID SAID. NOT ONLY DO THE GRANTEES  
4 NEED TO UNDERSTAND WHAT IS PATENTABLE AND HOW TO GO  
5 ABOUT CREATING INTELLECTUAL PROPERTY -- AND THIS IS  
6 REALLY FOR SHYAM -- OUR EXPERIENCE IS THAT A LOT OF  
7 ACADEMIC INVENTORS ARE REALLY MORE INTERESTED OR  
8 THEY'RE FOCUSED MORE ON THE BASIC SCIENCE ASPECT OF  
9 THEIR PROJECTS. THEY'RE VERY HIGHLY MOTIVATED TO  
10 GET A GREAT PUBLICATION OUT. AND THEY FREQUENTLY  
11 PAY LESS ATTENTION TO WHAT WOULD ACTUALLY COMPRISE  
12 AN ATTRACTIVE PRODUCT FROM A COMMERCIALIZATION  
13 PERSPECTIVE.

14 SO FROM THE PERSPECTIVE OF GETTING PHARMA  
15 COMPANIES INVOLVED EARLIER WITH THE GRANTEES TO HELP  
16 GUIDE THEM WITH RESPECT TO HOW BEST TO FOCUS AND  
17 DEVELOP THEIR TECHNOLOGY INTO SOMETHING THAT WOULD  
18 BE COMMERCIALY ATTRACTIVE TO ULTIMATELY  
19 COMMERCIALIZE, I THINK THAT WOULD BE REAL VALUE  
20 ADDED. AND THAT, SHYAM, MIGHT BE A WAY OF GETTING  
21 PHARMA COMPANIES INVOLVED EARLIER WITH OUR GRANTEES  
22 WITHOUT REALLY ASKING THEM FOR MUCH OF ANYTHING  
23 OTHER THAN JUST KIND OF ADVICE AND GUIDANCE.

24 CHAIRMAN JUELSGAARD: SHLOMO.

25 DR. MELMED: DAVE RAISES A VERY IMPORTANT

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1 POINT ABOUT EDUCATION. I THINK THAT THE LACK OF  
2 CLARITY IS IN THE FACT THAT THE GRANTEES DON'T OWN  
3 THE IP. THE IP IS OWNED BY THE INSTITUTE. THE  
4 NONPROFIT INSTITUTION OWNS THE IP. AND SO IT'S THE  
5 NONPROFIT INSTITUTION THAT IN YOUR CASE IS AT FAULT,  
6 NOT THE GRANTEE. THE GRANTEE HAS SOME RELATIONSHIP  
7 AND SOME ARRANGEMENT WITH THEIR OWN INSTITUTION FOR  
8 SHARING OF ROYALTIES AND SHARING OF IP, BUT THE  
9 ULTIMATE OWNERSHIP IS THE INSTITUTION.

10 SO IF WE ARE GOING DO ANY EDUCATION AND  
11 ANY APPLICATION OF OUR PRINCIPLES FOR OUR GRANTS, WE  
12 SHOULD BE ENGAGING WITH THE RESPECTIVE TECH TRANSFER  
13 OFFICES IN OUR GRANTEE INSTITUTIONS BECAUSE THEY ARE  
14 THE ONES WHO CALL THE SHOTS, NOT THE GRANTEE. I  
15 AGREE WITH BARRY. THE GRANTEE REALLY, THEY'RE  
16 INTERESTED IN THEIR NEXT PAPER. IT'S THE  
17 INSTITUTION WHO HAS VALUABLE PROPERTY.

18 CHAIRMAN JUELSGAARD: UNLESS YOU'RE IRV  
19 WEISSMAN.

20 DR. MARTIN: IT TAKES THE GRANTEE TO  
21 IDENTIFY AND GO SEE THE DEVELOPMENT OFFICE.

22 CHAIRMAN JUELSGAARD: SORRY, DAVID. COULD  
23 YOU REPEAT THAT? I STEPPED ON YOUR TRAIN OF  
24 THOUGHT.

25 DR. MARTIN: I AGREE IT'S THE INSTITUTION.

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1 THE IDEAS AND THE INTRODUCTION OF WHAT THEY HAVE  
2 THAT MIGHT BE PATENTABLE COMES FROM THE GRANTEE AND  
3 THE PI'S LAB, BUT THEY HAVE TO KNOW, GEE, MAYBE I  
4 SHOULD GO TALK TO OUR DEVELOPMENT OR INTELLECTUAL  
5 PROPERTY OFFICE. THEY'RE NOT OUT SCOUTING TO FIND  
6 THEM OUT IN MOST INSTITUTIONS.

7 DR. MELMED: COULD BE.

8 CHAIRMAN JUELSGAARD: I THINK IT'S  
9 SOMETHING THAT WARRANTS SOME INVESTIGATION ABOUT  
10 WHAT REALLY GOES ON. I DO THINK IT VARIES A LOT  
11 AMONGST INSTITUTIONS. AND IT WOULD WELL BEHOOVE US  
12 TO BOTH EDUCATE THE GRANTEES, THE PI'S, AS WELL AS  
13 THE KNOWLEDGE TRANSFER DEPARTMENTS IN INSTITUTIONS.  
14 YOU'RE RIGHT, SHLOMO, THAT'S THE GATEKEEPER.

15 DR. MELMED: COULD I ASK MARIA A QUESTION?  
16 DON'T INSTITUTIONS SIGN THAT THEY AGREE? WHEN THEY  
17 ACCEPT THE GRANT, WHEN THEY SUBMIT THE GRANT, THEY  
18 SIGN THAT THEY AGREE TO OUR IP POLICY.

19 DR. MILLAN: YES. I WANTED TO SAY,  
20 SHLOMO, ANOTHER THING ON THAT MATTER, AND I KNOW  
21 SHYAM HAS HIS HAND RAISED, BECAUSE WHEN WE WERE  
22 GOING THROUGH VARIOUS PARTS OF THIS, DEVELOPING THE  
23 IAP, ONE OF THE THINGS WE DID WAS WE TOOK A TOUR OF  
24 MOST OF THE OTL'S. AND SO SHYAM CAN SPEAK TO THAT  
25 BECAUSE WE WERE TRYING TO UNDERSTAND THE MOTIVATION,



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1 THE LACK OF ALIGNMENT. PART OF IT WAS INFORMING  
2 THEM OF OUR IP REGS. SOME OF THEM WEREN'T -- DIDN'T  
3 EVEN REALIZE SOME OF THE REVISIONS TO THE IP REGS.

4 BUT JUST ONE OF THE CONCEPTS IS CAN WE  
5 PARTNER WITH YOU SO YOU CAN MOTIVATE YOUR PI'S TO  
6 JUST BE MORE OPPORTUNISTIC IN THIS ARENA.

7 AND THE OTHER PART OF IT WAS WE EVEN SAID  
8 WHAT WOULD IT TAKE FOR YOU TO SPEND MORE TIME  
9 BRINGING VISIBILITY TO OUR PROGRAMS. PART OF IT WAS  
10 SO UNFAMILIAR, IT WAS EASIER FOR THEM TO DEAL WITH  
11 THE TRADITIONAL SMALL MOLECULES AND OTHER TYPES OF  
12 TECHNOLOGY PLATFORMS THAN SOME OF THE REALLY COMPLEX  
13 THINGS THAT OUR PROGRAMS PRESENT.

14 SO, SHYAM, I KNOW THAT YOU WANTED TO SPEAK  
15 TO THIS, BUT I WANTED TO POINT THAT OUT.

16 DR. PATEL: SO A COUPLE OF POINTS ON THAT.  
17 WITH RESPECT TO THE EDUCATION OF THE PI'S AND  
18 INSTITUTIONS, I THINK YOU RAISE A LOT OF GOOD  
19 POINTS. IT'S TWO THINGS THERE. ONE IS THAT IT'S  
20 NOT ONLY KNOWING WHEN TO FILE THE PATENT DISCLOSURE  
21 WITH THE TECH LICENSING OFFICE OR HOW TO CONVEY THE  
22 VALUE OF THAT IP BECAUSE, AS SHLOMO MENTIONED, NOT  
23 ALL IP IS GOING TO BE PROSECUTED BY THE INSTITUTION.  
24 SO THE FILING FEES AND ALL THAT. BECAUSE OF THE  
25 COST ASSOCIATED WITH THAT, THEY'RE NOT GOING TO FILE

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1 EVERYTHING UNLESS THERE IS INTEREST FROM INDUSTRY.

2 SO WE DEFINITELY APPRECIATE THE COMMENTS  
3 YOU RAISE ABOUT BRINGING IN THE PHARMA PARTNERS  
4 LATER ON TO HIGHLIGHT THE VALUE OF THE IP AND THE  
5 EDUCATION COMPONENTS WITH RESPECT TO BOTH WHEN TO  
6 FILE AND HOW TO CONVEY THE VALUE OF THE IP TO THE  
7 TECH LICENSING OFFICES.

8 AS MARIA NOTED, WHEN WE WERE SPEAKING TO  
9 DIFFERENT TECH LICENSING OFFICES, THERE WERE A  
10 NUMBER OF THINGS THAT WERE BROUGHT UP THAT WE  
11 BELIEVE WE CAN WORK MORE CLOSELY WITH THE TECH  
12 LICENSING OFFICES GOING FORWARD. AND ONE OF THOSE  
13 WAS ON WHEN IS CIRM FUNDING FLOWING INTO THESE LABS?  
14 AND IF THERE IS, ON OUR SIDE IF OUR SCIENCE OFFICERS  
15 HAVE FLAGGED SOME UNIQUE TECHNOLOGY THAT'S BEING  
16 DEVELOPED, WORKING WITH THE PI'S TO FILE THE  
17 DISCLOSURES, AND THEY ACTUALLY DO DO THAT. AND THEN  
18 WE CAN FOLLOW UP WITH THE TECH LICENSING OFFICES TO  
19 CONVEY THE VALUE OF THOSE DISCLOSURES AS WELL. SO  
20 WE'RE WORKING THROUGH THAT.

21 WE HAD SOME DISCUSSIONS EARLY ON ABOUT HOW  
22 TO DEVELOP TRAINING AND EDUCATION MATERIALS THAT WE  
23 CAN FORWARD TO THE TECH LICENSING OFFICES ON FOR THE  
24 PI'S AND INCORPORATING THAT INTO THE FUNDING  
25 MECHANISM AS PART OF THE BOARD MECHANISM. THOSE ARE

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1 THINGS THAT WE WANT TO CONTINUE WORKING ON GOING  
2 FORWARD AS WELL. IF YOU HAVE ANY THOUGHTS ON THAT,  
3 I'D LOVE TO HEAR THOSE EITHER HERE OR OFFLINE.

4 DR. MILLAN: I WANT TO ALSO ADD, SHYAM,  
5 ONE OF THE THINGS WE ASKED THEM IS WE HAVE A PATENT  
6 ASSISTANCE FUND. WE ACTUALLY HAVE FUNDING TO HELP  
7 THEM. WHY ISN'T ANYBODY USING IT? WE ACTUALLY HAVE  
8 HAD THIS IN EXISTENCE. I DON'T KNOW. BEN PROBABLY  
9 KNOWS THE AMOUNT OF THAT THAT'S BEEN EXPENDED, BUT  
10 IT IS AMAZING. SO WE STILL DO NEED TO FIGURE OUT  
11 WHAT THE INCENTIVE STRATEGY WOULD BE IN TERMS OF  
12 ALIGNING THESE INTERESTS.

13 MR. HUANG: WE HAD A PATENT ASSISTANCE  
14 FUND THAT HAS NOW EXPIRED. BUT THERE WERE --  
15 PROBABLY THE MAX AWARD WAS 350,000, AND IT DID  
16 REQUIRE A 50-50, I BELIEVE, SPLIT IN FEES. FIFTY  
17 PERCENT OF YOUR DOLLARS, AND WE WOULD MATCH 50  
18 PERCENT.

19 WHAT WE FOUND WAS MANY OF THE MAJOR  
20 ACADEMIC INSTITUTIONS DID NOT USE THE \$350,000 THEY  
21 GOT WHILE A NUMBER OF THE SMALLER INSTITUTIONS DID  
22 USE THE FUNDING. SO WE SENT OUT REMINDERS ABOUT DUE  
23 DATES, SAYING THE GRANT WAS ABOUT A YEAR AWAY FROM  
24 EXPIRING. DO YOU WANT TO USE THE FUNDS? AND THE  
25 RESPONSE RATE -- EVERYONE WAS STILL INTERESTED IN

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1     RETAINING THE FUNDING, BUT THERE WAS JUST NOT THAT  
2     MUCH USAGE FOR THE LARGEST GRANT HOLDERS.

3             CHAIRMAN JUELSGAARD: ALL RIGHT. WELL, WE  
4     HAVE RUN PAST NOW -- I THINK WE WERE SCHEDULED TO GO  
5     TO FOUR, OR WAS IT LONGER? I DON'T REMEMBER.

6             DR. MARKS: 4:30.

7             CHAIRMAN JUELSGAARD: SO WE HAVE A LITTLE  
8     BIT OF TIME.

9             MARIA, JUST ONE QUICK THOUGHT ON THIS  
10    SUBJECT. INSTEAD OF HAVING A PATENT ASSISTANCE  
11    GRANT, AND THIS MAY SEEM A BIT OFF THE WALL, BUT  
12    I'LL POSE IT NONETHELESS, IN ANY PARTICULAR GRANT OF  
13    ALLOCATING A CERTAIN PERCENTAGE OF THAT GRANT TO BE  
14    USED FOR INTELLECTUAL PROPERTY PURSUIT OF WHATEVER  
15    THE WORK THAT'S BEING DONE. SO IT'S JUST EARMARKED.  
16    IT'S SET ASIDE THERE. AND IF IT ISN'T GETTING USED,  
17    SOMEBODY NEEDS TO GET ON THE PHONE AND UNDERSTAND  
18    WHY THEY'RE NOT USING IT. BECAUSE I DO TAKE IT WE  
19    TRACK, I DON'T KNOW IF IT'S QUARTERLY OR EVERY HALF  
20    YEAR, WHATEVER, USAGE OF THE MONEY THAT WE ARE  
21    PROVIDING THEM. SO WE WOULD KNOW IF THEY WERE USING  
22    IT, AND IT MIGHT ENCOURAGE THEM TO BE A LITTLE MORE  
23    DILIGENT IN THAT REGARD. JUST A THOUGHT.

24             DR. MILLAN: WE ACTUALLY BROUGHT THAT UP  
25    WITH SOME OF THE INSTITUTIONS. THERE WAS INTEREST

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1 IN TERMS OF ALIGNING INTERESTS. WHO WE REALLY NEED  
2 TO FUND IS SOMEBODY IN THE TECH TRANSFER OFFICE,  
3 LIKE A PROJECT MANAGER IN THE TECH TRANSFER OFFICE  
4 THAT WILL BASICALLY DO THAT WORK FOR US. AND SO  
5 THAT WAS AN IDEA WE HAD. AND IF THERE IS INTEREST  
6 IN IT BY THIS SUBCOMMITTEE, WE'D LIKE TO PURSUE IT  
7 BECAUSE IT I THINK ACTUALLY IS SOMETHING THAT COULD  
8 WORK. THE PI'S THEMSELVES, REGARDLESS OF WHAT THAT  
9 IS, IT'S PROBABLY TO THEM JUST THEY DON'T EVEN KNOW  
10 HOW TO USE THAT. SO IT WOULD BE INCENTIVIZING THEIR  
11 TECH TRANSFER OFFICE TO WORK ON OUR BEHALF  
12 ESSENTIALLY TO OPTIMIZE THAT.

13 CHAIRMAN JUELSGAARD: THIS JUST SUPPORTS  
14 WHAT SHLOMO SAID. OUR AGREEMENTS ARE WITH THE  
15 INSTITUTION. THEY'RE NOT WITH THE GRANTEES. SO  
16 LET'S GET THE INSTITUTION INVOLVED. THE INSTITUTION  
17 IS NOT JUST THE GRANTEE. THEY HAVE OTHER  
18 CAPABILITIES AS WELL THAT OUGHT TO BE PUT TO WORK.

19 DR. MILLAN: AND IF WE WERE TO DO THAT,  
20 ONE OF THE IDEAS -- BECAUSE WE WENT PRETTY FAR INTO  
21 THESE CONVERSATIONS. SO FOR THE UC'S, FOR INSTANCE,  
22 IT MAY BE AT THE LEVEL OF UCOMP THAT OFTEN GETS MORE  
23 TRACTION THAN DOING UC-PER-UC TYPE CONVERSATION. SO  
24 JUST PUTTING IT OUT THERE.

25 CHAIRMAN THOMAS: ANYTHING ELSE THAT ANY

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1 OF THE COMMITTEE MEMBERS WOULD LIKE TO ADDRESS? IF  
2 NOT, I'M GOING TO OPEN IT UP FOR ANY PUBLIC COMMENT.  
3 ALL RIGHT. IF THERE'S NOTHING FROM COMMITTEE  
4 MEMBERS, IS THERE ANY PUBLIC COMMENT? MARIA.

5 MS. BONNEVILLE: NO PUBLIC COMMENT.

6 CHAIRMAN JUELSGAARD: WELL, SEEING NONE,  
7 COMMENT FROM EITHER ATTENDEES OR THE PUBLIC, ADIEU.  
8 I CALL THE MEETING ADJOURNED. HAVE A WONDERFUL REST  
9 OF YOUR WEEK.

10 (THE MEETING WAS THEN CONCLUDED AT 4:16 P.M.)

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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 ZOOM PROCEEDINGS BEFORE THE IP AND INDUSTRY SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON DECEMBER 1, 2021, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

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