

## Opening Comments

ICOC Workshop on IOM Recommendations  
January 23, 2013

1. I wanted to start by reiterating what a fantastic report we had this morning from Drs Feigal and Olson on the status of our portfolio. We have a unique opportunity and program that is the envy of the stem cell world. We need to keep this in mind as we proceed with this discussion, which is all about HOW WE CAN MAKE OURSELVES EVEN BETTER.
2. Towards that end, we've had three external reviews plus various financial and operational audits. The external reviews, from the Little Hoover Commission, the External Advisory Panel and most recently the IOM have had a number of consistent themes that flowed throughout.
3. The latest report by the IOM had a particularly lengthy set of recommendations. I, like you, read that report and was somewhat overwhelmed by the breadth and extent of the recommendations.
4. Then I took a step back to consider it in more detail.
5. Winston Churchill once said, "To improve is to change; to be perfect is to change often."
6. CIRM at this point is mid-life in its cycle. As the IOM report made abundantly, Bob and the Agency did an amazing job in creating itself from scratch, in putting in place a series of facilities and programs that have enabled world class research and in doing so in a context of utmost scientific and ethical integrity. What they are saying is that all the internal structures and protocols put in place were great to get us where we are, but at mid-life, those structures and protocols can be further refined to make CIRM even better.
7. With that in mind, I took a fresh look at the IOM recommendations and began to develop a plan to comprehensively and substantively address the full slate of recommendations. It is that plan that I wish to share with you today.
8. In the process of developing this plan, I spoke to a number of stakeholders both within and outside CIRM. These included:

All the constitutional officers and/or their staff  
A number of members of the Board (being mindful of Bagley-Keene);  
CIRM staff  
Patient advocates  
Bob Klein

And last but not least, Dr. Harold Shapiro, the Chair of the IOM Committee that issued the report

9. As one would expect, different people liked different aspects of the plan. Most liked the majority of the suggestions; few liked them all.

10. As contemporary author Larry Wall noted, “We all agree on the necessity of compromise. We just can’t agree on when it’s necessary to compromise.”

11. Ladies and Gentlemen, I would submit that this is one of those times that we must move forward decisively and compromise for the greater good. We must get past longstanding criticism on structure and protocol that has for too long stolen focus in the press and with other outside observers from the incredible scientific work that we’ve enabled and that you heard so eloquently about in this morning’s session.

12. To paraphrase the IOM, CIRM is “at the center of the stem cell universe,” is “galvanizing stem cell research not just in California but nationally and worldwide” and is “greatly accelerating the pace of research everywhere in the increasingly important field of regenerative medicine.” To members of the press both attending and listening to this meeting, I – we at CIRM – want these messages to be the central focus of your stories going forward.”

13. My goal here is to discuss this plan and to drive consensus at the end of that discussion that will set a framework for the “new and improved” CIRM going forward.

14. Because of public meeting restrictions, most of you will be hearing this plan for the first time. I want to walk you through a presentation on the plan and request that you let me get through it before commenting. We will then proceed to a robust Board discussion, followed by public comment.

15. I believe that you will find the plan to be a dramatic and substantive response to the IOM report, one that has interwoven parts that together form a comprehensive road map for moving forward. With the understanding that you will all have elements you don’t like, I ask that you carefully consider the plan as one reporter’s best attempt to move us forward.

16. Comments introducing the “Conflicts” slide:

The appearance of economic conflict has been the single biggest issue that has followed us from inception.

Such was the IOM’s concern that it recommended that the Board could only vote on the slate recommended by the GWG and not be able to address any individual grants.

Having said that, Dr. Shapiro made it very clear at his presentation to the Board in December that if we addressed the economic conflict issue, that would alleviate the need to vote on the slate only.

It is with that thought in mind that I now address the conflicts issue in the presentation.