



CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE

CIRM Post 2017

Jonathan Thomas, PhD, JD
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CIRM Spending: Jan 1, 2014



- Board Approved - \$1.9 billion
- Dispersed - \$1.25 billion
- Money left to disburse - \$1.75 billion
- 600 awards to 70 institutions
- 29 awards to 19 companies - \$187 million total

Economic Return

- Grants generate \$286 million in new tax revenue from first \$1.6 billion in grants*
 - Created 38,000 job years
 - Estimated \$2.3 return for every \$1 spent
- * Independent review by Berkeley Research Group

Clinical Trials We Are Funding



- HIV/AIDS – Calimmune
- Heart attack – Capricor

Due to start this year

- Sickle Cell Disease – UCLA
- Leukemia – Stanford
- Leukemia – UCSD
- Macular Degeneration/vision loss – USC
- Diabetes – Viacyte
- Cancer - UCLA

Clinical Trials Due To Our Funding



- Melanoma – UCLA
- Spinal Cord Injury – UC Irvine/StemCells Inc.
- Myelofibrosis – UC San Diego
- Polycythemia Vera – UC San Diego
- Leukemia – UC San Diego
- Ataxia – Scripps, Repligen
- Leukemia – UC San Diego, Pfizer

Impact Of Our Spending



- 12 new world-class research facilities
- Attracted \$543 million in matching funds to build research facilities
- Attracted more than 130 senior level scientists and their labs to California
- Trained more than 1,500 students
- Attracted \$300 million in follow-on funding from NIH/Foundations (as of Jan. 2012)

The Show Must Go On



- 2 projects are in Phase 1; 6 more due to enter Phase 1 this year
- Research on 38 currently incurable diseases or conditions
- All research is in the “Valley of Death,” where there are few or no other funders
- “Take-out” money only comes in after Phase 2
- No more CIRM funds to allocate after Q2 2017
- 95%+ of our projects will not be to the end of Phase 2 by that time
- Without additional funding, projects will hit the wall.
- We need to develop alternative funding sources to sustain the work.

Alternative Funding Sources

- Sustainability is a top priority.
- CIRM is considering a variety of alternative funding sources.
- Goal is to fund the continuation of all meritorious projects, not just those for specific indications.
- Options include philanthropic structures, investment banking structures, philanthropic/venture hybrids, program-wide co-funding opportunities, public-private partnerships, a second bond measure, other.

What If No Additional Funds?

- Regardless of additional funding, we are working to develop strategic alliances between pharma and specific projects.
- Pharma starting to trend towards outsourcing R&D; our projects would create pipeline; their dollars would bring specific projects through trials and commercialization
- Implement in keeping with plans for “Accelerated Pathway.”
- CIRM awards would be drawn down through 2021.
- During that period, a plan would be worked out to transition authority over the grantees to the SCO.
- CIRM staff would be downsized over that period according to need.

Transition Planning

- CIRM is carefully allocating its administrative funds in order to ensure that CIRM has appropriate staff available to administer CIRM research awards until the close of the last award.
- Consistent with CIRM's Transition Plan, CIRM staff and outside counsel met with the chief counsel from the offices of the Controller and the Treasurer.
- Discussed the various areas in which on-going administration will be required if CIRM does not obtain additional funding after the expiration of the current bond funding.
- Agreed to explore options further, including the possibility of legislation to address responsibility for enforcement of continuing obligations of CIRM grantees.
- With respect to CIRM equipment and furniture, CIRM would first offer it to DGS, as is required by state regulations. DGS has the option of taking the equipment or allowing the agency to donate it to pre-approved organizations.