

# Life Sciences Discovery Fund Authority

## Public Board Meeting Minutes

Tuesday, September 15, 2009 9:00am-2:30pm PDT

Talaris Conference Center (The Lodge), Seattle WA

**Trustees Present:** Rep Glenn Anderson, Jim Cook, Sen Jerome Delvin, Tony Hey, Sen Chris Marr, Bruce Montgomery, Rep Jeff Morris (from 11:30am on), and Cheryl Scott

**Trustees Present via Telecon:** Lura Powell (Board chair), Jeff Morris (from 9:00a-11:30am)

**Trustees Absent:** Rita Colwell

**Others Present:** Lee Huntsman, John Des Rosier, Mark Hertle, Alden Jones, Cathy Manner, Brenda Stav, Kristina Montgomery, Pamela Anderson (AG), Mike Tribble (AG), Prof David Boerner (ethics observer), Chris Rivera (WBBA), Daniel Chiu (UW), and John Thompson (FHCRC)

### Others Present via Telecon:

Alice Grasset	IDRI
Atakan Peker	Washington State University
Barbara Berg	Fred Hutchinson Cancer Research Center
Biaoyang Lin	Swedish Medical Center
Charles Mays	Arcadia Biosciences
Daniel Malone	Downtown Emergency Services
Daniel Ratner	University of Washington
Dean Forbes	Fred Hutchinson Cancer Research Center
Ed Derrick	AAAS
Hoon Lee	Nano Factor
Jack Magan	Benaroya Research Institute
Jonathan Bricker	Fred Hutchinson Cancer Research Center
Joseph Coyne	Washington State University
Kathleen Shannon-Dorcy	Fred Hutchinson Cancer Research Center
Kendall Magnuson	PATH
Norman Karin	Pacific NW National Labs
Renee Kabrich	Pacific NW University
Roberta Wilkes	University of Washington
Seema Clifasefi	University of Washington
Susan Hoyne	Shoreline Community College

*The public session was preceded by an executive session from 8:30am-9:00am during which the trustees discussed 2009 project grant competition proposals.*

## MINUTES

### PUBLIC SESSION

**Welcome** – Powell welcomed the group and the trustees voted on and announced the recipients of the 2009 Project Grant Competition.

**Background** - The 2009 Project Grant Competition supports investigator-initiated research projects to improve health and health care and foster economic development in Washington. LSDF received 61 proposals for this competition. A panel of national experts convened by the American Association for the Advancement of Science (AAAS) evaluated the proposals according to three criteria: scientific and technical merit; importance to health and health care; and future economic returns. The outcome of the AAAS review was a funding recommendation for each proposal, which the trustees took into consideration in selecting awardees. Those that were selected met the Fund's mission of advancing health care for Washingtonians, strengthening the state's economy, and promoting life sciences competitiveness. The six selected proposals total \$5.1 million.

**Review of Conflict of Interest Policy** – Pam Anderson, LSDF counsel from the Washington State Attorney General's Office, reviewed the LSDF Conflict of Interest Policy ("the Policy") apropos the grant selection and

announcement process. Anderson noted that the Policy is posted on the LSDF website [www.lifesciencesdiscoveryfund.org](http://www.lifesciencesdiscoveryfund.org). In general, the Policy is meant to ensure that the awards are made in a fair and objective manner, in compliance with the Ethics in Public Service Act and the mission of the LSDF. Anderson stated that a full disclosure of trustees' declared conflicts and actions taken as a result of such disclosure at each stage of the awards process, if any, is attached as an Addendum to the minutes.

The Board then voted to approve the following 2009 Project Grant Competition awards:

**Norman Karin, Battelle Pacific Northwest Division, "A Cost-Effective Hydrogel-Growth Factor Complex to Improve Bone Healing."** The project's focus is to develop safe, effective, and inexpensive implant materials to promote bone regeneration.

The award amount is: \$1,022,867

Roll Call of Vote (all voted in favor): Anderson, Cook, Delvin, Hey, Marr, Montgomery, Morris, Powell, Scott  
Absent from Roll Call: Colwell

**Daniel Leotta, University of Washington, "Imaging Oximetry of Peripheral Ischemia for Identification of Amputation Level."** The project's focus is to develop an easy to use, low-cost, non-invasive portable device that can measure local tissue oxygenation and help guide surgeons in performing lower limb amputations.

The award amount is: \$509,051

Roll Call of Vote (all voted in favor): Anderson, Cook, Delvin, Hey, Marr, Montgomery, Morris, Powell, Scott  
Absent from Roll Call: Colwell

**Andre Lieber, University of Washington, "Peptides that Increase the Efficacy of Monoclonal Antibody Therapy of Cancer."** The project's focus is to validate the preclinical effectiveness and safety of a novel molecule that enhances the anti-tumor actions of a chemotherapeutic agent.

The award amount is: \$202,759

Roll Call of Vote (all voted in favor): Anderson, Cook, Delvin, Hey, Marr, Montgomery, Morris, Powell, Scott  
Absent from Roll Call: Colwell

**Daniel Martin, Institute for Systems Biology, "High-Throughput Generation of Monoclonal Anti-Peptide Antibodies for High Sensitivity Targeted MS Analysis of Biomarker Candidates."** The project's focus is to develop new technologies for biomarker verification and conduct initial validation of prostate cancer biomarker candidates.

The award amount is: \$791,767

Roll Call of Vote (all voted in favor): Anderson, Cook, Delvin, Hey, Marr, Montgomery, Morris, Powell, Scott  
Absent from Roll Call: Colwell

**Tomikazu Sasaki, University of Washington, "Development of Artemisinin Compounds for Cancer Treatment."** The project's focus is to develop new cancer therapeutics based on the natural product artemisinin.

The award amount is: \$1,451,193

Roll Call of Vote (all voted in favor): Anderson, Cook, Delvin, Hey, Marr, Montgomery, Morris, Powell, Scott  
Absent from Roll Call: Colwell

**Diter von Wettstein, Washington State University, "Wheat for Celiac Patients and Improved Disease Prevention."** The project's focus is to generate lysine-enriched wheat that is safe for individuals with celiac disease.

The award amount is: \$1,099,998

Roll Call of Vote (all voted in favor): Anderson, Cook, Delvin, Hey, Marr, Montgomery, Morris, Powell, Scott  
Absent from Roll Call: Colwell

**Closing Remarks** – Powell encouraged those interested in more information on the awards to see [www.lifesciencesdiscoveryfund.org](http://www.lifesciencesdiscoveryfund.org). Members of the media were directed to contact Alden Jones at 206

732 6770. Powell then thanked fellow trustees and the LSDF staff for their participation, time, and input. Powell congratulated the LSDF 2009 Project Grant Competition awardees. Powell also expressed appreciation to Governor Christine Gregoire and to all Washington State legislators for their ongoing support in carrying out the mission of the Life Sciences Discovery Fund.

*Chairman Powell (attending the meeting via telephone) then turned the chairmanship of the meeting over to trustee Jim Cook.*

Cook mentioned the passing of and paid tribute to the American agronomist and humanitarian Dr. Norman Borlaug. Borlaug was one of only six people to receive the Nobel Peace Prize, the Presidential Medal of Freedom and the Congressional Gold Medal. His research in high-yield, disease-resistant wheat varieties saved an estimated one billion lives worldwide.

**Personnel (Huntsman)** – LSDF’s new grants manager Kristina Montgomery was introduced. Staff is currently sourcing program officer candidates. Cathy Manner will take on various communications responsibilities. Additionally, LSDF plans to hire a part-time, temporary consultant to assist with strategic stakeholder communications.

**Financials (Jones and Huntsman)** – Composite financials as of August 31, 2009 indicate no significant deviations from budget forecast. Trustee Anderson suggested staff work toward GAAP format.

#### **Programs Update (Des Rosier)**

- *Update on Awards:* 07-01 third progress reports coming in; 07-02 second progress reports coming in; 08-01 first progress reports coming in; 08-02 grant agreements completed; 09-03 agreements in process.
- *Success Story:* Port of Seattle police officer Ray Blackwell’s life most likely was saved this summer by his participation in an LSDF-funded study led by Swedish Neuroscience Institute neurosurgeon Dr. David Newell using a unique ultrasound technology (the NeuroWave catheter developed by Bothell-based EKOS Corp.).
- *Update on Current Competitions:* 09-01 projects grant agreement process to begin immediately; 09-02 programs 19 proposals received from seven organizations and are undergoing AAAS mail review; 09-04 summer commercialization grants 11 out of 29 pre-proposals “encouraged” for full proposal round, 10 full proposals received.
- *Upcoming Board Evaluation:* 09-02 programs competition proposals to be evaluated for interviewee selection on November 10, in-person interviews on January 11 and 12, evaluation of interviews on February 9 and vote and announcement on February 16. 09-04 proposals to be reviewed by trustees at the December 8 meeting with award announcement on December 15.

**Presentation – Chris Rivera, President, Washington Biomedical and Biotechnology Association** – Rivera provided a current overview of the life sciences sector in Washington (slides available upon request).

#### **Programs Topics (Des Rosier)**

- *Statewide Tissue Bank* – LSDF discussions with representatives from a number of institutions have indicated a need for a “biospecimen” collection/distribution system. Monies for such systems are difficult to find, but without this infrastructure, Washington institutions believe that they are losing grants to Harvard, Vanderbilt and Stanford who have such repositories. Des Rosier noted 09-02 competition has four proposals with biospecimen collection/distribution dimensions, two of which have a major disease-specific infrastructure component.
- *Opportunity Fund* – With the \$2M Nickerson award, LSDF trustees indicated receptiveness to funding compelling research opportunities. As such, they envision opportunity grants to be characterized by 1) a need for catalytic investment on a very short timetable, and 2) high-leverage potential (e.g. a 10x, near-term return) not aligned with LSDF’s annual competition cycle. Budget allocation and guidelines for what constitutes an eligible “opportunity” will be determined by the trustees at a future meeting.

- *Competitions Lessons Learned and Staff Recommendations – General recap*: six funding rounds completed: three projects, two programs and one commercialization. 29 awards made totaling \$55,523,806. Approximately 27% of LSDF lifetime revenue has been committed. *High level observations*: LSDF has a credible process for making awards; interest in LSDF awards is high (29 awards made from 361 proposals); granting processes are perceived as rigorous and transparent; peer review processes are credible and well-received; and requirement of milestones and timelines challenges traditional culture. *Recommendations for Program Grants*: Stay the course, but open awards to requests for enabling research resources which offer statewide access and impact. *Recommendations for Project Grants*: Integrate cost-sharing concept into the RFP, prioritize quality proposals with near-term impact; in 2010 encourage proposals with more immediate translational potential. *Recommendations for Commercialization Grants*: Wait until 09-04 ratings are in to determine whether to announce one or two competitions in 2010; develop structure to provide applicant mentoring (with trustee caveat that more due diligence is needed apropos infrastructure, process and mentor skill set); and allow expert panels to ask applicants questions during deliberations.
- *2010 Grant Competitions-Potential Scenarios* – Proposed allocations: programs \$13M, projects \$4M, commercialization \$1.5M, opportunity \$2M = total \$20.5M.
- *2010 Grant Competition Calendar* – Spreadsheet presented showing milestones from January through December for each competition.
- *Additional Items for 2010* – With 30-40% of its funds committed, trustees may want to invite an external review and use the review as the nucleus of a retreat in 2010.

**Presentation – Daniel Chiu, University of Washington, “Monitoring Breast Cancer Metastasis and Treatment Efficacy”** – Chiu provided a current overview of his LSDF 07-01 project (slides available upon request).

**Presentation – John Thompson (representing PI Mac Cheever), Fred Hutchinson Cancer Research Center, “Cancer Consortium Phase 1 Clinical Trials Program”** – Thompson provided a current overview Cheever’s 07-02 program (slides available upon request).

#### **Board Policy Updates**

- *Ethics and Conflict of Interest Policy Changes* (Anderson) – The trustees approved the revised COI policy.
- *LSDF Grant Award Supplement Policy* (Des Rosier) – Due to time constraints, this topic was postponed to a future meeting.
- *Updated Lobbying Summary* (Tribble) – Policy updated to clarify language regarding who is authorized to lobby. This topic will be discussed in greater detail a future meeting.
- *Electronic Data Discovery and Evidence Preservation* (Tribble) – AG’s office needs to make sure policy in place. This topic will be discussed in greater detail a future meeting.

Respectfully submitted,  
 Lee L. Huntsman, Ph.D.  
 Executive Director  
 Life Sciences Discovery Fund Authority

***Addendum to September 15, 2009 Meeting Minutes***

**Board of Trustees' Conflicts of Interest Disclosures  
Life Sciences Discovery Fund (LSDF) 2009 Project Grant Competition Proposals**

LSDF policy requires trustees to disclose potential conflicts of interest (COI) based on its COI policy [http://www.lsdfa.org/about/background/Ethics\\_conflicts\\_interest\\_policy.pdf](http://www.lsdfa.org/about/background/Ethics_conflicts_interest_policy.pdf) prior to consideration or action on any grant proposal.

Each trustee completed a COI disclosure form for the 2009 Project Grant Competition. No disclosures were made. Thus each trustee participated in the review and rating of each proposal received for the 2009 project competition and each trustee present at the July 28, 2009 meeting participated in all deliberations.

The trustees present at the September 15, 2009 meeting reaffirmed the fact that they did not have conflicts of interest to disclose for the 2009 Project Grant Competition. Therefore, no recusals were required and all trustees present at the September 15, 2009 meeting participated in the LSDF action awarding grants in the 2009 Project Grant Competition.

Independent ethics and conflicts observer Prof. David Boerner of Seattle University was present during the entire executive session. Prof. Boerner observed that the Board gave fair and impartial consideration to each proposal.