

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
MASSACHUSETTS LIFE SCIENCES CENTER**

DATE: October 27, 2010

TIME: 3:10 p.m. EST

PLACE: One Ashburton Place, 21st Floor
Boston, Massachusetts

DIRECTORS PRESENT: Abbie Celniker, Ph.D.
Tom Chmura (Designee for Jack Wilson)
Secretary Jay Gonzalez
Michael Hunter (Designee for Secretary Greg Bialecki)
Peter Slavin, M.D.
Lydia Villa-Komaroff, Ph.D.

DIRECTOR(S) ABSENT: Secretary Greg Bialecki
Josh Boger, Ph.D.
Jack Wilson, Ph.D.

1. **Call to Order**

Secretary Jay Gonzalez, presiding as Chairman of the meeting, called to order the meeting of the Board of Directors (the “Board”) of the Massachusetts Life Sciences Center (the “Center”) at 3:10 p.m., and announced that a quorum of directors was present. The meeting, having been duly convened, was ready to proceed with its business.

2. **Approval of Board Minutes**

The Board then reviewed the minutes of the September 24, 2010 meeting. Following discussion, upon motion duly made, seconded and unanimously carried, the Board adopted the resolution to approve the minutes.

3. **Chair’s Update**

Secretary Jay Gonzalez began by sharing the news that Novartis will add 300 new jobs and invest \$600 million over the next five years to expand its research campus in Cambridge,

Massachusetts. He stated that this news is indicative of good economic news across the state as Massachusetts is one of the top in the country in terms of job growth and has the second fastest growing economy. Secretary Gonzalez also reported that the state has closed the books on FY10, and a sufficient surplus has been generated for \$10 million to be provided to the Center.

4. Executive's Report

Dr. Susan Windham-Bannister reported to the Board that she has made one new grant award using her discretionary spending authority, a \$50k bridge grant to North Shore InnoVentures (BIVC) in Beverly, Massachusetts. The BIVC has operated in virtual mode for two years now, assisting a number of early stage companies with business planning and preparation for financing. Two companies that have been mentored in their virtual incubator now need lab space and four more companies have come to the BIVC seeking lab space. The six start-up companies translate immediately to 12-18 new jobs and they will grow to at least twice that in one year. Leveraging the Center's grant are federal funds, an investment from the Fraunhofer Center for Sustainability Systems, and \$50,000 in matching funds from Garbrook Knowledge Resources. In addition, space will be provided at no cost for the first year by the Cummings Center in Beverly.

Dr. Windham-Bannister also updated the Board on the Internship Challenge program. The Center currently is conducting an online survey of the program's summer 2010 participants that will help provide an accurate assessment of the experiences of interns and their mentors, and how many hires were made as a result of this program. The Center also is conducting a follow-up survey of 2009 interns to determine the impact that their internship had on their career development. The results of these surveys will be presented to the Board at the next meeting.

Dr. Windham-Bannister informed the Board of the Center's ongoing conversations with international companies, four of which have opened in Massachusetts and others that plan to

open. She recently met with delegations from Northern Ireland, Israel, and Finland, and in the coming weeks, the Center will be meeting with delegations from Germany and Italy.

5. UPDATE: Human Stem Cell Bank and Registry

Tom Chmura, on behalf of University of Massachusetts President Jack Wilson, introduced Dr. Joseph Laning, Executive Director of the UMass Human Stem Cell Bank and Registry. Dr. Laning began by describing his background as an immunologist and his years working at Organogenesis and Viacell. He then updated the Board on the recent progress made at the Bank and Registry. Since becoming Executive Director, he went through a “very rigorous” top to bottom review of people, process, and performance. His focus was on line distribution, making sure that they will have the necessary incoming lines and that the paperwork flow goes well. He is also pushing on the Registry to shift data control to Registry personnel and look at web interface updates to better service the people that visit the Registry site. In terms of education and training, there is a new emphasis on external funding to support future outreach training. He also shared with the board that several upcoming meetings and teleconferences with other banks such as the UK Bank and WiCell are scheduled, and he is certain that establishing such connections will be beneficial.

In response to Secretary Gonzalez’s question regarding the Bank and Registry’s business plan, Dr. Laning mentioned that a meeting is scheduled with the Center’s Scientific Advisory Board on November 9, 2010 to discuss this topic. He believes that the current business plan is a starting point and will need to be revisited on a regular basis.

6. UPDATE: Leverage on the MLSC Tax Incentive Program

Jim Muller, CEO of InfraRedX, updated the Board on his company’s growth since receiving a tax incentive from the Center last year. He explained how his company was actually founded in Kentucky and moved to Boston in 2000. His company has since created 72 jobs and

received FDA approval. Prior to receiving the award, it had been extremely difficult to build the company due to high costs, and they had to lay off talented workers as a result. This tax incentive actually helped the company raise \$21 million and was helpful in receiving FDA approval. He announced that they now are trying to build up manufacturing to meet the domestic and international demand, and therefore hiring for twenty open positions. Most of their workforce comes from Massachusetts colleges and universities and MIT engineers helped build this technology. He proudly stated that “it could not have been built in many other places.”

7. UPDATE: Leverage on the MLSC Accelerator Program

Frank Reynolds, CEO of InVivo Therapeutics, updated the Board on his company’s growth since receiving a \$500,000 Accelerator Loan award in April 2009. The company had only six employees at the time, and currently has 14. They will soon be signing a deal for their first manufacturing center in Medford, Massachusetts and finalizing plans for a new facility to open in either Boston or Cambridge in January or February of 2011. On behalf of InVivo, he expressed his deep gratitude for the opportunities offered by the Center as he announced that the company has re-paid the Center’s loan plus 10% interest.

8. Proposal for FY11 Cooperative Research Matching Grant Program

Beth Nicklas, the Center’s VP and Counsel for Academic and Research Programs, presented to the Board the Center’s proposal for the second round of the Cooperative Research Matching Grant program. She recalled that in 2008, the Center awarded six research institutions with grants matched by industry sponsors. The objective of the program is to increase industry partnerships with research institutions in Massachusetts that will accelerate the commercialization of translational research. Following a three-month competitive solicitation

period, there will be a two-month review period and awards will be made in either May or June. The selection criteria will be very similar to that of the first round, with reviewers looking for proposals promising new therapies, treatments or cures, economic development and job creation, accelerated translational research, and a strengthened life sciences ecosystem. Unlike the first round, however, for the second round the Center is requesting only a \$2 million investment to make four awards of up to \$250,000 per year over a two-year period. Eligible industry sponsors could include any size company and must match, in at least 30% cash, the Center's grant on a one for one basis. For this round, the Center will request more specificity regarding commercialization potential and timeframes for achieving commercialization.

After further discussion, the Board reviewed the relevant Resolution, and, upon motions duly made, seconded and unanimously carried by all voting Board members, the Board adopted the resolution authorizing the expenditure of monies in an amount not to exceed \$2,000,000 for the second round of the Cooperative Research Matching Grant program.

9. Resolution to Accept MLSC FY11 Operating Budget

Brad Rosenblum, the Center's Chief Financial Officer, recalled to the Board that in June 2010, the Center received an interim six-month operating budget approval of about \$1.32 million. The Center is now requesting approval from the Board for a full year FY11 budget of \$2.64 million. "Exhibit A" of the Resolution lists the FY11 full year budget for operating expenses.

After further discussion, the Board reviewed the relevant Resolution, and, upon motions duly made, seconded and unanimously carried by all voting Board members, the Board adopted the resolution authorizing and approving an allocation of funds to support the Center's operating budget for fiscal year 2011 as proposed.

10. Adjournment

Secretary Jay Gonzalez asked if there was any other further business to come before the Board, and, hearing none, upon motion duly made, seconded and unanimously carried, he adjourned the meeting at 4:00 p.m.

Peter Slavin, M.D.
Secretary of the Meeting

APPROVED:

Secretary Jay Gonzalez
Chairman of the Meeting

List of Materials and Exhibits Used During Meeting:

- Draft Minutes from September 24, 2010 Board Meeting;
- Executive Report to the Board of Directors;
- UMass Human Stem Cell Ban and Registry presentation outline;
- InfraRedX presentation;
- Cooperative Research Matching Grant program (Round 2) presentation;
- Assorted press clips