“The best evidence of our fundraising success was the early completion of our challenge grant from the W. M. Keck Foundation. The foundation’s generous $20 million grant in 2005 required KGI to match those funds with $30 million in new philanthropic support within seven years.”
FOCUSING ON THE FUTURE

Keck Graduate Institute was founded on the idea that truly effective preparation of future leaders in the life sciences industry would require a complete redesign of the traditional approach to graduate education. KGI pioneered the professional science master’s degree, merging science and business in an entirely new, integrated way, with rich experiential learning components and a strong collaborative relationship with industry.

KGI is still a young institution, and remains a small, nimble one. At the start of the 2009-10 academic year, we welcomed our 10th entering Master of Bioscience (MBS) class, numbering 55 students. Our relative youth, size, and innovative spirit have helped make KGI remarkably adaptable and self-reflective as we continuously fine-tune and improve our educational model. We are willing and able to experiment and shift direction as needed, shaping our future as an institution as we build upon our successes.

While we continue to refine our MBS program, we also have expanded our academic programs. During 2009-10 we welcomed our first cohort in the Postdoctoral Professional Masters in Bioscience Management (PPM), and prepared to launch our new Postbaccalaureate Premedical Certificate (PPC) program, which provides students with the opportunity to distinguish themselves from other medical school candidates. We have been gratified by the quality and quantity of applicants for both of these innovative programs.

KGI has been warmly embraced by the life sciences industry, with steadily growing support for our research centers and other faculty research efforts. KGI’s Center for Rare Disease Therapies hosted a highly successful workshop with the Food and Drug Administration and life sciences companies this year, resulting in 16 drugs garnering rare disease designation at the conclusion of the two-day workshop.

We continue to be excited and gratified by the synergy between the Center for Rare Disease Therapies and our new Center for Biomarker Research, which established its laboratory during the past year and is actively searching for new rare disease markers.

The number of companies sponsoring our capstone Team Masters Projects grew to 13 in 2009-10, providing students with incomparable opportunities for intensive hands-on learning in service of real issues faced by leading life-science companies and promising startups. This report includes a story on the impressive growth of the TMP program at KGI. In this report, you will also see the increasing number of endowed funds for fellowships and professorships that help KGI attract top talent to both our student body and faculty.

The best evidence of our fundraising success was the early completion of our challenge grant from the W. M. Keck Foundation. The foundation’s generous $20 million grant in 2005 required KGI to match those funds with $30 million in new philanthropic support within seven years. At the time, we knew it was a significant challenge, yet we reached our target in six years. This remarkable success represents the entire enterprise working in collaboration to build the KGI brand and raise awareness of our unique and valuable educational model. And, our goal could not have been met without the generosity and vision of our donors.

As KGI continues to grow, we will remain true to the pioneering idea upon which we have built our institution. We will continue to refine our educational model to remain at the leading edge of the life sciences so that we may help ensure a better future for our graduates, the industry, and those who will benefit from the resulting life-saving advances.

Sheldon M. Schuster President

Robert E. Curry Chair of the Board
When the W. M. Keck Foundation challenged Keck Graduate Institute to raise $30 million in seven years, KGI buckled down—and finished a full year ahead of schedule.

By leveraging gifts from an expanding network of donors, the institute solidified its position as a pioneer in bioscience education and increased its fiscal stability, all while doubling student enrollment.

“The challenge grant was a transforming gift,” says KGI President Sheldon M. Schuster, PhD. “It was investment money that allowed us to grow, build our brand and serve as a model for others.”

Awarded in 2004, the $20 million Matching Challenge Grant was the Keck Foundation’s second-largest gift to KGI, following a $50 million grant to establish the institute in 1997.

In turn, the $30 million raised by KGI during the challenge grant period provided for eight new endowed fellowships, seven endowed professorships and seed funding for the Center for Rare Disease Therapies and the Center for Biomarker Research, among other initiatives.

The funding also supported KGI’s day-to-day operations, such as state-of-the-art classrooms and research laboratories that helped raise the institute’s profile as a locus of innovation in the life sciences industry. The largest chunk of funding—$7.6 million—directly supported students.

“The fact that we succeeded in raising this money a year early is a remarkable testimony to the importance of KGI,” says Robert Curry, chairman of the KGI Board of Trustees. “In these economic times, people don’t give money unless they think it is an important cause and they believe in it.”

Approximately $14 million of the $30 million that KGI raised will go toward endowment to support the institute’s long-term financial sustainability.

Net tuition revenue has increased five-fold since the challenge began in 2004. At the same time, KGI’s Advisory Council grew to 43 active members, while its board reached 25 trustees. The institute also increased its total number of donors by 36% and doubled corporate sponsorships of its capstone Team Masters Projects, where small groups of students work with sponsoring companies to solve real world problems. The projects are a point of pride for KGI and a market differentiator.

“The challenge grant’s impact is much greater than dollars,” says Curry. “It forced us to really get out there and make our story known.”
From developing life-saving vaccines in sub-Saharan Africa to delving into the economics of biotechnology commercialization, KGI professors Steven Casper, Matthew Croughan, James Sterling and Larry Grill are committed to driving social change. These four faculty hold the professorships that were established during the $20 million Matching Challenge Grant given by the W. M. Keck Foundation in 2004, which required KGI to raise an additional $30 million. Here is a closer look at the four men and their endowed professorships.

**STEVEN CASPER**

Steven Casper, PhD, the Henry E. Riggs Professor of Management, is an authority on biotechnology industry clustering, an issue confronting every community with aspirations of becoming biotech’s next Boston, San Francisco or San Diego. Casper’s studies of clustering in the U.S., Canada and Europe demonstrate that it takes more than venture capital or prestigious research universities to maximize biotechnology activity. Rather, clustering requires a vibrant network connecting industry stakeholders that can streamline the flow of information and provide a relative safety net for workers in a highly volatile sector.

Casper, director of the Postdoctoral Professional Masters (PPM) program and an Orange County native, came to KGI in 2003 from the University of Cambridge, UK, where he was a lecturer on innovation and entrepreneurship. In 2008, he became the first KGI faculty member to win a Fulbright Scholarship for his work studying the formation of regional biotechnology clusters in Canada. He teaches courses on bioscience business strategies and successful entrepreneurship, and has teamed up with faculty from The Claremont Colleges’ Joint Science Department to offer a series of introductory courses to pique interest in the sciences among liberal studies majors.

The Riggs professorship was founded by Stanford N. Phelps, a longtime member of the KGI Board of Trustees, in dedication of Henry “Hank” Riggs, KGI’s founding president.

**JAMES D. STERLING**

Microchips and microbiology collide in the research of Dr. James D. Sterling, an expert in fluid mechanics and the Sidney J. Weinberg Jr. Professor of Applied Life Sciences. When he’s not fulfilling his duties as vice president for academic affairs and dean of faculty, Sterling co-directs KGI’s Microfluidics Research Lab, which studies the application of microfluidics and electrohydrodynamics to biochips. Such technology is expected to help lower the costs of DNA testing, genomics research, drug discovery and medical treatment. Sterling’s work helps automate the laborious technical processes behind clinical testing. He was elected as president of the Association for Laboratory Automation in 2008.

Sterling was a driving force in crafting KGI’s bioengineering curriculum and promoting the institute’s distinctive hybrid educational model, blending science and business. He is the former director of the capstone Team Masters Project, in which teams of four to six students work with leading biotechnology companies on real-world problems.

The Weinberg professorship was funded through a $2.5 million gift from KGI co-founder and board chair emeritus, Sidney J. “Jim” Weinberg Jr.

Continued on page 4.
Matthew Croughan, PhD, the George B. & Joy Rathmann Professor at KGI, brings more than 28 years of research, engineering, bioprocessing and manufacturing experience to his position directing the Amgen Bioprocessing Center. Croughan founded the Bioprocessing focus track of the MBS program five years ago; KGI now boasts one of the largest masters programs in bioprocessing in the U.S., with 15-20 bioprocessing graduates per year. Extensive hands-on training gives students the bench-level understanding needed to compete for positions at the world’s largest biotechnology firms.

After earning a PhD in chemical engineering from MIT in 1988, Croughan served in various roles at Genentech, including chief scientist for Genentech’s cell culture facility in Vacaville, California. He successfully developed the first FDA-licensed, fed-batch cell culture process which is now used throughout the industry to produce recombinant proteins, particularly high-dose therapeutic antibodies.

At KGI, Croughan’s teaching explores the shifting view of recombinant cell culture as a production method of last resort to broad acceptance over the last 25 years, along with focusing on future challenges involved in commercializing biofuels and cell therapies. As an independent consultant, Croughan offers expert guidance on biopharmaceutical process development and manufacturing issues to more than 50 firms. He has presented his research at dozens of conferences and seminars, including the Cell Culture Engineering XI conference in Queensland, Australia, the IBC Life Sciences’ Cell Line Development and Engineering Summit in San Francisco, and at the Society for Biological Engineering’s First International Conference on Stem Cell Engineering in Coronado, California.

KECK CHALLENGE

Continued from page 3.

The endowed professorship was established through a $1.75 million gift from Dennis and Linda Fenton. Dennis Fenton, a former executive vice president of Amgen and current member of the KGI Board of Trustees, named the professorship in honor of biotech pioneer George Rathmann and his wife, Joy.

Larry Grill, PhD, the Joe and Vi Jacobs Visiting Professor, directs the Vaccine Development Institute at Pitzer College. The institute works with the University of Botswana to develop low-cost, Botswana-produced vaccine technology to address urgent health priorities in southern Africa. Together, they hope to use a common plant virus, the tobacco mosaic virus, to rapidly identify immunoactive antigens for disease-causing human and animal pathogens, and then produce a vaccine that can be stored at room temperature in the form of a dried powder.

The work builds on 20 years of Grill’s own research. A founding scientist at Large Scale Biology Corporation in Vacaville, Grill helped develop and manufacture plant-made pharmaceuticals and vaccines that provided therapeutic treatments to non-Hodgkin’s lymphoma patients. Grill earned his PhD from the University of California Riverside in 1979, and is an inventor on more than 30 issued U.S. and world patents. At KGI he will co-teach courses on biotech-based therapeutics, drug development, medical devices and biologics regulation.

Dr. Joseph J. Jacobs, now deceased, founder of Pasadena-based industrial technology company Jacobs Engineering Group, and his wife, Violet, funded the professorship through a generous endowment.

Previous Jacobs Visiting Professors include Molly Schmid, PhD, now a full-time professor and entrepreneur-in-residence at KGI, and Gary Cohen, formerly vice president of ethics and corporate responsibility at Millennium Pharmaceuticals, who taught courses in bioethics and biotech intellectual property and licensing.

BY MARGIE FISCHMAN
"We want students to... experience what it takes to develop and document a biomarker assay that can be commercialized in the global marketplace."

ESTABLISHED DURING KECK GRADUATE INSTITUTE’S challenge-grant fundraising initiative, the Center for Biomarker Research (CBR) teaches students how to develop diagnostic tools for biomarker discovery, which could lead to better treatment outcomes for patients with rare and other diseases.

Established in 2008 with a $150,000 grant from the Beckman Coulter Foundation, CBR’s mission is education of translational scientists—both graduate students at KGI and undergraduate engineering students at Harvey Mudd College (HMC)—in the development, validation and commercialization of diagnostic biomarkers.

Biomarkers (proteins, nucleic acids, carbohydrates, cells and metabolites) reveal the physiological state of individuals and are used to diagnose disease and stratify patient populations for selection of personalized therapy.

In 2009, Beckman Coulter, Inc. donated a fully-equipped laboratory to CBR, including flow cytometers, DNA sequencers, centrifuges, biosafety hoods, refrigerators, freezers and lab benches, allowing investigation of a wide variety of biomarkers. Designed as an industrial laboratory that follows good laboratory practice guidelines, CBR provides students with experience in a controlled environment similar to that required for regulatory compliance in industry. “We want students to understand how an industrial lab differs from a classical academic lab and experience what it takes to develop and document a biomarker assay that can be commercialized in the global marketplace,” said CBR Director Jim Osborne, PhD, the Robert E. Finnigan Professor of Applied Life Sciences.

Osborne is joined at the center by Assistant Director Craig Adams, PhD, who also serves as a research associate professor and director of KGI’s Team Masters Project (TMP) program.

Under a three-year, $600,000 grant from the National Science Foundation, CBR is partnering with Beckman Coulter, the National Organization for Rare Disorders and Harvey Mudd College to investigate better diagnostic biomarkers for selected rare diseases. The first disease under examination is Hereditary Inclusion Body Myopathy (HIBM).

HIBM is a diverse group of muscle wasting disorders that share similar qualities with sporadic Inclusion Body Myositis and Alzheimer’s. Various forms of HIBM are genetically and clinically diverse, with the recessive form (IBM2) as the most common.

In collaboration with Dr. Daniel Darvish, founder of the non-profit organization HIBM Research Group, the Center for Biomarker Research is investigating IBM2. This disease usually affects young adults and often leads to severe disability and confinement to a wheelchair. As with many rare disorders, there is a significant need to develop biomarkers for IBM2 that can be useful in clinical and molecular evaluation of the disease. Such biomarkers will allow CBR to determine the effectiveness of promising therapies currently in early clinical trials that may improve patient well being and lower the cost of care.

There are more than 7,000 known rare diseases, many of which are difficult to diagnose. Working with first-year students in the Master of Bioscience program, CBR has built a database of 104 rare diseases (and counting), said Osborne, former corporate vice president of the Advanced Technology Center for Beckman Coulter, Inc. “Once we get the database populated with 400 to 500 rare diseases, our efforts will escalate,” he said. The database contains information on prevalence, symptoms, available therapies, diagnostic biomarkers and molecular pathways, with links to primary literature. Eventually, the database will be accessible to academic and corporate communities to prompt further research to improve outcomes for rare diseases.

BY MARGIE FISHMAN
The Contributors Who Made It Possible...

Keck Graduate Institute would not have been able to complete the W. M. Keck Foundation $30 Million Challenge Grant a year ahead of schedule had it not been for the hundreds of generous supporters who contributed to KGI over the past six years. The following are those who helped KGI rise to the occasion and fulfill this remarkable goal.

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PPM Program Awards First Degree

Klaue, a native of East Germany, followed a circuitous route to KGI and the PPM program. Following the reunification of Germany when she was 14, Klaue was able to spend a year as a high school exchange student in southern Kentucky. Once she had completed her undergraduate degree in biology at the University of Kassel in Germany, Klaue went on to pursue a doctorate in molecular biology at the University of East Anglia in Norwich, England. She met and married a fellow graduate student, lived for a time in Mexico, and then moved with her husband to California, where she found a postdoctoral position at the University of California, Irvine.

While at UC Irvine, Klaue’s supervisor took a sabbatical, giving her a taste of what it was like to manage a research lab. “I realized that, as an academic, I didn’t really have the tools to know how to do that,” she says.

After learning about KGI and its new PPM program, Klaue realized, “This was the missing piece I hadn’t covered in my previous jobs.”

Klaue was exactly the type of student—“bright, articulate, and committed to the life sciences,” says Schuster—that KGI had in mind when it instituted the PPM program. Unique in this country, PPM is the route to “exciting, new careers, especially in light of the waning numbers of government-funded research positions,” says Schuster.

Klaue is well on her way to realizing her professional goals. She recently accepted a position as research associate in the lab of Angelika Niemz, KGI’s Arnold and Mabel Beckman Professor and director of research, working on assay development for point-of-care diagnosis of tuberculosis and herpes simplex virus.

“I’m really excited about joining this project as it allows me to combine my research skills with business applications,” says Klaue. “It also gives me more insight into the medical device industry in which I’m very interested.”

“We couldn’t have asked for a better first graduate of this unique program,” says Schuster.

BY CAROL SORGEN
Creation of Keck Graduate Institute’s new Alumni Association this past year marked a major milestone for KGI, its students and its graduates.

Having graduated 250 students as of May 2009, KGI set about forming the new association and its elected Alumni Board, according to Merlene Singleton, director of alumni relations. “This is a goal we’ve had since the alumni relations program began, to grow and mature the alumni base and volunteer commitment to a level where they could make a difference to the advancement of KGI,” Singleton said.

“It has been very rewarding to see the alumni step up their commitment the past year as volunteers and donors,” she continued. “The alumni are a valuable segment of the KGI community that will continue to make an impact on KGI’s future.”

Since the election of the association’s Alumni Board, members have been working diligently to improve communications among all KGI stakeholders, provide networking opportunities for alumni and students and help with KGI fundraising initiatives.

For instance, they hosted a barbecue for graduates the night before the May 2010 commencement to socialize with new graduates and connect with potential Alumni Association members.

Fostering relationships is what the Alumni Association is about.

“We are trying to make sure that everyone is easily connected to the alumni, the Advisory Council and the KGI community as a whole,” said Board President Darren Leva (MBS ’05).

Leva, a regional sales associate for Althea Technologies in the San Francisco Bay Area, said that 30 alumni and industry representatives attended the Alumni Association’s first networking event in the Bay Area in August. The informal event featured two industry executives discussing the impact health care reform will have on the biotech industry and what can be done about it.

Stella Marks, KGI’s assistant vice president for academic affairs, has responded quickly and positively to the Alumni Board’s suggestions for filling gaps in the curriculum. “Stella’s been amazing,” Leva said. “She has already started filling those gaps with multiple-week short courses or one-day events.”

The Alumni Board also is working on developing stronger connections with KGI’s Advisory Council.

“The Advisory Council said they want direct access to our alumni,” Leva said. “They want to be able to contact alumni when they’re needed for jobs and they want to be contacted as mentors and for job opportunities. They’re there to help.”

The Alumni Board is creating an accessible map of alumni and KGI Advisory Council members by location, industry and job function to make it easier to contact each other. Leva said the group hopes to have the database completed early in 2011.

The Alumni Board also jumped in to help with the year-end fundraising efforts of alumni for KGI’s Annual Fund. As a result, contributions from alumni increased dramatically from 23% to 32%, Leva said.

In addition to Leva, the board’s members consist of:

- Academics Chairman Garry Seid (MBS ’03) and Assistant Chairman Louie Shamel (MBS ’09)
- Alumni and Student Networking Chairman Matt Grunseth (MBS ’08) and Assistant Chairman Padma Aruachalam (MBS ’05)
- Admissions Chairman Ravneesh Sachdev (MBS ’06);
- Secretary Nicole Sindy (MBS ’09)
Contributions to the Annual Fund during 2009-2010 totaled more than $700,000. We would like to thank all of the donors whose generosity helped further KGI’s mission to educate the future leaders of the applied life sciences.

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Kun and Grace Chen, Parent ’07
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($250 to $499)
Padma Arunchalam, MBS ’05
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Brenda Mann
Tony Russo
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($100 to $249)
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Cort and Louise Arlien, Parent ’10
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Sabih Bekhouche, MBS ’05
Jeremy Bolton, MBS ’05
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Daniel Byrd
Grant and Sharon Carman, Parent ’11
Linda Castle
Sunney Chan
Abdul Chughtai
Xi Deng, MBS ’06
Edison and Patricia Der, Parent ’02
Thomas DiRocco, MBS ’09
Brian Feth, MBS ’05
PROGRAM SPOTLIGHT

Innovative TMP Program Continues Dramatic Growth

SINCE KECK GRADUATE INSTITUTE launched the Team Masters Project (TMP) in 2001, the program has continued to grow both in sophistication and quantity. The number of TMPs each year has more than doubled over the past decade, with six on average in the early years to 14 teams today.

What hasn’t changed through the years is the competitive advantage TMPs provide to both students and sponsoring companies.

“The programs at KGI are ideal for developing scientists who have an understanding of business. Through TMP, we have access to a group of bright young creative students who can take a fresh look at a project,” says James F. Widergren, a KGI trustee and group vice president, Chemistry and Automation Systems, for Beckman Coulter, which has sponsored more TMPs through the years than any other company.

“The students are typically working on a project we’d like to do, but we don’t have available resources we can allocate,” he adds. Another benefit is the TMP’s value as a recruiting tool. “We have the chance to meet, work with and evaluate students. And there’s an altruistic side. We feel it’s important to give back to the community and the educational system—particularly to strengthen the life sciences industry, whether these students go on to work for us or someone else.”

TMPs are equally valuable to students. Khushnuma Bhesania, president of KGI’s student body, notes: “It’s unlikely I will ever again have a chance to choose from 14 of the top life sciences companies and say, ‘I want to be on this project.’ It’s a unique opportunity.”

According to the program’s new director, Craig Adams, TMP assignments are made by considering the student’s project preference as well as the company’s preference after a review of student resumes. “We try to give both student and company their top choices,” said Adams. “Our goal is to make this a winning experience for both student and sponsor. In fact, most students get their first or second choices.”

Most of the work on the projects is done at KGI rather than at the corporate location, though students usually travel to the company’s site at least once a semester. Students spend approximately one-third of their second year at KGI working on the project, and the other two-thirds in the classroom.

KGI differs from most other institutions with experiential capstone programs in that the TMP is required rather than optional. Additionally, TMPs are longer in duration—many of the others are only a semester long—and fully integrated into the curriculum. “At KGI, one day a week is set aside for TMP, ensuring sufficient time is available to devote to the project,” says Diana Bartlett, director of corporate partnerships, who helps run the program.

“The fact that these companies come to KGI and seek support from our students and faculty when they could go to a consulting company instead is really impressive,” adds Bhesania. “The problem you’re solving for them is a real one. The company is banking on you for that data and those results. It makes it very worthwhile.”

BY SUSAN WAMPLER

Chivas Wakuta (MBS ’10) discusses his TMP on presentation day.

“It’s unlikely I will ever again have a chance to choose from 14 of the top life sciences companies and say, ‘I want to be on this project.’ It’s a unique opportunity.”
Providing industry insight, marketplace feedback, and support for KGI’s corporate outreach, the Advisory Council consists of leaders from biotech, pharmaceutical, medical device and bioagricultural companies.

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Center for Rare Disease Therapies Enjoys Multiple Successes

ONE OF THE PRIMARY GOALS of KGI’s Center for Rare Disease Therapies is to increase the number of orphan drugs being developed to help patients with rare diseases.

That said, 2009-2010 was a banner year for the center.

The center partnered with the U.S. Food and Drug Administration in February to host a two-day workshop for pharmaceutical and biotech companies, academics and patient advocates to learn step-by-step how to file an orphan product designation application.

Eighteen applications were submitted by workshop participants. Over the summer, KGI partnered with the University of Minnesota and the FDA to hold a second workshop in Minneapolis. Another 18 applications were submitted there.

“So, all told, we have increased the expected annual number of orphan drug designation submissions by about 20 percent,” said Ian Phillips, PhD, KGI’s Norris Professor of Applied Life Sciences and director of the Center for Rare Disease Therapies. “This is a big impact of the center.”

Three applications that were subsequently approved were filed by patient advocates with firsthand knowledge of the heartbreak and frustration that accompanies a rare disease diagnosis.

Chris Hempel’s 6-year-old twin daughters, Addi and Cassi, suffer from Niemann Pick Type C, a rare and fatal genetic cholesterol disease that causes severe dementia in children. The girls’ physician received approval to treat the girls with a sugar compound called cyclodextrin, which has shown promise in cats and mice that have the same disease. “The compound is used frequently to make cholesterol-free products such as salad dressings and butter and is the main ingredient in Febreeze air freshener,” Hempel said. “But when put into the bloodstream or brain, cyclodextrin could be a potentially lifesaving treatment and help save my girls from progressing into a state of complete dementia.”

Dr. Daniel Darvish and his brother, Babak, both suffer from Hereditary Inclusion Body Myopathy or HIBM, a progressive and muscle-wasting rare disorder.

They filed two orphan drug designation applications. One was for ManNAc (N-Acetylneuraminic acid), a sialic acid biosynthesis pathway intermediate. The simple sugar is made by almost all cells of the body, but the muscles of HIBM patients do not make enough. Studies on mice have shown that ManNAc, when given orally, can slow or stop the disease’s progression, Daniel Darvish said.

The second application was for a gene therapy vector to replace the mutant gene and cure the disease.

KGI’s Center for Biomarker Research is launching a study in hopes of finding a biomarker for HIBM.

One of the companies that attended the workshop, BPT Pharmaceuticals of Irvine, subsequently received approval for a drug that shows promise in treating pediatric Multiple Sclerosis.

Master of Bioscience student Silviya Meletath (‘11) researched and drafted BPT’s orphan drug application after attending a student workshop in October and taking a course in the application process. “Silviya recommended we seek the designation and provided invaluable help in preparing the application prior to the KGI workshop. She was critical to developing the successful application,” said Lynn Foster, BPT Pharmaceuticals’ CEO.

...we have increased the expected annual number of orphan drug designation submissions by about 20 percent...This is a big impact of the center.”
Corporations and foundations annually support KGI with gifts for special programs or investments in the future to establish a permanent endowment. The following supporters contributed to KGI during FY 2009-2010.

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- Wells Fargo Bank
ACADEMIC AFFAIRS

New Expertise Broadens Academic Programs

“I believe KGI is unique in terms of both its educational mission and its research, and I am looking forward to bringing people together...”

THE 2009-2010 ACADEMIC YEAR WITNESSED a number of key additions to KGI’s esteemed faculty and academic affairs staff.

Stella Marks became assistant vice president for academic affairs and associate dean of faculty. In this position, Marks is responsible for institutional accreditation, and works directly with James D. Sterling, PhD, vice president for academic affairs and dean of faculty, to help ensure KGI’s academic programs prepare students to become leaders in the life sciences industry.

Prior to joining KGI, Marks served as assistant dean and chief of staff at UCLA’s Anderson School of Management, and executive assistant to the executive vice chancellor and provost at UC Riverside. She earned her JD from the University of Houston Law Center, and her BA in history from Texas Tech University.

In joining the KGI faculty, Assistant Professor Nancy Lam brings expertise in organizational behavior and management that is helping KGI students become effective leaders in the life sciences industry.

Lam holds a PhD in organizational management from New York University’s Stern School of Business.

As an instructor, Lam says she strives to challenge students’ existing notion of management by using both theoretical and practical knowledge to dissect changing organizational social systems.

Steve Sommer, MD, PhD, president of MEDomics in Azusa, California, is another welcome addition to the KGI faculty as professor of research. Sommer is also leading KGI’s new Laboratory of Personalized Genetics.

He was formerly director of the departments of molecular genetics and molecular diagnosis at City of Hope, as well as founder and director of City of Hope’s Clinical Molecular Diagnostic Laboratory.

Holder of 13 patents, Sommer conducts research in the genetic predisposition to neuropsychiatric illnesses, specifically autism and schizophrenia, and spontaneous mutagenesis and its relation to cancer and other diseases.

In another significant achievement during 2009-2010, long-time faculty member Angelika Niemz, PhD, was named the Arnold and Mabel Beckman Professor and director of research.

Her current research focuses on the use of nucleic acid testing for the diagnosis of infectious diseases.

“I believe KGI is unique in terms of both its educational mission and its research, and I am looking forward to bringing people together, fostering KGI’s growth and development, and strengthening our alliances with others in the life sciences community,” says Niemz.

BY CAROL SORGEN

BY CAROL SORGEN
Faculty members come to KGI from well-established academic positions and successful biotechnology companies. They combine impressive university credentials with a keen awareness of the industry’s latest developments to bring new ideas and innovations into their classrooms and labs.
EVERY YEAR, KGI’S GRADUATING CLASS presents the institution with a gift to cement their legacy and to reflect on the class itself.

For the class of 2010, their legacy offering consisted of a beech wood table and benches that can seat 12, situated underneath a large tree between buildings 535 and 517.

The gift was dedicated to a classmate, Muthukumar Karthikeyen, or MK as he liked to be called, who passed away during his internship in the summer of 2009.

“MK was a very nice guy and everyone felt very comfortable around him, so I thought in that way, the class gift is a very fitting tribute to his wonderful character.”

“The gift is meant as an outside gathering spot for students who wish to work or relax while on campus and enjoy the wonderful Southern California weather,” said Mike Hoang (MBS ’10), the 2010 legacy class gift chairman.

“I think it’s a great dedication to MK, because you always feel relaxed and comfortable when you’re around the bench—even when you’re doing work,” Hoang said. “MK was a very nice guy and everyone felt very comfortable around him, so I thought in that way, the class gift is a very fitting tribute to his wonderful character.”

Also in keeping with tradition, the class of 2010 selected a quote to be displayed on a plaque in the alumni patio.

The quote is, “When we say ‘science,’ we mean ‘business,’” by Jerry Sanders, founder and managing director of San Francisco Science, a technology development group with special expertise in medical devices. “We feel that the quote embodies KGI’s mission—the creation of an optimal balance between science and business,” Hoang said.
The following contributors made gifts to establish endowments, significant fellowships, or special programs that benefited KGI in 2009-2010.

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**Fellowships and Professorships**

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- Bristol-Myers Squibb Foundation
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- William Randolph Hearst Foundation Endowed Fellowship Fund

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- John and Sandra Leland Endowed Fellowship Fund

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- George H. Mayr Foundation Endowed Fellowship Fund

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**Pioneer Hi-Bred International, Inc.**
- Pioneer Hi-Bred Endowed Fellowship Fund

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- Sidney J. Weinberg Jr. Foundation Endowed Fellowship Matching Challenge

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- Norris Professor of Applied Life Sciences
- Stan Phelps
- Henry E. Riggs Professor of Management
- Sidney J. “Jim” Weinberg Jr.
- Sidney J. Weinberg Jr. Professor of Applied Life Sciences
Striving to expand the size and broaden the expertise of its Board of Trustees, KGI welcomed three important additions to its board during 2009-2010: Karen Bernstein, Michael A. Friedman and James F. Widergren. The election of these leaders from the fields of communications, medicine and biotechnology increased the board’s membership to 25 trustees.

Karen Bernstein
Co-founder, Chairman and Editor-in-chief
BioCentury
Elected September 2009

Karen Bernstein is the guiding force behind BioCentury, provider of business-oriented information services to a global audience of life science executives and investors from offices in the U.S. and Europe. The company’s publications include BioCentury and the Bernstein Report on BioBusiness®, as well as the translational science journal, SciBX: Science-Business eXchange, which it produces in conjunction with Nature Publishing Group. Bernstein, who has been writing and publishing on biotechnology topics since 1987, holds a PhD in political science from Stanford University, and a BA in politics and history from Brandeis University.

Michael A. Friedman, MD, leads one of the nation’s premiere cancer research hospitals, City of Hope, while also directing its Comprehensive Cancer Center. Before joining City of Hope in 2003, Friedman was a senior vice president of research and development, first at Searle and then at Pharmacia Corporation. Following the events of September 11, 2001, he served as chief medical officer for biomedical preparedness at the Pharmaceutical Research and Manufacturers of America. His professional experience includes leadership positions at the Food & Drug Administration and in the Division of Cancer Treatment at the National Cancer Institute, plus nearly a decade at UC San Francisco as an associate professor of medicine directing the Cancer Research Institute.

James F. Widergren
Group Vice President
Chemistry and Automation Systems Group
Beckman Coulter
Elected September 2009

Formerly an active member of KGI’s Advisory Council, Widergren joined Beckman Coulter in 1992. He has been responsible for subsidiaries in Japan, China, Singapore, Australia, Mexico, Puerto Rico, Venezuela and Argentina, plus dealer operations throughout these regions since 2006. Widergren also has served as vice president and treasurer of Beckman Coulter. A Registered Professional Mechanical Engineer in California and a past fellow of the Thomas J. Watson Foundation, Widergren holds a Bachelor of Science in engineering, a Master of Engineering from Harvey Mudd College, and an MBA from UCLA. He also has completed the Stanford Executive Program at Stanford University.
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Board Chair Emeritus,
Senior Director
The Goldman Sachs Group, Inc.
<table>
<thead>
<tr>
<th>STATEMENTS OF FINANCIAL POSITION</th>
<th>JUNE 30, 2010</th>
<th>JUNE 30, 2009</th>
<th>SOURCE OF FUNDS 6/30/10</th>
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<td><strong>ASSETS</strong></td>
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<td><strong>LIABILITIES</strong></td>
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<td>Accounts payable and accrued liabilities</td>
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<td>Deposits and deferred revenues</td>
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<td>Bonds payable and capital lease obligations</td>
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<td>5,850,054</td>
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<td>28,791,448</td>
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<td><strong>Total liabilities and net assets</strong></td>
<td>$64,781,090</td>
<td>$65,130,291</td>
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| STATEMENTS OF ACTIVITIES         |               |               |                        |
| **REVENUES**                     |               |               |                        |
| Tuition and fees (net of tuition discount) | $2,011,300 | $1,611,456 |                        |
| Private gifts and grants         | 3,821,383     | 5,447,749     |                        |
| Private contracts                | 365,976       | 126,377       |                        |
| Federal grants and contracts     | 1,639,057     | 2,917,366     |                        |
| Investment income                | 1,995,296     | 1,864,156     |                        |
| Other revenues                   | 769,980       | 616,817       |                        |
| **Total revenues**               | 10,602,992    | 12,583,921    |                        |
| **EXPENSES**                     |               |               |                        |
| Instruction                      | 3,435,217     | 3,369,833     |                        |
| Research                         | 2,903,257     | 3,824,558     |                        |
| Academic support                 | 1,655,897     | 1,584,179     |                        |
| Student services                 | 1,377,337     | 1,243,212     |                        |
| Institutional support            | 4,084,735     | 4,098,852     |                        |
| **Total expenses**               | 13,456,643    | 14,112,654    |                        |
| **Deficiencies of revenues over expenses** | (2,853,651) | (1,528,733) |                        |
| **OTHER CHANGES IN NET ASSETS**  |               |               |                        |
| Actuarial adjustment             | 5,479         | (5,453)       |                        |
| Adjustments to contributions receivable | (10,000) | (30,000) |                        |
| Realized and unrealized investment gains (losses) | 2,711,700 | (5,116,346) |                        |
| Gain (loss) on disposal of buildings and equipment | (35,578) | 10,284,649 |                        |
| **Total other changes in net assets** | 2,671,601 | 5,132,850 |                        |
| **NET ASSETS - BEGINNING OF YEAR** | 54,395,031    | 50,790,914    |                        |
| **NET ASSETS - END OF YEAR**     | $54,212,981   | $54,395,031   |                        |