



National Center
for Regenerative Medicine
Center for Stem Cell & Regenerative Medicine

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Center for Stem Cell & Regenerative Medicine Receives \$8 Million from Third Frontier Program to Continue Adult Stem Cell Commercialization Programs

State Funding represents a Major Step Forward for Joint Project of Case, University Hospitals of Cleveland, Cleveland Clinic, and Athersys

The Biomedical Research and Commercialization Program (BRCP) of the State of Ohio Third Frontier Program (TFP) announced May 12, 2006 that Case Western Reserve University (Case) and its partners, University Hospitals of Cleveland (UHC), Cleveland Clinic, and Athersys, Inc., will receive \$8 million to continue clinical commercialization programs in the Center for Stem Cell and Regenerative Medicine (CSCRM) for the next three years.

The center, established in 2003 with an initial TFP award of \$19.5 million (combined Wright Center and Research & Commercialization), has united international leaders in stem cell biology, therapeutics, and clinical medicine to develop novel cell-based therapeutics for the benefit of patients throughout Ohio. The center's leadership is comprised of Director Stanton Gerson, M.D., who also directs the Case Comprehensive Cancer Center and the Ireland Cancer Center of UHC, Co-director Paul DiCorleto, Ph.D., who also directs the Cleveland Clinic's Lerner Research Institute and Executive Director Debra Grega, Ph.D.

The new award will support development of new therapies for heart, cancer and neurological disorders, with funds targeted for early patient clinical trials. This builds on current strengths as cancer and cardiovascular disease are disciplines in which the two clinical centers (Cleveland Clinic and UHC) rank among the top five institutions in the United States.

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“This continued support from the Third Frontier Program is a validation of the development work accomplished thus far and a vote of confidence for the translational projects proposed for the next three years,” said Dr. Gerson.

New therapeutic approaches have led to the establishment of four new companies within the past three years: Arterioocyte, Inc., RegenRx, Inc, Ohio BioGel and Cell Targeting Inc. Additionally, 61 new jobs with an average salary of \$64,925, have been created since the center was established.

The original Wright Center award paid for two major construction projects: 1) 20,000 sq. ft. new research space at the Cleveland Clinic for a new Department of Stem Cell and Regenerative Medicine, and 2) the 3,000 sq. ft. Cell Production Facility on the Case campus. The new Cleveland Clinic department will have eight to ten new stem cell laboratory heads with about 100 total employees. The Cell Production Facility, which opened November 2005, provides ultra sterile, dedicated space for the preparation and expansion of stem cells that are and will be used in early human clinical trials at UHC and Cleveland Clinic.

All research at CSCRM uses non-embryonic stem cells derived from bone marrow, umbilical cord blood (after a child is born) or other adult tissue. Non-embryonic stem cell (also called adult stem cell) research has been exceptionally strong in the state of Ohio for the past 20 years. To reach the goal of broad clinical application for patient benefit, CSCRM has focused on bringing together academic investigators and industry partners to accelerate moving cutting-edge research into the clinic. The center has had remarkable success in developing interdisciplinary and inter-institutional collaborations. Aided by their immediate proximity, Case, Cleveland Clinic, UHC and Athersys each bring scientific excellence, novel technology, commercial outcomes and a history of successful collaboration. The current award adds to the original \$19.5 million state support, \$37.9 million in NIH investigator funding and \$6.5 million in federal appropriations to the National Center for Regenerative Medicine of which CSCRM is a prominent component.

The TFP and its awards are funded by the 1998 Tobacco Master Settlement Agreement and the 2005 Bond Issue. The BRCP is a key component of the Third Frontier Program, a sweeping 10-year plan to set Ohio's course for national leadership in the high-tech economy of the 21st century.

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About the Center for Stem Cell and Regenerative Medicine

The Center for Stem Cell and Regenerative Medicine (www.stemcellcenter@case.edu) is a non-profit consortium of Case Western Reserve University, The Cleveland Clinic, University Hospitals of Cleveland, Athersys, Inc. and The Ohio State University. Established in 2003 through a \$19.4 million award from the State of Ohio as a Wright Center of Innovation, the Center has 62 investigators at its member institutions working on six different adult stem cell types in the research areas of cancer, orthopaedics, musculoskeletal, cardiovascular, neurodegenerative and vascular disease.

About Case Western Reserve University

Case is among the nation's leading research institutions. Founded in 1826 and shaped by the unique merger of the Case Institute of Technology and Western Reserve University, Case is distinguished by its strengths in education, research, service, and experiential learning. Located in Cleveland, Case offers nationally recognized programs in the Arts and Sciences, Dentistry, Engineering, Law, Management, Medicine, Nursing, and Social Sciences.

School of Medicine is the largest medical research institution in Ohio and 13th largest among the nation's medical schools for research funding from the National Institutes of Health. The School of Medicine is recognized throughout the international medical community for outstanding achievements in teaching. Annually, the School of Medicine trains more than 600 M.D. and M.D./Ph.D. students. The medical school is affiliated with University Hospitals of Cleveland (primary affiliate), MetroHealth Medical Center, the Louis Stokes Cleveland Veterans Affairs Medical Center, and The Cleveland Clinic, with which it opened the Cleveland Clinic Lerner College of Medicine at Case Western Reserve University in 2004.

About University Hospitals of Cleveland

University Hospitals of Cleveland is part of the University Hospitals Health System (<http://www.uhhs.com/>) in northern Ohio. The 947-bed, tertiary medical center is the primary affiliate of Case Western Reserve University and includes Rainbow Babies & Children's Hospital, among the nation's best pediatric hospitals; Ireland Cancer Center, northern Ohio's only National Cancer Institute-designated Comprehensive Cancer Center (the nation's highest designation); and MacDonald Women's Hospital, Ohio's only hospital for women.

About The Cleveland Clinic

The Cleveland Clinic, located in Cleveland, Ohio, is a not-for-profit multispecialty academic medical center that integrates clinical and hospital care with research and education. The Cleveland Clinic was founded in 1921 by four renowned physicians with a vision of providing outstanding patient care based upon the principles of cooperation, compassion and innovation. *U.S. News & World Report* consistently names The Cleveland Clinic as one of the nation's best hospitals in its annual "America's Best Hospitals" survey. Approximately 1,200 full-time salaried physicians at The Cleveland Clinic and Cleveland Clinic Florida represent more than 100 medical specialties and subspecialties. In 2003, patients came for treatment from every state and from nearly 90 countries. The Cleveland Clinic website address is www.clevelandclinic.org.

About Athersys, Inc.

Athersys, Inc. (<http://www.athersys.com>) is a privately held, biopharmaceutical company engaged in the development and commercialization of therapeutic products that treat significant and life-threatening diseases. The Company has established multiple programs in the area of regenerative medicine, applying a powerful and proprietary adult stem cell technology and a complementary blend of other technologies to develop therapeutic approaches to treat cardiovascular disease, stroke, blood and immune system disorders, diabetes, and a range of other conditions. In addition, Athersys is developing ATHX-105, a novel pharmaceutical treatment of obesity that is designed to act by regulating appetite, and other novel pharmaceutical product candidates for the treatment of cognition disorders, such as attention deficit hyperactivity disorder, and for the treatment of asthma.

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About the National Center for Regenerative Medicine

The National Center for Regenerative Medicine (NCRM) is a partnership of Case Western Reserve University, The Cleveland Clinic Foundation, and University Hospitals of Cleveland, in the research, development and use of non-embryonic stem cells and tissue engineering therapeutics to treat patients with heart disease, cancer, genetic disorders, musculoskeletal, hematopoietic and neurodegenerative diseases. Established in 2004, NCRM is comprised of the Center for Stem Cell and Regenerative Medicine and the Clinical Tissue Engineering Center with a total of 118 investigators.