



October 6, 2004

The Honorable Arnold Schwarzenegger  
Governor of the State of California  
State Capitol Building  
Sacramento, CA 95814

Dear Governor Schwarzenegger:

I write to you on behalf of the National Venture Capital Association's 400 plus members in strong support of Proposition 71, the California Stem Cell Research and Cures Initiative.

The venture capital community invests billions of dollars a year in the development of new medical therapies. As the governor of the state with the highest level of venture capital investment, \$7.7 billion in 2003, you understand the role VCs play in driving much needed research. Our industry sees the great promise that stem cell research holds for the millions of people afflicted with incurable diseases and we believe that your support of Proposition 71 is crucial in turning this promise into cures.

As I am sure you are aware, 128 million Americans have diseases or disabilities which stem cell therapies might cure. And even for those lucky families who don't have a child or adult with cancer, leukemia, paralysis, stroke, heart disease, diabetes, Alzheimer's, ALS or other incurable illnesses—everybody pays health insurance—and there is no better way to lower health care costs than curing disease.

Proposition 71 is not only a huge help to ease the suffering of people, but it is also an economic engine, bringing jobs and new revenue to the Golden State. Researchers must have a stable regulatory framework in which to conduct their long-term research. California is on the verge of creating such a framework and becoming a world leader in stem cell research.

That is why so many groups and individuals have endorsed this very important initiative including George Schultz, Dianne Feinstein, a couple dozen Nobel prize winning scientists, disease advocacy groups, medical professional groups, the California Chamber of Commerce, the Hispanic Chamber of Commerce, the Black Chamber of Commerce, religious groups like Catholics for Free Choice, Hadassah, Impact (1.5 million Protestants), the cities of Los Angeles and San Francisco to name a few.

Governor, we know you support stem cell research. We also know you care about California's economic well-being.

Proposition 71 will help our state and our families. Your endorsement means a great deal.

Stand by us now. Please endorse Proposition 71.

Thank you,

A handwritten signature in black ink, which appears to read "Mark G. Heesen", is positioned above the printed name.

Mark G. Heesen  
President