

John Dobak

*Interview conducted by
Matthew Shindell, Historian, UCSD
August 26, 2008*

SAN DIEGO TECHNOLOGY ARCHIVE



John Dobak



Dr. John D. Dobak, M.D. founded Innercool Therapies Inc. in 1998 and serves as its President and Chief Executive Officer. Dr. Dobak is the Founder of the JAKK Group, and serves as its President. He is a Co-inventor of Innercool's technology. He founded Lithera, Inc. in 2007, and served as its Chief Executive Officer until March 21, 2011. Dr. Dobak was Founder of CryoGen Inc. and served as its President and Vice President of Research & Development. He founded Leptos Biomedical Inc. in 2002 and serves as Consultant. Dr. Dobak serves as a Director of INNERCOOL therapies, Inc. Leptos Biomedical, Inc., and Lithera, Inc. Dr. Dobak received his M.D. from the University of California, San Diego, and completed a medical internship at the University of California, Los Angeles. He received a Bachelor's Degree from UCLA.

Source: Bloomberg Businessweek

SAN DIEGO TECHNOLOGY HISTORY PROJECT**INTERVIEWEE: John Dobak****INTERVIEWER: Matthew Shindell, Historian, UCSD****DATE: August 26, 2008**

6 **SHINDELL:** So, today is August 26. This is an interview with John Dobak. The interviewer is
7 Matthew Shindell. So, John, if you'll go back as far as you like. If you could tell us how you got
8 involved in San Diego biotech?

9 **DOBAK:** Sure. So, I started out, I was at UCLA and I was a biology major. I had an interest in
10 going to medical school and I had an interest in being a surgeon, and applied, like all
11 undergraduates, to a lot of different medical schools and got into a couple, but decided that
12 San Diego would be the best choice for me, in particular the surf was a (Shindell: Uhm-hmm.)
13 big attraction. And so, I came down here from UCLA and started medical school.

14 **SHINDELL:** What year was that?

15 **DOBAK:** That was in 1988. I was a gung-ho medical student and ready to learn all about being
16 a doctor. And, the first two years of medical school are spent primarily on the main campus
17 there (Shindell: Uhm-hmm.) at UCSD, in classes, and they're didactic sessions. And, at one
18 point I think CONNECT, the CONNECT Program, which was a big part of sort of the growth of
19 the high-tech community here (Shindell: Uhm-hmm.) in San Diego, it had been around for a
20 few years and I had kept hearing about it peripherally that they had some interesting talks by
21 researchers and, and business people in San Diego, and that I ought to attend one of these.
22 And, of course, we got in free because we were medical students and I remember that I went

23 to a discussion. This was probably in 1989 and it was really sort of a heyday of biotechnology.
24 I think there was a big IPO boom at the time, or there was a lot of financing pouring into the
25 area and I, they had a program called Meet the Researchers, (Shindell: Uhm-hmm.) which
26 paired a businessperson with a scientific person and they talked about how they took a
27 technology and formed a company around it. At the first program I attended, one of the
28 speakers was Ted Greene. I can't, unfortunately, remember who the researcher was at the
29 time. But, they were talking in general about starting companies. I think at the time Ted
30 Greene was investing out of a fund, a venture capital fund he had formed called BioQuest.
31 (Shindell: Uhm-hmm.) And, I thought their story was terrific. I thought it was a great
32 combination of science, and medicine, and business, and I got very intrigued. And, I guess that
33 was sort of my first exposure to the entrepreneurial world and the biotech world in San Diego,
34 and it obviously stuck with me, that experience at that CONNECT Program. As I progressed
35 through medical school, I attended additional CONNECT events and these were big, big
36 soirées at the time, where, (Shindell: Uhm-hmm.) two, three, four hundred people would,
37 would show up and everybody was having a good time, and full of hope and having fun with
38 being a part of the cutting edge. It just looked like a fun place to be and, and so at some point
39 in medical school I started sthinking about, "How could I be an entrepreneur? Is that a career
40 path for me?" But, it's pretty hard as a medical student to (Shindell: Uhm-hmm.) really
41 change the course you're on. I mean, you get in medical school it's sort of like you're stepping
42 on a, I always said it was like stepping onto a freight train [Laugh] and you're going to go from
43 Point A to Point B. There's really nothing that can stop you. And, Point A is the start of
44 medical school. Point B is the completion of a residency or a fellowship. And that's, anywhere
45 from eight years of your life, and probably, (Shindell: Uhm-hmm.) could be as many as ten.
46 And to, to slow that train down would be impossible. You're looking at the jump from the
47 train to change your life's course at that point. So, I sort of entertained the idea that maybe I'd

48 be an entrepreneur but I don't know that I really took it seriously. But I started looking at
49 things a little differently. I started thinking, you know, "Where would new technologies be
50 useful? what were problems that could be solved?" And, I was trying to familiarize myself
51 with how people went about starting companies, (Shindell: Uhm-hmm.) and protecting ideas,
52 and intellectual property, etcetera. I went in to medical school thinking I was supposed to be
53 a surgeon and I think my family all had expected me to be a surgeon, and I did a surgical
54 rotation and I wasn't quite sure, to say the least, (Shindell: Uhm-hmm.) with every other night
55 call, that that was going to be the right path for me. So, on top of trying to divert off this course
56 of traditional medical practice I also had to explain to my family that I was not going to be a
57 surgeon. My mother and my grandfather were probably the most heartbroken (Shindell:
58 Uhm-hmm.) about that. But anyway . . .

59 **SHINDELL:** Were there a lot of doctors in your family? Were you following in anyone's
60 footsteps? Or . . .

61 **DOBAK:** Didn't have any doctors in my family. My sister was interested in medicine. She
62 became a nurse and then got her masters in public health (Shindell: Uhm-hmm.) and went
63 into the administrative side of things. But, my grandfather's father was a physician and I think
64 at one point my grandfather wanted to be a physician (Shindell: Uhm-hmm.) but I think
65 World War II got in the way of that. (Shindell: Uhm-hmm.) And so, he had big hopes and
66 expectations. I think for me, in terms of being a, a physician, I ultimately finished medical
67 school and got my MD and my license and all that. But, but at some point I had an epiphany
68 that, you know, I was, actually I can remember it very clearly. I was up at Stanford. I was
69 doing an externship in neurology. I had gone so far as to convince myself that I was going to
70 be a head and neck surgeon. I had applied to numerous head and neck residency programs.
71 (Shindell: Uhm-hmm.) I had interviewed at some. And, the match was going to occur within a
72 month or two. The match is a big process for medical students. (Shindell: Uhm-hmm.) It

73 determines where you're going to go to your residency. And, I was staying at this huge house
74 on Palo Alto, University Avenue, and I remember it was like, almost like an atrium and I was
75 always freezing early in the morning, but I, I just woke up one morning, it was still dark, and I
76 just said, "I can't go into head and neck, and, and I have to go try to be an entrepreneur, or try
77 to do something different." At the time I was trying to sort of still figure it out. And so, I
78 withdrew from the match, the otolaryngology, or head and neck surgery, match, which was a
79 painful process. And, and decided I was going to figure out something else. I was going to put
80 my post medical school training on hold. And, I was going to see if I could do something, you
81 know, in this biotech or high-tech entrepreneurial area. So, so after medical school I applied
82 for a postdoc fellowship, essentially, which was at the Scripps Research Institute. (Shindell:
83 Uhm-hmm.) it was an NIH, scientist training program. And, I did that for a year. During that
84 time I think I took some extension courses on – I think actually this is where I might have met
85 Cole, in fact. He might have been teaching a course. Or, at some point I took a course with him
86 about how to start a high-tech business, and learned a little bit about venture capital
87 financing, and some basic fundamentals about the area. And, at the time, during that year I
88 also tried to write what was called a Small Business Innovative Research Grant (Shindell:
89 Uhm-hmm.) to try to fund some ideas for, that maybe were, or could serve as the basis for a
90 company, and none of that really panned out. (Shindell: Uhm-hmm.) The grant got rejected,
91 you know, I couldn't really get any traction with these ideas. And, my fellowship, or my
92 postdoc program, was coming to an end and so I decided that I'd better do something in
93 clinical medicine. And so, I went up to Harbor UCLA, which was a county hospital outside of
94 Los Angeles to do an internship and residency program. And, but I still couldn't shake the idea
95 of trying to be an entrepreneur, at this point. I think I had really, having now sort of taken
96 myself off the traditional path of medical training I was more determined than ever to try to
97 get into the area. And, and so I still thought about it. I still was vetting ideas, and resubmitted

98 this SBIR grant (Shindell: Uhm-hmm.) and it was finally accepted, and that was during my
99 internship program. And, I can remember being absolutely manic at one time. I was doing
100 trauma surgery in my internship and it was every other night call, and I was like the unlucky
101 guy who got two months back to back. And, I always said, "You know, sleep deprivation is a
102 treatment for insomnia," and I, in my case – or, excuse me. "Sleep deprivation was a treatment
103 for depression," and in my case I think I got manic. I wasn't depressed (Shindell: Uhm-hmm.)
104 but it made me a little bit manic. I can remember I couldn't sleep and I was up all night
105 writing these SBIR grants, despite already having been up thirty-six hours, and I was trying to
106 write business plans. And so, I submitted this SBIR grant and that ultimately got funded. And,
107 at the same time I met a guy who liked this idea that I was working on and he also decided to
108 fund that idea with \$100,000. (Shindell: Uhm-hmm.) So, I sort of got my foot in the door, so
109 to speak, during that year away up at UCLA, ironically I wasn't even in San Diego, but was able
110 to get my foot in the door and, to start something entrepreneurial here in San Diego and so
111 after that I told the guys that I, it probably wasn't best for me right now to continue on in the
112 residency program. I got my medical license. Finished my last rotation, took my last medical
113 board exam, but I didn't continue on with my formal residency training, which would have
114 been internal medicine. I came back down here to San Diego and, to work on this project. I
115 always thought that I might go back to my, you know, my medical training, but I just never did,
116 one thing led to another and I never made it back.

117 **SHINDELL:** Uhm-hmm. Now, in those early years when you were attending seminars that
118 CONNECT was putting on and attending their get-togethers, did you make many connections
119 then that you still have today or did you more just pick up information in those seminars?

120 **DOBAK:** I did meet some, some people. I wouldn't say that they were connections. I mean, I,
121 again I met Ted Greene. (Shindell: Uhm-hmm.) I met Howard Birndorf. He probably doesn't
122 remember the first time I met him [Laugh] when I was just a medical student. There's a

123 gentleman, Paul Grayson, who started company in the area and did some venture capital
124 work. I met him at the time. In fact, his wife was actually a pediatric resident (Shindell: Uhm-
125 hmm.) when I was a medical student. So, there are folks like that that I know and know of,
126 and Cole I met in those early days that, you know, we've all been around and (Shindell: Uhm-
127 hmm.) moved in those circles since then. So, I guess that's the answer to your question, "Yes,
128 more or less."

129 **SHINDELL:** So, in your assessment would you say that being in San Diego really is what
130 allowed you to, I don't know, develop the entrepreneur within. Or, like say if you had stayed
131 up at UCLA or maybe been at a completely different medical school do you think you would
132 have stayed on that medical track?

133 **DOBAK:** I think, without a doubt, San Diego influenced that, my whole career path, and it was
134 the exposure. I mean, at that time biotech, particularly in San Diego, was, it was sort of a little
135 mini boom. It was the start after Hybritech had been sold, (Shindell: Uhm-hmm.) several
136 years before. A number of those people were going out and starting companies. Some
137 venture capital was beginning to flow into San Diego. It was really the first new industry
138 outside of, I think, defense contracting was (Shindell: Uhm-hmm.) probably one of the bigger
139 areas here at the time. And so, there was a lot of excitement about this new high-tech area in
140 San Diego, tied into the medical school, which was a centerpiece, I think, in San Diego in a lot
141 of ways, (Shindell: Uhm-hmm.) even though it was young. I think at UCLA, I don't think that
142 something like this would have been as embraced by the community in general, and I don't
143 think I would have fed off the energy that was around this new industry (Shindell: Uhm-
144 hmm.) in San Diego, biotech, like I did if I was, for example, at UCLA. I think, there's a lot of
145 other things going on at UCLA, (Shindell: Uhm-hmm.) particularly Hollywood, [Laugh] having
146 been as an undergrad at UCLA. So, I don't think I would have gotten bitten by that same bug,

147 and certainly in other parts of the country. So, I would say without a doubt it was being here
148 at that particular time that probably, really (Shindell: Uhm-hmm.) influenced my decision.

149 **SHINDELL:** So, it seems like '88 or '89 is kind of when you became aware of biotech. At what
150 point, what year would you say you sort of fully engaged in biotech or when did you really dip
151 your feet into biotech here?

152 **DOBAK:** So, that would have been '93 in the sense that (Shindell: Uhm-hmm.) that was when
153 I took this postdoc fellowship. I was learning molecular biology techniques.

154 **SHINDELL:** That was the Scripps fellowship?

155 **DOBAK:** That was at Scripps, (Shindell: Uhm-hmm.) at the Scripps Research Institute there at
156 Green Hospital. So, that was, you know, when I started to try to immerse myself in, in
157 understanding Biotech, at least from a science perspective. I still hadn't really grasped the
158 business fundamentals yet. I mean, the interesting thing is I would ultimately went into the
159 medical device area, which in San Diego was really nascent and hadn't really formed at all.
160 (Shindell: Uhm-hmm.) I mean, there was Alaris, which was probably the major device
161 company in town. I think Peter Farah was probably getting Resmed off the ground around
162 that time. But I, I got into the medical device, which has a lot of engineering aspects to it and
163 really ultimately started medical device companies here in San Diego. But, it was definitely
164 that whole entrepreneurial environment, the idea you could combine science, and medicine,
165 and business, and it was biotech that was originally I was exposed to even though I went into
166 the medical device (Shindell: Uhm-hmm.) area. (Shindell: Uhm-hmm.) So, that would have
167 been '93. And, '94, you know, finally got some financing. And then '95, I came down here and
168 really started my first company and, and, and built some prototypes, and . . .

169 **SHINDELL:** What was the name of the first company?

170 **DOBAK:** The first company was called CryoGen.

171 **SHINDELL:** Uhm-hmm. And what sorts of devices were you designing at that point?

172 **DOBAK:** So, CryoGen, I started that company with the idea that we were going to develop a
173 heart catheter (Shindell: Uhm-hmm.) that could treat arrhythmias. And, we were essentially
174 treating abnormal beating of the heart, and we would do that by essentially freezing or
175 destroying the area of the heart that was causing or generating the (Shindell: Uhm-hmm.)
176 arrhythmia. And, you know, there was a need for a safe way to deliver extreme cold via a
177 cardiac catheter so that you could perform a procedure like that. (Shindell: Uhm-hmm.) And
178 so . . .

179 **SHINDELL:** Now, was this a procedure then that you were pioneering or was it the device?
180 Was there already a procedure similar to this?

181 **DOBAK:** The procedures did exist but it was a very crude at the time, (Shindell: Uhm-hmm.)
182 and it was sort of a blossoming area of the device world and they were looking for new tools
183 to deliver energy to the heart safely so that you could treat these arrhythmias. And so I was,
184 we were, I was sort of tapping into that need there. They didn't know what would be the best
185 energy source at the time for treating arrhythmias. Was it laser? Was it radio frequency?
186 Was it cryo or very cold, extreme cold temperatures? (Shindell: Uhm-hmm.) [Coughing] In,
187 when they did open-heart surgery, when they cracked open the chest and they were going to
188 treat an arrhythmia that way they would freeze the tissue because it appeared to be the safest
189 (Shindell: Uhm-hmm.) viable way, most, most viable way to treat arrhythmias. But, so we
190 were trying to reduce that procedure that was done by cutting open the chest, (Shindell:
191 Uhm-hmm.) reduce it to a catheter procedure where you'd thread a device up through a vein
192 in the groin and into the heart and you could just treat it and the patient would go home the
193 same day. [Coughing]

194 **SHINDELL:** Uhm-hmm. So, it'd go up the femoral artery and the . . .

195 **DOBAK:** Femoral artery?

196 **SHINDELL:** Yeah?

197 **DOBAK:** Or femoral vein. [Coughing] [Patting chest] I better get a . . .

198 **SHINDELL:** Sure. Do you want me to pause for a second?

199 **DOBAK:** Sure. [Clears throat] [Recording paused] Okay.

200 **SHINDELL:** Are you ready again? Okay.

201 **DOBAK:** Sure.

202 **SHINDELL:** Okay, so you were describing the device and how it worked.

203 **DOBAK:** Okay, so we left off that we were trying to replace the surgical procedure where you
204 open up the chest (Shindell: Uhm-hmm.) with that.

205 **SHINDELL:** With a less invasive sort of . . .

206 **DOBAK:** With a less invasive device. And so . . . [Jet plane in background]

207 **SHINDELL:** And, how did you come by that idea?

208 **DOBAK:** So, there is a story behind all that. How did I get interested even in cryosurgery?
209 (Shindell: Uhm-hmm.) And, the story behind that, I was in medical school. Actually, I was a
210 fourth-year medical student and I was doing dermatology rotation, and every medical student
211 gets put on wart detail, essentially, where they, they have to treat the warts that come into the
212 clinic that day. And, the way you treated a wart was you put some liquid nitrogen in a

213 styrofoam cup, dab a Q-tip in it, and, or put a Q-tip in it and dab that onto the wart and freeze
214 the wart. (Shindell: Uhm-hmm.) And so, I was on wart detail that day and the resident said,
215 "Go get some liquid nitrogen." Liquid nitrogen was stored in this thing called a dewar, which
216 is a container, and I went to pour some liquid nitrogen into the styrofoam cup and the liquid
217 nitrogen – I don't know if you've ever worked with it before – but it kind of lurches out of that
218 container, [Laugh] or it can, and it lurched out and it startled me, and I dropped the container,
219 the dewar and the liquid nitrogen spilled out all over the floor and evaporated very quickly.
220 And so, there was no more liquid nitrogen, (Shindell: Uhm-hmm.) and the shipments came
221 once a day to the clinic, or once a week or something, and there was no liquid nitrogen
222 available to treat the warts. And, the resident, after he gave me a thorough tongue lashing
223 said, "Well, now you're going to have to go burn the warts off with this little electrocautery
224 device." [Clears throat] And he said, "You're going to have to inject anesthesia, and it doesn't
225 heal as well," blah, blah, blah. So, I went to go get the electrocautery device and it was this
226 nice little thing. I pulled it out of a closet. It plugged right into the wall and it was ready to go.
227 (Shindell: Uhm-hmm.) And, I said, "This seems like the way, you know, (Shindell: Uhm-
228 hmm.) to treat this. Why can't I just pull a little cryosurgery [Laugh] machine out of the closet
229 and plug it in?" And that was what got me thinking about it and I learned quickly that there
230 was probably not a development or a market opportunity that would justify the development
231 costs (Shindell: Uhm-hmm.) for a wart machine, [Laugh] if you will. But, [Clears throat] I
232 began to learn about this area for treating the heart. And there, you know, the technology
233 would be best applied. And, the trick there was to get extremely cold temperatures but have
234 very low operating pressures. And, I won't give you a lecture here on the cryosurgery, but, the
235 higher the pressure, typically, of a gas [Clears throat] in a cryogenic system you can get a
236 greater temperature at the tip. But, if you're going to put a heart catheter in the body you
237 don't want a high pressure gas in that heart catheter. (Shindell: Uhm-hmm.) So, to achieve

238 those very cold temperatures we wanted to do so at a low pressure and there was a way to
239 use some special gas mixtures and a special compressor [Clears throat] to get to those low
240 temperatures and, and be able to actually deliver the very cold freezing temperature
241 (Shindell: Uhm-hmm.) to a tip of a catheter that was within the heart, basically. So that was,
242 that was the first idea and invention. I filed for an SBIR grant to build that system to fund,
243 (Shindell: That was the . . .) the build of prototype catheters.

244 **SHINDELL:** Was that the first one that you had approved?

245 **DOBAK:** That was the first. That was the SBIR grant. My first and only SBIR grant, and I have
246 written other SBIR grants but have not been as fortunate enough to get them financed. [Clears
247 throat] But, we, I also, there was a local gentleman named [Shung- Ho] Chan who had a
248 company in town called Applied Biotech, (Shindell: Uhm-hmm.) and they actually developed
249 one of the early pregnancy test kits. (Shindell: Uhm-hmm.) Something called the One Step,
250 and his company was acquired by Warner Lambert. So he had some money and was, and he
251 put some money into that company to develop a catheter for treating cardiac arrhythmias.

252 **SHINDELL:** Uhm-hmm. Hmm. So, I'm just curious, when you had the money from the SBIR
253 grant and also the investment that you had from outside, how did you go about sort of putting
254 together – I'm guessing you had to find some engineers with some experience in this area, or
255 you know, also people with other kinds of expertise as well. So, how did you go about putting
256 together the first group that you worked with there?

257 **DOBAK:** So, when I had the SBIR grant and, and the financing from Dr. Chang, that total was
258 about \$200,000. (Shindell: Uhm-hmm.) That's not a lot, I learned quickly, it seemed like all
259 the money in the world at the time but there's not a whole lot you can do in terms of
260 developing medical devices or biotech drugs with a couple hundred thousand dollars. So I
261 didn't, and wasn't able to hire anyone. I didn't really form a team but I contracted some work

262 oThere was a gentleman at the National Institutes of Standards and Technology named Ray
263 Radebaugh, who was a cryogenic engineer, and we, I signed him up. We had a contract with
264 NIST to develop some prototype devices and, and gas mixtures that would allow us to get to
265 these (Shindell: Uhm-hmm.) low temperatures. And, that's where the bulk of the money
266 went, to support that work that Ray did. And, and I didn't hire anyone initially. And then,
267 after we built some prototypes and proved some concepts, some basic concepts, we, I raised
268 some venture capital money, (Shindell: Uhm-hmm.) and then set about to hire some folks.
269 And, there wasn't that many, really, engineers in town, particular medical device. There were
270 a few. There was a division of Medtronic in town, and so there were a few guys around that
271 knew things about cardiac catheters from that. But, there wasn't a whole lot of activity. There
272 did happen to be some cryogenic engineers in town because, in defense contracting and a lot
273 of military applications, (Shindell: Uhm-hmm.) and sensors, and detectors there, they need to
274 be cooled down to low temperatures. So, there were some guys that knew about heat transfer
275 and, and heat exchange, I found who those guys were. A guy named Ray Sarwinski, and Dr.
276 Crum, Duane Crum, and they had some early input into, to how we were going to develop it
277 when I began to really build a formal company, hire some employees. And, so I think in the
278 early days we really recruited a lot of people in, and some people from divergent industries,
279 and they learned about the medical side of engineering. We recruited people from the Bay
280 Area (Shindell: Uhm-hmm.) and other parts of the country to come work here, that had
281 medical device experience. At the time, there were really two clusters of medical devices.
282 There was one that was in Orange County, which was close by, and that was from all these
283 companies, Baxter, Edwards, that had formed back in the '60s, Shiley. That just reminds me of
284 something. Shiley, of the Shiley Eye Center, he was an inventor of the Shiley heart valve. One
285 of the early heart valves. [Clears throat] But, those companies all started in Orange County,
286 (Shindell: Uhm-hmm.) and then out in Minneapolis was the other big area for devices,

287 because Medtronic was one of the early companies there. (Shindell: Uhm-hmm.) The
288 interesting thing, I said Orange County, so I grew up in Orange County and, and I grew up in a
289 town called Tustin, and it turns out that Shiley started his first heart valve company in Tustin.
290 And, and then a lot of companies were spun out from that and Baxter and Edward, those were
291 all in this little area that I grew up. I had no idea about these companies but I can remember
292 now, after I got into the medical device business and I learned about it, I can remember riding
293 my bike through these industrial parks where Edwards, and Baxter, and (Shindell: Uhm-
294 hmm.) Bentley Labs, and all these places existed. I remember seeing the signs for these
295 companies, having no idea what they did, but riding my bike. So, perhaps by some way of,
296 [Laugh] some, you know, osmosis or something in the water in Orange County that, that sort
297 of influenced me to do devices. So, so we then recruited people and used headhunters and
298 things like that, (Shindell: Uhm-hmm.) to get circled back to your question how we built the
299 companies.

300 **SHINDELL:** And, what about patenting? Had you already acquired patents at the point where
301 you were building prototypes? Were the prototypes patented, and was that necessary before
302 you went after venture capital?

303 **DOBAK:** [Clearing throat] So, I had filed a patent. In fact, I put it on a credit card. This was
304 right out of medical school. I didn't have any money. I think actually I began to file a patent
305 on this mixed-gas cryosurgical instrument my fourth year of medical school. (Shindell: Oh.)
306 And, I just financed it on a credit card. I didn't know anything about it. I think I probably
307 called the first guy in the yellow pages and I don't even know if he was the right guy. And, that
308 patent had a lot of mistakes, but it was issued and the, the claims were incredibly broad. It got
309 attacked by Johnson & Johnson later, and they pointed out some of the flaws with the patent.
310 But, we did get a very nice broad patent. And so, I did have a patent filed at the time that I was
311 raising money, but it hadn't issued at that point, (Shindell: Uhm-hmm.) quite yet. Or, it may

312 have finally issued by the time I had raised my first round of venture capital. I can't remember
313 exactly. But, I had filed for a patent at the very least prior to raising money in the area.

314 **SHINDELL:** Uhm-hmm. And you had minimal, sort of, legal advice on, on that application?

315 **DOBAK:** Well, I did, again I did hire a patent attorney. He wasn't very experienced in medical
316 devices. He was a general patent attorney (Shindell: Uhm-hmm.) and he was great. He
317 worked on a fixed fee as opposed to an hourly rate, and he wrote a, he wrote a patent that had
318 a very broad claim. It survived the attack from Johnson & Johnson. But, he wasn't a specialist
319 in the area, but it was a, it was enough to get something going and carve out a niche of
320 intellectual property, and that was the first patent that I ever, that I ever got issued. (Shindell:
321 Uhm-hmm.) Now, this is not to brag but there are probably several hundred patents that I'm
322 the author on. Now, those are not, it doesn't mean that I have all those patents, but patents
323 get continuations filed, and (Shindell: Uhm-hmm.) they always link back to one of the early
324 applications. I tend to file maybe the first five or six applications, then all the subsequent
325 applications get linked to it. But, there are now many, and I'm amazed, when I go on the
326 patent website, if I type my name in I have to do a subsearch to find the patent [Laugh] that I
327 want. But, anyway.

328 **SHINDELL:** So, since starting your first company, has it become easier to, to go on since then?
329 I mean, accumulating experience maybe, accumulating connections? How does an
330 entrepreneur sort of propel themselves, or how did you propel yourself past that first device
331 and that first company?

332 **DOBAK:** So, definitely it gets easier because you've got the contacts. (Shindell: Uhm-hmm.) I
333 mean, I probably know every venture capitalist or have presented just about to every venture
334 capitalist or venture capital firm, certainly in San Diego and probably in all of California. And,
335 and so I know all those guys. I can usually call them up to talk about an idea. You understand

336 what it costs, what the process is to develop these products. You know better where to look
337 for answers, and so it is a more efficient process. And I, I think definitely what facilitates
338 starting additional companies is just having all those contacts and having a (Shindell: Uhm-
339 hmm.) better idea about, about how, how the development occurs and how the company is
340 created. I think you also get better at selecting ideas, at least you hope you do (Shindell: Uhm-
341 hmm.) because there's a lot of technology out there and some of this is figuring how to apply
342 that technology to the right marketplace. But, it's a high-risk area. So, my second company I
343 started very quickly, you know. So, I learned about cryosurgery. I then started a company
344 called InnerCool Therapies and I took the same investors that I had essentially from CryoGen
345 (Shindell: Uhm-hmm.) and I told them I had this idea for a company to do what we called
346 endovascular hypothermia, which was cooling the body just a few degrees Celsius to protect
347 the tissues of the brain and the heart for, for patients that were, having a heart attack or a
348 stroke. (Shindell: Uhm-hmm.) And, you know, people think they are the same, CryoGen and
349 InnerCool, because they had the word "cool" in them, or "cooling" or associated with that, but
350 the, the companies were really polar opposites. (Shindell: Uhm-hmm.) In one case we were
351 trying to destroy tissue with extreme cold. In this case [INNERCOOL] we we trying to protect
352 tissue with very mild cooling. [Clears throat] But it was an endovascular catheter device. It
353 didn't go up into the heart but got close to the heart, (Shindell: Uhm-hmm.) and, and there
354 was some evidence that hypothermia could protect the brain from traumatic injuries and
355 during stroke, and the problem was the way they were trying to cool people was essentially
356 dumping them into a tub of ice, (Shindell: Uhm-hmm.) or ice-cold water. Very archaic way to
357 do it, and not very elegant, no control. (Shindell: Uhm-hmm.) If the patient had any level of
358 consciousness, obviously not very comfortable. So, we decided to figure out a way to cool the
359 body from the inside out (Shindell: Uhm-hmm.) by cooling the blood with a catheter that was
360 in the femoral vein, and then that cooled blood would, would go on to cool the organs

361 efficiently. You didn't have any cold and contact with the skin, (Shindell: Uhm-hmm.) so the
362 patients wouldn't feel it. And, and the investors liked that idea. I had some experience,
363 obviously, in general in engineering similar type devices, or devices that were quasi-related.
364 And, and, and so they, those same backers put some money into that company (Shindell:
365 Uhm-hmm.) and I left CryoGen to start InnerCool.

366 **SHINDELL:** But, CryoGen kept running?

367 **DOBAK:** CryoGen kept running. CryoGen then got split into two companies, the heart
368 company and there was a gynecologist on the East Coast that wanted to essentially perform
369 an office-based hysterectomy by freezing (Shindell: Uhm-hmm.) the uterus instead of
370 surgically removing it. And he wanted to develop our system for that, so we spun that off into
371 another company that developed that system. There was just not enough synergy between
372 gynecology and the heart and so the, the two companies kind of went on separate but parallel
373 paths. The devices were very, very different. One was a long flexible slender tube and the
374 other was a rigid device that could be placed into the uterus. But, so that company went on.
375 InnerCool is still around today. Or, excuse me, CryoGen (Shindell: Uhm-hmm.) is, they've got
376 those products approved and, and they're around today.

377 **SHINDELL:** And, how many companies have there been since InnerCool?

378 **DOBAK:** So, I started InnerCool and, and then after InnerCool I started a company in the
379 neuro-stimulation area, which is essentially putting pacemaker-type electrical stimulation
380 devices onto specific nerves and stimulating those nerves. And that was a company that I
381 started to treat obesity. (Shindell: Uhm-hmm.) We had a novel nerve target that we were
382 going to stimulate and, and try to suppress appetite, (Shindell: Uhm-hmm.) or control food
383 intake and increase metabolism. And, that company is just going to start the clinical trials
384 now for that device. We had to move that company to the Minneapolis area because (Shindell:

385 Uhm-hmm.) we, you know, when I started out it was easy to recruit people to San Diego. The
386 cost of living hadn't gone through the roof. But, in that ten years from my first company, when
387 Leptos got financed there had been a huge jump in the housing cost, for example, in particular
388 (Shindell: Uhm-hmm.) in San Diego, and I couldn't recruit the types of engineers to San Diego
389 that we needed to run that company [Leptos]. Most of these types of engineers lived in
390 Minneapolis. (Shindell: Uhm-hmm.) You can imagine what they could get for a house in San
391 Diego at a certain price, compared to what they had in Minneapolis, (Shindell: Uhm-hmm.) it
392 just wasn't attractive enough for them. So, we ultimately [Clearing throat] hired a CEO that
393 was out of a company called Medtronic in Minneapolis and the company relocated there. So,
394 that [Leptos] company is now in Minneapolis. With this company, I've shifted directions again
395 and this is now a pharmaceutical company that (Shindell: Uhm-hmm.) I'm running, called
396 Lithera, and I'm not doing a device in this particular opportunity, and working on
397 pharmaceuticals which is definitely a core competency of the San Diego area. (Shindell: Uhm-
398 hmm.) Now, there are a lot of device companies in San Diego. I think there are hundred
399 device companies. I can't imagine there are more than five or six device companies back in
400 the early '90s when I started CryoGen. (Shindell: Uhm-hmm.) But now, there must be a
401 hundred device companies.

402 **SHINDELL:** Well, let me ask you a question related to that then. I mean, since the point that
403 you started your first device company CryoGen, how has the sort of landscape of, of San Diego,
404 either the biotech landscape, or more specifically the device landscape, how has that changed
405 other than growing in size? Like, what have been the big landmark changes during your time?

406 **DOBAK:** So, when I started CryoGen, like I said there were only a handful of device companies
407 in (Shindell: Uhm-hmm.) town. There were also, I don't know if, I don't think there were any
408 venture capital funds in town, actually. There might have been some smaller funds, but the
409 venture capital community was, was very immature at the time. (Shindell: Uhm-hmm.) In

410 fact, I raised all my money from venture capitalists in the Bay Area. So, the two things that
411 have changed in the medical devices, now there are dozens of companies and there's a whole
412 pool of engineers and, and a whole pool of resources now to support those companies, that
413 didn't exist or were very immature at the time (Shindell: Uhm-hmm.) of the founding of
414 CryoGen. The other big change in San Diego is there now are a number of venture capital
415 firms, either firms that are based and originated in San Diego, or firms that have a satellite
416 office in San Diego. And, that's a, a major change. (Shindell: Uhm-hmm.) And, I think the
417 financing community has now recognized that San Diego is a source for good investments and
418 good company ideas. And so, most, a lot of firms want to have a presence or are very open to
419 (Shindell: Uhm-hmm.) San Diego. I can remember my first venture capital firm investor when
420 I started CryoGen. I spent a month convincing these guys that it was okay to locate the
421 company in San Diego. They wanted me to move to the Bay Area. They were located in the
422 Bay Area. (Shindell: Uhm-hmm.) I can remember I brought them down here. I took them on a
423 tour through the medical school. I took them to a local research and animal lab facility and I
424 showed them we could do all these things. I introduced them to a local recruiter that could
425 help find the engineering. It was a big process, (Shindell: Uhm-hmm.) because they weren't
426 convinced that you could start a company in San Diego. Now, I, I don't think that type of
427 convincing has to occur at all. It's a given that there are plenty of companies around.
428 (Shindell: Uhm-hmm.) There's plenty of talent in town to, to develop a device company.

429 **SHINDELL:** Now, the biotech story here sort of has its moment of, you know, the sale of
430 Hybritech being this, this really big moment. Is there anything in, in devices that was like a
431 moment like that? Or, you know, is the fate of the device industry here really tied to those less
432 device-oriented biotech companies? Do they share the same fate or are they separate sort of
433 entities?

434 **DOBAK:** Well, there wasn't sort of a big bang. I mean, there was a big bang for the biotech
435 industry and that was with the sale of Hybritech, and all those people going out and starting
436 companies. I would say that there was a fairly big group in general engineering in San Diego.
437 And, device is very different (Shindell: Uhm-hmm.) from biotech in that it's engineering as
438 opposed to biology. (Shindell: Uhm-hmm.) There was already a big engineering
439 establishment here in San Diego. A lot of it was out of the defense world. So, that was sort of
440 known in the area. I would say that the device, instead of having a big bang it sort of just grew
441 more incrementally and, and gradually in San Diego, is my impression. There were a few
442 companies, like I said, Alaris, and IVAC, and there was a division of Medtronic down here, and
443 some of those, all of those companies helped play into the growth of the device industry in
444 town. But, there wasn't one catalyst, one moment that you can put your finger on, I think, like
445 with the people that harked back to the Hybritech (Shindell: Uhm-hmm.) sale.

446 **SHINDELL:** Now, what you were saying just a little bit ago it sounds like you've relied a lot, or
447 maybe not relied a lot – how should I put it? That you've taken advantage of sort of the close
448 proximity of the medical school, of the university, of other research institutes, both to make
449 your case for why San Diego is a good place for a company (Dobak: Uhm-hmm.) but also, you
450 know, for the success of your own company. But, how would you characterize the
451 relationship here in San Diego between these different entities? How closely do they work
452 and why is that close relationship, if it is a close relationship, why is it possible? Is it
453 something unique to this place or is it something that happens or can happen anywhere?

454 **DOBAK:** So, so I think the university's a big factor. I mean, for example, Dr. Juan Lasheras,
455 who was the chairman of Mechanical Engineering, is a professor of mechanical engineering at
456 UCSD, was a cofounder of InnerCool (Shindell: Uhm-hmm.) and played an integral role in
457 developing and designing that device. I think what you have, in general, with UCSD, now
458 today is that the culture on the campus and among the academicians, [Clears throat] it is not

459 viewed negatively to have an entrepreneurial spirit (Shindell: Uhm-hmm.) if you're an
460 academician. For a long time the idea that you were going to apply your science to a business
461 endeavor, or for-profit, was you were a pariah in the academic world. And, I think that maybe
462 this is because UCSD is a young university. I never got the sense that the academic folks on
463 the campus thought that, or viewed, the idea of applying ideas for businesses and having an
464 entrepreneurial bent was a problem. (Shindell: Uhm-hmm.) And, I can remember my
465 professors in, in medical schools, some of them that had been involved with companies, spoke
466 highly of it. And maybe this attitude existed because we were a young university, in the late
467 '60s it was founded. So, maybe there was not a long history of the stigma associated with
468 (Shindell: Uhm-hmm.) combining science and business that other academic institutions faced.
469 And, I would say that that's probably the number one thing that if an entrepreneur calls a
470 clinician, professor, or a basic science professor at the university and is rejected by that
471 individual, it's going to be very hard for them to transfer any kind of science that might exist
472 in the university. But, I think, at UCSD they're open to receiving those calls, (Shindell: Uhm-
473 hmm.) and talking about things, and figuring out opportunities. I think some of them
474 [academicians] have relationships with venture capitalists and will take ideas directly to those
475 venture capitalists. So, it plays a huge role just having an academic body that is open to the
476 idea of starting companies.

477 **SHINDELL:** Now, your major, you mentioned that Johnson & Johnson did challenge your
478 patent at one point. I hope you don't mind if I switch gears? Just looking down at the
479 questions here and seeing that we do have questions related to that sort of issue. So,
480 obviously you must have gotten more involved with patent attorneys at that point than your,
481 your one patent attorney from earlier. So, I wonder how, you know, based on this experience
482 and then your experience with patents now, you say you have, you know, more than a
483 hundred patent applications that have your name attached to them, how do you view the role

484 of patents in what you do? Do you think that patents facilitate the diffusion of knowledge or,
485 you know, would people do this work if there, if it weren't for the protection that patents sort
486 of give them? Or, you know, how do you feel about patents and the role they play?

487 **DOBAK:** Patents are vital from an entrepreneur's perspective. I mean, it's the only way to
488 protect an idea. (Shindell: Uhm-hmm.) It's the only way to carve out an asset that you can
489 own and, [Clears throat] and [Coughing] potentially finance. So, as an entrepreneur they're
490 absolutely vital. I think that in general intellectual property can spur the spread of knowledge
491 in the sense that, when companies get formed around technologies and hundreds of millions
492 of dollars get invested and a big, a large chunk of that investment gets poured into research
493 and (Shindell: Uhm-hmm.) development, and invariably research and development leads to
494 new, additional discoveries. And, I think there may be, it may delay the spread of that
495 knowledge a little bit. There's going to be a gap until that intellectual property gets filed,
496 (Shindell: Uhm-hmm.) and until that intellectual property is on the record. But, but I think in
497 general the, the development that intellectual property can initiate leads to an incredible
498 growth of knowledge. So, now in general do I think patents are great? In this country, I mean
499 I think the whole process is pretty broken (Shindell: Uhm-hmm.) and can be gamed, and it's,
500 it's expensive, and it takes a long time. And, so I think there's a lot of problems, per se, with
501 the U.S. Patent Office, and I don't think you'll hear anyone defend them at this point. (Shindell:
502 Uhm-hmm.) But, but, so everybody wants a better process for getting patents. But, they're, I
503 think they're key, absolutely important (Shindell: Uhm-hmm.) and vital to an entrepreneur.

504 **SHINDELL:** Do you feel like your experience with the litigation with Johnson & Johnson was
505 sort of a unique experience? Do you think that the small guy, the small company, usually, you
506 know, has success against the big company? Or, do you feel like, you know, you got lucky? Or,
507 how, how do you view that experience?

508 **DOBAK:** So, I should say – J&J inherited the lawsuit. We actually kind of got in a lawsuit with
509 another small company (Shindell: Uhm-hmm.) that J&J then acquired. But, J&J pursued it and,
510 and they used their deep pockets to force us to spend a lot of money to defend ourselves.
511 [Cough] I mean, patents are a blessing and a curse. The patent is only as good, in terms of the
512 value, if you can defend it. (Shindell: Uhm-hmm.) And, to defend a patent is enormously
513 expensive. Getting a patent is great because it helps you get a company financed. But,
514 defending a patent is probably outside the scope of any individual. (Shindell: Uhm-hmm.) It
515 costs millions of dollars. Unless you're incredibly wealthy and have an enormous appetite for
516 risk, most independent entrepreneurs can't really afford to defend a patent by themselves. So
517 they, it, and because big companies have huge resources they can outspend an individual or
518 an entrepreneur, a sole entrepreneur tremendously. So, a patent is really used to get a
519 company financed. It offers the chance for protection, (Shindell: Uhm-hmm.) but, but if it ever
520 comes down to defending that patent it's going to require the collective of the investors or the
521 success and profitability of the company to defend that patent. So, they can be a little bit of a
522 blessing and a curse in that regard that, you need them upfront but you, it would be very
523 difficult for anybody to, to defend them individually. I think companies exploit that to some
524 degree, (Shindell: Uhm-hmm.) right? They know there's probably a lot of intellectual
525 property that can't be defended because it's too costly by the individual and, and that's the
526 threat that the large corporation can have (Shindell: Uhm-hmm.) against an entrepreneur to,
527 to avoid the confrontation with them. Does that answer your question?

528 **SHINDELL:** I think so. You know, you could still comment a bit more just about, you know,
529 how you felt about the process as you were going through it, something maybe more specific
530 to your experience. Sort of, I don't know . . . well, you know, whatever you're comfortable
531 talking about. I don't know if – if you don't want to get into specific details about how the
532 process went, went down, or . . .

533 **DOBAK:** Oh, you mean the litigation?

534 **SHINDELL:** Yeah.

535 **DOBAK:** Oh yeah, the litigation was, it was an interesting experience. I mean I, I think I spent
536 close to fifty hours in deposition. (Shindell: Uhm-hmm.) They always had three lawyers on
537 their side, in those depositions. They videotaped those depositions. The lawyer that was on
538 the other side was very confrontational, and they definitely, I mean it's my opinion that, you
539 know, part of their strategy was to make us spend our money. (Shindell: Uhm-hmm.) And,
540 you take a private company that is, is struggling to sort of survive and you start making them
541 spend a lot of money on patent lawsuits, not only does it, or patent law, not only does it
542 detract from their development and putting dollars directly into their development, but
543 investors get concerned if you're in the middle of a litigation, (Shindell: Uhm-hmm.)
544 potentially. So, it can jeopardize your ability to raise capital. And, I think that's what, what
545 J&J, part of their plan was, or at least the, the litigation that was inherited by them. The – I
546 mean, just on a personal note, I can just remember getting these transcripts from these
547 depositions. They were just, they were telephone books, (Shindell: Uhm-hmm.) and trying to
548 wade through them, and you're supposed to correct the record, and, and I just thought it was,
549 it was so ridiculous, such a huge distraction, and it got to be so grinding. And so, I guess there
550 was a sort of a personal toll also of trying to fight the lawsuit, aside from the economic issues
551 that come about, (Shindell: Uhm-hmm.) all the, all the paper, everything that had to be
552 produced, all the documents. It was a big distraction (Shindell: Uhm-hmm.) for the company.

553 **SHINDELL:** Okay. Well, that covers patents and patent litigation, unless you have anything
554 else to say about it?

555 **DOBAK:** I'm sorry?

556 **SHINDELL:** Unless you have something else to say about patents or patent litigation we can
557 move on to [Laugh] (Dobak: No.) something else.

558 **DOBAK:** Anyway, I already got on my soapbox [Laugh] about the Patent Office and, but . . .

559 **SHINDELL:** Now, with the growth of biotech and the growth of the device industry here, do
560 you think there is any individual or any key individuals who are responsible for making these
561 industries, or high-tech industries in general, sort of a priority for San Diego? Either people
562 within these fields or maybe politicians, or, you know, whoever it might be?

563 **DOBAK:** Well, I mean, I think, I think people would obviously point to Bill Otterson, (Shindell:
564 Uhm-hmm.) because of his role with CONNECT. I think certainly guys like David Hale, some
565 of the graduates of the Hybritech, Ted Greene, I mean those guys played big roles in, in
566 bringing the whole industry to San Diego. Duane Roth also played a big role. I mean, I think
567 those guys, they had a political bent to them and I was always amazed, you know. I didn't
568 understand the political process. I was fresh out of medical school. And, I can always
569 remember they had all these committees and, that discussed these political issues, and they
570 were real, they were real issues. They had a lot of long-term vision (Shindell: Uhm-hmm.) on
571 how to make the the industry grow here. I mean, they weren't just focused on, all those guys
572 were not just focused on their companies, but it was really, "How do you make San Diego a
573 place that biotech can, can thrive and survive?" And so, they, they did have a lot of initiatives
574 around developing a workforcemaking the local regulations more friendly to these companies.
575 And, I mean those were the individuals that I can recall that I think are probably some of the
576 foundation that really set the stage so that all these, this little cluster could (Shindell: Uhm-
577 hmm.) develop. I think some of the early backers in the area. Jim Berglund was a guy that was
578 here financing some of the early companies, and that's always a big role, you know, in any

579 kind of area that develops a high-tech entrepreneurial environment, you know. The financing
580 is obviously key. (Shindell: Uhm-hmm.) It takes tens of millions of dollars to do these things.

581 **SHINDELL:** How do you feel about the characterization of San Diego as a, a hub, both a hub of
582 biotech activity and then also a cluster, and sort of the, the, what seems like the conventional
583 wisdom that the success of biotech here in San Diego comes from the fact that it's clustered in
584 such a tight spot? You know, everyone sort of seeing each other all of the time, and employees
585 moving from company to company. Do you think that that has played a role in the success of
586 the sector here?

587 **DOBAK:** Well, no doubt. I mean, if you can't find a job right here, you get recruited elsewhere,
588 [Laugh] so you lose that, that talent. So, you need to have the pool of companies that – and,
589 this is a business where failure is, is the norm, (Shindell: Uhm-hmm.) and companies are
590 turning over all the time. Those employees have to have somewhere to go. You have to have a
591 cluster of companies and opportunities that give the employees a home after their company
592 may run into trouble, or after it gets acquired, whatever (Shindell: Uhm-hmm.) the case may
593 be. It's just there's a lot of turnover. So, you really need that cluster. Certainly the exchange
594 of ideas. I have never, you know, you hear stuff about Silicon Valley, and like the high-tech
595 brew, or what was it that Steve Jobs and all those guys, they went and had a beer. (Shindell:
596 Uhm-hmm.) It was like a happy hour. I never got the sense that that existed in San Diego.
597 (Shindell: Oh really?) I think people networked, but I think my impression was that it was a
598 lot of programs that were put together. I think CONNECT played a big role so people could get
599 together and talk, but I don't think it was informal, as informal as (Shindell: Uhm-hmm.) as
600 like Silicon Valley and, you know, just having a beer and talking about – at least, I never had
601 that. Maybe that's because I was more in the device, and devices were, (Shindell: Uhm-hmm.)
602 were really sort of new, "newer" I guess is the better term in San Diego. There wasn't that,
603 that same pool of people trying to start those companies. And, I guess I would say biotech's

604 probably a bit different than high-tech and, it's a little bit older and more mature crowd. The
605 timelines are different. (Shindell: Uhm-hmm.) It doesn't move [sirens in background] quite
606 as fast, per se. (Shindell: Uhm-hmm.) So maybe you get folks with different priorities and
607 different responsibilities can can't have the, "go out and have a beer every, [Laugh] every
608 other night and talk about new company ideas" mentality.

609 **SHINDELL:** Yeah. So, it's more about key individuals and organizations like CONNECT, and
610 Biocom than it is about sort of informal get togethers?

611 **DOBAK:** That's been my impression, (Shindell: Uhm-hmm.) certainly in the '90s. Now, I
612 know there's some efforts. But, I would still say it's more of a formal effort, you know. There's
613 the Shout group, which is trying to bring together young entrepreneurs or, or new
614 entrepreneurs, or people that want to be entrepreneurs in the area and just have a
615 networking event. So, that's always been my impression is, as opposed to informal gatherings,
616 people doing it on their own, there's been CONNECT, or Biocom, or groups that have formed
617 for the purpose of networking and scheduling these kinds of events.

618 **SHINDELL:** Sort of a formal informality, I guess? [Laugh]

619 **DOBAK:** Yeah. That's, that's one way to think about it.

620 **SHINDELL:** So, that's, I think we've covered pretty much everything. So, now let's go to the
621 point. I mean, we've gone a little bit over an hour. I don't know how much you planned on, on
622 spending. But, I think we're ready to move on to sort of the final evaluations, how you would
623 evaluate [Laugh] sort of your life and career here in San Diego. It sounds like you're pretty
624 happy with the path you've taken. You don't regret not becoming a surgeon?

625 **DOBAK:** I don't regret not becoming a surgeon. I, certainly the grass is always greener. I get
626 together with my medical school buddies and I, I miss the idea of patient care, and from their

627 perspective they, you know, they're a little envious about, about my, my path. So, and I guess
628 that's the, that's the nature of things. (Shindell: Uhm-hmm.) But, I don't have regrets at this
629 point, at all. I'm happy with my career choice.

630 **SHINDELL:** And, what would you say was sort of your most important moment in your career
631 here? Or, your favorite, I guess.

632 **DOBAK:** [Pause 16 seconds] So, I guess on, in terms of high notes? (Shindell: Uhm-hmm.)
633 Probably, [Jet plane in background] I would probably say it was that first bit of real financing
634 that I, that I obtained. When you, when, as I was trying to start these companies you always
635 hear about raising venture capital, and it's a source to really building an organization. I agree
636 with that. Some people don't agree with that, that you really need venture capital (Shindell:
637 Uhm-hmm.) financing. And so, it was like this big goal, this big effort to try to, you know, get
638 tapped into that source of capital. And, I think raising that first round, that was like a big
639 milestone for me. (Shindell: Uhm-hmm.) In terms of significance one of the most significant
640 things was not a high, but I can remember very vividly we. At InnerCool we did a big clinical
641 trial in heart attack patients, (Shindell: Uhm-hmm.) spent a lot of money. We, the company
642 had spent about \$40 million developing the product doing the clinical work for that indication,
643 and we literally walked in one day, we had a meeting with our data monitoring board, and
644 turned the card over and it was a Joker. Right? [Laugh] It was a negative study. And,
645 (Shindell: Uhm-hmm.) I mean, overnight the whole company, everything changed, right, it
646 went from full of hope and fun and, to sadness, and layoffs, and, and I mean that's, that's the
647 nature of the business. And we had to – in terms of a significant, that was a huge thing. I had
648 spent almost six years of my existence trying (Shindell: Uhm-hmm.) to build that company,
649 grow it, and we had, you know, forty or fifty employees at the time, and it was a real, it was
650 like a big family. Basketball every lunch out in the parking lot and everybody was excited
651 about the opportunities, and then all of a sudden, "Whoa. We have a negative (Shindell: Uhm-

652 hmm.) trial," and it was a huge setback. So, that was a significant milestone. That was
653 probably, I think in 2005.

654 **SHINDELL:** Uhm-hmm. Now, how did you deal with that?

655 **DOBAK:** Well, you know, I think I was put into a serious funk, if not a depression, for a little
656 while, you know. For probably a year. It took a long time to recover. (Shindell: Uhm-hmm.) I
657 mean, in terms of just, I felt obligated to the employees that remained at the company. We laid
658 off most everybody, but I felt obligated to the employees and the investors to try to figure out
659 what to do with the opportunity. (Shindell: Uhm-hmm.) And, we ultimately found a home for
660 it and the company now has grown back up again and they're out selling the product into
661 different indications, but that, it took a good two years. And so you're, it's two years of a
662 situation of trying to essentially wind something down or find a home for it as opposed to
663 building and being excited about the future. And, at the same time I think, I had a newborn
664 and there was a whole bunch of things that went on with a corporate partner that we had. I
665 mean it was an (Shindell: Uhm-hmm.) incredible time. Those are stories unto itself about the
666 negotiations and the phone call at 4 a.m. the day before Thanksgiving to tell us, "We're not
667 going to finance you any further." (Shindell: Uhm-hmm.) But, so that was a significant
668 negative milestone. But, probably the first big milestone on a high point was, you know,
669 finally raising this coveted venture capital and being able to actually grow, begin to grow a
670 company in earnest. (Shindell: Uhm-hmm.) And that, that sort of set the stage, gave me the
671 experience and the ability to raise additional capital and start additional companies.

672 **SHINDELL:** Uhm-hmm. If you could, based on your own career, if there's any one piece of
673 advice you could draw from your career for a young entrepreneur, you know, what would it
674 be? What is the moral so far of your career?

675 **DOBAK:** I mean, there's so many things people say that are so darn cliché, you know? "Shoot
676 for the stars. If you only make it halfway there [Laugh] you'll be fine." For me, I think the, one
677 of the biggest things that I have learned is, I mean, obviously you've got to take risks. And, I
678 think that that's part of living life. I mean, the ups and downs. There were high points and,
679 and there were low points, and we just talked about two of them. And those ups and downs
680 on the emotional roller coaster I think, to me, is what living is all about. (Shindell: Uhm-
681 hmm.) I mean, some people like more of a straight-line in life. They don't like a lot of
682 deviations from the norm or the mean. But, but for me it's the ups and downs. You can't
683 appreciate the highs if you haven't experienced the lows. (Shindell: Uhm-hmm.) So, that's
684 definitely really come home, you know, through this process, is that, that that's, that's an
685 important piece of what I sort of view as living life. I often think, when I'm in the, for example,
686 the period when I had that negative clinical trial and it was a tremendous low for a long
687 period of time, I would always ask myself, "Would I have done it differently? (Shindell: Uhm-
688 hmm.) Is this all worth it?" And, I always came back to the conclusion that, "Yeah, okay. This
689 is a tough, this is a challenging time, but I wouldn't do it any differently. (Shindell: Uhm-
690 hmm.) And this, this storm will pass." So, I don't know if that's a moral, but I certainly think
691 that if you're, short of all the other things, right, I mean it's rewarding to have ideas, to be
692 creative. You've got to have a thick skin. Don't let people tell you "no." Be tenacious. All
693 those sorts of things. I think, in terms of a lesson is, you know, be prepared for the ups and
694 downs and decide that that's how you want to live your life, because that's what this, this, this
695 business is about. And, I think ultimately it's a positive. (Shindell: Uhm-hmm.) It's a real, a
696 real kick, so to speak. But, you got to, you got to like and appreciate the ups and downs
697 (Shindell: Uhm-hmm.) if you're going to go into this, in this business.

698 **SHINDELL:** This next question is sort of a catch-all question.

699 **DOBAK:** Uhm-hmm.

700 **SHINDELL:** Is there anything that I should have asked you that I didn't? Or, is there anything
701 that you wanted to, you know, sort of be your last word, I guess, in this interview?

702 **DOBAK:** [Pause 7 seconds] No, I don't think there's anything specific to answer. I just
703 thought the whole interview was interesting. With a, the whole concept of this interview,
704 because I always like to think forward. You hear these things, you know, in fifty years
705 someone listening to this, [Laugh] they're going to think, "This sounds so archaic," [Laugh] yet
706 today we think it's so cutting edge. I just think it's interesting to record this kind of stuff,
707 (Shindell: Uhm-hmm.) and so I hope it, I hope it survives in that sense. So. But, I think we
708 covered everything.

709 **SHINDELL:** Oh, okay. Well then . . .

710 **DOBAK:** Maybe I'll get back to you a little bit about what's my, my big take-home lesson.
711 [Laugh] I obviously haven't thought about it. I've been so immersed in doing all this stuff.
712 But, what is the moral of, aside trying to be all those cliché [Laugh] remarks about, about, you
713 know, what it takes to be an entrepreneur. But . . .

714 **SHINDELL:** Uhm-hmm. Well, some of them may be clichés because they're true. Who knows?
715 (Dobak: Yeah.) So. [Laugh]

716 **DOBAK:** Yeah. Yeah.

717 **SHINDELL:** Well then the last question, really, is who, who would you recommend that we
718 interview? You've already listed Drew Senyei and Jim Berglund, before we started the
719 interview. Is there anyone else that you would say is on, should be on our top five?

720 **DOBAK:** I think, well I mean there are guys that have financed a lot of San Diego companies
721 and it's gone back fairly far. They weren't, per se, local guys but they had a big hand. Some of

722 the guys at Domain, Jim Blair. (Shindell: Uhm-hmm.) For example, Brian Dovey, they have
723 financed a lot of the companies. Bob More, of late. In the last, that's been in the last seven, you
724 know, six or seven years, but they've had a big hand in financing companies. I mean in the, in
725 probably the last five years they're clearly the largest financiers and backers of companies
726 here in San Diego. And, so those would be, I mean those guys, I mean a lot of those guys that
727 I'm mentioning now, I think you've got all the key operating guys from Duane Roth, David
728 Hale, Ted Greene, Howard Birndorf, of course, (Shindell: Uhm-hmm.) Cole Owen, who we've
729 talked about. Let me think who else. No, I mean I think you, those are the main guys that,
730 (Shindell: Okay.) and Karen, they've probably got other folks that are, those are the folks that
731 stand out in my mind. You can also talk with Paul Grayson, might be another person (Shindell:
732 Uhm-hmm.) to talk with. He's been around for awhile.

733 **SHINDELL:** Okay. All right. Well then thank you very much for this interview. It's been a
734 pleasure.

735 **DOBAK:** My pleasure.

736 **END INTERVIEW.**

Recommended Citation:

Dobak, John. Interview conducted by Matthew Shindell, August 26, 2008.
The San Diego Technology Archive (SDTA), UC San Diego Library, La Jolla, CA.



The San Diego Technology Archive (SDTA), an initiative of the UC San Diego Library, documents the history, formation, and evolution of the companies that formed the San Diego region's high-tech cluster, beginning in 1965. The SDTA captures the vision, strategic thinking, and recollections of key technology and business founders, entrepreneurs, academics, venture capitalists, early employees, and service providers, many of whom figured prominently in the development of San Diego's dynamic technology cluster. As these individuals articulate and comment on their contributions, innovations, and entrepreneurial trajectories, a rich living history emerges about the extraordinarily synergistic academic and commercial collaborations that distinguish the San Diego technology community.