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**Official Press Conference: Newsmakers of the Day  
Kaiser Family Foundation  
July 19, 2010**

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**MALE SPEAKER:** - this afternoon special briefing session. It is my pleasure to introduce for you Bill Gates. He has limited amount of time today and so rather than wasting time on unnecessary introductions, I am going to ask him to make a few introductory remarks and then we will open the floor for questions.

**BILL GATES:** Good afternoon. It is great to be here at the AIDS Conference. As I said in my speech, this is a time of looking at achievement of the AIDS movement and looking at some incredible challenges as we move forward.

The funding constraints were a huge challenge, but there are a lot of things we can do to drive up efficiency in prevention, efficiency in treatment, and I am also optimistic about the work going on scientifically, both with tools for prevention and also eventually the ultimate tool, the vaccine. So, with that we can go ahead.

**MALE SPEAKER:** Thank you, Bill. Are there any questions? Please approach a microphone and once I identify you, you will identify yourself, who you work for, and a brief question. I would rather to have no long statements. Go to the microphone, please. The microphones are at the back. Go ahead. First question?

**MARY JOFER:** Mary Jofer, IPS New Service, my question to Mr. Gates is talking to a lot of delegates here, there seems

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to be a sense of depression because of the silence of a lot of donor countries, visa vie funds for HIV and AIDS. What do you have to say, because you have made very generous contributions, and what do you have to say for all the enormous amount of money needed still to continue treatment, prevention and research for the vaccine?

**BILL GATES:** In the last decade, the funding by rich country governments of health issues has gone up very dramatically and it has been great to see that. There have been unbelievable success stories, whether it is in new vaccines or vaccine distribution.

Actually the biggest increase has been in the area of AIDS, a huge, actually unprecedented amount, devoted to AIDS programs. The problem that we have run into, which is very disappointing to me and everybody who cares about the AIDS cause is that the rapid increase has now on balance stopped. You have some countries who are actually cutting.

You have some countries who are doing modest increases and some who are doing better than that, but on balance, the amount of money per year will be only slightly greater in the next year, and because we don't have a cure, as you put people on treatment that is lifelong treatment, so all the new people you put on treatment just increased the number that you need drugs for.

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And so in my speech I talked a lot about how we need to take the best practices in reducing personnel costs, and do some of the things we have done on drug costs to try and drive up that efficiency, so there is definite consternation that people wish that the growth had continued and it is not.

Now, we need to tell the success stories. We need to drive innovations. We need to prove we are using the dollars well and hopefully we will go back to the increases, because certainly they make a huge difference, five million lives, five million people on treatment that without that generosity simply would not be alive, and what that means for these societies is quite dramatic.

**MALE SPEAKER:** Next question.

**JOE MORRIS:** My name is Joe Morris from the Austrian Times Group, before you came on in a press conference of four wonderful people and they were talking about gender parity, the empowerment of women is a crucial battle in the whole AIDS campaign. How do you in the Bill Gates Foundation see this particular battle and how are you facilitating it?

**BILL GATES:** Well, certainly all the things our Foundation does, whether it is agriculture or vaccines or mother and child health, there is a real focus on women as the key factor. In AIDS, the burden is greater in women than it is in men, which is a tragic thing.

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One of our most successful programs is one in India where, together with the Indian government through a program called Avahan we have organized the people who are at greatest risk who are the female sex workers and they have gotten together in communities and organized and spread the message of safe behavior.

And so condom use in particular has gone up quite substantially, and the key there has been the social marketing, groups of women talking to other women and that is what we have seen in many of our health things, whether it is mothers getting together in villages to talk about exclusive breast feeding or using vaccines, it is these women's organizations that can make an absolutely huge difference on all these health care issues.

So, it is an important thing to look at. Many of the tools we work on are gender neutral and will benefit everyone.

**MALE SPEAKER:** Your question?

**SIMEON BENNETT:** Simeon Bennett from *Bloomberg News*, Mr. Gates in your speech you said that when we have new effective interventions, we need to make sure they become widely available as quickly as possible, unlike circumcision which has obviously taken a long time to become rolled out on wide scale, tomorrow we will find out whether or not this microbicide worked.

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I am not asking you to comment on the result, but if that trial does in fact show efficacy, what do you think the next step should be? And does your Foundation in fact have any plans in place to make that product widely available, if in fact it is efficacious?

**BILL GATES:** Our Foundation, one of the significant funders for both the microbicide work and the other ARB prevention techniques like a daily pill, the CAPRISA study that reports tomorrow is a Tenofovir based gel, and so we are all hopeful.

When any one of these ARB prevention things works, the question is will it be one year, two years or five years before it is out there in widespread use, assuming that the affect is rather substantial on the positive side and there are no negative side effects. It is not something that can happen overnight, but it should be achievable that when you have a positive result it is less than three years before it is scaled up quite substantially.

You can look through, what have been the delays? The delays in getting the licensure, the delays in getting manufacture, the delays in promoting the demand, the delays in having the capacity. You know circumcision where finally now four years later, as a movement engaged in significant scaling up.

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It is good to see, but we should not have that same gap for whatever our next prevention tool is, I am quite optimistic that we will have another one, we will certainly be a funder of those steps but it is probably more regulatory, social marketing, capacity type things that will be the limiting factor, and so we can use our voice in that. I don't think it will be a money thing, at least we will do our best to make sure that is not what determines the time line.

**MALE SPEAKER:** Next question.

**RUSLAM PODGORNIER:** Ruslam Podgornier, [misspelled?] journalist from Ukraine. My question is whether your Foundation conducted monitoring of targeted use of the funds used for the prevention of socially dangerous infections which were discussed today, which were discussed at the conference, and if yes, have you found anywhere in the world examples of non-targeted use?

**MALE SPEAKER:** Can you repeat the question please?

**RUSLAM PODGORNIER:** Are there any examples anywhere in the world when donor money were used for something else when they were meant for some programs, but somebody somewhere in the world decided to use them differently?

**BILL GATES:** The question is, is there any case where donor money was used for something other than what the donor intended to be used for, and the answer is certainly yes. There is no perfection in any of these things.

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There are a lot of roads and bridges that were funded and were never built. Fortunately in health care, the degree of that diversion is actually quite low. When you come to things like ARB drugs or vaccines, it is not like somebody who is powerful likes to stockpile ARB drugs. They are not that valuable, and so most it gets purchased outside and sent in and the usage is tracked fairly well.

When you get to something like building facilities or pain salaries, you can have some diversion there, and we need to track that. I think in the case of AIDS, the money has been spent fairly well. I think the room for improvement, although we always have to be vigilant about corruption, the room for improvement is more about the design of the system, the efficiency, what personnel get used, making sure there are never stock outs.

This is a field where if somebody comes and they cannot get their drugs. That is a really tragic thing. Next thing you know they will have to be on second line therapy, which is far more expensive. They will be having side effects. So, the answer to your question is yes, but it is not a significant problem in terms of these health programs.

**MALE SPEAKER:** Next question.

**MARIAT DECHOCA:** Hello, I am Mariat Dechoca

[misspelled?] from the Vienna Youth Force, I am a youth

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journalist, and I want you to ask if you have a short message for young people?

**BILL GATES:** With respect to AIDS?

**MARIAT DECHOCA:** Yes like an advice.

**BILL GATES:** Okay. Well, with respect to AIDS, do not engage in risky behavior and get involved in understanding the movement and how you can help out. In general, I am an optimist about a lot of things, whether it is AIDS or the opportunities that young people have because of the innovation that is taking place very broadly.

**MALE SPEAKER:** Next.

**REMMY SHOWA:** My name is Remmy Showa [misspelled?]. I am also a youth journalist in the Vienna Youth Force. Over the past few days, we have been meeting as young people together with established leaders and we have been looking at opportunities for collaboration, and one of the things that we have come across is establishment of a youth HIV fund, which is already in place and some partners have already accepted to contribute. My question is what is your commitment to supporting young people?

**BILL GATES:** Well, the tragedy of the AIDS epidemic is that it overwhelmingly hurts young people. Girls from age 15 to 19 in many of these countries have a high percentage chance of getting infected, and so it is fantastic if youth around the world feel a common cause and help either raise money or use

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their political voice to help their government make the trade off to be more generous for these treatment and prevention things.

AIDS is a movement and we would not be as far along today if people had not decided to get involved and so if you have got a group of youth who can here in this country get this country to be more generous or raise money, that is an absolutely fantastic thing.

You can save a life without a very large donation and there are lots of organizations out there, whether it is RED or many others that you can give to and know that your dollars are having a huge impact.

**MALE SPEAKER:** Next.

**ARGEN FREINT:** Yes, good afternoon, my name is Argen Freint [misspelled?] and I am an old journalist from Austria. [Laughter] With the Austrian Broadcasting Organization, Mr. Gates I do not want to minimize at all the great efforts you are undertaking over the last decade or so, but there is one question which I came across today and that has to do with your Foundation sometimes investing into companies that adversely affect the health of, or could adversely affect the health of the people who live in the vicinity of that company, let us say an oil company in Africa, how do you react to that criticism? At the same time, your institutions then have to cure these people from the health effects that this factory produces.

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**BILL GATES:** Well, if people would just stop driving their cars, that would help a lot. Our Foundation has been probably the most active at reaching out to large companies and getting them involved and using their skills to help the poorest, whether it is working with the pharmaceutical companies.

And we actually have an index that we fund that ranks the various drug companies on how much they are involved in helping the poor, it is called the Access to Medicines Index. We work with food companies, cell phone companies, all these companies to get their innovators involved, and so you are taking what those companies have and using it to help very poor people.

In the case of our investments, we vote our shares in terms of our social conscious. We are very careful about that. It is not possible, we are not a court that is judging every company, that we would take away all of our expertise in health to try and do that, and where we own a tiny percentage, and our ownership is not the key thing there, it is working with those companies to help them do something that is better.

So, we are a huge force in that and we do not think that if we moved all of our investments into say U.S. Treasury Bonds it would be any better, because the U.S. government is not necessarily a perfect organization either.

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In fact, the oil stock held by this so called social investment funds, by far their biggest energy stock was B.P. so I guess they did not have the crystal ball and neither do I, but I do know specifically what we do with companies that get them to be contributing to help the poorest in a very positive way.

**JOHN COHEN:** John Cohen, Science, what do you think specifically of the idea of a Robin Hood Tax on financial transactions, and have you thought about other innovative ways to raise money, but specifically if you could address that Robin Hood Tax?

**BILL GATES:** Yes I know a lot of experts who said it is not workable, which I was very sorry to hear because certainly we need more money for these global health activities, but the people who are experts on financial systems in terms of would it be enforceable, would it really work, have not felt that it would.

And the airline tax, UNITAID, which our Foundation has been involved with this, an absolutely fantastic thing. I think France was the first to put that forward, but a lot of countries have gotten involved in that. Now, there is movement in the countries where it is not mandatory, at least make it easy to do on a voluntary basis, but unfortunately the financial tax, I have not heard any experts who are saying that

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is something that is likely to happen or is easy to define it in a way that it would not be subverted.

**MALE SPEAKER:** Just a quick followup, have you discussed it with Warren Buffett?

**BILL GATES:** Actually I have discussed it with lots of financial experts, not one in particular.

**MALE SPEAKER:** Next question.

**IJAN MULOVO:** Good afternoon. My name is Ijan Mulovo [misspelled?], Channel 13 NTN Buenos Aires, Argentina, the economic problems and the natural disasters could be a big challenge, a new problem in the battle against HIV?

**BILL GATES:** Yes. [Laughter] The government generosity, rich government generosity to AIDS and other health issues would clearly be much higher if their economies were continuing to grow at a very rapid rate and so it is an unfortunate side effect that the people in the greatest need, the poorest, are deeply affected in this very indirect chain of events by what has happened to the global economy.

**MALE SPEAKER:** Next.

**GUS CANZ:** Gus Canz [misspelled?], Aids Map [misspelled?]. If prep is successful, who is going to use it and who is going to decide who gets it? And if I can ask one on microbicides as well, if the microbicides are successful, their products are then going to be used in sex, when people

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are having fun, do you think we should market them as over the counter products, even if they contain ARBs?

**BILL GATES:** Well, certainly things like condoms are marketed over the counter, and the reason you do not market things over the counter is if you think there is some mode of usage that would be harmful, that you want to have a doctor involved in making sure the right people use it and it is used in the right way, and so it largely depends, in the case of take a microbicide, what side effects are seen and whether you have to be careful to make sure whether that is going to create drug resistant HIV.

There is some hope that the microbicide that because the place where the drug is is very localized, that even if you have a breakthrough infection that you would not have drug resistance disease.

Now, it is not known that is one of the things that the money goes into in these microbicide trials is to look where there is a breakthrough case and actually look and sequence it and say okay did it, you know, say Tenofovir is your ARB, did it develop the known mutations that create that drug resistance there?

So, if things really look good on a microbicide, then it should be possible to make it generally available, just like condoms are generally available. It looks like the gel would be inexpensive enough that you would not have significant

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access issues, that you would be able to make it very broadly available.

I think compliance is one of the great concerns, because there are approaches that are coitally dependent, where you ask people to use it either before, or both before and after a sex act, and there are approaches that involve daily dosing, and those are being tried out in the various trials, not just the one that will report this week, but there are several trials that are in the next year or two years.

So we are going to have a lot of data about this, and as I said I am a big believer that if we get positive results we need to understand very quickly if there are drawbacks and then figure out how to get that accessibility to be extremely high, because whenever you have an epidemic every case that you avoid actually has this exponential effect of further cases that are avoided, and if you can get a high enough usage of things that block transmission, then you can have communities where the infection rates can drop pretty rapidly.

Now in the numbers I showed in my speech, I took a 20 year period and I took reasonably conservative estimates for what could be done, but if things go super well on the prep in terms of its effectiveness, its compliance, how smart we are about distributing it, you could see scenarios even more positive than the ones that I showed in my speech, and we are certainly putting a lot of money into that. There is a lot of

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energy around this. It is one of the advances that would be very, very timely.

**MALE SPEAKER:** Next question.

**LUKE ANLU:** Thank you. Luke Anlu [misspelled?] from AFP [misspelled?], you and other speakers emphasized male circumcision, do you not think it will reduce the awareness that condom use is still far more effective? Thank you.

**BILL GATES:** Yes that is a very good question and in fact whenever trials of a prevention technique are done, you want to look carefully to see if there is the effect that you referred to, which is often called disinhibition, that is because you are using a tool that, you know, male circumcision is great, it is a 60-percent reduction in female to male transmission.

As you suggest, it is not nearly as good as using a condom. That is very high, you know, over 90-percent reduction in both male to female and female to male, and so you would not want to introduce it if you thought the disinhibition effect would offset substantially that gain. And, of course that may vary by community, but the communities where male circumcision was tested and these were very well done tests, they did not see a significant disinhibition effect.

Now, we need to continue to monitor those things, and if you started to see that, you would want, before you withdraw the tool, you would want to do the social marketing to educate

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people about how they were putting themselves at risk, but right now it looks like it is fairly additive on top of the other tools people use, and it is not causing behavior disinhibition to offset a substantial part of the gain.

**MALE SPEAKER:** Next question.

**KATE KELLEND:** Hello, I am Kate Kellend from Reuters, five years ago you said you would eat your hat if there was a vaccine developed within the next 10 years. Are you any more optimistic now? And could you put a timeframe on that optimism, if you have it?

**BILL GATES:** Well, I would love to eat my hat, but it would require to have a vaccine generally built in five years would require really unbelievable breakthroughs at a rate that are very, very low probability, even though we would all celebrate.

The best case now probably is two rounds of trials, which would be four to five years, and so if you multiplied that out you would say best case eight to ten years. It is a possible case. It is not necessarily a likely case. I would not even give a number for that. It could take three or four rounds of trials.

This is a, you know, it is very state of the art work in terms of understanding this disease to the immune system, but there are very positive scientific results, these new antibodies are a huge advance. The signal we saw on the RV144

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trial has got people thinking about how you can get a sterilizing response in mucosa that had not been focused on.

And it is actually interesting, when they saw that they realized the animal models they were doing did not match up very well and so they are looking at new ways of doing animal models to further inform us, and there are about three or four more trials that are going to start in the next couple of years, and the goal is not to have those be six year trials. The goal is to have them be three to four year type trials, so that is my best sense of where we are and I hope it is on the low end of those things.

It is great that it is being funded. We are one of the funders. There are many others. It is great that that research continues and there are great scientists who are making progress. It is unfortunate we cannot give people a specific date, because they would love to have that, but we do not know it.

**MALE SPEAKER:** We are going to take two more questions, one here and one there, and that will be it. Please.

**EMINICK ESHMARIEL:** I am Eminick Eshmariel [misspelled?] with Durdashan [misspelled?] the Indian public broadcast television, Mr. Gates you mentioned about the Avahan project in India, and your Foundation, along with some NGOs has empowered the female sex workers and brought down the high prevalence rate.

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But the issue is if the female sex workers want to live on their own without any stigma or discrimination, there are not enough self income generation projects. Do you plan to extend the project of the Avahan to include more self sustaining initiatives or projects?

**BILL GATES:** Yes, certainly a lot of funding has gone towards the creation of those communities, and once you get those communities organized, they are very strong. They want to stay together. They want to do a variety of things in terms of informing each other and helping each other. Our work there was aimed at reducing HIV transmission, increasing condom use, that was what we went in it to do.

Now, we are in a process where the Indian government is taking over some of those sites over about, I think it is a five year period, and they are looking at what other things they want to add to the program, and so the self help thing is not our primary focus but it was wonderful to see that come out. There were a lot of benefits that came out of the program in addition to its primary goal, which was the reduction of HIV transmission.

**MALE SPEAKER:** One final question.

**GWEN ADIEL:** I am Gwen Adiel [misspelled?] from the mountain kingdom of Lesotho and I am here with the World YWCA, my question for you Mr. Gates is we do recognize that there is a shrinking pile of resources, what I would like to know from

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you is we know that women's organization are concentrating very much on young women, especially those living with HIV and AIDS, I would like to know what your organization is doing to insure that young women remain a priority in this AIDS era?

**BILL GATES:** We work through a number of partners. We just talked about the Avahan program in India that was totally aimed at women and including women of all ages.

We are a donor, largest private donor, not nearly as big as some of the governmental donors, largest donor, private donor to the Global Fund, which has a lot of programs aimed at the self-help groups and women, and many of the tools that we worked on, particularly like the gel, that is a tool aimed at young women being able to protect themselves and in fact if you look at the generalized epidemic, it is the very youngest women who are age 15 to 19 who are in particular victims of this, and that is an incredible tragedy.

So, we try to keep that in mind in the things that we do. Some things, like vaccine research, are not in the field, not gender specific, but a lot of things about thinking through the design of the gel, and how trials are done, are very much getting women together and understanding what they think about these tools.

I have had a chance to sit in a number of focus groups and learn about that, so we are trying to have that be a priority, basically if you want to reduce AIDS you want to not

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only have the tools but have the behavior change and the empowerment that can help reduce the epidemic.

**MALE SPEAKER:** At this time I would like to conclude the press conference. It is 3:30 sharp. I want to thank Bill Gates for traveling all the way to Vienna to be with us. He is a tremendous and generous supporter of all our work and I would like to give him a round of applause for that. [Applause]

**BILL GATES:** Thank you.

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