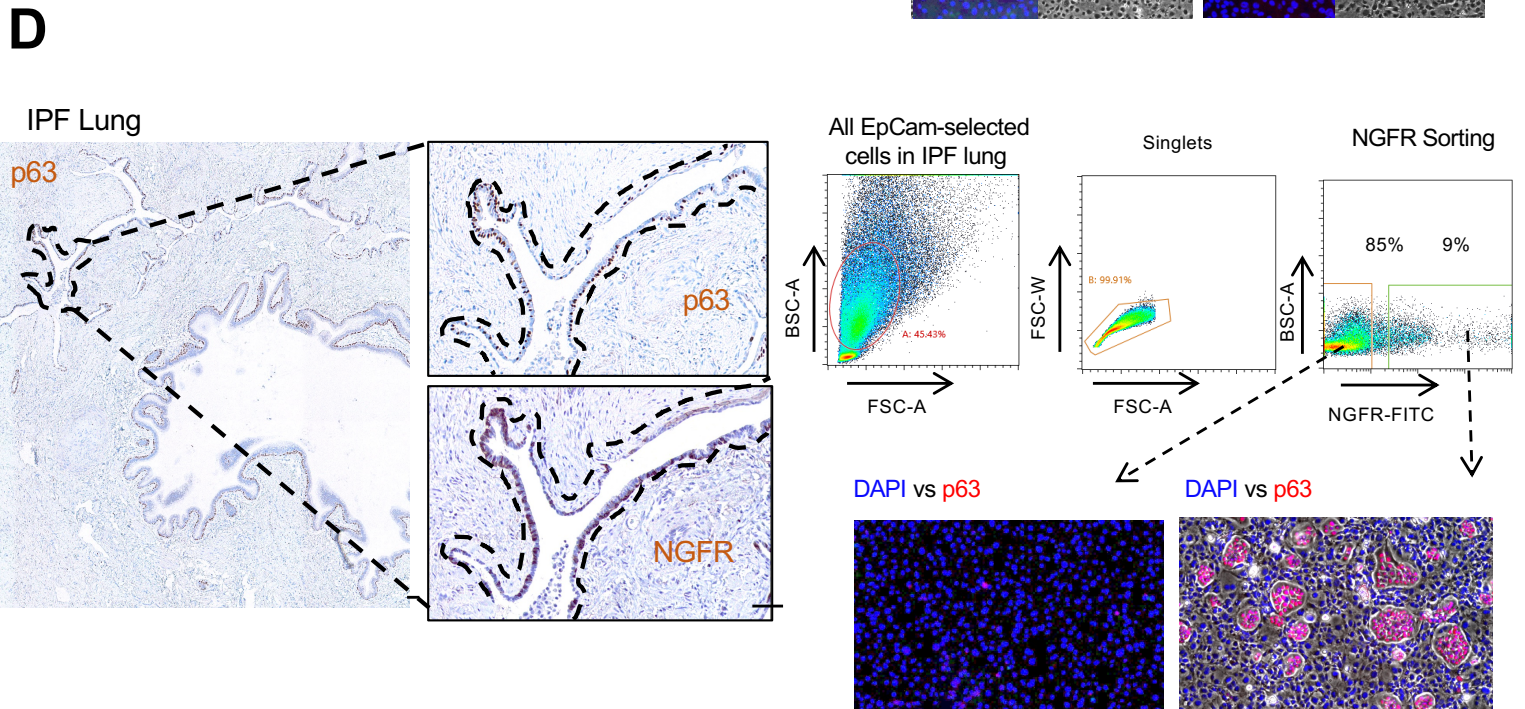
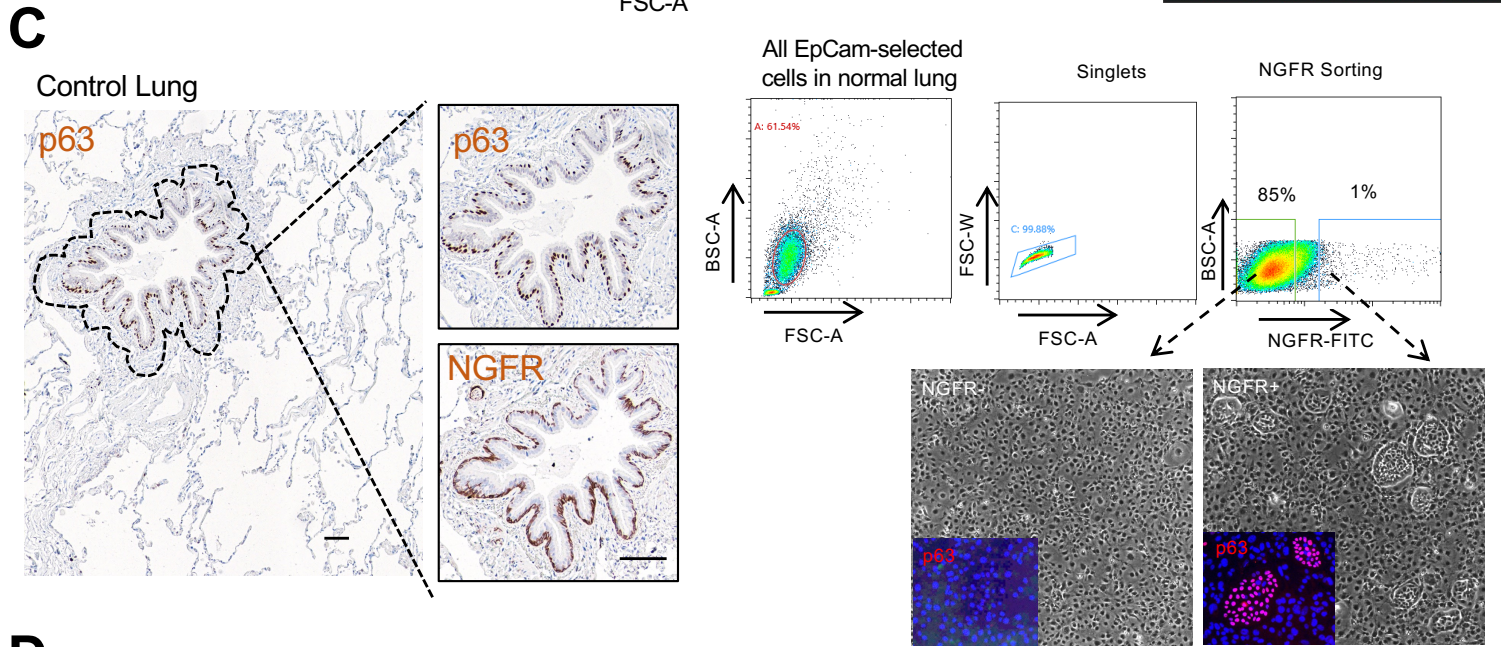
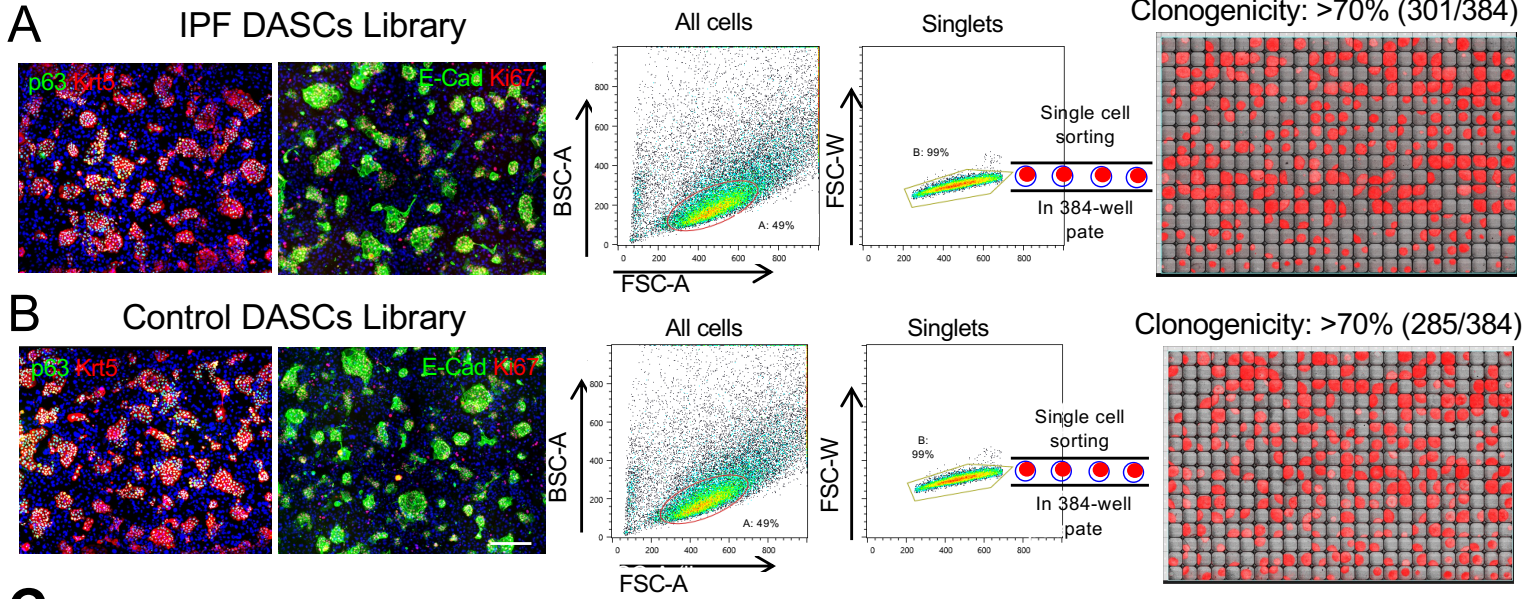


Fig. S1



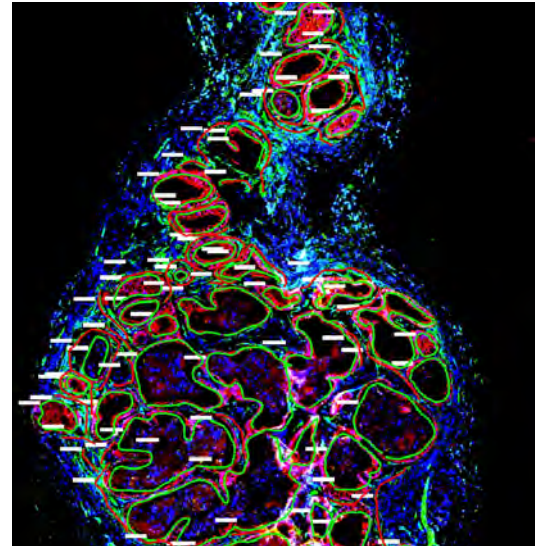
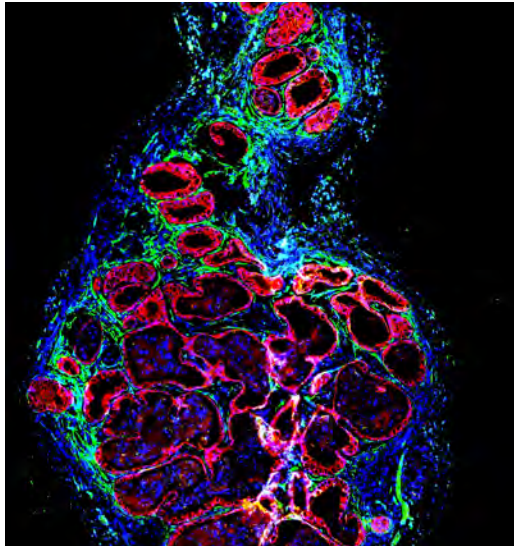
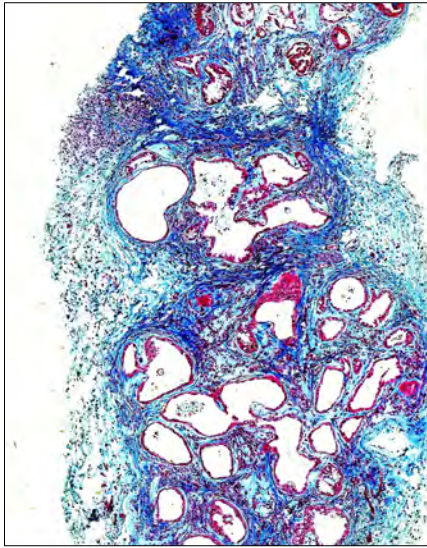
**Fig. S1 A.,B. Uniform TP63/Krt5 expression and high clonogenicity of library cells.**

**A.** *Left*, Immunostaining of colonies in control libraries with antibodies to TP63, KRT5, ECAD, and Ki67. *Right*, FACS sorting of EpCAM selected cells from control libraries to single wells of a 384-well plate for assessment of clonogenicity. **B.** Immunostaining of colonies in IPF libraries with antibodies to TP63, KRT5, ECAD, and Ki67. *Right*, FACS sorting of EpCAM selected cells from control libraries to single wells of a 384-well plate for assessment of clonogenicity.

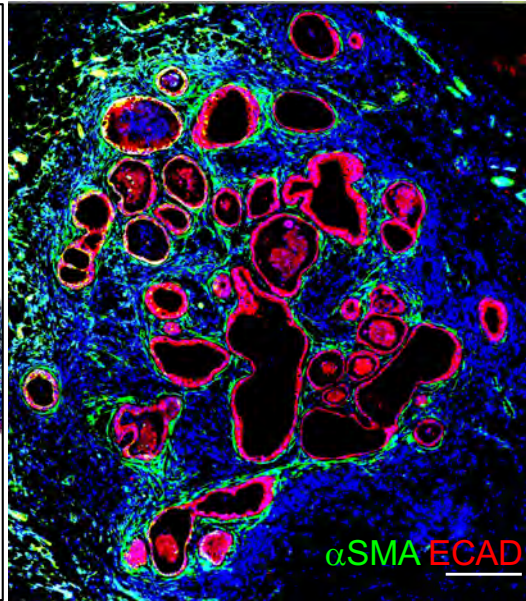
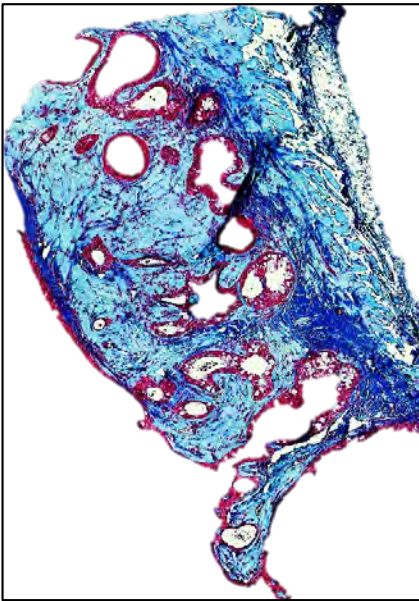
**C.** Isolation and cloning of TP63+/NGFR+ cells from control lung. *Left*, Immunohistochemistry of terminal bronchiole of control lung histological sections with antibodies to TP63 and NGFR. *Right*, FACS sorting of singlet NFGR+ cells from EpCam-selected (epithelial) lung cells and colony-forming assays on lawns of irradiated 3T3-J2 fibroblasts of NFGR+ and NGFR- cells, coupled with colony staining with antibodies to TP63. **D.** Isolation and cloning of TP63+/NGFR+ cells from IPF lung. *Left*, Immunohistochemistry of terminal bronchiole of IPF lung histological sections with antibodies to TP63 and NGFR. *Right*, FACS sorting of singlet NFGR+ cells from EpCam-selected (epithelial) lung cells and colony-forming assays on lawns of irradiated 3T3-J2 fibroblasts of NFGR+ and NGFR- cells, coupled with colony staining with antibodies to TP63.

Fig. S2

IPF xenograft F04



IPF xenograft F07

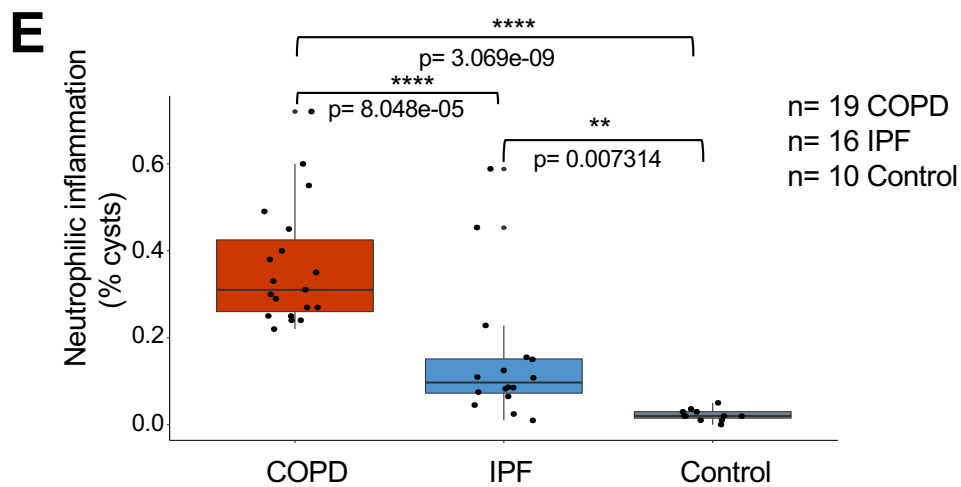
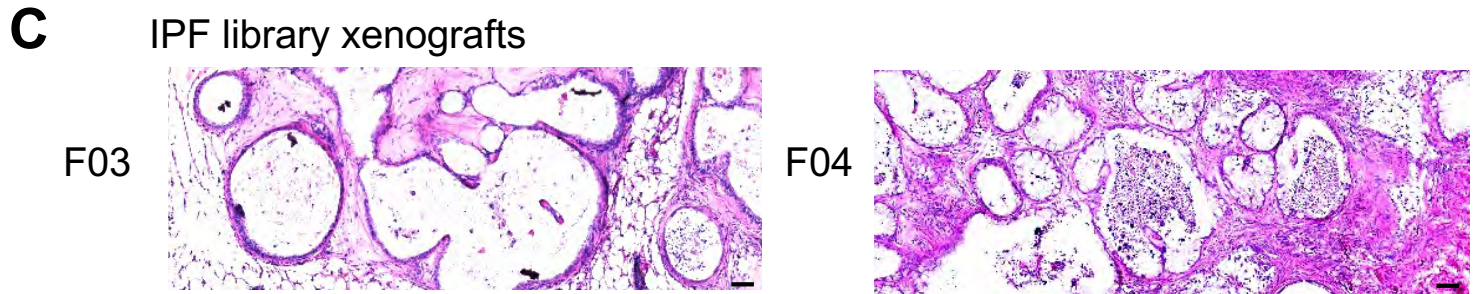
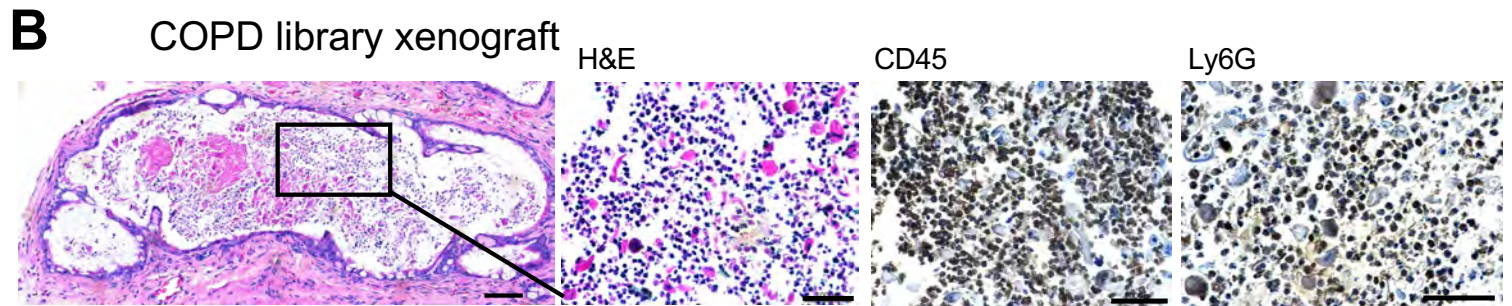
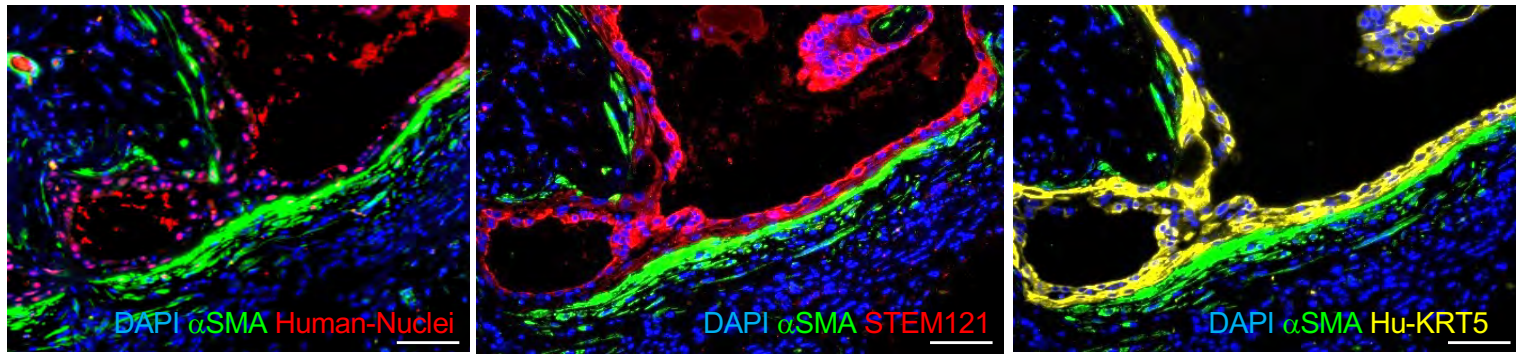


**Fig. S2. Fibrosis in xenografts and morphometric analysis.**

*Left*, Histological sections of xenograft nodules formed four weeks after transplantation of stem cell libraries from IPF (F04, F05, F07) stained Masson's trichrome (*left*). *Middle*, immunofluorescence with the indicated antibodies (E-cadherin, ECAD (red); anti-alpha smooth muscle actin,  $\alpha$ SMA (green) (*Middle*). *Right*, Immunofluorescence micrographs were assessed by morphometric measurements on the lengths of ECAD<sup>+</sup> epithelia (white line) and  $\alpha$ SMA<sup>+</sup> myofibroblasts (red line). Scale bar, 500  $\mu$ m.

Fig. S3

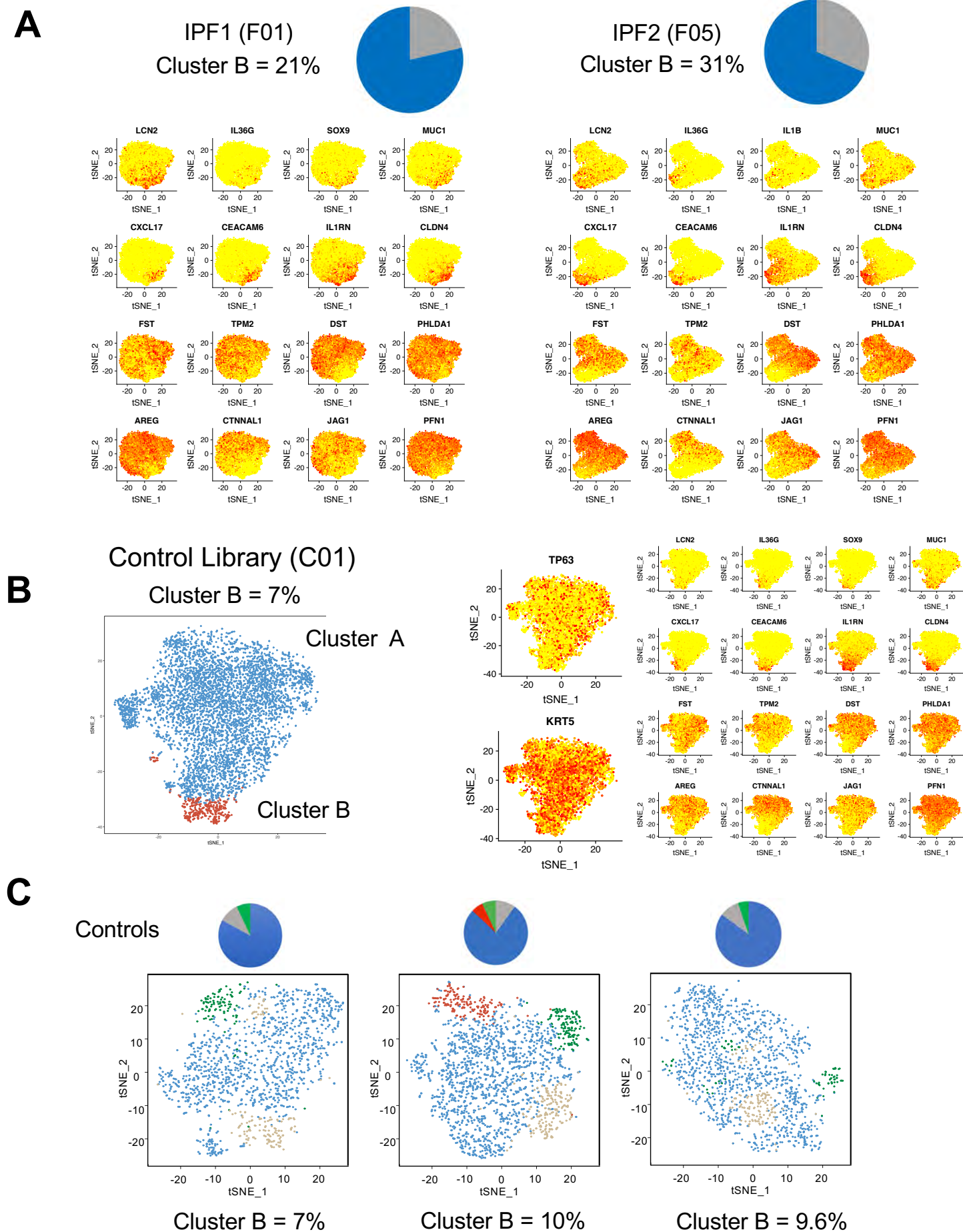
**A** Murine origin of myofibroblasts in xenografts



**Fig. S3. Characterization of IPF library xenografts.**

**A.**  $\alpha$ SMA<sup>+</sup> myofibroblasts in xenografts are of murine origin. Immunofluorescence staining of nodule sections Cluster B xenograft probed with three different, human-specific antibodies including Nucleoli Marker Antibody (NM95; red), STEM121 (red), Human-Krt5 (yellow), as well as antibodies to  $\alpha$ SMA (green). Scale bar, 100  $\mu$ m. **B.** Neutrophils in xenografts from COPD, IPF and Control cases. Histological sections through nodules formed after transplantation of COPD stem cell libraries presenting epithelial cysts marked by abundant infiltration of CD45<sup>+</sup>/Ly6G<sup>+</sup> neutrophils. Scale bar, 100  $\mu$ m. **C.** Xenograft nodules derived from transplantation of libraries from IPF cases F03 and F04, the latter of which shows neutrophil infiltration. Scale bar, 100  $\mu$ m. **D.** Histological section of nodule from a control library transplant. Scale bar, 100  $\mu$ m. **E.** Box-Whisker plot of neutrophilic infiltration across 19 COPD, 16 IPFs and 10 control library xenografts.

Fig. S4



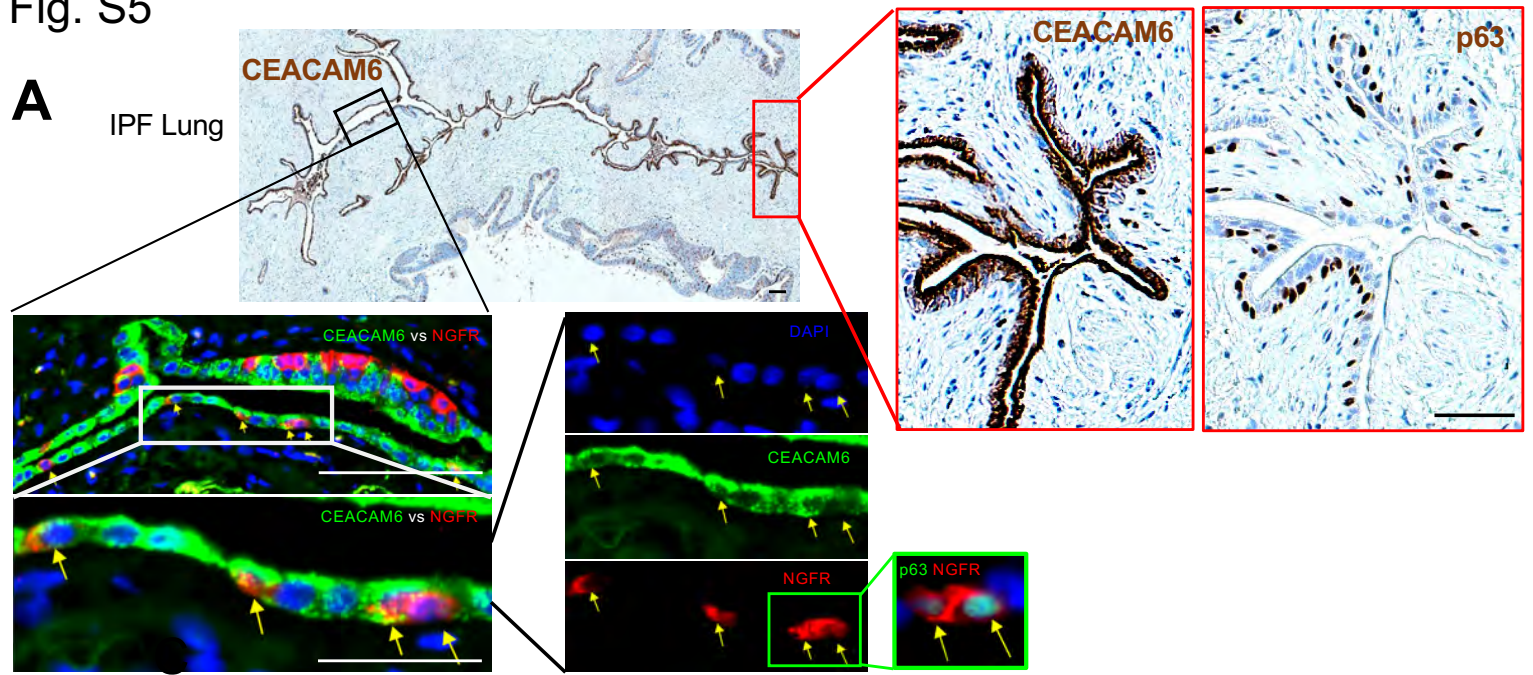
**Fig. S4. Marker Genes in scRNAseq Profiles of IPF and control Libraries.**

**A.** Mapping of cluster-specific expression marker genes onto tSNE profiles of scRNAseq datasets from IPF lungs. Pie charts show the fractions of Cluster A (blue) and Cluster B (gray) cells in the respective libraries. **B.** Mapping of cluster-specific expression marker genes onto tSNE profiles of scRNAseq datasets from a control lung. Distribution of airway epithelial stem cell markers TP63 and KRT5 are shown. **C.** tSNA plots of three control lungs shows dominant normal distal lung stem cell (blue) and minor populations of variants including IPF Cluster B (gray), iSCM (red), and GCM (green).



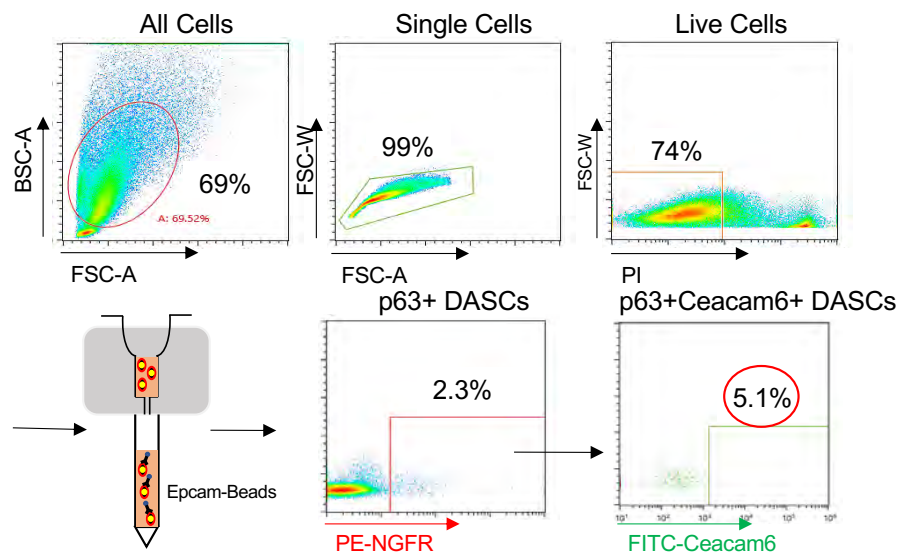
Fig. S5

**A**

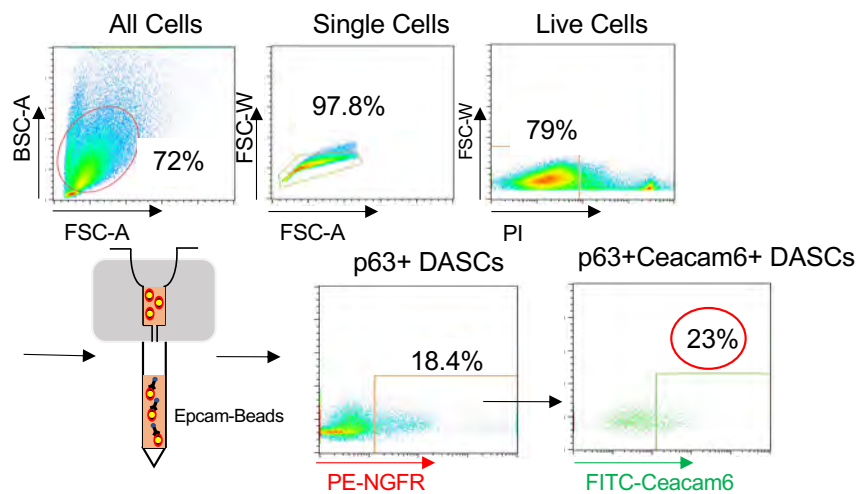


**B**

Uncultured cells from Healthy Normal Lung:



Uncultured cells from IPF Lung:

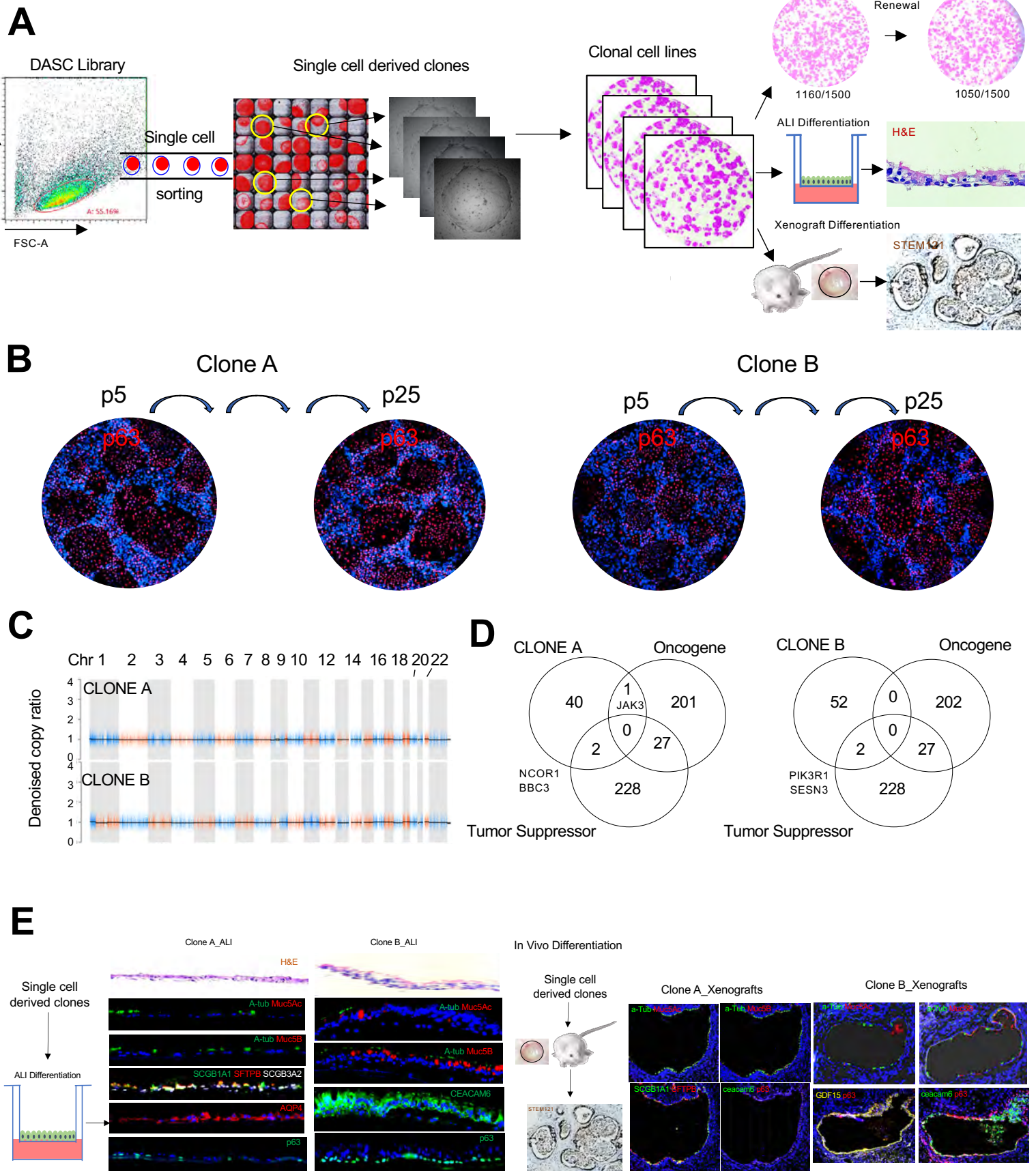


**Fig. S5. Clonogenic p63+CEACAM6+ Cluster B cells in situ in IPF lung.**

**A.** Immunohistochemical detection of CEACAM6 in the IPF lung. *Clockwise*, CEACAM6 IHC reveals differentially staining epithelia in the IPF lung. Immunofluorescence with antibodies to CEACAM6 and NGFR indicates CEACAM6 expression is in both differentiated and basal cells.

**B.** Quantification of CEACAM6+/NGFR+ cells in control (Top) and IPF (Bottom). Viable singlets from total cell suspensions are isolated by FACS sorting, and selected by Epcam columns for epithelial identify. NGFR+ cells are gated and further analyzed for high CEACAM6 expression. 5.1% of NGFR+ cells show high CEACAM6 expression in normal lung, whereas the IPF lung this number is 23%.

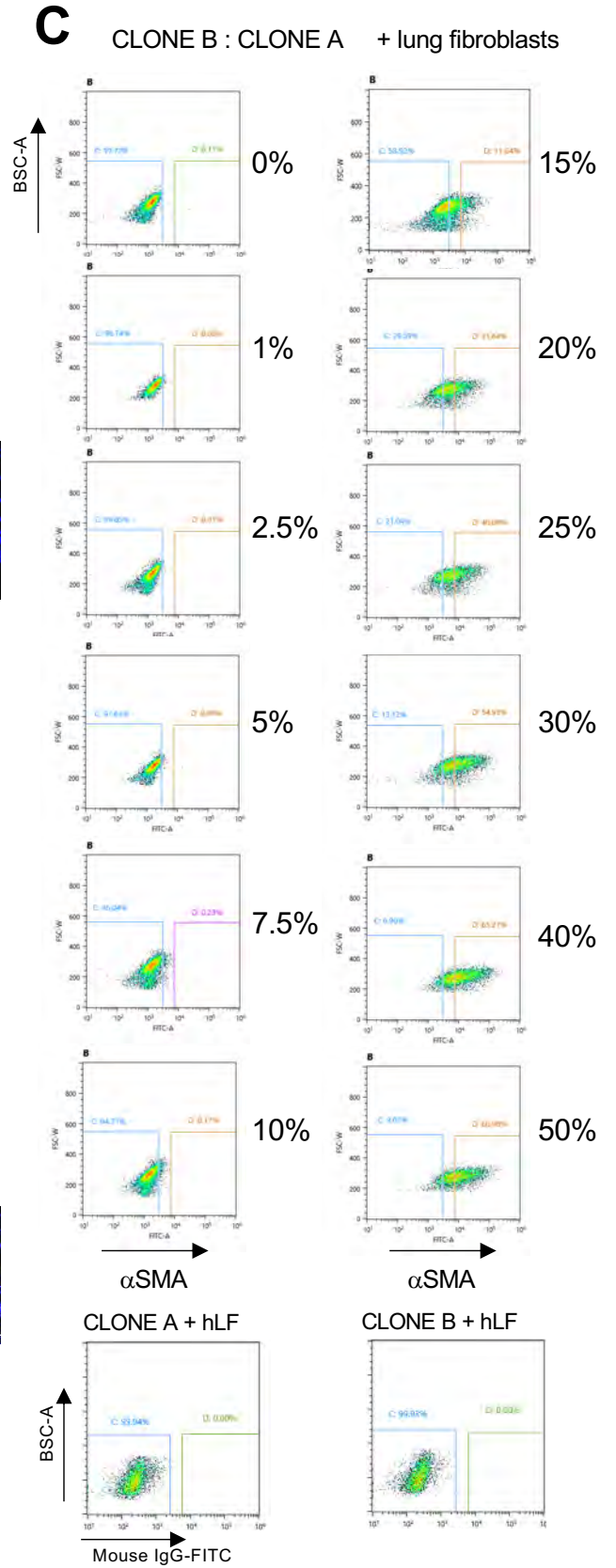
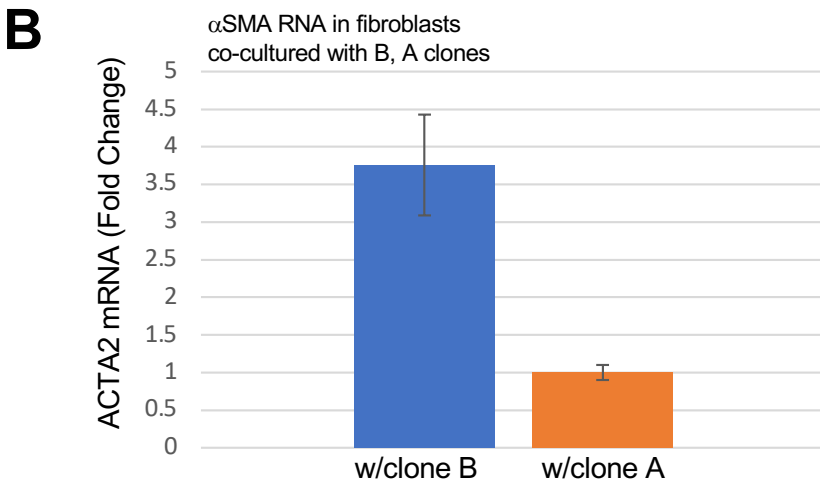
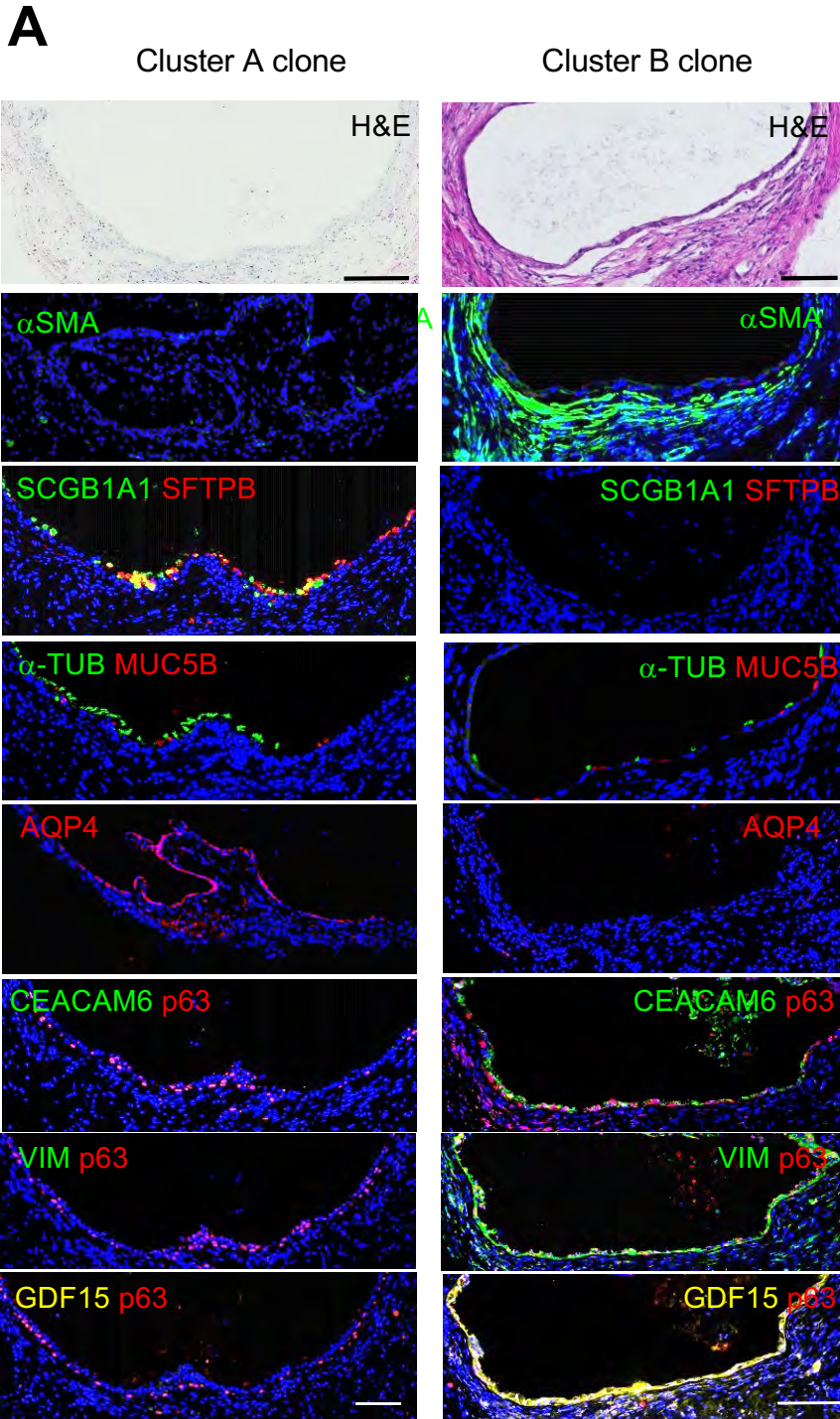
Fig. S6



**Fig. S6. Basal cells in IPF lung.**

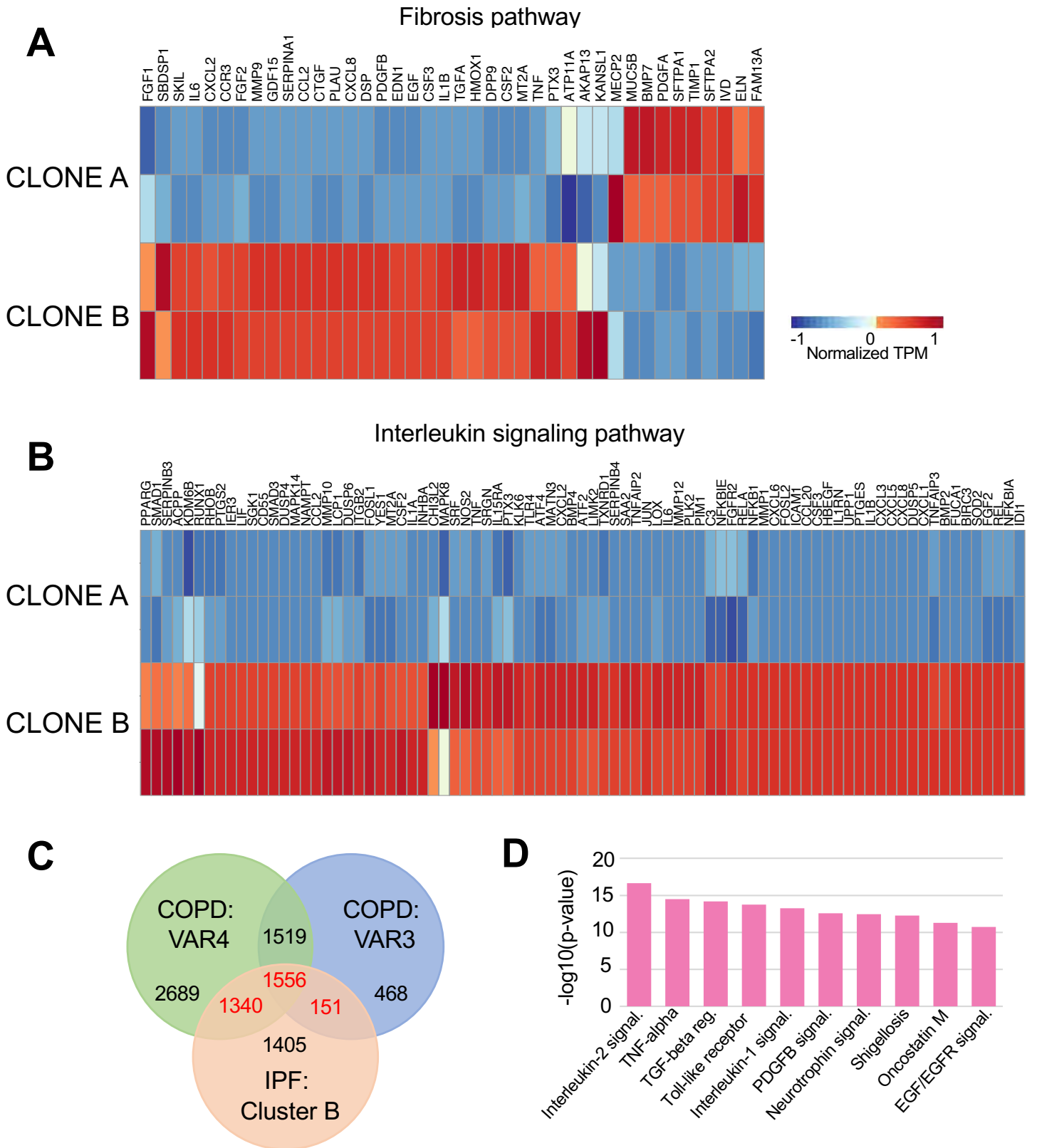
A. General schematic for the isolation and clonal analysis of basal cells from the patient-specific libraries for long-term self-renewal, multipotent differentiation, and *in vivo* function via xenografts. **B.** Long-term self-renewal via serial passaging *in vitro* on 3T3-J2 feeder cell cultures stained with DAPI and antibodies to TP63. **C.** Copy number variation profile derived from whole exome DNA sequencing of Cluster A and Cluster B cells at passage 25. **D.** Absence of nonsynonymous SNPs related to 201 oncogenes or 238 tumor suppressor genes in Cluster A and Cluster B cells at passage 25. **E.** Left, *In vitro* differentiation of clone A and clone B from IPF lung. Clone A cells give rise to an epithelium that is subtended by p63+ cells and suprabasal cells that show variable expression of alpha-tubulin, SCGB1A1, SCGB3A2, SFTPb, and AQP4. Clone B cells show variable expressed of MUC5AC and MUC5B, high expression of CEACAM6, and are subtended by p63+ cells. *Right*, Xenografts of Clone A and Clone B cells into immunodeficient mice yield bronchiolar (SCGB1A1+, SFTPb+) epithelia and an aberrant epithelia marked by IPF markers GDF15 and CEACAM6, respectively.

Fig. S7



**Fig. S7. Clonal xenografts and *in vitro* fibrogenesis.** **A.** H&E staining of histological sections of xenografts derived from patient-matched Cluster A and B clones, as well as immunofluorescence micrographs reporting marker gene expression. Scale bar, 100  $\mu\text{m}$ . **B.** Quantitative PCR of the ACTA2 transcript encoding  $\alpha\text{SMA}$  in purified fibroblasts previously co-cultured with either Cluster B or Cluster A clones. **C.** FACS profiling of  $\alpha\text{SMA}$  expression in fibroblasts previously co-cultured with programmed ratios of Cluster B vs Cluster A cells, with Cluster B cell percentages listed.

Fig. S8

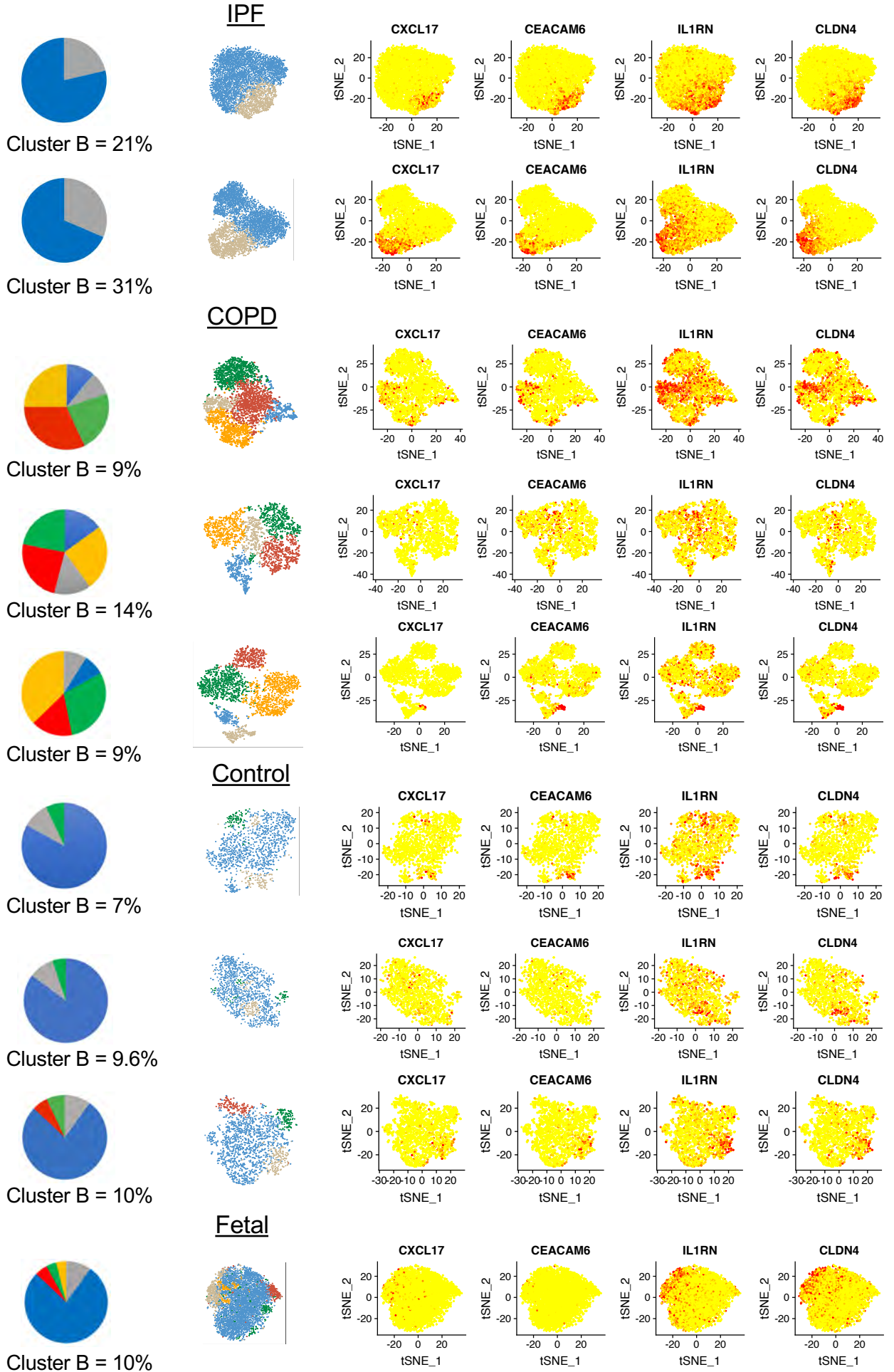


**Fig. S8. Expression profiling of IPF clones.**

**A.** heatmap of genes linked to *Fibrosis* (NCATS BioPlanet) in *in vitro* differentiated IPF Cluster A and Cluster B cells. **B.** Expression heatmap of genes linked to *Interleukin* (NCATS BioPlanet) in *in vitro* differentiated IPF Clone A and Clone B cells. **C.** Venn diagram showing overlap of differentially expressed genes in COPDVAR3, COPDVAR4, and IPF Clone B. **D.** Histogram detailing pathway analysis of the genes that overlap among indicated cells.



Fig. S9



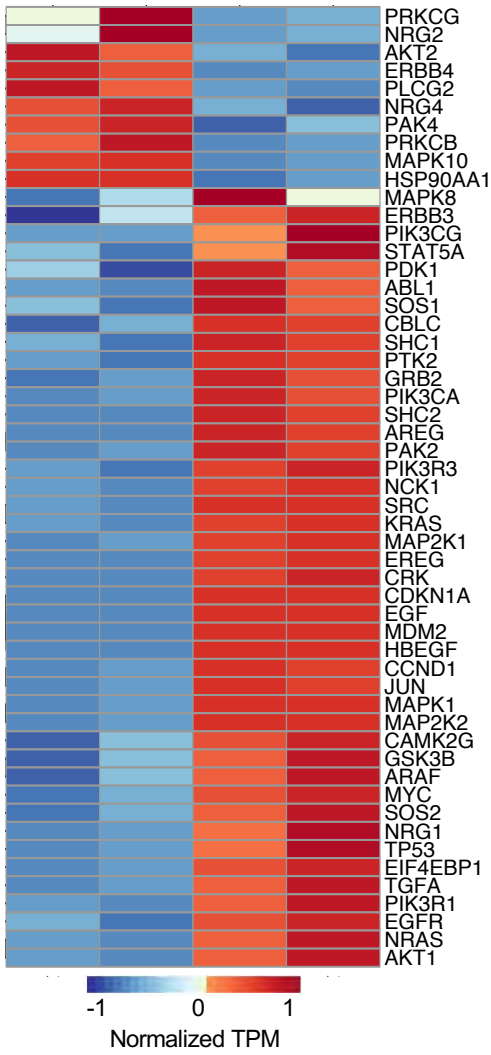
**Fig. S9. tSNE profiles of IPF, COPD, Control, and Fetal Lung Libraries.**

From top, tSNE profiles of scRNAseq data from libraries of IPF lung, COPD lung, control lung, and human fetal lung. Associated pie charts depict the estimated percentages of the normal basal cell (Cluster A, blue), IPF Cluster B (gray), squamous cell metaplasia (SCM, orange), inflammatory squamous cell metaplasia (iSCM, red), and goblet cell metaplasia (GCM, green).

Fig. S10

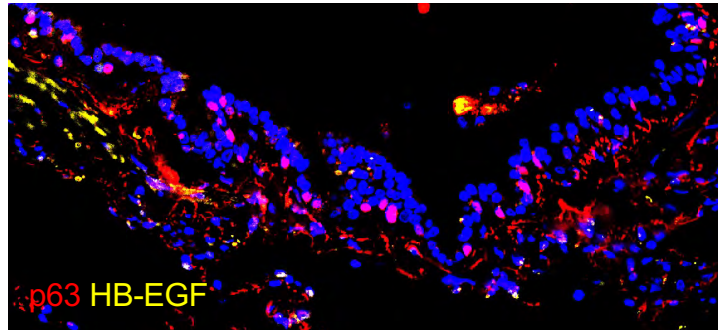
**A** ERBB signaling pathway

CLONE A CLONE B

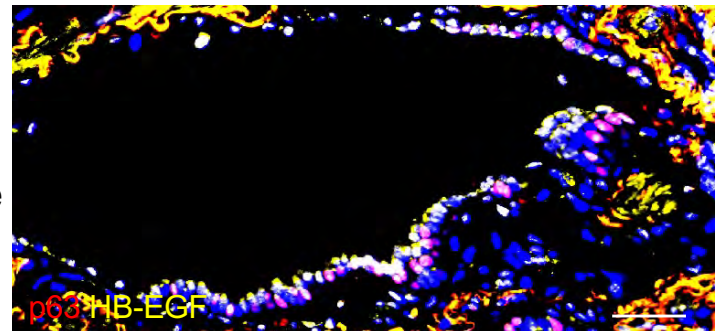


**B**

Normal Lung Lobe



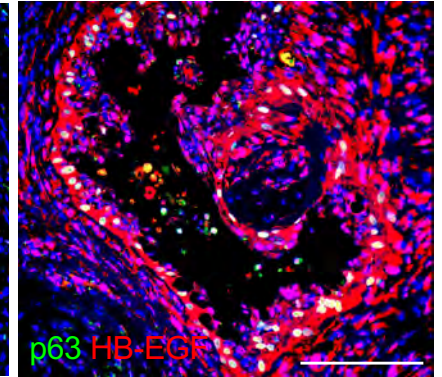
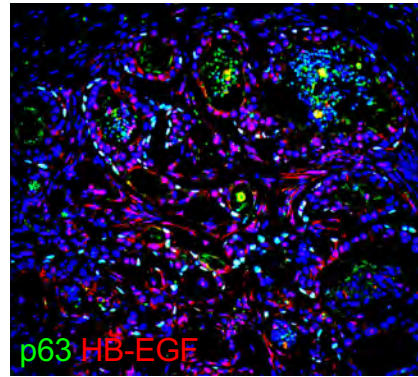
IPF Lung Lobe



**C**

CLONE A -- Xenograft

CLONE B -- Xenograft

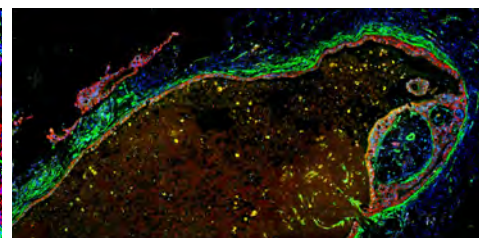
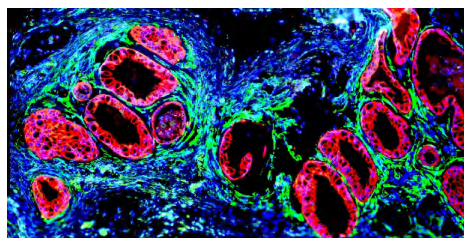
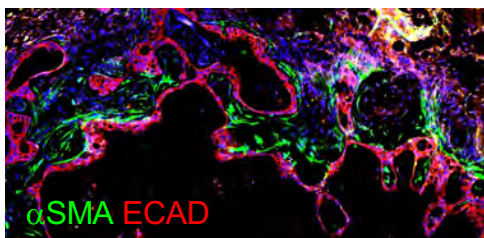


**D**

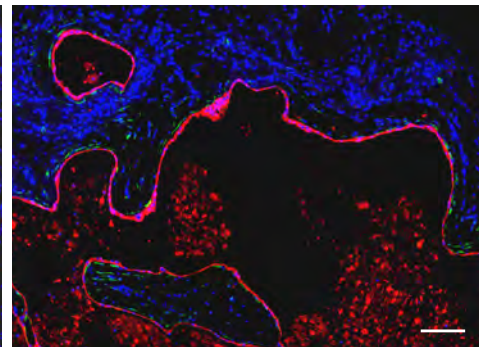
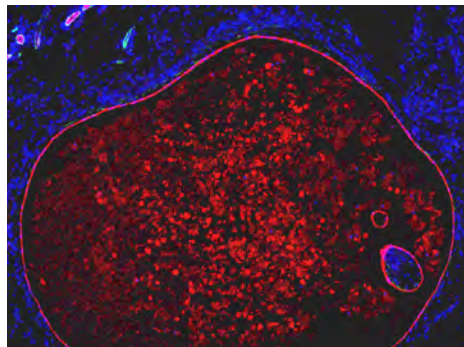
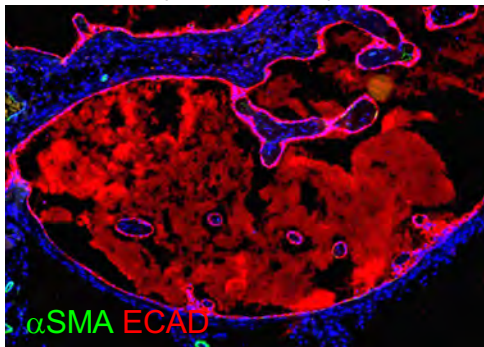
F03

F04

F05



+PD168393 (10nM, 36hrs)



**Fig. S10. ERBB Pathway.**

**A.** Heatmap of genes linked to ERBB signaling pathway in *in vitro* differentiated normal Cluster A cells and IPF Cluster B cells. **B.** p63 (red) and HBEGF (yellow) immunofluorescence in histological sections of control and IPF lung lobes. Scale bar, 100  $\mu\text{m}$ . **C.** Immunofluorescence staining of nodule sections Cluster A and B clone xenografts probed with p63 (green) and HBEGF (red). Scale bar, 100  $\mu\text{m}$ . **D.** Immunofluorescence images of IPF libraries (F03, F04, F05) xenograft nodules using the indicated markers before (*Top*) or after (*Bottom*) *in vitro* exposure to PD168393. Scale bar, 100  $\mu\text{m}$ .

# Table S1. IPF and Control Patient Information.

Case I.D.	Hospital	Sex	Age	Histology	Clinical diagnosis	Tobacco History	FVC/FVC%	FEV1/FEV1 %
F01	University of Iowa Hospitals and Clinics	M	64	pathology consistent with IPF and bronchiectasis	IPF/bronchiectasis	Former Smoker 3 pack years	1.43L/35%	1.30L/43%
F02	University of Iowa Hospitals and Clinics	M	62	pathology UIP in both lungs	IPF: UIP	Non Smoker	2.76L/64%	2.39L/74%
F03	University of Iowa Hospitals and Clinics	M	49	pathology UIP in both lungs	IPF: UIP	non Smoker	2.28L/40%	2.07L/47%
F04	University of Iowa Hospitals and Clinics	M	72	pathology extensive interstitial fibrosis in both lungs	IPF	Former Smoker 15pack years	2.68L/56%	2.38L/68%
F05	UT Medical School	M	64	pathology consistent with IPF	IPF	NA	1.56L/33.9%	1.56L/44.8%
F06	UT Medical School	M	69	pathology consistent with IPF	IPF	NA	2.69L/55.9%	1.28L/34.7%
F07	UT Medical School	M	65	pathology consistent with IPF	IPF	NA	2.6L/62.8%	2.15L/69.5%
F08	UT Medical School	M	70	pathology consistent with IPF	IPF	NA	NA	NA
F09	UT Medical School	M	69	NA	IPF	NA	1.68L/39.2%	1.52L/48%
F10	UT Medical School	F	62	NA	IPF	NA	1.6L/49.2%	1.31L/53.9%
F11	UT Medical School	M	53	NA	IPF/COPD	NA	1.73L/40.1%	1.59L/47.6%
F12	UT Medical School	F	56	NA	IPF	NA	NA	NA
F13	UT Medical School	F	70	NA	IPF	NA	2.02L/72%	1.61L/76%
F14	UT Medical School	M	59	NA	IPF/PH	NA	2.35L/49%	2.12L/58.2%
F15	UT Medical School	M	49	NA	IPF	NA	1.95L/51%	1.25L/40.9%
F16	UT Medical School	M	67	NA	IPF	NA	2.35L/60.5%	2.01L/69.9%
C01	UT Medical School	F	42	Normal Lung	Donor Lung	Non Smoker	NA	NA
C02	University of Iowa Hospitals and Clinics	NA	NA	Normal Lung	Donor Lung	NA	NA	NA
C03	UT Medical School	M	37	Normal Lung	CVA (stroke)	Non Smoker	NA	NA
C04	University of Iowa Hospitals and Clinics	NA	NA	Normal Lung	Donor Lung	NA	NA	NA
C05	UT Medical School	M	62	NA	Anoxia, cardiovascular	Former Smoker	NA	NA
C06	UT Medical School	M	30	NA	Anoxia, Carbon monoxide poisoning	Non Smoker	NA	NA
C07	UT Medical School	F	37	NA	CVA (stroke)	Non Smoker	NA	NA
C08	UT Medical School	M	23	NA	Blunt head trauma from MVA	Non Smoker	NA	NA
C09	UT Medical School	F	42	NA	CVA (stroke)	Non Smoker	NA	NA
C10	UT Medical School	NA	NA	NA	NA	NA	NA	NA

**Table S2. Morphometrics of patient library-derived xenografts.**

Case I.D.	Length of E-Cad+ epithelia in Xenografts ( $\mu\text{m}$ )	Length of $\alpha\text{SMA}$ + myofibroblasts in Xenografts ( $\mu\text{m}$ )	Ratio of Fibrosis in Xenografts (%)
F01	6767	2735	40.4
F02	7052	2615	37.1
F03	16692	5298	31.7
F04	22996	8860	38.5
F05	10219	5943	58.2
F06	18421	6338	34.4
F07	19674	4293	21.8
F08	8294	2678	32.3
F09	11070	4057	36.7
F10	2329	876	37.6
F11	3887	1467	37.8
F12	1819	565	31.1
F13	5639	2235	39.6
F14	3455	1155	33.4
F15	5590	1376	24.6
F16	4429	1916	43.3
C01	12212	532	4.4
C02	11685	462	4.0
C03	9670	460	4.8
C04	3289	218	6.6
C05	5956	294	4.9
C06	6527	341	5.2
C07	4429	281	6.3
C08	10211	607	5.9
C09	3532	228	6.5
C10	2448	129	5.3