Mr. David I. Cooper, Jr. Study Director Office of the Assistant Secretary for Planning and Evaluation

Patent Counsel OS/GCB

Study on the Management of Health Technology

I have reviewed your study on the management of health technology. The major result appears to be a recommendation to establish a Department level management capability to enhance or impede the flow of technology. The report contains so many statements of opinion and inaccurate statements of fact that the recommendation of the report cannot be considered supportable.

November 22, 1977

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Numerous reports on technology transfer in management have been generated in the last ten years, some of which make recommendations similar to subject study. Probably the most well known of the latter type was the proposed 'New Technological Opportunities Program' (the so-called Magruder Report). It seems to me that review of this report and the criticisms that led to the abandonment of its recommendations should be reviewed prior to implementation of the recommendations of subject study.

I understand that the erroneous statements regarding Department patent policy will probably be touched upon by other commentators, making it unnecessary for me to comment further, other than attaching two pieces of testimony on Department patent policy made before subcommittees of the House Committee on Science and Technology.

Although I do not wish to devote my energies to numerous statements that I take issue with, I believe it necessary to comment on the drafters' indication that experts estimate that the numberoof existing and emerging technologies ranges from 8,000 to 150,000 (no citation on the source of this estimate was provided). Medical technologies are defined in the glossary as "the drugs, devices, medical and surgical procedures used in medical care." Whether the correct figure falls on the low or high side of the cited range, it seems highly improbable and optimistic to believe that any single group would be in a position to manage such numbers while taking into consideration all the factors identified in the study. It is DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Page 2 - Mr. David I. Cooper, Jr.

agencies and the Office of the Assistant Secretary for Health. No convincing evidence has been provided why this successful arrangement needs to be changed. It certainly could be improved, but that does not appearint be the thrust of your report.

Norman J. Latker

## Enclosures

- cc: Dr. Seymour Perry, OD/NIH Dr. Lowell Hammison, ASH/HEW

  - Mr. Bernard Feiner, OGC/HEW Mr. James Hinchman, OGC/HEW

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