

# IPO criticizes proposed patent policy regs

Responding to a notice in the Federal Register asking for comments on proposed regulations implementing the University and Small Business Patent Procedures Act contained in Public Law 96-517, IPO hit agency attempts to control university publication of technical papers as "inappropriate and probably counterproductive."

The controversy over the implementing regulations began almost as soon as President Carter signed the new law late last year. Universities and small businesses supporting the revised patent policy were dismayed to see the agencies they had been fighting for years gaining control of the draft regulations. After months of political infighting, including letters from at least three Senators and public comments by two others, most of the objectionable provisions were corrected. One provision heatedly opposed by universities survived, however. This section requires universities to submit technical papers to federal agencies three months before submission for publication. The agencies claim they need this time to glean any patentable inventions and protect possible foreign patent rights. Under the new policy universities and small businesses own title to inventions made performing federally-supported research and development. Agencies would only retain title if the universities chose to waive their rights.

## IPO responds

The agencies supporting monitoring university publications held that mere submission of manuscripts to publishers was publication under many foreign patent laws. The IPO letter responded to this view stating:

"While it is clear that submission of a manuscript to a publisher could be an enabling publication if accessible to the public, it is not ordinary for scientific publications to make manuscripts available to the general public. In fact, we believe it reasonable to assume that scientific publications could not attract worthy manuscripts if they were made available to the submitter's competition prior to actual publication. Accordingly, absent facts to the contrary, we consider it inappropriate and probably counterproductive to formulate government patent policy on the improbable scenario that many scientific manuscripts are made publicly available by publishers prior to their publication.

"We hold this position especially in light of the traditional right of a university investigator to seek publication (in most cases) without interference from university management.

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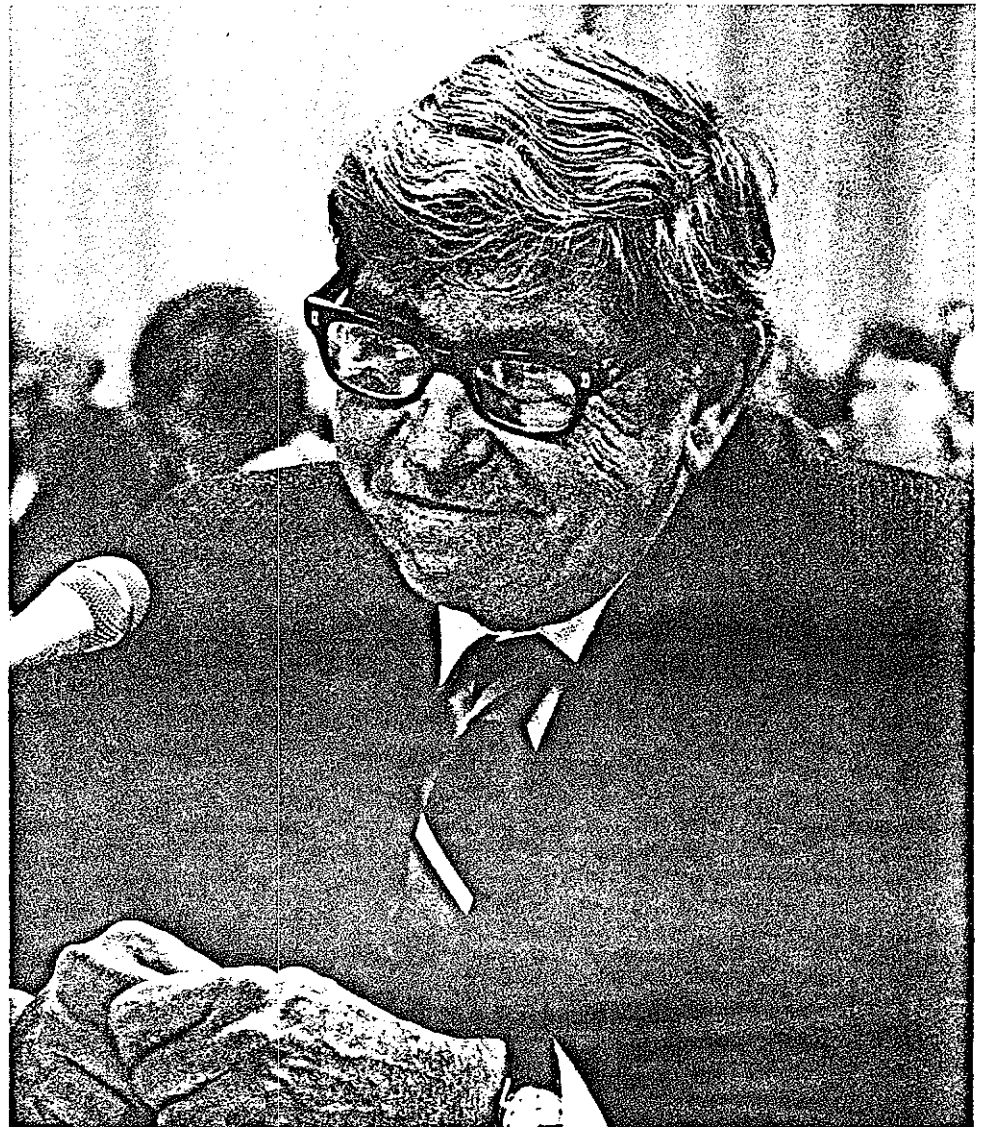
"Further, since the alternate language contemplates delaying the submission of a manuscript for publication until appropriate patent applications have been filed, it appears predictable that many university investigators may choose to avoid such delay by merely failing to report their inventions. Since submission of a manuscript does not ordinarily endanger obtaining patent protection, the disincentive to report created by the alternate language can and should be avoided.

## New government interference

"Congress passed Public Law 96-517 with the specific goal of establishing for the first time a *uniform* Government patent policy that eliminated unnecessary and counterproductive paperwork

requirements from university and small businesses. This section creates a whole new layer of Governmental interference with the innovative process that benefits neither the Government, the researcher, or more importantly, the public. The innovative process is risky at best. It is extremely important at this point in our economic life that America redouble its efforts to retain our edge in innovation and productivity. Removal of bureaucratic proposals such as that contained in this Section is a positive step toward tapping the enormous creative abilities of our universities. Such an opportunity should not be wasted."

Reportedly OMB received over 130 letters virtually all of which took exception to the publications clause. A decision is expected before October 31.



**Endorsement** -- IPO's Cruzan Alexander of 3M Corporation endorsed Sen. Harrison Schmitt's (R-NM) bill on government patent rights for contractors not covered by last year's university and small business legislation. He testified before the Senate Commerce Committee on September 30. Details of his testimony will be in next month's IPO newsletter.