

UNIVERSITY OF ILLINOIS

BUSINESS OFFICE

OFFICE OF THE BURSAR, URBANA-CHAMPAIGN

March 5, 1959

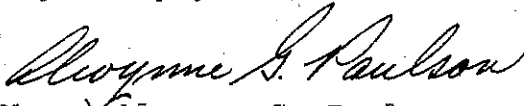
Mr. W. G. Hendrickson  
Wisconsin Alumni Research Association  
University of Wisconsin  
Madison, Wisconsin

Dear Mr. Hendrickson:

In accordance with our telephone call of today, I am enclosing a copy of the letter dated June 17, 1954, from the United States Public Health Service stating that inventions developed under contracts supported by them may be disposed of under University of Illinois patent policy.

We hope that this letter may be of some help to you in your Saturday meeting.

Very truly yours,

  
(Mrs.) Alwynne G. Paulson  
Secretary to Mr. DeLong

Enclosure

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
Public Health Service  
Washington 25, D. C.

Dear Mr. DeLong:

Replying to your letter of March 19, 1953, I am pleased to advise you that I have determined, pursuant to the provisions of section 2(b) of Department Order 110-1, "Inventions Resulting from Research Grants," that the ownership and disposition of all domestic rights in inventions arising under Public Health Service grants and awards made to the University of Illinois shall be left for administration by the University.

I have noted in review of the materials submitted by you that the policy provides for patenting and nonexclusive licensing on a royalty basis, with conformance to normal trade practice in so far as royalties are concerned. In making this determination, I have particularly noted (1) that in licensing arrangements, adequate safeguards are inserted to protect the public interest, and (2) that the proceeds from patenting and licensing, either by the Board of Trustees, or by the University of Illinois Foundation, are utilized equitably to reward the inventor and to provide funds for additional research and teaching purposes.

This determination is subject to the following understandings and conditions, and upon acceptance will apply to inventions under current grants and awards and to those while it remains in effect:

(1) The University will make its determinations in accordance with the invention and patent policies as they appear in "Policy and Procedure as administered by University Patent Committee," approved June 1, 1953, as supplemented by your letters of August 17, 1953, October 23, 1953, and April 6, 1954, addressed to the Public Health Service, Division of Research Grants.

(2) The University will report to the Public Health Service on each invention which appears to be patentable and which arises under research assisted by grants or awards to the University by the Public Health Service. Such report shall be furnished immediately on the filing of a patent application on any such invention, and the University will furnish to the Public Health Service an annual report showing the disposition of all such inventions.

(3) The University will reserve to the United States in any such patent application and in any patent issued thereunder a non-exclusive, irrevocable, and royalty-free license to make and use, and to sell as provided by law, embodiments of the inventions, with power to sublicense for all governmental purposes.

(4) The University will reserve an option to the Government to file foreign patent applications on any such invention, and will convey to the Government upon demand the rights necessary to enable the

Government to prosecute such applications and obtain patents in foreign countries, such option to run for six months from the date of notice to the Surgeon General of the filing of a patent application in the United States. If the Government either (a) fails to exercise this option within the period specified, or (b) determines within this period not to exercise its rights to an option, the University may dispose of all foreign rights in the invention, subject to the reservation to the United States of a nonexclusive, irrevocable, royalty-free license to make, use, and practice the invention, with power to sublicense for all governmental purposes.

Please have two copies of this agreement signed by an official authorized to commit the University in the space indicated below and return one copy to the Division of Research Grants, National Institutes of Health, Bethesda 14, Maryland, retaining the other for your files.

Sincerely yours,

Accepted this 17th  
day of June 1954.

/s/ W. P. Dearing

Acting Surgeon General

Approved as to form

Board of Trustees of the  
University of Illinois

/s/ Earl L. Palmburg  
Legal Counsel

By /s/ H. O. Farber  
H. O. Farber, Comptroller

Mr. C. C. DeLong  
University of Illinois  
Business Office  
Urbana, -Champaign, Illinois

/s/ A. J. Janata  
A. J. Janata, Secretary

Approval Recommended

/s/ R. E. G.  
C. C. DeLong, Bursar