



UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON, D.C. 20545

SEP 28 1973

Manuel B. Hiller, Esquire
Assistant General Counsel
Business and Administrative
Law Division
Department of Health, Education
and Welfare
Room 5362 - North Building
Washington, D. C. 20201

Dear Mr. Hiller:

In accordance with discussions on August 9, 1973, by Robert Akers and Norman J. Latker for DHEW and James L. Liverman, John C. Whitnah, John Kirby-Smith, Stephen H. Greenleigh, and John A. Horan for AEC, and our discussion of August 31, 1973, it is agreed that the following policy will be applicable to DHEW grants involving DHEW grantee-AEC relationships:

1. AEC Field Offices will make no determinations regarding final disposition of patent rights arising from such grants, but will forward patent disclosures to AEC Headquarters for disposition.
2. In the reporting of inventions made under the grant, the obligations of the DHEW grantee to report inventions to DHEW and of the AEC contractor to report inventions to the AEC will be fully respected.
3. AEC and DHEW will in their respective contracts and grants be free to use their usual deferred patent rights determination clauses [See 41 CFR 9-9.5003 & 4, and 45 CFR 8.1(a)], and any inconsistency in operating under these clauses will be resolved by DHEW and AEC in accordance with this Agreement.
4. Before final disposition of invention or patent rights, AEC will seek the concurrence of DHEW in cases where there is joint funding or total funding by DHEW, except in those cases where atomic energy activities are involved. In the

latter cases, AEC will seek the views of DHEW but DHEW recognizes and agrees that AEC will have the full and final disposition authority. A final disposition shall not be issued on the latter cases until the AEC has first notified DHEW of its intended disposition and afforded DHEW sixty (60) days, or such additional time as may be mutually agreed upon, for DHEW to indicate to AEC its views.

5. In case of disagreement between DHEW and AEC, the Assistant Secretary for Health, DHEW, and the Assistant General Manager for Biomedical and Environmental Research and Safety Programs, AEC, will meet to resolve the disagreement.

If DHEW is in agreement, we would appreciate your obtaining the concurrence of the Assistant Secretary for Health and returning an executed copy for our files.

Sincerely,

Signed:
Bertram H. Schur
Bertram H. Schur
Associate General Counsel

CONCURRENCE:

(s)

James L. Liverman
Assistant General Manager for
Biomedical and Environmental
Research and Safety Programs, USAEC

Charles C. Edwards, M. D.
Assistant Secretary for Health, DHEW

cc: Norman J. Latker
John A. Horan