

UNIVERSITY OF SOUTHERN CALIFORNIA

UNIVERSITY PARK  
LOS ANGELES 90007

SPONSORED PROJECTS ADMINISTRATION AND  
DEPARTMENT OF CONTRACTS AND GRANTS

OFFICE OF EXECUTIVE DIRECTOR  
TELEPHONE: (213) 741-2591  
TELEX: 674-803  
UNIVSoCAL LSA

May 15, 1980

IN REPLY REFER TO:

The Honorable George E. Danielson  
U.S. House of Representatives  
House Office Building  
Washington, D.C. 20515

Dear Congressman Danielson

On behalf of the University of Southern California's interest in H.R. 2414 "the University and Small Business Patent Procedures Act," we urge your support of this legislation which would establish a uniform, government-wide patent procedure for small businesses and nonprofit organizations performing government-funded research and development by granting title to inventions arising from government-supported research unless the contracting agency could justify holding title to the invention. We believe the bill represents a positive step toward a federal patent policy which will lessen administrative burdens on the agencies as well as on universities and small businesses.

Generating inventions is almost never the main objective of research conducted by universities; rather, an invention is generally an incidental by-product of the research university, largely attributable to serendipity, to the personal creativity of the investigator backed by his years of professional training and experiences, and to the scholarly environmental and research resources provided by the university.

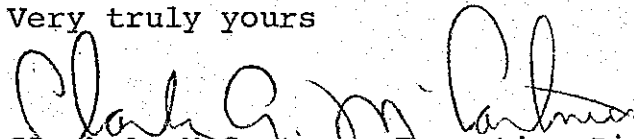
Educational institutions are, of course, not organized to manufacture, produce, or market a patentable invention. Accordingly, if university-generated inventions are to be used, such institutions must interest those in the industrial world who have the commercial capability for invention and market development, which the university lacks. University-based inventions tend to be in the early stages of development and therefore require substantial capital in order to prepare

The Honorable George E. Danielson  
May 15, 1980  
Page Two

for market. If universities cannot furnish an exclusive license to developers for a limited period and thereby secure the investment of necessary capital, inventions are less likely to be developed to the point of marketability, and thus the public is less likely to receive the benefits from such inventions. H.R. 2414 provides the essential degree of exclusivity, that will provide private sources with sufficient incentive to develop a product or process.

Thank you for your attention on this matter.

Very truly yours



Clark A. McCartney, Executive Director  
Sponsored Projects Administration and  
Department of Contracts and Grants  
and  
Patent Administrator

/fs

cc: Houston I. Flournoy, Vice President, Government Affairs  
~~bcc: Howard Bremer~~