



DEPARTMENT OF  
HEALTH, EDUCATION, AND WELFARE  
~~HEALTH, EDUCATION, AND WELFARE~~ • Public Health Service  
NATIONAL INSTITUTES OF HEALTH • Bethesda 14, Md.

NATIONAL INSTITUTE OF ALLERGY AND METABOLIC DISEASES  
NATIONAL CANCER INSTITUTE  
NATIONAL CENTER OF CHILD HEALTH  
NATIONAL CENTER OF DIETETICS  
NATIONAL CENTER OF DENTAL HEALTH  
NATIONAL CENTER OF HUMAN DEVELOPMENT  
NATIONAL CENTER OF IMMUNOLOGICAL RESEARCH AND PEDIATRICS  
THE NATIONAL CENTER  
DIVISION OF RESEARCH GRANTS

November 10, 1953

Mr. Quincy C. Ayres  
Assistant to the President  
Iowa State College  
Ames, Iowa

Dear Mr. Ayres:

I should like to acknowledge receipt of your letter of October 5, 1953, returning the signed agreement between the Public Health Service and Iowa State College of Agriculture and Mechanic Arts which provides that the ownership and disposition of all domestic rights in inventions arising under Public Health Service grants and awards shall be left for administration by the College.

Now that this agreement has been reached, we should like to establish administrative procedures to carry out the various terms enumerated:

1. Reporting of Patentable Inventions

Your attention is directed to the following discussion which appears in the Explanation of Special Applications of Department Order 110-1, "Inventions Resulting from Research Grants." This discussion indicates the position of the Public Health Service on reportability of research results as "inventions."

"All 'inventions' developed with the assistance of Public Health Service grants-in-aid which are or may be patentable must be reported to the Division of Research Grants regardless of whether the grantee institution has the agreement of the Surgeon General to handle inventions in accordance with its own policies or whether an individual determination is to be made by the Surgeon General. The method by which such reporting is insured is at the discretion of the institution. It is not the desire of the Public Health Service to require or encourage investigators to scrutinize research results for minor patentable features. The Service will consider that the institution has discharged its duty in this respect if there are reported those accomplishments which the investigator and the institution think are both patentable and of sufficient importance to justify publication, or are of sufficient importance to justify investigation for patentability by the inventor or local institution if the Public Health Service were not concerned. It is not to be assumed in this connection that progress reports may serve as substitutes for reports of inventions."

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a. Initial Report

In accordance with the paragraph quoted above, it is requested that for those inventions which the College and the inventor agree are probably patentable, the initial report include such information as (a) the name of the inventor, (b) the relation of the inventor to the research work assisted by grants or awards from the Service, (c) a brief description of the invention, (d) a statement as to the circumstances leading to the invention, (e) the probable significance of the advancement on the prior art which the invention represents, (f) reference to any prior publication or use, and (g) a statement as to whether (1) publication will suffice and no patent application will be filed or (2) the invention will be subject to patent application.

In addition, on those cases where it is decided to file patent application, the report should include (a) the reasons leading to such conclusion, (b) the date of filing and the serial number of the application, (c) the original of the license to the Government under the patent application. (A duplicate signed copy of the license would be forwarded by you to the Patent Office along with the patent application.)

It is essential that the date of filing the patent application be reported because it fixes the period of the Government's option on foreign rights in accordance with the procedures prescribed for carrying out Executive Order 9865 (copy enclosed). The license and the date of the filing of the application and the serial number are necessary both as a matter of carrying out the policy expressed in Department Order 110-1, and, also, to comply with Government requirements as to the reporting and recording of the interest of the Government in any patent or patent applications. A sample of the license which the Government will require is enclosed.

b. Annual Report

An annual report showing the disposition of all patentable inventions should be sent to us either on December 31 or June 30 each year. Will you please advise us as to your preference in this regard.

2. Individual Applications for Research Grants

Until such time as the research grant application blank is revised, item (4) on the face sheet of the form now in use should be stricken and the following statement inserted in its place or in a covering letter:

"It is agreed that, in the event any patentable invention arises from or is developed in the course of the work aided by any grant received as the result of this application, the applicant will, (1) report such invention to the Surgeon General, and (2) determine, in accordance with its own policies as approved by the Surgeon General in letter of agreement on patents dated September 14, 1953, whether such invention shall be patented, and, if so, the manner of obtaining, administering, or disposing of the patent, Provided, however, that in the event an application for a patent is filed in the United States or in any foreign country there shall be reserved

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to the Government a nonexclusive, irrevocable, and royalty-free license, with power to grant sublicenses, to make and use for any governmental purposes."

If there are any further questions on this matter, please advise me.

Sincerely yours,

Ernest W. Allen, Chief  
Division of Research Grants

Encls: 2