



UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

J-04-103.2

December 15, 1964

Dr. Morley B. Kare
University of North Carolina
Department of Zoology
Raleigh, North Carolina

Dear Dr. Kare:

This acknowledges receipt of the data from your latest controlled experiments. Any further significant results should likewise be forwarded.

Regarding a University patent policy, the Government would be justified in leaving title to inventions or discoveries with the University where the University adopts a patent policy including the following points:

1. Discoveries and inventions will be administered by the University in the public interest.
2. (a) The University will administer discoveries and inventions so as to make them broadly available through nonexclusive licenses, either royalty-free or on a reasonable royalty basis.

(b) However, exclusive licensing or assignment for a limited term shall be permissible when further development is necessary and investment of risk capital is not otherwise available, or when the market for a particular invention is limited, or where there is no other means available to induce exploitation of the invention.
3. The University may assign its rights to another organization for patent management on a reasonable fee basis, or may assign its rights to a nonprofit organization. In either case the administration of such inventions must be consistent with the above criteria.
4. The financial returns accruing to the University from the invention shall be devoted to research and educational purposes of the University. This does not preclude the inventor from receiving a reasonable share of the returns.
5. If the University does not file patent applications on the invention, the Government shall have the right to do so.

6. The Government shall have a world-wide royalty-free license, for governmental purposes, under every patent arising out of work in performance of a grant or contract, filed by or for the University or those deriving from it.

7. Where the University (or those deriving from it) retains the principal rights in an invention, the Government shall have "march in" rights, i.e., if the invention is required for public health needs by regulation or otherwise, or for other public purposes stipulated in the grant or contract, the Government shall have the right to require the granting of a license royalty-free or under terms that are reasonable in the circumstances.

It should be pointed out that where title is left with the University, it will have the task of preparing and prosecuting any patent applications on inventions arising out of any grants or contracts.

We hope the above will prove helpful in clarifying the Government's position.

Sincerely yours,

Ernest S. Cohen

Ernest S. Cohen
Assistant Solicitor
Branch of Patents

ESCOHEN:emd - 12/15/64

cc: Mr. Cohen
Docket
Mr. Lansing Parker-FSF ✓
Secretary's files
Dr. John L. Seubert-FSF