

WISCONSIN ALUMNI RESEARCH FOUNDATION

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March 9, 1978

263-2831

Mr. Newton O. Cattell
Office of Federal Relations
Association of American Universities
Suite 730, One DuPont Circle
Washington, D. C. 20036

Dear Newton:

Thank you for your memorandum of March 2 regarding the probable track which the Administration will take in establishing or side-stepping a commitment to a Federal patent policy.

I think that an interim approach to make the GSA regulations authorizing all Federal agencies to use Institutional Patent Agreements with institutions that have a technology transfer capability mandatory is a good approach. However, I think it should be only an interim approach and that we should in no way abandon or reduce our efforts to obtain legislation like the Thornton bill.

In all the many years that we have been involved in trying to promote an understanding and appreciation within government of the technology transfer problem and of trying to get a reasoned, and not emotional approach, to government patent policy, the Thornton bill is the first effort at legislation which would reasonably achieve the objectives we have been seeking. To reduce efforts to obtain support for the Thornton bill at this critical time would we believe be a sad mistake.

Quite to the contrary, it has come to my attention that Senator Adlai Stevenson of Illinois has conducted some hearings as Chairman of the Senate Subcommittee on Science, Technology and Space looking at the problems of United States trade lag and growing competition which the United States is facing from other countries due to a lack of industrial R & D investment. From the nature and tenor of the hearings, as reported in Chemical & Engineering News, February 27, 1978, I believe we should try to enlist the aid of Senator Stevenson in support of the Thornton type of legislation.

We should be more strongly motivated than ever to continue our effort since the proponents of the title-in-the-government policy either will not or do not want to take into account the real "give away" in such a policy, i. e. putting foreign companies and countries into a position which will permit them to still further adversely affect our trade balance because of the readily available and free access to the technology represented by patents held by the government. To put this in perspective, it is estimated that royalties and fees returned to this country for the transfer of technology amount to about four billion dollars per year, which is more than nine times the amount in royalties and fees paid out by U. S. firms. Moreover, a U. S. Chamber of Commerce estimate of the total value of production associated with these receipts of four billion dollars is close to eighty-five billion. This, of course, reflects jobs and economic growth and is in line with the commentary by Rimmer de Vries in the recent Business Week article where he said "We need a national export policy to refurbish and strengthen our industry. Through fiscal policy, we should stimulate research and development . . . We have to develop new technology and go out and sell the stuff."

On behalf of the Society of University Patent Administrators I am sending along to Senator Stevenson the material which I sent to Dr. Press and Mr. Eizenstat to provide him with a solid and objectively reasoned base for arguments in favor of Thornton type legislation.

I firmly believe that we have finally come to a position where the voice of the university sector is being heard and where some attention is being paid to it by legislators. The university sector is looked upon as presenting an unbiased viewpoint, as opposed to the industry viewpoint, on these government policies. We should not abandon that new recognition by inactivity but should enhance and reinforce that image through continuing and perhaps increased activities, but activities which are based upon reason and analysis and not in emotion.

For your information I am enclosing a recent notice that was in the Patent,

Mr. Newton O. Cattell

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Trademark and Copyright Journal of March 2, 1978.

Very truly yours,

Howard W. Bremer
President, Society of University
Patent Administrators

HWB:rw
Enc.

cc--President Sproull
President Hereford
President Magrath
President Hansen
Mr. Goldberg
Mr. Steinbach