



THE GENERAL COUNSEL

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
THE OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20201

January 8, 1980

Roger G. Ditzel, Chairman  
Board of Patents  
491 University Hall  
University of California  
Berkeley, California 94720

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BOARD OF PATENTS

Dear Mr. Ditzel:

I enjoyed meeting with you on December 21 to discuss the problems the University of California has encountered in attempting to enter into an Institutional Patent Agreement (IPA) with the Department. The major point of difference at this time is that the provision in our standard IPA relating to sharing royalties with inventors is less generous than the policy of the University of California in this regard.

You have pointed out that our IPA is inconsistent with the IPA in the Federal Procurement Regulations (FPR) and that HEW is the only federal agency that imposes a restriction on royalty sharing in its IPAs. While neither of these points would compel us to adopt a different policy at this time, those facts, together with the President's recently announced decision to seek a uniform federal patent policy designed to encourage innovation, certainly will cause us to reexamine our present policy.

As we indicated to you at our recent meeting, the National Institutes of Health Inventions and Patents Board will be meeting this month to consider a number of issues relating to this Department's patent policy. The question of restrictions on royalty sharing will be on the agenda. The arguments you have made to us will be presented to the board and will be given serious consideration.

I appreciate your sharing these concerns with us. I hope we can resolve these problems and enter into an Institutional Patent Agreement with the University of California in the near future.

Sincerely yours,

*Joan Z. Bernstein*  
Joan Z. Bernstein  
General Counsel