

September 6, 1978

263-2831

The Honorable Gaylord Nelson
United States Senate
221 Senate Office Building
Washington, D. C. 20510

Dear Senator Nelson:

It is our understanding that on September 13, 1978, Senators Dole and Bayh plan to introduce a patent policy Bill which will provide the first option to ownership by Universities, other nonprofit organizations and small businesses of inventions made in the course of Government supported research and development contracts and grants.

We believe that the provisions of this Bill and its introduction will respond specifically to some of the concerns which you expressed during the course of your recent hearings on the GSA regulations authorizing government-wide use of Institutional Patent Agreements. For example, the high level forum for the resolution of this important policy matter will be provided; the question of Agency authority raised with regard to the Institutional Patent Agreements will be resolved through the legislative approach to this issue; the Government will receive back its investment in cases where an invention proves to be a major commercial success by sharing in royalties generated by licensing the invention; problems encountered with confidential treatment of certain types of information generated during the patenting and licensing processes will be clarified; and the equities which the University sector has in such inventions will be recognized.

In addition, the Bill recognizes the valuable stimulus to competition which exists when patent rights are controlled by Universities and small businesses and, very importantly, eliminates the need to administer approximately 22 different Agency patent policies.

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In our opinion, the provisions of the new Bill present a reasonable compromise between the need to provide incentives to commercialization in normal government-supported research and development situations and the abilities of Agencies to fashion special provisions in unusual situations, while leaving with the Government sufficient power to remedy any abuses that may develop.

We were pleased with the even-handed manner in which your hearings on the CSA regulations were conducted and trust that the testimony at those hearings provided you such information as will permit you to support the balanced piece of legislation represented by the new Dole-Bayh patent policy Bill as an impetus to the transfer of technology and as an aid in re-establishing the United States as the world leader in technological innovation.

We respectfully urge you to strongly consider becoming a co-sponsor of this important legislation.

Very truly yours,

WISCONSIN ALUMNI RESEARCH FOUNDATION

By John R. Pike, Managing Director

By Howard W. Bremer, Patent Counsel

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