August 9, 1979

Larry Horton

Niels Reimers

S1250 National Technology Innovation Act of 1979

Dear Larry:

Earl Cilley was kind enough to send to me a copy of the attached comments by Lewis Branscomb of IBM on the above bill. I have been uncertain whether to recommend that we ignore, support or not support 1250. If the changes proposed by Dr. Branscomb are accepted, I recommend that we oppose the bill--or help it die a natural death.

If IBM (or any other company for that matter) is involved in a cooperative research effort, and an invention is reported by a Stanford scientist, Dr. Branscomb's clause means that IBM will have irrevocable, royalty-free rights to practice the invention, regardless of IBM's contribution to the cooperative research effort, regardless of the prior contributions of the scientist or Stanford, etc.

By judicious selection of projects at key universities, leveraging their research dollars with the government funds to universities enabled by S1250, IBM, backed by its market position, can block competitors from challenging IBM with a proprietary technological advance from these universities.

Attachment cc: Earl Cilley Clive Liston NJR:sh