

S 1250

PURDUE RESEARCH FOUNDATION

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OFFICE OF PATENT MANAGEMENT

Mr. Howard W. Bremer,
Patent Counsel,
Wisconsin Alumni Research Fndn.,
614 North Walnut Street,
Madison, Wisconsin 53705.

Dear Howard:

With respect to proposed S.1250, I have the following comments:

1. The purpose is excellent. I recall a meeting ten (10) years ago where the particular subject was discussed for two days. Conditions have only enhanced the need for consideration of the problem.

2. According to Senator Stevenson, the Act would begin the revival of U.S. technological innovations in two fundamental ways. First, it would improve the ability of the universities and industry to collaborate in generating new technologies that could reach the market and, second, it would improve the U.S. government's capability to identify technological opportunities.

The proposal for University - Industry cooperation is through Centers. How many Centers? Would there be one envisioned for each major research oriented university? It would seem to me that all major research universities should have an opportunity to participate in the proposed University - Industry cooperative effort without necessarily establishing a so-called "Center". Such participation would enhance the total effort.

3. There should be a program of grants to Universities and non-profit organizations to study such problems as:

- a. The adversarial relationship between government and business, especially the anti-trust (often referred to as anti-business) section of the Department of Justice.

- b. The cost of government social and environmental regulations on innovations.
- c. Why the decrease in the number of inventions in relation to other developing countries. The effect of the government's patent policy.
- d. The relationship between venture capital, tax incentives, and return on investment.
- e. Devise methods for assessing technological opportunities

4. The proposed legislation would vest title to inventions in the "Centers". The recognized need for this approach further substantiates the need for S.414, The University and Small Business Patent Procedures Act introduced by Senators Bayh and Dole. However, S.1250 states that "Licensing be on a nonexclusive basis". Past experience has demonstrated that such will not work. Furthermore, participating industries will require the right to negotiate for an exclusive license if they participate with the University or non-profit organization.

The proposed legislation also stipulates that any Federal agency shall have the royalty-free right to practice or have practiced on its behalf the invention for government purposes". However, the document also stipulates that the Center will become self-sufficient through fees, donations from the private sector, etc. Why would the government claim royalty-free rights for inventions made at the Center without using government funds. Such a policy would severely limit industry participation and stifle "innovation".

As indicated, the purpose of the proposed act is excellent. I would hope the input from the University community, the other non-profit organizations and industry could result in legislation that would turn the U.S. from a technological desert to a technological oasis.

Very truly yours,



R. L. Davis
Patent Manager