



VICE PRESIDENT AND CONTROLLER / 1752 Van Hise Hall / Madison, Wisconsin 53706 / 608/262-1311

December 21, 1973

DEC 26 1973

Mr. J. A. Herickes, Chief
Branch of Contracts and Grants
U. S. Department of the Interior
Bureau of Mines
Washington, D. C. 20240

Dear Mr. Herickes:

Re: Appeal from Determination
Dated July 16, 1973
Grant 00112149
Interior Case No. MIN-2195

On the basis of facts set forth by Professor Boom in his Report of Invention sent to the Department of Interior with his covering letter dated June 8, 1973, the Department determined that rights to the invention reported should be retained for the Government. Foreign rights to the invention were to be available if requested by the University. The Determination rested on the requirement for the Department to take ownership if either the conception or the reduction to practice of an invention occurred through the expenditures of funds granted or awarded by the Department. The University acknowledges that there was reduction to practice accomplished with the Department's funds.

There has been a growing awareness by Government funding agencies that the public benefit may be increased and probably accomplished more quickly under arrangements which do not require patent rights to be vested in the Government. This awareness was facilitated by the President's Statement and Memorandum of Government Patent Policy dated August 23, 1971. One result of this change has been a move toward limited term exclusivity where necessary in licensing of government owned inventions, and another has been the development of institutional agreements whereby patent rights are awarded in advance to institutions agreeing to conform to certain broad licensing provisions which are in the public interest. The Department of Health, Education and Welfare awarded such an institutional agreement to the University of Wisconsin in 1968. The National Science Foundation has awarded a similar institutional agreement within the past few days. We understand that the Department of Interior is similarly making its patent clause in grants and contracts less restrictive than those which applied to the agreement supporting Professor Boom's research.

Our appeal is based upon the logic of this changing situation rather than on the facts which were provided. Further, the relative equities which were not established in our original Request for Determination support this appeal.

We believe the following to be pertinent:

1. The University of Wisconsin and WARF Research Assistantship funds were expended on efforts to solve the problem of magnetic separation of materials.
2. The concept for the manner in which such separation could be achieved was described in a Preliminary Proposal dated April 28, 1971, which Proposal was subsequently funded to the extent of \$35,000 by the Bureau of Mines.
3. That proposal could have been made the subject of a patent application and could have claimed a single conductor in contrast to the quadrupole devices of the prior art.
4. Bureau of Mines funds were used by the University to construct a working model utilizing weak magnetic fields with substrate materials having large magnetic susceptibilities to demonstrate the principle. This phase of the work established the feasibility of the single conductor arrangement and also made it possible to demonstrate the advantages of turbulent flow over the laminar flow condition which had previously been predicted to be preferable.
5. Industrial interest has developed as a result of demonstrations with the model. However, those interested companies are reluctant to invest funds in the additional development at the University because of the absence of any patent protection. Certain companies have indicated that they may undertake a continuing development program based on the research results obtained to date, if by doing so they may be able to develop a patent position on improvement inventions. These same companies would appear to be more willing to fund, through research grants to the University of Wisconsin, some part of this continuing development if they could be assured that they would have at least limited term exclusive access to any patentable inventions which might be produced.

From these factors, we request the Department of Interior to reverse its position and award patent rights in the invention to the University of Wisconsin-WARF. Arrangements could be made whereby the knowledge already established at the University would be incorporated into a continuing University development program. This would result, in our opinion, in the public having the benefits that this invention may provide more quickly, and in the University receiving royalty income from the successful commercial application of the technique. (The Wisconsin Alumni Research Foundation is committed by its charter to give its entire annual net income to the University of Wisconsin in support of research. The

decision as to which research shall be supported is made entirely by the University of Wisconsin through a committee of the Graduate School.)

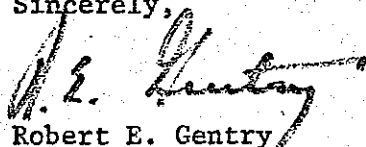
With the motivation which can be provided through appropriate licensing of the patent rights, we believe that industrial funds can be attracted into the program to finish the development work. This private funding of development of the research results produced by funds made available by the Bureau of Mines is, in our opinion, entirely supportive of the President's Memorandum on Government Patent Policy.

As the appended letter from Professor Boom indicates, the role of the Bureau of Mines in supporting this research at its very early stages, as well as its continuing support, will be recognized in any scientific papers which are generated and/or published. Further, WARF will include a statement to this effect in any patent applications it may file on inventions arising from the research results.

We request, therefore, that the Determination of July 16, 1973 be reconsidered, and that both domestic and foreign patent rights be awarded to the University of Wisconsin-WARF.

Thank you.

Sincerely,



Robert E. Gentry
Associate Vice President

REG:IB

cc: Gersten Sadowsky
Carl Rampacek
✓ Roger Boom
Marvin Woerpel
Robert Marshall