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CALIFORNIA INSTITUTE OF TECHNOLOGY

PASADENA, CALIFORNIA 91125

PATENT OFFICE 307-6

3 May 1978

Mr. William O. Burke
Vice President, Eastern Region
Society of University Patent Administrators
University of Georgia
Athens, GA 30602

Dear Mr. Burke:

This is an effort to respond at least in part to your April 28 letter requesting information concerning the effect of government patent policy on the level of private R&D funding at Caltech.

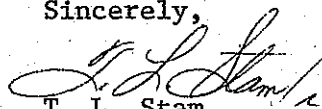
Insofar as the funding of specific research by industry is concerned, Caltech's policies (until quite recently) have been such as to not particularly attract such support. Under policies which prevented the granting of patent rights to industrial sponsors of research, very little research has been conducted with such support. Caltech is in the process of changing its policies to permit the granting of limited patent rights to industrial sponsors, and we do have some recent experience in such arrangements.

Insofar as NSF and HEW IPA's are concerned, we do not have any real evidence one way or another that such agreements have had any past effect on the level of non-governmental support for research.

We have had a few instances in which a prior patent position, in the form of background patents, has become a factor in the negotiation of arrangements for sponsorship of research by private industry. In each case we discovered that ownership of the background patents by Caltech proved to be absolutely essential in reaching an agreement with the private sponsor, since in each instance the potential sponsor demanded rights in background patents as a firm prerequisite for sponsoring research for further development. This has been a problem for us because a major portion of our portfolio is derived from work supported by NASA, and NASA is becoming increasingly reluctant to grant us title to inventions.

I have been informed by sources within NASA that there have been instances at the Marshall and Lyndon B. Johnson Space Centers of private industry backing away from collaboration in research at those centers because of the government patent policy. I have not checked out the facts, but you are welcome to do so if you like. I have been told that John Richardson, at the Marshall Space Center [(205) 453-2224], and Gary Premeaux, at the Lyndon B. Johnson Center [(713) 483-5281], have information concerning those situations. Even though these are not university-related, the problem of government patent policy as it affects industrial collaborative support of research is the same and may be relevant to your inquiry.

Sincerely,



T. L. Stam
Patent Officer

S/r