DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Please return to:

Patent Branch, DMEW/OGC c/s National Francishes of Health Reom 54-03, Westwood Building Bethesda, Maryland 20014

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PATENT BRANCH, OGC DHEW

AUG 7 1975

Mr. Howard P. Wile
Executive Director
Committee on Governmental Relations
National Association of College and
University Business Officers
1 Dupont Circle
Suite 510
Nashington, D.C. 20036

Dear Mr. Wile:

Reference is made to your April 15, 1975 letter requesting that the invention reporting requirements contained in Department-funded fellowship and trainee awards be deleted.

In support of your request you maintain that:

- 1. These awards are established, in the main, to assist institutions in establishing, expanding or improving training opportunities for individuals interested in careers of concern to DHEM and not for the purpose of funding research.
- 2. The Internal Revenue Service has denied tax-exempt status to fellows on the basis of the inclusion of the invention reporting clause; and
- 3. Situations have arisen in which fellows attached to privately-sponsored research programs have collegorated in making inventions, thus complicating the disposition-of-rights problem between the Department and the sponsor of the privately-funded research.

I have reviewed this matter with our research programs, and agree on the basis you have presented plus the minimal number of invention reports evolving solely through the funding of fellowship and training wards that it would be in public interest to make the requested deletion.

Accordingly, I intend to exercise the discretion provided to me under Paragraph 8.5 - "Fellowships" of the Department Patent Regulations, copy attached, to delete invention reporting requirements from all

Page 2 - Mr. Howard P. Wile

fellowships and training awards which are not primarily awarded to support research. However, it should be understood that fellows or trainees who make inventions while utilizing funds from DHEW research project grants will continue to be required to make invention reports under the terms of those grants.

Thank you for bringing this matter to our attention.

Sincerely yours,

/s/ Theodore Cooper

Thoodore Cooper, M.D. Assistant Secretary for Health

Enclosures

cc: Dr. Donald S. Fredrickson Mr. James D. Isbister

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(w/tay portion circle)

cc: Catheine Magwood 8/29/75

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