



federal research report

The Federal Research Group

Washington, D.C.

Vol. 14 No. 14

April 7, 1978

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General

PATENT RULE POSTPONED Implementation of a new regulation that would give universities and other nonprofit organizations the rights to patents arising from Federally financed research has been postponed by the Office of Management and Budget. OMB's 120-day postponement order to Federal agencies came at the request of Sen. Gaylord Nelson (D.-Wis.), who argued that Congress should have an opportunity to examine the regulation in detail before its implementation. The new patent rule, due to become effective March 20, was initiated by the General Services Administration.

The regulation, which would have made uniform the voluntary arrangement that has been used by several Federal agencies for some time, provides for the use of Institutional Patent Agreements (IPA) permitting nonprofit contractors to retain patent rights in inventions under approved technology transfer programs. Acknowledging that Nelson's Small Business Subcommittee on Monopoly had recently held three days of hearings on the issue of government patent policy, OMB Administrator Lester Fetting said that "although the GSA issuance was a simple carrythrough of earlier initiatives dating back several years, its timing was clearly inappropriate given the current interest by [Nelson's] committee, by other Congressional bodies, and by the Executive Office of the President." Fetting did not express disagreement with the regulation as such, however.

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