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United States Senate

SELECT COMMITTEE ON SMALL BUSINESS

WASHINGTON, D.C. 20510

March 30, 1978

Warren B. Cheston
The Wistar Institute
Thirty-sixth Street at Spruce
Philadelphia, Pennsylvania 19104

Dear Mr. Cheston:

Thank you for expressing your interest in the study of Government patent policy undertaken by the Monopoly Subcommittee of the Senate Committee on Small Business.

I much appreciate the well-written and informative account of the role your Institutional Patent Agreement plays in getting the vaccines you discover onto the market

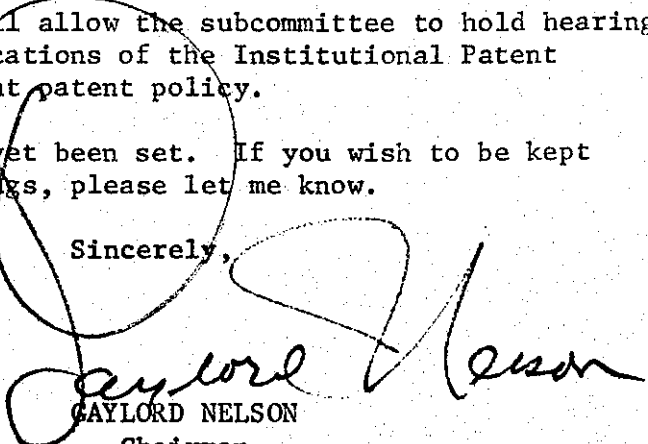
I also appreciate your acknowledgment of the possibility that improvements may be needed in the patent policies of Federal agencies. I agree with your statement that, "Certainly a thorough investigation of present policies and their implementation is warranted and should be welcomed by everyone concerned."

To indicate the progress of the study, I am enclosing a recent press release announcing that the Office of Management and Budget has granted my request for a stay in the effective date of a procurement regulation which would permit wide use of an Institutional Patent Agreement giving universities and nonprofit organizations first option to own the rights to inventions resulting from Government-sponsored research.

The stay of 120 days will allow the subcommittee to hold hearings on the history, legal basis and implications of the Institutional Patent Agreement as an implement of Government patent policy.

Hearing dates have not yet been set. If you wish to be kept informed of the progress of the hearings, please let me know.

Sincerely,


GAYLORD NELSON
Chairman

GN/gsy
Encl..