January 11, 1978

The Honorable John C. Culver United States Senate Washington, D. C. 20000

Dear Senator Culver:

I was appalled at the rhetoric attributed to Senator Nelson in the December 9 press release announcing the December 19-21 hearings into what happens to the results of publicly-financed research. I find it hard to believe they came from a responsible representative of the people. I was further dismayed at the list of witnesses who were scheduled to be called.

The simple fact of the matter is that, typically, 90-95% of the costs of marketing a new product or process come <u>after</u> the research stage. This investment must be made by private industry and, without this investment to market an invention, that invention is worthless regardless of the research costs.

The Department of Commerce and the Department of Health, Education, and Welfare have developed data which show that the best way to make governmentsupported research results benefit the taxpayer is to give the private sector the incentive to market the development through the investment protection of the patent system.

I hope the Committee will listen to those who have had experience in transferring government-developed technology rather than only to those who have opinions.

Sincerely,

Ralph L. Ely, Jr., Director Office of University Relations Research Triangle Institute Post Office Box 12194 Research Triangle Park North Carolina 27709

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