

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL INSTITUTES OF HEALTH

TO : The Record

DATE: April 24, 1978
PATENT BRANCH, OGC
DHEW

FROM : Charles R. McCarthy, Ph.D. *C.R.M.-P.*

APR 27 1978

SUBJECT : Hearings Before Senator Nelson's Small Business Subcommittee on
Institutional Patent Agreements

On April 21, Mr. Gerry Sturges informed me by telephone that hearings on patent policy are scheduled to take place on May 22. Mr. Latker, HEW Patent Officer, will be invited to testify at that time. Other witnesses will be invited from NSF and from GSA.

Additional hearings are planned in June, but no date has been set. Mr. Sturges said that Dr. Fredrickson will be invited to testify at that time.

Mr. Sturges said that Senator Nelson is concerned that drugs and biologicals are discovered and developed at public expense, that they are tested in clinical trials at public expense; but they are marketed at exorbitant prices by private companies under exclusive patent rights freely donated by the Government.

Mr. Sturges has already received the 1975 Inventory of Clinical Trials and has requested the 1976 Inventory. Presumably he will try to use these to document the above mentioned argument.

Mr. Latker called me and informed me that he does not believe that he should serve as a Department witness. He believes that either a senior official of the Department or officers whose programs are directly affected by patent policy should testify. I told him he may be right and that is a matter between himself and his superior. I asked him to keep us informed.

cc: OD Staff
PPE Directors
Dr. Akers
Mr. Latker
Mr. Riseberg