

STATEMENT BY
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I must emphasize that these remarks reflect my personal views, not those of my employer.

I believe that the government should get what it pays for.

I believe in free enterprise and in a competitive system. But the proposal that the government spend large sums of money for research and development and then hand the patents stemming from such research over to the private contractors is not consistent with free enterprise.

In operation, such a proposal will favor the government research contractor over his competitors, and at government expense. This is not a free enterprise system. Even worse, it is the use of the taxpayers' money to impair the free enterprise system.

I firmly believe that, in most circumstances, the government should retain full title to all such patents and make non-exclusive, royalty-free licenses under them freely and openly available to the public without interposing any bureaucratic obstacles to the obtaining of such licenses.

I recognize, however, that there may be circumstances when it may be in the public interest to make exceptions to this general policy. Such circumstances may occur, for example, in the fields of pharmaceuticals, pesticides, agri-chemicals, and the like. In such circumstances, I believe that a policy consistent with provisions for waiver would give the government sufficient latitude to deal with any exceptions that might arise.

Some have told you and will tell you that unless the research contractors are given title to patents which are produced at government expense, the contractors will not accept government research and development contracts. Don't you believe it. What they get, in many instances, can be very rewarding even without the patents; and in any event there are no risks involved.

They get a share of their research overhead paid for by the government. Often they can train a staff of valued research personnel. In addition, the research staff and the records of the contractor constitute a body of "know-how."

He then described the formation and growth of the synthetic rubber industry as an example of a growth situation under a title policy.