cc: Norm Latker

# AMERICAN ASSOCIATION OF SMALL RESEARCH COMPANIES

A District of Columbia Non-Profit Corporation

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PLEASE REPLY TO:

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April 6, 1979

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SUBJECT: Important Information on Small Business/University Patent Legislation

Dear Member:

On February 9 and February 26, 1979 the U. S. Senate and House of Representatives introduced S. 414 and H. R. 2414 the "University and Small Business Patent Procedures Act". We believe this Act to be of fundamental importance to the members of our association and urge you to both write and call your state's federal representatives urging its passage.

The Act provides to Universities and Small Businesses the right to ownership to inventions made under substantially all federally supported research and development grants and contracts subject to some limited conditions, not considered onerous, for example, a royalty-free license to the Government. Federal Research and Development grants and contracts now amount to approximately 27 billion dollars annually or over 60 per cent of all R&D conducted in the country.

We believe that passage of the Act will serve the purposes of our members in a number of ways. Most obvious, the Act will make it more attractive to compete for federal R&D contracts by permitting ownerships of resulting inventions which build on your existing capabilities and background intellectual property. The Act may lead to increased cooperation between small business and Universities to resist government regulation which is undermining our ability to introduce new products.

If you should wish copies of the Act and other supportive information, please call Joe Allen of Senator Bayh's staff at 202/224-9263 or Brenda Levenson of Senator Dole's staff at 202/224-7563.

Enclosed is a list of all present Senators and the staffer assigned to monitor the Act. Included in the list is the staffer's telephone number for use in contacting your Senator's office.

Although we are encouraged by the co-sponsoring of S. 414 by twenty Senators of all political persuasion (Dole, Bayh, Thurmond, McGovern, etc.), little attention has been devoted to educating the House of Representatives of the importance of the Act (H. R. 2414, introduced by Congressmen Rodino (NJ), Edwards (Calif.), and AuCoin (Oregon). Accordingly, we urge that you not only contact your senate

offices, but give special attention to your congressman, especially if he's on the House Judiciary Committee. Further, those members able to contact the following congressmen on the Judiciary subcommittee which is conducting hearings on H.R.2414 are urged to ask them as soon as possible to co-sponsor the Act:

Chairman Kastenmeier (D-Wis.)
Danielson (D-Calif.)
Mazzoli (D-Ky.)
Gudger (D-N.C.)
Matsui (D-Calif.)
Mikva (D-Ill.)
Railsback (R-Ill.)
Morehead (R-Calif.)
Sawyer (R-Mich.)

A telephone call to Alan A. Parker, chief counsel of the House Judiciary Committee at 202/225-8088 telling him of the importance of the Act would also be helpful.

We hope that action on this matter will lead to additional concerted efforts to pass legislation of benefit to small technical companies. In that regard, we encourage you, to pave the way for future legislation, to discuss with your Senators and Congressmen the need for an increased percentage of all federal R&D being earmarked for small research and technology companies.

In conclusion, it would be helpful if you would provide copies of any correspondence you initiate to:

Norman J. Latker
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Munsey Building——Suite 1233
1329 E Street, N.W.
Washington, DC 20004
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Mr. Latker will be monitoring the Act for the Association in Washington and will be available to any member wishing additional information.

Sincerely,
AASRC

Samuel Z. Cardon

Samuel Z. Cardon
President

Encls.
SZC/j

P.S. Letters of compliment to Senators Dole and Bayh, Congressmen Rodino, Edwards and AuCoin or any other representatives co-sponsoring the Act are recommended.