

news from birch bayh

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WASHINGTON, D.C., NOVEMBER 20 -- The Senate Judiciary Committee today unanimously approved a bill introduced by Senator Birch Bayh (D.-Ind.) and Senator Robert Dole (R.-Kan.) designed to cut red tape and expedite the granting of patents on inventions resulting from federally financed research.

"Each year, a wealth of scientific talent, responsible for innovative breakthroughs in science and medicine, is going to waste because of bureaucratic red tape and illogical government regulations," Senator Bayh said.

Bayh explained that current government regulations prevent a small business or university from obtaining patent rights on an invention if any of the research was supported with federal funds.

"Federally funded research is ususally basic research," Bayh said, "and further development and field testing of the product or invention must still be accomplished. This is where private industry usually steps in -- they risk a financial committment in return for patent rights.

"But present patent policy means the government retains the patent rights on the invention and there is no inventive for private industry to accept the risk of commercialization expenditures," Bayh continued.

The Bayh/Dole bill, the University and Small Business Patent Procedures Act, will allow universities, non-profit organizations, and small businesses to obtain limited patent protection on discoveries they have made under government-supported research if they spend additional private resources necessary to bring their discoveries to the public.

Bayh noted that this is the first time the Judiciary Committee has approved a uniform patent policy for universities and small businesses. The bill also has the support of the Carter Administration.

"It is crucial that we have a strong and equitable patent system--a system that will instill confidence in the individual that his rights to his invention will be protected, and a system that provides incentives for the economic risk necessary to develop and bring these potentially life-saving discoveries to the public," Bayh said.

"American creativity and inventiveness is what's made us what we are today," Bayh continued, "but we are smothering that genius under a blanket of red tape, rules, and regulations."

The result of all this, the Senator explained, is a steady decline in the number of patents issued to American citizens, and an increase in the number of U.S. patents granted to foreign inventors.

"Foreigners now account for approximately 35% of all U.S. patents granted, and last year we faced a $6 billion deficit on the importation of manufactured goods.

"In 1970 West Germany replaced the U.S. as the world's largest exporter of manufactured goods. We are now sorely pressed by Japan to hold onto second place.

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During today's Judiciary Committee session Senator Bayh offered several perfecting amendments to the bill. One measure will simplify the procedures through which a small business or university repays the federal goverment for monies used for research.

Another amendment will protect any patents or research information a small business may have possessed before they became involved in government contracting and research--so called "background rights."

"We recently celebrated the 100th birthday of Thomas Edison, one of the true great inventors of mankind, and what we have to do is create the incentive and eliminate the bureaucracy that makes it difficult for today's Edison to create the next generation of light bulbs," Bayh declared.

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