Mike
FYI

Memo to: Walt, Scott

From: Doug

Re: Dole Uniform Patent Procedures Act of 1983

Attached is a proposed press release on a bill Dole will introduce today along with Laxalt and DeConcini.

The bill is of great interest to major R&D firms, and enjoys wide support in the industry. I believe an article along these lines would get a lot of play in special interest publications, as well as the papers.

Please let me know how you want to handle this.

DOLE ANNOUNCES LEGISLATION TO REMEDY PROBLEMS WITH GOVERNMENT PATENT POLICIES

Senator Robert Dole (Rep.-Ks.) announced today that he will introduce legislation that would simplify, and make uniform, the patent procurement policies of federal agencies that sponsor research and development work under federal grants and contracts.

As outlined by Dole, the bill would put an end to confusion and red tape that presently inhibits the commercialization of inventions developed with federal research and development funds. Under current law, each federal agency is authorized to establish its own policies and procedures with regard to the commercial use of patents created under federal grants and contracts. The resulting maze of regulations has discouraged major research and engineering companies from participating in government contracts because of the uncertainties of being able to put new inventions developed under federal contracts to commercial use.

The legislation is modelled after a bill sponsored by Dole and enacted into law in 1980 that reformed such procedures as they apply to universities and small businesses. Industry experts have given credit to that legislation for a substantial rise in commercial use of inventions developed by university researchers. One notable example of the effects of the 1980 law has been the growth of the gene engineering industry during the past two years.

The new bill would apply the principles of the 1980 law -- simplicity and uniformity in agency patent procurement policies -- to all federal research and development grants and contracts, not just those involving universities and small business. It would also establish a presumption in favor of retention of patent rights to new inventions by private sector companies that develop them, in order

to encourage the maximum possible commercial use of those inventions.

In remarks delivered on the floor of the Senate, Dole hailed the bill as "the end result of a twenty-five year effort to develop a uniform, concise government patent policy." He stated that the bill would eliminate waste by allowing all contractors clear ownership of the inventions they make under government research and development contracts and grants, while protecting the legitimate rights of the agencies to use the discoveries royalty free. "In this way", Dole said, "the bill would encourage the private marketing of new discoveries and stimulate innovation. Of course, the agencies would have the power to require delivery of title to a patent to the government where special circumstances indicate that such action is in the public interest."

The bill is being cosponsored by Senators Laxalt and DeConcini, and is supported by the Licensing Executives Society, a group of industry executives representing companies involved in federal research and development efforts.