



THE JOHNS HOPKINS UNIVERSITY

BALTIMORE, MARYLAND 21218

H. Bremer, Esq.

OFFICE OF PATENT MANAGEMENT
(301) 338-8137

April 2, 1984

Mr. Ken Mannella
Office of Senator Charles McC. Mathias, Jr.
Dirksen Senate Office Building
First Street and Constitution Avenue, N. E.
Washington, DC 20510

Re: Uniform Patent Procedures Act of 1983

Dear Ken:

It was a pleasure meeting you at the recent hearings on the above Bill.

Let me address the points raised by Senator Metzenbaum. His argument is that the Government should profit from inventions made with Government funds by big businesses. To achieve this, he suggests that the Government take title to such inventions and auction off rights to the highest bidder.

I have several problems with this. First of all, in view of the Government's abysmal record in licensing Government-owned inventions, I question how effectively the auction system would be administered.

My big concern is that Senator Metzenbaum does not seem to appreciate the realities of licensing technology. He seems to think that once an invention is made, and even patented, that it is ready to market. This is not the case in most instances. Typically, after an invention is made, and perhaps patented, years of development and testing are required before commercialization can be achieved. This is particularly true with drugs.

I have also found that the inventor's know-how is almost essential in licensing an invention. In fact, when the University licenses an invention, the inventor almost invariably becomes a consultant to the licensee. I just cannot see the reality of an invention made at Ford Motor being auctioned to General Motors without the Ford inventor to deliver his know-how.

Mr. Ken Mannella

April 2, 1984

Page Two

Another point to consider is that the big business contractor would deliver to the Government an invention, not a patented invention. In order to protect foreign patent rights, the Government would either have to file a United States patent application before disclosing the invention to prospective bidders or disclose it under a secrecy agreement. Why should the Government get involved with secrecy agreements or in filing patent applications on inventions it intends to auction off?

I am convinced that granting big businesses rights to inventions they make under Government contracts is a practical and effective way to get such inventions onto the market. There is reasonable assurance that under S.2171 inventions will be developed and marketed along with the creation of new jobs and the generation of additional tax revenue. The Government and the public would both benefit from the expenditure of Federal research dollars.

I hope the foregoing comments will be helpful to Senator Mathias in his consideration of the merits of S.2171.

With kind regards.

Sincerely yours,

Edwin T. Yates, Ph.D.
Patent Management Officer

ETY:djh

bcc:COGR Patent Committee
Mr. Joseph Allen
Mr. George Bush (COGR)