

March 9, 1978

263-2831

Hon. Adlai E. Stevenson
United States Senate
Washington, D. C. 20510

My dear Senator:

Through a colleague of mine who practices in your State of Illinois, Mr. Ray E. Snyder, and through a news article in Chemical & Engineering News of February 27, 1978, it has come to my attention that your Senate Subcommittee on Science, Technology and Space has held some recent hearings to consider the factors which are affecting the United States trade lag and the growing competition which the United States is facing from other countries.

With the knowledge of your hearings it seemed not only proper, but an obligation, to write to you on behalf of the Society of University Patent Administrators, of which I am the newly elected President, to give you our views of one of the factors which we feel significantly impacts upon the U. S. trade lag and foreign competition.

Having been actively engaged in dialogue with various government agencies over many years, and more recently with members of the White House staff on the subject of government patent policy, I am concerned that the simplistic arguments advanced by the proponents of the title-in-the-government patent policy will be persuasive to the Administration, and perhaps to the Congress, in taking a position with regard to Federal patent policy which will be a real detriment to the United States. The technology transfer process is a complex and little understood mechanism and, therefore, requires close scrutiny and considered input from the relatively few people who are experienced in the field if an objective assessment of the issues involved in promulgating a uniform government patent policy is to be made. As a result,

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technology transfer proponents can not avail themselves of simplistic statements like the "give-away", "anti-competitive", "windfall" and "What the Government pays for it should own" slogans and catch-words espoused by title-in-the-government advocates in lieu of factual data which will support the contentions of those advocates.

We should be strongly motivated to assess the real "give-away" inherent in the title-in-the-government approach to a Federal patent policy. That real give away is putting foreign companies and countries into a position which will permit them to still further adversely affect our trade balance because of the readily available and free access to the technology represented by patents held by the government or to research results, research hypotheses, protocols and designs in Government hands.

It is estimated that U. S. industry receives royalties and fees of about four billion dollars per year from the transfer of technology to other countries, which is more than nine times the amount paid out in royalties and fees by U. S. firms. In addition, a U. S. Chamber of Commerce estimate of the total value of production associated with these receipts is close to eighty-five billion dollars - which readily translates into jobs and economic growth.

For your information you will find enclosed a summary analysis as well as a highly detailed, but objective analysis, of approaches to government patent policy along with several articles of interest on this subject. We urge you to give these papers your careful attention since we are firmly convinced the conclusions and recommendations which they advance are fundamental to improving the economic position of our country.

If I or anyone in our organization can be of assistance to you in reviewing these materials or in supplying additional information, consider that we are at your service.

Very truly yours,

Howard W. Bremer
President, Society of University
Patent Administrators

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*SUPA Officers & Trustees (with
paper - "Summary Analysis of Approaches
To Gov. Patent Policy & Recommendations"*