

November 22, 1978

263-2831

Mr. Robert V. Allen
U. S. Department of Justice
Antitrust Division
521 - 12th Street
Washington, D. C. 20537

Dear Mr. Allen:

Mr. Fornell and I appreciated the opportunity to meet with you and your associates on November 15 and to discuss both the mechanics and philosophy of the University sector's efforts to secure the utilization of inventions made in whole or in part with Federal funds at the universities.

Enclosed for your information you will find a copy of the SUPA report and a copy of each of two provisions which WARF has used requiring licensees to engage in an active development program related to the invention so that the invented technology can be utilized in the public interest. Also enclosed is a copy of the statement given by Norman Latker before the Subcommittee on Domestic and International Scientific Planning and Analysis Committee on Science and Technology House of Representatives. These are the materials you requested during our meeting.

As we pointed out to you and your associates the real goal of the patent management function associated with universities is to transfer the fruits of research to the public. If that can be done under circumstances which can generate income for the university the public benefits twice - initially because of the product or process made available by the use of the new technology and also because any income generated through the technology transfer process will be utilized by the universities to support additional research and educational functions.

We trust that our discussion with you was helpful and beneficial to your reassessment of the policy of the Justice Department toward the handling of inventions made with Federal funds.

Mr. Robert V. Allen

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If you have any further questions on this subject please do not hesitate to call.

Very truly yours,

Howard W. Bremer
Patent Counsel

HWB:rw
Enc.

cc--Mr. Fornell
bc--Pike-Woerpel-Hinkes

Consideration

In consideration of the license granted herein Licensee agrees that:

It will establish and actively pursue a development program to the end that at least one of Products in each elected group of Licensed Patents will be made available to the public in the shortest possible time and that, at the beginning of each six month period commencing with the effective date of this Agreement, it will supply WARF with a copy of the protocol of the development program it intends to pursue during the following six months with respect to a Product in each such elected group and, at the end of each such six-month period will furnish WARF with a report indicating its progress on such program(s).

Term and Termination

WARF shall have the right to terminate this Agreement in the event Licensee shall breach or default in any of its substantial obligations hereunder, which breach or default remains uncorrected for sixty (60) days after receipt by Licensee of notice of such breach or default. For purposes of this Subsection it is understood that Licensee's requirements to file a report under the provisions of Subsection 4. b. above shall be considered a substantial obligation and that this Agreement may be terminated by WARF for Licensee's failure to file such report or in the event that such report or other evidence indicates that there has been an absence of real development activity on the part of Licensee for the period being reported upon.

Performance

Licensee will provide, for attachment as Appendix B to this Agreement, a general description of the plan and its chronology for developing Licensed Products to the point of marketing and will, during the first three (3) years of the Agreement or until a Licensed Product is marketed in the United States, supply WARF a quarterly report summarizing its efforts to develop Subject Products and a forecast of the efforts planned for the succeeding six-month period. Such reports shall be considered to be confidential and shall be so maintained by WARF.

Term and Termination

WARF shall have the right to terminate this Agreement in the event Licensee shall breach or default in any of its substantial obligations hereunder, which breach or default remains uncorrected for sixty (60) days after receipt by Licensee of notice of such breach or default. It is understood that Licensee's responsibility to report as provided in Section 8. a. of this Agreement, or to provide such reasonable explanation for lack of development progress as forecast in the prior report period is such a substantial obligation.