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UNIVERSITY OF WISCONSIN
OFFICE OF THE PRESIDENT

June 22, 1964

To: President Harrington

From: R. H. Lorenz

Re: Meeting of the Subcommittee on Patent Policy with members of the Patent Committee of the Federal Council for Science and Technology

In attendance:

National Association

Mr. N. Wahlstrom
Mr. R. Gilman, chairman
Mr. H. Meadow
Mr. W. Fornell
Mr. R. Lorenz

National Association
Cal Tech
Harvard
Minnesota
Wisconsin

Council

Mr. D. Beckler
Mr. W. Hoff
Mr. M. Hiller
Mr. H. Williamson

Council
NSF
HEW
DOD

Prior to the meeting with the Council our group had reviewed and revised the Memorandum on the President's Patent Policy Statement of October 1963 and the Synopsis of Proposed Understanding between USPHS and Educational Institutions Concerning Right to Inventions Under PHS Grants (copies attached).

The meeting with the Council was kept on a positive basis with Mr. Hoff of NSF appearing to be the most eager to move forward without undue delay.

Members of the Council seemed to agree that:

1. Universities should have a definite patent policy
2. Universities should have right to determine which inventions or discoveries should be patented
3. The universities were best suited to make patent judgment decisions
4. The inventor's royalty should be limited to a specific percentage of total royalty - in area of 15%
5. Any royalties reverting to the institution should be used for "scientific research and education"
6. The Federal Government should not have to make decisions on individual patents, a notification procedure should be sufficient

The major problem concerns the granting of exclusive licenses. The Council interpreted paragraph 1G of the President's Patent Policy statement to allow government "march in" rights even though an exclusive license had been granted. The effect of this right in relationship to any institutional agreement was not determined.

Present status:

1. The Council is to draft their interpretation of paragraph 1G and also to make any other suggested revisions in the two documents. This is to be made available to the Association Patent Subcommittee in less than a month. Towards the end of August there would be a meeting between these two groups to attempt to arrive at final drafts.
2. After a final draft of the principles is arrived at the individual institutions will negotiate agreements with the Federal Government within the framework of these principles.
3. Health, Education, and Welfare plans to maintain a status quo on its patent policies until the principles are determined. At that time they will be willing to allow NIH or USPHS to make agreements within the framework of these principles.

Members of the sub-committee felt that this was the most satisfactory patent meeting held to date. There was considerable agreement and an eagerness on both sides to arrive at a satisfactory solution.

It was again mentioned that this meeting not be publicized.

cc: A. W. Peterson
W. H. Young