

Yale University *New Haven, Connecticut 06520*

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December 16, 1977

GRANT AND CONTRACT ADMINISTRATION  
108 Hall of Graduate Studies

Senator Lowell Weicker  
Room 342  
Russell Building  
Washington, D. C.

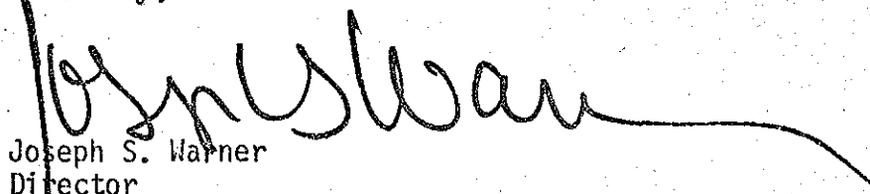
Dear Senator Weicker:

I am writing to you as a member of the Monopoly Subcommittee of the Senate Select Committee on Small Business. We have just learned of the subcommittee's hearings, scheduled December 19th through the 21st which we understand will receive testimony and views concerning disposition of patent rights under federally funded grants and contracts. We are concerned that the Subcommittee have the University's view on this important matter.

For the past several years Yale University has implemented an active patent awareness program to encourage our faculty investigators to identify potential inventions in connection with their basic research. The present U.S. Patent Policy which permits government agencies to release the government's rights to patents on a non-exclusive basis and within prescribed criteria has fostered our program. Our experience conclusively demonstrates that being able to offer a limited exclusive license to a potential licensee is essential if an initial invention disclosure is to be brought through the costly and often lengthy development process to the public. The ability to grant limited exclusive licenses is a prerequisite to encourage the necessary capital investment to support the required development and marketing processes. Our experience indicates this is particularly true in the pharmacology and drug development area where extraordinary costs are required for screening, toxicity tests, FDA approvals, etc. Elimination of the present incentives would cripple our efforts to make available the benefits of our research to the public. We urge that the present U.S. Patent Policy be continued.

I understand that the Subcommittee is unable to include testimony from university representatives next week. Universities receive a significant amount of federal money for research and I hope that they can be included in any later hearings.

Sincerely,



Joseph S. Warner  
Director

JSW/jdk