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Relevant Web URLs:

- White paper on technology licensing and the public interest

Major universities offer guidelines for responsible technology licensing

The nation's top research universities and the Association of American Medical Colleges (AAMC) today issued a set of shared guidelines intended to protect the public interest when universities grant licenses for the rights to their latest scientific advances to private parties.

The white paper—titled "In the Public Interest: Nine Points to Consider in Licensing University Technology"—aims to encourage technology transfer agreements to facilitate broad development and dissemination of university-generated technologies. A key point is that researchers at universities across the country should be able to continue to work with intellectual property that has been licensed to commercial concerns.

While the authors acknowledge there are circumstances in which universities may need to grant exclusive rights to their discoveries and inventions, they suggest structuring such agreements in ways that will permit the scientific community to conduct studies involving the licensed technologies and to develop new applications for them.

The report grew out of an unusual meeting organized by and held at Stanford last July. That gathering brought together representatives of leading research universities, including university research officers and technology licensing directors. The white paper presents a consensus that emerged from that meeting.

"We hope that every university when considering the licensing of intellectual property will

consider these nine points," said Arthur Bienenstock, former dean of research at Stanford, who convened the meeting. "We think it is in the public interest for universities and other nonprofit institutions to continue to do research that leads to advances in fields associated with university-held intellectual property."

Although the points are advisory with many of the guidelines already being practiced, Katharine Ku, Stanford's director of technology licensing, said "it will create a buzz" among those involved in technology transfer. "It may well be the first document that comes from the community that suggests a set of good practices for the rest of the community," added Ku, who worked with Bienenstock to organize the event.

In addition to Stanford, the paper was signed by the following universities: California Institute of Technology, Cornell, Harvard, Massachusetts Institute of Technology, the University of California system, the Chicago and Urbana-Champaign campuses of the University of Illinois, University of Washington, Wisconsin Alumni Research Foundation and Yale. The AAMC also has endorsed it.

Although universities have licensed their intellectual property for many decades, the Bayh-Dole Act of 1980, which encouraged universities to collaborate with the private for-profit sector to promote the use of inventions resulting from federal funding, greatly stimulated these practices. That law helped bring to the public a plethora of innovations, including such Stanford-born inventions as the Google search engine, recombinant DNA technology and the ability to make ring tones in cell phones.

But in recent years, as more universities have engaged in this practice, technology transfer efforts have presented new challenges. There have been cases—for example, some diagnostic tests for genetic markers for cancer and other serious disorders—in which licenses have restricted academic scientists from practicing the tests and pursuing new avenues of research. This issue has arisen because what's patentable, particularly in genetics, has moved upstream—closer to the basic science discovery and farther from the commercial product—potentially limiting new lines of inquiry that scientists only identify years after the initial license is negotiated.

"The points in this white paper are important reminders to the academic technology transfer community from the pioneers in this field," said Dr. David Korn, AAMC senior vice president and a participant at the July conference. "The guiding precept is that discoveries made at universities are made in the public interest regardless of the sources of research funds. We must never lose sight of the social contract that universities have with society at large."

As part of this commitment, the paper's final point suggests provisions in licenses to channel the benefits of the technology to those most in need—people in developing countries and members of other underserved populations.

The paper says that millions of people around the world are dying of preventable or curable diseases, and that technology transfer should help to relieve such suffering. "We have a responsibility to try to alleviate it, including finding a way to share the fruits of what we learn globally, at sustainable and affordable prices, for the benefit of the world's poor," the paper states, adding later, "Universities should strive to construct licensing agreements in ways that ensure that these underprivileged populations have low- or no-cost access to adequate quantities of these medical innovations."

The white paper also includes points on avoiding excessive litigation, minding export controls and managing conflicts of interest. A summary of the nine points is as follows:

- Universities should reserve the right to practice licensed inventions, and to allow other nonprofit and governmental organizations to do so.
- Exclusive licenses should be structured in a manner that encourages technology development and use.
- Strive to minimize the licensing of "future improvements."
- Universities should anticipate and help to manage technology transfer related conflicts of interest.
- Ensure broad access to research tools.
- Enforcement action should be carefully considered.
- Be mindful of export regulations.
- Be mindful of the implications of working with patent aggregators.
- Consider including provisions that address unmet needs, such as those of neglected patient populations or geographic areas, giving particular attention to improved therapeutics, diagnostics and agricultural technologies for the developing world.

The paper is online at http://news-service.stanford.edu/news/2007/march7/gifs/whitepaper.pdf.

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