RESEARCH INNOVATION’S LEGISLATIVE LEGACY

Research Ecosystem Before 1980
The Bayh-Dole Act created a uniform patent policy across federal research agencies. Congress perceived the need for a reliable technology transfer policy to ensure that federally funded research could move along the R&D pipeline. Usually, findings were published in the literature and effectively forgotten about, leading to a gap in U.S. global competitiveness and innovation that was beginning to grow in the 1970’s.

The Importance of Bayh-Dole
Under the Bayh-Dole Act (1980), academic institutions, nonprofits, and businesses were given ownership of any intellectual property (IP) that arose in part from federal funding. These entities could then license that IP to industry, enabling commercial development. This new method of technology transfer incentivized researchers to pursue commercialization of their innovations.

Under Bayh-Dole, the government retains non-exclusive, non-transferrable rights and a provision known as march-in authority ensures that patent holders commercialize their inventions. The U.S. experienced a 10-fold increase in patenting in the first two decades after Bayh-Dole was enacted. Without the reliable patent protections included in Bayh-Dole, innovators couldn’t risk decades and billions of dollars in R&D for the next treatment or cure.

Impacts of Technology Transfer
Between 1996 and 2017:

- $1.7T contributed to Gross Industrial Output
- 100,000+ patents issued
- 420,000+ inventions
- 13,000+ start-ups formed
- 5.9M jobs supported
- $865B contributed to U.S. GDP

Additional Legislation Ushering in Innovation
1980- Stevenson-Wydler Technology Innovation Act
Provides a pathway for federal labs to share inventions with state and local governments and the private sector.

1981- R&D credit
25% tax credits given to entities that invest a certain amount in R&D. Aims to solidify private investments in R&D.

1986- Federal Technology Transfer Act
Cooperative Research and Development Agreements (CRADA) were strengthened, ensuring federal researchers retain patent rights and receive reimbursement.

1988- Manufacturing Extension Partnership
Assists U.S. small and medium sized manufacturers in adopting new technologies and enhancing product innovation.

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