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March 29, 2002

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Letters to the Editor
The Washington Post
1150 15th Street Northwest
Washington, DC 20071

Dear Editor:

In their op/ed, "Paying Twice for the Same Drugs," (Washington Post, March 27, 2002), Peter Arno and Michael Davis incorrectly state that "no one is enforcing" Bayh-Dole's reasonable pricing provision. In fact, that law contains no such provision because if such a provision existed, there would be no incentives for a company to spend the hundreds of millions of dollars and the decade or more necessary to develop medicines.

Instead, under Bayh-Dole, academic institutions and small businesses own the rights to intellectual property their researchers generate with the aid of federal grants and collaborations. The act also allows government laboratories to grant exclusive royalty-bearing licenses to their patents. Before passage of the law, 95 percent of federally funded inventions languished undeveloped for want of a mechanism to transfer rights to the private sector, which fund the long and expensive process of turning raw research into new drugs. Today, the United States' biomedical sector leads the world in part because Bayh-Dole so successfully joined the basic research pipeline to the engine of private development.

Sincerely,

Carl B. Feldbaum
President

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