

**OPENING STATEMENT**  
**The Honorable Judy Biggert (R-IL), Vice-Chairwoman**  
Subcommittee on Technology and Innovation  
*Best Practices in Transforming Research into Innovation:  
Creative Approaches to the Bayh-Dole Act*

June 19, 2012

Good Morning. I would like to welcome everyone to today's hearing on the transfer of innovations that come from research funded by the federal government. The federal government invests more than \$135 billion each year in research and development activities and a portion of that funding supports the majority of basic research conducted by universities. The transfer of knowledge from universities into the marketplace can have profound economic and societal impacts, so we are always looking for more ways to encourage this process. I am glad our Chair decided to hold this important hearing so that our Subcommittee can learn about the innovative approaches that institutions across the nation are taking to accelerate the transfer of federally-funded research.

In fact, tech transfer has long been a personal priority for me. To further this goal in the energy sphere, I drafted the Energy Technology Transfer Act, which was signed into law in 2008. This legislation creates jobs by accelerating breakthrough energy technologies out of national labs and into the marketplace. It was based on best practices developed by agricultural extension programs at the USDA.

For American universities, however, tech transfer is governed by the Bayh-Dole Act. December 2010 marked the 30<sup>th</sup> anniversary of the enactment of the Bayh-Dole Act, which permitted universities to retain the intellectual property rights to inventions developed with federal funding.

The Act was passed during bleak economic conditions, not too unlike those we are facing now. The United States was enduring an economic recession, declining productivity, and competition from Germany and Japan—all of this sounds familiar. The purpose of Bayh-Dole was simple: facilitate and support universities and small businesses in the commercialization of their inventions, allowing society to benefit and increasing U.S. global competitiveness. Promoting university-based innovation and technology transfer was seen as a way to combat the forces then working against the U.S. Thirty years later, Bayh-Dole still elevates these efforts.

The collaborative efforts encouraged under the Bayh-Dole Act have brought about the commercialization of many new technological advances that impact the lives of millions of people across the nation.

Prior to the enactment of Bayh-Dole, less than five percent of U.S. government patents were commercially licensed. In 1980, 390 patents were awarded to universities; by 2009, the number increased to over three thousand. In my home state of Illinois, the University of Illinois at Urbana Champaign holds nearly four hundred patents and has created sixty-one companies.

I look forward to hearing from our witnesses about how university technology transfer has evolved since the passage of Bayh-Dole and the innovative activities and partnerships institutions are trying today to get more research results to the public. We thank each of you for being here and look forward to your testimony.