

Opening Statement
Ranking Member Phil Gingrey (R-GA)
Subcommittee on Technology and Innovation
“*Bayh-Dole – The Next 25 Years*”
July 17, 2007
1:00 p.m. – 3:00 p.m.
2318 Rayburn House Office Building

Good Afternoon Mr. Chairman. I appreciate you holding this hearing on the Bayh-Dole Act. It's a timely issue, as we have just celebrated the Act's first 25 years in existence. I agree with you, Mr. Chairman, that the time is indeed right to look at the program and see where it can be improved to ensure that its next 25 years are as successful as its first 25 years.

According to *The Economist*, “the Bayh-Dole Act is [p]robably the most inspired piece of legislation to be enacted in America over the past half-century.” The Bayh-Dole Act was passed in an era of deep concern that the U.S. was losing its competitive edge to foreign countries. Its impact in reversing that trend has been phenomenal.

In fact, Bayh-Dole has been the most successful technology transfer program ever implemented. Prior to Bayh-Dole, only five percent of government owned patents were ever used in the private sector. Since passage of this landmark legislation, however, there has been a tenfold increase in academic patents.

It is often said that the clearest form of flattery is imitation. Well, countries all over the world are copying the Bayh-Dole Act -- from the Europeans to the governments of Japan and India.

As we are now combating the often negative effects of globalization, perhaps there is no better time to see if there are any improvements to be made to the Bayh-Dole law.

Some of the principal players in this program -- businesses -- do say that it has become increasingly difficult to come to agreement with universities. Instead, some businesses say that they are increasingly making the sort of cooperative agreements that Bayh-Dole is supposed to facilitate, but they are making them with foreign universities -- a sort of globalization of research. We need to ensure that Bayh-Dole meets the 21st Century needs of both businesses and universities, in order ensure that U.S. competitiveness is first and foremost.

Further, according to *The Economist*, “A dollar's worth of academic invention or discovery requires upwards of ten thousand dollars of private capital to bring [it] to market.” Clearly there is a need to marry private enterprise with university research, as Bayh-Dole intended.

Mr. Chairman, I appreciate your holding this hearing on such an important topic, and I look forward to hearing from all of the witnesses. Thank you.