

David Winwood, AUTM President-Elect and Chief Business Development Officer for Pennington Biomedical, Testifies Before U.S. Senate on Patent Reform

Dr. David Winwood of LSU's Pennington Biomedical Research Center testified on March 19 before the U.S. Senate Committee on Small Business and Entrepreneurship on Capitol Hill. He was invited to talk about the importance of maintaining a fair and equitable U.S. patent system from the perspective of U.S. research universities. His testimony took place during a hearing titled, "Patent Reform: Protecting Innovation and Entrepreneurship."

"Any legislative effort aimed at undermining laws that protect our intellectual property is a real cause for concern for research universities," Winwood told the committee. "This is about safeguarding access to our patent system for universities, small businesses, small investors, and for the working men and women who create new companies – and sometimes whole new industries – from sheer ingenuity."

The issue of patent reform is a hot topic in the halls of Congress. Specifically, many lawmakers are concerned that U.S. businesses are suffering assaults from bad actors – sometimes labeled 'patent trolls' – who issue vague, threatening and often fraudulent letters to businesses suggesting they are infringing on a patent and demanding a cash settlement to avoid further legal action. Often, small businesses decide to simply pay the cash rather than engage costly legal assistance. The higher education community agrees with the need to address these abusive litigation practices, but feels the issue is best managed by means other than drastic changes to the U.S. patent system. The hearing today provided a platform for discussion of the legislative path forward.

"For academic research universities like LSU, having a seat at the table on an important issue such as patent reform is key," added Winwood. "It gives LSU and my colleagues at Pennington Biomedical an opportunity to tell our story of innovation and success to Congress and fight to protect the sanctity and uniqueness of the ideas and products we generate. It also assures that our private sector partners will be able to develop valuable new products."

Winwood has a unique perspective on the role that research universities play in bringing new ideas to the marketplace. He is Pennington Biomedical's Chief Business Development Officer and also serves as President-Elect of the Association of University Technology Managers (AUTM).

The U.S. Licensing Activity Survey Highlights, issued by AUTM in late 2014, looked at the importance of new commercial products generated by America's academics, entrepreneurs and small businesses. Their data reflect the period from Oct. 1, 2012 – Sept. 30, 2013. In that time frame alone, the survey found that of the 818 startup companies formed, 611 of them had their primary place of business in the licensing institution's home state. Of the 4,206 startups in

operation by the end of 2013, 719 new commercial products had been created by companies licensing university technology.

Prominent economists recently reviewed more than 18 years of data from AUTM to evaluate the impact of academic technology licensing in the U.S. Using an input/output methodology with 2009 U.S. dollar values as a basis, they surmised the total contribution of these academic licensors to gross industry output ranged from \$282 billion to \$1.18 trillion. Estimates of the total number of individual employee years supported by U.S. research institutes' licensed-product sales ranged from 1,130,000 million to over 3,824,000 million.

"The list of innovative products originating from university research is truly impressive. When academic research yields a new idea, that idea often leads to a new startup company and then to new products in the marketplace. These ideas have the capacity to save lives, improve the way we work and play, and boost local economies – from seed varietals for our farmers to improved treatments for obesity and diabetes," noted Winwood. "Time and again these companies blossom, grow and stay in our local communities enhancing economic development. Without access to a robust and equitable patent system, those economic development opportunities disappear."

Winwood addressed the committee at the invitation of its chairman, U.S. Sen. David Vitter, on March 19, 2015.