

purpose of, among others, "promoting the commercialization and public available of inventions made in the United States by United States industry and labor."⁶⁵

To encourage the government to use its march-in right, an adversely affected party can file a petition, detailing the specific reasons that would justify the government agency to march-in (and typically grant a license to the affected party).⁶⁶ While a number of petitions have been filed in the past quarter-century, the government has consistently refused to grant the petitions and.⁶⁷ Despite the government's lack of utilization of its march-in rights, it contends that the provision is effective since it provides leverage to promote commercialization of federally funded inventions.⁶⁸ Many other scholars and some government agencies disagree with respect to the effectiveness of the provision.⁶⁹ A detailed analysis of the effect of this provision will be discussed in Chapter IV, *infra*.

D. Implied Duty to Commercialize

While it is not explicitly stated in the statute, an analysis of the above provisions denotes an implied duty to commercialize levied on the contractor. First, the goal is explicitly mentioned in Bayh-Dole's policy objectives.⁷⁰ Secondly, the option to retain title to a subject invention triggers various requirements and responsibili-

65 35 U.S.C. § 200 (2009).

66 For an example petition, *See* Joseph M. Carik et al., "PETITION TO USE AUTHORITY UNDER THE BAYH-DOLE ACT TO PROMOTE ACCESS TO FABRYZYME (AGALSIDASE BETA), AN INVENTION SUPPORTED BY AND LICENSED BY THE NATIONAL INSTITUTES OF HEALTH UNDER GRANT NO. DK-34045, available at <http://www.genomicslawreport.com/wp-content/uploads/2011/01/Fabrazyme-Bayh-Dole-Petition.pdf>. This petition was subsequently denied. *See* John Conley, Government Refused to March-In Under Bayh-Dole – Again, Genomics Law Report, January 8, 2011, available at <http://www.genomicslawreport.com/index.php/2011/01/18/government-refuses-to-march-in-under-bayh-dole-again/>.

67 As of January 2011, the National Institute of Health has never granted a march-in petition under the public health provision or any other provision of § 203. *See* Conley, *supra* note 66.

68 *See* GAO REP. NO. 09-742, at 10-11, reprinted at <http://www.gao.gov/htext/d09742.html>, hereinafter GAO Report. The Government Accountability Office performed a study with respect to the effectiveness of the march-in provision and published its findings in 2009.

69 *See id.* at 11; *See generally* News Release, Duke University, Patent policy flaws complicate commercialization of federally funded university discoveries (December 11, 2002) available at http://www.eurekalert.org/pub_releases/2002-12/du-ppfl120602.php.

70 *See* 35 U.S.C. § 200 (2009). A policy goal is to promote the commercialization and public availability of inventions.

ties.⁷¹ Finally, the march-in provision implies that the contractor is under a duty to commercialize, as failure to do so can result in government intervention.⁷²

71 See Jennifer A. Henderson and John J. Smith, Academia, Industry and the Bayh-Dole Act: An Implied Duty to Commercialize, paper supported in part by a grant from the Center for Integration of Medicine and Innovative Technology (CIMIT), at 4. Specifically, under 202(c), contractors must agree to file a patent application before any statutory bar date, and failure to do so may result in title forfeiture. Also under 202(c), contractors must report to the federal funding agency on the efforts at obtaining utilization.

72 See 35 U.S.C. § 203 (2009). The government can march-in if, for example, "the contractor or assignee has not taken... effective steps to achieve practical application of the subject invention."