

The Success of Bayh-Dole

Congress passed the **Bayh-Dole Act** in 1980 to incentivize the private sector to make the investments needed to translate discoveries (i.e., inventions) arising from government-funded research into useful commercial products. Specifically, it allows grant recipients, such as universities, to hold the title to the patents covering such discoveries, enabling them to license the patents and right to use those discoveries to private sector partners who can then commercialize them.

Positive Impact of Bayh-Dole

Commercialization of federally-funded research has increased dramatically. In 2016:



More than 1,000
start-up companies
were formed¹



Nearly 800
commercial products
stemming from university
research were introduced²

From 1996 to 2015, licensing activity spurred by Bayh-Dole included:



Close to \$591 billion
contributed to U.S. GDP³



About 4.2 million
U.S. jobs supported
across all industries⁴

Broad Support for Bayh-Dole



“Since its enactment in 1980, the groundbreaking Bayh-Dole Act has helped universities and their scientific researchers to fulfill these public service missions by motivating them to take an active role in ensuring that the fruits of federally supported research ultimately become available to those who need them.”

—Association of American Medical Colleges, Association of American Universities, Association of Public and Land-grant Universities, Association of University Technology Managers and Council on Governmental Relations, 2017

“AUTM does not believe that inefficiencies in the technology transfer process are slowing the pace of innovation in America. To the contrary, since the passing of Bayh-Dole, university innovation has done nothing but increase.”

—Association of University Technology Managers, December 2010

“Observers generally agree that the Bayh-Dole Act has successfully met its objectives...The government receives a significant payback through taxes on profits and society benefits from new jobs created and expanded productivity.”

—Congressional Research Service, 2012

“Together with amendments in 1984 and augmentation in 1986, [Bayh-Dole] unlocked all the inventions and discoveries that had been made in laboratories throughout the United States with the help of taxpayers' money. More than anything, this single policy measure helped to reverse America's precipitous slide into industrial irrelevance.”

—The Economist, December 2002

“The Bayh-Dole Act is a sound and flexible framework for promoting the commercialization of university-developed inventions resulting from federally sponsored research...The committee has no reason to believe that either governmental retention of title or routine retention of title by individual inventors would yield more commercial applications or achieve a better balance of the public's stakes.”

—National Academy of Science, 2011

Learn more at PhRMA.org

¹ AUTM, Statistics Access for Tech Transfer Database. Available at: <http://www.autm.net/resources-surveys/research-reports-databases/stat-database-1/>

² Ibid.

³ Lori Pressman, Mark Planting, Robert Yuskavage, Sumiye Okuba, Carol Moylan, and Jennifer Bond, “The Economic Contribution of University/Nonprofit Inventions in the United States: 1996-2015,” June 2017, available at: https://www.autm.net/AUTMMain/media/Partner-Events/Documents/Economic_Contribution_University-Nonprofit_Inventions_US_1996-2015_BIO_AUTM.pdf

⁴ Ibid.