

PRESS RELEASE

Patent Waiver Strikes Damaging Blow to the Future of Innovation

Dr. Stephen J. Susalka, CEO of AUTM, a global Association whose Members guide research from the lab to the marketplace, issued a statement denouncing the Biden administration's decision to back the suspension of patents for COVID-19 vaccines.

"As an organization that drives research commercialization from universities and other public sector research institutions, we are deeply troubled that the White House would strike this damaging blow to intellectual property (IP) protections and innovation. Eliminating IP rights is a mirage that will have a limited near-term effect and a devastating long-term result.

The biggest factors impeding vaccine access in developing economies are manufacturing know-how, resources and infrastructure - not IP rights. Indeed, the ability of the biotech industry to respond so quickly to the need for COVID-19 vaccines was *because* of IP protections. [AUTM itself developed COVID-19 Licensing Guidelines, adopted by almost 100 well-known institutions, to support time-limited, non-exclusive royalty-free licenses for COVID technologies.]

Unfortunately this decision to weaken patent rights will result in less future investment and fewer new, competing vaccines for COVID-19 — or the next pandemic. Long-term, it will have a chilling effect on the translation of transformative ideas (like mRNA vaccines) and reduce investment in exactly the kind of early-stage innovation that this Administration touts as the future of the economy.

Ironically, had this proposed policy been in place prior to the spread of this coronavirus, the obvious question to ask is whether any company would have made the substantial investment

in foundational technology to support the development of these vital vaccine products. Undermining the processes that brought vaccines to the public in record time is a mistake and will have repercussions well into the future. Moving forward with this waiver, in lieu of other more impactful approaches, such as increased manufacturing and exporting vaccine supply, puts future investment, solutions, and opportunities at risk. Strong IP rights incentivize the costly process of bringing products to market — this TRIPS patent waiver threatens to ruin that critical balance."

About AUTM

AUTM is the non-profit leader in efforts to educate, promote and inspire professionals to support the development of academic research that changes the world and drives innovation forward. Our community is composed of more than 3,000 members who work in more than 800 universities, research centers, hospitals, businesses and government organizations around the globe.

<u>Dr. Susalka</u> is available for interviews.

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