

ever, that "a pure research joint venture without ancillary restraints [that is, agreements relating to patents, licensing, information exchange, marketing, or production] has never been challenged by the Antitrust Division."

Furthermore, says Davidow, "antitrust policies are really a small part of our differences with the Japanese." Japan and other countries, he says, accept the "chosen instrument" concept where certain industries or sectors are treated to special tax, trade, and other advantages to spur growth. That, says Davidow, is not the way of doing business in America, where the government tries to pick "neutral" tools to stimulate industry.

The Justice Department acknowledges that the guidelines are "defensive in nature" and designed to forestall moves to curb antitrust power in the interests of stimulating innovation. Thus, they may be regarded as particularly timely in view of the strongly antiregulatory stance of the incoming Reagan Administration.

Anti-Nuclear War Consciousness Raising

An international conference on the medical consequences of nuclear war will be held in the Washington area next March, featuring biologists and physicians from the Soviet Union, Japan, England, and France as well as the United States.

The conference is organized by several physicians allied to Physicians for Social Responsibility, a Harvard-born group whose aim is to acquaint the public with the medical realities of a nuclear strike.

The March meeting will reiterate the message that no effective medical response is possible to a nuclear disaster. Long- and short-term biological and ecological effects will be explored as well as the effect of the arms race on human needs around the world.

Another group seeking to remedy what it perceives as Americans' insensitivity about nuclear war is called Ground Zero. Endorsed by a variety of educational, religious, and labor organizations, the group has set up a Washington office and is trying to raise money from private sources. Roger Molander, a SALT negotiation

expert and National Security Council staffer who may become director of Ground Zero, says the primary focus will be organizing an "earth day-type" week on the realities of nuclear war, to be held in April 1982.

Long-Awaited Changes Made in Patent Law

In accordance with the federal government's innovation thrust, Congress before adjourning passed a wide-ranging amendment to patent and copyright laws which would allow federal contractors greater control over the results of research. The bill, H.R. 6933, also for the first time extends copyright law to cover computer programs.

The law's main purpose is to permit universities, small companies, and nonprofit organizations to retain ownership of patents gained as a result from federal grants and contracts. Large corporations were excluded from the provisions, although it is expected Congress will in the future consider more liberal patent policies for them as well.

Until now, every government agency supporting outside research has had its own patent policy, with decisions often made on a case by case basis. The Department of Health and Human Services has been the most generous in granting patent rights with the result that, of all the patents resulting from government-sponsored research, the great majority that have been developed into commercial products have been pharmaceuticals.

When the government retains title to a new invention, it often stays on the shelf. The government will allow anyone a nonexclusive license to it, but as a rule companies are not interested in spending the additional money required to produce a marketable product if they do not have exclusive rights to it.

In addition to stimulating the transfer of new findings into the marketplace, the legislation is expected to ease relationships between universities and small companies that are often reluctant to exploit the results of university research when ownership of the title is unclear.

The copyright section of the new

law resolves a dispute that was highlighted in a 1978 Supreme Court decision, *Parker v. Flook*. At that time, the court ruled that computer programs and mathematical formulas were not subject to patents, although they tacitly acknowledged things might change by saying in their opinion that they felt obliged to "proceed cautiously" when moving "into areas wholly unforeseen by Congress." Congress has now resolved the issue by stating, in the Computer Software Copyright Act of 1980, that computer programs are included among "writings" to which exclusive rights can be granted. Computer industry representatives contend that this protection will stimulate investment in the development of programs, speed new software technology, and generally result in a brisker and more competitive software situation.

Second Gene Splicer to Go Public

Cetus, the Berkeley-based genetic engineering company, is apparently about to offer shares to the public, following the lead of its rival Genentech, which went public in September.

Genentech shares zoomed from \$35 to \$89 within a few minutes of trading. Anyone who bought at the price, however, is now nursing a disastrous loss: the shares are currently worth \$46. The Wall Street establishment was so concerned at the high-technology hype that seemed to be in the air that it took steps to see that no such price explosion accompanied the recent stock offering by Apple, the home computer maker.

According to an article in the *Wall Street Journal*, Cetus is seeking to raise public capital only after a \$50 million private stock offering made earlier this year apparently flopped. Three large corporations—SoCal, National Distillers, and Sohio—own a major part of Cetus. Their understanding of the gene-splicing business does not seem to be uniformly sophisticated, at least to judge by the comment a spokesman for one of the companies gave the journal: "We have little to say about what they do. We're just financing a bunch of mad scientists."

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