NASA Guidance for Completing PRA/ICB Supporting Statement

SUPPORTING STATEMENT
2700- 0039

A. Justification.

Some of the applicable statutory and regulatory provisions include: Government ownership of inventions: 37 CFR 501, 42 USC 2457, 35 USC 202; Government authorization to apply for patents and to grant licenses: 35 USC 207; and Requirement for an applicant to supply a development or marketing plan in order to be considered for a grant of a license: 35 USC 209(f), 37 CFR 404.5.

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

An application for a license under a patent or a patent application owned by NASA is required by 35 USC 209 and 37 CFR Part 404.

As indicated in A., above, an application for a grant of a license is mandatory. However, NASA does not use a prescribed application form. The submitter may use whatever form or format it wishes, so long as the information furnished meets the requirements mandated by 37 CFR 404.8. The application is directed for evaluation to the particular NASA field center where the technology being sought originated. Additionally, where an exclusive or partially exclusive license has been requested, the requirements of 35 U.S.C. 209(a) must be satisfied for such a license to be granted. The license application required under 35 USC 209 is the basis for such determinations.

2. Indicate how, by whom, how frequently, and for what purpose the information will be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The information supplied by an applicant for a patent license is used by the NASA Associate General Counsel (Intellectual Property) to make an agency determination that NASA should either grant or deny a request for a patent license, and whether the license should be exclusive, partially exclusive, or nonexclusive.

The information is used to enable NASA to determine whether or not an applicant qualifies for a license and, if so, whether the license is nonexclusive, exclusive, or partially exclusive.

In general, the agency must determine whether the license applicant has the ability to bring the licensed invention to practical application so as to provide a commercial product to benefir the public and the U.S. economy. There are no specific statutory criteria for determining whether to grant a non-exclusive license.

Pursuant to the criteria set forth in 35 USC 209, NASA may grant an exclusive or partially exclusive license if granting the license is a reasonable and necessary incentive for commercialization or to promote the invention's application by the public. NASA must find that the public will be served by the granting of the license, as indicated by the applicant's intentions, plans, and ability to bring the invention to practical application within a reasonable time or otherwise to promote the invention's application by the public. The applicant must make a commitment to achieve practical application of the invention within a reasonable time. Preference is given to small businesses. The license should not result in a violation of the federal antitrust laws. The licensee must agree that any licensed products will be substantially manufactured in the United States. If the invention is covered by a foreign patent application or patent, the license must enhance the interests of United States industry in foreign commerce.

During the period between 1997 and 2005, NASA has granted an average of 37 licenses per year.

As required by 15 USC 3710 (f)(1), NASA furnishes an annual performance report of its technology transfer (licensing) activities to the Department of Commerce which is included in a federal agency-wide Annual Report on Technology Transfer to OMB.

3. Describe whether, and to what extent the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Also describe any consideration of using information technology to reduce burden.

No automated techniques are used to collect the information. The use of such techniques is not contemplated.. Electronic collection of information relative to applications for licenses themselves is deemed not cost effective, given the small number of license applications currently being received annually and the variation in amount and content of information provided by appliants

Several NASA field centers have established public Websites which provide in-depth information and guidance on NASA's policies and procedures for requesting a grant of a license, including checklists to insure that the necessary data is furnished. Examples are: http://techtran.msfc.nasa.gov/license.html, hosted by the Marshall Space Flight Center, http://technology.arc.nasa.gov/applyforlicense.cfm, at the Ames Research Center, and http://technology.jsc.nasa.gov/technologies.cfm, at the Johnson Space Center.

4. Describe efforts to identify duplication.

There is no duplication, and no such similar information is available.

As noted above, applications for license grant are made to the particular field center which originated the technology. Beacuse of the manner in which NASA R&D activities are assigned to the respective centers, it is highly unlikely that any duplication would result.

Via its TechTracS online management system, the technological fruits of NASA's R&D efforts – its discoveries and innovations – are identified, captured, managed, and shared. TechTracS also permits capturing all of NASA's licensing activity.

5. If the collection of information impacts small businesses or other small entities (Item five of form OMB 83-I, the Paperwork Reduction Act Submission form), describe any methods used to minimize burden.

As noted above, the application process does not require the use of any specific forms or formats. Therefore there are no requirements that uniquely impact small businesses. Small businesses are eligible (and in some instances, are – by statute – afforded a preference) to receive license grants and, in fact, many NASA licensees are indeed small businesses.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.

If the information were not collected, NASA could not grant any patent licenses in compliance with the requirements of 35 USC 209.

Note: Beyond the actual issuance of patents to NASA, the role of the US Patent and Tradmark Office is irrelevant to the process of granting licenses under NASA's patents

7. Explain any special circumstances that would cause an information collection to be conducted in certain manners (as listed).

None.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR § 1320.8 (d), soliciting comments on the information collection before submission to OMB.

[I will answer this question once the 2 Federal Register Notices (Agency and OMB) have been published]

9. Explain any decision to provide any payment or gift to respondents, other than renumeration of contractors or grantees.

N/A.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

Confidentiality of information submitted is required by 35 U.S.C. 209 and 37 CFR 404.14. In addition, under the Trade Secrets Act, 18 USC 1905, government employees are subject to fines, imprisonment, and removal from office, if confidential or financial information of a license applicant is improperly disclosed by them.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

N/A.

12. Provide estimates of the hour burden of the collection of information.

The estimated number of respondents for Fiscal Year 2006 is 60. Each applicant is required to submit only one application. The annual hour burden for Fiscal Year 2006 is estimated to be 600 hours. This information is based on anecdotal data provided by applicants and field center patent attorneys. Because of the variation in license applications provided by applicants this is difficult to estimate.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

As stated above, because of the variation in license applications provided by applicants, the estimated total annual cost burden to respondents is difficult to estimate. Information required by statute is business information that respondants would normally keep in the course of their business or is personal knowledge of the respondant. Generally a sophisticated company with an established business plan and financial statement could complete an application in a matter of hours. But a start-up company who plans to build a business around NASA technology licensed to it could take much longer. One NASA field center noted that an applicant who prepared an excellent package remarked that it took roughly 40 hours to put it together, and another 20 or so to polish it.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses, and any other expense that would not have been incurred without this collection of information.

The licensing of government technology is required of government laboratories and, thus, is a regular task of NASA attorneys and technology transfer professionals. While it is a large part of their jobs, there is much more involved in licensing than evaluating the license applications submitted. NASA has not maintained records of time involved in evaluating and responsing to license applications.

The time for NASA staff to process an application depends on the complexity of the technology, the thoroughness of the license application, and the parameters of the licensing “deal.” The porocess may require several people working on it. There can be a good bit of iteration back and forth, extensive negotiations involving milestones, field of use limitations, scheduling and amounts of royalty payments, and other agreement terms and conditions. Finally, staff efforts are required for preparing the paperwork for submission to Headquarters for its approval and execution by the General Counsel. Without actually tracking this activity over a reasonable

period of time, it is very difficult to come up with an average time that would be representative of the process, especially given the fact many licenses of late are rather complex.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

The number of license applications received in any year can not be predicted. The information provided is historical and anecdotal

16. For collections of information intended for publication, outline plans for tabulation and publication.

NASA maintains metrics on its licensing activities in its NASATechTracS management system and uses this information to provide the annual tecnology transfer reports required under the Stevenson-Wydler Technology Innovation Act of 1980, as amended (15 USC 3710).

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display may be inappropriate.

N/A. There are no specific OMB or NASA forms required for license applications.

18. Explain each exception to the certification statement identified in item 19, "Certification for Paperwork Reduction Act Submissions" of OMB Form 83-1.

N/A

B. Collections of Information Employing Statistical Methods.

No statistical methods are employed with this collection.