



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Consumer Protection and Commerce
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HB 1312 HD1 – RELATING TO INTELLECTUAL PROPERTY

Chair Johanson, Vice Chair Kitagawa, and members of the House Committee on Consumer Protection and Commerce:

Thank you for the opportunity to provide testimony again in support of the intent of HB 1312 HD1 but oppose the language in Section 2.

Previous testimony has explained some of the issues that surround the contract language in this bill. With this testimony we would like to expand on some of the issues that we feel are problematic.

1. It appears that this language is most relevant to the plant breeding program of the University of Hawai'i at Mānoa, College of Tropical Agriculture and Human Resources (UHM/CTAHR) and our comments are specific to that possibility. First it is understood that new varieties are considered to be intellectual property.
2. The language requires a faculty member to license their new varieties. The fact is that faculty do not license varieties. The Office of Technology Transfer is the mechanism by which this property is licensed. In order to license a property, we must assure that the property is protected. This means that new plant material will have to be protected by either a patent or a PVP (Plant Variety Protection). Both of those are acquired at a cost.
3. The faculty member is not in charge of providing this protection, but is an applicant along with the University. In fact, the faculty member is not the sole owner of the intellectual property. This is expressed in the following from the UHPA faculty contract, "It is recognized that there are usually three (3) interests involved in connection with research work and invention performed with the resources of the University. These three (3) interests are the Faculty Member researcher or inventor, the University, and the general public whose taxes support the University. If the research is financed wholly or in part by an outside agency, there exists an additional interest. Rights, royalties, and other net profits shall be shared fairly amongst the parties."
4. The language requires that the faculty member sell his/her intellectual property. The details above also apply.

5. The language may prevent UHM/CTAHR from making a new plant material a public accession, making free and available to the public. This would be done if it is evaluated that it would not be economically feasible to license or sell the property due to the cost of protecting the property.
6. UHM/CTAHR has its own need for maintaining the intellectual property in some cases. UHM/CTAHR runs a seed laboratory which has the intent of providing seed for Hawai'i's growers. When it does not make sense to incur the cost of a patent or a PVP, UHM/CTAHR may maintain the material for itself so it can serve the agricultural community
7. Last, UHM/CTAHR desires to develop new plant varieties for the state of Hawai'i; and does so with little support from a current royalty program for plant materials.

Adding these comments to our previous testimony, while we support the reality that we breed plants for Hawai'i, we support the intent, but oppose the language as it does not reflect the reality of the process and that reality makes it impossible to meet the language requirements.