

does it extend in jurisdiction? I must say you are well represented by the chairman here.

Mr. DADDARIO. I am not trying to represent Dr. Weinberger. I am trying to represent my own ideas. This is not a matter in which the Federal Government alone is involved, and the solution of these problems does not come from the power of the Federal Government. Rather, it comes from the hopes and ambitions of our society. I think it is important that we, as a subcommittee, view these proceedings with objectivity and flexibility of mind. It is one of the basic criteria by which we must act.

Will you proceed, Dr. Weinberger?

Dr. WEINBERGER. I mentioned that the assistance of industry in the form of ideas, processes, products, and services will undoubtedly hasten the solution to some of the Nation's industrial pollution problems. Industry, for purposes of our R. & D., may be classified as follows:

1. Industries having a pollution problem.
2. Industries who have or expect to develop a commercial position in pollution control equipment, chemicals, instrumentation, processes, systems, or services.
3. Industries having a research and development capacity which has not been directed to pollution control.
4. Combinations of the above.

I would like to point out some of the factors which industry considers in participating in a federally supported research and demonstration effort.

There are a number of positive factors as far as industry is concerned and those are:

- The fees associated with the contract.
- The experience gained by their personnel.
- The advances they may make in their technological position.
- The publicity associated with contract awards.
- The fact that financial risk is minimized.
- An earlier demonstration of efficacy of results thereby establishing markets.

The negative factors that industry looks at are:

- The time and effort of proposal preparation.
- The time and effort of proposal negotiation.
- The diversion of their competent personnel from other research and development activities.

Personnel who have gained experience at company expense working on a federally supported project would produce results available to competitors.

The contractor's art may be disclosed earlier than usual to competitors.

A noncontracting competitor can improve his competitive position with a minimum of contribution and a minimum of risk.

And, of course, any unfavorable publicity resulting from negative results.

By negative results, I do not mean poor research; I mean if the results do not come up with an improved solution.

Mr. DADDARIO. Dr. Weinberger, without our getting into an interminable discussion on the patent situation, under which of these sides