

WHEREAS, PILMA has long supported intellectual property rights because protection of these rights supports innovation and high skilled construction jobs in the biopharmaceutical industry; and,

WHEREAS, PILMA has also opposed government price controls as they would harm innovation and hurt union construction jobs utilized in the research, development, and manufacturing of new medicines; and,

WHEREAS, since 1980 the Bayh-Dole Act has incentivized public-private collaboration that has expanded patient access to new and potentially groundbreaking products and supports America's global leadership in medical innovation and biopharmaceutical manufacturing along with generic follow-on products; and,

WHEREAS, The Act has led to well over \$1.3 trillion in U.S. economic growth, more than 4.2 million jobs and over 11,000 new startup companies since its implementation; and,

WHEREAS, Bayh-Dole has helped to position the U.S. as the world leader in R&D; and,

WHEREAS, some policy makers endorse the use of "march-in" - when the government seizes patent rights from an innovator to let competitors use that patented invention – in an effort to address medicine affordability; and,

WHEREAS, march-in rights were designed to encourage the development of products that contain inventions researched, in part, with federal funding and are intended to be used only if a private company has not or is expected to not bring federally funded inventions to market within a reasonable time or when action is necessary to alleviate health or safety needs that are not reasonably being satisfied by the private company; and,

WHEREAS, allowing for the use of march-in rights to address pricing of medicines could have a chilling effect on American innovation beyond biopharmaceuticals, since innovators may be asked to risk decades of research and billions of dollars, and the chance of failing, to risk having rights to their inventions appropriated; and,

WHEREAS, invoking march-in rights as a means of controlling prescription drug prices could undercut the purpose of the Bayh-Dole Act and discourage the development of innovations and medical breakthroughs by deterring future public-private collaborations; and,

WHEREAS, The National Institutes of Health (NIH) has consistently held the position that the use of march-in rights to control prescription drug prices is not within the scope and intent of the statute; therefore,

BE IT RESOLVED, PILMA opposes expanding the use of march-in rights to address drug pricing as it could have a chilling effect on essential public-private sector collaborations, to the detriment of the U.S. economy and national competitiveness, and most importantly, to the detriment of patients who are counting on the

collective efforts of the public and private sectors to make progress against our most costly and challenging diseases; and,

BE IT FURTHER RESOLVED, PILMA is committed to working with policymakers and stakeholders across the healthcare system to find durable policy solutions that ensure patients can afford and access the medicines they need, while preserving an environment that enables U.S. biopharmaceutical companies to continue to invest in innovative research on behalf of patients.