

## Press Release



# Biden Administration's Plan to Expand March-in Rights Could Harm All Sectors of the Economy

PAULINA ENCK | FEBRUARY 8, 2024

The Biden Administration recently proposed to expand the use of march-in rights – the process of taking a patent derived in part from federal research funding and licensing it to competitors of the original rights holder – as a tool to lower the cost of pharmaceutical drugs. In a new insight, Director of Technology and Innovation Policy Jeffrey Westling considers the harm this proposed expansion could inflict on innovation, both in and beyond the pharmaceutical industry.

### Key points:

- March-in rights are reserved for extreme scenarios and since their establishment 40 years ago have never been exercised.
- Limiting potential returns on investment with the use of march-in rights will necessarily add risk for private companies engaging with federal funding opportunities, disincentivizing firms from investing in the research and development of new products and services.
- While the Biden Administration has focused on pharmaceuticals to justify the use of march-in rights, the expansion of this power could potentially impact public-private collaborations for a wide variety of technologies such as semiconductors and artificial intelligence.

[Read the analysis](#)