

Center for Strategic and International Studies

Online Event

“The Importance of Intellectual Property in Healthcare Innovation during COVID-19”

Keynote Address by Senator Chris Coons

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FEATURING:

Senator Chris Coons (D-DE),
U.S. Senator, Delaware

CSIS EXPERTS:

John J. Hamre,
President and CEO, and Langone Chair in American Leadership, CSIS

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John J. Hamre: (In progress) – it's about our competitiveness, our ideas, the creativity of our environment, the foundation of protecting intellectual property that becomes a foundation for that.

We're so grateful that Senator Coons is with us because he's been a champion on all of this in the Senate. His voice has been strong and clear, and we're so grateful that he's here with us today. He's dodging votes. There are votes on the floor of the Senate right now, and we're going to try to fit him in in this little window.

Senator Coons, thank you. We're so grateful that you're here.

Senator Chris Coons (D-DE): Thank you, Dr. Hamre, and thank you to CSIS. And I'd like to extend a particular personal thank you to Andrei Iancu, the immediate past director of the U.S. Patent and Trademark Office and leader of the Renewing American Innovation Project, and the host of this particular panel. I'm not dodging votes. I'm going to go back and actually vote. (Laughter.) But I am briefly in my hideaway in between votes, so I'm literally just a few floors below the floor of the Senate.

Look, I'm honored to have a chance to join this conversation about intellectual property and the essential role that strong IP rights, in particular patent rights, play in incentivizing, financing, accelerating the development of critical inventions. We are in the midst – hopefully the very late stages – of one of the worst public health crises our globe has seen in a century. And because of research and innovation, development, and deployment, we've seen several safe and effective vaccines go from a conception to reality to now more than 200 million doses having been delivered here in the United States, because of remarkable moonshot level of delivery and development of innovation in the vaccine space.

In the United States, our intellectual property system was long considered the gold standard. But as Dr. Iancu and I know well – Director Iancu and I know well, we've seen some significant weakening of the quality of our IP protection system. And it's something that I'm very concerned about. IP rights are under both external and internal attack. And as someone who – I appreciate your recognizing this, Dr. Hamre – has long been a fierce and engaged advocate for strong IP rights, I'm really concerned about it.

There is a move right now at the WTO by a number of countries – India and South Africa in particular – and some in our own country, and some of my colleagues here in the Senate to try and press for a broad waiver of IP rights – as if somehow IP rights have been a critical impediment to the availability of vaccines and therapeutics. Everything I've seen suggests that's not the case. That some of the barriers to scaling up manufacturing and distribution of vaccines and therapeutics at the scale and on the timeline the world needs are just that – barriers to manufacturing and distribution.

And that the willingness of the key inventors and developers of mRNA vaccines and other vaccines and other therapeutics – their willingness to license and to manufacture and distribute at cost or as donations – these vital tools in the global war on this COVID pandemic suggests that it's not IP rights that are really centrally at issue. In fact, if anything, IP has enabled historic licensing and partnerships. Some of the IP waivers and some of the collaboration that's happened in the midst of this pandemic I think points to the ways in which IP has actually not been a barrier, but a facilitator of critical, cutting-edge innovation.

If we were to simply open up to the world all of the IP at the core of these groundbreaking developments, I think we would then be at risk of losing the private sector investment and development that's critical to this moment of personalized medicine, of breakthrough vaccines, of breakthrough medical diagnostics. And I think, frankly, I think the world would suffer as a result. So as I said, I don't think that waiving IP rights will suddenly enable other countries the ability to ramp up the manufacturing of complex vaccines. Instead, I am urging that the Biden administration and the private sector work together in a coordinated effort to manufacture, distribute, and administer vaccines rapidly and equitably globally.

China's already doing things to strengthen their supply chain and address logistical challenges. The United States needs to do that as well. And one of the ways that we're doing that is legislation that was just introduced yesterday. Let me reference two pieces of that that I think are important. One piece is the Innovation Centers Acceleration Act, something I reintroduced with Senator Durbin, something that's at the core of a piece of legislation I'm really excited about.

Last year China, for the first time, exceeded in their domestic R&D investment the United States. And within the United States, there's just a handful of communities – Boston; Research Triangle, North Carolina; the San Francisco Bay Area; Seattle; San Diego – that account for 90 percent of all of our nation's innovation growth in the last decade. We cannot win the global competition for R&D and for innovation if it is so heavily concentrated.

So the Innovation Centers Acceleration Act would invest significantly in designating and building out nine other designated innovation centers around the country – places that have strong university and research footprints, places that have strong workforces but that aren't really getting the access to capital that's needed for us to accelerate innovation in this country. I've been working with Senator Young and Senator Schumer to put key elements of that bill into the Endless Frontier Act.

The Endless Frontier Act was introduced yesterday – it's got 14 bipartisan cosponsors, an equal number of Democrats and Republicans – to dramatically increase investment in American R&D and regional economic

competitiveness. It'll put \$100 billion over five years to establish a Technology and Innovation Directorate at the NSF. It'll put 10 billion (dollars) into these regional technology hubs that I was talking about and 2.4 billion (dollars) into Manufacturing USA, a program that I have championed and that would be administered through NIST within Commerce. At the University of Delaware is one of the Manufacturing USA hubs that is about innovation in the manufacturing of biopharmaceuticals. Last, it would – it would establish an Office of Supply Chain Resiliency and Crisis Response within Commerce. That's just one of a number of proposals, bills, and interventions I'm engaged in here in the Senate.

Let me close by being optimistic about our ability to invest in innovation, science, and competitiveness here in the United States. If we look back at what happened when the Soviets launched the Sputnik satellite, it was a moment that was a genuine wakeup call for the American people. And as a result, Congress and the administration invested in STEM education, invested in research, and in fundamental and applied science, and the benefits of that lasted for two generations. January 6th was a moment that was challenging, divisive, difficult for all of us here in Congress, and it was a wakeup call that our country is badly divided. And the ways in which China has become a peer competitor in investing in R&D, in the number of patents issued, the number of research papers published, and the ways in which they are now trying to take the lead in standard essential – standard-setting bodies – that recent campaign to put a Chinese national at the head of the WIPO, where the PTO director, Andrei Iancu, was – did yeoman's work to make sure that someone committed to a strong intellectual property system globally instead became the head of the WIPO – all of this is a wakeup call for us that we need to have another Sputnik-like moment of reinvestment in American innovation and competitiveness.

A central part of being successful in this competition is continuing with our constitutionally created protected property right of a patent, something I've long believed in. And I look forward to hearing how you're contributing to working to strengthen and sustain a competitive, strong global IP system both here in the United States and around the world.

So thank you, Dr. Hamre. Thank you to CSIS. And if you will forgive me, I need to run back upstairs and cast another vote.

John J. Hamre: You know – you know, many senators simply represent their state, but a few senators lead the nation. You are a national leader. Thank you, Senator.

Senator Chris Coons (D-DE): Thank you very much, Doctor. It was great being on with you.

John J. Hamre: Thank you.
(END)

