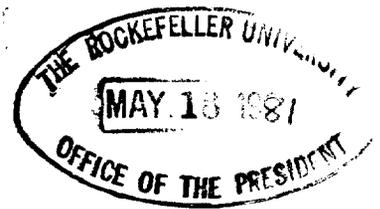


EXXON RESEARCH AND ENGINEERING COMPANY

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FLORHAM PARK, N.J. 07932



EDWARD E. DAVID, JR.  
PRESIDENT

TELEPHONE: 765-1257  
(AREA CODE 201)

May 13, 1981

Dear Josh:

Thanks for your note attaching the excerpts from Chemical Week. Actually I found the staff article somewhat confusing. My assessment of the situation is that much of industry-university intercourse is on the basic research level, with the possible exception of the engineering schools. Some industries are wary of Federal involvement. Very often that involvement brings with it capricious regulations, irrational red tape, and constraints which damage the substance of the research. Beyond that, Federal rules for patents and proprietary rights, particularly those proposed in several Bills before the Congress, are not conducive to private investment in research. However, there is enough flexibility in most of the regulations that these matters need not preclude a three-way funding arrangement. One such flexibility is provided by the Federal Grant & Cooperative Agreement Act of 1977. However, industry largely does consider the Feds as an unreliable element in the research picture, and I have little hope that can be changed quickly.

Sincerely,

A handwritten signature in cursive script, appearing to be "Ed".

Dr. Joshua Lederberg  
President  
Rockefeller University  
1230 York Avenue  
New York, New York 10020