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REPLY TO:
Jonathan Cohen
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February 10, 1999

Paul A. Gottlieb, Esq.
Asst. General Counsel for
Technology Transfer & IP
U. S. Department of Energy
1000 Independence Ave.
Washington, D. C. 20595

By Fax: 202-586-2805
(Confirmation by Mail)

Re: Government Rights in Patent Portfolio of Pinkel and Gray
Our Ref. 100/001

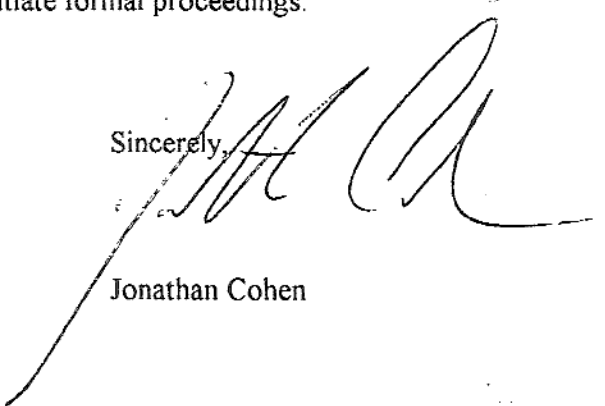
Dear Mr. Gottlieb:

Thank you for taking the time to meet with me last week to discuss the above-referenced topic. We believe your agency has a clear basis for investigating this matter because *inter alia* the relevant Assignment and Confirmatory License permits the DOE to require the granting of a non-exclusive licences upon reasonable terms if it is demonstrated that failing to do so would lessen competition. Moreover, a key anticipated benefit of the DOE's Human Genome Project—the development of new DNA-based diagnostics—will be severely jeopardized if the proprietary tools necessary for *in-situ* hybridization (ISH) are not made available for licensing at commercially reasonable terms.

Our preference is to negotiate a reasonable license under the Pinkel and Gray patent portfolio with the University of California and its exclusive licensee. Your efforts as a good faith intermediary in such a negotiation would be welcomed by us. If such a license can not be obtained, we would then have no choice but to formally petition the DOE in the manner set forth in the Assignment and Confirmatory License and initiate formal proceedings.

Thank you for your interest in this matter.

Sincerely,


Jonathan Cohen

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