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Science and Technology

Innovation in Action: Bringing New Ideas to Life

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If you're like most of us, you get sick from time to time. And getting the treatment you need is a matter of seeing your doctor, getting a prescription filled, and swallowing a pill.

But do you ever think about where the *ideas* for that pill first arose, and how that idea eventually became a pill to help you get better?

Moving the Ball Down the Field

The federal government helps advance innovation in science and technology in many ways. For example, the Department of Health and Human Services (HHS) has spent billions of dollars to help develop new drugs. Much of this research was supported by HHS's National Institutes of Health (NIH).

When this research leads to new discoveries, HHS can allow pharmaceutical companies to use these discoveries to develop new drugs.

This gives companies a running start on what is typically a long and expensive path.

So what does this look like in real life?

From the Lab to the Marketplace

During an October 2020 audit, we learned that research conducted at HHS labs between 1980 and 2019 led to 4,446 U.S. patents about half of which were potentially relevant to pharmaceutical development. (Patents give exclusive rights to the inventor who can then, in turn, license those rights to others.) Of those, 93 patents owned by NIH and licensed to companies contributed to the development of 34 drugs that eventually made it to the marketplace. (This low overall success rate is common in the challenging world of pharmaceuticals).

Those 34 drugs included treatments for cancer.

Connecting More Dots

We also found that NIH did not publicly list which patents it licensed or which companies held those licenses.

Without easy access to this information, policymakers and others—including patient advocates and researchers—can't tell which patents NIH has licensed to pharmaceutical companies. This makes it harder to tell whether NIH's efforts are helping.

We tracked down that data and shared it publicly on our website for anyone to see and analyze. We also recommended that NIH publicly report the data in an accessible and searchable format. NIH agreed and began taking steps to do so as of July 2025. We also found similar concerns with how other agencies keep track of their contributions to drug development in another audit.

We also discovered that NIH's standard agreement did not allow the agency to terminate its licenses with companies that violate federal antitrust laws. We recommended that NIH revise its agreement, and the agency did in November 2020.

For more details, see this report. This audit is just one of many in our growing portfolio of work on intellectual property.

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