

"On August 10 the Commission sent to the Council a proposal for a regulation laying down detailed rules for the application to air transport of Articles 85 and 86 of the Treaty. Once the Regulation has been adopted by the Council, the Commission will be able to apply the competition rules to airlines fully and effectively."

While the tone of the announcement may be unduly sanguine, it does indicate a trend.

DR. DEMELTO LEAVES COMPETITION BUREAU

Dr. D. DeMelto has left the Bureau of Competition Policy, where he was one of the two Deputy Directors of Investigation and Research, to join the Department of Industry, Trade and Commerce as Director General Policy Analysis.

FOREIGN AND INTERNATIONAL

U.S. ANTITRUST OFFICIAL ENUNCIATES SOFTER GOVERNMENT LINE ON PATENT AND KNOW-HOW RESTRICTIONS

Mr. Abbott B. Lipsky, Jr., Deputy Assistant Attorney General in the Antitrust Division, in an address before the Antitrust Section of the American Bar Association on November 5, dealt at length with the current views of the Antitrust Division respecting patent licensing restrictions. The views which he expressed reflected the more permissive attitude of the Reagan administration towards vertical restrictions in general. Mr. Lipsky indicated that the implications for the know-how field would also be discernible from his analysis. The text of most of his address follows:

"For the better part of the last decade, Division enforcement policy toward patent licensing has been advertised using a list of forbidden practices commonly known as the 'Nine No-No's'.¹ Each of these practices is thought to be especially deserving of antitrust condemnation by virtue of some inherently anticompetitive feature. I will discuss these practices and their allegedly anticompetitive aspects in a moment.

1. Department of Justice Luncheon Speech on Licensing Practices: Myth or Reality? Remarks by Bruce Wilson, January 21, 1975.