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Moderna failed to disclose federal funding for vaccine patent applications, advocates say

By [Ed Silverman](#) [@Pharmalot](#)

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Alex Hogan/STAT

An advocacy group has asked the Department of Defense to investigate what it called “an apparent failure” by Moderna ([MRNA](#)) to disclose millions of dollars in awards received from the Defense Advanced Research Projects Agency in patent applications the company filed for vaccines.

In a [letter](#) to the agency, Knowledge Ecology International explained that a [review](#) of dozens of patent applications found the company received approximately \$20 million from the federal government in grants several years ago and the funds “likely” led to the creation of its vaccine technology. This

was used to develop vaccines to combat different viruses, such as Zika and, later, the virus that causes Covid-19.

In arguing for an investigation, the advocacy group maintained Moderna is obligated under federal law to disclose the grants that led to nearly a dozen specific patent applications and explained the financial support means the U.S. government would have certain rights over the patents. In other words, U.S. taxpayers would have an ownership stake in vaccines developed by the company.

“This clarifies the public’s right in the inventions,” said Jamie Love, who heads Knowledge Ecology International, a nonprofit that tracks patents and access to medicines issues. “The disclosure (also) changes the narrative about who has financed the inventive activity, often the most risky part of development.”

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One particular [patent](#) assigned to Moderna concerns methods and compositions that can be used specifically against coronaviruses, including COVID-19. The patent names a Moderna scientist and a former Moderna scientist as inventors, both of which acknowledged performing work under the DARPA awards in two academic papers, according to the report by the advocacy group.

The group examined the 126 patents assigned to Moderna or ModernaTx as well as 154 patent applications. “Despite the evidence that multiple inventions were conceived in the course of research supported by the DARPA awards, not a single one of the patents or applications assigned to Moderna disclose U.S. federal government funding,” the report stated.

[**UPDATE:** A DARPA spokesman sent us this over the weekend: “It appears that all past and present DARPA awards to Moderna include the requirement to report the role of government funding for related inventions. Further, DARPA is actively researching agency awards to Moderna to identify which

patents and pending patents, if any at all, may be associated with DARPA support. This effort is ongoing.”]

We asked Moderna for comment and will update you accordingly.

The missive to the Department of Defense follows a [recent analysis](#) by Public Citizen, another advocacy group, indicating the National Institutes of Health may own mRNA-1273, the Moderna vaccine candidate for Covid-19. The advocacy group noted the federal government filed multiple patents covering the vaccine and two patent applications, in particular, list federal scientists as co-inventors.

The analyses are part of a larger campaign among advocacy groups and others in the U.S. and elsewhere to ensure that Covid-19 medical products are available to poor populations around the world. The concern reflects the unprecedented global demand for therapies and vaccines, and a race among wealthy nations to snap up supplies from vaccine makers.

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In the U.S., the effort has focused on the extent to which the federal government has provided taxpayer dollars to different companies to help fund their discoveries. In some cases, advocates argue that federal funding matters because it clarifies the rights that the U.S. government has to ensure a therapy or vaccine is available to Americans on reasonable terms.

One example has been remdesivir, the Gilead Sciences (GILD) treatment being given to hospitalized Covid-19 patients. The role played by the U.S. government in developing remdesivir to combat coronaviruses involved [contributions](#) from government personnel at such agencies as the U.S. Army Medical Research Institute of Infectious Diseases.

As for the Moderna vaccine, earlier this month, the company was awarded a \$1.525 billion contract by the Department of Defense and the Department of Health and Human Services to manufacture and deliver 100 million doses of

its Covid-19 vaccine. The agreement also includes an option to purchase another 400 million doses, although the terms were not disclosed.

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In announcing the agreement, the government said it would ensure Americans receive the Covid-19 vaccine at no cost, although they may be charged by health care providers for administering a shot.

In this instance, however, Love said the “letter is not about price or profits. It’s about (Moderna) not owning up to DARPA funding inventions. If the U.S. wants to pay for all of the development of Moderna’s vaccine, as Moderna now acknowledges, and throw in a few more billion now, and an option to spend billions more, it’s not unreasonable to have some transparency over who paid for their inventions.”

This is not the first time Moderna has been accused of insufficient disclosure. Earlier this month, Knowledge Ecology International and Public Citizen maintained the company [failed to disclose](#) development costs in a \$955 million contract awarded by BARDA for its Covid-19 vaccine. In all, the federal government has awarded the company approximately \$2.5 billion to develop the vaccine.

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