

Breaking Investigation: NIH Hides Details of Fauci's Royalties and \$350 Million Payment Stream to Scientists



Last year, the National Institutes of Health – Anthony Fauci's employer – doled out \$30 billion in government grants to roughly 56,000 recipients. That largess of taxpayer money buys a lot of favor and clout within the scientific, research and healthcare industries.

However, in our breaking investigation, we found hundreds of millions of dollars in payments also flow the other way. These are royalty payments from third-party payers (think pharmaceutical companies) back to the NIH and individual NIH scientists.

We estimate that between fiscal years 2010 and 2020, more than \$350 million in royalties were paid by third parties to the agency and NIH scientists – who are credited as co-inventors.

Because those payments enrich the agency and its scientists, each and every royalty payment could be a potential conflict of interest and needs disclosure.

Recently, our organization at OpenTheBooks.com forced NIH to disclose over 22,100 royalty payments totaling nearly \$134 million paid to the agency and nearly 1,700 NIH scientists. These payments occurred during the most recently available period (September 2009 – September 2014).

The production is the result of our [federal lawsuit against NIH](#). The agency admits to holding 3,000 pages of line-by-line royalties since 2009. So far, they've produced only 1,200 pages. The next 1,800 pages of production will cover the period 2015-2020.

However, what NIH has produced to date gives us insight into the undisclosed royalty largess. For example, only 900 scientists were estimated to be receiving royalties, so now we know the universe is much larger.

Since the NIH documents are heavily redacted, we can only see how many payments each scientist received, and, separately, the aggregate dollars per NIH agency. This is gatekeeping at odds with the spirit and perhaps the letter of open-records laws.

We found agency leadership and top scientists at NIH receiving royalty payments. Well-known scientists receiving payments during the period included:

- **Anthony Fauci**, director of the National Institute of Allergy and Infectious Diseases (NIAID) and the highest-paid federal bureaucrat, received 23 royalty payments. (Fauci's 2021 taxpayer-funded salary: \$456,028).
- **Francis Collins**, NIH director from 2009-2021, received 14 payments. (Collins' 2021 taxpayer-funded salary: \$203,500)
- **Clifford Lane**, Fauci's deputy at NIAID, received 8

payments. (Lane's 2021 taxpayer-funded salary: \$325,287)

In the above examples, although we know the number of payments to each scientist, we still don't know how much money was paid because the dollar figure was deleted (redacted) from the disclosures.

It's been a struggle to get any useful information out of the agency on its royalty payments. NIH is acting like royalty payments are a state secret. (They're not, or shouldn't be!)

Consider how NIH is using taxpayer money to try and keep taxpayers ignorant and in the dark:

1. The NIH defied the federal Freedom of Information Act (FOIA) law and refused to even acknowledge our open records request for the royalty payments. We filed our FOIA last September.
2. The NIH used expensive taxpayer-funded litigation to slow-walk royalty disclosures (releasing the oldest royalties first). Although the agency admits to holding 3,000 pages, it will take ten months to produce them (300 pages per month). With Judicial Watch as our lawyers, we sued NIH in federal court last October.
3. The NIH is heavily redacting key information on the royalty payments. For example, the agency erased 1. the payment amount, and, 2. who paid it! This makes the court-mandated production virtually worthless, despite our use of the latest forensic auditing tools.

NIH is essentially telling you, the taxpayer, to pay up and shut up. They'll run things. They have forgotten that they work on behalf of the American people.

NIH Patent Licensing Activities CC April 2013										
License	Inventor	Inventor Share %	Licensee	Date of Deposit	% of Sales/Ann. Min./Exec. Fee	Patent Prosecution Costs	Total April Income	License Cumulative Income	Inventor Awards April	Net Remaining to IC
(b) (4)	Gladwin, Mark T.	(b) (4), (b) (6)		1-Dec-11						(b) (4), (b) (6), (b) (7), (b) (8)
Note:	(b) (4) split between CC; NHLBI; NIDDK; NINDS									
(b) (4)	Gladwin, Mark T.	(b) (4), (b) (6)		5-Apr-13						
Note:	(b) (4) split between CC; NHLBI; NIDDK; NINDS									
(b) (4)	LeBihan, Denis	(b) (4), (b) (6)		23-Apr-13						
Note:	(b) (4) split between CC; NIBIB; NICHD; NINDS									

NIH Patent Licensing Activities CC May 2013										
License	Inventor	Inventor Share %	Licensee	Date of Deposit	% of Sales/Ann. Min./Exec. Fee	Patent Prosecution Costs	Total May Income	License Cumulative Income	Inventor Awards May	Net Remaining to IC
(b) (4)	LeBihan, Denis	(b) (4), (b) (6)		20-May-13						(b) (4), (b) (6), (b) (7), (b) (8)
Note:	(b) (4) split between CC; NICHD; NINDS									
(b) (4)	Jin, Jianjian	(b) (4), (b) (6)		30-May-13						
(b) (4)	Sebatino, Marianna V.	(b) (4), (b) (6)		30-May-13						
(b) (4)	Stronczak, David F.	(b) (4), (b) (6)		30-May-13						
Note:	(b) (4) split between CC; NCI; NHLBI									
(b) (4)	Jin, Jianjian	(b) (4), (b) (6)		30-May-13						
(b) (4)	Sebatino, Marianna V.	(b) (4), (b) (6)		30-May-13						
(b) (4)	Stronczak, David F.	(b) (4), (b) (6)		30-May-13						
Note:	(b) (4) split between CC; NCI; NHLBI									

NIH Patent Licensing Activities CC June 2013										
License	Inventor	Inventor Share %	Licensee	Date of Deposit	% of Sales/Ann. Min./Exec. Fee	Patent Prosecution Costs	Total June Income	License Cumulative Income	Inventor Awards June	Net Remaining to IC

NIH Patent Licensing Activities CC July 2013										
License	Inventor	Inventor Share %	Licensee	Date of Deposit	% of Sales/Ann. Min./Exec. Fee	Patent Prosecution Costs	Total July Income	License Cumulative Income	Inventor Awards July	Net Remaining to IC

Source: [OpenTheBooks.com](https://www.openthebooks.com) vs. National Institutes of Health (NIH) federal lawsuit mandated production, May 1, 2022. Picture of the heavily redacted royalty disclosures.

✓ Learn more at [OpenTheBooks.com](https://www.openthebooks.com)

The agency has become a lot more secretive since 2005.

In 2005, the Associated Press successfully used FOIA to crack open the NIH royalty database. They found that [900 scientists](#) collected \$9 million in royalties. Furthermore, 51 scientists NIH royalty recipients were then working on experiments involving inventions for which they were already being paid.

Among the [51 scientists](#) (doing experiments involving inventions for which they were being paid royalties) was Anthony Fauci, then- and current director of the National Institute of Allergy and Infectious Diseases. Fauci received \$45,072.82 between 1997 and 2004 for a patent license on an experimental AIDS treatment. NIH [funded that treatment](#) with \$36 million.

To this day, Fauci continues to receive NIH-approved perks without a lot of accountability. For example, in February 2021, Fauci received a [\\$1 million prize](#) from the Dan David

Foundation in Israel for “speaking truth to power” during the Trump administration.

Today, NIH is a revolving door of tens of billions of dollars in government grant-making coupled with hundreds of millions of dollars in private – non-transparent – royalty payments.

There needs to be a lot more sunshine on this potentially unholy alliance.

When a federal bureaucrat pops up on television giving us health instructions, who has paid them and for what research and technology? When a patient agrees to a clinical trial or experimental treatment, what financial interests are involved?

Rather than relentless redactions and prolonged court battles, it’s past time for the government to disclose royalty payments as a matter of routine.

NIH needs to come clean with the American people and open the books on the line-by-line royalty payments to the agency and its scientists.

Note: We reached out to NIH for comment and received no response

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