

STATEMENT OF CONSIDERATIONS

ADVANCE CLASS WAIVER OF PATENT RIGHTS FOR TECHNOLOGY DEVELOPED UNDER DOE FUNDING AGREEMENTS RELATING TO DOE'S TRANSPORTATION ELECTRIFICATION AND ADVANCED AUTOMOTIVE BATTERIES; DOE FUNDING OPPORTUNITY ANNOUNCEMENT DE-F0A-0000028; W(C)-09-003; CH1509

The Department of Energy Vehicle Technologies (VT) Program anticipates providing federal assistance in the form of grants for research and development to establish development, demonstration, evaluation, and education projects to accelerate the market introduction and penetration of advanced electric drive vehicles. The vehicles and electric technologies should then realize a fast market introduction and reach high volume production. A key objective of the VT program is to accelerate the development and production of various electric drive vehicle systems to substantially reduce petroleum consumption, and one of the electric drive technologies that will be emphasized in this project is Plug In Hybrid Electric Vehicles (PHEVs). Advanced electric drive technologies will allow manufacturers to meet increased fuel economy standards while reducing vehicular emissions of greenhouse gases.

This FOA contains multiple Program Areas of Interest (AOI) to which an applicant must identify it is applying. These AOIs are: 1) Electric Drive Vehicle Demonstration and Evaluation; 2) Transportation Sector Electrification; 3) Combined Proposals for Areas of Interest 1 and 2; and, 4) Advance Electric Drive Vehicle Education Program. Recipients of grants in areas 1, 2 or 3 must cost share a minimum 50%. Recipients of grants in area 4 must cost share a minimum of 20%.

DOE expects to make between 2 and 10 awards in AOI 1; 2-4 awards in AOI 2; and 5-20 awards in AOI 4. There has not yet been a determination as to the number of awards to be made in AOI 3. Individual award minimum amounts made under this FOA for each Area of Interest are stated as \$20,000,000 for AOI 1; \$10,000,000 for AOI 2; \$30,000,000 for AOI 3; and, \$500,000 for AOI 4.

All types of entities are eligible to apply, except other Federal agencies, Federally Funded Research and Development Center (FFRDC) Contractors, and non profit organizations described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in lobbying activities after December 31, 1995. Considering the above, it is the purpose of this class waiver to vest title in new inventions made under this program by

large business awardees in a fashion enabling them to expediently commercialize the various technologies. Accordingly, DOE will waive the Government's title to subject inventions, other than inventions made by Bayh-Dole participants pursuant to P.L. 96-517, as amended, or National Laboratories, to the above identified large business entities. Since cost sharing is at least 20%, it is expected that patent rights will be allocated among the participants on the basis of cost.

This advance class waiver of the Government's rights in inventions is subject to the usual advance patent waiver and background data licensing provisions. The terms of the advance patent waiver include the usual Government license, march-in rights, and preference for U.S. industry provisions comparable to those set out in 35 U.S.C. §§ 202-204. This advance patent waiver also includes the attached U.S. Competitiveness clause which requires that products embodying any waived invention or produced through the use of any waived invention be manufactured substantially in the United States unless the participant can show to the satisfaction of DOE that it is not commercially feasible to do so. In the event DOE agrees to foreign manufacture, there will be a requirement that the Government's support of the technology be recognized in some appropriate manner, e.g., recoupment of the Government's investment, etc. The Contractor will further agree to make this condition binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should the Contractor or other such entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by DOE.

The grant of this class waiver is not expected to result in adverse effects on competition or market concentration. Rather the waiver should enhance competition and growth of the tractor-semitrailer industry of the United States. DOE has the right to require reports of the utilization or the efforts at utilization that are being made for the waived inventions.

This advance class waiver shall apply to grants made to large business entities who meet the minimum cost-sharing requirement as set forth above for the four AOIs, and who have provided written notice to DOE of their acceptance of the terms and conditions of this class waiver. The waiver will remain in effect as long as such cost

sharing is maintained, in aggregate, over the term of the agreement. No separate waiver petition is required to be submitted.

Considering the foregoing, and in view of the statutory objectives to be obtained and the factors to be considered under DOE's waiver regulation, 10 C.F.R. 784, all of which have been considered, it has been determined that this class waiver as set forth above will best serve the interest of the United States and the general public. It is recommended that the waiver be granted.

[REDACTED]
Mark P. Dvorscak
Deputy Chief Counsel
Intellectual Property Law Division

Date: Aug 20, 2019

Based on the foregoing Statement of Considerations, it is determined that the United States and the general public will best be served by a waiver of rights of the scope described above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of this agreement, where through such modification or extension, the purpose, scope, or cost of the agreement is substantially altered.

CONCURRENCE:

[REDACTED]
PATRICK B. DAVIS
PROGRAM MANAGER
VEHICLE TECHNOLOGIES PROGRAM

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Date: 9/10/09

APPROVAL:

[REDACTED]
Paul A. Gottlieb
Assistant General Counsel
for Technology Transfer and
Intellectual Property

Date: 9-18-09

t) U. S. Competitiveness

The Contractor agrees that any products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless the Contractor can show to the satisfaction of the DOE that it is not commercially feasible to do so. In the event the DOE agrees to foreign manufacture, there will be a requirement that the Government's support of the technology be recognized in some appropriate manner, e.g., recoupment of the Government's investment, etc. The Contractor agrees that it will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements. Should the Contractor or other such entity receiving rights in the invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by the DOE.