

## **STATEMENT OF CONSIDERATIONS**

### **REQUEST BY DONNELLY CORPORATION FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER DOE COOPERATIVE AGREEMENT NO. DE-FC36-95GO10069; W(A)-95-019; CH-0864**

The Petitioner, Donnelly Corporation has requested a waiver of domestic and foreign patent rights for all subject inventions arising from its participation under the above referenced cooperative agreement entitled, "Electrochromics Windows Program."

The objective of the cooperative agreement is to develop large area electrochromic windows for use in architectural applications. During the course of the agreement, Petitioner will investigate four main areas critical to the development of a prototype window system. These areas include technical research, testing and monitoring, device assembly and technology development activities. The knowledge gained from the investigation of these areas will be incorporated into the basic window design.

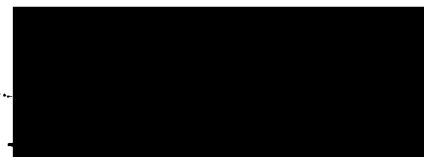
The total anticipated cost of the cooperative agreement is \$1.8 million with the Petitioner's share being \$1.0 million for approximately 56% cost sharing. The continuation of the waiver is contingent upon the Petitioner maintaining the above cost sharing percentage during the course of the agreement.

As noted in its waiver petition, Petitioner has an established non-governmental commercial position in the above technology with sales of electrochromic windows and mirrors to several major automotive manufacturers. Since the mid-eighties, Petitioner has been actively pursuing research into electrochromic materials and devices and has invested over \$8 million for research and development in this area. Petitioner has established a strong technology base in this area with over 35 patents and a team of scientists with considerable experience in the field. Considering Petitioner's technical expertise, established market position, and significant investment in this technology including sizable cost sharing in this cooperative agreement, it is reasonable to conclude that Petitioner will continue to develop and ultimately commercialize the technology and products which may arise from this cooperative agreement.

Petitioner has agreed that this waiver shall be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, comparable to those set out in 35 U.S.C. 202-204. Further, Petitioner has agreed to the U.S. competitiveness provisions as attached to this Statement. In brief, Petitioner has agreed that products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless Petitioner can show to the satisfaction of the DOE that it is not commercially feasible to do so, and that Petitioner will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements.

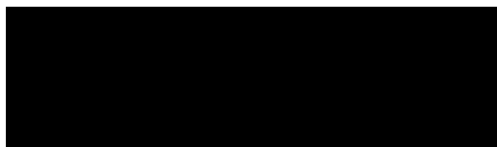
Referring to item 10 of the waiver petition, granting this waiver is not anticipated to have any adverse impact on competition. There are currently numerous designs, as well as competitors, in the field of electrochromic technology. The success of this cooperative agreement can be expected to stimulate investment, not only in this technology, but also in other competing technologies as well.

Considering the foregoing, it is believed that granting this waiver will provide Petitioner with the necessary incentive to invest its resources in the commercialization of the results of the cooperative agreement in a fashion which will make the above technology available to the public in the shortest practicable time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 41 CFR 9-9.109-6, all of which have been considered, it is recommended that the requested waiver be granted.



Thomas G. Anderson  
Assistant Chief Counsel  
Intellectual Property Law  
Division

Date: 5/17/95

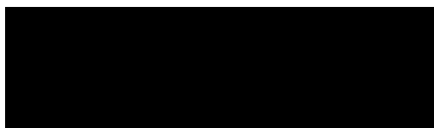


Daniel D. Park  
Patent Attorney  
Intellectual Property Law  
Division

Date: 5/17/95

Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope described above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of the cooperative agreement, where through such modification or extension, the purpose, scope or cost of the cooperative agreement has been substantially altered.

CONCURRENCE:



Richard H. Karney  
Deputy Assistant Secretary for  
Building Technologies  
EE-421 FORS

Date: 8/20/95

APPROVAL:



Paul A. Gottlieb  
Assistant General Counsel for  
Technology Transfer and  
Intellectual Property  
GC-62 FORS

Date: 8-28-95

(c)(3)(ix) 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 that 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.

**WAIVER ACTION - ABSTRACT**  
**W(A)-95-019; CH-0864**

<u>REQUESTER</u>	<u>CONTRACT SCOPE OF WORK</u>	<u>RATIONAL FOR DECISION</u>	<u>DISPOSITION</u>
Donnelly Corporation	Development of large area electrochromic windows	56% cost sharing	Recommended