

STATEMENT OF CONSIDERATIONS

REQUEST BY GENERAL ELECTRIC COMPANY FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER DOE CONTRACT NO. DE-FC26-04NT42438; W(A)-05-039 CH-1321

The Petitioner, General Electric Company (GE) was awarded a cooperative agreement for the performance of work entitled, "Distributed Fiber-Optic Gas Sensing for Harsh Environments." The purpose of the cooperative agreement is the design, fabrication, evaluation and engine testing of fiber optic sensors and high-temperature optical ceramic on fused silica and sapphire fibers. This waiver is only for inventions of GE made under the cooperative agreement.

The total estimated cost of the contract is \$788,759¹ with the DOE share being \$631,007 or 80%. The remaining cost-share of \$157,752 or 20% will be provided by GE. The period of performance is from July 1, 2005 through December 30, 2007.

In its response to questions 5 and 6 of the attached waiver petition, GE has described its technical competence in the field of optical and high temperature ceramic materials. GE states it has been engaged in the technical development of these materials for medical, energy and lighting application for over 10 years, with more than 15 years experience in the development and processing of ceramic matrix composites. It has developed cladding and coating ceramic for sapphire fiber applications as well as fiber optic sensor technology including preliminary results on the fiber-optic evanescent mode coupling gas chemical sensors. GE has provided a list of its related patents and publications as an attachment to its waiver petition. GE's response demonstrates its technical competency in the field of optical and high temperature ceramic materials.

In its response to question 9 of the attached waiver petition, GE states that the effect on market concentration is not expected to be significant. There are other companies working in the area. GE's position to commercialize the technology will be jeopardized if others have the right to practice it without the granting of the advanced waiver request. Therefore grant of the waiver will have a positive effect on competition and market concentration.

The subject contract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein GE has agreed to the provisions of 35 U.S.C §§ 202, 203, and 204. This waiver clause will also include a paragraph entitled U.S. Competitiveness, in which GE agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, GE agrees not to transfer subject inventions to any other entity unless that other entity agrees to these same requirements.

Considering the foregoing, it is believed that granting the waiver will provide the Petitioner with the necessary incentive to invest resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practicable time. In addition, it would appear that grant of the above requested waiver would not result in an adverse effect on competition nor result in excessive market concentration. Therefore, in view of the objectives and considerations set forth in 10 CFR 784, all of which have been considered, it is recommended that the requested waiver, as set forth above, be granted.

¹ The amounts referenced by GE in response to question 3 of its waiver petition differ slightly from the actual cost amounts reflected in DOE records.

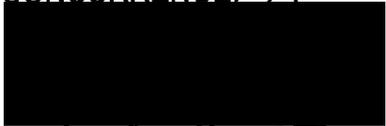


Mark P. Dvorscak
Assistant Chief Counsel
Office of Intellectual Property Law

Date Dec 7, 2005

Based on the foregoing Statement of Considerations and the representations in the attached waiver petition, it is determined that the United States and the general public will best be served by a waiver of rights of the scope described, 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: 



George Rudins
Deputy Assistant Secretary for Clean Coal
Office of Fossil Energy, FE-20

Date 1/30/06

APPROVAL:



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

Date 2-1-06

(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.

WAIVER ACTION - ABSTRACT

W(A)-05-039 (CH-1321)

REQUESTOR

General Electric Company
under DOE contract
No. DE-FC26-04NT42438

CONTRACT SCOPE OF WORK

Distributed Fiber-Optic Gas Sensing
for Harsh Environments

RATIONALE FOR DECISION

20% cost sharing

DISPOSITION