

STATEMENT OF CONSIDERATIONS

REQUEST BY PPG INDUSTRIES, INC. (PPG) FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER DOE CONTRACT NO. DE-FC36-05GO85004; SUBCONTRACT NO. DOE-06B-PPG; W(A)-06-015

The Petitioner, PPG, has requested a waiver of domestic and foreign patent rights for all subject inventions arising from its participation under the above referenced subcontract entitled "Generating Process and Economic Data for Preliminary Design of PureVision Prototype." The Petitioner is a subcontractor to the prime recipient, a small business, PureVision Technology, Inc. (PureVision), which is not subject to this waiver request.

The objective of the subcontract is to develop bio-based product lines. PureVision's sulfur-free lignin presents opportunities to meet this goal. PPG will investigate the unique PureVision lignin properties and potential PPG market applications for the PureVision lignin.

The total anticipated cost of the contract is \$1,237,500, with DOE's share being \$990,000 and the total cost share being \$247,500. Under its subcontract with PureVision, PPG will provide in-kind cost share of \$75,000, which is 100% of the cost of the subcontract. The in-kind cost share includes labor and analytical support. The subcontract provides that PPG will retain IP rights to inventions made under the subcontract, subject to DOE's retained rights. Because PPG is a large business, it needs a waiver to obtain title to its subject inventions. This waiver is contingent upon the Petitioner maintaining, in aggregate, the above cost sharing percentage over the course of the agreement.

As noted in its waiver petition, Petitioner maintains a leading edge expertise in all areas of resin and coatings science and technology. Extensive state-of-the-art resin synthesis, coating application, and coating testing facilities will be available for use during the project. An analytical chemistry group staffed by 30 scientists is available to support the project work. The group has expertise in a wide range of spectroscopic techniques, surface analysis, thermal analysis, and microscopy. Additional resources and expertise are available for the PPG Glass and Chemicals research facilities located nearby.

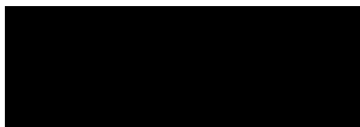
Petitioner is a major chemical company with slightly over half of its business in the coatings industry and with other major businesses in glass and chemicals. Its revenue in 2004 was \$9.5 billion, and it has over 31,000 employees worldwide and owns production facilities in 23 countries. Each of PPG's business units is supported by a comprehensive program of research and development. Five research and development locations house a series of technical projects that keep the company's products and production facilities at the leading edge of their respective industries. Petitioner is a leading producer of automotive and industrial coatings. These products include coatings for the automotive, appliance, beverage container, metal fabricating, and refinish markets. It is also a major supplier of coatings applied to continuous coils of steel and aluminum prior to their fabrication into finished products. Considering Petitioner's technical expertise and significant investment in this technology, including its cost sharing in this agreement, it is reasonable to conclude that Petitioner will continue to develop and ultimately

commercialize the technology and products that may arise from this 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 provision as attached to this Statement. In brief, Petitioner has agreed that products embodying intellectual property developed under this agreement shall be substantially manufactured in the United States 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. Petitioner's major competitors are also carrying out research and development in this same area of technology, and will be launching competitive products. Further, the success of Petitioner and its partner under this agreement, PureVision, can be expected to stimulate further investment and competition in this technology.

Considering the foregoing, I believe that granting this waiver will provide Petitioner with the necessary incentive to invest its resources in commercializing the results of the grant in a manner that will make the above technology available to the public in the shortest time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 10 CFR 784, all of which have been considered, I recommend that the requested waiver be granted.



Julia Cook Moody
Patent Attorney
Golden Field Office

Date: 5 July 2007

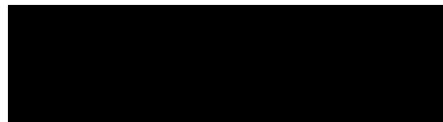
Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope determined above, and therefore the waiver is granted.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

CONCURRENCE:



Jacques Beaudry-Losique
Program Manager
EE-2E

APPROVAL:



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

Date: 7/18/07

Date: 7-19-07

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 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 further agrees to make the above 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 any waived invention is suspended until approved in writing by DOE.