

## STATEMENT OF CONSIDERATIONS

ADVANCE WAIVER OF PATENT RIGHTS TO SIEMENS POWER GENERATION, INC.(SIEMENS) UNDER DOE PRIME CONTRACT NO. DE-FC26-02NT42613 AND AS SUCCESSOR TO DE-FC26-02NT41247 FOR "SMALL SCALE, LOW COST SOLID OXIDE FUEL CELL POWER SYSTEMS"; CH-1408; W(A)-07-022

Siemens Power Generation, Inc. (Siemens), has petitioned for an advanced waiver of domestic and foreign patent rights to inventions conceived or first actually reduced to practice under DOE Contract No. DE-FC26-02NT41247. After October 31, 2006, the remaining work scope under this program was incorporated into Cooperative Agreement No. DE-FC26-05NT42613 between Siemens and DOE. This advanced waiver is intended to apply to all subject inventions of Siemens' employees.

As brought out in its waiver petition, Siemens will design, develop, manufacture, test and deliver a high efficiency, low cost power system prototype for small stationary and transportation applications.

In response to question 3, the total dollar amount of the contract is \$25,638,817 with Siemens's portion \$5,131,763 for a cost share of 20%.

Siemens has an established expertise in the development of solid oxide fuel cell (SOFC) combined heat and power (CHP) systems. Siemens invented both the tubular SOFC and seal-less generator module. Siemens has manufactured and operated thousands of SOFC systems. Siemens has designed, built and tested eleven completely integrated and automatically controlled SOFC power generation systems in the past ten years.

In response to question 8, this waiver will enable Siemens to further invest, develop, and market the technology.

This advance waiver of the Government's rights in inventions is subject to the usual advance patent waiver conditions. Those terms include the usual Government license, march-in rights, and preference for U.S. industry provisions set out in 35 U.S.C. 202-204. The advance patent waiver also includes a U.S. Competitiveness clause, (paragraph t), 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. 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 inventions 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 waiver is not expected to have any adverse effects on competition or market concentration. In response to Question 9, Siemens asserts that the waiver have no significant impact on competition or market position. Alternative technology and designs are currently available.

Considering the foregoing, and in view of the statutory objectives to be attained and the factors to be considered, it has been determined that this advance waiver of patent rights will best serve the interest of the United States and the general public. Subject to Siemens providing at least 20% cost sharing, in aggregate over the term of this, and subsequent phases of the agreement, it is recommended that the waiver be granted.

  
Joy Alwan  
Acting Assistant Chief Counsel  
Intellectual Property Law Division

Date: \_\_\_\_\_

Based on the foregoing Statement of Considerations, it is determined that the interest of the United States and the general public will be best served by a waiver of the United States and foreign rights as set forth therein, and therefore the waiver is granted. This waiver shall not affect any waiver previously granted. This waiver shall not apply to a modification or extension where, through such modification or extension, the purpose, scope or cost of the contract has been substantially altered.

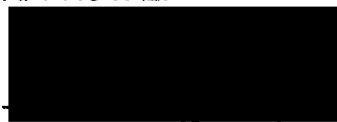
CONCURRENCE:



Dr. Samuel Biondo  
~~Program Manager~~ Director  
Office of Clean Energy Systems  
FE-22/FORS

Date: 2-1-08

APPROVAL:



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

Date: 2-4-08