

STATEMENT OF CONSIDERATIONS

REQUEST FOR ADVANCE WAIVER OF PATENT RIGHTS BY THE
GENERAL MOTORS CORP, UNDER DOE AWARD NO. DE-FC36-
09GO19003; W(A)-09-029, CH-1495

The Petitioner, The General Motors Corp. (GM) has requested a waiver of: (a) domestic and foreign patent rights for all subject inventions conceived solely by GM and (b) GM's undivided interest, based on its employee's contributions, to joint domestic and foreign patent rights for all subject inventions conceived, arising under the above referenced award.

The objective of GM's award is to develop and demonstrate viable technologies for the storage of hydrogen on-board a vehicle. The goal of this program is to demonstrate a prototype hydrogen storage system that meets the vehicle requirements in a cost-effective way.

The total anticipated cost of the award is \$3,693,384 including GM's contribution of \$738,677, or twenty percent (20%) of the total cost of the work under the award. This waiver is contingent upon GM maintaining, in aggregate, the above cost sharing percentage over the course of the award.

Referring to items 4-9 of the waiver petition, GM has a long history of industry leadership in research and development of environmentally friendly automotive innovations. It already has established extensive hydrogen fuel cell research and development facilities in the U.S. and abroad. In 1968, GM was the first company to produce an operational fuel cell powered vehicle. Since 1995, GM has over 700 patents and patent application relating to fuel cell technologies and hydrogen storage. GM has invested approximately \$4 million per year since 2004 on advanced hydrogen storage research and development.

At this time a number of hydrogen cell storage technologies are in development by various organizations. New technologies generated under this award will offer alternatives to the existing commercial technologies, fostering greater competition. Therefore, the grant of this waiver should effectively promote the continued development and commercial utilization of the subject inventions since GM will be able to develop these technologies and incorporate them into its commercial portfolio without an adverse patent interest overshadowing its development efforts. Thus, the waiver is necessary for development to proceed given the size and nature of the investment necessary to commercialize hydrogen storage systems.

GM has agreed that this waiver will be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, set out in 35 U.S.C. 202-204. Further, GM has agreed to the attached U.S. Competitiveness provision (paragraph (t)). In brief, GM has agreed that products embodying a waived invention or

produced through the use of a waived invention will be manufactured substantially in the United States unless the GM can show to the satisfaction of the DOE that it is not commercially feasible to do so. GM has further agreed to make the above conditions binding on any assignee or licensee or any entity otherwise acquiring rights in the waived inventions, including subsequent assignees and licensees. Should GM or other such entity receiving rights in a 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 inventions is suspended until approved in writing by DOE.

Referring to item 10 of the waiver petition, granting this waiver will not have an adverse impact on competition. GM anticipates licensing subject invention to automotive suppliers. Additionally, any storage technology must also compete against numerous other technologies being considered in attempts to improve energy efficiency and reduce oil consumption. Therefore, the granting of this waiver will only help encourage competition in the market.

Considering the foregoing, it is believed that granting this waiver will provide GM with the necessary incentive to invest its resources in the commercialization of the results of the agreement in a fashion which will make the 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 10 CFR 784, all of which have been considered, it is recommended that the requested waiver be granted.

/Brian J. Lally/

Brian J. Lally
Assistant Chief Counsel
Intellectual Property Law Division

Date: 05/18/09

/Michael J. Dobbs/

Michael J. Dobbs
Patent Attorney
Intellectual Property Law Division

Date: 05/14/09

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 will not apply to any modification of extension of the award, where through such modification or extension, the purpose, scope or cost of the award has been substantially altered.

CONCURRENCE:



Richard Farmer
Acting Program Manager
Office of Fuel Cells and
Technologies Program
EE-2H

Date: 5-13-2010

APPROVAL:



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

Date: 5/14/10

WAIVER ACTION - ABSTRACT
W(A)-09-029

REQUESTOR
The General
Motors Corp.

CONTRACT SCOPE
Develop and demonstrate viable
technologies for the storage of
hydrogen on-board a vehicle

RATIONALE FOR DECISION
GM has contributed research
expertise and significant capital
for the development of cost-
effective photovoltaic cells and
the grant of this waiver will
encourage further development
and commercialization.

(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.