

## STATEMENT OF CONSIDERATIONS

### REQUEST BY PPG INDUSTRIES FOR AN ADVANCE WAIVER OF PATENT RIGHTS TO INVENTIONS MADE UNDER SUBCONTRACT QZ001 UNDER COOPERATIVE AGREEMENT DE-EE000167; W(A)-09-059 ; CH-1527

PPG Industries requests an advance waiver of domestic and foreign patent rights for all subject inventions made under its subcontract under the referenced cooperative agreement. The purpose of the cooperative agreement is to design, develop, and commercialize a high volume, low material, and low labor cost Insulating Glass Automation Manufacturing System (IGAMS) for production of reliable highly insulating windows. The work includes: the development and/or selection of highly insulating windows in various configurations; production engineering and tolling design; and, commercialization strategies to maximize market acceptance and penetration. PPG Industries is a subcontractor to GED under this cooperative agreement, and GED is submitting its own waiver petition (W(A)-2009-050). This waiver is for inventions of PPG employees only.

The work under this agreement is expected to take place between June 1, 2009 and May 30, 2010. The total amount of the award is \$2,405,020, and GED is providing 50% cost sharing of \$1,202,510. DOE will provide the remaining cost share 50% or \$1,202,510. PPG's subcontract is \$398,150, with PPG cost sharing 50% of \$199,075.

With respect to its technical competency in the field of glass, PPG states that it has been an industry leader in the development and production of insulating glass since the late 1940s, it has invented several insulating window systems. It is a recognized leader in flat glass manufacturing technology, and is the largest flat glass manufacturer in North America. PPG has listed many representative patents it owns in this field. PPG has demonstrated its technical competency in the field of windows and glass development and production.

PPG states that any anti-competitive effects of this waiver will be reduced by competitive technologies. PPG's major competitors are also carrying out research and development of economically viable applications, which maintain a competitive environment. PPG also historically has made new technologies available to the marketplace via licensing, partnering, and other vehicles. Thus grant of the waiver will not place PPG in a dominant position and should have a positive effect on competition and market concentration.

This advance waiver of the Government's rights in inventions is subject to the usual advance patent waiver licensing provisions, and the 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 the attached U.S. Competitiveness clause (paragraph t) which requires 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, licensee or other entity 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 the waived invention is suspended until approved in writing by DOE.

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 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 Part 784, all of which have been considered, it is recommended that the requested waiver be granted.

  
Mark P. Dvorscak  
Deputy Chief Counsel  
Intellectual Property Law Division

Date: Nov. 2, 2009

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 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:

  
P. Marc LaFrance  
Building Technologies Program

Office of Energy Efficiency and  
Renewable Energy

FE-221

Date 12/23/09

APPROVAL:

  
Paul A. Gottlieb  
Assistant General Counsel for  
Technology

Transfer and Intellectual Property,  
GC-62

Date 12-29-09

(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.