STATEMENT OF CONSIDERATIONS

REQUEST BY 3M COMPANY FOR AN ADVANCE WAIVER OF PATENT RIGHTS TO INVENTIONS MADE UNDER COOPERATIVE AGREEMENT DE-EE0000650; W(A)-2010-07 ; CH-1547

3M Company (3M) requests an advance waiver of domestic and foreign patent rights for all subject inventions made under the referenced cooperative agreement, entitled, "Anode Materials Development Program". According to its response to question 2 of the waiver petition, 3M states that the research under this cooperative agreement is to focus on metal alloys as the active material. To optimize the performance of the metal alloy anode material for lithium ion batteries, additional materials will be identified and characterized. Such materials include new composite electrode structures (e.g. binders, slurry thickeners, and carbons), advanced electrolyte formulations (e.g. solvents and additives), and 3M commercial and developmental cathode materials. The work will also include characterizing the performance of battery cells incorporating such materials, the characterization process being consistent with USABC protocols and performance under abuse conditions. This waiver is for inventions of 3M employees only.

The work under this agreement is expected to take place between June 23, 2009 and June 23, 2011. The total amount of the award is $2,696,186. 3M is cost-sharing $1,348,093 (50%). DOE is providing the remaining 50% cost share.

With respect to its technical competency in the field of batteries, 3M states that it is an established lithium ion battery materials supplier with world-class materials research and production facilities. 3M states it has over 150 patents and publications in the fields of cathode materials, anode materials, binders, electrode formulations, cell design, cell safety and electrolyte salts and solvents. Samples of these patents are attached to 3M's waiver petition as Exhibit A. 3M further states that it has research and development activities directed to alloy anode materials with the intention to commercialize such materials as a new product. 3M has demonstrated its technical competency in the field of battery materials.

3M states that there are other anode materials available to the market place, such as graphite, so that grant of the waiver would have a minimal effect on competition. The alloy anode contemplated under this contract provides one potential solution for lithium ion batteries in PHEV applications. 3M further states that grant of the waiver will not result in 3M having a dominant position in anode materials for lithium ion batteries. Thus grant of the waiver 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.

[redacted]

Mark P. Dvorscak
Deputy Chief Counsel
Intellectual Property Law Division

Date: Sept 21, 2010

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:

[redacted]

Patrick Davis, EE-2G
Program Manager
Office of Vehicle Technologies

Date: 10/26/10

APPROVAL:

[redacted]

John J. Lucas
Acting Assistant General Counsel
for Technology Transfer and
Intellectual Property

Date: 10/28/2010

(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.