

STATEMENT OF CONSIDERATIONS

Request by Daimler Trucks North America LLC for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Contract No. DE-EE0003348, W(A) 2012-027, CH-1665

The Petitioner, Daimler Trucks North America (Daimler) was awarded the subject cooperative agreement with DOE for the performance of work entitled, "Recovery Act-Class 8 Truck Efficiency Improvement Project". The purpose of the program is to develop and demonstrate a 50% improvement in overall freight efficiency on a heavy-duty Class 8 tractor-trailer measure in ton-miles per gallon. This includes the development of an engine capable of achieving 50% brake thermal efficiency. A secondary objective is to identify, through modeling and analysis, key pathways to achieving a long-term goal of developing a 55% efficient heavy-duty diesel engine. Further details of the project can be found in response to question 2 of the waiver petition.

The work under this agreement is expected to take place from January 2010 through January 2015. The total amount of the contract is \$79,119,759 with Daimler and DOE each cost-sharing 50% or \$39,559,862.

In its response to question 5 of the attached waiver petition Daimler has described its technical competence in the field of truck and engine development. It states its history in this field spans more than half a century. Daimler employs about 700 engineers across all technological disciplines, many with decades of experience and advanced degrees in all engineering disciplines. Daimler states it has various patents from its inception that evidence its focus on being at the forefront of technological advancement in the transportation industry. A representative sample of some recent patents is attached to the petition. Daimler has demonstrated its technical competency in the field of truck and engine development.

In its response to question 10 of the attached waiver petition, Daimler states that grant of the waiver should spur innovation. Competitors of Daimler will desire to improve upon and increase their own market share in any technology patented by Daimler. This would create a healthy and competitive market that benefits both the environment and the end users.

The subject contract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein Eaton has agreed to the provisions of 35 U.S.C §§ 202, 203, and 204. This waiver clause will also include a paragraph entitled U.S. Competitiveness, in which Daimler agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, Daimler agrees not to transfer subject inventions to any other entity unless that other entity agrees to these same requirements.

Considering the foregoing, it is believed that granting the waiver will provide the Petitioner with the necessary incentive to invest resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practicable time. In addition, it would appear that grant of the above requested waiver would not result in an adverse effect on competition nor result in excessive market concentration. Therefore, 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, as set forth above, be granted.

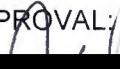

Mark P. Dvorscak
Deputy Chief Counsel
Office of Intellectual Property Law
Date: September 27, 2012

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

CONCURRENCE:


Roland Gravel, EE-2G
Office of Energy Efficiency
and Renewable Energy

APPROVAL:



John T. Lucas, GC-62
Assistant General Counsel
for Technology Transfer and
Intellectual Property

(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.