

STATEMENT OF CONSIDERATIONS

ADVANCE CLASS WAIVER OF PATENT RIGHTS FOR TECHNOLOGY DEVELOPED UNDER DOE FUNDING AGREEMENTS RELATING TO DOE'S SOLID STATE LIGHTING PRODUCT DEVELOPMENT ROUND 8; DOE FUNDING OPPORTUNITY ANNOUNCEMENT DE-F0A-0000563; W(C)-2011-012; CH1632

The Department of Energy Office of Energy Efficiency and Renewable Energy anticipates providing federal financial assistance in the form of cooperative agreements that develop or improve commercially viable materials, devices, or systems for solid-state lighting general illumination applications. Successful applicants will engage in applied research in the Solid State Lighting (SSL) Product Development Program. Product Development is the systematic use of knowledge gained from basic and applied research to develop or improve commercially viable materials, devices, or systems. Technical activities are focused on a targeted market application with fully defined price, efficacy, and other performance parameters necessary for success of the proposed product. Product development encompassed the technical activities of product concept modeling through to the development of test models and field ready prototypes. In some cases, product development may include "focused-short-term" applied research, but its relevance to a specific product must be clearly identified.

This FOA contains three (3) Program Areas of Interest (AOI) for Light Emitting Diodes (LED), representing advancements in LED technology for Product Development to which an applicant must identify it is applying. These AOIs are: 1) Substrate Development; 2) Package Architecture; and, 3) Novel Luminaire Systems. There are 2 Program Areas of Interest for Organic Light Emitting Diodes (OLED) representing advancements in OLED technology for Product Development. These AOIs are Large Area OLED, and Panel Outcoupling. Recipients of cooperative agreements in these two areas must provide an aggregate cost share among project participants of at least 20%.

DOE expects to make between 5 and 10 awards with a maximum DOE share or range of \$2,000,000 per award.

All types of domestic entities including DOE/NNSA National Laboratories (as defined by EPLA 2005, Section 989) are eligible to apply, except for other Federal agencies and nonprofit organizations described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in lobbying activities after December 31, 1995.

In addition, this project is under the Solid State Lighting Program (SSL) Program, and subject to a Determination of Exceptional Circumstances (EC). The Solid State Lighting Program is to develop advanced solid state lighting technologies that, compared to conventional lighting technologies, are much more energy efficient, longer lasting, and cost-competitive, by targeting a product system efficiency of 50 percent with lighting that accurately reproduces sunlight spectrum. The SSL program has a multi-tier structure. One tier consists of a competitively selected SSL Partnership whose membership includes organizations that have or will have the capacity to manufacture SSL systems, i.e., the entire package from wall plug to illumination. Another tier is the Core Technology Program, which will focus on finding solutions to the more difficult shared technical barriers identified by the SSL partnership. It focuses on the R&D efforts of universities, national laboratories, and other research institutions. There is also a Product Development tier which focuses on developing or improving commercially usable materials, devices or systems. Under the SSL EC, any entity having the right to use or sell any subject invention in the United State and/or any other country must agree that any products embodying the subject invention or produced through the use of the subject invention will be substantially manufacture in the United States.

Considering the above, it is the purpose of this class waiver to vest title in new inventions made under this program by large business awardees and subawardees in a fashion enabling them to expediently commercialize the various technologies. Accordingly, DOE will waive the Government's title to subject inventions, other than inventions made by Bayh-Dole participants pursuant to P.L. 96-517, as amended, or National Laboratories, to the above identified large business entities. Since cost sharing is at least 20%, it is expected that patent rights will be allocated among the participants on the basis of cost.

This advance class waiver of the Government's rights in inventions is subject to the usual advance patent waiver terms and conditions--Government license, march-in rights, and preference for U.S. industry provisions comparable to those set out in 35 U.S.C. §§ 202-204. This advance patent waiver also includes the attached U.S.

Competitiveness clause 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. In the event 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 will further agree to make this 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 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.

The grant of this class waiver is not expected to result in adverse effects on competition or market concentration. Rather the waiver should enhance competition and growth of the electrical utility industry of the United States. DOE has the right to require reports of the utilization or the efforts at utilization that are being made for the waived inventions.

This advance class waiver shall apply to cooperative agreements made to large business entities who meet the minimum cost-sharing requirement as set forth above for the four AOIs, and who have provided written notice to DOE of their acceptance of the terms and conditions of this class waiver. The waiver will remain in effect as long as such cost sharing is maintained, in the aggregate, over the term of the agreement. No separate waiver petition is required to be submitted.

Considering the foregoing, and in view of the statutory objectives to be obtained and the factors to be considered under DOE's waiver regulation, 10 C.F.R. 784, all of which have been considered, it has been determined that this class waiver as set forth above will best serve the interest of the United States and the general public. It is recommended that the waiver be granted.

DE-F0A-0000563; W(C)-2011-012; CH1632

Mark P. Dvorscak
Deputy Chief Counsel
Intellectual Property Law Division

Date:

Based on the foregoing Statement of Considerations, it is determined that the United States and the general public will best be served by a waiver of rights of the scope described above, 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:



James Brodrick, EE-2J
Office of Energy Efficiency
And Renewable Energy

Date: February 21, 2012

APPROVAL:



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

Date: 2/21/2012

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.