

## Statement of Considerations

REQUEST BY GENERAL ELECTRIC CORPORATE RESEARCH AND DEVELOPMENT (GE) FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS TO INVENTIONS MADE UNDER CONTRACT NO. DE-FC26-00NT40993 ENTITLED "VARIABLE SPEED INTEGRATED INTELLIGENT BLOWER FOR HIGH EFFICIENCY HEATING VENTILATION AND AIR CONDITIONING"; W(A)-01-019, CH1066.

GE has requested an advance waiver of domestic and foreign patent rights to inventions its employees may conceive or first actually reduce to practice in the performance of Contract No. DE-FC26-00NT40993.

As brought out in the attached waiver petition, the scope of work includes the development and marketing of an Electronically Commutated Motor (ECM) and fan combination. The combination utilizes a common rotating shaft and integral cooling and advanced blower fan design that reduces cost and increases total blower efficiency. The blower also incorporates advanced diagnostics and a networking interface. The total program cost is \$3,000,000 with GE providing a 50% cost share.

Referring to paragraphs 5 and 6 of the waiver petition, GE is a leading manufacturer of motors for a wide variety of applications including but not limited to the HVAC air handling market. Approximately 12% of GE's motor sales are high efficiency, variable speed HVAC motors. GE holds a number of patents for this type of motor.

As noted in paragraph 8 of GE's waiver petition, GE states that it is providing further investment in related ECM technical areas involving low cost manufacturing and new magnetic materials for further improvement in efficiency. GE's corporate investment will be at the \$1,000,000 level. Successful demonstration of the proposed technology will lead to incorporation of the technology into the GE industrial systems produce line as part of a multi-generation product plan.

GE has agreed to the terms of the usual advance patent waiver, including background patent rights, and background data licensing provisions. These advance patent waiver provisions include a Government license, march-in rights and preference for U.S. industry provisions comparable to those set out in 35 U.S.C. 202-204, as well as a U.S. Competitiveness Clause which requires that products embodying a waived invention or produced through this use of a 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. GE has also agreed to make the above conditions binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Additionally, should GE or other entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, 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 waiver is not anticipated to result in any adverse effects on competition or the public health, safety and welfare. It will serve to improve the U.S. position relative to foreign competition since GE is currently competing against several foreign companies in the area of advanced ECM technology.

Considering the foregoing, and in view of the statutory objectives to be attained and the factors to be considered, it has been determined that this advance waiver of patent rights will best serve the interest of the United States and the general public. Subject to GE providing at least fifty percent (50%) cost sharing, in aggregate over the term of this agreement, it is recommended that the waiver be granted.

  
Mark P. Dvorscak  
Assistant Chief Counsel  
Intellectual Property Law Division


Date: July 26, 2001

  
Joy Alwan  
Patent Attorney  
Intellectual Property Law Division

Date: 26 July 01


Based on the foregoing Statement of Consideration, it is determined that the interest of the United States and the general public will be best served by a waiver of the United States and foreign rights as set forth therein, and therefore the waiver is granted. This waiver shall not affect any waiver previously granted.

CONCURRENCE:

  
Esher Kweller  
Office of Building Technologies  
Office of Building Research and Standards  
EE-41

Date: September 20, 2001

APPROVAL:

  
Paul A. Gourea  
Assistant General Counsel  
for Technology Transfer and  
Intellectual Property

Date: 9-20-01

## WAIVER ACTION - ABSTRACT

REQUESTOR: General Electric Corporate Research and Development  
Under DOE Contract NO. DE-FC26-00NT40993

CONTRACT SCOPE OF WORK: Development and marketing of an Electronically Commutated Motor and fan combination.

RATIONAL FOR DECISION: Granting of the waiver will provide the incentive to commercialize the invention in a fashion which will benefit the public in the shortest practical time.

DISPOSITION: