

Statement of Considerations

REQUEST BY HEIL TRAILER INTERNATIONAL FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN RIGHTS IN SUBJECT INVENTIONS MADE IN THE COURSE OF OR UNDER UT-BATTELLE, LLC SUBCONTRACT NO. 4000027094 UNDER PRIME CONTRACT NO. DE-AC05-00OR22725; DOE WAIVER DOCKET W(A)2003-054 [ORO-786]

Heil Trailer International (Heil) has made a timely request for an advance waiver to worldwide rights in Subject Inventions made in the course of or under UT-Battelle, LLC Subcontract No. 4000027094 entitled, "Liburndas Project" under UT-Battelle Prime Contract No. DE-AC05-00OR22725. The scope of work involves reducing the aluminum tank semi-trailer's net weight by 20% by redesigning the barrel to a more cylindrical shape. The work is sponsored by the Office of FreedomCar and Vehicle Technologies.

The dollar amount of the subcontract is estimated at \$957,221 with Heil cost sharing 50% of the estimated work. The period of performance is approximately two years.

Heil's experience and expertise will contribute substantially to the development of the inventions made under the subcontract. Heil is a technological leader in the tank trailer industry. Heil's R&D department investigates new materials and designs and its facilities include prototype metal shops, assembly areas and some test facilities. Heil's technological advancements include a streamlined truck tank, molded fiberglass transport, the first titanium transport, and the first low center of gravity tank integrally designed to be aerodynamic with the tractor. More recently, Heil has developed and introduced the Low Center of Gravity series aluminum trailers. In addition, Heil's market share in the petroleum trailer market segment has been between 55-60% over the last six years.

Heil has agreed to accept the attached DOE waiver terms and conditions if the requested waiver is granted. Specifically, Heil agrees to abide by the conditions set forth at 35 U.S.C. §202-204 relating to the Government license, march-in rights, preference for U.S. industry, as well as U.S. Competitiveness.

Heil 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 Heil 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. Heil further agrees to make the above condition binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should Heil 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.

Granting of the waiver should have little effect on competition since there are several technology options, this being one of many previously or yet-to-be developed in the marketplace. Thus, there should not be undue market concentration of Heil products.

Grant of the requested waiver should serve as encouragement to other DOE contractors that significant cost sharing will be recognized as an acceptable consideration for granting greater rights in Subject Inventions.

In view of the acceptable level of cost sharing by Heil and the objectives and considerations set forth in 10 CFR 784.4, all of which have been considered, it is recommended that the requested waiver for worldwide patent rights in subject inventions be granted.


Emily G. Schneider
Assistant Chief Counsel for
Intellectual Property

Date 3/4/04

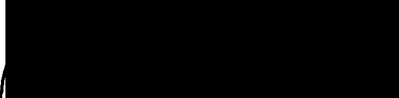
Based on the foregoing Statement of Considerations and the representations in the attached Waiver Petition, it is determined that the interest of the United States and the general public will best be served by a waiver of U.S. and foreign patent rights, and therefore, the waiver is granted. This waiver shall not apply to a modification or extension of the cost-shared contract where, through such a modification or extension, the purpose, scope or cost of the subcontract has been substantially altered.

CONCURRENCE:


Sidney Diamond
Office of FreedomCar and
Vehicle Technologies

5/10/04
Date

APPROVAL:


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

5-10-04
Date