

## STATEMENT OF CONSIDERATIONS

### REQUEST BY ROHM AND HAAS COMPANY FOR AN ADVANCE WAIVER OF PATENT RIGHTS UNDER DOE COOPERATIVE AGREEMENT NO. DE-FC36- 04G014272; W(A)-04-062; CH-1241

As set out in the attached waiver petition and subsequent discussions with DOE Patent Counsel, Rohm and Haas Company (Rohm and Haas) has requested an advance waiver of domestic and foreign patent rights for all subject inventions under the above-identified cooperative agreement by its employees and its subcontractors' employees, regardless of tier, except inventions made by subcontractors eligible to retain title to inventions pursuant to P.L. 96-517, as amended, and National Laboratories. Rohm and Haas is leading a teaming arrangement with the Engelhard Corporation and the University of Delaware under this agreement.

Referring to item 2 of Rohm and Haas' waiver petition, the work under this agreement encompasses the research and development of commercially viable catalysts and processes for the conversion of low value alkanes to olefins and oxygenates in a Short Contact Time Reactor (SCTR). This technology is expected to deliver sizeable energy, environmental and economic benefits over the existing energy and capital intensive steam cracking technologies currently in use.

The work under this agreement is expected to take place over a period of about five years at a total cost of \$9,193,058. Rohm and Haas is obligated to cost share \$3,954,974, or about 43 percent of the total cost of the project.

In view of the cost sharing and other equities between Rohm and Haas and its subcontractors, it is anticipated that the parties will develop an appropriate allocation of patent rights among the participants to facilitate the expeditious development of the technology forming the subject matter of the agreement. Accordingly, DOE will waive title to all subject inventions made by Rohm and Haas' employees and its subcontractors' employees, regardless of tier, except inventions made by subcontractors eligible to retain title pursuant to P.L. 96-517, as amended, or National Laboratories, to Rohm and Haas or its subcontractors, as mutually agreed by the parties. Except as otherwise approved in writing by DOE Patent Counsel, a party's acceptance of a subcontract under this agreement, at any tier, shall constitute Rohm and Haas' certification that it has provided that party with a copy of this Statement of Considerations and that party's notice to DOE that it accepts the terms and conditions of this advance waiver. Additionally, subcontractors who receive title under this waiver shall notify DOE Patent Counsel in writing of such disposition of patent rights.

Referring to items 5-9 of Rohm and Haas' waiver petition, Rohm and Haas is a world leader in catalyst and process development. This, coupled with Rohm and Haas' cost sharing, clearly demonstrates the likelihood that Rohm and Haas will continue development and commercialization of the results of this agreement.

This advance waiver of the Government's rights to inventions is subject to the provisions of the attached advance patent waiver clause, 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 a 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.

Referring to item 10 of the waiver petition, granting this waiver is not anticipated to have any adverse impact on competition as there are a variety of competing technologies in the relevant markets.

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 784, all of which have been considered, it is recommended that the requested waiver be granted.



Thomas G. Anderson  
Assistant Chief Counsel  
Intellectual Property Law Division

Date: 12-7-04

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:



Jacques Beaudry Losique  
Office of the Industrial Technology  
Program, EE-2F

Date: 12-12-05

APPROVAL:



Paul A. Gottlieb  
Assistant General Counsel for  
Technology, Transfer, and  
Intellectual Property, GC-62

Date: 12-15-05

(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.

# ***WAIVER ACTION - ABSTRACT***

**W(A)-04-062      (CH-1241)**

## REQUESTOR

Rohm and Haas  
Company Under  
DOE Cooperative  
Agreement  
No. DE-FC36-04GO14272

## CONTRACT SCOPE OF WORK

Millisecond Oxidation of Alkanes

## RATIONALE FOR DECISION

43% cost sharing

## DISPOSITION