

STATEMENT OF CONSIDERATIONS

REQUEST BY GENERAL ELECTRIC COMPANY - CORPORATE
RESEARCH AND DEVELOPMENT (GE-CRD) FOR AN ADVANCE WAIVER
OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER DOE
CONTRACT NO: DE-FC36-93CH10589; W(A)-94-013; CH-0830

General Electric Company - Corporate Research and Development (GE-CRD) has requested a waiver of domestic and foreign patent rights for all subject inventions under a cooperative agreement for the development of a 100 MVA HTS (high temperature superconducting) generator under DOE Contract No. DE-FC36-93CH10589. This agreement was awarded under DOE's Superconductivity Partnership Initiative. As we have been advised by the cognizant DOE program office that this work is authorized under the Energy Policy Act of 1992, technical data first produced under this program will be afforded limited protection pursuant to Title XXX, Section 3001(d) of the Energy Policy Act.

The overall objective of the Superconductivity Partnership Initiative is to significantly reduce the technical and economic risks associated with development of the various superconducting technologies. The objective of the work to be performed under this agreement is to design a 100 MVA HTS generator, construct and test a rotor coil for the generator using BSCCO HTS wire, and examine the potential energy, economic and operational benefits of such a generator.

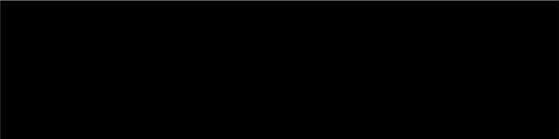
The cooperative agreement is partially funded on a cost reimbursement basis without fee or profit. The total estimated cost of the project is \$3,164,990, of which the estimated cost to DOE is \$2,335,823 and the estimated cost to GE is \$829,167 (or approximately 26% cost sharing).

As noted in the waiver petition, GE-CRD has extensive experience in HTS research and HTS application development. GE-CRD states that its research and development activity in the superconductivity field extends back over 30 years and has made significant contributions to the physics, processing and application of superconducting materials. GE-CRD states that, in superconducting applications, it has designed, built and tested a 20 MVA superconducting generator, the largest superconducting generator ever subjected to engineering tests under full load. In this regard, GE-CRD estimates that over the last eight years, it has spent approximately \$20 million on developing HTS and HTS related technologies. Accordingly, it is reasonable to conclude that GE-CRD fully expects to continue development and ultimately commercialize the results of this agreement.

GE-CRD has agreed that this waiver shall be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, comparable to those set out in 35 U.S.C. 202-204. Further, GE-CRD has agreed to the U.S. competitiveness provisions as attached to this Statement. In brief, GE-CRD has agreed that products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless GE-CRD can show to the satisfaction of the DOE that it is not commercially feasible to do so. Further, GE-CRD will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements.

Referring to item 10 of the waiver petition, granting this waiver is not anticipated to have any adverse impact on competition. There are currently a variety of companies pursuing various HTS generator technologies. In addition, the technology is a developing one, such that advances made during the course of this agreement are not expected to result in an immediately commercially marketable or completed product. The success of any one of these HTS technologies can be expected to stimulate investment, not only in that technology, but also in other competing technologies as well.

Considering the foregoing, it is believed that granting this waiver will provide GE-CRD with the necessary incentive to invest its resources in the commercialization of the results of the agreement in a fashion which will make the HTS 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 41 CFR 9-9.109-6, 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: 6/29/94


Daniel D. Park
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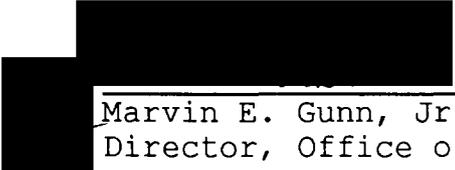
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Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope

described above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of the agreement, where through such modification or extension, the purpose, scope or cost of the agreement has been substantially altered.

CONCURRENCE:

APPROVAL:


Marvin E. Gunn, Jr.
Director, Office of Energy
Management, HQ


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

Date: 4/03/95

Date: 4/4/95

Amend the Advance Waiver of Patent Rights to include the following:

(c) (3) (ix) U.S. COMPETITIVENESS

The Contractor (waiver recipient) 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 (waiver recipient) 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 invention, etc. The Contractor (waiver recipient) 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 (waiver recipient) 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)-94-013

<u>REQUESTOR</u>	<u>CONTRACT SCOPE OF WORK</u>	<u>RATIONALE FOR DECISION</u>	<u>DISPOSITION</u>
General Electric	Design and Evaluate a 100 MVA HTS Genera- tor	26% cost sharing	