

MEMORANDUM: APPROVAL TO MODIFY CLASS WAIVER OF PATENT RIGHTS TO INVENTIONS  
MADE UNDER THE OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY  
(EERE) FUNDING OPPORTUNITY ANNOUNCEMENTS RELEASED DURING OR AFTER  
FISCAL YEAR 2017 W(C) 2016-004

The W(C) 2016-004 class patent waiver waived the Government's rights to title in inventions conceived or made by a domestic large business in the course of or under an EERE funding agreement selected through a funding opportunity announcement ("FOA") released by EERE during or after fiscal year 2017. When the class patent waiver was granted in 2016, one of the conditions of the waiver was that the domestic large business agreed to the following U.S. competitiveness provision:

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 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 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 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 any waived invention is suspended until approved in writing by DOE.

(End of clause)

On June 7, 2021, DOE issued the Determination of Exceptional Circumstances under the Bayh-Dole Act to Further Promote Domestic Manufacture of DOE Science and Energy Technologies ("Science and Energy DEC" or "S&E DEC"). Pursuant to the S&E DEC, DOE will require small businesses and nonprofits, including universities, to agree to the following U.S. competitiveness provision in energy and science funding agreements, including EERE funding agreements:

The Contractor agrees that any products embodying any subject invention or produced through the use of any subject invention will be manufactured substantially in the United States unless the Contractor can show to the satisfaction of DOE that it is not commercially feasible. 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., alternative binding commitments to provide an overall net benefit to the U.S. economy. The Contractor agrees that it will not license, assign or otherwise transfer any subject invention to any entity, at any tier, unless that entity agrees to these same requirements. Should the Contractor or other such entity receiving rights in the invention(s): (1) undergo a change in ownership amounting to a controlling interest, or (2) sell, assign, or otherwise transfer title or exclusive rights in the invention(s), then the assignment, license, or other transfer of rights in the subject invention(s) is/are suspended until approved in writing by DOE. The Contractor and any

successor assignee will convey to DOE, upon written request from DOE, title to any subject invention, upon a breach of this paragraph. The Contractor will include this paragraph in all subawards/contracts, regardless of tier, for experimental, developmental or research work.

(end of the clause)

While the two U.S. competitiveness provisions basically contain the same requirements, the language used in the provisions differ. In order to avoid possible confusion between the differing language and to promote consistency between the funding agreements governed by the S&E DEC and the class patent waiver, the W(C) 2016-004 class patent waiver is hereby modified to replace the original U.S. competitiveness provision of the class patent waiver with the U.S. competitiveness provision of the S&E DEC.

APPROVAL:

A solid black rectangular box redacting the signature of the approving official.

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Brian Lally  
Assistant General Counsel for Technology  
Transfer and Intellectual Property

Date: 9/9/2021