

## STATEMENT OF CONSIDERATIONS

REQUEST FOR ADVANCE WAIVER OF PATENT RIGHTS BY LUCENT TECHNOLOGIES INC., UNDER ITS SUBCONTRACT WITH COLUMBIA UNIVERSITY UNDER DOE GRANT NO. DE-FG02-04ER46118 WITH COLUMBIA UNIVERSITY; W(A)-05-009, CH-1239

The Petitioner, Lucent Technologies, Inc., (Lucent) has requested a waiver of: (a) domestic and foreign patent rights for all subject inventions conceived solely by Lucent and (b) Lucent's undivided interest, based on its employees contributions, to joint domestic and foreign patent rights for all subject inventions conceived jointly with its collaborative partner Columbia University (Columbia), arising under the above referenced subcontract. This waiver will further allow Lucent to obtain assignment of Columbia's rights in any invention conceived solely by Columbia, and/or Columbia's joint interest in jointly developed inventions arising under the grant or subcontracts entered thereunder, if the parties so agree.

The objective of Lucent's subcontract with Columbia is to develop, evaluate and commercialize organic crystals with semi-conducting properties. Initial work will consist of understanding the basic mechanisms of charge transport in such organic crystals. Subsequent work will focus on synthesizing organic crystals for commercialization. The work is supported by DOE's Nanoscale Science, Engineering and Technology Program under the Office of Basic Energy Science.

The total anticipated cost of the grant is \$822,500 including Lucent's contribution of \$277,500, or about thirty four percent (34%) of the total cost of the work under the grant. This waiver is contingent upon Lucent maintaining, in aggregate, the above cost sharing percentage over the course of the agreement. In addition to cost sharing, Lucent is providing further support for this project in the form of scientific equipment and infrastructure.

Referring to items 5-9 of the waiver petition, Lucent is a leading technology company that provides commercial products throughout the world. The Lucent/Columbia team is one of the few groups in the world studying the semi-conducting properties of organic crystals.

The grant of this waiver should effectively promote the continued development and commercial utilization of the subject inventions since Lucent will be able to develop these technologies and incorporate them into its commercial portfolio without an adverse patent interest overshadowing its development efforts. Thus, the waiver is necessary for development to proceed given the size and nature of the investment necessary to commercialize semi-conductor inventions.

Lucent has agreed that this waiver will be subject to the march-in and preference

for U.S. industry provisions, as well as the U. S. Government license, set out in 35 U.S.C. 202-204. Further, Petitioner has agreed to the attached U.S. Competitiveness provision (paragraph (t)). In brief, Petitioner has agreed that products embodying a waived invention or produced through the use of a waived invention will be manufactured substantially in the United States unless the Petitioner can show to the satisfaction of the DOE that is not commercially feasible to do so. Lucent has further agreed to make the above conditions binding on any assignee or licensee or any entity otherwise acquiring rights in the waived inventions, including subsequent assignees and licensees. Should Lucent or other such entity receiving rights in a 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 inventions is suspended until approved in writing by DOE.

Referring to item 10 of the waiver petition, granting this waiver will not have an adverse impact on competition. If anything, the technology forming the subject matter of the collaboration can be expected to provide a new entrant into the market.

Considering the foregoing, it is believed that granting this waiver will provide Lucent 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. Furthermore, granting Petitioner's waiver will encourage collaboration between Bayh-Dole parties and non-Bayh-Dole parties. 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 DivisionDate: 5/12/05  
Brian J. Lally  
Patent Attorney  
Intellectual Property Law DivisionDate: 5/12/05

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 of extension of the contract, where through such modification or extension, the purpose, scope or cost of the contract has been substantially altered.

**CONCURRENCE:**

Harriet Kung, Director  
Materials Sciences and  
Engineering Division SC-13

Date: 5/18/05

**APPROVAL:**

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

Date: 5-20-04

WAIVER ACTION - ABSTRACT  
W(A)-05-009

REQUESTOR

CONTRACT SCOPE OF  
WORK

RATIONALE FOR DECISION

Lucent Technologies, Inc.

Development of organic  
crystals with semi-conducting  
properties

34% Cost Sharing

(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.