

STATEMENT OF CONSIDERATIONS

REQUEST BY CORNING INCORPORATED FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER DOE CONTRACT NO. DE-FC26-05NT42461, SUBCONTRACT QZ001; W(A)-05-040, CH-1322

The Petitioner, Corning Incorporated (Corning) was awarded a subcontract under a cooperative agreement for the performance of work entitled, "Advanced Gasification Mercury/Trace Metal Control with Monolith Traps". The prime contract is with the University of North Dakota Energy and Environmental Research Center (EERC). The purpose of the project is to develop effective, economical technology to enable the removal of mercury from syngas created when coal is gasified. Under the subcontract, Corning will conduct research into whether Corning's impregnated monolith technology, in conjunction with the University of North Dakota's Energy & Environmental Research Center, will prove to be an effective, economically viable way in which to remove mercury, among other contaminants, from syngases created by the gasification of coal. This waiver is only for inventions of Corning made under its subcontract. EERC is eligible to elect title to its subject inventions pursuant to Bayh-Dole (35 U.S.C. § 200 et. seq.).

The total estimated cost of the prime contract is \$6,243,179 with the DOE share being \$4,993,179 or 80%. The total cost of Corning's subcontract is \$2,442,860, of which Corning is cost-sharing 51% or \$1,250,000. The period of performance is five years from July 1, 2005.

In its response to question 5 of the attached waiver petition, Corning has described its technical competence in the field of monolith and extrusion technology. It has a broad intellectual property portfolio in this technology as well as in the area of activated carbon monoliths. It is a pioneer in the extrusion of ceramic honeycomb structures. Copies of representative samples of Corning patents are attached to the waiver petition. Corning's response demonstrates its technical competency in the field of monolith and extrusion technology.

In its response to question 10 of the attached waiver petition, Corning states that other competing technologies are being developed to address the problems being researched under this contract. The waiver should help Corning keep the potentially viable technology in the market. Therefore grant of the waiver will have a positive effect on competition and market concentration.

The subject subcontract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein Corning has agreed to the provisions of 35 U.S.C §§ 202, 203, and 204. This waiver clause will also include a paragraph entitled U.S. Competitiveness, in which Corning agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, Corning agrees not to transfer subject inventions to any other entity unless that other entity agrees to these same requirements.

Considering the foregoing, it is believed that granting the waiver will provide the Petitioner with the necessary incentive to invest resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practicable time. In addition, it would appear that grant of the above requested waiver would not result in an adverse effect on competition nor result in excessive market concentration. Therefore, 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, as set forth above, be granted.

[REDACTED]
Mark P. Dvorscak
Assistant Chief Counsel
Office of Intellectual Property Law

Date Oct 20, 2005

Based on the foregoing Statement of Considerations and the representations in the attached waiver petition, it is determined that the United States and the general public will best be served by a waiver of rights of the scope described, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of this agreement, where through such modification or extension, the purpose, scope, or cost of the agreement is substantially altered.

CONCURRENCE:

[REDACTED]
Stewart Clayton
Division of Clean Coal Energy
Research
Office of Fossil Energy, FE-221

Date 12/13/2005

APPROVAL:

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

Date 12/16/05

(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)-05-040 (CH-1322)

REQUESTOR

Corning Incorporated
under DOE Contract No.
DE-FC26-05NT42461
Subcontract QZ001

CONTRACT SCOPE OF WORK

Advanced Gasification Mercury/Trace
Metal Control with Monolith Traps

RATIONALE FOR DECISION

20% cost sharing

DISPOSITION