

STATEMENT OF CONSIDERATIONS

Request by General Electric Company for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Contract No. DE-FC26-04NT42278, Subcontract TCS80440; W(A)-06-004, CH-1352

The Petitioner, General Electric Company (GE) was awarded this subcontract under Cooperative Agreement No. DE-FC26-04NT42278 with General Motors Corporation (GM). GM was awarded this cooperative agreement for the performance of work entitled, "Develop Thermoelectric Technology for Automotive Waste Heat Recovery." The purpose of the prime contract is to develop thermoelectric technology for automotive waste heat recovery. The project will address a wide range of crucial economic, engineering and scientific questions to bring this nascent technology from laboratory to market place. This will be a team effort focusing on utilizing the latest materials and research breakthroughs, incorporating these innovations into thermoelectric modules and subsystems, and integrating them into vehicles. The goal of the program is to achieve and demonstrate a 10% improvement over current brake efficiency without increased emissions and in a cost-effective way. Under this subcontract, GE will develop manufacturing processes for high efficiency thermoelectrics and their modules. GE will also design the subsystems implementing these modules in automotive waste heat recovery applications, including prototyping and testing of the modules and subsystems developed. The project team includes General Electric Company (GE), Research Triangle Institute, University of Michigan, University of South Florida, Oakridge National Laboratory, and MIT-Lincoln Laboratory. With the exception of (GE), all subcontractors qualify as universities or small business and are entitled to elect title to their subject inventions pursuant to Bayh-Dole (P.L. 96-517). With respect to the prime cooperative agreement, GM has previously been granted an advanced patent waiver for its inventions (W(A)-04-070, granted January 10, 2006). This waiver (W(A)-06-004) is only for inventions of GE made under subcontract TCS80440.

The total estimated cost of the contract is \$12.78 million with the DOE share being \$7.03 million or 55%. The total cost of this subcontract is \$4,313,613, with DOE providing \$2,243,223 or 52%. GE is providing the remaining \$2,069,840 or 48%. The period of performance is from October 20, 2005 through October 19, 2010.

In its response to question 5 of the attached waiver petition, GE has described its technical competence in the field of thermoelectrics. It has an extensive history in this field, including related processing methods for manufacturing thermoelectric materials, as well as design of systems implementing thermoelectric devices. A representative listing of GE patents and publications in this field is attached to the waiver petition. GE's response demonstrates its technical competency in the field of thermoelectrics.

In its response to question 10 of the attached waiver petition, GE states that the rising global demand for energy has generated a critical need for improved efficiency systems, and the development of alternative energy technologies. This has created a highly competitive environment at all levels. GE states that it is committed to energy technologies and energy-efficient systems, and that this waiver will enable GE to establish a commercial position in high efficiency thermoelectrics. As noted in the Statement of Considerations for GM's Advanced Waiver Petition, competitive pressures in a robust automotive market with numerous automotive manufacturers amid a wealth of competing technologies will necessarily mitigate any significant anti-competitive effect that might possibly be created if this waiver petition is granted. Therefore grant of the waiver will have a positive effect on competition and market concentration.

The subject contract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein GE 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 GE agrees to substantial U. S. manufacture of subject inventions (attached hereto). Additionally, GE agrees not to transfer subject inventions to any other entity unless that other entity agrees to these same requirements.

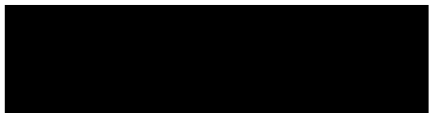
Considering the foregoing, it is believed that granting the waiver will provide the Petitioner with the necessary incentive to invest resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practicable 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.


Mark P. Dvorscak
Assistant Chief Counsel
Intellectual Property Law Division

Date Feb. 28, 2006


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 above, 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:


John Fairbanks
~~Deputy Assistant Secretary~~ *Technology Development Manager*
Office of the FreedomCAR and
Vehicle Technology Program
Office of the Secretary for Energy
Efficiency and Renewable Energy, EE-2G

Date 03/23/06

APPROVAL:


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

Date 3-28-06

(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)-06-004 (CH-1352)

REQUESTOR

General Electric Company
under DOE Contract
No. DE-FC26-04NT42278

CONTRACT SCOPE OF WORK

Develop Thermoelectric Technology
for Automotive Waste Heat Recovery

RATIONALE FOR DECISION

48% cost share

DISPOSITION