

STATEMENT OF CONSIDERATIONS

REQUEST BY HONEYWELL INTERNATIONAL, INC, FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER DOE COOPERATIVE AGREEMENT NO. DE-FC26-06NT42947; W(A)-07-002, CH-1395

The Petitioner, Honeywell International, Inc, Honeywell Aerospace D&S (Honeywell), was awarded this cooperative agreement for the performance of work entitled, "Deep Trek Reconfigurable Processor for Data Acquisition". The purpose of the cooperative agreement is to develop a high-temperature (>225°C) re-configurable digital processor module to manage data acquisition for deep oil and gas drilling and production monitoring systems. The project addresses the need for flexible data management and interface functions within high-temperature/high-pressure data acquisition systems. Further details of the project are provided in the Appendix to Honeywell's waiver petition. This waiver is for inventions of Honeywell only.


The total estimated cost of the cooperative agreement is \$1,053,773, with the DOE share being \$773,522, or 73%, while the remaining cost share of 27%, or \$280,251, will be provided by Honeywell. The period of performance is from October 2, 2006 through March 31, 2008.

In its response to question 5 of the attached waiver petition, Honeywell has described its technical competence in the field of high temperature electronics. Honeywell has developed high temperature components for commercial sale, and these products can be viewed on the web at www.ssec.honeywell.com/hightemp. Honeywell has also listed numerous publications related to high temperature electronics in response to question 5, as well as indicated that it holds patents related to high temperature electronics, in particular, relating to implementation of a linear capacitor in silicon on insulator (SOI) technology for high temperature applications, and on a method for developing a bandgap reference in SOI for high temperature applications. Honeywell's response fully demonstrates its technical competency in the field of high temperature components.

In its response to question 10 of the attached waiver petition, Honeywell states that there are multiple manufacturers having the ability to produce high temperature electronics employing various methods, and other examples in the literature of other research and development in high temperature electronics. In addition, Honeywell states there are multiple manufacturers with the ability to produce such CMOS, SOI, and SiC based products, and multiple vendors with access to IC and multi-chip module packaging processes suitable for high-temperature applications. Thus Honeywell's response shows that grant of the waiver will have a positive effect on competition and market concentration.

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

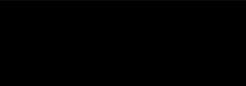
Considering the foregoing, it is believed that granting the waiver will provide the Petitioner with the necessary incentive to invest resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practicable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

Date: Feb 7 2007

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:


Guido Dehoratiis, Jr., FE 32
Product Line Director
Office of Natural Gas and
Petroleum Research and Development
Office of Fossil Energy
Date: 3/23/07

APPROVAL:


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

Date: 4-05-07

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.