

STATEMENT OF CONSIDERATIONS

Request by Grace Davison Company for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Cooperative Agreement No. DE-FC36-05GO85006, Subcontract QZ-001, W(A)-2008-025; CH-1436

The Petitioner, Grace Davison (Grace) was awarded a subcontract under a cooperative agreement with Research Triangle Institute (RTI) for the performance of work entitled, "Biomass-Derived Syngas utilization for Fuels and Chemicals" The purpose of the cooperative agreement is to develop and demonstrate new catalysts and catalytic processes that can efficiently convert biomass-derived syngas into diesel fuel and C₂-C₄ alcohols. RTI and Grace have agreed to collaborate on identification and development of catalysts for conversion of biomass derived synthesis gas to higher alcohols. A detailed description of the work is provided in Appendix 2 to the Petition. This waiver is for inventions of Grace only under its subcontract with RTI.

The total estimated cost of the cooperative agreement is \$1,240,000, with RTI providing \$248,000 or 20%, while the remaining cost share of 80%, or \$992,000, will be provided by DOE. The value of Grace's subcontract is stated to be \$200,000, in which, according to Grace's response to question 7, Grace is committing this in-kind with materials and manpower. A letter from RTI is attached to this Statement attributing its 20% cost-share to Grace. The period of performance is from June 8, 2005 to December 1, 2008.

In its response to questions 5 and 6 of the attached waiver petition, Grace has described its technical competence in the field of materials and chemicals, and more specifically in catalyst development. It has attached references to relevant issued U.S. patents in Appendix 4, and to publications in Appendix 5. Grace has also provided its annual report for 2006, along with a citation to its website at www.grace.com. Grace's response demonstrates its technical competency in the field of materials and catalysts.

In its response to question 10 of the attached waiver petition, Grace states that there are numerous catalyst developers and many alternative approaches to catalytic technologies resulting in a competitive market place. Grace will be able to offer a unique catalyst to further improve competitiveness in this area. 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 Grace has agreed to the provisions of 35 U.S.C §§ 202, 203, and 204. In addition, any entity having the right to use or sell any subject invention in the United State and/or any other country, must agree that any products embodying the subject invention or produced through the use of the subject invention will be substantially manufactured in the United States.

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.

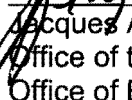

Mark P. Dvorscak
Deputy Chief Counsel
Intellectual Property Law Division

Date: July 2 2008

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.

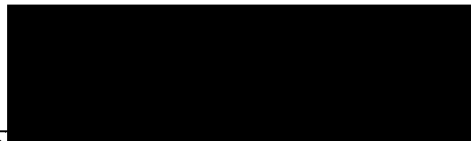
CONCURRENCE:





Jacques A. Beaudry-Losique
Office of the BioMass Program
Office of Energy Efficiency and
Renewable Energy, EE-2A

Date: August 15th 2008

APPROVAL:




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

Date: 9-11-08

(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.