

STATEMENT OF CONSIDERATIONS

REQUEST BY DUPONT DISPLAYS, INC. FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER DOE CONTRACT NO. DE-EE0001269; W(A)-09-055, CH-1520

The Petitioner, DuPont Displays, Inc. was awarded this cooperative agreement for the performance of work entitled, "Solution-Processed Small-Molecule OLED (Organic Light Emitting Diode) Luminaire for Interior Illumination." According to its response to question 2, DuPont states that the work under this agreement will significantly improve the manufacturability of an OLED lighting panel based on solution processing of small molecule OLED materials; demonstrate and evaluate the cost effectiveness of solution processing techniques using small molecule OLED materials for SSL applications; and, improve efficiencies, lifetimes, and color rendering of OLED lighting panels.

The total estimated cost of the contract is \$2,250,000 with DuPont providing a 20% cost-share or \$450,000. DOE is providing the remaining 80% share of \$1,800,000. The period of performance is from August 24, 2009 through August 29, 2011.

In its response to questions 5 and 6 of the attached waiver petition, DuPont has described its technical competence in the field of OLED lighting. DuPont is an industry leader in OLED device design, fabrication processes and techniques, and materials, with emphasis on solution process manufacturing and high performance materials for use in solution processing. It states it has over fifteen years of experience in the research and development of OLEDs, and since 2000 has invested approximately 1,000 person-years in research and development efforts into all aspects of OLED technology. In the past four years DuPont has concentrated its efforts on AMOLEDs (active matrix organic light emitting diode) with particular focus on developing cost effective manufacturing methods with high performance materials. DuPont has developed a complete set of materials for OLEDs including DuPont™HIL, a high performance hole injection material that enables solution processing of small molecule light emitting materials in device fabrication. An example of a high resolution AMOLED panel manufactured by DuPont is shown in Appendix A. DuPont states it has approximately 155 U.S. patents and approximately 100 foreign patents, along with over 750 U.S. and foreign patent applications currently pending in the OLED field. DuPont files about 100 new U.S. and foreign patent applications each year. DuPont's response demonstrates its technical competency in the field of OLED lighting technologies.


In its response to question 10 of the attached waiver petition, DuPont states that grant of the waiver should not significantly impact the competitive market space in OLEDs, nor does DuPont expect the acquisition of patent right to place it in a dominant position in the field. Since getting OLEDs to the point of commercial application will required joint efforts, DuPont states it is impractical for one company to develop all the necessary technologies on its own. Different companies emphasize different core competencies to play their own specific role in this development. This suggests a healthy market competition in this field, and therefore grant of the waiver will have a positive effect on competition and market concentration.

In addition, this project is under the Solid State Lighting Program (SSL) Program, and subject to a Determination of Exceptional Circumstances (EC). The Solid State Lighting Program is to develop advanced solid state lighting technologies that, compared to conventional lighting technologies, are much more energy efficient, longer lasting, and cost-competitive, by targeting a product system efficiency of 50 percent with lighting that accurately reproduces sunlight spectrum. The SSL program has a multi-tier structure. One tier consists of a competitively selected SSL Partnership whose membership includes organizations that have or will have the capacity to manufacture SSL systems, i.e., the entire package from wall plug to illumination. Another tier is the

Core Technology Program, which will focus on finding solutions to the more difficult shared technical barriers identified by the SSL partnership. It focuses on the R&D efforts of universities, national laboratories, and other research institutions. There is also a Product Development tier which focuses on developing or improving commercially usable materials, devices or systems. This cooperative agreement is in the Product Development Program. Under the SSL EC, 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 manufacture in the United States.

The subject contract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein DuPont 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 DuPont agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, DuPont 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
Office of Intellectual Property Law

Date _____


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:


James Brodrick
Office of Energy Efficiency and
Renewable Energy
Office of Building Technology, EE-2J

Date March 8, 2010

APPROVAL:


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

Date 3-10-10

(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.