STATEMENT OF CONSIDERATIONS

REQUEST BY THE FORD MOTOR COMPANY ("FORD") FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER DOE COOPERATIVE AGREEMENT NO. DE-FG36-08GO18128; W(A)2010-017

FORD has requested a waiver of domestic and foreign patent rights for all inventions that may be or have been conceived or first actually reduced to practice in the course of or under the cooperative agreement ("SUBJECT INVENTIONS") entitled "Electrohydraulic Forming of Near-Net Shape Automotive Panels" by FORD. FORD's partners are U.S. Steel and Troy Tooling, none of which are subject to this waiver. U.S. Steel is a domestic large business and intends to file its separate request for an advance waiver. Troy Tooling is a domestic small business and, thus, does not need a patent waiver.

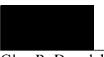
The objective of the cooperative agreement is to develop the electrohydraulic forming (EHF) process as a near-net shape automotive panel manufacturing technology that simultaneously reduces the energy embedded in vehicles and the energy consumed while producing automotive structures. More specifically, the developed technology is intended to have the following energy, environment, and economic benefits: the use of substantially smaller amounts of tooling materials and energy compared to conventional stamping processes; the enablement of significant down-gauging of steel panels used in automotive structures, which would substantially reduce the energy embedded in vehicles and their carbon footprint; and consolidation of multiple conventional forming and shearing processes into a single EHF process, thereby eliminating machines and tooling through process consolidation.

The total anticipated cost of the cooperative agreement is \$7,404,218, with FORD contributing \$3,702,109 for a cost share of 50%. The period of performance is from September 30, 2008 through March 31, 2012. In addition to the cost share, FORD (i) has invested more than \$40 million in the research and development of sheet forming technology; (ii) has comprehensive knowledge and experience in various metal forming processes, including hydroforming, electromagnetic forming, warm forming and traditional die forming processes; (iii) is aggressively working on the development of an electrohydraulic forming process as evidenced by the several patent applications in this area filed by FORD and listed in the petition; and (iv) is one of the largest manufacturers of automobiles and related products in the world. In view of the foregoing, it is reasonable to conclude that Ford, can continue to and ultimately be successful in developing, utilizing, and commercializing the SUBJECT INVENTIONS.

FORD does not anticipate that the granting of this waiver would place FORD in a preferred or dominant position in the advanced sheet metal forming technologies field. This conclusion is based on the other vehicle OEMs, in addition to FORD, who are actively pursuing research on advanced sheet metal forming methods in order to reduce vehicle weight. FORD intends to commercialize the SUBJECT INVENTIONS to the extent practical, either through its own production or through licensing. In the event that FORD commercializes the SUBJECT INVENTIONS through its own production, it believes it would be only one of several competitors in the field. If FORD does commercialize the SUBJECT INVENTIONS through licensing, it would likely do it on a non-exclusive basis in accordance with its past practices.

The waiver shall be contingent upon FORD maintaining, in aggregate, the 50% cost share discussed above over the course of the cooperative agreement. FORD has also agreed that the waiver shall be subject to the usual Government license, march-in rights, preference for U.S. industry, set out in 35 U.S.C. 202-204, and to the U.S. competitiveness clause, as attached to this Statement. The U.S. competitiveness clause requires that products embodying any of the waived SUBJECT INVENTIONS or produced through the use of any of the waived SUBJECT INVENTIONS be manufactured substantially in the United States unless FORD can demonstrate to the satisfaction of DOE Field Patent Counsel, with the concurrence of the cognizant DOE program, that it is not programmatically or commercially feasible to do so. FORD will not license, assign, or otherwise transfer any of the waived SUBJECT INVENTIONS to any entity unless that entity agrees to the requirements of the U.S. competitiveness clause.

Considering the foregoing, it is believed that granting this waiver will provide FORD with the necessary incentive to invest its resources in commercializing the results of the cooperative agreement in a manner that will make the SUBJECT INVENTIONS available to the public in the shortest time. Therefore, upon evaluation of the waiver petition and 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 be granted.



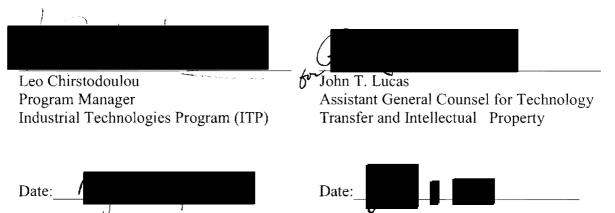
Glen R. Drysdale Patent Attorney Golden Field Office



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

CONCURRENCE:

APPROVAL:



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 DOE that it is not commercially feasible to do so. In the event 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 further agrees to make the above condition binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should the Contractor or other such entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in any waived invention is suspended until approved in writing by DOE.