

STATEMENT OF CONSIDERATIONS

Request by Dow Chemical Company for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Cooperative Agreement No. DE-EE0003916, W(A) 2011-049, CH-1626

The Petitioner, The Dow Chemical Company, (Dow) was awarded the subject cooperative agreement with DOE for the performance of work entitled, "Advanced Insulation for High Performance Cost-Effective Wall, Roof, and Foundation Systems." The objective of the work is to explore and develop high performing insulation with increased R/inch and low impact on climate change that will help with design and build of highly insulating building envelope systems with more durable performance and lower overall system cost than envelopes with equivalent performance made with materials available today. Further details about the project are provided in response to question 2 of the waiver petition. The waiver will apply only to inventions made by Dow employees.


The work under this agreement is expected to take place from August 1, 2010 through September 30, 2013. The total amount of the contract is \$5,910,312, with Dow and the DOE each providing \$2,955,156 or 50% cost share.

In its response to questions 5 and 6 of the attached waiver petition Dow has described its technical competence in the field of insulation and building materials. Dow states that it manufactures and markets an extensive line of insulation, weather barrier, and oriented composite building solutions and adhesives. The business is the recognized leader in extruded polystyrene (XPS) insulation, known industry-wide by its distinctive Blue color and the Dow STYROFOAM™ brand for more than 60 years, and many products associated with this brand. Dow states that it has significant and prior work in this field of research, has several internal publications and has filed patent applications covering work in this area. Samples of recent product brochures and recent awards are attached as Attachment B. Dow further states that it has been the worldwide leader of extruded polystyrene (XPS) foam insulation since inventing this technology over 60 years ago. Dow's response demonstrates its technical competency in the field of insulation and building materials.

In its response to question 10 of the attached waiver petition, Dow states that it does not currently have a market presence in the proposed field of advanced insulation. Several companies are offering aerogel particles or insulation blankets, of vacuum insulation panels. Dow states there is a significant amount of research underway in this area and several Dow competitors have announced research programs in the same field. Further, Dow states that grant of the waiver will encourage Dow to pursue this technology and make the associated investment which will have a positive impact on competition by encouraging new product offerings by a new entrant to the market. 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 Dow has agreed to the provisions of 35 U.S.C §§ 202, 203, and 204. This waiver clause will also include a modified U.S. Competitiveness paragraph, in which Dow agrees to substantial U.S. manufacture of subject inventions sold in the United States (attached hereto). Additionally, Dow 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: August 10, 2011


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, 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:

APPROVAL:


P. Marc LaFrance
Office of Energy Efficiency and
Renewable Energy
Office of Building Technology, EE-2J

Date 9/22/11


John T. Lucas, Acting
Assistant General Counsel for
Technology Transfer and
Intellectual Property, GC-62

Date 9/26/2011

(t) U. S. COMPETITIVENESS, *modified, DE-EE0003916*

The Contractor agrees that any products sold in the United States 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.