

## STATEMENT OF CONSIDERATIONS

### ADVANCE CLASS WAIVER OF PATENT RIGHTS FOR TECHNOLOGY DEVELOPED UNDER THE WIND AND HYDROPOWER TECHNOLOGIES PROGRAM (WHTP) FUNDING OPPORTUNITY ANNOUNCEMENT, "20% WIND BY 2030: OVERCOMING THE CHALLENGES", DE-PS36-09GO99009, W(C)2009-006

The Department of Energy (DOE) is providing federal assistance under its Wind and Hydropower Technologies Program (WHTP) to maximize renewable energy utilization in the United States by leading the Nation's research and development efforts to improve wind and water energy generation technology, in coordination with stakeholders, and to address barriers to the use of renewable energy. Fulfilling this mission will result in greater energy security and enhanced domestic economic benefit through more diverse, clean, reliable, affordable, and secure domestic electricity supplies. The Wind Energy Program has increased focus on near- to medium-term actions to significantly accelerate use of wind energy technologies, thus reducing the Nation's dependence on imported and environmentally damaging energy sources. This advance waiver is intended to apply to inventions of all current and future recipients and subrecipients awarded under the WHTP Funding Opportunity Announcement, "20% Wind by 2030: Overcoming the Challenges," regardless of tier, except recipients eligible to obtain title pursuant to P.L. 96-517, as amended, and National Laboratories.

Applicants will compete for DOE funding in the following Topic Areas: (1) Supporting Wind Turbine Research and Testing, (2) Market Acceptance, (3) Environmental Impact, (4) Transmission Analysis, Planning and Assessments, (5) Workforce Development, and (6) Distributed Wind Technology.

Teaming arrangements among the recipients under this award are expected. Where appropriate, each team may be composed of a prime recipient and one or more subrecipients. It is anticipated that each of the teams will develop an appropriate allocation of patent rights among the recipients to facilitate the commercial development of the respective technical areas forming the subject matter of each award, subject to the provisions of the Bayh-Dole Act. Under Topic Areas 2, 3, 5 and 6 there are 53 prime recipients, with eight of those being large, for profit businesses and the rest being small businesses, non-profits, universities and government entities. Twenty prime recipients have sub-recipients. Eight sub-recipients are large businesses, and the remainder are small businesses, nonprofits and universities. Under Topic Areas 1 and 4, there are 28 prime recipients, with eight of those being large, for profit business and the remainder are small businesses, nonprofits and universities. Fifteen prime recipients have subrecipients, and thirteen of the subrecipients are for profit businesses and the rest are non-profits and universities.

It is the purpose of this class waiver to vest title to the parties' inventions with the recipients and subrecipients in a fashion enabling them to expediently commercialize the various technologies. Accordingly, DOE will waive the Government's title to subject

inventions, other than inventions made by Bayh-Dole recipients pursuant to P.L. 96-517, as amended, or National Laboratories, to the respective recipient or other recipients as may be designated by the parties agreeing to the terms of this waiver.

This advance class waiver of the Government's rights in inventions is subject to the usual Government license, march-in rights, and preference for U.S. industry provisions set out in 35 U.S.C. 202-204. The class waiver also includes the attached U.S. Competitiveness clause, paragraph t, which requires that products embodying any waived invention or produced through the use of any waived invention be manufactured substantially in the United States unless the recipient demonstrates 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. Field Patent Counsel, for good cause shown in writing, may grant a deviation from this U.S. Competitiveness clause in advance of contracting. The recipient further agrees to make the above condition binding on any entity acquiring rights to any waived invention, including subsequent assignees or licensees. Should the recipient 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 the waived invention is suspended until approved in writing by DOE.

The grant of this class waiver is not expected to have any adverse effects on competition or market concentration. Rather, the waiver should enhance competition and growth of WHTP's mission in reducing the Nation's dependence on imported and environmentally damaging energy sources. In any event, if a recipient who has obtained title is not making reasonable efforts to utilize a waived invention, DOE can exercise march-in rights.


This advance class waiver shall apply to each of the recipients under the teaming arrangements upon the Contracting Officer's written notice to Field patent Counsel that the recipient is obligated to provide cost sharing as set forth in the applicable Funding Opportunity Announcement, and shall remain in effect for so long as such cost sharing is maintained, in aggregate, over the term of the agreement.

In addition to the above, all recipients under WHTP, other than recipients which are domestic small businesses or non-profit organizations under P.L. 96-517, as amended, or National Laboratories, shall give DOE written notice of their acceptance of the terms and conditions of this class waiver prior to entering into any agreement incorporating the terms of this waiver. Except as otherwise specifically approved by DOE Patent Counsel, a recipient's acceptance of an agreement under WHTP, at any tier, shall constitute that recipient's notice to DOE of its acceptance of the terms and conditions of this class waiver.

In the event a recipient which is a member of a teaming arrangement does not participate in subsequent phases of its project, the remaining recipients in that recipient's team shall retain, as a minimum, a royal-free, nonexclusive license throughout the world, with the right to grant sublicenses, in each subject invention held by such recipient

pursuant to this class waiver, except as otherwise approved by DOE Field Patent Counsel. However, in no event will recipients eligible to obtain title pursuant to P.L. 96-517, as amended, of National Laboratories be required to license other recipients its subject inventions.

Considering the foregoing, and in view of the statutory objectives to be obtained and the factors to be considered under DOE's statutory waiver policy, all of which have been considered, it has been determined that this class waiver as set forth above will best serve the interest of the United States and the general public. It is recommended that the waiver be granted.

  
Julia Cook Moody  
Patent Counsel, Golden Field Office

Date: 24 September 2009

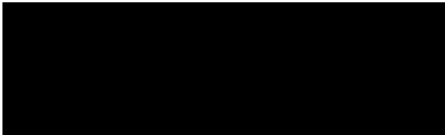
Based upon the foregoing Statement of Considerations, it is determined that the interests of the United States and the general public will best be served by a waiver of the United States and foreign patent rights as set forth herein, and, therefore, the waiver is granted. This waiver shall not affect any waiver previously granted.

CONCURRENCE:

  
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Wind and Hydropower Technologies Program

Date: 10/5/09

APPROVAL:

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

Date: 10/6/09

(i) 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.