

response to Notice of Inquire on Questions Concerning Technology Transfer Tractices at DOE Laboratories

From: Malozemoff, Alex [AMalozemoff@amsc.com]

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Subject: FW: Response to Notice of Inquire on Questions Concerning Technology Transfer Tractices at DOE Laboratories

> Response to Fed Register 73, no. 229, Nov. 26, 2008 Notices

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> DOE Questions Concerning Technology Transfer Practices at DOE
> Laboratories

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> Answer by

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> 1. American Superconductor (AMSC), a leader in alternative energy
> and smart grid technologies, has had ongoing CRADAs with Oak Ridge
> National Lab (Martin Marietta, Lockheed Martin, UT/Battelle) since
> 1991. These have been an effective tool in developing technology
> related to high temperature superconductors (HTS). At this point we
> have negotiated reasonable solutions to issues like the terms of US
> competitiveness clauses and protection of IP. We consider the CRADAs
> to be a reasonable vehicle for joint technology development of
> industry with the national labs.

> 2. Best practices: A major issue for us was licensing of national
> lab IP, and in particular, getting to reasonable royalty rates.
> Initial licensing negotiations were very difficult and took a long
> time, holding up tech transfer and allowing other industrial
> organizations around the world to get a jump on the technology. After
> a painful 2 year process, we finally signed a key license with
> Lockheed Martin Energy Research Corporation on the ORNL RABiTS patent.
> Since that time, the UT/Battelle team has been much more co-operative,
> allowing a renegotiation of the initial royalty rate and a negotiation
> of a partial exclusive license. Lab personnel have also been very
> co-operative and helpful. All in all, the tech transfer organization
> responsible for such negotiations must be sensitive to the challenges
> which companies, especially small business, face in bringing new
> technology to market, and they must involve the lab personnel as well
> to gain their commitment and support. The present organization at
> UT/Battelle seems to be doing a much better job.

> 3. US Competitiveness: The DOE policy is generally too restrictive.
> Companies must have the flexibility to manufacture outside the US
> where it would enable them to be competitive. This is a reality of
> the present world economy. At most, the restriction should be to
> require some US manufacturing for the US market, and in this case for
> a limited number of years. Manufacturing for the international market
> should not be restricted. At the same time, there should be a strong
> preference for supporting US-based companies.

> 4. IP in WFO - we have not had such agreements.

> 5. User Agreements: Yes, User Agreements should allow for some
> negotiation, since many special situations can arise.

> 6. Other issues. The key to an effective interaction with industry
> is the attitude of the lab personnel; if they want to help and
> recognize value in working with industry, this makes all the
> difference. The HTS team at ORNL has evolved to this attitude and has

response to Notice of Inquire on Questions Concerning Technology Transfer Tractices at DOE Laboratories
> been very helpful. At the same time, industrial representatives must
> recognize the importance of involving lab personnel to make an
> effective working environment. Industry can't be a black hole into
> which information disappears but nothing comes back.
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