

## STATEMENT OF CONSIDERATIONS

ADVANCE WAIVER OF THE U.S. GOVERNMENT'S DOMESTIC AND FOREIGN PATENT RIGHTS IN SUBJECT INVENTIONS ARISING UNDER INNOVATIVE TECHNOLOGY DEMONSTRATION PROJECTS AT TECHNOLOGY DEVELOPMENT-DESIGNATED TEST BED FACILITIES TO THE DEMONSTRATOR W(A)-95-011 AND TO THE LARGE BUSINESS LOWER TIER SUBCONTRACTORS THEREUNDER.

This waiver of the U.S. Government's domestic and foreign patent rights in Innovative Technology Demonstration Projects' subject inventions is intended to cover Innovative Environmental Technology Demonstrators and lower tier subcontractors, other than domestic small business and nonprofit organization Demonstrators and lower tier subcontractors covered by Public Law 96-517, demonstrating innovative environmental technology, under contract or other agreement with the Department of Energy (DOE), for environmental remediation at Technology Development-designated test bed facilities. This waiver of the U.S. Government's domestic and foreign patent rights is also intended to cover Demonstrators and their subcontractors, other than domestic small business and nonprofit organization Demonstrators and subcontractors covered by Public Law 96-517, demonstrating innovative environmental technology, under subcontract with the National Laboratories, for environmental remediation at Technology Development-designated test bed facilities. These designated test bed facilities are identified in the attached list (Attachment A). The list of designated test bed facilities may be enlarged or diminished by the Assistant General Counsel for Technology Transfer and Intellectual Property upon written request by the Deputy Assistant Secretary for Technology Development (or successor organization.)

This waiver does not apply to small business and non-profit organization Demonstrators or subcontractors covered by Public Law 96-517, as amended, regardless of tier of contracting. These small businesses and nonprofit organizations shall receive title to their subject inventions arising under Innovative Environmental Technology Demonstration Projects as required in Public Law 96-517, as amended. This waiver also does not grant any rights in inventions made by employees of the National Laboratories. This waiver does not apply to demonstrations at designated test bed facilities which are under the cognizance of programs other than EM-50.

This advance waiver represents a streamlined waiver process whereby individual Demonstrators and lower tier subcontractors at Technology Development-designated test bed facilities meeting the requirements described herein need not request individual waivers to gain the U.S. Government's domestic and foreign patent rights but may rely on this waiver to obtain such rights. In the event that an individual Demonstrator or subcontractor cannot satisfy the criteria for obtaining patent rights under this waiver, that Demonstrator or subcontractor may request a waiver in accordance with 41 CFR 9-9.109-6.

## Background

In recognition of the nation's existing burden of sites contaminated with toxic materials and bearing major potential cleanup costs, the Office of Technology Development (OTD) is emphasizing an aggressive national program of applied research and development to focus, manage, and accelerate the development of new and existing technologies to meet environmental restoration and waste management demands. A keystone of this program is the development of better, faster, safer, and more cost-effective technologies to remediate hazardous and mixed waste sites and to manage waste. The OTD is acting to facilitate commercialization of innovative technologies, while leveraging scarce federal resources through cost sharing of at least twenty percent (20%) by the private sector. These cost shared projects will take the form of demonstration projects at designated test bed facilities. Such public-private partnerships provide participants with mutual benefits, while enabling them to share risks. The goal of the partnerships is to move innovative technologies and technology systems as products into domestic and global markets in a very efficient manner.

Effective remediation and waste management requires a problem focus for the development of innovative technologies, in which test bed demonstration plays a key role. Major focus areas of OTD remediation demonstrations, are:

- Contaminant Plume Containment and Remediation, focusing on uncontained hazardous and radioactive contaminants in soil and groundwater. Promising technologies include in situ remediation (including bioremediation) and directionally drilled treatment wells.
- Mixed Waste Characterization, Treatment, and Disposal, focusing on the management of low-level radioactively contaminated mixed waste. Versatile treatment approaches and nonthermal treatment options are among the technologies being pursued.
- Landfill Stabilization, focusing on landfills in need of remediation, containment, and treatment. Technologies are being developed to contain and provide in situ stabilization of buried waste; contain potential source terms in landfills that exhibit migration; and contain, remove, and treat buried waste and contaminated soils.
- Facility Deactivation, Decommissioning and Material Disposition, focusing on facilities and materials contaminated with radionuclides and hazardous materials. These problems are being addressed through demonstrations of technologies for concrete and metal decontamination; concrete, and metal structure dismantlement; and metal

recycling.

- Radioactive Tank Waste Remediation, focusing on large storage tanks which contain high-level mixed waste. The urgent risks of these tanks are being addressed through technologies for conducting tank structural integrity and waste analyses, retrieving radioactive materials from the tanks, and extracting radionuclides.

Test bed facilities are designated for crosscutting technologies that support the major focus areas. The crosscutting technologies managed by OTD include:

- Characterization, Monitoring, and Sensor Technologies that address location and characterization of wastes prior to treatment; monitoring of waste retrieval, remediation, treatment, and evaluation processes; and site closure and compliance monitoring;

- Robotics systems that focus on reducing secondary waste generation by removing workers from hazardous waste areas, reducing worker exposure and increasing worker safety through remote operation of equipment, and increasing productivity through automation and "intelligent machines", and;

- Waste Treatment Technologies, such as those to more efficiently separate radioactive and hazardous components from hazardous waste, with a goal of minimizing the volume of waste sent to repositories.

Advance Waiver of the U.S. Government's Domestic and Foreign Patent Rights in Demonstrator's and Lower Tier Subcontractor's Subject Inventions

Section 152 of the Atomic Energy Act of 1954, as amended (42 USC 2182) and Section 9 of the Federal Non-nuclear Energy Research and Development Act of 1974 (42 USC 5908) generally require that the Government take title to subject inventions, unless a waiver is granted. Under the authority of 42 USC 2182 and 5908 and implementing regulations, it is a purpose of this advance waiver to provide a waiver of the U.S. Government's domestic and foreign patent rights in subject inventions, arising under Innovative Environmental Technology Demonstration Project contracts with the DOE to the Demonstrator.

It is a further purpose of this advance waiver to provide a waiver of the U.S. Government's domestic and foreign patent rights in subject inventions of the Demonstrator, arising under Innovative Environmental Technology Demonstration Project subcontracts with a(the) National Laboratory(ies), to the Demonstrator.

This waiver of the Government's rights in inventions as set forth

herein is subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, as set out in 35 U.S.C. 202-204. This waiver of the U.S. Government's patent rights in inventions as set forth herein is also conditioned on the Demonstrator accepting the attached patent clause, data clauses in accordance with Acquisition Letter 87-5, and the attached background patent and data clauses. The background patent and data clauses require the Demonstrator to license the Government for purposes of site remediation and for commercialization purposes in the event the Demonstrator fails to commercialize a subject invention. Further, the Demonstrator must agree to the attached U.S. Competitiveness clause. After consultation with the Assistant General Counsel for Technology Transfer and Intellectual Property and for good cause, the above provisions may be modified by DOE Patent Counsel. Lastly, this waiver is conditioned on the Demonstrator providing at least a twenty percent (20%) cost share in the Innovative Environmental Technology Demonstration Project, as approved by the DOE contracting officer of the project.

With respect to lower tier subcontracts, it is a further purpose of this advance waiver to provide a waiver of the U.S. Government's domestic and foreign patent rights in subject inventions of the lower tier subcontractors, arising either under a subcontract with the DOE or under a sub-subcontract with a(the) National Laboratory(ies), to the lower tier subcontractors. This waiver of the Government's rights as set forth herein is conditioned on the lower tier subcontractor accepting the same terms and conditions under which the Demonstrator will be granted the advance waiver. These terms include the attached patent clause, data clauses in accordance with Acquisition Letter 87-5, the attached background patent and data clauses, the conditions set out in 35 U.S.C. 202-204, the attached U.S. Competitiveness provisions and at least a 20% cost share by the lower tier subcontractor. The background patent and data clauses require the lower tier subcontractor to license the Government for purposes of site remediation and for commercialization purposes in the event the lower tier subcontractor fails to commercialize a subject invention. After consultation with the Assistant General Counsel for Technology Transfer and Intellectual Property and for good cause, the above provisions may be modified by DOE Patent Counsel. In recognition of the lower tier subcontractors' right to request a waiver of patent rights under their own subcontract, this waiver will apply only to such lower tier subcontractors who provide to the DOE, in writing, acknowledgement of their waiver rights and agreement to the terms of their subcontract. Again, this waiver shall not impact the rights of small business and non-profit organizations subject to Public Law 96-517, as amended, at any tier, nor shall it grant any rights in inventions made by employees of the National Laboratories.

## Conclusions/Recommendations

It is believed that granting the advance waiver of the scope described herein would provide Demonstrators, other than small business and nonprofit organization Demonstrators covered by Public Law 96-517, and lower tier subcontractors, other than small business and nonprofit organization subcontractors, with the necessary incentive to invest their resources in the commercialization of the results of the Innovative Environmental Technology Demonstration Program in the fashion which will make the Demonstration's benefits available to the public in the shortest practicable time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 41 CFR 9-9.109-6, all of which have been considered, it is recommended that the requested waiver be granted.

This waiver will be effectuated by the inclusion of the conditions in 35 U.S.C. 202-204, as well as, the attached patent clause, data clauses in accordance with Acquisition Letter 87-5, the attached background patent and data clauses and the attached U.S. Competitiveness clauses in the contract with DOE, or in the subcontract with a(the) National Laboratory(ies), for Innovative Environmental Technology Demonstration Projects at a Technology Development-designated test bed facility. Any deviation from these clauses shall be approved by the Assistant General Counsel for Technology Transfer and Intellectual Property.

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

  
Sue Hagarman Palk  
Office of the General Counsel for  
Technology Transfer and  
Intellectual Property

Based on the foregoing Statement of Considerations, it is determined that the interest of the United States and the general public will best be served by a waiver of patent rights of the scope described above, and therefore the waiver is granted. This waiver shall not apply to any modification that substantially alters the purpose or scope of the demonstrations described herein, or reduces the cost share amount required of the Demonstrator as stated herein.

CONCURRENCE:

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Clyde W. Frank  
Deputy Assistant Secretary  
for Technology Development

DATE: \_\_\_\_\_

APPROVAL:

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~~SECRET~~  
Paul A. Gottlieb  
Assistant General Counsel for  
Technology Transfer and  
Intellectual Property

DATE: 4/13/95 *SAP*

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Clyde W. Frank  
Deputy Assistant Secretary  
for Technology Development

DATE: 4/13/75

APPROVAL:

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Paul A. Gottlieb  
Assistant General Counsel for  
Technology Transfer and  
Intellectual Property

DATE: \_\_\_\_\_

## U. S. Competitiveness Provision

### A. DEFINITIONS

1. Technology - Products, processes, services and improvements thereof which are covered by intellectual property, as well as any Protected Data, developed under the Test Bed Demonstration Project under the cognizance of the Office of Technology Demonstration or successor organization. An environmental technology is a technology that reduces human and ecological risks, enhances cost effectiveness, improves process efficiency, and creates products and processes that are environmentally beneficial or benign. Categories of environmental technologies include those which avoid problems, control existing problems, remediate or restore past problems, and monitor and assess the state of the environment.
2. Foreign Firm or Institution - A firm or institution organized or existing under the laws of a country other than the United States, its territories, or possessions. The term includes, for purposes of this Agreement, any agency or instrumentality of a foreign government; and firms, institutions or business organizations which are owned or substantially controlled by foreign governments, firms, institutions, or individuals.
3. Transfer - Includes a sale of the company, and sales or licensing of Technology.

Transfers do not include:

- (a) sales of products, components or services;
- (b) licenses of software or documentation related to sales of products or components;
- (c) transfers of Technology to foreign Affiliates (a direct or indirect majority-owned subsidiary of a Demonstrator or lower tier subcontractor, a direct or indirect parent that directly or indirectly owns a majority of the shares of a Demonstrator or lower tier subcontractor, or a direct or indirect majority-owned subsidiary of a parent of a Demonstrator or lower tier subcontractor) of a Demonstrator or lower tier subcontractor for use outside of the United States and without re-export to the United States.

### B. REQUIREMENTS

The Demonstrators or lower tier subcontractor agree that a purpose of the waiver of certain Government rights in any Technology arising under the Test Bed Demonstration Project is to