

STATEMENT OF CONSIDERATIONS

REQUEST BY ALCOA COMMERCIAL WINDOWS LLC AND TRACO ("TRACO") FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER DOE AWARD NO. DE-EE0004012; W(A) 2012-029

TRACO¹ has requested a waiver of domestic and foreign patent rights of the United States of America in all subject inventions arising from its participation under the above referenced cooperative agreement entitled "Project Engineering for R5 and Higher Windows." The waiver includes the following subject invention reported to DOE on August 23, 2012: "Multi-purpose inserts for aluminum window frame cavities" (DOE S-131,136).

The cooperative agreement was awarded under Funding Opportunity Announcement DE-FOA-0000115 entitled "Recovery Act: Advance Energy Efficient Building Technologies." As stated in the petition requesting this waiver, the project funded by the cooperative agreement is to (1) design, develop and commercialize a series of R5 commercial grade windows with U-Factor range of 0.19-0.22 and (2) upgrade TRACO's existing window manufacturing equipment in order to manufacture R5 windows with reduced material and labor cost and manufacturing time.

The expected period of performance for the cooperative agreement is August 16, 2010 through March 31, 2013. The total anticipated cost of the cooperative agreement is \$2,635,638 with TRACO providing 50% cost share. This waiver is contingent upon TRACO maintaining a cost share of at least 50%.

As set forth in its petition, TRACO is a leading commercial window and door manufacturer in the United States. It is headquartered in a one million square feet office and manufacturing facility in Cranberry Township, PA, employs more than 700 employees and has been in business since 1943. TRACO was the first company in the United States to incorporate a new thermal break system and has patents related to thermal break technology. In 2010, TRACO was acquired by Alcoa Inc. and is now part of Alcoa Inc.'s Building and Construction System division ("BCS"). BCS is a provider of architectural systems, services and building products to the construction market. It has 16 manufacturing locations in 14 countries.

This waiver shall be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, comparable to those set out in 35 U.S.C. 202-204. Further, TRACO has agreed to the U.S. competitiveness provision as attached to this Statement. In brief, TRACO has agreed that products embodying any waived invention or made through the use of any waived invention shall be substantially manufactured in the United States, and that TRACO will not license, assign, or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements.

¹ The cooperative agreement was originally awarded to TRACO Delaware Inc. A Novation Agreement to transfer the award to Alcoa Commercial Windows LLC is pending. The change of entity from TRACO Delaware Inc. to Alcoa Commercial Windows LLC is the result of TRACO being acquired by Alcoa Inc. discussed further below in this statement. This waiver will transfer to Alcoa Commercial Windows LLC upon the execution of the Novation Agreement.

Referring to item 10 of the waiver petition, in granting this waiver, TRACO does not expect that the granting of the waiver will have an anti-competitive effect. The resulting technology of this project is to provide improvements in thermal performance of window products. According to TRACO, other product technologies from various manufacturers that are currently in the market provide similar or better thermal performance and that these existing technologies would not be impacted by this waiver.

Considering the foregoing, it is believed that granting this waiver will provide TRACO with the necessary incentive to invest its resources in commercializing the results of the cooperative agreement in a manner that will make the above technology 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

Date: 11/27/12

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 cooperative agreement, where through such modification or extension, the purpose, scope, or cost of the agreement has been substantially altered.

CONCURRENCE:



Roland J. Risser
Program Manager
Building Technologies Program

Date: 4/2/13

APPROVAL:



John T. Lucas
Assistant General Counsel for Technology
Transfer and Intellectual Property

Date: 1/18/13

(t) 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.