

STATEMENT OF CONSIDERATIONS

Request by Ford Motor Company Research and Advanced Engineering Laboratory for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Cooperative Agreement No. DE-FC26-07NT43280; W(A)-08-024, CH-1435

The Petitioner, Ford Motor Company Research and Advanced Engineering Laboratory (Ford), was awarded this cooperative agreement for the performance of work entitled "Advanced Boost System Development for Diesel HCCI (Homogeneous Charge Compression Ignition) Applications." The goal of the cooperative agreement is to investigate advanced diesel boost technologies that can support the advanced combustion concepts as researched by Ford over the last several years. Under this agreement, Ford research will support industry efforts of clean and efficient internal combustion engine development for passenger and commercial applications. Further details of the research to be conducted under this agreement are provided in response to question 2 of the waiver petition.

The total estimated cost of the cooperative agreement is \$2,991,909, with the DOE share being \$1,495,953. Cost sharing of the project by Ford is \$1,495,956 or fifty percent (50%). The length of this agreement will be thirty three (33) months, from October 1, 2007 to June 30, 2010.

In its response to questions 5 and 6 of the attached waiver petition, Ford has described its technical competence in the technological field of this cooperative agreement. Specifically, Ford states that it has comprehensive knowledge and experience in diesel combustion research and diesel system integration and commercial vehicle applications. Ford has a long history of developing innovative and environmental friendly engines that meet or exceed emission regulations. Ford further states it has actively been developing next generation boost technologies, and lists several representative patents that it has obtained in this field (see response to question 5). Ford has been a participant in other government programs relevant to improving the efficiency of diesel engines, and in its response to question 5, it has briefly described these programs. Ford has also invested over nine (9) million dollars in this technological area. Ford's technological experience, its past governmental participation and financial investment demonstrate its commitment to further development and improvement of HCCI engines.

From its response to question 10, Ford indicates that grant of the waiver should not affect competition because there are several other vehicle Original Equipment Manufacturers (OEMs) pursuing research in this area. Ford also intends to commercialize the results of any inventions generated under this agreement, which results in a greater increase in competition. It is unlikely that competition will be adversely affected by grant of the waiver.

The subject cooperative agreement will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12. This waiver clause will also include a paragraph entitled U.S. Competitiveness, in which Ford agrees to substantial U. S. manufacture of subject inventions (attached hereto). Additionally, Ford 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 Dec. 11, 2008

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 and consent to assignment of the scope described above, 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:



Patrick Davis
Acting Program Manager
Office of Vehicle Technologies Program,
EE-2G

Date 12-19-08

APPROVAL:



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

Date 1-12-08

(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 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.