

STATEMENT OF CONSIDERATIONS

REQUEST BY RADIAN CORPORATION (RADIAN) FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER PRDA NO. DE-RA22-94PC92291 - W(A)-95-032, CH-0874

The Petitioner, Radian, was selected for award under the Integrated Approach for Pollutant Control program. This project is for development modifications in flue gas desulfurization processes for enhanced control of mercury and other hazardous air pollutants. Radian was selected for contract negotiation as a result of its proposal submitted in response to the PRDA in this program.


The Petitioner has requested a waiver of domestic and foreign rights for all subject inventions under its contract with DOE. Radian supplements its petition by letter of October 10, 1995, with attachments, requesting with the concurrence of the subcontractor, Gilbert Commonwealth, the rights in any inventions under the subcontract. In addition and as noted in the response to question 1 of the waiver petition, Radian intends to transfer its rights in subject inventions to Electric Power Research Institute (EPRI), a not-for-profit institute which is providing the cost sharing for this project. EPRI's letter of September 22, consents to the petition and requests DOE consent to the assignment of waived inventions to EPRI. This approach should focus development and ultimate commercialization of this technology as well as simplify administration of inventions under the program.

As brought out in the Petitioner's response to questions 2 and 3 in the attached copy of its petition for waiver, the total estimated cost of the contract is about \$3.8 million with EPRI cost sharing 27% and DOE providing the remaining 73% of the total cost.

In addition to its direct cost sharing, according to its response to questions 7 and 8, the Radian/EPRI team has invested substantial amounts in background research relevant to the contract technology. The Petitioner estimates it and EPRI have already invested \$3.1 million with another \$1.3 million of research underway in 1995. This private investment clearly demonstrates the team's commitment to the technology and indicates a likelihood of an effort to commercialize the results of the agreement.

The Petitioner has agreed to the standard provisions with respect to invention waivers with the substitution of the march in rights, U.S. manufacturing preference and U.S. government license provided in 35 U.S.C. 202-204. Additionally, Radian has accepted standard background patent and data provisions of paragraphs (k) to assure commercialization of the technology and has agreed to the attached U. S. Competitiveness provision. Also, Radian has requested and has been granted data protection under section 3001 of the 1992 Energy Policy Act.

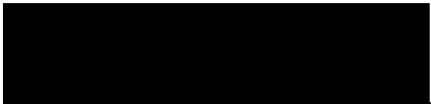
Considering the foregoing, it is believed that granting the waiver with consent to assign waived inventions to EPRI will provide the Petitioner and EPRI with the necessary incentive to invest their resources in the commercialization of the results of the agreement in a fashion which will make the agreement's 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 DOE PR 9-9.109-6, all of which have been considered, it is recommended that the requested waiver, as set forth above, be granted.


Hugh W. Glenn
Assistant Chief Counsel
Intellectual Property Law Department, CH

Date 11/13/95

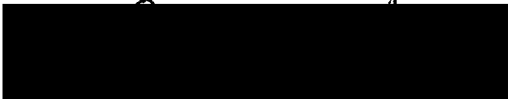
Based on the foregoing Statement of Considerations and the representations in the attached waiver petition, it is determined that the United States and the general public will best be served by a waiver of rights and consent to assignment of the scope described above, and therefore the waiver is granted. 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:


Howard Feibus, Associate Deputy
Assistant Secretary for
Research and Development

Date 4/3/96

APPROVAL:


Paul Gottlieb, Assistant General
Counsel for Technology Transfer
and Intellectual Property

Date 4-4-96

WAIVER ACTION - ABSTRACT

W(A)-95-032 - CH-0874

REQUESTOR

Radian Corporation
(RADIANT))

CONTRACT SCOPE OF WORK

For the development modifications
in flue gas desulfurization processes
for enhanced control of mercury and
other hazardous air pollutants

RATIONALE FOR DECISION

27% Cost Sharing

DISPOSITION

(ix) 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.

(4) Terminations.

(i) Any waiver or retention of rights by the Contractor under paragraphs (b)(2), (c)(1), or (c)(2) of this clause may be terminated at the discretion of the Secretary or his designee, in whole or in part, if the request for waiver or retention of rights by the Contractor is found to contain false material statements or nondisclosure of material facts, and such were specifically relied upon in reaching the waiver determination or the agreement to the retention of rights by the Contractor.

(ii) Any waiver of the rights retained in accordance with paragraph (c)(2), as applied to particular inventions, may be terminated at the discretion of the Secretary or his designee, in whole or in part, if the Contractor fails to comply with the provisions set forth in paragraph (c)(3) and paragraph (d) of this clause, and such failure is determined by the Secretary or his designee to be material and detrimental to the interests of the United States and the general public.

(iii) Prior to terminating any waiver of rights under paragraph (c)(4)(i) or (c)(4)(ii) of this clause, the Contractor will be given written notice of the intention to terminate the waiver of rights, the extent of such proposed termination and the reasons therefor, and a period of 30 days, or such longer period as the Secretary or his designee shall determine for good cause shown in writing, to show cause why the waiver of rights should not be so terminated.

(iv) All terminations of waivers of rights under paragraph (c)(4)(ii) shall be subject to the rights granted in paragraph (c)(1) of this clause, and termination shall normally be partial in nature, requiring the Contractor to grant nonexclusive or partially exclusive licenses to responsible applicants upon terms reasonable under the circumstances.