

## Statement of Considerations

REQUEST BY GENERAL ELECTRIC COMPANY, CORPORATE RESEARCH AND DEVELOPMENT, FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN RIGHTS IN SUBJECT INVENTIONS MADE IN THE COURSE OF OR UNDER DEPARTMENT OF ENERGY CONTRACT NO. DE-AC21-92MC29110; DOE WAIVER DOCKET W(A)-93-011, [ORO-551]

General Electric Company, Corporate Research and Development (GE-CRD) has made a timely request for an advance waiver to worldwide rights in Subject Inventions made in the course of or under Department of Energy (DOE) Contract No. DE-AC21-92MC29110. The scope of the work calls for the development of a low-cost method for sorption and destruction of chlorinated volatile organic compound (CVOC) vapors using recyclable organic polymers and biodegradation. The work is sponsored by the Office of Fossil Energy.

The dollar amount of the contract is \$627,560 with GE-CRD cost sharing \$125,512, 20% of the contract cost.

General Electric Company (GE), GE-CRD's parent, has an established commercial presence in the polymer industry. GE-CRD develops polymer technology that is then commercialized by GE Plastics. GE-CRD will use this same method to commercialize the processes and polymers developed to remove CVOC vapors from air streams.

GE has invested \$65,000 in remediation research and development, a portion of which has been devoted to sorption of contaminants by polymer sponges. In addition, GE-CRD has used internal funding to support extensive polymer sponge research since early 1991 and intends to continue for the foreseeable future, with the ultimate goal of commercial use of polymer sponges in remediation activities. Therefore, GE-CRD's experience and financial commitment will contribute substantially to commercialization of the inventions made under the contract.

The contract has been executed and is proceeding with the standard DOE long form Patent Rights clause. If the requested waiver is approved, a patent rights clause embodying the standard DOE waiver terms and conditions, approved by GE-CRD, including march-in rights, retention by the government of a license and preference for U.S. industry clauses will be added by a no-cost modification to the contract. The advance patent waiver will also contain a paragraph that limits GE-CRD's ability to alienate waived rights. Specifically, GE-CRD shall not transfer rights in any invention without prior approval of DOE. Also, should there be a change in ownership of GE-CRD, rights in inventions will be suspended until approval by DOE of the entity obtaining controlling interest having the waiver.

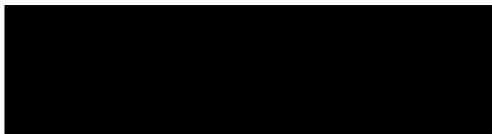
GE-CRD agrees that any products embodying any waived invention or produced through the use of any waived invention during the term of a United States patent covering the waived invention will be manufactured substantially in the United States unless GE-CRD can show to the satisfaction of the Contracting Officer that it is not commercially feasible to do so.

Granting of the waiver should have little effect on competition and market concentration since there are several technology options, this being one of many previously or yet-to-be developed in the marketplace, therefore there should not be undue market concentration of GE-CRD products.

Grant of the requested waiver should serve as encouragement to other DOE contractors that significant cost sharing will be recognized as an acceptable consideration for granting greater rights in subject inventions.

The waiver is limited to inventions made under the terms of the contract as signed August 3, 1993. Should the parties enter into an agreement that changes the scope of this contract, such as another phase, this waiver would not extend to the new agreement.

In view of the acceptable level of cost sharing by GE-CRD and the objectives and considerations set forth in DOE 41 CFR 9-9.109-6, all of which have been considered, it is recommended that the requested waiver for worldwide rights be granted.

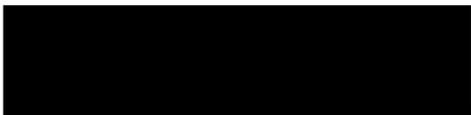


Katherine Lovingood  
Senior Patent Attorney

Based on the foregoing Statement of Considerations and the representations in the attached Waiver Petition, it is determined that the interest of the United States and the general public will best be served by a waiver of U.S. and foreign patent rights, and therefore, the waiver is granted. This waiver shall not apply to a modification or extension of the cost-shared contract where, through such a modification or extension, the purpose, scope or cost of the contract has been substantially altered.

CONCURRENCE:

APPROVAL:



Jack S. Siegel  
Acting Assistant Secretary  
for Fossil Energy



Richard E. Constant  
Assistant General Counsel  
for Technology Transfer  
and Intellectual Property

Date: 4/2/94

Date: 3/3/94