

STATEMENT OF CONSIDERATIONS

REQUEST BY OSRAM SYLVANIA FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER DOE CONTRACT NO. DE-FC26-08NT01582; W(A)2009-027, CH-1492

The Petitioner, Osram Sylvania (Osram) was awarded this cooperative agreement for the performance of work entitled, "High Quality Down Lighting Luminaire with 73% Overall System Efficiency." According to its response to question 2, the scope of this program is to design a highly efficient light engine consisting of blue chips and a remote phosphor layer. The LED chips will be mounted directly on a substrate to improve the thermal performance. The phosphor layer will be optimized to produce uniform and highly efficient white light at 3500K. In a second phase, this light engine will be used to develop the novel luminaire. The electronic drive will be designed and fitted with optical reflector/diffuser/lens system and the heat sink, and a complete field ready prototype will be demonstrated. This waiver is only for inventions of Osram made under the cooperative agreement.

The total estimated cost of the contract is \$1,091,907 with Osram providing a 20% cost-share or \$218,381. DOE is providing the remaining 80% share of \$873,526. The period of performance is from July 1, 2008 through June 30, 2010.

In its response to the questions 5 and 6 of the attached waiver petition, Osram has described its technical competence in the field of LED lighting. It develops and offers for sale a large portfolio of LED systems for architectural, decorative, display/refrigeration, general lighting and signage applications. Osram states its has the competitive advantage in the arena of LED systems with years of experience in designing and developing LEDs, LED modules and electronic drivers. Osram Sylvania and Osram Opto Semiconductors work together to offer a complete line of cutting-edge, award-winning, LED products for the automotive industry. Osram has attached selected patents and publications, as well as the resumes of its staff that document its expertise in this area. Osram's response demonstrates its technical competency in the field of LED lighting technologies.

In its response to question 10 of the attached waiver petition, Osram states that grant of the waiver will not have a negative effect on competition in the LED marketplace. Several other LED-based companies are actively pursuing their own innovative methods for increasing LED system efficacy for favorable position in the emerging LED replacement and new installation markets. In addition, existing LED and fluorescent lighting technologies, as well as developing organic electroluminescent (OLED) technologies are expected to compete with any products developed with technology under this waiver. Therefore grant of the waiver will have a positive effect on competition and market concentration.

In addition, this project is under the Solid State Lighting Program (SSL) and subject to a Determination of Exceptional Circumstances. The Solid State Lighting Program is to develop advanced solid state lighting technologies that, compared to conventional lighting technologies, are much more energy efficient, longer lasting, and cost-competitive, by targeting a product system efficiency of 50 percent with lighting that accurately reproduces sunlight spectrum. The SSL program has multi-tier structure. One tier

consists of a competitively selected SSL Partnership whose membership includes organizations that have or will have the capacity to manufacture SSL systems, i.e., the entire package from wall plug to illumination. Another tier is the Core Technology Program, which will focus on finding solutions to the more difficult shared technical barriers identified by the SSL partnership. It focuses on the R&D efforts of universities, National laboratories, and other research institutions. There is also a Product Development tier which focuses on developing or improving commercially usable materials, devices or systems. This cooperative agreement is in the Product Development Program. In addition, any entity having the right to use or sell any subject invention in the United States and/or other country must agree that any products embodying the subject invention or produced through the use of the subject invention will be substantially manufacture in the United States.

The subject contract will be modified to add the Patent Rights—Waiver clause in conformance with 10 CFR 784.12, wherein Osram has agreed to the provisions of 35 U.S.C. section 202, 203, and 204. This waiver clause will also include a paragraph entitled U.S. Competitiveness, in which Osram agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, Osram 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 request waiver would neither 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 request waiver, as set forth above, to be granted.

 /Mark P. Dvorscak/

Mark P. Dvorscak

Deputy Chief Counsel

Office of Intellectual Property Law

Date: 05/11/09

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 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:



James Brodrick
Office of Energy Efficiency and
Renewable Energy
Office of Building Technology, EE-2J

Date May 19, 2010

APPROVAL:



~~Paul A. Gottlieb~~ John T. Lucas, Acting
Assistant General Counsel for
Technology Transfer and
Intellectual Property, GC-62

Date 5/21/2010

(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.