

STATEMENT OF CONSIDERATIONS

**Request by Honeywell International Inc. Honeywell Laboratories for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Cooperative Agreement No. DE-EE0003840
W(A)-2010-057, CH-1580**

The Petitioner, Honeywell International Inc., Honeywell Laboratories (Honeywell) was awarded this cooperative agreement for the performance of work entitled "Context Aware Smart Home Energy Manager (CASHEM)". According to its response to question 2 of the attached waiver petition, Honeywell states that the objective of the proposed work is to create a system that dynamically schedules major home appliances according to conditions and homeowner convenience of service (CoS) preferences, monitors and analyzes energy consumption, recommends further energy saving actions, and engages/motivates the homeowner to adopt those recommendations. By automating energy saving actions in combination with adaptive techniques while focusing on large energy consuming appliances such as space conditioning, water heaters, and pools, savings between 16 to 20% of energy consumed are expected based on the homeowner and "comfort" tolerance. Further details of the projective objectives are provided in response to this question 2. The waiver is to apply only to Honeywell's employee subject inventions.


The total estimated cost of the cooperative agreement is \$2,035,331, with the DOE share being \$1,578,261, or 77.5%. Cost sharing of the project by Honeywell is \$457,070 or 22.5%. The period of performance of the agreement is from August 16, 2010 to August 15, 2012.

In its response to questions 5 and 6 of the attached waiver petition, Honeywell has described its technical competence in the field of home appliance controls. Specifically, Honeywell states that it sells thermostats to a network of contractors and retail outlets. Honeywell also provides a full line of quality thermostats to meet the needs of every residential and light commercial application, budget and customer. Honeywell has provided a partial list of its U.S. patent applications relevant to the program work, as well as samples of marketing collateral available. Honeywell has demonstrated its technical competency in the field of home appliance controls.

From its response to question 10, Honeywell states that grant of the waiver will not place it in a dominant position in this emerging field. There are numerous examples in the market today of ongoing research and development in this area, as well as early product offerings in the area of home energy management. Honeywell further states that active areas of research include work in analysis algorithms and user interface design, the primary topics of CASHEM development. Honeywell has provided a web link to representative example of publications related to research in this area. It is therefore unlikely that competition will be adversely affected by grant of the waiver.

Accordingly, DOE will waive title to all subject inventions made by Honeywell's employees. 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 Honeywell agrees to substantial U. S. manufacture of subject inventions (attached hereto). Additionally, Honeywell 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 October 7, 2010


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:


Roland Risser
Program Manager
Office of Building Technologies Program,
EE-2J

Date 11/8/10

APPROVAL:


John V. Lucas, Acting
Assistant General Counsel
for Technology Transfer and
Intellectual Property
for Technology Transfer and
Intellectual Property

Date 11/10/2010

(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.