

## **STATEMENT OF CONSIDERATIONS**

### **Request by General Electric Global Research Center for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Cooperative Agreement No. DE-EE0003839, W(A) 2011-022, CH-1608**

The Petitioner, General Electric Global Research Center (GE) was awarded the subject cooperative agreement with DOE for the performance of work entitled, "Advanced Magnetic Refrigerant Materials." The objective of the work is to: screen, identify, and characterize four families of Advanced Magnetic Refrigerant Materials; measure their performance in a multistage prototype at GE Appliances; and, model and validate the performance of the magnetic refrigerant materials at the George Washington University. The waiver will apply only to inventions made by GE employees.

The work under this agreement is expected to take place from September 1, 2010 through March 31, 2013. The total amount of the contract is \$1,961,723, with GE providing \$490,432 or 25% cost share. DOE is providing the remaining 75% cost share or \$1,471,291.

In its response to questions 5 and 6 of the attached waiver petition GE has described its technical competence in the field of magnetic materials and refrigeration. GE states that it has experience in the development of magnetocaloric materials, the development of magnetic refrigeration systems and other refrigeration hardware, metallurgy and materials science, and the theoretical modeling of materials performance. GE further states that it has prepared various invention disclosures in the field of magnetic refrigeration and magnetocaloric materials, with several being filed as patent applications. A representative issued patent is listed in response to question 5. Although magnetic refrigeration is considered a pre-competitive market, GE states that it is one of the oldest and most successful appliance manufactures, and that it has a long history of bringing innovative technology to the appliance market. GE's response demonstrates its technical competency in the field of magnetic materials and refrigeration.

In its response to question 10 of the attached waiver petition, GE states that no adverse effect on competition and market concentration is expected if the waiver is granted. There are competitive refrigeration and magnetocaloric refrigeration processes and technologies using various processes and materials. Technology development and innovation are pro-competitive and will spark continued research in this area of technology. Therefore grant of the waiver will have a positive effect on competition and market concentration.

The subject contract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein GE has agreed to the provisions of 35 U.S.C §§ 202, 203, and 204. This waiver clause will also include a paragraph entitled U.S. Competitiveness, in which GE agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, GE 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: March 22, 2011

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, 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:



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

Date 8/11/2011

APPROVAL:

John T. Lucas  
Assistant General Counsel for  
Technology Transfer and  
Intellectual Property, GC-62

Date 8/12/2011

(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., recoument 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.