

## STATEMENT OF CONSIDERATIONS

### **PETITION FOR ADVANCE WAIVER OF PATENT RIGHTS BY DELPHI AUTOMOTIVE SYSTEMS, LLC ("DELPHI") UNDER A SUBCONTRACT FOR COOPERATIVE AGREEMENT NO. DE-EE0000014 BETWEEN GENERAL MOTORS COMPANY ("GM") AND DOE; W(A)-11-047; CH-1627**

The Petitioner, DELPHI, has requested a waiver of domestic and certain foreign patent rights for all subject inventions that may be conceived or first actually reduced to practice by DELPHI arising from its participation, as a subcontractor, under the above referenced cooperative agreement entitled "Improving Energy Efficiency by Developing Components for Distributed Cooling and Heating." The objective of the cooperative agreement is development of distributed thermoelectric (TE) HVAC components to supplement the central HVAC system in vehicles and to integrate and test the components in a 5-passenger demonstration vehicle.

Previously, W(A)-10-09, CH-1549 was granted to GM under the contract, but the terms of that waiver did not extend to its subcontractors.

DELPHI has been sub-contracted by GM to perform a substantial portion of the work related to spot heating and cooling of light-duty vehicles.

The total cost of the project with GM is \$5,097,593. The anticipated cost of GM's subcontract with DELPHI is \$2.14 million, with DELPHI providing about 50% cost share, or \$1.07 million. As of April 2011, DELPHI has spent \$423,00 as its contribution and plans to continue meeting its cost share obligation by spending \$647,000 by the end of the contract. The period of performance is from October 1, 2009 through October 31, 2012.

In its response to Question 5 of the attached waiver petition, DELPHI has described its technical competence and experience in the development of TE technology for heating and cooling in light-duty passenger vehicles. DELPHI's involvement in this field began in 2003, at the latest, and has received numerous patents relating to heating and cooling within passenger seats. Specifically, DELPHI has been granted at least five patents on thermal regulation and conditioning of vehicle seats. In addition, DELPHI employees have recently made multiple presentations, which are attached to the petition, to the Society of Automotive Engineers relating to thermoelectric subject matter.


While DELPHI is not currently selling TE-based HVAC products, considering Petitioner's technical expertise and significant investment in this technology including sizable cost sharing (50%) in the subcontract under this cooperative agreement, it is reasonable to conclude that Petitioner will continue to develop and ultimately commercialize the technology and products which may arise from this cooperative agreement.

Petitioner has agreed that this waiver shall be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, comparable to those set out in 35 U.S.C. §§202-204. Further, Petitioner has agreed to


the attached U.S. Competitiveness provision paragraph (t). In brief, Petitioner has agreed that products embodying a waived invention or produced through the use of a waived invention will be manufactured substantially in the United States unless the Petitioner can show to the satisfaction of the DOE that is not commercially feasible to do so.

Referring to items 9 and 10 of the waiver petition, granting this waiver is not anticipated to have any adverse impact on competition. If anything, the present waiver is likely to increase competition in the market of TE-module based unit, as DELPHI is not presently a competitor in the field. In particular, the waiver will allow DELPHI the flexibility and incentive to enter the market and make or assemble key components in TE-based spot heating and cooling technology.

Considering the foregoing, it is believed that granting this waiver will provide Petitioner with the necessary incentive to invest its resources in the commercialization of the results of the cooperative agreement in a fashion which will make the above technology available to the public in the shortest practicable time. Therefore, upon evaluation of the waiver petition and 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 be granted.

  
Mark C. Lang  
Patent Attorney  
Intellectual Property Law Division  
DOE Chicago Office

Date: 8-5-11

  
Mark P. Dvorscak  
Deputy Chief Counsel  
Intellectual Property Law Division  
DOE Chicago Office

Date: Aug 11, 2011

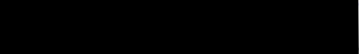
Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope described above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of the cooperative agreement, where through such modification or extension, the purpose, scope or cost of the cooperative agreement has been substantially altered.

CONCURRENCE: 

  
Patrick Davis  
Program Manager  
Vehicle Technologies Program  
EE-2G

Date: 8/30/11

APPROVAL: 

  
John T. Lucas  
Assistant General Counsel  
for Technology Transfer and  
Intellectual Property

Date: 8/31/2011

WAIVER ACTION - ABSTRACT  
W(A)-11-047

REQUESTOR  
DELPHI  
AUTOMOTIVE  
SYSTEMS,  
LLC

CONTRACT SCOPE  
The objective of the project is development of thermoelectric HVAC components to supplement the central HVAC system in vehicles and to integrate and test the components in a 5-passenger demonstration vehicle.

RATIONALE FOR DECISION  
50% Cost Sharing

(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 DOE that it is not commercially feasible to do so. In the event 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 further agrees to make the above condition binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should the Contractor or other such entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license or other transfer of rights in any waived invention is suspended until approved in writing by DOE.