

STATEMENT OF CONSIDERATIONS

Request by Volvo Technology of America Inc. for an Advance Waiver of Domestic and Foreign Invention Rights under DOE Cooperative Agreement No. DE-EE0004232;

W(A)-2011-053, CH-1628

The Petitioner, Volvo Technology of America, Inc., (Volvo) was awarded this cooperative agreement for the performance of work entitled "Supertruck Initiative for Maximum Utilized Loading in the United States". The goal of the cooperative agreement is to develop a vehicle combination that meets or exceeds the objectives stipulated by DOE in the Supertruck Funding Opportunity Announcement, including 50% Brake Thermal Efficiency (BTE) of the engine/combustion system, and 50% improvement in Transport Efficiency when compared to a state-of-the-art MY 2009 baseline vehicle. This waiver is for inventions of Volvo employees only.

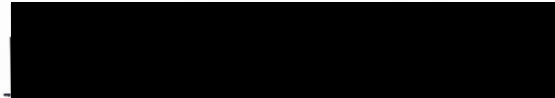
The total estimated cost of the cooperative agreement is \$37,995,894, with the DOE share being \$18,929,194 or 49.8%. Cost sharing of the project by Volvo is thus \$19,066,700 or fifty percent (50.2%). The period of performance of the agreement is from June 15, 2011 to June 15, 2016.

In its response to questions 5 and 7 of the attached waiver petition, Volvo has described its technical competence in the field of automotive vehicle technologies. Volvo Technology of America is the research and development arm of AB Volvo, a company with more than 80 years experience in the transportation industry, and Mack Trucks, a company with over 100 years experience in engineering and building trucks and other vehicles. Volvo states its companies have over 1,500 U.S. patents in various technologies related to this project, including vehicle aerodynamics, engine combustion, and materials. Volvo also states it staffs and operates R&D facilities and an engineering development center employing numerous people in Greensboro, NC and Hagerstown, MD. Volvo's technological experience and financial investment demonstrate its expertise in the field of automotive technologies.

From its response to question 10, Volvo states that it is unlikely that grant of the waiver will place it in a preferred market position since there are a number of competing technologies in this area. The project is direct to improvements in Brake Thermal Efficiency (BTE) of the engine/combustion system, and in Transport Efficiency. These areas represent a portion of the truck tractor and trailer products. It is unlikely that competition will be adversely affected by grant of the waiver.

The subject contract will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein Volvo 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 Volvo agrees to substantial U.S. manufacture of subject inventions (attached hereto). Additionally, Volvo 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: September 29, 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 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:



Patrick Davis
Acting Program Manager
Office of Vehicle Technologies Program,
EE-2G

APPROVAL:

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

Date 1/4/12

Date 1/4/2012

(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.