STATEMENT OF CONSIDERATIONS

REQUEST BY ROCKWELL SCIENTIFIC COMPANY, FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER DOE COOPERATIVE AGREEMENT NO. DE-FC26-03NT41951; W(A)-04-009, CH-1180

The Petitioner, Rockwell Scientific Company (Rockwell), was awarded this cooperative agreement for the performance of work entitled, "Efficient Adjustable Reflectivity Smart Window ." The purpose of the cooperative agreement is to develop and demonstrate an efficient reversible electrochemical mirror (REM) smart window that can be manufactured at low cost so as to render large-area REM smart window devices commercially viable. The project addresses three key requirements for commercialization: uniform switching over large areas; an effective seal for preventing intrusion of oxygen and water; and a suitable counter electrode that can be inexpensively produced over large areas. Further details of the project are described in response to question 1 of the waiver petition.

The total estimated cost of the cooperative agreement is $1,499,794 with the DOE share being $1,199,794 or 80%, and the petitioner's share being $300,000, or 20%. The period of performance is from October 1, 2003 to March 30, 2005.

In its response to questions 5 and 6 of the attached waiver petition, Rockwell has described its technical competence in the field of REM smart window technology. Rockwell states that the REM technology was developed at Rockwell. Work at Rockwell has also resulted in viable electrolytes providing long cycle life, high current carrying capability (fast switching) and wide operating temperature range, as well as REM ionic liquid electrolytes. Rockwell has other innovations related to this smart window technology, and has attached copies of the relevant patents it has obtained covering the technology, as well as a listing of pending US patent applications. Rockwell's response demonstrates its technical competency in the field of REM smart window technology.

In its response to questions 9 and 10 of the attached waiver petition, Rockwell states that grant of the waiver will enable licensing of inventions developed under the cooperative agreement to effect commercialization. In addition, Rockwell states that alternative electrochromic window technologies are available or under development, including electrochemical and solid-state electrochromic devices based on redox and ion insertion films, suspended particle devised, and mirror devised based on metal hydrides. Therefore grant of the waiver will have a positive effect on competition and market concentration.

The subject cooperative agreement will be modified to add the Patent Rights--Waiver clause in conformance with 10 CFR 784.12, wherein Rockwell 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 Rockwell agrees to substantial U. S. manufacture of subject inventions (attached hereto). Additionally, Rockwell agrees not to transfer subject inventions to any other entity unless that other entity agrees to these same requirements. The petitioner has further agreed to modification of the data clause of the subject cooperative agreement (48 C.F.R. 952.227-14) by adding paragraph (k), Alternative VI, concerning contractor licensing of data.

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

Mark P. Dvorscak
Assistant Chief Counsel
Intellectual Property Law Division

Date: Feb. 3, 2004

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:

P. Marc LaFrance

P. Marc LaFrance
Technology Development Manager
Office of Building Technologies
Office of Energy Efficiency and Renewable Energy

Date: 2/27/04

APPROVAL:

Paul A. Gottlieb
Assistant General Counsel
for Technology Transfer and
Intellectual Property

Date: 3-4-04

(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.