

Department of Energy

§ 781.51

(1) *United States Organization* means any partnership, corporation, association, or institution where 75 percent or more of the voting interest is owned by United States citizens.

§ 781.4 Communications.

All communications concerning the regulations in this part, including applications for licenses, should be addressed or delivered to the General Counsel, Attention: Assistant General Counsel for Patents, U.S. Department of Energy, Washington, DC 20545.

TYPES OF LICENSES AND CONDITIONS FOR LICENSING

§ 781.51 Nonexclusive licenses.

(a) *Availability of licenses.* Except as provided in § 781.52, DOE inventions will be made available for the grant of nonexclusive, revocable licenses to responsible applicants. However, when in the best interests of the United States and the general public, licenses may be restricted to manufacture in the United States. Factors which the Department will consider in so restricting a license include, but are not limited to, the following:

- (1) The nature of the invention;
- (2) The effect of the license upon the policies of the United States Government;
- (3) The effect of the license upon domestic and international commerce and competition;
- (4) The effect of the license upon the balance of payments of the United States; and
- (5) The effect of the license upon the overall posture of the United States in world markets.

(b) *Terms of grant.* Nonexclusive licenses shall contain such terms and conditions as the Department may determine appropriate for the protection of the interests of the United States and the general public, including but not limited to the following:

- (1) The duration of the license will be negotiated and may be extended upon application therefor, provided the licensee complies with all the terms of the license and shows that substantial utilization has been, or within a reasonable time will be, achieved.

(2) The license shall require the licensee to bring the invention to the point of practical or commercial application in the geographic area of the license, within a period of time specified in the license or such period as may be extended by the Department, upon request in writing to the General Counsel, for good cause shown. The license shall further require the licensee to continue to make the benefits of the invention reasonably accessible in the geographic area of the license.

(3) The license may be granted for all or less than all fields of use of the invention and in any one or all of the countries, or any lesser geographic area thereof, in which the invention is covered by a patent or a patent application.

(4) Reasonable royalties may be charged for nonexclusive licenses on DOE inventions. Factors to be considered in determining whether to charge royalties, or the amount thereof, include but are not limited to, the following:

- (i) The nature of the invention;
- (ii) Applicant's status as a small business, minority business, or business in an economically depressed, low-income or labor surplus area;
- (iii) The extent of U.S. Government contribution to the development of the invention;
- (iv) The degree of development of the invention;
- (v) The extent of effort necessary for the licensee to bring the invention to the point of practical or commercial application;
- (vi) The extent of effort necessary to create or penetrate the market for the invention;
- (vii) Whether the licensee is a U.S. citizen or U.S. organization; and
- (viii) Whether the invention is to be licensed in the U.S. or in a foreign country.

(5) In the jurisdiction of the license, the license may extend to the licensee's subsidiaries and to affiliates within the corporate structure of which licensee is a part, if any. However, the license shall not be assignable or include the right to grant sublicenses without the approval of the Department in writing.