

Conducting Private R&D at PNNL

Tapping valuable government resources with a unique Use Permit

“The Use Permit is an integral part of PNNL’s success and provides the Laboratory with an efficient and effective mechanism for partnering with industry. This unique tool helps ensure the future innovation, economy, and competitiveness of the Laboratory and our region.”

— *Mike Kluse, Director*
Pacific Northwest National Laboratory

What it’s all about

One of the important missions of a national laboratory is technology transfer—driving innovative science from the laboratory bench to public or private use in a way that’s beneficial to the nation.

Pacific Northwest National Laboratory has been managed by Battelle for the U.S. Department of Energy for more than 40 years. Through a system of aggressive programs and a network of contacts in business and government, Battelle has built a rich history of technology deployment at PNNL that reaches even beyond American borders, ensuring that industrial sectors and the public have access to applicable science and technology.

Unique to PNNL is a powerful technology development and transfer mechanism known as the Use Permit. The Use Permit allows Battelle staff working at PNNL to use federal government facilities and equipment to conduct private research, and allows the government to conduct work in Battelle’s private facilities as well. Under the Use Permit, Battelle must reimburse DOE in advance for the use of its facilities and equipment, and vice versa.

How does the Use Permit work?

The Use Permit exists to tighten the gap between Laboratory work, industry needs, and market demands. This mechanism is tuned to the pace of business with quick and flexible contracting; it has helped



facilitate the transfer of federally developed laboratory technologies and capabilities to non-federal partners, including private firms (large and small), universities, and other laboratories.

Transferring technology—advancing frontiers

Through the Use Permit, Battelle has coupled the interests of government and industry by delivering

What are the advantages of contracting under the Use Permit?

- Flexible contract terms and conditions that can be tailored to meet the unique needs of a potential partner
- Ability to negotiate terms that share risk and accountability for performance to achieve partners’ desired outcomes
- Ability to respond quickly to put agreements in place
- Multiple tools and contract vehicles including cost plus fee contracts, time and materials contracts, basic ordering agreements, fixed price, etc.

an effective and efficient way to move science and technology out of the laboratory environment. In doing this, valuable intellectual assets can be leveraged by almost every segment of industry—from agriculture and human health to energy and transportation.

Bridging the gap from a national laboratory to the commercial world can be challenging, but the Use

Permit mechanism at PNNL has been phenomenally successful in simplifying this journey for clients and partners. Whether it's identifying a proper fit between a technology and a commercial organization's needs, or in negotiating the terms of an agreement needed for successful technology transfer, PNNL is eager to work with you.

When to use what

| Type of Agreement | Description | When to use this mechanism |
|--|--|---|
| Use Permit Agreement (Direct Contract with Battelle) | Permits industry, government agencies and nonprofits to directly fund and negotiate contract R&D work through a private contract with Battelle | Ideal for partners who want to leverage core Laboratory science and technology on an exclusive basis, under more flexible contract and payment terms or want to team on a competitive basis. |
| User Facilities Agreement | Provides access to certain dedicated DOE laboratory facilities | Provides access for non-PNNL researchers to use specialized equipment at PNNL. |
| Work For Others | Enables non-federal and federal organizations to leverage PNNL's research and development capabilities on a full cost-recovery basis. | Ideal to accomplish research or technology goals that do not involve competition and where cost reimbursement terms are acceptable. The work is done under the terms of Battelle's DOE contract. |
| Cooperative Research and Development Agreement (CRADA) | Enables industrial or other non-federal partners to collaborate with PNNL on a cost share or 100%-funded basis. | CRADAs are collaborative research and development agreements that benefit the goals of each participant. The partner may obtain exclusive rights (in a field of use) to inventions created by PNNL under the CRADA. The results of the CRADA work can be protected from disclosure for a period of up to five years after the completion of the work. |

The bottom line is that working with PNNL under a Use Permit contract is not a complex process. Battelle is flexible in its approach to contracting and, depending on the nature of the services, will typically contract on a cost-reimbursement basis, time and material or fixed price. We are open to the use of the contract mechanism that best works for our partners.

The Use Permit at work – Eastman

In the spring of 2005, PNNL met with Eastman to showcase the Laboratory's capabilities in applied chemistry. Shortly after, the two organizations agreed to co-fund two projects to tap into the Laboratory's catalyst research and process monitoring expertise. A Use Permit agreement was drawn up and researchers at PNNL went to work.

The initial intent of the projects was to see how well Battelle and Eastman could collaborate at PNNL. Once engaged in work, both organizations found their organizational cultures and objectives to be extraordinarily complementary. The Use Permit as a contracting mechanism was useful to both parties, and has since provided a way for Eastman to connect with the Laboratory's world-leading research on additional projects.

For more information, contact:

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