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IP Workshop – Opening Remarks
by
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Counselor LIU Zhiming; Deputy Director General WANG from Hainan Department of Science and Technology, and gracious host of our meeting here; Deputy Director LIU Xiaoxia of the State Council; LUO Dongchuan of the Peoples Supreme Court; Distinguished Speakers; Distinguished Participants; and Friends of CERC; Good Morning.

This U.S.-China Clean Energy Research Center, which we call “CERC”, is an extraordinary initiative between our two countries. It was:

- Launched by two Presidents – Presidents HU Jintao and Barack Obama;
- Chartered by the countries’ highest-level science officials:
 - Minister of Science and Technology, WAN Gang; and
 - Secretary of Energy, Steven CHU;
- Strongly supported by MOST and DOE, with the equivalent of \$150 Million USD pledged over 5 years, shared equally by both sides;
- Organized under a novel Government-to-Government Protocol; and
- Empowered by an Intellectual Property Annex, with provisions for a more modern approach to protecting and sharing IP arising from joint research.

The Center focuses on 3 areas of strategic importance to the energy futures of both countries:

- Clean power from coal, with an emphasis on high-efficiency, low-emissions, and CO2 capture, utilization and storage;
- Clean vehicles, with emphasis on electric vehicles, alternative fuels; and batteries;
- Buildings energy efficiency in both new construction and retrofit, and with improved operations and maintenance.

We are already seeing early signs of success.

- Research relationships continue to expand and deepen;
- Researchers have access to unique experimental platforms and data in the other's country;
- Industrial partners are adding market knowledge and business relevance to research planning, buttressed by cash and in-kind contributions;
- Large-scale business ventures are exploring ways to collaborate with CERC, share data, and accelerate new technology deployment;
- Additional private partners are seeking to join;
- Other countries are beginning to take notice and observe our progress.

The elements of CERC that, I believe, are attracting interest are:

- Support and engagement by the two governments at the highest levels;
- Ambitious technical projects focused on important problems;
- Strong teams of distinguished and creative scientists and technical leaders;
- Emphasis on "collaboration" (joint work), not just "collegial" work;
- Strong, but flexible, framework for protecting intellectual property (IP);
- Endorsements by the governments, which enables oversight and encouragement of compliance; and
- A guaranteed right to exploit IP in the other country's territory, which can potentially facilitate access to expanded markets for new technologies.

It is important for me to remind everyone that the CERC is fundamentally a clean energy research initiative. It is not an "IP protection society." However, we must acknowledge that the protection of IP is one of the most important and essential steps to promote innovation.

On the negative side, ambiguity, risk and uncertainty in these matters can severely restrict the collaborative process and the quality of research projects. Fearful partners will not put forth their best ideas.

On the positive side, as Secretary of Energy Chu has said, and I quote:

“With both the U.S. and Chinese governments supporting these [IP] agreements, we are freeing our researchers to offer their best ideas and encouraging innovative thinking.”

In closing, we are gathered here today to learn more about CERC and its IP features. More generally, we are here to learn how our two countries can work together to strengthen protection of IP, manage the sharing of IP, spur innovation, and accelerate the realization of the benefits of new technologies for the peoples of both countries.

These are worthy objectives. I wish you a most educational workshop.

Thank you for your attention.