

## STATEMENT OF CONSIDERATIONS

REQUEST BY SABIC INNOVATIVE PLASTICS FOR WAIVER OF U.S. AND FOREIGN RIGHTS IN AN IDENTIFIED INVENTION, DOE DOCKET NO. S-109,544 MADE UNDER DOE AWARD NO. DE-FC36-03GO13000, SUBCONTRACT 60105 WITH GENERAL ELECTRIC. W(I)-08-009; CH-1453

S-109,544

“SYNTHESIS OF POLY(BUTYLENE-CO-ISOSORBIDE TEREPHTHALATE) AND ITS PROPERTIES”

The Petitioner, SABIC Innovative Plastics IP B.V. (“SABIC”), has requested a waiver of domestic and foreign patent rights in the subject invention entitled “SYNTHESIS OF POLY(BUTYLENE-CO-ISOSORBIDE TEREPHTHALATE) AND ITS PROPERTIES.” The invention relates to copolymers made from biological materials.

The invention was made under the above identified subcontract with General Electric Plastics (GE). GE was subsequently purchased by SABIC. The purpose of this waiver is to vest SABIC with clear title to the invention to enable SABIC to further research and possibly commercialize the invention.

Referring to item 3 of the waiver petition, the overall objective of the subcontract was to develop novel isosorbide based polyester epoxy, and acrylate resins. Promising compositions developed were down-selected and scaled-up to determine their thermal and mechanical properties. These properties were then compared with existing biomass materials. Potential new isorbide polymers were identified, leading to the present invention.

Referring to item 4 of the waiver petition, the total amount of the subcontract was \$299,959, of which \$149,980 (about 50%) was funded by GE. No further Government funding is anticipated.

Referring to items 5-9 of the waiver petition, SABIC, formerly GE Plastics, is a leading global supplier of engineering thermoplastics with a 75-year history of developing polymers and custom solutions. SABIC has invested millions of dollars in research and development. The company's extensive product portfolio includes thermoplastic resins, coatings, specialty compounds, film and sheet. With respect to polyester technologies, SABIC has a product line of polyester-based products sold under the marks VALOX, XENOY, XYLEX, VALOX iQ, and XENOY iQ. SABIC is a multibillion dollar company with operations in more than 25 countries and over 10,500 employees worldwide. SABIC Innovative Plastics is a wholly owned subsidiary of Saudi Base Industries Corporation, one of the world's top five petrochemical manufacturers.

The grant of this waiver should effectively promote the continued development and commercial utilization of the subject invention since SABIC will be able to develop the subject invention into a commercial product. SABIC is already actively involved in negotiations with a potential licensee, who is very interested in acquiring licensing rights under this technology. Additionally, SABIC has developed polymer products that use isosorbide as a monomer and plans to commercialize such isosorbide based polymer products.

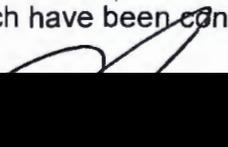
The grant of this waiver will help ensure that SABIC can realize the full potential of the subject invention through very significant future investments to allow a more rapid introduction of the technology. SABIC is willing and able to commercialize the subject invention now, and has already secured a partner.

The Petitioner has agreed that this waiver will be subject to the march-in and preference for U.S. industry provisions, as well as the U. S. Government license, set out in 35 U.S.C. 202-204. Further, Petitioner has agreed to the attached U.S. Competitiveness provision (paragraph (t)). In brief, Petitioner has agreed that products embodying a waived invention or produced through the use of a waived invention will be manufactured substantially in the United States unless the Petitioner can show to the

satisfaction of the DOE that is not commercially feasible to do so. The Petitioner has further agreed to make the above conditions binding on any assignee or licensee or any entity otherwise acquiring rights in the waived inventions, including subsequent assignees and licensees. Should the Petitioner or other such entity receiving rights in the waived 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 DOE.

Referring to item 10 of the waiver petition, granting this waiver will not have an adverse impact on competition. There are numerous copolymers currently being evaluated for various uses, and the commercialization of new copolymers will only further spur competition.

Considering the foregoing, it is believed that granting this waiver will provide Petitioner with the necessary incentive to invest its resources in the commercialization of the subject invention in a fashion which will make the technology available to the public in the shortest practicable time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 10 CFR Part 784, all of which have been considered, it is recommended that the requested waiver be granted.

  
  
Brian J. Lally  
Assistant Chief Counsel  
Intellectual Property Law Division

Date: 12/3/05

  
  
Michael S. Dobbs  
Patent Attorney  
Intellectual Property Law Division

Date: 12/3/05

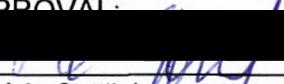
Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope described above, and therefore the waiver is granted.

CONCURRENCE:

APPROVAL:

  
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Jacques A. Beaudry-Losique  
Program Manager  
Office of the Biomass Program  
EE-2E

Date: 1-23-09

  
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Paul A. Gottlieb  
Assistant General Counsel for  
Technology  
Transfer and Intellectual Property,  
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Date: 1-29-09

WAIVER ACTION - ABSTRACT  
W(l)-08-009

<u>REQUESTOR</u>	<u>CONTRACT SCOPE</u>	<u>RATIONALE FOR DECISION</u>
SABIC	Synthesizing polymer compositions with isosorbide.	SABIC and its predecessors have contributed significant financial funding in the subject technology. SABIC has the means of commercializing the subject invention and has even secured a licensing partner. The grant of this waiver will help ensure commercialization.

(t) U. S. Competitiveness

The Petitioner 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 Petitioner 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 Petitioner 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 Petitioner 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.

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