



Interoffice Communication

To R. D. Gamblin
From J. A. DeBernardi
Date March 28, 1977
Subject Stauffer Chemical Licensing Agreement - Information Exchange

As you are aware, part of the licensing agreement between CONOCO and Stauffer Chemical Company related to VCM technology relates to exchange of information between licensees and Stauffer. It is my understanding that the information exchange provision is a renewable option at the discretion of the licensee. I have been in touch with Ron Carlson of Patent and Licensing on this subject and have determined that our information exchange provision expires on November 8, 1977.

My discussions with Carlson have also indicated that he feels we may have some problems with Stauffer related to our licensing agreement and our ability to expand the plant without paying further royalties. Apparently our position is--we should not pay further royalties in a plant expansion situation. This position has been made known to Stauffer; however, we have not received a response from them related to this. Carlson seems to think renewal of our information exchange agreement might detract from our position related to expansion royalties.

Although I may be somewhat premature in bringing this subject up at this time, I believe we will need to get it out on the table in the very near future so that all aspects can be adequately explored before a renewal request from Stauffer is received related to information exchange. I think a meeting including Patent and Licensing, Houston, and the plant should be held at the appropriate time to be sure all are informed on the royalty and information exchange renewal matter.

Your thoughts would be greatly appreciated on this matter.

J. A. DeBernardi

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