

PATENTS AND LICENSING SECTION

Firestop

Improved Firestop patent #3,616,173 issued in October 1971 to George Green. This improvement has already been extended to our licensees and will enable us to continue licensing under this patent for another 17 years. The 1/2" fire rated board being licensed, a small amount of the 5/8" fire rated board being licensed, and the 1" component of the U.L. fire rated shaft wall system all fall under the new patent. About 25% of our licensing potential should be retained under this patent. One of our old Firestop patents expired last May and the last one will expire 18 months from now. In order to gain maximum advantage from the new patent, we are reviewing our entire Firestop licensing program to try to establish some consistency in the agreements and, if possible, to upgrade some of our royalty rates.

Shaft Wall System

We have reached agreement with Domtar Construction Materials, Inc., of Canada and will grant them a license under the same royalty terms that Celotex is licensed. Flintkote had been a candidate for a shaft wall license, but they have developed a system of their own. If our shaft wall gains widespread acceptance, we may get other licensees. It is generally accepted that practically all elevator shafts in high rise buildings will have gypsum enclosures in the future. This should be a vast new market for gypsum products considering the average wall will have a 2-5/8" thickness of gypsum. Since our sales contact with architects is limited, it behooves us to license as many companies as we can.

Gypsum Joint System

A snag was encountered in attempting to describe the modified polyvinyl alcohol used with the gypsum filler. Monsanto, the manufacturer of the polyvinyl alcohol, misled us into thinking it would be covered in a patent of theirs. When the patent issued, it did not include the alcohol we are using and they refused to supply a description that would satisfy the patent examiner. This invention covers all of the joint compounds being manufactured at Acme, so it is important to seek patent protection. Our analysis of the modified polyvinyl alcohol has narrowed it to the point where we can have an independent laboratory finish the job. The outside analysis is in progress, and a continuation application was filed to allow enough time to get the information to the patent office.