

TRUTH ABOUT ERH and ISC LICENSING

Electric Resistive Heating (ERH) and In-Situ Corona (ISC) were developed between 1990 and 1996 by William Heath, Chief Operating Officer of CES™, while employed with the Battelle Memorial Institute (BMI) at the Pacific Northwest National Laboratory. The US Department of Energy (DOE) provided the funding for this R&D.

In 1997, BMI teamed with Terra Vac in forming CES™, and CES™ was the exclusive licensee of the BMI patents for ERH and ISC. In July 2002, CES™ reached an agreement with BMI to convert the exclusive license to non-exclusive, and with this new agreement, CES™ received substantial financial incentives and maintained their sublicensing rights.

In January 2003, BMI licensed the ERH and ISC patents to another firm, and CES™ obtained a substantial share of these licensing fees. Hence, the only other licensed competitor to CES™ has only been licensed since January 2003, whereas CES™ has maintained their license since 1997. Hence, CES's™ experience in applying the BMI patents exceeds that of any other company by more than 5 years.

Since the BMI patents were funded by DOE, any US Government entity may deploy ERH and ISC without first obtaining a license from BMI.

Any questions about licensing and sublicensing may be directed to Joseph Pezzullo, President and CEO of CES™ at (215) 741-6123.