

INTELLECTUAL PROPERTY

# Celgard sues Chinese firm over patents

## Complaint alleges trade secret theft, patent infringement on battery separator technology

Celgard, a North Carolina-based maker of battery separator films, has filed a lawsuit accusing a former employee of stealing trade secrets related to separators and bringing it to a Chinese company. The suit alleges that the employee changed his name in the process to cover his tracks.

The move follows three successful lawsuits in 2018 and 2019 in which Celgard stopped companies in the US and Canada from selling battery separators that it says infringed its patents. They included products made by Shenzhen Senior Technology Material, the main defendant in the current suit.

The new allegations against Senior involve the same patents: Celgard's US patent 6,692,867 covers polypropylene separators, and US patent RE47,520 covers ceramic-coated battery separators.

Celgard says Xiaomin (Steven) Zhang worked at Celgard starting in 2005, earn-

ing the highest technical ranks at the firm and its parent company, Polypore, for his work on separators. Asahi Kasei bought Polypore in 2015 for \$2.2 billion. Zhang left in 2016, saying he was taking a job at General Electric, but the suit alleges that he actually went to work for Senior under the name Bin Wang.

The complaint goes on to describe how Senior has brought 20 battery separators to market since 2016, all of which have similar or identical properties to the separators it took Celgard 30 years to develop and on which Zhang worked.

The previous suits sought only to halt sales of the allegedly infringing technology, but this one is more aggressive. Celgard is seeking damages and demanding a jury trial, signs that it is confident in the strength of its case. The complaint, filed in the US District Court for the Western District of North Carolina, depicts a complex conspir-



**Celgard accuses a former employee of stealing technology for making membranes used to separate battery electrodes.**

acy to undercut Celgard by Senior involving Zhang, shell companies owned by Senior, and distributors.

Intellectual property (IP) disputes with Chinese companies have been a major issue in recent years, with both former president Barack Obama and the current administration pushing China's leaders to protect US IP rights through better policy and enforcement.—CRAIG BETTENHAUSEN

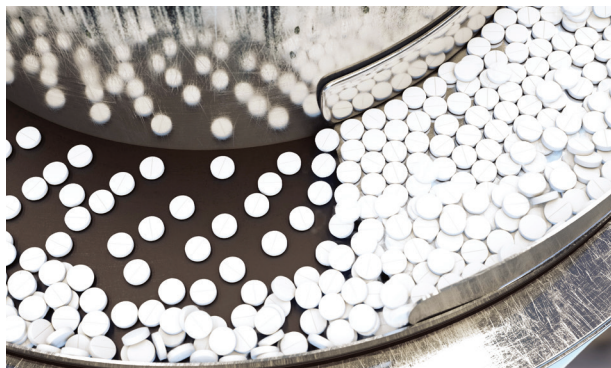
PHARMACEUTICALS

## Podcast: How the coronavirus could disrupt drug supply

As the novel coronavirus that causes COVID-19 continues to spread, questions about the virus, the disease, and its impacts on our daily lives mount. The World Health Organization's recent declaration that the illness is a pandemic only heightens those questions.

To help readers stay current with the science, policy, and business implications of this outbreak, C&EN has made all its coronavirus coverage freely available at [cenm.ag/coronavirus](http://cenm.ag/coronavirus). And in the latest bonus

episode of the *Stereo Chemistry* podcast, we discuss one of the biggest questions on the business front: How is the coronavirus affecting the global drug supply? Rick Mullin and Lisa M. Jarvis bring you the latest. Listen at [cenm.ag/covid-drugs](http://cenm.ag/covid-drugs).



BY THE NUMBERS

**\$546 billion**

Value of the global energy storage market by 2035, according to a new report by Lux Research. The figure represents a huge increase from 2019, when estimated value reached \$59 billion. Lux expects energy storage capacity to grow by 20% per year to reach more than 3,000 GWh. The largest demand growth, by far, will be for batteries used in light-duty personal vehicles. In the next three years alone, the market for electric-vehicle batteries will grow by \$24 billion. The market for residential energy storage will grow by 76%, or \$8 billion, in the same period, Lux predicts.

CREDIT: CELGARD (TECHNOLOGY); SHUTTERSTOCK (PILLS)