

Global Policy Advocacy Case Study: SABIC-Innovative Plastics

BACKGROUND

SABIC-IP is one of the world's largest manufacturers of engineering thermoplastics. SABIC-IP is an innovation leader, researching, and developing new solutions for a global marketplace. Its dedicated automotive unit offers lightweight materials to reduce vehicle weight and thereby minimize fuel consumption and greenhouse gas emissions. SABIC-IP has developed and is bringing to market lightweight vehicle glazing (windows) that can both reduce weight and increase safety, enhancing two significant policy goals.

THE ISSUE

In an effort to reduce greenhouse gas emissions, the state of California proposed a regulation to mandate that the windows in light duty motor vehicles be required to resist solar heat energy. The idea behind the regulation was to limit the amount of heat entering the passenger compartment so that the vehicle would need less air conditioning to be cooled when people reentered the vehicle.

The technology to be used is applicable to traditional glass windows, but is inconsistent with SABIC-IP's innovative polycarbonate glazing. As a result, the regulation would effectively have barred SABIC-IP's product from the market. Yet, SABIC-IP's product could produce more overall greenhouse gas benefits by virtue of its lighter weight, and could provide these benefits during an entire trip. The net benefits to promoting SABIC-IP's polycarbonate glazing exceeded those of mandating the new, advanced glass-based technology.

The proposed regulation was also expensive. The automotive Original Equipment Manufacturers faced a new, mandatory regulation that far exceeded any benefits to be derived. The proposed new regulation promised additional costs with little benefits to be derived and virtually no connection to the ability to comply with upcoming greenhouse gas regulations.

WHAT WE DID

Working closely with a team from SABIC-IP's Washington, D.C. office and glazing subsidiary, and an outside consulting firm in California, we assisted SABIC-IP in convincing the state of California ultimately to discard the proposed regulation and in promoting the enactment of legislation in California to ensure that the state regulators did not bar one beneficial technology in favor of another.

We helped SABIC-IP develop the technical, data driven information necessary to illustrate its advocacy points. We assisted SABIC-IP not only in engaging with government officials, but also in reaching out to the automobile industry to ensure that SABIC-IP's efforts to offer a cost-effective solution to reducing greenhouse gas emissions remained consistent with the policy approaches of the automobile industry itself.

THE RESULT

The California regulatory body withdrew its regulation and the California legislature enacted a new measure directing the regulatory agency to ensure an open playing field should it consider renewing its regulatory posture.

We continue to work with SABIC-IP in the automotive arena, assisting the company in presenting its advanced materials to government policy makers and in understanding the trends and advances in the public policy and business arenas. We actively support SABIC-IP in both the United States and China.

If you have any queries about this case study or our Global Policy Advocacy Practice more generally, please contact:

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