

**2009 North American Antimicrobial Materials
Product Innovation of the Year Award****Momentive Performance Materials Inc.**

The 2009 Frost & Sullivan Product Innovation of the Year Award is presented to Momentive Performance Materials Inc. (Momentive) in the North American antimicrobial materials market. The Award is in recognition of the efforts taken by the company to develop an innovative, patent pending silicone elastomer, StatSil* antimicrobial elastomer, which has antimicrobial properties. StatSil antimicrobial elastomer was launched in 2008 at the MD&M East trade show, held in New York, in order to offer antimicrobial protection for the medical device industry in areas like catheters and wound management. StatSil antimicrobial elastomer employs the silver ion technology, which is the preferred antimicrobial additive in the healthcare segment. The rise in the number of infections due to the presence of microbes on the surfaces of many indwelling medical devices used in health clinics and hospitals is causing an increase in demand for medical devices with antimicrobial features. By understanding this current market need, Momentive developed StatSil antimicrobial elastomer, which reduces the growth of microbes on the surfaces of medical devices used in or on the human body. Moreover, the medical device industry, which is currently experiencing a compound annual growth rate (CAGR) of about ten percent, is continuing to exhibit healthy growth. This leads to an increase in the demand for medical devices, thus enabling StatSil antimicrobial elastomer to experience increasing growth.

The Road to Innovation

A key factor responsible for StatSil antimicrobial elastomer's good acceptance in the marketplace is the research activities, which Momentive carries out, to understand the need of end users in the silicone medical device market. During 2005 and 2006, the company carried out focus group sessions with medical practitioners in clinics and hospitals. The aim was to understand the critical requirements for each silicone medical device and, in turn, come out with unique solutions to satisfy these requirements. The development of StatSil antimicrobial elastomer is one such instance. While conducting focus group sessions in hospitals, Momentive identified the transmission of microbial infections within the hospital environment as a key challenge in the medical device market. One of the main causes for such infections is the growth of microbes on the surface of medical devices.

In order to address this issue, Momentive leveraged its rich tradition in healthcare and highly experienced R&D team to carry out extensive research activities and develop a silicone elastomer, which offers antimicrobial properties. The next step was to select the right antimicrobial additive, which would be most effective with the silicone elastomer. After carrying out testing procedures in partnership with antimicrobial additive suppliers, the silver ion additive was chosen. This led to the

launch of StatSil* antimicrobial elastomer in 2008. Since then, it is the preferred antimicrobial silicone elastomer in the North American antimicrobial materials market.

Advantages of StatSil antimicrobial elastomer

The main advantages StatSil antimicrobial elastomer customers experience are below:

Design Flexibility with Customized Solution

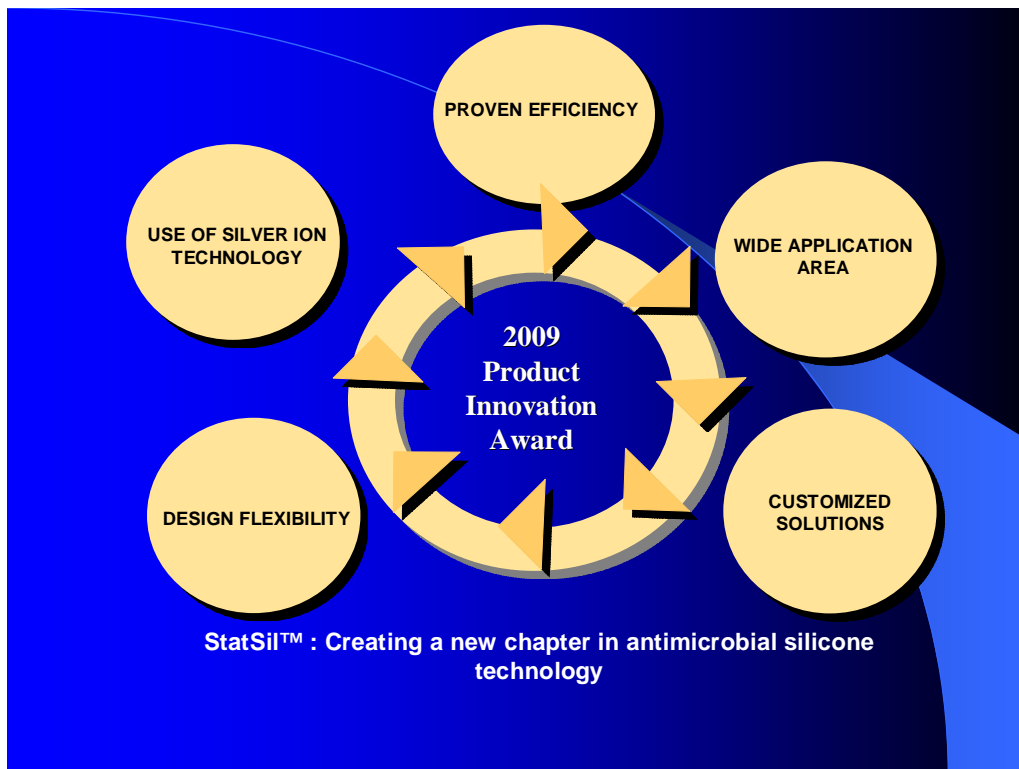
The key highlight of StatSil antimicrobial elastomer is the design flexibility it offers. Based on specific applications such as urinary catheters or intravenous (IV) components, StatSil antimicrobial elastomer can be custom formulated. Customers choose from base polymers such as liquid injection molding (LIM) or liquid silicone rubber (LSR) and heat curable elastomers (HCE), ranging in durometers from 3 to 80 shore A. In order to assist customers with material formulation selection, Momentive offers value-added programs such as the Momentive Performance Materials custom elastomer formulation service. As a part of this service, engineering experts from Momentive assist customers in selecting the ideal antimicrobial product offering based on performance and processing requirements stated by the customer.

Silver Antimicrobial Additive

StatSil antimicrobial elastomer has been developed by the direct incorporation of a silver antimicrobial additive into the base silicone elastomer. The silver antimicrobial additive contains the positively charged silver ion, which alters the molecular structure of the microbial cells, and prevents the microbial cell from carrying out various functions such as cell wall synthesis. This results in the inhibition of microbial growth. Compared to conventional biocides such as triclosan, silver antimicrobial additives are more effective and have minimum levels of contamination and toxicity. As a result, the use of silver ion technology is an added bonus to the performance and user-friendliness of the StatSil antimicrobial elastomer elastomer.

Chart 1.1 shows the key features of StatSil antimicrobial elastomer in the North American antimicrobial materials market in 2009.

Chart 1.1
Antimicrobial Materials Market: Key Features of StatSil* antimicrobial elastomer (North America): 2009



Source: Frost & Sullivan

Conclusion

The North American antimicrobial materials market is in its developmental phase and experiencing an upswing due to the increasing need for antimicrobial protection. Moreover, the lack of re-imburement from medical insurance providers for the treatment of infections caused during processes such as urinary catheterization is forcing more medical device companies to involve antimicrobial protection in most of their products. Momentive is taking the right steps to understand these market trends and develop a unique product, StatSil antimicrobial elastomer, offers the ideal solution to medical device processors and original equipment manufacturers (OEMs). Momentive is currently studying the possibilities of developing similar products with antimicrobial properties for markets other than in the medical sector, especially in the consumer goods sector. These factors are increasing Momentive's presence in the silicone segment of the North American antimicrobial materials market and thus,

make it the worthy recipient of the 2009 Frost & Sullivan Product Innovation Award for the North American antimicrobial materials market.

***StatSil is a trademark of Momentive Performance Materials Inc.**

Award Description

The Frost & Sullivan Award for Product Innovation of the Year Award is presented each year to the company that has demonstrated excellence in new products and technologies within its industry. The recipient company has shown innovation by launching a broad line of emerging products and technologies.

Research Methodology

To choose a recipient of this Award, the analyst team tracks all new product launches, R&D spending, products in development, and new product features and modifications. This is accomplished through interviews with the market participants and extensive secondary and technology research. All new product launches and new products in development in each company are compared and evaluated based on degree of innovation and customer satisfaction. Companies are then ranked by number of new product launches and new products in development.

Measurement Criteria

In addition to the methodology described above, there are specific criteria used to determine final competitor rankings in this industry. The recipient of this Award has excelled based on one or more of the following criteria:

- Significance of new product(s) in its industry
- Competitive advantage of new product(s) in its industry
- Product innovation in terms of unique or revolutionary technology
- Product acceptance in the marketplace
- New products value-added services provided to customers
- Number of competitors with similar product(s)

About Best Practices

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

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