NEWS RELEASE

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Joint Patent License for H.264/MPEG-4 AVC Continues to Advance

MPEG LA and Essential Intellectual Property Owners to Meet Twice in September

(Denver, Colorado, USA - 11 September 2003) MPEG LA and essential H.264/MPEG-4 AVC patent and patent application holders met again on July 31-August 1 in New York City. Progress continues to be made on the framework of a joint patent license, and the group remains committed to reaching agreement on joint license terms during the fourth quarter 2003. The group will meet by telephone in mid-September and again in Tokyo on September 30-October 1.

The essential intellectual property owners are working to address and resolve concerns expressed by the marketplace. Among other issues, they have taken special note of the need for clarity and simplicity in providing fair, reasonable, nondiscriminatory access to the essential intellectual property. For example, in aligning the licensing model with the technology, its implementations and the real world flow of commerce, the group is working to provide licensing terms that are simple, reasonable and easy to administer.

Owners of patents or patent applications determined by MPEG LA's patent experts to be essential to the H.264/AVC standard ("standard") include Columbia University, Electronics and Telecommunications Research Institute of Korea (ETRI), France Télécom, Fujitsu, IBM, Matsushita, Mitsubishi, Microsoft, Motorola, Nokia, Philips, Polycom, Robert Bosch GmbH, Samsung, Sharp, Sony, Thomson, Toshiba, and Victor Company of Japan (JVC).

MPEG LA continues to welcome the submission of patents and patent applications for an evaluation of their essentiality to the standard in order to include as much essential intellectual property as possible under one license for the benefit of the marketplace and also to assure that the joint license development process may benefit from the views of parties who potentially may obtain essential patent rights in the future as well as those who currently have them. See http://www.mpegla.com/news/n_03-06-13_jvt.html. For each patent or patent application submitted, an evaluation fee of US \$8,500.00 to cover the outside cost of the patent expert's evaluation is paid to MPEG LA. Additional fees may be required to cover additional outside costs in the event of reevaluation by patent experts. Submitting parties must confirm their agreement with the terms and procedures governing the patent submission process which may be obtained from Jane Tannenbaum, Director, Contract Administration (jtannenbaum@mpegla.com).

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MPEG LA, LLC

MPEG LA successfully pioneered one-stop technology standards licensing with a portfolio of essential patents for the international digital video compression standard known as MPEG-2. One-stop technology standards licensing enables widespread technological implementation, interoperability and use of fundamental broad-based technologies covered by many patents owned by many patent holders. MPEG LA provides users with fair, reasonable, nondiscriminatory access to these essential patents on a worldwide basis under a single license. In addition to MPEG-2, MPEG LA licenses portfolios of essential patents for the IEEE 1394 Standard, the DVB-T Standard, the MPEG-4 Visual Standard and the MPEG-4 Systems Standard. For more information, please refer to http://www.1394la.com and http://www.1394la.com and http://www.1394la.com and http://www.dvbla.com. MPEG LA is based in Denver, Colorado, USA.