



NEWS RELEASE

For Immediate Release

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MPEG LA Launches Initiative to Make Gene Patents Available for Diagnostic Testing
Licensing Facility Balances Open Access with Innovation to Deliver Diagnosis and Treatment

(DENVER, CO, US – 8 April 2010) – MPEG LA, LLC, world leader in alternative one-stop patent licenses, today announced a market-based initiative for a diagnostic genetics patent licensing facility that addresses the market's need for nonexclusive access to patents for diagnostic genetics tests leading to personalized medical solutions that save lives and reduce healthcare costs.

“Diagnostic genetics testing holds great promise as a driver of precision therapy, but patent thickets and restrictive licensing arrangements threaten their delivery,” said MPEG LA President and CEO Larry Horn. “The recent case of Association for Molecular Pathology vs. USPTO, Myriad Genetics and University of Utah Research Foundation (US District Court for the Southern District of New York) suggests the need for a solution that balances social cost and open access with innovation incentive. Applying its leading mass market patent licensing expertise in service to the healthcare market, MPEG LA is prepared to deliver it. We welcome all owners of relevant patents to join those who have expressed their support for this effort.”

By aggregating patent rights for existing and emerging tests that may lead to personalized treatment (e.g., hereditary hearing loss in infants, breast cancer, ovarian cancer, cardiovascular disease, Lynch syndrome) and licensing them nonexclusively for diagnostic use, MPEG LA's diagnostic genetics patent licensing facility, or “supermarket,” will assist laboratories, testing companies and researchers in obtaining rights

they need to design comprehensive diagnostic genetics tests that the market wants, thereby making these tests widely available through multiple channels at affordable prices.

In the current marketplace, many patent owners restrict access to their intellectual property in order to protect and promote their own tests, and others do not make their patents available at all because the costs of licensing them in isolation from related patents are prohibitive. By providing the public with wide access to tests that rely on the availability of these patent rights, MPEG LA's licensing supermarket will afford patent owners – including those who currently restrict access or refrain from licensing – a new and financially attractive, low risk opportunity to make diagnostic patent rights available to a wider market through broader, more inclusive tests. As such, the MPEG LA supermarket intersects cost effectiveness with effective treatment, alleviating the social costs of current gene patenting and licensing practices while preserving the investment incentives that enable developers to bring new genetic tests to market.

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MPEG LA, LLC

MPEG LA is the world leader in alternative technology licenses, enabling users to acquire worldwide patent rights necessary for a technology standard or platform from multiple patent holders in a single transaction as an alternative to negotiating separate licenses. Wherever an independently administered one-stop patent license would provide a convenient marketplace alternative to assist users with implementation of their technology choices, the licensing model pioneered and employed by MPEG LA may provide a solution. Among MPEG LA's licenses is one for MPEG-2 digital video compression that has helped produce the most widely employed standard in consumer electronics history. The MPEG-2 Patent Portfolio License, which includes more than 870 MPEG-2 essential patents in 57 countries, has more than 1500 licensees accounting for most MPEG-2 products including set-top boxes, DVD players, digital television sets, personal computers and DVD Video discs in the current world market. MPEG LA is an independent licensing administrator; it is not related to any standards agency and is not an affiliate of any patent holder. For more information, please refer to <http://www.mpegla.com>.