

NEWS RELEASE

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First Meeting of H.264/MPEG-4 AVC Essential Patent Holders to be Held June 23-24

MPEG LA Also Welcomes the Submission of Essential Patent Applications

(Denver, Colorado, US - 13 June 2003) - MPEG LA today announced that it will convene the first meeting of essential H.264/MPEG-4 AVC patent holders on June 23-24, 2003, to begin the process of determining joint licensing terms and the selection of a licensing administrator in order to make this technology easily accessible to all users. Patents were submitted by 18 parties for a determination of essentiality to the H.264/MPEG-4 AVC standard [ITU-T Recommendation H.264 (H.264), Geneva May 2003, and Final Draft International Standard of ISO/IEC 14496-10 (MPEG-4 Part 10 or AVC), Pattaya March 2003], and independent patent experts have determined that at least 16 own essential patents, with evaluations still under way.

MPEG LA continues to welcome the submission of patents for an evaluation of their essentiality to the H.264/MPEG-4 AVC standard by independent patent experts in order to include as much essential intellectual property as possible under one license for the benefit of the marketplace. The objective of this process is to issue joint licensing terms with all possible speed. Initial evaluations were concluded as soon as possible following completion of the final draft standard, and a first meeting of an initial group of essential patent holders is being convened promptly.

In addition, to assure that the joint licensing 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, MPEG LA has expanded its call for essential intellectual property to include essential patent applications. Any owner of a patent application with claims that the owner believes are essential to the Standard and likely to issue in a patent are welcome to submit it for an evaluation of its essentiality by independent patent experts in order potentially to participate in the licensing development process (issued patents would be included in the license). If a patent application with essential claims is found subsequently not to contain essential claims or does not issue as a patent, it will no longer provide a basis for participation.

For each patent or patent application submitted, an initial evaluation fee of US \$8,500.00 will be paid to MPEG LA, LLC. Additional fees may be required in the event of reevaluation. Submitting parties must confirm their agreement with the terms and procedures governing the 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 www.mpegla.com, www.1394la.com and www.dvbla.com. MPEG LA is based in Denver, Colorado, USA.

