

250 Steele Street Suite 300
Denver, Colorado 80206
303 331.1880
FAX 303 331.1879



NEWS RELEASE

For Immediate Release

CONTACT:

Michelle Ott
MPEG LA, LLC
Tel: 301.986.6660
Fax: 301.986.8575
mott@mpegla.com

First Meeting of Blu-ray Disc™ Patent Holders Held
Progress Made, Input Welcomed in Creation of Joint Patent License

(Denver, Colorado USA – 20 July 2006) – MPEG LA announced today that the first meeting of essential Blu-ray Disc™ patent owners, consisting of 17 companies, was held in Los Angeles on July 6-7 for the purpose of creating a joint license providing fair, reasonable, non-discriminatory access to essential patents, as an alternative to negotiating separate licenses. Participating companies included CyberLink Corporation; Dell Inc.; Hewlett-Packard Company; Hitachi Ltd.; Koninklijke Philips Electronics N.V.; LG Electronics Inc.; Matsushita Electric Industrial Co., Ltd. (Panasonic); Mitsubishi Electric Corporation; Pioneer Corporation; Samsung Electronics Co., Ltd.; Sanyo Electric Co., Ltd.; Sharp Corporation; Sony Corporation; TDK Corporation; Victor Company of Japan, Ltd.; and Warner Home Video Inc.

“This extraordinary effort, and the substantial progress made in this initial meeting, by so many diverse companies bodes well for offering an efficient way to address intellectual property licensing needs for advanced optical devices, discs and related implementations,” said MPEG LA CEO Larry Horn. “MPEG LA welcomes the opportunity to facilitate any and all efforts to assist users with their advanced optical disc technology choices in order to give consumers the benefit of innovative information and entertainment applications.”

MPEG LA, on behalf of essential patent owners, welcomes the input and views of interested parties, including potential licensees, in all related industry sectors. The objective is for the license to reflect both relevant conditions in the marketplace and the value of the licensed technology in order to strike a balance between patent users' interest in reasonable access to this opportunity-enabling technology and patent holders' interest in a reasonable return on their research and development investment that enables a joint license to be offered for the convenience of the marketplace as an alternative to negotiating separate licenses.

Additional patent holder meetings are planned, and work on the joint license will continue. Meanwhile, MPEG LA welcomes additional owners of essential patents to participate in the creation of a joint patent license for the benefit of the marketplace. Any party that believes it has patents that are essential to the Blu-ray Disc™ standard and wishes to join the Blu-ray Disc™ Patent Portfolio License is invited to submit them for evaluation of their essentiality to the standard by MPEG LA's patent evaluators. Further information, along with terms and procedures governing patent submissions, can be found at <http://www.mpegla.com/pid/bluray/>. While only issued patents that are essential to the Blu-ray Disc™ standard will be included in the license, in order to participate in the license development process, patent applications with claims that their owners believe are essential to the Blu-ray Disc™ standard and likely to issue in a patent also may be submitted for an evaluation of essentiality.

#

MPEG LA, LLC

MPEG LA is the world leader in alternative technology licenses, enabling users to acquire patent rights necessary for a particular 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 alternative to assist users with implementation of their technology choices, the MPEG LA® Licensing Model may provide a solution. MPEG LA is not related to any standards agency and is not an affiliate of any patent holder. By balancing patent users' interest in reasonable access with patent owners' interest in reasonable return, MPEG LA creates the opportunity for adoption of new technologies and fuels innovation. MPEG LA licenses portfolios of essential patents for the MPEG-2, MPEG-2 Systems, IEEE 1394, DVB-T, MPEG-4 Visual (Part 2), and AVC/H.264 (also known as MPEG-4 Part 10) standards. In addition to Blu-ray Disc™, MPEG LA is facilitating the development of alternative patent portfolio licenses for VC-1, ATSC, DVB-H, digital rights management (DRM) technologies including OMA DRM 1.0 and 2.0., and RFID. MPEG LA also actively seeks to adopt its alternative patent licensing model in other industries including biotech and pharmaceutical. For more information, please refer to <http://www.mpegla.com>.