

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



NEWS RELEASE

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CONTACT:

Lawrence Horn

MPEG LA

301.986.6660

Fax 301.986.8575

lhorn@mpegla.com

MPEG LA Announces Plan for ATSC Patent License

Call for Essential Patents is First Step

(Denver, Colorado, USA – 22 December 2004 – MPEG LA, LLC, world leader in one-stop technology standards patent licensing, today issued a call for patents that are essential to the ATSC digital television standard, which has been adopted thus far in the U.S., Canada, South Korea, Argentina and Mexico. The purpose of the call is to begin a process of evaluating and determining patents that are essential for the ATSC standard in order to include them in a joint patent portfolio license providing users with fair, reasonable, nondiscriminatory access to this technology. A summary of the MPEG LA plan with reference to the ATSC standard is attached.

“Using this plan to develop an ATSC Patent Portfolio License, MPEG LA looks forward to offering users of the ATSC standard the opportunity to obtain efficient access to essential intellectual property under a single license on fair, reasonable nondiscriminatory terms as an alternative to negotiating separate licenses with each patent owner,” said MPEG LA CEO Baryn S. Futa. “We are pleased to be able to take

this initiative and offer this service for the benefit of television markets that have chosen to utilize the ATSC standard for digital television.”

Any party that believes it has a patent that is essential for the ATSC standard and would like to join a patent portfolio license upon successful evaluation is invited to submit its patent(s) for an evaluation of essentiality by MPEG LA’s patent experts. Initial submissions are requested by February 15, 2005. Interested parties may request a copy of the terms and procedures governing patent submissions by going to www.mpegla.com, “Programs in Development,” then “ATSC.”

MPEG LA, LLC

MPEG LA is the world leader in one-stop technology platform patent 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 a license with each of them. 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. MPEG LA is not related to any standards agency and is not an affiliate of any patent holder. MPEG LA licenses portfolios of essential patents for the MPEG-2, IEEE 1394, DVB-T, MPEG-4 Visual (Part 2), MPEG-4 Systems and AVC/H.264 (also known as MPEG-4 Part 10) standards. MPEG LA is also facilitating the development of alternative patent portfolio licenses relating to DRM Reference Model v 3.0 and the proposed SMPTE VC-1 standard. In addition, MPEG LA actively seeks to adopt its alternative patent licensing model in other industries including biotech and pharmaceutical. For more information, please refer to www.mpegla.com.

ATSC Standard

The ATSC standard refers here to a set of digital television terrestrial transmission standards adopted in the United States, Canada, South Korea, Argentina and Mexico for the deployment and use of digital high definition television (HDTV), standard definition television (SDTV) and related technologies, as specified in

- (1) Doc. A/53C: ATSC Standard: Digital Television Standard (A/53), revision C Including Amendment No. 1 (http://www.atsc.org/standards/a_53c_with_amend_1.pdf);
- (2) Doc. A/65B: ATSC Standard: Program System Information Protocol for Terrestrial Broadcast and Cable (Revision B) (http://www.atsc.org/standards/a_65b.pdf);
- (3) Doc. A/69: ATSC Recommended Practice: Program and System Information Protocol Implementation Guidelines for Broadcasters (http://www.atsc.org/standards/a_69.pdf);
- (4) Doc. A/74: ATSC Recommended Practice: Receiver Performance Guidelines (http://www.atsc.org/standards/a_74.pdf); and
- (5) Doc. A/54A: Recommended Practice: Guide to the Use of the ATSC Digital Television Standard (http://www.atsc.org/standards/a_54a.pdf).

ATTACHMENT

Following is a summary of the MPEG LA plan for licensing of patents which are essential to the ATSC standard:

1. Objective

To establish a portfolio of essential worldwide patents that are necessary for implementation of the ATSC standard in digital television sets and systems in order to provide users with fair, reasonable, nondiscriminatory access to as much essential intellectual property as possible under one license.

2. Licensed patents

Essential patents will consist of issued or otherwise enforceable patents having one or more claims that are infringed by use or implementation of the following:

- (1) Doc. A/53C: ATSC Standard: Digital Television Standard (A/53), revision C Including Amendment No. 1 (http://www.atsc.org/standards/a_53c_with_amend_1.pdf);
- (2) Doc. A/65B: ATSC Standard: Program System Information Protocol for Terrestrial Broadcast and Cable (Revision B) (http://www.atsc.org/standards/a_65b.pdf);
- (3) Doc. A/69: ATSC Recommended Practice: Program and System Information Protocol Implementation Guidelines for Broadcasters (http://www.atsc.org/standards/a_69.pdf);
- (4) Doc. A/74: ATSC Recommended Practice: Receiver Performance Guidelines (http://www.atsc.org/standards/a_74.pdf); and
- (5) Doc. A/54A: Recommended Practice: Guide to the Use of the ATSC Digital Television Standard (http://www.atsc.org/standards/a_54a.pdf).

3. Organization

The patent portfolio may require at least the following functions:

First, as Evaluation Facilitator, MPEG LA has made a call described in this announcement for the submission of patents for an evaluation of their essentiality by patent experts and inclusion in a joint license if determined to be essential. MPEG LA also will facilitate the evaluation process, convene the initial group of essential patent holders and facilitate their deliberations to consider terms of a joint license as described below.

Second, an Evaluator (identified below) will evaluate patents for essentiality with respect to the ATSC standard. Any party that believes it has essential patents is invited to submit them for evaluation and inclusion in accordance with the terms and procedures governing submissions (see below).

Third, an initial group of essential patent holders who have agreed to the terms governing the submission of patents and been found by the independent patent experts to have essential patents will be convened to decide licensing terms. Patent evaluations will continue and patent submissions may continue to be made for later inclusion and participation by patent owners. After joint license terms

are decided, evaluations will continue throughout the course of the license in order to include as much essential intellectual property as possible.

Fourth, a licensing administrator will be chosen by the initial group of patent holders. The licensing administrator will be granted non-exclusive sublicensing rights from the essential patent owners under licensed patents in order to sublicense those patents under terms of the joint patent license and will actively promote the licensing program and distribute collected royalties to the patent owners.

Fifth, an administrative committee consisting of representatives of the essential patent owners will monitor certain activities of the licensing administrator.

4. Licensing details

To be determined by the essential patent owners.

5. Schedule (Initial Plan)

Initial patent submissions: by February 15, 2005. Although patent submissions may continue to be submitted after that date, patent owners who submit patents by that date that are determined to be essential will be invited to attend an initial meeting of essential patent holders.

Accordingly, MPEG LA hereby announces that any party that believes it has patents that are essential with respect to the ATSC standard described above and wishes to join the patent portfolio upon successful evaluation, is invited to submit such patents for evaluation, together with a statement confirming its agreement with the objectives and intention to abide by terms and procedures (including participation fees to be paid by submitting parties who are determined to have essential patents) governing the patent submission process, which may be obtained by going to www.mpegla.com, "Programs in Development," then "ATSC." Patent evaluations will be conducted by Dr. Kenneth Rubenstein and his worldwide team of independent patent experts, PROSKAUER ROSE LLP (1585 Broadway, New York, NY 10036-8299, Tel. 212-969-3000, Fax 212-969-2900, krubenstein@proskauer.com).