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## NEWS RELEASE

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### **DVD Disc Makers QOL, V.T.V. NV, kdg Enter Into MPEG LA's MPEG-2 Patent License**

*Signing Concludes Infringement Actions Brought by MPEG-2 Patent Owners*

(Denver, Colorado, US – 26 July 2005) – MPEG LA, LLC, of Denver, Colorado, and three optical disc manufacturers, QOL of France, V.T.V. NV of Belgium and kdg Mediatech of Austria, France and the United Kingdom, announced today that QOL, kdg and V.T.V. NV have become licensees to MPEG LA's MPEG-2 Patent Portfolio License. The DVD disc manufacturers are founding members of a trade association called Optical Disc Association ("ODA"). Their decision to accept the license concludes litigation in Germany and France brought by patent holders to the MPEG-2 Patent Portfolio License and the three DVD disc manufacturers. That litigation concerned whether DVD disc manufacturers infringe patents in the MPEG-2 Patent Portfolio License as a result of DVD disc manufacturing and the validity of the patents in the License. After a full discussion of the patents in the MPEG-2 Patent Portfolio License, QOL, kdg and V.T.V. NV decided to become licensees and concluded that the MPEG-2 Patent Portfolio License is a reasonable way for DVD disc manufacturers to comply with their MPEG-2 intellectual property needs. In addition to executing the License, the three manufacturers and MPEG LA will cooperate to promote the License and the need for DVD disc manufacturers to become licensed under the patents in the License.

“MPEG LA looks forward to a cooperative relationship with QOL, V.T.V. NV and kdg in which they have joined our more than 800 licensees including the world’s leading DVD manufacturers,” said MPEG LA CEO Baryn S. Futa. “MPEG LA is pleased to be able to offer this widely accepted service for the convenience of DVD replicators in resolving their MPEG-2 patent licensing obligations. We welcome QOL, V.T.V. NV and kdg as Licensees onto the level playing field that MPEG LA’s MPEG-2 Patent Portfolio License makes possible.”

“QOL is pleased to become a licensee,” said QOL CEO Laurent Villaume, who also heads the DVD disc replicator trade association known as ODA. “We welcome a close relationship with MPEG LA that will benefit both QOL and its customers, as well as other replicators. The License is a reasonable means by which DVD disc replicators like QOL may meet their needs with respect to MPEG-2 essential patents.”

“V.T.V. NV is pleased to accept the MPEG LA licensing solution offered by the MPEG-2 Licensors to resolve V.T.V.’s MPEG-2 licensing needs,” said V.T.V. NV CEO Jean Werbrouk. “The MPEG LA MPEG-2 Patent Portfolio License provides a convenient alternative saving replicators from negotiating separate licenses with each patent owner.”

“All of us including ODA have examined the patents in the MPEG-2 Patent Portfolio License. After full discussions, we now agree that DVD disc manufacturers need to be licensed under those patents. We urge all DVD disc manufacturers to do the same and become licensed under the patents in the MPEG – 2 Patent Portfolio License,” said kdg Mediatech CEO Pierre-Antoine Berthold.

The MPEG-2 Video and Systems digital compression standard (“MPEG-2 Standard”) refers to the core technology underlying the efficient creation, transmission, storage and display of digitized moving images and sound tracks on which DVD and other digital technologies are based. The DVD-Video Standard (DVD Specifications for Read-Only Disc, Part 3: VIDEO SPECIFICATIONS) requires DVD Video discs to contain information formatted in accordance with the MPEG-2 Standard.

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## **MPEG LA, LLC**

MPEG LA is the world leader in one-stop technology platform patent licenses, enabling users to acquire worldwide 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 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-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 700 MPEG-2 essential patents (134 patent families plus their worldwide counterparts) owned by 24 licensors in 57 countries, has approximately 850 licensees accounting for most MPEG-2 products, including an estimated 90% of all DVD discs, in the

current world market. MPEG LA 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>.

### **kdg international**

kdg is one of Europe's leading manufacturers of CDs, DVDs and special products. Its manufacturing plants are based in Austria, France and the UK, and the company has established a sales and distribution network right across Europe. kdg replicates and processes digital content such as music, games, software, databases and videos into sales merchandise. Its services range from mastering (e.g. audio mastering), DVD authoring and copy protection to classic replication, end packaging and final delivery (logistical services). Founded in 1985 as one of Europe's first pressing plants, kdg's client base encompasses a broad mix of customers including independent film and video suppliers, software and game manufacturers, book and trade journal publishers, and industrial companies and agencies.

### **QOL**

Based outside of Paris, QOL is a leading French replicator for DVD Video, ROM and Audio. QOL has a production capacity of more than 115,000 DVD's per day. In addition to replication services, QOL offers services to meet the needs of the entire production process, from authoring to logistics.

### **V.T.V. NV**

V.T.V. is the leading Belgian optical disc company providing a variety of audio-visual services, including subtitling, video duplication, CD/DVD replication, packaging and finishing, and logistics. V.T.V.'s success is built on 5 main pillars: expertise, faith in the future, an enthusiastic pursuit of excellence, team spirit, and flexibility. Using state-of-the-art techniques and equipment, V.T.V. strives to offer its customers the products of tomorrow...today.