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## NEWS RELEASE

For Immediate Release

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### **MPEG LA Sues Mintek Digital, Inc. for Breach of MPEG-2 License Agreement**

*Suit alleges Mintek failed to pay millions in royalties, also names  
Jiangsu Digital Technology Co., Ltd and Shinco Electronics Group Co., Ltd.*

(Denver, Colorado, US – 1 February 2007) – MPEG LA, LLC today announced that it has sued Mintek Digital, Inc. (“Mintek”), a manufacturer and supplier of DVD players located in California, for breach of its MPEG-2 Patent Portfolio License (“Contract”) with MPEG LA. The suit also names Mintek’s parent Jiangsu Digital Technology Co., Ltd (“Shinco Digital”) and Shinco Digital’s parent, Shinco Electronics Group Co., Ltd. (“Shinco Electronics”), both located in China, as responsible for Mintek’s obligations. According to the complaint, Mintek failed to report fully its use of MPEG-2 patents and make royalty payments as required by the Contract. The lawsuit brought in the US District Court of Colorado seeks, among other things, monetary damages and an order enjoining Mintek from using MPEG-2 patents in its products.

MPEG LA Chief Executive Officer Larry Horn said, “Mintek cannot be allowed to offer DVD players without paying for the fundamental MPEG-2 technology that makes them possible. MPEG LA in cooperation with patent owners has gone to great lengths to make MPEG-2 technology easily accessible to all users under a single license. Mintek chose to sign that license for its own convenience, and MPEG LA will not tolerate Mintek’s failure to meet the contractual obligations expected of all licensees. Mintek’s neglect of its contractual obligations is unfair to both the owners of MPEG-2 technology and MPEG LA’s customers who respect their intellectual property obligations by paying what they owe.”

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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 approximately 800 MPEG-2 essential patents in 57 countries, has more than 1000 licensees accounting for most MPEG-2 products in the current world market. DVD videos are encoded with MPEG-2 video data, and every DVD player contains an MPEG-2 decoder. 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>.