

Electronic Engineering Times, July 14, 1997 n962 p10(1)

MPEG-2 patent-licensing body opens for business. (MPEG Licensing Administrator)
(Company Business and Marketing) *Yoshiko Hara.*

Full Text: COPYRIGHT 1997 All rights reserved. No part of this information may be reproduced, republished or redistributed without the prior written consent of CMP Media, Inc.

Tokyo - A Denver company last week kicked off a one-stop shopping service for patents that cover nearly 80 percent of MPEG-2 Main Profile video technologies. Patents being offered by **MPEG LA** (Licensing Administrator) include Advanced Television Systems Committee formats and coming HDTV systems in Europe and Japan. But audio and other MPEG-2 profiles are uncovered.

MPEG LA unveiled the pooled-patent licensing scheme at an informational meeting here that was to be followed by a session in Singapore. Additional meetings are set for Tuesday in San Jose, Calif., Thursday in New York and July 22 in Amsterdam.

"This will be the first good model of intellectual property's right implementation," said Hisashi Kato, manager at Mitsubishi's Corporate Licensing Department, "and will help MPEG-2 to be used widely."

Mitsubishi is one of eight companies that, along with Columbia University, have offered key MPEG-2 patents to **MPEG LA** for sublicensing to manufacturers and content providers. Others are Fujitsu, General Instrument, Lucent Technologies, Matsushita, Philips, Scientific-Atlanta and Sony. Patents from Toshiba and Samsung will soon be added.

Together, they cover "80 to 90 percent of all essential U.S. patents" and a good number of non-U.S. ones, said Kenneth Rubenstein, co-director of Meltzer, Lippe, Goldstein, Wold & Schissel PC Intellectual Property Group (Mineola, N.Y.), who is in charge of compiling the portfolio for **MPEG LA**.

Hiroshi Yasuda, a University of Tokyo professor who chaired MPEG standardization, hailed the agreement but said the lack of audio is a problem. The number of companies that would have to be involved if audio patents were included would swell **MPEG LA's** ranks two- or threefold, Yasuda said, making an accord unlikely.

MPEG LA has set six MPEG-2 product categories. In each, "royalties will be charged only on the end products, so that there won't be double payment," said Baryn S. Futa, chief executive officer and manager of **MPEG LA**, which is jointly owned by the MPEG-2 patent holders, the Cable Television Laboratories Inc. and employees. The licensing term is five years, retroactive to June 1, 1994, when the first MPEG-2 products hit the market.

Product categories include decoding hardware and software, such as set-top boxes, DVD players and computer programs; encoding hardware and software; consumer products capable of handling MPEG-2 bit streams, such as camcorders and DVD recorders; packaged media in any form that contains MPEG-2 bit streams; transport or program-stream products such as file servers and multiplexers; and intermediate products such as ICs, circuit boards and software that are sold for further integration into a product for end users.

Eight companies and one university have offered patents to **MPEG LA's** Copyright 1997 CMP Media Inc