

Message

From: Connors, Michele [/o=Dell/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=Michele_Connors]
on behalf of Connors, Michele [/o=dell/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=michele_connors]
Sent: 9/2/2015 9:25:42 PM
To: 'Allen Harkness' [AHarkness@mpegla.com]
CC: Dean Skandalis [DSkandalis@mpegla.com]
BCC: Peterman, Anthony [Anthony_Peterman@Dell.com]; 'Anderson, Kimball R.' [KAnderso@winston.com]
Subject: RE: Dell's response to MPEG LA DisplayPort Patent Portfolio License Request

Dear Allen:

Thank you for your email. As we advised you on July 13, 2015, Dell has completed its review of the proposed License Agreement and has decided against executing it.

Best regards,
Michele

From: Allen Harkness [mailto:AHarkness@mpegla.com]
Sent: Sunday, August 30, 2015 9:34 PM
To: Connors, Michele
Cc: Dean Skandalis
Subject: RE: Dell's response to MPEG LA DisplayPort Patent Portfolio License Request

Dear Michele,

I hope you are enjoying your summer.

I wanted to follow up on our communications and find out Dell's status regarding the DisplayPort License. Please let me know. I would be happy to further discuss the License with you by phone or in person. Simply let me know how you would like to proceed and I will be happy to make myself available for a phone call or meeting.

Best regards,
Allen

Allen Harkness
Director, Global Licensing
MPEG LA

From: Allen Harkness
Sent: Friday, July 17, 2015 10:34 AM
To: 'Michele_Connors@DELL.com'
Cc: Dean Skandalis
Subject: RE: Dell's response to MPEG LA DisplayPort Patent Portfolio License Request

Dear Michele,

Thank you for your message and for the update on Dell's review of the DisplayPort License. Please permit me to address the points you raised below.

With regard to your principal supplier, I want to clarify that our DisplayPort License is structured such that the party offering the branded end product in finished form concludes our License and pays the applicable royalties. Therefore, because Dell offers its own end products with DisplayPort functionality, Dell would be the party to enter into the License with MPEG LA. An upstream component supplier would not conclude our DisplayPort License in order to cover a downstream third-party's end products, and we are not aware that they are otherwise licensed by individual patent owners to do so.

Regarding the essentiality of the patents in our DisplayPort License, the patents have been evaluated by independent patent experts and determined to be essential for implementing one or more of the specifications included in the DP Specification (defined in Section 1.11 of the DisplayPort License). This is illustrated in the cross-reference chart we previously provided.

As for the validity of the patents, the patents have been issued by the respective patent office of each country and are in force. If you believe any of the patents should be invalidated, you are free to pursue appropriate action in the respective patent offices.

I don't understand your last point. MPEG LA's DisplayPort License is offered as a convenient and cost-efficient way for users to meet their patent licensing needs in a single license, rather than bilaterally negotiating licenses with multiple patent owners. MPEG LA does not own or control the patents in the DisplayPort License.

I hope the above explanations are helpful. If you have additional comments or would like to discuss this matter further over the phone, just let me know and I'll be happy to do so. I look forward to our continued discussion.

Best regards,
Allen

From: Michele Connors@DELL.com [mailto:Michele.Connors@DELL.com]
Sent: Monday, July 13, 2015 4:53 PM
To: Allen Harkness
Cc: Dean Skandalis
Subject: Dell's response to MPEG LA DisplayPort Patent Portfolio License Request

Dear Mr. Harkness:

Thank you for the opportunity to review the proposed MPEG LA DisplayPort Patent Portfolio License [hereinafter "License Agreement"]. Dell has completed its review of the License Agreement and has decided against executing it.

Upon investigation, we learned that Dell's principal supplier of DisplayPort technology already is licensed under almost all of the patents in the MPEG LA DisplayPort Patent Pool. Under settled principles of patent exhaustion, Dell is a beneficiary of its supplier's license and does not need to take another license from MPEG LA.

Furthermore, our review of the patents in the MPEG LA DisplayPort Portfolio revealed additional reasons why Dell should decline your proposed licensing agreement. Some of the MPEG LA DisplayPort Portfolio patents are not essential to the DisplayPort standard. Combining standard essential and non-essential patents in the same patent pool raises antitrust concerns.

Moreover, some patents in the pool appear to be invalid based on prior art that we discovered.

Dell also is concerned that MPEG LA's proposed royalty is inconsistent with the RAND obligations owed by Silicon Image (one of the patent owners) to VESA and its members (such as Dell).

For these reasons, Dell respectfully declines your offer.

Very truly yours,

Michele K. Connors

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