



VIA E-MAIL AND FEDEX

December 27, 2022

David Gold
President
Hisense USA Corporation
7310 McGinnis Ferry Road
Suwanee, Georgia 30024

RE: Hisense and VideoLabs' Intellectual Property

Dear Mr. Gold:

I write regarding the ongoing use by Hisense Group ("Hisense"), in Hisense's hardware products, of technology owned by VideoLabs, Inc. ("VideoLabs") for which Hisense does not have a license or other necessary use rights.¹ VideoLabs was founded with the goal of helping the industry navigate patent issues in video. Through our work with prominent members of the industry, we now have a significant patent portfolio (of over 125 hand-selected patents) that covers key aspects of video, including encoding and decoding, and can help Hisense address the intellectual property issues involved with video. The VideoLabs' portfolio includes patents that were litigated successfully through a verdict, with an established royalty rate, which adds significant value to our portfolio in the video space. While we are continuing to analyze Hisense's hardware products globally, we can confirm that VideoLabs currently has numerous patents relevant to Hisense. Therefore, we would like to discuss options that would allow Hisense to acquire proper rights to continue operating under these patents. Please note that we are also engaged in similar discussions with many of Hisense's peers in the broader video industry. Most recently, Amazon entered into a portfolio license agreement with VideoLabs.

This letter is intended to summarize Hisense's infringement of certain representative VideoLabs' patents, so that Hisense can appropriately measure the importance of taking a license to VideoLabs' patent portfolio. Examples of patents that we have confirmed are used by Hisense and provide it substantial value include:

- U.S. Patent No. 6,816,500 entitled Apparatus, Method and System for Multimedia Access Network Channel Management owned by VL Collective IP, LLC, and specifically at least claim nos. 1, 19, and 54, with respect to the DOCSIS channel management techniques employed by Hisense Broadband's cable modem products;
- U.S. Patent No. 7,440,559 entitled System and Associated Terminal, Method and Computer Program Product for Controlling the Flow of Content owned by VL Collective IP, LLC, and specifically claim nos. 1-24 with respect to the

¹Hisense's worldwide products include at least the hardware and/or underlying software embodied in Hisense's smart TVs, and Hisense Broadband's set top boxes and cable modems.



content messaging and delivery techniques employed by Hisense's products, including without limitation, the channel management functionality employed by Hisense's smart TVs;

- U.S. Patent No. 7,769,238 entitled Picture Coding Method and Picture Decoding Method owned by VideoLabs, Inc., and specifically claim no. 1 with respect to the H.264 CAVLC entropy decoding employed by Hisense's products, including without limitation, Hisense's smart TVs, and Hisense Broadband's set top boxes;
- U.S. Patent No. 7,970,059 entitled Variable Length Coding Method and Variable Length Decoding Method owned by VideoLabs, Inc., and specifically claim nos. 1-4 with respect to the H.264 CABAC entropy decoding employed by Hisense's products, including without limitation, Hisense's smart TVs, and Hisense Broadband's set top boxes;
- U.S. Patent No. 8,605,794 entitled Method for Synchronizing Content-Dependent Data Segments of Files owned by VL Collective IP, LLC, and specifically at least claim nos. 1, 3, 5, 7-9, 12-13, 15-17, and 20-22 with respect to the content assignment and synchronization techniques, including employing MPEG-DASH and/or HLS synchronization, employed by Hisense's products, including without limitation, Hisense's smart TVs;
- EP Patent No. 1,676,422B1 entitled System and Associated Terminal, Method and Computer Program Product for Controlling the Flow of Content owned by VL Collective IP, LLC, and specifically claim nos. 1-16 with respect to the content messaging and delivery techniques employed by Hisense's products, including without limitation, the channel management functionality employed by Hisense's smart TVs;
- EP Patent No. 1,869,860B1 entitled Method for Synchronising Content-Dependent Data Segments of Files owned by VL Collective IP, LLC, and specifically at least claim nos. 1, 3, and 5-8 with respect to the content assignment and synchronization techniques, including employing MPEG-DASH and/or HLS synchronization, employed by Hisense's products, including without limitation, Hisense's smart TVs;
- EP Patent No. 2,134,097B1 entitled Picture Coding Apparatus and Decoding Apparatus owned by VideoLabs, Inc., and specifically claim nos. 1-8 with respect to the H.264 CAVLC entropy encoding and decoding employed by Hisense's products and services, including without limitation, Hisense's smart TVs; and
- EP Patent No. 2,293,578B1 entitled Picture Decoding Method owned by VideoLabs, Inc., and specifically claim nos. 1-2 with respect to the H.264 CAVLC entropy decoding employed by Hisense's products, including without limitation, Hisense's smart TVs.



VIDEOLABS

Though our analysis is ongoing, it is clear that Hisense continues to implement features in its hardware products that incorporate key VideoLabs' patented technologies. We are willing to engage in good faith discussions toward a global license that would cover Hisense's hardware products. We look forward to your prompt response.

Kind regards,

William Goldman

William G. Goldman
Chief IP Counsel
VideoLabs, Inc.