

Contact:
Edelman
Casi Buryn
+1 323.202.1415
casi.buryn@edelman.com

MOVIELABS ANNOUNCES SEARCH FOR INNOVATIVE TECHNOLOGIES IN THE DISTRIBUTION AND USE OF MOTION PICTURES AND CONSUMER MEDIA

Nonprofit Research and Development Organization to Award Financial Assistance and Grants for Promising Technical Proposals and Research

PALO ALTO, Calif. – May 29, 2007 – Motion Picture Laboratories, Inc. ("MovieLabs"), a nonprofit research and development organization, today announced two new initiatives designed to encourage the creation and growth of innovative new technologies for the motion picture industry. Effective immediately, MovieLabs is launching the MovieLabs Technology Open Challenge, which will provide grants to novel solutions to specific technology challenges facing the movie industry. The Technology Challenge will provide grants to the most promising ideas, with awards ranging from \$25,000 to \$100,000. Additionally, MovieLabs is accepting general technical proposals from companies, entrepreneurs, laboratory researchers and other technologists interested in support from MovieLabs for development of new technologies around digital distribution of video and consumer media.

Funded by six major motion picture studios with a mission to discover and facilitate the growth of novel technologies, MovieLabs is in a unique position to serve as the catalyst for the adoption of promising new technologies for digital media. MovieLabs focuses its strategic efforts and investments in three distinct areas:

- The promotion of the legal use of media and deterrence of piracy
- The facilitation, creation and implementation of innovative technologies in the area of digital distribution
- The exploration of personal networking and connectivity solutions for an improved consumer experience

"MovieLabs was created specifically to foster cutting-edge digital media technologies that may otherwise be orphaned, under-appreciated, or in need of a catalyst," said Steve Weinstein, president and chief executive officer of MovieLabs. "By kicking off these initiatives, we're looking to engage entrepreneurs and innovators whose ideas hold the potential to change the motion picture industry."

The MovieLabs Technology Open Challenge will pose a series of challenges to the industry. The first group of challenges announced today seeks creative solutions in multiple categories, including:

- Remote Content Access Challenge – Provide a new, unobtrusive technique by which consumers can accurately identify themselves digitally in order to access stored content from a remote location
- Remote Multi-Format Transcoding - Find innovative techniques to support multiple resolutions and media formats on a variety of devices without requiring consumers to acquire separate versions of media content for each device
- Content Transformation Detection – Create a new technique for analyzing video to detect and characterize transformations made to the original
- Theatrical Projection Screen – Improve the quality of theatrical projection screens to provide equal performance when used with 2D or 3D digital projection systems
- Hiding of Cryptographic Keys – Find innovative techniques for hiding asymmetric cryptographic keys in software

The Technology Challenge – open to individuals, corporations and university, government, and private laboratory researchers – will provide grants for the most promising solutions, which may range from early-stage ideas to fully developed prototypes or products ready for commercialization. MovieLabs will review submissions and award grants based on adherence to the technical criteria for each challenge, the

submission's ingenuity, and its actual promise of offering a viable new solution to the identified technical obstacle. Submissions for the first group of challenges will be accepted through Sept. 30, 2007, although grants may be awarded on a rolling basis prior to the deadline.

In addition to the Technology Challenge, MovieLabs is welcoming technical proposals of a more general nature for innovative technologies that address MovieLabs' core areas of focus. Where appropriate, MovieLabs will offer research grants and financial assistance to companies and organizations developing these technologies. Individuals, technologists, start-ups, or other companies with cutting-edge technologies that fall broadly within MovieLabs' areas of focus should submit a proposal including details about the product or solution, the current market need and potential deployment opportunities, plus background information on the team behind the proposal. Submissions will be accepted and evaluated on an ongoing basis.

Additional information about both programs, including details and requirements of the submission processes, can be found on the [MovieLabs](http://www.movie labs.com) Web site: www.movie labs.com.

About Motion Picture Laboratories

Motion Picture Laboratories, Inc. ("MovieLabs") is a non-profit 501(c)(6) research and development joint venture started by the six major motion picture studios. MovieLabs provides universities, corporations, startups and network service operators with technical guidance and funding to further explore innovative technologies in the distribution and use of motion pictures as consumer media. The founding members of MovieLabs are Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Twentieth Century Fox Film Corporation, Universal City Studios LLLP, Walt Disney Pictures and Television, and Warner Bros. Entertainment Inc.

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